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John Wood Group PLC
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Gender pay gap report 2023



Designing the future. Transforming the world.

Wood is a global leader in consulting and engineering, delivering critical solutions across energy and materials markets. We provide consulting, projects and operations solutions in 60 countries, employing around 35,000 people.



Introduction

This report details the gender pay gap reporting requirements in the United Kingdom covered under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The regulations require companies with 250 or more employees to publish information on their gender pay gap.

In line with our key principle of providing transparent reward, Wood has reported all UK employing entities covering 4,864 employees, which includes voluntary reporting employing entities with less than 250 employees at the snapshot date of 5th April 2023.

Year	Headcount Included in reporting	Gender distribution (as at snapshot date)	
		F%	M%
2017	12,110	16%	84%
2018	10,011	19%	81%
2019	7,698	23%	77%
2020	5,929	25%	75%
2021	5,587	23%	77%
2022	5,488	23%	77%
2023	4,864	22%	78%

Summary

Wood is a people business, and our people will always be our differentiator. We are committed to providing transparent, internally fair and externally competitive reward for our people in return for the work they do, whilst ensuring that we are responsible with our spend on reward. Our priority is to ensure our people feel secure, are rewarded competitively, and treated fairly and inclusively.

We are passionate about building an inspired and inclusive culture. Our focus on diversity and inclusion (D&I) aims to make Wood a great place to work, where all our remarkable people feel respected and empowered to succeed. We continue to focus on providing equal growth and development opportunities for all our employees and putting measures in place to monitor key demographic data, that allows us to set targets to improve representation in key areas.

The markets in which Wood operates attract significantly higher percentage of males due to the predominantly technical focus of the roles in office, site, and offshore locations. We continue to remain focused on developing an inclusive and diverse workforce, through our goal of improving gender balance in our senior leadership roles. In 2022 we achieved 32% female representation with a renewed focus in 2023 on developing female P&L leaders and continuing our intake of females into Early Careers roles, of which 48% of our intake was female in 2022. However, as a result of the sale of Built Environment Consulting, female representation decreased slightly across our UK business to 22% from 23% since our previous report.

Between 2022 and 2023 our mean Gender Pay Gap (GPG) has reduced from 26.0% to 23.3%, and our mean bonus gap has reduced from 44.2% to 13.2%. The median bonus gap between females and males has fallen to -0.7%. For the first time since our 2020 report, we have returned to payment of the Annual Bonus Plan for senior employees. Year on year comparison continues to be challenging through ongoing merger, acquisition and divestitures activity and simplification of our employing entity structures as well as the operation of salary sacrifice benefits and other pay arrangements. However, we remain confident that our pay practices are free from bias and any gap is a result of the gender distribution across roles and not an equal pay issue.

Our commitment aims to increase the number of female leaders in senior leadership and technical positions at Wood through continuing to work towards a gender balance of 40% female representation in leadership by 2030, refreshing and expanding our employee networks, empowering our leadership teams to have action plans to drive sustainable, inclusive change to reflect the communities we operate in, continuing our focus on balanced intake at the early career stage and tracking diversity statistics on an ongoing basis across our business. We believe these actions, whilst maintaining our focus of fair pay for those carrying out the same job, in the same location, with the same skills and experience, regardless of diversity, will have a long-term impact in addressing the gender pay gap.

This report reflects the overall results of Wood in the UK, across all employing entities, regardless of the requirement to report, to provide an accurate year-on-year picture across Wood. The entities included are:

- Wood Group UK Ltd
- The Automated Technology Group Limited
- PSJ Fabrications Ltd*
- Mustang Engineering Ltd
- Wood Transmission and Distribution Limited

Results by employing entity can be found at the end of this report and the UK Government Gender Pay Gap Service.

*Entity level data for PSJ Fabrications Ltd, which employs a small number of employees and is not a mandatory entity to report, has been excluded from this report and the reporting service to protect the privacy of our employees.

Accuracy statement

I confirm the gender pay gap data contained in this report is accurate and has been produced in accordance with the regulations.



Marla Storm
Chief Human Resources Officer, Wood

Reporting requirements

The regulations require reporting on pay and bonuses by employing entity as follows:

- The mean gender pay gap – the difference between the average gross hourly pay for male and female employees.
- The median gender pay gap – the difference between the median gross hourly pay for male and female employees.
- Proportion of male/female employees in each quartile of our overall salary range.
- The mean bonus pay gap – the difference between the average annual bonus payments received by male and female employees.
- The median bonus pay gap – the difference between the median annual bonus payments received by male and female employees.
- Proportion of male/female in receipt of bonuses, in the 12 months before the snapshot date.

