

GENDER PAY GAP REPORTING 2017



At Subsea 7 people are the foundation of our business and mutual trust, respect and fairness is key.

We are committed to creating an innovative workforce, where diversity and difference drives success and is reflected in the global nature of our business. Providing an inclusive place to work, where people are recognised as individuals, empowers our people to perform at their best. Their talent is at the heart of everything we achieve.

We are proud of the progress we have made so far, with women representing 31% of our UK workforce. However our gender pay gap figures demonstrate we need to improve. We must go further. As a company we have a stated aim to improve our diversity, with a group level focus on increasing our nationality and gender mix at the leadership level. We believe the future of our UK business and the relationships we have with our clients depends on it.

Visible change to our reported gender pay gap figures will take time, but at Subsea 7 we are committed to making a shift in our diversity agenda moving forward.

Declaration

I confirm the information and data in this document is accurate and in line with mandatory requirements.



Keith Tipson
Executive Vice President
Human Resources

SUBSEA 7 UK GENDER PAY GAP FIGURES

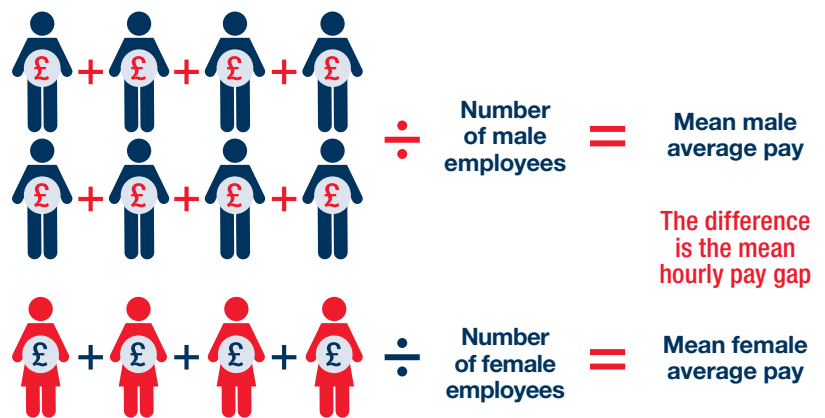
The gender pay gap shows the difference in average pay between women and men. It does not measure equal pay for men and women doing the same or equivalent work of equal value and in the UK we conduct regular analyses to ensure equal pay.

From 2017 onwards, any UK organisation employing legal entity with 250 or more employees is required to publicly report on its gender pay gap annually. Subsea 7 has one such entity; Subsea 7 (UK Service Co) Ltd. This UK entity employs approximately 1,200 onshore people.

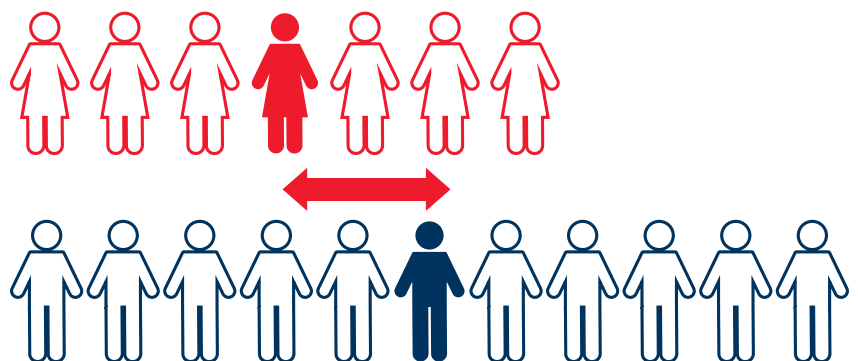
Calculating mean and median gender pay gap

The mean figure is the difference in average hourly rates that male and female employees receive. This gives an overall indication of the gender pay gap by taking all hourly rates of pay divided by the total number of people.

The median figure shows the difference in the midpoint of the range received by male and female employees.



Median hourly pay



The table shows the percentage by which women’s average hourly pay and bonus pay is lower compared to men. These figures exclude our third-party and limited company population.

The bonus data included in the hourly pay and bonus payments includes many one-off bonus payments such as long service awards and innovation awards, as well as our more formal annual performance and share-based bonus plans which are targeted at the senior levels.

