

Environmental, social & governance

Sustainability at the heart of our strategy
to deliver value to our stakeholders

Investor Pack
Updated: April 2024

Cautionary statement

In order to utilize the ‘safe harbor’ provisions of the United States Private Securities Litigation Reform Act of 1995 (the ‘PSLRA’), bp is providing the following cautionary statement. This presentation contains certain forward-looking statements – that is, statements related to future, not past events and circumstances – which may relate to one or more of the financial condition, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements are generally, but not always, identified by the use of words such as ‘will’, ‘expects’, ‘is expected to’, ‘aims’, ‘should’, ‘may’, ‘objective’, ‘is likely to’, ‘intends’, ‘believes’, ‘anticipates’, ‘plans’, ‘we see’ or similar expressions.

In particular, the following, among other statements, are all forward looking in nature: plans and expectations relating to bp’s new strategy including statements regarding the delivery of that strategy, plans for bp to be a very different kind of energy company by 2030, and expectations to grow long-term sustainable shareholder value; plans and expectations relating to bp’s sustainability frame; plans and expectations relating to bp’s financial frame and investor proposition; statements regarding bp’s ambition to be a net zero company by 2050 or sooner and help the world get to net zero; statements regarding the five aims to help bp get to net zero including 2025 targets and 2030 aims in respect of emissions reductions, carbon and methane intensity and the proportion of investment in non-oil and gas businesses; statements regarding the five aims to help get the world to net zero including expectations and plans for the partnerships and joint ventures referred to in the clean cities and corporates section of the presentation; statements regarding the five aims to help improve people’s lives including just transition and greater equity and five aims to care for our planet including aims for a net positive impact on biodiversity from new projects and to be water positive by 2035 and championing nature based solutions. By their nature forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of bp. Actual results may differ from those expressed in such statements, depending on a variety of factors including the risk factors set forth in our most recent Annual Report and Form 20-F under “Risk factors” and in any of our more recent public reports.

Our most recent Annual Report and Form 20-F and other period filings are available on our website at www.bp.com, or can be obtained from the SEC by calling 1-800-SEC-0330 or on its website at www.sec.gov.

Introduction



As part of our ambition to be a net zero company by 2050 or sooner, we laid out 10 net zero aims, with interim targets for 2025 and aims for 2030.

Through our sustainability frame we set out 10 further aims – five to improve people’s lives and five to care for our planet – in doing so connecting the business opportunities of the energy transition with environmental and societal needs.

We believe strong environmental, social and governance performance benefits society, our employees and our shareholders.

It creates resilience and enduring value across our activities – from more efficient operations through to unlocking growth opportunities in the energy transition.

And just as we have clear metrics for our financial performance, our net zero, people and planet aims can be used to track our sustainability performance and inform engagement. They help show how purpose and profit work together, delivering long-term value for our stakeholders.



Giulia Chierchia

EVP, Strategy, sustainability & ventures



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Annual report



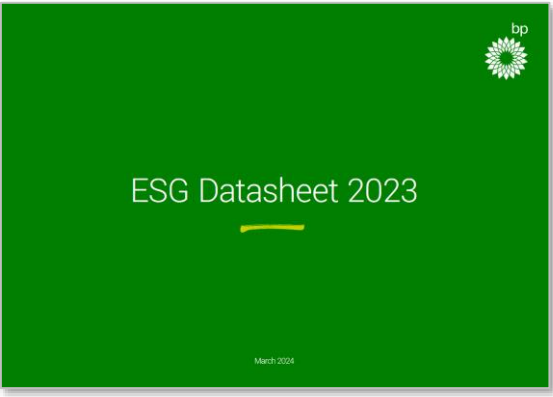
- Strategic report
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Net zero ambition progress update



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Reporting centre



All reports, policies and positions, data and assurance, standards and frameworks, and archives

What is included in this presentation

This pack consolidates a number of aspects covered across our reports including those highlighted above. In some cases this includes simplification of more complex topics. Where a topic is covered in bp’s corporate reporting or other disclosures, its coverage there takes precedence over this pack. For convenience this pack provides “Go Deeper” references to such disclosures where this may be particularly helpful, but these are not comprehensive.

A low-angle, upward-looking photograph of a large solar panel array. The panels are dark blue with a white grid pattern, mounted on a metal frame. In the lower right foreground, a man wearing a bright yellow high-visibility long-sleeved shirt with reflective silver stripes, a white hard hat with the name 'SOHAN' on it, and safety glasses is working on the panels. He is looking up at the array. The background is a clear blue sky with the sun visible in the upper right corner, creating a lens flare effect. The word 'Context' is written in a large, white, cursive script across the center of the image.

Context

Highlights

Get to net zero

 **Go deeper** bp.com/sustainability

1

Net zero operations★
41%
reduction in absolute emissions against the 2019 baseline. (2022 41%)

2

Net zero production★
13%
reduction in absolute emissions against the 2019 baseline. (2022 15%)

//

The combination of near-term and longer-timeline opportunities is the basis of our biofuels strategy, giving us huge momentum on the pathway to net zero.


//

SVP Biofuels Growth

 Read more about our biofuels business: bp.com/bioenergy

1

Reducing operational emissions in Oman
Our operations and wells teams in Oman contributed 77ktCO₂e to our aim 1 emissions reduction targets through a number of sustainable emissions reductions★. These included flaring optimization and implementing operational efficiencies.



Block 61, Khazzan, Oman

3

Net zero sales★
3%
reduction in the average lifecycle carbon intensity of sold energy products★ against the 2019 baseline. (2022 2%)

3

Producing more renewable natural gas
Archaea Energy, a leading US producer of renewable natural gas (RNG), which bp acquired through a deal announced in 2022, has started production at its new modular design RNG plant in Medora, Indiana – an industry first that could help streamline and accelerate build times for RNG plants.



Archaea Energy, Kansas, US

4

Reducing methane
0.05%
methane intensity★ (2022 0.05%)

5

More \$ into transition
\$3.8bn
transition growth investment★ (2022 \$4.9bn)

4

Implementing methane measurement across our upstream oil and gas assets
We have completed the implementation of our planned methane measurement approach across our upstream oil and gas assets, with the introduction of software for flare efficiency, predictive emissions monitoring on gas turbines and additional or updated meters among other measures.



Project Seagull, North Sea, UK

★ See the glossary in the [bp Sustainability Report 2023, pages 59-61](#)

Highlights

Improve people's lives

 **Go deeper** bp.com/sustainability

12 Collaborating with First Nations people in Australia
bp Australia launched a new Reconciliation Action Plan (RAP), setting out actions over three years to improve outcomes for the country's First Nations peoples. It was developed through collaboration with Aboriginal and Torres Strait Islander employees.

13 Hiring and training refugees in the UK and Poland
Our initiatives to support refugees are focused on training and employment. In 2023 we hired 60 refugees in our retail business in Poland and we intend to hire 70 and support 250 more across our European operations over the next three years.

12 Preparing for jobs in low carbon industries
In Teesside, UK we are funding the Teesside Clean Energy Technician Scholarship to help people from diverse backgrounds prepare for employment in low carbon industries. The first cohort started studying in September 2023.



13 Supporting sustainable livelihoods in Indonesia
Our contribution to the development of sustainable livelihoods in communities close to our Tangguh LNG facility in Indonesia has been recognized by an independent advisory panel.



