

bp's transformation

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Reimagining energy for people and the planet.

A net zero company by 2050 or sooner, and to help the world reach net zero, too.

Aligned with Paris goals: hold global temperature increase to below 2 degrees Celsius.



You may have heard that things are changing at bp. In February, our new CEO, Bernard Looney, announced our new ambition: to be a net zero company by 2050 or sooner, and to help the world reach net zero, too. And we're going to do that by reimaging energy for people and the planet.

Some people have questioned our net zero ambition. But the planet needs change – the science is clear on that. The world is not on a sustainable path. And we believe that society wants change. People want energy that is cleaner, as well as reliable and affordable. And, our own projections show that the energy mix is changing. Oil and gas are going to be increasingly challenged, and other forms of energy are going to see incredible growth. Those projections are only reinforced by the pandemic and its impacts on our world.

In order to meet the Paris Agreement's main goal of holding global temperature increase to below 2°C above pre-industrial levels, a much broader and cleaner energy mix is critical.

BACKGROUND INFORMATION ON PARIS AGREEMENT TK

By reinventing bp.

From an international oil company that extracts resources

To an **Integrated Energy Company** focused on bringing solutions to customers



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So we have a new business strategy to make all of that possible. It's designed to allow us to reach net zero through a fundamental reinvention of our company. We're planning to reimagine energy as we know it.

We're no longer an international oil company focused on extracting resources. bp is becoming an integrated energy company – one focused on bringing solutions to customers.

Our energy portfolio of oil and gas, renewables and low carbon will need to become balanced over the next decade. We won't favor any one type of energy over another – we will favor cleaner energy overall. And most importantly, rather than extracting energy resources and turning them into usable products, we will focus on finding solutions for customers of all sizes and needs. Customers like retailers, manufacturers or universities that want to put more renewables into their grids, drivers who need faster and more convenient charging stations, and cities that want to run on decarbonized natural gas.

There's opportunity in the energy transition.

This isn't altruism. It's good for business. Shifting the global energy system will cost trillions of dollars. bp is well positioned to do a lot of that work.



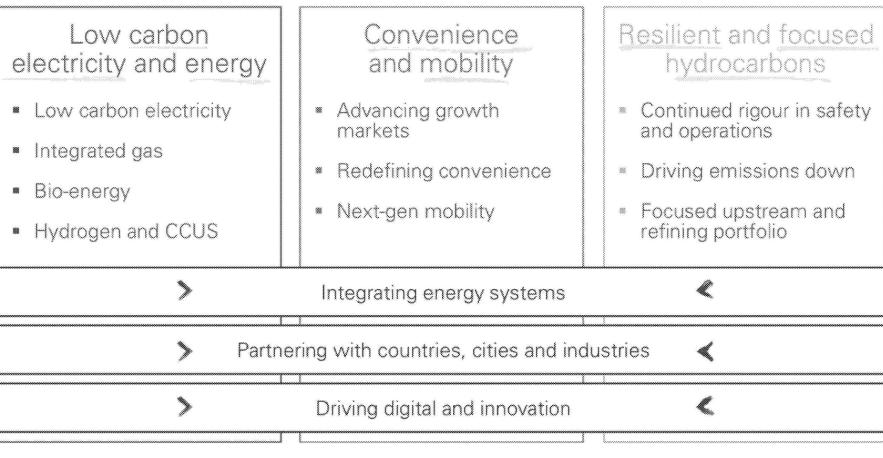
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Rewiring and replumbing the global energy system for a net zero future is going to require trillions of dollars of investment. And customers are ready for this transition too. States, cities and regions are setting targets to add more renewables to their grids. New York and Massachusetts are targeting 70% and 100% renewable capacity by 2030 and 2045 respectively.

For a company like bp – with our reach our relationships and our capabilities – reimaging energy is an opportunity to create value – strengthen our resilience – and help the world get to net zero. All of this convinces us that reinventing bp is without question the right thing to do – for our employees, for our shareholders, and importantly, for society.

Our new strategy



A sustainability frame linking our purpose and **Net Zero Ambition**



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Our new strategy refocuses our business on three areas:

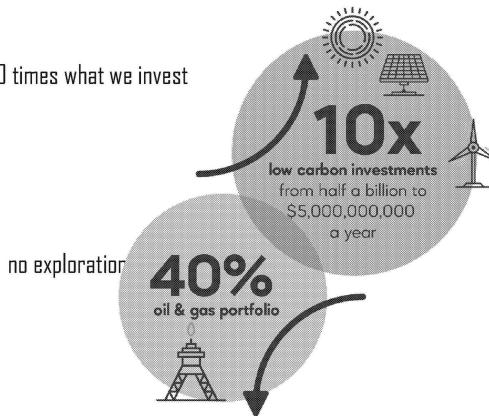
Low carbon electricity and energy

Convenience and mobility

Resilient and focused hydrocarbons

Within 10 years, bp aims to be a very different kind of energy company

- Increasing low carbon investment to around \$5 billion a year - 10 times what we invest today
- Building energy partnerships with 10 to 15 big cities
- 20x increase in renewable generation capacity
- Reducing our oil and gas production by over 40% and countries
- And we'll be on track to deliver our net zero ambition
 - Emissions from bp's operations 30-35% lower by 2030
 - Carbon intensity of products bp sells reduced by more than 15% by 2030



When we say that we're an integrated energy company, this is what we mean. High value investments across the energy spectrum. By 2030 we're aiming to:

Increase low carbon investment to around \$5 billion a year - 10 times what we invest today

Develop around 50 gigawatts (GW) of net renewable energy generating capacity - a 20-fold increase on the 2.5GW we have developed so far.

Grow hydrogen to 10% share of core markets and produce more than 100,000 barrels a day of bioenergy - up from 22,000 today.

Build energy partnerships with 10 to 15 big cities around the world and three core industries.

Double our customer interactions to 20 million a day.

Provide more than 70,000 electric vehicle charging points - up from 7,500 today.

