

# **Gender Pay Gap Report 2022**

CB&I UK Limited

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## Introducing our Gender Pay Gap Report 2022

*This report presents details on Gender Pay Gap Reporting for CB&I UK Limited for year 2022.*

*Employers with a workforce of over 250 individuals are required to annually disclose their gender pay gap information on the Government's Gender Pay Gap Service and our official website. The report aims to demonstrate the variation in mean earnings between men and women, relative to the earnings of men. It is important to note that this disparity does not necessarily indicate that women are being paid less for the same work, but rather that men tend to hold higher-paying positions on average.*

*This year, CB&I UK have a workforce of slightly less than 250 employees and as such there is no statutory requirement for us to disclose our gender pay gap. However, in the spirit of transparency we believe that it is important to share our progress with our employees and peers and to continue to disclose our gender pay gap information. As previous years, we will provide a comprehensive analysis to clarify the factors contributing to our gender pay gap and the actions being taken to address it. This exercise enables us to monitor our progress compared to previous years and our peers.*

*Our 2022 gender pay gap report shows that we continue to see a sustained reduction in both mean and median pay gap. We have made reassuring progress with a 40% reduction in our gender pay gap since our first report in 2017. However, our journey continues as we understand that narrowing the gender pay gap will require considerable effort, and progress may not always be linear.*

*We have now released our latest report based on data collected in April 2022.*

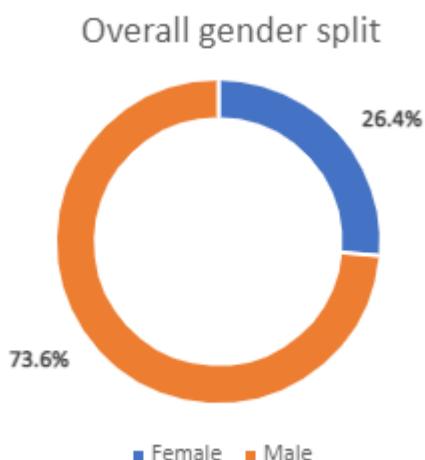
## Our 2022 Results for the 12 months ending 5<sup>th</sup> April 2022

### Statutory reporting: CB&I UK Limited pay data for 2022

Measure	%				
	2017	2018	2020	2021	2022
Mean Gender Pay Gap	33.8	32.1	28.3	25.8	20.4
Median Gender Pay Gap	38.8	40.6	20.8	28.0	16.9
% of women in each pay quarter					
	2017	2018	2020	2021	2022
Lower hourly paid quarter	42.9	54.9	50.0	50.0	46.9
Lower middle hourly paid quarter	27.2	21.6	24.2	30.2	18.8
Upper middle hourly paid quarter	8.6	9.8	20.9	22.2	27.1
Upper hourly paid quarter	7.3	9.8	11.9	14.8	12.5
Who received a bonus?					
	2017	2018	2020	2021	2022
Women	20.0	15.9	24.3	7.9	15.7
Men	32.4	19.4	34.9	16.3	19.7
Mean Gender Bonus Gap	75.1	73.2	80.2	1.2	48.8
Median Gender Bonus Gap	53.6	79.1	70.9	-66.7	13.5

### What our results show

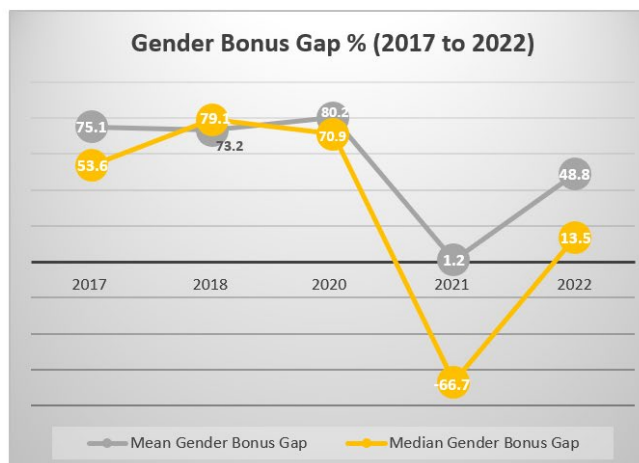
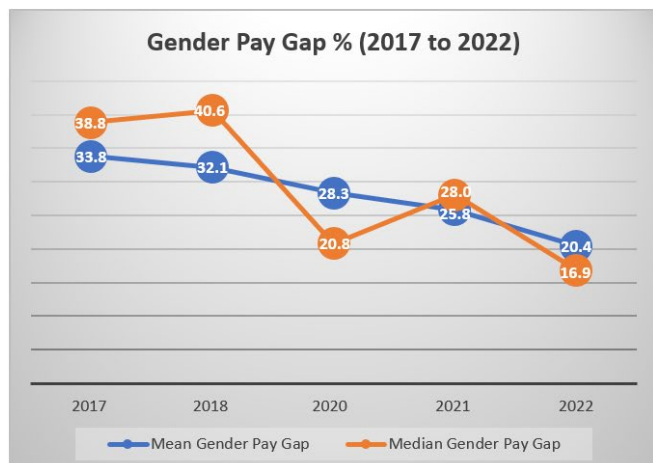
CB&I UK's gender pay gap data was collected on the snapshot date of 5 April 2022. At this time, there were 193 people within our workforce: 51 (26.4%) women and 142 (73.6%) men.



