

# *Climate Neutrality - a Chance for the Oil Industry?*

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from IOC  
to IEC



Second quarter 2020 financial  
results and strategy presentation

# Our purpose

Reimagining energy  
for people  
and our planet

# Our ambition

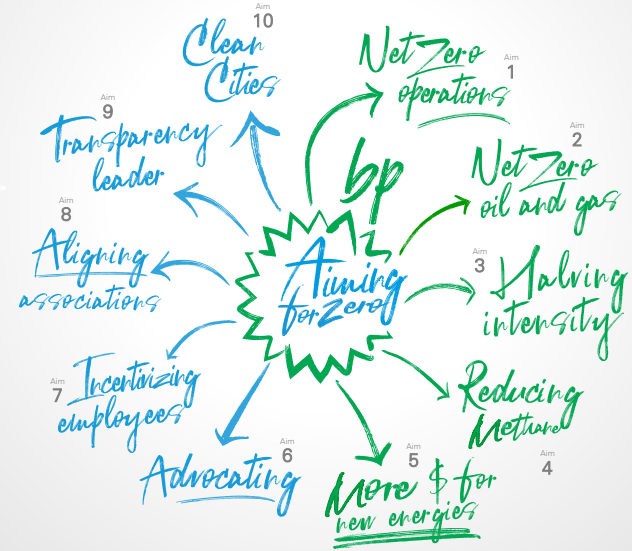
To become a  
Net Zero  
company

by 2050 or sooner  
and to help the world  
reach that goal



# Our aims

Five aims to help the world meet net zero



Five aims to become  
a net zero company

*from*

an international  
oil company  
producing  
resources



*to*

an integrated energy company  
delivering solutions for customers

# Our strategy – an IEC delivering solutions for customers

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 <

A sustainability frame linking our purpose and *Net Zero ambition*

# ...will create a very different company in 2030

2019

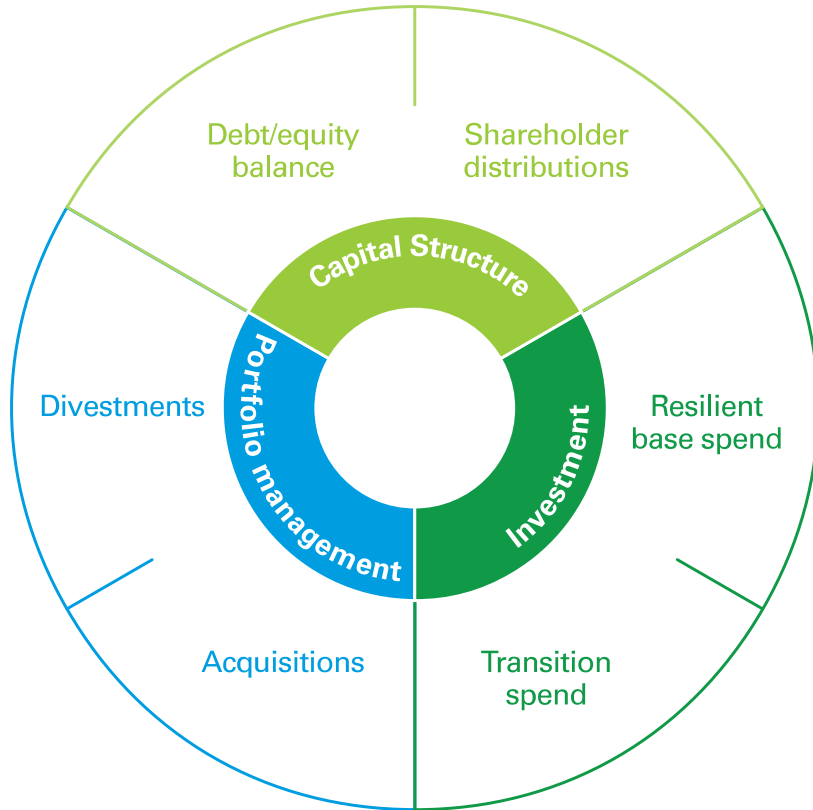
2030

Aims

<b>2.5GW / 250TWh</b> .....	Developed renewables and traded electricity <sup>1</sup> .....	<b>50GW developed / 500TWh traded</b>
<b>22Kbd</b> .....	Bioenergy .....	<b>&gt;100Kbd developed / 20% biojet market share</b>
<b>0.6 Mte in our operations</b> .....	Hydrogen .....	<b>10% share in core markets</b>
<b>10m</b> .....	Customer touchpoints per day .....	<b>&gt;20m</b>
<b>&gt;7,500</b> .....	EV charging points .....	<b>&gt;70,000</b>
