

Doosan Babcock Gender Pay Gap Report 2020



Accuracy Statement

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

A handwritten signature in dark ink, appearing to read "Doug Taylor", is written over a light blue circular background.

Doug Taylor
Director of Human Resources

Understanding the Gender Pay Gap

It is important to understand that gender pay is not the same as equal pay. Equal pay means that men and women performing the same or similar role in an organisation must receive the same pay.

What is the gender pay gap?

The gender pay gap shows the difference in pay between male and female employees in an organisation with the difference between men and women's hourly earnings expressed as a percentage.

What is our gender pay gap?

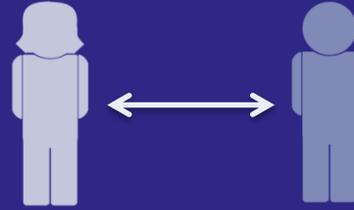
The mean gender pay gap in Doosan Babcock for 2020 is 24.7% (as at 5 April 2020).*

Why is there a gap?

We are confident that our gender pay gap does not reflect an equal pay issue nor is it related to paying males and females differently. The gap reported is a consequence of the nature of our industry that continues to be male dominated and also due to the fact that we employ more males in technical and senior roles and these roles (irrespective of gender) are typically paid more.

Whilst the number of females entering the industry is increasing, there is still much to be done to attract women into the wider sector as well as facilitating career progression for women to more senior levels.

Doosan Babcock are committed to diversity, inclusion and equality across our organisation and continue to focus on actions that promote a culture of inclusion



2020 Reporting: Key Changes

The overall gender pay gap in 2020 reduced from 29.67% in 2019 to 24.7% whilst the mean bonus gap also reduced from 55.11% to 37.42%.

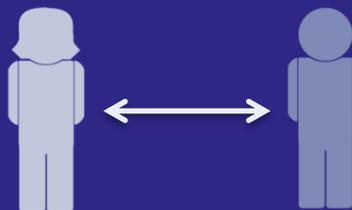
Female representation in our business has increased from 7.3% in 2019 to 8.9% in 2020.

Doosan Babcock, as well as many other organisations, experienced an unprecedented and disruptive impact on our business operations due to the Covid pandemic. As a result, we utilised the UK's Coronavirus Job Retention Scheme to protect our business and the ongoing employment of our people.

This resulted in a number of employees being placed on furlough and in accordance with the reporting guidelines these employees have been excluded from our calculations for gender pay gap, although included in the analysis for our bonus gap calculations

Our bonus schemes are applied consistently across the business and the bonus gap figures remain high for 2020 due to bonus structure in effect for Blue Collar employees under NAECI, whereby the workforce is predominately male. This scheme remained in operation whereas bonus payments for staff employees, where most females are employed, was suspended for 2020, irrespective of gender.

Understanding the Gender Pay Gap



What are we doing to close the gap:

- Although a slight improvement, the number of females in our organisation has remained at similar levels to our previous reports and continues to be a significant factor in our gender pay gap.
- We are continuing to enhance our flexible working approach available to employees especially following the successful working from home / agile working that was adopted in response to the Covid pandemic that we anticipate will widen our ability to recruit from a diverse talent pool.
- We remain committed to our STEM activities; e.g. Dream Placements, hosting targeted STEM activity days with local schools and increased participation in female focussed groups such as Women in Nuclear and Women in Engineering to encourage more females into the industry and our graduate / apprenticeship programmes.
- We are also continually reviewing our Talent Attraction approach with a focus on increasing the diversity of our candidate pools and reinforcing our inclusive commitments.
- We continue to review the gender balance of our leadership and management teams whilst supporting a wider approach for succession planning and management to support our commitment that promotes inclusion across the organisation.
- Our Bonus Gap remains high largely due to the compensation structure for our Blue Collar employees under NAECI, where the workforce is predominately male. This has also been compounded due to the Covid impact on our business operations whereby no bonus payments were made to staff employees (where the majority of female are employed), thus skewing the overall figures.

* Figures include for both blue and white collar employees of Doosan Babcock UK only.

The proportion of males and females in each pay quartile is:



Gender Pay Gap statistics for 2020:

	Pay Gap	Bonus Gap
Mean (Average)	24.7 %	37.42 %
Median (Middle)	32.1%	40.6%

