

Our impact on the
UK economy
2022

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Louise Kingham CBE
Senior vice president, Europe and
head of country, UK

Foreword

Louise Kingham

2022 was a year of investment and delivery for bp in the UK. We announced that we intend to invest up to £18 billion in the UK’s energy system by the end of 2030 to play our part in producing the home-grown energy the country needs today while developing lower carbon forms of energy for the future.

This report reflects some of the action we are taking to build a more diverse, and therefore more secure, energy supply for the UK – as we progress on our ambition to become a net zero company by 2050 or sooner and to help the world get to net zero.

The impact of our activity is felt right across the country. Our investment is stimulating economic growth, generating employment, raising tax revenues and spurring innovation. Throughout 2022 bp’s UK operations contributed £15 billion to UK GDP and we directly employed over 15,000 people. We also play a role in supporting UK businesses, and spent a total of £5 billion with UK suppliers, supporting a further 68,000 jobs.

In the 114 years bp has called the UK home, we have changed to respond to different challenges but have always continued to focus on providing the energy the UK needs. In 2022, we made investments to keep North Sea energy flowing whilst reducing emissions from the oil and gas we produce, and took significant steps to boost the UK’s future, lower carbon energy system.

Electric vehicle charging from bp pulse powered an estimated 150 million miles in the UK in 2022. We also

made progress towards our aim to help the country meet its targets for hydrogen power and carbon capture, usage and storage (CCUS). Our plans for Net Zero Teesside Power and H2Teesside – our power and CCUS and hydrogen projects – were moved to the next stage by the UK government, helping the potential for Teesside’s development into a world-class, lower carbon energy hub.

We were also successful in our ScotWind offshore wind bid with partner EnBW, to develop 2.9GW of offshore wind electricity generating capacity off the east coast of Scotland – which we estimated has the potential to generate enough electricity to power the equivalent of more than three million homes.

I am deeply proud of the difference bp makes in the places we operate. In 2022, we provided almost 300 apprenticeships in the UK and more than 600,000 students benefitted from the free STEM materials we provide. Our employees raised over £1.85 million for charities, including matched funding from the bp foundation.

The UK wants to see action to increase the country’s supply of secure and reliable energy and to achieve its net zero target by 2050. We are rising to this challenge, using our resources and innovation to enhance the economic opportunities the energy transition offers for communities across the country.



bp's impact on the
UK economy
2022



Written by Oxford Economics, this section of the report
measures bp's contribution to the economy.

At a glance – bp’s 2022 UK economic contribution



In total, bp supported **£20 billion** in gross value-added contributions to UK GDP – equivalent to **0.79% of UK GDP**

- bp’s own operations directly created a **£15 billion** gross value-added contribution to GDP. bp directly generated **£1 in every £170 of UK GDP** in 2022.
- **bp employed 15,468 people** and stimulated a further **68,000 jobs** along the UK supply chain.
- **bp spent** a total of **£5 billion** with UK businesses, across more than **10,000 contracts**.

Wider benefits of bp’s UK presence in 2022 include:

- **60 million barrels of oil and gas** produced from its North Sea UK operated facilities
- **150 million electric vehicle (EV) miles** powered by bp pulse
- Over **1 million customer touchpoints** per day
- **Over £1.85 million donated** – including matched funding – by bp’s UK employees
- More than **600,000 students** reached by bp’s STEM education content.

Overview of the economic impact analysis

Oxford Economics measures bp’s contribution to the economy across three channels of impact: direct, indirect due to operational spending, and indirect due to capital expenditure.

bp’s impact along those channels is assessed using these three metrics:

Gross value added:

This is the contribution of a firm to the UK’s gross domestic product (GDP). It is also equivalent to the sum of a company’s total compensation of employees, profits, and taxes on production.

Employment:

This is measured on a headcount basis for comparison with Office for National Statistics’ employment data.

Taxes supported:

This is the value of taxes collected and paid to the UK government.

While most economic impact studies assess economic impacts based only on spending that occurs within the country of interest, this report goes further by assessing the impact of bp’s global procurement activity on the UK economy. This is important because bp’s operations span multiple countries. Oxford Economics’ bespoke Global Sustainability Model captures spending within countries and across their borders, facilitating estimates of the benefits to the UK from bp’s global supply chain spending.



Direct impact

bp's operations directly benefit the UK economy

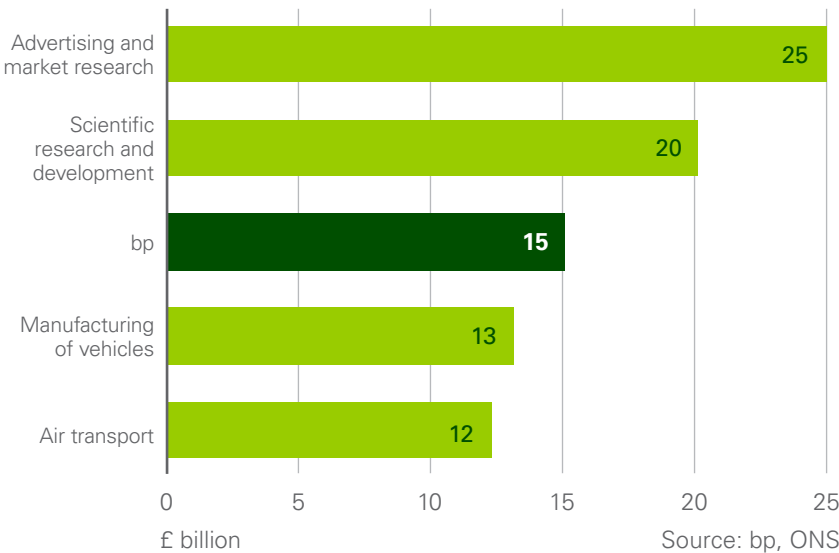
bp directly contributes significantly to the UK economy through its wide range of operations, which include exploring hydrocarbons, running retail stations, developing lower carbon energy solutions, research and innovation, and managing office functions.

In 2022, bp directly:

- generated a **£15 billion** gross value-added contribution to UK GDP, or **£1 in every £170** of UK GDP.
- employed **15,468** people¹.
- paid and collected **£3.6 billion** in tax for the UK government².

bp's direct gross value added rivalled that of entire sectors of the economy. It was 15% larger than the vehicle manufacturing sector, and 23% larger than the UK's air transport sector³.

Fig. 1. bp's direct gross value-added contribution to UK GDP compared to other industries, 2022

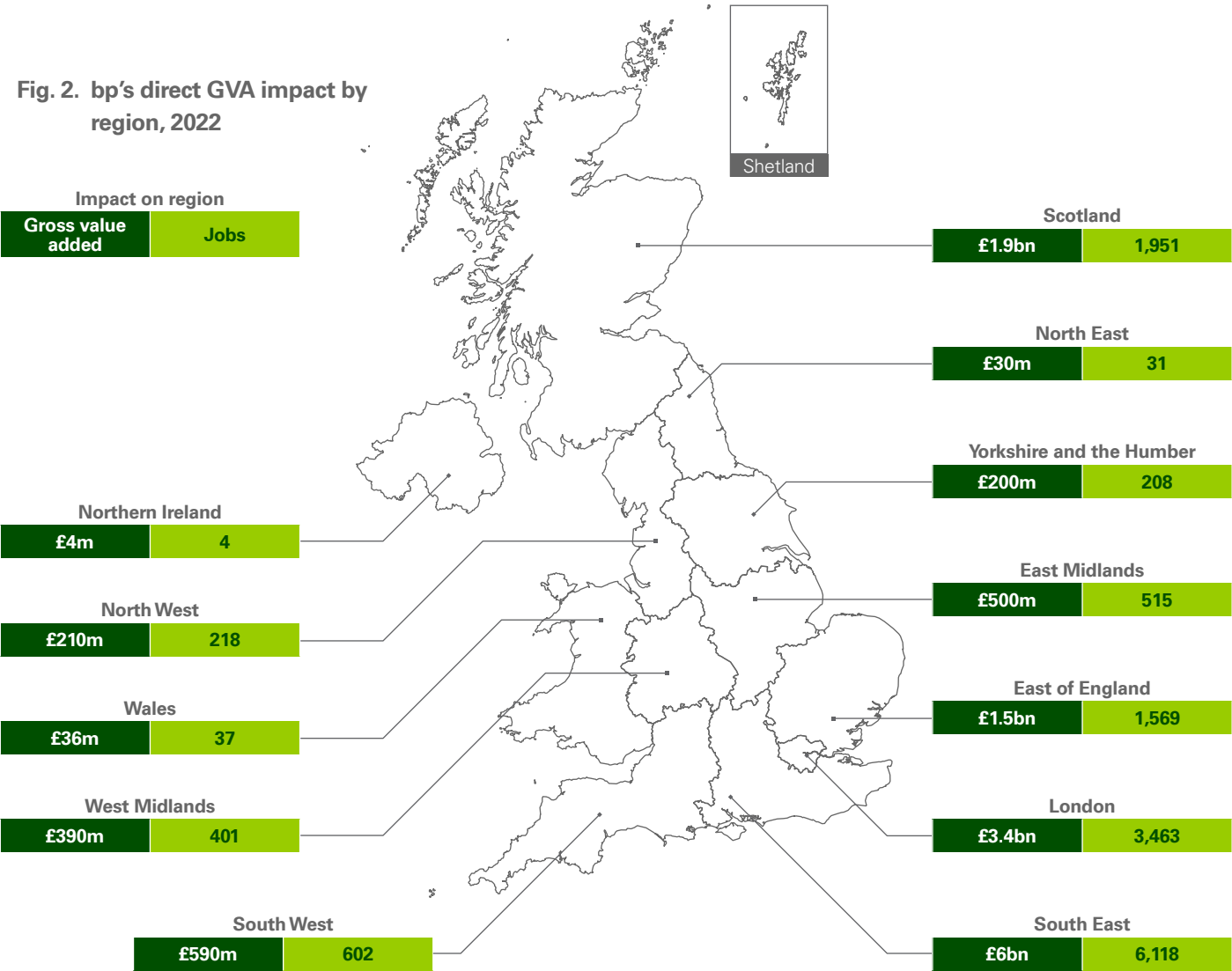


¹ Employment headcount is as of 31 December 2022.
² This value is based on the calendar year of 2022.
³ These industries correspond to ONS Standard Industrial Classifications at the two-digit level: ONS SIC 29 (Manufacture of motor vehicles, trailers and semi-trailers), 51 (Air transport), 72 (Scientific research and development), and 73 (Advertising and market research), respectively.

bp's operations directly benefit each of the 12 UK regional economies

bp's operations span the length and breadth of the UK, and the company directly generates gross value added in every UK nation and region.

Fig. 2. bp's direct GVA impact by region, 2022



Source: bp, Oxford Economics. **Note:** As a region could not be assigned to 351 employees, the sum of the regional employment displayed above is 15,117. The GVA is mapped to regions using the employment distribution; as such the sum of GVA above is lower at £14.7 billion compared to £15 billion. Totals may not sum due to rounding.

