



Perenco UK Ltd
2021 Gender Pay Gap Report

INTRODUCTION

Perenco UK Limited ('Perenco') is an independent oil and gas exploration and production company, specialising in operating and developing mature and marginal fields. Perenco are committed to ensuring male and female employees are paid fairly and equally, and that the distribution of performance related bonuses are aligned to individual accountability and delivery against business objectives.

As of April 2021, the (directly employed) workforce was comprised of 79.5% direct recruits, with a further 20.5% transferred through historical acquisitions, representing minimal change since last year's report.

Women represented **10.1%** of staff (at the snapshot date of April 2021), which remains static when compared to the 2020 Gender Pay Gap Report (published 2021). Overall, the figure represents an increase of **1.3%** since 2018.

TERMINOLOGY

'Gender Pay Gap'

The gender pay gap is the difference between the average* hourly rate of pay of male and female employees (as set out in the regulations), expressed as a percentage of the hourly pay rate of the male employees.

'Mean' & 'Median'

The **mean** pay gap is the difference between average hourly earnings of men and women. The **median** pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women, when listed in ascending order.

**The gender pay gap is reported on both a mean (average) and median (mid-point on a distribution) basis.*

'Gender Pay Gap' vs 'Equal Pay'

The gender pay gap differs from equal pay. Equal pay deals with the pay differences between males and females who carry out the **same jobs, similar jobs**, or work of **equal value**. The gender pay gap illustrates the differences in the **average pay** between male and female employees.

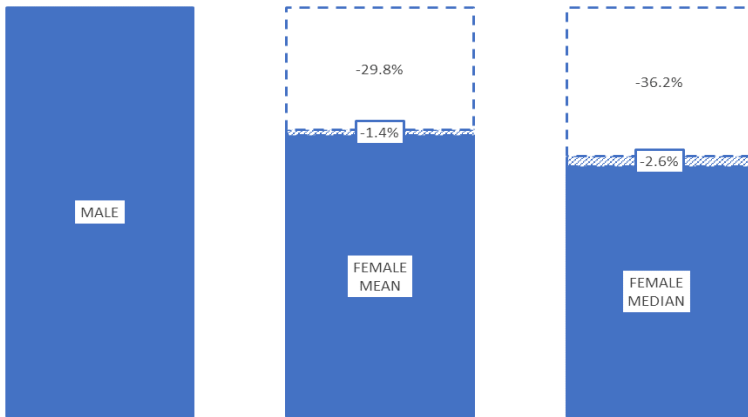
A high gender pay gap does not mean male and female employees are not paid equally or fairly when undertaking comparable roles, however it can be a sign of under-representation of female employees in the workplace.

OUR GENDER PAY GAP

The figures provided throughout this report are a true and accurate representation of the above population, at the time of the data being extracted (April 2021). These figures have been published in accordance with the guidelines provided by the Government Equalities Office, Chartered Institute of Personnel and Development (CIPD) and ACAS (the Advisory, Conciliation and Arbitration Service).

Perenco UK have excluded those people for whom the data required to calculate the gender pay gap is not readily available. This group includes individuals not directly employed by Perenco UK Limited, such as those providing services through limited liability organisations and ad-hoc contractors.

GENDER PAY GAP



(LEFT)

Illustration of the Perenco UK Limited gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female **full-pay relevant employees** receive. Full-pay relevant employees exclude those on reduced pay, for the purposes of this report.

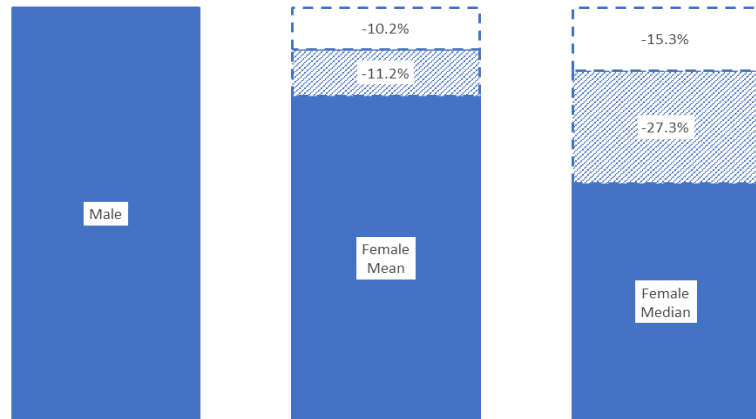
The hatched area indicates progress made closing this gap, since the last report published (2020).

GENDER BONUS GAP

(RIGHT)

The bonus gender pay gap is defined as the difference between the mean or median bonuses paid to **relevant employees** in the 12 months preceding April 2021. Relevant employees include those on reduced pay.

The hatched area indicates progress made closing this gap, since the last report published (2020).

