



# **Odfjell Drilling (UK) Ltd**

(now Odfjell Technology (UK) Ltd)

## **Gender Pay Gap Report - 2021**

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### 1 INTRODUCTION

This is the fourth year of Gender Pay Gap reporting for Odfjell Drilling UK Ltd (now Odfjell Technology UK Ltd), in line with the UK Government's reporting requirements for all companies with more than 250 employees to publish details of its gender pay gap Under the Equality Act 2010 (Gender Pay Gap information) Regulations 2017.

This year we report that our mean gender pay gap has reduced by 6.7 % to 16 %. We are delighted to see a continuing reduction in the gap.



The gender pay gap is the difference between the average amount men and women are paid across the Company, and the following key figures are required to be published:

- Mean gender pay gap in hourly pay
- Median gender pay gap in hourly pay
- Mean bonus gender pay gap
- Median bonus gender pay gap
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each pay quartile



## 2 ODFJELL DRILLING (ODFJELL TECHNOLOGY)

For the period being reported on, Odfjell Drilling (UK) Ltd was a member of the Odfjell Drilling Group. As at the time of publishing however, the group has reorganised and spun off some of its business areas into a new group under Odfjell Technology Ltd. As a result, Odfjell Drilling (UK) Ltd's ultimate parent is now Odfjell Technology Ltd. This report will be lodged on the website of the group it belonged to for the period being reported on, and will be referenced in the group it belongs to at the time of publishing. In addition, on the 1<sup>st</sup> April 2022, Odfjell Drilling (UK) Ltd changed its name to Odfjell Technology (UK) Ltd.

Odfjell Drilling's vision is: "Chosen for experience and expertise". This is supported by five core corporate values that define and instruct our business, these are Committed, Safety Conscious, Creative, Competent and Result Oriented. These shared values form the foundations of the company – allowing us to grow, meet fresh challenges, continually develop technology, and work with new people in a manner that supports our culture, objectives and high organisational standards.

By staying true to these values, we believe we can continue to meet requirements, delivering on promises and surpassing expectations. The company vision and core values demonstrate our commitment in ensuring we employ the right people for the right job at the right time.

As a drilling services company operating in the oil and gas sector, the majority of our employees work in the offshore environment. Within this industry, there is a predominance of males working offshore and as an industry. Odfjell Technology are committed to selecting the right person for a job regardless of gender, but for offshore positions, the vast majority of applicants, if not all, are male. As a result, our pay statistics are reflective of the predominance of male employees in offshore and senior onshore operational positions, which are paid at higher rates than traditional onshore positions. On a wider level, the Odfjell Drilling and Odfjell Technology Groups have a number of females in senior positions onshore, but our industry has challenges in attracting females to apply to work offshore.

### 3 DIFFERENCE BETWEEN EQUAL PAY AND GENDER PAY GAP

Whilst both equal pay and the gender pay gap deal with the difference (disparity) in pay that women receive in the workplace, they are two different issues<sup>1</sup>:

#### 3.1 Equal Pay

Means that men and women in the same employment, performing equal work must receive equal pay, as set out in the Equality Act 2010. Our company is committed to ensuring equal pay for equal roles.

#### 3.2 Gender Pay Gap

Is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of the higher earnings.

Among full time employees the gender pay gap in April 2021 was 7.9%; this was 7.0% in April 2020 and 9.0% in April 2019. There remains a large difference in gender pay gap between employees aged 40 years and over and those aged below 40 years<sup>2</sup>.

### 4 GENDER PAY GAP RESULTS

#### **Calculations explained:**

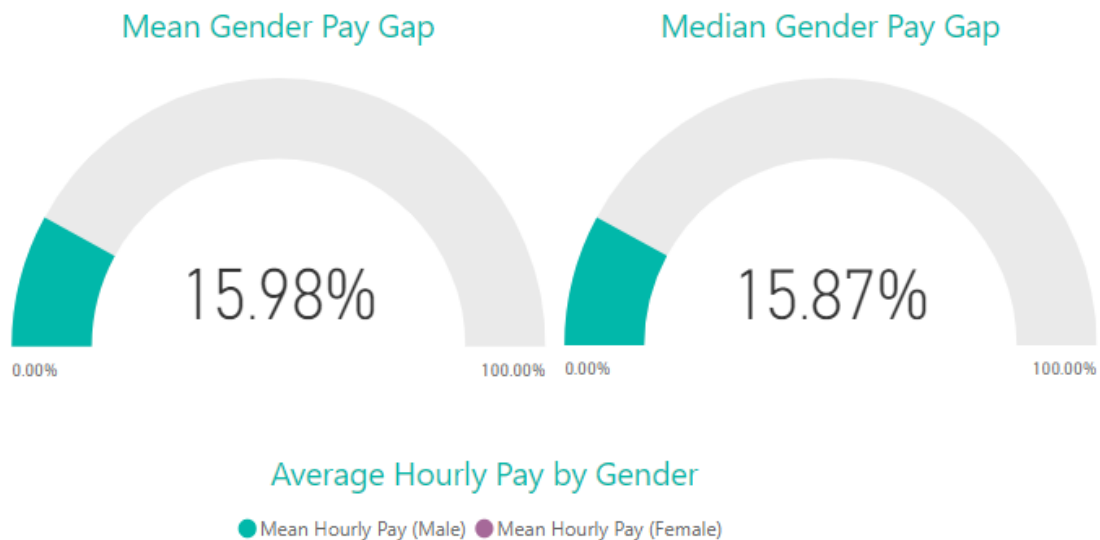
The mean (or average) is calculated by adding up the wages of all employees and dividing the figures by the number of employees.