Reduce our oil and gas production by over 40% and no exploration in new countries. Industry-leading in terms of quality, with productivity up and a focus on value.

Cut emissions associated with carbon in bp's upstream oil and gas production by 35-40%

Reduce carbon intensity of products bp sells by more than 15%

Emission Reduction Goals

	2025 Targets	2030 Aims	2050 or Sooner Aims
Net zero operations	20%	30 - 35%	100%
Net Zero oil and gas	20%	35 - 40%	100%
Halving intensity	5%	> 15%	50%
Reducing methane	Measurements in place by 2023	50% Timeline to achieve 50% reduction to follow	

Funding those Goals

	2025	2030	2050
More \$ for new energies	\$3-4 billion	~\$5 billion	

This scale of change for a company our size is incredibly fast, though we know it doesn't feel fast enough for some. This outlines the goal posts we're moving toward over the next five, ten and thirty years.

It's important to acknowledge, these aren't "at any cost" goals. We believe we can achieve them, and achieve them profitably. But if we're wrong, we'll adjust to maintain a strong financial position and progress to net zero.

One more thing: our 2030 goals will not take offsets into account. They're an important tool, and a growing part of our business. But we will calculate reductions on an absolute basis over the next decade, to ensure real system change at bp.

A note on methane: methane emission measurement is remarkably complex. Within the next 3 years, we're going to install methane measurement at all our existing major oil and gas processing sites, 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%

Our Emissions & Our Products' Emissions

Long Term (By 2050 or sooner)

Net zero across our entire operations on an absolute basis

Scope 1 and 2 GHG emissions (Around 55MTe CO₂e in 2019)

Net zero on an absolute basis across the carbon in our upstream oil and gas production

Scope 3 aim (Around 360MTe CO₂e in 2019)

Cut the carbon intensity of the products we sell by 50%

Lifecycle carbon intensity approach, per unit of energy. It covers marketing sales of energy products and potentially, in future, certain other products e.g. associated with land carbon projects.



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We are starting with our own operations and our oil and gas production – reaching net zero on absolute basis within 30 years. At the same time, we're going to halve the carbon intensity of the products we sell. Meaning we're addressing not just the emissions we produce as we work, but the emissions of the products we sell when they're used.

This will mean tackling around 415 million tons of emissions – 55 million from our operations and 360 million tons from the carbon content of our upstream oil and gas production. Importantly these are absolute reductions, to net zero, which is what the world needs most of all. We are also aiming to cut the carbon intensity of the products we sell by 50% by 2050 or sooner.

Investing in reimaged energy

Medium Term (the next decade)

Increase the proportion of investment we make into our non-oil and gas businesses: \$5 bln

- 10x increase in investment in low carbon energy from today.

What does that look like?

- Grow renewables: 50gw developed / 500TWh traded
- LNG portfolio: increase to 30 million+ tons per year
- Grow bioenergy: >100Kbd developed / 20% biojet market share
- Grow position in hydrogen & CCUS: 10% share in core markets
- >20m customer touch points per day; 70k EV charge points
- From 2.5mmboed today → 1.5mmboed oil and gas production



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We're moving fast: by 2030, bp will invest 10 times more than we do today in lower carbon energy, and we will cut our own oil and gas production by 40%, focusing on value and resilience.

We aim to grow our LNG portfolio to 25 million tons per annum by 2025, and to more than 30 million tons per annum by 2030.

We aim to grow our bioenergy businesses and deliver low carbon solutions for customers in aviation, marine and heavy-duty transportation.

We plan to scale our BP Bunge joint venture and grow our biogas and biojet businesses.

We intend to double our bioenergy production in the next five years and to further double it in the following five years to the end of the decade

We aim to create a distinctive position, with a 10% share of hydrogen in core markets.

Finally, low carbon electricity and energy plays a key role in meeting our Aim 3. Our solutions are expected to contribute to the 15% reduction in the carbon intensity of our marketed products we are aiming to achieve by 2030.

What's Already Changed

Short Term

- No oil & gas exploration in new countries
- No investment in reputational advertising. Instead, investing in advocacy for policy change.
- Left 3 advocacy groups whose values didn't align with our ambition
- Restructured company & resources



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 The New York Times

BP Prepares for a Future That Needs Less Oil

Mr. Looney, an Irish citizen who was head of BP's oil and gas exploration and production unit before moving into the top role, has been focusing ...

Jun 15, 2020

 The Guardian

BP cuts ties with three US trade groups over climate policies

BP cuts ties with three US trade groups over climate policies. This article is more than 6 months old. UK oil firm withdraws from energy ...

Feb 26, 2020

 Energy Voice

BP ditching reputation advertising should be 'welcomed by all ...

Biraj Borkhataria and Erwan Kerouedan, of RBC Europe, said BP's decision to stop "corporate reputation advertising" and redirect resources to ...

Feb 17, 2020

How we'll get there



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Why low carbon electricity?

- Electrification is accelerating
- Renewables are fastest growing source of energy on the planet
- 90% decrease in average cost of PV solar
- 60% decrease in cost of onshore wind
- Costs projected to continue falling over next decade
- And growth anticipated to rise
- bp targeting 50 gigawatts of renewable energy by 2030



Electrification is accelerating. It's a massively expanding market. The world is shifting from reliance on fossil fuels, while countries, cities and industries demand bespoke energy solutions. Driven by falling costs, renewables are likely to provide the vast majority of this growth.

Wind and solar are already the most competitive new builds in most energy markets. This includes fossil-fuel markets. The global average costs for PV solar have decreased by 90% and onshore wind by 60% over the past decade. We see these trends continuing, with further cost reductions of 30 to 40% over the next decade. And with falling costs comes real growth.

Renewables have become the fastest growing source of energy and we see this continuing over the next decade and beyond.

We are leaning in and plan to build material renewables businesses, with an ambition to have developed 50 gigawatts by 2030.

Secondly, with the growth of renewables there is no longer one dominant source of energy. We see a world in which there is convergence of different forms of energy. This creates the opportunity to combine multiple sources of energy and provide firm energy.

