

2020 GENDER PAY GAP REPORT

ALTERA PRODUCTION UK LIMITED



Addressing the Gender Pay Gap

Introduction

Altera Production UK Ltd (formerly Teekay Petrojarl UK Ltd) has been bringing energy to the world for more than 40 years. Altera Production builds, owns, operates and provides a duty holder service for floating production storage and offloading (FPSO) vessels.

This year, in line with the government regulations we are publishing our third Gender Pay Gap report. We recognise our employees are our greatest asset and we are committed to a diverse and inclusive culture across the business irrespective of gender. We are focused on being an inclusive workplace and ensuring women working for us receive the same pay, terms and benefits as their male counterparts. However, the results show we still have work to do across our UK business to recruit, retain and develop women, particularly in technical and more senior roles, and offshore.

The total number of employees on 5th April 2020 was 373, the vast majority of whom work offshore (316 employees). Our offshore employees work on our FPSOs in Marine, Production and Maintenance disciplines. We have a modest onshore operation providing support to these offshore units. In terms of the male / female split, we employ 346 males and 27 females. This is reflective of the high concentration of males employed on our offshore assets and the offshore industry in general.

Balancing the gender workforce is an issue faced by the oil & gas industry and we find there is a clear gap which in our opinion is reflective of trends in society at large with fewer women applying for STEM (Science, Technology, Engineering and Mathematics) roles, which in our industry tend to be the highest paid.

We will continue to seek to close the gender pay gap. We have reported in previous Pay Gap Reports on the work that we have been undertaking in partnership with local schools and educational establishments. This work was put on hold throughout 2020 and into 2021 due to ongoing restrictions related to the corona virus. We will seek to continue with this programme as soon as we are able to promote a more equal representation in STEM roles for emerging generations.

As with other companies, our onshore workforce has been working from home throughout the pandemic. We will be reviewing working practices and the “new norm” in the light of this experience, to see what lessons can be learned and applied going forward. We will take this opportunity for a wider review of our flexible working offering, with particular emphasis on the promotion of diversity and equality.

About the gender pay gap

New reporting requirements were introduced under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, which requires companies with more than 250 employees to publish four types of figures on their gender pay gap annually:

- Gender pay gap (mean and median): the difference in the average pay of all men and all women across the organisation.
- Gender bonus gap (mean and median): the difference in the average bonuses of all men and all women across the organisation.

- The proportion of men and women receiving a bonus.
- The proportion of men and women in each quartile of an organisation’s pay structure.

The gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female colleagues receive, irrespective of the differences in job functions, job level, qualifications, performance, and experience.

- The mean pay gap is the difference between average hourly earnings of men and women.
- The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women.

We are committed to closing the gender pay gap as a business and the introduction of the legislation encourages discussions about the progress of women in our business.

Equal pay

The gender pay gap is not the same as equal pay. Altera conducts regular reviews across the business to ensure men and women are paid equally for the same, or similar work. For example, for our offshore positions we have clearly defined pay matrices and pay progression is linked to seniority within relevant grading bands. For our onshore team, an annual audit takes place to identify and address any pay anomalies.

Gender Pay Gap Statistics

The below figures show the mean and median pay and bonus gaps of our female employees compared with our male employees. Whilst Altera has been very proactive in driving change, the figures certainly do not reflect the importance we place on developing and progressing the careers of our women.

Pay and Bonus Gap		
Difference between men and women		
	Mean % (average)	Median % (mid-point)
Gender Pay Gap	31.73%	30.16%
Bonus Pay Gap	62.98%	49.01%

