

UK Gender Pay Gap Report 2023





Harbour Energy plc



#WeAreHarbourEnergy

A global independent oil and gas company

Harbour Energy's aim is to build a large-scale, geographically diverse, independent oil and gas company, focussed on safe and responsible operations, and creating value for our stakeholders.



Foreword

Welcome to Harbour Energy's second gender pay gap report, which builds on the gender pay gap baseline for Harbour Energy reported in 2022.

We are advancing in our efforts to address the gender pay gap and foster a truly inclusive environment where women can thrive and progress in their careers.

This report shows that the median pay gap for 2023 was 26.7 per cent. While higher than we would like, this number represents progress on 2022's reported figure of 34.5 per cent. We understand why the gap exists and continue to implement a range of measures to narrow it.

Globally, women make up 25 per cent of our workforce and 27 per cent in the UK. In addition, most of our senior colleagues are male, and we have more men than women working in offshore and specialist technical roles, which tend to attract higher levels of pay. However, we want to increase the representation of women across the business and continue to remove barriers to their progression.

We are always looking at ways to improve how we attract, retain and develop more women at all stages of their careers. For example, we have invested in our Harbour Energy STEM Returners programme, encouraging women into our sector whilst enabling them to rejoin the workforce after a career break. We also encourage family-friendly, flexible working practices, demonstrating our commitment to offering non-linear career paths. Ensuring that women feel supported at work is crucial, which is why we have signed up to the menopause workplace pledge. Partnerships with outside organisations, such as the Women's Engineering Society and the Institute of Neurodiversity, also help us learn best practices from our peers.

We appreciate that improvement will not happen overnight; however, we are committed to taking positive steps to tackle the gap and create a balanced, inclusive workforce.

We have clear aspirations. Our aim is that by 2030, 40 per cent of our leadership will come from diverse backgrounds, 30 per cent of senior management and our overall workforce will be women, and 40 per cent of our graduates will be female.

Widening our talent pool is a positive step for women and their careers, providing Harbour with greater access to a diverse range of highly skilled and qualified candidates.

26.7% Median pay gap for 2023

27%

of Harbour Energy employees in the UK are women

$\bigcirc \bigcirc$

We are advancing in our efforts to address the gender pay gap and foster a truly inclusive environment where women can thrive and progress in their careers.

LINDA Z. COOK CHIEF EXECUTIVE OFFICER

About this report

In line with UK Government legislation, companies with more than 250 employees are required to publish their qender pay qap data annually. Our gender pay gap data allows us to measure the percentage difference in average hourly pay and bonuses of all men and women within our organisation.

Reporting on our gender pay gap helps us better understand the issues relevant to gender pay and identify improvement areas. Our 2023 data represented the second year of collective reporting as Harbour Energy. Our UK Gender Pay Gap Report 2023 exhibits our pay and bonus gaps within our UK entity, capturing both our onshore and offshore sites. The report also highlights our actions to monitor and address our pay gap.

Over the last year, we have identified several focus areas to build a more inclusive culture. This work has included providing diversity, equity and inclusion (DE&I) training at different levels and developing systems and processes to promote inclusive behaviours. DE&I is not a project or an initiative for us. It's a way of life, and we have taken bold steps to demonstrate our commitment to our employees, shareholders and those who work with us. It all comes down to one simple principle, and that is valuing everyone as an individual.

MAVIS ANAGBOSO

GLOBAL HEAD OF DIVERSITY, EQUITY & INCLUSION

MAVIS ANAGBOSO GLOBAL HEAD OF DIVERSITY, EQUITY & INCLUSION

At Harbour Energy, we are proud of our work on diversity, equity and inclusion. We are determined to build on our achievements in this area and continue our improvement journey.

We confirm that the gender pay gap data reported here is accurate and has been produced in accordance with the Equality Pay Act 2010.