As a company with interests in multiple sources of energy, we are uniquely positioned to do so. For example, gas with renewables, solar with biopower, etc.

bp's trading business is remarkably robust, and we plan on using it to scale up the power of this low carbon electricity push. By leveraging our trading and customer facing capabilities, we aim to deliver 350 terawatt hours of traded electricity by 2025 and 500 terawatt hours by 2030.

Wind

- Value over volume: we've divested some projects and improved others – seeing 60% gains per megawatt hour over the last decade
- Our recently announced Equinor partnership brings offshore wind to bp



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bp now operates a 1.7 gigawatt gross wind portfolio, across 9 of our 10 assets in the United States. We have high-graded our portfolio by focusing on high-margin regions and have divested 800 megawatts. Since the middle of the decade, we have increased EBITDA per megawatt hour by 60%. An example of value over volume.

We plan to grow our renewables capacity from 2GW to 50GW. We've started with a recently formed partnership with Equinor here in the US, bringing offshore wind to bp. The project has an initial 4.4 gigawatts of gross generating capacity.

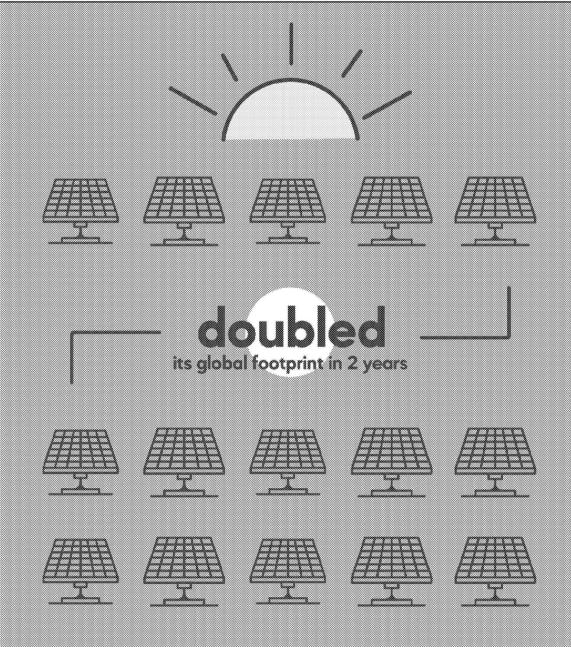
This kind of strategic partnerships is key to our transition. We are investing in the fastest growing energy segment (offshore wind), where a six-fold global growth is forecast, to 200 gigawatts by 2030. This growth is driven by abundant resources, supportive regulation and significant improvements in costs, technology and performance.

Similar to our onshore wind and solar businesses, we anticipate these strong technology and performance improvement trends will continue. Driven by more efficient turbines, improved operating performance, and the application of digital technology.

These projects will, when complete, supply into the growing US East Coast electricity markets. Several states on the East Coast have either set or are considering ambitious renewable targets. We're also actively advocating for carbon pricing policies that will bring more renewables to the grid across the country.

Solar

- In just two years since joining together, Lightsource bp has more than doubled its footprint
- Solar projects are a rapid growth market
 - Concept to construction in just 18 months



In just two years since joining forces with bp, Lightsource bp has more than doubled its global footprint. With solar, it is possible to move from concept to construction in just 18 months to 2 years. This sector is characterized by fast cycle times which will allow us to grow our pipeline rapidly in the next 5 years.

That pipeline includes marquis projects here in the US:

Bighorn is a 300 megawatt solar facility which will soon provide power through the local utility to steel producer EVRAZ at their plant in Pueblo, Colorado. The economics of solar energy and its budget certainty is helping the steel mill retain its 1000 local workers, remain in Pueblo and expand their operations.

Fuels

- Integrated Gas
 - Production
 - Origination
 - Trading
 - Piped gas and LNG
 - Decarbonized gas will help create hydrogen markets
- Bioenergy
 - RNG
 - Biogas
 - Biojet

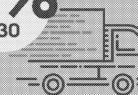
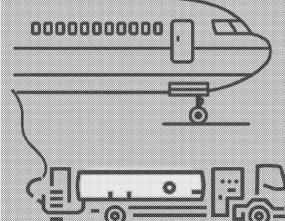


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Demand in biofuels

11%
2030

6%
today



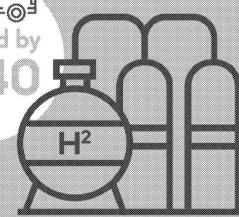
11% 2030

6% today

Hydrogen

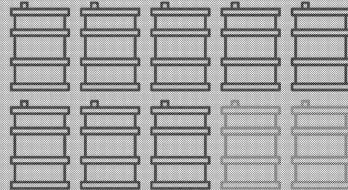
- Projection: Hydrogen demand by 2040 almost 16 million tons
- That's equivalent of shifting over 800,000 barrels of oil per day to a GHG-emission-free fuel

Demand by
2040



16 million tons

=800,000 barrels of oil



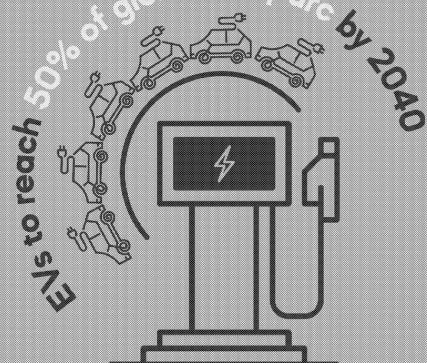
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There is distinctive growth potential in Green and Blue Hydrogen. It's a business that builds off our renewables, gas and CCUS capabilities. Hydrogen has the potential to play a key role in the decarbonization of the heavy-duty transport sector, forecast to be the fuel of choice for long distance, due to a lighter, faster refueling powertrain. We are developing business models to scale-up hydrogen refueling stations in locations across the US and Europe.