Indirect impact

bp's spending with UK suppliers stimulates substantial economic activity

By buying goods and services from its suppliers, bp supports those suppliers as they generate their own gross value added, jobs, and tax impacts.

bp spent **£5 billion** with UK suppliers in 2022. This procurement spending supported:

- **£4.7 billion** in gross value-added contributions to UK GDP, or **£1 in every £530** of UK GDP
- **68,000 jobs**, or **one in every 480** people in employment
- **£1.1 billion** in tax paid to the government, or **£1 in every £700** of the UK government's tax revenue.

bp's spending consists of a substantial amount of operational spending, as well as substantial capital expenditure. Of the **£5 billion** bp spent across more than **10,000** contracts⁴:

- **£4.3 billion** was with **3,000** suppliers of operational goods and services
- **£730 million** was with **530** suppliers of capital goods and services.

⁴ Of bp's procurement, £4.94 billion (or 98.8% of the total) has a UK postcode associated with it; the remaining £52 million (or 1.2% of the total) does not have a UK postcode. UK spending which does not map to a UK postcode is still included in bp's procurement spending for modelling purposes but does not contribute toward the regional distribution in this map.

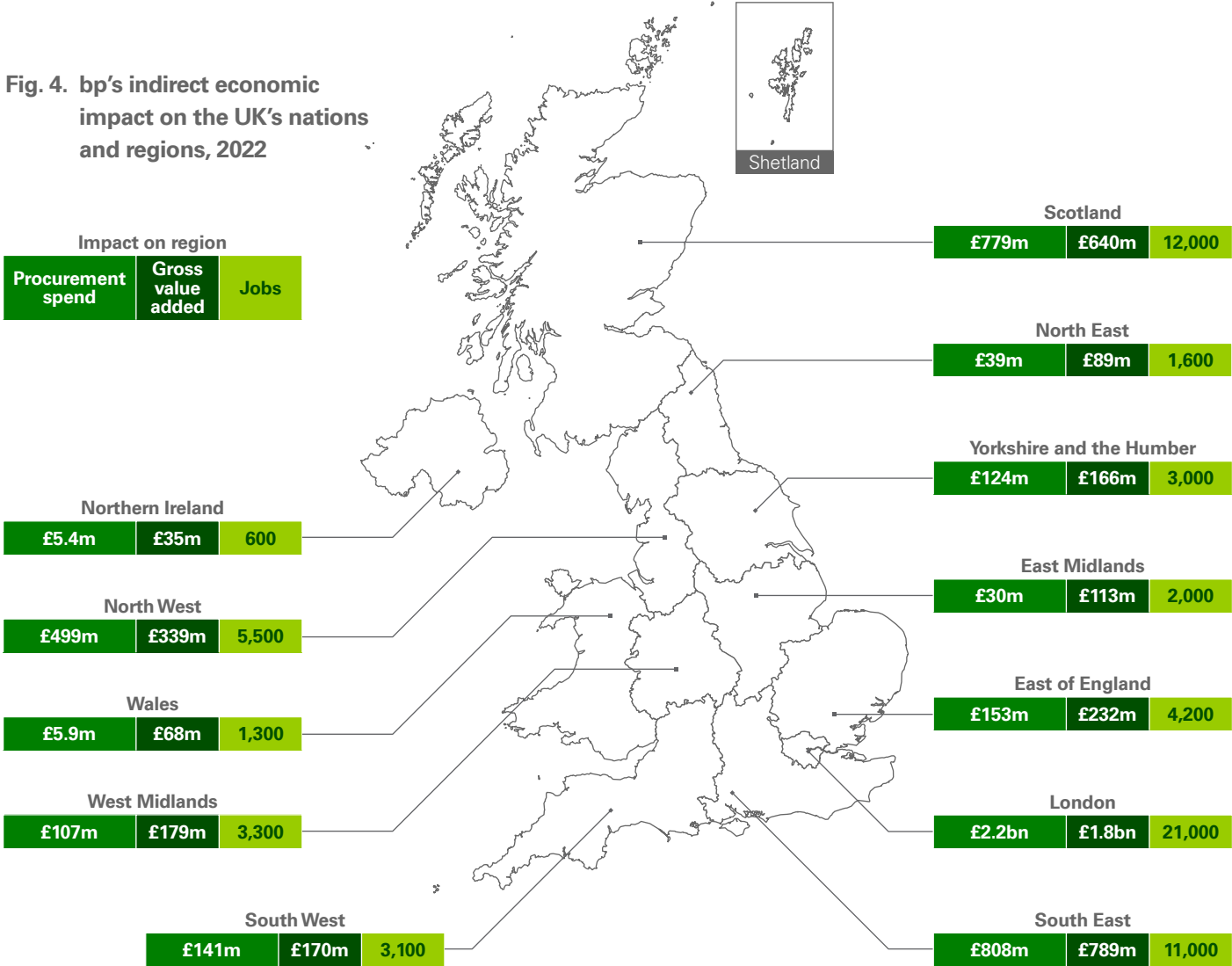
Fig. 3. bp's procurement spending by supplier location, 2022



bp's spending benefits all nations and regions in the UK

Due to the diverse range of bp's operations, the company buys goods and services from businesses in all UK nations and regions, supporting economic activity across the country.

Fig. 4. bp's indirect economic impact on the UK's nations and regions, 2022



Note: Totals may not sum due to rounding.

bp's supply chain spending benefitted a wide range of businesses and sectors

Operational spending by sector

- Businesses in the professional and business services industry – which includes activities like R&D, accounting, legal, consulting and marketing – benefitted the most from bp's operational expenditure. In 2022, bp spent around **£1.3 billion** with firms in this sector, accounting for **31%** of bp's total operational spending.
- Information technology and communications businesses were also substantial recipients of bp's operational spending, receiving **£790 million** in 2022 (**18%** of the total).
- In addition, businesses in the transportation and storage industry – which includes activities like containerized shipping, fleet management and warehouse operations – received **£710 million** of bp's operational spending (**17%**).

£ million



Fig. 5. Ten UK sectors that received the largest amount of bp's operational spending, 2022

Capital expenditure by sector

bp also supports a wide range of businesses through its capital expenditure:

- Suppliers in the professional services industry, including engineering firms, received bp capital expenditure worth **£280 million**, or **38%** of bp’s total capital expenditure.
- Information technology and communications businesses were also significant beneficiaries of bp’s capital expenditure, receiving **£170 million (23%** of the total).
- Providers of upstream services, which include drilling equipment rentals and draining and pumping services, received **£160 million (22%)**.

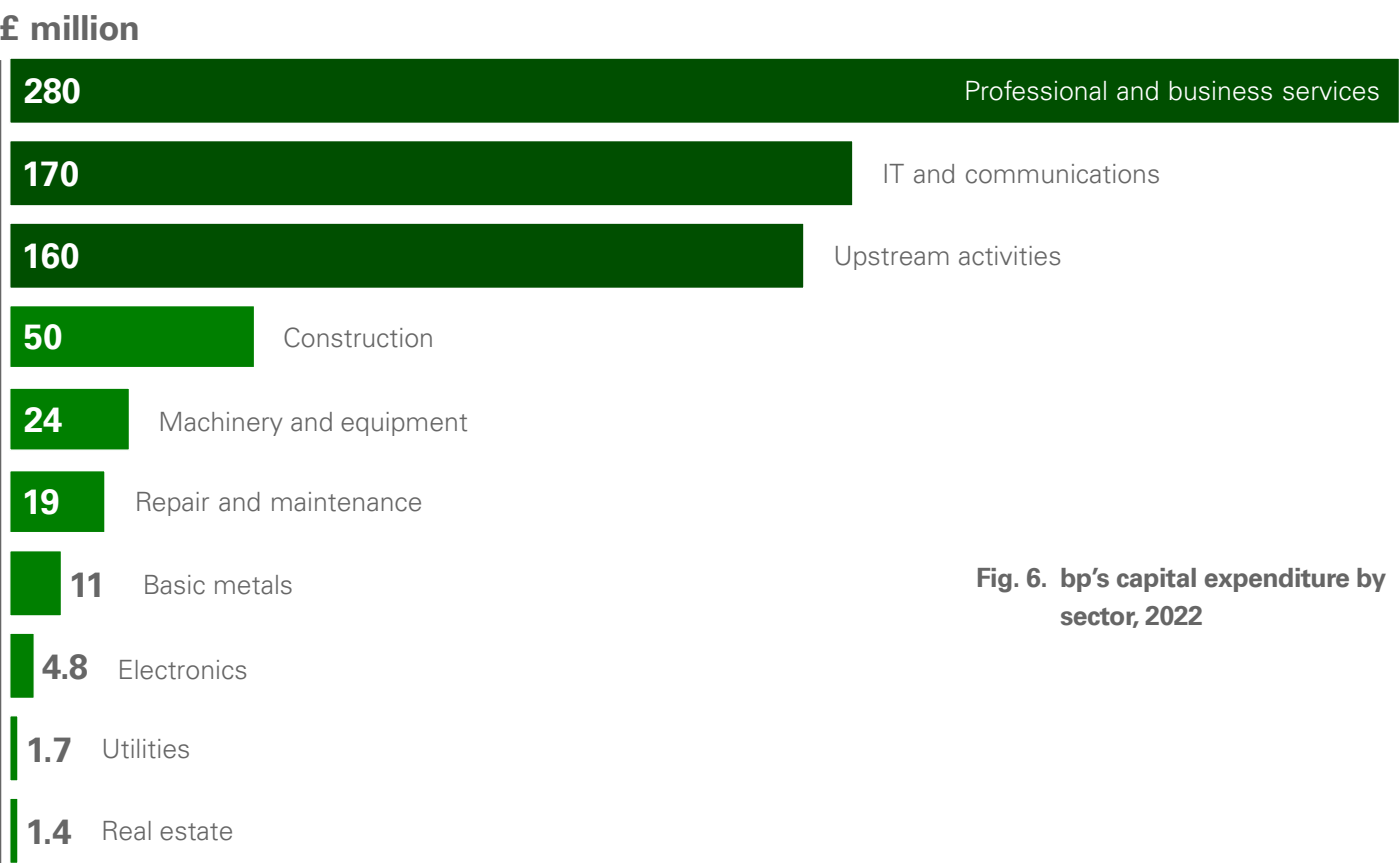


Fig. 6. bp’s capital expenditure by sector, 2022

Source: bp. Note: Totals may not sum due to rounding.

Spotlight

A bp ventures investment helping deploy autonomous technology at bp sites

“Alongside its investment, bp’s expertise in digital sciences has supported Oxa’s technological development.”

