



CHRYSAOR

Gender Pay Gap Report

2020

CEO foreword

2020 was influenced by the coronavirus pandemic. It was a year where our onshore personnel worked from home, and we temporarily scaled back our offshore activities to ensure our people remained safe at all times. The pandemic compounded an already distressed oil and gas market, but due to the fortitude of our staff and contractors, we were able to continue business and maintain safety.

The coronavirus pandemic has disproportionately disadvantaged women and other under-represented groups, as many are employed in roles more likely to have been compromised by the government-set protocols and restrictions. Not to mention within society at large, where the pandemic has exacerbated the burden of domestic responsibility outside of work, including home schooling.

While the statistics reflect that we did not advance our gender pay parity in 2020 (broadly comparable year on year in all measures), we have continued to focus on our commitment to ensure the safety and wellbeing of our people and our willingness to seek change.

As we become Harbour Energy, we will build on the strong legacies of both the Chrysaor and Premier Oil organisations and will continue to work hard at developing both male and female talent. We are committed to bringing about positive change and have already started with the appointment of Linda Cook as Harbour Energy's Chief Executive Officer.

As the largest independent UK oil and gas company, Harbour Energy has the scale and ability to influence and generate material change in gender equality and broader diversity, and in advancing environmental, social and governance responsibilities within the industry. We look forward to building on these solid foundations.



Phil Kirk
Chief Executive Officer, Chrysaor
President and Chief Executive Officer, Europe, Harbour Energy

Focused on the North Sea

Our gender pay data is a snapshot from April 2020. It contains information relating to Chrysaor (a combination of Chrysaor E&P Services and Chrysaor Production (UK) Ltd).

In 2020, Chrysaor was the UK's leading independent North Sea oil and gas group. We produced around 200 thousand barrels of oil equivalent per day, operating 14 fields across several hub facilities. In 2019, we acquired the ConocoPhillips UK oil and gas business, which took our employee numbers to over 1,000, onshore and offshore, in the UK and Norway.

This is the third gender pay gap report for Chrysaor. Companies in scope of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 need to report the average and median pay gaps; the mean and median bonus pay gaps; the proportion of men and women receiving the bonus and the proportion of men and women in each pay quartile.

This data includes legacy ConocoPhillips employees who transferred to Chrysaor in October 2019 and legacy Shell employees who transferred to the company in November 2017.

Organisational changes

On 31 March 2021, Chrysaor merged with Premier Oil to form Harbour Energy plc – the largest independent oil and gas company listed on the London Stock Exchange. We will report data relating to Harbour Energy in our next report, in April 2021. The Gender Pay Gap Report for Premier Oil is available on the Careers section of www.harbourenergy.com.

Our commitment to tackling the gender pay gap includes the following:

- Developing our people
- Supporting flexible ways of working
- Ensuring fairness and equality
- Leading by example
- Living our values and business principles
- Preventing any form of discrimination, and encouraging diversity and inclusion
- Working with cross-industry gender balance groups to bring about change
- Encouraging female apprentices
- Helping to promote STEM careers within the oil and gas industry
- Building an inclusive culture
- Our senior leaders committing to change

2020 in numbers



1,023 employees

77.4% male; 22.6% female

40% of new interns and graduates were female

11 females appointed to leadership roles (4 in technical disciplines)



Equal pay and gender pay gap

We carry out regular analysis across our business to ensure we pay all employees equally for the same, or similar, work. We review remuneration decisions for bonus, recognition and salary increments to ensure equity across ethnicity and gender groups.

- **Equal pay** means men and women in the same employment, performing equal work, must receive equal pay.
- **Gender pay gap** is the difference between the average earnings of men and women, irrespective of their role or seniority.

