




## Building on strong foundations

In 2021, we refreshed our education and employability strategy to support our overall strategy and build on our work over many years to promote science, technology, education and mathematics skills.

 [Read more about our education initiatives, on \*\*page 36\*\*](#)

### Monitoring employee sentiment

We monitor employee sentiment through our annual 'Pulse' survey, which is sent to all employees, and through our weekly 'Pulse Live' survey, which is sent to a representative sample of 8% of employees.

We did not run an annual 'Pulse' survey in 2020, so our comparisons are between 2021 and 2019. Despite the uncertainty caused by the COVID-19 pandemic, our 2021 survey told us that trust in our senior leadership has increased (up two percentage points compared with 2019) and more employees believe we are making progress on our transformation with a simplified organizational structure (up seven percentage points from 2019).

We introduced a new overall engagement metric in 2021, which scored 64%. Pride, which we have measured and tracked for a number of years, remained strong at 73%, but has declined by two percentage points since 2019. Building on what we have heard, we are now focusing action-planning on four key areas to strengthen engagement – connecting with purpose and strategy, employees' future excitement at work, career development and inclusion.

### Identifying and managing risk

bp manages, monitors and reports on the principal risks and uncertainties that we have identified as having the potential to impact our ability to deliver our strategy. We identify risks for particular oversight by the board and its various committees in the coming year. In 2021, these included climate-related risks, strategic and commercial risks such as financial liquidity, safety and operational risk including process safety, personal safety and environmental risks, compliance and control risks such as ethical misconduct.

bp's system of internal control is a holistic set of internal controls that includes policies, processes, management systems, organizational structures, culture and behaviours employed to conduct bp's business and manage associated risks.

The group operations risk committee provides oversight of safety and operational risk management for the group, including risks relating to sustainability. Our operating businesses identify and manage risk, using our OMS. We also monitor how risk is managed in non-operated joint ventures.

 [Read more about how we manage risk in our \*\*bp Annual Report 2021 on page 72\*\*](#)

### Cyber security risk

The severity, sophistication and scale of cyber attacks continue to evolve. The increasing digitalization and reliance on IT systems and cloud platforms makes managing cyber risk an even greater priority for many industries, including our own. The risk comes from a variety of cyber threat actors, including nation states, criminals, terrorists, hacktivists and insiders. As in previous years, we have experienced threats to the security of our digital infrastructure, but none of these had a significant impact on our business in 2021.

 [Read more about cyber security risk in our \*\*bp Annual Report 2021 on page 70\*\*](#)

### Addressing sustainability risks

We are working to further integrate sustainability risks into our risk management processes, building on both the labour rights and modern slavery risk assessments that are already in place, and our work on climate-related risks.

 [Read more about our approach to climate-related risk, on \*\*page 48\*\*](#)

### Environmental and social practices

Our policies and practices set out expectations for how we manage environmental and social performance during our activities. They already include environmental and social requirements covering the majority of our sustainability aims.

As we make progress on our aims and embed sustainability into bp's DNA and culture, we will review our practices and update them as necessary so that they continue to reflect new ways of working across bp.

### Our operating management system

Our OMS provides a single framework, designed to deliver safe, reliable, compliant and sustainable operations. It includes environmental and social requirements related to our sustainability frame. These requirements apply to businesses where bp has operational control.

All our major operating sites attest or certify to ISO 14001, in line with our OMS requirement. We aim to use the planned OMS update in 2022 to better reflect our sustainability frame and aims.

### bp environmental policy

Our environmental policy is established through relevant elements of our code of conduct, in particular the sections on 'operating safely, responsibly and reliably,' and 'our code – our responsibility'.

It is supported by relevant aspects of our commitment to health, safety, security and environmental (HSSE) performance, our sustainability frame, our biodiversity position and our internal group requirements and guidance, including those comprising OMS.

 [Read more: \*\*bp.com/environmentalpolicy\*\*](#)

### Biodiversity and protected areas

Our biodiversity position, published in 2020, builds on the robust practices we already had in place to manage biodiversity across bp projects.

We are committed not to operate any new oil or gas exploration or production activities inside natural or cultural UNESCO World Heritage sites, or in Strict Nature Reserves and Wilderness Areas as listed on 1 January 2020 and defined by the International Union for Conservation of Nature (IUCN). We review this commitment periodically and engage with UNESCO, the IUCN and the UNEP World Monitoring Conservative Centre.