Gavin Jackson, CEO of Oxa

Oxford based Oxa is accelerating the transition to self-driving technology today. It has developed the software solution for businesses wanting to deploy autonomy into their operations safely, efficiently and reliably. From the virtual testing environment, to the software driving the vehicles and the cloud-based management tools, Oxa helps any business with transportation in its value chain get the most from their fleets. The company has created a platform that can be deployed today across industries including mining, warehouses, and agriculture.

bp and Oxa have a shared goal to enhance the role that autonomous and robotic technologies could play in the energy transition. bp ventures first invested in Oxa during its 2020 Series B funding round to further develop its world-class autonomy software platform.

bp and Oxa completed an autonomous vehicle trial at the Lingen refinery in Germany – a world-first in the energy sector – and subsequently completed a second trial at Lightsource bp’s Goose Hall site. During the trials the self-driving vehicle travelled over a combined 250km, fully autonomously, safely navigating the extensive and complex environments of the refinery and solar farm. By reimagining the use of vehicles in energy systems, self-driving vehicles can enhance human operations and improve safety by increasing the monitoring of irregular conditions, faulty equipment and security threats, making it more frequent and around the clock.

How bp’s spending with suppliers around the world benefits the UK

bp not only supports the UK economy by spending money with UK businesses and suppliers but it also contributes to the UK’s global position by supporting suppliers around the world. Some of the money bp spends with suppliers in other countries flows back to the UK through global supply chains.

Through bp’s spending with international suppliers, we estimate that in 2022:

- Some **£0.24 billion** of bp’s total gross value-added contribution to UK GDP was stimulated by these international spillover benefits.
- In addition, bp’s spending abroad supported an estimated **3,600 jobs** in the UK.
- Finally, of the tax receipts bp supported in the UK, **£57 million** was stimulated via bp’s international supply chain spending.

Several of the businesses that bp works with in the UK also come to support the company in the markets it operates in around the world.

This provides the potential for businesses in the UK to capture global opportunities that contribute to the UK economy.

Spotlight

Supporting a UK SME to expand to operate in over 40 international markets

“From South Yorkshire to South Africa, working with bp has taken our business around the world to over 40 countries.”

Tony Hughes, CEO of Huthwaite International

Huthwaite International was started in 1974 in, the then, heavy industrialized region of South Yorkshire. Founded by behavioural change scientists from the University of Sheffield, Huthwaite International has provided its science-led training to enhance the sales, negotiation and communication skills of thousands of bp employees since 2006.

Beginning their work together at bp’s International Centre for Business & Technology in Sunbury, Huthwaite has significantly benefitted from its long-standing partnership with bp. It has grown globally – now supplying its specialist training programmes to employees in over 40 international markets – and continues to expand its international footprint. Its specialist sales and negotiation training programmes are now delivered in multiple languages and both in-person and online.

Going on a global journey with bp has strengthened Huthwaite at home in the UK. A thriving SME, it remains headquartered in South Yorkshire and provides over fifty highly skilled jobs within a thirty-mile radius of Sheffield.

Spotlight

Collaborating on research and development to unlock new sustainable fuels technology with global application

“UK scientists and engineers from bp and Johnson Matthey, working together, have created a leading technology with worldwide commercial applications to help our customers and catalyse the net zero transition”

Alberto Giovanzana, managing director catalyst technologies, Johnson Matthey

Johnson Matthey, a global leader in sustainable technologies, and bp have been collaborating in the UK for decades. Scientists and engineers from both organizations have pioneered the development of new Fischer-Tropsch (FT) technology – the process of converting synthesis gas to hydrocarbons from sources such as industrial emissions and household waste.

Awarded the Dalton Division Horizon Prize from the Royal Society of Chemistry, bp and Johnson Matthey FT CANST™ technology is seen as important to the production of sustainable biofuels including those helping to decarbonize aviation. Created in the UK, commercial applications for this ground-breaking technology have scaled globally with the first licensing agreements established in Spain and the USA.

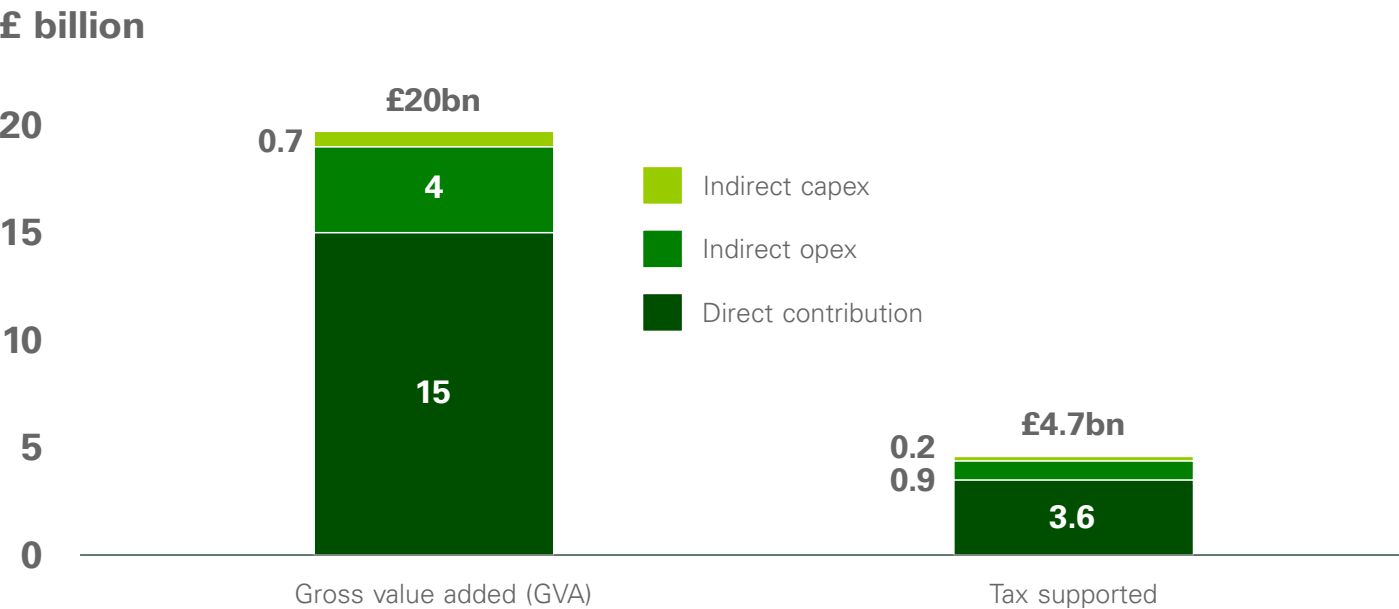
In 2022, the FT CANST™ technology enabled Fulcrum’s Sierra BioFuels Plant to produce synthetic crude oil for use in cleaner transportation fuels, made from household rubbish otherwise destined for landfill. FT CANST™ technology was also selected by Repsol and Aramco for use at their synthetic fuels plant, which will be one of the world’s first to use only green hydrogen and CO₂ to create sustainable synthetic fuels.

bp and Johnson Matthey also work in partnership with two leading British universities, Cardiff University and the University of Manchester. The five-year project, one of eight business-led Prosperity Partnerships supporting the UK government’s Innovation Strategy, aims to explore new catalyst technologies that convert CO₂ waste and sustainable biomass into clean and sustainable fuels and products.

Total impact bp’s total UK economic footprint

Considering the sum of the company’s direct impact and supply chain impact, bp’s total impact on the UK economy is sizeable.

Fig. 7. Gross value added and tax contributed by bp’s operations, 2022



Oxford Economics estimates that in 2022 bp supported:

- £20 billion in gross value-added contributions to UK GDP.
- 84,000 jobs.
- £4.7 billion in total taxes.

The total gross value added supported by bp was equivalent to **0.79% of all GDP** created in the UK in 2022. This GVA contribution was **15% more than Cambridge’s gross value added** in 2022, **17% more than Bournemouth’s** and **35% more than Brighton and Hove’s**.

bp’s total regional economic impact

bp's combined direct and indirect impact (including the extra boost from global spending) occurs in every UK region and nation.

bp supported the most gross value added in the South East (£6.8 billion in GVA, as well as 17,000 jobs); the most employment was supported in London (25,000 jobs, alongside £5.2 billion in GVA). A large amount of economic activity was also supported in Scotland (£2.5 billion in GVA and 14,000 jobs).

Fig. 8. Gross value added and employment bp supported directly and along the supply chain by region, 2022

Nation or region	Gross value added bp supported directly and indirectly (£ billion)	Employment bp supported directly and indirectly (number of jobs)
South East	6.8	17,000
London	5.2	25,000
Scotland	2.5	14,000
East of England	1.8	5,800
South West	0.76	3,700
East Midlands	0.61	2,600
West Midlands	0.57	3,700
North West	0.55	5,700
Yorkshire and the Humber	0.37	3,200
North East	0.12	1,700
Wales	0.10	1,400
Northern Ireland	0.039	600
Total	20	84,000

Note: Totals may not sum due to rounding. While 351 bp employees could not be assigned to a region, the sum of the employment supported directly and indirectly is inclusive of those employees. Similarly, the direct gross value added created by those employees does not have a region assigned but is included in the total gross value added.

bp’s share of the local economy

bp’s impact is especially important in several regions.

Nationally, bp supported 0.79% of GDP, but the share of economic activity bp supported is higher than that in some regions. For example, bp’s direct and supply chain activity supported 2.1% of all gross value added in the South East, followed by 1.5% in Scotland, and 0.94% in the East of England.

In a similar fashion, bp supported 0.26% of employment nationally, but a higher percentage in some regions. bp supported an estimated 0.52% of all employment in London, followed by 0.50% of employment in Scotland, and 0.36% in the South East.

