BP TECHNOLOGY VENTURES LIMITED

(Registered No.01553681)

ANNUAL REPORT AND FINANCIAL STATEMENTS 2021

Board of Directors: S E Skerry
L Coleman
G Chierchia

The directors present the strategic report, their report and the audited financial statements for the year ended 31 December 2021.

STRATEGIC REPORT

Results

The profit for the year after taxation was $84,358,000 which, when deducted from the accumulated loss brought forward at 1 January 2021 of $565,833,000, gives a total accumulated loss carried forward at 31 December 2021 of $481,475,000.

Principal activity and review of the business

The main activity of the company is to evaluate and invest in business opportunities to support and complement the core business of the wider bp group.

The company's performance is consistent with bp's strategy to appraise opportunities and make strategic investment decisions for the group.

The key financial and other performance indicators during the year were as follows:

	2021	2020	Variance
	$000	$000	%
Operating profit/(loss)	81,711	(57,433)	242
Profit/(loss) for the financial year	84,358	(54,540)	255
Total equity	686,663	602,305	14

The operating profit and profit for the year has been driven largely by net fair value gain on equity investments of $95.9 million and $1.7 million of distribution received from the indirect funds. This was partially offset by administrative expenses of $10.9 million and $5.0 million loss on the disposal of investment in an associate. Prior year shows a loss mainly due to net fair value loss on equity investments rather than gains in the current year.

The company continues to invest in group relevant business opportunities with a long term strategy. Overall, the company invested $94.7 million during the year (2020 $127.1 million).

STRATEGIC REPORT

Section 172 (1) statement

This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the statement required under section 414CZA of the Companies Act 2006 (the "Act").

During the course of the year the following primary tasks were undertaken by the Board in line with the principal activities of the company:

- Defining and establishing purpose and strategy including, where relevant, having regard to the purpose, strategy, culture and values defined by BP p.l.c.
- Monitoring the potential challenges presented by the ongoing COVID-19 pandemic, having regard to the company's safe and reliable operations.
- Assessing principal and emerging risks relevant to the company.

The table below demonstrates how the Board has discharged their duties under section 172(1):

Section 172(1)	Overview of performance against section 172(1)
a. The likely long-term consequences of the decision	When setting and delivering on the company's strategy, the directors have regard to the evolving environment in which the company operates and aims to promote the long term success and sustained economic viability of the company.
b. The interests of the company's employees	The directors recognise that employees are vital to the long term success of the company and, as such, engage with employees, and keep them informed on matters of concern to them. During 2021 this included reviewing the impact of Reinvent bp on the workforce and reports on key performance indicators on employee engagement measured by employee 'Pulse' surveys.
c. The need to foster the company's business relationships with suppliers, customers and others	During 2021, the directors reiterated their focus on engagement and fostering relationships with key stakeholders, as well as an increased focus on environment, social and governance ("ESG") matters.
d. The impact of the company's operations on the community and the environment	The directors are committed to bp's group wide policies and aims which protect the community, environment and its people.
e. The desirability to maintain the company's reputation for high standards of business conduct	In 2021 bp continued to operate under its sustainability frame launched in 2020, with aims and objectives linked to the UN Sustainable Development Goals. bp's values of safety, respect, excellence, courage and one team define how the bp group, including the company and its Board, conduct business. Furthermore, bp's code of conduct is based upon its values and it sets clear expectations for how bp, the company and the Board operate. The directors of the company continued to adhere, in good faith, to the bp code of conduct during the year to ensure the Board and the company maintain a reputation for high standards of business conduct. bp's code of conduct includes prohibitions on engaging in bribery or corruption in any form, in accordance with bp's group-wide anti-bribery and corruption policy and procedures. During the year, bp continued to engage suppliers and communicate expectations for managing bribery and corruption risk on behalf of bp, where relevant.
f. The need to act fairly between members of the company	The directors aim to balance the needs of various stakeholders when setting and delivering the company's strategy, having regard to long term value creation, including maximising long term shareholder value.

Further information on the bp group policies applicable to the company can be found in BP p.l.c.'s 2021 Annual Report and Form 20-F and the bp Sustainability Report 2021.

Section 172 (1) statement (continued)

Stakeholder engagement

For further details on how the company has engaged with stakeholders, fostered relationships with them and how this has impacted decision making, please refer to the Engagement with Stakeholders Statement found in the table below.

Stakeholders	Stakeholders' interests	How we have fostered relationships	How the fostering of relationships impacted decision making
Employees	Employees are vital to the long term success of the company and, as such, bp and its directors engage with employees, and keep them informed on matters that concern them. During 2021, due to the restrictions associated with COVID-19, most engagements were conducted virtually.		
Suppliers	For the company to understand, and where feasible, meet the suppliers' needs and expectations. For the company to provide regular support to the suppliers in order to improve suppliers' systems and avoid defects and/or operational issues where feasible. To be part of a fair and respectful tender and supplier selection process. To be part of a valued supplier relationship centred around ethics and transparency.	The company maintains a number of bp group wide policies to ensure fair treatment of its current and potential suppliers. The bp group also conducts supplier site visits to build relationships and monitor how work is being carried out, ensuring that it meets the suppliers' and the bp group's expectations.	Management and/or, where significant, the Board are provided with updates on renewals and negotiations for existing and/or new supplier agreements. The information received supports effective decision making by the Board when considering the long term consequences on relationships with suppliers. On an exceptional basis, the directors will engage with suppliers through means of the procurement teams in the case of any escalation. bp's supplier site visits are intended to be mutually beneficial in terms of improvement and learning opportunities.
Customers	For the company to provide its customers with top quality services. For the company to build a trusted relationship with its customers. Ensuring the safe execution of products and services provided to its customers and that any claims in relation to the same, are addressed and resolved. Ensuring that customer data is kept in a secure environment and only for the duration and purposes that the data is required for.	The company maintains a number of bp group wide policies to ensure the ongoing security of customer data, safe execution and quality of the products and services and a continued trusted relationship with its customers. On behalf of the company, the bp group also seeks to engage with customers through forums such as social media, focus bp groups and in-depth interviews with customers to better understand customer's needs and seek their feedback.	Management and/or, where significant, the Board are provided with updates on renewals and negotiations for existing and/or new customer contracts. The information received supports effective decision making by the Board when considering the long term consequences on relationships with its customers. By obtaining customer feedback and understanding our customers, it has allowed us to clarify the company's vision for future growth and ways to continually add brand value.

