



Gender Pay Gap Report 2017

Introduction

UK gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations each year showing the pay gap between their male and female employees.

As a company, ConocoPhillips strives to create an inclusive environment that respects the contributions and differences of every individual, ensuring that development and opportunities for progression are available to all employees.

The company willingly supports the request for increasing transparency on this topic as it is the first step in improving the gender pay gap. ConocoPhillips is committed to playing its part in ensuring that women are given the same level of comparable opportunities in the workplace as men.

I confirm the accuracy of these statistics at the date of publishing. Publishing the statistics is the easy part – it's taking action to make improvements that matters.

Terri G. King

President
ConocoPhillips (U.K.) Limited



Understanding

The gender pay gap is different than equal pay. The Equal Pay Act, which ConocoPhillips adheres to, prohibits any less favourable pay and employment condition between men and women who carry out the same or similar jobs.

The **gender pay gap** is a much broader subject. It will lead companies to actively manage levels of equality in the workplace and take further responsibility to ensure that men and women are provided with the same **opportunities** in the workplace.

Our Approach

Closing the Gap

At ConocoPhillips, we commit to playing our part in closing the gender pay gap. We currently promote many cultural values and processes that positively contribute towards equality in the workplace. We will continue this approach, whilst striving to make ongoing improvements in the area.



Diversity and Inclusion

The global nature of our company reflects diversity and inclusion in everything we do. Our workforce represents the international communities in which we live and work, bringing together talented people from a variety of backgrounds and experiences. Valuing everyone's contribution isn't just something we talk about – it's what we seek to put into practice each day through our SPIRIT Values.



In the spirit of valuing all people, ConocoPhillips believes that diverse opinions, ideas and perspectives are what fuel innovation throughout our company. We reinforce our belief through employee and supervisor training. We strive to create an environment where people with diverse backgrounds can succeed.

Flexible Working

As a company, ConocoPhillips understands the many responsibilities employees have in and outside of the workplace. We provide and support many flexible working arrangements within the organisation to ensure employees achieve a balance between family and work life.



Engineer
'n Our
Lives
Primary
Schools
Education
Programme

Offering flexible working opportunities at all levels within the organisation plays an essential part in tackling the gender pay gap. At ConocoPhillips UK, 20 percent of our overall workforce have adopted flexible working. We will continue to support these opportunities and commit to an initial approach of: "How can we make this work?" to any new flexible working requests.

Career Development

A strong global workforce who can contribute the right skills in the right places contributes to the continued success of ConocoPhillips. Today's energy industry faces two key challenges: attracting a skilled workforce that is equipped to do business globally and providing a work environment that develops and retains high-performing employees.

All employees, at all levels, are provided with training and development programmes to optimise their career. We aim to attract top-performing candidates into a supportive growth environment and to retain them with challenging and satisfying work.

In 2016, women accounted for 27% of ConocoPhillips employees globally, 17% of its top leadership and 28% of its professional workforce.



It is important to mentor and support STEM - science, technology, engineering and maths – subjects in schools so we can be part of influencing early career decisions.



Sharnjit Basi

Process Optimisation Lead

"In the time I have been with ConocoPhillips, I have had many opportunities to broaden my skillset, which in turn has benefited the company and given me a rewarding career. ConocoPhillips encourages cross-functional moves, which allows you time to develop in your career. I have worked in the economics, operations, engineering and latterly the integrated operations team on a key strategic project and had opportunities to work in other parts of the world too."

Recruitment

Our goal is to treat all individuals fairly throughout the recruiting process. Recruitment and selection is based solely on objective and job-related criteria in line with business need and ConocoPhillips global values, policies and positions.

Qualified applicants are considered for employment and are selected without regard to race, colour, religion, sex, sexual orientation, national origin, age, disability, veteran status, gender identity or expression, genetic information or any other legally protected status. We actively monitor and review our recruitment statistics and have recruitment processes in place to help hiring managers recognise and eliminate unconscious bias.

Since 2017, all jobs available in the UK are internally advertised. Before advertising, we consider: Is the job description broad enough to encourage applicants vs. narrow to target one particular employee? Have we kept the required skills to those truly required versus just desired, to not limit those who might apply? If no, can/should it be broadened to encourage a diverse mix of candidates? After posting, we ask the four staffing questions:

- Are we comfortable that there was a diverse mix of candidates e.g. gender, experience, educational background?
- Did we use an appropriate selection process (multiple/diverse interviewees, selection panel, talent management team candidate sourcing, internal posting)?
- Did we have enough challenge in the selection process to test for potential unconscious bias? Or did we select based on company fit (to mean like us)?
- Did we carry out a deep selection of candidates (beyond grade of role, beyond discipline)?