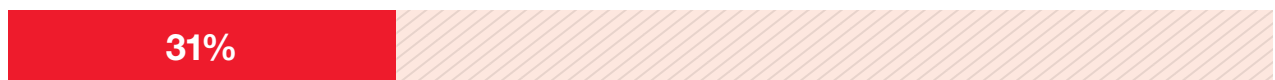
The mean and median hourly gender pay gap is for the snapshot date of 5 April 2017 and our bonus gap is for bonuses paid in the 12 months prior to the 5 April 2017.

Difference between men and women

	Mean	Median
Pay Gap	39.4%	39.8%
Bonus Gap	59.4%	91.1%



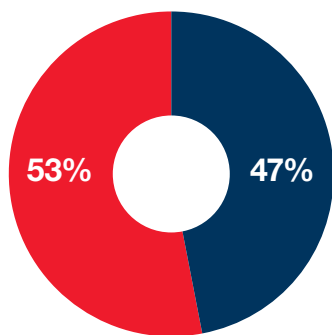
Proportion of employees receiving a bonus In 12 months prior to 5 April 2017



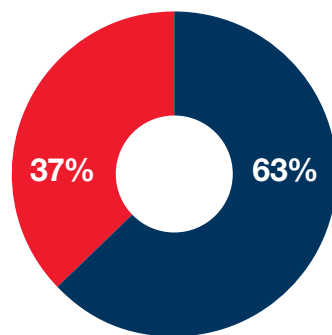
Proportion of males and females in each quartile.

The picture below shows the gender distribution in the UK in four equal size quartiles.

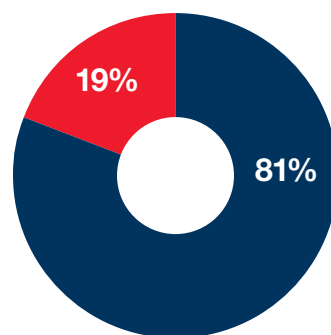
Male Female



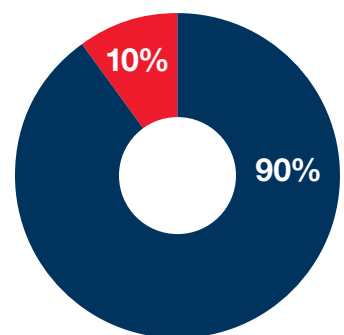
Lower quartile



Lower middle quartile



Upper middle quartile



Upper quartile

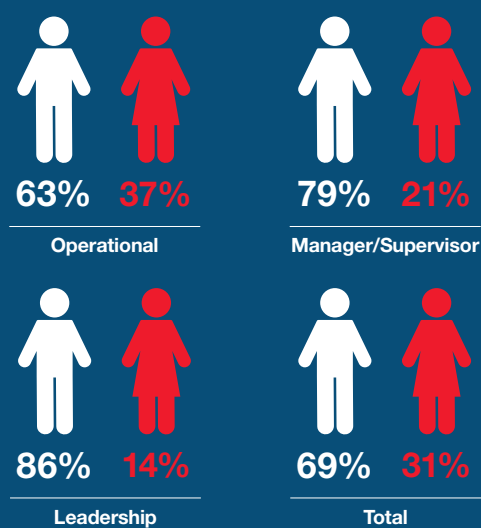
WHAT OUR GAP TELLS US

Analysis of our pay and bonus gap tells us there are two main reasons for our gender pay and bonus gaps:

As is common across the oil and gas industry and in STEM (science, technology, engineering and maths) careers, we have more male employees than female. This is reflected in our UK organisation where 31% of our employees are females and 69% are male.

The unequal distribution is at every level of our UK business, with the female representation decreasing with level of seniority. Therefore we have more men in senior leadership and manager grades and it is at these levels our formal bonus plans are targeted. Of those in our more formal annual performance and share-based bonus plans 15% are female.

Gender split of Subsea 7 UK employees



A further contributing factor to our pay and bonus gaps is that our principle executive office is based in the UK. Many of the company's most senior positions, which are at the higher end of the pay and bonus scale, are therefore included within the figures.

