

bp CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

bp is an integrated energy business with operations in Europe, North and South America, Australasia, Asia and Africa. We deliver a diverse range of energy products and services to people around the world. Our purpose is reimagining energy for people and our planet: and our ambition is to become a net zero company by 2050 or sooner and help the world get to net zero. This ambition is supported by 10 aims: five to help us become a net zero company, and five to help the world meet net zero. Taken collectively, these set out a path that we believe is consistent with the Paris goals. For further information on our Aims see <http://www.bp.com/aims>.

To help deliver the ambition, in August 2020 we launched our new strategy that we believe will reshape our business within a decade as we pivot from being an international oil company focused on producing resources to an integrated energy company focused on delivering solutions for customers. The strategy is built around three focus areas of activity and three distinctive sources of differentiation, underpinned by a new sustainability frame and advocacy for policies that support net zero.

The focus areas are:

1. **Low carbon electricity and energy:** building scale in renewables and bioenergy, seeking early positions in hydrogen and CCUS, and building out a customer gas portfolio to complement these low carbon energies.
2. **Convenience and mobility:** putting customers at the heart of what bp does, helping accelerate the global revolution in mobility, redefining the experience of convenience retail, and scaling bp's presence and fuel sales in growth markets.
3. **Resilient and focused hydrocarbons:** maintaining an absolute focus on safety and operational reliability, bp intends to drive capital and cost productivity up and emissions down. bp intends to complete the ongoing wave of major projects, decreasing capital intensity, and to continue to high-grade the portfolio, resulting in significantly lower and more competitive production and refining throughput. bp will not seek to explore in countries where it does not already have upstream activities.

The three sources of differentiation to amplify value are:

1. **Integrated energy systems:** along and across value chains, pulling together all bp's capabilities to optimise energy systems and create comprehensive offers for customers.
2. **Partnering with countries, cities, and industries:** as they shape their own paths to net zero.
3. **Digital and innovation:** to enable new ways to engage with customers, create efficiencies, and support new businesses.

Delivering the strategy will see bp become a very different company by 2030. Through this change, bp will continue its commitment to performing as it transforms – maintaining its focus on safety, operational excellence and financial discipline.

As a global group, our interests and activities are held or operated through subsidiaries, branches, joint arrangements or associates established in – and subject to the laws and regulations of – many different jurisdictions. BP p.l.c. and its subsidiaries are separate legal entities. References to “bp”, “bp businesses”, “we”, “our” and similar terms throughout this submission are to BP p.l.c. and its subsidiaries generally, to one or more of them, or to those who work for them.

In responding to some of the questions in this questionnaire we make forward-looking statements that refer to our estimates, plans and expectations. Actual results and outcomes could differ materially due to factors that we note in our UK and SEC filings. Please refer to our Annual Report, Stock Exchange Announcements and SEC filings for more details. These documents are available on our website. Responses other than quantified data are intended to be illustrative rather than comprehensive or selected according to materiality; quantified data drawn from data published elsewhere by bp are subject to any qualifications or clarifications provided there.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2020	December 31, 2020	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Algeria	India	Singapore
Angola	Indonesia	South Africa
Argentina	Iraq	Spain
Australia	Italy	Taiwan, Greater China
Austria	Luxembourg	Thailand
Azerbaijan	Malaysia	Trinidad and Tobago
Belgium	Mauritania	Turkey
Bolivia (Plurinational State of)	Mexico	United Arab Emirates
Brazil	Netherlands	United Kingdom of Great Britain and Northern Ireland
Canada	New Zealand	United States of America
China	Norway	Uruguay
Egypt	Oman	Viet Nam
France	Poland	
Georgia	Russian Federation	
Germany	Saudi Arabia	
	Senegal	

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Other, please specify

For this submission, Scope 1 and 2 emissions are reported on an operational control basis and Scope 3 (Category 11) emissions are reported on a bp equity share basis based on bp's net share of production, excluding bp's share of Rosneft production.

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

Oil and gas value chain

Upstream
Midstream
Downstream
Chemicals

Other divisions

Biofuels
Grid electricity supply from renewables
Carbon capture and storage/utilization

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	<p>We interpret the term 'climate-related issues' to relate primarily to those climate-related risks and opportunities for bp which are relevant to the delivery of long-term shareholder value in the context of the low carbon transition. Understood in this way, at group level we generally approach climate change as something to be considered as a dimension of bp's strategy and planning, rather than being compartmentalised separately from those. As such, the highest level of responsibility rests with the BP p.l.c. Board, whose role is to promote the long-term sustainable success of the company, generating value for its shareholders whilst having regard to its other stakeholders, the impact of its operations on the communities within which it operates and the environment. The company's success is dependent upon effective and entrepreneurial leadership by the board, establishing its purpose, strategy and values and doing so within a framework of prudent and effective controls which enable risks to be assessed and managed. The board has defined its responsibilities and an additional range of matters on which decision-making is reserved to itself – both of which are set out in its terms of reference, available on bp.com/governance.</p> <p>Strategy is a core part of the board's role. Working alongside the CEO and bp leadership team, the board shapes and ultimately sets bp's purpose, strategy and values. The board reviews and assesses the strategy at board meetings as we work towards delivering our targets and aims.</p> <p>The board and its associated committees, including the safety and sustainability, audit, people and governance and remuneration committees, where appropriate, have oversight of climate-related matters, which include climate risks and opportunities.</p> <p>The safety and sustainability committee's remit was extended from the beginning of 2021 to provide oversight of the effectiveness of the implementation of bp's sustainability frame. This includes reviewing that appropriate progress is being made against our net zero, people and planet aims. The committee will continue to cover existing sustainability-related activities, including the oversight of operational sustainability risks.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding risk management policies</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>We interpret the term 'climate-related issues' to relate primarily to those climate-related risks and opportunities for bp which are relevant to the delivery of long-term shareholder value in the context of the low carbon transition. Such risks and opportunities, where sufficiently significant, are among those considered by the BP p.l.c. Board in its periodic review of bp's strategy with members of bp's executive team.</p> <p>The bp board's oversight of climate-related risks and opportunities is described on page 52 of the bp Annual Report and Form 20-F 2020.</p> <p>The role of the board is to promote bp's sustainable success for the benefit of its members, generating value for shareholders while having regard to the interests of our other stakeholders, the impact of our operations on the communities where we operate and the environment.</p> <p>In performing this role, the board is responsible for oversight of the overall conduct of the group's business, which extends to setting our strategy and approach to the energy transition.</p> <p>The board and its associated committees, including the safety and sustainability, audit, people and governance and remuneration committees, where appropriate, have oversight of climate-related matters, which include climate risks and opportunities. They are updated on these matters frequently, a process which is managed by our company secretary's office, which works closely with teams in bp to develop materials that assist the board or committee to discharge its responsibilities, including those related to climate. The new committee structure under the board is described on page 89 of the bp Annual Report and Form 20-F 2020.</p> <p>In 2020 these processes included formal analysis of bp's net zero ambition and aims, briefings with subject matter experts, reviews of regulatory correspondence regarding prior year climate disclosures, virtual site</p>

		<p>visits and the preparation and consideration of corporate reporting documents and AGM materials. During 2020, climate matters were included on the agenda at every board meeting. Agendas are now structured along four distinct pillars: strategy, performance, people and governance.</p> <p>As part of bp's group investment process, described on pages 28-33 of the bp Annual Report and Form 20-F 2020, the board assesses the impact of portfolio changes, such as strategic acquisitions and the allocation of capital. The board reviews capital investments that are more than \$3 billion for resilient hydrocarbons, more than \$1 billion for all transition or low carbon investments and, in addition, any significant inorganic acquisition that is exceptional or unique in nature. As described in our response to question C3.4 and on pages 29-33 of the bp Annual Report and Form 20-F 2020, all material (>\$250M) capex investments are evaluated for consistency with the Paris goals by the executive-level resource commitment meeting (RCM), which is chaired by the chief executive officer.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other, please specify Carbon Steering Committee	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The assessment and management of climate related matters is embedded across bp at various levels and delegated authority flows down from the board, see page 29 of our 2020 Annual Report and Form 20-F.

Climate-related matters were discussed at each of the leadership team meetings in 2020, including the development of bp's net zero ambition and aims ahead of discussion with the board. The leadership team is supported by bp's senior-level leadership and their respective teams, with dedicated business and functional expertise focused on climate-related matters.

This includes our health, safety, environment and carbon, strategy and sustainability and group

policy and economics teams. Alignment between group, business and functional leaders is fostered through cross functional bodies. In 2020 this included the group, upstream and downstream carbon steering committees. The group carbon steering committee, chaired by our vice president of carbon management, was focused on strategy, policy, performance oversight and collaboration relating to carbon management activities across the group. Reporting on these matters to the board flowed up via the bp leadership team as described above. From 1 January 2021, a new executive level governance forum, the group sustainability committee, was stood up to provide internal oversight of bp's progress against the aims and objectives in the sustainability frame, including net zero. This group is chaired by the Executive Vice President strategy & sustainability (EVP S&S) and comprises members of the bp leadership team. The group sustainability committee meets on a quarterly basis to review progress within entities against the sustainability frame and decide on critical strategic positions related to sustainability that present risks or opportunities to delivery. The EVP S&S reports to the main board and committees as required. At the senior management level, a new sustainability forum, chaired by the Senior Vice President (SVP) sustainability was also established from the beginning of 2021 to focus on sustainability plans and progress. The sustainability forum brings together the remits of previously separate committees, including the group carbon steering committee, and escalates matters for discussion at the group sustainability committee as appropriate.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	<p>Since 2019 we have linked our annual cash bonus for eligible employees, including the bp leadership team, to sustainable emissions reductions.</p> <p>Sustainable GHG emissions reductions (SERs) are actions taken by our businesses to improve energy efficiency and reduce methane emissions and flaring – all leading to ongoing, quantifiable GHG reductions. These refer to the GHG emissions on an operational control basis that would have occurred had we not made the change i.e. they could be absolute in nature or underlying.</p> <p>This means a percentage of remuneration for leadership and eligible employees is linked to emissions reductions.</p>

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
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All employees	Monetary reward	Emissions reduction target	<p>Since 2019, progress against sustainable GHG emission reduction (SERs) targets has been used as a factor in determining bonuses for eligible employees*, including executives.</p> <p>In 2020 we delivered 1.0Mte of SERs from reduction projects such as flaring in Angola, reduction in water pump fuel gas usage in Azerbaijan and in lower emissions from power import at our Gelsenkirchen refinery.</p> <p>However, as COVID-19 took its toll around the globe, there were consequences for bp's financial outcomes in 2020. The remuneration committee always seeks to align employee reward with shareholder experience. Thus, despite extraordinary efforts on the part of the organization, we decided that there should be no 2020 pay-out for all those who normally participate in our broadly-applicable annual bonus plan.</p> <p>In 2020 for senior leaders, we increased emphasis on low carbon, moving from 5% to 30% of senior leaders' equity awards linked to low carbon. And for the bp leadership team, 25% of performance-based pay was linked to delivery of our purpose to reimagine energy for people and our planet.</p> <p>The measures for the 2021 annual bonus for eligible employees are aligned to our strategy and net zero ambition, and tied to a balanced scorecard consisting of safety and sustainability, operations and financial measures. This will include a 15% weighting for SERs.</p> <p>* This figure was around 37,000 in February 2020. It is now around 28,600 (as at 10 March 2021) and has been revised in line with restructuring as part of reinvent bp and reflects a lower headcount overall.</p>
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C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	Short term (to 2025): the period to end 2025 is defined by detailed business and financial plans, which are performance managed in delivery of our 2025 targets.
Medium-term	5	10	Medium term (to 2030): looking out 10 years enables us to think beyond the short-term to consider signposts and milestones towards the longer-term scenarios, enabling us to adjust course if required.
Long-term	10	30	Long term (to 2050): recognizing the wide range of uncertainties, we use a scenario planning approach to help us explore possible pathways for the energy transition over the next 30 years, as the world moves towards net zero. This includes consideration of changes in policy, societal preferences, economic growth and technological progress.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

bp defines principal risks as those which, separately or in combination, could have a material adverse effect on the implementation of our strategy, our business, financial performance, results of operations, cash flows, liquidity, prospects, shareholder value and returns and reputation. These risks – including climate change and the transition to a lower carbon economy – are described in the Risk factors on pages 67-70 of our 2020 Annual Report and Form 20-F.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

bp's risk management system, described on page 64-66 of the bp Annual Report and Form-F 2020, is designed to address all types of risks including our principal risks and uncertainties described in Risk factors on pages 67-70. As part of this system our operating businesses, integrators and enablers (see page 36-37) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are to be assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes physical and transition risks:

- Physical risks – risks related to the physical impacts of climate change including event driven risks such as changes in the severity and/or frequency of extreme weather events.
- Transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.

The potential material impacts of such climate related risks are described in Risk factors, see page 67-70 of our 2020 Annual Report and Form 20F.

Risks which may be identified include potential effects on operations at asset level, performance at business level and developments at regional level from potential changes in the severity and/or frequency of extreme weather events or the transition to a lower carbon economy.

As part of our annual planning process, we review the group's principal risks and uncertainties. Climate change and the transition to a lower carbon economy has been identified as a principal risk, see page 68 of our 2020 Annual Report and Form 20-F. This covers various aspects of how risks associated with the energy transition could manifest. Similarly, physical climate-related risks such as extreme weather are covered in our principal risks related to safety and operations. Our processes for identifying, assessing, managing and monitoring climate-related risks are integrated into bp's risk

management policy and the associated risk management procedures. Examples of how physical and transition climate-related risks are identified, assessed and managed:

- In the North Sea and Gulf of Mexico, regions more prone to severe weather conditions, our offshore facilities monitor meteorological and oceanographic conditions through collection of measurements at these facilities. These data are collated and periodically compared against the Basis of Design for the facility. If significant differences are observed, then this may trigger an update to the Basis of Design, prompting action to re-assess risks such as structural integrity and station-keeping and if necessary, implement additional risk mitigations. Updates may also occur as a result of other new knowledge, analysis methods and data.
- Transition risks are typically identified and managed by business, regional or central teams. For example, our strategy & sustainability team has identified risks relating to the failure to properly identify, assess and manage evolving policies across different regions. They work with bp's leadership as well as with both central and regional legal teams, communications & advocacy and external advisors to manage and monitor these risks.

Throughout the year management, the leadership team, the board and relevant committees provide oversight of how significant risks to bp are identified, assessed and managed. They help to ensure that risks are governed by relevant policies and are managed appropriately. Such oversight may include reviews of the outcomes of business processes including strategy, planning and resource and capital allocation.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Laws, regulations, policies, obligations, government actions, social attitudes and customer preferences relating to climate change and the transition to a lower carbon economy, including the pace of change to any of these factors, and also the pace of the transition itself, could have adverse impacts on our business including on our access to and realization of competitive opportunities in any of our strategic focus areas, a decline in demand for, or constraints on our ability to sell certain products, constraints on production and supply and access to new reserves, adverse litigation and regulatory or litigation outcomes, increased costs from compliance and increased provisions for environmental and legal liabilities. bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-</p>

		<p>F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.</p> <p>For example, as described in C2.3a Risk 1, in Europe, direct GHG emissions from bp operations are covered by the EU emissions trading scheme, in which the cost of acquiring allowances in order to comply with the cap and trade regulations could increase due to market considerations and policy interventions as Governments seek to further reduce GHG emissions from the capped sectors. Refiners from outside the EU do not carry these costs, so product exports from bp refineries like Rotterdam and Castellon could be competitively disadvantaged, leading to potential throughput reductions in times of low refinery margins.</p>
Emerging regulation	Relevant, always included	<p>Changes in law or regulation could increase the compliance and litigation risk and costs, reduce our profitability, reduce demand for or constrain our ability to sell certain products, limit our access to new opportunities, require us to divest or write down certain assets or curtail or cease certain operations, or affect the adequacy of our provisions for pensions, tax, decommissioning, environmental and legal liabilities. Changes in laws or regulations could result in the nationalization, expropriation, cancellation, non-renewal or renegotiation of our interests, assets and related rights.</p> <p>bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and which are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.</p> <p>For example, our strategy & sustainability team has identified risks relating to the failure to properly identify, assess and manage evolving policies across different regions. They work with bp's leadership as well as with both central and regional legal teams, communications & advocacy and external advisors to manage and monitor these risks.</p>

Technology	Relevant, always included	<p>Technological change can impact supply and demand and prices for our products and also future price assumptions.</p> <p>bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.</p> <p>Technological improvements or innovations that support the transition to a lower carbon economy, and customer preferences or regulatory incentives that alter fuel or power choices, could impact demand for oil and gas. Depending on the nature and speed of any such changes and our response, these changes could increase costs, reduce our profitability, reduce demand for certain products, limit our access to new opportunities, require us to write down certain assets or curtail or cease certain operations, and affect investor sentiment, our access to capital markets, our competitiveness and financial performance. For example, one such potential risk is that the carrying value of the downstream property, plant and equipment (PP&E) refining assets may no longer be recoverable, due to changes in supply and demand which arise as a consequence of COVID-19, climate change and the energy transition, for example the adoption of electric vehicles in markets where bp has significant fuel refining activity.</p>
Legal	Relevant, always included	<p>Laws, regulations, policies, obligations, government actions, social attitudes and customer preferences relating to climate change and the transition to a lower carbon economy, including the pace of change to any of these factors, and also the pace of the transition itself, could have adverse impacts on our business including adverse litigation and regulatory or litigation outcomes.</p> <p>bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are</p>

		<p>assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.</p> <p>Climate change-related litigation brought against bp, as described in Note 33 to the financial statements in the bp Annual Report and Form 20-F 2020, may lead to an outflow of funds requiring provision. For example, BP p.l.c., BP America Inc. and BP Products North America Inc. are co-defendants with other oil and gas companies in multiple lawsuits brought in various state and federal courts on behalf of various governmental and private parties. The lawsuits generally assert claims under a variety of legal theories seeking to hold the defendant companies responsible for impacts allegedly caused by and/or relating to climate change and seek remedies including payment of money and other forms of equitable relief. If such suits were successful, the cost of the remedies sought in the various cases could be substantial. All of these lawsuits remain at relatively early stages and while it is not possible to predict the outcome of these legal actions, bp believes that it has valid defences, and it intends to defend such actions vigorously.</p>
Market	Relevant, always included	<p>Oil, gas and product prices are subject to international supply and demand and margins can be volatile.</p> <p>bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy, and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.</p> <p>The energy transition is likely to impact the future prices of commodities such as oil and natural gas which in turn may affect the recoverable amount of property, plant and equipment, and goodwill in the oil and gas industry. The bp management's best estimate of oil and natural gas price assumptions for value-in-use impairment testing were revised downwards during 2020 and the period covered extended to 2050. The revised assumptions sit within the range of external forecasts considered by management and are broadly in line with a range of transition paths consistent with the goals of the Paris climate change agreement. Impairments were recognized during 2020 on certain</p>

