

Gender Pay Reporting

For the period ending 5th April 2018

INEOS FPS Ltd.

Gender Pay Report 2018 INEOS FPS Ltd

The Forties Pipeline System (FPS) is an integrated oil and gas liquid transportation and processing system serving the central area of the North Sea. It is owned and operated by INEOS and utilises more than 500 miles of pipeline to smoothly transport crude oil and gas from more than 80 offshore fields for processing at the Kinneil Terminal where the oil and gas transported is separated.

The oil is returned as Forties Blend to customers or is pumped directly to the refinery operated by Petroineos. At the same time, the gas is delivered to our LPG export facilities or is supplied to the INEOS Petrochemical plant at Grangemouth.

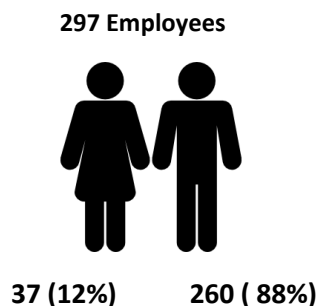
We aim to establish and maintain a working environment where all employees are treated fairly and equally, ensuring equal opportunities for all. We value our employees and appreciate the benefits of having an inclusive and diverse workforce.

Under UK Legislation that came into effect in April 2017, businesses with more than 250 employees are required to publish data about their gender pay gap.

Mean gender pay gap	The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
Median gender pay gap	The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
Mean bonus gap	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees
Median bonus gap	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees
Bonus proportions	The proportions of male and female relevant employees who were paid bonus pay during the relevant period
Quartile pay bands	The proportions of male and female full-pay relevant

This report is based on a data as of April 2018, looking at hourly pay as defined in the regulations. This includes base pay and allowances and any bonuses paid in the 12 months ending the 5th April 2018.

Demographics



Statistics provided by the Women's Engineering Society, show that women account for only 11% of the engineering roles held in the UK which is one of the lowest proportions anywhere in Europe and INEOS FPS Ltd reflects this industry under-representation.

Pay

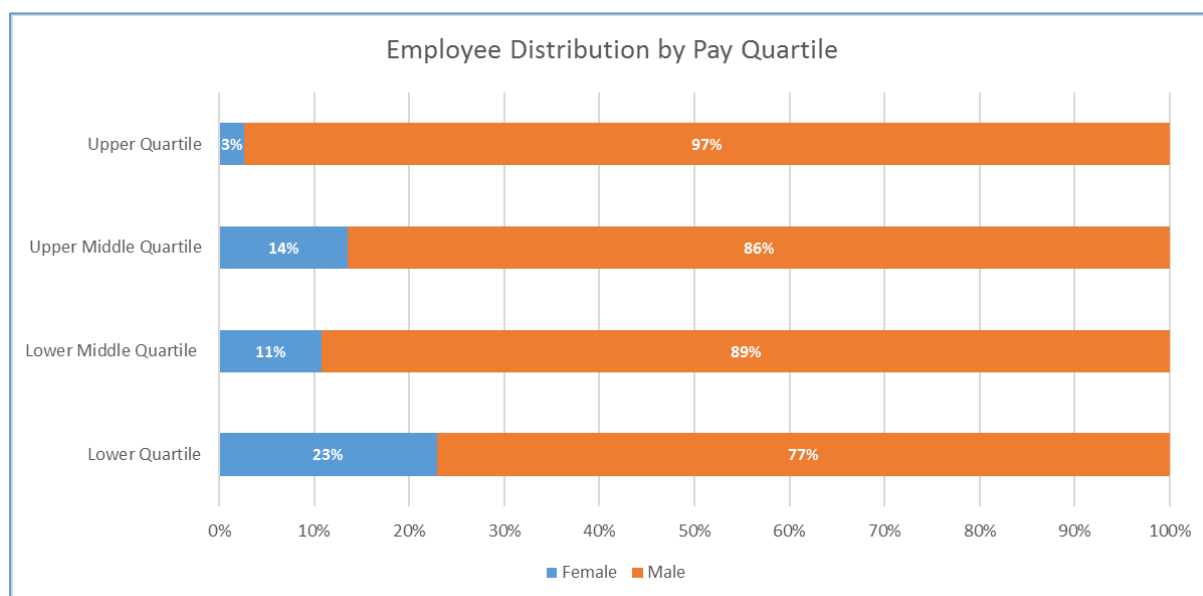
The gender pay gap calculates the difference between average male and female pay within the organisation. It does not compare pay received by men and women doing the same or similar work which is referred to as equal pay.

Our technician pay structure and our job evaluation process provides us with a structured framework with which to evaluate roles and to group employees within appropriate salary ranges providing a non-discriminatory pay system.

Difference between gross hourly earnings	
Mean	Median
19.27%	14.43%

Pay Quartiles

Pay quartiles are calculated by splitting all employees in an organisation into four even groups according to their level of pay. Looking at the proportion of women in each quarter gives an indication of women's representation at different levels of the organisation. The proportion of male and females in each pay quartile is shown below.



Whilst women make up only 12% of our employees, they are particularly under-represented in the upper quartile group which is primarily occupied with management and senior engineering positions. This will be an area of focus for the future but it is likely to take some time for any changes to feed through.

Since INEOS acquired FPS we have been actively recruiting into the organisation and, whilst the proportion of female applicants continues to be low, women account for 18% of new hires into the business.

Within the lower quartile there is a greater gender balance as fewer roles within this quartile are directly linked to STEM activities and include a number of administration and clerical posts.

Bonus

All staff that were employed during 2017 were eligible for the annual business bonus although staff who joined the Company between the end of 2017 and the end of the relevant pay period do not qualify for a bonus payment.

Proportion of staff receiving a bonus	
Female	Male
97%	97%

Difference between bonus pay	
Mean	Median
21%	0%

The difference in mean bonus pay is primarily attributable to the fact that higher graded staff have a greater proportion of their total package that is dependent on variable pay which leads to a higher bonus opportunity being available in quartiles where there is a lower concentration of women in the organisation.

The median bonus reflects the middle ranking bonus payment. For both gender groups the median bonus for 2018 was aligned to the same technician grade and as such there was no difference in median bonus payments for the pay period.

Going Forward

As an organisation we are confident that our existing policies regarding recruitment, reward, maternity and flexible working all contribute to our ability to attract and retain women within our organisation.

We will continue and extend the work we do with local schools to promote and encourage a more balanced take up of STEM curriculum subjects.



Declaration

I confirm that our data has been calculated according to the requirements of the **Equality Act 2010** (Gender Pay Gap Information) Regulations 2017.
Andrew Gardner, CEO INEOS FPS

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Terry Banham, HR Director, INEOS FPS