Gender pay gap results

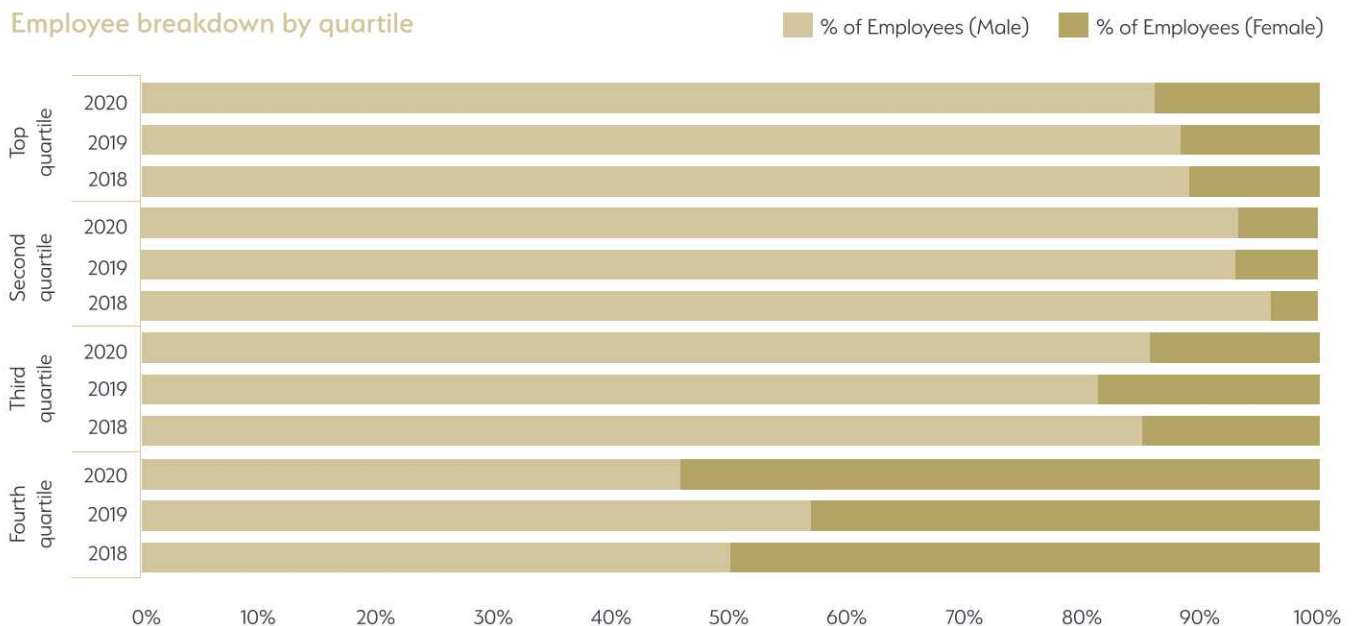
	Ordinary Pay			Bonus Pay		
	2018 ¹	2019	2020 ²	2018 ¹	2019	2020 ²
Mean	31.9%	28.0%	26.1%	30.4%	17.9%	18.5%
Median	34.9%	27.1%	32.1%	-34.3%	-13.5%	30.4%
Number of males	288	324	780	96.2%	93.8%	91.9%
Number of females	74	82	224	93.3%	95.1%	95.5%

- 1 2018 ordinary pay includes the TUPE transfer of 254 Shell employees in Nov 2017 (126 offshore).
2018 bonus pay represents a pro-ration of their 2017 bonus figure.
- 2 2020 ordinary pay includes the transfer of 625 ConocoPhillips employees in Oct 2019 (211 offshore).
2020 bonus pay represents a pro-ration of their 2019 bonus figure.

MEAN = The mean hourly rate is the average hourly wage across the entire organisation, so the mean gender pay gap is a measure of the difference between women's mean hourly wage and men's mean hourly wage.

MEDIAN = The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid, and taking the hourly wage of the person in the middle; so the median gender pay gap is the difference between women's median hourly wage (the middle-paid woman) and men's median hourly wage (the middle-paid man).

Employee breakdown by quartile



What is contributing to the gap?

Our business

Our workforce has grown through acquisition over the last three years and, due to this, it has been more difficult for us to influence our ordinary or bonus pay figures. It has grown from 29 employees in April 2017 to 1,023 employees in April 2020, due to two major acquisitions. Despite the increased size of our workforce, there are still fewer females within leadership roles (a typical trend within the oil and gas industry). We also have a substantial population of males offshore in roles that attract a higher reward package (due to additional offshore allowances) than females, who typically work within a non-technical office environment. The offshore workforce accounts for more than a third of our total UK headcount. We encourage our female workers to progress within their careers, especially those in technical disciplines. In 2020, we appointed 11 females to leadership roles, with 36% of these being technical, a trend we encourage.

We conducted a comprehensive integration of our organisation in 2020. During this process we ran Unconscious Bias training. This included creating structured selection panels to ensure we appointed the right candidates to the right roles, regardless of ethnicity or gender. We also continually monitor our salary, bonus and recognition programmes to ensure equal pay is never an issue within our organisation. This will continue in 2021, with the Premier Oil merger adding another 270+ UK employees to our portfolio, with the creation of Harbour Energy.