		<p>Upstream oil and gas properties as a result of the lower price assumptions. See note 4 to the financial statements in the bp Annual Report and Form 20-F 2020 for further information. No material impairments were recognized on Downstream assets. Though the energy transition may impact demand for certain refined products in the future, management anticipates sufficiently robust demand for the remainder of each refinery's useful life. See note 14 to the financial statements in the bp Annual Report and Form 20-F 2020 for further information including sensitivity analysis on the assumptions used to test goodwill for impairment. bp's management will continue to review price assumptions as the energy transition progresses and this may result in impairment charges or reversals in the future.</p>
Reputation	Relevant, always included	<p>Allegations of causing harm to the environment or ethical misconduct or breaches of applicable laws by our businesses or our employees could be damaging to our reputation.</p> <p>bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks. Our risk factors, described on pages 67-70 of the bp Annual Report and Form 20-F 2020, include risks related to social attitudes and customer and investor preferences and sentiment.</p> <p>For example, investor preferences and sentiment are influenced by environmental, social and corporate governance (ESG) considerations including climate change and the transition to a lower carbon economy. Changes in those preferences and sentiment could affect our access to capital markets and our attractiveness to potential investors, potentially resulting in reduced access to financing, increased financing costs and impacts upon our business plans and financial performance.</p>
Acute physical	Relevant, always included	<p>Technical integrity failure, natural disasters, extreme weather or a change in its frequency or severity, human error and other adverse events or conditions, including breach of digital security, could lead to loss of containment of hydrocarbons or other hazardous materials.</p> <p>bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are</p>

		<p>described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization. This includes, where appropriate, acute physical risks – including event-driven risks such as changes in the severity and/or frequency of extreme weather events (e.g. cyclones, hurricanes and floods). For example, in the North Sea and Gulf of Mexico, regions more prone to severe weather conditions, our offshore facilities monitor meteorological and oceanographic conditions through collection of measurements at these facilities. These data are collated and periodically compared against the Basis of Design for the facility. If significant differences are observed, then this may trigger an update to the Basis of Design, prompting action to re-assess risks such as structural integrity and station-keeping and if necessary, implement additional risk mitigations. Updates may also occur as a result of other new knowledge, analysis methods and data.</p>
Chronic physical	Relevant, always included	<p>Technical integrity failure, natural disasters, extreme weather or a change in its frequency or severity, human error and other adverse events or conditions, including breach of digital security, could lead to loss of containment of hydrocarbons or other hazardous materials. bp's risk management system and policy and the associated risk management procedures provide processes for identifying, assessing, managing and monitoring risks, including climate-related risks, and are described in further detail in 'how we manage risk' on pages 64-66 of the bp Annual Report and Form 20-F 2020.</p> <p>As part of this system our operating businesses, integrators and enablers (described on page 36 of the bp Annual Report and Form 20-F 2020) are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with bp's risk management policy and this includes an impact and likelihood assessment which supports relative prioritization.</p>

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Company-specific description

We support the extensive use of carbon pricing as a key tool to help the world meet the Paris climate goals, however it could present a risk to businesses whose GHG emissions would be subject to such a scheme, and this risk could be substantive, particularly if there are significant regional differences in carbon prices creating imbalances between operators in different jurisdictions. Governments are already putting in place taxes, carbon trading schemes and other measures to limit greenhouse gas (GHG) emissions. For example, in Europe, direct GHG emissions from bp operations are covered by the EU emissions trading scheme, in which the cost of acquiring allowances in order to comply with the cap and trade regulations could increase due to market considerations and policy interventions as Governments seek to further reduce GHG emissions from the capped sectors.

The price of European Union Allowances (EUAs) is expected to rise in the next decade. bp's estimation is that prices could be EUR€30 per EUA by 2030. Refiners from outside the EU do not carry these costs, so fuel imports are advantaged and will increase competitive pressure on EU refiners, potentially accelerating the refinery rationalisation process in Europe. Product exports from bp refineries like Rotterdam and Castellon could be competitively disadvantaged, leading to potential throughput reductions in times of low refinery margins.

The risks provided here in response to question C2.3a are intended as examples of the types of climate-related risks identified through bp's processes, described in our response to question C2.2, and how they are managed. As such, our response to this question does not seek to provide a comprehensive listing of all climate-related risks bp has identified, or to present bp's most significant climate-related risks (refer to our risk factors described on pages 67-70 of the bp Annual Report and Form 20-F 2020 for further information).

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

100,000,000

Potential financial impact figure – maximum (currency)

1,000,000,000

Explanation of financial impact figure

The potential financial impact is based on estimated cumulative EUA (certificates) cost for 2021-2030 for bp's refineries across Europe.

Cost of response to risk

50,000

Description of response and explanation of cost calculation

Through our Aim 1 to be net zero across our entire operations on an absolute basis by 2050 or sooner, we continue to make progress on reducing operational emissions through implementing energy efficiency measures, reducing flaring and managing methane. Aim 1 covers our Scope 1 (from running the assets within our operational control boundary) and Scope 2 (associated with producing the electricity, heating and cooling that is bought in to run those operations) GHG emissions on an operational control boundary.

Relevant bp businesses manage the cost of any residual obligation (price risk) after any engineering or operational emission reduction activities that they have undertaken, through the use of our Low Carbon Trading team within our Trading and Shipping organisation. This team sources the allowances and other carbon credits from global markets. It is difficult to provide an accurate management cost to this activity as resources are utilized across a number of teams and spread across multiple activities (commercial, environment, business). However, by way of example the external verification cost for the EU ETS is ~ \$50,000 per annum (this varies with the number of sites in scope).

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Market

Changing customer behavior

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

We support the decarbonisation of transport, including by means of electrification, and are participating in the business opportunities it presents. However, we recognise that the growth in electric vehicles in the medium and long-term, driven both by regulation and pricing (e.g. bp's technology outlook estimates that a middle sized electric vehicle and a gasoline vehicle could be at nearly the same price level by 2024), may result in a decline in diesel and gasoline volume demand, particularly in urban areas.

For example, the bp 2020 Energy Outlook estimates that under a 'Rapid Transition' scenario electric vehicles account for around 30% of four-wheeled vehicle kilometres (VKM) travelled on roads in 2035 and between 70-80% in 2050, compared with less than 1% in 2018. The corresponding shares in BAU are a little over 10% in 2035 and around 30% in 2050.

This has the potential to impact on retail site profitability and loss of revenues from the fuel value chain.

We also see significant potential opportunities in convenience and mobility – hence it is one of the focus areas of our strategy. By putting customers at the heart of what bp does, helping accelerate the global revolution in mobility, redefining the experience of convenience retail, and scaling bp's presence and fuel sales in growth markets, we intend to transform our mobility and convenience offers. This is described in more detail in C2.4a Opportunity 2.

The risks provided here in response to question C2.3a are intended as examples of the types of climate-related risks identified through bp's processes, described in our response to question C2.2, and how they are managed. As such, our response to this question does not seek to provide a comprehensive listing of all climate-related risks bp has identified, or to present bp's most significant climate-related risks (refer to our risk factors described on pages 67-70 of the bp Annual Report and Form 20-F 2020 for further information).

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

100,000,000

Potential financial impact figure – maximum (currency)

1,000,000,000

Explanation of financial impact figure

The potential financial impact is difficult to quantify, as impacts to retail sites are unlikely to be equally distributed and lower demand is likely to drive network rationalisation which may mitigate some potential losses. The figures presented here represent an approximate range of potential cumulative impact to bp's Europe & Southern Africa (ESA) fuels business over the medium to long-term, without mitigation.

However, we do also see significant potential opportunities in convenience and mobility – hence it is one of the focus areas of our strategy. This is described in more detail in C2.4a Opportunity 2.

Cost of response to risk

Description of response and explanation of cost calculation

The potential cost of responding to this risk is difficult to quantify as will include a combination of network rationalisation, convenience and mobility offer changes and EV charging network rollout - which all form a part of bp's strategy announced in 2020. By 2030 bp aims to have increased global customer interactions from 10 million to 20 million a day, and to increase electric vehicle charging points from 7,500 to over 70,000.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Other, please specify

Extreme weather events – wave impact

Primary potential financial impact

Decreased asset value or asset useful life leading to write-offs, asset impairment or early retirement of existing assets

Company-specific description

Extreme weather, or a change in its frequency or severity, could lead to loss of containment of hydrocarbons or other hazardous materials.

Such events or conditions could lead to injuries, loss of life or environmental damage.

As a result, we could face regulatory action and legal liability, including penalties and remediation obligations, increased costs and potentially denial of our licence to operate.

Our activities are sometimes conducted in hazardous, remote or environmentally sensitive locations, where the consequences of such events or conditions could be greater than in other locations.

For example, a very low probability (e.g. lower than 1 in 10,000-year probability) wave impact on a fixed offshore platform could result in a loss of structural integrity.

The impact of climate-change on wave height in the future is uncertain, which affects the future risk profile over the lifetime of an offshore asset.

The risks provided here in response to question C2.3a are intended as examples of the types of climate-related risks identified through bp's processes, described in our response to question C2.2, and how they are managed. As such, our response to this question does not seek to provide a comprehensive listing of all climate-related risks bp has identified, or to present bp's most significant climate-related risks (refer to our risk factors described on pages 67-70 of the bp Annual Report and Form 20-F 2020 for further information).

Time horizon

Long-term

Likelihood

Very unlikely

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Due to the uncertainty associated with the impact of climate change on wave height in the future, it is difficult to quantify the potential financial impact figure associated with climate change impacts on this risk.

Cost of response to risk

500,000

Description of response and explanation of cost calculation

In the North Sea and Gulf of Mexico, regions more prone to severe weather conditions, our offshore facilities monitor meteorological and oceanographic conditions through collection of measurements at these facilities. These data are collated and periodically compared against the Basis of Design for the facility. If significant differences are observed, then this may trigger an update to the Basis of Design, prompting action to re-assess risks such as structural integrity and station-keeping and if necessary, implement additional risk mitigations (for example de-manning protocols). Updates may also occur as a result of other new knowledge, analysis methods and data.

The typical cost of conducting such measurements / updates to the Basis of Design, over a 5-year period, is approximately \$500,000 per asset and is the basis for the cost of response to risk provided here.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Our strategy is built around three focus areas of activity – the first of which is low carbon electricity and energy. We intend to build scale in renewables and bioenergy, seek early positions in hydrogen and CCUS, and we will build out our customer gas portfolio to complement these low carbon energies.

- Renewables: we intend to build material renewable energy businesses by developing 20 gigawatts by 2025 and 50 gigawatts by the end of the decade. By leveraging our trading and customer facing capabilities, we aim to deliver 350 terrawatt hours of traded electricity by 2025 and 500 terrawatt hours by 2030.
- Bioenergy: We aim to grow our bioenergy businesses and deliver low carbon solutions for customers in aviation, marine and heavy-duty transportation. We plan to scale our bp Bunge joint venture and grow our biogas and sustainable aviation fuel (SAF) businesses. We intend to double our bioenergy production in the next five years and to further double it in the following five years to the end of the decade
- Hydrogen and CCUS: we aim to create a distinctive position, with a 10% hydrogen share in core markets by 2030.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

In August 2020, we set out our new financial frame, described on page 22 of the bp Annual Report and Form 20-F 2020. We plan to allocate sufficient capital to advance our energy transition strategy. Overall, bp transition and low carbon capital expenditure in 2020 was around 20% of the capital mix, and by 2030 we expect it to be as much as 50% of our capital expenditure, of which a significant majority will be low carbon. For renewable power, we look for returns of at least 8% to 10% levered. However, we are not able to provide an absolute financial impact from the planned growth in our low carbon electricity and energy business.

Cost to realize opportunity

5,000,000,000

Strategy to realize opportunity and explanation of cost calculation

By 2030, bp aims for investment in low carbon electricity and energy to have increased from around \$500 million to around \$5 billion a year – this aim provides the basis for the 'cost to realize opportunity' provided here. In this context low carbon electricity and

energy refers to low carbon (renewable) electricity; bio-energy; electrification; future mobility solutions; carbon capture, use and storage (CCUS); “blue” or “green” hydrogen; and trading in low carbon products.

Examples of progress in developing low carbon electricity and energy businesses to-date include:

- Wind: In January 2021 we completed formation of a strategic US offshore wind partnership with Equinor to pursue offshore opportunities in the US, including the purchase of 50% in the Empire Wind and Beacon Wind projects. The partnership is expected to develop up to 4.4GW of offshore wind power across four projects.
- Solar: Lightsource bp, in which we hold a 50% interest, is a leader in the development and management of solar energy projects. The business has maintained its growth throughout 2020, developing 1.4GW gross to FID in the year. In 2020 it also grew its strong project pipeline by about 6GW bringing it to around 17GW gross and is investing in leading-edge technology to meet its customers’ needs.
- Bioenergy and biofuels: Our bioenergy joint venture (JV) in Brazil, bp Bunge Bioenergia, has continued its integration processes throughout 2020, despite the impact of the COVID-19 pandemic. The JV in 2020 had an annual crushing capacity of 28 million tonnes and exported 1,232 GWh to the Brazilian grid.
- Hydrogen and CCUS: in the UK bp is playing a lead role in the Net Zero Teesside (NZT) and Northern Endurance Partnership (NEP) projects. These projects aim to deliver the UK’s first gas-fired power station with CCUS, and decarbonize a range of carbon-intensive businesses across Teesside, creating what would be the UK’s first net zero industrial cluster. In 2020 we signed a Letter of Intent with Ørsted at Lingen refinery to explore the potential of building a green hydrogen facility.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

Mobility and retail convenience are changing, at a different pace across different regions. We believe we are well placed to help accelerate the global revolution in mobility and redefine the convenience retail experience.

As part of our strategy, we intend to focus on convenience because the opportunity is set to double in the world's leading economies over the next decade, we have a track record of highly attractive returns and we have the skills and scale to deliver. By 2030, we see 50% of our retail gross margin coming from convenience and electrification activities.

We see opportunities for growth in three areas.

- First - advancing growth markets. We plan to scale-up our differentiated offers in growth markets, and over time, we aim to help shape these markets to lean into the transition to low carbon mobility
- Second - we aim to redefine convenience in key focus markets to offer customers what they need, where and when they need it
- Third we plan to scale-up next generation mobility solutions, including electrification, sustainable fuels and hydrogen.

For example, by 2030 we aim to have increased our network of electric vehicle charging points from 7,500 to over 70,000.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

In August 2020, we set out our new financial frame, described on page 22 of the bp Annual Report and Form 20-F 2020.

In 2020, we grew our network to more than 10,000 bp and joint venture operated EV charging points. This included rolling out ultra-fast chargers at retail sites and dedicated EV charging hubs in the UK and Germany, and the continued expansion of our electrification joint venture with DiDi in China.

We see capital allocation to convenience and mobility doubling from 2019 to 2030, and our ambition is to grow our network of charging points to more than 70,000 by 2030.

However, we are not able to provide an absolute financial impact from the planned growth in our EV charging network.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

We are working hard to bring electrification to our customers – individual drivers and fleet operators – and are investing in new forms of infrastructure and technology such as ultra-fast charging. Our ambition is to grow our network of charging points to more than 70,000 by 2030.

We believe ultra-fast charging infrastructure (>150kW) is critical to overcoming some of the key barriers to consumer acceptance and mass deployment of EVs such as concerns about battery range and convenient access to charge points, especially for those without access at home.

We plan to create a charging network that offers customers convenient charging solutions where they need it – at home, at workplaces, at destinations and public charging including ultra-fast charging. Customer needs will differ by region; for example, in the UK 40% of charging is likely to occur at home in 2030, whereas in China only 15% of charging is likely to occur at home.

Reliability and most effective price setting capability will deliver leading utilisation rates, which enables robust returns. Together, these factors will create an advantaged network in electrification – similar to how we have created advantaged network in retail business over many decades.

We are already in action to serve that demand, with bp pulse in the UK and bp DiDi JV in China. In Germany, we have plans to roll-out 350 kilowatt ultra-fast chargers, which will allow customers up to 220 miles driving range with just 10 minutes of charging.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

One of our core beliefs on the energy transition, described on page 14 of the bp Annual Report and Form 20-F 2020, is that digital will continue to transform our lives – creating opportunities to drive innovation, unlock value and engage new customers and markets. As part of our strategy, we are innovating new low carbon and digital

businesses through bp Ventures and Launchpad, investing around \$100 million per year in both our existing portfolio and new companies.

An example is Onyx Insight which provides predictive maintenance for wind turbines. Onyx reduces the levelized cost of energy produced in the wind sector using predictive analytics. In 2020, Onyx helped increase its customers' wind capacity and efficiency by more than 225 gigawatt hours, reducing CO2 emissions by around 100,000 tonnes, based on grid-average carbon intensity in the relevant locations.

By the end of 2020, we had 38 bp ventures and Launchpad businesses in total. In combination, we expect the Launchpad and Ventures portfolio to return net cash to bp from 2025 onwards.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

We are investing around \$100 million per year in both our existing portfolio and new companies, focused largely on digital and low carbon. At the end of 2019 bp ventures had invested around \$650 million of which about 75% was in new energy businesses including advanced mobility, bio and low carbon products, carbon management, digital transformation and power and storage.

Due to the uncertainties in predicting the precise performance of the companies we invest in; we are not able to disclose the absolute financial impact we expect from our Ventures and Launchpad portfolio. We do forecast however this to return net cash to bp from 2025 onwards.

