INTRODUCTION

Thank you Spencer for a brilliant overview – and highly entertaining, as always.

What we have just heard has informed everything else you are going to hear from us for the rest of this week.

What I’d like to do now is three things.

First, emphasize the connections between our strategy, our ambition and the context provided by the energy outlook.

Second, to provide a brief recap of the three things we set out on the 4th of August – the strategy itself, the financial frame and the investor proposition.

And third, introduce five key questions we have heard so far about the strategy – and that we are aiming to answer this week.

1. CONTEXT

Now starting with those connections.

As you just heard, global energy demand is going up.

Emissions do not look like they are coming down fast enough.

The world is not on a sustainable path.

But as Spencer points out – this is not set in stone – there is no one fixed pathway – there is no one single solution.

There are a range of possible pathways to Paris, and that range is fundamental to how we
have developed our strategy.

We do not want business as usual – but equally – we must be resilient to it.

We do want a rapid transition – and we see huge opportunity in it.

That is why our strategy is resilient across scenarios yet weighted towards a rapid transition.

It is consistent with our purpose of reimagining energy for people and our planet.

It serves our ambition of getting bp to net zero by 2050 or sooner – and helping the world get there as well.

It balances cashflow from hydrocarbons with ambitious plans for growth in the energy transition.
Forward-looking statements - 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’, ‘aim’, ‘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: bp’s new strategy to focus on low-carbon electricity and energy, conveniences and mobility, cost and carbon resilient and focused hydrocarbons, including statements regarding its expectations to reduce capital intensity including reducing development costs to around $9 a barrel, lower oil and gas production 40% from current levels by 2030 through active portfolio management, develop around 500GW of net renewable generating capacity by 2030, increase plant reliability by 1.6% by 2025, hold base decline to between 3 and 5%, build partnerships with countries, cities and industries in decarbonisation efforts and to amplify value through these partnerships, the integration of energy systems along and across value chains and digital and innovation; bp’s new ambition to be a net zero company by 2050 or sooner, including statements regarding its aims for emissions reductions across operations; plans and expectations regarding major projects, including to bring 6 major projects online before the end of 2021 that will add to a wave of higher margin production; expectations and plans for the joint venture with Reliance; expectations regarding bp’s entry into offshore wind including the completion of the announced transaction with Equinor; plans and expectations to achieve returns from the renewables portfolio in the 8-10% range and to optimise the portfolio further; bp’s expectations regarding shifts in energy markets, including growth of renewables; and bp’s new financial frame to support a shift in allocating capital towards low carbon and other energy transition activities and for the combination of strategy and financial frame to provide a coherent and compelling investor proposition and create long-term value for bp’s shareholders, including statements regarding bp’s disciplined priorities for capital allocation, maintaining financial discipline with a rigorous business plan, strengthening the balance sheet, maintaining strict discipline on capital spending delivering strong and growing returns, with ROACE rising to 12-14% in 2025 and achieving underlying cashflow growth of 5-6% through 2025, employing more than 20% of capital in the energy transition by 2025 and 30% by 2030, resetting to a resilient level of dividend per ordinary share per quarter subject to the board’s decision each quarter and a commitment to share buybacks, and to drive growth in EBIDTA per share at an average compounded annual growth rate of 7-9% to 2025 supported by the share buyback commitment.

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 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 significant drop in the oil price, the impact of COVID-19, overall global economic and business conditions impacting our business and demand for our 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; the race 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, 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; regulatory or legal actions including the types of enforcement action pursued and the nature of remedies sought or imposed; the actions of producers, 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; our access to future credit resources; business disruption and crisis management; the impact on our reputation of ethical misconduct and non-compliance with regulatory obligations; trading losses; major uninsured losses; decisions by Rosneft’s management and board of directors; 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, and under “Risk factors” in BP Annual Report and Form 20-F 2019 as filed with the US Securities and Exchange Commission.
Now having set that context, let me now briefly recap the three things we set out on the 4th August.

First, the strategy itself, which is built on three focus areas of activity for bp:

Low carbon electricity and energy

Convenience and mobility

And resilient and focused hydrocarbons.

And with three key sources of differentiation, where we can amplify value in each of these focus areas by leveraging capabilities across bp:

In the integration of energy systems along and across value chains.

In partnering with countries, cities and industries as they shape their paths to net zero.

And in innovation, particularly with a strong focus on digital – to generate efficiencies, support the creation of new businesses and to enable new ways of engaging with our customers.

And this strategy is underpinned by our new sustainability frame that you will hear more about from Giulia shortly.
But to deliver this strategy we need to be disciplined – and that brings me to the second point. That strategy is enabled by a resilient financial frame based on a set of firm principles and priorities.

