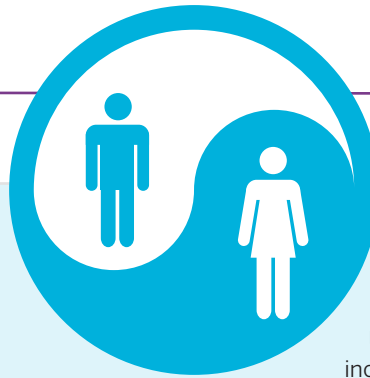


UK Gender Pay Gap Report 2020





Urenco is committed to creating a diverse and inclusive workforce, which in turn attracts a broad range of talent into our business. It also creates a safer workplace, better decision making, improved performance and, most importantly, is the right thing to do.

Urenco has laid solid foundations in its commitment to becoming a more diverse and inclusive organisation, with diversity and inclusion (D&I) champions across all our sites.

We have stretch goals for D&I, including recruitment, succession planning and awareness training. We recognise that our goals will succeed only if we transform our behaviours and mindsets, which is why our D&I programme has been integrated into our culture programme. As part of this, we are developing ambitious metrics and a new strategy for 2021-2024, focusing on different D&I themes including gender, disability and culture.

Our networking groups, which include the Women's Network and Working Parents' Network, act as a support mechanism for all employees. These groups raise awareness of potential issues, improve the working environment and boost employee morale.

We also work in partnership with external organisations in the UK to support the progression of our high potential female employees to leadership positions through a number

of programmes, including Urenco Nuclear Leadership Academy and Urenco Transition to Leadership.

Urenco believes that promoting diversity and inclusion amongst our youngest stakeholders is equally important and we do this through our Richie education programme. Our resources are designed for students of all genders, covering science, technology, engineering and maths subjects in a fun and creative way. They provide students with the opportunity to participate in group work, enhance their presentation and design skills, and support them in the development of a wider skill set.

In 2020, we completed a review of our recruitment processes and practices across the organisation, with support from a specialist consultancy. We were pleased to learn that there are many examples of good practice across the business. There is always room for improvement and a set of recommendations has been created. For example, we will work to improve our processes and roll out relevant training in 2021. We will also review key HR policies such as flexible working.

Our first global D&I conference was also held in 2020 and gave our champions the opportunity to share their successes to date and hear from an inspiring external guest speaker. We have a range of activities planned for 2021, including our second D&I conference, with a different D&I theme scheduled each quarter. Our initial focus is improving the gender mix within the business.

Difference between the gender pay gap and equal pay

Equal pay...

is men and women being paid the same for the same work.



The gender pay gap...

is the difference between the gross hourly earnings for all men and the gross hourly earnings for all women.



One of the main reasons for the national gender pay gap of 15.5% is that men are more likely to be in senior roles.

Results

UK legislation requires us to report our gender pay gap data for our UK legal entities employing more than 250 people. We have one such entity, Urenco UK (UUK), but have also chosen to show the same data for all UK based employees.

Urenco Group (UK) employees

719 employees,
26.0% of which are
women.

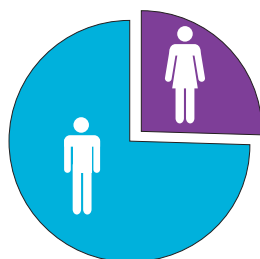


Table 1

Hourly pay and bonus difference between women and men at 5 April 2019 and 2020

	2019		2020	
	Mean*	Median**	Mean*	Median**
Hourly Pay	18.6%	15.4%	17.6%	12.5%
Bonus	46.9%	0.0%	52.1%	0.0%

Table 1 presents the comparison between the 2019 and 2020 results for both hourly pay and bonus pay gaps. In 2020, our mean hourly pay gap decreased by 1.0% to 17.6%, the lowest since the implementation of gender pay gap reporting in 2017, resulting in an overall decrease of 6.5% in the three-year period.

Similarly, our median hourly pay gap has also decreased in 2020 by 2.9% and continues to be below the national median pay gap of 15.5% (ONS, 2020).

