



Gender and ethnicity pay gap report 2021



March 2022



About this report

This is our fifth UK gender pay gap report and is prepared in accordance with legislation that came into force in April 2017, where UK employers with more than 250 employees are required to publish their gender pay gap using a snapshot date of 5 April each year. We are reporting data for five UK entities which have more than 250 employees.

For the first time we are also including our UK ethnicity pay and bonus gap data on a voluntary basis. We consider this part of our ongoing commitment to transparency on diversity, equity and inclusion.



We're working hard to close our gender pay gap. It's good to see it narrow over the past year – but no one at bp is in any doubt that we have more to do.

One big step forward is achieving gender parity at the top of the company, and that is now where we are. I'm pleased to report that as of March 2022, 50% of our executive leadership team are women.

More broadly, and as you will see from this report, we are moving in that direction right across bp.



Bernard Looney,
chief executive officer

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- Download all our previous gender pay gap reports at bp.com/ukgenderpaygap
- Download our diversity, equity & inclusion report and find out more about diversity and inclusion at bp at bp.com/DEI
- Find all our key reports and policies in one place at bp.com/reportingcentre

UK gender pay gap

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Introduction

For bp to be successful, and deliver our strategy and net zero ambition, we need great people and diverse teams. Our diversity, equity and inclusion ambition is for bp to reflect the world around us.

We want to do more to develop and foster a diverse and inclusive workplace for all our employees.

This includes continuing to address the underlying reasons for our gender pay gap – uneven gender representation (proportionally more women in junior roles than senior roles) and the fact that some of our roles with higher pay are male dominated. We recognize that this is a long-term challenge, but we have made some progress in 2021.

In 2020, we undertook the biggest global organizational restructure in our company’s history, to reduce our office-based workforce.

We said in our last gender pay gap report that we would aim to provide more detail on how this restructure has impacted our pay gap. Having reviewed the latest data we have seen an increase in the percentage of women at senior levels of the organization for the three legal entities impacted by the restructure (bp oil, bp exploration and bp p.l.c.), as shown in the table here on the right.

% female representation^a

| Senior level leaders and above ^b | 2020 | 2021 |
|---|------|------|
| bp oil | 28 | 35 |
| bp p.l.c. | 32 | 36 |
| bp exploration | 20 | 22 |

| First level leaders and below ^c | 2020 | 2021 |
|--|------|------|
| bp oil | 41 | 42 |
| bp p.l.c. | 46 | 45 |
| bp exploration | 27 | 25 |

- a As at 5 April.
- b This covers senior level leaders and group leaders. Group leaders are our most senior leaders and senior level leaders are the leadership tier below group leaders.
- c This is all employees below our senior level leader population.

What the data shows

Our mean gender pay gaps across the five reporting entities have narrowed in all legal entities except for bp express shopping, which has shown a slight increase. There is a range from 4.1% in bp express shopping to 19.5% in bp pulse, compared to a range of 3.6% to 22.6% in 2020. Although there has not been a significant change in the overall range, there has been a marked reduction in the gap for two of the legal entities: 6.2% decrease for bp oil, 7.6% decrease for bp exploration.

Declaration

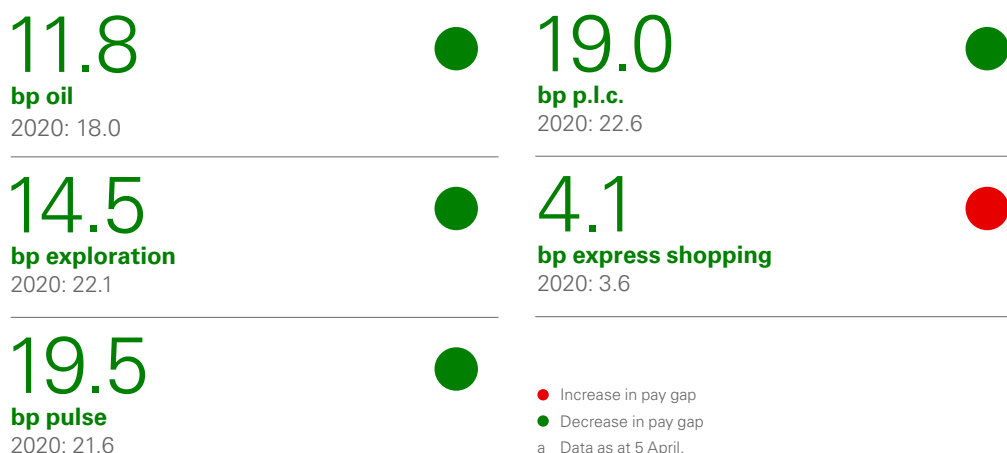
We confirm that the gender pay gap data provided in this report is accurate and in line with mandatory requirements.

