

# INTEGRATING RISK MANAGEMENT INTO EXECUTIVE COMPENSATION, INCLUDING EMISSIONS REDUCTIONS

The executive compensation program is designed to incentivize long-term, sustainable decision-making. Key design features include performance shares with long vesting periods and compensation that is strongly tied to Company performance.

The program is based on four strategic objectives (see graphic) that are established to drive sustainable growth in shareholder value while positioning the Company for long-term success in a lower-emission future. These objectives are interdependent with long-term business success determined by delivery in each of the strategic objectives.

Two of the four strategic objectives specifically integrate climate risk:

- **Operations Performance:** deliver industry-leading performance in safety, emissions reductions, environmental performance and reliability.
- **Energy Transition:** lead industry in hard-to-decarbonize emissions reductions.

Strategic objectives are integrated into the corporate plan, which is reviewed and finalized by the Board each year. This approach helps ensure accountability at all levels in the organization, as accomplishments versus the plan goals and objectives inform the level of compensation.

Details on the executive compensation program can be found in the Company's annual Proxy Statement.

## Long-term strategic objectives

### OPERATIONS PERFORMANCE

Deliver industry-leading performance

### FINANCIAL PERFORMANCE

Deliver industry-leading earnings & cash-flow growth

### ENERGY TRANSITION

Lead industry in hard-to-decarbonize emissions reductions

### BUSINESS PORTFOLIO

Optimize existing business portfolio

## Supported by financial & operating metrics

LTIR, spills, GHG emissions intensity, flaring and methane emissions, ROCE, CFOAS, TSR