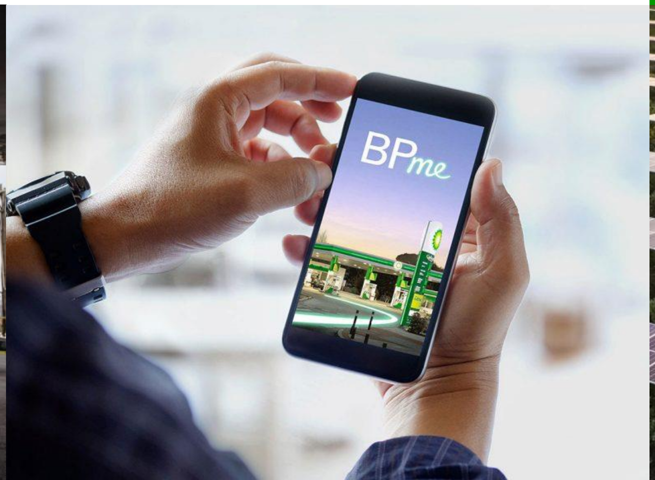
# Performing while transforming

# bp first quarter 2022 financial results

3 May 2022


Craig Marshall

svp investor relations

Good morning everyone and welcome to bp's first quarter 2022 results presentation.

I'm here today with Bernard Looney, chief executive officer and Murray Auchincloss, chief financial officer.

Before we begin today, let me draw your attention to our cautionary statement.

# Cautionary statement

In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA') and the general doctrine of cautionary statements, bp is providing the following cautionary statement: The discussion in this results announcement contains certain forecasts, projections and forward-looking statements - that is, statements related to future, not past events and circumstances - with respect to the financial condition, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements may generally, but not always, be 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', 'focus on' or similar expressions.

In particular, the following, among other statements, are all forward looking in nature: expectations regarding the COVID-19 pandemic and the conflict in Ukraine, including the impacts and consequences on economic growth, demand, and bp's operations and financial performance; plans and expectations related to bp's exiting of its Rosneft shareholding and the exiting of its other businesses in Russia; plans, expectations and assumptions regarding oil and gas demand, supply or prices, storage, the timing of production of reserves, or decision making by OPEC+; plans and expectations regarding bp's performance, earnings and capital expenditure, including with respect to bp's resilient hydrocarbons, convenience and mobility and low carbon energy businesses; plans and expectations related to earnings growth, including that resilient hydrocarbons will sustain EBITDA at around $31 billion through 2025 and maintain $28-33 billion of EBITDA until 2030 at constant real price assumptions, that EBITDA from convenience and mobility will reach around $7 billion by 2025 and $9-10 billion by 2030, that EBITDA for bp's low carbon businesses will grow between 2025 and 2030 with potential to reach $2-3 billion of EBITDA by 2030, that EBITDA from transition growth businesses will reach $9-10 billion by 2030 and that group EBITDA will reach approximately $38 billion by 2025 and $39-46 billion by 2030; plans and expectations to deliver a 7-9% EBIDA per share CAGR between 2H19/1H20 and 2025, ROACE of 12-14% and $9-10 billion of EBITDA from transition growth businesses by 2030; expectations that bp's underlying effective tax rate for 2022 will be around 40%; expectations regarding dilution from vesting of employee share awards; plans and expectations regarding bp's five transition growth engines of EV charging, convenience, bioenergy, renewables and hydrogen; plans and expectations regarding bp's convenience and mobility business; plans and expectations regarding resilient hydrocarbons; expectations regarding refining margins and product demand; expectations regarding bp's future financial performance and cash flows; expectations regarding supply issues; expectations with regards to bp's transformation to an IEC; plans and expectations regarding bp's financial frame; bp's plans and expectations regarding the allocation of surplus cash flow and cash balance point; plans regarding future quarterly dividends and the amount and timing of share buybacks; plans and expectations regarding bp's credit rating, including in respect of maintaining a strong investment grade credit rating; expectations regarding bp's development of hydrogen projects, CCUS projects, low carbon energy hubs and offshore wind projects; plans and expectations regarding start-ups during 2022; expectations of disposal proceeds of $2-3 billion in 2022; plans and expectations of around $14-15 billion capital expenditure in 2022; plans and expectations regarding the Herschel Expansion project, the Brazilian oil discovery, the KOGAS LNG supply agreement, the green hydrogen project in Rotterdam, the oil and gas blocks in offshore Indonesia, bp's acquisition of a stake in Green Biofuels Ltd, the ScotWind lease option award and SAF production at bp's Lingen refinery; plans to invest £1 billion over the next decade in EV charging infrastructure across the UK; and plans and expectations regarding joint ventures, partnerships and other collaborations with Uber Eats, Nuseed, Eni, Marubeni, Aberdeen City Council, Volkswagen Group and DHL Express.

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 or outcomes, may differ materially from those expressed in such statements, depending on a variety of factors, including: the extent and duration of the impact of current market conditions including the volatility of oil prices, the effects of bp's plan to exit its shareholding in Rosneft and other investments in Russia, the impact of COVID-19, overall global economic and business conditions impacting bp's business and demand for bp's products as well as the specific factors identified in the discussions accompanying such forward-looking statements; changes in consumer preferences and societal expectations; the pace of development and adoption of alternative energy solutions; developments in policy, law, regulation, technology and markets, including societal and investor sentiment related to the issue of climate change; the receipt of relevant third party and/or regulatory approvals; the timing and level of maintenance and/or turnaround activity; the timing and volume of refinery additions and outages; the timing of bringing new fields onstream; the timing, quantum and nature of certain acquisitions and divestments; future levels of industry product supply, demand and pricing, including supply growth in North America and continued base oil and additive supply shortages; OPEC+ quota restrictions; PSA and TSC effects; operational and safety problems; potential lapses in product quality; economic and financial market conditions generally or in various countries and regions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations and policies, including related to climate change; changes in social attitudes and customer preferences; regulatory or legal actions including the types of enforcement action pursued and the nature of remedies sought or imposed; the actions of prosecutors, regulatory authorities and courts; delays in the processes for resolving claims; amounts ultimately payable and timing of payments relating to the Gulf of Mexico oil spill; exchange rate fluctuations; development and use of new technology; recruitment and retention of a skilled workforce; the success or otherwise of partnering; the actions of competitors, trading partners, contractors, subcontractors, creditors, rating agencies and others; bp's access to future credit resources; business disruption and crisis management; the impact on bp's reputation of ethical misconduct and non-compliance with regulatory obligations; trading losses; major uninsured losses; the possibility that international sanctions or other steps taken by governmental authorities or any other relevant persons may impact Rosneft's business or outlook, bp's ability to sell its interests in Rosneft, or the price for which bp could sell such interests; the possibility that actions of any competent authorities or any other relevant persons may limit bp's ability to sell its interests in Rosneft, or the price for which it could sell such interests; the actions of contractors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism; cyber-attacks or sabotage; and other factors discussed elsewhere in this report, as well those factors discussed under "Risk factors" in bp's Annual Report and Form 20-F 2021 as filed with the US Securities and Exchange Commission.

Reconciliations to GAAP - This presentation also contains financial information which is not presented in accordance with generally accepted accounting principles (GAAP). A quantitative reconciliation of this information to the most directly comparable financial measure calculated and presented in accordance with GAAP can be found on our website at www.bp.com.

This presentation contains references to non-proved resources and production outlooks based on non-proved resources that the SEC's rules prohibit us from including in our filings with the SEC. U.S. investors are urged to consider closely the disclosures in our Form 20-F, SEC File No. 1-06262.

Tables and projections in this presentation are bp projections unless otherwise stated

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*** For items marked with an asterisk throughout this document, definitions are provided in the glossary**

May 2022



During today's presentation, we will make forward-looking statements including those that refer to our estimates, plans and expectations. Actual results and outcomes could differ materially due to factors we note on this slide and in our UK and SEC filings. Please refer to our Annual Report, Stock Exchange announcement and SEC filings for more details. These documents are available on our website.

I'll now handover to Bernard.

Bernard Looney

Chief executive officer

Thanks Craig.

Hello everyone and thanks for joining us.


As everyone is aware, we are reporting today against the backdrop of Russia's attack on Ukraine and the terrible consequences it is having for people in the country and the region.

At bp we have been supporting the humanitarian response through a financial contribution to the relief efforts, matching of employee donations by the bp Foundation, and paid leave for bp staff who wish to volunteer to support the relief effort.

And as we know, the war is also having an impact globally: on energy markets and the cost of living. Creating a terrible situation for many people around the world.

We are looking at what we can do to provide support, while also remaining fully focused on the day job – which at its core is about keeping the energy flowing where it is needed.

To that end, we are in close contact with governments in Europe - working hard to provide the energy that customers and economies need.


On 27 February we took the decision to exit our 19.75% shareholding in Rosneft. In addition, we plan to exit all our other businesses in Russia.

The board undertook a thorough process, concluding that Russia's military action represented a fundamental change and that bp's involvement with Rosneft, a state-owned enterprise, simply could not continue.

This decision impacts our people.

Before the conflict we had around 200 employees in Russia – the majority Russian nationals. We are doing all we can to look after them, including continuing to pay their wages until at least the end of 2022 and looking at options for redeployment.

And of course, this decision has a financial impact.

With today's first quarter results we have taken a material non-cash charge and as a result have reported a significant headline loss this quarter. Murray will talk to this shortly. However, the underlying business continues to perform.

Importantly, we have accommodated the loss of future Rosneft dividends within our resilient financial frame, which remains unchanged, as does our strategy.


Turning to bp's strategy.

Current events emphasise that the world faces an energy 'trilemma'. We need energy that is not only cleaner, but also reliable and affordable.