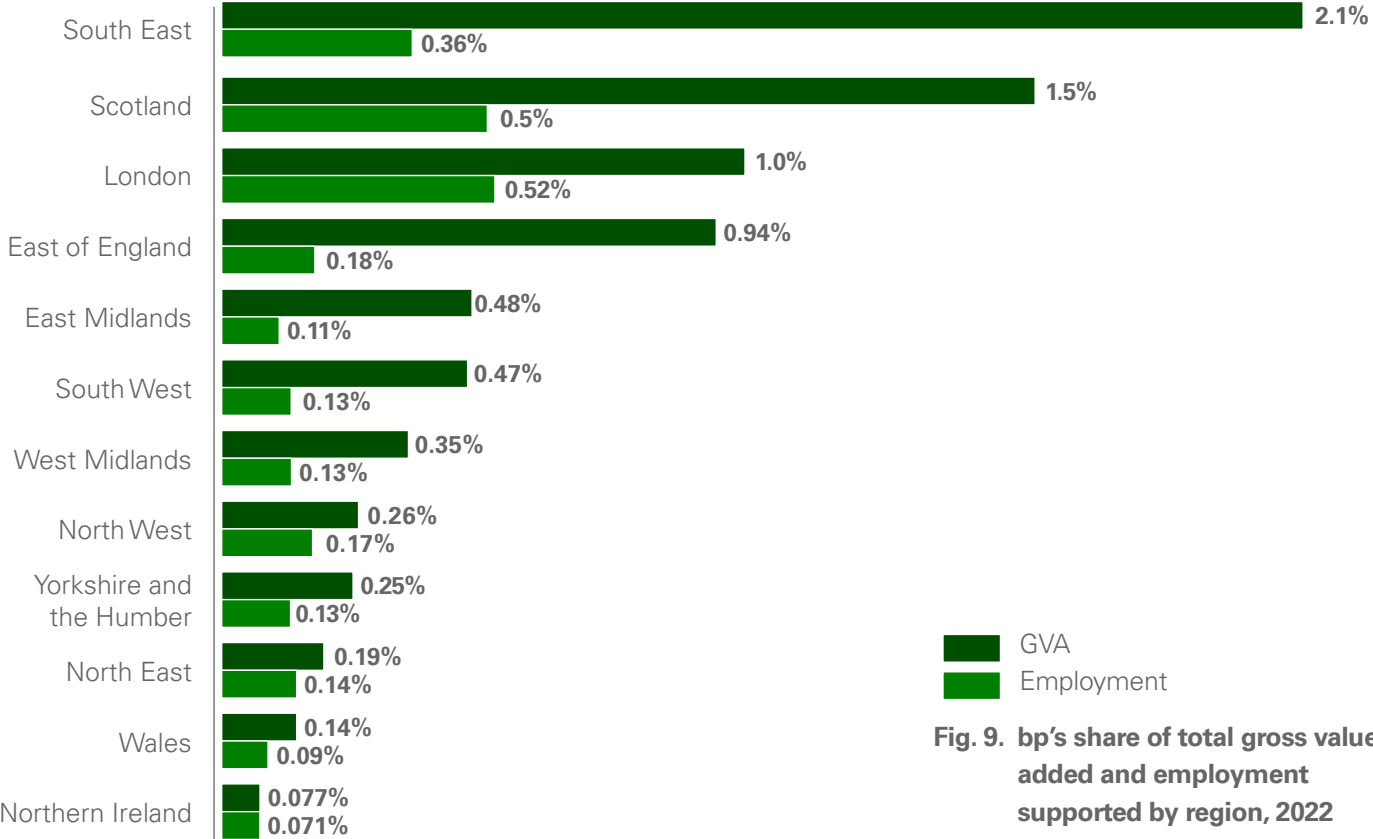


Fig. 9. bp’s share of total gross value added and employment supported by region, 2022

Source: bp, Oxford Economics, ONS

bp is an important collector and payer of taxes to the UK government

Through its operations, bp also collects and pays a substantial amount of tax revenue to the UK government.

bp paid and collected **£3.6 billion** in tax to the UK government in 2022.

Compared against total UK government tax receipts of **£764 billion** in 2022, the tax bp paid and collected was **0.47%** of total HMRC receipts⁵. This was equivalent to **£1 in every £213** in HMRC receipts.

The company also stimulated tax contributions along the supply chain, estimated to be worth **£1.1 billion** in 2022.

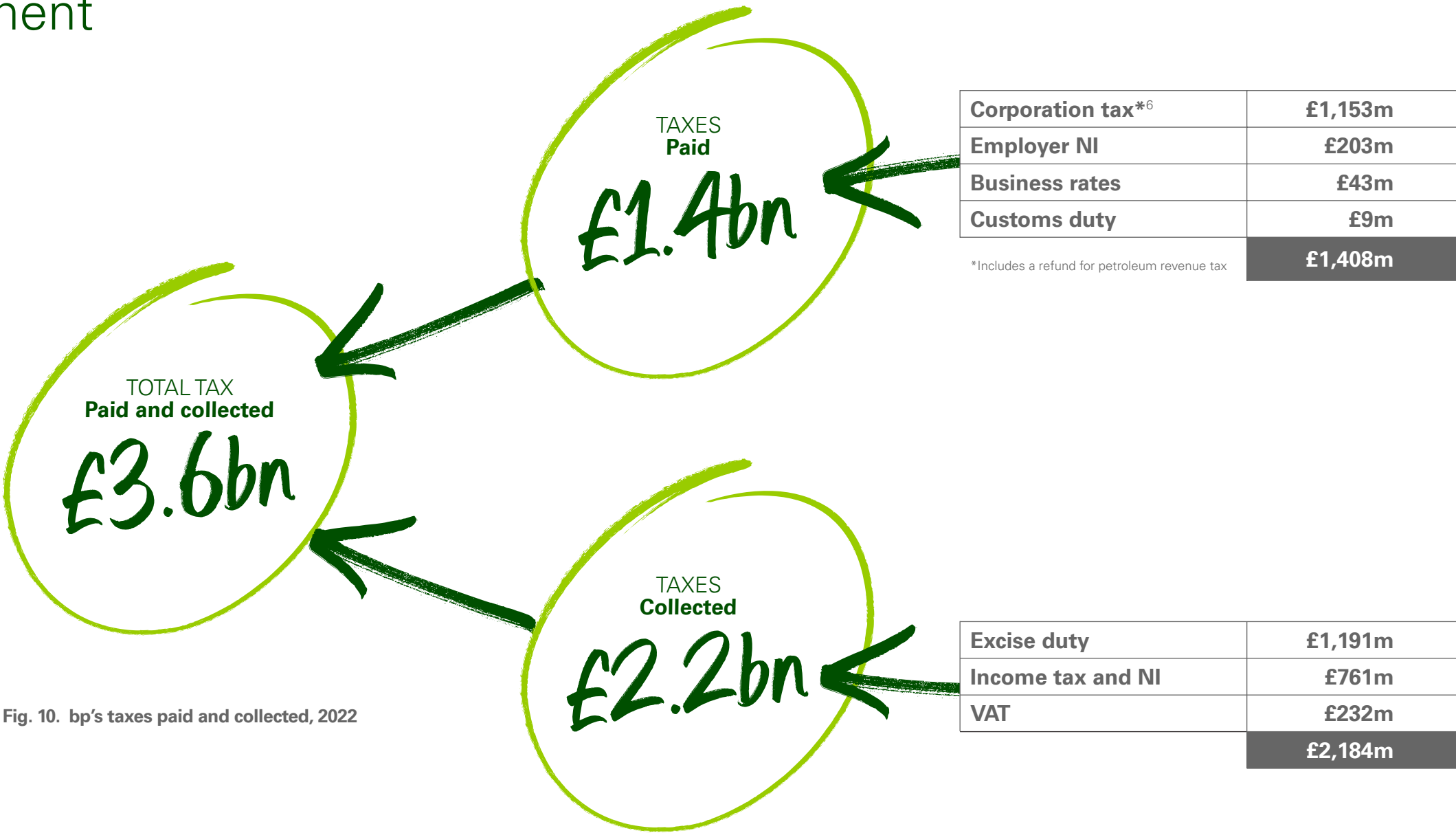


Fig. 10. bp's taxes paid and collected, 2022

Note: Totals may not sum due to rounding.

⁶ For 2022 we paid £1.8bn in corporate income taxes on our North Sea activities of which £0.6bn was an Energy Profits Levy. Of the total £1.8bn, £1.1bn was paid in 2022 and is reflected in this report. The remaining amount was paid in 2023 and will be reflected in our 2023 report. UK tax data is reported in full on page 23 of bp's 2022 tax report.

⁵ HMRC, "HMRC tax receipts and National Insurance contributions for the UK," data downloaded March 2023. The denominator was for the calendar year of 2022.

Backing Britain in 2022

A year of investment and delivery



Today, most of our business is in oil and gas and most of the impact we have on the UK economy comes from our oil and gas operations. However, as we and the UK transition towards net zero, that will change. In 2022, we said that we intend to invest up to £18 billion in the UK's energy system by the end of 2030 – including for solutions like offshore wind, EV charging, hydrogen and carbon capture – as well as maintaining a secure supply of energy through North Sea oil and gas.

Our work will extend beyond infrastructure alone. Our plans see us supporting the economy, skills development, innovation, and job opportunities in the communities where we operate.

Keeping North Sea energy flowing

bp has been operating in the North Sea for nearly 60 years, providing a reliable source of energy to people around the world.

We are investing in the basin for today and tomorrow – seizing opportunities to keep energy flowing where it is needed and deploying some of the latest technologies to reduce operational emissions offshore:

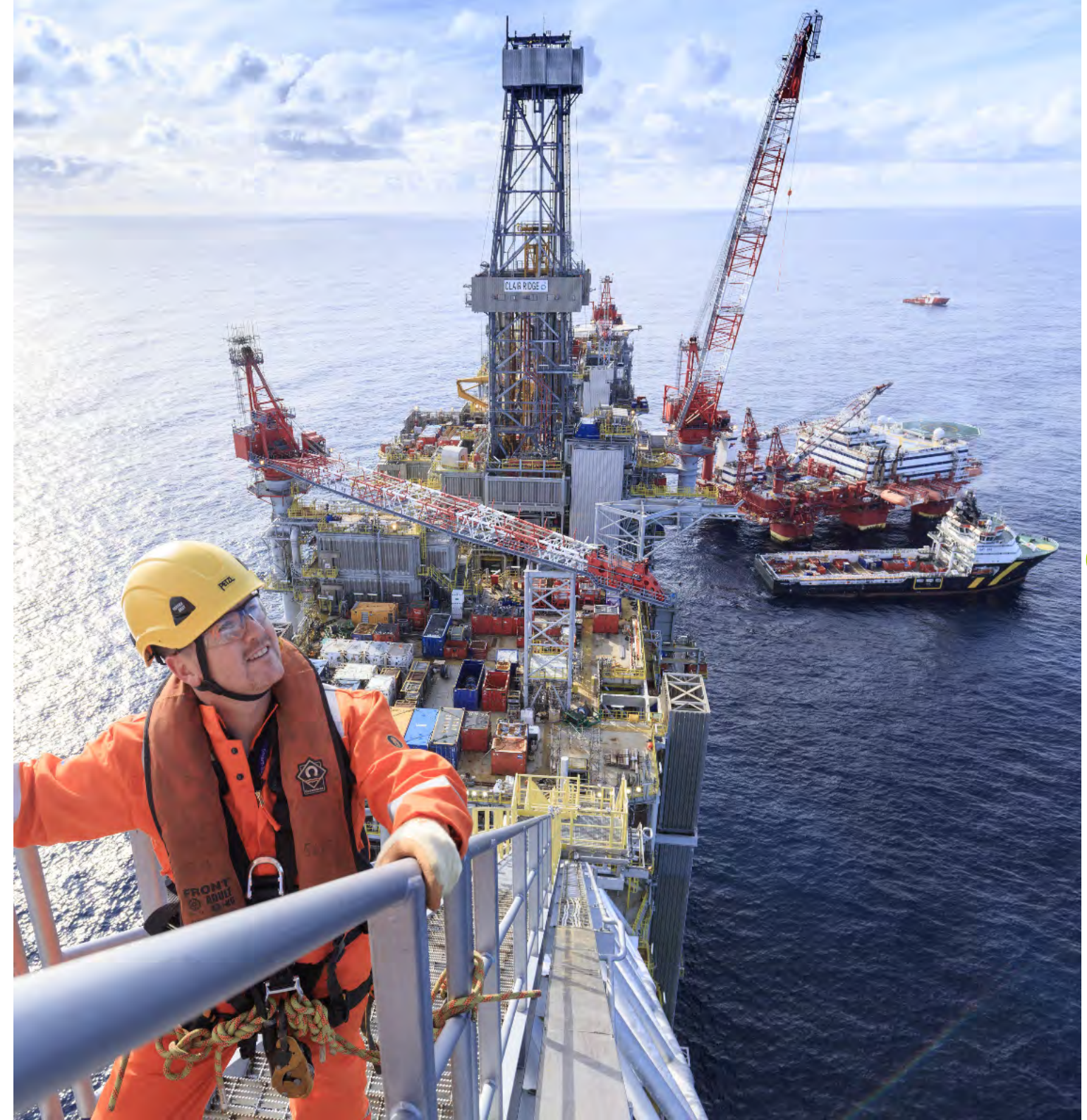
- We produced 60 million barrels of oil and gas from our North Sea UK operated facilities in 2022.
- We reduced greenhouse gas emissions from our North Sea operations by 32% in 2022 compared to a 2019 baseline.