CLOSING THE GAP

Our ambition is to increase our nationality and gender mix at all levels including leadership level in order to close the gap. In 2018 we plan to set further foundations for diversity and a more flexible working environment. This will involve delivering current and new initiatives to improve how we attract, develop and retain both men and women.

We are prioritising the following areas:

Promoting STEM Careers

We actively partner with a number of schools, universities and charities local to our UK offices and sites, to ignite an interest in STEM professions. These partnerships include students undertaking industrial placements with us. In addition we host annual 'Women in Engineering' events, coordinated by our own former female graduates who act as role models to a potential next generation of female engineers. This work will continue.

The proportion of engineering female graduates

In the UK **between 2014 – 2017 we increased the number of UK female graduates from 18% to 22%**. We plan to continue this trend with the aim of increasing women in the front office professions and the company talent pipeline.

Increasing female representation at the management team and leadership levels

At Subsea 7 promotion and progression is based on merit, and we are making progress at **the leadership level, where over the last 5 years the female representation has grown from 8.6% to 14.3% in the UK**. Within the last year we have promoted a number of women into more senior roles and moved others into roles that will fast-track their development towards leadership. We will continue with this work as part of our talent management processes. In 2018 we plan to set aspirational targets and put in place plans to improve inclusion, nationality and gender balance within our business.

Flexible working environment

In the UK we provide for a range of flexible working arrangements that aim not only to comply with our legal obligations, but also to meet the aspirations of our workforce in respect of their working patterns. In addition we offer enhanced maternity, adoption, paternity and shared parental leave policies that support balancing the demands of parenting between both parents. Further communication and support is needed to ensure our people are aware of how these policies could support their life at work.

Female development support

We have invested in this area over the last five years, with a focus on supporting women to realise their potential through our 'Women in Business' programme. We will continue this development support.

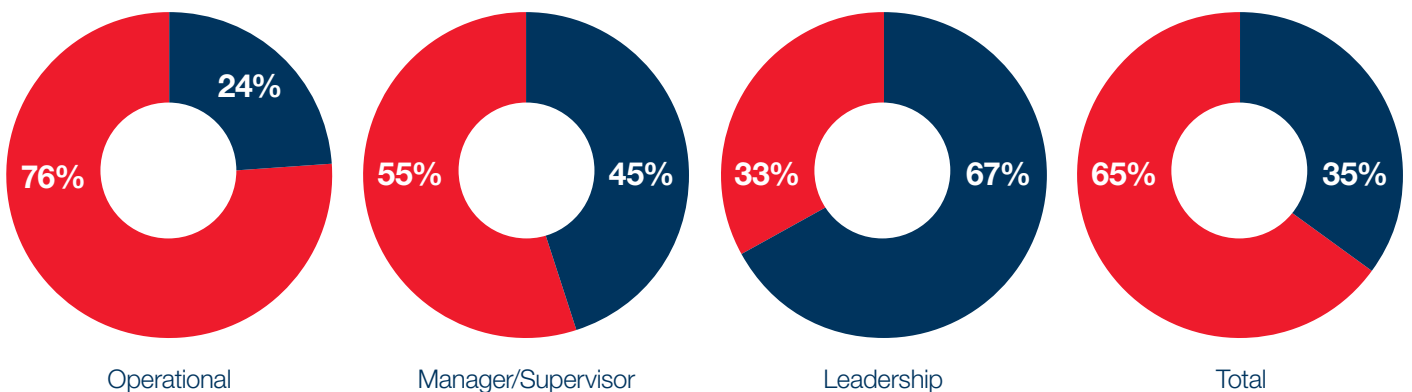


Leadership role models and an inclusive culture

We know that women can achieve their career goals in Subsea 7, as within our support functions of Human Resources, IT, Legal and Finance the female representation is strong at all levels, however the representation does still reduce with seniority. The senior women across Subsea 7 act as role models to others to support talent development. In 2018 we will raise awareness across our leadership to increase inclusion and eliminate unconscious bias, to create a more inclusive working environment in support functions.

Gender split in UK support functions*

■ Male ■ Female



*IT, Finance, HR and Legal



subsea 7

www.subsea7.com

© Subsea 7, March 2018
Information correct at time of going to press