“Whilst there have been positive changes, there is always scope for improvement. The more diversity you bring into an organisation, the better the solution.”

Positive Work Environment

ConocoPhillips is committed to providing a workplace free of harassment that values each individual and respects their rights. Our Code of Business Ethics and Conduct, along with our Equal Employment Opportunity Policy, sets consistent global standards for how we treat our employees. These include:

- ❑ Providing equal opportunities and fair treatment in recruiting, compensation, professional development and advancement.
- ❑ Offering training programmes and online courses to help employees and supervisors understand workplace policies.
- ❑ Staffing an ethics hotline, through which employees may anonymously share information or raise questions/complaints.
- ❑ Maintaining an open-door policy as well as formal procedures for resolving issues.
- ❑ Building relationships with labour organisations on the basis of mutual integrity, respect and open communication.

Supervisory Leadership & Training

ConocoPhillips provides leadership training, including a programme titled Appreciating Differences in Others, to ensure our leaders have an awareness and understanding of employee differences. Our leaders hold significant roles in creating our Inclusive culture and embracing equality in the workplace.

Succession Planning & Talent Management

Our talent management teams are a unique part of our talent development process. These teams represent employees around the globe and are responsible for managing skills critical to business success.

Each team comprises senior representatives from the business and corporate functional organisations. They are the interface between leaders, supervisors and employees.

The goal of the teams is to identify the company’s future business needs and to assess the availability of critical skill sets within the company. They also work to optimise the development of people with technical or highly specialised skills, so that talent can be shared regionally and globally to successfully implement key strategies. Having these teams in place leads to fair and robust representation of females being considered for and awarded development opportunities within the company.

Eliminating Bias

ConocoPhillips actively monitors and reviews our recruitment statistics as part of the recruitment process. An independent reviewer forms part of the internal selection meetings to help hiring managers eliminate unconscious bias.



Maria McCormack
Offshore Installation Manager

At ConocoPhillips, there is a real feeling of collective ownership for resolving engineering challenges and implementing solutions. Everyone, no matter what background or level of experience, is given the opportunity to take part and voice their ideas.

Throughout my career, I have been fully supported in terms of career development. Having gained chartered engineer status in an onshore engineering position, I was keen to develop an offshore leadership role and was given full support in this. Although there are still far fewer women in technical roles offshore, this has not limited me. Opportunities arise through the type of role an employee is passionate about, puts energy into and has technical competence for, regardless of gender or background.

Leaders hold significant roles in creating an inclusive culture and embracing equality in the workplace.

Our Results

Mean Gender Pay Gap	17.1%
Median Gender Pay Gap	28.1%
Mean Bonus Gender Pay Gap	13.1%
Median Bonus Gender Pay Gap	10.3%
Proportion of Males Receiving a Bonus Payment in 2017	100%
Proportion of Females Receiving a Bonus Payment in 2017	100%

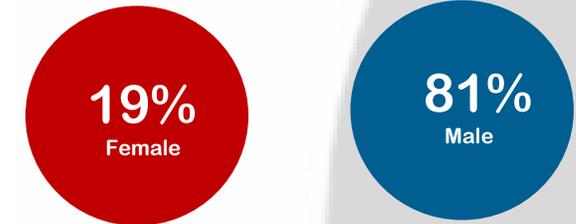
- **Mean** involves adding up all of the numbers and dividing the result by how many numbers were in the list.
- **Median** involves listing all of the numbers in numerical order. The median is the middle number.

Proportion of employees in each pay quartile band

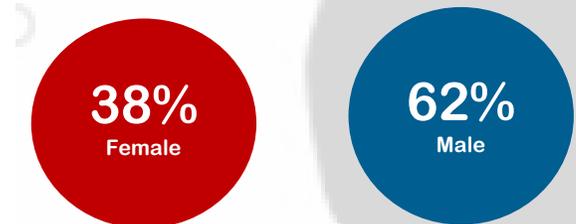
Pay Quartile	Male	Female
Upper	85%	15%
Upper Middle	94%	6%
Lower Middle	78%	22%
Lower	68%	32%

- The proportion of male and female employees in four quartile pay bands marked from highest to lowest is achieved by dividing the workforce into four equal parts.