Boosting home-grown energy

We continue to provide a home-grown source of energy through a portfolio focused around five key production hubs in the central North Sea and west of Shetland. Our plans in the North Sea will see us continue to invest in producing resilient hydrocarbons that are aligned with bp's purpose and net zero ambition.

In 2022, we:

- Progressed two major oil and gas projects in the central North Sea which will tie into our existing ETAP facility. Seagull is expected to begin production in 2023 whilst Murlach is in the planning phase.
- Secured planning permission for a new pipeline at Sullom Voe Terminal in Shetland to help protect UK security of gas supply.
- Completed major seismic survey work west of Shetland to inform further development of UK oil and gas around existing production facilities.
- Signed a memorandum of understanding with Equinor and Ithaca Energy to explore electrification options for our west of Shetland oil and gas interests.
- Secured the services of two drilling rigs to support decommissioning and drilling activity across our oil and gas portfolio through 2023.



Working with our local supply chain

Spotlight

30 years of working together to deliver safe and reliable UK energy

“We deliver transformational outcomes that support bp’s focus to drive higher efficiency and productivity across its assets.”

Ellis Renforth, President of operations at Wood

For more than three decades, Aberdeen headquartered Wood has supported bp to produce safe, reliable energy. The business is providing engineering solutions focused on modifications and enhancements to assets critical to our North Sea operations.

The partnership started on the West Sole gas field, off the East Yorkshire coast, in the 1980s and continues today, now focused on developing new tools for the future of North Sea energy. As the oil and gas industry has evolved so too have the solutions that Wood provides. Wood’s innovative digital twin technologies drive greater efficiencies across our UK operations. In partnership with a group of strategic vendors, this technology enables work previously carried out offshore – such as offshore surveys, work planning and the creation of permits – to be executed remotely onshore using advanced digital and project management skills.

Over 300 of Wood’s employees support our North Sea operations, from engineers to project managers and digital consultants, providing studies, modifications and offshore construction.

Spotlight

Trialling new technology in UK oil and gas

“Founded during a global pandemic, Puls8 has undoubtedly had continued success and advanced its technology due to bp’s support.”

Bruce Harrold and Paul McMillan, co-founders of Puls8

Puls8 is an Aberdeen-based SME, founded by Bruce Harrold and Paul McMillan in 2020. With decades of combined experience in the offshore oil and gas industry, the co-founders of Puls8 created innovative pipe identification technology which can be used across sectors, including for oil and gas, decommissioning, petrochemicals and renewables.

As an early-stage business, Puls8 was selected as one of 12 start-ups to join the Net Zero Technology Centre’s TechX Accelerator programme in Aberdeen in 2020, supported by strategic partners bp and Equinor. Puls8’s innovative solution for pipe identification and the safety, cost and efficiency benefits it brings, won the TechX bp Technology Award and a £80,000 cash prize.

After graduating from the TechX Accelerator, Puls8 was adopted by the bp incubation team for specialist support before completing a bp field trial to test their prototype technology at Sullom Voe Terminal on the Shetland Islands, and, thereafter, at numerous sites onshore and offshore in the UK Continental Shelf.

The collaboration grew further in 2022, when bp and Puls8 embarked on a major project to trial the emergent technology at sites globally.

Planning Teesside's lower carbon energy hub

We are working with our partners aiming to decarbonize industry on Teesside⁷, helping to protect existing industrial jobs and creating new, high-quality, lower carbon job opportunities.

We are the operator of the Northern Endurance Partnership CO₂ transportation and storage project that plans to capture CO₂ from a range of emitters across Teesside and the Humber and safely store it below the southern North Sea.

We are also the operator of Net Zero Teesside Power, which on completion will be one of the world's first gas-fired power stations with carbon capture. Teesside is also the location for two of bp's intended hydrogen projects – the blue hydrogen facility H2Teesside and the green hydrogen facility HyGreen Teesside.

Along with our partners, our plans for Teesside can further support the region's economic development and regeneration. As well as helping to protect and create jobs, these projects could support local education, drive skills development and catalyse a highly skilled UK-based hydrogen and CCUS supply chain.

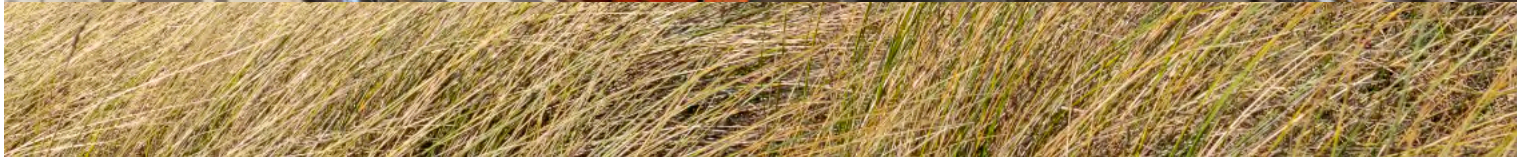
Net Zero Teesside Power

On completion, Net Zero Teesside Power will be one of the world's first commercial scale, gas-fired power stations with carbon capture technology. Capable of capturing up to two million tonnes of CO₂ a year, the project is a driving force in helping support Teesside in leading the UK's energy transition.

It has a potential electrical output of up to 860MW – enough to power the estimated equivalent of up to 1.3 million homes a year.

Net Zero Teesside Power was shortlisted for Phase-2 of the UK government's CCUS cluster sequencing process in 2022. It could support more than 3,000 jobs annually during construction, and once complete support over 1,000 jobs annually.

⁷ Depending on permits and government contracts



Hydrogen on Teesside

Together, bp’s planned projects H2Teesside (blue hydrogen) and HyGreen Teesside (green hydrogen) could help transform Teesside into a world-class lower carbon hydrogen hub, with the potential to supply over 15% of the UK government’s 2030 hydrogen production target.

H2Teesside could create 1,200 construction and 600 operational jobs by 2027, while HyGreen Teesside could generate an average of 660 jobs a year during construction and create and safeguard over 100 jobs a year during operation.

In 2022:

- H2Teesside was shortlisted for Phase-2 of the UK government’s CCUS cluster sequencing process.
- bp’s hydrogen projects in Teesside gained international support from the UAE as we strengthened our strategic partnership with the support of ADNOC and Masdar of Abu Dhabi. ADNOC has taken a 25% stake in the design stage of H2Teesside, while Masdar has signed a memorandum of understanding to acquire a stake in HyGreen Teesside.

Spotlight

px Group is helping bp with plans to decarbonize the Teesside industrial cluster

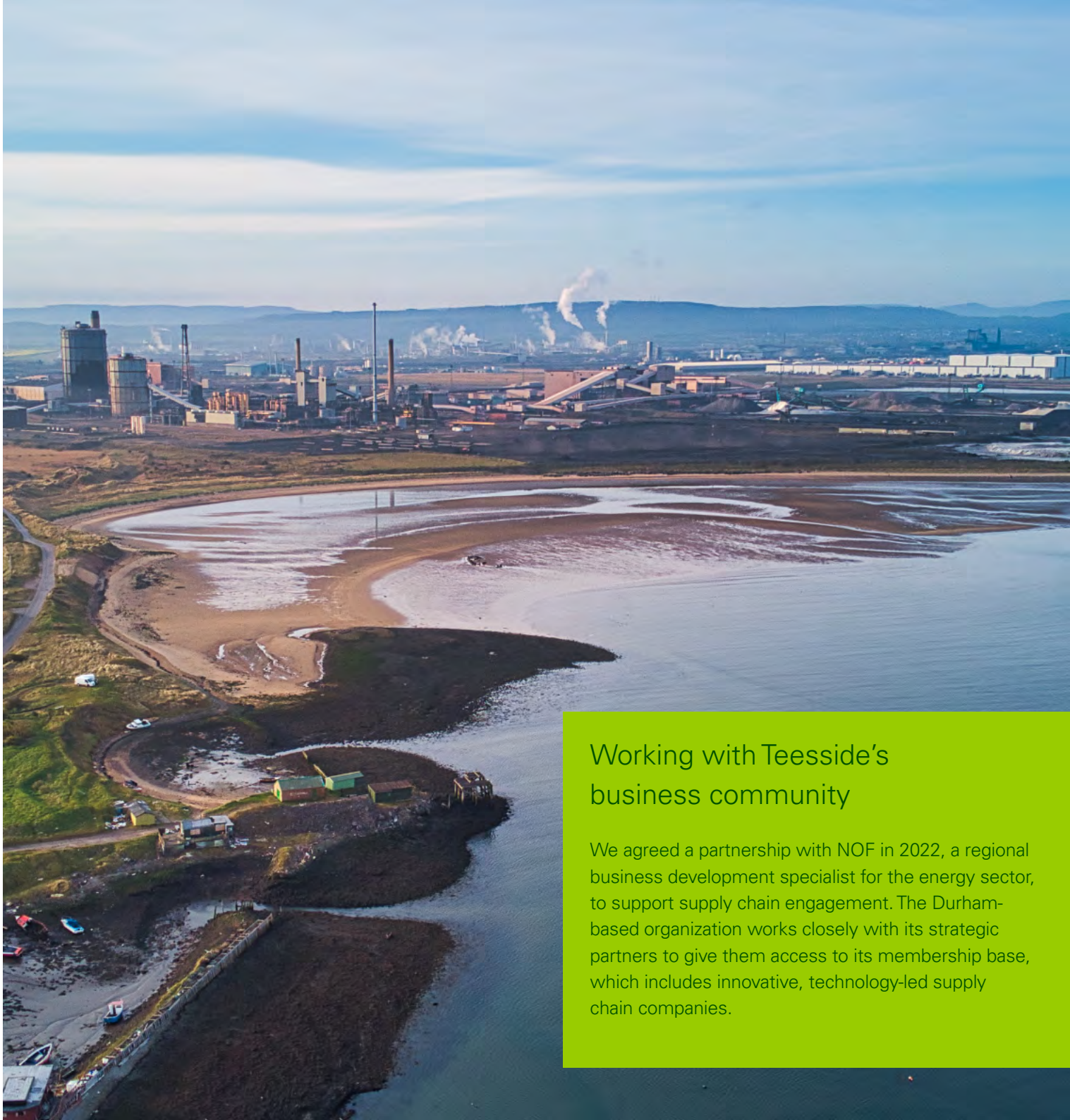
“We have been operating in Teesside for over 25 years and we are bringing all our local knowledge and expertise to support bp’s Teesside projects.”

