

2017

Archer UK Limited Gender Pay Gap
Report



Introduction

Archer presents its Gender Pay Gap Report for 2017.

Our three core values and two behavioural values define our beliefs, culture and the way we work. Integrity is one of our core values and demonstrates our commitment to maintaining an environment of trust built upon honesty, ethical behaviour, respect and candour. We promote a culture and environment which encourages our employees to contribute their best every day, and in return, we as an employer will act in an open, honest and fair manner.

In common with other companies operating in the oil and gas sector, and with a significant presence in offshore environments, our pay statistics show some significant gaps and discrepancies in pay between genders. This is reflective of an industry wide dominance of male employees in offshore and onshore operational positions, which attract higher salaries, and we believe is not a reflection of unfair pay practices or gender bias.

We take pride in our work and our global workforce of 5,000 skilled personnel who are at the heart of our business. We are committed to equality across all aspects of our business, and to build a working environment which fosters inclusion and opportunities for all employees.



Methodology

The Government's Gender Pay Gap Reporting requires all companies with more than 250 employees to publish details of its gender pay gap – the difference between the average amount men and women are paid across the company. The following information is 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

Relevant employees



Mean and median pay gap

Base Pay		Bonus Pay	
	% gap		% gap
Mean	46.8%	Mean	4.6%
Median	47.4%	Median	-394.4%

Note a positive number signifies that the male pay measure is higher than the female measure; a negative number signifies that the female measure is higher than the male measure

Proportion of employees in receipt of bonus



Quartile Distribution

Quartiles	Male	Female
Upper	99.4%	0.6%
Upper Middle	99.4%	0.6%
Lower Middle	98.2%	1.8%
Lower	81.7%	18.3%

Analysis

Archer UK Limited is an oil services company operating in a male dominated industry. As at April 2017, the company had 79.3% of its workforce working on offshore platforms in the North Sea and Aegean Sea on a regular shift pattern of either 3 or 4 weeks on the platform followed by the same period on shore leave. Whilst offshore, our employees typically work 12 hour shifts, either 06.00 to 18.00 or 18.00 to 06.00.

We have a number of other field engineers who work similar shift pattern whilst assigned offshore or onshore, and can be on assignment for periods up to 6 weeks.



The harsh environment and required shift patterns for offshore workers means that typical salaries in this sector are higher than the UK average. While our recruitment process has a focus on equal opportunities we find that the majority of applicants looking to work in such environments are male. The company currently has no female employees working offshore, or in field engineer positions. A dominance of males in these positions therefore leads to a higher gender pay gap than may be found in other industry sectors in the UK.

Also, in this industry it is common for employees to progress from operational to

management roles, which explains why our upper quartiles are predominantly male. All recruitment and promotion opportunities are advertised gender neutral.



Small bonus payments are often awarded to our offshore personnel in recognition for meeting operational or safety targets. Larger annual bonuses are awarded to those in management roles. The large variance in median bonus pay gap is reflective of the fact that there are currently no female employees offshore, and that onshore bonus payments are higher relative to the offshore productivity bonuses.





Conclusion

Archer is committed to diversity and equality and following our core values. Our talented people solve customer problems and deal with their challenges on a daily basis. We are committed to continually investing in training and educational opportunities and providing our employees with the right tools to do their job in all circumstances. We pay equal remuneration for the same roles regardless of gender. The gender pay gap reported in these statistics is significantly influenced by the following factors:

- The offshore industry continues to be dominated by male applicants and male employees in offshore and field engineer positions.
- As detailed above, a common career path is to progress from a senior position offshore to a management position onshore; these roles tend to be filled by males, having come from an offshore environment.
- A higher proportion of technical and engineering positions are filled by males.
- We have a higher proportion of females in lower paid administrative roles.

Next Steps

We are confident our gender pay gap results are driven by the oil industry being male dominated and not due to any equal pay issues. We are committed to our employees and ensuring opportunities are available to everyone, as well as investing in our future talent to ensure we hire the right people for the job. However we do recognise that there are ways we can reduce our gender pay gap.

- Work with universities and schools and consider ways to broaden our recruitment opportunities;
- Consider graduate apprenticeships to develop our current workforce;
- Continually review our flexible working arrangements to allow women to remain in the workplace and support a work life balance;
- Raising awareness of the use of family friendly leave;
- Review our succession planning within the business to ensure females are considered for the same opportunities;
- Monitor our recruitment processes to guard against any potential bias as far as is possible;
- Encourage development and promotion opportunities to employees of both genders.

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.

Angela Halliday

UK Human Resources Manager

