

## Directors' remuneration report

**Tushar Morzaria**  
Interim remuneration  
committee chair



“2024 has been a challenging year operationally but one in which bp has set the foundations for growth as a simpler, more efficient business.”

### Meetings and attendance

The chair and the chief executive officer (CEO) are standing attendees, except for matters relating to their own remuneration. The CEO is consulted on remuneration of the chief financial officer (CFO) and the leadership team, and receives input from the committee on remuneration across the wider workforce. Both the CEO and CFO are consulted on matters relating to the group's performance and the metrics adopted for each performance cycle.

bp's EVP people, culture & communications, SVP reward, external advisors and other executives may attend where necessary. The committee consults other board committees on the group's performance and on issues relating to the exercise of judgement or discretion as necessary.

The committee met seven times during 2024 and all directors attended each meeting.

Non-executive directors	Six scheduled meetings	One ad-hoc meeting
Tushar Morzaria: member (September 2020), interim chair of the committee (April 2024) <sup>a</sup>	6/6	1/1
Paula Rospit Reynolds: member (September 2017), chair of the committee (May 2018 to April 2024) <sup>a</sup>	2/2	1/1
Dame Amanda Blanc: member	6/6	1/1
Pamela Daley: member	6/6	1/1
Melody Meyer: member	6/6	1/1

<sup>a</sup> Paula Rospit Reynolds stepped down from the board at the 2024 AGM. Tushar Morzaria was appointed as interim remuneration committee chair from this date.

### Key

**TCFD** Information that supports TCFD Recommendations and Recommended Disclosures in relation to Governance (see [pages 42-45](#))

### Role of the committee

The role of the committee is to determine and recommend to the board the remuneration policy and to set chair, executive director and leadership team remuneration. In determining the policy, the committee takes into account various factors, including wider workforce remuneration, structures and alignment of reward with performance, thus promoting the long-term success of the company. The committee also reviews workforce remuneration and monitors related policies, satisfying itself that incentives and rewards are aligned with bp's goals and culture.

### Key responsibilities

A summary of the committee's terms of reference is on [page 335](#) and the full terms can be reviewed at [bp.com/governance](https://bp.com/governance).

### Key areas of focus in 2024

- **Change in leadership** – set the remuneration terms for the CEO and CFO, who were appointed to their respective roles on 17 January 2024 and 2 February 2024.
- **Workforce engagement** – engaged with the wider workforce on performance, reward and wellbeing. This included holding a workforce engagement programme session in May 2024, where selected employees were invited to discuss bp's approach to reward and employee engagement.
- **Remuneration outcomes** – agreed the outcomes of incentive awards for executive directors, including reviewing performance 'in the round' and determining whether discretion should be exercised. Monitored in-flight progress of equity and bonus awards.
- **Performance measures** – discussed and agreed the performance measures for the 2024 annual and long-term performance scorecards to ensure alignment with bp's strategy. This included reflecting on our sustainability measures and seeking input from the safety and sustainability committee. **TCFD**
- **Framework on fatalities** – reflected on the impact of fatalities on annual bonus outcomes and introduced a framework to help guide decisions going forward.
- **Merit-based reviews** – reviewed pay for performance arrangements for the leadership population in line with bp's reward principles.

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## Chair's introduction

### Dear fellow shareholders,

On behalf of the board, I am pleased to present our 2024 directors' remuneration report.

This report provides an overview of our current remuneration policy, details the remuneration decisions we have made in respect of the year ended 31 December 2024 and provides a summary of how the policy is being implemented this year.

As this is my first report since being appointed as interim chair of the remuneration committee in April 2024, I would like to take this opportunity to thank my predecessor, Paula Rosput Reynolds, for her exemplary leadership since 2018.

I intend to continue in my interim role until at least the 2025 AGM in order to provide a robust and timely handover with the incoming remuneration committee chair once appointed to the board.

### Business performance

2024 has been a challenging year operationally but one in which bp has set the foundations for growth as a simpler, more efficient business. Significant progress has been made in 2024 to focus, high grade and reshape bp's portfolio. bp delivered operating cash flow★ of \$27.3 billion and adjusted EBITDA★ of \$38.0 billion with upstream production 2.0% higher than in 2023.

There were also a number of strategic milestones, with final investment decision (FID) taken on 10 major projects★ and establishing key strategic partnerships.

In July 2024, bp made the FID on the Kaskida project in the Gulf of America, demonstrating our long-term commitment to delivering reliable and affordable energy. Further, progress was made in Iraq and India, where we agreed new access on a material scale. We have also made progress with our renewables business. Significant among them were our holdings in Lightsource bp and Bunge Bioenergia being raised to 100%. In addition, the proposed joint venture with JERA Co., Inc. will create a leader in offshore wind development and help grow the scale of the business in a capital-light way for bp.

Alongside this strategic progress, bp delivered a \$0.8 billion reduction in structural costs★ during the year, creating a strong platform for 2025.

Nevertheless, it was a difficult year in parts of our customers & products businesses, particularly in refining. Margins were lower and the significant power outage at our refinery in Whiting had a direct impact on our operational and financial performance during the year, which is in turn reflected in remuneration outcomes.

The macroeconomic environment and lower prices added to a challenging backdrop.

<sup>a</sup> The directors' remuneration report in the bp Annual Report and Form 20-F 2023 refers to an 'adjusted free cash flow' measure in the 2024 annual bonus scorecard. This has the same definition as the 'modified free cash flow' measure reported here.

### Incentive outcomes

#### 2024 annual bonus

The 2024 annual bonus was based on a scorecard of performance measures across three categories: safety and sustainability (30% weight), operations (20% weight) and financials (50% weight).

#### Safety and sustainability

Safety continues to come first in everything we do at bp and we place extensive focus on ensuring that our operations run safely every day.

Safety performance is measured against the number of tier 1 and tier 2 process safety events★ (7.5% weight each). The measures are assessed independently by the safety and sustainability committee, thus providing appropriate focus on tier 1 delivery.

The committee is pleased to report that the number of tier 1 events was lower in 2024 compared to the prior year and continues the positive trend we have seen in recent years. In contrast, there was an increase in the number of tier 2 events compared to the prior year, with 35 events in 2024. This increase has negatively impacted results delivering a combined outcome of 67% of maximum.

At the start of 2024, a framework was introduced to help guide the committee's decisions on the impact of fatalities on remuneration outcomes. The framework was intended to avoid formulaic outcomes vis-à-vis fatalities, instead providing guardrails for informed judgement in the conclusions we make, while also recognizing that every incident is different and should be reflected upon individually.

I am saddened to report that there was a fatality in October 2024 in the newly acquired bp bioenergy business. Details of how the framework has been applied in respect of this year's bonus outcomes are provided on [page 98](#).

We continue our focus on sustainability. This was the first year that sustainability performance was measured against operated carbon emissions (15% weight). bp's performance was strong, delivering 1.8Mte ahead of our scorecard target, which resulted in an outcome of 84% of maximum.

#### Operations

The reliability★ and availability★ of our plants and refineries were impacted by operational challenges throughout the year, including the power outage at Whiting in February. This was partly offset by strong performance in other areas of the business, such as North Africa. The bonus outcome, however, was nil for this measure.

For 2024, we introduced a new operations measure that focused on earnings growth in our transition growth★ engines. Significant headwinds in certain parts of the business, along with the continued operational challenges within our customers & products businesses, resulted in this component of the scorecard yielding a nil outcome.

#### Financials

We have two measures of financial performance: annual adjusted EBITDA★ and modified free cash flow★<sup>a</sup>.

In line with policy, we reflect underlying performance and hence the targets for both financial measures are adjusted for the actual price environment.

Despite recovery in the latter half of the year, financial performance was impacted by the operational challenges cited elsewhere. Adjusted EBITDA delivery at \$38.0 billion and modified free cash flow at \$12.5 billion were both below threshold resulting in nil bonus outcomes.

#### Overall result

The formulaic outcome of the annual bonus was below target at 0.45 out of 2.00 (22.5% of maximum).

The committee reflected on this score and determined it was appropriate for executive directors and the senior leadership of the company covering approximately 300 employees. We did, however, apply discretion and award a higher score (but below target) to the wider workforce covering over 38,000 eligible employees in recognition of motivation and engagement levels. bp is undergoing enormous transformation and a shrinking workforce will carry significant accountability.

#### 2022-24 performance shares

The 2022-24 performance shares were measured against relative TSR (20% weight), return on average capital employed★ (ROACE) (20% weight), adjusted EBIDA per share compound annual growth rate (CAGR)★ (20% weight) and strategic progress (40% weight).

#### rTSR

For relative TSR, bp placed sixth in the comparator group which resulted in nil vesting for this measure.

#### Financials

Financial performance was strong over the three-year performance period and both performance measures achieved full vesting. The 2022-24 average ROACE was 20.9%, significantly outperforming expectations. Similarly, adjusted EBIDA per share CAGR performance of 11.1% exceeded the level required for maximum vesting.

## Directors' remuneration report continued

### Strategic progress

Strategic progress was measured based on a balance of quantitative assessment and qualitative judgement against the three strategic pillars set in 2022. This was supplemented with the committee's judgement on overall progress in the three years of this plan, especially in the final year of the plan.

As set out in the 2023 directors' remuneration report, in terms of the quantitative assessment, the committee also took into account value generation over the period, rather than focusing solely on volume metrics for each pillar of this measure. Further, the committee also considered the various actions taken by management, contextual to our evolving strategy during the three-year period.

We provide a detailed view of the committee's review of strategic progress on [pages 100-101](#).

Having considered the above, the committee determined that while commitments set out in early 2022 were not fully realized, good progress had been made. An outcome of 66% of maximum was felt appropriate for this measure.

### Overall result

Overall, performance share vesting for the 2022-24 cycle was 66.5% of maximum. The committee believes that this final outcome is an appropriate reflection of actual performance during the period and therefore has not applied any further discretion.

In determining the bonus and equity outcomes the committee has reviewed incentives holistically taking into consideration the total remuneration for Murray and Kate (2024 single figures of £5.4 million and £1.9 million respectively). We determined that this quantum for individuals managing a company of bp's size and scale felt appropriate for 2024, taking into account both the performance of the company and shareholder experience.

### Looking ahead to 2025

#### Annual pay review

Kate Thomson was appointed to the board on 2 February 2024 and her remuneration arrangements were set in line with our policy. Her base pay was set at £800,000, which was at a lower level than her predecessor and was based on her being newly appointed to the board, while also allowing for progression in role over time.

In last year's report, we noted that any future adjustment to Kate's base pay may exceed the percentage for the wider workforce subject to performance in role. Since then, the committee has reflected on Kate's performance and her competitive positioning against the policy-determined peer group. During a period of significant change for bp, Kate performed strongly and displayed impressive leadership skills. She has clearly proven her capability over the course of the year.

In light of Kate's progression in role and very strong performance to date, the committee decided that it would be appropriate to increase her base pay by 8%. This will be effective from the 2025 AGM.

For Murray Auchincloss, his base pay will increase by 4%, which is in line with the increase being awarded to the wider workforce.

When reflecting on pay decisions for executive directors, the committee remains mindful of the transformation drive in the company as well as the approach being taken for our wider workforce pay. For 2025, the average salary increase in the UK will be 4%. Adjustments in other jurisdictions vary by local conditions. All employees in the UK earn at least the UK Living Wage.

#### Review of performance measures

For 2025, in line with policy, we have reviewed and aligned the measures of the bonus and performance share plan against our reset strategy, as set out on 26 February.

#### Alignment with strategy and financial frame

As outlined by Murray and Kate at the Capital Markets Update in February, bp has reset its strategy, simplifying our forward-looking commitments with four primary targets; adjusted free cash flow ★ growth, structural cost reduction, ROACE and net debt ★. You will see that, where appropriate, these targets form the basis for our incentive scorecards.

Consequently, the earnings measure in the annual bonus scorecard will be replaced with a structural cost reduction measure (25% weight). By way of balance, and to signal the importance of cash delivery, the modified free cash flow measure will increase in weight from 25% to 30%.