Linda Z. Cook Chief Executive Officer

Gill Riggs Chief Human Resources Officer



Our 2023 results statutory disclosure

This is the second time we are reporting as a single corporate entity. These figures, therefore, demonstrate progress against the benchmark set in 2022. Although this is a reduction from the previous year, our commitment to tackling the gender pay gap will continue. Further progress against our action plan remains our focus for 2024.

As of 5 April 2023, our report captures 1,281 individuals that meet the relevant employee criteria as defined by the UK Government guidance for reporting. This comprises 940 men and 341 women. Our mean gender pay gap for 2023 is 18.0 per cent, and our mean gender bonus gap is 20.3 per cent. Our median gender pay gap is 26.7 per cent, and the median gender bonus gap is 19.3 per cent.

Equal pay vs gender pay gap

It is important to note that a gender pay gap differs from equal pay. Gender pay gap reporting calculates the difference in average pay for all organisational roles and does not differentiate between the work being carried out. Equal pay refers to men and women performing equal work for equal pay. As the two terms are not interchangeable, a gender pay gap does not indicate an issue with equal pay. Within Harbour Energy, we are committed to fostering an inclusive culture. We use industry benchmarking data and conduct internal pay audits to ensure we provide all employees with a transparent, fair and competitive pay and benefits structure that does not discriminate against sex, gender or ethnic origin. $\mathcal{O}\mathcal{O}$

Our gender pay gap data for 2023 demonstrates progress against our baseline data. We will continue to focus on reducing the gap and creating opportunities for better representation of women at senior levels in the company. DE&I remains a core part of our organisational culture and attraction and retention strategy.

GILL RIGGS

CHIEF HUMAN RESOURCES OFFICER



Average hourly pay by gender

Mean gender pay gap

18%

Median gender pay gap

26.7%

Employee breakdown by quartile (by hourly pay)



% of male employees% of female employees



% of employees with bonus

Bonuses paid by gender

Mean gender bonus gap



Median gender bonus gap

19.3%

Our commitment to closing the gender pay gap

The data presented within this reporting period indicates that there is still work to be done to close our gap. Harbour Energy is dedicated to placing diversity, equity and inclusion (DE&I) at the core of our employee experience, ensuring we continue narrowing the gender pay gap.

Actions taken to close the gap include:

- Clear DE&I commitment
- DE&I awareness and communication
- Increased number of employee resource groups
- Inclusive recruitment framework
- External partnerships
- Inclusive leadership
- Promoting alternative career paths
- Employee support
- Early career support

Clear DE&I commitment

In this reporting period, we remain committed to promoting gender diversity. This includes ambitions on gender diversity composition in our Leadership Team, senior management and workforce. For more information on our progress towards our global DE&I ambitions, see page 52 of our 2023 Annual Report.



(C)

Our reward strategy is built on the pillars of equity, inclusivity, transparency, and unwavering support for employee wellbeing. We are committed to ensuring our benefits cater to the diverse needs of our employees and their families. Our aim is to foster an inclusive culture where every individual's contributions are acknowledged and rewarded, reflecting the value they bring to our organisation.

SHARON BRUCE SENIOR MANAGER – GLOBAL REWARDS

DE&I awareness and communication

Building on the foundations laid in 2022, we focused on embedding an inclusive corporate culture. Our practices include the following:

- 'DE&I moments' included in the CEO's live global town hall presentations:
- DE&I panel discussions that encourage open discussion on inclusion topics. These sessions are well attended and highly regarded by our employees;
- DE&I coffee mornings and Lunch & learn events to encourage discussion on inclusion topics;
- A gender pay gap Lunch & learn;
- DE&I awareness workshops topics; and
- An increased number of DE&I employee-led resource groups.

Our communication strategy for DE&I includes utilising our employee resource groups as change agents to promote awareness around DE&I in the company. This complements the other communication channels we have in place to reinforce a culture of DE&I learning.

