

CNOOC

International

UK Gender Pay Gap Report

2019

Introduction

Empowering employees – regardless of gender, race, ethnicity or background – is central to CNOOC International's success.

Our UK gender pay gap report updates on our actions to close the gap and reinforces our commitment to tackle this important issue.

Measurement Matters

There are two key measures of the pay disparity between men and women:

- **Equal Pay** means that men and women doing the same or similar work receive equal pay.
- **Gender Pay Gap** is a measure of the difference between men and women's average earnings across a workforce.

We are confident that we pay our men and our women in the UK equally for doing the same or similar work.

This report addresses the gender pay gap.

Understanding The UK Gender Pay Gap Report

The UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires large employers to publish annual data showing the pay and bonus gap between their men and women.

The data below shows our overall mean and median gender pay and bonus gap. Gender pay is based on hourly rates from a snapshot date of 5 April 2019. Bonus pay is based on all incentive pay in the 12 months previous to 5 April 2019.

How do we calculate the mean and median pay gaps?



Gender Gaps: CNOOC Petroleum Europe Limited

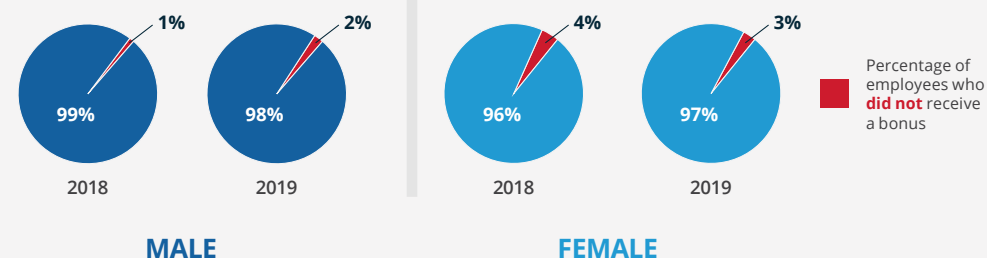
	MEAN		MEDIAN	
	2018	2019	2018	2019
Pay Gap	22.7%	31.8%	16.1%	24.6%
Bonus Gap	24.9%	40.7%	-15.7%	17.0%

Here's What This Means:

On Pay Gap
On an hourly basis, a pay gap exists between men and women, with men receiving higher pay on average. This has increased over the past year due to salary increases for employees in senior positions, who are predominately men.

On Bonus Gap
There is a bonus pay gap between men and women, with men receiving a higher bonus on average. This has increased over the past year due to bonuses for employees in senior positions, who are predominantly men, and the divisional multiplier for Global Exploration, which is predominantly men, being higher than the rest of the UK organisation.

Bonus Pay



Here's What This Means:

In 2018 and 2019, bonuses were paid nearly equally for men and women, with only a 1% gap existing.

Gender Distribution In Quartile Bands

	MALE		FEMALE	
	2018	2019	2018	2019
Top	93%	95%	7%	5%
Upper Middle	83%	84%	17%	16%
Lower Middle	89%	89%	11%	11%
Lower	66%	61%	34%	39%

Explaining Our Gap

There are two key factors which influence the gap at CNOOC Petroleum Europe Limited:

- **We have fewer women** in senior positions.
- **We have fewer women** working in specialist roles, such as engineering and geoscience, which are linked to science, technology, engineering and mathematics (STEM) subjects.



These factors are widely recognised as long-term structural issues in the oil and gas industry.

Our Commitment

We are committed to building a more diverse and inclusive workplace. We are taking deliberate, strategic action to improve our gender balance and close the gender pay gap.

Strategy & Culture

The Europe & Africa Leadership Team is now working with Catalyst, a global non-profit organisation that 'helps build workplaces that work for women', to develop a diversity and inclusion strategy for the Europe & Africa business.

A dedicated team is working through a culture shift on Diversity & Inclusion, including specific actions on gender, and this will support the work with Catalyst.

Industry Taskforce

We are also part of Oil & Gas UK's D&I task force, which has a vision to create an inclusive sector that is attractive, sustainable and supports the delivery of Roadmap 2035.

The task force will drive the D&I agenda by catalysing action, sharing best practice, and connecting people, businesses and organisations.

Talent

The world is a diverse place. We want to attract, motivate, develop and retain the best talent that it offers.

To do this, we continue to:

- Use inclusive recruitment practices to ensure unbiased recruitment and improve the visibility of qualified female candidates.
- Roll-out unconscious bias training to managers.
- Proactively prioritise top talent in internal and external development programmes to enhance self-awareness and leadership opportunities (e.g. mentorship programmes, leadership development programmes and external workshop series).
- Work with the Oil & Gas Technology Centre to deliver STEM education into schools.

Declaration

Our gender pay gap calculations are accurate and in line with mandatory requirements.



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