



# Gender Pay Gap Report 2023

CB&I UK Limited

**MCDERMOTT**

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## Introducing our Gender Pay Gap Report 2023

This report presents details on Gender Pay Gap Reporting for CB&I UK Limited for year 2023.

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 2023 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 70% reduction in our median gender pay gap and a 52% in our mean gender pay gap since our first report in 2017 and improvement of 31% in our median pay gap and 21% in our mean pay gap since last year. 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 2023.

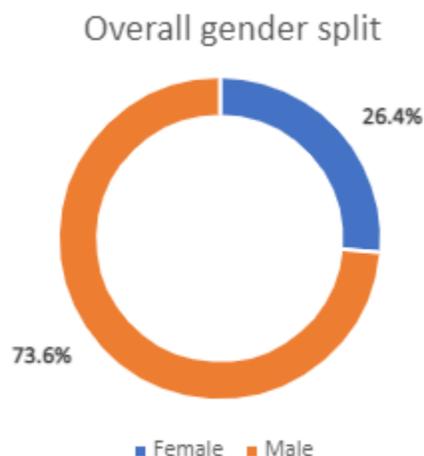
## Our 2023 Results for the 12 months ending 5<sup>th</sup> April 2023

### Statutory reporting: CB&I UK Limited pay data for 2023

Measure	%					
	2017	2018	2020	2021	2022	2023
Mean Gender Pay Gap	33.8	32.1	28.3	25.8	20.4	16.1
Median Gender Pay Gap	38.8	40.6	20.8	28.0	16.9	11.6
<b>% of women in each pay quarter</b>						
	2017	2018	2020	2021	2022	2023
Lower hourly paid quarter	42.9	54.9	50.0	50.0	46.9	42.6
Lower middle hourly paid quarter	27.2	21.6	24.2	30.2	18.8	22.2
Upper middle hourly paid quarter	8.6	9.8	20.9	22.2	27.1	24.1
Upper hourly paid quarter	7.3	9.8	11.9	14.8	26.4	26.4
<b>Who received a bonus?</b>						
	2017	2018	2020	2021	2022	2023
Women	20.0	15.9	24.3	7.9	15.7	29.8
Men	32.4	19.4	34.9	16.3	19.7	32.7
Mean Gender Bonus Gap	75.1	73.2	80.2	1.2	48.8	34.9
Median Gender Bonus Gap	53.6	79.1	70.9	-66.7	13.5	88.1

### What our results show

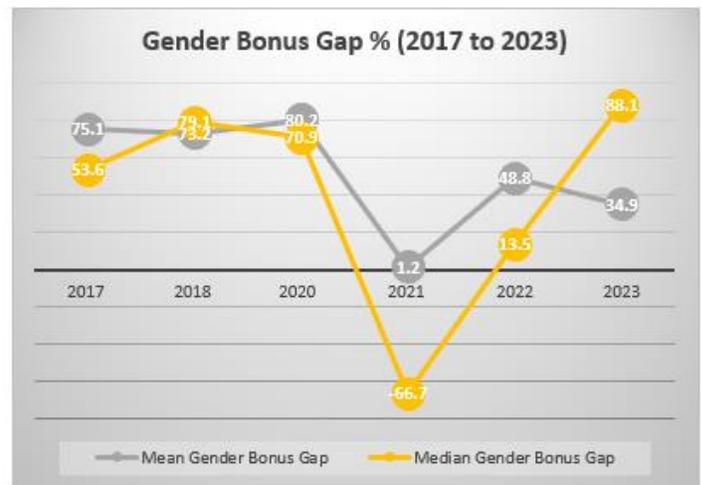
CB&I UK's gender pay gap data was collected on the snapshot date of 5 April 2023. At this time, there were 216 people within our workforce: 57 (26.4%) women and 159 (73.6%) men.



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 17.7 percentage points & our median pay gap with 27.2 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 is an increase in 2023 for the median gender bonus gap due to having a larger representation of males in the upper quartile who have received a bonus.

