



Gender pay gap report 2020

June 2021

Introduction



The workforce in our industry has been mostly men right from the start. That has to change, and it is changing. Globally, the proportion of women in bp is higher than it's ever been following our top to bottom Reinvent programme – and the biggest shifts have been at a senior level, where almost 40% of our top team are women.

Having said that, our gender pay gap is not closing as fast as we would like. That's disappointing and frustrating. It says we have to focus even harder on this important area – and we are – to be the truly diverse company we want to be, sooner rather than later. //

Bernard Looney
Chief executive officer

In 2020, we set out a new purpose – reimagining energy for people and our planet, a new ambition – to be a net zero company by 2050 or sooner and to help the world get to net zero – and a strategy to pivot our company from an International Oil Company to an Integrated Energy Company. In order to achieve this we have begun to transform the company through our Reinvent bp programme.

Our people are critical if we are to deliver on our strategy. 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 – roles with higher pay and bonus are male dominated, and uneven gender representation. We recognize that this is a long-term challenge.

And as part of our wider commitment to transparency and accountability, we plan to voluntarily publish data on our ethnicity pay gap in addition to gender pay gap data in 2022.

2020 mean pay gaps (%)^a

5.1

bp chemicals
2019: -1.2



22.1

bp exploration
2019: 26.8



18.0

bp oil
2019: 14.9



3.6

bp express shopping
2019: 3.6



22.6

bp p.l.c.
2019: 21.8



21.6

bp pulse
2019: not reported

● Increase in pay gap ● No change in pay gap ● Decrease in pay gap

^a Data as at 5 April 2019 and 5 April 2020.

What the data show

This is our fourth 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 report data for six UK entities. As with previous years our data shows different pay gaps across these entities.

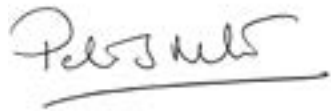
Our mean gender pay gaps across the six reporting entities range from 3.6% in bp express shopping to 22.6% in bp p.l.c, compared to a range of -1.2% to 26.8% in 2019. This is broadly flat – while we no longer have a pay gap in favour of women (in bp chemicals), our highest pay gap has dropped by 4.2%, from 26.8% to 22.6%.

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

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

Reinvent bp

In 2020, we undertook the biggest global organizational restructure in our company's 112 year history – reducing our office-based workforce by almost 25%.

The impact of this restructure is not reflected in this 2020 pay gap report as it took place after the snapshot date of 5 April and selection processes are continuing through 2021.

We aim to provide information on the impact of the restructure in future gender pay gap reports.

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.

Our gender pay and bonus gaps exist primarily because we employ different numbers of men and women at different levels in our workforce; and specifically in roles that attract higher pay, bonuses or allowances.

There are three main reasons we continue to have a pay and bonus gap: Uneven gender representation

Although we've improved representation overall, there are still proportionally fewer women working at our most senior levels. Pay and bonuses are higher at more senior levels, so this imbalance in gender representation across levels results in a gap between mean and median pay and bonuses for men and women in most of our entities, particularly in bp p.l.c.

Roles with higher pay and bonus are 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 and contribute to our highest pay gap. Trading roles, where pay is weighted heavily towards performance bonuses, are predominantly still carried out by men.

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

Fluctuations in bonus gaps

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 and the numbers are also influenced by individual decisions in relation to encashment of equity.

Gender balance in bp^a

Overall, the proportion of women employed across bp is higher than ever before, with women accounting for 39% of our global workforce in 2020^a (38% in 2019).

In 2012, we set two 2020 gender goals across the company: for women to hold 25% of our group leader roles and 30% of our senior level leader roles. At the end of 2020 29% of our group leaders were women, compared to 17% in 2012, an increase of 71%. We were still short of our 30% goal for senior level leaders, with 27% of these roles held by women in 2020.

In 2020, we stood up our new organizational structure, with 33% of our entities being led by women – strategy & sustainability, trading & shipping, people & culture and customers & products.

We saw a decrease in the percentage of women graduates joining the company, 40% in 2020 compared to 45% in 2019. This is disappointing, but reflects a year where we generally had fewer new joiners. 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.

Looking ahead, we're finalizing our new gender goals to take us to 2025 and 2030 and we plan to announce these in 2021.

^a As at 31 December 2020.

bp employees (% women) globally^b

	2017	2018	2019	2020
All employees	34	35	38	39
Graduate hires	45	48	45	40
Group leaders ^c	21	24	25	29
Senior leaders ^d	24	25	26	27
Board directors	23	36	42	45

^b % women as at 31 December 2020.

^c Group leaders are our most senior leaders and there were 270 across bp as at 31 December 2020. Their roles range from operational, functional and regional leadership – including large asset management and specialized technical and business functions – up to executive directors.