14 >700
bp and Amoco US retail sites★ are partnering with fuelService, a disability-owned enterprise, to support customers with physical disabilities.

14 500+
work placements hosted in several countries, including the UK, India and South Africa as part of our programme focused on social mobility.

“
bpTransform has allowed me to develop and be myself at work. **”**
bpTransform participant and bp customer service assistant.

 Find out more about bpTransform at bp.com/sustainabilityreport

15 Promoting wellbeing for our employees
All of our eligible employees and their families now have access to an online wellbeing platform at bp.

14 Promoting inclusivity in Spain
Through an innovative employment programme in Spain called bpTransform, we are working with local NGOs to promote understanding of the issues trans and non-binary people face when trying to access job opportunities – with 15 trans people helped to find jobs at bp retail sites and offices in Spain.

★ See the glossary in the [bp Sustainability Report 2023, pages 59-61](#)

Highlights

Care for our planet

 **Go deeper** bp.com/sustainability

16

Putting our net positive impact (NPI) methodology into action

We are applying our NPI biodiversity methodology on new, in scope bp projects. These include the Northern Endurance Partnership Development in the UK and the Ubidari carbon capture project in Indonesia.



Teesside brownfield site, Teesside, UK

“

We are working on a five-year project with the Institute of Marine Affairs exploring restoration methods to rehabilitate coral reefs and sea grasses essential to Tobago’s marine biodiversity and economy.”

Head of C&EA, bp Trinidad and Tobago.



Find out more about project MARIN on our website at bp.com/sustainabilityreport

19

>1 million

reduced-cost bags of food sold in Germany and around **54,000** meals delivered to local communities in Australia – helping to avoid the environmental costs of food waste.

17

Water assessments to improve efficiency

We conducted assessments at four refineries, which account for around 51% of our water consumption, to help identify areas where we can create efficiencies in water consumption.

17

Support for water replenishment projects in Azerbaijan

We are backing three new projects in Azerbaijan to help improve water supply and irrigation of arable land, provide safe drinking water, and improve community sanitation. These projects include the restoration of traditional sustainable water supply systems.

Environmental Social Governance

19

New focus areas for circularity published

These focus on improving our waste management and integrating circularity into our transition growth★ engines.

20

New sustainable purchasing position published in 2023

It sets out focus areas to help us engage suppliers to promote a more sustainable supply chain.

18

Restoring wetlands in the US

In Montana, US, one of our subsidiaries has worked to improve biodiversity on remediation projects at former copper smelting sites, including wetland restoration, reforestation, and the creation of new wildlife management areas.



Opportunity Ponds, Montana, US

★ See the glossary in the [bp Sustainability Report 2023, pages 59-61](#)

Reimagining energy and reinventing bp

Long term value creation for all stakeholders

Purpose

Reimagining energy

for people and our planet

Ambition

Our ambition is to be a net zero company by 2050 or sooner and to help the world get to net zero.

We've set out 10 net zero aims, five to help bp get to net zero and five to help the world get there too.

