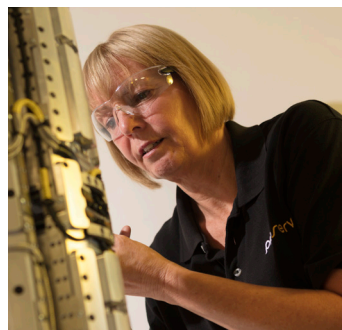
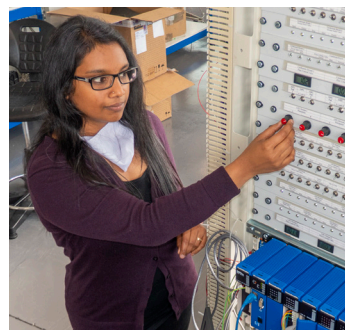


Proserv Gender Pay Gap Report 2020

INTRODUCTION

Proserv is a controls technology company. We provide products and solutions to clients right across the energy sector to maximise production, improve performance and reliability, and extend asset life. We operate around the globe, retaining 14 bases and employing about 730 people worldwide.

Since April 2018, all UK organisations that employ over 250 employees have been required to report annually on their gender pay gap. This is defined as the difference in average earnings of men and women over a standard time period, regardless of their role seniority.



GENDER PAY REPORTING 2018

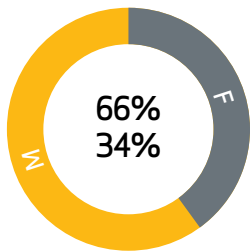
GENDER BALANCE AS OF APRIL 2018
82% MALE | 18% FEMALE

27.40%

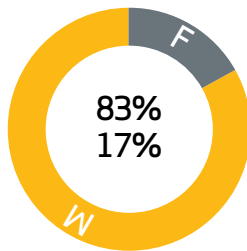
MEAN GENDER
 PAY GAP

21.74%

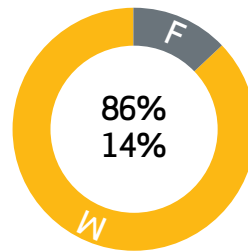
MEDIAN GENDER
 PAY GAP



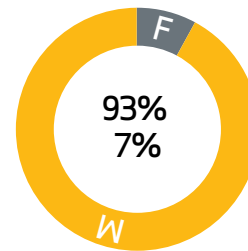
Proportion of men/
 women in lower
 quartile pay band



Proportion of men/
 women in lower middle
 quartile pay band



Proportion of men/
 women in upper middle
 quartile pay band



Proportion of men/
 women in upper quartile
 pay band

| | |
|---------------------------------------|-------|
| Mean bonus pay gap | 0% |
| Median bonus pay gap | 0% |
| Proportion of males receiving bonus | 0.95% |
| Proportion of females receiving bonus | 1.08% |

The figures opposite provide the calculations for the pay period April 2018, which were reported in April 2019.

Our Gender Pay Gap for 2019 was not published after the decision was made by the UK Government to suspend reporting due to the coronavirus pandemic.

GENDER PAY REPORTING 2020

GENDER BALANCE AS OF APRIL 2020
 77% MALE | 23% FEMALE ↑

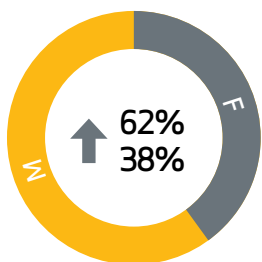


24.01%

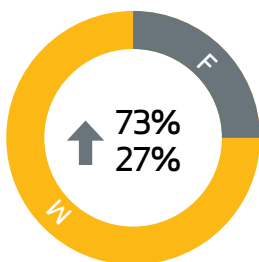
MEAN GENDER
 PAY GAP

17.65%

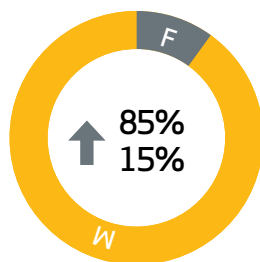
MEDIAN GENDER
 PAY GAP



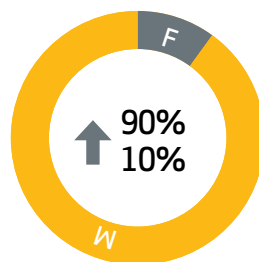
Proportion of men/
 women in lower
 quartile pay band



Proportion of men/
 women in lower middle
 quartile pay band



Proportion of men/
 women in upper middle
 quartile pay band



Proportion of men/
 women in upper quartile
 pay band

| | |
|---------------------------------------|--------|
| Mean bonus pay gap | 37.96% |
| Median bonus pay gap | 37.96% |
| Proportion of males receiving bonus | 0.4% |
| Proportion of females receiving bonus | 1.3% |

The Equality Act 2010 (Gender Pay Gap Information Regulations 2017) requires Proserv to publish information in ten defined categories, to illustrate the difference between the average earnings of men and women in our organisation.