<b>~2.6mmboed</b> .....	Oil and gas production .....	<b>~1.5mmboed</b>
<b>~360Mte</b> .....	Aim 2 emissions .....	<b>~235Mte</b>
<b>0</b> .....	Partnerships with cities and industry .....	<b>10-15 city partners</b> <b>3 industry sectors</b>
<b>8.9%</b> .....	ROACE <sup>2</sup> .....	<b>12-14%</b>

(1) Traded electricity may include electricity sourced from the grid  
 (2) ROACE: return on average capital employed as defined in bp's 2019 annual report

...underpinned by a coherent approach to capital allocation



### Clear priorities

1

Resilient dividend

2

Strong balance sheet

3

Investing at scale in the energy transition

4

Investing to maximise value in resilient hydrocarbons

5

Buyback commitment<sup>1</sup>

(1) Buyback commitment: once net debt is reduced to \$35bn and subject to maintaining a strong investment grade credit rating

# Getting to net zero by 2050 or sooner....

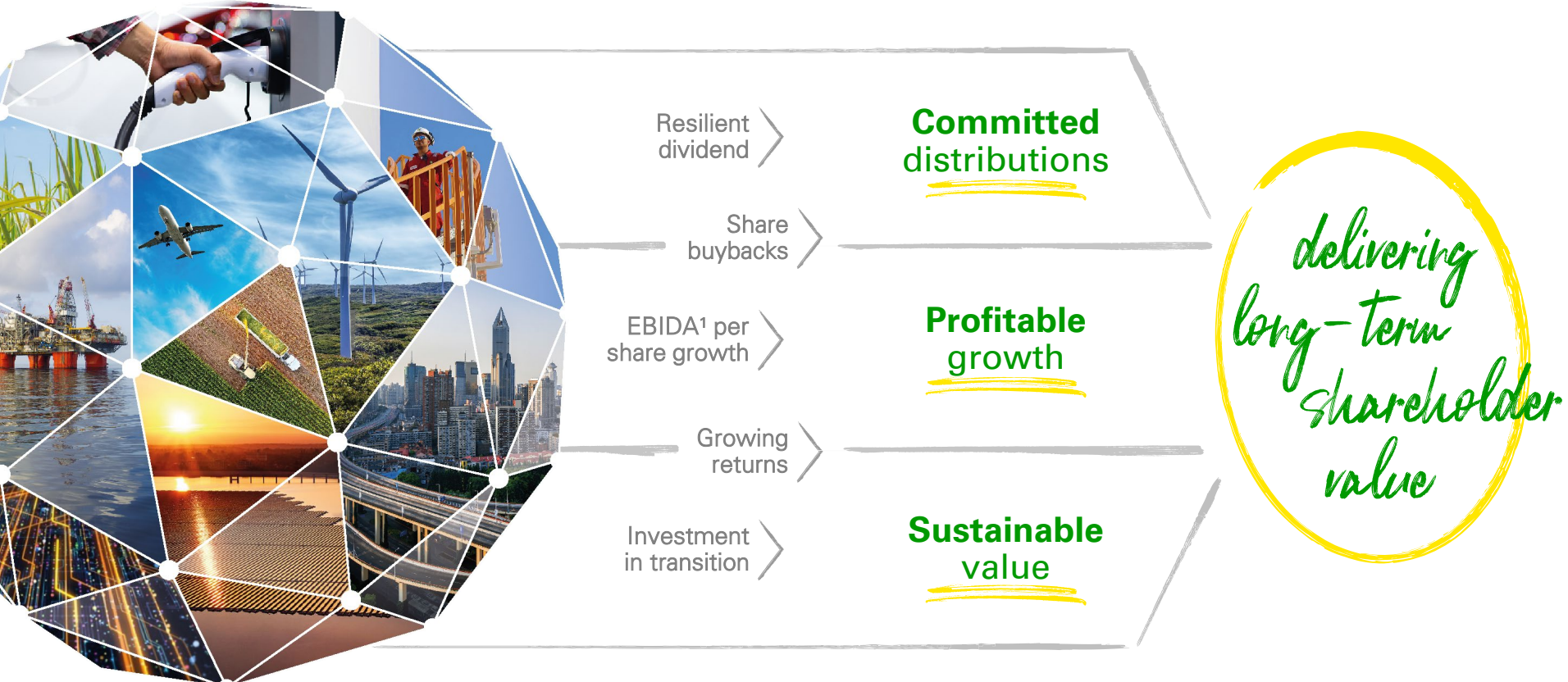
		2025 Targets	2030 Aims	2050, or sooner Aims		
Aim <b>1</b>	<i>Net Zero operations</i>	20%	30-35%	100% <sup>1</sup>	Emissions reductions	
Aim <b>2</b>	<i>Net Zero oil and gas</i>	20%	35-40%	100% <sup>2</sup>		
Aim <b>3</b>	<i>Halving intensity</i>	5%	>15%	50%		
Aim <b>4</b>	<i>Reducing Methane</i>	Measurements in place by 2023	>>	50%	Timeline to achieve 50% reduction to follow	Low carbon spend <sup>3</sup>
Aim <b>5</b>	<i>More \$ for new energies</i>	\$3-4bn	~\$5bn	↑		