Reflecting the focus of our strategy, we have removed the transition growth engine growth measure, and in its place increased the weighting of bp-operated reliability and availability from 10% to 15%. In doing so, we have simplified the scorecard from 6 to 5 measures.

Our focus on safety and emissions has not changed and therefore the current measures and weightings under this category will remain the same.

For performance share awards, we reflected on the appropriate mix of financial measures in the scorecard for 2025-27 – taking into consideration the priorities set out in the strategy update.

To better reflect the importance of cash generation, we have replaced the earnings measure with adjusted free cash flow CAGR ★ in our scorecard (20% weight). The committee believes the dual focus of modified free cash flow in the short term and adjusted free cash flow CAGR over the long term is appropriate for the scorecards as they bring focus and are aligned to bp's strategy.

Further, we are proposing to align the ROACE measure with our external commitments, with performance being assessed to the end of 2027 and adjusted for the environment.

All other measures from the 2024-26 plan remain unchanged.

#### Alignment with stakeholders

During the year, we continued our practice of regular engagement with shareholders. We engaged with our top shareholders and investor bodies, accounting for over 35% of issued share capital, and have taken into consideration their views when determining the 2024 remuneration outcomes and 2025 performance measures. We have tried to strike a balance between broader shareholder experience and executive motivation in determining the overall bonus and share plan outcomes.

#### Concluding remarks

I hope that you find this year's report a clear account of the committee's application of the remuneration policy during the year.

On behalf of the committee, I would like to extend my thanks to our various advisors, shareholders and investor bodies for their input and engagement during the year. While 2024 was a year of mixed performance, we are thankful for the support received and look forward to continuing this journey in 2025.

At the forthcoming AGM there will be an advisory vote in respect of the directors' remuneration report and I look forward to your continued support of remuneration at bp.

#### Tushar Morzaria

Interim chair of the remuneration committee  
6 March 2025

## Remuneration at a glance

### Key performance highlights in 2024

\$27.3bn

**operating cash flow** ★

Resilient financial performance

\$38.0bn

**adjusted EBITDA** ★

+2%

**upstream production**

2,358mboe/d 2024 production

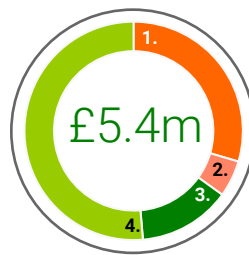
- Agreed to form offshore wind JV with JERA Co., Inc., divesting non-core assets.
- 100% ownership of bp bioenergy and Lightsource bp.
- Delivered \$0.8 billion structural cost reduction ★.
- Start-up of a major project ★ and sanctioned a further 10 projects.

### Total remuneration in 2024

- 1. Salary and benefits
- 2. Cash allowance in lieu of pension
- 3. Annual bonus
- 4. Performance shares

#### Single figure

Chief executive officer



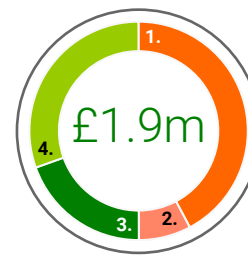
35%

Fixed pay

65%

Variable pay

Chief financial officer



50%

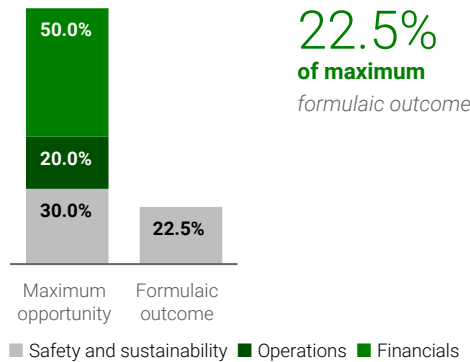
Fixed pay

50%

Variable pay

### Pay outcomes in 2024

Annual bonus 2024

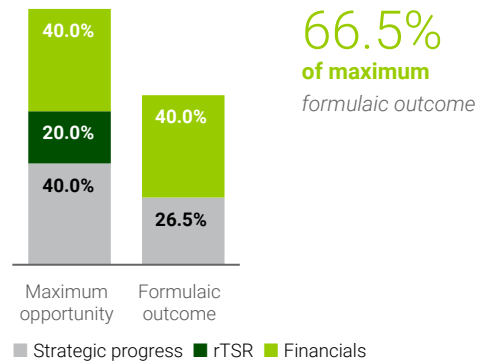


22.5%

of maximum

formulaic outcome

Performance shares 2022-24



66.5%

of maximum

formulaic outcome

#### Application of discretion

The committee determined not to exercise discretion in determining the outcomes for the annual bonus and performance shares, reflecting on performance and the broader shareholder experience during the performance period.

### Alignment with shareholders

#### Share ownership

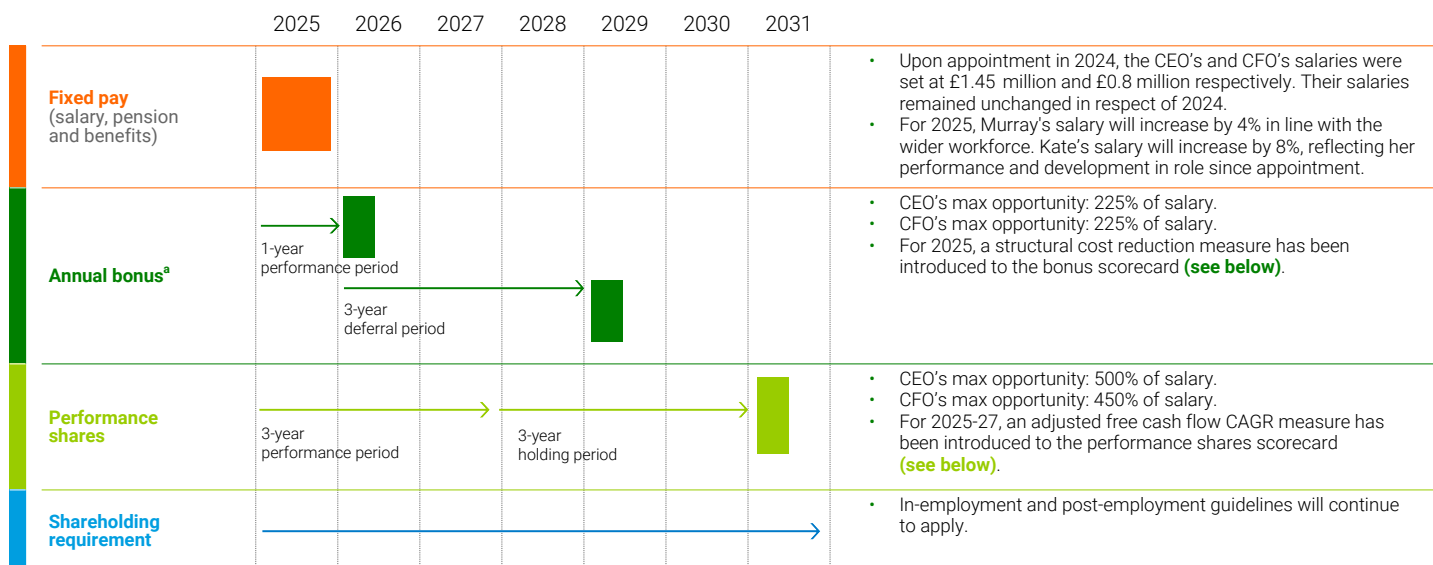
Share ownership is a key means by which the interests of executive directors are aligned with those of shareholders.



## Remuneration at a glance continued

### Application of remuneration policy for 2025

Set out below is an illustration of how the remuneration policy will be implemented for 2025.



a Half the bonus is paid in cash, and half is deferred into bp shares for three years up until 'minimum shareholding requirement' is met. At this point, 67% is paid in cash and 33% is deferred into bp shares.

### Alignment of 2025 variable remuneration with strategy

Each year, the committee aims to set a remuneration framework for executive directors that supports and incentivizes the execution of our strategy. For 2025, the performance measures in the annual bonus and performance shares scorecards have been refined to align with our reset strategy. Measures that have been introduced for 2025 have been marked with ▲ below. Further details on the rationale for their inclusion can be found on [pages 104-105](#).

	Net zero by 2050 or sooner	Financial frame	Strategy
<b>Annual bonus</b>			
<b>Safety and sustainability (30%)</b>			
Tier 1 and tier 2 process safety events ★			●
Operated carbon emissions	●		●
<b>Financials and operations (70%)</b>			
Modified free cash flow ★ (\$bn)		●	●
Structural cost reductions ★ (\$bn) ▲		●	●
bp-operated reliability ★ and availability ★			●
<b>Performance shares</b>			
Cumulative reduction % in operated carbon emissions (15%)	●		
Relative TSR (25%)		●	
ROACE ★ (20%)		●	●
Adjusted free cash flow CAGR ★ (20%) ▲		●	●
Strategic progress (20%)			●

## Directors' remuneration report continued

### Engaging with our workforce

As a committee, we spend considerable time on matters relating to performance and remuneration arrangements across the wider workforce. We believe that our people are the key to bp's success and our approach to performance and reward should be fair and consistent across the organization.

### Alignment of executive and workforce remuneration

All employees	Element of remuneration	Executive directors
<p>Salary is the basis for a competitive total reward package for all employees, and we conduct an annual salary review for all non-unionized employees.</p> <p>In setting pay budgets, we assess how employee pay is currently positioned relative to market rates, wage inflation, forecasts and business context.</p>	<p>→</p> <p><b>Salary</b></p> <p>←</p>	<p>The salaries of our executive directors are reviewed annually, along the same timeline as the wider workforce.</p> <p>The review of salaries will take into account the same factors considered for the wider workforce. Salary increases for executive directors will typically be at or below the workforce rate, other than in specific circumstances.</p>
<p>We operate different pension plans by location and for those parts of our business where market practice is markedly different, e.g. our retail business.</p> <p>For our population of non-retail employees in the UK, we provide a flexible cash benefits allowance of 20% of salary. The benefits available are aligned with competitive market practice in our different jurisdictions.</p>	<p>→</p> <p><b>Pensions and benefits</b></p> <p>←</p>	<p>Executive directors receive a cash allowance in lieu of pension aligned with the wider workforce (currently 20% of salary).</p> <p>Other than the provisions of car, security and tax preparation related benefits, benefit packages are broadly aligned with those of other employees in the UK.</p>
<p>More than half of the eligible workforce participate in an annual cash bonus plan that multiplies a grade-based target bonus amount by a bp performance factor derived from the bonus scorecard.</p> <p>Select participants may be nominated to receive an uplift to their bonus outcome, reflecting their personal contribution and impact.</p> <p>We operate different bonus plans for those distinct parts of our business where market practice is markedly different.</p>	<p>→</p> <p><b>Annual bonus</b></p> <p>←</p>	<p>The annual bonus for the executive directors is linked to the same bp performance factor as for the wider workforce.</p> <p>Executive directors are not entitled to a bonus uplift linked to individual performance.</p> <p>For executive directors, a portion of any award is deferred into shares for three years. The deferral rate depends on whether the executive director has met their minimum shareholding requirement.</p>
<p>We operate share plans with three-year vesting for all our senior leaders.</p> <p>Opportunity varies across two broad tiers: group leaders (approximately 300) and senior-level leaders (approximately 4,500).</p>	<p>→</p> <p><b>Performance shares</b></p> <p>←</p>	<p>Executive directors are eligible for performance share awards, which are subject to stretching performance targets over a three-year period.</p> <p>An additional three-year post-vesting holding period applies for executive directors.</p>

### Other elements of pay

#### Recognition

energize!, our global recognition platform, is open to all employees for peer-to-peer recognition. The scheme aims to celebrate employee's contributions, highlight behaviours vital to our success and drive a performance edge. In 2024, a total of 38,800 energize! awards were made.

We also operate a spot bonus programme, where individuals or teams can be nominated to receive a one-off cash award to recognize their achievements.

Senior leaders and our executive directors fully participate in the programmes, typically by giving recognition.

