Convenience and mobility

Emma Delaney
EVP, customers and products
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’, ‘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: bp’s new strategy to adapt and grow its convenience and mobility business, including statements regarding its aims to double earnings from convenience and mobility in the next decade, develop adaptable businesses, scale bp’s presence in growth markets, redefine convenience in key focus markets and develop integrated customer solutions and offers, scale up next generation mobility business including distinctive business models, nearly double strategic convenience sites by 2030 and grow the network of branded retail sites in growth markets to 8,000 by 2030, expectations and plans relating to bp Chargemaster including to have more than doubled the number of charge points by 2030 and get to EBITDA break-even in the next couple of years generating material profitability by 2030, plans to roll out rapid and ultra-fast chargers in advantaged locations; grow the China and India businesses, develop strategic and innovative partnerships relevant to each market, drive capital and cost productivity up, increase bio-jet fuel marketing, increase hydrogen business and scale-up hydrogen refueling stations, maintain resilience of Castrol and capture opportunities for Castrol in the transition to electrification, double convenience gross margin and customer interactions by 2030, develop the network of charging and energy solutions and amplify value through digital and innovation; expectations regarding bp’s announced strategic partnership with Uber; plans to deliver around $1 billion of efficiencies over the next few years; bp’s new ambition to be a net zero company; bp’s expectations regarding shifts in energy markets and consumer preferences related to electrification to around 35% by 2025 and around 50% by 2030 and to nearly double EBITDA across convenience and mobility by 2030.

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 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 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; 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 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; 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.

September 2020
Convenience and mobility in 2019

- $5bn EBITDA\(^1\)
- +7% p.a. EBITDA\(^1\) growth since 2014
- >10m retail customer touchpoints per day
- 19,000 branded retail sites in 21 countries
- >200m lubricant consumers per year
- ~24,000 Castrol branded workshops
- >7,500 EV charging points\(^3\)
- >$1bn convenience gross margin

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(1) EBITDA: underlying replacement cost profit before interest and tax, add back depreciation, depletion and amortization and exploration expenditure written-off (net of non-operating items), excluding trading. At $50/bbl (2020, real) and $3.00/mmBtu (2020, real).
(2) ROACE: return on average capital employed as defined in bp’s 2019 annual report.
(3) bp and JV operated charge points.
Our strategy – an IEC delivering solutions for customers

- Low carbon electricity and energy
  - Low carbon electricity
  - Integrated gas
  - Bio-energy
  - Hydrogen and CCUS

- Convenience and mobility
  - Advancing growth markets
  - Redefining convenience
  - Next-gen mobility

- Resilient and focused hydrocarbons
  - Continued rigour in safety and operations
  - Driving emissions down
  - Focused upstream and refining portfolio

A sustainability frame linking our purpose and

Integrating energy systems
Partnering with countries, cities and industries
Driving digital and innovation

Convenience and mobility | bp week: September 2020
Demand for mobility and convenience – resilient and growing

Vehicle kms driven grows to 2040 but will shift towards shared mobility.

Road transportation fuel demand remains material to 2040.

Mobility and convenience demand grows through the energy transition.

EVs scale-up in 2030s to almost 50% of the car parc in 2040.

Convenience revenue pool nearly double 2030 vs. 2019.

Sources: BP Energy outlook Rapid Transition scenario for transport data, Euromonitor 2019 analysis for convenience demand data.
bp 2030 aims – convenience and mobility

Advancing growth markets

- >8,000 sites in growth markets
- Differentiated fuels and Castrol lubricants
- Leverage >130m Castrol end users
- Enable transition to low carbon mobility

Redefining convenience

- >3,000 strategic convenience sites
  - Market leading food service offers
  - Delivered convenience
  - Last-mile logistics
- 50% margin share from convenience and electrification¹

Next-gen mobility

- Differentiated customer offers
  - >70,000 EV charging points
  - Consumer and fleet solutions
  - Build-out hydrogen refueling sites

Customer experience and loyalty enhanced by integrated fuels value chains and digital

¹ As ratio of total consumer energy (retail fuels and electrification) and convenience margin (excludes equity accounted entities)
Advancing growth markets
Leveraging experience and expertise to scale-up

Success factors

- **Differentiated** fuel and lubricants
- **Strong brand**
- **Digital solutions and loyalty**
- **Strategic** partnerships
- **Advantaged** network

