



Knowledge grows

Yara UK Limited Gender Pay Gap Reporting 2018

Background

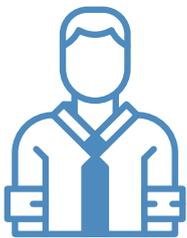
Gender pay reporting Legislation came in from April 2017 and requires employers with 250 or more employees to publish statutory calculations every year showing the pay gap is between male and female employees, expressed as a % of male employees pay.

The ‘snapshot’ date for this report is 5 April 2018.

Overview of Yara Workforce

Within this report, there are a total of 259 employees, of which 255 represent full pay relevant employees – 157 Male and 98 Female employees.

15% of the female employees work part-time.



157 Male



98 Female

Commitment to Promoting Gender Diversity, Equal Pay and Benefits

At Yara, we believe that creating a diverse and inclusive work environment is not only the right thing to do but also a smart thing to do.

A diverse and inclusive work environment in which employees feel valued for their uniqueness and safe to speak up benefits our business

While we have had gender diversity on our leaders’ agenda for quite a few years, Diversity & Inclusion is now firmly anchored in Yara’s new business strategy. Strengthening our efforts in this area is one of the identified thirteen strategic actions.

How we aim to integrate Diversity and Inclusion



Secure **equal career opportunities**, equal pay and work-life integration

Ensure a **diverse workforce and leadership**, representing the markets we sell to and operate in

Create a **collaborative and inclusive work environment** in which employees feel valued for their uniqueness and safe to be themselves

Influence our partners and become a valuable D&I discussion partner to external stakeholders

Establish the grounds for a D&I mindset to grow on

Provide transparency where we are and where we want to go in terms of ambition and commitment

Align the communication and share inspirational messages and the latest news with all employees

At Yara we are committed to improving gender diversity and providing equal pay, benefits and development opportunities for all our employees at all levels throughout the organisation.

We have targeted initiatives, such as focused recruitment of women into the executive management team and a stronger diversity focus in our people processes.

We have improved our recruitment practices to focus on gender diversity, with the provision of training to all managers on unconscious bias, reporting gender balance of applicants for each vacancy and ensuring at least one female candidate is shortlisted for each vacancy.

Our Talent Pipelines prioritise female talents for succession planning and leadership programmes.

Within the UK senior Management Team, we have an above average gender balance with 38% female representation.

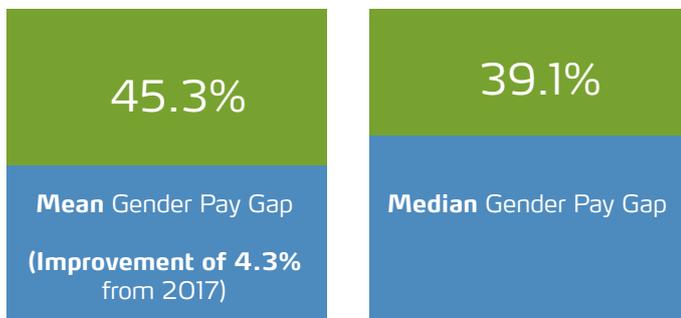
All positions are graded using a Global Grading system and salaries are benchmarked using reputable salary surveys to measure pay competitiveness.

We recognise the need to encourage more gender diversity within senior management positions, and will continue to focus on proactive measures within the business.

Results of our Gender Pay Gap

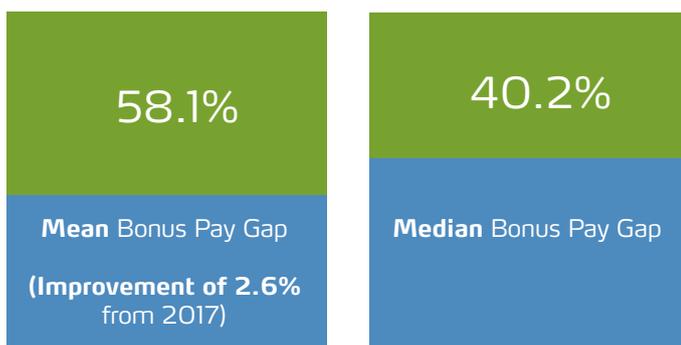
Pay (Basic salary, bonus payments and other pay elements including expat allowances)

Included within this calculation are expatriates and employees with global positions not working for the local UK organisation, but who have a UK contract of employment.



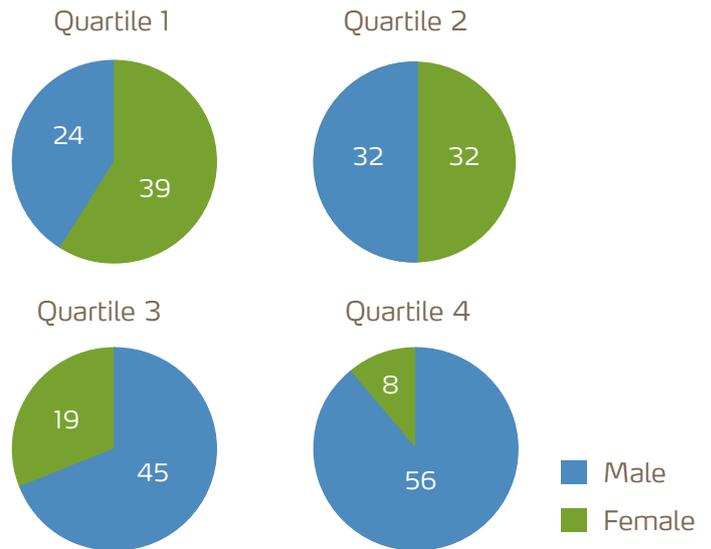
Bonus

(Bonus + other awards to recognise performance or productivity paid between May 2017 and April 2018)



Every employee is entitled to a bonus payment based on a target %, Company performance and individual or team performance. This is prorated for part-time employees, new starters, long term absence and retirement, which skews the calculations and explains some of the gap. In addition, Commercial, who are predominantly male, have a new bonus structure. 2018 was a good year for this bonus compared to the standard bonus payments for all other employees.

The number of employees within each quartile band are:



What does the Gender Pay Gap tell us?

As demonstrated in the graphic above, there are a high proportion of males in more senior positions, including a significant number of expatriates or UK personnel in global positions, who do not actually work for the local UK organisation; this distorts the gender pay gap mathematical calculation.

When comparing the gender pay gap on a job grade basis, which we believe provides a more meaningful comparison, the difference in remuneration for basic pay (excluding performance related bonus) reduces to an average of 9% gender pay gap by grade for the grades that have both male and female representation.

Whilst there continues to be a strong requirement to attract female employees to more senior positions, this result does give local management some reassurance.

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