Cost to realize opportunity

100,000,000

Strategy to realize opportunity and explanation of cost calculation

We are investing around \$100 million per year in both our existing portfolio and new companies, focused largely on digital and low carbon. This amount provides the basis for the 'cost to realize opportunity' provided here. Our aspiration is to create around 10

more, new digital businesses in the Launchpad by end 2022 – focused in intelligent sensing and intelligent commodities – each with a billion-dollar potential.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
No, and we do not intend it to become a scheduled resolution item within the next two years	At bp's 2019 AGM, over 99% of bp shareholders voted in favour of a special resolution ('the resolution') proposed by investor group Climate Action 100+ and supported by the BP p.l.c. Board. The resolution and our on-going engagement with Climate Action 100+ have helped shape the new purpose, ambition and aims that now guide our approach. We enjoy constructive on-going engagement with Climate Action 100+, its participating investors and other investor groups, particularly as we put in place Aim 9: to be recognised as an industry leader for the transparency of our reporting. In addition, we agreed with representatives of the Climate Action 100+ initiative to revisit the resolution every three to five years, to allow the company and its shareholders to take account of the experience gained and changes in circumstances. We believe this provides the right balance between having a stable framework against which to deliver and recognizing that the world is changing. At the time of submission to CDP (July 2021) no decisions have been made about plans for our next AGM in 2022 or the year after.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
Other, please specify bp Energy Outlook scenarios	<p>We have been using scenarios at bp to inform strategy, manage risk and improve decision making for many years. The scenarios we used to inform our new ambition and strategy were based on a collaborative approach between our economists, strategists and our senior management team.</p> <p>The scenarios described in the bp Energy Outlook 2020 helped inform bp's strategy process, alongside a wide range of other analyses and information. The Energy Outlook considers three main scenarios that explore the possible pathways the energy transition may take over the next 30 years to 2050:</p> <ul style="list-style-type: none"> • Rapid: One of many possible scenarios that can be considered 'consistent with Paris'; emissions from energy use fall by around 70% by 2050, broadly in the middle of the range of 'well below 2-degree' scenarios contained in the 2019 IPCC Report. • Net Zero: In which global energy systems emissions fall by 95% by 2050 versus 2018, within the range of IPCC 'below 1.5-degree' scenarios. Changes in societal actions and behaviours are a key driver in this scenario. • Business-as-usual: A continuation of recent trends without major change in the pace or direction of policy tightening; this scenario is not 'consistent with Paris' and results in a reduction in global energy greenhouse gas emissions of only 10% by 2050 versus 2018. <p>The results of our scenario analysis show three features are common across our Energy Outlook scenarios and they form a set of three core beliefs as to how energy demand is likely to change over the next three decades:</p> <ul style="list-style-type: none"> • The world will electrify, with renewables a clear winner. • Customers will redefine convenience and mobility, driven by electrification, digital and fleets. • Oil and gas challenged but will remain part of the energy mix for decades. <p>These core beliefs underpin the strategy we announced in August 2020, which focuses on three areas of activity: low carbon electricity and energy, convenience and mobility, and resilient and focused hydrocarbons. Our strategy is supported by clear business plans, and underpinned by specific short, medium and long-term targets and aims for 2025, 2030 and 2050 or sooner (see the bp Annual Report and Form 20-F for further details of these). In August 2020 we set out a new financial frame to support a fundamental shift in how bp allocates capital, towards low carbon and other energy transition activities. Our strategy is designed to be resilient across the bp Energy Outlook 2020 scenarios, including those that are Paris consistent, but is weighted towards a rapid transition.</p> <p>As we developed the strategy, the scenarios were reviewed and refined to confirm that they remained relevant, for example, they were completely refreshed to account for the possible implications of COVID-19, and they</p>

	remained challenging for example, by including a scenario in which global emissions from energy reach near zero by 2050. The aim of the scenarios is to aid our understanding of how the pace and nature of the energy transition may affect the global energy system and so help our strategy be robust and resilient to the range of uncertainty we face. Given that, we believe that it is neither useful nor sensible to try to identify one scenario as being more or less likely than another.
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C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>The transition to a lower carbon economy presents both risks and significant business opportunities for bp. Climate-related physical and transition risks are managed and reported as part of our group-wide risk management process described on pages 64-66 of our 2020 Annual Report and Form 20-F. Climate-related risks and opportunities associated with the energy transition were taken into consideration alongside other inputs in developing our new ambition, aims and strategy. Our strategy is built around three focus areas of activity and three distinctive sources of differentiation, underpinned by a new sustainability frame and advocacy for policies that support net zero.</p> <p>The focus areas are:</p> <ul style="list-style-type: none"> • Low carbon electricity and energy: building scale in renewables and bioenergy, seeking early positions in hydrogen and CCUS, and building out a customer gas portfolio to complement these low carbon energies. In 2020 we signed a Letter of Intent with Ørsted at Lingen refinery to explore the potential of building a green hydrogen facility and in 2020 we announced a feasibility study in Australia with ARENA (Australian Renewable Energy Agency) to explore the use of solar energy to power the production of green hydrogen, which in turn could be used to create green ammonia for a clean energy carrier, targeted at domestic and export markets. • Convenience and mobility: putting customers at the heart of what bp does, helping accelerate the global revolution in mobility, redefining the experience of convenience retail,

		<p>and scaling bp's presence and fuel sales in growth markets. In 2020, we grew our electric vehicle charging network to more than 10,000 bp and joint venture operated EV charging points. This included rolling out ultra-fast chargers at retail sites and dedicated EV charging hubs in the UK and Germany, and the continued expansion of our electrification joint venture with DiDi in China.</p> <ul style="list-style-type: none"> • Resilient and focused hydrocarbons: maintaining an absolute focus on safety and operational reliability, bp intends to drive capital and cost productivity up and emissions down. bp intends to complete the ongoing wave of major projects, decreasing capital intensity, and to continue to high-grade the portfolio, resulting in significantly lower and more competitive production and refining throughput. bp will not explore in countries where it does not already have upstream activities.
Supply chain and/or value chain	Yes	<p>We recognize the importance of working together with the suppliers in our global supply chain towards a long-term, sustainable and successful future for us all.</p> <p>Our sustainability frame takes an integrated approach while focusing on the areas where we believe we can make the most difference. Alongside our net zero ambition and aims, we have also set out five aims to help improve people's lives and five aims to care for our planet. Aim 20 is developing a more sustainable supply chain, which we see involving working with our key suppliers to embed sustainable practices, focusing on reducing greenhouse gas emissions and increasing the circularity of what we buy.</p> <p>In 2020, we initiated collaborative sessions with key suppliers to identify opportunities to jointly improve sustainability. We plan to advance these ideas further in 2021 and establish a mechanism for our suppliers to provide ideas on reducing our combined environmental footprint.</p>
Investment in R&D	Yes	<p>Activities in which bp's science and engineering capabilities are engaged include supporting delivery of scalable new technologies that can reduce carbon emissions both in bp's operations and across the lifecycle of our energy products, and in line with bp's Aims.</p> <p>We expect bp's research and development spend of around \$350 million per year to be increasingly oriented towards reducing carbon. Examples of this include:</p> <ul style="list-style-type: none"> • Modifying our refineries to run tallow and vegetable oils, thereby lowering the carbon emissions of products, and combining these with Active technologies in our Ultimate fuels to improve engine performance

		<ul style="list-style-type: none"> • Co-engineering lubricants and coolants designed for wind turbines, hybrid and electric vehicle drives and battery systems • Developing conversion and carbon capture technologies which can drive down the cost of decarbonising fossil fuels, as well as reducing the cost of electrolysis to make green hydrogen competitive • Trialling and deploying a range of local, low and high-altitude sensors to detect and measure methane emissions, and then identifying the best ways of mitigating these <p>We are innovating new low carbon and digital businesses through bp Ventures and Launchpad. In 2020 we acquired a controlling interest in Finite Carbon, the leading provider of forest carbon credits in the US.</p>
Operations	Yes	<p>Through our production & operations business, we aim to produce the affordable hydrocarbon energy and products the world needs, and generate cash to fund our operations and our transformation to an Integrated Energy Company. We aim to create value in production & operations through:</p> <ul style="list-style-type: none"> • Always putting safety first. Aiming to eliminate life-changing injuries and the most serious process safety events. • Reducing emissions, aligned with our aims, while delivering the energy the world needs. • Transforming operations and improving efficiency. • Maintaining a resilient portfolio through investment efficiency and high grading. • Flexibly deploying talent to our most valuable opportunities and to solve our biggest issues. <p>Physical risks – risks related to the physical impacts of climate change including event-driven risks such as changes in the severity and/or frequency of extreme weather events – have the potential to impact on our operations. For example, in the North Sea and Gulf of Mexico, regions more prone to severe weather conditions, our offshore facilities monitor meteorological and oceanographic conditions through collection of measurements at these facilities. These data are collated and periodically compared against the Basis of Design for the facility. If significant differences are observed, then this may trigger an update to the Basis of Design, prompting action to re-assess risks such as structural integrity and station-keeping and if necessary, implement additional risk mitigations. Updates may also occur as a result of other new knowledge, analysis methods and data.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

Financial planning elements that have been influenced	Description of influence
Capital allocation	<p>Our investment process is outlined on pages 28-33 of our 2020 Annual Report and Form 20-F.</p> <p>All investments are evaluated against our long-term price assumptions across a range of alternative prices (central, upper and lower) for oil, natural gas and refining margins. In addition, all investment cases above defined thresholds for anticipated annual greenhouse gas (GHG) emissions from operations must estimate those anticipated GHG emissions and include an associated carbon price into the investment economics. All price assumptions place some weight on scenarios in which the transition to a low carbon energy system is sufficiently rapid to meet the goals of the Paris Agreement, as well as scenarios in which the transition is not, or may not be, sufficiently rapid. They also place some weight on a range of other factors, which can drive prices, and are not related to the goals of the Paris Agreement. These price ranges do not link to specific scenarios or outcomes, but instead try to capture the range of different possibilities surrounding the future path of the global energy system. The nature of the uncertainty means that these price ranges inevitably reflect considerable judgement. The ranges are reviewed and updated on an annual basis as our understanding and judgement about the energy transition evolves. In addition to consideration of a range of price assumptions, investment cases are asked to present scenarios covering a range of variables, related to the economics of the investment, such as cost, resource, policy changes and schedule, to highlight the robustness of investment cases to a range of other factors.</p> <p>In 2019 the board recommended that shareholders support a special resolution requisitioned by Climate Action 100+ (CA100+) on climate change disclosures (see pages 341-342 of our 2020 Annual Report and Form 20-F). The CA100+ resolution requires bp to disclose, amongst other things, how we evaluate the consistency of new material capex investments with (i) the Paris goals and (ii) a range of other outcomes relevant to bp's strategy. bp's evaluation of consistency of such investments with the Paris goals was undertaken by the resource commitment meeting (RCM) for new material capex investments sanctioned in 2020, see page 31 of our 2020 Annual Report and Form 20-F. bp's evaluation of an investment's consistency with 'a range of other relevant outcomes' is achieved by considering its merits against bp's balanced investment criteria as described on page 30 of our 2020 Annual Report and Form 20-F.</p> <p>When evaluating the consistency of our 2020 new material capex investments with the Paris goals, a focus of the evaluation criteria was on their</p>

	<p>competitiveness and financial robustness as the prices of different forms of energy and products adjust in response to the changing market environment. For new material capex investment decisions taken from September 2020, the evaluation used our revised central price assumptions of around \$55/bbl for Brent and \$2.90 per mmBtu for Henry Hub gas (2020 \$ real), from 2021-2050. It also used our revised central carbon price assumptions, applied to the anticipated operational greenhouse gas emissions associated with the investment, for the period to 2050. These now include a price of \$100/teCO₂ in 2030 (2020 \$ real), see page 28 of our 2020 Annual Report and Form 20-F. Our RCM evaluates consistency with the Paris goals by considering them against a balanced set of investment criteria, see page 30 of our 2020 Annual Report and Form 20-F. For each of the investment criteria, a qualitative explanation of each business case was considered and presented to the RCM or relevant investment committee, as per the description on page 29 of our 2020 Annual Report and Form 20-F. Our new material capex investments are intended to support the delivery of bp's strategy. In-scope investments are defined as: New: investment in a new project or extension of an existing project/asset, or share of an entity that is new to bp or a substantial increase in bp's share. Material: more than \$250 million capital investment. Capital expenditure: includes organic and inorganic.</p> <p>In 2020 three new material capex investment decisions qualified for evaluation of Paris consistency, using our materiality threshold of \$250 million. These were:</p> <ul style="list-style-type: none"> • Herschel development: a three-well tie-in to the existing Na Kika infrastructure in the US Gulf of Mexico. • Shafag-Asiman exploration well: a gas exploration well in the Shafag-Asiman field in Azerbaijan. • US offshore wind acquisition: our entry into the US offshore wind market through a strategic partnership with Equinor to develop four assets in existing wind leases. <p>Each of the new material capex investments approved in 2020 met the evaluation guides, applicable to the type of investment at the time that the investment decision was made. Each of these investments was evaluated to be consistent with the Paris goals.</p>
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C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

To reinvent bp and deliver our strategy, we must operate within a resilient financial frame, that combines a strong balance sheet with cash flow generation to support higher investment into transition businesses and compelling shareholder distributions.

Our new financial frame aims to provide a stable foundation for bp, strengthening our balance sheet, and providing a clear approach to capital allocation. And through our disciplined approach to investment, we expect to create the opportunity to significantly increase our investment in low carbon activities in this decade, while also operating a high-quality base business.

We plan to allocate sufficient capital to advance our energy transition strategy, with this allocation intended to rise having met our \$35 billion net debt target during the first quarter 2021. We have a range of sector-specific internal rate of return hurdles for transition and low carbon investments between 10% and 15%. For renewable power, we look for returns of at least 8% to 10% levered. All of this is then optimized to make sure we are considering a sufficiently broad range of economic, strategic and sustainability criteria in the context of risk and enduring sources of competitive advantage.

As part of our net zero ambition (see page 49 of our Annual Report and Form 20-F 2020), we aim to increase the proportion of investment we make into our non-oil and gas businesses. We plan to increase investment in low carbon from around \$750 million in 2020 to \$3-4 billion by 2025 and to around \$5 billion a year in 2030.

Our 2020 capital expenditure against our aim 5 non-oil and gas activities of around \$750 million included a partial acquisition payment for the US offshore wind partnership with Equinor (see page 21 of our Annual Report and Form 20-F 2020), our investments in electrification and advanced mobility, and investment into activities through bp ventures and Launchpad. In 2020 Lightsource bp progressed multiple solar projects, including developments in Texas, Indiana, Colorado and Spain. bp Bunge now has capacity for 1.8 billion litres of ethanol production a year and is able to export over 1,200GWh of electricity to the national grid in Brazil. Capital expenditure for convenience and mobility grew to \$2.2 billion in 2020, weighted towards growth and with a focus on new retail sites, differentiated fuels and lubricants and next-gen mobility. We formed a joint venture with Reliance in India and plan to scale up to 5,500 retail sites by 2025, see page 25 of the bp Annual Report and Form 20-F 2020. We made significant progress towards our 2030 aim of more than 70,000 electric vehicle charge points through the DiDi joint venture in China, investment in ultra-fast electric vehicle charging points in Germany, and bp pulse – the UK's largest public charging network. Overall, bp transition and low carbon capital expenditure in 2020 was around 20% of the capital mix, and by 2030 we expect it to be as much as 50% of our capital expenditure, of which a significant majority will be low carbon.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based)

Base year

2019

Covered emissions in base year (metric tons CO₂e)

54,400,000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

20

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

43,520,000

Covered emissions in reporting year (metric tons CO₂e)

45,500,000

% of target achieved [auto-calculated]

81.8014705882

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Other, please specify

Paris goals to limit global warming to well below 2, preferably to 1.5 degrees Celsius

Please explain (including target coverage)

In February 2020 we announced our ambition to become a net zero company by 2050 or sooner, and help the world get to net zero. Our ambition is supported by 10 aims - Aim 1 is to be net zero across our entire operations on an absolute basis by 2050 or sooner. This aim relates to Scope 1 and 2 GHG emissions. In August 2020 we announced a target of 20% reduction in Aim 1 emissions by 2025, and a 2030 aim of 30-35% reduction.

As a science-informed organisation we interpret “science-based targets” to mean absolute emissions and/or intensity-based GHG emissions reduction targets/aims that are designed to drive delivery of an organisation’s Paris-consistent strategy. As described on page 26 of the bp Annual Report and Form 20-F 2020, we believe that our strategy is Paris consistent because it is informed by Paris consistent energy transition scenarios (including the 2020 bp Energy Outlook Rapid and Net Zero scenarios, which are comparable with a range of Paris consistent scenarios included in the IPCC database of mitigation pathways); it enables us to make a positive contribution to the world meeting the Paris goals and is designed to deliver value, while advancing bp towards meeting our net zero ambition; and is flexible enough to manage the inherent uncertainty in the range of potential global pathways, including those that can achieve the Paris goals. As a result, our board considers our strategy to be consistent with the Paris goals– and since the targets referred to in answer to this question are designed to drive delivery of this strategy, we consider each of them to be “science-based” as explained above.

Target reference number

Abs 2

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 3: Use of sold products

Base year

2019

Covered emissions in base year (metric tons CO₂e)

360,600,000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2025

Targeted reduction from base year (%)

20

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

288,480,000

Covered emissions in reporting year (metric tons CO₂e)

327,600,000

% of target achieved [auto-calculated]

45.7570715474

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Other, please specify

Paris goals to limit global warming to well below 2, preferably to 1.5 degrees Celsius

Please explain (including target coverage)

In February 2020 we announced our ambition to become a net zero company by 2050 or sooner, and help the world get to net zero. Our ambition is supported by 10 aims - Aim 2 is to be net zero on an absolute basis across the carbon in our upstream oil and gas production by 2050 or sooner. This Aim covers the estimated CO₂ emissions from the combustion of upstream production of crude oil, natural gas and natural gas liquids (NGLs) on a bp equity share basis based on bp's net share of production, excluding bp's share of Rosneft production and assuming that all produced volumes undergo full stoichiometric combustion to CO₂. Emissions are broadly equivalent to the GHG Protocol, Scope 3, category 11, with the specific scope of upstream production volumes. In August 2020 we announced a target of 20% reduction in Aim 2 emissions by 2025, and a 2030 aim of 35-40% reduction.

As a science-informed organisation we interpret "science-based targets" to mean

absolute emissions and/or intensity-based GHG emissions reduction targets/aims that are designed to drive delivery of an organisation's Paris-consistent strategy. As described on page 26 of the bp Annual Report and Form 20-F 2020, we believe that our strategy is Paris consistent because it is informed by Paris consistent energy transition scenarios (including the 2020 bp Energy Outlook Rapid and Net Zero scenarios, which are comparable with a range of Paris consistent scenarios included in the IPCC database of mitigation pathways); it enables us to make a positive contribution to the world meeting the Paris goals and is designed to deliver value, while advancing bp towards meeting our net zero ambition; and is flexible enough to manage the inherent uncertainty in the range of potential global pathways, including those that can achieve the Paris goals. As a result, our board considers our strategy to be consistent with the Paris goals– and since the targets referred to in answer to this question are designed to drive delivery of this strategy, we consider each of them to be “science-based” as explained above.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Other, please specify

GHG emissions estimated on a lifecycle basis from the use, production and distribution of marketed energy products

Intensity metric

Other, please specify

Grams CO₂e per MJ

Base year

2019

Intensity figure in base year (metric tons CO₂e per unit of activity)

79.3

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2025

Targeted reduction from base year (%)

5

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

75.335

% change anticipated in absolute Scope 1+2 emissions

% change anticipated in absolute Scope 3 emissions

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

78.8

% of target achieved [auto-calculated]

12.6103404792

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science Based Targets initiative

Target ambition

Other, please specify

Paris goals to limit global warming to well below 2, preferably to 1.5 degrees Celsius

Please explain (including target coverage)

In February 2020 we announced our ambition to become a net zero company by 2050 or sooner, and help the world get to net zero. Our ambition is supported by 10 aims - Aim 3 is to cut the carbon intensity of the products we sell by 50% by 2050 or sooner. This is a lifecycle carbon intensity approach, per unit of energy. It covers marketing sales of energy products and potentially, in future, certain other products, such as those associated with land carbon projects. Marketing product sales do not include sales from our strategic investment in Rosneft or sales from certain downstream equity accounted entity activity such as in PAEG or Reliance. Reported emissions intensity is based on estimated CO₂e on a lifecycle basis from the use, production and distribution of marketed energy products per unit of energy (MJ) delivered. In August 2020 we announced a target of 5% reduction in Aim 3 emissions intensity by 2025, and a 2030 aim of >15% reduction.