In our view these are not mutually exclusive.

This is exactly why we outlined our strategy in 2020 – to become an Integrated Energy Company: to deliver resilient hydrocarbons to provide energy security today, while at the same time, investing at scale to accelerate the energy system of the future.

We have been delivering step-by-step ever since. And as you can see from the slide, we have made a strong start to 2022 in each of our strategic focus areas.

In resilient hydrocarbons we have:

– started-up the high margin Herschel Expansion major project in the Gulf of Mexico;

– signed an innovative deal to combine our Angolan assets with those of Eni through the creation of Azule Energy – bringing the potential for more efficient operations and increased investment;

– partnered in an oil discovery in Brazil where evaluation is on-going;

– signed an 18-year agreement with KOGAS to supply around 1.6 million tonnes of LNG per year from 2025; and

– advanced our strategic ambitions in biofuels – starting production of SAF at our Lingen refinery.

In convenience and mobility we are making rapid progress executing our strategy. Here we have:

- advanced our EV charging strategy - launching a strategic partnership with Volkswagen Group to roll-out an EV fast charging network in Europe and the UK, and announcing plans to invest £1 billion over the next decade to support the roll-out of fast, convenient charging infrastructure across the United Kingdom;

- signed a strategic collaboration agreement with DHL Express to supply SAF;

- and signed a global strategic convenience partnership with Uber, aiming to make more than 3000 retail locations available on Uber Eats by 2025.

In low carbon energy we are excited to welcome our new EVP, Anja Dotzenrath, as we continue to focus on building scale with capital discipline. Since the start of the year, we have:

- increased our position in offshore wind with the ScotWind lease option award of around 1.5 gigawatts net;

- announced an agreement to form an offshore wind partnership with Marubeni in Japan;

- announced plans for a 250 megawatts green hydrogen project in Rotterdam; and

- signed an agreement to form a joint venture with Aberdeen City Council to develop a hydrogen hub.

As you can see, we have real momentum. We are executing our strategy; delivering real progress across our five transition growth engines – EV charging, convenience, bioenergy, renewables and hydrogen – as we transform to an Integrated Energy Company.

Let me now handover to Murray who will run through our first quarter results.

Murray.

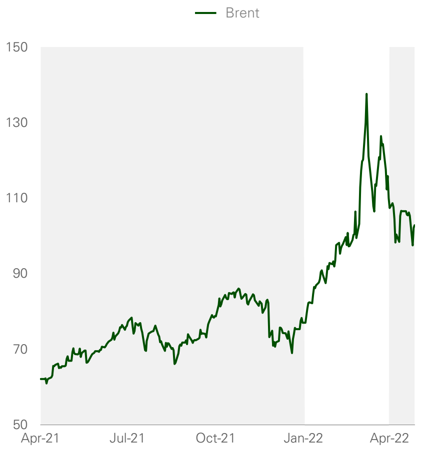
Murray Auchincloss

Chief financial officer

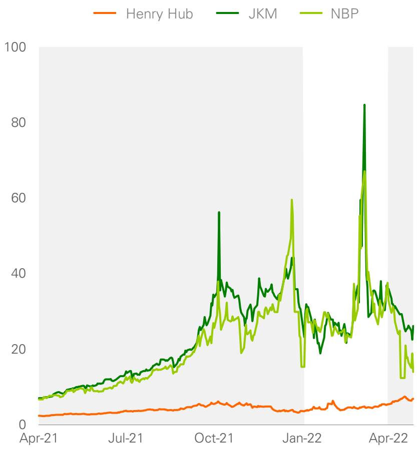
Thanks Bernard and good morning everyone.

## A volatile macro environment

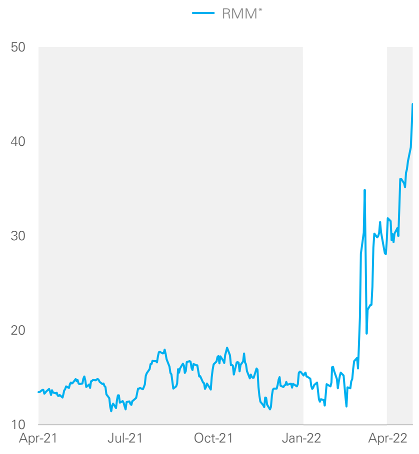
**Oil price**[1] $/bbl




**Natural gas price**[1] $/mmbtu




**Refining marker margin**[* 1] $/bbl




Source: Platts - all data 1 April 2021 to 27 April 2022

*(1) Spot price*



Let me start with the macro environment.

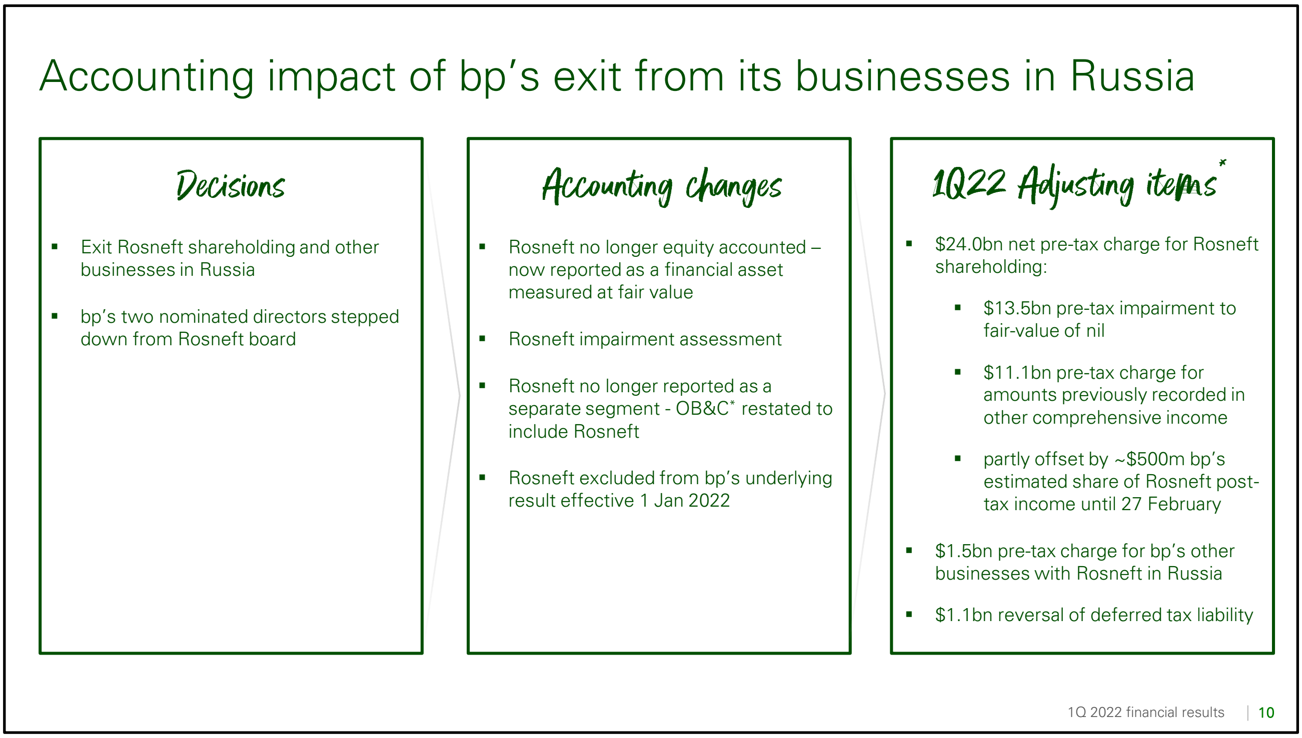
Turning first to the oil price. Against a backdrop of reduced levels of spare capacity, Russia's attack on Ukraine added to the upward pressure on prices. This reflects both an increased risk premium and the impact of sanctions and self-sanctioning by market participants. In early March, Brent reached its highest level for almost 14 years. And in the first quarter, Brent averaged $102 per barrel – 28% above the fourth quarter.

Looking ahead there remains an elevated risk of price volatility. This reflects uncertainties around the level of disruption to Russian supply, the capacity for increased OPEC+ supply, the ongoing impact of COVID on demand and the impact of the war on economic growth.

Moving to gas markets. Heightened concern on supply risk drove an increase in quarter-average prices in Europe. Forward prices also moved higher and the outlook in the short-term remains heavily dependent on Russian pipeline flows to Europe. Quarter average spot prices in the US were broadly flat, but forward prices moved higher as gas production remained below 2021 peaks and LNG export demand grew.

Finally refining where industry margins have increased sharply since the invasion. bp's RMM rose by 25% to average $18.90 per barrel in the first quarter and currently stands significantly above this. This move has been driven by a particularly tight oil product market. OECD product stocks in February were 9% below their five-year average.

In the second quarter, we expect industry refining margins to remain elevated due to ongoing supply disruptions, particularly in Russia and Europe.




Turning to the impact of bp's decision to exit its businesses in Russia.

With bp's two nominated directors having stepped down from the Rosneft board, as of 27 February, bp no longer equity accounts for its shareholding and will no longer report Rosneft as a separate segment.

This change has resulted in a net pre-tax charge of $24 billion with today's results, classified as an adjusting item. This comprises:

- First, a pre-tax impairment charge of $13.5 billion, representing the full carrying value of the Rosneft stake at 27 February. The level of uncertainty as to the value of our shareholding means that, under IFRS, it is not currently possible to estimate any value other than zero.
- Second, a pre-tax charge of $11.1 billion principally due to foreign exchange losses accumulated from the date of the initial investment to 27 February. Of this, around $1.4 billion has an incremental impact on equity.
- And third an offset of around $500 million representing bp's share of Rosneft's post-tax income in the first quarter until 27 February.

