

Gender Pay Report – as at 31 March 2021

Introduction

Ferguson Marine (Port Glasgow) Ltd continues to develop and grow since nationalisation in December 2019 and this reporting process continues to help us improve our understanding of our pay differentials and explore ways in which we can work to become more inclusive, and address the gender pay gap.

There continues to be challenges which influence the overall gender pay gap, and for Ferguson Marine it has been growing the number of additional people employed over the past year, effecting a shift from interims to core employees as we have managed to attract people to the business, as well as growing our functional capability whilst the business continues to turnaround.

Our target market for capability is typically sourced with science, technology, engineering and maths (STEM) qualifications, and like our competitors, we continue to face challenges recruiting females with these qualifications because there are significantly fewer women who study and work in these fields. We have however been successful in recruiting and retaining female apprentices into our organisation, but notwithstanding this, we do have a greater proportion of male employees.

Our report is aligned to the requirements of the UK regulations on organisations with more than 250 employees to report:

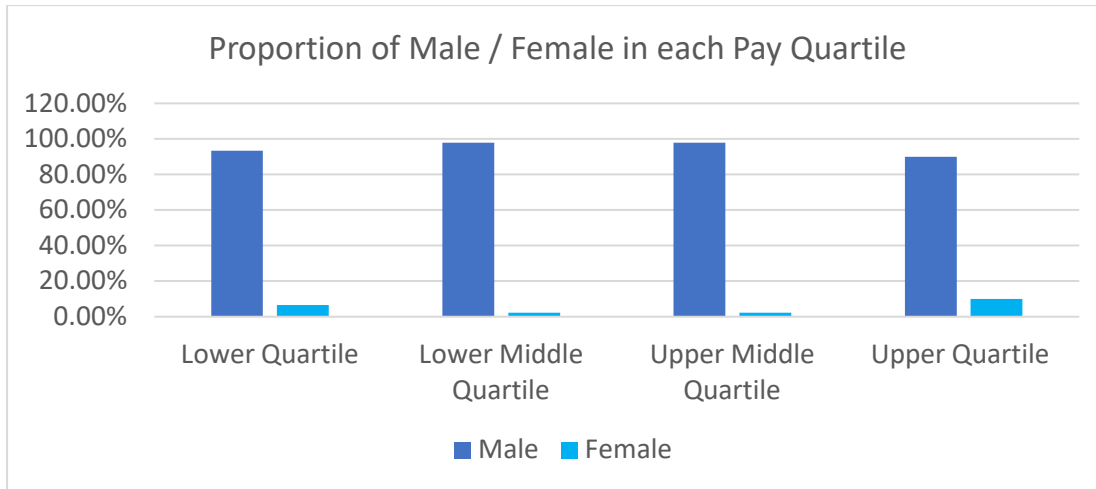
- the mean and median gender pay gap
- the proportion of men and women who receive a bonus
- the distribution between genders across pay quartiles

At Ferguson Marine, we are determined to provide a fair, equal and inclusive environment for all our people, where differences are valued and everyone can thrive, give their best and fulfil their potential.

Headline Data

-21%	Our average pay gap
29%	Lower pay gap than the national average of 8%
Nil%	Average bonus gap
95%: 5%	Overall gender split of our workforce

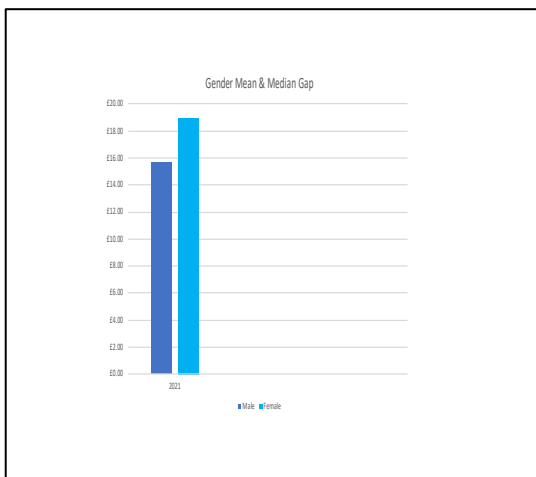
Proportion of Male / Female in each Pay Quartile



Our gender pay gap report requires us to provide information on the distribution of employees within the business against four pay quartiles. The lowest quartile represents the typically more junior roles in our organisation such as apprentices, while the upper quartile represents the most senior roles and therefore the highest paid roles. We are determined not only to bring more females into the organisation but to increase the number of women through middle and senior management roles, creating a more inclusive organisation across the pay grades.

This will continue to be a challenge as we have previously stated due to there being significantly fewer women who study and work in these fields.

2021 Gender Mean & Median Pay Gap



Our main pay difference between male and females is 20.7% in favour of women. This is calculated by taking the average hourly earnings, including pay and bonus, and comparing the difference between men and women.

Our median pay difference is 2.8%, again in favour of women. This is the figure that falls in the middle of the range when employee pay and bonus are organised from the smallest to the largest and shows the difference between male and female mid-point pay.



**44% OF OUR
LEADERSHIP TEAM ARE
FEMALE**

Bonus Information

We run a bonus incentive scheme for our senior management and this year 0% of men and 0% of women received a bonus award. There was no bonus awarded to anyone in 2021.

Bonuses are made up of “one -off” target incentive payments based on a percentage of employees’ salary therefore monetary values are variable year on year depending on targets achieved. This makes the data more volatile and so our figures can fluctuate from one year to the next.

Our Long Term Strategy

Our gender pay gap is not a pay issue, but rather an issue of female representation. The Marine Engineering sector in which we operate within is male dominated.

Under the leadership of our Turnaround Director and now our Chief Executive, we will sustain our journey to make Ferguson Marine successful, and we will continue our activities through a number of ways:

- We are continuing our apprenticeship programme and have set a target that 5% of our intake should be female.
- We are undertaking supervisory development which includes a focus on inclusivity and diversity.
- We will continue to foster good relationships within our community and undertake to support STEM activities within secondary schools.
- The creation of our D&I networks on site one of which will be a Woman’s’ Network.

George Crookston
Chief Financial Officer