The structure of our workforce remains similar year on year. The workforce in our industry has been mostly men. This is because, in the past, our industry has employed significantly more men than women. However, we are seeing a higher proportion on women joining the workforce compared to previous years.

The findings of our analysis indicate that our mean & median gender pay gap is gradually decreasing, having closed our mean pay gap with 13.4 percentage points & our median pay gap with 21.9 percentage points since our initial report based on 2017 data.

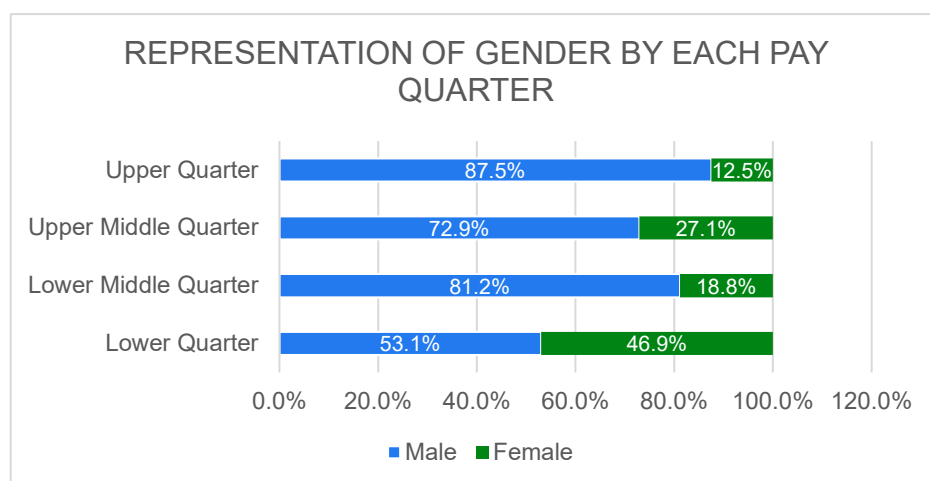
As demonstrated below we have seen a consistent trend of closing the gender pay gap year on year. There was a drop (negative gap) in the bonus pay gap in 2021 which was due to larger bonus amounts paid to women compared to men.

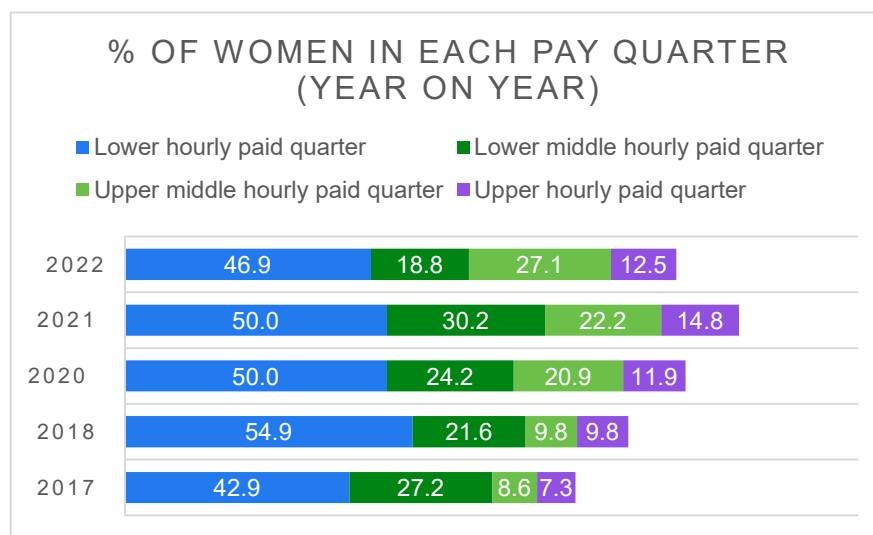


The gender pay gap looks at the distribution of men and women across all job levels of the organisation, and how this translates into the average salary and bonus payments made as a result of gender distribution across job levels. As expected, bigger representation of men at higher grades is influencing the gap. The shift to promote more women into higher-paid positions continues to improve, increasing from 7.3% to 14.81% in the upper quarter, with the most significant year-on-year improvement in representation in the highest paid quarter from 2019 to 2020.