(1) Net zero, gross operated (2) Net zero, bp net equity, excludes Rosneft

(3) Includes: low carbon electricity, bio-energy, electrification, future mobility solutions, CCUS, Hydrogen (incl. mobility) & trading (low carbon)



# ...and delivering on our new investor proposition



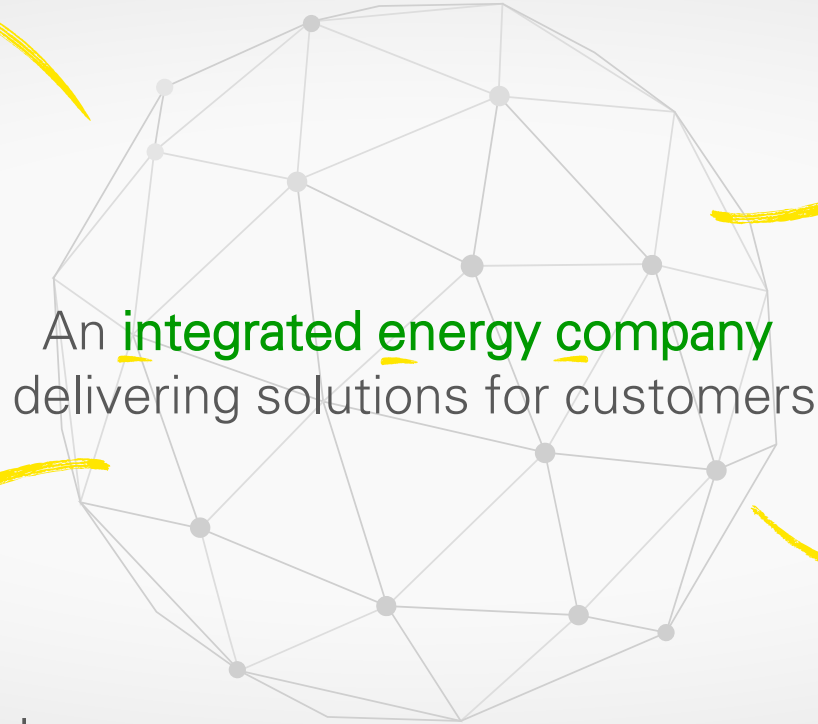
(1) EBIDA: Underlying replacement cost profit before interest and tax, add back depreciation, depletion and amortization and exploration expenditure written-off (net of non-operating items), less taxation on an underlying RC basis

1  
*pivoting*

to low carbon  
energy and  
customer focus

2  
*focusing*

resilient hydrocarbon  
business on **value**



3  
*delivering*

our net zero  
ambition

4  
*creating*

long-term  
value for  
shareholders