

REPSOL SINOPEC RESOURCES UK LIMITED
GENDER PAY GAP REPORT 2020

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 below 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 2020. Bonus pay is based on all incentive pay in the 12 months preceding 5 April 2020.

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	2020
Gender Pay Gap Mean	19.15%	16.5%	21.67%
Gender Pay Gap Median	19.10%	14.42%	23.84%
Gender Bonus Gap Mean	26.52%	24.93%	40.04%
Gender Bonus Gap Median	15.52%	10.35%	33.98%

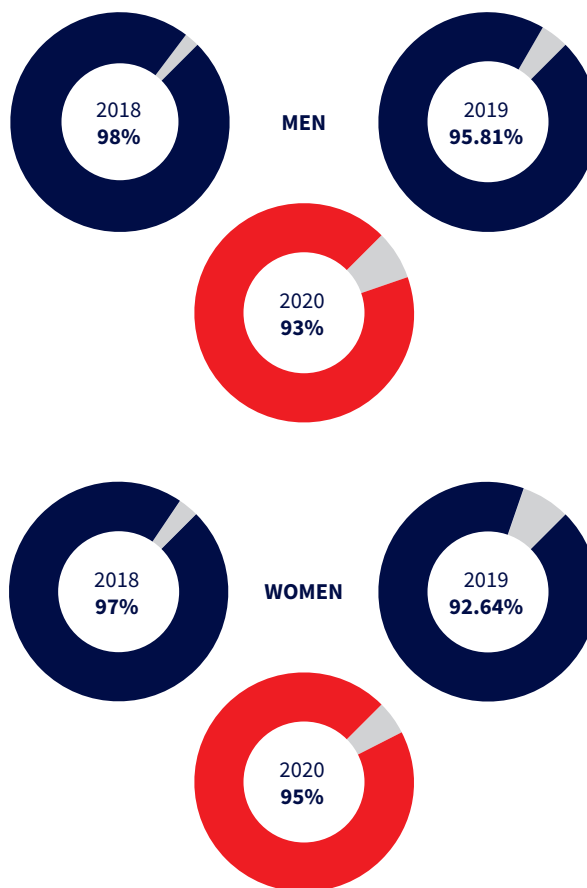
WHAT DOES THIS TELL US?

Gender Pay Gap – on an hourly rate 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 the number of new employees in senior positions (predominantly male).

Gender Bonus Gap – there is a bonus gap between men and women with men receiving a higher bonus on average. This has increased over the past year due to bonuses paid to employees in senior positions and offshore (predominantly male).

BONUS PAY

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



WHAT DOES THIS TELL US?

In 2020, bonuses were paid almost equally for men and women with only a 2% gap existing. Where an employee did not receive a bonus, this was due to their start date with the Company (not eligible to be included in our annual bonus plan).

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%
	2020	91.93%	8.07%
Upper Middle	2018	90.34%	9.66%
	2019	87.56%	12.44%
	2020	93.67%	6.33%
Lower Middle	2018	86.41%	13.59%
	2019	87.98%	12.02%
	2020	86.55%	13.45%
Lower	2018	63.41%	36.59%
	2019	71.64%	28.36%
	2020	62.83%	37.17%

WHAT DOES THIS TELL US?

The key factors which influence the gender pay gap at Repsol Sinopec are as follows:

- Only 16% of our workforce are women. This results in uneven gender representation across the company.
- We have less women in higher paid roles (senior roles, specialist technical roles and offshore). As pay and bonus are higher in these roles, this imbalance in gender representation results in a gap between mean and median pay.
- Roles that carry significant allowances, for example offshore work, are predominantly carried out by men.

TAKING ACTION CLOSING THE GAP ON GENDER PAY

In 2020, we took action to:

- Support inclusion and diversity. We launched our own inclusion and diversity' (iD) group in January 2020. The iD group is sponsored by our Executive Management Team and its objective is to support and promote inclusion and diversity across the organisation.
- Analyse the 2019 employee engagement survey results to understand employee perception on diversity and inclusivity within our organisation.
- Review our recruitment practices to ensure they are equitable, transparent and fair and that they continue to focus on diversity and inclusivity. This included reviewing our talent attraction approach to ensure that candidate pools are as diverse as possible.
- Enhance our maternity policy.

In 2021, we will continue our journey and our commitment to close the gender pay gap by:

- Supporting the iD Group strategy for 2021 and beyond to create an inclusive workplace that promotes and values diversity, with commitment from our Executive Management Team and across the organisation.
- Reviewing the gender pay gap on a quarterly basis instead of annually. Quarterly reports will be reviewed and discussed with the Senior Leadership Team and the iD Group with the objective of understanding what drives our gender pay gap figure and how it can be improved upon.
- Develop and communicate our new Employee Value Proposition (EVP) and Strategy by end 2021 which will include a workstream on the workplace experience. This workstream will review and aim to improve work life balance and employee wellbeing. The EVP will also:
 - Promote flexibility. The Company's response to the COVID-19 pandemic included new ways of working for our office-based employees, most of whom have worked from home whilst restrictions were in place. The employee response to this new way of working has been positive.
 - Promote health and wellbeing. Introduce tools which can be used by employees to manage their work life balance. In the case of female employees, relevant topics will be included, for example, having a baby, menopause and others.

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)