

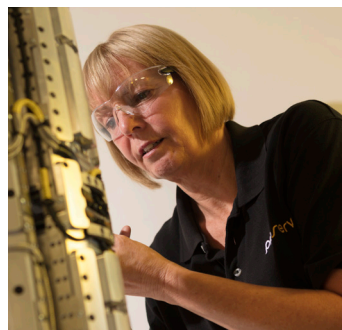
Proserv Gender Pay Gap Report 2018



INTRODUCTION

Proserv is the fresh alternative in global energy services. We are a technology-driven company, providing product, services and bespoke solutions to clients across the drilling, production and decommissioning market sectors. We operate in 10 countries across 18 bases, employing around 1,400 people worldwide.

From April 2018, all organisations that employ over 250 employees are required to report annually on their gender pay gap. The gender pay gap is defined as the difference in average earnings of men and women over a standard time period, regardless of their role seniority.



GENDER PAY REPORTING 2017

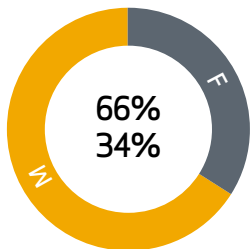
GENDER BALANCE AS OF APRIL 2017
81% MALE | 19% FEMALE

34.07%

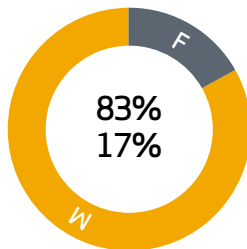
MEAN GENDER
PAY GAP

22.13%

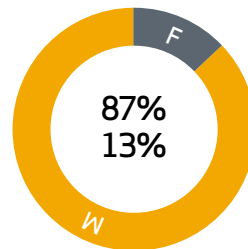
MEDIAN GENDER
PAY GAP



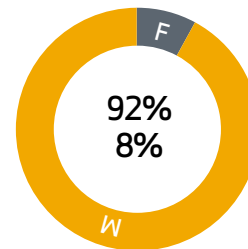
Proportion of men/
women in lower
quartile pay band



Proportion of men/
women in lower middle
quartile pay band



Proportion of men/
women in upper middle
quartile pay band



Proportion of men/
women in upper quartile
pay band

Mean bonus pay gap
Median bonus pay gap
Proportion of males receiving bonus
Proportion of females receiving bonus

No bonus was paid by
Proserv during the year
preceding 5th April 2017
and therefore there is nothing to report.

The Equality Act 2010 (Gender Pay Gap Information Regulations 2017) requires Proserv to publish information in 10 defined categories, to illustrate the difference between the average earnings of men and women in our organisation.

These calculations were based on the April 2017 pay period and were reported in April 2018.

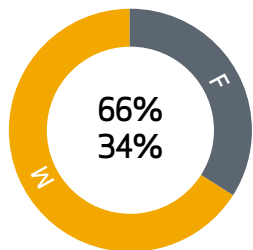
Proserv also provided some narrative relating to the published figures and also an [Action Plan](#), which was to be put in place to address the gap.

GENDER PAY REPORTING 2017 - AMENDED

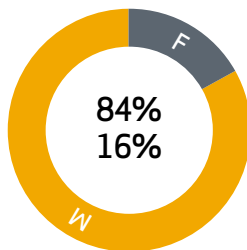
GENDER BALANCE AS OF APRIL 2017
81% MALE | 19% FEMALE

27.39%
 MEAN GENDER
 PAY GAP

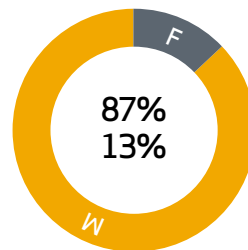
22.13%
 MEDIAN GENDER
 PAY GAP



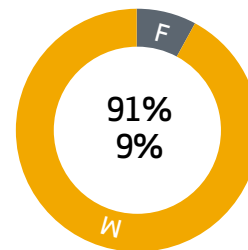
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Proportion of men/
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Mean bonus pay gap
 Median bonus pay gap
 Proportion of males receiving bonus
 Proportion of females receiving bonus

No bonus was paid by
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In producing our data for publication in April 2019, it was noted that there were two errors in our spreadsheet used for the calculation of our gender pay gap data for April 2017. This resulted in Proserv over reporting its gender pay gap in April 2018.

Having addressed the errors, detail is provided opposite of what was reported in April 2018 in the 10 defined dimensions and what we now believe should have been reported in April 2018.

Whilst Proserv's gender pay gap reported in 2018 has reduced, due to the rework of the calculation, we are still aware that, at 27.39%, our gender pay gap is high in comparison to other industries, sectors and organisations.

However, we believe that the reasons behind our numbers have not changed as a result of the calculation re-work. The narrative produced is therefore applicable to the revised numbers produced above and our action plan would not have changed as a result of the above error identification.