These positive trends are linked to changes in gender distribution in Urenco's workforce. Namely, out of all employees that moved to higher pay quartiles during the last year, 40% were female (14% higher than the proportion of women in the general workforce). Additionally, a third of employees in the middle quartiles who were included in the 2020 report but not in the 2019 report (for example new starters, or returners from maternity or sickness absence) were female.

In 2020, the mean bonus pay gap increased to 52.1% due to the number of female new hires who did not receive a bonus during the bonus reporting period (i.e. 6 April 2019 to 5 April 2020) or received a pro-rated amount due to their start date. The median, however, remains at zero due to the large number of UUK employees that receive an identical bonus payment (more details in the UUK section below).

Figure 1

Proportion of employees receiving a bonus 12 months preceding 5 April 2019 and 2020

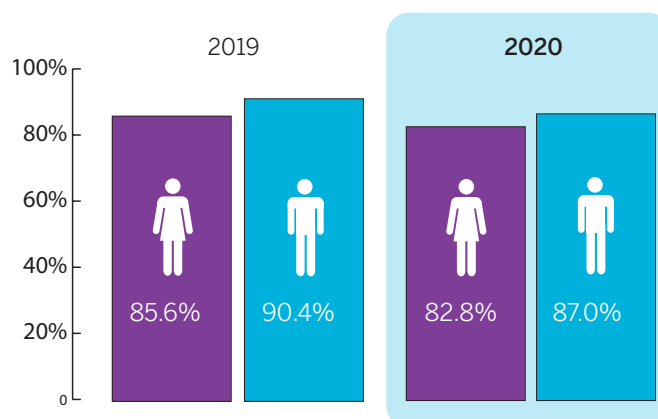


Figure 1 represents a comparison between the proportion of employees receiving bonuses in 2019 and 2020. 100% of our employees (excluding apprentices) are eligible to receive a bonus payment. Although the overall proportion of female and male employees shown as receiving a bonus has decreased by 2.8% and 3.4% respectively (Figure 3), we expect some fluctuation in the figures year-on-year due to the end date of fixed-term contracts or the start date of new employees to the organisation, resulting in bonuses being paid outside the relevant 12-month reporting period.

