



Gender Pay Gap Reporting

In line with the requirement for gender pay gap reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, EnQuest has published its first gender pay gap results following analysis of our staff in the UK.

Gender Pay Gap vs Pay Equality

The gender pay gap is not the same as equal pay, which refers to whether a man and a woman are receiving equal pay for doing equal work and it is important to clarify this point. As a Company, we are absolutely committed to delivering equal pay and we do not believe that we have an equal pay issue within EnQuest. The gender pay gap is there to compare the average pay of all women compared to the average pay of all men in the same organisation – regardless of role, seniority, experience or contracted working hours. Our gender pay gap results are influenced by factors such as societal norms, more males than females working in the Oil and Gas sector (particularly offshore) and individual choices in terms of self-selected flexible working practices such as part time working. Having a gender pay gap does not mean that the pay practices at EnQuest are unequal.

Business Activity Impacting Our Gender Pay Results

In the past year, as part of the North Sea business' strategy for growth, it acquired the Magnus field from BP and operatorship of the Sullom Voe Terminal in Shetland. As part of the acquisition, 320 employees and 100 contractors transferred to EnQuest on 1 December 2017, increasing our employee base by 90% and more than doubling our headcount overall. The roles that transitioned are made up primarily of Technicians based at site or offshore, roles which are traditionally held by men. As a result, the number of men in the UK business has increased as a percentage of the workforce from 77% to 86% and the consequent reduction in the female percentage from 23% to 14%.

Our people and organisational strategy is to ensure that we have the right people in the right roles driving performance and delivering efficiencies as we continue to pursue our strategy for growth. We recognise that we do that in an industry where the talent pool and labour market is predominantly male and, as such will continue to look for opportunities where we can further develop and enhance our business practices to support diversity in the workplace.

Our Gender Pay Gap results

The information collected was based on the relevant pay period of:

- the month of April 2018, for the purposes of calculating salary earned; and
- the year April 2017 - March 2018 for the purposes of calculating bonus paid.

The results show that the average rate of total pay for women is 29.5% below the average rate of total pay for men, this is compared to 38.7% reported last year, and that the average bonus gap for women is 53.9% below the average bonus paid for men, this is compared to 44.9% reported last year. On the comparison of median total pay and bonus, the percentage difference declines to 22.9% on pay and 33.8% on bonus. During the period April 2017 - March 2018, almost an equal percentage of women and men received a bonus (84% of women and 85% of men). When assessing these results, it is important to remember that the calculations take no account of the seniority or type of role of the individual, nor do they adjust for the impact of flexible working arrangements.



Our Commitment

EnQuest recognises the value of diversity in its workforce. The Company conducts regular benchmarking exercises to ensure that our salaries are comparable, regardless of gender, and that our recruitment process is fair and balanced. We are committed to delivering equal pay to our employees and to narrowing the gender pay gap in EnQuest. As is the case across our industry, we recognise that any improvements of this imbalance cannot be resolved immediately but with commitment and positive action over time.

We confirm that this statement is true to the best of our knowledge and belief.

Signed

A handwritten signature in black ink, appearing to read 'Amjad Bseisu'.

Amjad Bseisu
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Laurie Fitch'.

Laurie Fitch
Chair of the Remuneration Committee