

Gender Pay Gap Report 2021

Petrofac Facilities Management Limited

Petrofac 



Introduction

This report sets out the results of our fifth gender pay gap analysis calculated in line with UK disclosure regulations. This relates to Petrofac Facilities Management Limited (PFML), which predominately covers our North Sea Operations, Maintenance Engineering and Consultancy business.

The following tables and charts illustrate our gender pay gap and bonus pay gap results for 2020/2021.

The report also sets out the findings of additional analysis we have undertaken to better understand the underlying causes of our pay gap, as well as the initiatives we have implemented and the future steps we plan to take in response.

Declaration

I confirm that the gender pay gap calculations set out in this report are accurate and meet the requirements of the legislation.

Nick Shorten
COO



Our results

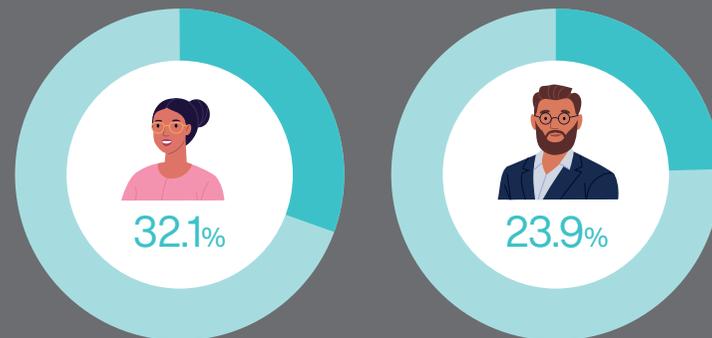
Pay and bonus pay

This table sets out our mean and median hourly gender pay gap based on hourly rates from a snapshot date of 5 April 2021.

Our mean and median bonus pay gap is based on all incentive pay in the 12 months previous to 5 April 2021.

Difference between men and women

	Mean	Median
Hourly rate of pay	32.2%	37.4%
Bonus pay	36.2%	67.4%

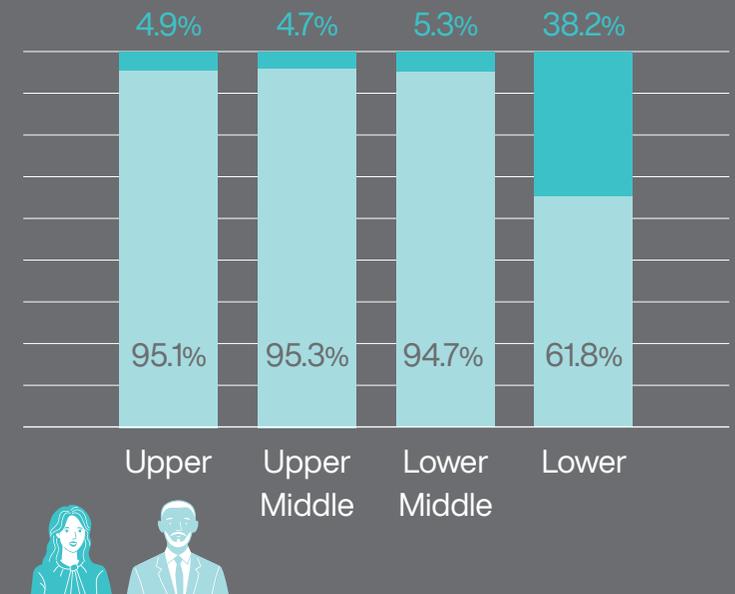


- Received a bonus %
- Did not receive a bonus %

Proportion of men and women in each pay quartile

Pay quartiles

These charts illustrate the distribution of genders across four equally sized pay quartiles.



Analysing our gender pay gap



Our target of women in senior roles

Compared to figures from last year, there is a positive shift in our mean and median hourly pay gap.

The bonus gap has increased this year, primarily due to no annual performance bonuses being paid in this reporting period. A small proportion of our population received a bonus, the majority of which are in client facing positions at sites and offshore. Populations that received bonuses have a much higher representation of male employees.

We remain confident the actions and strategic direction we are taking will continue to bring steady and sustained change. This change will deliver our long-term objective of narrowing our gender pay gap over the coming years.

There is still much work ahead. We continue to strive to increase, retain and develop the number of women in our business, especially in more senior roles. Though it is the right thing to do, we know that increasing more women in junior roles will have an adverse affect on our gender pay gap number.

Our pay quartiles are primarily a result of representation, with fewer women in senior level roles and the majority of those working in the top three quartiles being men. As pay

and bonuses are higher at more senior levels, this results in an imbalance and a wider gap between pay and bonus.

This representation is reflective of our industry, which is traditionally male dominated; 87% of our employees in the UK are men and 13% are women. This composition is further influenced by the scale and structure of our offshore workforce, which accounts for 63% of our UK population. Women comprise only 1.8% of this group.

We are addressing this imbalance. During the period of 2020-2021 and as a result of the pandemic, the market was retrenched with low organisational turnover and fewer growth and development opportunities. Promoting positive change in this type of environment takes time, but we are committed to enabling sustainable improvement.