The mean gender pay gap is the difference between mean male pay and mean female pay.

The median is the figure that falls in the middle of a range when everyone's wages are lined up from the smallest to the largest.

The median gap is the difference between the employee in the middle of the range of male wages and the middle employee in the range of female wages.

## 5 MEAN AND MEDIAN PAY

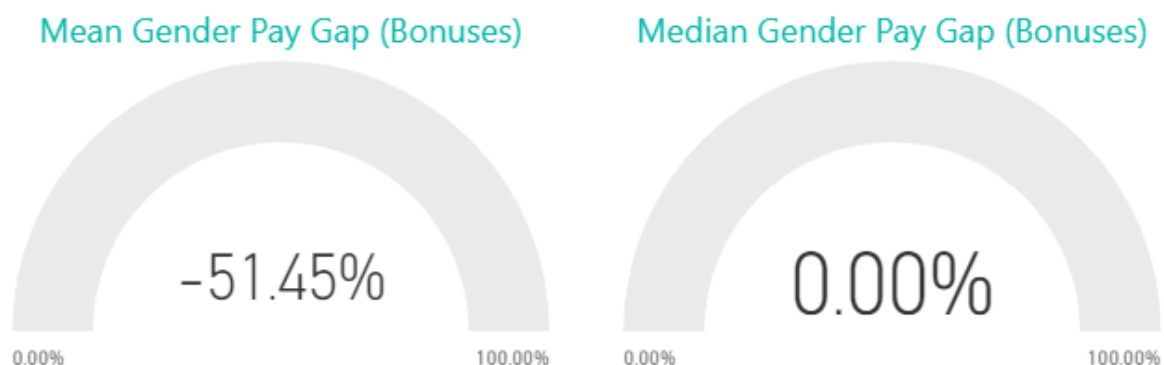


*Based on hourly rates from a snapshot date of 5 April 2021*

- Mean Hourly Pay Gap – 15.98 %
- Employee Count (Female) – 15 employees
- Employee Count (Male) – 277 employees

## 6 WE HAVE COMPLETED A REVIEW OF THE CLASSIFICATION OF OUR PAYROLL COMPONENTS DURING THE YEAR

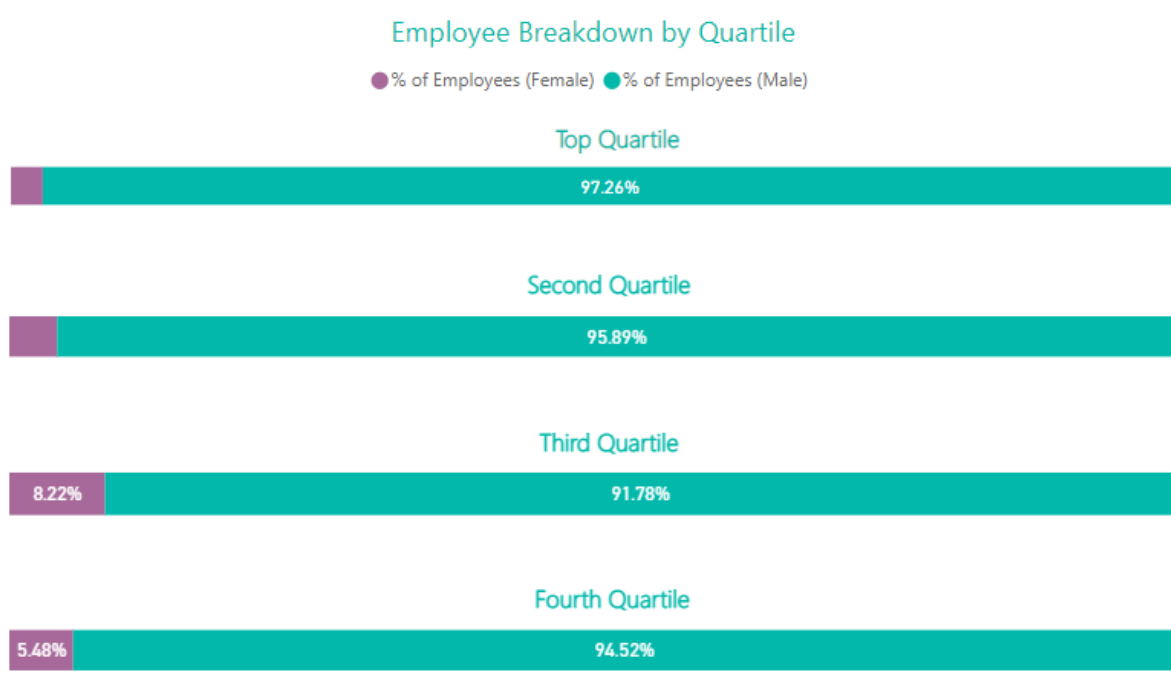
**GENDER PAY GAP – BONUSES (BASED ON ALL INCENTIVE PAY IN THE 12 MONTHS PERIOD TO 5 APRIL 2021)**