Section 172 (1) statement (continued)

Stakeholder engagement (continued)

Stakeholders	Stakeholders' interests	How we have fostered relationships	How the fostering of relationships impacted decision making
Community and environment	The directors' relationships on behalf of the company with respect to communities are important for all its activities, but particularly for major new projects where its presence may bring about changes in the local areas. To conduct business in a manner to minimise negative impact on the surrounding area and be respectful and conscientious of the environment/the financial environment. To take into account the interest of the local community when considering future investments and business decisions.	The company maintains a number of bp group wide policies to promote sustainable and environmentally friendly business and operational practises. The directors engage with local communities through public consultations and meetings with local representatives and complete impact assessments where relevant. The directors also consult with NGOs, academics and industry associations, drawing on their external expertise, input and challenge.	Management and/or, where significant, the Board are provided with updates on the environmental impact of the company's business operations. The information received supports effective decision making by the Board when considering the long term consequences on the environment and local communities. By following and implementing the bp group wide sustainability policy, the company has been able to measure and manage its impact on the community and environment in which it operates.
Shareholder	The company is 100% owned by BP International Limited. The company is committed to maximising long term shareholder value, in whatever form, when taking its decisions.	bp group functions, across Tax, Treasury and Finance, in conjunction with senior management, make recommendations to declare dividends, where relevant, via a thorough feasibility analysis process as part of its System of Internal Control, ensuring the appropriate amount of dividend and associated impact are duly considered. The company reports to its shareholder on a regular basis in the form of its financial statements and, where applicable, its business, strategic plans and key risks.	One of the company's strategic aims is to pursue strategic growth to maximise long term value for its shareholder. The company's compliance with the bp group's System of Internal Control assists the Board when considering whether to declare dividends, the amount of dividend and any associated impact. Specifically, the Board will review relevant internal functional assurance advice notes when considering the declaration of a dividend to its shareholder.

Section 172 (1) statement (continued)

Stakeholder engagement (continued)

Stakeholders	Stakeholders' interests	How we have fostered relationships	How the fostering of relationships impacted decision making
Government /Regulators	For the company to create valued relationships with Government/ Regulators centred around ethics and transparency, and discuss relevant regulations and guidance where necessary.	The company keeps the Government/ Regulators informed of any significant changes to the company.	Management and/or, where significant, the Board are provided with updates on changes in regulation and/or legislation impacting the company. The information received supports effective decision making by the Board when considering the company's compliance with said regulations and/or legislation. The company continually engages with local government bodies and/or regulators to ensure it is conducting itself in accordance with relevant laws/regulation to ensure its good standing, trust and respect in society and longevity.

The company's principal decisions

During the period the directors continued to monitor progress against the company's strategy, as highlighted in the principal activities section of the Strategic Report of the company, and decisions made by the directors were in respect of operational matters, in furtherance of the bp group's purpose.

Principal risks and uncertainties

The company aims to deliver sustainable value by identifying and responding successfully to risks. Risk management is integrated into the process of planning and performance management for the bp group.

The risks listed below, separately or in combination, could have a material adverse effect on the implementation of the company's strategy, business, financial performance, results of operations, cash flows, liquidity, prospects, shareholder value and returns and reputation. Unless stated otherwise, further details on these risks are included within the risk factors in the strategic report of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

Strategic and commercial risks

Geopolitical

The company is exposed to a range of political, economic and social developments and consequent changes to the operating and regulatory environment which could cause business disruption. Political instability, changes to the regulatory environment or taxation, international trade disputes and barriers to free trade, international sanctions, expropriation or nationalization of property, civil strife, strikes, insurrections, acts of terrorism, acts of war and public health situations (including the continued impact of the COVID-19 pandemic or any future epidemic or pandemic) may disrupt or curtail our operations, business activities or investments. These may in turn cause production to decline, limit our ability to pursue new opportunities, affect the recoverability of our assets and our related earnings and cash flow or cause us to incur additional costs, particularly due to the long-term nature of many of our projects and significant capital expenditure required.

Digital infrastructure and cybersecurity

Breach or failure of the company's or third parties' digital infrastructure or cyber security, including loss or misuse of sensitive information could damage its operations and reputation or increase costs.

Current geopolitical factors have increased these risks.

Insurance

The bp group's insurance strategy could expose the bp group to material uninsured losses which in turn could adversely affect the company.

Compliance and control risks

Ethical misconduct and non-compliance

Ethical misconduct or breaches of applicable laws by the company's businesses or its employees could be damaging to its reputation, and could result in litigation, regulatory action and penalties.

Regulation

Changes in the law and regulation could increase costs, constrain the company's operations and affect its business plans and financial performance.

Reporting

Failure to accurately report the company's data could lead to regulatory action, legal liability and reputational damage.

Financial risk management

The company is exposed to a number of different financial risks arising from natural business exposures as well as its use of financial instruments including market risks relating to foreign currency exchange rates, interest rates and liquidity risk. Further details on these financial risks are included within Note 28 of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

Liquidity, financial capacity and financial, including credit, exposure

Failure to work within the financial framework set by the bp group could impact the company's ability to operate and result in financial loss.

Authorized for issue on behalf of the Board

DocuSigned by:

Lawrence Coleman

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L Coleman
Director

September 20, 2022

Registered Office:

Chertsey Road
Sunbury on Thames
Middlesex
TW16 7BP
United Kingdom

DIRECTORS' REPORT

Directors

The present directors are listed on page 1.

D G P Eyton served as director throughout the financial year. Changes since 1 January 2021 are as follows:

	Appointed	Resigned
S D Cook	—	19 January 2021
S E Skerry	3 February 2021	—
A M Floyer-Lea	—	12 August 2021
L Coleman	20 August 2021	—
D G P Eyton	—	16 March 2022
G Chierchia	4 April 2022	—

Directors' indemnity

The company indemnifies the directors in its Articles of Association to the extent allowed under section 232 of the Companies Act 2006. Such qualifying third party indemnity provisions for the benefit of the company's directors remain in force at the date of this report.