In addition, bp's decision to exit its other businesses with Rosneft in Russia has resulted in a pre-tax charge of $1.5 billion which includes the full carrying value of those businesses. This is also recorded as an adjusting item.

And finally, adjusting items include the release of a $1.1 billion deferred tax liability relating to Russian withholding tax on bp's estimated share of Rosneft's undistributed profit.

Taken together these adjusting items resulted in a post-tax charge of $24.4

billion and a total reduction in equity of $14.7 billion in the first quarter.

As disclosed in bp’s 2021 annual report, the exclusion of bp’s share of Rosneft net income from bp’s underlying result has increased our expected underlying effective tax rate for 2022 to around 40%.

## EBITDA targets and aims restated to exclude Russia businesses

| | 2H19/1H20 | 2021 | 2025 | 2030 aims |
|---|---|---|---|---|
| | $51/bbl | $71/bbl | $66/bbl[1] | $73/bbl[1] |
| Resilient hydrocarbons[2] | 23.6 | 30.6 | ~31 | 28-33 |
| Convenience and mobility[2] | 4.0 | 4.4 | ~7 | 9-10 |
| Low carbon energy | | Growth phase | | 2-3 |
| Group EBITDA*[2, 3] | 27.3 | 34.4 | ~38 | 39-46 |
| *Group EBITDA*[3] (prior guidance)* | *28.5* | *37.2* | *~40* | *41-48* |

**7-9%** EBIDA* per share CAGR[4,5]

**12-14%** ROACE*[6]

**$9-10bn** EBITDA*[1] from transition growth business by 2030

*(1) Brent $60/bbl (2020 real), at bp planning assumptions (2) Excludes Rosneft and other businesses in Russia (3) Includes OB&C* (4) 2H19/1H20 to 2025 at $50-60/bbl (2020 real), at bp planning assumptions (5) EBIDA* per share restated to Rosneft and other businesses in Russia - 2H19/1H20 128¢ prior guidance, rebased to 123¢ (6) 2025 and 2030 at $50-60/bbl (2020 real), at bp planning assumptions*

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Looking further ahead, on 27 February we indicated that as result of no longer equity accounting for our interest in Rosneft, the expected loss of future earnings from Rosneft have lowered our 2025 EBITDA targets for resilient hydrocarbons and the group by around $2 billion. We have also lowered our respective 2030 EBITDA aims by the same amount.

However, excluding Rosneft and our other Russian businesses from both base years and future periods, we continue to:

- expect to sustain EBITDA from resilient hydrocarbons around 2021 levels through 2025;
- aim to hold around this level through 2030 at constant real price assumptions; and
- expect to deliver a 7 to 9% EBIDA per share CAGR between 2H19/1H20 and 2025 at $50 to $60 per barrel 2020 real.

Our target to grow group ROACE to 12 to 14% by 2025 and aim of $9 to $10 billion of EBITDA from transition growth businesses by 2030 are also unchanged.

And we have accommodated the expected loss of future Rosneft dividends within our resilient financial frame, with our five priorities remaining unchanged. This includes our guidance on distributions and capital investment.

Finally, in the appendix to this presentation we have updated some of the key slides presented on February 8th to reflect the exclusion of Rosneft and our other Russian businesses.

## Underlying results

| $bn | 1Q21 | 4Q21 | 1Q22 |
|---|---|---|---|
| Underlying RCPBIT* | 4.7 | 7.0 | 10.2 |
| Gas & low carbon energy | 2.3 | 2.2 | 3.6 |
| Oil production & operations | 1.6 | 4.0 | 4.7 |
| Customers & products | 0.7 | 0.6 | 2.2 |
| Other businesses and corporate[1] | 0.2 | 0.2 | (0.3) |
| Of which | | | |
| Other businesses and corporate excluding Rosneft* | (0.2) | (0.5) | (0.3) |
| Rosneft* | 0.4 | 0.7 | 0.0 |
| Consolidation adjustment - UPII* | 0.0 | (0.0) | 0.0 |
| Underlying replacement cost profit* | 2.6 | 4.1 | 6.2 |
| Operating cash flow* | 6.1 | 6.1 | 8.2 |
| Capital expenditure* | (3.8) | (3.6) | (2.9) |
| Divestment and other proceeds | 4.8 | 2.3 | 1.2 |
| Surplus cash flow* | 1.7 | 3.0 | 4.1 |
| Net issue (repurchase) of shares | 0.0 | (1.7) | (1.6) |
| Net debt* | 33.3 | 30.6 | 27.5 |
| Announced dividend per ordinary share (cents per share) | 5.25 | 5.46 | 5.46 |

*(1) Comparative information for 2021 has been restated for other businesses and corporate segment to include the Rosneft segment*

### 1Q 2022 vs 4Q 2021

- Exceptional trading result
- Higher oil realisations*
- Stronger refining result
- Rosneft excluded from 1Q22 underlying result



Moving to results.

In the first quarter we reported an IFRS loss of $20.4 billion.

This included pre-tax adjusting items of $30.8 billion, primarily relating to our investments in Russia.

Excluding adjusting items, we reported an underlying replacement cost profit of $6.2 billion, compared to $4.1 billion last quarter.

Turning to business group performance, compared to the fourth quarter:

- In gas and low carbon energy the result benefitted from higher realisations and an exceptional gas marketing and trading result.
- In oil production and operations the result reflects higher realisations, despite the impact of price-lags in the Gulf of Mexico and UAE. This was partly offset by the impact of lower production.
- In customer and products, the products result benefited from exceptional oil trading and a stronger refining result. The customers result was resilient despite seasonality, ongoing COVID impacts notably in Germany and China, and lower margins due to rising commodity costs. Looking ahead, there is an elevated level of uncertainty due to the developing impacts from the conflict in Ukraine and ongoing COVID-19 restrictions.

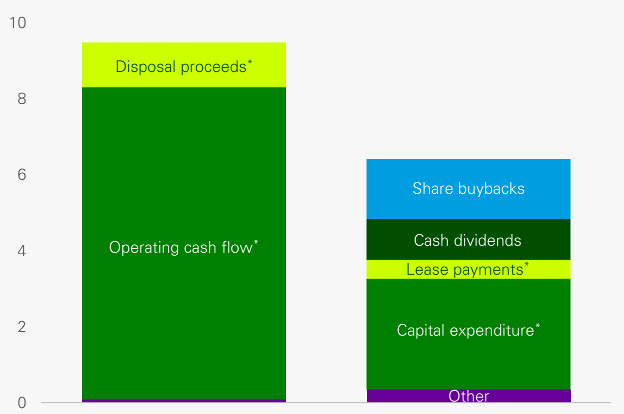
For the first quarter, bp has announced a dividend of 5.46 cents per ordinary share, payable in the second quarter.

## Cash flow and balance sheet

### 1Q22 highlights

- $8.2bn operating cash flow* including
  - $4.1bn working capital*1 build
- $4.1bn surplus cash flow*
- $1.6bn share buyback
  - $1.1bn of $1.5bn announced with 4Q21 results – programme completed on 27 April
  - $500m to offset expected dilution from vesting of awards under employee share schemes in 2022
- Further $2.5bn buyback announced
- Net debt* reduced to $27.5bn

### 1Q22 cash inflows/outflows $bn




(1) *Adjusted for inventory holding gains and fair value accounting effects**



Turning to cash flow.

Operating cash flow was $8.2 billion in the first quarter. This included a working capital build of $4.1 billion after adjusting for inventory holding gains and fair value accounting effects.

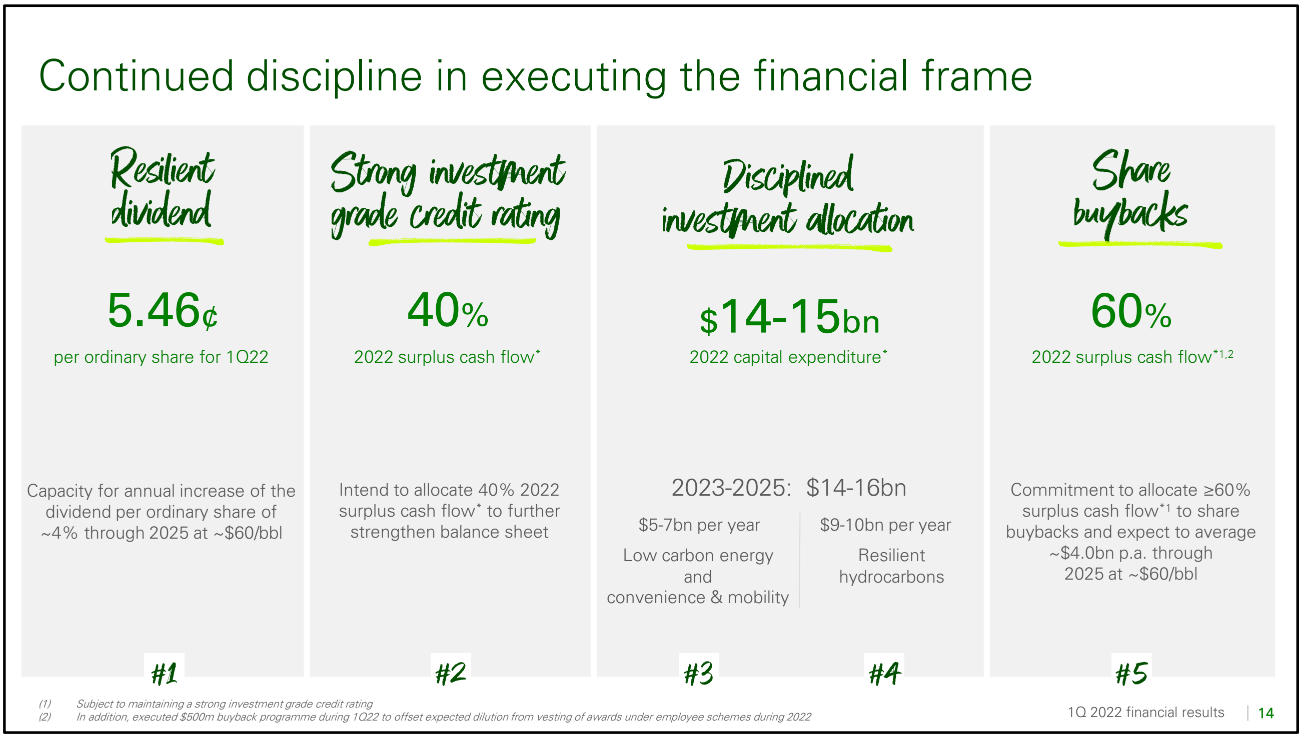
Capital expenditure was $2.9 billion with our guidance for 2022 remaining in a range of $14 to 15 billion.

