



CB&I UK Limited
Gender Pay Gap Report
2018

Our business is all about its people and the skills and experience that they have in order to respond to the challenges of our global energy clients. We take pride in hiring, developing and retaining high calibre professional staff, and our aim is to always do this through our gender-neutral processes.

The majority of our workforce in London emanate from STEM (Science, Technology, Engineering and Mathematics) disciplines that have an imbalance in the male to female take-up rates from the earliest stages of education. This presents an ongoing challenge to the business in the hiring and retaining efforts we make to give us a gender-balanced profile. This is well-documented in the oil & gas sector in which we operate. Beyond the educational figures, 2017 WES survey indicate 11% of the engineering workforce is female and the UK has the lowest percentage of female engineering professionals in Europe at less than 10%¹.

Gender diversity is good for business: 61% of engineering employers say a recruitment of engineering and technical staff with right skills is a barrier to business. 32% of companies across sectors have reported difficulties recruiting experienced STEM staff, and 20% find it difficult to recruit entrants to STEM. However, alongside this, in 2010 nearly 100,000 female STEM graduates were unemployed or economically inactive

The UK Government's initiative to raise the profile of gender gaps in all industries reinforces our knowledge of the disparity in women joining our sector and the need, by us, to continue efforts to attract and retain the most diverse workforce that we can. This also gives us further focus to reassess how we apply our policies and what extra contribution we, as an organisation, can make to encourage women into oil & gas and the technical and operational disciplines that we have in our business.

Our Gender Pay Gap Report is now complete and we confirm that the following data is accurate and developed in line with the regulations.



Frazer Budd

**Director of Operations
CB&I UK Limited**



Andy Braddel

**Director of Human Resources
CB&I UK Limited**

Results 2017 to 2018

Our Gender pay gap analysis shows mixed results. We achieved a reduction of 1.72% in our mean pay gap between 2017 and 2018. However, our median pay gap increased by 1.74%. The percentage of women in our upper middle and upper quartile both grew by 1.23% and 2.55% respectively.

What is Gender Pay Gap Reporting?

The UK Government implemented a set of regulations making it a mandatory requirement on all businesses with a headcount in excess of 250 to report on their gender pay gap as described in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The Regulations came into force in April 2017 with a second snapshot reporting date of 4 April 2018.

Clarity between Gender Pay Gap and Equal Pay

To eliminate any confusion between the Gender Pay Gap and Equal Pay it is important that the context is clear. While both approaches tackle the disparity between pay for men and women, what they are measuring is quite different:

Equal Pay, governed by the Equal Pay Act 2010, targets men and women being paid the same for carrying out work of equal value for the same employer. As a company we are confident that we provide parity on pay and hire employees for their abilities and reward equally for this.

Gender Pay Gap by contrast measures what the gender balance is within the whole of the organisation. This report reflects the Gender Pay Gap for the CB&I UK Limited entity only and shows the gender distribution across the organisation. The gap has not occurred as a result of our pay policies and practices.

Reporting Requirements

Under the Regulations, there are six clear reportable measures expressed as percentages:

- **Mean (average) gross hourly rate of pay**
- **Median gross hourly rate of pay**
- **Portion of male/female in hourly rate of pay quartiles**
- **Mean bonus pay**
- **Median bonus pay**
- **Proportion of male/female in receipt of bonuses in the 12 months prior to snapshot date**

Gender Balance

The gender balance within the company is somewhat reflective of the traditional sway towards men taking on roles that are more technical and more senior.

Employee ratio at the snapshot date and compared to 2017:

	Mean	Mean 2017	Median	Median 2017
Gender Pay Gap	32.13%	33.85%	40.55%	38.81%
Gender Bonus Gap	73.20%	75.09%	79.05%	53.66%

Gender Bonus Gap

Our mean gender bonus gap has reduced slightly to 73.20% though our median gender bonus gap has increased to 79.05%.

Quartiles

Pay Quartiles	Percentage
Lower Quartile	
Female	45.10 %
Male	54.90 %
Lower Middle Quartile	
Female	21.57 %
Male	78.43 %
Upper Middle Quartile	
Female	9.80 %
Male	90.20 %
Upper Quartile	
Female	9.80 %
Male	90.20 %

The improvement in middle upper and upper quartile percentage split reflects restructuring in the business, impacting predominantly high paid males.

Addressing the Gender Pay Gap

We continually look for opportunities to enhance the way we work, make changes to narrow the gender balance and to encourage an inclusive culture within our organisation.

With an aim of enhancing our ability to retain and attract employees across the professional spectrum and balancing work life with family life, we have developed flexible work practices. While we need an agile workforce, where practical to do so, we endeavour to apply flexible working, tailored to an individual's needs, whether on a short term or longer-term basis. We are pleased that the business has been able to accommodate an increasing level of flexibility in work life in this way.

Our Global Women's Leadership Network has been established for 8 years. It is designed to share experience and knowledge, develop skills and build networks to ensure that opportunities for women can be maximized within the global organisation.

The journey starts much sooner than this and we proactively encourage annual work experience with school children to show them what each engineering discipline does and the impact the projects have within the world around us. We aim to ensure gender-balanced involvement as much as possible.

Colleagues within our teams from a variety of technical disciplines have provided STEM Ambassador support and we will continue to encourage that for longer term improvement of gender balance in the sector. We are also active within British Chemical Engineering Contractors Association (BCECA), our trade association of peer competitor companies. The companies all have the interests of the industry at heart by profiling engineering as a career via BCECA 'industry' days, where we engage with STEM-biased undergraduates to show what career prospects are available. The challenge continues to be the lower numbers of females studying these subjects.

We intend to benchmark our own gender pay gap data against that of our industry peers, once this is publicly available, to help us understand better how we perform in comparison with the others, and the extent to which gender pay issues are specific to our business, or endemic within the wider industry.

We have a well-established and successful mentoring program designed to develop personal and professional presence within the business and to build longstanding networks. We will continue to build upon this for all new entrants to the business and those within who have not yet signed up to the initiative.

Finally, further action will be identified in consultation with our people (for instance through our Staff Forum and/or working groups specifically established to address the issues of diversity and inclusion).