Dividends

The company has not declared any dividends during the year (2020 $Nil). The directors do not propose the payment of a dividend (2020 $Nil).

Financial instruments

In accordance with section 414C of the Companies Act 2006 the directors have included information regarding financial instruments as required by Schedule 7 (Part 6.1) of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the strategic report under Financial risk management.

Post balance sheet event

On 21 March 2022, the company acquired 392 ordinary shares in FlyLogix Limited for £300,000 and invested £2.7 million in a 5 year convertible loan note with 10% p.a. interest rate.

On 16 May 2022, the company received equity injection of £250,000,000 from BP International Limited for subscription of 250 million shares at £1 per share.

On 14 June 2022, the company injected equity of $250,000,000 to BP Scale Up Factory Limited for subscription of 250 million shares at $1 per share.

Going concern

The directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The current economic and geopolitical environment, as well as the ongoing impact of COVID 19 were considered as part of the going concern assessment.

Going concern (continued)

Liquidity and financing is managed within the bp group under pooled group-wide arrangements which include the company. As part of the going concern basis of preparation for the company, the ability and intent of the bp group to support the company has also been taken into consideration. The most recent bp group financial statements continue to be prepared on a going concern basis. Forecast liquidity of the bp group has been assessed under a number of stressed scenarios, including a significant decline in oil prices over the 12-month period from the date these financial statements were approved. Reverse stress tests performed indicated that the bp group will continue to operate as a going concern for at least 12 months from the date of approval of the financial statements even if the Brent price fell to zero. In addition, bp group management have confirmed the existing intra-group funding and liquidity arrangements as currently constituted are expected to be maintained for the foreseeable future, being no less than twelve months from the approval of these financial statements. No material uncertainties over going concern or significant judgements or estimates on the assessment were identified. Accordingly, the company will be able to draw on support from the bp group for the foreseeable future and these financial statements have therefore been prepared on a going concern basis. For further information on financial risk factors, including credit risk and liquidity risk, see pages 5-7.

The company has ongoing funding arrangements with BP International Limited to manage its working capital as well as investing activities. The directors' assessment has taken into account the ability of both the company and the bp group to ensure availability of funds at least twelve months from the date of approval of these financial statements.

In assessing the prospects of BP Technology Ventures Limited, the directors noted that such assessment is subject to a degree of uncertainty that can be expected to increase looking out over time and, accordingly, that future outcomes cannot be guaranteed or predicted with certainty.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

Future developments

The directors aim to maintain the management policies which have resulted in the company’s stability in recent years. They believe that the company is in a good position to take advantage of any opportunities which may arise in the future.

It is the intention of the directors that the business of the company will continue for the foreseeable future.

Streamlined Energy & Carbon Reporting (SECR)

As a UK subsidiary of a UK parent company which prepares a group directors’ report, SECR reporting details are included in the strategic report of the bp group Annual Report and Form 20-F for the year ended 31 December 2021.

Auditors

Pursuant to section 487 of the Companies Act 2006, Deloitte LLP have expressed their willingness to continue in office as auditors and are therefore deemed reappointed as auditors.

Directors' statement as to the disclosure of information to the auditor

The directors who were members of the board at the time of approving the directors' report are listed on page 1. Having made enquiries of fellow directors and of the company's auditor, each of these directors confirms that:

- To the best of each director's knowledge and belief, there is no information relevant to the preparation of the auditor's report of which the company's auditor is unaware; and

- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Authorized for issue on behalf of the Board

DocuSigned by:
Lawrence Coleman
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L Coleman
Director
September 20, 2022

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STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS BP TECHNOLOGY VENTURES LIMITED

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that they have complied with these requirements. Details of the directors' assessment of going concern are provided in the directors' report.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BP TECHNOLOGY VENTURES LIMITED

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of BP Technology Ventures Limited (the company):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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Responsibilities of directors
As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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David Holtam
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David Holtam FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP, Statutory Auditor
London, United Kingdom
September 20, 2022

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PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

BP TECHNOLOGY VENTURES LIMITED

	Note	2021 $000	2020 $000
Administrative expenses		(10,885)	(36,493)
Other operating expenses	**3**	—	(36,231)
Other operating income	**3**	97,636	23,595
(Loss)/ gain on disposal of fixed assets investments	**3**	(5,040)	111
Impairment of fixed asset investments	**10**	—	(6,623)
Restructuring costs		—	(1,792)
Operating profit/(loss)	**3**	81,711	(57,433)
Interest receivable and similar income	**5**	2,647	2,893
Profit/(loss) before taxation		84,358	(54,540)
Tax on (profit)/loss	**6**	—	—
Profit/(loss) for the financial year		84,358	(54,540)

The profit of $84,358,000 for the year ended 31 December 2021 was derived in its entirety from continuing operations.

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

There is no comprehensive income attributable to the shareholders of the company other than the profit for the year.

BALANCE SHEET

AS AT 31 DECEMBER 2021

BP TECHNOLOGY VENTURES LIMITED

(Registered No.01553681

	Note	2021 $000	2020 $000
Fixed assets			
Intangible assets	**8**	—	—
Tangible assets	**9**	—	—
Investments	**10**	643,814	472,097
		643,814	472,097
Current assets			
Debtors - amounts falling due:			
within one year	**11**	20,484	114,797
after one year	**11**	37,508	34,914
		57,992	149,711
Creditors: amounts falling due within one year	**12**	(15,143)	(19,503)
Net current assets		42,849	130,208
NET ASSETS		686,663	602,305
Capital and reserves			
Called up share capital	**13**	1,168,138	1,168,138
Profit and loss account	**14**	(481,475)	(565,833)
TOTAL EQUITY		686,663	602,305

Authorized for issue on behalf of the Board

DocuSigned by:

Lawrence Coleman

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L Coleman

Director

September 20, 2022

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

BP TECHNOLOGY VENTURES LIMITED

	Called up share capital (Note 13)	Profit and loss account (Note 14)	Total
	$000	$000	$000
Balance at 1 January 2020	1,058,138	(511,293)	546,845
Loss for the financial year, representing total comprehensive income	—	(54,540)	(54,540)
Issue of share capital	110,000	—	110,000
Balance at 31 December 2020	1,168,138	(565,833)	602,305
Profit for the financial year, representing total comprehensive income	—	84,358	84,358
Balance at 31 December 2021	1,168,138	(481,475)	686,663

1. Authorization of financial statements and statement of compliance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)

The financial statements of BP Technology Ventures Limited for the year ended 31 December 2021 were approved by the board of directors on 20 September 2022 and the balance sheet was signed on the board's behalf by L Coleman. BP Technology Ventures Limited is a private company, limited by shares incorporated, domiciled and registered in England and Wales (registered number 01553681). The company's registered office is at Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP. These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the provisions of the Companies Act 2006.

