

bp



# BP's impact on the UK economy in 2016

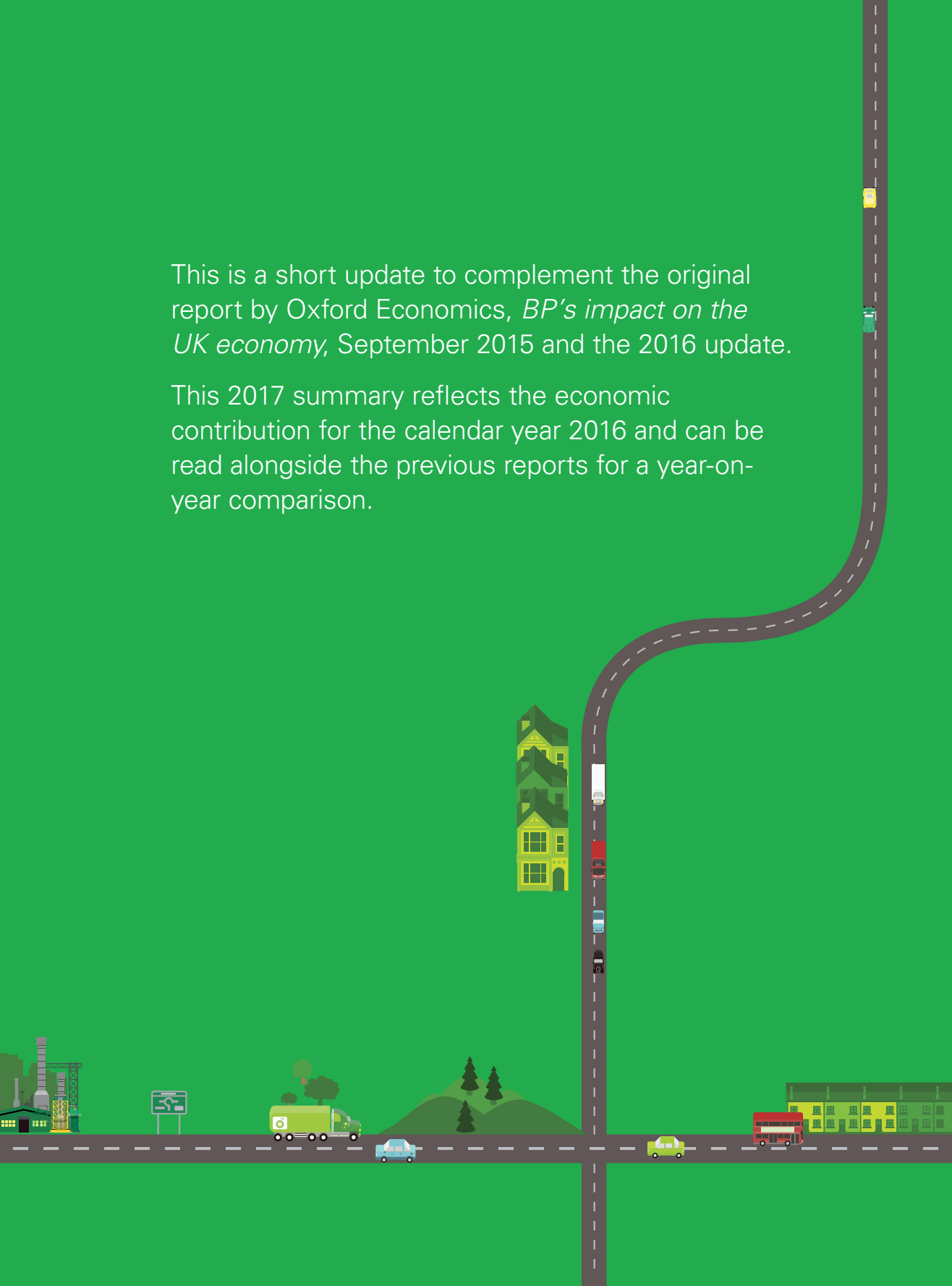
2017 update based  
on research and analysis  
by Oxford Economics



