

bp 1Q 2021 media Qs&As (Prepared responses to potential non-financial media questions following the release of 1Q Results - please confirm approval before use)

1. Covid vaccine roll out – and inequality

- Vaccines are the key to getting the world going again.
- We are seeing that in the US, UK, China and parts of the Middle East. And that's hugely encouraging.
- But we are also seeing regions where vaccine rollout is more challenged.
- We've recently lost people in Brazil and India to this disease. It is still very much a threat in many parts of the world.
- So we all need to work together to make sure that vaccines are rolled out all around the world as fast as possible.
- Because that's how we protect people and get the global economy going again.

IF PRESSED – are bp people jumping the queue for vaccines?

- Absolutely not. We have not, and will not, jump the queue for vaccines anywhere. We've made a real point throughout this crisis of not taking government assistance in any form.
- National governments are best placed to lead the response to COVID – whether that's vaccines, restrictions or other measures. So, we take our lead from them.
- Some governments have deemed it necessary and in the national interest to vaccinate workers in the oil and gas sector – like in Indonesia and Azerbaijan.
- So, we have participated in those government-led programmes but only when we have been asked to do so.

2. Return to the office

- People talk about return to the office – we have thousands of our people who have never been away.

- These people have been on the frontline ever since we shut down our offices over a year ago - keeping the energy flowing, keeping our retail sites open. And we can't thank them enough.
- Where vaccines are being rolled out and restrictions relaxed, we are beginning to encourage employees who have been working at home to return to the workplace – within government guidelines and only if they feel comfortable.
- We're looking forward to getting back to the office – getting that buzz of working together face-to-face – it's a big part of why we come to work.
- And frankly, I think we all need it. It's been a really tough year, and I think everyone can benefit from more real human interaction, rather than just screen time.
- But our priority remains the safety of our people. And although things are moving in a positive direction here in London, we know many of our people are in places – such as India or Brazil – where it feels very different right now.
- So we'll be taking it on a case-by-case basis.

3. COP26 – what is bp hoping to see out of COP26?

- I am hugely encouraged by the momentum coming out of the Biden summit last week – governments ratcheting up their commitments - not just 2050 ambitions, but targets for 2030 too.
- But ambition isn't enough – we need action. We see 3 key areas:
- **#1** If these countries are going to deliver on their commitments, they're going to need everyone on board, especially emissions intensive sectors like energy, transport, and industry.
- That's why I have been making the case for supporting not just green companies – pureplay renewable companies – but greening companies like ours that have the desire and a credible plan to get to net zero.
- Green companies alone can't do it – you can't build them or grow them fast enough. Greening companies have the scale and know-how to help get it done but they need support—such a policies, investment and encouragement.
- **#2** We have to support the developing world in getting to net zero – we have to make sure they have access to finance to build lower carbon energy systems and economies – that's how they are going to build back better after COVID.
- **#3** And lastly - something we've been pushing for decades - a real price on carbon and a truly global carbon trading system. That's the most efficient way to tackle this problem.

4. Scepticism about net zero targets – aren't they just greenwashing?

- I understand that there's scepticism out there. People are worried that companies are setting ambitions for 30 years out and filing it under tomorrow's problem.
- That's not us. We've not just set our 2050 ambition. We've set 2030 aims and tough 2025 targets.
- **#1** So our net zero ambition is at the heart of our strategy and how we plan to deliver value for our shareholders.
- **#2** And our actions show we mean it. We are reinventing the whole company – leaving behind a model that had served us well for over 100 years.
- **#3** And we are doing it transparently so people can see that we mean what we say.
- And that we are investing at the levels required and reducing emissions on the timetable needed to achieve our aims.
- We aren't just paying lip service to net zero. We are fundamentally transforming the company to deliver it.