As a science-informed organisation we interpret "science-based targets" to mean absolute emissions and/or intensity-based GHG emissions reduction targets/aims that are designed to drive delivery of an organisation's Paris-consistent strategy. As

described on page 26 of the bp Annual Report and Form 20-F 2020, we believe that our strategy is Paris consistent because it is informed by Paris consistent energy transition scenarios (including the 2020 bp Energy Outlook Rapid and Net Zero scenarios, which are comparable with a range of Paris consistent scenarios included in the IPCC database of mitigation pathways); it enables us to make a positive contribution to the world meeting the Paris goals and is designed to deliver value, while advancing bp towards meeting our net zero ambition; and is flexible enough to manage the inherent uncertainty in the range of potential global pathways, including those that can achieve the Paris goals. As a result, our board considers our strategy to be consistent with the Paris goals— and since the targets referred to in answer to this question are designed to drive delivery of this strategy, we consider each of them to be “science-based” as explained above.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to reduce methane emissions

Net-zero target(s)

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Methane reduction target

Other, please specify

Total methane emissions in mmscf

Target denominator (intensity targets only)

Other, please specify

Marketed natural gas production in mmscf

Base year

2019

Figure or percentage in base year

0.14

Target year

2025

Figure or percentage in target year

0.2

Figure or percentage in reporting year

0.12

% of target achieved [auto-calculated]

-33.3333333333

Target status in reporting year

New

Is this target part of an emissions target?

Abs1

Is this target part of an overarching initiative?

Other, please specify

Overarching bp strategy and net zero ambition

Please explain (including target coverage)

Our Aim 4 is to install methane measurement at all our existing major oil and gas processing sites by 2023, publish the data, and then drive a 50% reduction in methane intensity of our operations. By the end of 2023 we plan to roll out a new measurement approach to relevant sites. This new approach, developed in 2020, comprises a prioritized hierarchy of options for making more use of methane measurement. Based on this new measurement approach we have set a 2025 target of 0.20% and have now moved away from a target based on general industry methodologies, such as calculating or estimating emissions using emission factors.

Our methane intensity is currently calculated using our existing methodology and, while it reflects progress in reducing methane emissions, it will not directly correlate with progress towards delivering the 2025 target under aim 4. Our methane intensity in 2020 was 0.12%, an improvement from 0.14% in 2019.

The % of target achieved (-33.3%) reflects that our 2020 methane intensity, calculated using our existing methodology, is lower than our 2025 target, based on our new measurement approach, of 0.20%. For further details see pg. 38 of the bp Sustainability Report 2020.

In 2018, prior to the launch of our net zero ambition in February 2020, we set ourselves three operational emissions targets under our 'reduce improve create' (RIC) framework. We targeted 0.2% methane intensity and by 2019 delivered a methane intensity of 0.14%, under the existing reporting methodology. The 10 aims we introduced in

February 2020 have now replaced our previous framework and targets, including the methane intensity RIC target which has been replaced by aim 4.

Target reference number

Oth 2

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

US\$ invested into non-oil and gas businesses

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

500,000,000

Target year

2025

Figure or percentage in target year

3,000,000,000

Figure or percentage in reporting year

750,000,000

% of target achieved [auto-calculated]

10

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify

Overarching bp strategy and net zero ambition

Please explain (including target coverage)

In February 2020 we announced our ambition to become a net zero company by 2050 or sooner, and help the world get to net zero. Our ambition is supported by 10 aims - Aim 5 is to increase the proportion of investment we make into our non-oil and gas businesses. In August 2020 we announced a target of \$3-4bn investment into our non-oil and gas businesses by 2025, and a 2030 aim of ~\$5bn.

Our low carbon investment focus will be on low carbon electricity generated from low carbon energy sources, bioenergy and hydrogen and carbon capture and storage (CCUS). Our new gas and low carbon energy (G&LCE) business will focus on integrating our gas and renewable value chains; developing new market opportunities in gas; driving decarbonization technologies; building and growing low and zero carbon businesses and markets and leveraging digital energy solutions and innovatively financed business models. Our new regions, cities and solutions integrator (RC&S) intends to identify and deliver integrated energy and mobility solutions to help customers decarbonize by bringing together bp's capabilities, products and services and with our partners, creating value greater than the sum of its parts. We made low carbon investments totalling \$750 million in 2020 (>\$500 million in 2019) with new projects agreed or coming onstream across our low carbon focus areas, including a partial acquisition payment for the US offshore wind partnership with Equinor, our investments in electrification and advanced mobility, and investment into activities through bp ventures and Launchpad.

Target reference number

Oth 3

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity

Other, please specify

Renewable generating capacity in gigawatts

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

2.6

Target year

2025

Figure or percentage in target year

20

Figure or percentage in reporting year

3.3

% of target achieved [auto-calculated]

4.0229885057

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify

Overarching bp strategy and net zero ambition

Please explain (including target coverage)

In August 2020 bp set out a new strategy that will see us pivot from being an international oil company focused on producing resources to an integrated energy company focused on delivering solutions for customers.

The strategy is built around three focus areas of activity and three distinctive sources of differentiation, underpinned by a new sustainability frame and advocacy for policies that support net zero. These are described in more detail in our response to question C0.1.

bp aims for developed renewable generating capacity to have grown from 2.6GW in 2019 to around 20GW in 2025 and 50GW by 2030.

Although this is not a target, this forms a core component of our plans to deliver our strategy.

Target reference number

Oth 4

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity
Other, please specify
Bioenergy production in barrels per day

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

23,000

Target year

2025

Figure or percentage in target year

50,000

Figure or percentage in reporting year

30,000

% of target achieved [auto-calculated]

25.9259259259

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify
Overarching bp strategy and net zero ambition

Please explain (including target coverage)

In August 2020 bp set out a new strategy that will see us pivot from being an international oil company focused on producing resources to an integrated energy company focused on delivering solutions for customers.

The strategy is built around three focus areas of activity and three distinctive sources of differentiation, underpinned by a new sustainability frame and advocacy for policies that support net zero. These are described in more detail in our response to question C0.1.

bp aims for bioenergy production to have risen from 23,000 b/d in 2019 to around 50,000 b/d in 2025 and more than 100,000 b/d by 2030. Bioenergy production is average barrels of biofuel production per day during the period covered, net to bp. This includes equivalent ethanol production, bp Bunge biopower for grid export, biogas and refining co-processing and standalone hydrogenated vegetable oil (HVO). Although this is not a target, this forms a core component of our plans to deliver our strategy.

Target reference number

Oth 5

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

Number of EV charging points

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

7,500

Target year

2025

Figure or percentage in target year

25,000

Figure or percentage in reporting year

10,100

% of target achieved [auto-calculated]

14.8571428571

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify

Overarching bp strategy and net zero ambition

Please explain (including target coverage)

In August 2020 bp set out a new strategy that will see us pivot from being an international oil company focused on producing resources to an integrated energy company focused on delivering solutions for customers.

The strategy is built around three focus areas of activity and three distinctive sources of differentiation, underpinned by a new sustainability frame and advocacy for policies that support net zero. These are described in more detail in our response to question C0.1.

bp aims for its network of electric vehicle charging points to have increased from 7,500 in 2019 to over 25,000 in 2025 and 70,000 by 2030.

Although this is not a target, this forms a core component of our plans to deliver our strategy.

Target reference number

Oth 6

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Other, please specify

Other, please specify

Traded electricity in TWh

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

250

Target year

2025

Figure or percentage in target year

350

Figure or percentage in reporting year

214

% of target achieved [auto-calculated]

-36

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

Other, please specify

Overarching bp strategy and net zero ambition

Please explain (including target coverage)

In August 2020 bp set out a new strategy that will see us pivot from being an international oil company focused on producing resources to an integrated energy company focused on delivering solutions for customers.

The strategy is built around three focus areas of activity and three distinctive sources of differentiation, underpinned by a new sustainability frame and advocacy for policies that support net zero. These are described in more detail in our response to question C0.1.

bp aims for traded electricity to have increased from 250TWh in 2019 to 350TWh in 2025 and 500TWh by 2030. Traded electricity may include electricity sourced from the grid.

Although this is not a target, this forms a core component of our plans to deliver our strategy.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Target year for achieving net zero

2050

Is this a science-based target?

Yes, but we have not committed to seek validation of this target by the Science Based Targets initiative in the next 2 years

Please explain (including target coverage)

In February 2020 we set out our ambition to be a net zero company by 2050 or sooner and to help the world get to net zero. This ambition is supported by 10 aims: five to help us become a net zero company, and five to help the world get to net zero. Taken collectively, these set out a path that we believe is consistent with the Paris goals. As a science-informed organisation we interpret “science-based targets” to mean absolute emissions and/or intensity-based GHG emissions reduction targets/aims that are designed to drive delivery of an organisation’s Paris-consistent strategy. As described on page 26 of the bp Annual Report and Form 20-F 2020, we believe that our strategy is Paris consistent because it is informed by Paris consistent energy transition scenarios (including the 2020 bp Energy Outlook Rapid and Net Zero scenarios, which are comparable with a range of Paris consistent scenarios included in the IPCC database of mitigation pathways); it enables us to make a positive contribution to the world meeting the Paris goals and is designed to deliver value, while advancing bp towards meeting our net zero ambition; and is flexible enough to manage the inherent uncertainty in the range of potential global pathways, including those that can achieve the Paris goals. As a result, our board considers our strategy to be consistent with the Paris goals– and since the targets referred to in answer to this question are designed to drive delivery of this strategy, we consider each of them to be “science-based” as explained above.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO₂e savings.

	Number of initiatives	Total estimated annual CO ₂ e savings in metric tonnes CO ₂ e (only for rows marked *)
Under investigation	50	
To be implemented*	16	200,000
Implementation commenced*	27	300,000
Implemented*	79	1,000,000
Not to be implemented	4	

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Fugitive emissions reductions
Oil/natural gas methane leak capture/prevention

Estimated annual CO₂e savings (metric tonnes CO₂e)

43,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,200,000

Investment required (unit currency – as specified in C0.4)

5,000,000

Payback period

4-10 years

Estimated lifetime of the initiative

Ongoing

Comment

During 2020 our U.S. onshore oil and gas business replaced natural gas pneumatic pumps, used to circulate heated fluid around well sites and facilities, with solar powered ones. This resulting in a total saving of around 43,000 teCO₂e for the year. Monetary savings result from reduction in fuel gas usage, increase production uptime and man-hour savings. Payback is calculated as $5,000,000 / 1,200,000 = 4.2$ years. Emission reduction is expected to be ongoing through the remaining life of the operation.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO₂e savings (metric tonnes CO₂e)

1,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,000,000

Investment required (unit currency – as specified in C0.4)

1,500,000

Payback period

1-3 years

Estimated lifetime of the initiative

Ongoing

Comment

One of our offshore facilities in the North Sea successfully commissioned a flare gas recovery system during 2020 which captures low pressure gas that would otherwise go to flare and routes it back into the process system. Monetary savings result from increased gas for export and reduced emissions trading scheme costs. Payback is calculated as $1,500,000 / 1,000,000 = 1.5$ years. Emission reduction is expected to be ongoing through the remaining life of the operation.

Initiative category & Initiative type

Energy efficiency in production processes

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

2,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

60,000

Investment required (unit currency – as specified in C0.4)

35,000

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

One of our European refineries optimised the vacuum system of the hydrocracker by installing a new ejector system. This allowed for less steam use resulting in lower firing of our steam boilers and reduced emissions, as well as financial savings through reduced fuel costs. Payback is calculated as $35,000 / 60,000 = <1$ year. Emission reduction is expected to be ongoing through the remaining life of the operation.

Initiative category & Initiative type

Energy efficiency in production processes
Machine/equipment replacement

Estimated annual CO₂e savings (metric tonnes CO₂e)

1,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,000,000

Investment required (unit currency – as specified in C0.4)

200,000

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

One of our production platforms in the Caspian Sea offshore Azerbaijan upgraded the air filters on the gas injection compressor resulting in improved efficiency and reduced emissions. Annual monetary savings resulted from associated increase in production. Payback is calculated as $200,000 / 1,000,000 = <1$ year. Emission reduction is expected to be ongoing through the remaining life of the operation.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO₂e savings (metric tonnes CO₂e)

13,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1,500,000

Investment required (unit currency – as specified in C0.4)

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

One of our offshore facilities in the North Sea implemented process and power improvements to enable the facility to operate using a single gas turbine generator rather than two in parallel previously. This resulting reduction in fuel gas consumption both reduced emissions and increased gas available for export. Monetary savings are from increased gas sales and reduced emissions trading costs. The intervention was zero cost to implement hence no payback and is expected to be ongoing through the remaining life of the operation.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	In March 2019, bp announced that it had established a \$100 million fund for projects that will deliver new greenhouse gas (GHG) emissions reductions in its Upstream oil and gas operations. The intent of the Upstream Carbon Fund was to provide significant further support to bp's work generating sustainable greenhouse gas emissions reductions in its operations. In 2020 the fund was expanded to cover our refining, petrochemicals and shipping operations as well. In 2020 we approved 28 projects for funding. This includes recent approval of a project at our Lingen refinery developing an option for green hydrogen supply.
Internal price on carbon	As part of our investment process, described on page 28 of the bp Annual Report and Form 20-F 2020, all investment cases above defined thresholds for anticipated annual greenhouse gas (GHG) emissions from operations must estimate those anticipated GHG emissions and include an associated carbon price into the investment economics. In 2020 we revised our carbon prices for the period to

	2050, and these now include a price of \$100/teCO ₂ in 2030 (2020 \$ real).
Partnering with governments on technology development	<p>bp is a founding partner in the World Bank's Global Gas Flaring Reduction partnership. We fully participate in the various programmes under this partnership, directly support the partnership through both funding and assistance with work items, and we continue to work towards reduced flaring and venting from our worldwide exploration and production operations. This is a voluntary activity and is aimed at reducing Scope 1 emissions. This partnership, launched in 2002, is ongoing and expected to continue.</p> <p>In 2020 we were a key contributor to the development of the Oil and Gas Methane Partnership, or OGMP, version 2, which is all about enhancing reporting and methane emission reductions and which is supported by the United Nations Environment Programme, the European Commission and EDF.</p>
Compliance with regulatory requirements/standards	In some countries and cases, complying with regulatory requirements/standards can require investing in equipment or actions that result in lower emissions.
Employee engagement	<p>Our aim 7 is to incentivize our global workforce to deliver on our aims and mobilize them to become advocates for net zero. This will include continuing to allocate a percentage of remuneration linked to emissions reductions for leadership and around 28,000 employees. We believe we can support our people to deliver our aims and new strategy by:</p> <ul style="list-style-type: none"> - Explaining what net zero is, why it matters and how they can help to achieve it - Providing effective advocacy tools - Incentivising advocacy – for example, through our annual cash bonus - Enabling individual contributions that support our ambition to help the world get to net zero – for example, our employee carbon offsetting scheme which covers travel and home energy emissions for employees who choose to participate and is partially funded by bp, is now running in the UK, US and Germany. The scheme is expected to be rolled out further in 2021. <p>Following a suggestion by some employees, we have offset corporate aviation travel to help build engagement with our low carbon agenda. In 2020, we offset a combined 101kteCO₂e for employee carbon and corporate aviation travel offsetting.</p>
Other Internal requirements	Internal requirements: Our internal practice on Management of Environmental and Social Performance includes various requirements intended to promote informed decision making on GHG management both for new projects and existing operations.
Other	One of our key performance indicators for measuring progress (see page 39 of the bp Annual Report and Form 20-F 2020) is delivery of sustainable GHG emissions reductions (SERs). This measure includes

Sustainable GHG emission reduction targets	<p>actions taken by our businesses to improve energy efficiency and reduce methane emissions and flaring – all leading to ongoing, quantifiable GHG reductions. These refer to the GHG emissions on an operational control basis that would have occurred had we not made the change i.e. they could be absolute in nature or underlying. Since 2019, progress against this target is used as a factor in determining bonuses for eligible employees, including executives.</p> <p>SERs result from actions or interventions that have led to ongoing reductions in Scope 1 (direct) and/or Scope 2 (indirect) greenhouse gas (GHG) emissions (carbon dioxide and methane) such that GHG emissions would have been higher in the reporting year if the intervention had not taken place. SERs must meet three criteria: a specific intervention that has reduced GHG emissions, the reduction must be quantifiable and the reduction is expected to be ongoing. Reductions are reportable for a 12- month period from the start of the intervention/action.</p>
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C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Castrol low viscosity lubricants

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Castrol methodology as described on www.Castrol.com/PATH360/saving-fuel

% revenue from low carbon product(s) in the reporting year

Comment

Most gasoline and a significant portion of diesel sold globally is used in passenger cars. The engine oil used in car engines influences their efficiency; lower viscosity oils generally enable reduced fuel consumption for a given distance travelled by a vehicle. Castrol, bp's automotive lubricants business, sells a broad portfolio of engine oil products – this portfolio is biased towards lower viscosity options as a consequence of its technology development, route to market, countries where we operate and relationships held with major automotive original equipment manufacturers (OEMs). Consequently, on average, engines using bp engine oils will consume less fuel than they would if using industry-average engine oil. Castrol has developed a methodology for identifying annual fuel savings attributable to use of Castrol engine oils in cars, using industry standard tests. Based on this methodology we estimate that in 2019 our lower viscosity lubricants saved our passenger car customers 270 million litres of fuel compared to what would have been used by vehicles using an industry average portfolio of lubricants. This is based on the bp 2019 lubricants portfolio consisting of 8% viscosity grade 0W-20 sales vs the global industry lubricant sales of 4%. For more information visit www.Castrol.com/PATH360/saving-fuel.

Level of aggregation

Group of products

Description of product/Group of products

Renewable power – wind and solar

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify
bp internal methodology

% revenue from low carbon product(s) in the reporting year

Comment

We continue to progress our aim to build material renewable energy businesses by having developed 20GW of net renewable generating capacity to FID by 2025. By 31 December 2020, we had developed a total of 3.3GW of net renewable generating capacity to FID across our businesses and had a development pipeline with projects across nine countries totalling 11GW net bp.

Wind: bp wind energy is a business we have been building for over a decade with a gross generating capacity of 1.7GW, operating nine onshore wind assets across the US. bp's net wind generation capacity (the sum of the rated capacities of the assets/turbines that have entered into commercial operation, including bp's share of equity-accounted

entities) was 1,071MW at 31 December 2020, compared with 926MW at 31 December 2019. bp's net share of wind generation for the full year was 2,806GWh, compared with 2,752GWh in 2019.