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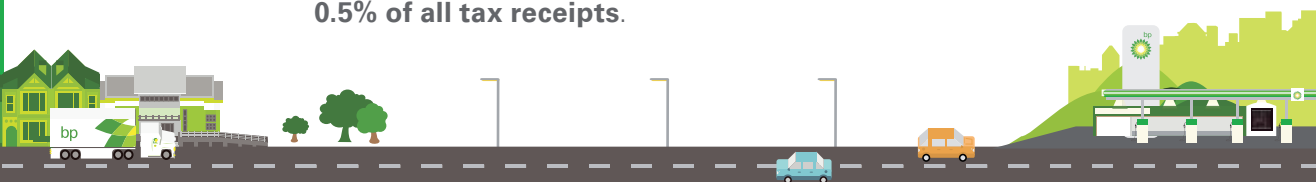
This is a short update to complement the original report by Oxford Economics, *BP's impact on the UK economy*, September 2015 and the 2016 update.

This 2017 summary reflects the economic contribution for the calendar year 2016 and can be read alongside the previous reports for a year-on-year comparison.



## 2016 economic impact highlights

- BP supported an estimated **£10.3 billion** gross value added contribution to the UK's gross domestic product (GDP) and **121,000 UK jobs** in 2016.
- Of this total, BP's direct UK operations – such as oil and gas fields, petrochemical plants, fuels retailing facilities and major offices – created a **£4.2 billion** gross value added contribution to UK GDP and employed **16,685 people**. That is an increase of **£1.5 billion** from the previous year.
- BP spent a total of **£7.5 billion with UK suppliers**:
  - **£4.9 billion** on non-capital goods and services, supporting an estimated **£3.8 billion** indirect contribution to GDP and over **66,500 jobs**.
  - **£2.6 billion** spent on capital goods, supporting an estimated **£2.3 billion** gross value added contribution to GDP and **37,500 jobs**.
- BP's direct, indirect and capital expenditures with UK suppliers are estimated to have supported **1 in every 260 jobs** in the UK in 2016, or **0.4% of all employment** in the country.
- BP spent a further **£1.7 billion with UK-registered businesses operating overseas**.
- An estimated **0.5% of UK GDP** in 2016 was in some way reliant on BP's activities – whether directly, indirectly, or through BP's capital expenditure. That is **£1 in every £190** of GDP created in the UK during the year.
- BP paid approximately **£1.6 billion in dividends** to UK-based shareholders in 2016.
- In 2016, BP paid or collected **£2.7 billion in tax** to the UK government. That is equivalent to **£1 for every £210** paid to HMRC in 2016, or **0.5% of all tax receipts**.