Results are published on the Government website, categorised by industry sector, and are held on the company website for a minimum period of three years.

"We are committed to creating an Inspired Culture and our re-energised focus on Diversity and Inclusion is starting to see results. We continue to make progress towards closing our UK gender pay gap but recognise this will be accelerated as we continue to improve representation of females in senior roles."

Marla Storm,
Chief Human Resources Officer, Wood

Gender pay gap results

Employees at snapshot date:

4,864

Gender balance:



Mean Gap/Median Gap Pay



Mean Gap/Median Gap Bonus



Quartiles	Male	Female
Upper	89%	11%
Upper Middle	86%	14%
Lower Middle	77%	23%
Lower	61%	39%

Understanding our data

It is well reported that the reasons behind the Gender Pay Gap (GPG) are complex. As in previous years we undertook extensive analysis of the results to understand any gap and continue to be confident that pay is free from bias. Wood is heavily influenced by having a higher percentage of males in leadership, technical and site-based roles than females. Our strategy around diversity and inclusion and the measures already being taken to address the gap, are designed to have a longer-term impact on reducing any real pay gap between the pay of males and females.

Key changes for 2023 reporting:

In 2023, the mean Gender Pay Gap (GPG) is 23.3%, and the mean bonus pay gap 13.2%. This is a decrease of 2.7% in the mean Gender Pay Gap and a decrease in the mean bonus pay gap of 31% since 2022. In 2023, the median GPG is 31.1%, and the median bonus pay gap is -0.7%. This is a decrease of 1.7% compared with the median Gender Pay Gap in 2022, and a decrease in the median bonus pay gap of 33.2% since 2022. In 2023 female representation reduced to 22% across our UK business, previously it was 23%.

Gender Pay Gap:

The pay gap is driven by the types of role Wood offers and by the markets in which we operate. We are confident that any gap relates to the gender distribution across our salary scale, in particular there are still proportionately more male employees occupying senior more highly paid positions and it is not because of an underlying equal pay issue. In April 2023, 31% of our employees undertook site rotation work (2% of which are female), which have a broad variety of pay structures, including additional pay premiums, unsocial hours allowances and working patterns typical of these types of roles which have historically been filled by males in our industry. We remain focused on attracting more females into the industry and into job roles historically filled by males.

Government regulations require GPG to be calculated after salary sacrifice deductions. At Wood, we offer salary sacrifice deductions for employee pension contributions and our range of flexible benefits that we offer office based employees and as a result affects our GPG, employees with identical salaries who select a different benefit offering or pension contribution can have different hourly rates of pay under the calculations.

Bonus Pay Gap:

Wood operates a range of bonus plans which are tailored to different groups of employees, each with a different purpose. The Annual Bonus Plan, aimed at senior employees critical to future success and who are in a position that can materially influence the success of Wood, is the main plan which is applied consistently across the business with eligibility to participate linked with the position level held, and free from gender bias. Other types of bonus plans included in our results which are monitored to ensure they are free from bias are client specific performance bonuses; senior leader long-term incentive plans; employee share plans; spot recognition awards; and retention awards.

The improvement in our bonus gap was driven by the fact that the payment of the Annual Bonus Plan for senior employees (which has many female participants) was made, for the first time since 2020, and included for the 2022 and 2021 performance years. Payment for the 2021 performance year, was not paid until May 2022 due to a delay in the announcement of the Group's financial results.



Addressing the gap

At Wood we believe in the benefits of a diverse and inclusive workplace and are committed to improving gender balance. We continue to shine a spotlight on diversity, inclusion, belonging and talent, whilst ensuring our policies, recruitment and frameworks are free from bias.

We empower our leaders to create an inspired culture by:

- Ensuring equal opportunities for growth and development for all our people
- Developing local action plans to move the dial to gender balance
- Continuing to review our policies to ensure they remain inclusive
- Focusing on employee engagement listening and engaging with the workforce in relation to their D&I experience through a global employee survey, townhalls, and leadership listening.

Reporting and monitoring

Consistent tracking and analysis of diversity statistics, through improved reporting via Oracle People, to allow informed decision making across the business.

Attracting and retaining talent

Attracting and retaining key talent from the full spectrum of the global talent pool, particularly from under-represented groups, unlocking diverse talent and matching people to the best growth opportunities, monitoring and developing targeted action plans.