## 7 PROPORTION OF FEMALES AND MALES RECEIVING A BONUS

	MALE	FEMALE
Receiving Bonus	86.27 %	90.91 %

## 8 PROPORTION OF FEMALES AND MALES IN EACH QUARTILE BAND



### Calculations explained:

Employees are ranked from the highest to the lowest paid. This is then divided into four equal parts (quartiles) and then percentage of the men and women is worked out for each of the quartiles.

## 9 WHAT HAS CAUSED OUR GENDER PAY GAP?

Our recruitment process is gender neutral; however for the offshore vacancies we advertise, the majority of applicants are male. This is evidenced by the fact that in April 2021, 94.9% of the Odfjell Technology UK Ltd employees were male and 5.1 % female. This imbalance, combined with the higher salaries paid due to the offshore working environment and shift patterns, is the main reason for the higher gender pay gap when compared to other industry sectors. This is a long term challenge across the wider oil and gas industry.

As a drilling company, we do rely on employing individuals who are highly skilled in a variety of specialist STEM (Science, Technical, Engineering and Management) related fields. Globally, women represent 22% of the workforce in the oil and gas industry.

Furthermore, as has been acknowledged across both the oil and gas industry and more widely in the UK, there is an issue with the under-representation of women in these specialist areas.

For the bonus pay gap, the median figure this year shows that males to females is exactly the same. This is as a result of a one-off fixed monetary bonus that was paid in December 2020 to all staff who were not in the management bonus scheme. As all employees received the same amount in this December payment, the median for male and females is the same. The mean figures shows that the average for females was in fact higher than for males. This is as a result of the onshore management bonus scheme only applying to a small number of employees. As a result of the smaller female population, this resulted in the average bonus being high when compared to the larger male population where the vast majority only received the one-off fixed amount in December.





### 10 ADDRESSING THE GENDER PAY GAP

While we acknowledge that there is still a significant gender pay gap, this is for the reasons affecting the wider oil and gas industry as discussed above. It is going to take a significant period of time for the oil and gas industry to attract more females into the offshore industry and as a result close the gap.

Odfjell Technology globally are committed to recruiting and developing staff based on merit and equal opportunities, regardless of ethnicity, religion, national origin, gender, age, sexual orientation, marital status or disability.

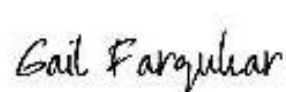
Equality is an integral part of our Personnel Policy that ensures that all employees are given the same opportunities for employment and pay, as well as professional development in terms of training and promotion. We work actively and systematically through internal governing documents, employee training and various other measures to prevent any form of discrimination. Such measures include recruitment policies and practice, salary and working conditions, personal development opportunities, promotions and shelter against harassment.

We will continue to identify employees with high potential to focus on active career management and ensure progression to senior leadership roles.

As an organisation, we will engage with employees to progress on gender equality across Odfjell Technology (UK) Ltd.

### 11 STATUTORY DISCLOSURE

I confirm that the gender pay calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap information) Regulations 2017.



*Gail Farquhar*

Human Resources Business Partner (Offshore)

### References

1. <https://www.equalityhumanrights.com/en/advice-and-guidance/what-difference-between-gender-pay-gap-and-equal-pay>
2. [Gender pay gap in the UK - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/peopleinwork/payandbenefits/genderpaygap)