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

The action we're taking

We are working to build a diverse and inclusive working environment, where everyone is accepted and differences are valued. We do not tolerate illegal discrimination. In 2020, we continued to take action to improve gender representation and support women across our businesses.

This includes looking at our attraction and recruitment practices through to how we help women progress their careers. More than half of the senior vice president global appointments in our innovation & engineering integrator (an area of the business which has historically been male-dominated) were women.

We're also continuing to involve men in our efforts to improve gender balance and we have plans to roll out 'gender listening lounges' globally this year, including in our trading & shipping integrator – where women are under-represented.

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.

We have a clear diversity and inclusion policy that guides our approach to hiring. We call this our 'rules of the road' and it ensures we have diverse pools of applicants and assessment panels whenever possible.

→ Read more about this at bp.com/candidatecharter

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 new sustainability frame, we already support a range of significant initiatives to strengthen the education system in countries around the world. In addition to these initiatives, which include the bp Global STEM Academies and bp educational service, we also support a range of other activities to encourage students to study STEM subjects.

We work with the Royal Academy for Engineering and in 2020 sponsored their 'This Is Engineering' campaign. This highlighted how engineers are making a difference to real-world issues and transforming perceptions of engineering among 13-18 year olds.

→ Read more at bp.com/sustainability

Progression

We routinely focus on identifying high-potential people, ensuring they have robust career and development plans and for the past three years we have run a women's talent programme for senior leaders.

We ask our senior leaders to sponsor and mentor talented women. For example, in 2020 we ran a reciprocal mentoring programme, which paired senior-level women with more senior group-level male leaders, to share their different perspectives.

In 2020, our women's international network and other business resource groups established informal weekly 'gender listening lounges' through which colleagues could share their experiences of lockdown, including working parents and carers, those who identify as racial and ethnic minorities, people with disabilities, and LGBTQ+ people.

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.

We're proud that 90% of our women employees return to us after maternity leave. We are working hard to ensure women have opportunities to progress their careers when they do return.

In 2020, we introduced a new child time leave policy, for partners, spouses and dads to take up to six weeks' paid leave within the first 24 months of welcoming a new child. This complements bp's other family-related leave policies.

Statutory reporting: bp gender pay data for 2020

Six of our UK entities have at least 250 employees. Together these employ around 14,300 people. Under current regulations we're required to report bp gender pay and bonus gaps for these entities at 5 April 2020.

bp gender pay data^a

Legal entity	Reportable Pay Gap (%)				Reportable Bonus Gap (%)				% receiving bonus				Women (%)	
	Mean		Median		Mean		Median		Men		Women		2019	2020
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020		
BP Chemicals Limited	-1.2	5.1	-10.1	-9.4	-113.3	23.5	14.8	9.0	96.4	98.0	98.7	97.4	23	24
BP Oil UK Limited	14.9	18.0	10.2	11.3	26.0	43.8	27.2	15.5	98.9	97.6	95.7	98.2	41	40
BP p.l.c	21.8	22.6	18.8	19.4	65.8	65.2	41.2	34.2	95.8	95.5	95.1	95.0	44	43
BP Exploration Operating Company Limited	26.8	22.1	25.5	23.6	32.7	23.4	29.0	26.1	99.0	98.1	98.9	95.9	23	26
BP Express Shopping Limited	3.6	3.6	4.0	2.1	10.9	6.8	4.3	3.0	16.0	16.0	12.7	13.1	48	48
BP Chargemaster Limited (bp Pulse) ^b	-	21.6	-	19.4	-	59.7	-	8.5	-	33.1	-	30.2	-	29

a Following the change in HR system from SAP to Workday during 2019, a small number of minor pay and bonus components have been updated in their classification and the 2019 pay gap information for bp Chemicals, bp Oil, bp p.l.c and bp Exploration have therefore been updated in the table above as a result.

b bp Pulse has been included in our 2020 reporting for the first time.

Proportion of men and women in each quartile band

● Women ● Men

BP Chemicals Limited

Mean pay gap: 5.1%



bp Chemicals is our petrochemicals business in the UK, principally our operations in Hull. It was divested in January 2021.

BP Exploration Operating Company Limited

Mean pay gap: 22.1%



bp Exploration covers upstream activities in the UK, principally North Sea operations.

BP Express Shopping Limited

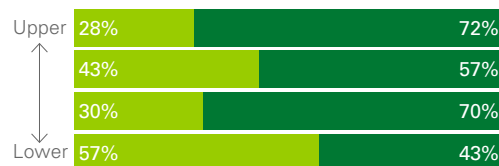
Mean pay gap: 3.6%



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

BP Oil UK Limited

Mean pay gap: 18.0%



bp Oil represents our downstream fuels and lubricants businesses.

BP p.l.c

Mean pay gap: 22.6%



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

BP Chargemaster Limited (bp Pulse)

Mean pay gap: 21.6%



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