Sustainability frame



Financial frame

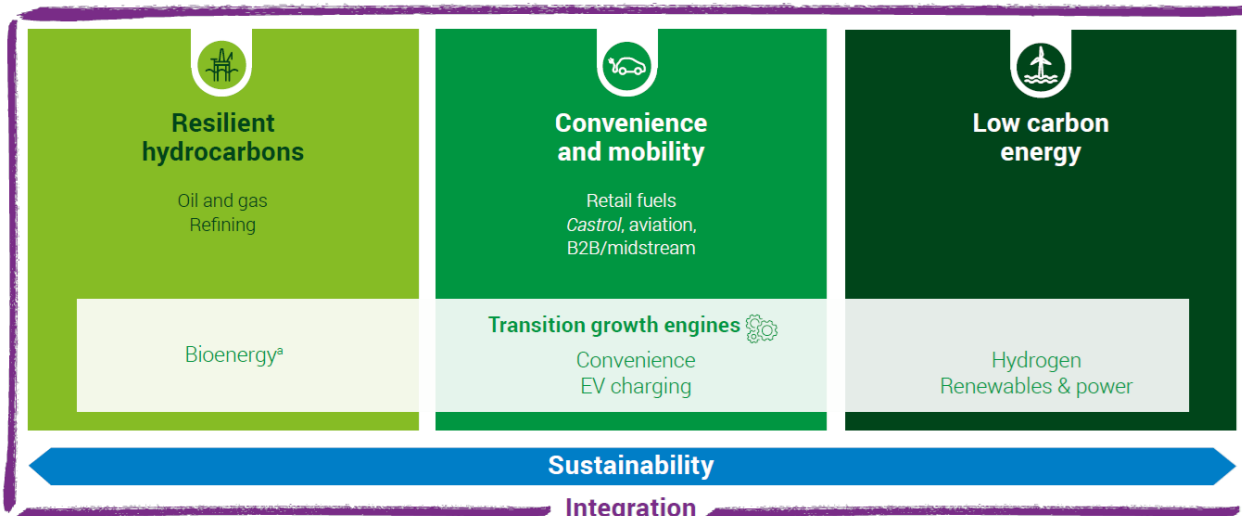
Resilient dividend

Strong investment grade credit rating

Disciplined investment allocation

Share buybacks

Strategy

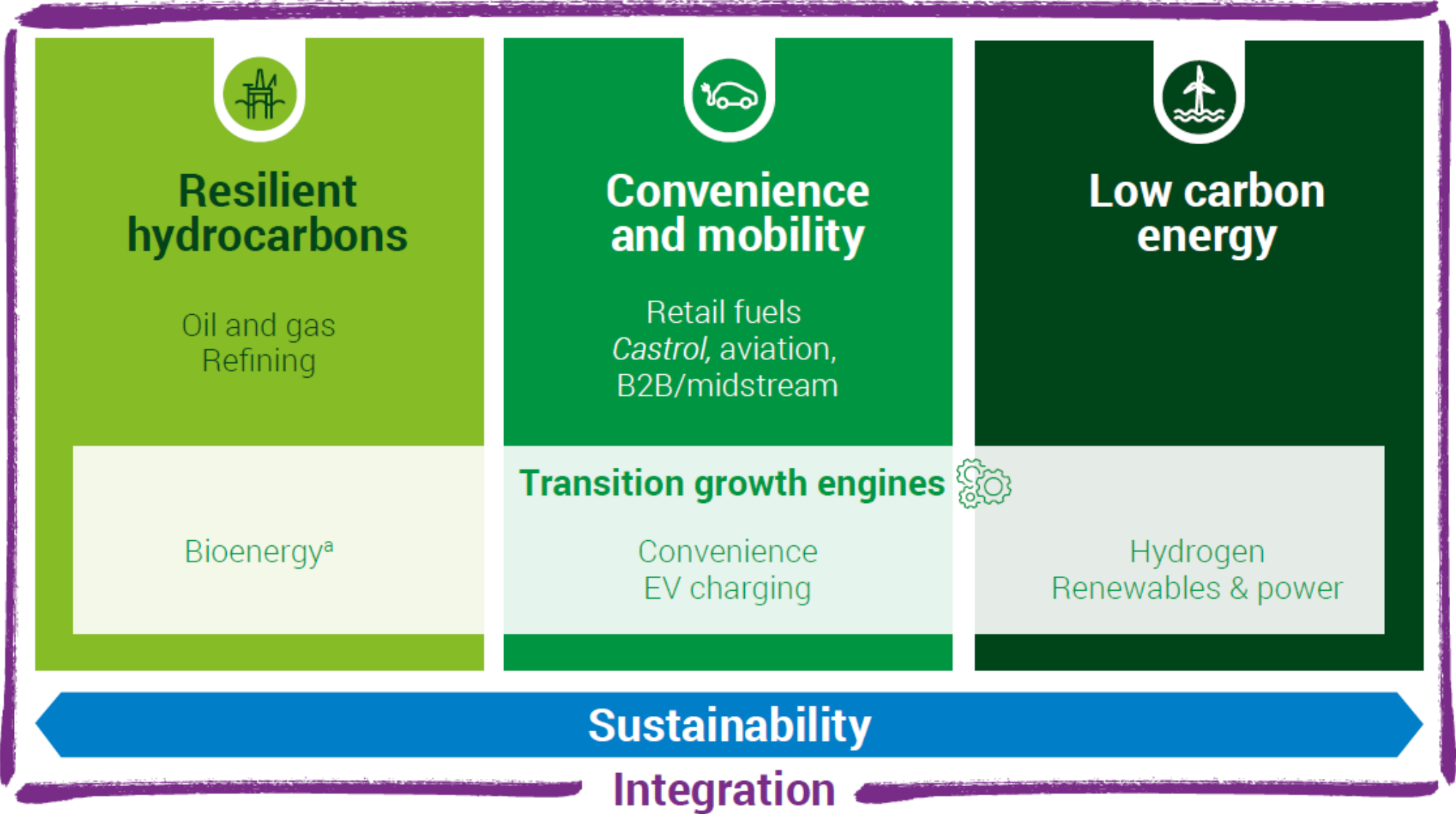


from IOC to IEC

From an international oil company to an integrated energy company

a) Bioenergy includes customer-facing and midstream biofuels activities that form part of convenience and mobility.

from IOC to IEC



a) Bioenergy includes customer-facing and midstream biofuels activities that form part of convenience and mobility.

Our sustainability frame

Our sustainability frame, which underpin our strategy, puts our purpose into action. It takes an integrated approach while focusing on the areas where we believe we can make the most difference.

Our focus areas, aims and objectives



Building on our beliefs and foundations



20 aims to deliver our sustainability frame

Aim SDGs

Get to net zero

Aim 1: Net zero operations



Aim 2: Net zero production



Aim 3: Net zero sales



Aim 4: Reducing methane



Aim 5: More \$ for new energies



Help the world get to net zero

Aim 6: Advocating



Aim 7: Incentivizing employees



Aim 8: Aligning associations



Aim 9: Transparency leader



Aim 10: Clean cities



Aim SDGs

Improve people's lives

Aim 11: More clean energy



Aim 12: Just transition



Aim 13: Sustainable livelihoods



Aim 14: Greater equity



Aim 15: Enhance wellbeing



Care for our planet

Aim 16: Enhancing biodiversity



Aim 17: Water positive



Aim 18: Championing nature-based solutions



Aim 19: Unlock circularity



Aim 20: Sustainable purchasing



Safety

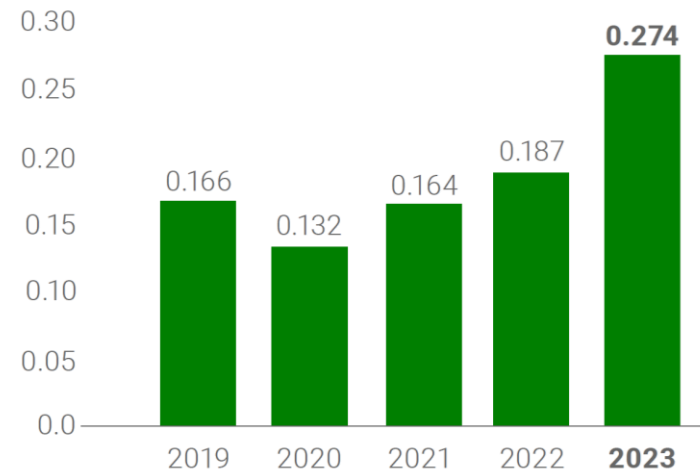
Our core value at the heart of performance across bp

In 2023, compared to 2022

- Downward trend in combined tier 1 and tier 2 process safety events continued in 2023
- An increase in our recordable injury frequency (RIF) due to onboarding of new retail operations

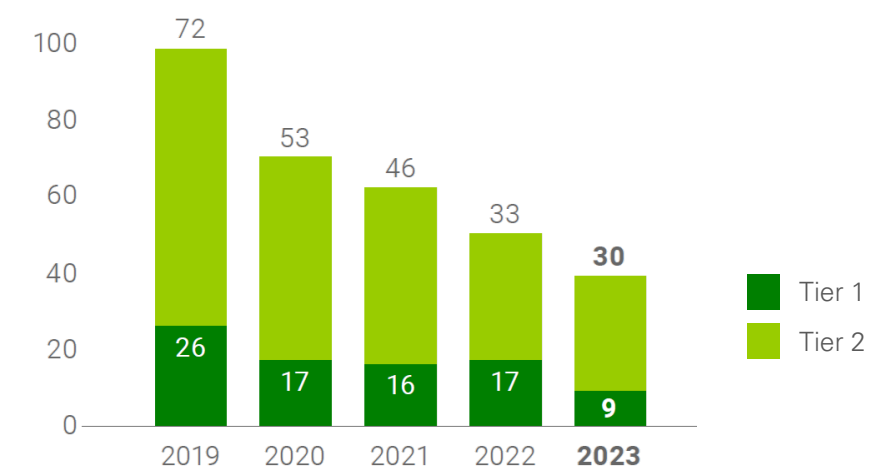
Reported recordable injury frequency

(workforce per 200,000 ours worked)



Tier 1 and 2 process safety events

(number of incidents)



Enhancing safety with automated technology in the North Sea

- First onshore remote piloting of a remotely operated vehicle (ROV) in the UK successfully conducted at the bp-operated Clair Ridge platform.
- Improves the efficiency and safety of operations by removing people from site.



Our safety culture

Safety Leadership Principles include:

- Genuine care for each other
- No compromising focus on safety.
- Encourage and recognize speak up
- Understand how work happens
- Learn why mistakes occur



An offshore oil rig with a red base and white upper structure is situated in the middle of a calm blue ocean. The rig features several cranes and complex piping. In the background, a smaller support vessel is visible. The sky is filled with large, white, fluffy clouds, and the entire scene is reflected in the still water.