Simon Ashley
UK HR director

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

Read more about diversity and inclusion at bp in our DE&I report at bp.com/DEI

2021 mean gender pay gaps (%)^a





Why we have a gender pay gap

Our regular equal pay reviews give us confidence that employees in similar roles are being paid equitably and that pay differences, where they exist, are not based on gender.

There continue to be two main reasons why we have a pay gap:

Uneven gender representation

Although we've improved representation overall, there are still proportionally fewer women working at our most senior levels. This has been the case for a number of years. Pay is higher at more senior levels, so this imbalance in gender representation across levels results in a gap between mean and median pay for men and women in most of our entities. In line with our 'hiring inclusively' approach, see page 5, we expect to see the pool of women candidates for these senior roles increase.

Roles with higher pay are male-dominated

The market for some of our higher paying roles has historically been male dominated. For example, in bp exploration, we have more men than women working in offshore roles, which tend to attract higher levels of pay. Trading roles, where pay is weighted heavily towards performance bonuses, are predominantly still carried out by men – this contributes to the pay gap in bp p.l.c. We will continue to focus on attracting women into these higher paying roles.

In contrast, bp express shopping has low differentiation in pay – there is more even representation of men and women across roles.

Why we have a bonus gap

Bonus gaps in bp typically show sizable volatility between years, both up and down, because they include one-off payments such as spot bonuses and equity grants. The numbers are also influenced by individual decisions in relation to encashment of equity. This is particularly evident in the 2021 bonus data for bp oil, bp exploration and bp p.l.c. because the majority of employees in these entities did not receive a bp annual bonus due to the prevailing economic and financial environment. A small number of employees with different remuneration models did receive a bonus.

bp employees (% female) globally^a

| | 2018 | 2019 | 2020 | 2021 |
|-----------------------------|------|------|------|------|
| All employees | 35 | 38 | 39 | 39 |
| Graduate hires | 48 | 45 | 40 | 45 |
| Group leaders ^b | 24 | 25 | 29 | 32 |
| Senior leaders ^c | 25 | 26 | 27 | 29 |
| Board directors | 36 | 42 | 45 | 40 |

^a As at 31 December.

^b Group leaders are our most senior leaders and there were 281 across bp as at 31 December 2021. Their roles range from operational, functional and regional leadership – including large asset management and specialized technical and business functions – up to executive directors.

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

Gender balance in bp

Overall, the proportion of women employed across bp remained at 39% of our global workforce in 2021 (39% in 2020).

In 2012, we set two global 2020 gender goals: for women to hold 25% of our group leader roles and 30% of our senior level leader roles. While we were short of our 30% goal for senior level leaders, the percentage of women in these roles increased to 29% in 2021.

We remain focused on improving this and have committed to a renewed ambition of gender parity for the top levels of leadership (top 120 roles) by 2025 and parity for all executive level employees (group leaders) by 2030.

We have also committed to reach 40% female representation (senior level leaders) for the next layer of senior leadership by 2030.

Our understanding of gender identity is evolving and our targets will reflect this over time.

We saw an increase in the percentage of women graduates joining bp in 2021, 45% compared to 40% in 2020. We want to do more to attract women graduates in the future and hope that our purpose and our new strategy will help do that. In 2021, we expanded our engagement to include additional universities and societies, adopting a data-led approach to target diverse talent at these organizations. We also delivered a series of virtual upskilling events focused on gender, Black heritage, social mobility and accessibility.



The action we're taking

We are building a diverse and inclusive working environment, where everyone is accepted and differences are valued. We aim to be a company that does not tolerate prejudice, ever. In 2021, we continued to take action to improve gender representation and support women across our businesses.