#### Focus@bp

At bp, focus@bp is our internal platform that helps support performance development. The platform enables employees to set dynamic goals, have regular check-ins, give and receive meaningful feedback and grow skills to enable our teams to develop and deliver.

We believe that performance matters, both individually and collectively, and development is key in helping to improve our performance as a business.

focus@bp forms the basis of discussions relating to development or progression and is factored in when making decisions in relation to an individual's remuneration.

#### All-employee share plan

bp operates an award-winning global ShareMatch programme which is available to over 18,000 employees in 46 countries.

This plan offers our employees the opportunity to invest and share in bp's success, fostering a culture of shared ownership.

At the end of 2024, the participation rate in the scheme was 65% of eligible employees.



# Directors' remuneration report continued

## Workforce highlights in 2024

### Supporting employees during transformation

#### Health and wellbeing

Within the context of our ongoing organizational transformation, we have deepened our global wellbeing resources to help support our employees during this time.

We have created new education modules for leaders to help support their teams through change, hosted sessions to help equip our people with tools to navigate change, worked collaboratively with our employee assistance programme partner to deepen their support resources including introducing a new product to offer proactive check-ins with a counsellor and offering a broad range of webinars and educational material.

#### Fostering a high-performance and inclusive culture

We remain focused on building a performance-based organization, that is representative of the world around us and an inclusive culture that creates a sense of belonging where people can perform at their best.

As part of organizational transformation, we have embedded assurance processes within the selection process centred around promoting fairness and inclusivity for all. In addition, we have engaged with our business resource groups, using listening sessions and regular feedback channels to understand concerns and requests for support.

### Reward in our new businesses

As we have acquired a number of new businesses – including TravelCenters of America in May 2023 and more recently Lightsource bp and bp bionergy in October 2024 – we have reviewed the reward framework of each new business on an individual basis. As part of these reviews, it is recognized that a universal approach may not meet the unique needs of the business.

As part of this process, consideration is given to the local market and talent pool in which the new business predominately operates. For example, the acquisition of TravelCenters of America fundamentally changed our US footprint. The deal added a network of around 290 retail sites across the US and over 20,000 employees to bp's population. Therefore, when reflecting on our reward offering the focus has been on simplification and aligning incentives with the US retail market.

This differs from the approach taken at bp bioenergy, where the workforce consists of over 8,800 employees and 5,600 contractors across our operated mills in Brazil and the annual reward cycle is based on a March year-end in line with the local crop season.

From a safety perspective, our intention is to embed bp's safety culture, operating systems and practices across all our businesses. We acknowledge this can take time depending on the complexity of the newly acquired business<sup>a</sup>.

### Workforce engagement

bp places particular importance on engaging with employees, recognizing that it is critical to have an engaged workforce to deliver our strategy.

We aim to have an open dialogue between the board, senior management and the wider workforce and encourage employees to share their views. For example, employees are kept regularly informed of matters of interest to them through bp's intranet, social media channels, town halls, site visits and webinars.

During 2024, we continued to actively seek employee views through a variety of discussion groups. We held a number of employee-led forums and consulted our business resource groups, with a board-led session as part of the workforce engagement programme (WFEP) in May 2024 (see right).

More detail on bp's WFEP can be found on **page 78**.



Employees at our Cherry Point refinery, US

“ We have worked to develop a bp where our people can be themselves and work in a company that cares while also delivering results... ”



### Shareholder views

We are committed to ongoing engagement with our shareholders. We believe it is important to meet regularly to understand their views on our remuneration arrangements and their evolving expectations.

Feedback received frames our decisions on executive pay and other topics.

 [bp.com/reportingcentre](https://www.bp.com/reportingcentre)

### Employee forum

In May 2024 we held a WFEP session with selected employees from different locations across the globe.

The session was led by Dame Amanda Blanc, senior independent director, and Kerry Dryburgh, EVP people, culture & communications.

The focus of the session was on performance, reward and employee engagement, with employees taking the opportunity to share their personal views and experiences of working at bp.

In the session, individuals commented on the strong sense of culture at bp, referencing how our values are clearly present in day-to-day activities. The recent changes to reward, such as the introduction of a bonus uplift relating to individual performance, were also well received and considered motivational.

Key themes of the session were shared with the committee and have provided valuable insight.



Oak Tree retail site, Surrey, UK

<sup>a</sup> For recently acquired businesses, there is typically a transition period while bp's operating standards, as set out in our Operating Management System<sup>★</sup>, are integrated or aligned.

## Executive directors' pay for 2024

### Single figure table – executive directors (audited)<sup>a</sup>

	Murray Auchincloss <sup>b</sup> thousand 2024	Kate Thomson <sup>c</sup> thousand 2024	Murray Auchincloss <sup>b</sup> thousand 2023
<b>Salary</b>	<b>£1,450</b>	<b>£731</b>	£1,015
<b>Benefits</b>	<b>£132</b>	<b>£67</b>	£338
<b>Cash allowance in lieu of pension</b>	<b>£290</b>	<b>£146</b>	£190
<b>Annual bonus<sup>d</sup></b>	<b>£734</b>	<b>£370</b>	£1,839
<b>Performance shares<sup>e,f</sup></b>	<b>£2,750</b>	<b>£575</b>	£4,362
<b>Total remuneration</b>	<b>£5,356</b>	<b>£1,889</b>	£7,744
Total fixed remuneration	<b>£1,872</b>	<b>£944</b>	£1,543
Total variable remuneration	<b>£3,484</b>	<b>£945</b>	£6,201

a Due to rounding, the totals may not agree exactly with the sum of the component parts.

b Murray Auchincloss was appointed interim CEO on 12 September 2023, having previously been CFO. He was appointed as the permanent CEO on 17 January 2024.

c Kate Thomson was appointed as permanent CFO and joined the board effective from 2 February 2024. The amounts disclosed reflect her service in the year as an executive director.

d In line with the 2023 policy, annual bonus is subject to deferral into shares for three years at a rate of 33% or 50%, depending on whether an individual has met their minimum shareholding requirement. See page 97 for further detail on the approach taken for the 2024 annual bonus.

e For Murray Auchincloss, the value of the performance share award has been calculated using the average share price in the last three months of 2024 of £3.90 and includes notional dividends accrued up to 14 February 2025. For 2023, the performance shares have been restated to reflect the share price on the date of vesting of £4.52 and actual dividends received.

f For Kate Thomson, the value of the performance share award relates to her previous role prior to her appointment to the board, but has been included in the table above for transparency. The award has been calculated using the average share price in the last three months of 2024 of £3.90 and includes notional dividends up to 14 February 2025. For 2022-24, performance share awards below board had a different scorecard to executive directors, which resulted in an outcome of 73% of maximum.

### Overview of single figure outcomes

#### Salary

On 12 September 2023, Murray Auchincloss was appointed as CEO on an interim basis and his base pay was set at £1.45 million. This remained unchanged upon appointment to CEO on 17 January 2024. Kate Thomson was appointed CFO on 2 February 2024 and her base pay was set at £800,000.

Given their recent appointments, neither executive director received an increase in respect of 2024 as part of the annual salary review.

#### Benefits

Executive directors received car-related benefits, coverage of tax return preparation, security assistance, insurance and medical cover.

Murray Auchincloss's taxable benefits materially decreased year-on-year due to the phasing out of transitional car-related benefits as reported in the 2023 directors' remuneration report.

#### Cash allowance in lieu of pension

In line with the 2023 directors' remuneration policy, executive directors receive a cash allowance in lieu of pension of 20% of salary. This is in line with the wider workforce in the UK.



## Directors' remuneration report continued

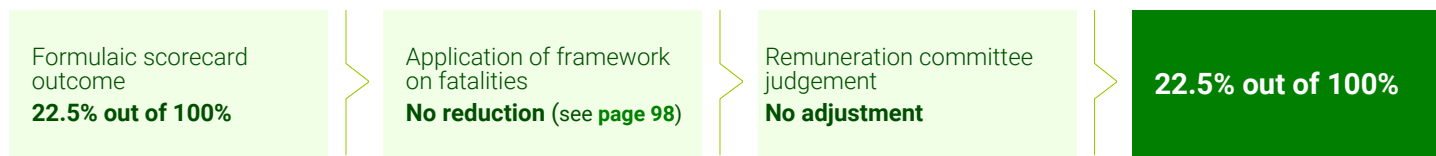
### Annual bonus

For 2024, the committee assessed performance against a bonus scorecard of measures across three categories: safety and sustainability, operations and financials. These measures were aligned with our strategy and investor proposition as set out at the beginning of the year.

### 2024 annual bonus scorecard and outcome



Categories	Measures	Threshold (0%)	Target (50%)	Maximum (100%)	Weight	Outcome	
<b>Safety and sustainability</b> (30% weight)	Tier 1 process safety events ★	14	9	5	7.5%	7.5%	
	<b>Actual: 3</b>						
	Tier 2 process safety events ★	39	33	26	7.5%	2.5%	
		<b>Actual: 35</b>					
	Operated carbon emissions (MtCO <sub>2</sub> e)	38.2	35.5	32.8	15%	12.5%	
		<b>Actual: 33.7<sup>a</sup></b>					
<b>Operations</b> (20% weight)	bp-operated reliability ★ and availability ★	95.1%	95.9%	96.7%	10%	0%	
	<b>Actual: 94.7%</b>						
	Transition growth ★ engine adjusted EBITDA % growth (vs. 2023)	50%	100%	150%	10%	0%	
		<b>Actual: Below threshold</b>					
<b>Financials</b> (50% weight)	Modified free cash flow ★ (\$bn)	13.2	14.7	16.2	25%	0%	
	<b>Actual: 12.5</b>						
	Adjusted EBITDA ★ (\$bn)	39.4	40.9	42.4	25%	0%	
		<b>Actual: 38.0</b>					
<b>Formulaic outcome</b> (out of 100%)						<b>22.5%</b>	



<sup>a</sup> Operated carbon emissions for bonus calculation purposes (33.7MtCO<sub>2</sub>e) slightly differs from the figure reported elsewhere in the *bp Annual Report and Form 20-F 2024* (33.6MtCO<sub>2</sub>e) due to the timing of the committee's bonus outcome decision.

## Summary of performance

**Safety performance**, as measured by tier 1 and 2 process safety events ★, was strong with a mechanical outcome achieving between target and maximum performance. The number of tier 1 events is less than the prior year, with 3 events in total for 2024 (9 in 2023). This is our lowest recorded number on record and continues the downward trend seen in recent years. For tier 2 events, there was an increase compared to the same period last year, with 35 events in total for 2024 (30 in 2023).

**Sustainability performance** was previously assessed against sustainable emissions reductions (SER). bp transitioned to use operated carbon emissions from 2024, as it is a more holistic and inclusive measure that represents the full breadth of possible operational movements and is better suited to driving ownership and delivery across the business.

For 2024, operated carbon emissions of 33.7MtCO<sub>2</sub>e achieved an outcome between target and maximum and is reflective of our strong progress against net zero operations milestones. The most significant reductions in the year came from flaring reductions and increased reliability in the Azerbaijan, Georgia and Türkiye region and efficient project start-ups.

Emission reduction projects totalling 0.42MtCO<sub>2</sub>e implemented by our business in 2024 included: our Gelsenkirchen refinery replaced imported steam from a coal-fired power plant with steam produced in our own gas-fired boilers; bpx energy's central distribution projects, Karnes and Bingo, which enabled decommissioning of legacy natural gas-driven equipment; and restoration of cooling water infrastructure at Cherry Point to reliably meet refinery needs and improve the efficiency of compressor operations.

Further detail on safety and sustainability performance over the year is provided in the safety and sustainability committee (S&SC) report on [page 80](#).

**Reliability and availability** is a combined measure of bp-operated refining availability ★ and bp-operated plant reliability ★ with a performance outcome of 94.7% – achieving a nil outcome. Plant reliability strengthened year-on-year to 95.2% (95.0% in 2023). However, refining availability was impacted by the Whiting power outage in Q1 2024 and was below threshold at 94.3%.