And disposal proceeds were $1.2 billion with guidance of $2 to 3 billion in 2022 also unchanged.

During the quarter we repurchased $1.6 billion of shares. This included $500 million to offset the expected full-year dilution from vesting of employee share awards in 2022 and $1.1 billion of the $1.5 billion programme announced with fourth quarter results. This programme was completed on 27 April.

Reflecting the strong underlying cash flow delivery, net debt fell for the eighth consecutive quarter to reach $27.5 billion.

And with first quarter surplus cash flow of $4.1 billion, we intend to execute a buyback of $2.5 billion prior to reporting second quarter results.




As already outlined, our financial frame remains unchanged.

We continue to believe this disciplined frame provides transparency around our capital allocation plans and serves us well in this volatile price environment.

An average 2021-5 cash balance point of around $40 per barrel provides resilience and supports our dividend, balance sheet and investment plans.

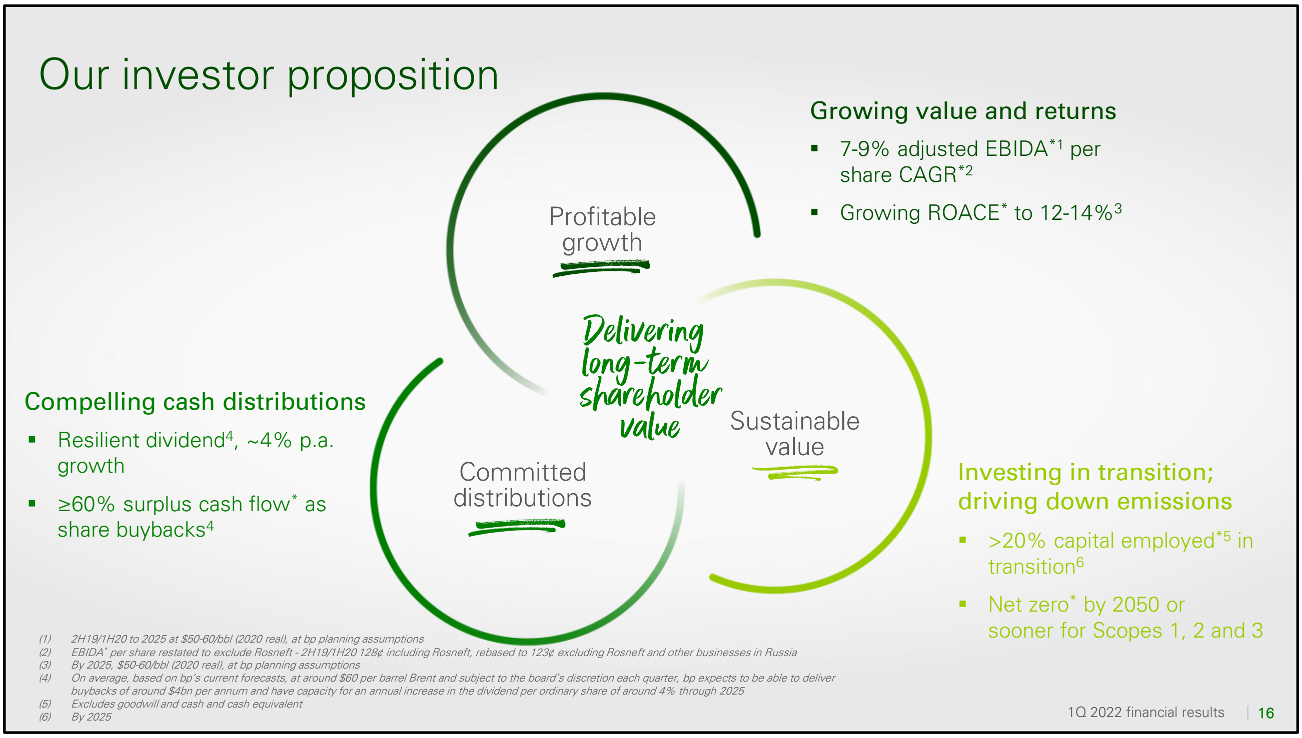
And a clear capex range, including inorganics, together with a framework for distributions, drives investment discipline and provides a transparent mechanism for returning surplus cash flow to investors while also strengthening our balance sheet. We remain committed to allocating 60% of 2022 surplus cash flow to share buybacks, subject to maintaining a strong investment grade credit rating.

I'll now hand back to Bernard to conclude today's presentation.

Bernard Looney

Chief executive officer

Thanks Murray.




To summarise.

Against an uncertain backdrop we are working hard to provide the energy that customers and economies need.

At the same time, we are steadfast in our focus on delivery – on performing while progressing our transformation to an IEC, all in service of delivering long-term value for shareholders.

We should stop here now and take any questions you might have.

# Q&A

# Appendix

# Guidance

## Full year 2022

| | |
|---|---|
| Capital expenditure* | $14-15bn |
| DD&A | Similar level to 2021 |
| Divestment and other proceeds | $2-3bn |
| Gulf of Mexico oil spill payments | ~$1.4bn pre-tax |
| OB&C* underlying annual charge | $1.2-1.4bn full year, quarterly charges may vary |
| Underlying effective tax rate*[1] | Expected to be around 40[2]% |
| Reported and underlying* upstream production (ex. Rosneft) | For full year 2022 we continue to expect reported upstream production to be broadly flat compared with 2021 despite the absence of production from our Russia incorporated joint ventures. On an underlying basis, we expect production from oil production & operations to be slightly higher and production from gas & low carbon energy to be broadly flat. |

(1) *Underlying effective tax rate* is sensitive to the impact that volatility in the current price environment may have on the geographical mix of the group's profits and losses*

(2) *Guidance updated with bp's 2021 annual report – increased from prior guidance of around 35% reflecting the exclusion of Rosneft from bp's underlying result effective 1 January 2022*

## 2Q22 vs 1Q22

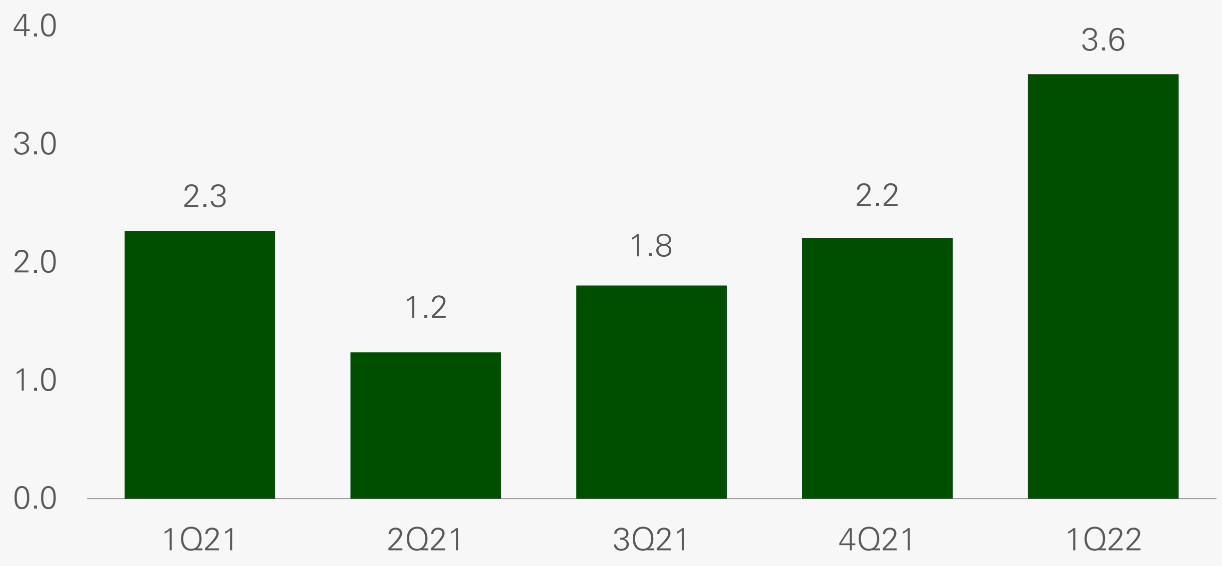
- Expect second-quarter 2022 underlying upstream production to be lower than first-quarter 2022, primarily in gas & low carbon energy, reflecting base decline and seasonal maintenance. On a reported basis, second-quarter production will reflect additional impacts from the absence of production from our Russia incorporated joint ventures.

- In customers & products, there is an elevated level of uncertainty due to the developing impacts from the conflict in Ukraine and ongoing COVID-19 restrictions. In addition, in Castrol, additive supplies are expected to remain under pressure. In refining, we expect higher industry refining margins, although the increase in realised margins may differ due to market dislocations. In addition, energy prices are expected to remain elevated and turnaround costs to be higher.