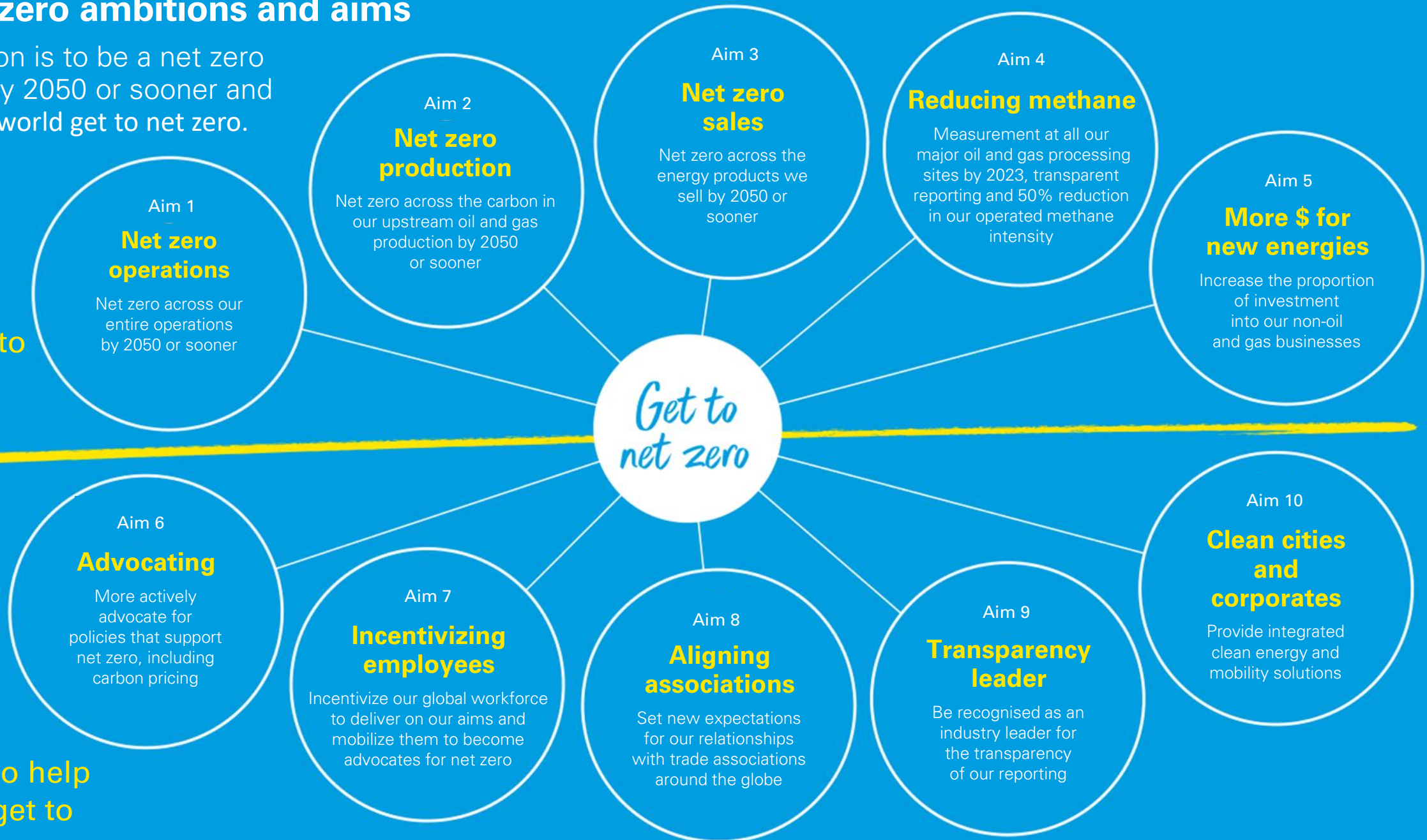
Getting to net zero

Our net zero ambitions and aims

Our ambition is to be a net zero company by 2050 or sooner and to help the world get to net zero.

Five aims to get bp to net zero

Five aims to help the world get to net zero



We aim to be a

Net zero company

by 2050 or sooner and to help the world reach that goal

We believe bp's strategy is **consistent with Paris**

Key principles to Paris consistency

1. Informed by Paris-consistent energy transition scenarios

- The IPCC¹ is the authoritative source on the evolving science of climate change and we use it and other sources to inform our strategy.
- They highlight a range of pathways by which the world can meet Paris, with differing implications for regions, industries and sectors.
- bp's strategy is informed by these considerations and our Energy Outlook *Accelerated* and *Net Zero* scenarios which fall within the range of IPCC scenarios consistent with meeting the Paris goals.
- It is designed to drive decarbonisation while remaining adaptable to the many potential Paris-consistent pathways the energy transition may take.

2. Positioned for strategic resilience

- Our Paris consistent strategy is designed to position bp for success and resilience in a Paris consistent world – a world which is progressing on one of the many global trajectories that meets the Paris goals.
- It is also designed to be resilient and flexible to manage uncertainty across scenarios, but is weighted towards a rapid transition enabling bp to capture the huge opportunities we see in the energy transition – and this is what we are advocating for.

3. Contributing to net zero

- Our net zero ambition is to become a net zero company by 2050 or sooner and to help the world get to net zero.
- Our strategy is designed to deliver long-term value while driving delivery of both parts of our ambition – for bp and the world.
- It enables us to contribute to global net zero and meeting the Paris goals in several ways - including action on GHG² emissions, technology development, policy advocacy, low carbon collaboration, and investments in low carbon.
- Some ways to contribute are more readily measured quantitatively than others – but all are important, whether or not they translate into GHG reductions for bp.

We are confident that our approach is **science-based**. We are working with a number of parties, to help build external understanding and recognition of our accelerated ambition and its Paris consistency, and to exchange views on methodologies for evaluating ambitions, aims and targets. We support the development of methodologies to evaluate – and potentially further validate – our net zero targets and aims and the consistency of our strategy with the Paris goals.

(1) *Intergovernmental Panel on Climate Change*
 (2) *Greenhouse gases such as carbon dioxide (CO₂) and methane (CH₄)*
 (3) *2050 or sooner*
 (4) *Relates to Scope 3, category 11 (use of sold products)*

Net zero	Emissions	Targets & aims
✓ Operations	✓ Scope 1+2	✓ Short-term (2025)
✓ Production	✓ Scope 3 ⁴	✓ Medium-term (2030)
✓ Sales	✓ Full value chain	✓ Long-term (2050 ³)



Scope 1, 2 and 3 emissions



				Emissions reductions ¹			
	Scope	Emissions	Point in value chain	2023 Progress	2025 Targets	2030 Aims	2050 Aims or sooner
<div>Aim 1</div> <div>Net zero operations</div> <div>Net zero across our entire operations²</div>	Scope 1+2	Absolute reductions	Operations	41 %	20%	50%	Net zero
<div>Aim 2</div> <div>Net zero production</div> <div>Net zero across the carbon in our upstream oil and gas production³</div>	Scope 3 ⁵	Absolute reductions	Upstream oil and gas production	13%	10-15%	20-30%	Net zero
<div>Aim 3</div> <div>Net zero sales</div> <div>Net zero across the energy products we sell⁴</div>	Lifecycle (including end-use emissions)	Carbon intensity reduction	Marketed and physically traded sales	3%	5%	15-20%	Net zero

(1) Emissions reductions versus 2019 baseline

(2) Net zero, gross operated

(3) Net zero, bp net equity

(4) Net zero, average emissions intensity of our marketed and physically traded energy products

(5) Relates to Scope 3, category 11 (use of sold products)

Aim 1



Aim 2



Aim 3



Reducing methane

Our aim 4 is to install methane measurement at all our existing major oil and gas processing sites by 2023, publish the data, and then drive a 50% reduction in methane intensity of our operations.

