

# Driving growth - pioneering strategies and breaking boundaries for global success

Bob Dudley, group chief executive

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Good afternoon, it's great to be back at ADIPEC.

This gathering has become a fixture in the calendar of every oil and gas executive I know, a must attend event.

BP has been in Abu Dhabi since 1939 and we are honoured to work with our partners in ADNOC on the onshore through ADCO, offshore through ADMA gas and LNG through ADGAS - and of course, with the Government itself.

These are strong relationships that have stood the test of time, and developed over time as well.

That takes me to our subject of Driving Growth.

It's a challenge when the price of our product has halved in a few years.

And we have to be mindful of how we grow - how we tackle carbon emissions at the same time as meeting the world's growing demand for energy.

But we can do both of those things - they are not mutually exclusive positions.

That actually goes to the basis of BP's strategy and we've just announced increases in earnings and cash flow last quarter, helped by a strong growth story.

Our production is up 14% from a year ago helped by the renewal of our onshore ADCO concession here in Abu Dhabi and our busy year of major project start-ups.

We want to keep up the momentum, and that means being realistic about how our world has changed, and continues to change.

The new reality of abundant energy resources means downward pressure on prices.



But new technologies and ways of working mean we can still grow.

However, incremental change is not enough. We need transformative change, or step change.

Let me suggest four factors that support step change. And, conveniently they happen to spell out the word STEP.

The first is Simplicity, or simplification. In BP, we are on a mission to simplify and standardise. And it's happening across the industry. The International Association of Oil & Gas Producers has drawn up standardised specifications for items such as Christmas trees and ball valves. It's the start of a journey that will save us billions. And we can accelerate it if we work together - IOCs and NOCs, supported by regulators and governments.

Second, Technology. Intelligent computing and the internet of things are game-changers. Combining that with our own industry technologies such as seismic imaging and reservoir development is pushing the limits of what we never thought was possible. And the best technology requires the right expertise. That's why we have seconded some of our technical experts to work with the experts of our partners to better understand Abu Dhabi's fields and apply the most advanced technologies in the best way.

Third, Efficiency. By having the right technology and best people in place we can achieve greater efficiency.

Recently in BP we used a new algorithm to find 200 million barrels of oil. It took two weeks but with 20th century software we estimate it would have taken over a thousand years.

And it's not all about digital. Here in Abu Dhabi we are working with our partners to increase field recovery factors towards 70% with the latest waterflooding and other techniques. Another step change.

That takes me to the last point. I've mentioned simplicity, technology and efficiency. Perhaps you can guess that P stands for Partnership.

None of us can do everything and we need to collaborate. Our latest agreement with ADNOC is also a new type of partnership, with the Abu



Dhabi government taking a share in BP and BP taking a share in the ADCO concession.

The agreement extends the partnership to 2054. That's a mark of commitment, confidence and collaboration - and a sign of our determination to make the step change our sector requires.

Thank you.