

Outokumpu Stainless Limited's Gender Pay Gap report 2017

Pay and bonus gap

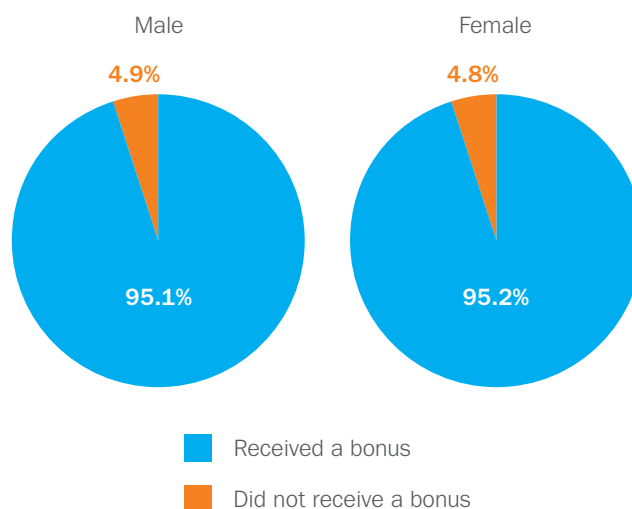
Difference between men and women

Outokumpu Stainless employed in total 524 people (7.6% female and 92.4% male) in the UK at the snapshot date in April 2017. Over 80% of our employees are engaged in the production processes involved in making the highest quality stainless steel, and three quarters of these employees receive unsocial hours payments for working 24/7. At the moment, all of the employees receiving unsocial hours payments are male, and the average unsocial hours payment amounts to 18% of basic pay. Eliminating the average unsocial working hours payment from the median pay provides a more accurate view of the gender pay gap for both hourly and bonus pay.

In terms of the mean data, less than 8% of our employees were female at the snapshot date. The data also reflects that we have some very senior female managers employed in the UK, where the mean pay difference is less than 3% and the mean bonus payments are almost 20% higher for females.

	Mean, %	Median, %
Hourly pay gap	2.6	22.7
Bonus pay gap	-19.2	26.2

Proportion of employees receiving a bonus for 2016

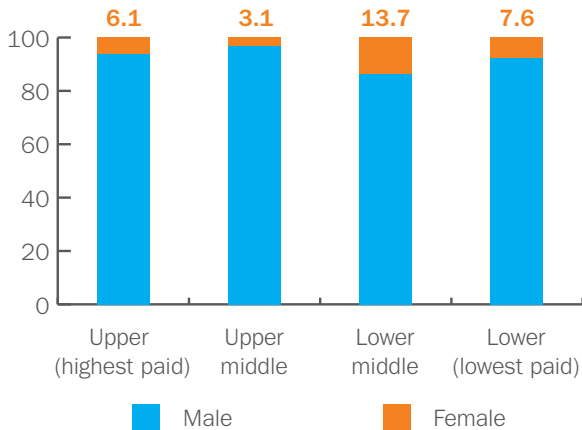


At Outokumpu Stainless Limited, all employees are eligible to receive a bonus. At the snapshot date, approximately 95% of all employees received a bonus for their performance in 2016. The employees who did not receive a bonus were short serving employees who would become eligible for a bonus after 3 months' service.

Hourly pay quartiles

The graph illustrates the gender distribution by pay quartile. The impact of the unsocial working hours payment is included in the data and this explains the apparent under representation of females in the upper middle quartile, and also the apparent over representation of females in the lower middle quartile.

% of employees per pay quartile



Outokumpu's Code of Conduct and Ethical Principles

"Human beings should be treated equally and fairly irrespective of ethnic origin nationality, religion, political views, gender, sexual orientation or age. Outokumpu honors human dignity and promotes diversity, and condemns discrimination and intolerance of all kinds."

"Outokumpu will not tolerate discrimination against any employee on the grounds of their racial or ethnic background, age, gender, disabilities, sexual orientation, religious beliefs, family status, social origins, political opinions, union membership or other such characteristics. Outokumpu fosters equal opportunity and diversity. Employment decisions will be based solely on business reasons and will be made according to national employment laws."

Outokumpu's view on pay equality

At Outokumpu Stainless Limited, our aim is to foster equal opportunities and diversity including equal pay for equivalent jobs. The gender balance at our company (92% male, 8% female) as well as the ratio between production and administrative jobs, distorts the reported mean and median hourly pay ratios. However, the relatively small mean hourly pay gap and the higher mean bonus payments for females clearly demonstrate that there is no gender bias in our pay policies.

I confirm the data reported is accurate.

Martin Pinder
Vice President, Human Resources
Outokumpu Stainless Limited

February 28, 2018

