

Gender Pay Gap 2023

Introduction

This report sets out the information and data of the gender pay gap at JDR Cable Systems Ltd (JDR) at 5th April 2022.

As an established business at the heart of the offshore energy sector it is important for JDR to look to the future and respond to the demands of all of our stakeholders, and in particular as we enter a period of growth and expansion. JDR is responding to the rapid growth in offshore renewable energy as part of UK and other governments across the world committing to sustainable energy transition towards our low carbon and net zero future.

In the next period many new employees will be starting their careers at JDR or joining us from other businesses, and our current employees will continue their professional development with the company. There will be new opportunities at our High Voltage new manufacturing facility in Cambois, Blyth as well as opportunities across all our UK facilities over the coming year. Our expansion in terms of new facilities, equipment and product capabilities is ever more under-pinned by our talented and dedicated team and we recognise as a business that we need to continue to encourage greater inclusivity and diversity across our businesses.

Inherent with the reporting period, our gender pay gap report looks back at the previous 12 months. In the 6 years since we first started reporting our gender pay gap metrics, it's welcoming to see a trend where our annual gender pay gap continues to close. We have always been a technology and engineering company, providing power and control services in the most arduous of subsea environments, and we realise there is more we can do to promote exciting careers in our sector to potential individual applicants who may not have traditionally perceived such careers as open to them.

Our gender pay gap will always intrinsically align with our Ethics and Integrity and People values and the reducing gender pay gap trend is testament to the commitment and support of all our employees to promote diversity and inclusion across our Company.



James Young
Chief Strategy and Compliance Officer

Gender pay gap

Under legislation that came into force in April 2017, UK employers with more than 250 employees are required to annually publish their gender pay gap data by 4th April each year.

A gender pay gap is a measure of the difference in the average pay of men and women working for an organisation, regardless of the nature of their work.

It is different from an equal pay comparison, which involves a direct comparison of two or more people carrying out the same, similar or equivalent jobs.

How the results are calculated

Employers are required to publish their gender pay gap using six calculations. Four of those calculations are required to use a 'mean' and 'median' calculation. Reporting both 'mean' and 'median' figures provides a broad view of the gender pay gap.

The 'Mean' calculation

The mean is calculated by adding up the total pay of employees and dividing by the number of employees in the list. This calculation is completed separately for men and women and the totals are compared.

While useful, this average may be skewed by a small number of high or low earners.

The 'Median' calculation

The median is the number which is in the middle of a ranking of pay from lowest to highest. This calculation is also completed separately for men and women and the middle figure of each group is compared. Statisticians tend to prefer this as a view of 'typical' pay, as extremes of low and high pay do not affect the median.

Unlike the 'mean', the 'median' is not susceptible to positive or negative skewing from small numbers of high or low earners. We believe the 'median' is best used in conjunction with the 'mean' to interpret how JDRs pay is distributed among its employees.



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JDR gender pay gap figures 2022

The information in this section sets out the overall gender pay gap and bonus gap of our UK workforce, as of 5th April 2022.

The data that we have used to provide the JDR gender pay gap figures has been obtained from our existing HR and payroll records. This does not involve publishing individual colleagues' information or data.

JDR's statutory GPG figures

Mean gender pay gap: 13.7%

This shows the difference in the average hourly rate of pay between men and women

Median gender pay gap: 7.2%

This shows the difference in the middle ranked pay between men and women

Our bonus statistics

Mean bonus gender gap: 31.2%

This shows the difference in the average total amount of bonus payments made to men and women in the 12 months to 5th April 2022

Median bonus gender gap: 0%

This shows the difference in the middle ranked bonus payments made to men and women in the 12 months to 5th April 2022

In the 12 months to 5th April 2022:



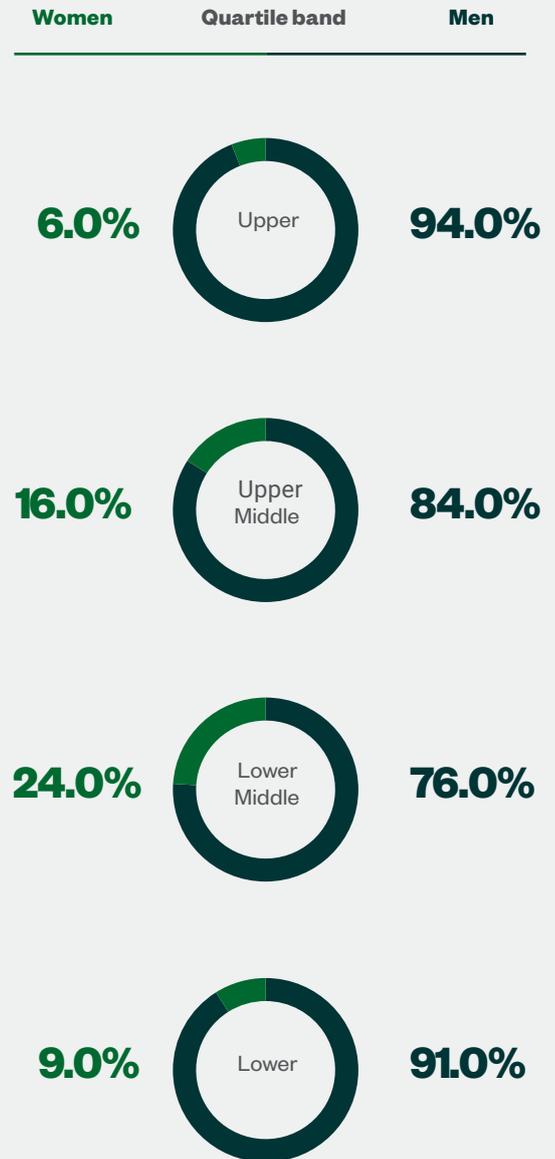
98.2%
of women
received
a bonus



94.4%
of men
received
a bonus

Our quartile ranges

The proportion of men and women in each quartile band:



This shows the percentage of men and women in each pay quartile. Quartiles are calculated by listing the rates of pay for each colleague across JDR from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of men and women in each.

Understanding the JDR gender pay gap

It is important to recognise that JDR's gender pay gap has reduced over the last 6 years.

There will always be objective and legitimate reasons for pay disparity such as application of knowledge from length of service and performance in a role. For this reason, we know reporting a gender pay gap of zero is a statistical improbability.