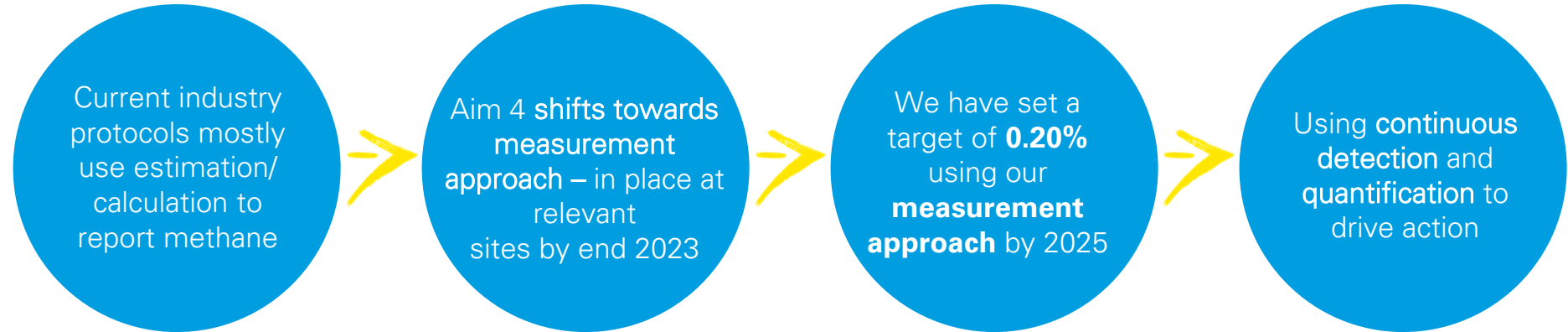
2023

0.05%²

2025 Targets

0.20%

(measurement approach)



We have completed the implementation of our methane measurement approach across our upstream assets

How we will meet our aim

- Focus on achieving reductions across our key methane sources
- Investment in technology to both reduce methane and improve our ability to measure it
- Continue to support Zero Routine Flaring by 2030 initiative
- Advocating for robust methane policies

Progress to date

- Improved methane intensity¹ in 2023 vs. 2019 (0.14%)
- Continued progress on upgrading mature fields with new technology
- Working to influence JVs to set their own 0.2% methane intensity targets
- Collaboration with peers, NGOs, third-party experts and academic institutions
- Working with stakeholders such as EDF and OGCI and to work under the Methane Guiding Principles
- Retained gold status from the Oil and Gas Methane Partnership (OGMP), version 2

(1) Methane emissions from bp operated upstream oil and gas assets as a percentage of total gas to market from those operations

(2) Methane intensity calculated using existing methodology and, whilst it reflects progress in reducing methane emissions, will not directly correlate with progress towards delivering the 2025 target under Aim 4



Investment allocation

More \$ for new energies

Our aim 5 is to increase the proportion of investment we make into our non-oil and gas businesses.

Annual investment into transition growth engines

2023 \$3.8bn

2025 Targets \$6-8bn

2030 Aims \$7-9bn



Key investment appraisal assumptions (2022 real)

	2025	2030	2040	2050
Brent (\$/bbl)	70	70	63	50
Henry Hub gas (\$/mmBtu)	4.0	4.0	4.0	4.0
RMM	14	14	11	8.5

Carbon price (US\$/tCO₂e) (2022 real)

	2025	2030	2040	2050
Central case	54	108	216	270

We consider these lower long-term price assumptions to be broadly in line with a range of transition paths consistent with the Paris goals.

Capital expenditure

Our planned capital expenditure progression out to 2030 confirms our commitment to our net zero targets and aims, including Aims 1, 2 and 3.

2024 capital frame

- We expect capital expenditure to be ~\$16bn in 2024-2025

We remain committed to delivering our long term GHG reduction aims – including to achieve net zero across our operations, production and sales by 2050 or sooner – which means we’re committed to phasing out expenditure in unabated carbon intensive assets² and products by 2050 or sooner.

We are confident that bp’s future capital expenditures in carbon intensive assets or products will not exceed the peak in 2013³. Our 2026-2030 capital expenditure frame is \$14-18bn.

Board reviews investment cases >\$3bn for resilient hydrocarbons, >\$1bn for all transition or low carbon investments and any significant inorganic acquisition that is exceptional or unique in nature¹

Upstream oil and refining	<10 year payback	Upstream gas	<15 year payback
Bioenergy	>15% IRR	Convenience and EV Charging	>15% IRR
Hydrogen	Double digit unlevered	Renewables & power	6-8% unlevered

Balanced investment criteria



Each of the new material capex investments approved since 2020 was evaluated to be consistent with the Paris goals

(1) All low carbon or transition and significant inorganic acquisitions that are exceptional or unique in nature
(2) We see abatement as including netting by means of offsets as necessary, in order to achieve net zero for the value chains in which we participate, in line with our ambition and aims
(3) 2013 capex on our upstream and downstream segments and inorganic acquisitions was ~\$29bn, of which the vast majority related to carbon intensive assets or products (essentially oil, gas, refining and fuels)

6

Advocating

Our progress

Published our high-level climate policy positions along with examples of relevant activities to be more transparent in our advocacy for global climate policy.

7

Incentivizing employees

Our progress

Our bonus scorecard measure for eligible employees is now linked to operated carbon emissions (the same Scope 1 and 2 GHG emissions reported under aim 1).

8

Aligning associations

Our progress

Signed the Oil & Gas Decarbonization Charter which includes aims to achieve net zero operations by 2050, zero routine flaring and near-zero methane emissions by 2030.

9

Transparency leader

Our progress

Participated in the development of carbon and net zero standards and benchmarks.

10

Clean cities and corporates

Our progress

Continued to help corporates meet their complex decarbonization needs.



Transparency leader

Our aim 9 is to be recognised as an industry leader for the transparency of our reporting.



Reporting & transparency

We aim to work constructively with the TCFD and others – such as SASB – to develop good practices and standards






Annual tax transparency report and endorse the B Team Responsible Tax Principles

Founding member of the Extractive Industries Transparency Initiative (EITI)



TCFD
Tax transparency

Our progress and enhanced disclosures are being reflected across the ESG ecosystem

ESG ratings agencies		2020	➤	2022	➤	2023
MSCI 	BBB			A		A
	SUSTAINALYTICS	37.4		33.8		35.1
	CDP 	F (Not reporting)		B		A-
Climate initiatives		Yes (0) Partial (9) No (0)		Y(3) P(6) N(0)		Y(5) P(5) N(0)
Climate Action 100+ 	Transition Pathway Initiative	Management 4★ (Max)	Carbon Not aligned	Management 4★ (Max)	Carbon 1.5°C 2050	Management 4★ (Max) Carbon 1.5°C 2050
Frameworks		Announced aim for expanded disclosures		Expanded disclosures	Expanded disclosures	
TCFD 		In progress		Index published	Index published	
	SASB STANDARDS  Now part of IFRS Foundation					



Improving people's lives

Our people aims

Five aims
to improve
people's lives



Just transition: Human rights

Just transition

Our aim 12 is to support a just energy transition which advances human rights and education.