5. Divestment

- Divestment is a key part of our strategy - it plays two roles.
- **#1** First it helps us decarbonise the company and get us closer to net zero.
- We expect divestment to play a big role in helping us meet our aim to reduce oil and gas production by 40% by 2030.
- **#2** Second, divestment helps us diversify the company and help the world get closer to net zero.
- We know that divestments may not lead directly to a reduction in global emissions.
- But they do allow us to reinvest the proceeds in low carbon alternatives that we think will outcompete fossil fuels - and help cut emissions.
- So we're not just going to harvest the cash and return it to shareholders. We want to transform the company – we believe it's a great investor proposition and it can help the world get to net zero.

- Where we divest, we sell to responsible operators. But they are going to have to see if they can compete and win against new energy sources. And they are going to be under increasing pressure from investors and society as a whole to operate in as clean and responsible a manner as possible.

6. Diversity – including gender pay

- We were clear back in February last year that to reimagine energy we would have to reinvent bp.
- And to do that we need to attract the best and brightest talent the world has to offer. We have to make the company more reflective of the world in which we operate—gender, ethnicity, sexuality, neurodiversity and disability.
- I'm proud of the progress we have made in the last year. 5 of our 12-person board are women, a third come from outside the UK and US.
- A third of our leadership team are women and of the top 120 leaders in the company: 39% are women, and over 20% come from outside the UK and US.
- That's a good start. We can and will do better. We need to make sure the whole company better reflects society.
- It is my ambition that the best people around the world are able to compete and win the best jobs anywhere in the world and be paid accordingly.

7. Rising petrol prices

- This is a highly competitive and highly regulated market. And here in the UK the majority of the pump price is made up of taxes – duty and VAT.
- Our sites are always in competition with other local operators – and we aim to price competitively.
- But of course, we see our sites as much more than just fuel prices – and believe our customers do as well. Convenience is a key part of our strategy - our customers' needs are changing and we aim to offer them the services they want.
- In the UK almost all our operated retail sites now include our high-quality M&S Simply Food stores, as well as Wild Bean Cafes. And increasingly we're bringing EV charging to our sites.

IF PRESSED - Increase in price on introduction of new, higher biofuel content E10 fuel:

- We welcome the UK Government's plan to introduce fuels with a higher biofuel content.
- Some older cars won't be able to use the fuel, so we will continue to supply them.

8. COP26 – what role are you going to play at COP26?

- We're excited about COP26, it feels like there's real momentum after President Biden's climate summit last week.
- We're gearing up and we have a team working on it. I'll be going up to Glasgow and taking part in a number of events.
- But unfortunately, it looks likely we'll be on the sidelines – I'm not sure we're welcome in an official capacity at this stage.
- That's a decision for the organizers of course, but I really feel they're missing a great opportunity.
- To get to Paris we need to support not just green companies but greening companies too – companies with scale and know-how, with the ambition to become lower carbon and a plan for how to do it.
- That's the lesson of the Paris Agreement - the need to be inclusive. Many people were sceptical about that at the time, but look where we are today – Japan, China, the US, the EU, the UK all ratcheting up their commitments on the way to net zero.

US topics

9. Voting access (Georgia / Texas and across the US).

- I'm not an American so I don't know much about U.S. election law, but I do know something about fairness.
- I was raised to treat everyone with respect and fairness.
- bp's values and code of conduct require the same.
- We believe this should extend to the ballot box.

IF PRESSED – has bp spoken out on this issue?

- Yes, we made our views clear through organizations like the Business Roundtable. They have made strong public statements in support of voter rights and fair elections.
- And our US Chairman & President Dave Lawler has spoken out on this too, signing a statement by the Civic Alliance business coalition in support of protecting voting rights.

10. Storm Uri

- **#1** Storm Uri was a brutal event – thousands of people with no power, no heat, no water for days.
- **#2** We're a big employer in Texas – it's our home in the US – and we made sure we did everything we could to care for our people - with food, water and hotel rooms.
- **#3** We're also a major marketer of gas in the US – and we worked just as hard to keep our customers supplied with gas.
- **#4** Using our experience and relationships and trading skills, our teams went to extraordinary lengths to get gas to those who needed it.
- **#5** And we worked very hard to do things the right way throughout this extraordinarily challenging event.

IF PRESSED – but isn't it unfair that you made enormous profits? Wasn't that simply price gouging against desperate customers?

