



**BRITISH
STEEL**

GENDER PAY GAP REPORT

Snap Shot Date 5th April 2022

**JANUARY
2023**

BUILDING STRONGER FUTURES

Gender pay gap

Overview

As of April 2017, if you employ more than 250 employees and operate within the public, private or voluntary sectors there has been a requirement to report gender pay gaps.

The aim is to establish how large or small the pay gap is between female and male workers. This data will be published on both the company website and the Government website to encourage employers to plan to improve where practically possible.

This report is based on April 2022 payroll for consistent reporting as pay and headcount fluctuate radically throughout the year.

The results below will show:

- **Mean and median pay gap** – difference in hourly rate between male full pay relevant and female full-pay relevant employees
- **Mean and median bonus gap** - difference in paid bonus between male relevant and female relevant employees
- **Bonus proportions** – the percentage of male and female full pay relevant employees who received a bonus during the bonus snapshot year
- **Quartile pay bands** – the percentage of male and female full pay relevant employees falling into the 4 equal sections sorted by hourly rate
- **Annual bonus pay gap** – difference in bonus payments made over the 12 month period prior to the snapshot date. Mean and median figures based on payments and percentage of female and male who received bonus payment out of the divide of gender groups.

Our results

Table 1 – Mean and median pay gap

Hourly Pay	2020	2021	2022
Mean gender pay gap	6.15%	9.79%	6.96%
Median pay gap	4.52%	12.36%	10.78%

Table 1 shows our mean and median hourly pay gender pay gap at the snapshot date of 5 April 2022.

Mean female average hourly rate is £15.25 and male average hourly rate is £16.39

Median female hourly rate is £14.24 and male is £15.96

275 female workers and 3739 male workers who have relevant earning in April for this analysis.

Table 2 – Quartiles by pay bands

	Lower quartile		Lower middle quartile		Upper middle quartile		Top quartile	
	2021	2022	2021	2022	2021	2022	2021	2022
Male	89.2%	90%	92.8%	92.9%	96.9%	96.4%	94.1%	93.2%
Female	10.8%	10%	7.2%	7.1%	3.1%	3.6%	5.9%	6.8%

Table 2 shows the gender distribution across British Steel in 4 equally sized quartiles arranged by hourly rate in comparison to 2021 reporting.

Explanation

The nature of the work undertaken by British Steel dictates that it is typically heavily resourced by male employees who make up a large number of the core skilled Steelmaking Manufacturing and Engineering roles. These roles on average demand the higher rates of pay within the business due to the skills and experience level and type, and are remunerated in line with industry benchmark. Whilst we also employ relatively large numbers of female employees, the majority of these are typically in support and functional type roles, which on average command a lower pay rate in line with industry benchmark. This is borne out by the mean and median gender pay gap returns which show that the average rates of pay for male employees is greater than females by up to 10% over the past three years.

The closure of the gender pay gap between 2021 and 2022 is a result of the ageing workforce turnover mainly male experienced employees and the apprentice intakes including female roles.

Table 3 – Annual Bonus Pay Gap

Bonus Pay Gap	2021	2022
Mean bonus pay gap	94.1%	-11.56%
Median bonus pay gap	5.9%	-16.83%

Table 3 shows you the mean and median of bonus payments paid within 12 months of the snapshot period of 5th April 2022.

Mean – average bonus per employee £3951.64 for females and £3541.94 for males.

Median – In order the middle bonus was £3504.92 for females and £3000.00 for males

275 female employees and 3739 male employees data used in these calculation.
3 of 275 females received a bonus and 126 of 3734 males received a bonuses.

Female 1.09%
Male 3.37%

Explanation

Bonus payments commences for metrics and performance in 2021 for manager and certain job groups in operations. Therefore, this resulted in the male employees receiving more and higher YTD bonus payment as only 3 full pay relevant females received bonus within the reporting period compared to the 126 males who received it which changes this to a negative gap in 2022.

I confirm the data reported is accurate.



Shenglong Zhang
Chief HR Officer
9th March 2023