Percentage of female to male employees:



Percentage of female to male graduates hired in the last 5 years:



“An open culture with a positive approach to flexible working is a key part of the bigger picture. We have many part-time workers and a flexible option can offer a win-win solution. It gives a good balance of optimising personal circumstances, whilst continuing to make a valuable contribution and realising career and personal development opportunities. Equally, the function, and wider organisation, continue to benefit in terms of retaining motivated and talented individuals and their valuable experience, knowledge and skills.”

David Hay, UK Supply Chain Manager

Our Action Plan

Closing the Gap and Delivering Change

ConocoPhillips is working to close the gender pay gap. To achieve this, we are committed to delivering current and new resources to improve how we attract, engage and develop women, as well as other under-represented groups.

The SPIRIT Values

The words that make up the SPIRIT acronym are not proprietary to our company. But the combination of the words and the acronym are pure ConocoPhillips. The SPIRIT Values transcend any language and any location. They are global, just like our company.



**Frances
Esson**

Clair Subsurface Manager

ConocoPhillips has always supported my career and role in the organisation irrespective of gender. From early career roles, which included working offshore, to leadership roles. After I had my first child, the company continued to ensure my career progressed, whilst allowing me flexibility in working hours and unpaid leave to embrace my new family. My priority is now to support my family, whilst also progressing my career and I feel that I have a great deal to offer the company.

What Caused the Gender Pay Gap?

It is the outcome of economic, cultural, social and educational factors. The combination has resulted in fewer women selecting STEM related subjects at school and university, which has therefore impacted the gender balance in the oil and gas industry. The gender pay gap at ConocoPhillips is also influenced by the fact there are a greater number of men working in technical roles, particularly the offshore population, which attracts the highest pay and allowances. ConocoPhillips is seeing progress in this area, with women making up 38% of graduate recruits over the last five years and 4 of 12 board members being female.

Encouraging Women into STEM

At ConocoPhillips, we support our employees' efforts to build thriving and dynamic communities through our community investment programmes. As part of this, ConocoPhillips in the UK is a supporter of the STEM in the Pipeline secondary schools education initiative. We proactively encourage our staff to become STEM mentors and to engage with schools on their STEM projects.

We also support the Engineer n' Our Lives primary schools education initiative, which seeks to teach children how engineering links materials to everyday things and how it is embedded in our everyday lives.



Diversity and Inclusion Network

Employee networks at ConocoPhillips are open to all employees to help us foster a diverse workforce and create an environment of mutual respect, trust and understanding.

They also connect colleagues from different business units and functions, provide opportunities for personal and professional development, networking and community involvement opportunities.

In 2019, we will introduce a Diversity and Inclusion network in the UK. Some of the topics covered will support female interaction and development within the organisation, aligned with our existing career development processes.

Inclusion is built on trust, candour and respect. It's about creating a workplace where everyone can contribute to organisational results based on their unique talents and backgrounds.

We use these differences to drive competitive business advantage, personal growth and ultimately business success. Inclusion has always been part of the ConocoPhillips culture, influenced by our SPIRIT Values. We have an opportunity for further progress, embracing our diversity to enhance our organisation and provide a great place to work.

Unconscious Bias Awareness

Unconscious bias occurs when our brains make quick judgements and assessments of people and situations without realising. Our biases are influenced by our background, cultural, environmental and personal experiences. When it comes to our various performance management processes, understanding that we have unconscious bias is essential to ensuring fair and transparent decisions are made. To create awareness, this topic features within our company's inclusion training. We provide specific training for our supervisors and hold calibration meetings to ensure any unconscious biases are eliminated from the performance management process.



Alexa Duncan

UK Logistics Manager

In my 11 years with ConocoPhillips, I have felt valued as a female engineer, enjoying varied and challenging roles from Completion Engineer, Well Abandonment Technology Lead to my current UK Logistics Manager position. During this time, my family has extended by two lovely boys and I have enjoyed relaxing maternity leaves knowing that I would have a rewarding and motivating job on my return.

Progressing the Potential of Our Future Leaders

ConocoPhillips commits to ensuring that there is a continued focus within the UK business on the development and progression of our female talent.

This will include various career support mechanisms such as mentoring and robust career development plans aligned with our existing career development processes.



Audrey Stewart

Commercial & Joint Venture Manager

During the last 20 years with ConocoPhillips, I have been fortunate to work for some inspirational leaders and very pragmatic supervisors who have provided me with the opportunity to develop my career, whilst preserving a meaningful work-life balance. Their flexible approach has enabled my husband and I to successfully pursue dual professional careers and raise our girls in a happy home environment.

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March 2018