2. Significant accounting policies, judgements, estimates and assumptions

The significant accounting policies and critical accounting judgements, estimates and assumptions of the company are set out below.

Basis of preparation

These financial statements have been prepared in accordance with FRS 101. The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

The accounting policies that follow have been consistently applied to all years presented, except where otherwise indicated.

These financial statements are separate financial statements. The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare consolidated financial statements, because it is included in the group financial statements of BP p.l.c. Details of the parent in whose consolidated financial statements the company is included are shown in Note 18 to the financial statements.

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, these financial statements were prepared under the historical cost convention in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework and the Companies Act 2006. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to:

(a) the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 Presentation of Financial Statements;
(b) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
    (i) paragraph 79(a)(iv) of IAS 1;
    (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
    (iii) paragraph 74 A(b) of IAS 16 Property, Plant and Equipment;
    (iv) paragraph 118(e) of IAS 38 Intangible Assets;
(c) the requirements of IAS 7 Statement of Cash Flows;
(d) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors in relation to standards not yet effective;
(e) the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
(f) the requirements of IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
(g) the requirements of IFRS 7 Financial Instruments: Disclosures

2. Significant accounting policies, judgements, estimates and assumptions (continued)

Basis of preparation (continued)

(h) the requirements of paragraphs 91 – 99 of IFRS 13 Fair Value Measurement;
(i) the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c)-135(e) of IAS 36, Impairment of Assets;

Where required, equivalent disclosures are given in the group financial statements of BP p.l.c. The group financial statements of BP p.l.c. are available to the public and can be obtained as set out in Note 18.

The financial statements are presented in US dollars and all values are rounded to the nearest thousand dollars ($000), except where otherwise indicated.

Significant accounting policies: use of judgements, estimates and assumptions

Inherent in the application of many of the accounting policies used in preparing the financial statements is the need for management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual outcomes could differ from the estimates and assumptions used. The accounting judgements and estimates that have a significant impact on the results of the company are set out within the boxed text below, and should be read in conjunction with the information provided in the Notes to the financial statements.

The areas requiring the most significant judgement and estimation in the preparation of the financial statements are impairment of investments, interests in other entities and investments in equity instruments.

The COVID-19 pandemic, climate change, the energy transition, bp's strategy to 2030 and ambition to become a net-zero company by 2050 or sooner were considered in preparing the bp group consolidated financial statements. These issues are not expected to have significant impacts on the currently reported amounts of the company's assets and liabilities.

Going concern

The directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. The current economic and geopolitical environment, as well as the ongoing impact of COVID 19 were considered as part of the going concern assessment.

Liquidity and financing is managed within the bp group under pooled group-wide arrangements which include the company. As part of the going concern basis of preparation for the company, the ability and intent of the bp group to support the company has also been taken into consideration. The most recent bp group financial statements continue to be prepared on a going concern basis. Forecast liquidity of the bp group has been assessed under a number of stressed scenarios, including a significant decline in oil prices over the 12-month period from the date these financial statements were approved. Reverse stress tests performed indicated that the bp group will continue to operate as a going concern for at least 12 months from the date of approval of the financial statements even if the Brent price fell to zero. In addition, bp group management have confirmed the existing intra-group funding and liquidity arrangements as currently constituted are expected to be maintained for the foreseeable future, being no less than twelve months from the approval of these financial statements. No material uncertainties over going concern or significant judgements or estimates on the assessment were identified. Accordingly, the company will be able to draw on support from the bp group for the foreseeable future and these financial statements have therefore been prepared on a going concern basis. For further information on financial risk factors, including credit risk and liquidity risk, see pages 5-7.

2. Significant accounting policies, judgements, estimates and assumptions (continued)

Going concern (continued)

The company has ongoing funding arrangements with BP International Limited to manage its working capital as well as investing activities. The directors' assessment has taken into account the ability of both the company and the bp group to ensure availability of funds at least twelve months from the date of approval of these financial statements.

In assessing the prospects of BP Technology Ventures Limited, the directors noted that such assessment is subject to a degree of uncertainty that can be expected to increase looking out over time and, accordingly, that future outcomes cannot be guaranteed or predicted with certainty.

Having a reasonable expectation that the company has adequate resources to continue in operational existence for at least the next 12 months from the date these financial statements were approved, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements.

Foreign currency

The functional and presentation currency of the financial statements is US dollars. The functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

As the company is considered to be an intermediate holding company, and therefore an extension of its parent company, its functional currency is the same as its parent company.

Transactions in foreign currencies are initially recorded in the functional currency by applying the rate of exchange ruling at the date of the transaction. Where this is not practical and exchange rates do not fluctuate materially the average rate has been used. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot exchange on the balance sheet date. Any resulting exchange differences are included in the profit and loss account, unless hedge accounting is applied. Non-monetary assets and liabilities, other than those measured at fair value, are not retranslated subsequent to initial recognition.

Investments

Fixed asset investments in subsidiaries and associates are held at cost. The company assesses investments for an impairment indicator annually. If any such indication of possible impairment exists, the company makes an estimate of the investment’s recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.

Where these circumstances have reversed, the impairment previously made is reversed to the extent of the original cost of the investment.

For other investments in equity instruments, please see the policy for financial assets below.

Interests in associates

An associate is an entity over which the company has significant influence, through the power to participate in the financial and operating policy decisions of the investee, but which is not a subsidiary or a joint arrangement.

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2. Significant accounting policies, judgements, estimates and assumptions (continued)

Significant judgement: interests in other entities

Judgement is required in assessing the level of control or influence over another entity in which the company holds an interest. Depending upon the facts and circumstances in each case, the company may obtain control, joint control or significant influence over the entity or arrangement. Transactions which give the company control of a business are business combinations. If the company obtains joint control of an arrangement, judgement is also required to assess whether the arrangement is a joint operation or a joint venture. If the company has neither control nor joint control, it may be in a position to exercise significant influence over the entity, which is then accounted for as an associate held at cost.