# Gas and low carbon energy

| | 1Q21 | 4Q21 | 1Q22 |
|---|---|---|---|
| **Production volume** | | | |
| Liquids (mbd) | 112 | 122 | 121 |
| Natural gas (mmcfd) | 4,623 | 4,941 | 4,897 |
| Total hydrocarbons (mboed) | 909 | 974 | 966 |
| **Average realisations*** | | | |
| Liquids ($/bbl) | 55.38 | 71.63 | 86.09 |
| Natural gas ($/mcf) | 3.94 | 6.94 | 7.88 |
| Total hydrocarbons ($/boe) | 26.84 | 43.68 | 50.91 |
| **Selected financial metrics** ($bn) | | | |
| Adjusted EBITDA* | 3.1 | 3.5 | 4.8 |
| Capital expenditure* – gas | 0.8 | 0.9 | 0.6 |
| Capital expenditure* – low carbon | 1.1 | 0.1 | 0.2 |
| **Operational metrics** (GW, bp net) | | | |
| Installed renewables capacity* | 1.6 | 1.9 | 1.9 |
| Developed renewables to FID* | 3.3 | 4.4 | 4.4 |
| Renewables pipeline* | 13.8 | 23.1 | 24.9 |

## Underlying RCPBIT* $bn

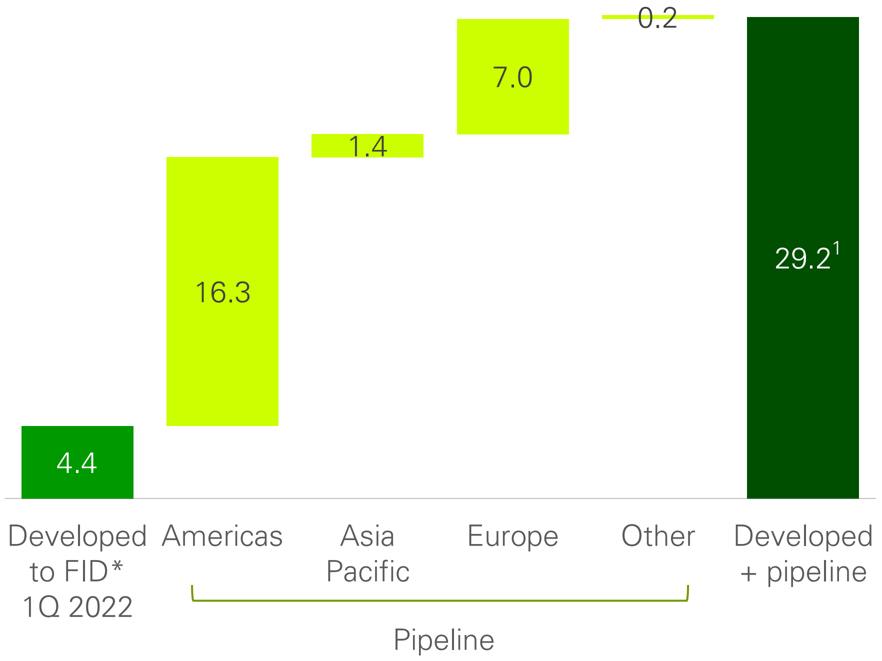



## 1Q 2022 vs 4Q 2021

- Significantly higher realisations* and lower production due to planned maintenance
- Exceptional gas marketing and trading result

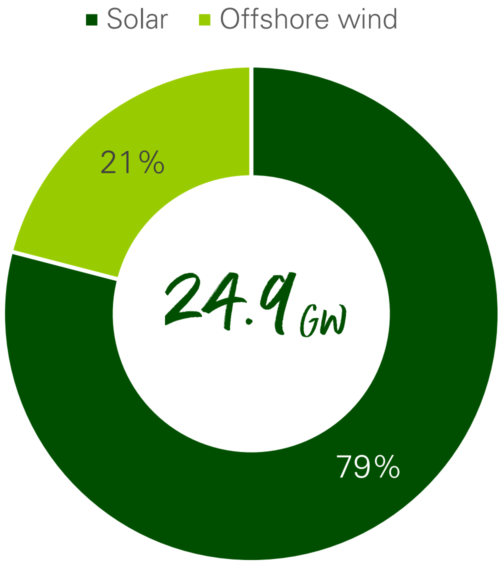
# Gas and low carbon energy

## Developed renewables to FID* and renewables pipeline* bp net, GW




- Developed and pipeline 1.8GW higher than 4Q21, driven by increase in offshore wind pipeline
- 53 projects developed to FID* by Lightsource bp with weighted average expected IRR of 8 – 10%

## Renewables pipeline* by technology bp net




## Renewables hopper* bp net


active projects

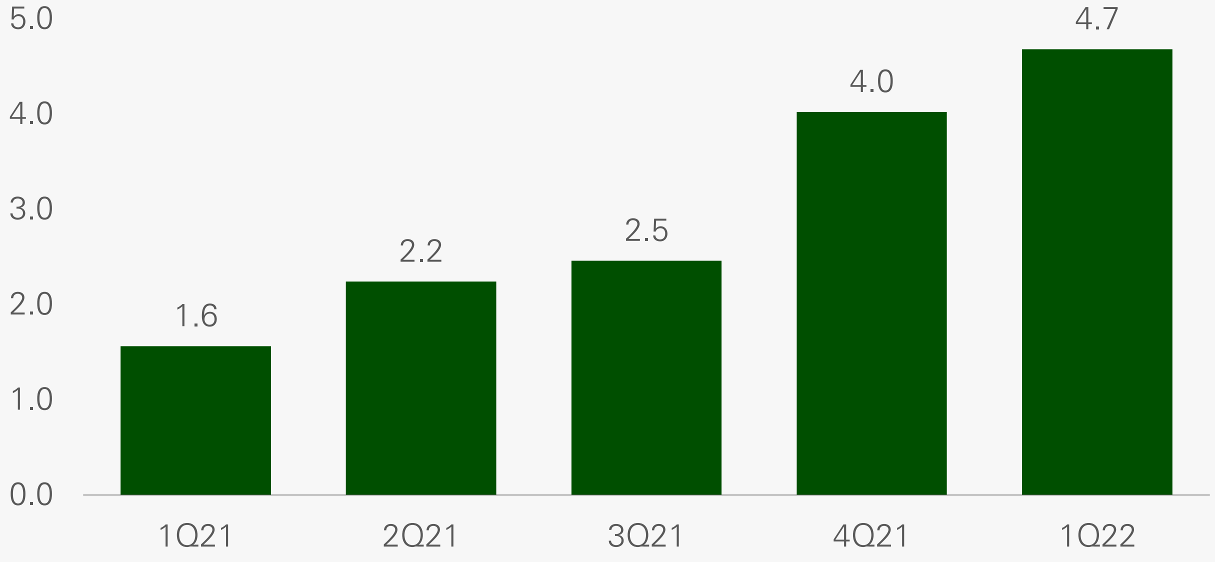
(1) *Because of rounding, some totals may not agree exactly with the sum of their component parts*

# Oil production and operations

| | 1Q21 | 4Q21 | 1Q22 |
|---|---|---|---|
| **Production volume[1]** | | | |
| Liquids (mbd) | 997 | 1,004 | 948 |
| Natural gas (mmcfd) | 1,810 | 2,053 | 1,964 |
| Total hydrocarbons (mboed) | 1,309 | 1,358 | 1,286 |
| **Average realisations*** | | | |
| Liquids ($/bbl) | 52.92 | 71.07 | 83.47 |
| Natural gas ($/mcf) | 4.11 | 9.27 | 9.40 |
| Total hydrocarbons ($/boe) | 46.81 | 66.94 | 76.64 |
| **Selected financial metrics** ($bn) | | | |
| Exploration write-offs | 0.1 | 0.0 | 0.1 |
| Adjusted EBITDA* | 3.2 | 5.7 | 6.2 |
| Capital expenditure* | 1.3 | 1.3 | 1.3 |
| **Combined upstream** | | | |
| Oil and gas production[1] (mboed) | 2,218 | 2,332 | 2,252 |
| bp average realisation* ($/boe) | 37.75 | 56.46 | 64.70 |
| Unit production costs* [1,2] ($/boe) | 7.36 | 6.82 | 6.52 |
| bp-operated plant reliability* [2] (%) | 93.0 | 94.0 | 96.1 |

(1) *Excluding Rosneft*
(2) *On a year-to-date basis*

## Underlying RCPBIT* $bn




## 1Q 2022 vs 4Q 2021

- Higher liquids and gas realisations*, despite the impact of price-lags on Gulf of Mexico and UAE realisations*

