



press release

10 September 2020

bp and Equinor form strategic partnership to develop offshore wind energy in US

- *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*

bp and Equinor today announced the formation of a new strategic partnership to develop offshore wind projects in the US. This includes the development of existing offshore wind leases on the US East coast and jointly pursuing further opportunities for offshore wind in the US.

Bernard Looney, bp's chief executive, said: "This is an important early step in the delivery of our new strategy and our pivot to truly becoming an integrated energy company. Offshore wind is growing at around 20% a year globally and is recognized as being a core part of meeting the world's need to limit emissions. Equinor is a recognized sector leader and this partnership builds on a long history between our two companies. It will play a vital role in allowing us to deliver our aim of rapidly scaling up our renewable energy capacity, and in doing so help deliver the energy the world wants and needs."

As well as forming the new strategic partnership, bp will purchase a 50% interest in both the Empire Wind and Beacon Wind assets from Equinor. bp has agreed to pay Equinor \$1.1 billion.

The partnership will leverage capability and experience from both companies. Equinor will remain operator of the Empire and Beacon projects in the development, construction and operations phases. The deputy project director for Empire Wind will be nominated by bp and over time the wind assets will be equally staffed by bp and Equinor.

The agreement comes a month after bp announced its new strategy, including aims to increase its annual low carbon investment 10-fold to around \$5 billion a year and grow its developed renewable generating capacity from 2.5 gigawatts (GW) in 2019 to around 50GW by 2030.

The Empire Wind lease area, which was awarded to Equinor in 2016, is 15-30 miles southeast of Long Island and has a total area of 80,000 acres. The area will be developed in two phases. Empire

Wind phase 1 secured an offtake agreement in the July 2019 solicitation and will have between 60 and 80 turbines. The whole Empire Wind lease area has a potential generation capacity of 2GW with a generating capacity of more than one million homes.

Beacon Wind covers a total area of 128,000 acres of federal waters off New England's coast, approximately 20 miles south of Nantucket and 60 miles east of Montauk Point. When fully developed it is expected to have a total generating capacity of 2.4GW, sufficient to provide power to more than a million households in the Northeast US.

bp's executive vice president for gas and low carbon energy, Dev Sanyal, added: "This partnership provides an extraordinary opportunity for our two companies to work together in pursuit of our shared ambition—creating better, lower carbon energy for the world. It will leverage bp's trading expertise and onshore wind experience with Equinor's sector-leading track record in offshore wind to deliver value for our shareholders. We look forward to working with Equinor and together exploring further opportunities in the fast-growing US wind market."

First power from Empire Wind's phase 1 is expected in the mid-2020s and phase 2 is preparing for upcoming solicitations. Beacon Wind will also be developed for future solicitation opportunities and will begin a review process to secure all necessary permits for the project.

Subject to customary regulatory and other approvals, the deal is expected to close in early 2021.

J.P. Morgan Securities PLC acted as financial advisers to bp on this transaction.

Further enquiries:

bp Press Office, London +44 (0)207 496 4076, bppress@bp.com

Cautionary statement:

In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA'), bp is providing the following cautionary statement. This press release contains certain forward-looking statements – that is, statements related to future, not past events and circumstances – which may relate to one or more of the financial conditions, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements are generally, but not always, identified by the use of words such as 'will', 'expects', 'is expected to', 'aims', 'should', 'may', 'objective', 'is likely to', 'intends', 'believes', 'anticipates', 'plans', 'we see' or similar expressions. In particular, among other statements, expectations regarding the growth of offshore wind; bp's aims to increase its annual low carbon investment 10-fold to around \$5 billion a year by 2030 and grow its developed renewable generating capacity from 2.5GW in 2019 to around 50GW by 2030; the expected and potential generating capacity of the Beacon Wind and Empire Wind lease areas; and expectations regarding the completion of the deal. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of bp. Actual results may differ from those expressed in such statements, depending on a variety of factors including the extent and duration of the impact of the current market conditions including the significant drop in the oil price, overall global economic and business conditions impacting our business and demand for our products, as well as the risk factors set forth in our most recent Annual Report and Form 20-F under "Risk factors" and in any of our more recent public reports.

Our most recent Annual Report and Form 20-F and other period filings are available on our website at www.bp.com or can be obtained from the SEC by calling 1-800-SEC-0330 or on its website at www.sec.gov.