Solar: Lightsource bp, in which we hold a 50% interest, is a leader in the development and management of solar energy projects. The business maintained its growth throughout 2020, developing 1.4GW gross to FID in the year. In 2020 it also grew its strong project pipeline by about 6GW bringing it to around 17GW gross and is investing in leading-edge technology to meet its customers' needs.

Level of aggregation

Group of products

Description of product/Group of products

Bioenergy and biofuels

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

bp internal methodology

% revenue from low carbon product(s) in the reporting year

Comment

Our bioenergy joint venture (JV) in Brazil, bp Bunge Bioenergia, continued its integration processes throughout 2020, despite the impact of the COVID-19 pandemic. The JV in 2020 had an annual crushing capacity of 28 million tonnes and exported 1,232 GWh to the Brazilian grid. bp's net ethanol-equivalent production in 2020 averaged 20.3kb/d, compared with 13.7kb/d for the 100% bp-owned business for the same period in 2019. We have capacity in biogas and are already one of the largest suppliers of renewable natural gas into the US transportation sector through our JV with Aria Energy. We are already one of the leading sustainable aviation fuel (SAF) marketers, and at the end of 2020, we had supplied SAF at 18 airports in six countries. We aim to have around a 20% share of global SAF sales by 2030. And in 2021 we announced our strategic partnership with Qantas to jointly explore opportunities to reduce carbon emissions in the aviation sector, including the potential use of advanced sustainable fuels. In 2020 we continued to scale up co-processing of biogenic feedstocks at our refineries increasing our global capacity and expanding our operations to the Gelsenkirchen refinery. We plan to grow our co-processing volume by 2025, together with the further development of waste and circular feedstock supply and processing capabilities.

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Our aim 4 is to install methane measurement at all our existing major oil and gas processing sites by 2023, publish the data, and then drive a 50% reduction in methane intensity of our operations. And we will work to influence our joint ventures to set their own methane intensity targets of 0.2%.

There are two challenges in tackling methane – the first is the identification and quantification of emissions – where some important technology is in its infancy. The second is finding ways to reduce emissions – where there is a lot of work happening across industry. We're playing an active part in both and took some important steps in 2020.

By the end of 2023 we plan to roll out a new measurement approach to relevant sites. This new approach, developed in 2020, comprises a prioritized hierarchy of options for making more use of methane measurement. Based on this new measurement approach we have set a 2025 target of 0.20% and have now moved away from a target based on general industry methodologies, such as calculating or estimating emissions using emission factors.

We are focusing on achieving reductions across our key methane sources, including fugitives, combustion and flaring; and on producing a greater proportion of our gas from lower intensity operations. We are also investing in technology to reduce methane and improve our ability to measure it. We want to promote the increased use of methane measurement more widely across industry, but this will take time.

The deployment of new measurement technology represents a major step-change in our industry's approach to detecting, quantifying and reducing methane emissions. Rolling out our new approach between now and 2023 will involve continued testing and initial deployment of measurement technologies and equipment for in-scope sites and businesses. To guide us, we have developed a methane measurement hierarchy. With technology to detect and measure methane evolving fast and different technologies possibly being better suited to different types of assets and geographies, a flexible approach allows us to move towards increased continuous site and source level measurement systems as more advanced technology becomes available. We will use the data gathered as we progress to set the baseline for further reductions. To fully establish this baseline globally we will need data from the global application of our measurement approach (expected late 2023/2024).

Flaring is one of the main sources of methane for our sector, so we continue to focus on flare reduction activity and to support the World Bank's Zero Routine Flaring by 2030 initiative, which brings together stakeholders to work together to eliminate routine flaring from operated oil assets by 2030. Routine flaring currently constitutes less than 5% of total flaring in our production operations. Our major new projects are designed to eliminate routine flaring. In 2021 we also announced that we are aiming for zero routine flaring by 2025 in our US onshore operations.

Throughout 2020, we continued working to reduce our operational methane emissions – from upgrades in mature production fields to the design of new technology. For example, at our Clair field, west of Shetland, we are trialling the use of unmanned drones fitted with advanced sensor technology to take readings. We're using the information they provide to inform our thinking about how we may use technologies of this kind in future.

Our methane intensity in 2020 was 0.12%, an improvement from 0.14% in 2019. In 2020 methane emissions from upstream operations, used to calculate our intensity, decreased by 22% to 71.6kt in 2020, down from 92.2kt in 2019. This reduction in methane intensity was mainly due to divestment of our Alaska operations and some bpx energy assets. Sustainable emissions reductions projects and flaring reductions also contributed, the largest reductions being delivered by bpx energy and in Angola. Marketed gas decreased by 9% (3,075bcf in 2020 from 3,370bcf in 2019). Our methane intensity is currently calculated using our existing methodology and, while performance in 2020 reflects progress in reducing methane emissions, it will not directly correlate with progress towards delivering the 2025 target under aim 4. We continue to work with key stakeholders on activities designed to improve detection, measurement, quantification, verification and reporting of methane emissions. We're taking a leadership role in addressing the methane challenge through the improvements we've made to our own operations, but also through collaboration with our peers, NGOs, third-party experts and academic research institutions. In 2020 bp established a non-operated joint venture (NOJV) centre of excellence providing support to teams in bp who work with our NOJVs, including on reducing methane emissions.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

We have complex operational sites and pipelines that can stretch through hundreds of miles of difficult terrain. bp businesses inspect our major operations at intervals. Frequency is established on a site-by-site basis and depends on several prioritizing factors such as facility enclosure, leak history of the process area and proximity of high vibration equipment or thermal cycling that can exacerbate the conditions for leaks to develop.

The intent is that any leaks identified are repaired on a prioritized basis. Repair of leaks is prioritized based on a qualitative assessment of the size, whether the leak is in an enclosed space or not, and other factors such as proximity to other process equipment and feasibility of repair during uptime. Leaks that are not severe and cannot be repaired when the equipment is online may be prioritized for a future turnaround.

For several years, we've used hand-held infrared cameras to detect small leaks of fugitive emissions. New technology now makes it possible to quantify the emissions these cameras detect so we can prioritize repairs. Following a pilot of this technology in Azerbaijan and the US in 2018, we've now deployed the technology more widely and also appointed a number of employees as 'super users' to share the skills needed to use it. These employees will provide information about how to make the technology more user friendly and embed the data collected into our existing data management systems. We're using advanced imaging cameras that can

continuously monitor facilities and identify leaks earlier than routine inspections. These cameras connect directly to our control rooms and send automated alerts. They're now in use at our Khazzan gas field in Oman. We have piloted the use of drones for periodic measurement at a number of our facilities including in Oman and the North Sea with additional tests planned elsewhere. Our US onshore gas business is deploying drone-mounted sensors to inspect equipment complimented by hand-held camera surveys. Additionally, they are also piloting the use of novel sensor networks that will provide real-time identification of leaks and they have also undertaken quarterly aircraft-based measurement campaigns to provide methane emissions quantification. These approaches will not only provide improved identification of leaks but also cut the carbon cost associated with inspection vehicles. We continue to assess the role of satellites for methane detection. In 2020 bp announced an investment in Satalytics, which is currently being piloted, which provides algorithms for analysis of satellite images to support detection and quantification of emissions. bp continues to pilot, deploy and even invest, directly as bp or through industry partnerships such as Oil and Gas Climate Initiative Climate Investments (OGCI CI), in new methane technology that could support leak identification.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

For bp's oil and gas operations, reducing emissions associated with flaring is a key challenge because whilst flares can be one of our major sources of CO₂ and methane emissions they also play a critical safety role, so cannot simply be switched-off.

Quantifying how much gas has been flared more accurately is the first challenge – and as part of our aim 4 we are undertaking a global review of flare meters on our operated oil and gas producing facilities. Any flares that fall short of our required performance standards will be upgraded. But to fully understand how well our flares are operating we also need to test how efficiently they are burning. Increasingly we do that by using the latest computational fluid dynamics techniques to understand how our flares behave over the full range of operational and weather conditions and we sometimes also measure their efficiency using advanced spectral radiometry techniques. We successfully trialled FlareIQ performance monitoring technology on our Glen Lyon vessel.

In 2020, we went one step further – by making that kind of information available in real-time to one of our facilities, meaning that any changes in flare performance can be identified rapidly and managed. In a successful trial on Glen Lyon – a floating production, storage and offloading vessel west of Shetland – we trialled the use of FlareIQ, a predictive analytics technology developed by Baker Hughes. FlareIQ provides flaring performance information continuously, using the power of cloud-computing to run complex models remotely and feeding it back to our facility in seconds. Following the trial FlareIQ is now installed on Glen Lyon and when we have made it easier for field staff to use, we plan to deploy it more widely. Flaring is not only important to bp but to others in our sector, so we are taking these insights and developments to our partners, for example, through the recently announced joint initiative to address reporting from flares as part of the Methane Guiding Principles, working in collaboration with Rosneft. Flaring reduction contributes to our Aim 1 (to be net zero across our entire operations on an absolute basis by 2050 or sooner) 2025 target, 2030 aim and 2050 aim. This aim relates to Scope 1 and Scope 2 GHG emissions. We made progress against our operational emissions reduction targets in 2020 – including through flaring reductions. Total hydrocarbons flared

across our operations decreased from 1,395kt in 2019 to 831kt in 2020. For example, the Angola and Oman regions delivered further reductions in flaring during 2020 of 240kteCO₂e and 120kteCO₂e respectively.

The bp Angola team operating the offshore Greater Plutonio project have achieved sustainable emissions reductions of over 1.5 MteCO₂e since 2018, while also increasing production by 14 mboed during the same period. The team set out with a simple objective – to reduce GHG emissions and not waste energy. They explored ways to reduce flaring using a tool called APEX, which enabled them to create simulated duplications of the entire operational network. They explored possible improvement measures by simulating a range of operational scenarios, then tested these in live field trials. The team say they were genuinely astonished by the success of this process, which highlighted the ‘sweet spot’ in terms of their compression and separation systems. The reduction in flaring was immediate and visible to the human eye, with gas being sent down to the Angola liquid natural gas plant onshore, rather than wasted. Not only did bp Angola achieve CO₂ reductions and efficiency improvements, it was also recognized as the winner in the Advancing Low Carbon category of the 2019 bp Helios awards. In 2020 further reductions were achieved by implementing a revised production strategy to focus on reducing flaring during periods of plant upset or shut-down.

bp is a founding member of the World Bank’s Global Gas Flaring Reduction partnership, which brings together governments, companies and international institutions to help use gas that would otherwise be vented or flared. We are aiming for zero routine flaring by 2030 as part of our membership of the World Bank Zero Routine Flaring by 2030 initiative, which aims to eliminate routine flaring from oil assets by 2030. Routine flaring currently constitutes less than 5% of total flaring in our production operations. Our major new projects are designed to eliminate routine flaring. In 2021 we also announced that we are aiming for zero routine flaring by 2025 in our US onshore operations.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

49,200,000

Comment

Total (100%) Scope 1 (direct) GHG emissions from source activities operated by bp or otherwise within bp's operational control boundary. bp's reported GHG emissions include CH₄ and CO₂. Other GHGs are not included as they are not material to our operations. CH₄ emissions are converted to carbon dioxide equivalent using the 100-year GWP recommended by the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC).

Value rounded to nearest 100,000 metric tonnes.

Scope 2 (location-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

5,200,000

Comment

Total (100%) Scope 2 (indirect) GHG emissions from source activities that are operated by bp or otherwise within bp's operational control boundary. Scope 2 (indirect) emissions are those associated with the consumption of purchased electricity, heat, steam and cooling. bp reports GHG emissions on the basis of CH₄ and CO₂. CH₄ emissions are converted to carbon dioxide equivalent using the 100-year GWP recommended by the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC).

Value rounded to nearest 100,000 metric tonnes.

Scope 2 (market-based)

Base year start

January 1, 2019

Base year end

December 31, 2019

Base year emissions (metric tons CO₂e)

5,200,000

Comment

Total (100%) Scope 2 (indirect) GHG emissions from source activities that are operated by bp or otherwise within bp's operational control boundary. Scope 2 (indirect) emissions are those associated with the consumption of purchased electricity, heat, steam and cooling. bp reports GHG emissions on the basis of CH₄ and CO₂. CH₄ emissions are converted to carbon dioxide equivalent using the 100-year GWP recommended by the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC).

Value rounded to nearest 100,000 metric tonnes.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

American Petroleum Institute Compendium of Greenhouse Gas Emissions Methodologies for the Oil and Natural Gas Industry, 2009

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

IPIECA's Petroleum Industry Guidelines for reporting GHG emissions, 2nd edition, 2011

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Mandatory Greenhouse Gas Reporting Rule

Other, please specify

bp basis of reporting, 2020

C5.2a

(C5.2a) Provide details of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Reporting period 1 January to 31 December 2020.

The scope of greenhouse gas data reported covers bp's operational control boundary. bp operated includes:

- bp operated assets (which includes unmanned assets such as wellheads and pipelines where bp workforce are not present on a day-to-day basis, where these are operated by bp) or sites and assets operated by a joint venture in which bp has the ability to determine Board level decisions.
- Company owned and operated retail sites.

- Vessels for which bp holds the International Safety Management Document of Compliance (DOC).
- Road vehicles, aircraft and rail transportation that are dedicated to bp's business use.
- Contractor drilling activities conducted on behalf of businesses under bp operational control.
- Until handover of field or asset operations, sites and assets where following divestment, bp no longer has an equity interest but maintains day-to-day operations pursuant to a contractual arrangement.
- Leased offices over 50,000 ft².

This boundary for reporting broadly coincides with bp's HSSE operational boundary for certain incident reporting which means that these assets are classified in the same way (i.e. as bp-operated or non-bp-operated) for both incident reporting purposes and GHG emissions reporting purposes.

Operational control boundary Scope 1 (direct) GHG emissions:

Data is required to be submitted following the bp internal documents bp Practice, Submission of Environmental and Social Performance Data Group Defined Practice (GDP) 8.1 which is based on the GHG Protocol Corporate Standard and the IPIECA Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions 2nd Edition, May 2011. The bp Procedure, Calculations and Methodologies for Environmental Performance Data (GPRO 8.1-0001) sets out the methodologies we use for calculation of GHG data which are based on the API Compendium of GHG Emissions Methodologies for the Oil and Gas Industry and industry recognized references, such as the IPCC guidelines and US EPA publications. The responsibility for calculating and submitting GHG emissions to be used for reporting is assigned to individual bp facilities and business departments, which are termed 'Reporting Units' (RUs). RUs submit a quarterly breakdown of CO₂ and methane data directly into the group reporting tool, OneCSR. For the end of year submission, they are required to account for all significant variances from the previous year and identify the sustainable emission reductions for the reporting period, where applicable. The RUs follow a formal GHG data submission sign-off process and are responsible for ensuring that the data has been reported in accordance with the requirements. Once submitted, the GHG data is reviewed at corporate level by subject matter experts. The RUs quantify their emissions of carbon dioxide and methane based on the methodologies and requirements described in our requirements, which also specify a 'hierarchy' of possible approaches, with a bias towards direct measurement. Where local regulatory requirements differ from the specified methodologies, RUs may choose to submit data using local regulatory methodologies. In the event that the regulatory methodology for a significant source results in a figure judged to be less accurate than the specified methodologies then, where this is judged to be significant, the RU should use the bp specified calculation methodologies in its submission to the group reporting tool, OneCSR.

Operational control boundary Scope 2 (indirect) emissions:

Data is required to be submitted following the bp internal document bp Practice Submission of Environmental and Social Performance Data Group Defined Practice (GDP) 8.1 which is based on the GHG Protocol Corporate Standard and the IPIECA Petroleum Industry Guidelines for Reporting Greenhouse Gas Emissions 2nd Edition, May 2011. The bp Procedure Calculations and Methodologies for Environmental Performance Data (GPRO 8.1-0001) also set out the methodologies we use for calculation of GHG data which are based on the API Compendium of GHG Emissions Methodologies for the Oil and Gas Industry and industry recognized

references, such as the IPCC guidelines and US EPA publications. The responsibility for calculating and submitting Scope 2 GHG emissions to be used for reporting is assigned to individual bp facilities and business departments, which are termed 'Reporting Units' (RUs). The RUs follow a formal GHG data submission sign-off process and are responsible for ensuring the data has been reported in accordance with our requirements. Once submitted, the GHG data is reviewed at corporate level by subject matter experts.

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

41,700,000

Comment

Total (100%) Scope 1 (direct) GHG emissions from source activities operated by bp or otherwise within bp's operational control boundary. bp's reported GHG emissions include CH₄ and CO₂. Other GHGs are not included as they are not material to our operations. CH₄ emissions are converted to carbon dioxide equivalent using the 100-year GWP recommended by the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC). Value rounded to nearest 100,000 metric tonnes. For further information refer to the bp basis of reporting on bp.com.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Comprises total (100%) Scope 2 (indirect) GHG emissions from source activities that are operated by bp or otherwise within bp's operational control boundary. Scope 2 (indirect) emissions are those associated with the consumption of purchased electricity, heat, steam and cooling. bp reports GHG emissions on the basis of CH₄ and CO₂. CH₄ emissions are converted to carbon dioxide equivalent using the 100-year GWP recommended by the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC). For further information refer to the bp basis of reporting on bp.com.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

3,700,000

Scope 2, market-based (if applicable)

3,800,000

Comment

Scope 2 (market-based) emissions decreased by 1.4MteCO₂e, to 3.8MteCO₂e in 2020, a 27% reduction compared to 2019. This decrease resulted from sustainable emission reductions (SERs), reduced energy requirements following COVID-19 demand reductions and a 1MteCO₂e reduction in reported emissions from our Whiting refinery, which, in 2020, put an agreement in place to purchase electricity from our Whiting Clean Energy facility. Values rounded to nearest 100,000 metric tonnes.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Please explain

Capital goods

Evaluation status

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Please explain

Upstream transportation and distribution

Evaluation status

Please explain

Waste generated in operations

Evaluation status

Please explain

Business travel

Evaluation status

Please explain

Employee commuting

Evaluation status

Please explain

Upstream leased assets

Evaluation status

Please explain

Downstream transportation and distribution

Evaluation status

Please explain

Processing of sold products

Evaluation status

Please explain

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

327,600,000

Emissions calculation methodology

Estimated CO₂ emissions from the assumed combustion of upstream production of crude oil, natural gas and natural gas liquids (NGL), based on bp's net share of production, excluding bp's share of Rosneft production and assuming that all produced volumes undergo full stoichiometric combustion to CO₂. These emissions are broadly equivalent to the GHG Protocol, Scope 3, category 11, with the specific scope of upstream production volumes.

