

## Our aims & objectives

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# 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<sup>a</sup> employees.



### How we will meet our aim

We believe we can support our people to deliver our aims and new strategy by:

- Explaining what net zero is, why it matters and how they can help to achieve it
- Providing effective advocacy tools
- Incentivising advocacy – for example, through our annual cash bonus
- Enabling individual contributions that support our net zero ambition

### Our performance in 2020

**Explaining net zero and providing advocacy tools** – we already have education activities in place around net zero advocacy, including: the Discover Net Zero course, which is part of the bp university; a digital engagement platform for wider sustainability that will come online in 2021; and a 'Know your carbon footprint' tool.

To support our work, we have appointed also appointed a Head of Stakeholder Advocacy and Head of Employee Advocacy.

**Incentivizing advocacy** – in 2019 we linked our annual cash bonus for eligible employees, including the bp leadership team, to sustainable emissions reductions (SERs) in 2019.

In 2020 for senior leaders, we increased emphasis on low carbon, moving from 5% to 30% of senior leaders' equity awards linked to low carbon. And for the bp leadership team, 25% of performance-based pay was linked to delivery of our purpose.

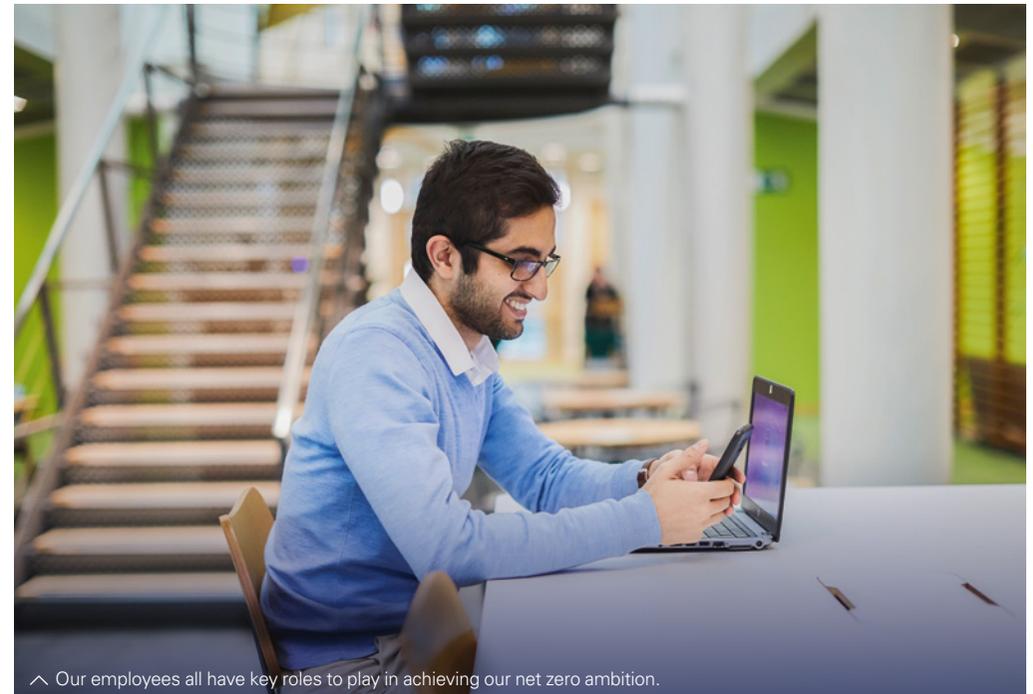
The measures for the 2021 annual bonus for eligible employees are aligned to our strategy and net zero ambition, and tied to a balanced scorecard consisting of safety and sustainability, operations and financial measures.

**Enabling individual contributions that support our net zero ambition** – in February 2021, we introduced the Reinvent bp share award to incentivize our employees in meeting our aims. All employees will receive a one-off grant of either shares or share options that will become available to keep, sell or transfer in 2025.

To help embed sustainability in bp's DNA we are launching a new company-wide sustainability award programme within our peer-to-peer employee recognition platform 'energize!'. bp employees will be able to give and receive recognition for efforts that help to progress our sustainability frame with award categories reflecting the three focus areas: getting to net zero, improving people's lives and caring for our planet.

Our employee carbon offsetting scheme which covers travel and home energy emissions for employees who choose to participate and is partially funded by bp, is now running in the UK, US and Germany. The scheme is expected to be rolled out further in 2021.

Following a suggestion by some employees, we have offset corporate aviation travel to help build engagement with our low carbon agenda. In 2020, we offset a combined 101kteCO<sub>2</sub>e for employee carbon and corporate aviation travel offsetting.



^ Our employees all have key roles to play in achieving our net zero ambition.

<sup>a</sup> This figure was around 37,000 in February 2020. It is approximate and has been revised in line with restructuring as part of reinvent bp and reflects lower headcount overall.

## 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 document 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, such statements, among other statements, may include but are not limited to: statements relating to the purpose, ambition, aims, targets, plans and objectives of bp – as well as statements, plans and expectations regarding bp's Aims 1 - 5 to get bp to net zero and Aims 6 – 10 to help get the world to net zero. 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](http://www.bp.com), or can be obtained from the SEC by calling 1-800-SEC-0330 or on its website at [www.sec.gov](http://www.sec.gov).