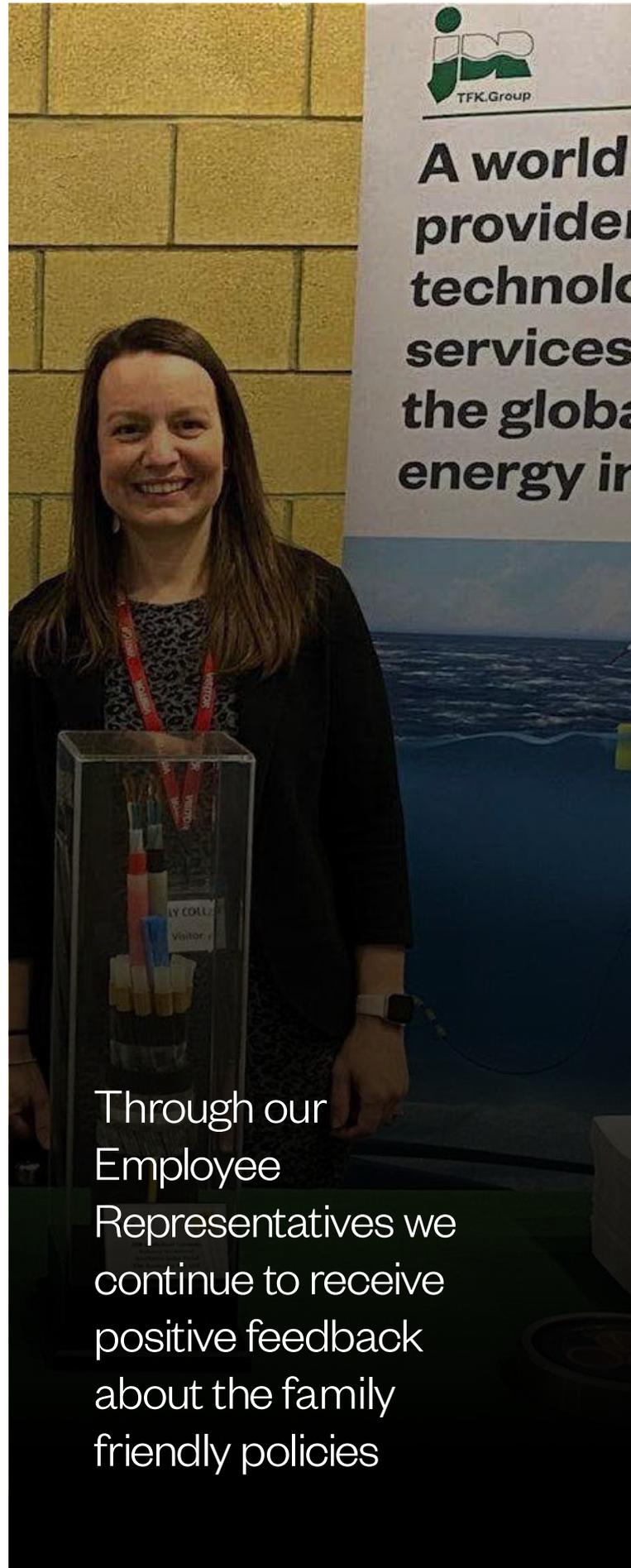
We have identified that our biggest challenge to closing the gender pay gap further is addressing the high proportion of male colleagues in senior and management roles, a common situation inherent of historical male dominance in our industry. These roles justifiably attract higher salaries, bonuses and allowances. Female underrepresentation in these roles continues to be the main driving factor influencing our positive gender pay gap. It was encouraging to announce that in 2023 JDR welcomed its first female Chief Executive Officer.

It is understandable that a lower representation in senior or management roles is difficult to resolve in the short term. It is a long term commitment that will naturally be addressed through attrition and JDR's dedication to minimise barriers that deter underrepresented employee groups from progressing to the higher level roles across the business.

Around 80% of our employees are included in JDR's employee bonus scheme which consistently pays nonmanagement employees a bonus of equal value every quarter, resulting in a median bonus gap of zero.

There are further challenges inherent to the manufacturing sector JDR operates in. Over half our employees work in our manufacturing and offshore installation departments which are in operation 24 hours a day, 365 days a year. Roles within these departments are significantly underrepresented by females. Due to objectively justifiable business reasons, many of our flexible policies that can support family commitments and reduce barriers for females to apply for these roles, such as hybrid home working and flexible start times, cannot be accommodated for such offshore installation services work roles.

As with previous years, the majority of our female employees hold roles in professional disciplines, with corresponding salaries, in, Engineering, Legal, Human Resources and Finance. This is why our mean gender pay gap continues to be smaller than our median gender pay gap.



Through our Employee Representatives we continue to receive positive feedback about the family friendly policies

Reflections on 2022

Having overcome the challenges presented to us during the pandemic, our dedicated team were instrumental in driving the Company's successes through the economic challenges presented to us in 2022.

We recognised our employees were also facing economic challenges of their own and this was confirmed by feedback from our Employee Representatives in our monthly run Employee Forums. In 2022 we announced a companywide salary increase that exceeded the expectations of our employees.

In 2022, we continued our commitment to employee wellbeing and promotion of family friendly policies such as hybrid working and variable working times that can reduce barriers to entry into the workplace, professional development and progression to higher level roles.