GENDER PAY REPORTING 2018

GENDER BALANCE AS OF APRIL 2018

78% MALE | 22% FEMALE ↑



27.40%

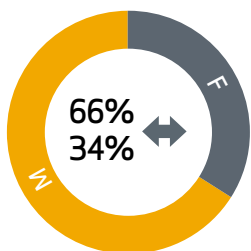
MEAN GENDER
PAY GAP

21.74%

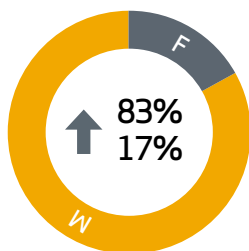
MEDIAN GENDER
PAY GAP

Having applied the revised spreadsheet calculations for the April 2018 pay period, the results are provided opposite.

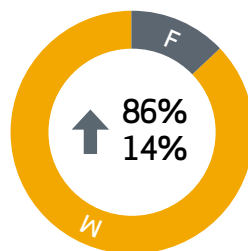
The arrows indicate whether the percentages have increased or decreased in that time period.



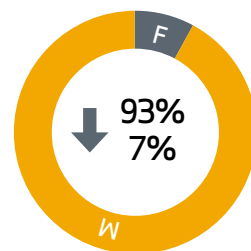
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women in lower middle
quartile pay band



Proportion of men/
women in upper middle
quartile pay band



Proportion of men/
women in upper quartile
pay band

Mean bonus pay gap	0%
Median bonus pay gap	0%
Proportion of males receiving bonus	0.95%
Proportion of females receiving bonus	1.08%

REASON BEHIND OUR NUMBERS

Key Findings

When comparing our numbers from April 2017 with April 2018, we have found that there was little or no movement in our gender pay gap percentages. This may indicate that our action plan published in 2018 has had no impact at all in addressing this issue.

However, it has to be remembered that, as we were not aware of what our gap was for April 2017 until we reported in April 2018, our action plan was not put in place until May 2018 at the earliest. Such an action plan, therefore, would have had no impact on the figures produced now for the pay period April 2018.

Indeed, we would not expect to see the impact of our action plan until we report in April 2020, for the pay period April 2019.

CONTEXT

Having analysed our gender pay gap percentages for the April 2018 pay period Proserv is of the opinion that the reasons behind our gap have not changed.

In addition, Proserv remains confident that its gender pay gap is not an equal pay issue, as we believe that any disparity in pay between men and women who do similar jobs, can be accounted for by range of competencies; we know this because our approach to pay is gender neutral by design and our analysis shows that our gender pay gap is driven by the structure and make up of our workforce – 78%M/22%F.

It was noted that whilst our percentage of females in the organisation rose from 19% in April 2017 to 22% in April 2018 and correspondingly our percentage of males dropped from 81% in April 2017 to 78% in April 2018, this had little or no impact on our gender pay gap percentages. This can be attributable to the loss of certain female employees at higher grades in the organisation balanced out by a higher numbers of females being appointed at lower grades in the organisation. This movement however cannot be attributed to any gender bias in the organisation but solely to the best candidates being appointed for the jobs available.

CONTEXT

It should also be noted that in April 2018 we had no figures to report in terms of bonus payments for 2017. However, in 2019, we have been required to report on bonus payments made in 2018. It should be noted that such bonus was paid to very few individuals in our organisation and the mean and median gap in this respect was 0.00% suggesting that there was no bias towards either the persons who were eligible for this bonus nor in the amount of bonus awarded. Again, as with pay, we believe that any bonus plans and payments are gender neutral by design.

COMPARISON WITH OTHER ORGANISATIONS IN OUR INDUSTRY SECTOR

It was also interesting to note, following the initial reporting round, that Proserv UK Limited at a mean gender pay gap figure of 27.39%, appeared to be within the range of reported returns from what we consider to be our main comparator companies in the oil and gas sector. In comparing ourselves against 15 other organisations, we found that the average mean gap of these organisations was 26.4%, so you could argue that Proserv was very slightly above average for their industry comparator.

That does not indicate that we are happy with the figures presented but provides us with comfort that this is not solely a Proserv issue and that other employers, both in our sector and many other sectors, demonstrate gaps that appear large. Of course there can be very sound reasons for such large gaps, which we feel we covered in our narrative last year and which we believe are not within our sole control to address, certainly in the short to medium term.

However, with us working towards our action plan and society, and educational establishments in particular, addressing stereotyping of jobs and career opportunities, it is believed that the Gap will be reduced but it may take some time to achieve general parity. Indeed, Proserv understands that we must work towards attempting to reduce our gap.

COMPARISON WITH OTHER ORGANISATIONS IN OUR INDUSTRY SECTOR

Indeed, as previously stated, Proserv understands that closing the gender pay gap is not only the right thing to do, it's good for business too. Research shows that a more diverse and inclusive workforce helps business by bringing in new skills, creativity and innovation, more robust decision making and higher satisfaction and retention.