**Transition growth ★ engine adjusted EBITDA ★ (% growth)** was introduced as a more holistic measure focused on transition growth engine financial delivery over the year. The measure is assessed based on annual growth against a 2023 baseline and has achieved a nil vesting outcome. This was primarily driven by lower than expected delivery in bioenergy, convenience and power trading.

Financial performance, as measured by **modified free cash flow ★ and adjusted EBITDA**, was below target. bp generated modified free cash flow of \$12.5 billion and adjusted EBITDA of \$38.0 billion, which resulted in a nil outcome for both measures. Our targets are environment-adjusted at year-end and the revised targets for modified free cash flow and adjusted EBITDA were \$14.7 billion and \$40.9 billion respectively.

## Overall outcome

The formulaic score for the 2024 annual bonus was 22.5% of maximum.

The committee considered bp's framework on fatalities when reflecting on the formulaic outcome. Sadly, there was one fatality during the year within our recently acquired biofuels business. Full details on the application of the framework have been provided on [page 98](#).

Having considered the above, alongside a holistic review of performance, the committee determined that no discretion would be applied to the formulaic outcome for executive directors.

## Approach to deferral

In relation to the policy on deferral requirements, the committee reviewed the executive directors' shareholding during the year to assess if the minimum shareholding requirement had been met.

As at 14 February 2025, the CEO's shareholding represented 6.1x salary. This is above the minimum shareholding requirement for the CEO of 5x salary and his 2024 award will therefore be subject to a deferral rate of 33%. While the CFO has made strong progress towards her minimum shareholding requirement since her appointment last year, her shareholding represented 2.6x salary on 14 February 2025. This is below her requirement of 4.5x of salary and her 2024 award will therefore be subject to a deferral rate of 50%.

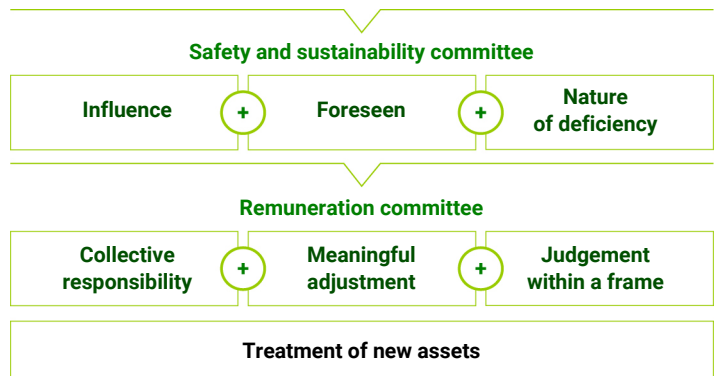
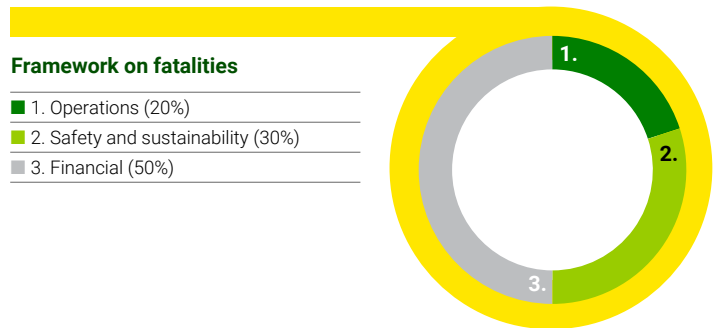
# Directors' remuneration report continued

## bp's framework on fatalities

We are working towards our goal of eliminating workplace fatalities. We have implemented a new framework on fatalities. This framework, developed in consultation with shareholders and the safety and sustainability committee, links safety performance directly to the bonus scorecard.

Full details of our framework on fatalities can be found in the 2023 directors' remuneration report.

 [bp.com/investors](https://bp.com/investors)



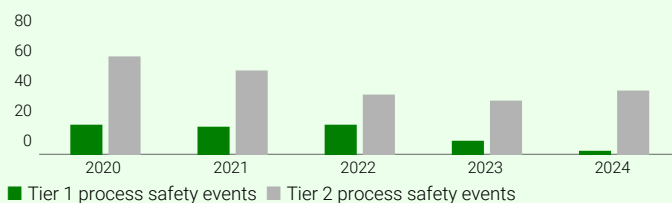
## What happened during the year?

Our goal is eliminating fatalities, life-changing injuries and tier 1 process safety events.

### Safety performance in 2024

During the year, we made good progress in reducing the number of tier 1 events with our lowest recorded number on record – continuing the downward trend we have seen in recent years. For tier 2 events, there was an increase compared to 2023.

### Process safety events over past five years



This result is reflective of our efforts to improve process safety at bp.

However, this positive performance was overshadowed by the sad news of a fatality in our newly acquired biofuels business (acquired on 1 October 2024) during the year. The incident occurred in mid-October 2024 in Brazil during maintenance activities. While there were no other fatalities during 2024, there were four life-changing injuries. We are taking action to learn from these incidents to help us make further improvements from a personal safety perspective.

## How was the framework applied?

The committee consulted the framework in determining the impact of the individual fatality on the 2024 bonus outcome.

### Treatment of new assets

The framework allows for major acquisitions to be excluded for an initial period to enable the embedding of bp's safety culture, operating systems and practices.

While a fatality in an excluded new asset will not impact the group bonus score during this transition period, there will be consideration of safety performance within this business during the year – with any adjustments being made locally.

### Biofuels incident

In September 2024, prior to the completion of the acquisition, the committee determined that the biofuels business should be excluded for three bonus performance years (i.e. up to the 2026 performance year) for bp employees. This is reflective of the complexity of the business, with over 8,800 employees and 5,600 contractors operating in 11 mills across Brazil.

The acquisition completed on 1 October 2024. From this date, bp had direct operational accountability and was able to start the process of onboarding our Operating Management System (OMS) ★. The fatality occurred mid-October and therefore within the exclusion period for the group scorecard.

## What was the outcome?

In line with our framework, the committee determined that applying a discretionary adjustment to the formulaic outcome on group-wide bp staff for the fatality in the newly acquired biofuels business would not be appropriate. The incident is, however, expected to have a material impact on local bonus outcomes – with final determinations being made after the business' year-end in March.

## No adjustment

resulting in a final bonus score of 22.5% for executive directors.

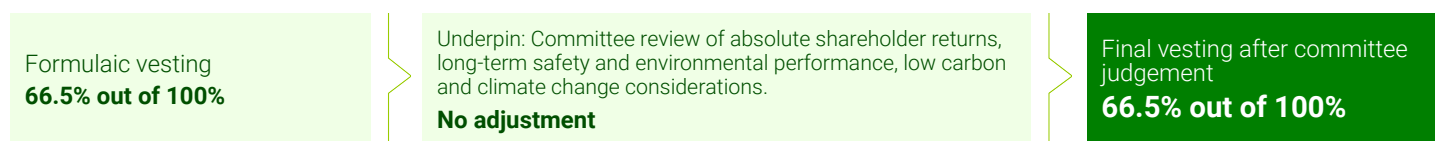
## 2022-24 performance share plan scorecard and outcome

2022-24 performance shares were granted under the executive directors' incentive plan (EDIP). The scorecard for this cycle consists of relative total shareholder return (rTSR) (20% weighting), return on average capital employed (ROACE★) (20% weighting), adjusted EBIDA per share CAGR★ (20% weighting) and strategic progress (40% weighting).

### 2022-24 performance share plan scorecard (audited)



Categories	Measures	Threshold performance	Maximum performance	Weight	Outcome
<b>rTSR</b> (20% weight)	rTSR	Fourth	First	20%	0%
		Actual: Sixth			
<b>Financials</b> (40% weight)	ROACE (average 2022-24)	13.7%	14.7%	20%	20%
		Actual: 20.9%			
	Adjusted EBIDA per share CAGR	7.7%	9.7%	20%	20%
		Actual: 11.1%			
<b>Strategic progress</b> (40% weight)	Deliver value through resilient hydrocarbon business	Qualitative and quantitative assessment by the committee, see <a href="#">pages 100-101</a> .		40%	26.5%
	Demonstrate track record, scale and value in low carbon energy				
	Accelerate growth in convenience and mobility				
<b>Formulaic outcome</b> (out of 100%)					<b>66.5%</b>



## Relative TSR

During the performance period, bp's rTSR performance placed it sixth out of eight in the comparator group which resulted in nil vesting.

## Financials

Performance for ROACE and adjusted EBIDA per share CAGR were both strong, at 20.9% and 11.1% respectively over the period, and resulted in maximum vesting of these measures.

As part of the review of outcomes, the committee considers the impact of the external environment with respect to ROACE outcomes, and in respect of adjusted EBIDA per share CAGR the committee reviews share buyback activity outside of plan during the performance period. It determined that, in line with past practice, no further adjustments should be made to either of these elements for the 2022-24 cycle.

# Directors' remuneration report continued

## Strategic progress

### Overview of strategic progress (2022-24)

Performance of this measure has been challenging to assess as it spans a three-year period that has seen significant change. Our strategy has continued to evolve and update and the criteria we set back at the start of the performance period (2022) to judge progress do not fully reflect current expectations. Alongside assessment against three key pillars (established in 2022), the committee have also taken a broader review of the shareholder experience over the performance period. Further, there has been consideration of mid-cycle changes we have experienced during the performance period, such as bp's updated transition strategy in February 2023 and the key strategic initiatives during 2024 which have laid our foundation for growth. In summary:

- **Resilient hydrocarbons:** Performed well across the board, with strong production delivery, plant reliability★ and unit costs. This was offset by operational challenges during the period which primarily impacted refining availability★. Ultimately, financial performance was strong against this pillar.
- **Low carbon energy:** Progress was mixed with a number of key initiatives completed as management adapted to our evolving strategy and tough market conditions.
- **Convenience and mobility:** bp performed well across our suite of volume measures, but a very challenging market meant financial delivery was lower than expected.

**Overall performance:** During the period, bp has achieved a number of strategic milestones – particularly in the last year of the performance period – and is well positioned to drive future growth.

## 1. Deliver value through a resilient hydrocarbon business KPIs (as set in 2022)

### Unit production cost ● On track

Unit production costs remain on track against 2025 target of \$6.00/boe, with an average of \$6.01/boe over the three-year period.

2022	2023	2024	2025 target
\$6.1/boe	\$5.8/boe	\$6.2/boe	<b>\$6.0/boe</b>

### Plant reliability ● On track

Average delivery over performance on track to meet the 2025 target of 96.0%. Focus remains on production management and delivering higher reliability targets.

2022	2023	2024	2025 target
96.0%	95.0%	95.2%	<b>96.0%</b>

### Refining availability ● Improvement required

For 2024, performance was affected by the plant-wide power outage at Whiting. Excluding this event would have meant we were on track to reach target.

2022	2023	2024	2025 target
94.5%	96.1%	94.3%	<b>96.0%</b>

#### Overview

- Continued high grading of portfolio to drive higher margins. Completed joint venture conversions in Angola and Iraq, extended Indonesia production-sharing contract, completed 10 major projects and increased bpx production by 33%.
- Production on track with 2024 progress broadly on plan. 2022 and 2023 production were +2% vs. plan.
- The hydrocarbon business performed well against adjusted EBITDA and free cash flow measures – with actual performance ahead of expectations for both measures.

## 2. Demonstrate track record, scale and value in low carbon energy KPIs (as set in 2022)

### Developed renewables to FID★● Improvement required

To the end of 2024, bp has delivered 8.2GW to FID (bp net). The main contributions have come from Lightsource bp and the 100% bp solar pipeline (Cygnus). The solar sector has been significantly impacted by increased interest rates, inflation and supply issues. Offshore wind has been materially impacted by supply chain inflation across all sub-sectors including turbines and vessels.

While good progress has been made, 2025 targets were challenging and performance under this measure is tracking behind expectations.