Percentage of women in the upper quarter has been increasing consistently since 2017.

In 2022 we have observed a shift in the composition of each quarter, with a greater number of women in the upper-middle quarter.





Our Gender Pay Gap data from 2017 to present illustrates that closing the gender pay gap is a complex issue that requires long-term commitment. Numerous societal factors contribute to the over-representation of men in higher paying positions, particularly in Engineering.

## Why we have a gender pay gap

Our gender pay and bonus gaps exist primarily because we employ different numbers of men compared to women at different levels in our workforce; especially in roles that attract higher pay, bonuses or allowances.

### There are three main reasons we continue to have a pay & bonus gap:

**Uneven gender representation** - Although we have improved overall gender representation, only 26.4% of CB&I UK population are women with 30% of female representation at Senior Manager (grade 10) and above positions. Industry (Engineering Construction) average shows 13.8% female representation (ECITB, 2021). Although we sit above industry average, this imbalance in gender representation is the main driver for our identified gender pay gaps across both mean and median pay and bonuses.

**Roles with higher pay and bonus are male dominated** – At CB&I UK women have larger representation in Communications, Finance, General Services, HR, and Legal. However, in functions such as engineering, project controls and project management, (which make up the largest portion of our population) we identify female underrepresentation. Although, we have made progress in this area, with women accounting for 19.2 % of our Engineers and related disciplines, surpassing the UK average of 14.5% by June 2021, as reported by the Women's Engineering Society, there is a requirement to focus our efforts to build sustainable diverse talent pipelines with focus on these underrepresented functions.

**Fluctuations in bonus gaps** - Bonus gaps show sizable volatility between years, because they include one off payment such as spot bonuses and academic qualification rewards.


## Our actions

**At the local level, the Global Women's Network (GWN)** is committed to improving the professional and leadership skills of female employees through various programs and events and activities. The GWN, which has country ambassadors in eight offices, including ten representatives based in the UK, has organised panel discussions recognising women's achievements on International Women's Day, celebrated Women Breaking Barriers by showcasing case studies of female employees in more traditional male dominated areas of the energy industry, and provided opportunities to enhance leadership skills.

CB&I UK Ltd have clear, externally benchmarked salary ranges in place for all job roles, which ensures that everyone is paid fairly for undertaking the same or similar roles.

**We continue to take action to improve gender representation and support women across our business.** McDermott has elevated its focus on Diversity, Equity, and Inclusion (DE&I) since our previous report. The business has integrated clear and measurable DE&I goals into our Area Performance Goals (APGs) through the Leadership Diversity Council which is led by our CEO.

This includes strengthening our Recruitment & Selection processes, Education & Awareness globally and focusing on Employee Engagement to support and foster a DE&I centric culture and practices.

RECRUITMENT	EDUCATION/ AWARENESS	EMPLOYEE ENGAGEMENT
 <p><b>BPG 1 –</b> <i>Increase global female representation by a minimum of "500" women replacing voluntary terminations.</i></p>	 <p><b>BPG 2 –</b> <i>Mandatory Inclusion online training for Grade 8+; Launch of Diversity Week</i></p>	 <p><i>Actively engage and support ERGs globally to promote initiatives focused on common goals and promote workplace inclusion and a greater sense of belonging</i></p>
<ul style="list-style-type: none"> <li>Review open WRs and proactively recruit qualified female candidates in grad/ pipeline/ technical &amp; ops roles</li> <li>Replace female voluntary turnover</li> </ul>	<ul style="list-style-type: none"> <li>Online – Overcoming Implicit Bias</li> <li>Online – Inclusive Leadership Training</li> <li>Online – Inclusive Hiring</li> <li>Diversity Week</li> </ul>	<ul style="list-style-type: none"> <li>Support new and existing ERGs</li> <li>DE&amp;I Speaker Series</li> <li>Month of Understanding / Construction Inclusion Week – October 2022</li> <li>Incorporate DE&amp;I into Speak Up Campaigns for Yard staff</li> </ul>

We would like to conclude this report by sharing our DE&I Purpose for 2023 which represents our long-term commitment to continue our journey in improving Diversity, Equity and Inclusion at CB&I UK Limited and McDermott Globally.

*“We proudly create opportunities to increase the demographic diversity of our workforce and business partnerships, and leverage our diversity, through increased equity and workplace inclusion, to improve organisational performance and deliver positive business results.”*