

# Gender and ethnicity pay gap report 2022

## About this report

This is our sixth 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 report data for five UK entities which have more than 250 employees.

We also include 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 and a key part of our UK DE&I framework for action, which guides how we will improve DE&I at bp in three areas: transparency, accountability, and talent.



We've made progress towards closing our UK gender pay gap — but there's still more work to do. Our pay gap will only close when we improve representation of women working in senior roles. That's why we want to achieve gender parity for the top levels of leadership by 2025, and for all executive level employees by 2030. We need to reflect the diversity of the world we operate in.

#### Louise Kingham CBE

SVP, Europe and head of country, UK



To address our UK ethnicity pay gap, we must focus on achieving our 2025 ambition for ethnic minority representation. This ambition includes our aim to increase representation at all levels – including senior leaders. //

#### **Murray Auchincloss**

Chief financial officer, UK ethnicity champion

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

## Cautionary statement

Please note the ambitions, goals, aims and targets set out in the bp gender and ethnicity pay gap report 2022 will comply with bp's code of conduct and applicable laws.

## UK gender pay gap

For bp to be successful, and deliver our strategy and net zero ambition, we need great people and diverse teams. We need to continue to work on addressing our gender pay gap.

We want to do more to develop and foster a diverse and inclusive workplace for all our employees. This includes addressing the underlying reasons for our gender pay gap. We recognize that this is a long-term challenge, however, we have continued to make some progress in improving representation in 2022.

#### What the data shows

Our mean gender pay gaps have narrowed in bp plc and bp express shopping. There was a slight increase in bp oil and bp exploration, and a larger increase in bp pulse. Since we began reporting our gender pay data in 2017, our pay gap has seen a general downward trend.a

## Why we have a bonus gap

As there was no bp annual bonus payment in 2021, due to the prevailing economic and financial environment, so the 2021 bonus numbers mainly reflect vesting of ad hoc individual share awards rather than bonus payments. This means the figures are not reflective of a normal bonus year and helps to explain the volatility between the 2021 and 2022 figures.

## 2022 mean gender pay gaps (%)b

12.5

•271

bp oil 2021: 11.8

bp plc

2021: 19.0

bp exploration 2021: 14.5

bp pulse 2021: 19.5

•3.8

bp express shopping 2021: 4.1

 Increase in pay gap Decrease in pay gap

Why we have a 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:

## 1. Uneven gender representation

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 4, we expect to see the pool of women candidates for these senior roles increase

## 2. 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.

## Gender balance in bp

Overall, the proportion of women employed across bp remained at 39% of our global workforce in 2022 (39% in 2021).

We have committed to an ambition of gender parity for the top levels of leadership (top 120 roles) by 2025 and an ambition of parity for all executive level employees (group leaders) by 2030. And we have committed to an ambition of 40% female representation for the next layer of senior leadership (senior level leaders) by 2030. Our understanding of gender identity is evolving and our ambitions will reflect this over time.

Read more about the action we're taking to improve representation on page 4.

## bp employees (% female) globally<sup>c</sup>

|                            | 2019 | 2020 | 2021 | 2022 |
|----------------------------|------|------|------|------|
| All employees              | 38   | 39   | 39   | 39   |
| Group leaders <sup>d</sup> | 25   | 29   | 32   | 33   |
| Senior leaderse            | 26   | 27   | 29   | 30   |
| Board directors            | 42   | 45   | 40   | 45   |
|                            |      |      |      |      |

- a Excluding bp pulse, which was reported on for the first time in 2020.
- b Data as at 5 April.
- c As at 31 December.
- d Group leaders are our most senior leaders. Their roles range from operational, functional and regional leadership up to executive directors.
- e Senior leaders are the leadership tier below group leaders. They typically manage larger teams or are recognized as technical or functional experts.

## UK ethnicity pay gap

Our ethnicity pay gap data is a snapshot as at 5 April 2022. It is 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 the four legal entities which are in scope. 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.

#### What the data shows

The mean ethnicity pay gap is narrower for all legal entities than the gender pay gap. In bp express shopping and bp oil we have a small negative pay gap in favour of employees of other ethnic background. But the gap for bp exploration and bp plc has increased since 2021. As with the gender pay gap, there is an ethnicity pay gap because of uneven representation at different levels in the organization.

Although in some entities average pay for other ethnic background employees is higher than the average pay of white employees, the proportion of employees from 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, including the UK.

## 2022 mean ethnicity pay gaps<sup>g</sup>

**•**-1.5

•14

**bp oil** 2021: -11.7

**bp exploration** 2021: 6.8

•13.9

•-2.5

**bp plc** 2021: 9.1

bp express shopping 2021:-3.5

Increase in pay gapDecrease in pay gap

# Why we have an ethnicity bonus gap

Similar to the gender bonus gap, described on page 2, ethnicity bonus gaps in bp show some volatility between 2021 to 2022. The 2021 figures largely reflect ad hoc payments, such as spot bonuses and ad hoc vesting of individual share awards, so are not reflective of a normal bonus year.

