

Norbord Europe Ltd – Gender Pay Reporting

Under new legislation, UK employers are now required to publish key metrics on their gender pay gap. Norbord Europe Ltd are pleased to comply with these new regulations and believe firmly in providing equal opportunities regardless of gender, ethnicity or any other diversity type. As a company committed to these values Norbord Europe Ltd welcomes the introduction of Gender Gap Reporting as it helps us to understand the extent to which our own business may have been recruiting historically, and how that is reflected today.

We see gender pay gap reporting as a critical step in our drive to attract, retain and develop a balanced workforce at Norbord, to ensure fair treatment and reward of our workforce irrespective of gender. We believe that any gender pay gap as defined below does not reflect any equal pay issue, only a historical reflection of traditional expectations in terms of the type of work that male and female employees might have considered, expectations that we wish to change.

As a manufacturer of engineered wood panels, Norbord has traditionally attracted a very high proportion of male employees, especially within site based production roles. However we have in recent years been successful in recruiting female employees to roles traditionally associated with males, such as production operators, fork lift truck drivers and Graduate Engineers. Office and field based functional roles such as Sales have moved towards a more even balance of male and female employees.

Our recruiting towards a gender balance is reflective of our Values, i.e. our commitment to recruit the best, to continually invest in their skills and create an environment within which employees strive to develop their careers regardless of gender.

We have shown that we are recruiting people regardless of gender and we strive to become a more balanced employer, eradicating stereotype recruiting. However we clearly believe further continued action needs to be taken to increase the representation of genders within our production facilities, which offer diverse roles suitable for all.

There are areas where women do better than their male counterparts and vice versa. Similar positions pay similar salaries and all our employees, regardless of gender participate in bonus schemes – which do not differentiate on Gender.

This gender pay gap data is a valuable tool to help understand the extent to which our own business and our industry are missing out on female talent. We see gender pay gap reporting as a critical step in our drive to attract, retain and develop a diverse workforce at Norbord.

1. **Mean Gender Pay Gap:** The difference between the mean (average) hourly pay rate for all men and women in an organisation and the pay rate for women as a percentage of the mean hourly rate for men.

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2. **Median Gender Pay Gap:** The difference between the median (mid-point) hourly pay rate for all men and women in an organisation and the pay rate for women as a percentage of the median hourly rate for men.
3. **Mean Bonus Pay Gap:** The difference between the mean (average) value of bonus for all men and women as a percentage of the mean bonus for men.
4. **Median Bonus Pay Gap:** The difference between the median (mid-point) value of bonus for all men and women as a percentage of the median bonus for men.
5. **Quartile pay distribution:** The proportion of men and women in each 25% quartile of an employers pay structure. The hourly pay rates for men and women are ordered from lowest to highest and divided into four equal sections – lower, lower middle, upper middle and upper. The number of women and men in each quartile are calculated as a percentage of the total employees within the quartile.

What impacts our data at Norbord Europe Ltd?

Despite an under-representation of women holding managerial and senior roles in production and in central functions, we do not have a major gender gap differential. In production men and women receive the same basic pay for the same role.

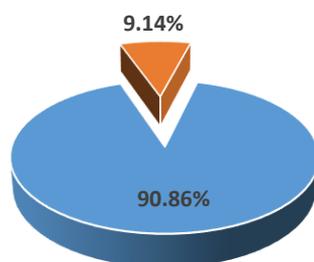
The following table indicates the differences between Men and Women for points 1-4 above, data that indicates there are no major gaps in terms of Gender

Difference % Men -v- Women	Mean Hourly Rate	Median Hourly Rate	Mean Basic pay	Median Basic pay	Mean Bonus	Median Bonus	Mean Earning Basic + Bonus	Median Earnings Basic + Bonus
All	0.64%	-0.82%	-0.85%	-4.72%	2.08%	73.71%	2.78%	0.20%

nb Negative numbers indicate lower rate for men.

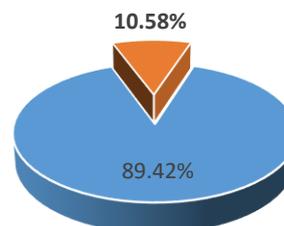
In terms of point 5 above, the total sample identified a male / female split of 91.52% Male and 8.48% female. And the quartile representations are as follows:

Upper Quartile



■ male ■ female

Upper Middle Quartile



■ male ■ female

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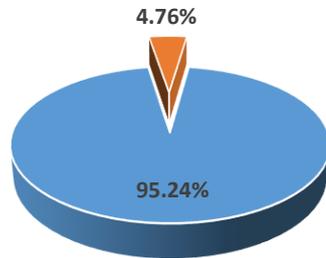
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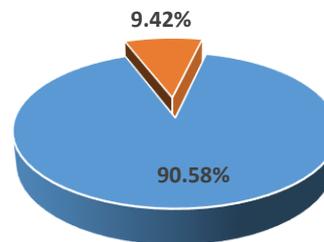
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Lower Middle Quartile



■ male ■ female

Lower Quartile



■ male ■ female

This indicates that, with the exception of Quartile 3 (Lower Middle) women are consistently represented throughout our business, however we will continue to work towards a balancing of the gaps that we have.

Going forward:

As aforementioned at Norbord Europe Limited we are committed to providing equal opportunities and improving the balance of our workforce. We are already undertaking several initiatives to increase diversity across our business:

Recruitment:

- We have already taking positive action in recruitment, ensuring that our recruitment processes encourage a diverse and wider range of candidates internally and externally for all roles within the company. To this effect we have already seen a significant increase numbers of women in our engineering fields. We will be carrying out similar programmes in terms of the promotion of our Apprenticeship Programme
- .We are reviewing our websites and advertising material to ensure we are showing a true reflection of a company which genuinely encourages and celebrates diversity within our businesses. .
- We have, amongst our HR Resources, a trained Diversity Coach and will be utilising our in house skills and knowledge to carry out diversity training The implementation of a diversity management-training programme incorporates these skills and an educational component that allows participants to address issues of prejudice, discrimination and biased behaviours that could impact employee and client relations

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I, Steve Roebuck, HR & EHS Director, confirm that the information in this statement is accurate.

Signed:



Dated: 3/4/18

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