

Wood Mackenzie 2024 Gender Pay Gap Report



Introduction

Wood Mackenzie looks to drive fairness at all stages of our colleagues' careers: at the hiring stage, at salary and bonus review, within our promotion process, but also in day-to-day interactions with colleagues, our policies and how we work. We are committed to tackling the causes of our gender pay gap, and this report lays out some of the steps we are taking. Whilst we acknowledge we have more progress to make, we have seen improvement across all reporting metrics.

Our UK pay gap – both median and mean – fell. The mean hourly pay gap improved from 37.3% to 18.61% and the median hourly pay gap from 22.4% to 19.06%. Similarly, our bonus gap reduced significantly.

The median bonus gap fell from 42% to 38.07%. The mean fell more significantly from 72.7% to 33.16%, although some of this was attributable to our former parent company's long-term incentive programme.

As important as the improvements to our UK gender pay gap are the improvements in senior representation in our company. There are now more women – 40% – on our Global Executive than ever before. 39% of our promotions last year were to women, which is broadly in line with the wider population of the company, (37%).

Wood Mackenzie's commitment to gender equality goes beyond our office walls. One example is our partnership with Let's Share The Sun. Their mission is to bring clean energy to communities in need across the Caribbean and Central America. We have worked closely with them to install solar panels for women's shelters across the island of Puerto Rico. We know that women are disproportionately hurt by energy poverty, so it is our privilege, to help Let's Share The Sun.

The gender pay gap data contained in this report for Wood Mackenzie Ltd in the UK is accurate and has been produced in accordance with the guidance on managing the gender pay gap developed by the Arbitration and Conciliation Service, (ACAS).

Definitions

Equal Pay: Equal Pay is the concept that men and women in the same company and location, performing equal work, should receive equal pay, unless any difference in pay can be justified.

Gender Pay Gap: This is the percentage difference between the average hourly earnings of all men and women in a company or country. It reflects the overall disparity in pay between genders, often influenced by various factors such as job roles, working hours, and career progression.

Mean: The arithmetic average of a data set, found by summing all amounts in the data set together and then dividing this total by the number in the data set.

Mean Pay Gap: This is the difference between the average earnings of men and women. It is calculated by taking the total salary spend for each gender and dividing it by the number of men and women employed by the organisation.

Median: The middle value of a data set, when a sample of data points is sorted in ascending order.

Median Pay Gap: This is the difference in pay between the median (middle) woman and the median (middle) man. If you line up all the men and women working at a company in two separate lines, in order of salary, the median pay gap is the difference between the salary of the woman in the middle of her line and the man in the middle of his.

Proportion of Males and Females in Each Pay Quartile Band: The proportion of male and female employees in each of four hourly rate pay bands (quartiles) ranked from lowest hourly rate to highest hourly rate.

Quartile: The division of data points into four parts, or quarters, of equal size. Wood Mackenzie is a global organisation with employees in dozens of countries. The Gender Pay Gap reporting in this document relates only to our UK permanent employees.

About the gender pay gap

The UK Gender Pay Gap Reporting Regulations require employers with 250 or more UK-based employees to disclose the pay gap between male and female employees annually. The gender pay gap shows the difference in the average and median pay between women and men in a particular workforce, without considering their role, function, performance, time in role, or position.

The gender pay gap is not the same as equal pay. An equal pay audit measures the difference in pay between men and women who do the same work with the same level of performance. Wood Mackenzie undertakes an equal pay audit of our global staffbase annually, and we are satisfied that equal pay conditions prevail in all our jurisdictions, including the UK.

Wood Mackenzie's Gender Pay Gap data relates to our UK-based employees as of the snapshot date of April 5th, 2024. The data reflects the calculations required by statute and as defined under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

- The regulations require employers to publish the following:
- Mean and median gender pay gap based on hourly pay rates.
- Mean and median gender pay gap based on bonus pay.
- The proportion of men and women in receipt of bonus pay.

All employees are sorted based on their hourly pay from lowest to highest, and the percentage of women and men in each quartile is shown (e.g., if there are 800 people, how many of the lowest paid 200 are men and how many are women).

The gender pay gap data contained in this report for the UK is accurate and has been produced in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The figures reflect UK employee data as of the 'snapshot date' of April 5th, 2024.

Fair pay at Wood Mackenzie

At Wood Mackenzie, we commit to delivering fair and competitive pay so that all our colleagues feel valued, respected, and recognised for their work.

Market competitive:

- We pay competitively and regularly benchmark our pay against similar organisations, updating our salary ranges as necessary.
- We carry out salary benchmarking against similar organisations and update our salary ranges when needed.

Free from bias:

- We commit to not paying differently due to any protected characteristics.
- We provide leadership training for key activities such as recruitment, reward, and performance calibration.

Providing security:

- We provide a regular income through a base salary.
- Our employees have access to variable (performance driven) pay – bonus and/ or commission
- We have minimum global benefits standards in place.
- We expect that our employees can meet their needs through the pay and benefits we provide.

Performance expectations:

- We reward competitively for strong performance and offer higher rewards for top performers.
- Each colleague has clear goals to help them succeed in their roles.
- Pay and bonuses are differentiated based on company delivery and individual performance.

Transparent:

- We are improving transparency around pay and reward.
- We ensure timely delivery of pay and monitor payroll accuracy.
- All Wood Mackenzie employees have the opportunity to share their thoughts on pay through our engagement surveys.

What are we doing about our Gender Pay Gap?