Significant judgements and estimates: impairment of investments

Determination as to whether, and how much, an investment is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, reserves and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions for crude oil, natural gas and refined products.

For value in use calculations, future cash flows are adjusted for risks specific to the cash-generating unit and are discounted using a pre-tax discount rate. The pre-tax discount rate is based upon the cost of funding the group derived from an established model, adjusted to a pre-tax basis. Fair value less costs of disposal calculations use the post-tax discount rate. The discount rates applied in impairment tests are reassessed each year.

Intangible assets

Intangible assets, other than goodwill, are stated at the amount initially recognized, less accumulated amortization and accumulated impairment losses.

Intangible assets are carried initially at cost unless acquired as part of a business combination. Any such asset is measured at fair value at the date of the business combination and is recognized separately from goodwill if the asset is separable or arises from contractual or other legal rights.

Intangible assets with a finite life are amortized on a straight-line basis over their expected useful lives. For patents, licences and trademarks, expected useful life is the shorter of the duration of the legal agreement and economic useful life, and can range from three to fifteen years. Computer software costs generally have a useful life of four years.

The expected useful lives of assets and the amortization method are reviewed on an annual basis and, if necessary, changes in useful lives or the amortization method are accounted for prospectively.

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

Tangible assets

Tangible assets owned by the company are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management and, for assets that necessarily take a substantial period of time to get ready for their intended use, directly-attributable finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

2. Significant accounting policies, judgements, estimates and assumptions (continued)

Tangible assets (continued)

Exchanges of assets are measured at fair value unless the exchange transaction lacks commercial substance or the fair value of neither the asset received nor the asset given up is reliably measurable. The cost of the acquired asset is measured at the fair value of the asset given up, unless the fair value of the asset received is more clearly evident. Where fair value is not used, the cost of the acquired asset is measured at the carrying amount of the asset given up. The gain or loss on derecognition of the asset given up is recognized in profit or loss.

Expenditure on major maintenance refits or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset or part of an asset that was separately depreciated is replaced and it is probable that future economic benefits associated with the item will flow to the company, the expenditure is capitalized and the carrying amount of the replaced asset is derecognized. Inspection costs associated with major maintenance programmes are capitalized and amortized over the period to the next inspection. Overhaul costs for major maintenance programmes, and all other maintenance costs are expensed as incurred.

Tangible assets are depreciated on a straight-line basis over their expected useful lives. The typical useful lives of the company's tangible assets are as follows:

Plant and machinery 10 years

The expected useful lives and depreciation method of tangible assets are reviewed on an annual basis and, if necessary, changes in useful lives or the depreciation method are accounted for prospectively.

The carrying amounts of tangible assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

An item of tangible assets is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit and loss account in the period in which the item is derecognized.

Impairment of intangible and tangible assets

The company assesses assets or groups of assets, called cash-generating units (CGUs) for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable, for example, changes in the company's business plans or evidence of physical damage. If any such indication of impairment exists, the company makes an estimate of the asset's recoverable amount. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. An asset group's recoverable amount is the higher of its fair value less costs to sell and its value in use. If it is probable that the value of the CGU will primarily be recovered through a disposal transaction, the expected disposal proceeds are considered in determining the recoverable amount. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount.

2. Significant accounting policies, judgements, estimates and assumptions (continued)

Impairment of intangible and tangible assets (continued)

The business segment plans, which are approved on an annual basis by senior management, are the primary source of information for the determination of value in use. They contain forecasts for revenues, costs and capital expenditure. Carbon taxes and costs of emissions allowances are also included in estimates of future cash flows, based on the regulatory environment in each jurisdiction in which the group operates. As an initial step in the preparation of these plans, various assumptions regarding market conditions, such as oil prices, natural gas prices, refining margins, refined product margins and cost inflation rates are set by senior management. These assumptions take account of existing prices, global supply-demand equilibrium for oil and natural gas, other macroeconomic factors and historical trends and variability.In assessing value in use, the estimated future cash flows are adjusted for the risks specific to the asset group that are not reflected in the discount rate and are discounted to their present value typically using a pre-tax discount rate that reflects current market assessments of the time value of money.

Fair value less costs to sell is identified as the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general. In limited circumstances where recent market transactions are not available for reference, discounted cash flow techniques are applied. Where discounted cash flow analyses are used to calculate fair value less costs of disposal, estimates are made about the assumptions market participants would use when pricing the asset, CGU or group of CGUs containing goodwill and the test is performed on a post-tax basis.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss. After such a reversal, the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Financial assets

Financial assets are recognized initially at fair value, normally being the transaction price. In the case of financial assets not at fair value through profit or loss, directly attributable transaction costs are also included. The subsequent measurement of financial assets depends on their classification, as set out below. The company derecognizes financial assets when the contractual rights to the cash flows expire or the rights to receive cash flows have been transferred to a third party along with either substantially all of the risks and rewards or control of the asset. This includes the derecognition of receivables for which discounting arrangements are entered into.

The company classifies its financial assets as measured at amortized cost or fair value through profit or loss. The classification depends on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Financial assets measured at amortized cost

Financial assets are classified as measured at amortized cost when they are held in a business model the objective of which is to collect contractual cash flows and the contractual cash flows represent solely payments of principal and interest. Such assets are carried at amortized cost. This category of financial assets includes other receivables.

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2. Significant accounting policies, judgements, estimates and assumptions (continued)

Financial assets (continued)

Financial assets measured at fair value through profit or loss

Financial assets are classified as measured at fair value through profit or loss when the asset does not meet the criteria to be measured at amortized cost. Such assets are carried on the balance sheet at fair value with gains or losses recognized in the profit and loss account. Derivatives, other than those designated as effective hedging instruments, are included in this category.

Investments in equity instruments

Investments in equity instruments are subsequently measured at fair value through profit or loss unless an election is made on an instrument-by-instrument basis to recognize fair value gains and losses in other comprehensive income. The company does not have any investments for which this election has been made.