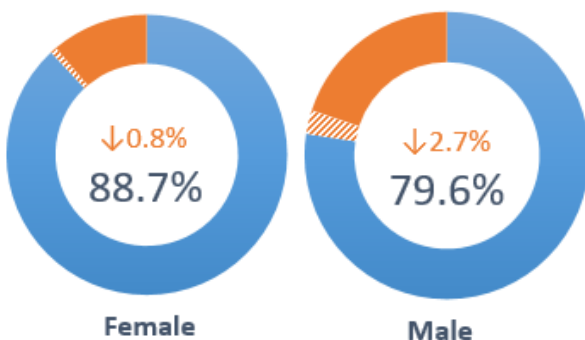


ANALYSIS – GENDER PAY/BONUS

Between 2020-21 we have seen minimal change to both the mean and median Gender Pay Gap. These results were expected, following a year where pay levels across the business were effectively ‘frozen’, as a result of sustained low wholesale (oil and gas) prices, brought about by COVID-related travel / industrial restrictions worldwide. However, in the same period we have achieved significant reductions in both the mean and median Gender Bonus Gap, by 11.2% and 27.3% respectively. These more accurately reflect the efforts made by the business to close these gaps, as bonuses whilst affected, continued to be awarded during the same period.

The overall trajectory of these indicators remains positive. We expect this trend to continue to be reflected in future reports, with the Gender Pay Gap continuing to close, as a more positive economic outlook opens-up the opportunity for pay increases once more.

RECIPIENTS OF A BONUS (2021)



(LEFT)

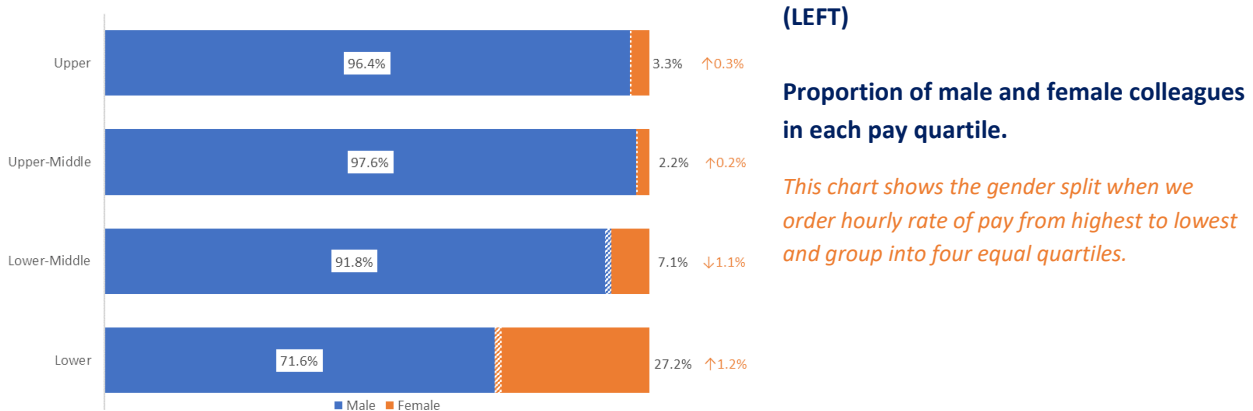
Proportion of male and female employees that received a bonus (performance related) in the 12 months preceding April 2021.

Perenco UK operate a discretionary, performance-related bonus scheme. All employees are eligible, and awards vary based on both individual and organisational performance.

ANALYSIS – RECIPIENTS OF A BONUS

Between 2020-21 the total number of male and female employees in receipt of a bonus (as a percentage of staff employed as of April 2021) fell by 2.7% and 0.8% respectively. However, proportionately more female employees received a bonus than male employees, continuing the trend from both 2018 and 2020 reports. Employees whose employment commenced between the date bonuses were paid (January) and the snapshot date (April) will have the effect of lowering the overall results for both male and female employees.

GENDER REPRESENTATION BY PAY QUARTILE (2021)



ANALYSIS – GENDER REPRESENTATION BY PAY QUARTILE

In the period 2020-2021 we saw an increase in the number female employees across all pay quartiles, save for the ‘lower middle’ quartile. However, proportionate representation within each group has largely remained static, due to both pay freezes (as previously outlined in this report) and minimal attrition across the workforce, as a result of employment market uncertainty throughout the pandemic.

OUTLOOK

The period 2020-2021 (which this report covers), was dominated (on many fronts) by the COVID-19 pandemic. The emergence of COVID-19 forced a reduction in economic activity and industrial output for many countries around the world. This drop in energy consumption, had the effect of driving-down wholesale energy prices, to at times unsustainable levels, resulting in businesses across the sector needing to carefully manage / reduce operating costs, to preserve employment.

Our business was not immune from these effects, and the difficult (but necessary) decision to ‘freeze’ pay during this period has had a visible impact on a number of key indicators in this report. Additionally, both business confidence, and confidence within the employment market as a whole, significantly undermined efforts to attract key talent into the business.

Despite the above, and its impact on the gender pay gap indicators, the gender bonus gap indicators give confidence that our efforts to close the overall gap and increase the representation of women within our business, at all levels, are paying dividend. 2020-21 saw a significant reduction in the gender bonus gap, driven by the internal succession of a number of women to critical technical and managerial positions. These indicators reflect the positive overall trajectory of the business in addressing female representation, since the production of our first gender pay report (2018/19).



To further demonstrate our commitment to proactively addressing this gap, the business aims to produce the 2022 report in Q3 2022. By bringing forward the publication of the annual report, to close to the annual snapshot date (April), we are better placed to evaluate our performance in real time and act as necessary.

We remain committed to providing equality of opportunity throughout our business, providing opportunities for progression and development, to those who share our values and embody our ethos, to be 'bold by nature'.

Jonathan White

Perenco UK-SNS General Manager
Director, Perenco UK Limited