Increased number of employee resource groups

Employee resource groups are vital in fostering a diverse and inclusive workforce within Harbour, each being employee-led and supported by an executive sponsor. We take an intersectional approach to identity and recognise that the experiences of our female colleagues are impacted by other identities they have. For instance, having a disability. This year, we added the Ability group to our range of networks, which promotes better awareness of disability in the workplace. The network is still in its infancy. However, we can see that female employees with hidden disabilities that affect women, such as endometriosis, are stepping forward to share their personal stories. Increased awareness around disabilities is essential to creating an inclusive culture for Harbour Energy. Two of the eight networks explicitly highlight and address issues relating to female identity in the workplace.

We actively promote other networks, including Pride, Culture, Early Careers and Neurodiversity, to ensure everyone has a positive experience at work. Consequently, our employee resource groups build engagement and drive DE&I actions across Harbour. For example, our Gender Balance Network proactively seeks to improve outcomes for all genders and benefits from female and male membership. Over the coming year, we look forward to seeing the networks strengthen their engagement and support delivery on 2024 actions.

VIEW MORE

MORE DETAILS ON OUR EMPLOYEE NETWORKS ARE ON PAGE 74 OF OUR 2023 ANNUAL REPORT.

$\mathcal{O}\mathcal{O}$

Our proudest achievement in 2023 has been the establishment and growth of the Gender Balance Network, alongside our collaborative efforts with other employee resource groups. We've achieved milestones outlined in our roadmap, ensuring our views are heard in policy changes and contributing to a more inclusive workplace where everyone feels valued.

Through extensive research, we provided valuable insights into Harbour's familyfriendly policies, which will lead to their refinement to better meet the needs of all employees.

JENI BRATTON

CO-CHAIR GENDER BALANCE NETWORK DEVELOPMENT CONSENT ORDER ANALYST - VIKING CCS

Our commitment to closing the gender pay gap continued

Inclusive recruitment framework

Inclusive recruitment continues to be a vital part of our DE&I strategy as we recognise that attracting more women into our business requires innovative approaches to recruiting. We trialled anonymous recruitment for a senior management role and are now applying some lessons from this process as we roll out our new inclusive recruitment framework. We have continued to use gender-balanced shortlists for graduate recruitment and plan to roll out this approach for our experienced hires.

We have continued to develop robust data collection systems to monitor our applicants' diversity through the recruitment lifecycle. We are also introducing Licence to Hire training for all hiring managers to increase awareness of our inclusive recruitment framework principles and promote gender diversity in our interview panels.

External partnerships

We have maintained external partnerships with organisations aligned with our core values and expanded these to include menopause and gender balance. Some partners include:

- The Women's Engineering Society (WES);
- Institute of Neurodiversity (ION);
- STEM Learning:
- Association for Black and Ethnic Minority Engineers (AFBE):
- General Counsel for Diversity & Inclusion (GCD&I) Signatory; and
- AXIS Network Pledge Signatory

Our DE&I partners help us to create an inclusive culture and provide valuable insights into best practices from other organisations.

Inclusive leadership training

Harbour Energy strongly believes in empowering others and creating an environment that enables everyone to be their best. We lead authentically from the top and commenced our DE&I learning programme with our Leadership Team. The programme continues to be cascaded across the organisation globally and will see all managers experience our inclusive leadership workshop. Prioritising our leadership first sets the right tone around expectations from our leaders. The next phase of the programme will build on our early success and roll out training to the rest of the business.

Promoting alternative career paths

In 2023, Harbour Energy maintained its STEM Returners programme, which helps women return to work after an extended career break. The fully-paid, 12-week placements specifically target applicants with employment gaps, and although the programme is open to any gender, we have seen a significant proportion of applications from women. The paid placement allows candidates to be reintegrated into work in an inclusive and supportive environment. The programme will continue through 2024, offering five positions to STEM Returners.

