

# BP's UK gender pay gap in 2017



Building a diverse BP where every employee is valued is one of the ways we'll succeed together.

Bob Dudley, Group chief executive



At BP, we work to attract, motivate, develop and retain the best talent from the diversity the world offers – our ability to be competitive and to thrive globally depends on it.

We believe success comes from the energy of our people, and creating an inclusive working environment where everyone can give their best and make a difference.

Under new legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap. We are reporting here on five BP businesses that together employ over 15,000 people across the UK. This report is based on our people data at 5 April 2017.

At BP we make sure employees in similar roles are being paid equitably. However, similar to many other organizations, we do have a gender pay gap that varies across these UK businesses, ranging from –0.1% in BP Chemicals to +30.5% in BP Exploration.

Our gender pay gap exists mainly because we have differing proportions of men and women at different levels in our workforce and in specific roles that attract higher pay, bonuses or allowances. We operate in an industry that relies heavily on roles requiring STEM (science, technology, engineering and mathematics) skills. STEM careers have historically attracted more men. For 50 years BP has been investing in STEM education – encouraging boys and girls alike to pursue these challenging and rewarding careers. In addition to our ground-breaking *Enterprising Science* research partnership, BP has recently joined the Royal Academy of Engineering's *This is Engineering* campaign as a principal partner.

Over time, these investments help to influence how young people make choices about their futures.

It is not enough though to just recruit from a more diverse talent pool. We are also aware that retention and progression of females in our workforce is an important issue and we are working with our employees to improve and implement diversity-friendly policies to enable career development in a flexible way.

Our gender balance at BP is steadily improving, with women representing 34% of BP's global population and 21% of group leaders – our most senior managers – at the end of 2017. Our aim is for women to represent at least 25% of group leaders by 2020.

There is more to do, and we remain committed to taking action.

### Declaration

We confirm that the information and data provided in this report is accurate and in line with mandatory requirements.

V Helmut Schuster

Helmut Schuster Group HR director 7e63485

Peter Mather
Group regional president,
Europe and head of country, UK

# BP's gender pay data – statutory reporting

BP has five UK entities with at least 250 employees. Under the regulations we are required to report our gender pay gap for these entities, as set out below.

## BP's gender pay gap by entity

Legal entity	Reportable Pay Gap		Reportable Bonus Gap		% receiving bonus		Gender distribution %	
	Mean	Median	Mean	Median	Men ()	Women		
BP Chemicals	(0.1)	(2.8)	(9.8)	19.5	99.2	95.8	84	16
BP Oil	16.4	14.6	36.7	21.9	98.6	95.4	60	40
BP p.l.c.	22.6	20.8	63.5	41.0	96.6	97.1	58	42
BP Exploration	30.5	28.3	25.7	21.4	99.6	98.8	80	20
BP Express Shopping	3.5	3.1	16.7	14.3	37.7	36.2	53	47

Note: numbers appear in parentheses where the average pay for women is higher than men.

## Proportion of females and males in each quartile band

These charts show how men and women are represented in each pay band.

An even distribution across the quartiles would tend to minimise the gender pay gap.





BP Chemicals is our petrochemicals business in the UK, principally our operations in Hull.

## **BP Oil**



BP Oil represents our Downstream fuels and lubricants businesses.

## BP p.l.c.



BP p.l.c. predominantly covers employees in corporate business and functions, including our Integrated Supply and Trading and Air BP businesses.

## **BP Exploration**



BP Exploration covers Upstream activities in the UK, principally North Sea operations.

# **BP Express Shopping**



BP Express Shopping is our largest UK employing business, concerned with retail operations supporting our UK-wide network of forecourts.





# Why we have a gender pay gap

At BP we make sure employees in similar roles are being paid equitably. However, we do have a gender pay gap, which varies across our businesses.

Our regular reviews of equal pay give us confidence that our policies and processes are working and that pay differences, where they exist, are not based on gender.