We strengthened and demonstrated our commitment to Diversity and Inclusion also by partnering with organisations to share best practice with peers in the sector and other industries including ALLY Energy (USA), Society of Women Engineers (USA), Black Girls Do Engineering (Australia), RoboGirls (Australia), Powerful Women (UK) and AFBE-UK (UK). This also included collaborating with Powerful Women on Empower her in Energy campaign to promote careers in STEM to women and girls.

Diversity and Inclusion Employee Networks

At Wood we have seven employee-led Diversity and Inclusion networks to create a safe space to challenge, solution and make meaningful change. These are: Equal Footing (Gender Balance), Pride (LGBT+), Ethnicity and Race, Developing Professionals, STEAM, Armed Forces and our most recently launched Wellbeing Network.

These networks are each sponsored by a member of the Executive Leadership Team. We were delighted that our networks were highlighted when we won the Best Energy Workplace award at ALLY Energy's GRIT Awards in October 2023.

In collaboration with our Equal Footing Network, we were pleased to introduce a global menopause toolkit for all our people across the globe.



Women of Wood

We launched the Women of Wood movement to provide a platform to understand what the barriers, blockers and opportunities are to elevate our women. The movement has already seen the establishment of local 'Chapters' in the UK, Middle East and Australia with more planned.

Pay Equity

Transparency of pay for our people is one of our key principles of reward, and in 2022 we were able to report on pay equity for circa 78% of the global population. The reports enable line managers to review the pay of their people against salary bands which are specific to the job level, function, and country of work to ensure no bias in the application of our pay frameworks. Line managers are accountable for ensuring fair pay practices for their people and engaging with them in open, honest dialogue about their pay.

Bonus

In May 2022, aligned with our Spot Bonus Policy available to all employees, we launched global spot bonus reporting and monitoring, and were proud to fairly reward more than 650 employees globally with spot bonus awards for outstanding contributions to Wood. In March 2023, we updated our internally published Annual Bonus Plan Policy and associated documentation providing further transparency of the purpose, criteria and rules associated with the main bonus plan, also accessible to all employees.

Flexible and hybrid working

The implementation of our Flexible Working Policy has further enhanced our ability to offer all our people the opportunity to adopt a hybrid-working pattern, enabling a better work life balance.



Wood Group UK Limited

Employees at snapshot date:

4,562

94%

of overall employees reported

Gender balance:

Male

78%

Female

22%

Base pay:

	% gap
Mean	23.3%
Median	31.4%

Quartiles	Male	Female
Upper	88%	12%
Upper Middle	85%	15%
Lower Middle	76%	24%
Lower	60%	40%

Bonus:

	% gap
Mean	15.2%
Median	6.1%

% in receipt of bonus

Male

35.2%

Female

30.0%

Wood Transmission & Distribution Ltd

Employees at snapshot date:

152

3%

of overall employees reported

Gender balance:

Male

87%

Female

13%

Base pay:

	% gap
Mean	35.8%
Median	37.6%

Quartiles	Male	Female
Upper	97%	3%
Upper Middle	94%	6%
Lower Middle	85%	15%
Lower	74%	26%

Bonus:

	% gap
Mean	44.1%
Median	16.8%

% in receipt of bonus

Male

55.3%

Female

5.0%

Mustang Engineering Ltd

Employees at snapshot date:

59

1%

of overall employees reported

Gender balance:

Male

71%

Female

29%

Base pay:

	% gap
Mean	30.5%
Median	40.2%

Quartiles	Male	Female
Upper	87%	13%
Upper Middle	86%	14%
Lower Middle	79%	21%
Lower	33%	67%

Bonus:

	% gap
Mean	46.7%
Median	-22.7%

% in receipt of bonus

Male

14.3%

Female

5.9%

PSJ Fabrications Ltd

Employees at snapshot date:

34

1%
of overall employees reported

Gender balance:

Male 97% Female 3%

Automated Technology Group Ltd

Employees at snapshot date:

57

1%
of overall employees reported

Gender balance:

Male 77% Female 23%

Base pay:

	% gap
Mean	35.1%
Median	39.2%

Quartiles	Male	Female
Upper	92%	8%
Upper Middle	92%	8%
Lower Middle	77%	23%
Lower	57%	43%

Bonus:

	% gap
Mean	72.7%
Median	72.0%

% in receipt of bonus

Male 15.9% Female 7.7%



Sir Ian Wood House

Hareness Road
Altens Industrial Estate
Aberdeen, AB12 3LE
Scotland, UK

Tel +44 1224 851000

woodplc.com