Objectives

1. Enable just transition for the workforce
2. Supporting civic dialogue, transparency and building local capacity
3. Decent work
4. Respect and remedy
5. Responsible security



Our human rights policy clarifies our commitments and strengthens our approach

Clear commitments and approach

- Worker rights
- Vulnerable groups and individuals
- Freedom of expression
- Water & sanitation
- Land rights
- Grievance mechanisms

Global scope and reach

- All employees
- Communities where we operate
- Clear expectations for engaging suppliers and business partners

Systematic application

- Labour Rights and Modern Slavery Principles
- Working with industry
- Targeted due diligence assessments
- Independent assessments of Policy conformance for selected sites / businesses

Preparing for jobs in low carbon industries

- In Teesside, UK we are funding the Teesside Clean Energy Technician Scholarship to help people from diverse backgrounds prepare for employment in low carbon industries.

And we're in action

- Driving labour rights and modern slavery principles into action across bp and with higher risk contractors and suppliers.
- Working with contractors and suppliers in response to labour rights issues and modern slavery indicators
- Rolling out human rights assessment platform



Greater equity

Our aim 14 is greater diversity, equity & inclusion for our workforce and customers, and to increase supplier diversity spend to \$1 billion.

Objectives

- 1. Diverse workforce, inclusive workplace culture and employee experience**
(includes all aspects of diversity – gender, race, ethnic minority, LGBTI+, persons with disabilities, etc.)
- 2. Inclusive customer experience**
(includes all aspects of diversity – gender, race, ethnic minority, LGBTI+, persons with disabilities, etc.)
- 3. Multiply DE&I impact through ecosystem partners** and suppliers**



bp’s success depends on having a talented and diverse workforce that represents the communities we serve

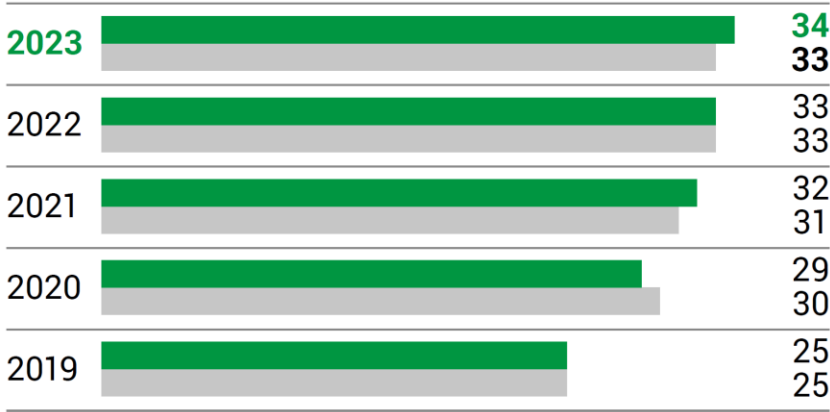
Our aim includes all aspects of diversity – including gender, race, ethnic minority, LGBTI+ and persons with disabilities.
Value from diverse set of expertise, views and perspectives.
Published our first annual DE&I report in June 2021.

Workforce by gender

As at 31 December 2023	Female %
Board directors	50
Leadership team	64
Group leaders	34
All employees	41

Progress to date

- Percentage of women and individuals from countries other than the UK and the US among bp’s group leaders increased in 2023
- Published our UK and US frameworks for action to help combat racial injustice
- Achieved Gold employer status and ranked 46 in Top 100 Employers by Stonewall – the largest LGBT+ rights organization in the UK and Europe



■ Women in group leadership
■ People from beyond the UK and US in group leadership

Next steps

- We are working to reduce gender pay gap differences and recognize the long-term representation challenge we need to address.
- Develop 2025 and 2030 DE&I ambition and targets on gender and racial diversity.



Caring for our planet

Our planet aims

Five aims to
care for our
planet



Biodiversity

Enhancing biodiversity

Our aim 16 is making a positive impact through our actions to restore, maintain and enhance biodiversity where we work.

Objectives

1. **bp projects:**
Aim to achieve net positive impact (NPI)
2. **bp operations:**
Aim to enhance biodiversity
3. **bp countries:**
Support biodiversity restoration and the sustainable use of natural resources



We recognize the urgent need to conserve our planet’s natural and cultural diversity

- Biodiversity position launched in 2020, builds upon our already robust practices across bp projects.
- **‘No go’ commitment** for oil and gas exploration in the most sensitive protected areas¹
- Three new objectives;

- Net positive impact (NPI) from new projects
- Enhance biodiversity around existing major operating sites
- Support biodiversity restoration and the sustainable use of natural resources projects in countries where we operate

A clear plan to deliver with interim targets

- Expect all new bp projects in scope will have plans in place aiming to achieve net positive impact
- All major operating sites (MOS) in sensitive areas implementing enhancement plans by 2025; all MOS by 2030
- 5 projects involving local communities in progress or established by 2025; 10 projects by 2030



Engaging with others to influence and promote collective action on biodiversity, including;

- The UN Convention on Biological Diversity Business and Biodiversity Forum
- Our membership of the Taskforce on Nature-Related Financial Disclosures Forum
 - Piloting its draft framework together with WBCSD and IPEICA
- Support for IPEICA’s Biodiversity and Ecosystem Services Working Group
- Working with the UNEP-WCMC Proteus Partnership
- Participating in the Science-Based Targets for Nature initiative

(1) Inside the boundary of officially inscribed UNESCO World Heritage sites or Strict Nature Reserves (International Union for Conservation of Nature (IUCN) category Ia) or Wilderness Areas (IUCN category Ib) as listed on 1 January 2020

Water positive

Our aim 17 is becoming water positive by 2035.

Objectives

1. Improved efficiency of operational freshwater use and effluent management
2. Collaborate on the most impactful opportunities to replenish freshwater in stressed and scarce catchments where we operate



We aim to replenish more freshwater than we consume in our operations

We will do this by:

- improving the efficiency of operational freshwater¹ use and effluent management
- collaborating on projects, targeting opportunities to replenish freshwater in stressed and scarce catchments where we operate

A clear plan to deliver with interim targets

- 20% progress towards water positive by 2025; 100% water positive by 2035
 - Vs. 2020 baseline, adjusting for portfolio change between 2020 and 2025
- Plan and set targets by 2025 for improved operational efficiencies and collaboration opportunities out to 2030

Delivering value to bp

- Through reduced operational costs and mitigation of operational risks

Progress to date

- 29% fall in freshwater withdrawals and a 15% fall in freshwater consumption in 2023 vs. 2020 baseline
- 73% of total freshwater withdrawals from regions of high or extremely high water stress (vs. 4% in 2020) – significant increase due to an update to WRI's Aqueduct 4.0 in 2023 which changed the distribution of water stressed areas
- We review our water impacts, risks and opportunities taking into account the availability, quantity and quality of water and any regulatory requirements
- This is conducted every year at major operating sites and periodically at other sites



(1) Consistent of IPIECA definition of freshwater

The background image shows a complex industrial facility, possibly a refinery or chemical plant, with numerous tall distillation columns, storage tanks, and a network of pipes. The scene is set at dusk or dawn, with a soft, purple and pink sky. In the distance, a large, snow-capped mountain rises above a line of dark evergreen trees. The overall atmosphere is one of industrial scale contrasted with natural beauty.