£10.3bn

contribution made  
to UK GDP

BP supported

121,000  
jobs

one in every  
260 in the UK

BP paid around

£1.6bn

in dividends to UK-  
based shareholders

BP has been working  
with UK schools since

1968

£1.7bn

spent with UK-  
registered businesses  
operating overseas

Supporting world-class  
arts and culture in the  
UK since

1966

BP's activity supported  
**0.5%**  
of UK GDP

**£7.5bn**  
spent with UK suppliers

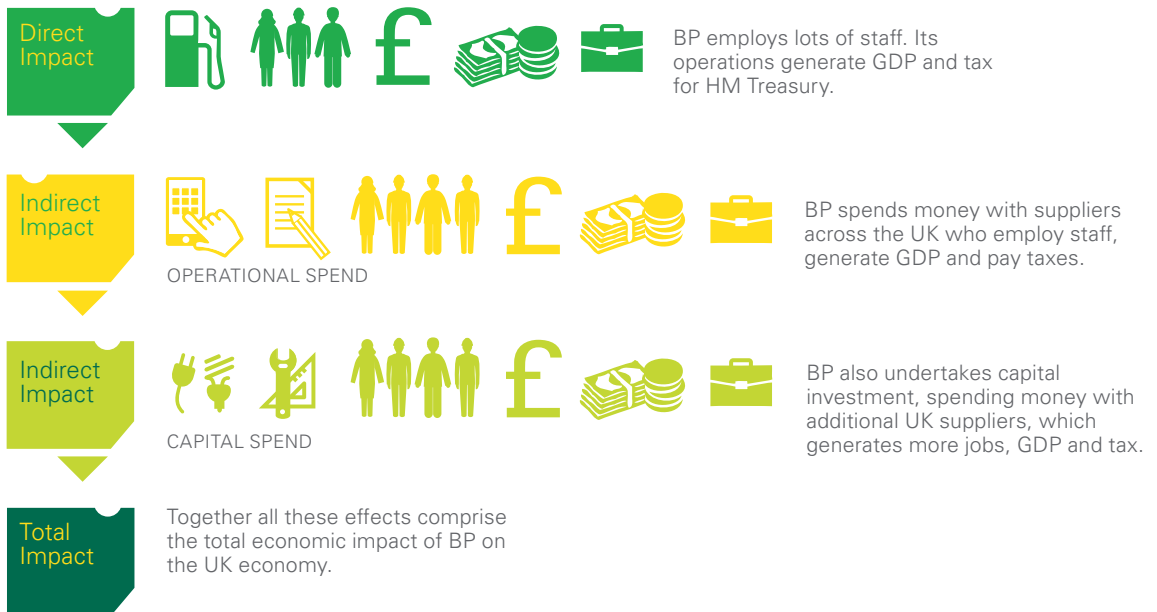
**3,500**  
UK suppliers of goods and services

**£4.9bn**  
spent on non-capital goods and services from UK suppliers

**800**  
UK suppliers for capital expenditure

**£2.6bn**  
spent on capital goods from UK suppliers

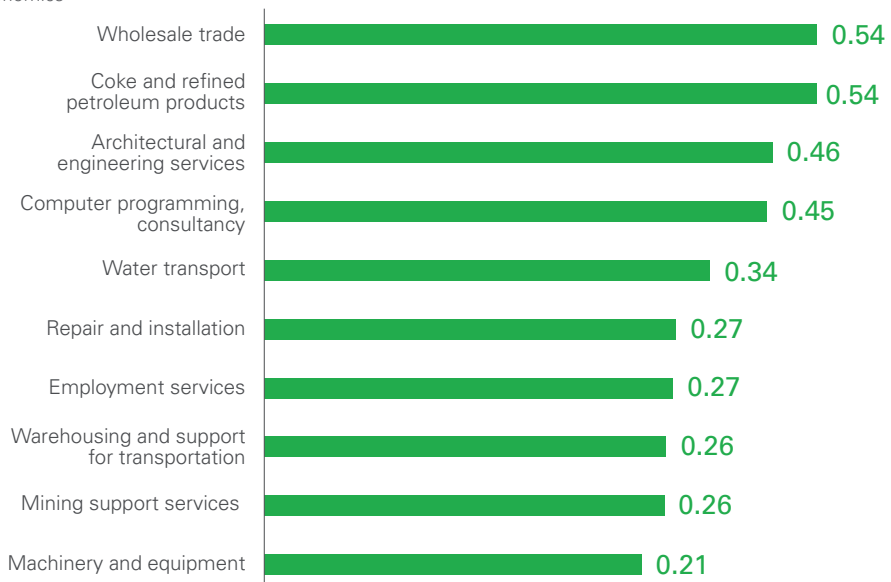
# Channels through which BP contributes to the UK economy



## BP's impact on the UK's regional economy

Ten UK industrial sectors receiving the largest amount of BP's UK operational procurement spend in 2016