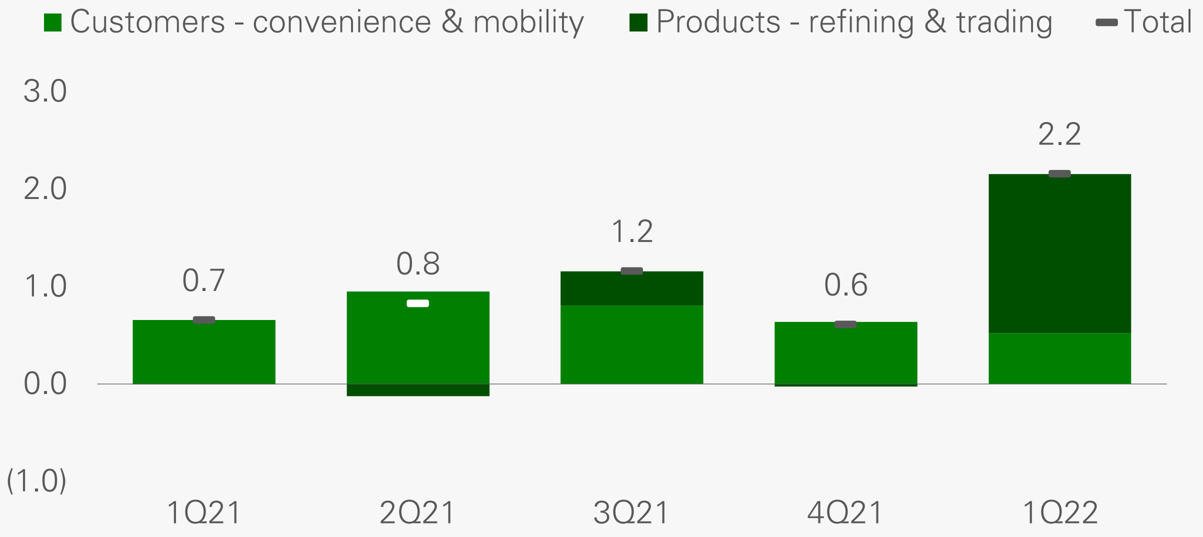
*Partially offset by*

- Lower volume

# Customers and products

| | 1Q21 | 4Q21 | 1Q22 |
|---|---|---|---|
| **Customers – convenience & mobility** | | | |
| Customers – convenience & mobility adjusted EBITDA* | 1.0 | 1.0 | 0.8 |
| *Castrol[1] adjusted EBITDA** | *0.4* | *0.2* | *0.3* |
| Capital expenditure* | 0.3 | 0.7 | 0.3 |
| bp retail sites* – total[2] | 20,300 | 20,500 | 20,550 |
| bp retail sites in growth markets* [2] | 2,650 | 2,700 | 2,650 |
| Strategic convenience sites* [2] | 1,950 | 2,150 | 2,150 |
| Marketing sales of refined products (mbd) | 2,498 | 2,978 | 2,819 |
| **Products – refining & trading** | | | |
| Adjusted EBITDA* | 0.4 | 0.4 | 2.0 |
| Capital expenditure* | 0.2 | 0.5 | 0.4 |
| **Refining environment** | | | |
| RMM* ($/bbl) | 8.7 | 15.1 | 18.9 |
| Refining throughput (mbd) | 1,601 | 1,644 | 1,650 |
| Refining availability* (%) | 94.8 | 95.4 | 95.0 |

## Underlying RCPBIT* $bn




## 1Q 2022 vs 4Q 2021

Customers

- Convenience & mobility – lower volumes due to seasonality and ongoing COVID impacts, lower margins due to rising commodity costs
- Castrol – higher volumes, including premium volumes
- Lower costs in a challenging environment

Products

- Exceptional contribution from oil trading and stronger refining result

*(1) Castrol is included in customers – convenience & mobility*
*(2) Reported to the nearest 50*

# Aiming for EBITDA growth to 2030

## #1 Resilient hydrocarbons

- Oil and gas
- Refining

- Bioenergy

$28-33bn[1]

+

## #2 Convenience and mobility

- Retail fuels
- Castrol, aviation, B2B/midstream

- Convenience
- EV charging

$9-10bn

+

## #3 Low carbon energy

- Renewables
- Hydrogen*

$2-3bn

$9-10bn from transition growth businesses

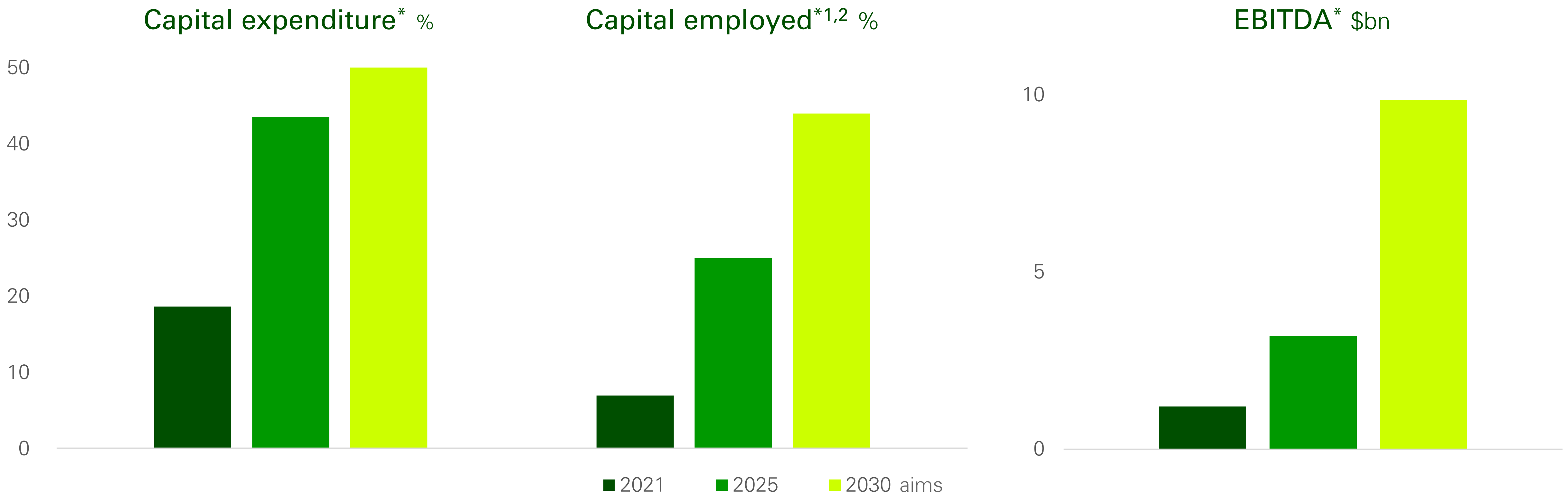
= $39-46bn[1]

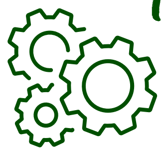
Integration

All numbers represent 2030 aims, at $60/bbl Brent (2020, real) and bp planning assumptions

(1) EBITDA* aims restated to exclude Rosneft and other businesses in Russia

# Increasing exposure to transition growth businesses



Transition growth engines

Bioenergy | Convenience | EV charging | Renewables | Hydrogen*

Aiming for $9-10bn EBITDA* in 2030

(1) *Excludes goodwill and cash and cash equivalent*
(2) *Excludes Rosneft and other businesses in Russia from base year and future periods*

# Disciplined investment allocation

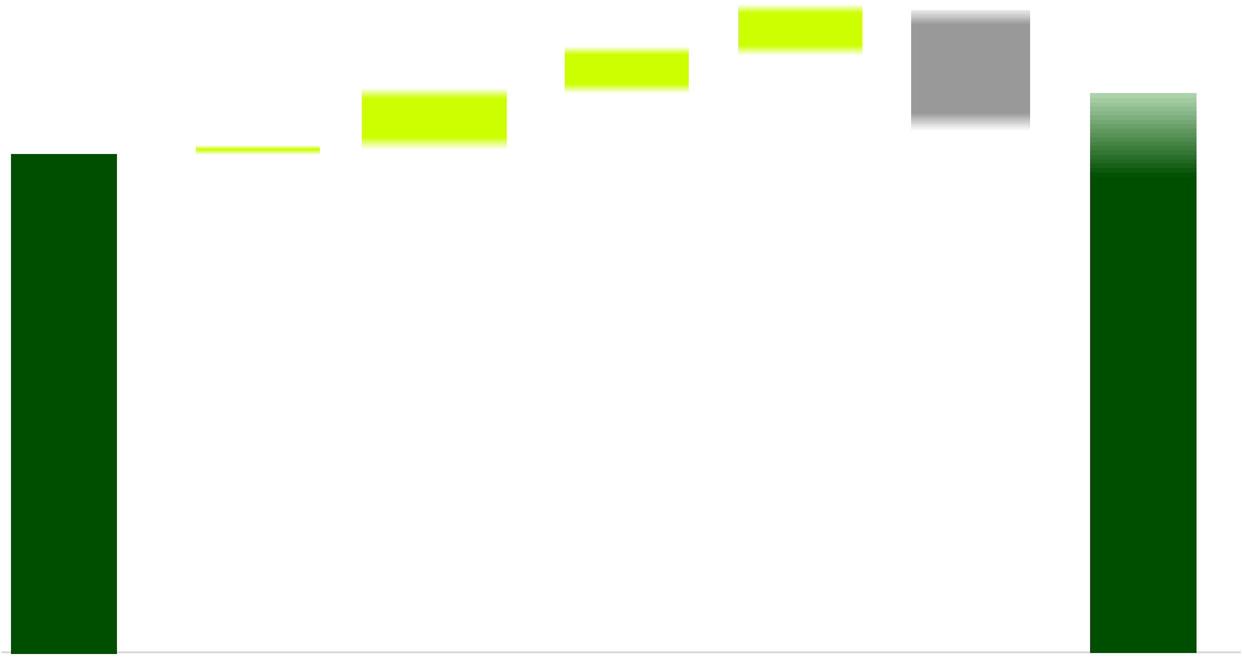
## Capital expenditure* (including inorganics) $bn

| | 2021[1] | 2022 | 2023-25 | 2026-30 |
|---|---|---|---|---|
| Resilient hydrocarbons | 9.1 | ~9 | 9-10 | ~8 |
| Convenience and mobility | 1.6 | 2-3 | 2-3 | 2-3 |
| Low carbon energy | 1.6 | ~2.5 | 3-5 | 4-6 |
| Group capital expenditure* [2] | 12.8 | 14-15 | 14-16 | 14-16 |

*(1) Capital expenditure restated to exclude Rosneft and other businesses in Russia*
*(2) Includes OB&C**