# 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.

## **UK ethnic minority ambition**

Employees with other ethnic backgrounds make up approximately 19% of our overall workforce in the UK, an upward trend that has consistently increased over the last three years. 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. To support our UK ethnic minority inclusion and representation ambitions we aim to achieve:

- 15% of our senior leader roles held by employees with other ethnic backgrounds.
- 25% of our first level leader roles and below held by ethnic minorities.
- 20% overall increase in Black representation across all levels.

# bp employees (% from ethnic minority background), UK<sup>h,i,j</sup>

|                 | 2019 | 2020 | 2021 | 2022 |
|-----------------|------|------|------|------|
| All employees   | 15   | 16   | 17   | 19   |
| Graduate hires  | _    | _    | 32   | 46   |
| Group leaders   | 7    | 9    | 14   | 14   |
| Senior leaders  | 10   | 12   | 13   | 14   |
| Board directors | _    | 8    | 10   | 9    |

- f In-scope entities are UK entities with more than 250 employees.
- g Data as at 5 April.
- h As at 31 December.
- i 12% of UK employees did not disclose their ethnic background.
- j At present, bp Pulse and bp Express Shopping do not collect ethnicity data for time periods beyond that required for the pay gap calculation.

# The action we're taking to improve representation

Our ambition as an organization is to attract and develop the very best talent the world has to offer, regardless of background or identity. This means we have to engage and support our people throughout their careers at bp to provide them with the resources they need to achieve their potential.

#### **Transparency**

Providing accurate data internally and externally to identify gaps, set direction and monitor progress.

- We've improved the governance of DE&I by establishing DE&I councils in the UK and US to drive better reporting and delivery of bp's DE&I frameworks for action.
- Each entity has developed action plans focused on improving transparency, accountability and talent (the components of our DE&I frameworks for action).
- We have equipped our leaders with better DE&I data which they can use to help identify areas for improvement, and better understand areas of progress. Our data is refreshed monthly, and available 24/7.

## Read more



Visit **bp.com/careers** for information about working at bp

## **Accountability**

Creating collective accountability for DE&I across the whole organization.

Our Race for Equity programme focuses on leadership and accountability, demonstrating our commitment to greater racial equity. It explores how we show up, speak up in tough situations and cultivate a culture of care through:

- Highlighting challenges facing people of different races and how to better understand our employees' needs.
- Sharing different perspectives on race issues, employee stories and the impact of bias, stereotypes and systemic racism.
- Exploring how to navigate difficult conversations about race and privilege.
- Committing to speaking up and being an ally.
- We rolled the programme out to all our US and UK leaders in 2021 and to all US and UK employees in 2022.

In 2022 we expanded our long-term incentive plan scorecard for group leaders to include DE&I measures. The decision was supported by bp's board-level remuneration committee.

#### **Talent**

Providing talent processes and programmes to create equity of opportunity.

Across the talent lifecycle we focus on key events, such as hiring, to better understand how to reduce the effects of unconscious bias and increase transparency of our processes and systems. We want to embed our culture of care in how we develop our pipeline of future talent.

- Hiring inclusively: We have launched 'Hiring Inclusively', a set of globally consistent recruiting principles to help enable an inclusive, equitable approach to hiring. It allows recruiters to review internal and external market data for skills availability by gender and by other historically underrepresented groups in some geographies.
- bp Global STEM Academies: We know that under-representation of women in science, technology, engineering and maths (STEM) subjects during education continues to hinder gender representation in bp. We support a range of initiatives to strengthen the education system in countries around the world, which include the bp Global STEM Academies.

- Leadership Inclusion for Talent (LIFT):
- Our LIFT programme supports the development and progression of Black and African American colleagues at bp. Participants partner with each other and with senior leaders to enhance understanding of the experiences of working at bp and to build networks. Following competitive internal recruitment processes, more than 20% of the 2022 cohort were promoted while on the programme. Our 2023 cohort is targeted at more junior-level employees, as our data helped us identify these groups as an area of focus. We're currently working to expand the LIFT programme to include women and other ethnic minority groups.
- Social mobility: We know that both gender and ethnicity have an intersection with social mobility, which is why we developed a framework for action to provide fair access to job opportunities. One element of the framework is an ambition to more than double the number of apprenticeships we offer globally by 2030. In 2023 we plan to hire 60 UK office-based apprentices, an uplift of 40% year on year.

# Statutory reporting: bp gender pay data for 2022

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 2022.