Gypsy experienced an 11-year career gap due to family responsibilities before seeking to return to work. Despite her professional STEM background, she faced challenges securing interviews due to the extended break. Motivated to utilise her skills and experience, she pursued opportunities through the Harbour Energy STEM Returners programme. The support provided by the programme, including mentorship and resources for interview preparation, was instrumental in Gypsy's success. She highlights the personal development opportunities, supportive and diverse culture and diverse workforce as key elements of her experience. Gypsy's journey exemplifies the STEM Returners programme's impact on our recruitment process. The programme empowers participants, enriches the talent pool and fosters a more inclusive workplace culture.

GYPSY CASTILLO

SENIOR TECHNICAL ASSISTANT - STEM RETURNER

Pam's career journey has been marked by adaptability and continuous learning. From her first role as a steward offshore to the most senior offshore role as an Offshore Installation Manager (OIM), Pam has navigated through various roles, including Radio Operator and Offshore Maintenance Coordinator. She is now one of two female OIMs in our UK offshore assets. Pam's unconventional, alternative career path underscores the importance of embracing unexpected opportunities and leveraging each experience as a stepping stone towards career advancement. She highlights the significance of self-belief, perseverance and openness to diverse experiences, underscoring the importance of learning and development opportunities offered by Harbour Energy in shaping her career journey.

PAM HILL

SENIOR MANAGER, OPERATIONS SUPPORT, LOMOND AND ERSKINE



Our commitment to closing the gender pay gap continued

Employee support

Harbour Energy has family-friendly policies to support parents returning to work, enabling them to share parenting responsibilities. Building a supportive culture around flexible working and enhanced pay will ensure that we retain and attract more women into the industry while reducing gender imbalances. We will continue to ensure our family-friendly policies are gender-neutral and equally support individuals with family responsibilities.

We have provided internal resources, such as a free neurodiversity assessment, to all employees. We take positive action by providing a variety of support for the mental health of our workforce, for example, providing quiet rooms in two of our UK locations, with more to come globally. Mo Farrag, Corporate Finance Manager in the Harbour Energy Treasury team, serves as an inspiration for fathers seeking to play an equal role in parenting while advancing their careers. Mo has been with Harbour Energy for three years and decided to utilise two and a half months of shared parental leave. This choice had a significant impact on his confidence as a new father, ensured that parenting is taken as a shared responsibility at home and allowed him to bond with his child. As both Mo and his wife had employers supporting shared parental leave, they opted to take time off together, sharing the parenting responsibilities and enjoying being a family. Mo acknowledges that, within his peer group of fathers, there is still a stigma attached to taking shared parental leave and its potential impact on career development. However, he feels fortunate that within Harbour Energy, this has not been an issue at all. In fact, taking the break allowed Mo to fully focus on becoming a new father while also managing shared parenting responsibilities. This, in turn, enhanced his ability to balance both his career and family life. Mo emphasises that taking two and a half months out of his career has had no negative impact on his potential career progression.

MO FARRAG

CORPORATE FINANCE MANAGER

Early career support

As part of our STEM outreach strategy, we are keen to demystify our industry and provide opportunities for young people who may not previously have considered a career in STEM. We have delivered several STEM school outreaches to more than 1,000 students from six schools in the UK and Indonesia.

We provide an inclusive and transparent support system for our early career professionals to grow. We launched several initiatives, such as monthly Lunch & learns, which provide an insight into other parts of the business. They have access to our leaders through quarterly Leadership Team engagement sessions, and access to career growth opportunities through involvement in activities that help build their confidence and visibility, such as internal and external speaking opportunities, industry wide networking opportunities, and sponsorship to attend conferences. These activities help embed an inclusive mindset at the start of their careers.

Our graduate recruitment process has been updated with more focus on recruiting from diverse backgrounds. For the second consecutive year, 37 per cent of our new graduate recruits were women. We have a clear aspiration to increase this to 40 per cent by 2030.