# Resilient hydrocarbons – aim to sustain EBITDA to 2030

## Resilient hydrocarbons EBITDA*[1,2] $bn

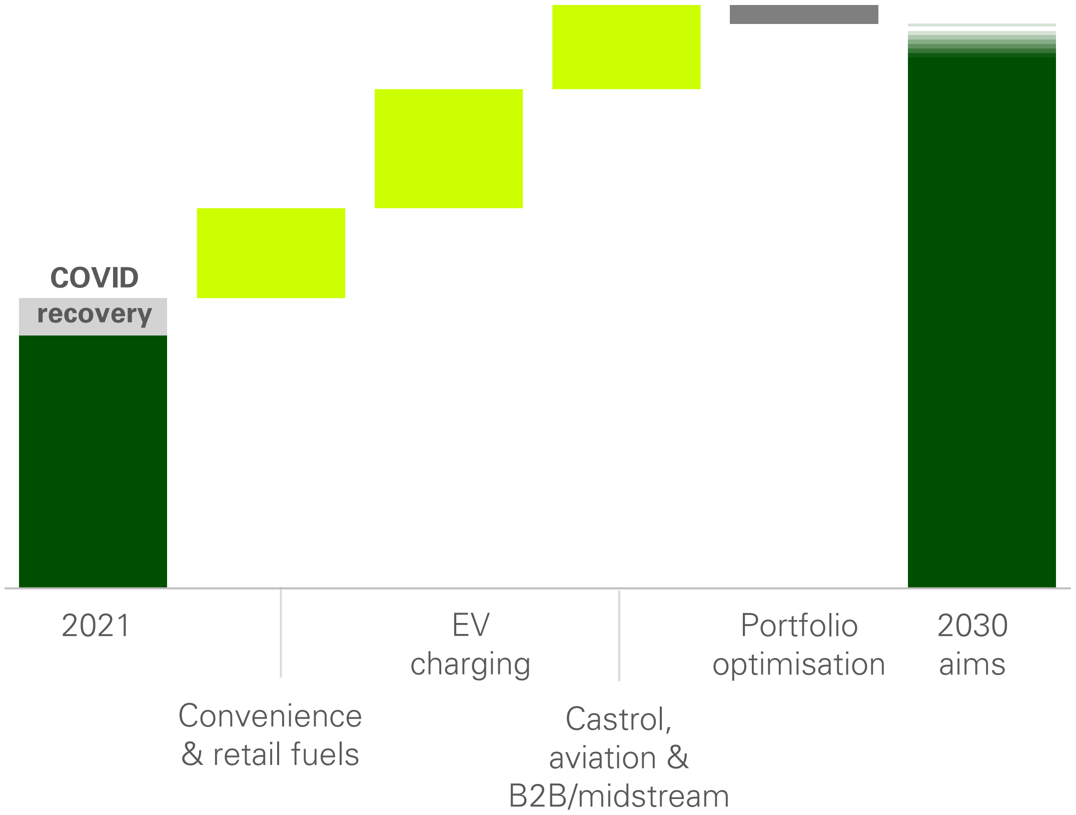



| | 2019 | 2021 | 2025 | 2030 aims |
|---|---|---|---|---|
| EBITDA*[1,2] ($bn) | 29.7 | 30.6 | ~31 | 28-33 |
| Capital expenditure*[2,3] ($bn) | 17.2 | 9.1 | 9-10 | ~8 |
| Oil and gas production[2] (mmboed) | 2.6 | 2.2 | ~2 | ~1.5 |
| Unit production costs* ($/boe) | ~7 | ~7 | ~6 | ~6 |
| Refining throughput (mmbd) | 1.7 | 1.6 | <1.5 | ~1.2 |
| Bioenergy (mbd) | 23 | 26 | 50 | >100 |
| LNG portfolio (mtpa) | 15 | 18 | 25 | 30 |

*(1) At $60/bbl Brent (2020, real) and $3/mmbtu Henry Hub (2020, real), RMM* $12/bbl (2020, real). Includes trading*
*(2) Excludes Rosneft and other businesses in Russia*
*(3) Includes inorganic spend*

# Convenience and mobility – aim to double EBITDA to $9-10bn by 2030

## Convenience and mobility EBITDA* $bn

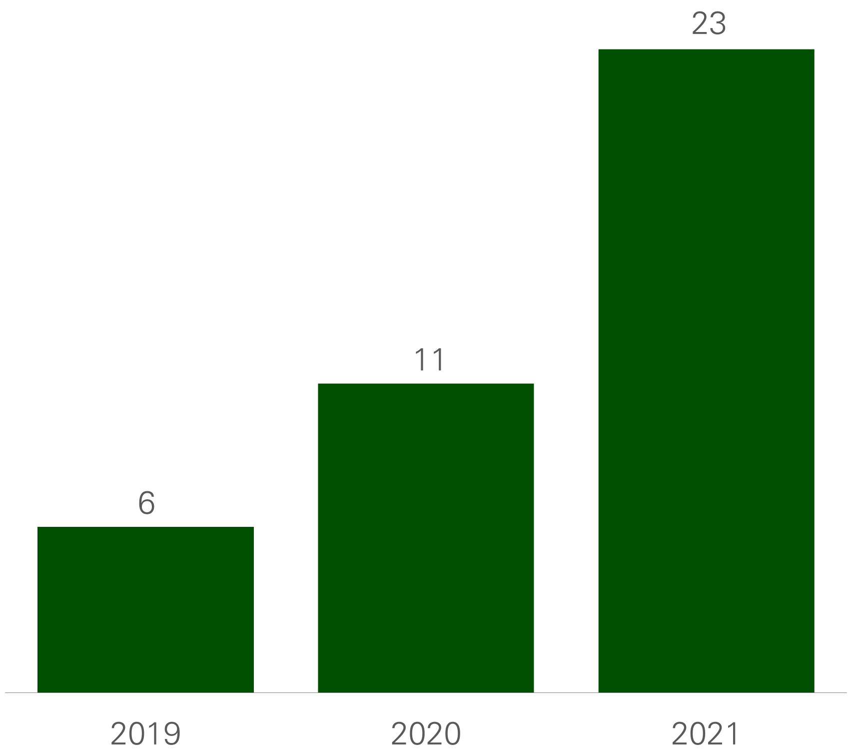



| | 2019 | 2021 | 2025 | 2030 aims |
|---|---|---|---|---|
| EBITDA* ($bn) | 4.9 | 4.4 | ~7 | 9-10 |
| Capital expenditure*1 ($bn) | 1.5 | 1.6 | 2-3 | |
| Customer touchpoints per day (million) | >10 | >12 | >15 | >20 |
| bp retail sites in growth markets*2 | 1,250 | 2,700 | ~5,000 | >6,000 |
| Strategic convenience sites*2 | 1,650 | 2,150 | ~3,000 | ~3,500 |
| Castrol revenues ($bn) | 6.7 | 6.8 | ~7.5 | >8.0 |
| EV charge points* | >7,500 | 13,100 | >40,000 | >100,000 |
| Margin share from convenience and electrification (%) | ~25 | 29 | ~35 | ~50 |

*(1) Includes inorganic spend*
*(2) Reported to the nearest 50*

# Low carbon energy – aim to grow EBITDA to $2-3bn by 2030

## Renewables pipeline* growth bp net, GW




| | 2019 | 2021 | 2025 | 2030 aims |
|---|---|---|---|---|
| EBITDA* ($bn) | Growth phase | | | 2-3 |
| Capital expenditure* ($bn) | 0 | 1.6 | 3-5 | 4-6 |
| Developed renewables to FID* (GW) | 2.6 | 4.4 | 20 | 50 |
| Low carbon hydrogen* in core markets (%) | Growth phase | | | 10 |

# Reconciling strategic themes and reporting segments

| Strategic theme \ Reporting segment | Oil production & operations | Customers & products | Gas & low carbon energy[1] | Other businesses & corporate |
|---|---|---|---|---|
| Resilient hydrocarbons | ▪ Oil production | ▪ Refining and products<br>▪ Bioenergy[2] ⚙ | ▪ Gas production<br>▪ Gas marketing and trading | |
| Convenience and mobility | | ▪ Convenience ⚙<br>▪ Fuels<br>▪ EV charging ⚙<br>▪ Castrol, aviation, B2B/midstream | | |
| Low carbon energy[1] | | | ▪ Renewables ⚙<br>▪ Hydrogen* ⚙ | |
| Other businesses & corporate | | | | ▪ OB&C*<br>▪ Rosneft |

