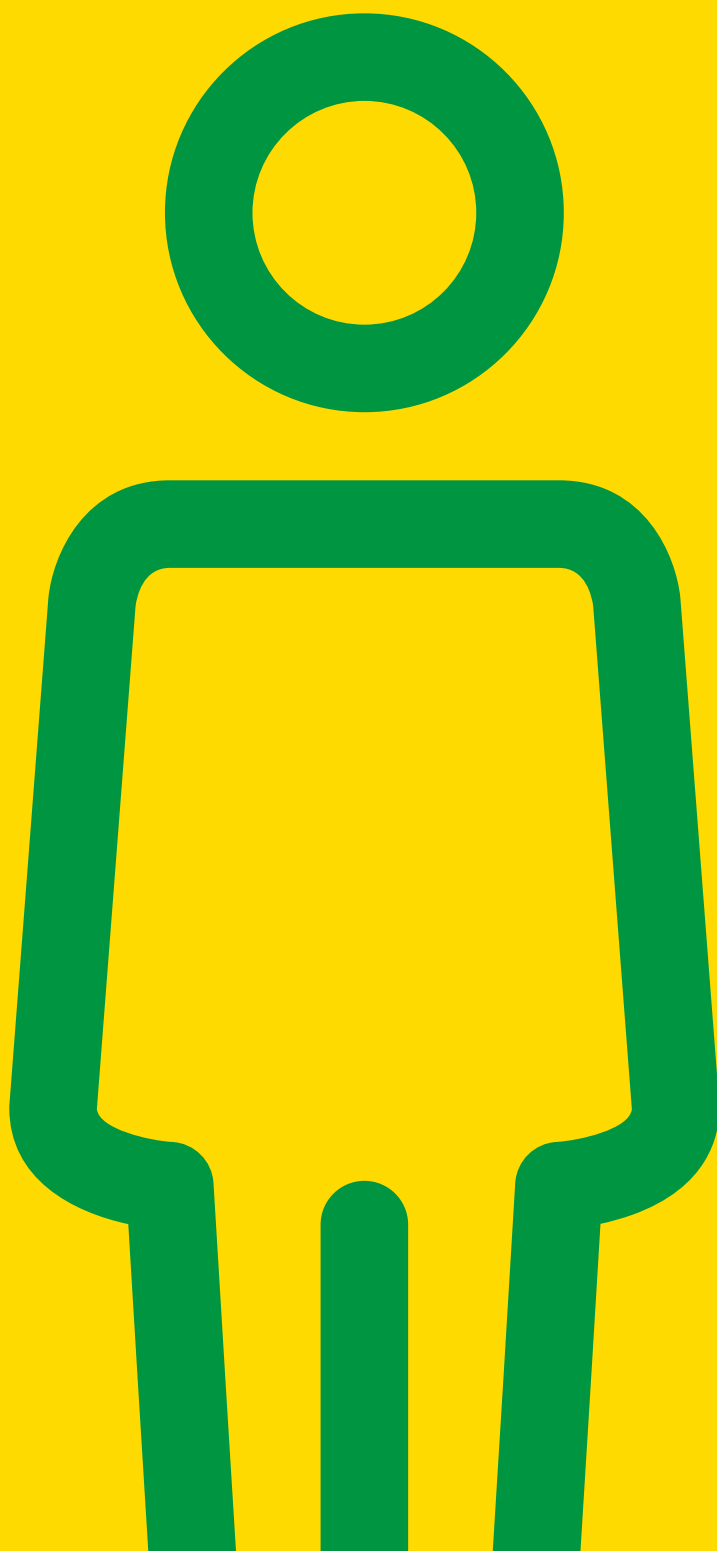



BP gender pay gap report 2018



Our UK gender pay gap in 2018



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

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 make a difference and give their best.

Under legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap. We published our first report in February 2018 and we are reporting here on five BP businesses that together employ around 15,000 people across the UK. This report is based on our people data at 5 April 2018.

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 2.0% in BP Chemicals to 29.4% 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 are working to reduce those differences over time, recognizing that this is a long-term challenge to address.

We have seen a slight improvement this year in the female representation in leadership roles, and the 2018 gender pay gap data does show some improvements compared to 2017.

In the UK just 22% of roles in core science, technology, engineering and mathematics (STEM) occupations are held by women.

Shifting the gender imbalance will require a significant change in both our industry and society at large.

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 is a principal partner of the Royal Academy of Engineering's *This is Engineering* campaign. Both of these partnerships are making significant impact on how young people see themselves in relation to STEM careers, but these are long-term initiatives that take many years to bear fruit in the labour market.

It is not enough though just to recruit from a more diverse talent pool. We are also aware that retention and progression of females in our workforce are important issues 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 35% of BP's global population and 24% of group leaders – our most senior managers – at the end of 2018. Our aim is for women to represent at least 25% of group leaders by 2020. In 2018 we appointed two women to our most senior executive team, and the female representation on our company board is now above 30%.