Our commitment to closing the gender pay gap continued

An interview with Audrey Stewart SVP 0B0 & Commercial



Tell us about your job and what is involved day to day.

In my current role, I am accountable for Harbour Energy's non-operated and operated asset performance, ensuring all activities are carried out safely and comply with all regulatory requirements, legislation and Harbour Energy HSES procedures. I manage and develop the resources that provide commercial leadership for all of Harbour's upstream business in the UK.

A typical day would find me working with my leadership group, identifying where value can be optimised, influencing best practices and looking after my team members' varying needs, keeping them safe and building an inclusive environment where everyone has a voice.

How did your career path lead you to this role?

I would not be in my current role without the influence of a forward-thinking, pragmatic supervisor at the start of my career. My parents had traditional views on my career choices, such as medicine or law (perhaps more stereotypical careers for women at the time), but I have always been strong minded and liked to make my own decisions based on what I felt would be best for me.

I was set on a career in the energy industry and began my journey into engineering, eventually becoming a chartered engineer. Despite enjoying engineering, I felt little satisfaction in traditional engineering roles, and thanks to innovative and supportive supervisors at the time, I could move from engineering into a more commercial/technical career path that suited me better. I also benefited from accessing further education supported by my employer and completed an MBA.

Throughout my career, I had to navigate starting and raising a family. This is where I benefited from forward-thinking and supportive leaders who were prepared to challenge less than adequate maternity policies, enabling me to take the time out I needed to have my children. I returned to work each time with a different mindset, more open to change and grabbing new opportunities when needed rather than waiting for opportunities to come.

How do you feel diversity can be progressed within the energy sector?

Over the early stages of my career, the gender pay gap was not discussed nor fully understood. I am pleased to have witnessed our industry take great steps forward in terms of visibility of equal pay, the gender pay gap and building a more diverse workforce.

Hiring managers should select the most competent candidate for a role, regardless of how they need to work, i.e. part-time and flexibly; this creates opportunities for talent who may not be able to fulfil a traditional, full-time, nine until five role.

Leaders must take responsibility for driving change by understanding the needs of their team members and being pragmatic in how they meet the varying requirements of individuals at different stages of their lives and careers.

A leader who builds a diverse team willing to lean into change will benefit from diversity of thought and innovation from an engaged team.

Leaders must be aware of their preconceptions and biases, notice them and understand how to mitigate these biases when they arise. This enables leaders to be authentic and adapt to the changing needs of their team members.

What advice would you give females looking to progress their careers in the energy sector?

You do not have to conform to traditional norms or stereotypes about having numerous years of experience before taking on senior roles, as this does not equate to competency. Competency can exist at any age, so step up when you feel the next step suits your development.

I would encourage building your confidence and not letting external factors or stereotypes inhibit your ability to speak up and share your views and ideas, especially when considering your career progression. Try to be less inhibited about your views when you see something that is not right and approach finding solutions to such problems positively. Be more direct about what you want from your employer and career satisfaction.

Be open to opportunities that may not be within your original discipline; these can sometimes be the stepping stones to a promotion or new career opportunity.

Do not be afraid to ask for the flexibility you may need at different stages of your career but understand that the needs of the role and business should also be considered.

Finally, seek out truly supportive and empathetic leaders who value your skillset and competencies within their teams. If you are a leader yourself, remember to think beyond policy and procedure, and be empathetic and supportive of your team members' experiences.

7



Registered Office

Harbour Energy plc 4th Floor Saltire Court 20 Castle Terrace Edinburgh EH1 2EN

Registered No. SC234781

Head Office

Harbour Energy plc 23 Lower Belgrave Street London SW1W ONR Tel: +44 (0)20 7730 1111



>/

Further reading

HARBOURENERGY.COM



CODE OF CONDUCT

2023 ANNUAL REPORT & ACCOUNTS

#WeAreHarbourEnergy

Designed and produced by three thirty studio www.threethirty.studio