£ billion  
Source: Oxford Economics

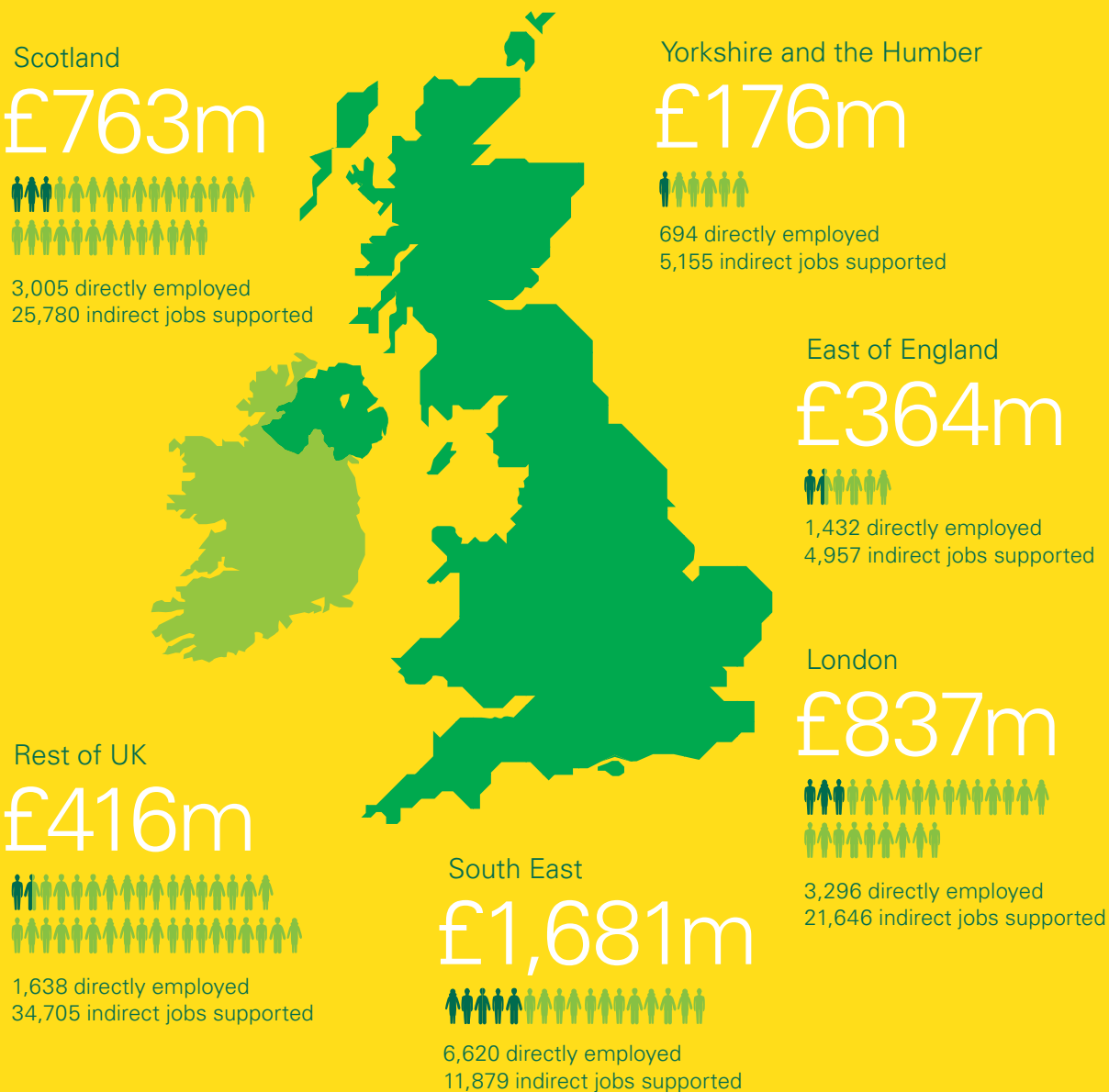


# BP's impact on the UK's regional economy

## Employment impact

121,000 British jobs were supported by BP in 2016, with direct UK operations creating £4.2 billion gross value added contribution to UK GDP and employing 16,685 people.

The indirect impact of BP procurement of goods and services and capital expenditure supported an estimated additional 104,120 people in the wider UK economy.