By 2040 we see demand for hydrogen hitting potentially almost 16 million tons. That's equivalent to over 800,000 barrels of oil per day shifting to a GHG-emission-free fuel.

Mobility

- Passenger vehicle miles could double by 2040
 - ¼ of those being shared mobility
- ICEs with us for a while – fuel demand relatively flat until 2030, gradual decline thereafter
- US remains #1 fuel demand country
- EVs to reach 50% of global car parc by 2040 (more than half in US, EU, UK, China)
- Convenience: nearly doubling by 2030, at 5% per annum
 - ampm brand in US has seen growth in sales every year for past 10



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□ Advancing growth markets

People want to go places but outsource the hassle - passenger car vehicle miles could double by 2040, with a quarter of those miles being shared mobility.

The internal combustion engine will be with us for some time; we see road transportation fuel demand potentially being broadly flat till 2030, gradually declining thereafter, but still remaining material.

The US remains the number 1 fuel demand country – so our network here remains an important part of our business and our offering to customers.

At the same time, EVs are no longer the exception - and by 2040 scale-up to around 900 million, almost 50% of the car parc. More than half of these EVs in 2040 are in the US, EU, UK and China. Of the passenger car EV usage, nearly 65% of the electricity demand is driven by shared mobility and fleets which operate in major cities and electrify rapidly in the coming years.

□ Redefining convenience

Convenience, small format and on-the-go snacks, ready meals and coffee, continues to grow. In 45 of the leading economies of the world, convenience nearly doubles by 2030, growing at more than 5% per annum.

We saw during the pandemic, people shopping online and topping up in local stores like ours. But it's a long-term trend too.

And, the total revenue pool for our established markets has grown in real terms every year since 2010. Our ampm business in the US has seen growth in sales every year for the past 10 years. Convenience is proven to be a highly resilient business.

□ Next-gen mobility

In electrification, our aim is to provide the fastest and most convenient, most reliable network of chargers, delivered through great customer experience, and innovative offers.

We plan to roll out a mix of rapid and ultra-fast chargers, in advantaged locations and mobility hubs for fleets starting with our four focus regions – UK, US, Germany and China, which makes up for over 60% of the EV car parc by 2030.

We will create a charging network that offers customers convenient charging solutions where they need it – at home, at workplaces, at destinations and public charging including ultra-fast charging.

And, we expect Castrol to continue to thrive in the energy transition.

Resilient hydrocarbons

- bp is going to decrease our own oil and gas production by 40% by 2030
- The US remains a primary source of the world's high quality, resilient hydrocarbons
- Example of the type of oil and gas exploration that will define bp's hydrocarbons business: Na Kika near-hub exploration over last 3 years
 - Technology-lead exploration
 - Six commercial discoveries
 - 85% success rate
 - Finding cost less than \$2 per barrel



One of our major commitments is that we will cut our own oil and gas production by 40%. And from this point forward, we don't intend to enter new countries for exploration. However, the US is of course a critical part of our exploration business.

Our exploration and access capital spend has already reduced from a peak of roughly \$4.6 billion in 2010 to around \$800 million in 2019 and, over time, we expect it to reduce further.

But, exploration can still deliver high quality resilient projects. Our US operations are already leading the way for the company. Hydrocarbon exploration is going to become more focused. That approach is already seeing dividends in the US over the last 3 years we have carried out a very successful program of near-hub exploration on the Na Kika asset in the Gulf of Mexico.

This is an asset with a capacity of around 130 thousand barrels per day but production was down at around 40 thousand barrels per day. Since then, our technology-led exploration efforts have generated six commercial discoveries with over 85% success rate, and a finding cost of less than \$2 per barrel.

The Gulf of Mexico and BPX Energy continue to be some of bp's highest margin, most resilient regions for absolute liquids volumes.

One of the big success stories in refining is the turnaround of reliability at Whiting refinery which has improved from 94% Solomon availability in 2014 to more than 96% for three consecutive years since 2017.

And we have plans to move our refining portfolio as a whole to top quartile net cash margin by 2025. In a similar way to our oil and gas assets, we intend to high-grade the portfolio over time through divestment of assets to focus on delivering earnings growth and decarbonization.

And that's not the only way refining will evolve. Processing hydrogenated vegetable oil and waste oils to produce low carbon distillates – bio-diesel and bio-jet – are in our future. Our Cherry Point refinery already refines renewable biodiesel. Bio co-processing is one of the key platforms to scale-up advanced fuels for our marketing businesses. We will leverage trading and midstream to source cost advantaged feedstocks.

The digital space

- New digital investment to enable around \$1 billion net reduction in bp's operating costs by the end of 2023
- And to provide access to a potential prize of around \$1 billion in enhanced revenues by 2025. Anticipated to double that by 2030.
- Through to 2025, 80% of these incremental earnings are expected to come from our resilient and focused hydrocarbon business, leveraging prior investment in digital systems.

Any US-specific projections or numbers?



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When we talk about innovation at bp, we mean:

- Capturing ideas from across bp's global innovation ecosystem
- Incubating these to create an early stage product, which can be tested and validated; and
- Finally scaling, from early adopters to the mass market, both internal to bp and external

Our license to innovate and our license to operate are closely linked. Driving Digital & Innovation spans across all three parts of our strategy.

Transform core operations
Extend customer access
Reduce carbon emissions
Drive adjacencies

First, we expect new digital investment to enable around \$1 billion net reduction in bp's operating costs by the end of 2023, and to provide access to a potential prize of around \$1 billion in enhanced revenues by 2025.

Through to 2025, 80% of these incremental earnings are expected to come from our resilient and focused hydrocarbon business, leveraging prior investment in digital systems.

Over time we would expect capital investment to be increasingly focused on revenue enhancement in customer-facing businesses, with the total potential prize in 2030 being double that in 2025.

In order to deliver this, we plan to double capital investment in digital to around \$1.5 billion gross on average per annum out to 2025. We believe that this investment will generate some of the highest incremental returns in bp's portfolio. We intend to deliver this through a rigorous and disciplined investment approval process, in which the benefits of investments are planned, agreed and monitored with the relevant businesses.