We are confident and proud to note that we do not have an equal pay issue within Wood Mackenzie. The Equality & Human Rights Commission advises that differences of 5% or higher should be investigated further. For several years now, we have been below this range.

However, we recognise the pressing need to tackle the gender pay gap, which requires coordinated action over several years. Below, we outline some of our activities in this area.

Attracting, retaining, and developing talent

Wood Mackenzie partners with external organisations to attract and engage diverse talent from different backgrounds. We work hard to:

- Implement inclusive recruitment procedures at all stages, including diverse review and interview panels.
- Encourage hiring managers to challenge if they do not have a balanced pool of interviewees.
- Analyse our equal pay statistics and work with managers across the organization to improve.
- Ensure that all bonus and merit recommendations are fair.
- Improve the clarity of our performance, progression, and promotion processes so our team members are fully informed and can have meaningful conversations with their managers.

In recent years, we have expanded our Talent Acquisition, Talent & Development, Reward, Early Careers, and ESG functions, all of which have responsibilities to improve gender equality across Wood Mackenzie. We also partner with sector-specific organisations globally, such as Women in Mining and Resources, Women in Renewable Industries and Sustainable Energies, and Women in Capital Markets.

Developing policies

Wood Mackenzie believes that gender equality benefits everyone. We think businesses should consider gender equality holistically, which means creating an inclusive and welcoming workplace for all colleagues. This includes focusing on equal pay, closing the gender pay gap, and ensuring that everyone is involved in discussions around gender equality. We also support men in the business to take shared parental leave. Targeted interventions can make a significant difference at different career stages. Here are some of our offerings to UK-based colleagues:

- Flexible and hybrid working policy
- Holiday Buy and Sell
- UK Maternity, Paternity, Adoption and Shared Parental Leave
- Menopause at work

Thriving at Wood Mackenzie

Our company-wide Thrive programme, our CSR commitment to our people, has four pillars (all led by a member of our Global Executive): Community Engagement, Inclusion, Diversity & Belonging (IDB), Sustainability, and Wellness. Over 100 colleagues volunteer to support our activities in these important areas. We have several ID&B Advocates who support our four Employee Resource Groups (Accessibility, Ethnicity, Gender, and Pride) to drive positive change across our global workforce.

In 2024, we also launched our Returners Network to support returners to the business (e.g., those on parental leave, sabbatical, or illness). We know that this is an important transition in a colleague's career, and getting this right can be hugely impactful.

Inclusion is one of Wood Mackenzie's five core values, and we consistently ensure that inclusion is at the heart of all that we do.

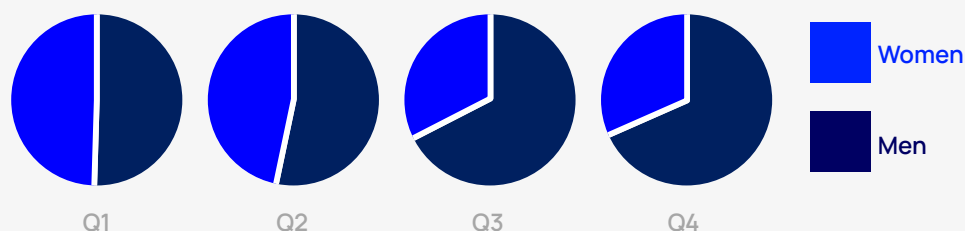
Holding ourselves to account

We are in the process of building dashboards which allow leaders to see key Inclusion, Diversity & Belonging metrics with a particular focus on representation by band. This will allow leaders to monitor trends in recruitment, promotion, attrition more closely.

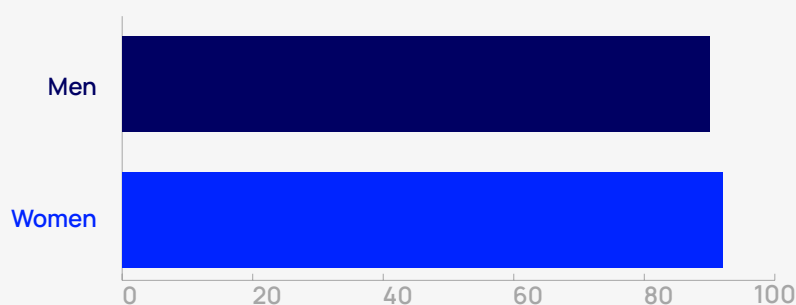
Our Talent Acquisition and Reward teams consistently encourage a diverse range of applicants and work hard to check there are no skews for bias in recruitment, performance calibration and promotion processes. We have access to data and analytics to measure the diversity of applicants at all stages of recruitment, from initial application to final outcome (be that offer or rejection).

Gender Pay Gap Reporting

Gender proportion in each pay quartile



Gender proportion who received a bonus



Pay Gap

	Gap
Mean Hourly Pay	18.61%
Median Hourly Pay	19.06%
Mean Bonus	33.16
Median Bonus	38.07

Context

The bonus gap for Wood Mackenzie in preceding years was influenced by a Long-term Incentive Pay (LTIP) scheme through our former US parent company, which our senior colleagues were eligible for a discretionary basis. It was also vested by individuals after they had left the business and therefore had a bearing on the bonus gap over multiple years.

Given the proportion of women in the 3rd and 4th quartiles, this accounted for a higher mean and median bonus gap than companies similar to ours. In 2023 (the previous reporting year) removing LTIP would have left the mean bonus gap at 34% and the median bonus gap at 38.1%.

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