Embedding sustainability

We are transforming the culture and how it feels to work at bp

- Greater integration, leaner with reduced tiers of management, more agile
- Selecting leaders reflecting;
 - A track record of delivery
 - Curious and open-minded
 - Purpose-driven
 - Lead through our values – especially safety
 - Empathetic

We need a motivated, engaged and diverse workforce

- Evolving a model of continuous planning and open, transparent, real-time feedback
- Developing a skills learning culture
- Flexible working
- UK Living Wage Employer accredited by the Living Wage Foundation
 - Reviewing our approach elsewhere

Supporting wellbeing and mental health (Aim 15)

- 2025 target to launch a comprehensive health & wellbeing programme for employees and families

Sustainability in our culture

- We are working to embed sustainability more deeply into our culture and mindset, decision making, systems and processes, and governance.
- In 2022 we launched 'Who we are' – setting out our three key beliefs around how we Live our purpose, Play to win and Care for others



Remuneration

Incorporates environment and safety measures and reflects strategy



Go deeper

Director's Remuneration Report

Annual bonus

Applicable to over half of our global workforce, including executive directors

Safety and sustainability

30%

Measures include	Weighting
Tier 1 and tier 2 process safety events (measured separately)	15%
Operated carbon emissions	15%

Operational

20%

Measures include	Weighting
bp-operated reliability and availability	10%
Transition growth engines adjusted EBITDA % growth	10%

Financials

50%

Measures include	Weighting
Adjusted free cash flow	25%
Earnings (adjusted EBITDA)	25%

Performance shares

For executive directors' (CEO & CFO) long term incentive plans, commencing in 2023

Improved disclosures for long-term incentive targets

rTSR

25%

Peer group of seven companies: Chevron, Eni, Equinor, ExxonMobil, Repsol, Shell and TotalEnergies (and bp)^a

Financials

20%

ROACE (average 2024-26)^b

20%

Adjusted EBIDA per share CAGR^c

Environmental, social and governance

15%

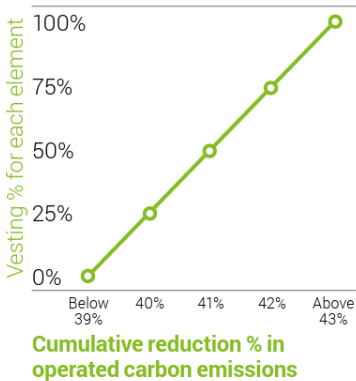
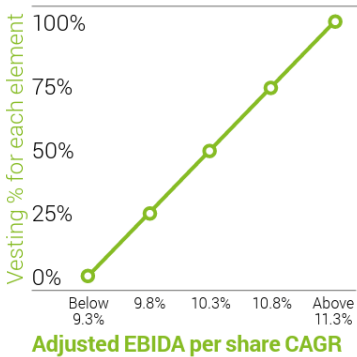
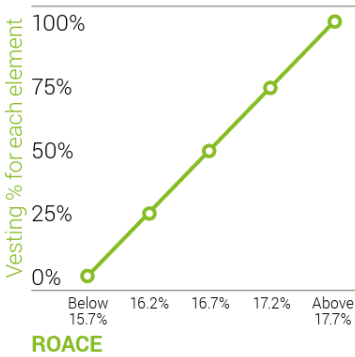
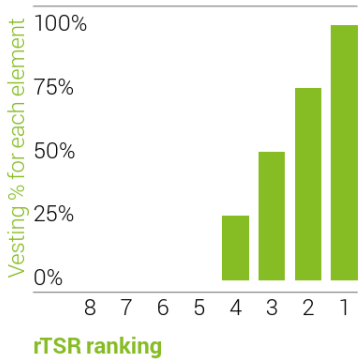
Cumulative reduction % in operated carbon emissions^d

Strategic progress

20%

Weighting of measures subject to remuneration committee judgement:

- Deliver value through a resilient hydrocarbon business.
- Demonstrate track record, scale and value in low carbon energy.
- Accelerate growth in convenience and mobility.



Board and bpLT governance

Climate-related matters and sustainability

Board level

Terms of reference and roadmap of activity

- Regular review process across purpose, strategy, culture and values, while maintaining oversight of performance
- Climate-related risks and opportunities were discussed at every board meeting covering strategy

Safety and sustainability committee

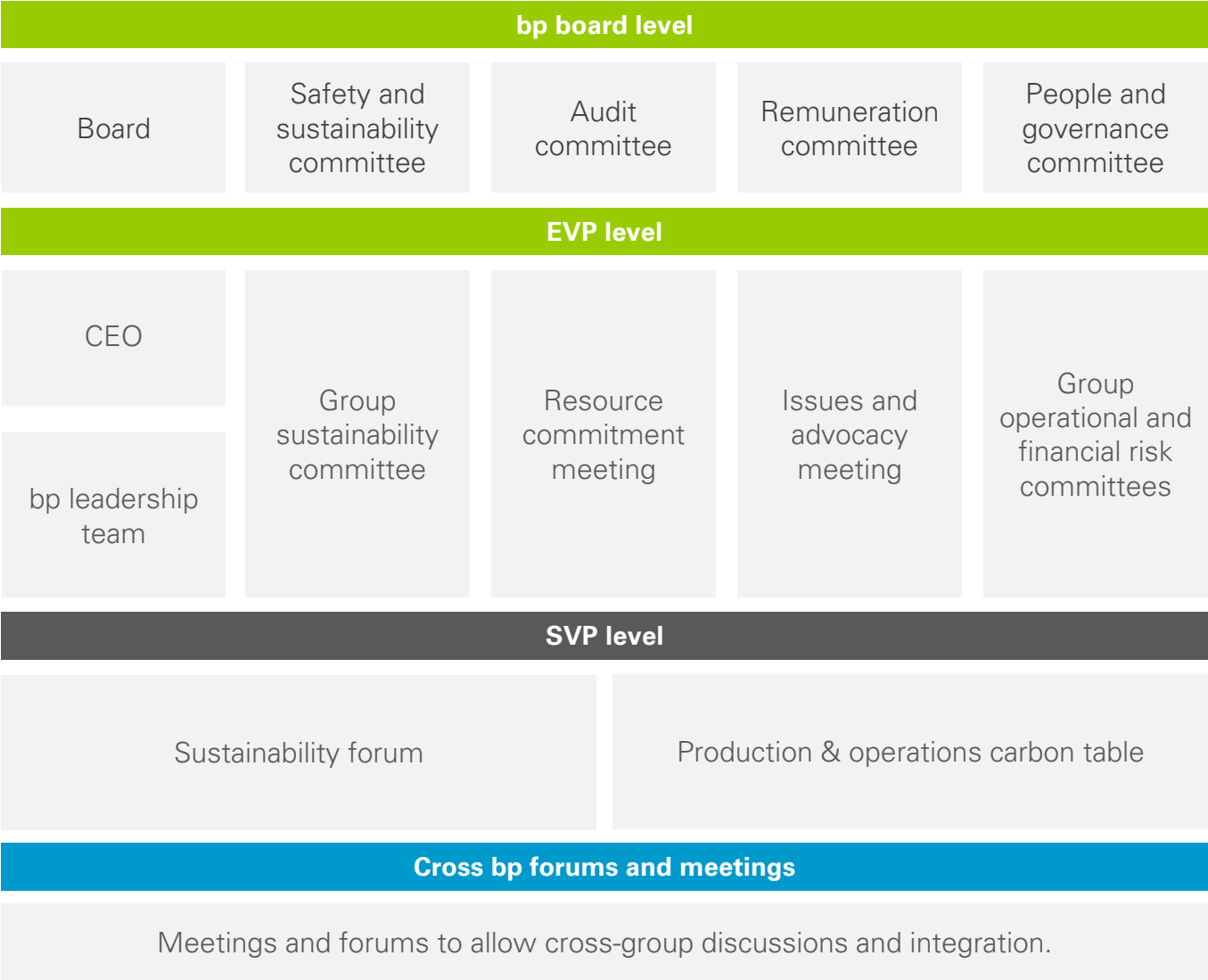
Updated accountabilities

- Remit extended to provide oversight of the effectiveness of the implementation of bp’s sustainability frame, including reviewing that appropriate progress is being made against net zero, people and planet aims
- Committee will continue to cover existing safety and sustainability-related activities, including the oversight of operational safety and sustainability risks