Significant estimate: investments in equity instruments

In some cases the fair values of investments are estimated using internal models due to the absence of quoted prices or other observable, market-corroborated data. The majority of these investments are valued using models with inputs that include recent share price for each of the different investments that are built up from available active market pricing data modelled using the maximum available external information. Additionally, where limited data exists for certain investments, prices are determined using other recent observable indications of fair value, notably from share transactions for calculating the exit value of the investments. It is anticipated that material changes in the value of these investments will occur in any given financial year. However, such changes are only recorded when there are observable changes in value of the underlying business, rather than changes in management assumptions. Further details of movements in fair value in the current and prior period are given in Note 10.

Impairment of financial assets measured at amortized cost

The company assesses on a forward-looking basis the expected credit losses associated with financial assets classified as measured at amortized cost at each balance sheet date. Expected credit losses are measured based on the maximum contractual period over which the company is exposed to credit risk. As lifetime expected credit losses are recognized for trade receivables and the tenor of substantially all other in-scope financial assets is less than 12 months there is no significant difference between the measurement of 12-month and lifetime expected credit losses for the company. The measurement of expected credit losses is a function of the probability of default, loss given default and exposure at default. The expected credit loss is estimated as the difference between the asset's carrying amount and the present value of the future cash flows the company expects to receive, discounted at the financial asset's original effective interest rate. The carrying amount of the asset is adjusted, with the amount of the impairment gain or loss recognized in the profit and loss account.

A financial asset or group of financial assets classified as measured at amortized cost is considered to be credit-impaired if there is reasonable and supportable evidence that one or more events that have a detrimental impact on the estimated future cash flows of the financial asset (or group of financial assets) have occurred. Financial assets are written off where the company has no reasonable expectation of recovering amounts due.

2. Significant accounting policies, judgements, estimates and assumptions (continued)

Financial liabilities

The measurement of financial liabilities is as follows:

Financial liabilities measured at amortized cost
Financial liabilities are initially recognized at fair value, net of directly attributable transaction costs. For interest-bearing loans and borrowings this is typically equivalent to the fair value of the proceeds received net of issue costs associated with the borrowing.

After initial recognition, these financial liabilities are subsequently measured at amortized cost. This category of financial liabilities includes trade and other payables.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or bp's assumptions about pricing by market participants.

Offsetting of financial assets and liabilities

Financial assets and liabilities are presented gross in the balance sheet unless both of the following criteria are met: the company currently has a legally enforceable right to set off the recognized amounts; and the company intends to either settle on a net basis or realize the asset and settle the liability simultaneously. If both of the criteria are met, the amounts are set off and presented net. A right of set off is the company's legal right to settle an amount payable to a creditor by applying against it an amount receivable from the same counterparty. The relevant legal jurisdiction and laws applicable to the relationships between the parties are considered when assessing whether a current legally enforceable right to set off exists.

Provisions

Restructuring provisions
The reinvent bp programme, expected to reduce the group headcount by around 10,000 positions, has resulted in recognition of provisions, primarily in the comparative period, where a detailed formal plan exists, and valid expectation of risk of redundancy has been made to those affected but where the specific outcomes remain uncertain. Where formal redundancy offers have been made, the obligations for those amounts are reported as payables and, if not, as provisions if unpaid at the year-end.

Taxation

Income tax expense represents the sum of current tax and deferred tax.

Income tax is recognized in the profit and loss account, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or directly in equity.

Current tax is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it is determined in accordance with the rules established by the applicable taxation authorities. It therefore excludes items of income or expense that are taxable or deductible in other periods as well as items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Significant accounting policies, judgements, estimates and assumptions (continued)

Taxation (continued)

Deferred tax is provided, using the balance sheet method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:

- Where the deferred tax liability arises on the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and, at the time of the transaction, does not give rise to equal taxable and deductible temporary differences..
- In respect of taxable temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, where the company is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized. An exception is where the deferred tax asset relates to the deductible temporary difference arising from the initial recognition of an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither accounting profit nor taxable profit or loss and, at the time of the transaction, does not give rise to equal taxable and deductive temporary differences.

In respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable or increased to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

Where tax treatments are uncertain, if it is considered probable that a taxation authority will accept the company's proposed tax treatment, income taxes are recognized consistent with the company's income tax filings. If it is not considered probable, the uncertainty is reflected within the carrying amount of the applicable tax asset or liability using either the most likely amount or an expected value, depending on which method better predicts the resolution of the uncertainty.

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2. Significant accounting policies, judgements, estimates and assumptions (continued)

Interest income

Interest income is recognized as the interest accrues.

Updates to significant accounting policies

Impact of new International Financial Reporting Standards
bp adopted amendments to IFRS 9 "financial instruments - Interest Rate Benchmark Reform (Phase II)", IFRS 16 "Leases" with effect from 1 January 2021. There are no other new or amended standards or interpretations adopted during the year that have a significant impact on the company's financial statements.

The adoption of 'Interest Rate Benchmark Reform – Phase II' – Amendments to IFRS 9 'Financial instruments', IFRS 16 'Leases' has had no material impact on the company's financial statements.

3. Operating profit / (loss)

This is stated after charging / (crediting):

	2021	2020
	$000	$000
Net foreign exchange losses*	23	1,822
Depreciation of tangible assets*	—	13
Impairment of investments	—	6,623
Distributions from indirect funds	(1,744)	(2,367)
Loss/ (gain) on disposal of fixed assets investments	5,040	(111)
Fair value (gain) / loss on equity investments	(95,892)	36,231
Gain on intercompany transfer of investments	—	(21,228)
Consulting and management fees*	270	1,108
Marketing and communication expense*	179	24,153

* Amounts are included in Administrative expenses.

4. Auditor's remuneration

	2021	2020
	$000	$000
Fees for the audit of the company	58	75

Fees paid to the company's auditor, Deloitte LLP and its associates for services other than the statutory audit of the company are not disclosed in these financial statements since the consolidated financial statements of BP Technology Ventures Limited's ultimate parent, BP p.l.c., are required to disclose non-audit fees on a consolidated basis.

The current year's audit fees were borne by the company. In 2020 they were borne by another group company.