While digital innovation can play a role in carbon reduction, bp's science and engineering capabilities are also engaged in delivering scalable new technologies that can reduce carbon emissions both in bp's operations and across the lifecycle of our energy products.

How it all comes together

- Example: Partnership with Houston



I mentioned earlier that we're going to focus on delivering solutions to customers. That might not sound distinctive at first, but let me give you an example. The city of Houston has set their own net zero goals. We are partnering with them to bring the integrated suite of solutions I've just walked you through to the city and help guide and plan their transition – making sure that as they emit less, they maintain access to affordable, reliable energy. It's the kind of partnership we're truly excited about. Bringing a full value chain to bear for millions of people. We have the ability to bring together multiple energy solutions for our customers, all within bp.

Details on our Houston partnership:

bp will provide our experts and technical help for four years at no cost to help implement Houston's climate action plan. Still early days, but we believe this a powerful place and moment to debut our regions, cities and solutions team.

Houston is the energy capital of the world and home to our US headquarters. There's no better place to showcase what we can do.

In the future, we assess cities with a net zero ambition want clean, reliable and affordable power – and we can provide that solution.

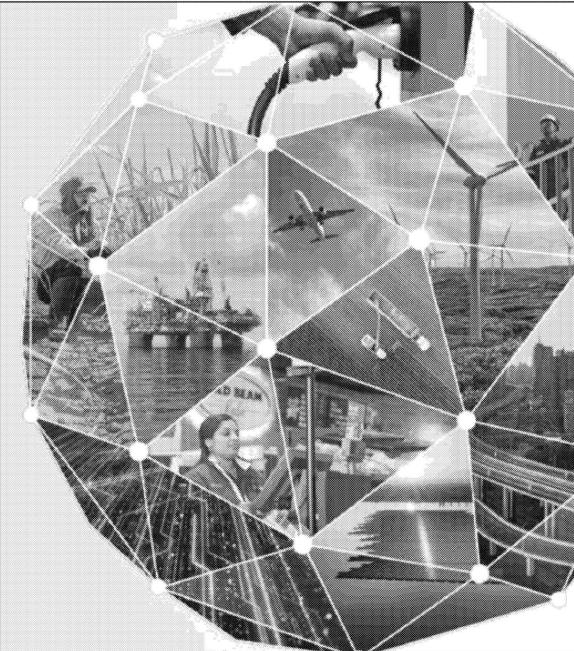
We have unique expertise; we can bundle services and tie renewable power with back-up gas generation and add services such as hedging, trading and carbon offsetting.

Coming back to our strategy, we can deliver those integrated energy solutions.

What is bp's financial proposition?

A compelling proposition for investors:

- Resilient dividend with a commitment to share buybacks once net debt target is achieved
- profitable growth
- opportunity to invest in the energy transition.



bp will be disciplined in how it grows its low carbon portfolio and delivers its net zero ambition.

The planned ten-fold increase in low carbon spend will take place at the upper end of capex guardrails of \$14-16 billion per annum (that means around \$9 billion per annum will still be directed to oil and gas). Hurdle rates for all investments will be strictly adhered to.

In order to do all this, bp's board has reset the dividend to a more affordable level and created a compelling new proposition for investors of all kinds:

a resilient dividend with a commitment to share buybacks once the net debt target is achieved and subject to maintaining a strong investment grade credit rating
profitable growth, and
the opportunity to invest in the energy transition.

Appendix: Support Stories

- Could be swapped in for specific audiences



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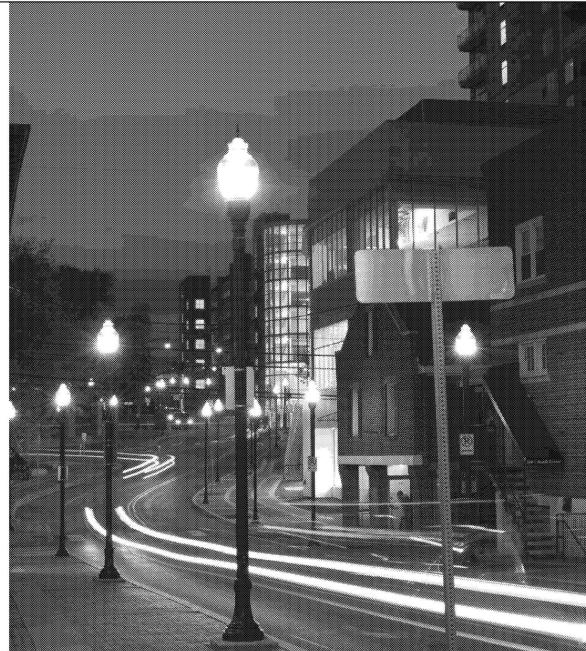
Pennsylvania

Solar Powered Higher Learning

Lightsourcebp to develop 70 mgw solar. Installation of large-scale solar arrays will provide 25% of Penn State's state-wide electricity requirements over a 25-year term, while driving economic development and educational opportunities for the host community.



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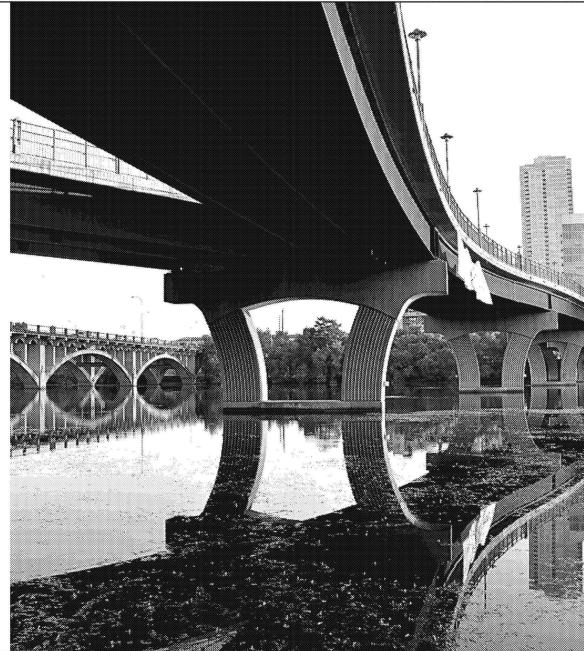
Texas

Solar in the Lone Star State

- 260MW project in Lamar County, TX
- Expected to create almost 300 jobs in construction, operations, maintenance and asset management.
- Will provide clean, cost-effective energy for the equivalent of more than 34,000 homes in the Texas market
- Will offset of 268,675 metric tons of GHG emissions each year
- That's like taking over 57,000 fuel-burning cars off the road.