Murray will provide more detail on Wednesday, but at a high level this is composed of:

A coherent and flexible approach to capital allocation – and a cascade of 5 clear priorities – starting with the first priority of a reset and resilient dividend and ending in the return of surplus cash to investors by means of a commitment to share buybacks.

Underpinned by a resilient balance sheet that prioritises a strong investment-grade credit rating.

And with a disciplined approach to how we invest our capital governed by clear criteria and a rigorous process of reviewing, challenging and managing every dollar of investment.
Our investor proposition

Commited distributions

Committed distributions

>60% surplus cash as share buybacks²

Profitable growth

7-9% EBIDA³ per share CAGR⁴

Growing ROACE to 12-14%⁵

Sustainable value

>20% capital employed in transition⁶

And third – we outlined our new clear and – we believe - compelling Investor Proposition.

We believe this will deliver long-term shareholder value through:

Committed distributions

Profitable growth and

Sustainable value.

[PAUSE]

And as you can see, we laid out a lot of information on the 4th August. And as I mentioned earlier, we have received a lot of feedback – much of it positive.

Thank you everyone who has taken time to share their views with us.

We are transforming this company for the people who own it…

The people who depend on what we do...

And the bp people who deliver what we do each and every day.

In other words, our shareholders – society – and our fellow staff members.

Those are not always the same people – but increasingly we all want the same things.

Firm, affordable, cleaner energy – produced by a company that is a force for good.
And we need to be a source of competitive returns.

We see no contradiction, no trade-off in that – this is about creating sustainable value.

We believe our strategy meets each and all of those needs.
As we have listened over the past few weeks we have identified 5 key questions that we believe are important in terms of earning your support and giving you confidence in bp and in our plans.

Our aim is to provide comprehensive answers to them throughout the week – and I will provide a high-level summary now as I introduce those questions.

**First question – why is a 40% reduction in your oil and gas production by 2030 the right thing to do?**

Now some people think it is not enough – it should be 100%.

Others think 40% is too much.

This is what we believe:

First, we have worked hard to find a balance that enables growth in cashflow and returns – or EBIDA and ROACE as we define them – at the same time as transforming the company. At the core is a relentless focus on value over volume. It’s a difficult balance to find, but we believe we have found it.

What does that enable?

We can deploy our highly skilled workforce on only the highest margin barrels – you will see the how we plan to improve margin in Gordon’s presentation.

We will reduce capital intensity. With our long wave of investment in new projects coming to an end – as well as our cost and efficiency drive – we expect our development costs to come down to around $9 per barrel, well below our 2019 depreciation rate of $16
per barrel.

And we can maximise value by divesting assets where they are worth more to others.

Second, in redeploying capital into low carbon and capturing growth in these markets, we decarbonise and diversify bp - and in doing so reduce risk.

And third, a 40% reduction by 2030 puts us well on the way towards becoming a net zero company by 2050 or sooner.

This is a clear source of differentiation for us – and one that we believe is right for where we want to take bp and for the energy transition.

And to dispel any myths about a fire sale – we are in no rush to sell our hydrocarbon assets.

We have a strong balance sheet underpinned by a wall of cash and reinforced by our recent $12 billion hybrid issuance and the disposal of our Petrochemicals business.

The $25 billion divestment program is already 50% underpinned by agreed transactions with a suite of options being developed for the other half.

So, the decisions we take over the coming years will be thoughtful, value driven and disciplined – and will continue to enable us to high-grade our portfolio:

Building resilience to low prices while remaining leveraged to higher prices.

Reducing operational emissions.

And allowing us to achieve higher margins overall.

That links to the second key question – how will we transition our cashflow from hydrocarbons to low carbon over the next decade?

Fundamentally, this question gets at how we will maintain the necessary cashflows from hydrocarbons while we scale our low carbon and transition businesses.

I will provide more detail on how we expect each of the three vertical focus areas to contribute – and start, quite deliberately, with convenience and mobility, which is a business driving rateable growth over the period.
It has grown pre-tax earnings by 7% each year since 2014.

It is a high-quality business exposed to major growth markets and with a track record of delivering around 20% returns.

And we expect our strong brands and partnerships to contribute towards a near doubling in earnings through to 2030, while maintaining these strong returns.

Turning next to resilient hydrocarbons.

Firstly, this is not about turning off one tap and turning on a different one. This is about adjusting the flows.

This part of our business is an engine of cashflow that is running really well and we intend to keep it that way.

In oil and gas, we have 25 major projects online – 8 due to come online before the end of 2021 – and 11 more in the next few years, adding to a wave of higher margin production.

We have improved plant reliability by 1% over the past five years – adding almost $200 million in gross margin last year, compared with 2014 – and we are planning for another 1.6% improvement by the middle of this decade.

We are holding our base decline to between 3 and 5%.