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5. Interest receivable and similar income

	2021	2020
	$000	$000
Interest income from amounts owed by group undertakings	53	306
Interest income from financial assets measured at fair value through profit or loss	2,594	2,587
Total interest receivable and similar income	2,647	2,893

6. Taxation

The company is a member of a group for the purposes of relief within Part 5, Corporation Tax Act 2010.

(a) Reconciliation of the effective tax rate

The tax assessed on the profit for the year is lower than the standard rate of corporation tax in the UK of 19% for the year ended 31 December 2021 (2020 19%). The differences are reconciled below:

	2021	2020
	$000	$000
Profit/ (loss) before taxation	84,358	(54,540)
Tax charge / (credit)	—	—
Effective tax rate	— %	— %

	2021	2020
	%	%
UK statutory corporation tax rate:	19	19
Increase/ (decrease) resulting from:		
Non-deductible expenditure	1	(9)
Income not taxable	(22)	—
Free group relief	2	(10)
Effective tax rate	—	—

Change in corporation tax rate
On 3 March 2021, the UK Government announced an increase to the UK's main corporation tax rate from 19% to 25%, effective from 1 April 2023. This will increase the company's future current tax charge accordingly. The rate change was substantively enacted on 24 May 2021. As the company has not recognised a deferred tax asset at the balance sheet date, the impact of this rate change has not been calculated.

(b) Provision for deferred tax

Deferred tax has not been recognised on deductible temporary differences of $20.0 million (2020 $9.2 million) with no fixed expiry date on the basis that they are not expected to give rise to any future tax benefit.

7. Directors and employees

(a) Remuneration of directors

None of the directors received any fees or remuneration for qualifying services as a director of the company during the financial year (2020 $Nil).

(b) Employee costs

The company had no employees during the year (2020 None).

8. Intangible assets

	Other intangibles
Cost	$000
At 1 January 2021	542
At 31 December 2021	542
Amortization	
At 1 January 2021	542
At 31 December 2021	542
Net book value	
At 31 December 2021	—
At 31 December 2020	—

9. Tangible assets

	Plant & machinery
Cost	$000
At 1 January 2021	874
At 31 December 2021	874
Depreciation	
At 1 January 2021	874
At 31 December 2021	874
Net book value	
At At 31 December 2021	—
At At 31 December 2020	—

10. Investments

	Investment in subsidiaries	Investment in associates	Other investments	Total
Cost	$000	$000	$000	$000
At 1 January 2020	10,000	81,391	362,603	453,994
Additions	43,000	2,954	81,098	127,052
Disposals	—	(5,000)	(9,763)	(14,763)
Transfers	—	13,934	(13,934)	—
Fair value loss	—	—	(36,231)	(36,231)
At 31 December 2020	53,000	93,279	383,773	530,052
At 1 January 2021	53,000	93,279	383,773	530,052
Additions	—	29,250	65,417	94,667
Disposals	—	(24,169)	(12,052)	(36,221)
Transfers	—	(28,881)	28,881	—
Fair value gain	—	—	95,892	95,892
At 31 December 2021	53,000	69,479	561,911	684,390
Impairment losses				
At 1 January 2020	—	51,332	—	51,332
Charge for the year	—	6,623	—	6,623
At 31 December 2020	—	57,955	—	57,955
At 1 January 2021	—	57,955	—	57,955
Disposals	—	(17,379)	—	(17,379)
Transfers	—	(35,489)	35,489	—
At 31 December 2021	—	5,087	35,489	40,576
Net book amount				
At 31 December 2021	53,000	64,392	526,422	643,814
At 31 December 2020	53,000	35,324	383,773	472,097

The investments in subsidiaries and associates are all stated at cost less provision for impairment.

The investments in the subsidiary and associated undertakings are unlisted.

The subsidiary and other undertakings of the company at 31 December 2021 and the percentage of equity capital held set out below are the investments which principally affected the profits or net assets of the company. The principal country of operation is generally indicated by the company's country of incorporation or by its name.

All voting rights are equal to percentage of share capital owned unless otherwise noted below.

10. Investments (continued)

Subsidiary undertakings

Company name	Class of share held	%	Registered address	Principal activity
BP Scale Up Factory Limited	Ordinary shares	100	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Investment holding

Associated undertakings

Company name	Class of share held	%	Registered address	Principal activity
Belmont Technology Inc.	Preference Series A	42.23	1209 Orange Street, Wilmington, New Castle County, Delaware, 19801.	Belmont is an early mover in developing artificial intelligence based platform targeted for geoscience.
Blue Ocean Seismic Services Limited	Preference Series A	31.25	12-14 Carlton Place, Southampton, England SO15 2EA, United Kingdom.	Blue Ocean Seismic Services (BOSS) deploys ocean-bottom node (OBN) seismic on the seabed using small robotic autonomous underwater vehicles which significantly reduce seismic acquisition costs and operational cycle-time.
Bridge to Renewables, Inc	Preference Series A	26.40	9711 Washingtonian Boulevard, Suite 550, Gaithersburg MD 20878.	BTR developed a technology to apply Low Carbon Fuel Scheme credits to EV charging by linking to Renewable energy credits.
FreeWire Technologies, Inc.	Preference Series A & B	24.58	c/o Corporation Service Company, 251 Little Falls Drive, Wilmington, DE 19808, United States of America.	FreeWire provides mobile charger and battery-integrated DC charger for electric vehicles.
Grid Edge Limited	Preference Series: A, A-2	26.31	Mclaren Building Suite, 14a Mclaren Building, 46 Priory Queensway, Birmingham, B4 7LR, United Kingdom.	Grid Edge leverages predictive machine-learning and data science analytics, smart meters, cloud-based tools to anticipate a building's energy demand.
Torro Ventures Ltd.	Preference Series A	20.00	1st Floor, 282 Earls Court Road, London, SW5 9AS, United Kingdom.	Torro Ventures provides real-time solution for individuals to monitor energy consumption.
Zippity, Inc.	Preference Series Seed 2, Seed 3	26.64	850 New Burton Road, Suite 201, Dover, County of Kent, Delaware 19904, United States.	A platform to help customers to schedule their car service through an online platform.
Zubie Inc.	Common shares	20.30	160 Greentree Drive, Suite 101, Dover, County of Kent DE 19904, United States.	Zubie develops hardware and software to monitor vehicle data such as speed, hard braking events, vehicle collisions, maintenance diagnostics and location for large fleet management companies.