Within the oil and gas industry

Despite best efforts to try to attract more women to the oil and gas industry, females are still hugely under-represented in science, technology, engineering and maths (STEM) careers, whether school leavers, graduates or experienced workers. Women hold less than a quarter of STEM positions. This has its roots in issues such as fewer girls taking STEM subjects at school or university, and peer or parental gender bias. Women typically hold more non-technical roles, which can attract lower salaries than technical disciplines.

There is a smaller female representation in the offshore workforce (3.6%), an area that pays higher salaries and allowances than onshore work. Despite continued efforts, there is still a lack of female applicants. A recent Oil and

Gas Technical Apprentice Programme (OGTAP) managed by OPITO - which sets the global industry standard in oil and gas safety, skills and competence - and the Engineering Construction Industry Training Board (ECITB), received only 39 female applications (5%) out of 785. Of the 39, 16 withdrew at the first stage of the recruitment process.

There is also a low representation of females in senior leadership roles within the oil and gas industry, especially in technical positions. Women also generally take up part-time positions, which are typically lower paid. This has resulted in the oil and gas industry having an average gap in median hourly pay of 24.9% with women earning 75p to the £1 earned by the median male.

Closing the gender pay gap

Although we have made good progress this year, we are committed to reducing the gap further. Our commitment includes:

Developing our people

We will provide development opportunities for all our employees. We encourage people to progress and be ready for their next role by creating bespoke training and development plans. Following our integration activities in 2020, we appointed female candidates to many senior management and leadership roles. This is something we are proud of, and we will maintain this approach as our organisation continues to grow. Our successful graduate scheme has opportunities for entry-level employees to develop and succeed. We are also working with universities to provide internships, both for non-technical and

technical roles. This will develop a 'skills pipeline' for the future, to meet business and industry needs. We are pleased to confirm that 40% of the interns and graduates who joined us in 2020 were female. We will continue to do all we can to promote female recruitment within our industry.

Supporting flexible ways of working

We will continue to provide working parents (male and female) with opportunities to continue their careers. This includes family-friendly incentives, as well as supporting flexible working arrangements.

By implementing flexible working hours, we can support workforce diversity and equality of opportunity for groups such as those with disabilities or caring responsibilities. Working parents make up the majority of our flexible working arrangements. We encourage shared parental leave and have received our first application from an offshore employee.

In addition to our employee wellbeing programmes, we provide support for financial wellbeing. For this, we have a calendar of initiatives and events to help individual employees with their financial planning. This is particularly important for those on reduced hours due to flexible working, or those on lower earnings due to their role. We help them with financial planning tools to maximise their investments.

Ensuring fairness and equality

We will continue with a reward strategy that always promotes equality and fair pay. We reward our employees based on competence, qualifications and experience, and we continually benchmark to relevant internal and external peer groups. Our management team dedicates a great deal of time to ensure we have equality across all age, gender and ethnic groups. Our leadership ensures we continually review the reward strategy, and its terms are fit for purpose. This includes equal pay reviews. We provide statistics on gender to leadership regularly, particularly on recognition.

"I am proud to be part of an organisation that promotes inclusion and diversity, which is fundamental to enhancing gender parity. There is still a lack of female senior leaders across the oil and gas industry, but we are setting an example at Harbour Energy with the appointment of a female CEO and other females to leadership positions. Effective leadership is enhanced by diverse thinking. By promoting gender equality, we can help close the gap."

Jenny Morris
Senior Vice President,
Exploration





"My wife and I both work offshore in the oil and gas industry. Our work rotas complement each other, which has allowed us to be away, yet balance the needs of our family. This dynamic has worked well for us and our children.

At home, stereotypes on domestic or parental arrangements for everyday activities are banished. My wife is technically minded and does a wide range of DIY projects, whilst I do childcare and domestic chores.

We believe this demonstration that jobs are not gender-specific delivers a powerful message to our children – far better than any lesson on the subject might do. We encourage them to follow their own aspirations in life, and our

working arrangements allow us to 'walk the walk'.

Through our rotas we can be positive role models at home and have a more representative view of 'single parent' life. My wife can focus on her own career, whilst crucially identifying as more than a 'mum'.

The balance of being at home together for four weeks out of every 10, gives us flexibility to fulfil additional support requirements. It probably represents an improvement on the quality time two parents working in more traditional 9-5 roles might have."