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

Declaration

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



Simon Ashley
UK HR director

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				Female ratio (%)	
	Mean		Median		Mean		Median		Men 		Women 		2017	2018
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
BP Chemicals	-0.3	2.0	-2.8	-6.8	-9.8	-9.1	19.5	13.4	99.2	99.2	95.8	98.6	84	78
BP Oil	16.3	13.7	15.5	11.6	36.7	27.4	21.9	27.5	98.6	97.6	95.4	95.0	60	59
BP p.l.c.	22.6	24.0	20.8	19.8	63.5	65.0	41.1	38.8	96.6	96.9	97.1	96.1	58	58
BP Exploration	27.7	29.4	28.1	29.1	25.7	25.5	21.4	28.3	99.6	99.5	98.8	98.4	80	78
BP Express Shopping	3.5	3.1	3.1	1.8	16.7	0.2	14.3	0.8	37.7	15.5	36.2	12.2	53	52

Audit note: We incorrectly included a wage type in the 2017 dataset that had a small effect on how we reported four pay gap numbers. This was promptly reported to the Government Equalities Office. The impacts were as follows:

- BP Chemicals over-reported the mean pay gap by 0.3%
- BP Exploration over-reported the median pay gap by 0.2% and the mean pay gap by 2.9%
- BP Oil under-reported the median pay gap by 0.9%

The table above includes the restated 2017 figures for year-on-year comparison.

Key  Men  Women

Proportion of females and males in each quartile band

The charts below show how men and women are represented in each pay band. A similar gender 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 represents our Downstream fuels and lubricants businesses.



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



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



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

Key  Men  Women

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 35%), there are still proportionally fewer women at our most senior levels (24%). Female representation has increased in leadership roles overall since 2017 leading to small reductions in average pay gaps.

Pay and bonus are 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.

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 currently 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.

Bonus gaps will tend to fluctuate from year to year – Bonus gaps will typically show more volatility as they include one-off payments such as spot bonuses or certain types of share awards.

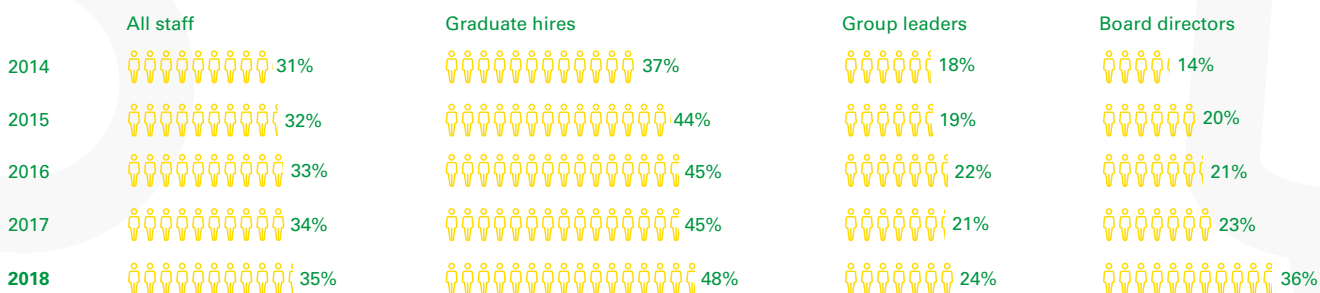
How we are supporting long term growth in our female talent

We want to attract, motivate, develop and retain the best talent from the diversity the world offers. Our ambition is for 25% of our group leaders and 30% of our senior level leaders to be female by 2020.

We are making continued progress towards this ambition, and 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.

Developing the talent pool – We have been investing in STEM education in the UK for 50 years, helping 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. This concluded in 2018 and the impact of this research was recently recognised by an award from the British Education Research Association.

We are embedding this research in professional development for teachers and other educators through the BP-funded Science Museum Group Academy and our ongoing support for *Project ENTHUSE* at the National STEM Learning Centre, which is the largest provider of subject-specific continuing professional development training for STEM teachers and technicians across the UK.

We also joined the Royal Academy of Engineering's *This is Engineering* campaign as a principal funder, which is significantly increasing the proportion of females considering careers in engineering.

[Find out more](#)

How we are supporting long term growth in our female talent [continued](#)

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.

[Find out more](#)

Retention – We know that there is a wide range of issues that affects retention within the workplace, including return to work support. We are committed to the provision of flexible working arrangements to support employees as they 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 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.

[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 progress in terms of female representation at senior and group leader levels since 2012 (increasing from 18% to 25% and 17% to 24% respectively). Below this, the female proportion of our first level leaders now stands at 32%.

We incentivize this focus on developing talent through the reward plans for our group leaders.