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In March 2020, we announced that we successfully closed on a \$250 million financing package for its Impact Solar project located in Lamar County, Texas, 120 miles northeast of Dallas. The energy generated by the 260MW project will be traded through a long-term agreement with BP.

Lightsource bp, alongside several project investors, will fund an estimated \$250 million into the solar plant. The senior debt facility for the project was provided by HSBC Bank USA, N.A. (HSBC) and National Westminster Bank PLC (NatWest), with HSBC acting as Coordinating Lead Arranger and NatWest as Joint Lead Arranger. Tax equity financing was secured from Bank of America. This multifaceted funding arrangement is testament to our sophisticated financial structures and innovations.

The project is expected to create almost 300 jobs in construction, operations, maintenance and asset management. In addition, generation from a project of this size and type would typically be expected to provide clean, cost-effective energy for the equivalent of more than 34,000 homes in the Texas market and provide an offset of 268,675 metric tons of greenhouse gas emissions each year, comparable to taking over 57,000 fuel-burning cars off the road.

Colorado

Solar Powered Heavy Industry

- Bighorn is a 300 megawatt solar facility to power a steel mill in Pueblo, CO
- Solar isn't just a sustainable investment – it's an economic one. This plan will help them retain 1000 local workers and stay in Pueblo, CO and expand their operations
- \$250 million investment from Lightsource bp and our partners
- 700,000+ bifacial panels
- Will create 300+ local construction jobs



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Bighorn is a 300 megawatt solar facility which will soon provide power through the local utility to steel producer EVRAZ at their plant in Pueblo, Colorado. The economics of solar energy and its budget certainty is helping the steel mill retain its 1000 local workers, remain in Pueblo and expand their operations.

Project Bighorn is complex, involving a \$250 million investment from Lightsource bp and our partners, over 700,000 bifacial panels and the creation of over 300 local construction jobs.

We won the power contract for Bighorn in a competitive auction due to our strong track record of moving quickly and executing effectively. We reached financial close less than a year after winning the bid.

The project is now entering construction and due to come online in 2021.

Taking Wind Off Shore

- bp enters offshore wind market through partnership in the US with Equinor
- Partnership is bp's first offshore wind venture and an important step towards its aim of having developed 50GW of renewable power by 2030
- bp and Equinor will jointly develop four assets in two existing offshore wind leases located offshore New York and Massachusetts that together have the potential to generate power for more than two million homes
- bp to pay Equinor \$1.1 billion for interests in the existing US offshore developments and to form strategic partnership to pursue other offshore opportunities together in the fast-growing US market



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Where we lack capability – such as in solar development – we formed a Joint Venture in Lightsource bp – and we now have a deep execution capability to prosecute our solar buildout. We bought Chargemaster to do the same in EV charging. And the partnership we have agreed to create with Equinor takes us into Offshore Wind.

Everyone talks about being good at partnerships – but we genuinely embrace them. We believe in the power of working together – where 1 plus 1 makes more than 2.

We are massively excited about the partnership with Equinor in offshore wind2. Equinor is a brilliant company on two dimensions. One in terms of offshore wind, they have been at it a decade. I think they are seen clearly as the top one or two in the world in offshore wind. And secondly, and really important for us and for them, there is a real alignment of values between the two companies. And we go back a long way, back to an oil and gas alliance in the 1990's. We have been through a lot together. And there is something about the two companies' value sets that mean that we work together very well.

Indiana

Onshore wind: Fowler Ridge Expansion

- bp Wind Energy to acquire remaining 50% ownership in Fowler Ridge 1 wind asset in central Indiana
- bp's 970 US wind turbines generate renewable energy sufficient to power 450,000 homes
- Increases bp's net wind generation capacity across the US by more than 15%



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bp Wind Energy (bpWE) agreed to acquire the remaining 50% interest in the bp operated, Fowler Ridge 1 wind asset from its current partner, Dominion Fowler Ridge Wind, LLC, a Dominion Energy subsidiary. Located in central Indiana, the asset includes 162 wind turbines with a generating capacity of 300 MW.

Upon closing, this transaction will increase bpWE's net wind generation capacity by more than 15%, to 1,076 MW. bpWE currently operates the Fowler Ridge 1, 2 and 3 wind assets, which include 355 turbines spanning more than 42,000 acres and powering roughly 160,000 homes annually.

Kansas

Onshore wind: tech upgrades at Flat Ridge

- New turbines at Flat Ridge 1 wind farm in Kansas generates more power, more efficiently and with greater reliability.
- The new Vestas turbines are expected to provide an estimated 20-25% gain in energy production across the Flat Ridge 1 wind farm.
- Following a successful pilot with a new Vestas turbine, bp replaced 19 existing, decade-old units at the site.



28 / bp's transformation



New turbines at Flat Ridge 1 wind farm in Kansas increase energy production generates more power, more efficiently and with greater reliability. The new Vestas turbines are expected to provide an estimated 20-25% gain in energy production across the Flat Ridge 1 wind farm.

The upgrade helps position bp wind energy at the forefront of new technology, while also increasing the proportion of investment bp makes into its non-oil and gas businesses.