Sean Gleeson, pipeline & projects manager, px Group

Established in Teesside, px Group is a fully integrated infrastructure solutions business that has been managing and operating assets across energy and industrial sectors for over 25 years. The business is at the heart of Teesside’s evolution from a centre of Britain’s manufacturing and steel production to a new vision for a lower carbon industrial cluster delivering the country’s future hydrogen production, carbon capture and gas supply.

It is px Group’s local knowledge and unique experience working within Teesside’s industrial sectors that are supporting bp to deliver our planned projects there from carbon capture to hydrogen.

px Group is also providing stakeholder integration, bringing together and working with the partners driving Teesside’s evolution.



Working with Teesside’s business community

We agreed a partnership with NOF in 2022, a regional business development specialist for the energy sector, to support supply chain engagement. The Durham-based organization works closely with its strategic partners to give them access to its membership base, which includes innovative, technology-led supply chain companies.

Backing the Teesside community

We are working with local councils, authorities and educational institutions to create job opportunities in the region, support social mobility and engage local communities.

With our partners, we plan to invest up to £40 million in dedicated skills programmes over the life of projects on Teesside⁸. These span from early-stage STEM engagement, to vocational training, through to advanced level skills development – supporting our direct workforce, the supply chain, and broader skills in the region.

In 2022:

- We supported the development of a new Clean Energy Hub at Redcar & Cleveland College, contributing £50,000.
- We announced the Teesside Clean Energy Technician scholarship programme and bp’s funding for 20 students.
- We worked with Skills Builder to support over 2,500 Teesside students to build essential career skills.
- We helped more than 600 primary school children develop their understanding of STEM career paths through the Children Challenging Industry programme.

⁸ Depending on permits and government contracts



Developing offshore wind farms

The UK needs more home-grown, lower carbon energy as it transitions to net zero. To support this, bp is planning to develop cutting-edge offshore wind farms⁹ capable of contributing to the UK's 50GW and Scotland's 11GW wind power targets by 2030.

With our partner EnBW we plan to harness the winds of the Irish Sea with the Morgan and Mona projects and develop the Morven offshore wind project in the North Sea. Together, our three planned wind farms will have a combined capacity of 5.9GW – enough energy to power the estimated equivalent of six million UK homes every year.

In 2022:

- We succeeded in the ScotWind offshore wind bid with partner EnBW, to develop 2.9GW of fixed-bottom offshore wind off the east coast of Scotland.
- Our experts conducted our largest-ever seabed study in the UK, spending 496 days in vessels covering over 1,500 square kilometres.
- bp was granted an electricity generation licence for our Morgan and Mona offshore wind projects.
- We announced Aberdeen as bp's centre of excellence for global operations and maintenance for offshore wind, which will create up to 120 new direct jobs and contribute up to £40 million a year to the economy.
- We engaged with over 500 people at 22 community events for our Morgan and Mona non-statutory consultations.
- We signed an agreement with Port of Leith to become the marshalling port for the Morven offshore wind project. This will help transform the area into Scotland's largest offshore wind renewables hub, contributing to the creation of 1,000 high-skilled, direct jobs and around 2,000 indirect jobs.

⁹ Pending permits and infrastructure



Working with the local supply chain

Our dedicated supplier portal enables local companies to pair their skills with the projects' needs. One local company we are already working with is marine expert Partrac.

Spotlight

Partrac’s headcount has increased by 73% since working with bp

“Working with bp on landmark projects in UK renewables accelerated our growth. We are now on a steep expansion trajectory, winning further contracts across the sector, in UK, Ireland and Europe.”

Dr Jo Elver-Evans, business development manager, Partrac

In 2003 Partrac was founded in Glasgow by Dr Kevin Black, Sam Athey and Peter Wilson, a trio with decades of experience in physical marine processes and measurement. Partrac was born to provide the data, analysis and advice needed for the UK’s growing number of engineering projects earmarked for challenging marine environments.

Since inception, Partrac has supported the delivery of nearly all UK offshore wind developments, five of the seven Irish designated sites and projects across Europe. The business was awarded the contract to create a comprehensive seabed mobility assessment for the Morven offshore wind project, led by bp and EnBW.

Partrac’s work will help support the long-term success of the Morven project by providing a scientific assessment of the metocean, wind resource and seabed and the changes it will likely experience throughout the lifespan of the wind farm. Partrac takes an integrated approach to its studies and assessments, combining data-led analysis, numerical modelling and expert consultancy. Its findings are expected to contribute to the designs for the foundations of the wind turbines, operational planning and power cabling.

Partrac and bp also worked together on the Northern Endurance Partnership – a collaboration that aims to develop offshore CCUS infrastructure to transport and store millions of tonnes of CO₂ emissions safely in the UK North Sea.

Since working with bp, Partrac has grown exponentially. The SME has almost doubled its turnover year-on-year since 2020 and it is creating new, high-skilled job opportunities as its headcount scales.



Transferable skills for the energy transition

Amid a rapidly changing energy landscape, we recognize the crucial role of transferable skills in navigating the transition towards a sustainable future. Whilst there is significant demand for new entrants in the context of the energy transition, there will also be a need to transition experience from other sectors – including from oil and gas.

Spotlight

Supporting one of the world’s first transition skills organizations



“X-Academy is giving me the skills and experience to take my career on a new exciting path in renewables.”

Isabelle Pouncey, 2022 cohort at X-Academy

X-Academy is one of the world’s first transition skills organizations dedicated to providing the knowledge, skills and experience to establish a thriving career in the energy transition. Led by Xodus, X-Academy is a non-profit organization supported by ETZ Limited and partners in offshore wind, bp and EnBW.

In September 2022, Isabelle Pouncey joined X-Academy as a member of the third cohort, taking the total number of people to start the programme to 22. A masters

graduate from the University of Aberdeen in Petroleum Geoscience, for over six years Isabelle worked on major projects across the oil and gas industry from exploration to decommissioning.

Drawn to innovation in renewables technology, Isabelle began pursuing her own career transition. Looking to gain experience in project management, develop the technical, creative and communications skills to work in the renewables industry, X-Academy provides the answers via on-the-job learning, training, and generating new ideas in its innovation hub.

As part of her training, Isabelle enrolled on a secondment to bp, gaining the skills and practical experience in offshore wind, applying her X-Academy training directly to the Morven wind farm project.

Spotlight

Building a global centre of excellence for offshore wind



“We see great transferable skills from across our businesses and are already in action combining the best of bp with external knowledge to develop a world class offshore wind organization.”

Lloyd McWalters, head of O&M readiness, bp

Lloyd McWalters was a bp oil and gas engineer for eight years before joining our low carbon energy team. Now he is helping to set up a global centre of excellence for offshore wind in Aberdeen – established by bp and EnBW.

Once completed, the centre is expected to create up to 120 jobs by the mid-2030s and contribute up to £40 million per year to the UK economy. Similar to the journey that Lloyd’s career has been on, the global centre of excellence will support oil and gas engineers to join the offshore wind industry. From complex project management to handling machinery miles out at sea, oil and gas engineers are well placed to deal with the challenges of large wind projects.

Aberdeen is seen as the right location for the centre because it has the essential mix of talent and technology companies that are integral to both the oil and gas sector, and in the development of offshore wind.

Expanding access to EV charging

bp pulse, our electric vehicle (EV) charging business, operates one of the largest public EV charging networks in the UK.

bp pulse is focused on fast, reliable charging, rolling out charge points to consumers and commercial fleets wherever they need them – destination, depot and on-the-go – including across a number of bp retail sites.

Seventy per cent of the UK population lives within five miles of a bp pulse rapid or ultra-fast charger. bp pulse is building hundreds of on-the-go locations ready for 2030, connecting more regions and major transport routes with more rapid and ultra-fast charging.

In addition to public charging, bp pulse provides fleet charging solutions to some of the UK's leading organizations, the UK's biggest fleet operator and various emergency services.

In 2022, bp pulse:

- Powered an estimated 150 million EV miles in the UK.
- Facilitated around 2.4 million charging sessions on the bp pulse UK public network.
- Installed 118,000 kW of public charging capacity.



Investing in the UK's EV infrastructure

In 2022, bp committed to invest up to £1 billion over the next 10 years in the UK's electric vehicle infrastructure. The landmark investment will see bp pulse upgrade its network, investing in reliability of existing charge points while growing the rapid and ultra-fast network.

Also in 2022:

- bp pulse established a new partnership with M&S, aiming to install up to 900 rapid and ultra-fast chargers covering around 70 of its UK stores.
- bp pulse teamed up with Addison Lee to give its electric fleet enhanced access to bp pulse's network of ultra-fast and rapid charge points.
- bp pulse installed the first and only ultra-fast charging hub available in and around Gatwick Airport¹⁰.
- bp committed to investing £50 million to scale a state-of-the-art battery and thermal management fluid testing centre and analytical laboratory at Pangbourne, Berkshire which will be used in part to test EV batteries.

Spotlight

An investment of up to £50 million will help accelerate the UK transition to electric vehicles

“Pangbourne, Berkshire is the centre point of our ambitions to create a world-leading battery and thermal management fluid research and development (R&D) centre.”

Chris Lockett, VP electrification and castrol products innovation, bp

We committed up to £50 million in new investment to scale a state-of-the-art battery and thermal management fluid testing centre and analytical laboratory at the global headquarters of Castrol in Pangbourne, Berkshire. The new innovation facilities aim to help advance fluid technologies and engineering for hybrid and battery electric vehicles as well as thermal management fluids for data centres. Investing in a UK centre for research and development of lubricants and EV fluids helps create highly-skilled science and technology jobs locally and, nationally, can help with decarbonizing road transportation.

¹⁰ A hub is five or more ultra-fast charging bays that are available to the public and not for a specific car manufacturer.





Serving our UK retail customers

We are focused on supporting our customers to access the fuels they need easily.

With 90% of the population living within a 20-minute drive of one of our stores, bp is growing its network across the UK, providing fuels, ultra-fast electric vehicle charging and convenience, supported by our *Wild Bean Café* offers and partnership with M&S Simply Food®.

- We employ almost 6,700 people across more than 1,200 bp-branded retail sites in the UK, serving millions of customers each week.
- In 2022, we extended our successful forecourt convenience relationship with M&S Simply Food® until at least 2030.

Aberdeen Hydrogen Hub – fuelling local transport

One of the aims supporting our net zero ambition is to help regions and corporations decarbonize. Half of the world’s population lives in cities and, therefore, represents areas where demand for energy is concentrated. This offers great opportunities to make an impact on emissions.

