

REPSOL SINOPEC RESOURCES UK LIMITED
GENDER PAY GAP REPORT **2019**

Under legislation which came into force in April 2017, UK Employers with more than 250 employees are required by law to report and publish their gender pay gap on an annual basis. Gender pay gap is a measure of the percentage difference between the average earnings of men and women. The data provided in this report shows our overall mean and median gender pay and bonus gap.

GENDER PAY 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 preceding 5 April 2019.

The **Mean Hourly Pay Gap** is measured by calculating the difference between the average hourly rate of pay of male employees and that paid to female employees.

The **Median Hourly Pay Gap** is measured by calculating the difference between the mid-point hourly rate of pay of male employees and that paid to female employees.

The **Mean Bonus Gap** is the difference between the mean bonus pay paid to male employees and that paid to female employees.

The **Median Bonus Gap** is the difference between the median bonus pay paid to male employees and that paid to female employees.

	2018	2019	Percentage change 2018-2019
Gender Pay Gap Mean	19.15%	16.5%	Improvement of 2.65%
Gender Pay Gap Median	19.10%	14.42%	Improvement of 4.68%
Gender Bonus Gap Mean	26.52%	24.93%	Improvement of 1.59%
Gender Bonus Gap Median	15.52%	10.35%	Improvement of 5.17%

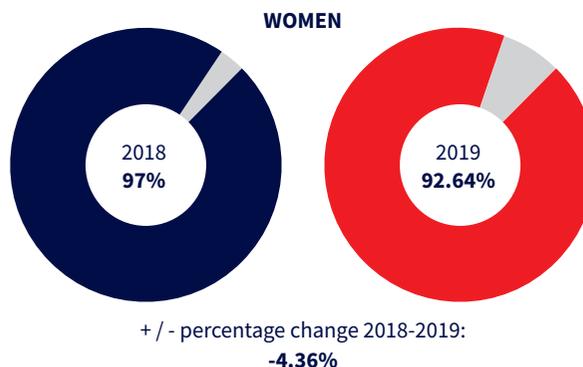
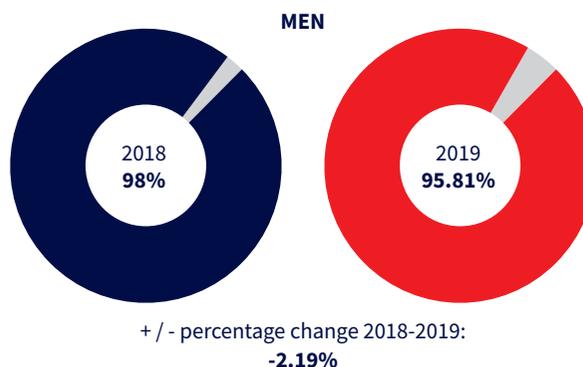
WHAT DOES THIS TELL US?

Gender Pay Gap – Although we continue to have a gender pay gap, we have seen an improvement since last year (2.65% improvement when calculating the mean; 4.68% improvement when calculating the median).

Gender Bonus Gap – In 2019, the difference between the mean / median bonus paid to male employees compared to female employees improved (1.59% when calculating the mean; 5.17% when calculating the median).

BONUS PAY

The proportion of male and female employees who were paid bonus pay during the relevant period.



WHAT DOES THIS TELL US?

This shows that in 2019, 7.36% of females were not eligible for bonus compared with 4.19% of males. The reason these employees were not eligible to be included in our Annual bonus plan was due to their start date with the Company.

GENDER DISTRIBUTION IN QUARTILE BANDS

The proportion of male and female employees according to quartile pay bands in the lower, lower-middle, upper-middle and upper quartile pay bands.

Quartile	Year	Men	Women
Upper	2018	91.67%	8.33%
	2019	91.54%	8.46%
Upper Middle	2018	90.34%	9.66%
	2019	87.56%	12.44%
Lower Middle	2018	86.41%	13.59%
	2019	87.98%	12.02%
Lower	2018	63.41%	36.59%
	2019	71.64%	28.36%

WHAT DOES THIS TELL US?

While we have improved gender balance in the upper quartiles over the past year, several factors continue to influence the gap at Repsol Sinopec. These include:

- Uneven gender representation across the Company. Although female representation overall has improved, there are still proportionally fewer women at our most senior levels
- Pay and bonus are higher at more senior levels, so this imbalance in gender representation across levels results in a gap between mean and median pay
- Roles that carry significant allowances, e.g. offshore work are predominantly performed by men and this also contributes towards our pay gap.

TAKING ACTION CLOSING THE GAP ON GENDER PAY

In 2019, we took action to:

- Improve inclusion and diversity in our workplace. The first step in our journey was commencing a programme of delivering unconscious bias training to all employees. This provided employees with an understanding of unconscious bias and how it affects attitudes, behaviours and decision making. An Inclusion and Diversity group was also set up, which includes people from across the business
- Increase focus on creating appropriate panels at interviews to further reduce bias in recruitment and ensuring where possible there is a gender balance in the shortlisted CVs for interview
- Develop a reporting tool which gives us the required information to measure our 'gap' at any given time rather than once a year on our snapshot date. Doing so gives us a better understanding of what is driving our gender pay gap at any given time and in turn, how it can be reduced.

In 2020, we will continue our journey to reinforce our commitment to close the gap by:

- Developing an action plan to improve inclusivity in the workplace. Our plan is focussed on addressing all elements of the talent pipeline including recruitment, progression and leadership education
- Using the results of a recently rolled out employee survey to establish an understanding of employees' perceptions around inclusivity within our organisation and to further inform our action plan going forward.

DECLARATION

We confirm the Gender Pay Gap calculations and data provided in this report are accurate and in line with mandatory requirements.



Dale Moore, Director

(on behalf of the Board of Directors of
Repsol Sinopec Resources UK Limited)