Shaun Waddell
Offshore Operations &
Maintenance Team Lead

Leading by example

Our leadership team will ensure we narrow our gender pay gap in the future. They continue to provide a positive environment where we encourage our people, regardless of gender, to succeed in their careers. We also encourage our people to foster an inclusive approach outside the office by treating others as individuals, and by being a role model for diversity and inclusion amongst children. We also support our male colleagues in their role in bringing about change, and some of our male leaders participated in the Engaging Men – the Biggest Challenge in Diversity and Inclusion workshops on International Men's Day.

Living our values and business principle

As a company, we regularly review and develop procedures to ensure compliance with relevant regulations as well as our Core Values and Business

Principles. These are fundamental and are at the heart of everything we do. We foster a culture where employees can be proud of the company they work for and feel empowered to challenge things. Our Equality, Diversity and Inclusion community on Yammer has -200 participants, with intersectionality, Movember and International Women's Day being the most popular topics. The forum shares ideas to foster belonging, fairness and respect during working lives.

Preventing any form of discrimination, and encouraging diversity and inclusion

We ensure fair, transparent, and effective recruitment processes that are inclusive and free of bias. We continually review our job descriptions and job advertisements for gender-neutrality, to ensure we are reaching a diverse range of candidates.

"Our flexible working environment is aimed at meeting an individual's need, yet still meeting the requirements of the role. In my team, we have supported different working hours that suit an individual's personal circumstances."

Gary Hughes
Vice President,
Commercial



"I believe the company is open, honest and fair. Day in and day out, I see a can-do attitude where anyone can take on anything. We treat people with respect and value them for the work they do. An essential part of my role is to ensure this ethic of equality remains the norm."

Emily Eadington
Senior Manager – Armada, Everest, Lomond and Erskine Operations



Working with cross-industry gender balance groups to bring about change

In 2020, we continued our support of women in our industry through our association with POWERfulWomen (working for greater representation of women at the top of the UK's energy industry) and the AXIS Network (increasing gender diversity in the oil and gas industry).

Our International Men's Day event on inclusion attracted praise at the annual POWERfulWomen conference, and our delegates told the leadership team what they got from the event. This included short videos made by POWERfulWomen and insights from the Engaging Men and Flexible Working workshops.

Our employees have served on the AXIS Network committee, publishing articles and acting as mentors for the AXIS mentoring programme (open to both men and women). They also work with the Inclusive Offshore Working Group, a partnership between AXIS and Step Change in Safety, to develop guidance for operators and the supply chain on inclusive offshore working practices. While the AXIS group focuses

on gender balance, this partnership extends to mental wellbeing and industry best-practice, including a review on the size and fit of survival equipment for female offshore workers.

In November, we joined other signatories of the AXIS pledge at a cross-industry 'Inclusive leadership in a pandemic' event. At this we discussed with others how to maximise the opportunities and minimise the obstacles the pandemic has created for gender diversity efforts.

Encouraging female apprentices

We continue to support the Oil and Gas Technical Apprenticeship Programme (OGTAP), and the provision of the 'Girls in OGTAP' events - aimed at young women who are interested in a career in the oil and gas industry. The 'What is OGTAP?' information includes videos and case studies from OGTAP Champions, providing some insight as to why they joined the industry. The champions group is split half male, half female, all giving their differing perspectives of working in the oil and gas industry. We monitor the gender balance when selecting and supporting our OGTAP trainees.

"AXIS and Step Change in Safety asked me to be part of a working group to identify best practice and promote an inclusive offshore working environment. Supported by my colleagues, I wrote case studies on female bedding constraints and meal diversity. These were used to start internal conversations - one win was female designated cabins, but there are still other challenges. Equality and inclusion are essential for offshore to be a safe and welcoming environment for everyone."

Katy Crawford
Mechanical Rotating Engineer





"There are some roles where it is common to see women working offshore. The gender balance is improving, but there are still some positions where it is unusual for women to be working in. I moved into operations a couple of years ago. Nobody thought twice of me as a female chemist, but I do get more questions as an operator. The comments are generally from transients though; platform personnel accept me as an individual."

Emma Duncan
Offshore Operations Technician

Helping to promote STEM careers within the oil and gas industry

We participate in the OGUK Diversity and Inclusion Taskforce. OGUK will be building a network of diversity and inclusion (D&I) champions to promote the D&I agenda. They will consider any gaps at an industry level, assessing the challenge of getting more people involved in STEM at an early stage, and promoting our employees' work in schools throughout the UK.