Through our Employee Representatives we continue to receive positive feedback about the family friendly policies and 2022 saw a record number of formal flexible working applications received which our Line Managers accepted in the vast majority of cases and where such working was possible to be completed in a flexible manner. At JDR we will always review flexible working requests and try to find a good solution for the individual and the business wherever we can.

Although news reports suggested an increase in employees changing roles, JDR's employee turnover rate remained favourable. As with previous years low employee turnover is a positive as knowledge, skills and experience is retained in the business. However, this can limit opportunities for females and underrepresented groups to begin or continue their careers with JDR. We will always try and advertise roles internally, as well as externally and encourage all staff to put themselves forward for new challenges to learn new skills or promotion opportunities.

With the restrictions of the pandemic now firmly behind us, 2022 saw JDR participate and promote in an increased number of initiatives to encourage females and underrepresented employees groups into STEM related roles; a key initiative in JDR's commitment to maintaining a small gender pay gap.



Highlights of initiatives aimed at reducing our gender pay gap included:

- Expanded on our commitment to STEM mentoring groups with local primary schools through promotion and exhibiting at events for senior and sixth form students.
- Exhibiting at the BIG Apprenticeship Event hosted by Hartlepool College of Further Education as part of National Apprenticeship week.
- Employees who started their JDR careers as graduates and apprentices presenting at Universities and jobs fairs, showcasing our innovative work and providing insight into exciting career opportunities.
- Continuing to participate on the Offshore Wind Investment in Talent Group as part of the Offshore Wind Industry Council to agree targets, contribute ideas and share best practices on how to reach and exceed diversity targets.

2023 Focus

Although there will be economic challenges ahead in our industry, we look forward to progressing our new manufacturing facility in Cambois, Blyth over the next period. Our new facility will create opportunities for our dedicated employees to progress their careers and opportunities to welcome new people into JDR. Females and underrepresented groups will be encouraged to apply for these new roles and progressing these employee groups to higher level roles on merit is a key part of our gender pay gap strategy.

Our support for STEM, apprentice and graduate events will continue in 2023 as we look to inspire the engineers and managers of the future; however, we are realistic and understand that there is a long lead time between these events and the students entering the workforce.

The company has a continuous commitment to positive wellbeing amongst our staff. This is reflected through our People value and underpinned by a number of initiatives to promote positive wellbeing. For example, in 2023 we are planning to appoint Wellbeing Champions from staff across the business, and we will provide training for our Wellbeing Champions to able to provide an additional layer of wellbeing support to our employees.

As part of our continuous business improvement, we will continue to review our recruitment processes, policies and feedback through our Employee Forums to maintain best practice. We will continue to listen to our Employee Representatives and address any concerns affecting our employees and consider suggestions to reduce or remove any socio-economic barriers that hinder progression for any of our employee groups.

2023 will also see JDR introduce a management training programme, where we will continue to support employees to close their skills and knowledge gaps and prepare them to progress to higher level supervisory and management positions.

JDR is entering an exciting period of growth, introducing talented new staff in to the Company to drive our business forward. Our staff are now actively engaged in helping to decarbonise our global energy systems, whether team members contribute to manufacture new offshore wind renewable energy cables or enable operators to decarbonise offshore energy production. By continuing to listen to our employees and making changes to reduce and remove social-economic barriers to females and underrepresented groups from applying for roles and for our existing staff to progress their careers, I am confident 2023 will both deliver further business success and maintain a small gender pay gap.

Statutory Disclosures

JDR employs more than 250 employees and we are therefore required to provide statutory figures as follows:

Mean gender pay gap: 13.7%

Median gender pay gap: 7.2%

Mean bonus gender pay gap: 31.2%

Median bonus gender pay gap: 0%

Proportion of male employees who received bonus pay: 94.4%

Proportion of female employees who received bonus pay: 98.2%

Proportion of females in each quartile band:

Upper: 6.0%

Upper Middle: 16.0%

Lower Middle: 24.0%

Lower: 9.0%

I confirm that the above data is accurate at the snapshot date of 5th April 2022



James Young
Chief Strategy and Compliance Officer



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