CNOOC International UK Gender Pay Gap Report

2018



INTRODUCTION

Empowering employees - regardless of gender, race, ethnicity or background - is central to CNOOC International's success. Our UK gender pay gap report outlines our actions to close the gap and reinforces our commitment to tackling 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 PAY GAP REPORT

The UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires large employers to publish annual calculations 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 2018. Bonus pay is based on all incentive pay in the 12 months previous to 5 April 2018.

How do we calculate the mean and median pay gaps?



hourly pay of men

between the **average**



Difference between the mid**point** hourly pay of men and women

GENDER GAPS: CNOOC PETROLEUM EUROPE LIMITED

Hourly

Pay Gap:

		MEAN		MEDIAN	
	2017	2018	2017	2018	
Pay gap	23.8%	22.7%	18.2%	16.1%	
Bonus gap	23.5%	24.9%	-17.4%	-15.7%	

HERE'S WHAT THIS MEANS:

BONUS PAY



HERE'S WHAT THIS MEANS:

MALES FEMALES

GENDER DISTRIBUTION IN QUARTILE BANDS

	2017	2018	2017	2018
Тор	92%	93%	8%	7%
Upper middle	88%	83%	12%	17%
Lower middle	88%	89%	12%	11%
Lower	66%	66%	34%	34%

While we improved gender distribution in the upper middle band, several factors continue to influence the gap at **CNOOC** International in the UK:

- Our offshore population is predominantly men
- We have a lower percentage of women in engineering and geoscience positions
- We currently have a lower percentage of women in senior leadership positions

We recognise that there is room for improvement and we are taking action to address the gap and deliver meaningful change.



Like many energy companies, CNOOC International has more men in senior positions and more men in technical roles, which means the average male salary is higher. We need to do better.

2018

2019

In 2018, we took deliberate actions to understand and improve our performance in the area of gender inclusivity:



Completed a root cause analysis survey to establish a baseline understanding of our employees' perceptions around inclusivity within our organisation and to inform our go-forward gender inclusivity strategy.



Piloted inclusive recruitment practices to ensure unbiased recruitment and improve the visibility of qualified female candidates.



Proactively prioritised top female talent in internal and external development programs to enhance selfawareness and leadership opportunities (e.g. mentorship programs, leadership development programs and external workshop series).

In 2019, we will continue our journey to reinforce our commitment to close the gap by:



Developing a tangible action plan to improve gender inclusivity in the workplace. Our plan is focused on addressing all elements of the talent pipeline including recruitment, progression and leadership education.



Working across the organisation to increase our understanding of areas where we could improve our inclusivity mindset and leverage the advantages that diversity brings.

DECLARATION

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



FEMALES