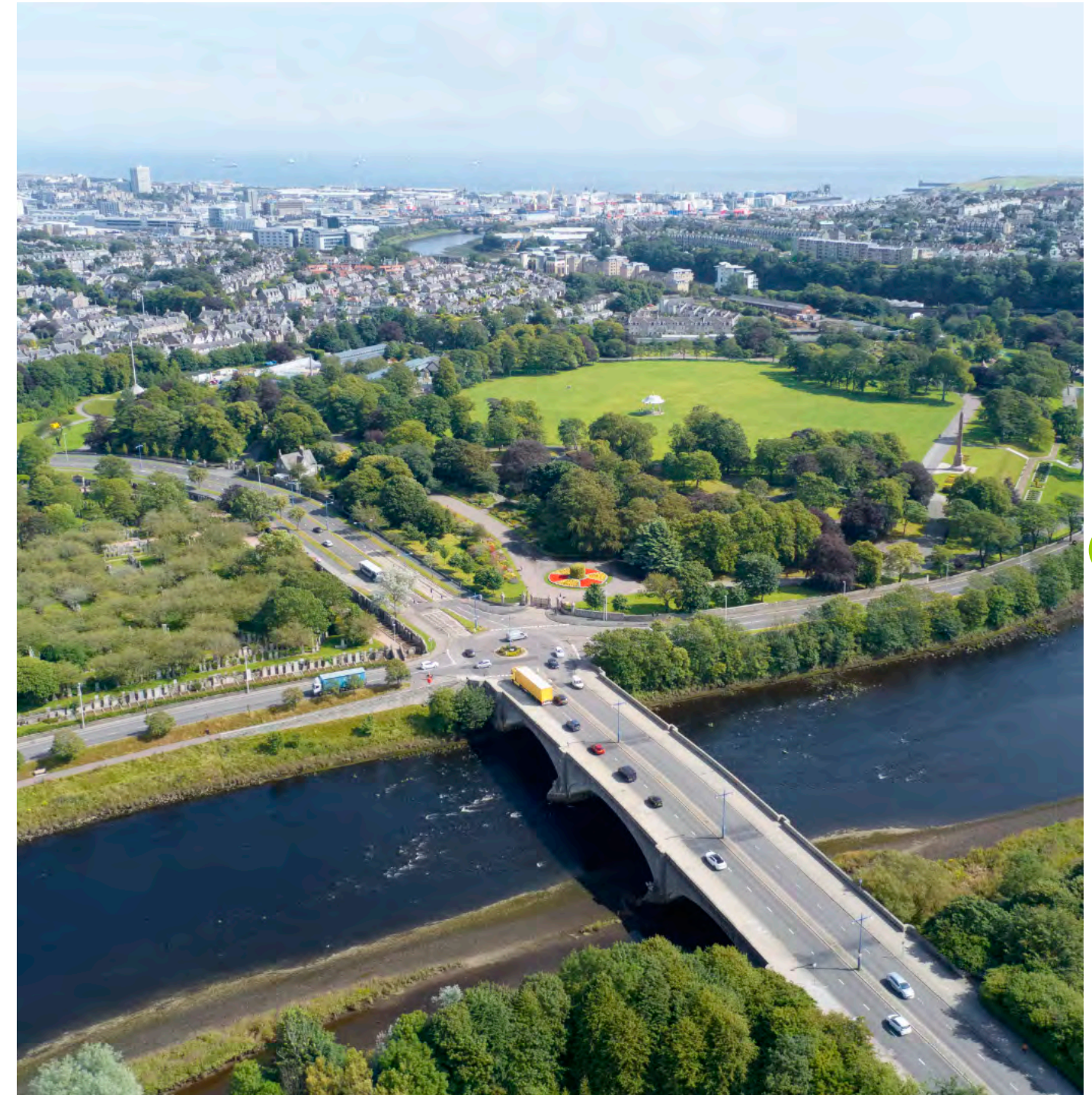
In March 2022, bp and Aberdeen City Council formed a joint venture to aim to deliver a green hydrogen production hub in Aberdeen, powered by renewable energy.

The proposed facility, Aberdeen Hydrogen Hub, would involve building a green hydrogen production and refuelling facility, powered by a purpose-built solar farm, linked by an underground solar grid connection.

Phase one is targeting first production from 2024, delivering over 800 kilograms of green hydrogen per day – enough to fuel 25 buses and a similar number of other fleet vehicles.

Future phases could see production scaled up through further investment to supply larger volumes of green hydrogen for rail, freight and marine, as well as the supply of hydrogen for heat and potentially export.

And as we progress the Aberdeen Hydrogen Hub, we are creating wider social and economic value for the City of Aberdeen. This includes playing a strategic leadership role on hydrogen skills – where we are currently working on a hydrogen skills and qualifications gap assessment that we plan to publish in 2023 and that will inform future activities – and support supply chain development around hydrogen.





Investing in lower carbon transport fuels

Bioenergy is one of our transition growth engines.

In the UK in 2022 we focused particularly on lower carbon transport fuels as well as diesel alternatives. We believe biofuels will be an essential part of reducing emissions from hard-to-decarbonize sectors including many diesel-run assets.

- We announced the first commercial supply of sustainable aviation fuel (SAF) at Aberdeen Airport for use on bp North Sea helicopter flights.
- We worked with key industry players including Rolls-Royce, Airbus and the UK's Royal Air Force on a 100% sustainable fuel test flight. This was the first time an aircraft has flown in the UK using 100% SAF on all engines.



Developing solar power

In December 2022, Lightsource and bp celebrated five years since entering into a partnership to become Lightsource bp – a 50:50 joint venture. Lightsource bp currently has 14 solar projects in development and 17 projects in the pre-planning phase across the UK.

In 2022, Lightsource bp started construction of its largest-ever UK solar project – Tiln Farm in Retford. Once built, its capacity of 61MW will be enough electricity to power the equivalent of more than 14,000 UK homes.

In 2022:

- Lightsource bp won 130MW of capacity in the UK government renewables auction.
- The 50MW Streetfields and Northfields House solar project near Lutterworth was connected to the grid.

bp in the community

We aim to invest in a way that
maximizes local impact



2022 community highlights

Here in the UK and around the world, our projects create significant economic value and local jobs, with a ripple effect multiplied through our supply chains.

We aim to invest in a way that maximizes local impact, demonstrating the value that an emphasis on social mobility creates for everyone – from communities, through to investors and governments.

In 2022:

- We launched a social mobility framework for action and a social mobility business resource group.
- We committed more than **£1 million** to X-Academy as part of the successful ScotWind bid with EnBW.
- Together with Skills Builder, we supported over **2,500 students** in Teesside.
- We provided almost **300 apprenticeships** in the UK.
- We continued our focus on STEM education, through the bp educational service, benefitting **over 628,000 students**.
- We donated **£14 million** to organizations supporting those impacted by food and fuel poverty.
- Our employees raised over **£1.85 million** for charities, including matched funding from the bp foundation.

Launched
Social mobility framework
for action
and
Social mobility resource
group

£14m donated to support those impacted by food and fuel poverty

~300 apprenticeships provided in the UK

2,500 students in Teesside supported together with Skills Builder

Investing in education and skills for a just transition

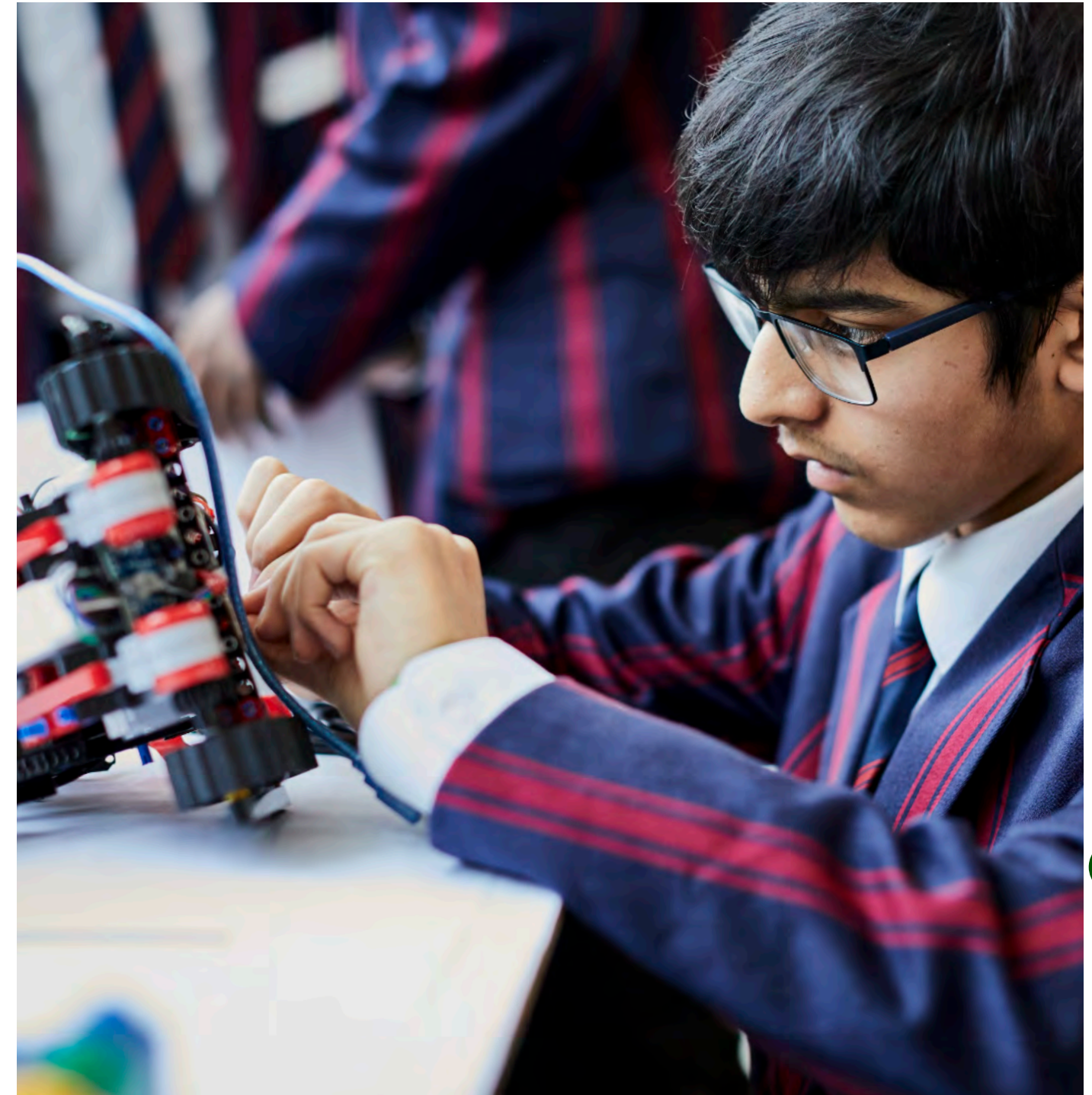
Our UK education programme was founded in 1968 with a clear aim: to inspire young people and help them gain a better understanding of how important STEM subjects are for our industry and for their futures.