This includes looking across the talent lifecycle from our attraction and recruitment practices through to how we help women progress their careers and how to retain them. We are pleased that since we announced our restructure in February 2020, 11 of the 17 group leaders we have appointed are female. Across bp, we continue to take action to ensure our candidate pools are reflective of the diversity that exists in the markets where we operate.

Attraction and recruitment

We want to be an attractive employer for women at all levels, whether they are joining us at entry level or as an experienced hire.

In 2022 we are introducing 'hiring inclusively'. Hiring inclusively is a set of globally consistent recruiting principles to support bp's focus on aim 14 of our sustainability frame – greater diversity, equity, and inclusion for our workforce – in the hiring process.

Hiring inclusively is designed to help us deliver candidate pools that better reflect the diversity of the communities and countries where we operate. It replaces the former 'rules of the road' principles and is subject to applicable local laws.

 Read more at bp.com/careers

Developing the talent pool

Under-representation of women in science, technology, engineering and maths (STEM) subjects during education continues to hinder gender representation in bp.

As outlined in aim 12 of our sustainability frame, we support a range of initiatives to strengthen the education system in countries around the world, which include the bp Global STEM Academies. We support a range of other activities to encourage students to study STEM subjects.

To help build a pipeline of STEM students, the bp educational service offers, among other activities, digital resources to help teachers bring science to life, with more than 10,000 downloads in January 2021.

We run events each year to celebrate International Women in Engineering Day. These include inviting women into our offices – in person or virtually – to meet female bp engineers and learn about their careers and different types of engineering, with the aim of breaking down stereotypes.

 Read more at bp.com/sustainability

Progression

We routinely focus on identifying high-potential people, ensuring they have robust career and development plans.

In 2021, a key inclusion focus was on development and progression interventions to support Black and African American colleagues and we piloted our Leadership Inclusion for Talent (LIFT) development programme. Of the 21 individuals who participated, 15 were women.

The programme included three virtual instructor-led workshops focused on self discovery; a suite of development assessments to identify targeted opportunities for advancement; one to one coaching; and, reciprocal mentoring with senior leaders at bp.

Our global women's international network continued to provide a framework of support and mentoring for women across bp and acted as a key partner as we worked on our renewed gender ambition for 2022 and beyond.

Retention

We want to make sure that women – including those who have been on a period of leave – stay with bp and have opportunities to progress.

Our maternity leave return rates have been over 88% for the past three years, and we anticipate that our adoption of increased flexible working will help improve this.

The increase in senior female leaders has provided more positive role models, demonstrating the opportunities for women to progress at bp.

Our focus on data is helping us to better understand where in the employee lifecycle women experience barriers and we are working to remove these through interventions such as coaching and sponsorship and the support of our business resource groups.

Statutory reporting: bp gender pay data for 2021

Five of our UK entities have at least 250 employees. Together these employ around 13,000 people. Under current regulations we're required to report bp gender pay and bonus gaps for these entities at 5 April 2021.

bp gender pay data

| Legal entity | Reportable Pay Gap (%) | | | | Reportable Bonus Gap (%) | | | | % receiving bonus ^a | | | | Women (%) | |
|--|------------------------|------|--------|------|--------------------------|--------|--------|-------|--------------------------------|------|-------|------|-----------|------|
| | Mean | | Median | | Mean | | Median | | Men | | Women | | 2020 | 2021 |
| | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 | 2021 | | |
| BP Oil UK Limited | 18.0 | 11.8 | 11.3 | 8.8 | 43.8 | 82.9 | 15.5 | 47.3 | 97.6 | 7.7 | 98.2 | 7.2 | 40 | 41 |
| BP p.l.c. | 22.6 | 19.0 | 19.4 | 16.2 | 65.2 | 54.9 | 34.2 | 36.3 | 95.5 | 25.1 | 95.0 | 11.9 | 43 | 42 |
| BP Exploration Operating Company Limited | 22.1 | 14.5 | 23.6 | 14.6 | 23.4 | -277.3 | 26.1 | -46.9 | 98.1 | 18.2 | 95.9 | 5.2 | 26 | 24 |
| BP Express Shopping Limited | 3.6 | 4.1 | 2.1 | 2.6 | 6.8 | 8.5 | 3.0 | -7.2 | 16.0 | 19.8 | 13.1 | 15.2 | 48 | 48 |
| BP Chargemaster Limited (bp Pulse) | 21.6 | 19.5 | 19.4 | 22.3 | 59.7 | 75.6 | 8.5 | 0.0 | 33.1 | 85.7 | 30.2 | 83.2 | 29 | 29 |