ACTION PLAN

As reported in April 2018, Proserv decided to implement the following action plan in response to the percentages figures produced. As stated above, whilst the full effect of that action plan will not be apparent until we report our April 2019 pay period results, a summary of actions taken to date and any findings we have so far in respect of each action, is provided below.

Recruitment and selection

Action: We will monitor recruitment applications for all vacancies (both internal and external and irrespective of level or grade) to ascertain:

- The percentage of female applicants for our roles against male applicants
- How many applicants of each gender are subsequently interviewed
- The ratio of female and male appointments compared to the ratio of applicants

Comment: We have programmed our recruitment system to report on the above. A sample of results to date, in terms of advertised positions, since 1 September 2018, largely substantiate our claims that very few if any females apply for our technical/engineering type roles or roles that have been historically stereotyped as jobs for males.

ACTION PLAN

Action: We will apply recruitment procedures based on competency assessments and objective candidate scoring systems, which are free from bias of any sort and to which recruiting managers are held accountable.

Comment: A review of our recruitment policy, including the production of a guide for managers, is currently being worked on. This details the need for structured interviews, which was always our process in any case. However, following approval of our revised policy and our new guide for managers, further line manager training is proposed for mid 2019. This will include emphasis on equality of opportunity and highlight the dangers of unconscious bias.

Promotion of the STEM industry as a viable career opportunity for females

Action: We will continue our efforts to work with schools, colleges, universities, and employer forums, to promote the STEM industries as a viable career option for both females and males.

Comment: Below are a sample of the activities where we engage with young people:

- Proserv is active in 'Developing a Young Workforce' activities including attending sessions to educate school teachers in the type of roles and career paths within our company/sector

ACTION PLAN

- We have appointed STEM Ambassadors in our Great Yarmouth facility to work with schools/colleges to promote careers in STEM industries as viable career options for both females and males
- Of the five summer internships we had in 2018, across the UK, two were females and one worked within engineering
- We achieved Investors in Young People
- Of our six apprentices appointed in our 2018 intake two were females: one was in an administrative role and the other was in a technician role.

Flexible work

Action: We will continue to support our flexible working policy for all roles in the organisation, with a focus on making any reasonable adjustments to enable equality of opportunity for all our employees.

Comment: We continue to promote and encourage managers to consider requests to work flexibly and can cite numerous examples of where hours of work are reduced/increased, start and finish times varied, requests to return from maternity leave on reduced hours basis have been approved, etc. However, we continue to have no requests from male employees, in particular under our shared parental leave policy.

ACTION PLAN

Pay practices

Action: We will review our annual pay awards and rewards packages (including bonus schemes) to ensure that these are linked to performance and ensure that females and males are treated fairly and equitably. We will review our performance management system to ensure that there are no elements that adversely affect female employees.

Comment: A review of our performance management policy and system was undertaken in late 2018 and further training for all staff, including line managers was completed in February 2019.

Action: We will undertake annual equal pay audits.

Comment: As there was no annual pay award given in 2018, and careful attention is given to ensure that all new employees are placed at appropriate salary placings at appointment, regardless of their sex, it was felt that there was no need to undertake an annual equal pay audit in early 2019. Proserv remains confident that its gender pay gap is not an equal pay issue, as we believe that any disparity in pay between men and women who do similar jobs, can be accounted for by overall competency.

ACTION PLAN

Information and training

Action: To coincide with the publication of our gender pay gap report we will engage with our line managers to help them understand our gender pay gap and equip them with the knowledge and skills needed to engage with our action plan.

Comment: Our UK management team were briefed on this issue following the publication of our gender pay gap percentages in April 2018. No Manager has raised any issues or concerns in this regard, either at that time or since. Following publication of our April 2018 in April 2019, we will again brief our management teams on the outcome.

Action: To coincide with the publication of our gender pay gap report we will take specific actions to inform our employees and engage with any employees who believe they have been adversely affected.

Comment: A briefing note was sent to all employees at the time of gender pay gap publication in April 2018. Employees were encouraged to raise any concerns with their line manager or the HR Team but no concerns were raised either at that time or since. Following publication of our April 2018 in April 2019, we will again brief our workforce on the outcome.

ACTION PLAN

Action: To coincide with the publication of our gender pay gap report we will engage with our Employee Representatives Forum to help them understand our gender pay gap and equip them with the knowledge and skills needed to support employees who believe they have been adversely affected.

Comment: A briefing was provided to the UK Employee Representative Forum, where the matter was fully explained and discussed, at the time of our gender pay gap publication in April 2018. Representatives and employees were again encouraged to raise any concerns with their line manager or the HR team but no concerns were raised either at that time or since. Following publication of our April 2018 in April 2019, we will again brief our Employee Representatives Forum on the outcome.

STATEMENT OF COMMITMENT

I confirm the gender pay gap analysis contained in this report is accurate and signifies the commitment of Proserv UK management team to the action plan submitted with this report.

David Currie
Chief Executive Officer
April 2019