- It was a very good quarter. The trading business did very well.
- Our gas marketing business is based in Houston, so our employees were directly and personally impacted by the storm.
- They were working round the clock, doing everything they could to make sure customers were supplied so we could help the state keep the power and heat on.
- Being a buyer and seller of gas, we too have to work within the market – it is the market and existing contracts that dictate prices.
- I have to say that I am very proud of how our teams responded during these very difficult circumstances. They worked very hard and they did it the right way.

IF PRESSED – why are you being sued and investigated if you acted fairly throughout?

- We will, of course, cooperate with any investigation.
- We will also vigorously defend any lawsuits that suggest we did not do the right thing.
- Throughout the storm, our focus was on making sure we supplied as many customers as we could.

11. Biden climate plans

- I applaud President Biden for his net zero ambition and bold new emissions target. It's great to see the U.S. taking a leadership role on climate.
- We at bp are all in on net zero, and we see huge opportunities for the company in the energy transition – including in the US, where our business goes far beyond oil and gas.
- We're the biggest energy investor in the US since 2005. Roughly 40% of our assets, capital employed, and shareholding are there.
- We have a big and growing renewables business: on- and offshore wind and solar.
- So we welcome the big push on climate and look forward to working with the administration and others to get after it.

12. Biden infrastructure

- The president has proposed a giant infrastructure plan and I get it.
- To reach net zero, the world's energy system will need to be rewired and replumbed.
- According to Goldman Sachs and others, that will require trillions of dollars of investment, much of it in infrastructure.
- Everyone will benefit from it – the environment and the economy – and I think everyone should contribute to it.
- I'm not going to endorse specific taxes, fees, or rates at this point – that's going to be debated in the coming months.
- But I do think it is going to require big plans and bold action.

13. Biden tax proposal: Who should pay for it? And what about raising corporate tax rates to 28%—or even 25%?

- As I said, everyone will benefit from it – the environment and the economy – and I think everyone should contribute to it.
- As for who pays what—we'll have to wait and see what emerges from the White House and Congress over the next few months, but if people come together and work towards this important goal, I think there is a tremendous opportunity here to make real progress on net zero and create good jobs in the process.

14. Biden global minimum tax plan

- As I understand it, the concept of a broadly agreed minimum tax could help address some longstanding international tax challenges.
- It seems the new US proposal has brought a renewed momentum to the OECD efforts. That's a good thing and we'll see where that discussion goes from here.

15. Biden fossil fuel subsidies: Do you support repealing subsidies for fossil fuel exploration and production?

- Oil and gas still have an essential role to play in meeting the world's energy needs – and will for years to come.
- In the US, there seems to be a lot of debate about what's a subsidy, what's an incentive – who gets it, who doesn't. I frankly find it hard to follow. All I know is that the most efficient way to tackle this problem is to adopt an economy-wide price on carbon.
- Now, I realize that is not very popular in Washington these days, but a carbon price allows all forms of energy to compete on a level playing field
- Several states are considering carbon prices right now and we have been advocating for them—because a real and transparent price on carbon provides the right incentives for everyone to play their part in reducing emissions.

IF PRESSED – so governments shouldn't have production incentives?

- Production incentives, whether for renewables or fossil fuels, can be a legitimate form of industrial policy that allows governments to better develop their natural resources.
- They're particularly effective at giving new or emerging technologies – like hydrogen and CCUS – a chance to reach commercial scale and break into the market.
- And if there's an economy-wide carbon price, then fossil fuels – even if aided by production incentives – are going to find it harder to compete and win against lower carbon alternatives.

16. What do you think will be the impact of the Biden administration's decision to pause oil and gas leasing on federal lands and water?

- **#1** We're comfortable with the temporary pause on lease sales. The Department of Interior is using this time to **develop their longer-term leasing strategy**, and that makes sense to us – especially because it does not impact existing operations or permits.
- **#2** Less than 1% of our US onshore position is on federal land. And it does not impact our near-term plans in the Gulf of Mexico – including our new **Argos** platform – our biggest new development in the Gulf for some years – which recently arrived in Texas.