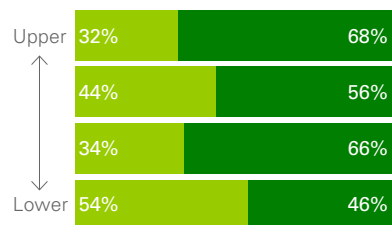
^a The percentage of employees receiving a bonus in BP Oil UK Limited, BP p.l.c and BP Exploration Operating Company Limited significantly reduced in 2021 as there was no bp annual bonus payment in 2021 due to the prevailing economic and financial environment. A limited number of employees with different remuneration models did receive a bonus.

Proportion of men and women in each quartile band

● Women ● Men

BP Oil UK Limited

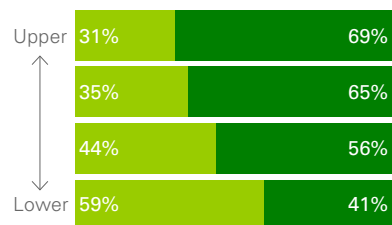
Mean pay gap: 11.8%



bp oil represents our customers and products business including our lubricants businesses.

BP p.l.c.

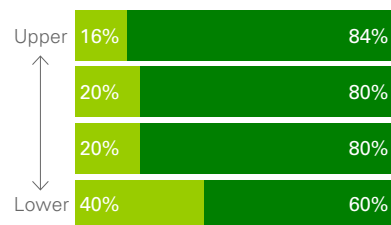
Mean pay gap: 19.0%



bp p.l.c. predominantly covers employees in corporate business and functions, including our trading business.

BP Exploration Operating Company Limited

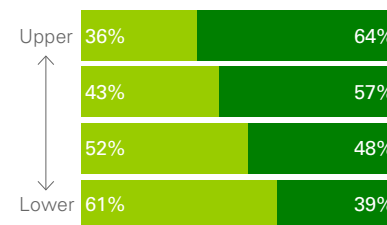
Mean pay gap: 14.5%



bp exploration covers production and operations activities in the UK, principally North Sea operations.

BP Express Shopping Limited

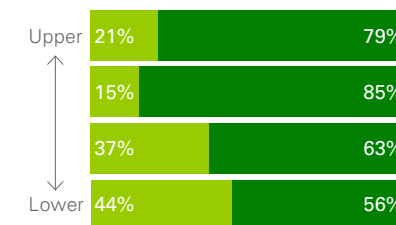
Mean pay gap: 4.1%



bp express shopping is our largest UK employing business, concerned with retail operations supporting our UK-wide network of forecourts.

BP Chargemaster Limited (bp Pulse)

Mean pay gap: 19.5%



bp pulse (Chargemaster) is one of the UK's leading providers of electric vehicle charging infrastructure in the UK.

UK ethnicity pay gap

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Introduction

In August 2020 we stated our intent to publish our UK ethnicity pay gap data as part of our UK framework for action, regardless of any mandatory requirement to do so.

//
I'm pleased we are reporting our UK ethnicity pay gap for the first time; this supports our aim of increasing transparency and improving representation. This is not only right from an equity standpoint, it also allows us to better understand what we can do to help improve inclusion at bp. //

Murray Auchincloss,
chief financial officer
and UK ethnicity champion

2021 mean ethnicity pay gaps (%)^b

-11.7
bp oil

9.1
bp p.l.c.

This data is a snapshot as at 5 April 2021. The data has been calculated and reported using the same methodology as the legally required gender pay gap data but applying an ethnicity lens comparing white employees with employees from other ethnic backgrounds.

As a general rule, we collect ethnicity data through self-identification. The data includes employees who have self-declared their ethnicity, which is more than 80% for four of the five legal entities which are in scope^a.

We are not able to report an ethnicity gap for bp pulse as the company does not currently collect ethnicity data. We are working to be able to include bp pulse data in future reports.

