



Our 2017 Gender Pay Gap Report

Astellas Pharma Europe Limited



Working as One Astellas encapsulates how we embrace and respect diversity in our workforce. At Astellas, we strongly believe in opportunities for everyone.

In 2017, the U.K. government legislation came into force requiring U.K. companies with 250 or more employees to report their gender pay gap. The regulations provide a great opportunity for Astellas to reiterate our commitment to a diverse and gender balanced workforce.

We believe that we have a strong platform for this. However, there are clearly areas where we can do better. As an organisation, we continue to go through significant change which has given us the opportunity to transform. Actions to increase the different, diverse voices and views in our company are not only welcomed but also makes great business sense.

This report sets out our gender pay gap results. We can confirm that these are accurate. As an organisation, we are dedicated to the steps that we set out in this report. Whether you are a current employee, or one who is yet to join, we encourage you to join us on this journey.

Economic gender parity could boost UK GDP by

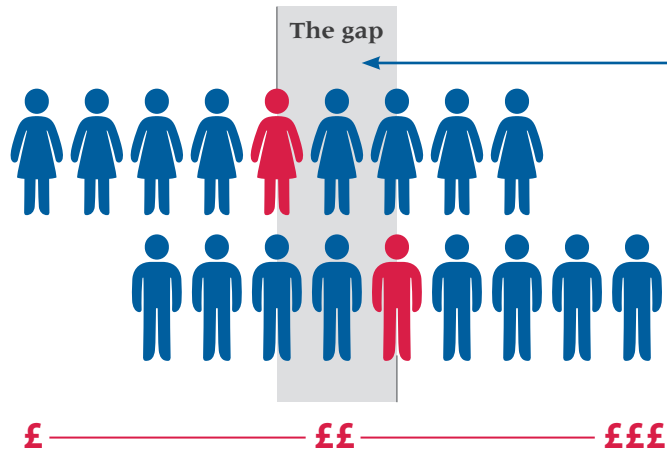
**\$250
billion**

Source: World Economic Forum

Understanding Gender Pay Gap

Legislation requires reporting of data points covering mean and median pay and bonus gap, proportion of males and females receiving a bonus payment and proportion of males and females in each quartile pay band.

The **median** gender pay gap compares the pay of the female in the middle to the pay of the man in the middle, if all employees were lined up by female and male, in order of pay from highest to lowest.



The **mean** gender pay gap shows the difference in the average hourly rate of pay between men and women. The total pay of all men, divided by the number of men, is compared to women on the same basis.



As different jobs pay differently and the number of men and women performing these jobs varies, a gender pay gap emerges if, for example, more men are in higher paid roles or more women are in lower paid roles.

It is important to note that the **gender pay gap is different from 'equal pay'**: Equal Pay is the difference in pay between men and women who carry out the same or similar jobs.



What's included in our calculations?

How are pay quartiles calculated?

The quartiles analysis ranks men and women from the lowest to highest earners. This is then divided into four even groups to show the proportions of men and women in each of these four earnings groups.

How are Pay Gap and Bonus Gap calculated?

The pay gap is the measure of the difference between men's and women's hourly earnings in a company. The bonus gap is the difference in all incentive pay received by men and women. This includes all bonuses, long-term incentives and sales commission payments.

What's included in our calculations?

The pay gap data for Astellas includes basic pay, any allowances and bonuses paid in April 2017. The bonus gap data includes the annual bonus, spot awards and long term incentives received in the 12 months up to April 2017.

The data to be used for the gap calculations is the pay and bonus data **as at 5 April 2017**. This data therefore takes into account pay before we implemented the 2017 pay review and bonus paid for performance year 2015 / 2016.

To provide an up to date view of our year-on-year results, this summer we intend to share our results for April 2017 and 2018 to provide a more complete picture.

The regulations require only the results for Astellas Pharma Europe Limited ('APEL') to be published.