We play a part in the Energy Industry's STEM programme, working with the Oil and Gas Technology Centre (OGTC) to promote STEM education and careers in the energy sector.

We are also a supporter and mentor for the STEM in the Pipeline, Engineer 'n' Our Lives and the Go4Set schools' education initiatives. Engineer 'n' Our Lives is a junior schools education initiative aimed at children in the primary 1 to 7 age groups.

At the end of 2019, we increased our industry mentorship support to seven schools across Aberdeen and Aberdeenshire (an increase of two). Industry mentors on the project provide valuable knowledge and support to students during their projects and provide information on jobs within the oil and gas industry. While we had hoped to continue this programme in 2020, face-to-face activity was curtailed by the coronavirus and home schooling.

In 2020, we supported the Career Ready Programme, a national charity which helps to improve career and work prospects for young people who have limited access to professional networks and role models from the world of work. We have many employees who participate in the mentoring scheme for S5/S6 students to provide encouragement, support and understanding of potential work opportunities within our industry.

"I support STEM educational initiatives because I did them myself at school and found them a rewarding experience. They are a great lesson in teamwork and they gave me a good insight into how these subjects can be applied in oil and gas."

Elly Dijkhuizen
Decommissioning
Project Engineer



Building an inclusive culture

An inclusive culture is fundamental to our company philosophy, and we are committed to moving from 'initiatives' to business change – building on our belief that success for us is based on a diverse and engaged workforce. When our people feel included and able to reach their full potential, we believe they will be more productive and more engaged.

Our programmes of leadership development and building competency are a key part of building our inclusive culture. Our People Management Programme supports existing and future supervisors, managers and leaders in the important role they play in ensuring a positive environment for all our people.

This behaviourally focused programme is designed to equip everyone who participates with the knowledge, skills, competence and confidence to supervise, manage, and lead people effectively. It looks at both visible diversity and less-visible diversity, and encourages open debate, and questioning of the status quo. While we do run a specific module on diversity and inclusion, the themes of respect and appreciation for, and value of, diversity runs through all 10 modules. The focus from some of the sessions includes a clear explanation of what is meant by unconscious bias, its impact on the organisation, and understanding how we can re-evaluate our own unconscious bias.

We also support several employee-led networks, which aid diverse employee groups such as the Young Professionals Network, and our commitment to diversity and inclusion runs through all our people processes, from talent management to reward. We aim to be a model of good practice for our own people, our supply-chain partners and those who wish to invest in our company.

"I have visited schools to encourage children from all ages and backgrounds to get involved in STEM subjects and I have been exposed to projects in subsurface with significant responsibility including offshore field experience. As a young woman new to the industry, offshore felt daunting at first, but my trips were exciting and the team welcomed me. We still have some way to go to close the gap, but we are headed in the right direction."

Hannah Lochhead
Graduate Reservoir Engineer



"It is exciting to be a part of a growing company with new opportunities where promoting an inclusive culture will help close the gender pay gap and create more diversity"

Laura Irving
Legal Manager, Non-Operated and Norway

#ChooseToChallenge

Here are the #ChooseToChallenge pledges from some of our leadership team.

Our senior leaders committing to challenge

As an AXIS Network pledge signatory, we are working to create gender equality. The 'Choose to Challenge' initiative focused on the significant role executive leaders play in advancing gender equality: from helping forge an inclusive world where diversity is valued, to creating workplaces where women's careers can thrive. Leaders are responsible for bringing changes.



"I commit to practising family-friendly behaviour at work. Each of us can support our colleagues in managing the integration of work and home life. This starts with understanding the identities, challenges and interests our co-workers have outside of work and supporting them."

Richard Tocher
SVP Decommissioning and Major Projects



"I am committed to confronting privilege, thinking about how privilege can create experiences of inequality for others and what we can do to remove these challenges."

Bob Fennell
EVP Operations



"I commit to making space. Each of us can consider how we can provide space for colleagues to be heard in meetings or social situations to ensure they are seen, heard and valued."

Karl Tolson
EVP Technical Services



"I am committed to consciously promoting a culture of inclusivity rather than treating inclusivity as an independent objective."