6.8
bp exploration

-3.5
bp express shopping

% representation of other ethnic background^c

| Senior level leaders and above ^d | 2021 |
|---|------|
| bp oil | 16.0 |
| bp p.l.c. | 16.0 |
| bp exploration | 11.0 |

| First level leaders and below ^e | 2021 |
|--|------|
| bp oil | 13.0 |
| bp p.l.c. | 25.0 |
| bp exploration | 16.0 |

What the data shows

The mean ethnicity pay gap is narrower for all legal entities than the gender pay gap. As with the gender pay gap, the ethnicity pay gap arises as a result of uneven representation between senior and more junior levels – see table above for details of representation in bp oil, bp p.l.c. and bp exploration. bp oil and bp express shopping have a negative ethnicity pay gap in favour of other ethnic backgrounds as they have a larger proportion of employees from other ethnic backgrounds at senior levels than at junior levels.

Despite the favourable pay gap in some entities, the proportion of employees of other ethnic backgrounds is low in comparison to white employees and we are working hard to improve representation levels to align with representation in the markets where we operate.

Why we have an ethnicity bonus gap

We have a bonus pay gap in favour of employees of other ethnic background in both bp oil and bp exploration, see page 10, but this gap is largely the result of vesting of individual share awards as there was no bp annual bonus payment in 2021. For this reason, we are likely to see a fluctuation in numbers for 2022.

The basis of reporting our UK ethnicity pay gap

We currently collect and report ethnicity data using country specific terminology. In the UK, that terminology is defined by the UK Government and the Office of National Statistics (ONS). Aggregated, those ethnic minority groups are defined as – Black/Black British, Asian/Asian British, Mixed/Multiple ethnic groups and Other ethnic group.

We have elected to use just two categories for reporting our UK ethnicity pay gap, for simplicity and to maintain employee confidentiality:

- White covers all white backgrounds.
- Other ethnic backgrounds covers all other declared ethnicities.

^c As at 5 April 2021.

^d This covers senior level leaders and group leaders. Group leaders are our most senior leaders and senior level leaders are the leadership tier below group leaders.

^e This is all employees below our senior level leader population.

^a In-scope entities are UK entities with more than 250 employees.

^b Data as at 5 April.

The action we're taking to improve minority representation

We are increasing our focus on equity – which means fair treatment according to individual's different needs – with the aim of becoming a more inclusive employer that embraces the full breadth of diversity the world has to offer.

We recognize that the challenges facing our ethnic minority employees are multifaceted. Limited sponsorship opportunities, limited tailored development and unconscious bias have often been barriers to their ability to be successful in the organization.

Ethnic minority employees make up approximately 17% of our overall workforce in the UK, a trend that has remained steady over the last three years and is consistent across the company. Our representation is in line with the UK average, however, when compared to the diversity of the southeast of England where we are primarily based, it's clear we still have some way still to go.

UK ethnic minority ambition

To support our inclusion aims with respect to ethnic minority inclusion and representation, we have established a new UK ethnicity ambition to achieve:

- 15% of our senior leader roles (SLL and above) held by minorities.
- 25% of our first level leader roles and below (FLL and below).
- 20% overall increase in Black representation across all levels.

bp employees (% from ethnic minority background), UK^{abc}

| | 2018 | 2019 | 2020 | 2021 |
|-----------------|------|------|------|------|
| All employees | 15 | 15 | 16 | 17 |
| Graduate hires | – | – | – | 32 |
| Group leaders | 7 | 7 | 9 | 14 |
| Senior leaders | 9 | 10 | 12 | 13 |
| Board directors | – | – | 8 | 10 |

a As at 31 December.
 b 13% of UK employees did not disclose their ethnic background.
 c At present, bp Pulse and bp Express Shopping do not collect ethnicity data for time periods beyond that required for the pay gap calculation.

Our UK framework for action

In August 2020, we set out 13 commitments as part of our UK framework for action. This framework guides how we will improve DE&I at bp. A number of these relate to improving minority representation and supporting our people.

Read more in our [DE&I report 2020](#)



Accountability

We launched our Race for Equity training programme in 2021, aimed at helping our employees understand and explore the systems and processes that underpin racism and each employee's role in ensuring bp is an inclusive and equitable workplace where all of our employees can be successful.

The training started with our group leader population and we plan to roll it out across the UK over the next two years.

Talent

Our diversity and inclusion policy guides our approach to hiring, see page 5.