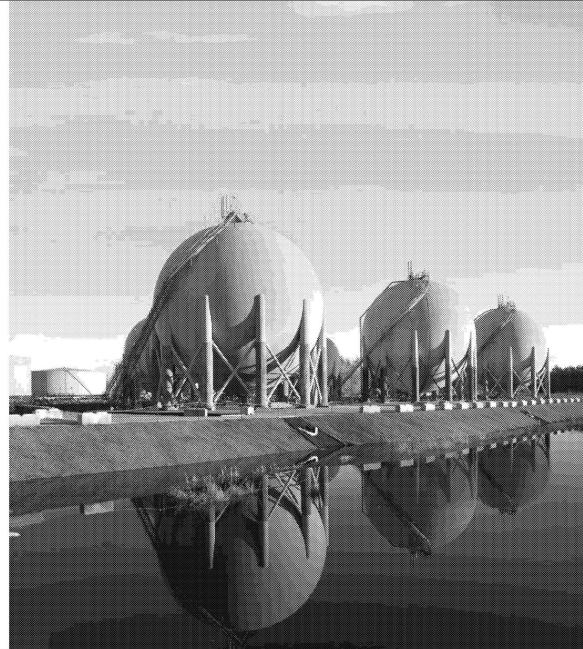
Following a successful pilot with a new Vestas turbine, bp replaced 19 existing, decade-old units at the site. A turbine unit includes the hub, blades and housing for power generation equipment and transformers, called a nacelle, that sit atop wind towers.

Bioenergy footprint in the US

Processing hydrogenated vegetable oil and waste oils to produce low carbon distillates – bio-diesel and bio-jet – are in our future. Our Cherry Point refinery already refines renewable biodiesel. Bio co-processing is one of the key platforms to scale-up advanced fuels for our marketing businesses. We will leverage trading and midstream to source cost advantaged feedstocks.



23 / bp's transformation



We've also begun co-processing at our refineries, focusing on capital-lite sustainable feedstocks to produce biodiesel and biojet. We currently process 6,000 barrels a day across 5 refineries.

Bio-jet is vital for decarbonizing the aviation sector. We aim to be a leading sustainable aviation fuel marketer by 2030, with around 20% share of the world's sales of bio-jet. We are already one of the leading bio-jet marketers and in 2019, we supplied bio-jet at 11 airports in four countries including Sweden, USA, Germany and France.

Indiana

Refining Evolution: Whiting

One of the big success stories in refining is the turnaround of reliability at Whiting refinery which has improved from 94% Solomon availability in 2014 to more than 96% for three consecutive years since 2017.

And we have plans to move our refining portfolio as a whole to top quartile net cash margin by 2025. In a similar way to our oil and gas assets, we intend to high-grade the portfolio over time through divestment of assets to focus on delivering earnings growth and decarbonization.



30 / bp's transformation



Innovating Emissions Out

bp's research and development spend of around \$350 million per year will be increasingly oriented towards reducing carbon. For example:

- Tallow and vegetable oil + combining these with Active technologies
- Co-engineering lubricants and coolants for wind turbines, hybrid and electric vehicle drives and battery systems
- Developing conversion and carbon capture technologies
- Methane sensor innovation



31 / bp's transformation



Hence bp's research and development spend of around \$350 million per year will be increasingly oriented towards reducing carbon.

Examples of this include:

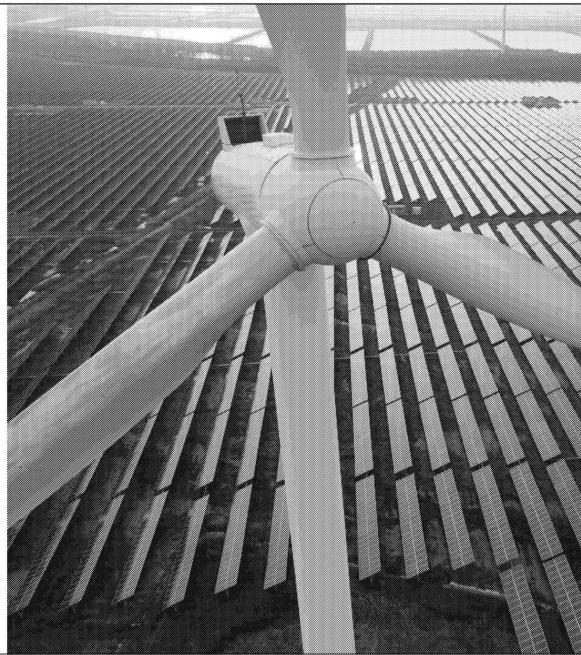
- Modifying our refineries to run tallow and vegetable oils, thereby lowering the carbon emissions of products, and combining these with Active technologies in our Ultimate fuels to improve engine performance
- Co-engineering lubricants and coolants designed for wind turbines, hybrid and electric vehicle drives and battery systems
- Developing conversion and carbon capture technologies which can drive down the cost of decarbonizing fossil fuels, as well as reducing the cost of electrolysis to make green hydrogen competitive
- And lastly trialing and deploying a range of local, low and high-altitude sensors to detect and measure methane emissions, and then identifying the best ways of mitigating these

Enterprise-wide **Microsoft partnership**

- The companies intend to work together to develop new technology innovations and digital solutions to help meet their sustainability aims, including reducing energy use and carbon emissions.
- Microsoft to further bp's digital transformation with Azure cloud services.
- bp to supply Microsoft with renewable energy to help meet the company's 2025 renewable energy goals.



32 / bp's transformation



Smart and clean cities – identifying synergies between Microsoft's 'Smart Cities' initiative and bp's 'Clean Cities' vision, with a goal of identifying areas for strategic collaboration to help cities achieve their sustainability aims.

Clean energy parks – co-development of innovative, clean energy parks with an ecosystem of low carbon technologies such as carbon capture use and storage (CCUS) to prevent or reduce emissions.

Consumer energy – exploring innovative ways to harness the power of data-driven, personalized, actionable insights to empower energy consumers to manage their home energy use and reduce carbon emissions.