# BP's impact on the UK's regional economy

## Procurement impact and supplier diversification

BP spending (£ million)



Source: BP, based on invoice location

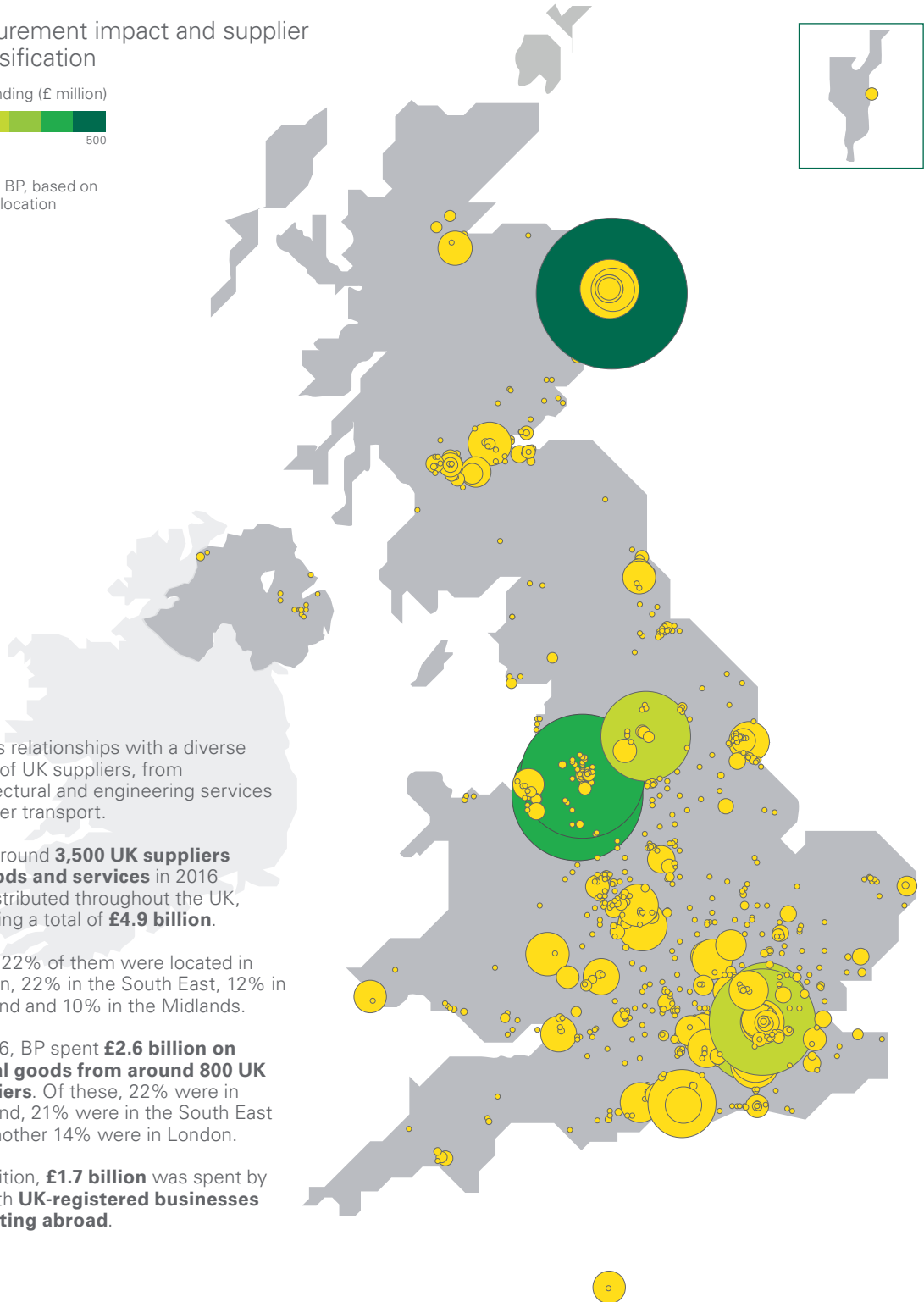
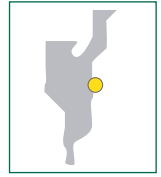
BP has relationships with a diverse range of UK suppliers, from architectural and engineering services to water transport.