The number provided here corresponds to our Aim 2: net zero oil and gas, which is our Scope 3 aim. In addition to Aim 2 we have four other aims to get bp to net zero, including Aim 3: halving intensity. Under Aim 3 we are aiming to cut the life cycle carbon intensity of our marketed products by 50% by 2050, against our 2019 baseline, which includes the associated end-use emissions. In 2020 we reported 872.1 million tonnes CO₂e of lifecycle GHG emissions (including emissions from the end-use, production and distribution) associated with bp's marketed energy products, as determined in the calculation of the average emissions intensity of our marketed energy products. For more information on bp's net zero aims refer to pages 49-51 of the bp Annual Report and Form 20-F 2020.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Reporting period 1 January to 31 December 2020. Based on bp equity share of production volumes of crude oil, natural gas and NGLs, other than bp's share of Rosneft. Assumes all produced volumes undergo complete stoichiometric combustion to CO₂. The volumes are consistent with stock exchange announcements and data published in bp annual reports.

End of life treatment of sold products

Evaluation status

Please explain

Downstream leased assets

Evaluation status

Please explain

Franchises

Evaluation status

Please explain

Investments

Evaluation status

Please explain

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00025

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

45,500,000

Metric denominator

unit total revenue

Metric denominator: Unit total

180,366,000,000

Scope 2 figure used

Market-based

% change from previous year

36

Direction of change

Increased

Reason for change

Sales and other operating revenues in 2020 were lower than in 2019, mainly due to lower crude and product prices and the demand impact of COVID-19. Therefore, emissions per unit total revenue were higher than in 2019 despite absolute Scope 1 and 2 emissions also being lower in 2020 compared to 2019.

Scope 1 and 2 emissions value rounded to nearest 100,000 metric tonnes and total revenue rounded to nearest \$1,000,000.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO₂e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Other, please specify

Tonnes of gross operated production

Metric tons CO₂e from hydrocarbon category per unit specified

0.18

% change from previous year

7

Direction of change

Decreased

Reason for change

Divestment of Alaska business and legacy bpx energy assets. Sustainable emissions reduction projects delivered in 2020 including:

- One of our offshore facilities in the AGT region delivered 55kteCO₂e of reductions in 2020 through optimizing the efficiency of their water injection pump operation leading to savings in fuel consumption.
- The Angola and Oman regions delivered further reduction in flaring during 2020 of 240kteCO₂e and 120kteCO₂e respectively.
- Our Rotterdam refinery installed an off-gas treatment unit which recovers LPG from fuel and reduces the carbon intensity of gas burned for fuel in the furnaces, providing 8kteCO₂e of emissions reduction in 2020.

Comment

Total (100%) Scope 1 (direct) GHG emissions from source activities operated by bp or otherwise within bp's operational control boundary. bp's reported GHG emissions include CH₄ and CO₂. Other GHGs are not included as they are not material to our operations. CH₄ emissions are converted to carbon dioxide equivalent using the 100-year GWP recommended by the Fourth Assessment Report of the Inter-governmental Panel on Climate Change (IPCC). For further information refer to the bp basis of reporting on bp.com.

Gross production comprises upstream production, refining throughput and petrochemicals produced.

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Midstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0.12

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0.06

Comment

Methane intensity refers to the amount of methane emissions from bp's operated upstream oil and gas assets as a percentage of the total gas that goes to market from those operations. Our methodology is aligned with the Oil and Gas Climate Initiative's (OGCI) methane intensity target. Methane emissions are included from Upstream facilities and Midstream assets that come under our methane intensity metric. Methane intensity was previously reported to one decimal place but is now reported to two, to better demonstrate year-on-year changes.

Total hydrocarbon production comprises gas, oil and NGL production.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	39,800,000	IPCC Fourth Assessment Report (AR4 - 100 year)
CH ₄	1,900,000	IPCC Fourth Assessment Report (AR4 - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)

Value chain

Upstream

Midstream

Product

Unable to disaggregate

Gross Scope 1 CO₂ emissions (metric tons CO₂)

16,310,000

Gross Scope 1 methane emissions (metric tons CH₄)

4,000

Total gross Scope 1 emissions (metric tons CO₂e)

16,410,000

Comment

CO₂ emissions rounded to nearest 10,000 tonnes and methane emissions rounded to nearest 1000 tonnes.

Emissions category

Flaring

Value chain

Upstream

Midstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

2,330,000

Gross Scope 1 methane emissions (metric tons CH4)

13,000

Total gross Scope 1 emissions (metric tons CO2e)

2,655,000

Comment

CO2 emissions rounded to nearest 10,000 tonnes and methane emissions rounded to nearest 1000 tonnes.

Emissions category

Venting

Value chain

Upstream

Midstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

2,460,000

Gross Scope 1 methane emissions (metric tons CH4)

33,000

Total gross Scope 1 emissions (metric tons CO2e)

3,285,000

Comment

CO2 emissions rounded to nearest 10,000 tonnes and methane emissions rounded to nearest 1000 tonnes.

Emissions category

Fugitives

Value chain

Upstream

Midstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

19,000

Total gross Scope 1 emissions (metric tons CO2e)

475,000

Comment

Methane emissions rounded to nearest 1000 tonnes.

Emissions category

Other (please specify)

Unspecified

Value chain

Upstream

Midstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

0

Gross Scope 1 methane emissions (metric tons CH4)

3,000

Total gross Scope 1 emissions (metric tons CO2e)

75,000

Comment

Methane emissions rounded to nearest 1000 tonnes.

Emissions category

Combustion (excluding flaring)
 Flaring
 Venting
 Fugitives
 Process (feedstock) emissions

Value chain

Downstream

Product

Unable to disaggregate

Gross Scope 1 CO2 emissions (metric tons CO2)

18,740,000

Gross Scope 1 methane emissions (metric tons CH4)

3,000

Total gross Scope 1 emissions (metric tons CO2e)

18,815,000

Comment

CO2 emissions rounded to nearest 10,000 tonnes and methane emissions rounded to nearest 1000 tonnes. Downstream emissions from refineries, petrochemicals, fuel terminals, distribution and retail and lubricants production.

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Americas	18,800,000
Asia Pacific (or JAPA)	6,200,000
Commonwealth of Independent States (CIS)	3,600,000
Europe, Middle East and Africa (EMEA)	12,300,000
Other, please specify Shipping - global business	900,000

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO ₂ e)
Upstream	22,000,000
Downstream	18,800,000
Other Business & Corporate	900,000

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO₂e.

	Gross Scope 1 emissions, metric tons CO ₂ e	Comment
Oil and gas production activities (upstream)	21,100,000	Upstream contains both production and exploration emissions. Value rounded to nearest 100,000 metric tonnes.
Oil and gas production activities (midstream)	1,800,000	Midstream contains Pipelines and Shipping emissions. Value rounded to nearest 100,000 metric tonnes.
Oil and gas production activities (downstream)	18,800,000	Downstream includes emissions from Refineries, Petrochemical facilities and fuels distribution and marketing. Value rounded to nearest 100,000 metric tonnes.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Americas	2,300,000	1,800,000	8,110,000	0
Asia Pacific (or JAPA)	500,000	500,000	900,000	0

Commonwealth of Independent States (CIS)	10,000	10,000	80,000	0
Europe, Middle East and Africa (EMEA)	900,000	1,600,000	3,080,000	10,000

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO ₂ e)	Scope 2, market-based (metric tons CO ₂ e)
Upstream	140,000	140,000
Downstream	3,490,000	3,670,000
Other Business and Corporate	30,000	30,000

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO₂e.

	Scope 2, location-based, metric tons CO ₂ e	Scope 2, market-based (if applicable), metric tons CO ₂ e	Comment
Oil and gas production activities (upstream)	100,000	100,000	Upstream contains both production and exploration emissions. Value rounded to nearest 100,000 metric tonnes.
Oil and gas production activities (midstream)	100,000	100,000	Midstream contains pipelines scope 2 emissions. Value rounded to nearest 100,000 metric tonnes.
Oil and gas production	3,400,000	3,600,000	Downstream includes emissions from Refineries, Petrochemical facilities and

activities (downstream)			fuels distribution and marketing. Value rounded to nearest 100,000 metric
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C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	No change in emissions due to change in renewable energy consumption during 2020
Other emissions reduction activities	1,000,000	Decreased	1.8	<p>Sustainable emissions reduction projects delivered in 2020 including:</p> <ul style="list-style-type: none"> • One of our offshore facilities in the AGT region delivered 55kteCO₂e of reductions in 2020 through optimizing the efficiency of their water injection pump operation leading to savings in fuel consumption. • The Angola and Oman regions delivered further reduction in flaring during 2020 of 240kteCO₂e and 120kteCO₂e respectively. • Our Rotterdam refinery installed an off-gas treatment unit which recovers LPG from fuel and reduces the carbon intensity of gas burned for fuel in the furnaces, providing 8kteCO₂e of emissions reduction in 2020. <p>Value rounded to nearest 100,000 metric tonnes.</p> <p>Through these activities we reduced our emissions by 1,000,000 metric tons CO₂e, and our total S1 and S2 emissions in the previous year was</p>

				54,000,000 metric tons CO ₂ e, therefore we arrived at an emissions value (percentage) of 1.8% through: $(1,000,000 \text{ metric tons CO}_2\text{e} / 54,000,000 \text{ metric tons CO}_2\text{e}) \times 100 = 1.8$ (i.e. a 1.8% decrease in emissions).
Divestment	5,400,000	Decreased	9.9	Divestment of Alaska business and legacy bpx energy assets. Value rounded to nearest 100,000 metric tonnes.
Acquisitions	300,000	Increased	0.6	Acquisition of BHP US onshore assets into bpx energy in December 2019. Value rounded to nearest 100,000 metric tonnes.
Mergers				
Change in output	100,000	Increased	0.2	Increase in emissions due to permanent increases in production output. Value rounded to nearest 100,000 metric tonnes.
Change in methodology	100,000	Decreased	0.2	Decrease in emissions due to changes in scope boundary, methodology changes including emission factors and continuous improvement of previous years data. Value rounded to nearest 100,000 metric tonnes.
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other	2,800,000	Decreased	5.1	Includes decrease in emissions because of reduced energy requirements following COVID-19 demand reductions and 1MteCO ₂ e reduction in reported emissions from our Whiting refinery, which, in 2020, put an agreement in place to purchase electricity from our Whiting Clean Energy facility. Value rounded to nearest 100,000 metric tonnes.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	167,760,000	167,760,000
Consumption of purchased or acquired electricity		30,000	6,580,000	6,610,000
Consumption of purchased or acquired steam		0	5,640,000	5,640,000

Consumption of self-generated non-fuel renewable energy		450,000		450,000
Total energy consumption		480,000	179,980,000	180,460,000

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

4,130,000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

Unit

Emissions factor source

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

153,140,000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

Unit

Emissions factor source

Comment

Fuels (excluding feedstocks)

Petroleum Coke

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

8,630,000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

Unit

Emissions factor source

Comment

Fuels (excluding feedstocks)

Residual Fuel Oil

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

1,020,000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

Unit

Emissions factor source

Comment

Fuels (excluding feedstocks)

Other, please specify

Petrochemical Residues

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

850,000

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration
Emission factor
Unit
Emissions factor source
Comment
C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	14,980,000	6,870,000	4,980,000	450,000
Heat				
Steam				
Cooling				

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Green electricity products (e.g. green tariffs) from an energy supplier, supported by energy attribute certificates

Low-carbon technology type

Low-carbon energy mix

Country/area of consumption of low-carbon electricity, heat, steam or cooling

United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor

30,000

Comment

Low-carbon energy mix consists of Solar, Wind, Hydropower and Biomass.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

180,004

Metric numerator

Energy consumption in GWh

Metric denominator (intensity metric only)

% change from previous year

Direction of change

Please explain

Energy content of flared or vented gas is excluded from energy consumption reported as although they reflect loss of energy resources, they do not reflect energy use required for production or manufacturing of products.
Detailed information on other climate-related and non-climate-related metrics is included in the ESG datasheet 2020
ESG datasheet 2020 (bp.com).
% change from previous year not available as metric not reported for 2019.

Description

Other, please specify
Non-GHG air emissions

Metric value

229

Metric numerator

Total non-GHG emissions to air in thousand tonnes

Metric denominator (intensity metric only)

% change from previous year

22.6

Direction of change

Decreased

Please explain

Total non-GHG emissions to air includes nitrogen oxides, sulphur oxides, non-methane hydrocarbons and methane group.

Detailed information on other climate-related and non-climate-related metrics is included in the ESG datasheet 2020

ESG datasheet 2020 (bp.com)

Description

Waste

Metric value

540

Metric numerator

Total waste generated in thousand tonnes

Metric denominator (intensity metric only)

% change from previous year

Direction of change

Please explain

Includes hazardous and non-hazardous waste generated. Hazardous waste does not include waste which is disposed of under licence to deepwell.

Detailed information on other climate-related and non-climate-related metrics is included in the ESG datasheet 2020

ESG datasheet 2020 (bp.com).

% change from previous year not available as metric not reported for 2019.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
--	------------------------	---------

Crude oil and condensate, million barrels	720	bp net share of production from subsidiaries and equity-accounted entities, including Rosneft. Production excludes royalties due to others whether payable in cash or in kind where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.
Natural gas liquids, million barrels	42	bp net share of production from subsidiaries and equity-accounted entities, including Rosneft. Production excludes royalties due to others whether payable in cash or in kind where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently.
Oil sands, million barrels (includes bitumen and synthetic crude)	8	bp net share of production from subsidiaries in Canada. All of the production from Canada in Subsidiaries is bitumen.
Natural gas, billion cubic feet	2,902	bp net share of production from subsidiaries and equity-accounted entities, including Rosneft. Production excludes royalties due to others whether payable in cash or in kind where the royalty owner has a direct interest in the underlying production and the option and ability to make lifting and sales arrangements independently. Natural gas production volumes exclude gas consumed in operations within the lease boundaries of the producing field, but the related reserves are included in the group's reserves.

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this.

International Financial Reporting Standards (IFRS) do not provide specific guidance on reserves disclosures. bp estimates proved reserves in accordance with SEC Rule 4-10 (a) of Regulation S-X and relevant Compliance and Disclosure Interpretations (C&DI) and Staff Accounting Bulletins as issued by the SEC staff.

By their nature, there is always risk involved in the ultimate development and production of proved reserves including, but not limited to: final regulatory approval; the installation of new or additional infrastructure, as well as changes in oil and gas prices; changes in operating and development costs; and the continued availability of additional development capital. All the group's proved reserves held in subsidiaries and equity-accounted entities are estimated by the group's petroleum engineers or by independent petroleum engineering consulting firms and then assured by the group's petroleum engineers.

DeGolyer & MacNaughton (D&M), an independent petroleum engineering consulting firm, has estimated the net proved crude oil, condensate, natural gas liquids (NGLs) and natural gas reserves, as of 31 December 2020, of certain properties owned by Rosneft as part of our equity

accounted proved reserves. The properties evaluated by D&M account for 100% of Rosneft's net proved reserves as of 31 December 2020. The net proved reserves estimates prepared by D&M were prepared in accordance with the reserves definitions of Rule 4-10(a)(1)-(32) of Regulation S-X. All reserves estimates involve some degree of uncertainty. bp has filed D&M's independent report on its reserves estimates as an exhibit to this Annual Report on Form 20-F filed with the SEC.

Netherland, Sewell & Associates (NSAI), an independent petroleum engineering consulting firm, has estimated the net proved crude oil, condensate, natural gas liquids (NGLs) and natural gas reserves, as of 31 December 2020, of certain properties owned by bp in the US Lower 48. The properties evaluated by NSAI account for 100% of bp's net proved reserves in the US Lower 48 as of 31 December 2020. The net proved reserves estimates prepared by NSAI were prepared in accordance with the reserves definitions of Rule 4-10(a)(1)-(32) of Regulation S-X. All reserves estimates involve some degree of uncertainty. bp has filed NSAI's independent report on its reserves estimates as an exhibit to this Annual Report on Form 20-F filed with the SEC.

Our proved reserves are associated with both concessions (tax and royalty arrangements) and agreements where the group is exposed to the upstream risks and rewards of ownership, but where our entitlement to the hydrocarbons is calculated using a more complex formula, such as with PSAs. In a concession, the consortium of which we are a part is entitled to the proved reserves that can be produced over the licence period, which may be the life of the field. In a PSA, we are entitled to recover volumes that equate to costs incurred to develop and produce the proved reserves and an agreed share of the remaining volumes or the economic equivalent. As part of our entitlement is driven by the monetary amount of costs to be recovered, price fluctuations will have an impact on both production volumes and reserves. We disclose our share of proved reserves held in equity-accounted entities (joint ventures and associates), although we do not control these entities or the assets held by such entities.

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1	17,982			Only proved reserves are reported. See bp Annual Report and Form 20-F 2020, pages 47, and 231-252 and 312-317 for further information.

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids				Only proved reserves are reported. See bp Annual Report and Form 20-F 2020, pages 47, and 231-252 and 312-317 for further information. Page 47 of the bp Annual Report and Form 20-F 2020 provides a Summary of proved oil and gas reserves of bp subsidiaries and bp share of equity-accounted entities (including bp's share of Rosneft) at December 31, 2020.
Natural gas				Only proved reserves are reported. See bp Annual Report and Form 20-F 2020, pages 47, and 231-252 and 312-317 for further information. Page 47 of the bp Annual Report and Form 20-F 2020 provides a Summary of proved oil and gas reserves of bp subsidiaries and bp share of equity-accounted entities (including bp's share of Rosneft) at December 31, 2020.
Oil sands (includes bitumen and synthetic crude)				Only proved reserves are reported. See bp Annual Report and Form 20-F 2020, pages 47, and 231-252 and 312-317 for further information. Page 47 of the bp Annual Report and Form 20-F 2020 provides a Summary of proved oil and gas reserves of bp subsidiaries and bp share of equity-accounted entities (including bp's share of Rosneft) at December 31, 2020.

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Other, please specify

Details not available

In-year net production (%)

Net proved reserves (1P) (%)

Net proved + probable reserves (2P) (%)

Net proved + probable + possible reserves (3P) (%)

Net total resource base (%)

Comment

Details not available. See bp Annual Report and Form 20-F 2020, pages 47, and 231-252 and 312-317 for further information. Page 47 of the bp Annual Report and Form 20-F 2020 provides a Summary of proved oil and gas reserves of bp subsidiaries and bp share of equity-accounted entities (including bp's share of Rosneft) at December 31, 2020.

C-OG9.3a

(C-OG9.3a) Disclose your total refinery throughput capacity in the reporting year in thousand barrels per day.

	Total refinery throughput capacity (Thousand barrels per day)
Capacity	1,909

C-OG9.3b

(C-OG9.3b) Disclose feedstocks processed in the reporting year in million barrels per year.

	Throughput (Million barrels)	Comment
Oil		Detail not available. See page 318 of the bp Annual Report and Form 20-F 2020.
Other feedstocks		Detail not available. See page 318 of the bp Annual Report and Form 20-F 2020.
Total	1,627	Reported refinery throughputs reflect crude oil and other feedstock volumes. This does not include bp's interest in Pan American Energy Group. See page 318 of the bp Annual Report and Form 20-F 2020.