Maurice Thomson
SVP, HSEQ



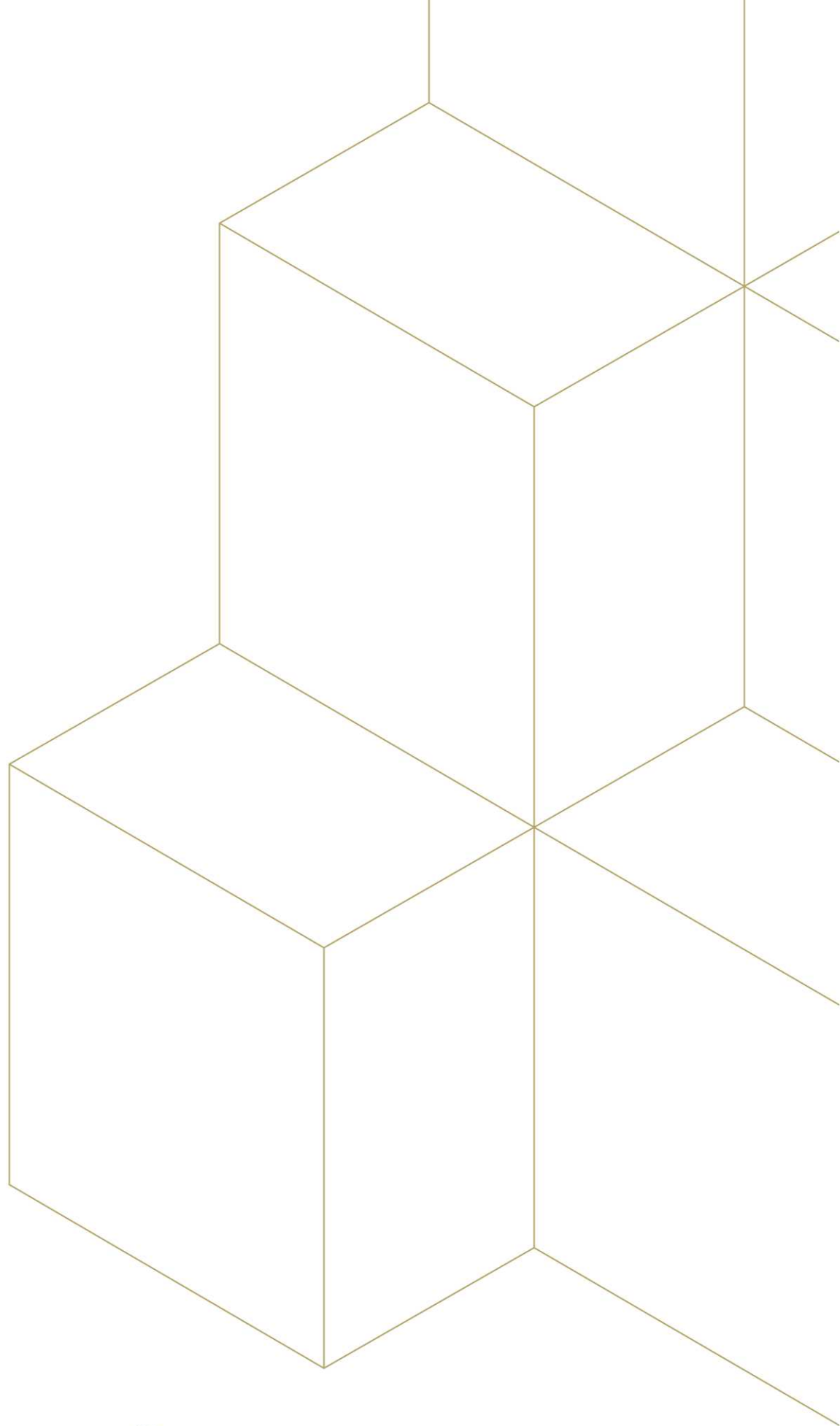
"I am committed to being intentional about inclusion. Each of us can commit to demonstrating acts of inclusion every day by investing our time and effort to support inclusion."

Corinne Kelt
SVP Human Resources

Declaration

I confirm that the Gender Pay Gap data reported here is accurate and has been produced in accordance with the Equality Pay Act 2010.

Corinne Kelt
SVP Human Resources



Aberdeen

Capitol Building
431 Union Street
Aberdeen
AB11 6DA

London

South Brettenham House
Lancaster Place
London
WC2E 7EN

Oslo

Chrysaor Norge AS
Haakon VII's Gate 1
0161 Oslo