



CNR International

CNR International (U.K.) Limited – 2017-2018
Gender Pay Gap Report





CNR International

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*“To develop people to work together to create value for the Company’s shareholders
by doing it right with fun and integrity”*

Corporate Mission Statement

What is the Gender Pay Gap ?

The Equality Act 2010 (gender pay gap Information) Regulations 2017 require employers with 250 or more employees to analyse and publish their gender pay gap data on an annual basis. The first report for all such employers must be based on data from a ‘snapshot’ date of 5th April 2017.

Gender pay gap measures the difference between the mean and median hourly pay of all female employees relative to all male employees, regardless of role or pay grade. Gender pay gap does not account for differences in roles, qualifications, experience or performance, all of which contribute to employee pay. Gender pay gap is not the same as equal pay. Equal pay is ensuring that employees in the same or equivalent roles with similar qualifications, experience and performance are equivalently paid. Canadian Natural and its world-wide subsidiaries, including CNR International (U.K.) Limited (CNR International), are committed to equal pay.

Gender pay gap figures are influenced by a variety of different factors, including the proportion of males and females employed by the employer, the proportions of males and females holding senior technical and management roles and general societal issues in relation to the types of roles typically pursued by males and females.

CNR International is an oil and gas exploration, development and production company with operations in the United Kingdom portion of the North Sea and offshore Africa. Our current UK headcount as of the snapshot date of the 5th April 2017 was 332 employees; with a gender balance of 91 female and 241 male employees.

Understanding our Pay Gap

Base Pay and Bonus Gap

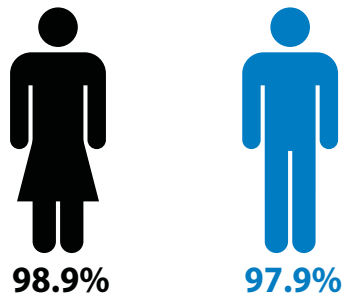
	Mean (Average)	Median (Mid-point)
Base Pay Gap	43%	65%
Bonus Gap	61%	68%

Our figures show that the mean pay of all our female employees is 43% lower than the mean pay of all our male employees. One significant factor that drives our gender pay gap is that we operate in a predominantly male dominated industry.



CNR International

Proportion of CNR International employees who received a 2016 Bonus

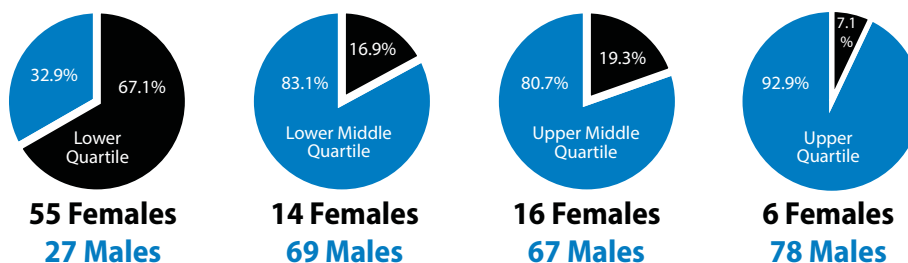


CNR International has a bonus programme covering all levels of employees, resulting in a high percentage of inclusion for both males and females. The reason the figures are not 100% for the reporting period is primarily due to new employees who commenced employment with the company within the reporting period, who were not eligible for the 2016 programme.

While females at CNR International have an equal opportunity to be awarded a bonus, males are typically in higher earning roles which attract a larger bonus.

Pay Quartiles

This calculation shows the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts, as shown below;



The upper quartile results show that this pay quartile comprises 78 male employees and 6 female employees. This is due to the fact that our senior management roles are male dominated on and offshore. The lowest pay quartile is made up of 55 female employees and 27 male employees. Therefore, the median male at CNR International works in the upper middle quartile and earns more than our median female who works in the lower quartile.

In the energy sector the majority of jobs, particularly those which attract higher rates of pay, are in the fields of science, technology, engineering and mathematics ("STEM"). In the UK, females only make up only 24% of those working in core STEM industries and of that only 11% of those are in the engineering professional roles ([Wise Campaign, October 2017 Report](#))¹. In the UK, females only comprise 14% of those who graduate with an engineering and technology degree ([Wise Campaign, February 2018 Report](#))², while at CNR International females comprise 12% of our engineering professionals.

Of the 91 females employed by CNR International, a significant proportion of them are in administrative, financial or commercial roles which in general do not attract as high salaries as STEM based roles. STEM based roles are also more likely to be in areas of skills shortage where more competitive salaries are on offer by employers.



We have set out below some of the measures which CNR International is taking in order to help tackle this issue.

Addressing our Gender Pay Gap

CNR International is committed to closing our gender pay gap and is involved in a number of initiatives to encourage the attraction, engagement and development of women in our business. In particular:

- We have an Equal Opportunities policy which is designed to ensure that our recruitment process is free from discrimination on the basis of gender or any other protected characteristic. The company seeks to employ individuals on the basis of appropriate qualifications, merit and ability. Recruitment panels in all cases contain at least one female interviewer.
- In September 2017, a number of male and female employees mentored and encouraged young women to study STEM subjects by attending Techfest; North East Scotland's Annual Festival of Science, Technology, Engineering and Maths. The company was also a main sponsor of the event.
- We work with Career Ready to give young people the opportunity to think about a career with CNR International. 75% of our Career Ready mentors are females; the majority of which are from technical roles.
- We mentor and sponsor 40% (11) female students at the University of Aberdeen and the Robert Gordon University through engineering and commercial degrees.
- We offer family friendly policies to all our employees such as flexible working to help remove any barriers that employees, particularly female employees, face due to family commitments. We have 22 employees who work part time/reduced hours and consider all flexible working requests on a fair and consistent basis.
- We are a member of the Oil & Gas UK (OGUK) gender pay gap reporting group which allows member companies to share ideas and knowledge on how to address and report on the gap due to the industry wide issues.

Statement

I confirm that the information and data provided is accurate as at the snapshot date of 5 April 2017 and CNR International (U.K.) Limited has employed the services of law firm Pinsent Masons LLP to review and confirm our interpretation of the Government regulations and the applied methodology.

Alison Critten, HR Manager, CNR International

¹ <https://www.wisecampaign.org.uk/resources/2017/10/women-in-stem-workforce-2017>

² <https://www.wisecampaign.org.uk/resources/2018/02/core-stem-graduates-2017>