## bp gender pay data

**BP Oil UK Limited** 

Upper 34%

Lower

| Legal entity                             | Reportable Pay Gap (%) |      |      |             | Reportable Bonus Gap (%) |      |       |      | % receiving bonus <sup>k</sup> |      |      |      | Women (%) |      |
|--|------------------------|------|------|-------------|--------------------------|------|-------|------|--------------------------------|------|------|------|-----------|------|
|  | Mean Median            |      | an   | Mean Median |                          |      | Men   | 1    | Women                          |      |      |      |           |      |
|  | 2021                   | 2022 | 2021 | 2022        | 2021                     | 2022 | 2021  | 2022 | 2021                           | 2022 | 2021 | 2022 | 2021      | 2022 |
| BP Oil UK Limited                        | 11.8                   | 12.5 | 8.8  | 8.6         | 82.9                     | 29.0 | 47.3  | 29.9 | 7.7                            | 95.7 | 7.2  | 94.7 | 41        | 41   |
| BP p.l.c.                                | 19.0                   | 14.9 | 16.2 | 14.1        | 54.9                     | 50.0 | 36.3  | 28.0 | 25.1                           | 89.8 | 11.9 | 90.8 | 42        | 42   |
| BP Exploration Operating Company Limited | 14.5                   | 14.9 | 14.6 | 15.3        | -277.3                   | 17.8 | -46.9 | 26.0 | 18.2                           | 96.0 | 5.2  | 95.8 | 24        | 26   |
| BP Express Shopping Limited              | 4.1                    | 3.8  | 2.6  | 7.3         | 8.5                      | 11.7 | -7.2  | 4.4  | 19.8                           | 16.8 | 15.2 | 12.5 | 48        | 49   |
| BP Chargemaster Limited (BP Pulse)       | 19.5                   | 27.1 | 22.3 | 36.3        | 75.6                     | 57.6 | 0.0   | 84.0 | 85.7                           | 31.8 | 83.2 | 30.8 | 29        | 33   |

k The percentage of employees receiving a bonus in BP Oil UK Limited, BP p.l.c and BP Exploration Operating Company Limited is lower in 2021 as there was no bp annual bonus payment due to the prevailing economic and financial environment.

## Proportion of men and women in each quartile band





## **BP Exploration Operating Company Limited** 82% Upper 18% 80% 75% Lower 61%

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

## **BP Express Shopping Limited**



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)**

● Women ● Men



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

#### **Declaration**

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

Donna Riley
UK HR director

bp oil represents our customers and products

business including our lubricants businesses.

Louise Kingham CBE
SVP, Europe and head of country, UK

## bp ethnicity pay data for 2022

We are reporting ethnicity pay gap data for four of our UK entities as at 5 April 2022.

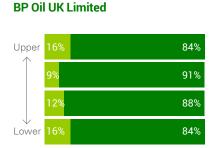
## bp ethnicity pay data

| Legal entity                             | Reportable Pay Gap (%) |      |        |      | Reportable Bonus Gap (%) <sup>m</sup> |       |        |      | % receiving bonus       |      |       |      |  |
|--|------------------------|------|--------|------|---------------------------------------|-------|--------|------|-------------------------|------|-------|------|--|
|  | Mea                    | an   | Median |      | Mean                                  |       | Median |      | Other ethnic background |      | White |      |  |
|  | 2021                   | 2022 | 2021   | 2022 | 2021                                  | 2022  | 2021   | 2022 | 2021                    | 2022 | 2021  | 2022 |  |
| BP Oil UK Limited                        | -11.7                  | -1.5 | -8.0   | 2.6  | -270.4                                | -31.4 | 33.3   | 9.5  | 9.1                     | 92.1 | 5.9   | 96.6 |  |
| BP p.l.c.                                | 9.1                    | 13.9 | 4.7    | 8.3  | 48.5                                  | 39.4  | 29.3   | 16.9 | 17.5                    | 87.6 | 19.7  | 91.5 |  |
| BP Exploration Operating Company Limited | 6.8                    | 14.0 | 1.6    | 6.1  | -419.1                                | 20.8  | -54.0  | -2.7 | 6.3                     | 93.1 | 16.5  | 96.3 |  |
| BP Express Shopping Limited              | -3.5                   | -2.5 | -11.9  | -9.3 | 7.2                                   | 1.8   | 18.1   | 0.6  | 14.3                    | 11.1 | 20.9  | 16.2 |  |

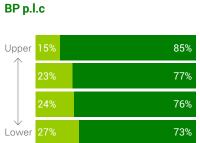
I bp Pulse data is not currently collected or reported.

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



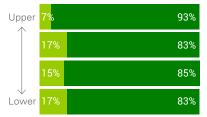






bp p.l.c. predominantly covers employees in corporate business and functions, including our trading business.

# BP Exploration Operating Company



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

#### **BP Express Shopping Limited**



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

m The percentage of employees receiving a bonus is lower in 2021 as there was no bp annual bonus payment due to the prevailing economic and financial environment.

## **Give your feedback**

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