Our 'widening participation' programme is driving talent attraction through universities

by promoting STEM career paths to ethnic minority graduates, in particular to disciplines with low ethnic diversity.

We have a specific focus on Black talent. Our 'LIFT' programme supports our Black and African American employees to help address under-representation at senior levels.

As part of our wider action plans supporting our early to mid-career talent, we have

participated in a third-party programme focused on delivering a differentiated learning offer to our ethnic minority talent.

Our work with McKinsey has provided the opportunity for 101 Black heritage employees to access our Black leadership programme. The programme offers global networking opportunities across a variety of industry sectors as well as practical exposure to strategic decision making and problem-solving skills development.

In addition, our work with KPMG's cross-business mentoring programme has created further opportunities for ethnic minority talent to access mentoring exposure across a variety of industry sectors.

bp ethnicity pay data for 2021

We are reporting ethnicity pay gap data for four of our UK entities as at 5 April 2021.

bp ethnicity pay data^a

| Legal entity | Reportable Pay Gap (%) ^b | | Reportable Bonus Gap (%) ^c | | % receiving bonus | |
|--|-------------------------------------|--------|---------------------------------------|--------|-------------------------|-------|
| | Mean | Median | Mean | Median | Other ethnic background | White |
| | 2021 | 2021 | 2021 | 2021 | 2021 | 2021 |
| BP Oil UK Limited | -11.7 | -8.0 | -270.4 | 33.3 | 9.1 | 5.9 |
| BP p.l.c. | 9.1 | 4.7 | 48.5 | 29.3 | 17.5 | 19.7 |
| BP Exploration Operating Company Limited | 6.8 | 1.6 | -419.1 | -54.0 | 6.3 | 16.5 |
| BP Express Shopping Limited | -3.5 | -11.9 | 7.2 | 18.1 | 14.3 | 20.9 |

a bp Pulse data is not currently collected or reported.

b BP Oil UK Limited and BP Express Shopping Limited have a negative ethnicity pay gap in favour of other ethnic backgrounds as they have a larger proportion of employees from other ethnic backgrounds at senior levels than at junior levels.

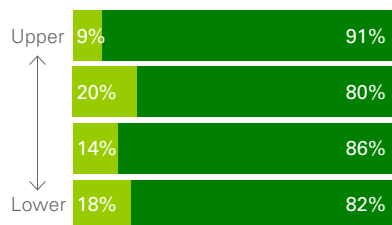
c The percentage of employees receiving a bonus in BP Oil UK Limited, BP p.l.c. and BP Exploration Operating Company Limited significantly reduced in 2021 as there was no bp annual bonus payment in 2021 due to the prevailing economic and financial environment. A limited number of employees with different remuneration models did receive a bonus.

Proportion of white and other ethnic background employees in each quartile band

● Other ethnic backgrounds ● White

BP Oil UK Limited

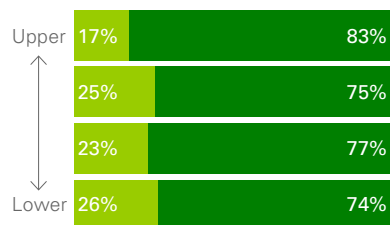
Mean pay gap: -11.7%



bp oil represents our customers and products business including our lubricants businesses.

BP p.l.c.

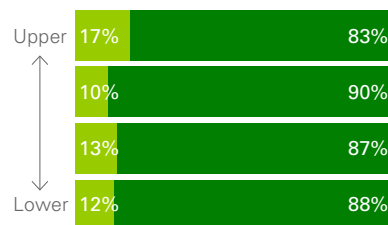
Mean pay gap: 9.1%



bp p.l.c. predominantly covers employees in corporate business and functions, including our trading business.

BP Exploration Operating Company Limited

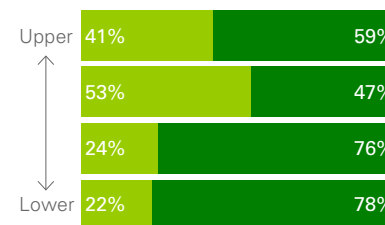
Mean pay gap: 6.8%



bp exploration covers production and operations activities in the UK, principally North Sea operations.

BP Express Shopping Limited

Mean pay gap: -3.5%



bp express shopping is our largest UK employing business, concerned with retail operations supporting our UK-wide network of forecourts.

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