For a full list of significant related undertakings, please see Note 19.

11. Debtors

Amounts falling due within one year:

	2021	2020
	$000	$000
Amounts owed from parent undertakings	13,198	114,018
Amounts owed from fellow subsidiaries	6,744	640
Other debtors	542	139
	20,484	114,797

Amounts falling due after one year:

	2021	2020
	$000	$000
Other debtors	37,508	34,914
Total debtors	57,992	149,711

The amounts owed from parent undertakings comprise a variable rate Internal Financing Account (IFA) of $13.2 million (2020 $114 million). Interest is accrued on a monthly basis based on LIBOR, primarily USD LIBOR.

Whilst IFA balances are legally repayable on demand, in practice they have no termination date.

Other debtors are predominantly non-interest bearing.

12. Creditors

Amounts falling due within one year:

	2021	2020
	$000	$000
Trade creditors	3,275	791
Amounts owed to parent undertakings	59	1,413
Amounts owed to fellow subsidiaries	6	6,387
Other creditors	141	98
Accruals	11,662	10,814
	15,143	19,503

Materially all of the company's trade payables have payment terms in the range of 30 to 60 days and give rise to operating cash flows.

13. Called up share capital

	2021	2020
	$000	$000
Issued and fully paid:		
832,172,049 ordinary shares of £1 each for a total nominal value of £832,172,049	1,168,138	1,168,138

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14. Reserves

Called up share capital
The balance on the called up share capital account represents the aggregate nominal value of all ordinary shares in issue.

Profit and loss account
The balance held on this reserve is the accumulated losses of the company.

15. Capital commitment

Authorized and contracted future capital expenditure (excluding right-of-use assets) by the company for which contracts had been placed but not provided in the financial statements at 31 December 2021 is estimated at $63.9 million (2020 $77.2 million).

The company has signed an agreement in 2016 with OGCI Climate Investments LLP (the "CI") that it is committed to invest up to $100 million over a 10 years period. If the company were to give notice to cancel, the minimum commitment liability would become payable. This comprises the first two years plus a further two years notice period (i.e. up to $40 million) plus bp's share of the CI's future obligations.

16. Related party transactions

The company has taken advantage of the exemption contained within paragraphs 8(k) and (j) of FRS 101, and has not disclosed transactions entered into with wholly-owned group companies or key management personnel. There were no other related party transactions in the year.

17. Post balance sheet events

On 21 March 2022, the company acquired 392 ordinary shares in FlyLogix Limited for £300,000 and invested £2.7 million in a 5 year convertible loan note with 10% p.a. interest rate.

On 16 May 2022, the company received equity injection of £250,000,000 from BP International Limited for subscription of 250 million shares at £1 per share.

On 14 June 2022, the company injected equity of $250,000,000 to BP Scale Up Factory Limited for subscription of 250 million shares at $1 per share.

18. Immediate and ultimate controlling parent undertaking

The immediate parent undertaking is BP International Limited, a company registered in England and Wales. The ultimate controlling parent undertaking is BP p.l.c., a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of BP p.l.c. can be obtained from its registered address: 1 St James's Square, London, SW1Y 4PD.

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19. Related undertakings

Disclosed below is a full list of related undertakings in addition to those listed in Note 10 in which the company holds an interest of 20% or greater, along with the registered address and the percentage of share capital owned as at 31 December 2021.

All voting rights are equal to percentage of share capital owned unless otherwise noted below. Unless otherwise stated, the share capital disclosed comprises ordinary shares or common stock (or local equivalent thereof) held by the company.

Related undertaking	Holding %	Registered address	Direct / indirect
Blueprint Power Technologies Inc.	100.00	1209 Orange Street, Wilmington, DE, 19801, United States	Indirect
Finite Carbon Corporation	100.00	435 Devon Park Drive, Suite 700, Wayne, Pennsylvania, 19087 Avenue NE, Calgary AB, Canada.	Indirect
Finite Resources, Inc.	80.50	2711 Centerville Road, Suite 400, Wilmington DE 19808, United States.	Indirect
Fly Victor Limited	26.23	60 Sloane Avenue, London, SW3 3XB, United Kingdom.	Indirect
Fotech Group Limited	100.00	Chertsey Road, Sunbury On Thames, Middlesex, United Kingdom, TW16 7BP	Indirect
Fotech Solutions (Canada) Ltd.	100.00	240 Fourth Avenue SW, Calgary AB T2P 4H4, Canada.	Indirect
Fotech USA, LLC	100.00	1999 Bryan St., STE 900, Dallas TX 75201, United States.	Indirect
Insight Analytics Solutions Holdings Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Indirect
Insight Analytics Solutions Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Indirect
Insight Analytics Solutions USA, Inc	100.00	2108 55th Street, Suite 105, Boulder CO 80301, United States.	Indirect
Low Carbon Friends Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Indirect
Lytt Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Indirect
OnSight Analytics Solutions India Private Ltd.	99.99	Office No. 306, Regus Business Center 3rd Floor, Abbusali St, Saligramam Chennai, Tamil Nadu, 600093, India.	Indirect
Onyx Insight Australia Pty Ltd	100.00	Mazars, Level 11, 307 Queen Street, Brisbane QLD 4000, Australia.	Indirect
Onyx Insight Korea Co., Ltd.	100.00	504-ho, 213-3, Cheomdan-ro, Jeju-si, Jeju-do, Republic of Korea.	Indirect
Onyx Insight Spain Sociedad Limitada	100.00	Avenida de la Transición Española 30, Parque Empresarial Omega, Edificio D. 28108 Alcobendas, Madrid, Spain	Indirect
Open Energi Australia Pty Ltd	100.00	4 Sinclair Street, Mount Gambier, South Australia, 5290, Australia	Indirect
Open Energy Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom	Indirect

19. Related undertakings (continued)

Related undertaking	Holding %	Registered address	Direct / indirect
Stryde Inc.	100.00	1209 Orange Street, Wilmington DE 19801, United States.	Indirect
Stryde International Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Indirect
Stryde Limited	100.00	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom.	Indirect
Stryde Middle East FZE	100.00	Jebel Ali Free Zone, Dubai, United Arab Emirates	Indirect

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