Partnering with countries, cities and industries

William Lin
EVP, regions, cities and solutions
Cautionary statement

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 make a material impact on global emissions and build partnerships with countries, cities and industries in decarbonisation efforts, including statements regarding its aims to focus on 10 to 15 cities, industrial corridors and three industrial sectors which are high tech and on consumer products, heavy transport and heavy industries, help cities and industries develop decarbonisation plans and reduce carbon emissions while creating new business opportunities, provide capabilities, including integrated energy and mobility solutions, prioritise partnerships with cities based on decarbonisation goals, relationships with bp and potential for scale or adjacent opportunities, prioritise partnerships with corporates based on scale of emissions, aligned ambitions and potential for strategic relationships and acquire or develop capabilities to support decarbonisation or partner with companies that provide these capabilities; bp’s shift of its product portfolio to be more integrated, decarbonised, bespoke and customer centric, including statements regarding its aims to develop new integrated energy and mobility solutions that can support the energy transition, integrate existing businesses, access new markets, increased revenue and improved margins, develop decarbonisation advisory services, extend the reach of its products and solutions; expectations to be a value multiplier for bp, including by integrating across bp’s businesses and to be recognised as the market leader in digitally enabled energy and decarbonisation services and solutions; bp’s ambition to be a net zero company; and bp’s expectations regarding shifts in energy markets and government and corporate emissions targets and policies.

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 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.
Our strategy – an IEC delivering solutions for customers

Focus on 10-15 cities and 3 industries

Transition pathways and jointly developed, bespoke solutions with partners

Dedicated origination team

- Low carbon electricity and energy
- Convenience and mobility
- Resilient and focused hydrocarbons

Integrating energy systems
Partnering with countries, cities and industries
Driving digital and innovation
Cities and industries – challenged to meet their ambitious climate goals

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CITIES ACCOUNT FOR

70% of global CO₂ emissions

40% of the mitigation goals outlined in the Paris Agreement

CITIES CAN ACHIEVE

79% of corporates have emissions reduction targets

24% of which only are on track to meet their climate goals

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(1) CDP
(2) Engie
Partnering with countries, cities and industries

Our focus areas

**Cities**

10-15 cities

prioritised based on:

- **Commitment** to decarbonise
- Existing **relationships** with bp
- Potential to **integrate** and **reshape** regional energy systems

**Partnerships**

We will **collaborate with partners** to provide the complementary skills and capabilities that our customers need

**Corporates**

3 industrial sectors

- High tech and consumer products
- Heavy transport
- Heavy industry

Prioritised based on:

- **Scale** of emissions
- **Aligned ambitions** towards net zero
- Potential for **symbiotic** and **strategic** relationships
When it comes to **decarbonising** and **climate action**, customers want:

1. **Clean, firm and affordable energy**
2. **Energy efficient buildings**
3. **Low emission mobility**
4. **Carbon management**
5. **Waste to resources**

**bp** has the **capabilities** and can **integrate** across its businesses, delivering complex projects and solutions at scale.

- **Energy management**
- **Clean energy**
- **Digital solutions**
- **Low-carbon mobility**
- **Partnerships**
- **Advisory**
- **Clean fuels**
- **Clean feedstock**
- **Optimisation and risk management**
- **Carbon management**

**What do customers want?**
Amplifying value…

through our **products and services**
that create **bespoke end-to-end solutions** for energy transition

accessing **new markets**
and providing **advisory services**

commercial **optimisation and risk management**

developing and operating **new decarbonised energy systems**

creating **digital solutions**
and value from **adjacencies**

Extending the reach for bp’s **products and solutions**

Energy management and decarbonisation as a **service**

...through new business models

advisory
Cities – Houston is targeting net zero by 2050

“Partnership is key to the success of any community-wide initiative and bp’s recent commitment to net zero emissions and helping cities decarbonize makes them an ideal implementation partner for the Houston Climate Action Plan”

Mayor Sylvester Turner

(1) Energy system may be integrated through digital regions, cities & solutions

- Energy management
- Advisory
- Advocacy and policy support
- Strategy & sustainability
- Communications & advocacy
- Customers & products

- Natural climate solutions and carbon offsets
- Carbon offset natural gas
- Renewable energy from waste

- Energy management
- Advisory
- Advocacy and policy support
- Strategy & sustainability
- Communications & advocacy
- Customers & products

- Trading & shipping
- Gas & low carbon energy

- Renewable energy
- Carbon capture & storage
- EV charging

(1) Energy system may be integrated through digital
Corporates – Microsoft will be carbon negative by 2030

“The commitment to being carbon negative by 2030 means that we will now have to make sure that all our data centre operations are first consuming renewable energy”

Satya Nadella, CEO Microsoft

(1) Energy system may be integrated through digital
Our journey – from start-up to established business

**Today**

Launch a new team to create integrated energy and mobility solutions

Strategy focused on 10-15 cities and 3 industrial sectors

Working in partnership with Houston, Microsoft and Aberdeen

**2030**

Continue to build momentum, capabilities and new business models with increasing city and corporate customers aligned with our strategy

Create trusted network of partners that complement our offer

Be recognised as the market leader and partner of choice in decarbonisation of cities, corporates and industries