Executive level

Group sustainability committee

- Oversees and reviews sustainability matters, including those that are climate-related



An aerial photograph of a vast forest with trees in shades of green, yellow, and orange, suggesting autumn. Several white wind turbines are visible on the horizon and scattered across the landscape. The sky is a mix of blue and orange, indicating sunset or sunrise. The word "Appendix" is written in a white, cursive font across the center of the image.

Appendix

Net zero operations

Our aim 1 is to be net zero across our entire operations on an absolute basis by 2050 or sooner.

This aim relates to Scope 1 and 2 GHG emissions (around 55MteCO₂e in 2019).

Net zero production

Our aim 2 is to be net zero on an absolute basis across the carbon in our upstream oil and gas production by 2050 or sooner.

This is our Scope 3 aim and is on a bp equity share basis (361MteCO₂ in 2019).

Net zero sales

Our aim 3 is to reduce to net zero the carbon intensity of the energy products we sell by 2050 or sooner.

This is a lifecycle carbon intensity approach, per unit of energy. It covers our marketed and physically traded sales of energy products. (79.3gCO₂e/MJ in 2019).

Reducing methane

Our aim 4 is to install methane measurement at all our existing major oil and gas processing sites by 2023, publish the data, and then drive a 50% reduction in methane intensity of our operations.

And we will work to influence our joint ventures to set their own methane intensity targets of 0.2%.

More \$ for new energies

Our aim 5 is to increase the proportion of investment we make into our non-oil and gas businesses.

Over time, as investment goes up in low and zero carbon, we see it going down in oil and gas.

Advocating

Our aim 6 is to more actively advocate for policies that support net zero, including carbon pricing.

We have redirected resources to promote well-designed climate policies. In the future, any corporate advertising will be to push for progressive climate policy, communicate our net zero ambition or support delivery of our strategy, invite ideas, or build collaborations.

We will continue to run recruitment campaigns and advertise our products, services and partnerships – although we aim for these to increasingly be low carbon.

Incentivizing employees

Our aim 7 is to incentivize our global workforce to deliver on our aims and mobilize them to become advocates for net zero.

This will include continuing to allocate a percentage of remuneration linked to emissions reductions for leadership and around 28,000 employees.

Aligning associations

Our aim 8 is to set new expectations for our relationships with trade associations around the globe.

We will make the case for our views on climate change within the associations we belong to and we will be transparent where we differ. And where we can't reach alignment, we will be prepared to leave.

Transparency leader

Our aim 9 is to be recognized as an industry leader for the transparency of our reporting.

On 12 February 2020, we declared our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We intend to work constructively with the TCFD and others – such as the Sustainability Accounting Standards Board – to develop good practices and standards for transparency.

Clean cities and corporates

Our aim 10 is to provide integrated clean energy and mobility solutions.

Our regions, corporates and solutions team is working to help countries, cities and corporations around the world decarbonize.

Aims summary: Improve people's lives

More clean energy

Our aim 11 is to develop enough clean energy to benefit more than 36 million people.

By 2030 we aim to have developed 50GW of renewable generating capacity – broadly enough to meet the power needs of 36 million people, including exploring ways to make clean energy accessible to those who need it most.

Just transition

Our aim 12 is to support a just energy transition that advances human rights and education.

We support the Paris Agreement, which recognises the importance of a just transition – one that delivers decent work, quality jobs; and supports the livelihoods of local communities.

To support a just energy transition, we aim to collaborate with key stakeholders and other industries to support the advancement of human rights through the transition. We'll do this by developing just transition plans in priority areas and helping the workforce to develop skills for the future energy system, taking a socially inclusive approach. We aim to build stronger relationships with local communities, based on mutual trust and respect, and will support civic dialogue, greater transparency and capacity building, where we work.

Sustainable livelihoods

Our aim 13 is helping more than 1 million people build sustainable livelihoods and resilience.

We will support the communities where we work to build greater resilience and more sustainable livelihoods. We'll focus our social investment in support of our sustainability aims. Through these actions we aim to reach more than 1 million people. We will also support our workforce through quality jobs with fair conditions.

Greater equity

Our aim 14 is greater diversity, equity & inclusion for our workforce and customers, and to increase supplier diversity spend to \$1 billion.

We want our workforce and customers to experience greater equity – fair treatment according to everyone's different needs and situations – while also helping our partners in the bp 'ecosystem' do the same. We'll aim to do this by improving workforce diversity and workplace inclusion, making customer experiences more inclusive and increasing our annual expenditure with diverse suppliers, including female, and underrepresented or minority groups (supplier diversity) to \$1 billion by 2025.

Enhance Wellbeing

Our aim 15 is to enhance the health and wellbeing of our employees, contractors and local communities.

We will support them to proactively improve their physical and mental health – through innovative programmes, partnerships and offers.

Enhancing biodiversity

Our aim 16 is making a positive impact through our actions to restore, maintain and enhance biodiversity where we work.

We will do this by putting our biodiversity position into action. In doing so, we expect that from 2022 all new bp projects in scope will have plans in place aiming to achieve net positive impact (NPI), with a target to deliver 90% of actions within five years of project approval. We also aim to enhance biodiversity at our major operating sites and support biodiversity restoration and sustainable use of natural resource projects in the countries where we have current or growing investments. We will also continue to work with others, including our joint ventures, to influence and promote collective action on biodiversity.

Water positive

Our aim 17 is becoming water positive by 2035.

We aim to replenish more freshwater than we consume in our operations. We will do this by being more efficient in operational freshwater use and effluent management, and by collaborating with others to replenish freshwater in stressed and scarce catchment areas where we operate.

Championing nature-based solutions

Our aim 18 is championing nature-based solutions and enabling certified natural climate solutions.

We aim to use nature-based solutions (NbS) to deliver value and contribute to our people and planet aims in our operations and through our business activities. We will also support the development of scalable markets for certified natural climate solutions that help the world reduce deforestation, get to net zero and deliver environmental and social benefits.

Unlock circularity

Our aim 19 is to unlock new sources of value through circularity.

We want to keep materials in use for longer and value them throughout their lifecycle. We'll do this by using resources responsibly and embracing circular principles in design, operations and decommissioning and aim to work with partners and our joint ventures to create opportunities.

Sustainable purchasing

Our aim 20 is developing a more sustainable supply chain.

We will work with our key suppliers to embed sustainable practices, focusing on reducing greenhouse gas emissions and increasing the circularity of what we buy.