Track record of delivery

**Accelerating Castrol growth in China**

- **22%** premium lubricant market share\(^1\)
- **#1 premium brand**

**Rapid scaling fuels in Mexico**

- First site in **2017**
- >540 new sites in 3 years

EBITDA\(^2\) in growth markets

- **2019**
- **2025**
- **2030**

>8,000 bp retail sites in growth markets by 2030

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(1) Aftermarket passenger car lubricants volume market share

(2) EBITDA: underlying replacement cost profit before interest and tax, add back depreciation, depletion and amortization and exploration expenditure written-off (net of non-operating items), excluding trading. At $50/bbl (2020, real) and $3.00/mmBtu (2020, real)
Advancing growth markets
India – scaling-up mobility

Castrol premium products
Quality fuels
Nationwide retail network
Castrol service and maintenance
Lower carbon business models
Tailored convenience offer

integrated customer offer

Creating scale and presence

5,500
~20%
Jio-bp branded retail sites¹
Automotive lubricant market share²

(1) By 2025
(2) Aftermarket motorcycle and passenger car lubricants volume market share by 2025

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Redefining convenience
Established markets – differentiated business model

Success factors

- Differentiated fuel and lubricants
- Strong brand
- Digital solutions and loyalty
- Strategic partnerships
- Advantageous network

Winning in convenience
UK bp M&S outperforms competition

Partners and brands

Source: 2019 site operating profit vs competitor estimate based on Experian Catalist and published information

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1. Source: 2019 site operating profit vs competitor estimate based on Experian Catalist and published information
Redefining convenience
Doubling gross margin from convenience

- Customer led
- Digitally enabled
- Optimising operations
- Next-gen mobility

Convenience gross margin $

- 7% p.a.
- ~8% p.a.

2015 2019 Growth Optimisation 2030

>3,000 strategic convenience sites by 2030
Success factors

- **Fast and convenient** charging
- **Most efficient** price setter
- **Digital solutions and loyalty**
- **Strategic partnerships**
- **Advantaged** network
Next-gen mobility
Scaling-up bp Chargemaster

Home charging solutions
Fleet mobility hubs

Fastest and most convenient public charging network

Ultra-fast chargers in the network

Energy sales GWh

>16,000
EV charge points by 2030

>30X growth in energy sold

GWh

0 1400
2019 2025 2030
2019 2030

Ultra-fast chargers in the network

>30X growth in energy sold

>16,000 EV charge points by 2030
Next-gen mobility
Growing bp DiDi JV

Scaling distinctive business model
with industry leading utilisation

Breakeven utilisation
bp DiDi utilisation

>35,000
EV charge points by 2030

#1 EV market
>70m EVs by 2030

#1 mobility platform
with ~550m users

leading charging hub
in partnership with
#1 mobility provider

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Castrol – resilient earnings and growth

#1 premium brand¹

~20% return on sales²

premium brands & differentiated technology

strong partnerships

EV leadership

trusted service

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¹ Nielsen 2019, Millward Brown Awareness and Brand Power tracker and GfK Retail Tracking Panel China
² Replacement cost operating profit / Revenue
Sustainability solutions for our customers

**Sustainable aviation fuel**

Leading marketer of biojet with 20% market share by 2030

**Hydrogen in heavy duty transport**

Build out hydrogen refuelling stations for heavy duty truck fleets by 2030

**Carbon offsets**

Launched Drive Carbon Neutral programme in Portugal
Convenience and mobility – resilient and growing

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### EBITDA\(^1\) growth $bn

2014 2H19-1H20 Redefining convenience Next-gen mobility 2025 Portfolio/optimisation

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<th>Advancing growth markets</th>
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### Key Metrics

- **Customer touchpoints per day (million)**
  - >10
  - >15
  - >20

- **bp retail sites in growth markets**
  - 1,270
  - 7,000
  - >8,000

- **Castrol revenues ($bn)**
  - >6.5
  - 7.5
  - >8.0

- **Strategic convenience sites**
  - >1,600
  - >2,300
  - >3,000

- **EV charge points**
  - >7,500
  - >25,000
  - >70,000

- **Margin share from convenience and electrification\(^2\) (%)**
  - ~25
  - ~35
  - ~50

- **Capital expenditure ($bn)**
  - 1.5
  - 2.0-2.5

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2. As a ratio of total consumer energy (retail fuels and electrification) and convenience margin (excludes equity accounted entities).

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Convenience and mobility | bp week: September 2020
Convenience and mobility

- We have a **track record** of **earnings and cash growth**, with strong returns
- We see **more growth to come** in the next decade
- We have **strong capability and innovative partnerships**
- Our **portfolio can adapt and thrive** in the energy transition