C-OG9.3c

(C-OG9.3c) Are you able to break down your refinery products and net production?

Yes

C-OG9.3d

(C-OG9.3d) Disclose your refinery products and net production in the reporting year in million barrels per year.

Product produced	Refinery net production (Million barrels) *not including products used/consumed on site
Other, please specify Aviation fuels	121
Gasolines	587
Other, please specify Middle distillates	606
Fuel oils	56
Other, please specify Other products (includes lubricants, petrochemicals, bitumen, petroleum coke and LPG)	256

C-OG9.3e

(C-OG9.3e) Please disclose your chemicals production in the reporting year in thousand metric tons.

Product	Production, Thousand metric tons	Capacity, Thousand metric tons
Other, please specify Total chemicals production (note: the capacity figure provided here represents bp's total petrochemicals capacity prior to completion of the announced disposal to INEOS on 31 December 2021)	12,280	15,100

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

Investment in low-carbon R&D	Comment

Row 1	Yes	bp's expenditure on research and development in 2020 was \$332 million. Indications of our activities in the field of research and development are provided throughout the Strategic report and the Directors' report within the bp Annual Report and Form 20-F 2020, including examples on pages 16 (developing next-gen mobility solutions), 17 (driving digital innovation including through bp ventures and Launchpad), 19 (partnering to develop a project to produce hydrogen from water), 36 (innovation and engineering) and 63 (collaborating with universities and academic research). See also page 183 of the bp Annual Report and Form 20-F 2020 for our expenditure on research and development.
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C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Unable to disaggregate by technology area		81-100%	332,000,000	<p>bp's research and development spend is being increasingly oriented towards reducing carbon.</p> <p>Examples of this include:</p> <ul style="list-style-type: none"> - Modifying our refineries to run tallow and vegetable oils, thereby lowering the carbon emissions of products, and combining these with Active technologies in our Ultimate fuels to improve engine performance - Co-engineering lubricants and coolants designed for wind turbines, hybrid and electric vehicle drives and battery systems - Developing conversion and carbon capture technologies which can drive down the cost of decarbonising fossil fuels, as well as reducing the cost of electrolysis to make green hydrogen competitive - And lastly trialling and

				deploying a range of local, low and high-altitude sensors to detect and measure methane emissions, and then identifying the best ways of mitigating these, as part of our approach outlined in C-OG4.6 and C-OG4.7
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C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

C-OG9.8

(C-OG9.8) Is your organization involved in the sequestration of CO2?

Yes

C-OG9.8a

(C-OG9.8a) Provide, in metric tons CO2, gross masses of CO2 transferred in and out of the reporting organization (as defined by the consolidation basis).

	CO2 transferred – reporting year (metric tons CO2)
CO2 transferred in	0
CO2 transferred out	0

C-OG9.8b

(C-OG9.8b) Provide gross masses of CO2 injected and stored for the purposes of CCS during the reporting year according to the injection and storage pathway.

Injection and storage pathway	Injected CO2 (metric tons CO2)	Percentage of injected CO2 intended for long-term (>100 year) storage	Year in which injection began	Cumulative CO2 injected and stored (metric tons CO2)
CO2 injected into a geological formation or saline formation for long-term storage	0	100	August 1, 2004	3,900,000

C-OG9.8c

(C-OG9.8c) Provide clarification on any other relevant information pertaining to your activities related to transfer and sequestration of CO₂.

We believe CCUS can play a vital role in limiting emissions, helping us achieve our net zero aims and supporting global efforts to meet the Paris goals. CCUS can significantly reduce emissions from gas-fired power generation and energy-intensive industries. It can be used with natural gas to produce blue hydrogen, and with biomass to produce renewable hydrogen for use in power generation, transport or hard-to-abate industrial sectors.

For example, in the UK bp is playing a lead role in the Net Zero Teesside (NZT) and Northern Endurance Partnership (NEP) projects. These projects aim to deliver the UK's first gas-fired power station with CCUS, and decarbonize a range of carbon-intensive businesses across Teesside, creating what would be the UK's first net zero industrial cluster. The creation of NEP in 2020 saw us join forces with five other energy companies – Eni, Equinor, National Grid, Shell and Total – to develop shared offshore CCUS infrastructure in the UK North Sea, which will serve both NZT, and Zero Carbon Humber (ZCH), which is a consortium of leading energy and industrial companies and academic institutions working to create a net zero cluster in the Humber region. If successful, NEP, NZT and ZCH would help to decarbonize nearly 50% of the UK's industrial cluster emissions.

Previously, bp, in a joint venture partnership with Sonatrach and Statoil, has worked alongside scientists from academic institutions to execute and monitor a large-scale carbon capture and storage (CCS) demonstration project in southern Algeria. Over a seven-year period, between 2004 and 2011, the In Salah Gas joint venture injected 3.9 million tonnes of CO₂ into the deep saline reservoir of the Krechba gas field at the In Salah production facility, instead of releasing this CO₂ into the atmosphere. This project forms the basis of our response to question C-OG9.8b.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 bp-sustainability-report-2020.pdf

Page/ section reference

93

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 bp-sustainability-report-2020.pdf

Page/ section reference

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Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 bp-sustainability-report-2020.pdf

Page/ section reference

93

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process


Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

 bp-sustainability-report-2020.pdf

Page/section reference

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Estimated CO2 emissions from the assumed combustion of upstream production of crude oil, natural gas and natural gas liquids (NGL), based on bp's net share of production, excluding bp's share of Rosneft production and assuming that all produced volumes undergo full stoichiometric combustion to CO2. These emissions are broadly equivalent to the GHG Protocol, Scope 3, category 11, with the specific scope of upstream production volumes

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Progress against emissions reduction target	Limited third-party assurance in accordance with ISAE 3000	Assurance statement on pg. 93 of Sustainability Report 2020 (bp.com). In addition to limited assurance of Scope 1, 2 and 3 emissions, the assurance statement also covers cumulative total Sustainable Emissions Reductions (SERs) (MteCO ₂ e), Energy consumption for UK and offshore locations (operational boundary) (GWh, base units of kWh) and energy consumption for global locations (excluding UK and offshore) (operational boundary) (GWh, base units of kWh). The assurance also covers the emissions underlying our Aim 1; Scope 1 (direct) carbon dioxide emissions (operational boundary) (Mte) and Scope 1 (direct) methane emissions (operational boundary (Mte); Aim 2; Carbon emissions upstream oil and gas production (MtCO ₂ e); Aim 3 (Carbon intensity of total marketed energy products (gCO ₂ e/MJ); and Aim 4; Methane intensity (%).
C4. Targets and performance	Emissions reduction activities	Limited third-party assurance in accordance with ISAE 3000	Assurance statement on pg. 93 of Sustainability Report 2020 (bp.com). In addition to limited assurance of Scope 1, 2 and 3 emissions, the assurance statement also covers cumulative total Sustainable Emissions Reductions (SERs) (MteCO ₂ e), Energy consumption for UK and offshore locations (operational boundary) (GWh, base units of kWh) and energy consumption for global locations (excluding UK and offshore) (operational boundary) (GWh, base units of kWh).

			<p>The assurance also covers the emissions underlying our Aim 1; Scope 1 (direct) carbon dioxide emissions (operational boundary) (Mte) and Scope 1 (direct) methane emissions (operational boundary) (Mte); Aim 2; Carbon emissions upstream oil and gas production (MtCO₂e); Aim 3 (Carbon intensity of total marketed energy products (gCO₂e/MJ); and Aim 4; Methane intensity (%).</p>
C8. Energy	Energy consumption	Limited third-party assurance in accordance with ISAE 3000	<p>Assurance statement on pg. 93 of Sustainability Report 2020 (bp.com). In addition to limited assurance of Scope 1, 2 and 3 emissions, the assurance statement also covers cumulative total Sustainable Emissions Reductions (SERs) (MteCO₂e), Energy consumption for UK and offshore locations (operational boundary) (GWh, base units of kWh) and energy consumption for global locations (excluding UK and offshore) (operational boundary) (GWh, base units of kWh).</p> <p>The assurance also covers the emissions underlying our Aim 1; Scope 1 (direct) carbon dioxide emissions (operational boundary) (Mte) and Scope 1 (direct) methane emissions (operational boundary) (Mte); Aim 2; Carbon emissions upstream oil and gas production (MtCO₂e); Aim 3 (Carbon intensity of total marketed energy products (gCO₂e/MJ); and Aim 4; Methane intensity (%).</p>

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

22

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2020

Period end date

December 31, 2020

Allowances allocated

6,993,082

Allowances purchased

2,236,582

Verified Scope 1 emissions in metric tons CO₂e

9,229,664

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Facilities we own and operate

Comment

EU ETS does not cover Scope 2 emissions or Scope 1 methane emissions. Data provided does not include petrochemicals sites divested in December 2020 under the sale of the business to INEOS.

C11.1d**(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?**

Affected installations make a business decision whether to comply through investment in emission reductions and/or purchase of allowances. Our response to question C4.3b includes examples of emission reduction initiatives implemented by our North Sea business and a European refinery which lowered Scope 1 emissions and reduced the number of allowances needing to be surrendered for the 2020 reporting year.

During 2020, one of bp's subsidiaries and one of bp's joint venture companies in China were participating in emission trading pilot programmes, which were operating in five cities and three provinces during 2020. bp reported emissions data but did not have compliance obligations under any of these pilot programmes during 2020 and therefore they are not included in C11.1b above. On 31 December 2020, China promulgated the national regulation on National ETS which became effective on 1 February 2021, when the National ETS was officially launched.

C11.2**(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?**

Yes

C11.2a**(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.****Credit origination or credit purchase**

Credit purchase

Project type

Biomass energy

Project identification

Milenium Ceramic Switching Non Renewable Biomass Project

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO₂e)

71,638

Number of credits (metric tonnes CO2e): Risk adjusted volume

71,638

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Fossil fuel switch

Project identification

Kamiranga Ceramic Fuel Switching Project

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

115

Number of credits (metric tonnes CO2e): Risk adjusted volume

115

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Hydro

Project identification

Grouped Hydropower Plants in Chongqing, Yunnan, Sichuan and Guizhou Provinces, P.R. China

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

617,560

Number of credits (metric tonnes CO2e): Risk adjusted volume

617,560

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

LOWER ZAMBEZI REDD+ PROJECT

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

200,519

Number of credits (metric tonnes CO2e): Risk adjusted volume

200,519

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

Distribution of ONIL Stoves - Mexico

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

81,491

Number of credits (metric tonnes CO2e): Risk adjusted volume

81,491

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify

Energy efficiency: buildings

Project identification

University of Illinois Urbana-Champaign Campus Wide Clean Energy & Energy Efficiency

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

60,125

Number of credits (metric tonnes CO2e): Risk adjusted volume

60,125

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Fossil fuel switch

Project identification

Biogas CDM Project of Bagepalli Coolie Sangha

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

23,201

Number of credits (metric tonnes CO2e): Risk adjusted volume

23,201

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

WIND power CGN Zhaoyuan

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

317,710

Number of credits (metric tonnes CO2e): Risk adjusted volume

317,710

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

ⓘ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Project type

Fossil fuel switch

Project identification

Sichuan Rural Poor-Household Biogas

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

400,272

Number of credits (metric tonnes CO2e): Risk adjusted volume

400,272

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

ⓘ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Fossil fuel switch

Project identification

Indonesia Domestic Biogas Programme of Activities (IDBP) - VPA-1

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO₂e)

30,189

Number of credits (metric tonnes CO₂e): Risk adjusted volume

30,189

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Solar

Project identification

Orb Energy Solar Program in India - VPA02

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO₂e)

102

Number of credits (metric tonnes CO₂e): Risk adjusted volume

102

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

Credit origination or credit purchase

Credit purchase

Project type

Biomass energy

Project identification

National Bachu Biomass Power Generation Project

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

73,092

Number of credits (metric tonnes CO2e): Risk adjusted volume

73,092

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

☞ The list provided sets out the purchases of voluntary carbon credits for bp Target Neutral customers during 2020; it does not include other credit origination or compliance credit activity undertaken by bp's Low Carbon Trading team.

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

Stress test investments

GHG Scope

Scope 1

Scope 2

Application

All investment cases above defined thresholds for anticipated annual greenhouse gas (GHG) emissions from operations must estimate those anticipated Scope 1 and 2 GHG emissions and include an associated carbon price into the investment economics.

Actual price(s) used (Currency /metric ton)

50

Variance of price(s) used

Our carbon prices for the period to 2050 now include prices of \$100/teCO₂ in 2030, \$200/teCO₂ in 2040 and \$250/teCO₂ in 2050 (2020 \$ real).

These price ranges do not link to specific scenarios or outcomes, but instead try to capture the range of different possibilities surrounding the future path of the global energy system. The nature of the uncertainty means that these price ranges inevitably reflect considerable judgement. The ranges are reviewed and updated on an annual basis as our understanding and judgement about the energy transition evolves.

Type of internal carbon price

Shadow price

Impact & implication

bp's investments fall within a governance framework. This seeks to ensure investments align with our strategy, fall within our prevailing financial frame, and add shareholder value. The governance framework also provides for investments to be assessed consistently and against a range of other outcomes relevant to our strategy, including a range of environmental and sustainability factors. Investments follow an integrated stage-gate process designed to enable us to choose and develop the most attractive investment cases. A balanced set of investment criteria is used, see page 30 of our 2020 Annual Report and Form 20-F. This allows for the comparison and prioritization of investments across an increasingly diverse range of business models. The governance framework also specifies that proposed investments are tested, including against carbon prices for projected operational emissions, and are subject to assurance by functions independent of the business before a final investment decision (FID) is taken.

The calculation of internal rate of return (IRR) and discounted payback uses the 'central-price' case for commodity prices and margins and the 'central' carbon price. Economic indicators are then benchmarked against the economic hurdles, described on page 30 of our 2020 Annual Report and Form 20-F. As a guide, we would normally target a minimum threshold of greater than 1.0x on this basis.

For clarity, Paris-consistency evaluations for investment decisions made before September 2020 were measured against the previous long-term price assumptions and against the profitability index (PI) measure.

Each of the new material capex investments approved in 2020 met the evaluation guides, applicable to the type of investment at the time that the investment decision was made. Each of these investments was evaluated to be consistent with the Paris goals.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

% of suppliers by number

2

% total procurement spend (direct and indirect)

7

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

% of suppliers by number and % total procurement spend relate to the % of global logistics suppliers engaged in the scope of the project and the % of global logistics procurement spend associated with these suppliers.

We recognize the importance of working together with the suppliers in our global supply chain towards a long-term, sustainable and successful future for us all.

We took some specific, local actions to reduce the resource intensity of our supply chain, such as establishing several renewable energy partnerships, extending the usable life, recovery and recycling of certain equipment. We piloted questions on greenhouse gas emissions in our request for proposals in our legacy Upstream purchasing, and have raised awareness of environmental sustainability with our purchasing teams with specific sessions on understanding Scope 1, 2 and 3 greenhouse gas emissions.

We have initiated collaborative sessions with key suppliers to identify opportunities to jointly improve sustainability. We plan to advance these ideas further in 2021 and establish a mechanism for our suppliers to provide ideas on reducing our combined environmental footprint.

In 2020, we had a particular focus on opportunities in our logistics supply chains with CO2 intensive, road-based transport operations.

Impact of engagement, including measures of success

In appropriate cases, success can be measured in terms of a reduction in the estimated CO2e emissions associated with the relevant activity in our supply chain. As an example, Castrol AsPac has a CO2 intensive, road-based transport operation, moving product from manufacturing plant to warehouse and warehouse on to our customers. Following an extensive review of the operations, the logistics purchasing team identified opportunities with a new supplier, to migrate a significant amount of product movement from road to waterways in China and road to rail in Australia. We anticipate that this change will lead to an annual CO2 emission reduction of approximately 4.8kT in China and 1.5kT in Australia in the Castrol Supply Chain. The team are now working with a supply chain optimisation provider to run analysis on Secondary networks in Australia and the US to create optimization scenarios using a reduced CO2 logistics network.

Comment

In our 2020 Sustainability Report we announced 10 new aims, in addition to the 10 aims we set out in February 2020 to support our net zero ambition, to link our actions to a broader set of societal issues – five for people and five for the planet.

Our aim 20 is developing a more sustainable supply chain. We intend to work with our key suppliers to embed sustainable practices, focusing on reducing greenhouse gas emissions and increasing the circularity of what we buy.

We intend to establish a roadmap to identify and improve the sustainability in high priority areas of goods and services, continuing to action opportunities as we find them. We plan to trial the inclusion of sustainability drivers in major purchasing decisions. We intend to develop a sustainable procurement policy and set aims by 2023.

Type of engagement

Compliance & onboarding

Details of engagement

Climate change is integrated into supplier evaluation processes

% of suppliers by number

100

% total procurement spend (direct and indirect)

66

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

In 2020, 100% of suppliers engaged with respect to a supply tender for a new or renewed electricity contract were also engaged on options for renewable power supply. Global electricity spend in 2020 was \$463 million. \$307 million (66%) relates to contracts which were new or renewed in 2020, and had a contract start date in 2020.

We recognize the importance of working together with the suppliers in our global supply chain towards a long-term, sustainable and successful future for us all.

We took some specific, local actions to reduce the resource intensity of our supply chain, such as establishing several renewable energy partnerships, extending the usable life, recovery and recycling of certain equipment. We piloted questions on greenhouse gas emissions in our request for proposals in our legacy Upstream purchasing, and have raised awareness of environmental sustainability with our purchasing teams with specific sessions on understanding Scope 1, 2 and 3 greenhouse gas emissions.

We have initiated collaborative sessions with key suppliers to identify opportunities to jointly improve sustainability. We plan to advance these ideas further in 2021 and establish a mechanism for our suppliers to provide ideas on reducing our combined environmental footprint.

In 2020, we initiated a programme of work with the aim of greening the energy supply to bp property, primarily offices and retail sites, globally. In competitive power markets we are engaging suppliers to evaluate options for renewable power supply into bp property. We have also set a commitment that for any new electricity supply arrangement or for the renewal of an existing electricity supply arrangement, we will work with suppliers to evaluate options for renewable power supply.

Impact of engagement, including measures of success

In appropriate cases, success can be measured in terms of a reduction in the estimated CO₂e emissions associated with the relevant activity in our supply chain. As an example, our utilities procurement team partnered with Lightsource bp and Trading and Shipping to secure a long-term renewable electricity contract to supply 272 bp owned retail sites and Markoil sites in Spain for the next seven years. In a first for bp, this deal sees us owning all aspects of the value chain. The contract unlocks both cost savings and reduces carbon emissions by approximately 4.8ktCO₂e per year.