Having run our calculations for the April 2020 pay period, the results are provided opposite.

The arrows indicate whether the percentages have improved or not in the period from April 2018 to April 2020.

Proserv did have a total of seven employees on furlough in April 2020, and these have subsequently been excluded from the calculations. Their exclusion may have had a very slight impact on our gap.

KEY FINDINGS

The key findings in the review of the 2020 Gender Pay Gap are as follows:

Employee numbers

35% decrease in workforce number, from 514 employees in April 2018 to 330 employees in April 2020.

Proserv went through a restructuring process in 2019, which is the main reason we see this reduction in our headcount. As part of this realignment, some areas of the organisation were divested. This included a team of offshore workers, which was where we had historically seen higher hourly rates. We believe that the restructuring will have had an impact on the change to our gender pay gap.

Gender pay gap

When comparing our numbers from April 2018 to April 2020, we have found that our mean gap in favour of males has reduced from 27.40% to 24.01%. Our median gap has decreased from 21.74% to 17.65%

Gender balance

When we compare our gender balance percentages from 2018 to 2020, the percentage of male employees has dropped from 82% to 77%, and that of females has increased from 18% to 23%, showing a positive shift in our gender imbalance. These encouraging steps are also highlighted in our recruitment statistics detailed further on in this report.

KEY FINDINGS

Pay gap movement within quartiles

In each of the four quartiles, the pay gap has reduced. The upper quartile by 3.39%, upper middle by 0.86%, lower middle by 9.92% and the lower by 3.66%.

Bonus gap

Our bonus gap in April 2020 was 37.96%, an increase from the 0% gap reported in 2018.

An equal number of males and females received a bonus payment in April 2020.

Equal pay for work of equal value

Whilst not having conducted a full job evaluation exercise, we have undertaken a procedure to compare pay rates across our workforce, by department, section, job title and grade and Proserv remains confident that its gender pay gap is not an equal pay issue, i.e. we believe that our people doing the same or similar work are paid within a salary range that is applicable to the work undertaken, and any disparity between actual pay rates between men and women can be accounted for by range of competencies, experience and abilities.

KEY FINDINGS

Pay practices

In 2020, the decision was made to delay the annual salary review process from May to November due to the coronavirus pandemic and with a proportion of the workforce having reduced its working week, salary or having been placed on furlough.

In November, with the pandemic still being very relevant, the decision was made to only review salaries that were highlighted as being below market value, and a full review would be deferred until 2021 when a more normal working pattern returns.

Flexible working

We continue to support our flexible working policy for all roles in the organisation, with a focus on making any reasonable adjustments to enable equality of opportunity for all our employees.

UPDATE ON OUR ACTION PLAN

Actions

STEM industries

We will continue to support the promotion of the science, technology, engineering and mathematics (STEM) sector as a viable career option for females.

We will pursue our efforts to work with schools, colleges, universities and employer forums to promote the STEM disciplines as viable career options for both females and males.

To coincide with the publication of our gender pay gap report we will, as we have in previous years:

- Connect with our line managers to help them understand our gender pay gap
- Take specific actions to engage with any employees who believe they have been adversely affected
- Liaise with our Employee Representatives Forum to further understanding of our gender pay gap and equip its members with the knowledge and skills needed to support employees who believe they have been adversely affected

UPDATE ON OUR ACTION PLAN

Recruitment

We continue to monitor recruitment applications for all vacancies (both internal and external, irrespective of level or grade) to ascertain:

- The percentage of female applicants for our roles versus male applicants
- How many applicants of each gender are subsequently interviewed
- The ratio of female and male appointments compared to the total of applicants

For 26 posts advertised through our recruitment and selection tool (Scout) in 2020, we had a total of 1,002 applications – 558 (56%) applications were received from males and 433 (43%) applications were received from females, with 11 (1%) applicants not disclosing their gender.

From the 26 jobs that were filled in 2020, 15 (58%) of the appointments were male, and 11 (42%) were female.

Our recruitment and selection process are gender neutral by design and our recruitment adverts have no gender bias. Our recruitment data from 2020 shows that the number of males and females appointed is proportionate with the percentage of applications received.

STATEMENT OF COMMITMENT

I confirm the gender pay gap analysis contained in this report is accurate and signifies the commitment of the Proserv UK management team to the action plan submitted with it.

David Currie
Group Chief Executive Officer
April 2021