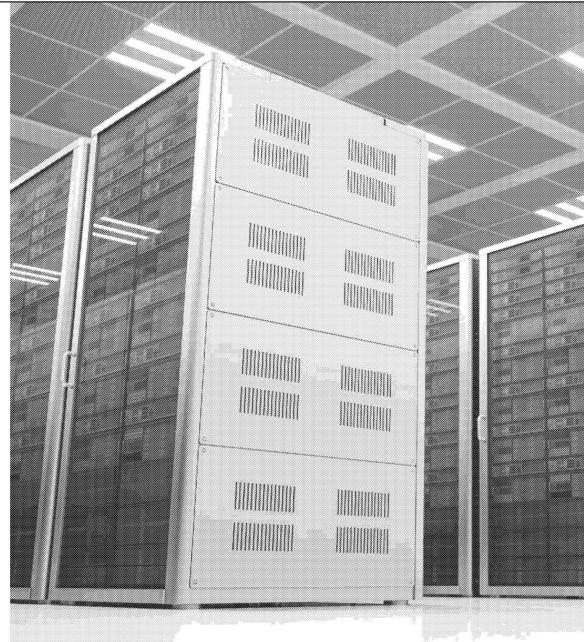
Industrial Internet of Things (IoT) solutions – delivering an 'intelligent edge' of capabilities to bp production and operations facilities.

For both bp and Microsoft, low carbon is part of a wider sustainability agenda and they aim to deepen collaboration in this area over time.

Europe

Amazon partnership

- BP will supply Amazon Web Services with 170 MW of renewable energy - the equivalent of powering 125,000 homes each year.
- BP strengthens its sustainable power business through Corporate PPAs for wind and solar.



33 / bp's transformation

Like bp, Amazon recently set a bold net zero ambition. So it's no surprise we're partnering. This project is based in Europe, but we hope it sets a model that can be replicated.

BP will supply Amazon Web Services with 170 MW of renewable energy - the equivalent of powering 125,000 homes each year. BP strengthens its sustainable power business through Corporate PPAs for wind and solar. BP has agreed the first in a series of innovative power deals with Amazon Web Services (AWS) to supply renewable energy to the European data centers that drive the AWS cloud platform.

The deal is in line with BP's growing sustainable power business, which includes tailored Power Purchase Agreements (PPAs) within the corporate sector. Starting in 2021, BP will begin supplying AWS with renewable energy from more than 170 megawatts (MW) of newbuild wind and solar projects in Sweden and Spain – enough renewable energy each year to supply over 125,000 European homes. The expectation is to grow this relationship to more than double the capacity in excess of 400 MW.

In the first project announced under this agreement, BP will provide AWS with 122 MW of new renewable power capacity from one of the largest onshore windfarms being built in Europe, in Västernorrland, Sweden. It's expected to commence operations in 2022. A new solar farm in Spain, which is expected to deliver 50 MW to AWS from 2021, will also support the deal.

Offsets

Finite Resources Inc, Partnership

- BP Ventures invests \$5 million into Finite Resources, Inc for a voluntary carbon offsets program for businesses
- Finite Carbon has over 40 forest offset projects under development on nearly three million acres of US forestlands.
- They're North America's leading developer and supplier of forest carbon offsets.
- Headquartered in Philadelphia, PA and with offices in the US Northeast, Southeast, and Pacific Northwest



34 / bp's transformation



BP Ventures has invested \$5 million in Finite Resources Inc, parent company of Finite Carbon, a US-based forest carbon management company. The investment will enable Finite Carbon to grow a new line of business to incentivize sustainable forest management, financed by businesses seeking to voluntarily offset carbon emissions.

Investment aligned with BP's advocacy for a price on carbon

Finite Carbon was founded in 2009 and has since become the largest developer of forest carbon offsets in North America with more than 40 forest projects covering nearly three million acres. The company offers landowners a single-source solution for inventorying, managing, and monetizing forest carbon assets.

Finite's in-house team of forest carbon experts offers a single-source solution for creating and monetizing carbon offsets and the most comprehensive forest carbon project development and commercialization service in the industry.

Redacted - First Amendment

Redacted - First Amendment

COVID Relief

- Fuel discounts for essential workers: Up to 15 cents per gallon off at bp and Amoco stations
- Jet fuel donations
- Houston food bank volunteering to provide meals to community
- Whiting Refinery donated PPE to local frontline workers



bp continues to support American motorists by offering a special discount of up to 15 cents per gallon on every fill-up at bp and Amoco stations for 60 days for active military personnel, veterans, teachers and students.

Donations to FedEx Express and Alaska Airlines help speed delivery of personal protective equipment and other essential goods nationwide

Not starting from scratch

In all of this, it's important to remember we're not starting from scratch:

- Lightsource bp, bp Chargemaster, bp Bunge Bioenergia, and bp Wind, are all established and growing.
- We're partnering with DiDi in China – the world's leading mobile transportation platform, in the country that has half of all the world's electric vehicles.
- We have industry-leading convenience partnerships with M&S in the UK and Rewe in Germany.
- We have relationships with governments, partners and communities in 79 countries around the globe – and more than 110 years of experience delivering some of the most complex and challenging projects imaginable.
- We see collaboration with regions, cities and corporations as key.



US Stats/Facts

- bp is largest RNG supplier to US heavy-duty transport sector
- #1 fuel demand sector
- US has one of the world's largest available geological capacity for captured carbon storage
- We are the largest natural gas marketer in North America
- The US continues to post the largest increases in oil production of any country
- 2019 Stats Review: By country, China was the largest contributor to renewables growth (0.8 EJ), followed by the US (0.3 EJ) and Japan (0.2 EJ)



39 / bp's transformation

The US posted the largest increase of any country for the third consecutive year, with its output rising by a massive 1.7 million b/d, although this was down from the record increase in 2018 (2.2 million b/d).

Gas production grew by 132 bcm (3.4%) outpacing growth in consumption. The US accounted for almost two thirds of net global growth, with the volumetric increase of 85 bcm just shy of 2018's record increment (90 bcm).