This work remains critical in supporting our new purpose with the energy sector continuing to require huge amounts of talent – both to support resilient hydrocarbons, and to meet the challenge of scaling up lower carbon solutions.

We support a range of programmes that develop the skills of STEM educators:

- **The bp educational service** provides free materials to bring classroom science topics to life. In 2022, 24% of primary schools and 52% of secondary schools used the materials, benefitting over 628,000 students.
- bp is a long-standing supporter of **Project ENTHUSE** run by **STEM Learning**, which provides bursaries for teachers to attend intensive science-specific continuing professional development at the National Centre in York. Six hundred UK-based teachers benefitted from the programme in 2022.
- bp is a founding partner of the **Science Museum's STEM Academy**. The Academy brings together museum professionals, teachers and STEM educators at sites in London and Manchester. In 2022, the Academy supported nearly 1,000 teachers and STEM professionals to help them deliver memorable and engaging STEM content.

We are also an active participant in the UK skills ecosystem – including participating in the UK government Green Skills Taskforce – to share our knowledge and experience and help the UK to level up and to build the skills it needs to deliver on its net zero ambitions.



bp backing skills and education on Teesside

Teesside as a region accounts for 5% of the UK’s industrial emissions, but as one of the UK’s industrial clusters it has huge potential to demonstrate that decarbonization can pay off for local communities – protecting existing jobs and creating new quality jobs in the community.

bp and its partners plan to invest up to £40 million in dedicated skills programmes over the life of the projects on Teesside¹¹. These span from early-stage STEM engagement, to vocational training, through to advanced level skills development.

In 2022:

- We started funding and supporting the development of a new Clean Energy Education Hub at Redcar & Cleveland College, specialising in clean energy and renewable industry training and careers pathways.
- We worked with Skills Builder to help seven local schools transform how students develop their essential career skills. Over 2,500 students were supported through this initiative.
- We also helped more than 600 primary school children develop their understanding of STEM career paths through the Children Challenging Industry programme.

¹¹ Depending on permits and government contracts



£50,000 contributed to Redcar & Cleveland College’s Clean Energy Education Hub



DE&I – fostering a more diverse and representative society and workforce

One of our aims is to promote greater diversity, equity and inclusion (DE&I) across our workforce, our customers and our supply chain. In the UK, bp’s DE&I work is guided by our framework for action which is built on three pillars.



DE&I partnerships

Working together with and learning from external organizations is an important part of bp’s DE&I strategy, helping us achieve our diversity, equity and inclusion ambitions. We are building on our long-term partnerships with organizations such as Stonewall and, in 2022, we partnered with a number of new initiatives:

- Minority Supplier Development UK
- The Forage – work experience for under-represented candidates
- Ambitious About Autism
- Women of the Year Awards
- UK Black Business Week
- The Association for Black and Minority Ethnic Engineers (AFBE-UK).



Announcing the bp and AFBE-UK partnership. L–R: Hisham Hamid (bp), Ollie Folayan (AFBE-UK), Dushyant Sharma (bp), Doris Reiter (bp)

Increasing supplier diversity

bp is increasing supplier diversity across the company. We quadrupled our spend with our certified diverse suppliers from **£2.98 million** at year end 2021 to **£13 million** at the end of 2022.

Spotlight

Since working with bp, Bros&Co has increased its staff by 300%

“Working with bp has inspired Bros&Co to integrate sustainability in the way we design products.”

Gurmit and Amardeep Singh Shakhon, founders

Bros&Co was founded by brothers Gurmit and Amardeep Singh Shakhon. The design consultancy is dedicated to helping its partners evolve both product development and design. Bros&Co aims to work with its clients to make the brands and products they produce more human-centric, delivering better business outcomes.

We supported Bros&Co with its diverse supplier certification and it has since worked on multiple projects across our organization. Bros&Co played a valuable role in supporting us to embed new design practices and creative solutions across multiple teams in the company.

In turn, our support helped Bros&Co expand its business. Bros&Co recently launched a digital tool to help companies evaluate the environmental impact of their products and services from the outset of design.



DE&I – a spotlight on social mobility

We launched our first UK Social Mobility Report with The Purpose Coalition in 2022, setting out targets to help us increase social mobility at bp.

bp’s social mobility framework for action

<i>Renew</i> Support community regeneration and renewal processes	<i>Inspire</i> Through education and outreach with the next generation of talent	<i>Skill</i> Building skills for the future and for the energy transition	<i>Employ</i> Providing fair access to job opportunities and decent work
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Much of our work in communities has advancing social mobility at its heart – helping people access opportunities through investing in skills, addressing root causes of disadvantage and exclusion, and more.

But we are also actively looking at how we provide opportunities here at bp. This includes a focus on providing apprenticeship opportunities and work experience placements, with outreach focused on students who meet social mobility criteria.

In 2022, we:

- Provided almost 300 apprenticeship opportunities in the UK and facilitated work experience and insight days for over 100 people.
- Hosted an open house event for over 40 refugees in our offices offering CV and interview skills workshops as well as career coaching and mentoring.
- Placed 78 student tutors into 37 schools across Aberdeen and the north-east of Scotland, aiming to provide positive role models for school pupils.

We have an ambition to do more as we scale our work experience and apprenticeship programmes. In 2022, we piloted a virtual work experience programme partnering with The Forage, an organisation focused on helping students from less advantaged backgrounds. We saw over 1,000 people globally enrol onto this offer.



bp tutoring scheme recognition awards 2022

Supporting communities through volunteering and charitable giving

We encourage bp employees to support community organisations and charities through volunteering and charitable giving. We then match their time and donations.

- Our employees raised over £1.85 million, including matched funding.
- They also volunteered for over 18,000 hours.

In 2022, we launched a brand-new employee volunteering platform – We Volunteer – to enable employees to post volunteering opportunities and sign up to volunteering.

Cycling for charity

- **67 cyclists** set off on a 230 mile ride from Ayr to Aberdeen raising over **£170,000** for five Scottish charities.
- And in England, over **150 cyclists** supported bp’s annual One Team cycle ride – taking to the roads of Surrey to cycle up to 100km to raise valuable funds for ParalympicsGB.

Supporting the most vulnerable

In the UK in 2022, we donated more than £14 million to fuel and food poverty charities and social innovation programmes, to help the most vulnerable people during the winter.

For example, we funded:

- An Energy Systems Catapult trial of a new digital service, **Warm Home Prescription**, which identifies vulnerable people and helps them to heat their homes to healthy temperatures at no extra cost.
- **Fuel Bank Foundation** – the only UK charity specifically focused on supporting people living in fuel crisis who do not have enough money to top up a prepayment meter.
- The **National Business Response Network**, set up by Business in the Community, which enables businesses to develop rapid responses to support local communities in need.
- The **Retail Trust’s financial aid programme**, which provides grants to UK retail workers in financial difficulty.



Glossary and methodology

Oxford Economics’ glossary

The following terms are used in the report on bp’s impact on the UK economy. Every effort has been made to align reported figures with the Office for National Statistics (ONS).

bp created/generated refers to metrics – such as gross value added, jobs, and tax – for which bp is directly responsible at its operational sites (direct impacts).

bp supported refers to metrics – such as gross value added, jobs and tax – that other businesses created because of bp’s expenditure. For example, because bp purchased inputs of goods and services from them (indirect impacts via operational spending or indirect impacts via capital expenditure).

Capital expenditure is spending on goods and services that bp uses up across multiple years, especially on buildings, machinery, and equipment.

Currency values, unless otherwise stated, are in GBP at 2022 prices.

Direct impacts are jobs and gross value added generated at bp’s operational sites in the UK.

Employment or jobs is the number of people employed, regardless of whether their employment is full-time or part-time, or whether they are employed directly by bp or as an individual on a fixed-term. It is measured on a headcount terms for comparability to national statistics.

Gross value added (GVA) is the difference between the revenue of a firm minus the cost of bought in goods and

services used up to produce that revenue. It is also equal to the sum of compensation of employees and earnings before interest, taxes, depreciation, and amortisation (EBITDA). Summed up for all firms in an economy, gross value added is equal to GDP with minor adjustments for taxes and subsidies.

Gross domestic product (GDP) is the sum of all gross value added created across all entities, plus some adjustments for taxes and subsidies within an economy in a single year. GDP is the most common number economists and commentators use to measure the size of an economy and the rate it is growing.

Indirect impacts via operational spending are gross value added, jobs, and tax supported along the supply chain due to bp’s spending with its operational suppliers.

Indirect impacts via capital expenditure are gross value added, jobs, and tax supported along the supply chain due to bp’s spending with its capital goods suppliers.

Operational spending is spending on goods and services that will be used up in a single year.

Taxes are monetary payments to the UK government or local authorities.

Oxford Economics’ methodology

Scan below to access Oxford Economics’ methodology



www.bp.com/uk

Acknowledgement

bp would like to thank its partners in the production of this publication.

Disclaimer

The section of this publication titled “bp’s impact on the UK economy 2022” on pages 7 to 27 inclusive (UK Economic Impact Report) has been written by Oxford Economics. Oxford Economics’ methodology can be accessed via the QR code included on this page. bp has not endorsed or verified the UK Economic Impact Report and assumes no obligation to update, revise or supplement the UK Economic Impact Report or any of its contents. No warranty or representation is made regarding the accuracy, completeness or validity of the information contained in the UK Economic Impact Report. Neither bp plc nor any of its subsidiaries (nor their respective officers, employees and agents) accepts any liability whatsoever for any loss or damage arising from reliance on or actions taken based on, any of the information set out in this publication.

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In order to utilize the ‘safe harbor’ provisions of the United States Private Securities Litigation Reform Act of 1995 (the ‘PSLRA’) and the general doctrine of cautionary statements, bp is providing the following cautionary statement. This publication contains certain forecasts, projections and forward-looking statements – that is, statements related to future, not past events and circumstances – with respect to the financial condition, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements are generally, but not always, identified by the use of words such as ‘will’, ‘expects’, ‘is expected to’, ‘targets’, ‘aims’, ‘should’, ‘may’, ‘objective’, ‘is likely to’, ‘intends’, ‘believes’, ‘anticipates’, ‘plans’, ‘we see’ or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of bp. Actual results or outcomes, may differ materially from those expressed in such statements, depending on a variety of factors, including the risk factors discussed under “Risk factors” in bp’s most recent Annual Report and Form 20-F as filed with the US Securities and Exchange Commission and in any of our more recent public reports. Our most recent Annual Report and Form 20-F and other period filings are available on our website at www.bp.com or can be obtained from the SEC by calling 1-800-SEC-0330 or on its website at www.sec.gov.

A note about this publication

Unless otherwise stated or the context otherwise requires, the term ‘bp’ and terms such as ‘we’, ‘us’ and ‘our’ are used in this publication for convenience to refer to one or more of the members of the bp group instead of identifying a particular entity or entities. bp p.l.c. and each of its subsidiaries are separate legal entities.