We have a resilient and high-graded refining business with strong availability and top quartile refining margins.

And we are rolling out more efficient ways of working – like agile, centralisation and digital technologies – that have had remarkable impacts where they’ve already been introduced, like in Azerbaijan.

And finally, to low carbon electricity and energy where we will initially invest to grow, being disciplined in our choices, and expect it to make more of a contribution in the second half of the decade.

When put together, we see all this contributing to growing cashflow over the next five years.

Taken together, underlying EBIDA is expected to grow by 5 to 6% per year through to 2025 with returns in the range of 12 to 14% in 2025 – up from around 9% today.

And after allowing for the impact of divestments, and reflecting the expected share buyback commitment, EBIDA per share is expected to
grow by 7 to 9% per year through to 2025.

And then from 2025 the transition really begins as we head towards 30% of our capital base being invested in the energy transition by 2030.

We do expect the contribution from our oil, gas and refining businesses to decline over this latter period.

But we expect this decline to be more than offset by rateable growth in convenience and mobility.

And in low carbon electricity and energy where we expect EBITDA growth to accelerate as the capital we are investing matures and we begin to see the benefit of scale across the business.

We also expect to sustain returns at 12-14%.

Third question – the scale of your renewables ambition is huge – how achievable is this?

We are aiming to have developed 50 gigawatts of net renewable generating capacity by 2030.

In answer to the question - we think this is realistic and it is achievable – and we think so for the following three reasons:

One – it represents between 1 and 4% of total global capacity that we see being developed over this period across the scenarios that Spencer introduced.

Two – our track record, which Dev will describe in detail, and

Three – the pipeline we are building.

Now starting first with the capacity being developed, it is really important to put the 50 gigawatts into context. We expect the market to grow dramatically – in the Rapid scenario it triples in size, from around 1,400 gigawatts today to around 4,700 by 2030.

But even in the business as usual scenario, there is substantial growth with the market more than doubling in size.

In terms of pipeline – across solar, biopower, onshore wind and now offshore wind we already have a pipeline of projects at different stages of maturity that add up to about 20 gigawatts of capacity.
Lightsource bp alone has 16 gigawatts in its pipeline – up from 9.8 gigawatts this time last year and just 1.6 gigawatts in 2018.

And, of course, we are now entering the offshore wind sector, which is growing faster than any other form of renewable energy.

I am really excited about the partnership we have agreed to create with Equinor. They are a world-class offshore wind company and we look forward to growing with them.

[PAUSE]

But let me be clear.

We know what happens when volume becomes more important than value.

And therefore we will only pursue opportunities that we believe can generate the disciplined returns we expect, and our shareholders expect.

And that links to the fourth question.

**Can we deliver the 8-10% returns from renewables?**

The answer is very simply – yes.

We actually believe we can do better, and these returns could turn out to be conservative. But let me take you through why we have absolute confidence in our plan.

It is firstly based on experience – specifically with Lightsource bp

Since we formed the partnership at the start of 2018, Lightsource bp has expanded its presence from 5 to 13 countries.

As I mentioned, it has grown its project pipeline from 1.6 gigawatts to 16.

And it has delivered 17 projects since 2018.

They typically achieve returns in the 8 to 10% range.

So how do we get to 8 to 10% across our renewables portfolio as a whole?
First, we know returns start at around 5 to 6% on an equity basis in a competitive auction.

Second, we believe that through our extensive experience in operations and project management – we can add value through applying our processes. We have track record here. For example in Biofuels – where we have, and more recently through bp Bunge, have increased the efficiency in harvesting by 50% since 2016.

Third, we’ll integrate with the rest of bp. Through Trading where we have a long track record – over 30 years – of delivering close to a 2% return uplift. Or through the application of our digital expertise to drive additional performance. Or by bundling our renewables offer with different forms of energy along with our Natural Climate Solutions and offsets portfolio, to give customers what they want – clean, low cost and firm energy.

Fourth, we will use leverage which is typical in this industry.

The combination of these four areas gets us to 8-10%.

Beyond this – we have the choice to optimize the portfolio – to farm down or not – and if we do – that could add a further 1 to 2%.

So yes – we are confident we can deliver the returns we are targeting.

Now the fifth and final question – why bp? What is our competitive advantage – really?

Especially in this new world.

And there are four reasons:

First – our strong track record in operations and project management.

Second – our focus on relationships and partnerships around the world,

Third – our approach to digital and how we are using it to drive cost benefits and generate incremental value

Fourth – integration, and specifically our ability to integrate at a global level and across energy vectors.

Starting with operations and project management.

Today we are strong in oil and gas, strong in refining and have demonstrated how many of these technical skills are transferable.