Uneven gender representation across the organization – Although BP has been improving female representation overall (currently 34%), there are still proportionally fewer women at our most senior levels (21%).

Pay and bonus is higher at more senior levels, so this imbalance in gender representation across levels results in a gap between mean and median pay and bonus for men and women in most of our entities, particularly in BP p.l.c. and BP Oil.

Roles with higher pay and bonus are male-dominated – In BP Exploration, roles that carry significant allowances, e.g. offshore work, are predominantly performed by men and result in our highest pay gap.

We also have roles such as trading where pay is weighted heavily towards performance bonuses. These roles are predominantly performed by men, contributing to the bonus gap in BP p.l.c.

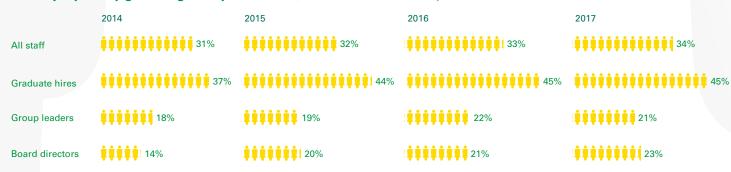
BP Express Shopping competes against other convenience retailer companies. It has a different employment model to the other reporting BP entities in the UK, with a high proportion of hourly paid employees and low differentiation in pay.

# How we are supporting long term growth in our female talent

Our ambition is to attract, motivate, develop and retain the best talent across the world. Our ambition relating to gender is for at least 25% of our group leaders and 30% of our senior level leaders to be female by 2020. Although we are starting from a lower base than we would like, we are making continued progress towards this ambition. Overall female representation has increased steadily since 2010.

### Find out more

## **BP employees by gender, globally** (% women, at 31 December each year)



Note: Group leaders are our most senior leaders, around 400 in number across BP. The roles range from operational, functional and regional leadership, including large asset management and specialised technical and business functions, up to executive directors.

Senior level leaders are the leadership tier below group leaders. They typically manage larger teams or are recognized as technical or functional experts in their field.

# How we are supporting long term growth in our female talent continued

Developing the technical talent pool – We have been investing in STEM education in the UK for 50 years, helping all young people to understand the career opportunities enabled by continued education in the STEM subjects. STEM careers have historically attracted more men. To help address this issue we created a £4.3m research and development programme called Enterprising Science to understand how and why young people make their choices in relation to STEM, and how to positively influence those choices through teaching and science engagement.

### Find out more

Attraction and hiring – We recognise that men and women can experience recruitment processes in different ways so we have a clear D&I policy that guides our approach to hiring. We call this our 'rules of the road'. We ensure that we have diverse pools of applicants and assessment panels wherever possible. We are also piloting software to remove jargon from job adverts in order to make them more inclusive and attractive to diverse candidates.

## Find out more

**Retention** – We know that there is a wide range of issues that affect retention within the workplace, including return to work support. We are committed to the provision of agile working arrangements to support the flexibility that employees need to manage their work/life balance.

This includes a range of flexible working options, as well as mentoring, coaching and sponsorship of high potential individuals and for those returning to the workplace after an extended period of leave. Responsibility for this is embedded in our requirements of all BP leaders.

In addition, our employee-initiated Business Resource Groups such as the BP Women's International Network (BPWIN) and the Working Parents and Carers group provide relevant insights from employees in order to help shape policies and thereby encourage positive career choices.

### (2) Find out more

**Development and progression** – We focus on identifying high potential talent, ensuring robust career and development plans exist, and deepening the feeder pool at less senior levels, with a clear expectation that senior leaders sponsor and mentor talent.

We have made good progress in terms of female representation at senior and group leader levels since 2012 (increasing from 18% to 24% and 17% to 21% respectively). Below this, the female proportion of our first level leaders now stands at 32%, having improved 2% in the last 18 months.

We incentivize this focus on developing talent through the reward plans for our group leaders. Half of all the people in our talent development programmes currently, from graduate entry to high potential talent, are women.