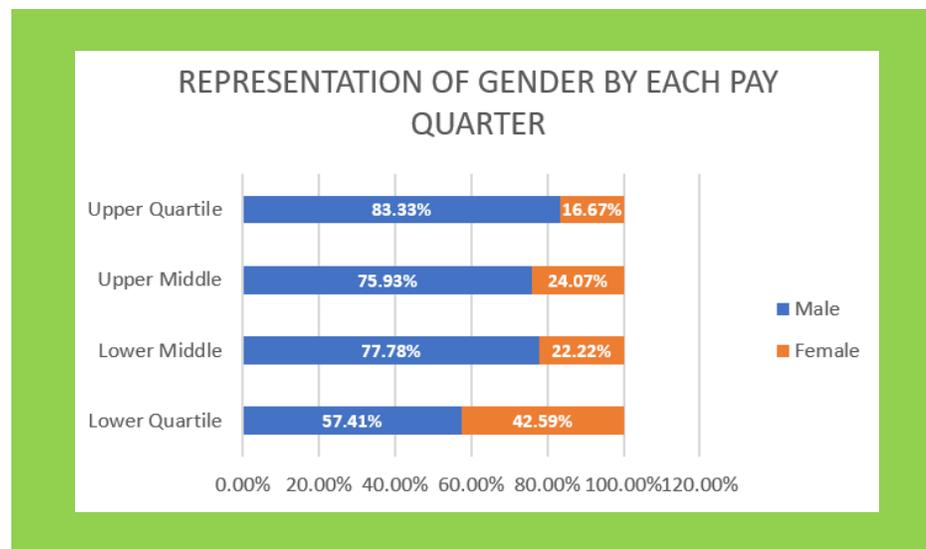


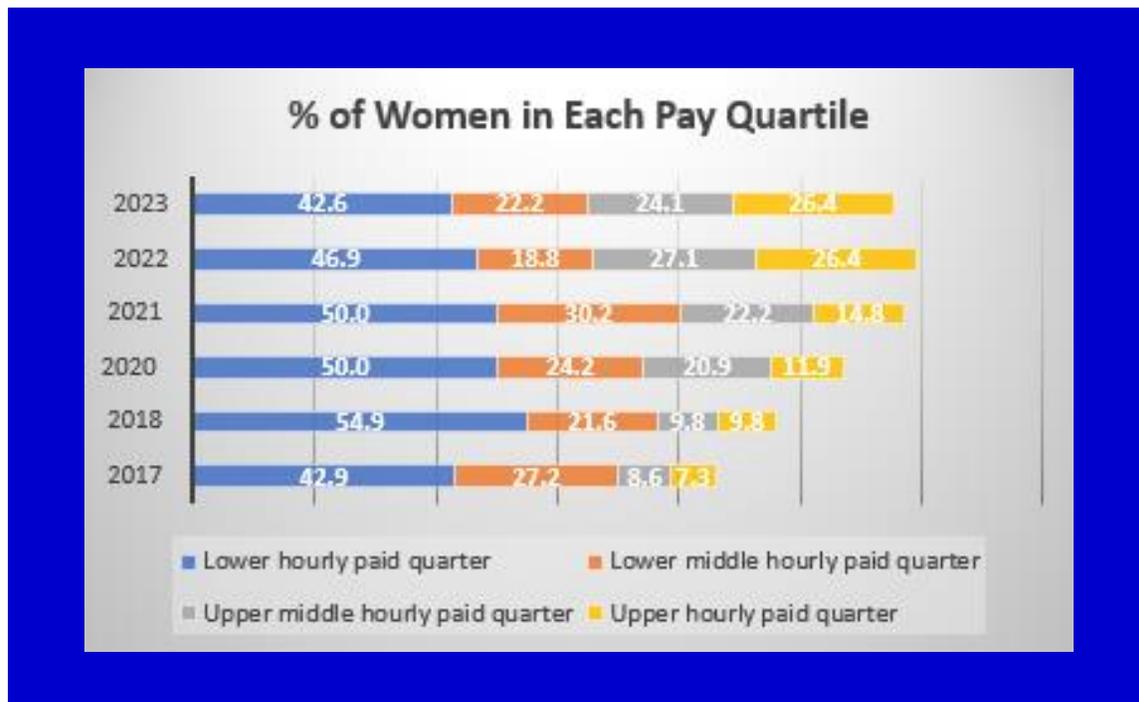
The gender pay gap looks at the distribution of men and women across all job levels of the organisation, and how this translates into the average salary and bonus payments made as a result of gender distribution across job levels. As expected, larger representation of men at higher grades is influencing the gap. The business has been consistent in its efforts to promote more women into higher-paid positions with a high percentage of 26.4% of women in upper hourly paid quarter for the second year in a row. This is an increase of 19.1 point of percentage since 2017.

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

In 2022 and 2023 we have observed a shift in the composition of each quarter, with a greater number of women in the upper-middle quarter.

An increase of 4.1 points of percentage compared to 2022.





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 24.2% of female representation at Senior Manager (grade 10 and above) positions. Industry (Engineering Construction) average shows 16.5% female representation (ONS labour force Survey, 2021). Although we sit above the 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 22.2 % of our Engineers (an increase of 2.8 percentage points since 2022) 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** - We see a noticeable decrease of 13.9 points of percentage for the mean gender bonus gap from 2022 to 2023, this is due to an increase of females receiving a bonus in 2023. However, we have seen an increase median gender bonus gap has increase gap due to having a larger representation of males in the upper quartile who have received a bonus.



## 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.

**Hybrid working model in the UK.** Implementing a hybrid working model can contribute to better work life balance and support employees juggling responsibilities outside of work. Hybrid working can create a more inclusive environment by providing equal opportunities as well as flexibility for our employees. This helps to create a level playing field across all genders.

**We are implementing new policies and improving existing ones.** By implementing policies that support gender diversity, our company can create a more equal and fair work environment for female employees.

**Implementation of female leadership development program.** At McDermott, we must constantly attract, develop and retain strong leaders to achieve our business goals. Therefore, we are committed to advancing diversity, equity and inclusion and building a strong female leadership pipeline to fill future roles.

**We continue to take action to improve gender representation and support women across our business.** McDermott continues to elevate 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 engagement and training on psychological safety for fabrication yards and management populations, inclusive leadership and mandatory DE&I training and ERG engagement in the business.



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.”*