BP's around **3,500 UK suppliers of goods and services** in 2016 are distributed throughout the UK, receiving a total of **£4.9 billion**.

Some 22% of them were located in London, 22% in the South East, 12% in Scotland and 10% in the Midlands.

In 2016, BP spent **£2.6 billion on capital goods from around 800 UK suppliers**. Of these, 22% were in Scotland, 21% were in the South East and another 14% were in London.

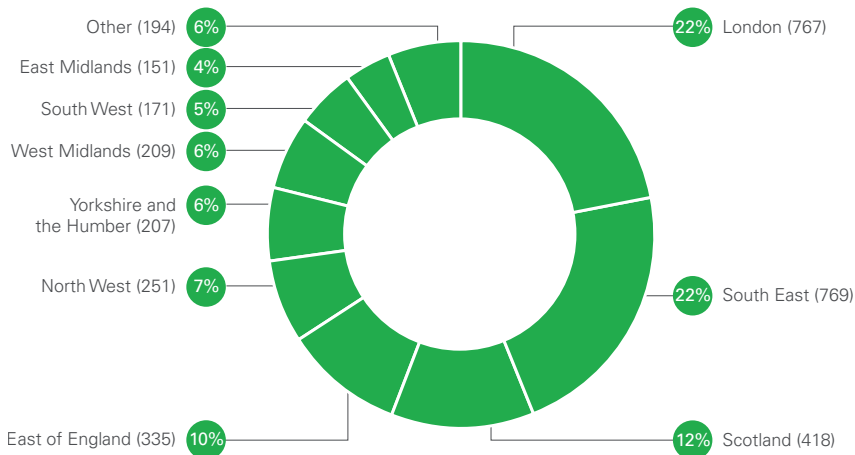
In addition, **£1.7 billion** was spent by BP with **UK-registered businesses operating abroad**.





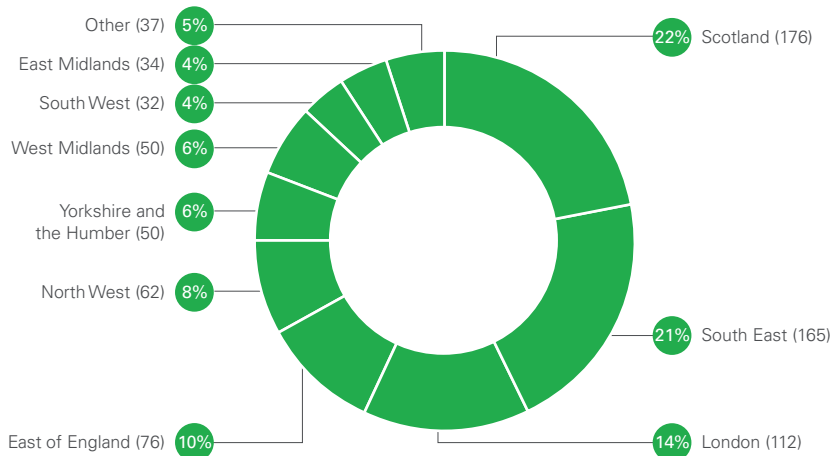
Estimated geographic distribution of BP's 3,500 UK suppliers of goods and services in 2016

Source: Oxford Economics



Estimated geographic distribution of BP's 800 UK suppliers of capital goods in 2016

Source: Oxford Economics



## BP's ongoing social contribution to the UK

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Over the past 50 years, BP has demonstrated a consistent commitment to UK communities through our support of schools, arts and culture, sport, community organizations and charities.

BP's UK employees **volunteered 28,250 hours** and enabled **£1.9 million of contributions to community organizations** during 2016.

You can find out more about our work at:  
[bp.com/uk/bpinthecommunity](http://bp.com/uk/bpinthecommunity)



## Methodology

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For a description of the methodology used in performing this analysis, please refer to the information at:  
[bp.com/uk/economicimpact](http://bp.com/uk/economicimpact)



# Contacts, links and further information

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