⚙ Denotes transition growth engine

*This is not a exhaustive list of businesses*

*(1) Includes bp Bunge Bioenergia*

*(2) Biogas is reported in the gas & low carbon energy reporting segment*

# Glossary

# Glossary – definitions

| | |
|---|---|
| Adjusting items | Include gains and losses on the sale of businesses and fixed assets, impairments, environmental and other provisions, restructuring, integration and rationalisation costs, fair value accounting effects, financial impacts relating to Rosneft for the 2022 financial reporting period and costs relating to the Gulf of Mexico oil spill and other items. Adjusting items within equity-accounted earnings are reported net of incremental income tax reported by the equity-accounted entity. Adjusting items are used as a reconciling adjustment to derive underlying RC profit or loss and related underlying measures which are non-GAAP measures. |
| bp-operated plant reliability | Calculated taking 100% less the ratio of total unplanned plant deferrals divided by installed production capacity, excluding non-operated assets and bpx energy. Unplanned plant deferrals are associated with the topside plant and where applicable the subsea equipment (excluding wells and reservoir). Unplanned plant deferrals include breakdowns, which does not include Gulf of Mexico weather related downtime. |
| Capital employed | Defined as total equity plus finance debt. |
| Capital expenditure | Total cash capital expenditure as stated in the condensed group cash flow statement. Capital expenditure for the operating segments and customers & products businesses is presented on the same basis. |
| Consolidation adjustment – UPII | Unrealised profit in inventory arising on inter-segment transactions. |
| Developed renewables to FID | Total generating capacity for assets developed to FID by all entities where bp has an equity share (proportionate to equity share). If asset is subsequently sold bp will continue to record capacity as developed to FID. If bp equity share increases developed capacity to FID will increase proportionately to share increase for any assets where bp held equity at the point of FID. |
| Disposal proceeds | Divestments and other proceeds. |
| EBIDA / adjusted EBIDA | Defined as profit or loss for the period, adjusting for finance costs and net finance expense relating to pensions and other post-retirement benefits and taxation, inventory holding gains or losses before tax, adjusting items* before interest and tax, and taxation on an underlying RC basis, and adding back depreciation, depletion and amortisation (pre-tax) and exploration expenditure written-off (net of adjusting items, pre-tax). |
| EBITDA / adjusted EBITDA | RC profit before interest and tax, excluding net adjusting items*, adding back depreciation, depletion and amortisation and exploration write-offs (net of adjusting items). |
| Electric vehicle (EV) charge points | Number of connectors on a charging device, operated by either bp or a bp joint venture. |
| Fair value accounting effects | Reflect the difference between the way bp manages the economic exposure and internally measures performance of certain activities and the way those activities are measured under IFRS. |
| Hopper | Renewables hopper comprises of project opportunities from the point of initial evaluation until they are either stopped or become part of the renewable pipeline. |
| Hydrogen / low carbon hydrogen | Hydrogen fuel with reduced carbon attributes, including renewable (green) hydrogen made from solar, wind and hydro-electricity, and (blue) made from natural gas in combination with carbon capture and storage. |
| Installed renewables capacity | bp's share of capacity for operating assets owned by entities where bp has an equity share. |
| Lease payments | Lease liability payments. |

# Glossary – definitions

| | |
|---|---|
| Net debt | Calculated as finance debt, as shown in the balance sheet, plus the fair value of associated derivative financial instruments that are used to hedge foreign currency exchange and interest rate risks relating to finance debt, for which hedge accounting is applied, less cash and cash equivalents. Net debt does not include accrued interest, which is reported within other receivables and other payables on the balance sheet and for which the associated cash flows are presented as operating cash flows in the group cash flow statement. |
| Net zero | References to net zero for bp in the context of our ambition and aims 1, 2 and 3 mean achieving a balance between (a) the relevant Scope 1 and 2 emissions (for aim 1), Scope 3 emissions (for aim 2) or product lifecycle emissions (for aim 3), and (b) the aggregate of applicable deductions from qualifying activities such as sinks under our methodology at the applicable time. |
| OB&C | Other businesses and corporate. |
| Operating cash flow | Net cash provided by (used in) operating activities as stated in the condensed group cash flow statement. |
| Realisations | Result of dividing revenue generated from hydrocarbon sales, excluding revenue generated from purchases made for resale and royalty volumes, by revenue generating hydrocarbon production volumes. Revenue generating hydrocarbon production reflects the bp share of production as adjusted for any production which does not generate revenue. Adjustments may include losses due to shrinkage, amounts consumed during processing, and contractual or regulatory host committed volumes such as royalties. For the gas & low carbon energy and oil production & operations segments, realisations include transfers between businesses. |
| Refining availability | Represents Solomon Associates' operational availability for bp-operated refineries, which is defined as the percentage of the year that a unit is available for processing after subtracting the annualised time lost due to turnaround activity and all planned mechanical, process and regulatory downtime. |
| Refining marker margin (RMM) | Average of regional indicator margins weighted for bp's crude refining capacity in each region. Each regional marker margin is based on product yields and a marker crude oil deemed appropriate for the region. The regional indicator margins may not be representative of the margins achieved by bp in any period because of bp's particular refinery configurations and crude and product slate. |
| Replacement cost (RC) profit or loss | Reflects the replacement cost of inventories sold in the period and is calculated as profit or loss attributable to bp shareholders, adjusting for inventory holding gains and losses (net of tax). |
| Renewables pipeline | Renewable projects satisfying the following criteria until the point they can be considered developed to final investment decision (FID): Site based projects that have obtained land exclusivity rights, or for PPA based projects an offer has been made to the counterparty, or for auction projects pre-qualification criteria has been met, or for acquisition projects post a binding offer being accepted. |
| Retail sites | Include sites operated by dealers, jobbers, franchisees or brand licensees or joint venture (JV) partners, under the bp brand. These may move to and from the bp brand as their fuel supply agreement or brand licence agreement expires and are renegotiated in the normal course of business. Retail sites are primarily branded bp, ARCO, Amoco, Aral and Thorntons, and also includes sites in India through our Jio-bp JV. |
| Retail sites in growth markets | Retail sites that are either bp branded or co-branded with our partners in China, Mexico and Indonesia and also include sites in India through our Jio-bp JV. |

# Glossary – definitions

| | |
|---|---|
| ROACE | Defined as underlying replacement cost profit, which is defined as profit or loss attributable to bp shareholders adjusted for inventory holding gains and losses, adjusting items and related taxation on inventory holding gains and losses and total taxation on adjusting items, after adding back non-controlling interest and interest expense net of tax, divided by the average of the beginning and ending balances of total equity plus finance debt, excluding cash and cash equivalents and goodwill as presented on the group balance sheet over the periods presented. Interest expense is finance costs as presented on the group income statement, excluding lease interest and the unwinding of the discount on provisions and other payables before tax. |
| Rosneft underlying RCPBIT | bp's adjusted share of Rosneft's earnings after Rosneft's own finance costs, taxation and non-controlling interests is included in the bp group income statement within profit before interest and taxation. For each year-to-date period it is calculated by translating the amounts reported in Russian roubles into US dollars using the average exchange rate for the year to date. |
| Strategic convenience sites | Retail sites, within the bp portfolio, which sell bp-branded vehicle energy and carry one of the strategic convenience brands (e.g. M&S, Thorntons, Rewe to Go). To be considered a strategic convenience brand the convenience offer should have a demonstrable level of differentiation in the market in which it operates. Strategic convenience site count includes sites under a pilot phase, but exclude sites in growth markets. |
| Surplus cash flow | Refers to the net surplus of sources of cash over uses of cash, after reaching the $35 billion net debt target. Sources of cash include net cash provided by operating activities, cash provided from investing activities and cash receipts relating to transactions involving non-controlling interests. Uses of cash include lease liability payments, payments on perpetual hybrid bond, dividends paid, cash capital expenditure, the cash cost of share buybacks to offset the dilution from vesting of awards under employee share schemes, cash payments relating to transactions involving non-controlling interests and currency translation differences relating to cash and cash equivalents as presented on the condensed group cash flow statement. |
| Underlying effective tax rate (ETR) | Calculated by dividing taxation on an underlying replacement cost (RC) basis by underlying RC profit or loss before tax. Taxation on an underlying RC basis for the group is calculated as taxation as stated on the group income statement adjusted for taxation on inventory holding gains and losses and total taxation on adjusting items. |
| Underlying production | 2022 underlying production, when compared with 2021, is production after adjusting for acquisitions and divestments, curtailments, and entitlement impacts in our production-sharing agreements/contracts and technical service contract. |
| Underlying replacement cost profit | Replacement cost profit or loss* after excluding net adjusting items and related taxation. |
| Underlying replacement cost profit or loss before interest and tax (RCPBIT) | Underlying RC profit or loss before interest and tax for the operating segments or customers & products businesses is calculated as RC profit or loss including profit or loss attributable to non-controlling interests before interest and tax for the operating segments and excluding net adjusting items for the respective operating segment or business. |
| Unit production costs | Calculated as production cost divided by units of production. Production cost does not include ad valorem and severance taxes. Units of production are barrels for liquids and thousands of cubic feet for gas. Amounts disclosed are for bp subsidiaries only and do not include bp's share of equity-accounted entities. |

# Glossary – definitions

| | |
|---|---|
| Working capital | Movements in inventories and other current and non-current assets and liabilities as reported in the condensed group cash flow statement.<br><br>Change in working capital adjusted for inventory holding gains/losses and fair value accounting effects is a non-GAAP measure. It is calculated by adjusting for inventory holding gains/losses reported in the period and from the second quarter onwards, it is also adjusted for fair value accounting effects reported within adjusting items for the period. This represents what would have been reported as movements in inventories and other current and non-current assets and liabilities, if the starting point in determining net cash provided by operating activities had been underlying replacement cost profit rather than profit for the period. The nearest equivalent measure on an IFRS basis for this is movements in inventories and other current and non-current assets and liabilities. In the context of describing working capital after adjusting for Gulf of Mexico oil spill outflows, change in working capital also excludes movements in inventories and other current and non-current assets and liabilities relating to the Gulf of Mexico oil spill.<br><br>bp utilises various arrangements in order to manage its working capital including discounting of receivables and, in the supply and trading business, the active management of supplier payment terms, inventory and collateral. |

# Glossary - abbreviations

| | |
|---|---|
| Barrel (bbl) | 159 litres, 42 US gallons. |
| boe | Barrels of oil equivalent. |
| GW | Gigawatt. |
| mbd | Thousand barrels per day. |
| mmbd | Million barrels per day. |
| mboed | Thousand barrels of oil equivalent per day. |
| mmboed | Million barrels of oil equivalent per day. |
| MW | Megawatt. |
| mmbtu | Million British thermal units. |
| mtpa | Million tonnes per annum. |
| RC | Replacement cost. |
| SAF | Sustainable aviation fuel. |