2022	2023	2024	2025 target
5.8GW	6.2GW	8.2GW	<b>20GW</b>

### Renewables pipeline★● Strong progress

Over the three-year period, there has been substantial growth in our renewables pipeline. This has largely been driven by Lightsource bp and success in our bids within offshore wind.

In hydrogen, projects portfolio has been prioritised based on returns and feasibility, with the business achieving four recent FIDs.

2022	2023	2024
37.2GW	58.3GW	60.6GW

#### Overview

- The low carbon energy pillar has materially transformed since the setting of targets in 2022. From a period of volume-driven origination, bp has moved into a stage of consolidation, portfolio reset and focus across all businesses within a more constrained capital frame.
- Low carbon energy delivered lower adjusted EBITDA than expected over the period. This was attributable to the challenging solar market in the US in 2023 and rapid ramp-up in hydrogen and offshore wind.



### 3. Accelerate growth in convenience and mobility KPIs (as set in 2022)

#### Convenience margin growth ★ ● On track

In 2023, the acquisition of TravelCenters of America was completed. This is expected to substantially grow bp's global convenience gross margin ★ in coming years and bring growth opportunities – as seen by strong performance in 2024 (17% vs. 2025 target of 10%).

2022	2023 <sup>a</sup>	2024	2025 target <sup>a</sup>
9%	9%	17%	10%

#### Strategic convenience sites ★ ● Ahead

We remain on track to meet our 2025 target of 3,000 sites. This has been supported by the full ownership of *Thorntons* in 2021 and acquisition of TravelCenters of America.

2022	2023	2024	2025 target
2,400	2,850	2,950	3,000

#### Castrol performance (revenue) ● On track

Castrol has continued to demonstrate year-on-year earnings and volume growth, as well as completing a number of strategic initiatives, including a new strategic partnership with Audi in Formula 1 and diversifying into battery-swapping ecosystems.

2022	2023	2024	2025 target <sup>b</sup>
\$6.9bn	\$7.0bn	\$6.9bn	n/a

#### Overview

- Performance across the convenience and mobility pillar has been strong versus the targets we set at the beginning of 2022. However, market conditions have been challenging which has impacted financial delivery, leading to mixed performance.
- During the period, financial performance was impacted by cost inflation, challenging market environments and prolonged impact of COVID-19 on businesses such as *Castrol*.

a 2023 excludes the acquisition of TravelCenters of America. The 2025 target represents the wider aim of achieving ~10% CAGR by 2030 (as set in 2023).

b The *Castrol* performance KPI was retired during the performance period and performance has therefore been considered 'in the round' including reference to earnings and volume growth.

#### Overall assessment

In progressing our strategic agenda, we have not only reviewed performance against the three strategic pillars of our previous strategy but also key strategic highlights, many of which culminated in the last year of the performance period, including:

##### Low carbon energy

- Completed transactions for 100% ownership of bp Bunge Bioenergia and Lightsource bp.
- New joint ventures including JERA Nex bp with JERA Co., Inc.

West Africa. Once fully commissioned, it is set to produce 2.4 million tonnes of LNG annually.

\$300 million towards our target of \$4-5 billion of structural cost reductions by end-2027.

##### Resilient hydrocarbons

- Sanctioning 10 higher value major projects – including Kaskida and Tangguh UCC.
- Agreeing new access to resources in regions we know well, like the Middle East and India, where we are now technical services providers for the country's largest offshore oil and gas field.
- Gas is now flowing at our Greater Tortue Ahmeyim (GTA) project off the coast of

##### Convenience and mobility

- In 2024, *Castrol* grew underlying earnings by 14% and has demonstrated six consecutive quarters of year-on-year underlying earnings growth.

##### Resulting score

Accounting for delivery (volume and value), bp's evolving strategic context and the above strategic milestones, the committee determined performance against this measure should result in 66% of maximum vesting (2021-23: 75% of maximum).

##### Financial

- Delivery of structural cost reductions of around \$0.8 billion in 2024. This more than offsets significant increases from inflation, foreign exchange and costs associated with growing the business. Overall, we reduced our underlying operating expenditure by

Strategic progress remains a key component of our long-term scorecard for outstanding awards and the committee will continue to apply judgement within the context of broader strategic delivery.

#### Other vesting considerations

Along with the results from the scorecard measures, the committee considers an 'underpin' to the formulaic outcome in order to determine the final vesting percentage. The underpin broadens our performance assessment, allowing us to consider vesting outcomes with overall alignment to absolute shareholder returns, environmental and safety factors and progress in matters relating to low carbon and climate change. Where relevant, we take input from the safety and sustainability committee and the audit committee to deepen and enhance our perspective.

Having considered the above, the committee concluded that the vesting outcome was suitably reflective of the company's underlying performance and the experience of shareholders overall. The committee agreed it was not necessary to apply discretion to the formulaic outcome and approved vesting of 66.5% for the 2022-24 EDIP award. This decision yields the outcome shown in the table below for the CEO. The scorecard detail is shown on [page 99](#).

#### 2022-24 performance share plan outcome (audited)

	Shares awarded	Unvested shares following application of performance factor	Value of unvested shares following application of performance factor	Impact of share price change <sup>a</sup>
Murray Auchincloss	937,500	704,790	£2,749,950	£-317,649
Kate Thomson <sup>b</sup>	89,300	147,391	£575,090	£15,815

a These values reflect the impact of the change in share price since grant related to the number of shares which are no longer subject to performance conditions, including dividend equivalents accrued at 14 February 2025. The face values of these awards were calculated using a market price of ordinary shares at close on the dates of award, as follows: £4.35 on 26 May 2022 and £3.79 on 17 June 2022 respectively. The average share price during Q4 2024 was £3.90. The amount reported as 2024 income in the single figure is therefore £2.750 million for Murray and £0.575 million for Kate.

b Kate Thomson's award was made under the below board performance share plan where grants are made at 50% of maximum, rather than at 100% of maximum as for the EDIP. For 2022-24, performance share awards below board had a different scorecard to executive directors, which resulted in an outcome of 73% of maximum.

# Directors' remuneration report continued

## Policy implementation for 2025

The current remuneration policy was approved by shareholders at the 2023 annual general meeting on 27 April 2023. The full policy is displayed on the company's website at [bp.com/remuneration](https://www.bp.com/remuneration). The table below shows how the remuneration policy will be implemented in 2025, alongside a summary of key features.

Element	Policy feature	2025 implementation
<b>Salary</b>	<p>To provide fixed remuneration to reflect the scale and complexity of both the business and the role, and to be competitive with the external market.</p> <p>When setting salaries, the committee considers practice in other energy majors as well as European and US companies of a similar size, geographic spread and business dynamic to bp. Percentage increases for executive directors will not exceed that for the wider workforce, other than in specific circumstances identified by the committee (e.g. in response to a substantial change in responsibilities).</p> <p>Salaries are normally set in the home currency of the executive director and are reviewed annually. They may be reviewed at other times where appropriate.</p>	<ul style="list-style-type: none"><li>• Murray Auchincloss's salary will increase by 4%, in line with the wider workforce, to £1,508,000 following the 2025 AGM.</li><li>• Kate Thomson's salary will increase by 8% to £864,000 following the 2025 AGM. This is to reflect her development in role and leadership for the Finance function since appointment in February 2024.</li><li>• The budgeted increase to our UK salaried staff effective from 1 April 2025, our annual salary review date, will be 4%.</li></ul>
<b>Pensions and benefits</b>	<p>Executive directors normally participate in the company retirement plans that operate in their home country.</p> <p>New appointees from within the bp group retain previously accrued benefits related to service prior to appointment as executive director. For their service as a director, cash allowance in lieu of pension will be up to 20% of base salary.</p> <p>For future appointments, the committee will carefully review any retirement benefits to be granted to a new director, taking account of retirement policies across the wider group and any arrangements currently in place.</p>	<ul style="list-style-type: none"><li>• Murray and Kate's cash allowance in lieu of pension is 20% of base pay (in line with the wider workforce).</li><li>• Prior to their appointment as executive directors, Murray received a US deferred pension and Kate received a UK deferred pension. No further pension is accrued under either plan.</li><li>• Benefits will remain unchanged for 2025 and include car-related provisions, security assistance, insurance and medical cover.</li></ul>
<b>Annual bonus</b>	<p>Bonus is measured against an annual scorecard. The committee holds discretion to choose the specific measures and the relative weightings adopted in the annual scorecard, to reflect the annual plan as agreed with the board.</p> <p>Numeric scales are set for each measure, to score outcomes relative to targets. A scorecard outcome of 1.0 reflects the target outcome and 2.0 is the maximum outcome.</p> <p>Target bonus is 112.5% of salary, and maximum bonus is 225% of salary.</p> <p>Half the bonus is paid in cash, and half is deferred into bp shares for three years up until the 'minimum shareholding requirement' is met. At this point, 67% is paid in cash and 33% is paid in bp shares. Dividends (or equivalents, including the value of any reinvestment) may accrue in respect of any deferred shares.</p> <p>Awards are subject to operationally robust and effective malus and clawback provisions as described below.</p>	<ul style="list-style-type: none"><li>• For 2025, our scorecard will be assessed against the following categories: safety and sustainability (30%) and financials and operations (70%).</li><li>• We intend to make the following changes to performance measures for 2025:<ul style="list-style-type: none"><li>– Introduce a structural cost reduction measure that is aligned with our forward-looking commitments. This replaces the earnings measures in the scorecard.</li><li>– Replace the measure focused on transition growth ★ engines with increased weighting on modified free cash flow ★ and bp-operated reliability ★ and availability ★.</li></ul></li><li>• See <a href="#">page 104</a> for further details on measures for the 2025 annual bonus.</li><li>• The framework on fatalities, which helps guide decisions on adjustments to the bonus outcome in relation to fatalities, will continue to be applied. Further detail has been provided on <a href="#">page 98</a>.</li></ul>

Element	Policy feature	2025 implementation
<b>Performance shares</b>	<p>Performance shares are granted with a three-year performance period, measured against a scorecard.</p> <p>The committee holds discretion to choose the specific measures and the relative weightings adopted in the scorecard, to ensure they are focused on the near-term priorities for delivering the bp strategy in the interests of shareholders.</p> <p>Annual grants are 500% of salary for the CEO, and 450% of salary for any other executive director. Awards will vest in proportion to the outcomes measured through the performance scorecard, subject to any adjustment by the committee, and will be subject to a three-year post-vesting holding period.</p> <p>Awards are subject to operationally robust and effective malus and clawback provisions as described below.</p>	<ul style="list-style-type: none"> <li>For our 2025-27 cycle, the scorecard categories will remain unchanged from the 2024-26 cycle and will be assessed against the following: rTSR (25%), financials (40%), environmental, social and governance (15%) and strategic progress (20%).</li> <li>The only change being made to the chosen performance measures for the 2025-27 cycle is the introduction of an adjusted free cash flow CAGR★ measure. This replaces adjusted EBIDA CAGR per share★. All other measures are to remain the same.</li> <li>See <a href="#">page 104</a> for further details on measures for the 2025-27 EDIP.</li> <li>The award will continue to be subject to an underpin that takes into consideration in-year safety outcomes and long-term trends in safety outcomes over the performance period.</li> <li>The 2025-27 awards will be granted based on the average closing share price of each calendar day in the 90-day period ending on the date of bp's 2025 AGM.</li> </ul>
<b>Shareholding requirement</b>	<p>CEO to build a shareholding of at least five times salary, and other executive directors four and a half times salary, within five years of appointment.</p> <p>Executive directors are required to maintain that level for at least two years post-employment.</p>	<ul style="list-style-type: none"> <li>Murray's shareholding has reached 6.1 times salary, above his minimum shareholding requirement of 5 times of salary.</li> <li>Kate's shareholding has reached 2.6 times salary. Over the next four years, to 2029, Kate will work towards reaching her minimum shareholding requirement of 4.5 times of salary.</li> </ul>
<b>Malus and clawback</b>	<p>Operationally robust and effective malus and clawback provisions apply to our incentive awards.</p> <p>Malus provisions may be applied where there is: a material safety or environmental failure; an incorrect award outcome due to miscalculation or incorrect information; a restatement due to financial reporting failure or misstatement of audited results; material misconduct; or other exceptional circumstances that the committee considers similar in nature.</p> <p>Clawback provisions may apply where there is: an incorrect outcome due to miscalculation or incorrect information; a restatement due to financial reporting failure or misstatement of audited results; or material misconduct.</p>	
<b>Committee flexibility</b>	<p>The committee has discretion to adjust performance measures and weightings, and to revise the peer group for the rTSR measure.</p> <p>This discretion allows appropriate realignment, throughout the policy term, for changes in the annual plan and for the anticipated evolution of the low carbon business environment.</p> <p>The committee also holds discretion in determining the outcomes for annual bonus and performance shares, allowing them to take broad views on alignment with shareholder experience, environmental, societal and other relevant considerations e.g. portfolio changes.</p>	

# Directors' remuneration report continued

## Measures for the 2025 annual bonus

Provided below is a summary of the performance measures we have chosen for the 2025 annual bonus plan scorecard. The targets are commercially sensitive and will be disclosed in the 2025 directors' remuneration report.