We have an exceptional global project management organisation – top
quartile in four out of five assessments of project teams made by the leading analysts for the oil and gas sector, the IPA. We will apply this to low carbon energy and electricity.

We have a track record of improving oil and gas plant and wells reliability over the past five years. And in refining we have delivered two consecutive years of record throughput benefitting from sustained high levels of availability – and we are bringing that focus on operational excellence to our new businesses.

In terms of relationships and partnerships – we are privileged to be working with many of the world’s best companies. We like to team up with those who have strengths that we don’t – and we will continue to do so.

In the convenience sector – we are partners with M&S, Rewe and Reliance.

In EV charging – we are partnering with DiDi in China, and now Uber in the UK.

In energy provision – we are partnering with Amazon and have another big corporate partnership to announce this week, so stay tuned.

In data science we are partnering with Palantir and Beyond Limits.

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.

But what we really like is where partnerships can take you. As an example - who would have thought that when we first worked with Reliance in India 10 years ago, that this would result in a compelling partnership in retail with Jio - one of the world’s fastest growing brands, to establish 5,500 service stations by 2025 in one of the great growth markets of the world.

Thirdly, digital.

We believe digital is a real source of differentiation for us. It has a central integrating role in enabling value creation across bp.
It is an area we have invested in and will continue to – doubling our investment over the coming years. And we believe we are creating a track record of success.

For example, in our oil and gas business, where we believe we are one of the leading digital oil and gas companies.

This is due in large part to the collaboration with Palantir – where we have invested in data platforms, advanced analytics and data visualisation, delivering significant value over the past three years.

And it is this approach to collaboration and partnerships, and our own mindset around innovation, which are key to challenging our thinking, to building capability and importantly in enabling us to access new opportunities and new markets.

And fourthly integration:

As we said earlier - customers are demanding integrated solutions that give them firm, cheap and cleaner energy. Very few companies can do this.

We believe we have the skills to integrate these hugely complex ecosystems and give those customers a solution – energy when they need it, how they need it, and where they need it.

That could be electricity for their fleets, their cars, biojet for air travel, or hydrogen for heavy transport.

Providing these multi-energy solutions is a lot more complicated than it has been in the past, with complexity creating barriers to entry that only a few companies can overcome.

And this is where bp can thrive. As Murray said in August – we love complexity like this.

And it is why we have elevated our trading function to the leadership table – to help enable this, connecting all our businesses and assets, and optimizing them at scale – cross geographies and across commodities.

[PAUSE]

And let me finish with a final reason as to ‘why bp’

It is something you can’t put into a spreadsheet – but in my opinion probably matters more than anything else.

We have a massive determination to make this work and deliver what we
laid out. We need to deliver for our employees. And they want to deliver.

For them – executing our new strategy is not just about coming to work to
do a job.

It is about coming to work to reimagine energy for people and our planet.

And bp is a company of people who are motivated by that – and who really
want to help the world reach net zero and improve people’s lives.

As well as for our employees – we need to deliver for our shareholders and
for society. And we will.
So, let me summarise,

If this week is going to be a success, we need to have answered each of those 5 questions in full – and in a way that instils confidence and belief in our plans.

These are the people who I hope will do this over the next few days.

Tomorrow you will hear from Dev, Carol, William and Emma on our plans for gas and low carbon energy for integrating energy systems for partnering with countries, cities and industries and for supporting the revolution in convenience and mobility.

And on Wednesday you will hear from Gordon on how we will be focusing our resilient hydrocarbons business. David will talk about how we are driving digital and innovation throughout bp. And Murray will recap on the financial frame that underpins everything you will have heard through the week.

[CUT TO LT LIVE ON STAGE]

Back in August, Murray, Giulia and I managed to get together safely for the launch of the strategy. I am very pleased to say that the full team you saw on that slide are now gathered here in person for bp week.
We will be observing social distancing and all the appropriate protocols. But I have to say it feels good to get back together in this way.

Later this afternoon you are going to hear from Kerry about how we are reinventing bp to enable our people to deliver the strategy.

Companies don’t reimagine energy, people do.

And Kerry will talk about why our purpose is so important, how we are evolving our culture, and what we mean by leadership.

And now you are about to hear from Giulia about the new sustainability frame that we mentioned in August and which we are now beginning to roll out.

We have developed the frame in consultation with many of our stakeholders, including a huge amount of input from people in non-governmental organisations.

I want to thank everyone who has helped – and whose help we will continue to need as we build it out.

It is informing our decision-making – it underpins the strategy – and it gives us confidence that we are doing the right things in the right way.

[PAUSE]

I appreciate we are asking for a lot of your time.

We will try to make every minute relevant, useful – and hopefully interesting as well.

I will join you later for today’s Q&A session.

And for now, I will hand you over now to the team – and first to Giulia....