

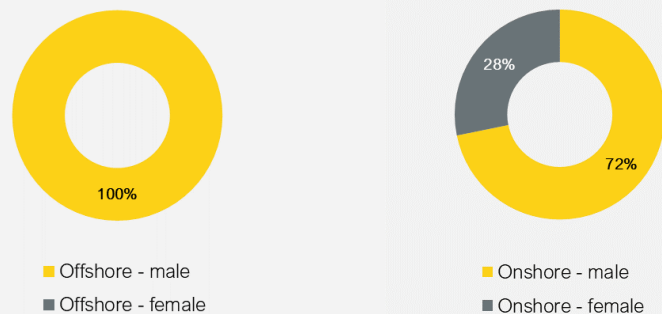
April 2022

# Archer UK Limited 2021 Gender Pay Gap Report



Archer presents its Gender Pay Gap Report in the UK for 2021.

In common with other companies operating in the oil and gas sector and with a substantial presence in offshore environments, our pay statistics show some significant gaps and discrepancies in pay between genders. This is a reflection of an industry wide dominance of male employees in offshore and onshore operational positions, both of which attract higher salaries compared with the average across all industries, and we firmly believe is not a reflection of any unfair pay practices or gender bias. We have analysed the data and trends since the last publication later in the report and outlined the steps we are taking to try to address the gap.



We take pride in our work and our global workforce of 4,500 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.

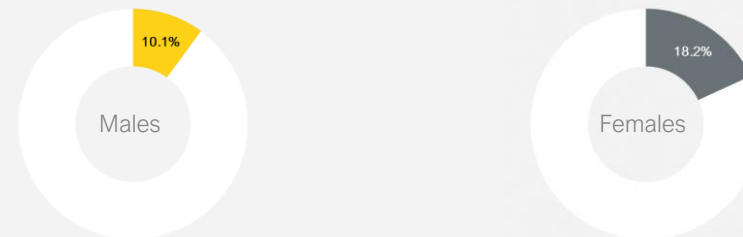
The UK government's Gender Pay Gap Reporting requires all companies with more than 250 employees to publish details of its gender pay gap – the difference between the average amount men and women are paid across the company. As in previous years, the following information is required to be published:

- 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
- Proportion of males and females in each pay quartile

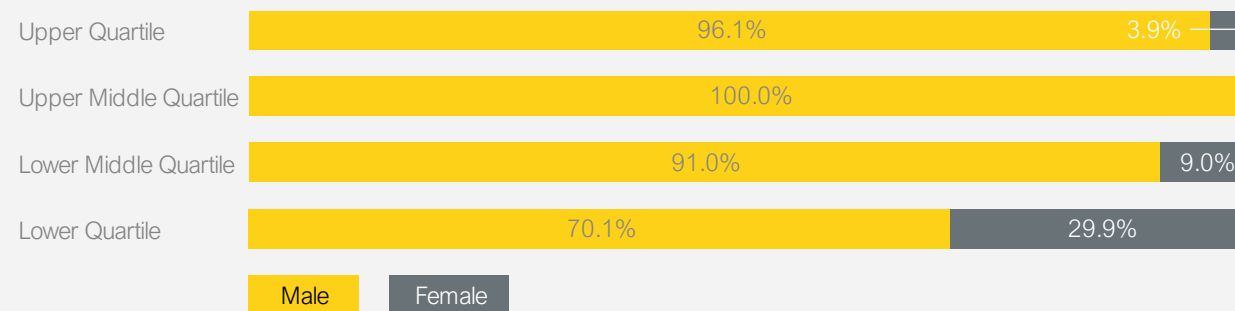
## 2021 Gender Pay Gap Report

|                  | Hourly Base Pay | Bonus Pay |
|------------------|-----------------|-----------|
| Mean Pay Gap %   | 25.7%           | 34.5%     |
| Median Pay Gap % | 52.3%           | 38.5%     |

Proportion of employees in receipt of a bonus



Proportion of employees in each pay quartile





## 2021 Gender Pay Gap Report

### Overview

Archer UK Limited is an oil services company operating in a male dominated industry. As at April 2021, the company had 64.0% (2020 75.2%) of its workforce working on offshore platforms in the North Sea on a regular shift pattern of 3 weeks on the platform followed by the same period on shore leave.

We have a number of other field engineers who are often assigned to foreign locations for periods up to 6 weeks. The remaining staff work onshore in management, operational and administrative roles.

It is worth noting that Archer has a number of senior positions with responsibility for the UK based in its corporate base in Stavanger. A number of these positions are filled by females (notably our IT Director and QHSE Director) but are out with the scope of this report as they are employed by a Norwegian entity.

Globally, 21% of the female employees hold leadership positions within Archer.

### Gender Split and Pay Gap

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 vast majority of applicants looking to work in such environments are male. The company currently has no female employees working offshore in the UK, or UK based field engineers.

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. Conversely, with relatively few female employees in the company compared with the male offshore workforce, changes within the onshore female workforce can have a disproportionate effect on the pay gap statistics. Since 2020, the mean gender pay gap has narrowed to 25.7% (2020 44.7%) but the median pay gap has increased to 52.3% (2020 43.0%). Similarly the mean bonus pay gap has narrowed to 34.5% (2020 44.2%) but the median bonus gap has increased to 38.5% (2020 -14.2%). These movements are driven by an increase in females in management positions onshore, combined with a reduced offshore workforce following a downturn in activity in 2020.

As in previous years we carried out an internal review of salaries; this confirmed that individuals in the same position are paid equally regardless of whether the role is filled by a male or female employee.

In the UK, it is recognised that in the oil and gas industry it is common for employees to progress from operational to management roles which explains why our upper quartile distributions are predominantly male.

### Conclusion

Archer is committed to diversity and equality and following our core values. We pay equal remuneration for the same roles regardless of gender. All vacancies and promotion opportunities are advertised gender neutral. 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.
- 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 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.

We already have a number of policies and processes in place to aid work life-balance for parents, equal opportunities and training and development opportunities, and we will continue to review and update these as required. However we do recognise that there are ways we can reduce our gender pay gap. We are committed to the following policies and actions in the short and medium term:

- Archer seeks to remedy the under representation of females by setting targets for diversity in recruitment. We are fully committed to the principle of equal opportunity and comply with the letter and spirit of all laws regarding fair employment practices and non-discrimination; this is outlined in our Human Rights Policy and Code of Conduct;
- Continually review our flexible working arrangements to allow women and men to remain in the workplace and support a work life balance;
- Raising awareness of the use of shared parental leave;
- Continue to ensure females are considered equally for opportunities during succession planning;
- We will continue to carry out annual pay review to ensure that male and female employees are paid equally in the same position;
- Monitor our recruitment processes to guard against any potential bias as far as is possible by ensuring shortlists are reviewed to include females where possible and interviews carried out are structured and consistent processes;
- Encourage development and promotion opportunities to employees of both genders;
- Ensure equal involvement and contribution from both males and females in our UK ESG Committee
- Work with universities and schools to raise awareness of opportunities for everyone in our industry.



## 2021 Gender Pay Gap Report

### 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