17. API

- Yes we are still in API – let me give you 3 reasons why.
- **#1** We are a member of API first and foremost because of their work as a safety and standards organisation – that's primarily how I saw them when I was coming up in the industry.
- We get great value from working with them and other members, sharing best practice, continuously improving safety of operations.
- **#2** As for advocacy, our net zero ambition is clear. And we're also clear that we are advocating for policies that support net zero. That has resulted in some tough

conversations with API as we pushed for a more progressive approach on climate issues.

- I'm encouraged by their recent shift in position on carbon pricing and willingness to work with the Biden administration on methane regulation.
- But we're continuing to speak out where we don't agree. In fact, while API has been neutral on the Congressional Review Act on methane regulation we have been outspoken in our support.
- **#3** We also committed to be transparent about our work with trade associations.
- Last year we issued a review of our trade associations on climate matters and judged API to be partially aligned with us. We plan on publishing an update next month.

18. BPX flaring – you talk about the importance of reducing flaring, what progress have you made?

- At the end of 2019 – shortly after we took over operatorship of BHP's Permian assets - our flaring intensity in the Permian was roughly 16%. Today it is less than 2%.
- As impressive as that is, it's not good enough – last week we announced that we will eliminate routine flaring in our US onshore business by 2025.
- It's the right thing for the planet and for our business – because the less gas we flare, the more gas we sell.
- **#1** We've spending \$1.3B to build a centralized production facility in the Permian Basin—an electrified central oil, gas, and water handling facility that eliminates some of the largest sources of flaring.
- **#2** We're electrifying our operations. We expect over 75% of bpx energy operated wells in the Permian will be electrified by the end of 2021 and over 95% by 2023.
- **#3** And we're using state-of-the-art emissions monitoring technologies – fixed wing aircraft, drones, high resolution cameras.

19. Methane regs

- Around three years ago we made a clear choice to take a leadership position on methane. Because we believe that tackling it is key to protecting the important role of gas on the way to net zero.

- **#1** We've been convening experts, sharing best practice, actively advocating in Brussels, London, and Washington for greater regulation of methane.
- **#2** And we've been getting after it in our business. You may have seen in the Wall Street Journal – we plan to spend \$1.3 billion in the US onshore to get to zero routine flaring by 2025.
- At this point we are doing it voluntarily – but regulation ensures all companies are prioritising methane abatement – that's the fair thing and what the world needs.

20. Political giving/PAC

- bp doesn't make political contributions, but like many companies in the US we do have an employee PAC.
- They have their own board and decision-making process. And in the wake of the 6 January attack on the Capitol building, the bp employee PAC – like PACs at many other companies – suspended their political giving for 6 months to review their giving criteria.
- As I understand it the employee PAC is still in the midst of that review. They are going to determine if and how they want to go forward. We expect that decision to come later in the summer.

21. Washington State -

- We're delighted with the result in Washington State. And I'm really proud of our team's effort role in making it happen– they helped build a broad coalition of businesses and environmentalists to get it done.
- This is us in action. We said we'll advocate for policy to help get the world to net zero and we're doing it, even if it adversely impacts our traditional businesses – because we think it creates opportunities for our new businesses.
- From what I understand, there's work to do before these bills take effect, but Washington State has taken an important step on the path to net zero.

22. Second NYC climate lawsuit

- I understand the City of New York filed [back in 2018] a climate lawsuit and it was recently dismissed by the Court.

- I did hear that the City has now filed a second climate lawsuit, but I don't know the details.
- Like in the first lawsuit, we will vigorously defend the case.

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- I think it is best to leave this to the lawyers.
- I am focusing on delivering on our strategy and performing while transforming.

23. Whiting / EPA

- Well, most importantly, we are committed to safe, reliable, compliant operations.
- And our Whiting Refinery is no exception.
- We are disappointed with the court's recent ruling.
- But we are continuing to work with the state of Indiana to resolve this.

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- You know, I'm never comfortable commenting on pending litigation.

NOTE: These bullets refer to the Whiting issue that has recently been in the media (Sierra Club Lawsuit).