We are replacing our earnings (adjusted EBITDA★) measure with structural cost reductions★ to better align with the financial priorities set out in the Capital Markets Update announcement in February 2025. This measure will be assessed against a 2023 baseline and is positioned to capture sustainable cost reductions that can be maintained beyond 2027.

In line with our reset strategy, the measure on transition growth★ engines has been removed from the scorecard for 2025. In the interest of simplification, the committee determined that the scorecard should be kept to five measures. The weighting of modified free cash flow★ and bp-operated reliability★ and availability★ will be increased – from 25% to 30% and 10% to 15% respectively. This change mirrors our focus on cash generation and driving strong operations for 2025.

Importantly, the framework on fatalities will continue to apply to the 2025 annual bonus and will be considered at year-end if a fatality occurs during the year. See [page 98](#) for further detail on its application in 2024.

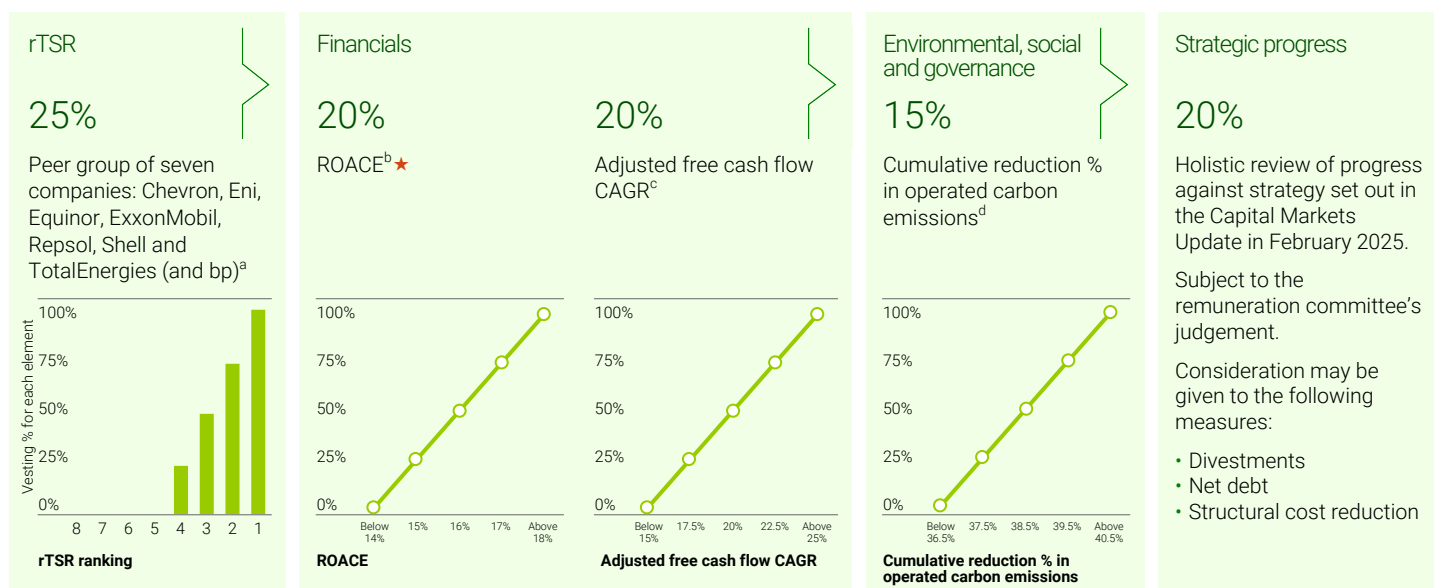
Safety and sustainability		Financials and operations	
30%		70%	
Measures include	Weighting	Measures include	Weighting
Tier 1 and tier 2 process safety events★ (measured separately)	15%	Modified free cash flow	30%
Operated carbon emissions	15%	Structural cost reduction	25%
		bp-operated reliability and availability	15%

## Measures for the 2025-27 performance shares (EDIP)

Provided below is a summary of the measures we have chosen for the 2025-27 performance share plan. The four categories remain unchanged from the prior year and there has been no change to respective weightings.

Under our financials category, we are proposing to introduce an adjusted free cash flow CAGR measure (20% weight) and to modify the ROACE measure to align with our strategic commitments. The committee reflected on the dual focus of free cash flow in the short and long-term incentive scorecards and determined it was appropriate given our strategic focus on cash generation – with adjusted free cash flow being a primary target in bp's reset strategy. The two cash measures; modified free cash flow and adjusted free cash flow CAGR are different, with the former covering a holistic view of in-year cash generation (including working capital and proceeds) and the latter representing underlying free cash flow growth, removing more volatile items, in line with our external targets. The ROACE measure now fully aligns with our external targets with measurement at the end of 2027.

For strategic progress, the measure will remain subject to the committee's judgement at the end of the three-year period. The judgement of performance will take into account progress against the financial targets set under our reset strategy – including reference to measures such as divestments, net debt★ and structural cost reductions. This will be alongside our holistic review of progress against our strategy, to ensure that outcomes are aligned with the shareholder experience.

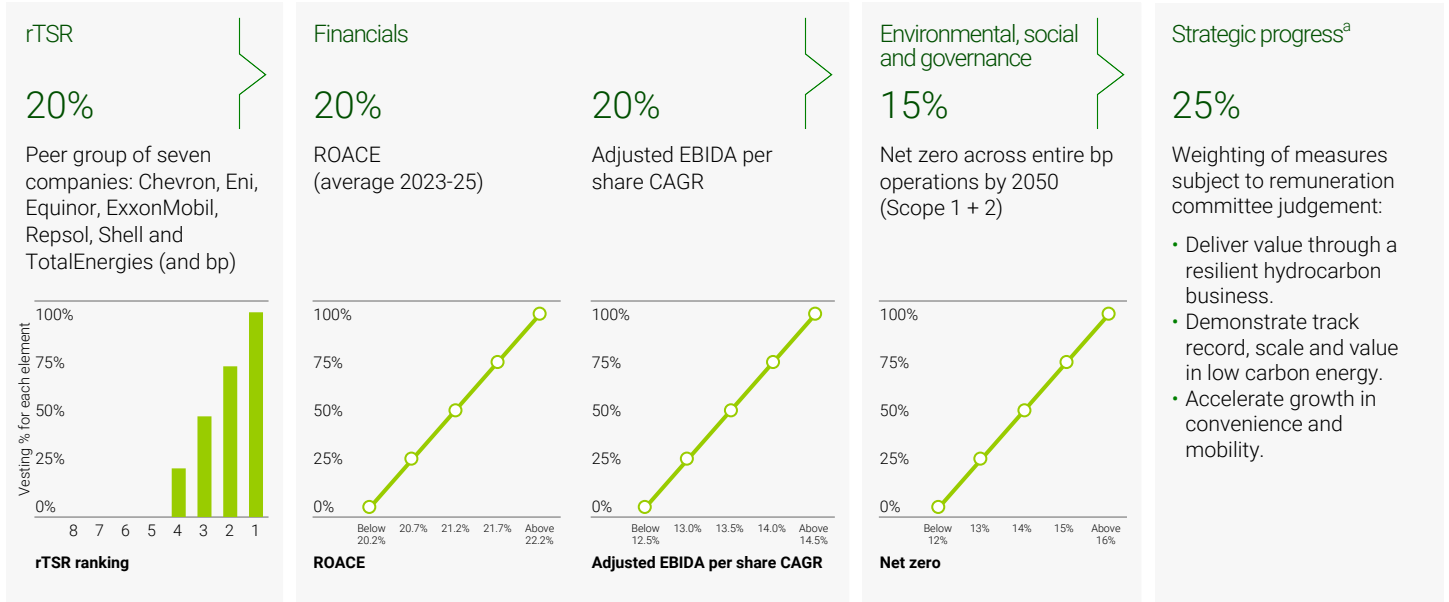


- Underpin will take into account safety outcomes prior to determining final vesting percentage.
- Remuneration committee discretion will reflect shareholder experience, environment, societal and other inputs.
- Robust malus and clawback may apply in certain circumstances.

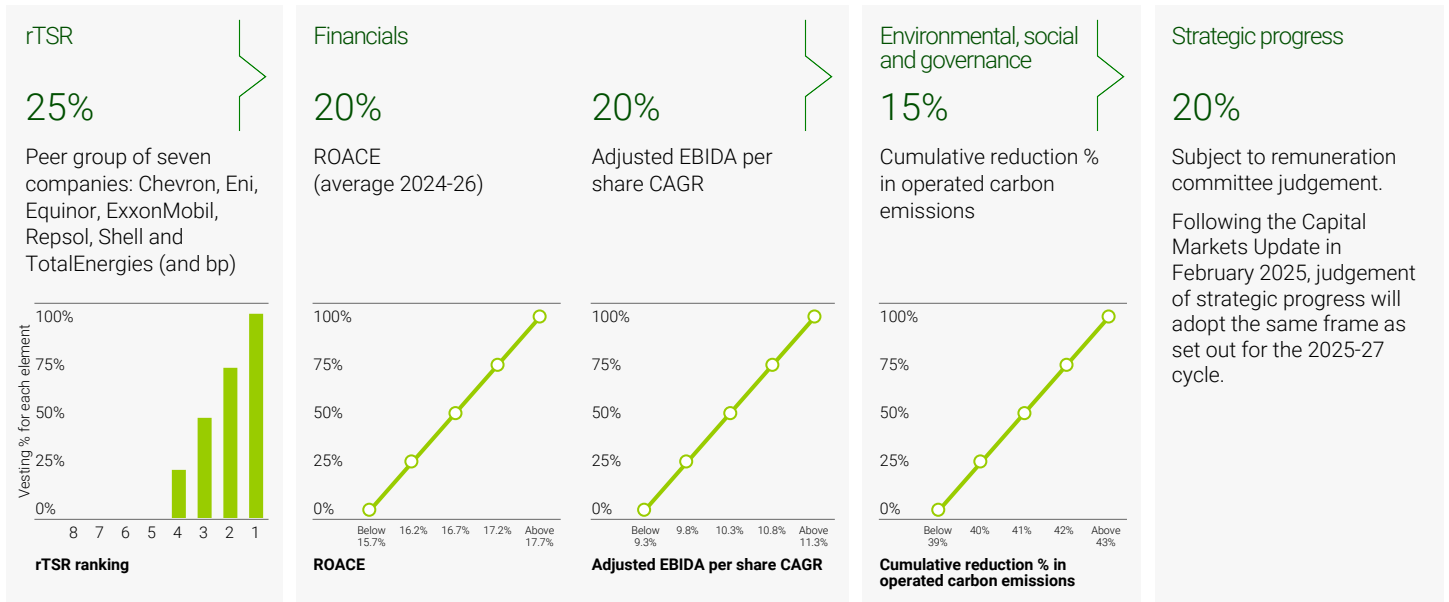
a Nil vesting for fifth place or lower.  
 b Based on ROACE at the end of the three-year period. Targets will be adjusted for the environment.  
 c Annualised growth rate of adjusted free cash flow vs. 2024 baseline. Targets will be adjusted for the environment.  
 d Scope 1 and 2 GHG emission reductions vs. 2019 baseline from operated carbon emissions including portfolio change.

