



Our approach: foundations and embedding sustainability

Sustainability in our processes

We are embedding sustainability into our processes, including our wider governance structure and practices, building on work done over many years. In January 2021 we introduced a new sustainability structure that helps us do this.

 [Read more on pages 50-51 of the bp Annual Report 2022.](#)

Governance

The board is responsible for setting the strategy and for monitoring bp's management and operations as they work to execute strategic delivery against our targets and aims.

The board-level safety and sustainability committee (S&SC) oversees effective implementation of the sustainability frame and management of health, safety and environmental risks.

Oversight of sustainability matters is embedded through our executive-level group sustainability committee, chaired by our EVP, strategy, sustainability & ventures. The committee's remit is to provide oversight, challenge and support in the implementation of bp's sustainability frame and management of potentially significant non-operational sustainability (including climate-related) risks and opportunities.

At SVP level, the sustainability forum comprises representatives from each bp entity, provides feedback to the group sustainability committee and aims to deliver alignment and visibility of key sustainability issues.

Human rights governance

The S&SC has oversight of human rights, including modern slavery. Our group operations risk committee reviews progress on managing the potential operational and associated supply chain risks of modern slavery. Our human rights working group was consolidated into the sustainability forum from 1 January 2021.

 [Read more: bp.com/humanrights](https://bp.com/humanrights)

Planning and performance management

In 2022 all bp business groups and supporting functions developed sustainability plans, setting priority actions to support delivery of our aims. These plans will be managed alongside the annual business planning process, and a sustainability performance management approach has also been set within the group governance structure. Aims 1-5 were included in the planning and group business performance management processes across bp in 2022, including long-term planning and performance management updates to the bp leadership team.

Governance structure



Investment governance and evaluating consistency with the Paris goals

The board assesses capital allocation across the bp portfolio, including the level and mix of capital expenditures and divestments, strategic acquisitions, distribution choices and deleveraging, as well as reviewing certain investment cases for approval.

For capital investments above defined financial thresholds investment approval is conducted through the executive-level resource commitment meeting (RCM), which is chaired by the chief executive officer.

The CA100+ resolution★ requires bp to disclose how we evaluate the consistency of new material capex investments greater than \$250 million with the Paris goals. bp's evaluation was undertaken by the RCM for new material capex investments sanctioned – of which there were five in 2022. The outcome of this is included in the bp Annual Report 2022.

All investment cases must set out their investment merits and are considered against a set of balanced investment criteria. In 2022 we further embedded sustainability into our investment governance process by developing our sustainability assessment template, for use in all investment cases reviewed by RCM. The template provides information on a case's impact on our net zero aims 1-3, its expected GHG intensity, and significant impacts on, or contribution to, certain aims concerning people and planet. This helps to maintain the consistency of our investments with our strategy and sustainability aims.

 [Read more on pages 28-31 of the bp Annual Report 2022.](#)

For terms with ★ refer to the glossary on [pages 59-60](#).