Figure 2

Pay quartiles - At 5 April 2019 and 2020

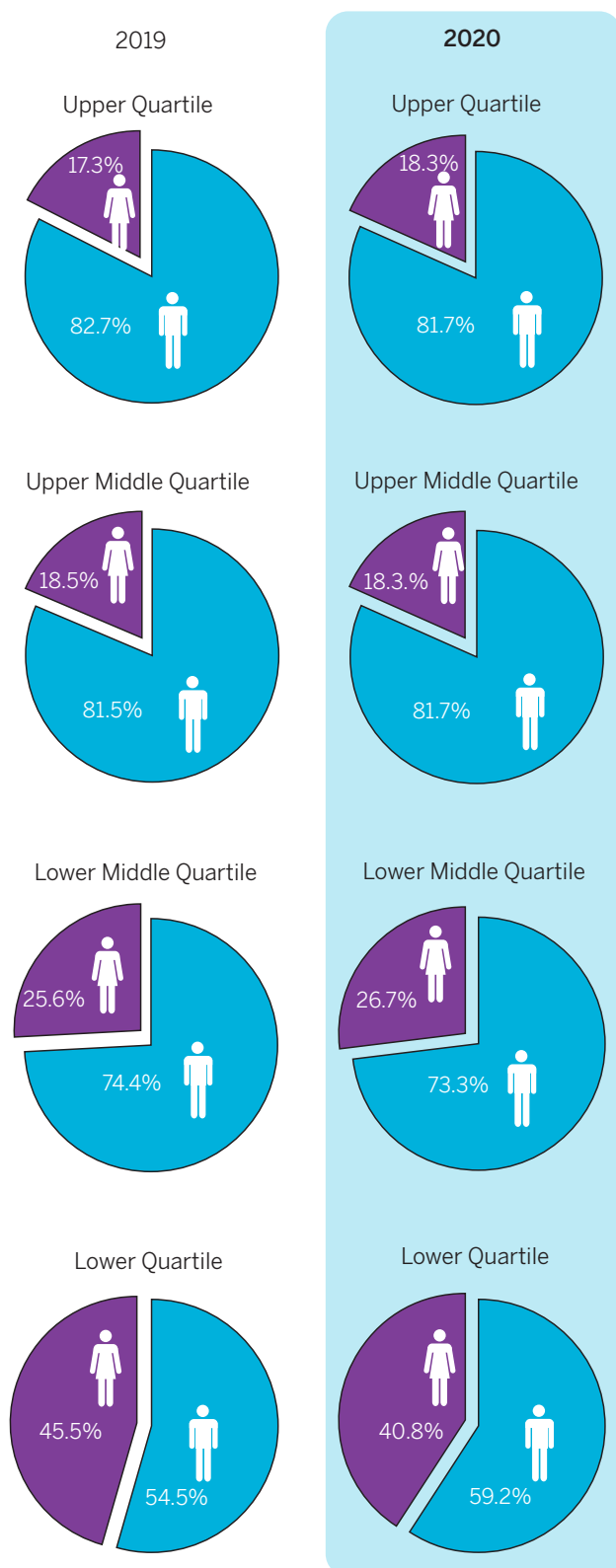


Figure 2 shows a comparison of gender distribution by hourly pay quartiles across our UK entities. 2020 results show an increase in the proportion of female employees in the upper and lower middle quartiles, which is related to pay progression and new female full-pay employees*** in those quartiles.

Although females are less represented in the higher pay quartiles due to proportionally more men being in senior level roles, a positive change is shown in the 2020 results with an increase of 1.0% in the proportion of females in the upper quartile.

*** **Full-pay relevant employee** - any employee who is employed on the snapshot date and who is paid their usual full basic pay (or pay for piecework) during the relevant pay period.

If employees are being paid less than their usual basic pay, or nil, during the relevant pay period as a result of being on leave, then they are not a 'full-pay relevant employee' and they are excluded from the hourly pay gap calculation.

Ureenco UK employees

364 employees,
23.1% of which
are women

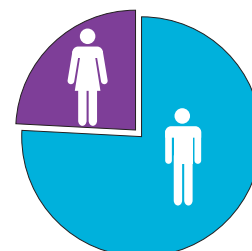


Table 2

Hourly pay and bonus difference between women and men at 5 April 2019 and 2020

	2019		2020	
	Mean*	Median**	Mean*	Median**
Hourly Pay	14.2%	19.7%	8.5%	12.8%
Bonus	8.9%	0.0%	12.0%	0.0%

Table 2 presents the comparison between the 2019 and 2020 results for both hourly pay and bonus pay gaps. In 2020, our mean pay gap decreased by 5.7% and our median pay gap decreased by close to 7.0%.

In 2020, there was an increase of 3.1% in the mean bonus pay gap, which is associated with the number of female new hires who did not receive a bonus during the bonus reporting period (i.e. 6 April 2019 to 5 April 2020) or received a pro-rated amount due to their start date. The median bonus gap remained unchanged due to the large number of UUK employees that receive an identical bonus payment.

Figure 3

**Proportion of employees receiving a bonus
12 months preceding 5 April 2019 and 2020**

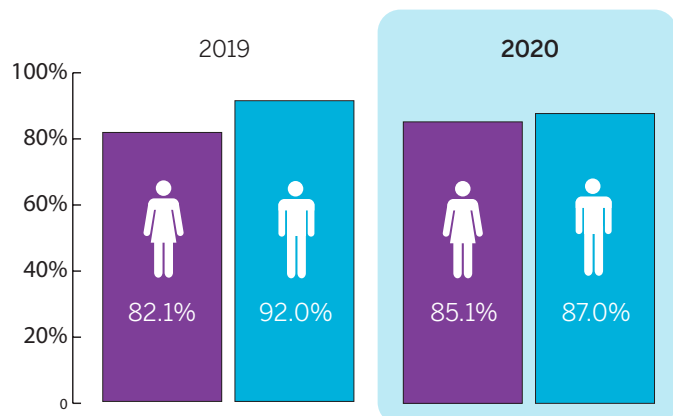


Figure 3 represents a comparison between the proportion of employees receiving bonuses in 2019 and 2020.