Provided below is an overview of the performance measures and weightings of each of our in-flight awards.

**Measures for 2023-25 performance shares**



**Measures for 2024-26 performance shares**



<sup>a</sup> Performance against the three pillars will be reviewed and scored in the context of the strategic changes announced in 2023 and the Capital Markets Update in February 2025.



## Directors' remuneration report continued

### Stewardship and executive director interests

We believe that our executive directors should build and maintain a material interest in the company. Our policy therefore requires the CEO and CFO to build a personal shareholding of five times and four and a half times, respectively, their salary within five years of their appointment. They are expected to maintain this level of personal shareholdings for two years post-employment.

### Directors' shareholdings and aggregated interests (audited)

The table below details the personal shareholdings of each executive director. These figures include all beneficial and non-beneficial ownership of shares of bp (or calculated equivalents) that have been disclosed to the company. Murray Auchincloss has met the minimum shareholding requirement (MSR) under the policy. Kate Thomson is expected to satisfy the policy requirement that applies five years from her date of appointment, 2 February 2024. The committee has reviewed and confirmed this position and will continue to monitor compliance with this policy.

	Directors' ordinary shares or equivalents at 14 Feb 2025	Aggregated interests at 14 Feb 2025, all plans				Current shareholding for MSR <sup>b</sup>	Value of current shareholding <sup>c</sup> , £	Multiple of salary achieved
		Unvested awards not subject to performance conditions		Unvested awards subject to performance conditions				
		Shares <sup>a</sup>	Options	Shares	Options			
Murray Auchincloss <sup>d</sup>	1,319,688	1,387,250	152,301	2,200,575	—	1,888,476	8,838,068	6.1
Kate Thomson	230,357	350,322	500,000	808,846	—	437,799	2,048,899	2.6

a Includes deferred and restricted shares, and performance shares prior to application of the performance factor.

b Includes ordinary shares or equivalents and unvested awards not subject to performance conditions on a net-of-tax basis, excluding dividends.

c Based on ordinary share price at 14 February 2025 of £4.68.

d Includes interests of a person closely associated with Murray Auchincloss.

Executive directors have additional interests in performance and deferred bonus shares. These interests are shown in aggregate in the table above, and interests awarded during 2024 in the tables below. For performance shares, the figures reflect maximum possible vesting levels (excluding the addition of reinvested dividends) even though the actual number of shares that vest will depend on the extent to which performance conditions are satisfied.

### Performance and deferred shares (audited)

	Award	Number of shares granted	Grant date	Face value of the award <sup>a</sup> , £	Vesting date
Murray Auchincloss	2024-26 EDIP Performance <sup>b</sup>	1,482,617	7 May 2024	7,472,390	May 2027
Kate Thomson		736,196	7 May 2024	3,710,428	May 2027
Murray Auchincloss	2024 EDIP Deferred <sup>c</sup>	124,128	7 May 2024	625,605	May 2027

a The face value of awards granted during 2024 have been calculated using a market price of ordinary shares at close on the date of award, as follows: £5.04 on 7 May 2024. In calculating the number of ordinary shares over which these awards were made, the committee applied the average price of ordinary shares over the 90 calendar days up to and including the annual general meeting that was held on 25 April 2024 (£4.89).

b Performance conditions are measured 15% on cumulative reduction % in operated carbon emissions, 25% on TSR relative to Chevron, ExxonMobil, Shell, TotalEnergies, Eni, Equinor and Repsol over three years, 20% ROACE averaged over the performance period, 20% adjusted EBIDA per share CAGR measured vs. year ended June 2020 and 20% strategic progress assessed over the performance period. Minimum vesting under this award (below threshold performance) is 0%. At threshold performance, vesting would be 6.25% of maximum.

Since 2010, vesting of the performance shares under EDIP has been subject to a safety underpin. If the committee assesses that there has been a material deterioration in safety performance, or there have been major incidents, either of which reveal underlying weaknesses in safety management, then it may conclude that shares should vest only in part, or not at all. In reaching its conclusion, the committee obtains advice from the S&SC.

The performance period is 1 January 2024 to 31 December 2026.

The 2025 performance share awards under EDIP are expected to be made following the conclusion of the 2025 annual general meeting.

c There is no identified minimum vesting threshold level. The 2024 bonus year deferred share awards under EDIP are expected to be made following the conclusion of the 2025 annual general meeting.

### Directors and leadership team

No directors or other leadership team members own more than 1% of the shares in issue. At 14 February 2025, our directors and leadership team members collectively held interests of 6,288,180 ordinary shares or their calculated equivalents, 4,339,104 restricted share units (with or without conditions) or their calculated equivalents, 7,399,346 performance shares or their calculated equivalents and 6,174,714 options over ordinary shares or their calculated equivalents, under bp group share option schemes.

## Chair and non-executive director outcomes and interests

### Fee structure

The table below shows the fee structure for the chair and non-executive directors (NEDs). The chair is not eligible for committee chairship and membership fees. The senior independent director (SID) is eligible for committee chairship and membership fees, and their fee includes the board member fee. Committee chairs do not receive a membership fee for the committee they chair.

Under the 2023 policy, fee levels are reviewed annually alongside wider workforce salaries and any changes are put into effect from 1 April. Taking all factors into consideration, for 2025 the board agreed to implement a 4% increase to the base fee for NEDs and for the SID, aligned with the salary increase budget for the UK wider workforce. Determination of the fees payable to the chair falls to the remuneration committee, which agreed to align the percentage increase of the chair's fee with the other NEDs. Following board and remuneration committee approval, the remuneration arrangements for the chair and NEDs will be adjusted with effect from 1 April 2025.

£ thousand per annum	2025/26 fees	2024/25 fees
Chair	<b>888</b>	854
Senior independent director	<b>181.5</b>	174.5
Board member	<b>130.5</b>	125.5
Audit, remuneration and safety and sustainability committees chairship	<b>35</b>	35
Committee membership	<b>20</b>	20

### 2024 remuneration (audited)

The table below shows the fees paid and applicable benefits. Benefits include travel and other expenses relating to the attendance at board and other meetings. Under the terms of his engagement with the company, Helge Lund has the use of a fully maintained office for company business, a car and driver, and security advice in London. Benefits values have been grossed up using a tax rate of 45%, where relevant, as an estimation of tax due.

£ thousand	Fees		Benefits		Total	
	2024	2023	2024	2023	2024	2023
Dame Amanda Blanc	<b>198</b>	159	<b>1</b>	2	<b>198</b>	161
Pamela Daley	<b>164</b>	159	<b>17</b>	67	<b>181</b>	226
Helge Lund (chair)	<b>845</b>	809	<b>38</b>	66	<b>882</b>	875
Melody Meyer <sup>a</sup>	<b>182</b>	184	<b>9</b>	29	<b>191</b>	213
Tushar Morzaria	<b>189</b>	174	<b>1</b>	3	<b>190</b>	177
Hina Nagarajan <sup>b</sup>	<b>157</b>	116	<b>17</b>	32	<b>174</b>	148
Satish Pai <sup>b</sup>	<b>144</b>	116	<b>5</b>	39	<b>149</b>	155
Paula Rosput Reynolds <sup>b</sup>	<b>72</b>	220	<b>6</b>	20	<b>78</b>	240
Karen Richardson <sup>c</sup>	<b>169</b>	178	<b>16</b>	18	<b>185</b>	196
Sir John Sawers <sup>b</sup>	<b>57</b>	174	<b>12</b>	7	<b>68</b>	181
Dr Johannes Teysen <sup>a</sup>	<b>160</b>	149	<b>5</b>	15	<b>165</b>	164

a Fee includes £10,000 p.a. for being a member of the bp geopolitical advisory council. The fee for this role ceased effective 1 April 2024.

b Hina Nagarajan and Satish Pai were appointed on 1 March 2023. Paula Rosput Reynolds and Sir John Sawers retired on 25 April 2024.

c Fee includes £25,000 p.a. for chairing the bp digital advisory council.

### Chair and non-executive directors' interests (audited)

The figures below include all the interests of the chair and each NED of the company in shares of bp (or calculated equivalents) that have been disclosed to bp. Our 2023 policy encourages NEDs to establish a holding in bp shares of the equivalent value of one year's base fee during their tenure.

	Ordinary shares or equivalents <sup>a</sup>				Value of current shareholding <sup>b</sup>	% of guideline achieved
	At 1 Jan 2024	At 31 Dec 2024	Changes to 14 Feb 2025	At 14 Feb 2025		
Dame Amanda Blanc	23,500	23,500	—	23,500	£109,980	88%
Pamela Daley	40,332	40,332	—	40,332	\$235,270	147%
Helge Lund (chair)	600,000	600,000	—	600,000	£2,808,000	329%
Melody Meyer	20,646	38,646	—	38,646	\$225,435	141%
Tushar Morzaria	71,972	71,972	—	71,972	£336,829	268%
Hina Nagarajan	10,000	25,944	—	25,944	£121,418	97%
Satish Pai	12,000	33,000	—	33,000	\$192,500	120%
Paula Rosput Reynolds <sup>c</sup>	78,378	—	—	—	—	—
Karen Richardson	29,316	35,316	—	35,316	\$206,010	128%
Sir John Sawers <sup>c</sup>	24,242	—	—	—	—	—
Dr Johannes Teysen	35,000	35,000	—	35,000	£163,800	131%

a Includes interests of persons closely associated.

b Based on ordinary share and ADS prices at 14 February 2025 of £4.68 and \$35.00. Where a US\$ value is provided these shares are held as ADSs.

c Paula Rosput Reynolds and Sir John Sawers retired on 25 April 2024.

## Directors' remuneration report continued

### Past directors

#### Payments for loss of office (audited)

No payments were made during the financial year for loss of office, except as already disclosed in the 2023 directors' remuneration report.

#### Payments to past directors (audited)

No payments were made during the financial year to past directors, except as already disclosed in the 2023 directors' remuneration report.

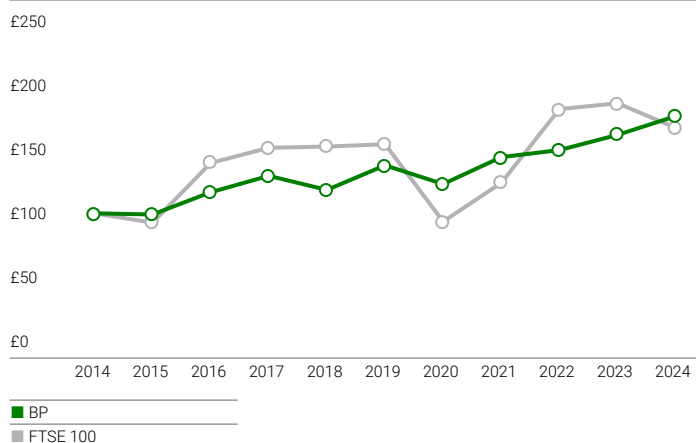
#### Post-employment benefits (audited)

Bob Dudley and Brian Gilvary were provided with tax return preparation support amounting to £1,779 and £11,455 respectively.

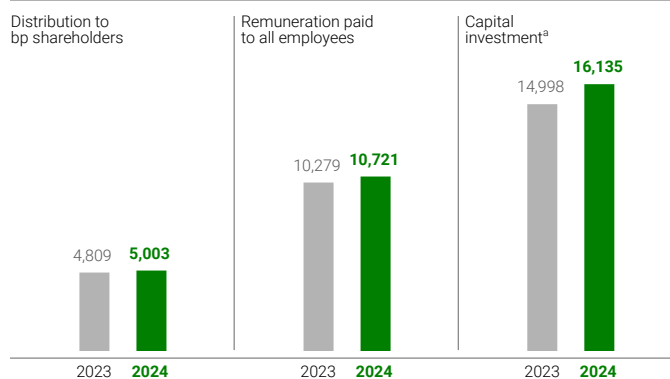
We made no other payments within the scope of the disclosure requirements to any past director of bp during 2024 (we have no de minimis threshold for such disclosures).