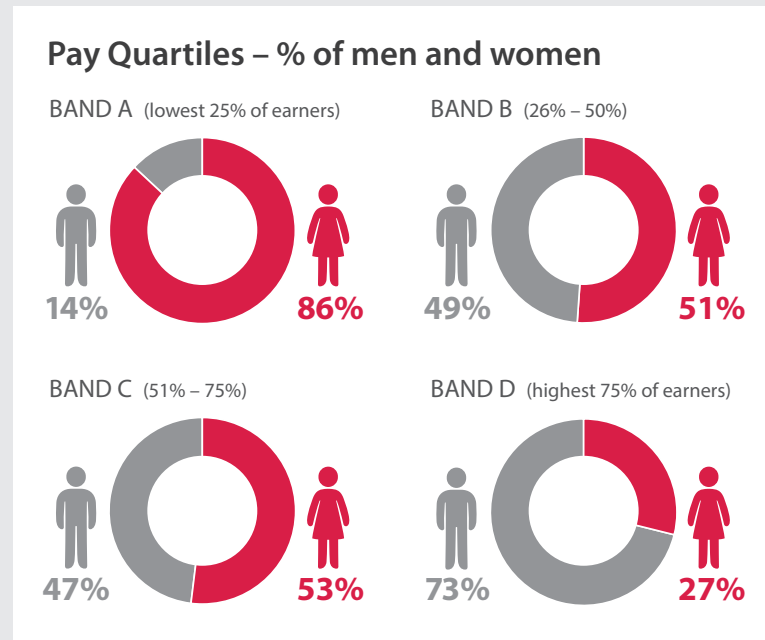
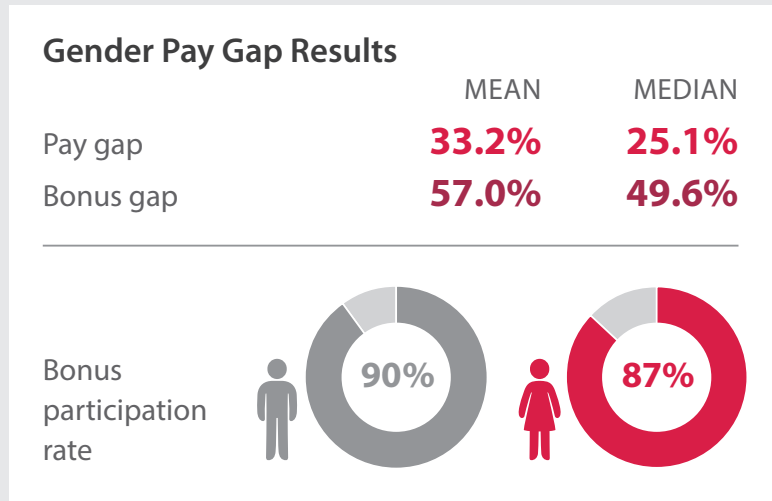
92%

of employees would consider pay gap if deciding between two jobs.

Source: Business in the Community

Our results

Our median pay gap is higher than the U.K. average for all sectors (18.4%¹) and for companies operating in the Professional, Scientific and Technical sector (22.4%¹).



In order to provide a fair view of our results, we asked Mercer, an external reward consultancy, to carry out analysis of the causes of the gap. The analysis clearly shows that the gap is driven by the structure of our workforce. As the pay quartile diagram illustrates, we have lower female representation at the senior levels of our organisation. Further, employees at senior levels tend to have a higher percentage of variable pay.

The results highlight the need to consider our broader People practices, which we have already begun work on.

¹ Office for National Statistics

Our commitments

Our commitment is to improve the diversity of the workforce at Astellas and to this end we are focusing on the following initiatives:

Recognising female talent

We have started to actively work with our recruiters, internal and external, to ensure that there is a more diverse representation of candidates. Our aim is to ensure line managers are mindful of the gender balance of their teams and provide opportunities for our female talent to progress.

Already, the makeup of the Management Committee is significantly different to that in 2016. Three positions are now held by women, when previously there was only one. Our aspiration is that by increasing visibility of females in senior positions, more female employees will be encouraged to develop their career at Astellas.

Inclusive work practices

We embrace agile and flexible working at all levels of the organisation and will continue to increase awareness of ways of working, and embed this through line manager training. This will help remove some of the barriers for individuals to work with Astellas and allow them to play a role in support of our success.

Diversity & Inclusion

We continue to change as a business and we are on an exciting journey. Our commitment to diversity and inclusion, including gender diversity, is an important part of this. This year we will be starting work on our Diversity and Inclusion strategy and what this will mean for our employees as part of the work on our broader People Strategy. More details will be shared later this year.

We commit to these actions in the coming year to improve diversity in general, and gender representation specifically.

We strongly believe that these commitments will continue to make Astellas an inclusive and caring place to work for our diverse talent, and further strengthen our workforce to help us succeed.



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