100% of our employees are eligible to receive a bonus payment (excluding apprentices). Although the overall proportion of female employees shown as receiving a bonus has increased by 3.0% (Figure 3), we expect some fluctuation in the figures year on year due to the end date of fixed term contracts or the start date of new employees to the organisation, resulting in bonuses being paid outside the relevant 12-month reporting period.

Figure 4

Pay quartiles - At 5 April 2019 and 2020

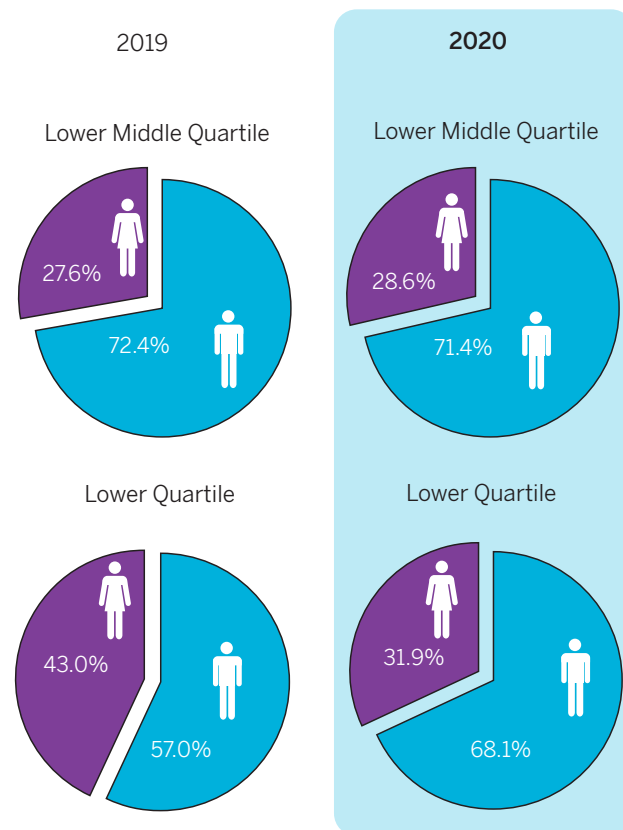
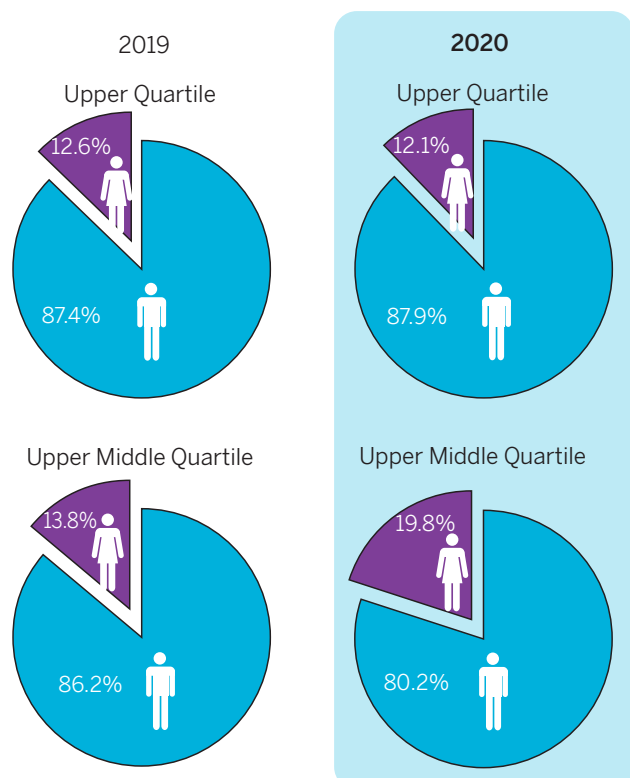


Figure 4 shows a comparison of gender distribution by hourly pay quartiles for UUK employees. The 2020 results show an increase in female representation in the middle quartiles. This is linked to the high proportion of females amongst new full-pay employees*** that fall within those quartiles, and to existing female employees moving upwards to one of those quartiles. In addition, the majority of employees (82%) that moved from the lower middle and the upper middle quartiles to the lower quartile (e.g. due to increased salary sacrifice pension contributions) were male.

I confirm the data reported is accurate and in line with mandatory requirements.



Boris Schucht

Boris Schucht
Chief Executive Officer