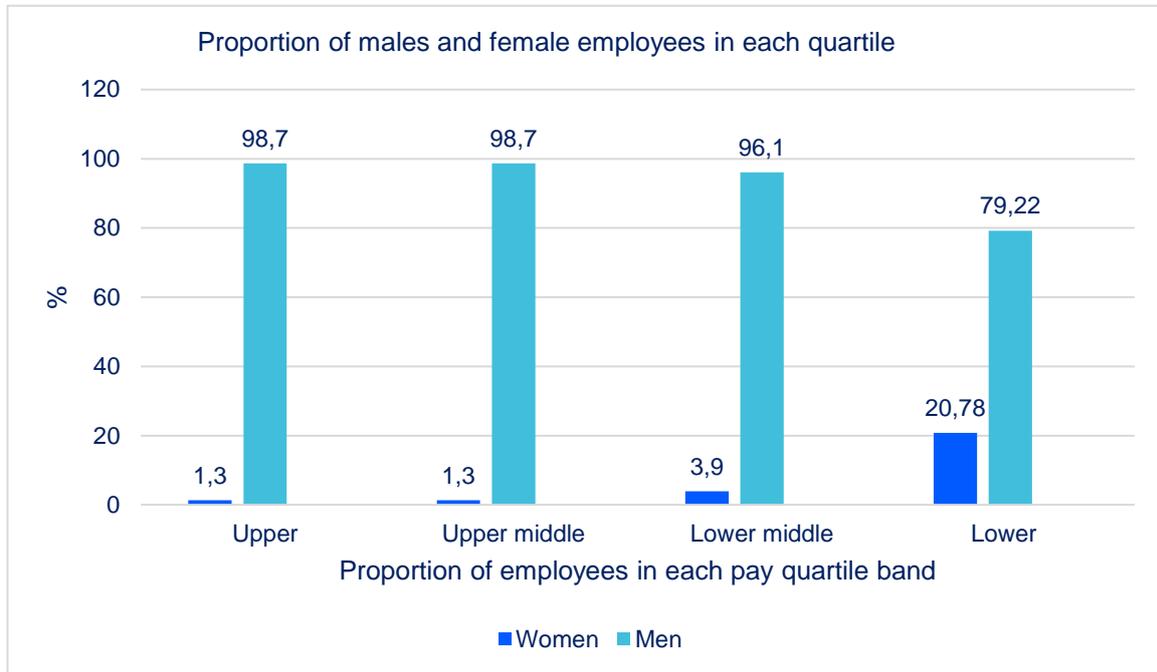
Proportion of employees receiving a bonus in 2019/20

The image below shows the percentage of men and women who received a bonus.

Proportion of employees receiving a bonus



Pay Quartiles



The pay quartile data assists in explaining the factors that contribute to the gender pay gap. It shows the proportion of men to women in four equally sized pay bands ranging from the lowest hourly rate to the highest hourly rate and is calculated by dividing the workforce into four.

Declaration: I confirm the information and data reported is accurate as of the snapshot date 05 April 2020.

Stig M. Helland

Stig-Morten Helland

Vice President, Head of UK Operations

Altera's Findings

Why do we have a gender pay gap?

The gender pay gap exists due to:

- **Gender imbalance**

As a result of our organisation attracting more men than women, the offshore workforce is predominantly made up of males. This is due to the nature of the business, the offshore population and the fact that senior higher paid positions have been occupied by those who worked in technical roles. This has resulted in male domination of the top quartiles that attract higher pay and bonuses.

- **STEM Roles**

There is a large gender gap in the specialist STEM roles on which our company is dependent, and these roles tend to be the highest paid. This is in line with comparable companies within our industry and is symptomatic of the national underrepresentation of women in STEM roles in the UK. Altera feels the disparity starts as young as primary school, and continues through secondary, university, college and into the workplace. Our offshore roles are predominantly filled by men, this is due to the nature of the roles where for the most part the work rotation is 2 weeks offshore followed by 3 weeks of leave. Very few women apply for offshore rotational roles.

Altera is an equal opportunities employer and we strive to attract and maintain an inclusive and diverse workforce. We are confident we provide equal pay for equal work. That said, we recognise that a pay gap does exist. This is in line with comparable companies within our industry and is symptomatic of the gender imbalance in relation to STEM roles in the UK. Nevertheless, Altera continues to strive to address this imbalance and promote the role of women in oil and gas.



Altera continues to work alongside local primary schools promoting STEM to young female students to teach them first-hand about engineering. Collaborating with local schools is an ideal opportunity to both promote Altera and encourage female students to pursue a science and engineering future.



We have previously reported on the range of initiatives with local schools aimed at promoting the role of women, both in oil and gas and in wider STEM roles. However, we have been forced to put this programme on hold due to the pandemic. The most recent collaboration with local schools saw a female pupil from Kingswells Primary attend the Altera office to take part in the Company craft fair with her school project of “grow a fiver”. This initiative gives young people between the age 9 and 11 the experience of starting a small business, using £5. This opportunity allows for pupils to have an insight into how business works and helps them to build skills for the future.

Altera’s Approach

- **Recruitment** – Non-discriminatory recruitment, generally involving a male and female recruitment team. The challenge we face, like many other companies in this sector, is that we have a deficit of women applicants in STEM disciplines. However, any applications from suitably qualified women, are viewed more favourably than applications from similarly qualified males. We will also be seeking to address this imbalance with continued partnership with local schools over the next 12 months.
- **Retention** – We recognise the need to retain our qualified and experienced women in our organisation. With this in mind, we have a generous enhanced maternity provision and a number of policies aimed at facilitating a woman’s return to the workplace after maternity leave. We also have a shared parental leave policy and are committed to flexible working policies for all of our workforce.
- **Development** – We operate a program for taking on undergraduate placement students. We seek to ensure we have gender balance representation in this program, particularly for our engineering

discipline. We will be focusing on diversity and Inclusion this year, with the view of providing further training for our managers onshore and offshore to promote social diversity and gender balance.