### Other disclosures

#### Historical TSR performance



#### Relative importance of spend on pay (\$ million)



a Organic capital expenditure.

The graph above shows the growth in value of hypothetical £100 investments in BP p.l.c. ordinary shares, and in the FTSE 100 index (of which bp is a constituent), over 10 years from 31 December 2014 to 31 December 2024.

#### History of chief executive officer remuneration

Year	Chief executive officer	Total remuneration, thousand	Annual bonus % of maximum	Performance shares % of maximum
2015	Bob Dudley	\$19,376	100	74.3
2016	Bob Dudley	\$11,904	61	40
2017	Bob Dudley	\$15,108	71.5	70
2018	Bob Dudley	\$15,253	40.5	80
2019	Bob Dudley	\$13,234	67.5	71.2
2020 <sup>a</sup>	Bob Dudley	\$188	0	32.5
	Bernard Looney	£1,735	0	32.5
2021	Bernard Looney	£4,457	80.5	30
2022	Bernard Looney	£10,331	75.5	54
2023 <sup>a,b</sup>	Bernard Looney	£1,175	n/a	n/a
	Murray Auchincloss	£5,391	79.5	75
<b>2024<sup>c</sup></b>	<b>Murray Auchincloss</b>	<b>£5,356</b>	<b>22.5</b>	<b>66.5</b>

a 2020 and 2023 figures show remuneration for the periods of qualifying service as CEO during the respective years.

b As reported in the 2023 directors' remuneration report, Bernard Looney stepped down as CEO and from the board of directors with immediate effect on 12 September 2023 and was succeeded by Murray Auchincloss as interim CEO on the same date. In respect of 2023, Bernard Looney did not receive any variable pay awards and his single figure shown in the table above excludes the impact of malus and clawback. For Murray Auchincloss, the 2023 figure has been updated based on the actual share price used for vesting of £4.52.

c Share price has been based on the average share price over Q4 of the 2024 FY of £3.90.

## Chief executive officer to employee pay ratio

Year	Method	25th percentile: pay ratio, total pay and benefits, (salary)	50th percentile: pay ratio, total pay and benefits, (salary)	75th percentile: pay ratio, total pay and benefits, (salary)
2019 <sup>a</sup>	Option A	543:1	188:1	82:1
2020 <sup>a</sup>	Option A	99:1	40:1	19:1
2021	Option A	208:1	87:1	35:1
2022	Option A	421:1	172:1	69:1
2023 <sup>b</sup>	Option A	268:1	103:1	45:1
2024 <sup>c</sup>	<b>Option A</b>	<b>196:1</b>	<b>74:1</b>	<b>37:1</b>
		<b>£27,343</b>	<b>£72,678</b>	<b>£143,202</b>
		<b>(£25,304)</b>	<b>(£54,106)</b>	<b>(£92,900)</b>

a Bob Dudley's pay has been converted from US dollars as per the ratios reported in the *bp Annual Report and Form 20-F 2020*.

b For 2023, the total single figure used to derive the CEO pay ratio is a combination of the two individuals in position of CEO during the year. In respect of the former CEO, the calculation has been based on the total single figure excluding the impact of malus and clawback in order to provide a comparison with prior years. Appropriate pro-rating of fixed and variable pay has been applied.

c Share price for the CEO share plan vesting has been based on the average share price over Q4 of the 2024 FY of £3.90.

This is our sixth year reporting the CEO pay ratio following the requirements introduced in 2018. As per the past five years, we have selected Option A as our reporting basis, being the most accurate approach available, and we confirm that no broadly applicable components of pay have been omitted. Where necessary, full-time equivalent pay has been calculated by simple engrossment of part-year values. Employee values relate to pay and benefits for the year ended 31 December 2024.

Changes in the pay ratio over time reflect the fact that CEO remuneration is more heavily weighted to variable pay, resulting in larger year-on-year swings than wider workforce pay. This is evidenced by the variability of the CEO pay ratio over the past six years. This volatility in the pay ratio reporting from year to year is expected, and illustrates one of the challenges in commenting on whether the pay differentials are appropriate. In 2024, the 50th percentile pay ratio decreased from 103:1 to 74:1. This was largely driven by the outcomes of the CEO's variable awards, with the lowest bonus outcome in the past 10 years (excluding nil bonus for 2020) and the performance share award being granted at a lower multiple of salary when he was in position as CFO.

The committee believes in performance-based remuneration. For all employees eligible to participate in the annual cash bonus plan, there is an individual uplift available each year which allows managers to nominate individuals based on their personal contributions during the year. For senior leaders, a significant portion of the remuneration package continues to be linked to performance-based reward. It is therefore the view of the committee that the remuneration frameworks we have in place for executive directors and the wider workforce are fit-for-purpose and deliver pay outcomes appropriate to the circumstances of the year, with differentials that reflect the relative contributions made at different levels of the organization.

The committee is satisfied that the median pay ratio reported this year is consistent with bp's pay policies for employees and does not constitute a reason to modify our pay programmes.

## Percentage change comparisons: directors' remuneration versus employees

In the table below, values in column 'a' represent the percentage change in salary and fees; values in column 'b' represent the percentage change in taxable benefits; and values in column 'c' represent the percentage change in bonus outcomes for performance periods in respect of each financial year. For the purposes of comparison, the employee percentages shown below represent the relative change between the median full-time equivalent pay for every employee employed at BP p.l.c. at any point during the relevant financial year, and the equivalent median value for the preceding financial year. Where increases are infinite relative to the preceding year, we have shown them as 100% for illustration, where a director was appointed or retired part-way through the year we have annualized pay except for one-time items, and where comparison to the prior year is not possible we have used dashes.

Percentage change for:	2024 vs. 2023			2023 vs. 2022			2022 vs. 2021			2021 vs. 2020			2020 vs. 2019		
	a	b	c	a	b	c	a	b	c	a	b	c	a	b	c
Employees	4%	0%	-65%	6%	1%	4%	2%	1%	45%	7%	-9%	100%	0%	0%	-100%
Murray Auchincloss	43%	-61%	-60%	30%	283%	31%	7%	530%	3%	5%	5%	100%	—	—	—
Kate Thomson	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Dame Amanda Blanc	24%	-72%	n/a	38%	100%	n/a	—	—	n/a	—	—	n/a	—	—	n/a
Pamela Daley	3%	-75%	n/a	2%	2%	n/a	7%	43%	n/a	4%	1385%	n/a	-15%	-92%	n/a
Helge Lund (chair)	4%	-43%	n/a	3%	78%	n/a	0%	97%	n/a	0%	-24%	n/a	0%	-74%	n/a
Melody Meyer	-1%	-68%	n/a	2%	-14%	n/a	13%	139%	n/a	-4%	283%	n/a	9%	-77%	n/a
Tushar Morzaria	9%	-73%	n/a	2%	-46%	n/a	25%	100%	n/a	5%	0%	n/a	—	—	n/a
Hina Nagarajan	13%	-46%	n/a	—	—	n/a	—	—	n/a	—	—	n/a	—	—	n/a
Satish Pai	3%	-88%	n/a	—	—	n/a	—	—	n/a	—	—	n/a	—	—	n/a
Paula Rosput Reynolds	3%	-70%	n/a	2%	-14%	n/a	16%	145%	n/a	—	228%	n/a	2%	-92%	n/a
Karen Richardson	-5%	-12%	n/a	11%	-20%	n/a	30%	96%	n/a	—	—	n/a	—	—	n/a
Sir John Sawers	3%	63%	n/a	2%	105%	n/a	17%	1%	n/a	—	1588%	n/a	—	-83%	n/a
Johannes Teysen	7%	-68%	n/a	3%	12%	n/a	21%	65%	n/a	—	—	n/a	—	—	n/a

## Directors' remuneration report continued

### Independence and advice

The board considers all committee members to be independent with no personal financial interest, other than as shareholders, in the committee's decisions. Further detail on the activities of the committee in 2024 is set out in the remuneration committee report on [page 88](#).

During 2024 Ben Mathews, who was employed by the company and reported to the chair of the board, acted as secretary to the remuneration committee.

The committee also received advice on various matters relating to the remuneration of executive directors and senior management from Kerry Dryburgh, EVP people, culture & communications and Ashok Pillai, SVP reward.

PricewaterhouseCoopers LLP (PwC) continued to provide independent advice to the committee in 2024. PwC advice included, for example, support with remuneration benchmarking and updates on market practice. PwC is a member of the Remuneration Consulting Group and, as such, operates under the code of conduct in relation to executive remuneration in the UK. The committee is satisfied that the advice received is objective and independent. The committee is comfortable that the PwC engagement partner and team who provide remuneration advice to the committee do not have connections with the company or its directors that may impair their independence.

Total fees or other charges (based on an hourly rate) for the provision of remuneration advice to the committee in 2024 (save in respect of legal advice) were £88,751 to PwC. Freshfields LLP (Freshfields) provided legal advice on specific compliance matters to the committee. PwC and Freshfields provide other advice in their respective areas to the group.

### Considerations related to the UK Corporate Governance Code

When setting the 2023 policy, the committee concluded that a scorecard-based approach to setting targets and measuring outcomes helps it to engage transparently with shareholders and the wider workforce on remuneration. Thus, bp continues to operate a simple, clear structure of market-aligned salary with annual and three-year performance-based incentives. Risks are managed through careful setting of performance measures and targets and the committee retains the exercise of its discretion in assessing outcomes. These are complemented with robust malus and clawback measures. Remuneration outcomes are predictable, as shown in the implementation charts of the 2023 policy, and proportional by virtue of the challenging performance levels required to achieve target pay outcomes. Through material weighting in measures related to safety, sustainability and strategy, as shown on [page 104](#), remuneration aligns closely with bp's culture, as expressed through our purpose and ambition.

### Shareholder engagement

Throughout 2024 the committee engaged frequently on remuneration policy and approach with bp's largest shareholders, as well as their representative bodies. This dialogue will continue throughout 2025. The table below shows the recent votes on the directors' remuneration report and policy.

Year	% vote 'for'	% vote 'against'	Votes withheld
2024 – Directors' remuneration report	95.88%	4.12%	37,229,024
2023 – Directors' remuneration policy	94.23%	5.77%	36,921,641

### Service contracts and letters of appointment

The service contracts of executive directors do not have a fixed term. Service contracts for each executive director are available for shareholders to view upon request at the company's registered office. Each executive director's service contract contains a 12-month notice period. Consistent with the best interests of the group, the committee will seek to minimize termination payments.

	Date of contract	Effective date
Murray Auchincloss	17 Jan 2024	17 Jan 2024
Kate Thomson	2 Feb 2024	2 Feb 2024

The non-executive directors (NEDs) have letters of appointment, which are available for shareholders to view upon request at the company's registered office. All directors are subject to annual re-election by shareholders at the annual general meeting. Normally, NEDs will be encouraged to serve for up to nine years from their appointment in line with the provisions of the 2018 Code, subject to annual re-election.

### External appointments

The board supports executive directors taking up appointments outside the company to broaden their knowledge and experience. Each executive director is permitted to retain any fee from their external appointments. Such external appointments are subject to agreement by the chair and reported to the board. Any external appointment must not conflict with a director's duties and commitments to bp. Details of appointments as NEDs of publicly listed companies during 2024 are shown below.

	Appointee company	Additional position held at appointee company	Total fees, £
Murray Auchincloss <sup>a</sup>	Aker BP ASA <sup>b</sup>	Director	0
Kate Thomson	Aker BP ASA <sup>b</sup>	Director	0

a Murray resigned from this position during 2024.

b Held as a result of the company's shareholding in Aker BP ASA.

This directors' remuneration report was approved by the board and signed on its behalf by Ben J.S. Mathews, company secretary, on 6 March 2025.