We are close to achieving our target of 30% of women senior roles – across the population on, or reporting to, our Group Executive Committee, 25.8% are female. The steps we have taken to achieve this are outlined in this report.

What are we already doing?

Our Group Executive Committee sponsors a Group-wide organisational engagement plan. We are confident these actions are delivering positive incremental and sustainable improvements across our business globally, including within PFML.

*As defined by the Hampton-Alexander Review, 30% of our Executive Committee and direct reports to our Executive Committee will be women.



We are targeting 30% of women in senior roles for the whole Group by 2030*. To help us reach this goal, in the UK we have updated our target to reach 30% by 2025. At the time of publishing this report, we have increased the number of senior women who are on, or report into, our Group Executive Committee to 25.8% since our last GPG report.



Following on from the success of our first ever mentoring programme, we are launching it again in 2022 to support high potential women with their career progression, helping them to navigate their career and providing them with a sponsor within Petrofac. As part of this, each of our nine Group Executive Committee members are mentoring high potential females.



Through our dedicated 'Developing Senior Women Leaders' course, we are aiming to develop our global internal pipeline by supporting women in middle management to navigate their career and potential within Petrofac. As part of this course, participants were given the opportunity to have a Q&A session with our female non-executive directors which provided the group with useful

advice on how to build their networks and develop their skills.



Gender equality forms part of our Diversity & Inclusion (D&I) strategy, which aims to foster a culture of D&I throughout the organisation, as well as develop and nurture our workforce to excel by making the most of their unique backgrounds and experiences. Through our annual timetable of educational activities, awareness, and engagement events, we continued to raise the profile of our inspirational women by celebrating milestones such as International Women in Engineering Day, International Women's Day, and our second ever Diversity & Inclusion Week. We are also implementing healthcare-related activities specifically for women, most recently a webinar on menopause awareness that helped participants gain an understanding of menopause.



We are actively monitoring pay levels for all roles at every grade across our UK organisation to ensure any unjustifiable or structural differences in pay arising between men and women are quickly addressed.

Addressing the imbalance

Internally, we have launched initiatives to help attract and retain female talent.



To ensure that the way we attract and retain talent fosters a greater gender balance, all managers and recruiters have undertaken unconscious bias training. Hiring Principles have also been communicated to all managers that outline our key targets and strategy for attracting a more diverse workforce.



Through continuous evaluation of our recruitment strategy and dedication to including at least one woman in every external recruitment shortlist for our senior roles, we achieved our target for the number of women working in Grade 20+ roles, with women making up 29% of external hires at Grade 20+. All vacancies are advertised using gender neutral language and flexible working options are provided, such as part-time, job share etc.



External recruitment agencies that we use are also instructed to align with our D&I efforts, having outlined our targets on our position for more diverse applicants.



Harnessing lessons from the coronavirus pandemic, we have moved to a hybrid model working a minimum of three days in the office and up to two days at home, helping to support working families and providing everyone with the flexibility and balance needed in today's working world.



We have enhanced our maternity, adoption and paternity pay packages to demonstrate our commitment to investing in our teams and their future at Petrofac, helping us to increase retention of our talented and experienced workforce after welcoming a child.



We have established SHINE (Supportive, Harmonious & Inspirational Network for Excellence), an employee network group

to support women and allies, fostering discussions encouraging women to achieve their full potential and provide networking opportunities across the Group. Some of our initiatives so far this year include:

- i) Introduction to Vocal Confidence - To help members develop their public speaking skills
- ii) Fireplace Chat with Senior Female Leaders – An interactive session with our senior female leaders aimed to motivate members
- iii) SHINE CONNECT – An initiative for members to connect and support each other based on their skill sets and requirements
- iv) Step in Self-promotion: The importance of visibility for women's career progression
- v) Resilience and Courage session



The demonstrable impact of these initiatives will be monitored through the output of our annual engagement survey, PetroVoices, enabling us to continue measuring the effectiveness of our D&I journey and evaluating our progress.

Tackling industry barriers

Our external efforts focus on influencing greater balance at a grass roots and industry level.



We are an active participant of Target Gender Equality, an accelerator programme from the United Nations Global Compact tackling barriers to gender equality and advancing women's equal representation and leadership in business.



We continue to support the AXIS pledge which is committed to attracting, retaining, and developing a diverse workforce across all energy companies in Aberdeen. Leaders in the organisation have participated in workshops and focus groups to help industry come up with ideas to increase gender parity.



As part of our commitment to supporting STEM initiatives, we have an ongoing partnership with Lochside Academy in Aberdeen that first started in 1998. Through this, we are working to help encourage more young women to consider STEM education and an eventual career in engineering. When coronavirus restrictions allowed, our female graduates hosted an in-person session to showcase to female pupils why they should consider a career in STEM. The next stage of this partnership will involve mentoring relationships between the pupils and our female graduates, as well as using these learnings to pilot additional partnerships with schools around the UK. We are also supporting the STEM Hub programme, which aims to accelerate the ability of educational institutions to increase the quality and quantity of highly employable students available for STEM-based work in some of the areas where we have a presence in England.