Comment

In our 2020 Sustainability Report we announced 10 new aims, in addition to the 10 aims we set out in February 2020 to support our net zero ambition, to link our actions to a broader set of societal issues – five for people and five for the planet.

Our aim 20 is developing a more sustainable supply chain. We'll work with our key suppliers to embed sustainable practices, focusing on reducing greenhouse gas emissions and increasing the circularity of what we buy.

We plan to establish a roadmap to identify and improve the sustainability in high priority areas of goods and services, continuing to action opportunities as we find them. We plan to trial the inclusion of sustainability drivers in major purchasing decisions. We intend to develop a sustainable procurement policy and set aims by 2023.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

1

% of customer - related Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement

bp Target Neutral is bp's carbon management programme, helping customers access carbon neutral and carbon offset backed products and services. Engagement is with both business customers (b2b) and consumers (b2c).

bp Target Neutral is helping individuals or businesses by quantifying and reducing emissions, offsetting, developing new 'carbon neutral' products and services for customers or helping businesses achieve full 'carbon neutral' status. By supporting carbon offset projects around the world Target Neutral is not only helping to reduce, remove or avoid carbon emissions but also enabling economic, social and environmental benefits for local communities around the world.

bp Target Neutral works with bp's Low Carbon Trading team to procure carbon credits from projects from that meet industry standards (such as the United Nations Clean Development Mechanism (UN CDM), the Verified Carbon Standard (VCS) and Gold Standard).

bp Target Neutral is a member of and works in accordance with the International Carbon Reduction and Offset Alliance (ICROA) Code of Practice which sets out standards for offset inclusive carbon management.

Via our website, we provide tools for individuals to calculate, reduce and offset emissions from travel, lifestyle, and events.

Impact of engagement, including measures of success

Since 2006 we've helped our customers reduce and offset more than 6 million tonnes of GHG emissions by developing carbon neutral and offset backed products and services for bp. Over 20,000 individuals have offset with Target Neutral since 2012, and we have around 15,000 subscribers to our newsletter.

Data on the total global number of retail customers in 2020 is not available but the total number of Target Neutral customers is less than 1% of our 2020 daily customer touchpoints of 11.5 million (customer touchpoints are the number of retail customer

transactions per day on bp forecourts globally). This forms the basis of the answer in “% of customers by number”.

Some examples of measures of success include:

- Volume of carbon credits retired to support the work programme increased to over 1.8 million tonnes CO₂e in 2020 (see C11.2a) compared with 640,000 tonnes in 2016.
- Over €20 million of carbon finance raised through offsetting since 2006. Over that time Target Neutral has helped to improve the livelihoods of over 1.8 million people through better health, economic and social benefits (based on cumulative SDG benefits set out in project impact reports)
- bp Target Neutral is contributing to Castrol's PATH360 sustainability strategy, under which Castrol plans to increase its carbon neutral offer, including a lead brand across each of the automotive, industrial, marine and energy sectors, as well as all products sold by Castrol in Australia, New Zealand, and Vietnam in 2021. To fulfil its carbon neutral programme, Castrol buys carbon credits from bp Target Neutral which supports and contributes to a portfolio of carbon reduction, avoidance and removal projects around the world.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

In 2020 we set out a new strategy that will see us transform from being an International Oil Company focused on producing resources, to an Integrated Energy Company focused on delivering solutions for customers. Our sources of differentiation include integrated energy systems and partnering with countries, cities, and industries. Along and across value chains, pulling together all our capabilities to optimize energy systems and create comprehensive offers for customers. Our global presence in oil, gas and power value chains, including retail, EV charging, carbon sequestration and renewables, means we have the capability to provide multi-energy solutions.

In February 2020 we set out 10 aims to support our net zero ambition. Our aim 10 is to launch a new team to create integrated clean energy and mobility solutions.

Partnering with countries, cities and industries is one of our key strategic areas of differentiation. In August 2020 we announced our target to partner with 10-15 cities globally over the next decade to help them achieve their climate goals. And to work with three industrial sectors – high tech and consumer products, heavy transport and heavy industries – as they shape their energy transition journey. We launched our regions, cities, and solutions team in 2020. It will help countries, cities and corporations around the world decarbonise.

In 2020 we have formed partnerships with Houston, Aberdeen and Microsoft. With Houston, we've started to explore ways to enable one of the most populous cities in the US to become net zero. The City of Houston, which currently emits more than 30 million tonnes of CO₂ per year, has adopted a comprehensive Climate Action Plan (CAP) that provides a blueprint for the city to become carbon neutral by 2050. We have signed an agreement to serve as the city's strategic and technical planning advisor on the CAP for the next four years, bringing expertise across the energy spectrum to help Houston build a more sustainable and resilient future. In 2021, we took another step in support of the CAP by joining forces with Uber to explore how we can encourage, develop and drive the use of electric vehicle charging infrastructure in Houston.

We have also partnered with Aberdeen City Council to serve as planning and technical advisor in service of the city's Net Zero Vision to reduce carbon emissions and become a climate positive city. Together, we plan to explore opportunities in service of the city's decarbonization, economic and social ambitions, working across several themes including accelerating the adoption of electric and hydrogen-powered city vehicles, energy efficiency programmes for buildings and circular economy.

Building on our existing relationship and aligned ambitions, we are combining our expertise with Microsoft to drive digital innovation in energy and accelerate progress towards our companies' net zero goals. We intend to work on a co-innovation effort that will explore everything from ways to help customers control their home energy use and cut carbon dioxide emissions to the development of clean energy parks powered by next-generation technologies. We've also extended our agreement to use Microsoft Azure cloud services – giving us access to a host of tools, including machine learning and data analytics. And we've signed a framework agreement with the aim of supplying Microsoft with renewable energy for their data centres – something that also aligns with our sustainability frame priority to provide more clean energy for more people.

We have deepened our relationship with Amazon in support of both of our ambitions to reduce our emissions and help our customers reduce theirs. In a new series of clean power agreements, we have agreed to more than triple the renewable power that bp will supply to Amazon's operations in Europe – helping Amazon get a step closer to their goal to power operations with 100% renewable energy. At the same time, Amazon will help bp with innovative technologies that will accelerate our programme to digitize our infrastructure and operations. In 2021 we announced a strategic partnership with Qantas to work on opportunities to reduce carbon emissions in the aviation sector and contribute to the development of a sustainable aviation fuel industry in Australia. We intend to explore ways in which bp's global capabilities, skills and knowledge can support Qantas's industry-leading sustainability and environmental strategy. By bringing our complementary capabilities together, we can help each other, and our customers, move at a faster pace on the energy transition journey.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify	Support	We're supporting well designed carbon pricing in the US. For example, on the east coast we've actively advocated for	Not applicable – legislation supported

Carbon pricing		the Transportation and Climate Initiative (TCI) since 2019. TCI took a step forward in 2020, when the governors of Connecticut, Massachusetts and Rhode Island, together with the mayor of the District of Columbia, signed a memorandum of understanding, while several other states signed letters committing to further consideration of the initiative. TCI puts a price on the largest source of greenhouse gas emissions on the east coast and aims to reduce them by 20-25% across the region, while also creating jobs, boosting the economy and modernizing infrastructure. TCI could be implemented from January 2022 onwards as states complete their own rulemaking and pass legislation.	
Other, please specify Carbon pricing	Support	We publicly advocated for Virginia to join The Regional Greenhouse Gas Initiative (RGGI) and were pleased when the governor signed that bill into law in 2020. We're now encouraging Pennsylvania to join 11 other nearby states to benefit from the programme.	Not applicable – legislation supported
Regulation of methane emissions	Support	<p>In October 2020, the European Commission published the EU strategy to reduce methane emissions. The strategy focuses on a suite of measures the EU could consider to reduce methane emissions in line with its commitment to climate neutrality by 2050.</p> <p>bp encourages policy and regulation that help achieve ambitious methane emission reductions. We support the Commission's EU methane emissions strategy and believe it is a solid foundation that all stakeholders can build on.</p> <p>We are pleased to see the focus on measurement, reporting and verification (MRV), including the use of satellite detection and aerial monitoring. This is something we will be applying to our</p>	Not applicable – legislation supported

		<p>operated upstream oil and gas sites which will contribute towards our target of 0.20% methane intensity using our measurement approach. Our new measurement approach represents a significant step forward as it shifts our focus from the estimation and calculation on which current protocols largely depend, to a much greater focus on measurement.</p> <p>We also support the use of the Oil and Gas Methane Partnership, or OGMP, version 2, which is all about enhancing reporting and methane emissions reductions, to inform EU performance standards for natural gas. bp has recently signed up to OGMP V2.</p> <p>In its strategy, the European Commission recognizes the need for international cooperation with fossil fuel producing countries and companies. As this is an important aspect of reducing global methane emissions, we support the range of international actions proposed by the Commission.</p> <p>We look forward to continuing our work with the EU, its member states and international companies to make implementation of the EU methane strategy a success.</p>	
Other, please specify Carbon pricing	Support	<p>Washington state legislation: Home to our Cherry Point refinery, Washington is now the second state in the country with a comprehensive, economywide, market-based carbon pricing program.</p> <p>The legislature and governor brought progressive climate policy to the evergreen state that will lower carbon emissions for the benefit of everyone in Washington. The package of solutions will help to produce fewer emissions making the entire economy cleaner by:</p> <ul style="list-style-type: none"> • Incentivizing and rewarding innovation to reduce carbon emissions. If emitters have to reduce their footprint, 	Not applicable – legislation supported

		<p>businesses can offer new solutions that help them achieve those requirements.</p> <ul style="list-style-type: none"> • Creating policy certainty that sends clear signals to businesses. The policies in Washington state set an ambitious but achievable schedule to reduce emissions and evolve operations. If we can plan for it, we can thrive within it. • Setting a new standard for the country and creating the opportunity to link Washington's market to those in California and Oregon. • Learning from existing programs, in their successes and their shortcomings. Washington's proposed legislation is stronger because of its predecessors. • Strengthening the state's economy. The legislation aims to create revenue that can reach throughout the entire state. • Making climate goals achievable. Like bp, Washington has set an ambition to be net zero by 2050. A cap on emissions is the most effective and efficient way to get there. <p>bp is committed to being part of the solution and we actively advocated for the passage of the Climate Commitment Act (SB 5126), working with Clean & Prosperous Washington, a campaign to advance the legislation.</p> <p>We'll keep doing our part to bring Washington state closer to net zero, starting with our own operations. And we'll continue sharing what we're learning to help develop policies that can shape a lower-carbon economy.</p>	
Clean energy generation	Support	<p>Comprehensive clean energy legislation in Illinois:</p> <p>We have publicly supported the governor's principles and advocated with legislators for a comprehensive bill that includes a well designed carbon price and encourages renewable energy and private investment in electric vehicle infrastructure. We also helped develop</p>	Not applicable – legislation supported

		and support Senate Bill 2005 to accelerate carbon capture use and storage projects in the state.	
Other, please specify CCUS	Support	<p>CCUS in Illinois:</p> <p>Carbon capture, use and storage (CCUS) is a proven technology that can reduce carbon dioxide (CO₂) emissions. Illinois is one of a handful of states in the US that has the geology to store CO₂ in a safe, secure and effective way. This means that Illinois is well positioned to attract the investment needed to deploy CCUS commercially and at scale.</p> <p>CCUS could benefit Illinois by:</p> <ul style="list-style-type: none"> • Reducing carbon emissions – Illinois is one of the top CO₂ emitters in the US. CCUS technology can reduce CO₂ emissions from existing industries while also capturing CO₂ emissions currently in the atmosphere. • Supporting jobs – CCUS technology can decarbonize industries like ethanol and hard to abate sectors like steel and cement. Decarbonization can enhance the economic viability of these sectors. • Promoting economic growth – Captured CO₂ can be used as a raw material in concrete, biofuels, fertilizers and plastics – potentially giving Illinois manufacturers a competitive edge. <p>Illinois needs legislation that provides clarity on key issues that are absent from existing state and federal regulations – yet critical to the commercial development of CCUS projects. Effective legislation can create a framework to deploy CCUS projects in Illinois by:</p> <ul style="list-style-type: none"> • Creating a clear permitting process for CCUS projects. • Clarifying pore space ownership, which is essential for advancing CCUS. • Setting clear guidelines that allow for CCUS project development if a majority of owners on a block of land agree. 	Not applicable – legislation supported

		<ul style="list-style-type: none"> Establishing rules for transfer of ownership to the state for long-time stewardship once federal and state regulatory agencies verify storage is secured. <p>CCUS policy in Illinois is good for both people and the planet and can help the state meet its clean energy goals.</p>	
Regulation of methane emissions	Support	<p>bp disagreed with the Environmental Protection Agency's methane roll back in August 2020. The best way to help further reduce and ultimately eliminate methane emissions industrywide is through direct federal regulation of new and existing sources.</p> <ul style="list-style-type: none"> A single set of regulations created by the Environmental Protection Agency would be preferable to a patchwork of regulations created by multiple federal or state agencies. In the absence of federal regulation, bp will support well-designed state and local regulation. Regulations also must be well-designed and cost-effective, so they don't place an unreasonable burden on companies and consumers. They should also be flexible enough to account for newer, better leak-detection technologies to be deployed as they become available. 	<p>A single set of regulations created by the Environmental Protection Agency would be preferable to a patchwork of regulations created by multiple federal or state agencies. In the absence of federal regulation, bp will support well-designed state and local regulation.</p>
Climate finance	Support	We publicly support the European Commission's proposal for the European Economic Recovery Plan, linking recovery funds to climate plans.	Not applicable – legislation supported
Other, please specify Climate targets	Support	We publicly support the European Commission's proposed 2030 climate target and its overall target to achieve climate neutrality in the EU by 2050.	Not applicable – legislation supported
Other, please specify CCUS	Support	We are working with national, regional and local government in the UK to help establish the right business models for the successful development of carbon capture, use and storage (CCUS), including the Net Zero Teesside and	Not applicable – legislation supported

		Northern Endurance projects where we are the operator.	
Other, please specify CCUS	Support	Working with the government, we have completed the feasibility study to develop the first large CCUS project in Tangguh LNG, Papua Barat.	Not applicable – legislation supported

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

American Fuel and Petrochemical Manufacturers (AFPM)

Is your position on climate change consistent with theirs?

Inconsistent

Please explain the trade association's position

AFPM collaborated with its members in 2019 to support changes to its climate policy. bp participated in this effort, presenting our views and activities to advance the energy transition to the AFPM Executive Committee. While we are encouraged by AFPM's progress, we are misaligned in activities to progress state-level carbon pricing programmes in the absence of a US national policy.

How have you influenced, or are you attempting to influence their position?

Member companies, including bp, worked closely with AFPM leadership to make significant changes to the organization's climate position in 2019. Until the publication of our participation in trade associations report in February 2020, bp had been hopeful to remain a member and continue influencing from within. It was apparent, however, that bp and AFPM's views on advocacy, especially the implementation of carbon pricing were at odds and there were no areas of full alignment. Therefore, bp decided to resign its membership during 2020.

Trade association

Western States Petroleum Association (WSPA)

Is your position on climate change consistent with theirs?

Inconsistent

Please explain the trade association's position

We have recent and developing differences in the area of carbon pricing. While our positions were aligned on the 2018 Washington State (WA) carbon pricing proposal (Initiative 1631), since then the majority of WSPA members have twice chosen (2019 and 2020 legislative sessions) not to pursue what we consider to be a well-designed carbon price framework (cap and trade Senate Bill 5981, which bp supports). Most recently, WSPA has focused organizational capability and resources on stopping a state-wide low carbon fuel standard (LCFS) initiative. We disagree with this position.

How have you influenced, or are you attempting to influence their position?

Our efforts to align positions on carbon pricing have been unsuccessful, despite our being well engaged in the association. Consequently, we decided to resign this membership during 2020. This action will leave bp without state-level oil and gas trade membership in the region, which may negatively impact our ability to successfully engage on other important issues. We feel, on balance, that this was the right decision at the time. We will look to manage any risks by continuing to monitor our engagement and relationships in the states covered by WSPA.

Trade association

American Petroleum Institute (API)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

API took significant steps in 2019 to revise its climate position. The new position and corresponding climate policy principles have shifted a great deal and the association is now more closely aligned with bp. While API's opposition to the direct federal regulation of methane in 2020 is contrary to bp's position, API is taking action to encourage a reduction in methane emissions through their Environmental Partnership programme. bp has made its position on methane regulation clear with API and publicly.

How have you influenced, or are you attempting to influence their position?

Although we have some areas of difference in terms of climate policy, we have worked closely with API on recent changes and we will continue to do so as its climate position evolves. We have communicated these findings and our expectations to the association's leadership and to employees in bp who work with API. We will continue to make the case for our views on methane and broader climate policy within and outside of API.

Since our participation in trade associations report in 2020, we have consistently made the case for API to advocate for more progressive climate policies. We have pushed this issue with API at all levels – from working groups and standing committees to the chief executive and executive committee – which we believe has helped drive progress. In March 2021, API announced its first Climate Action Framework – an industry action plan with supporting policy asks. We were encouraged by the progress demonstrated and proud of the role we played, especially in the areas of regulating methane emissions, supporting carbon pricing and improving transparency.

Trade association

Australian Institute of Petroleum (AIP)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

AIP acknowledges climate science but does not have a strong position on this topic or acknowledge the role of the IPCC. The association has no strong position on the Paris Agreement.

How have you influenced, or are you attempting to influence their position?

We have communicated these potential misalignments and our expectations to AIP. We are actively working with the association and its other members to support progress of these positions.

Since our participation in trade associations report in 2020, we have worked with members and the organization to draft a new climate change policy position. This position states support for the Paris Agreement, the role of climate science in the evolution of its position over time and that AIP will continue to constructively engage with governments and

other stakeholders in the development of climate-related policies to reduce emissions. We have been encouraged by the organization's willingness to engage with us, and others, and by progress overall. We will continue to work with the organization on climate and on other areas relevant to our business in Australia.

Trade association

Canadian Association of Petroleum Producers (CAPP)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

Although CAPP does not explicitly support the goals of the Paris Agreement, it does see climate change as an important global issue and supports Canada's plan of action. The association takes an outcome-focused approach and is supportive of action to tackle methane emissions. CAPP has not publicly supported federal and provincial carbon pricing frameworks in Canada.

How have you influenced, or are you attempting to influence their position?

We have communicated this potential misalignment and our expectations to association leadership and to those bp employees who work with CAPP. We are actively working with the association and its other members to support an evolution of these positions. In 2020, we wrote to CAPP where we saw advocacy that was not in line with our view

on carbon pricing. Since then, working with membership including bp, the association released an updated climate commitment. This document states that 'CAPP and member companies support climate policies that efficiently and effectively manage GHG emissions while protecting our competitiveness to maintain a vibrant oil and natural gas sector'.

We are greatly encouraged by this step and we will continue to work with CAPP on climate and in other areas relevant to our business in Canada.

We no longer hold a board post within CAPP – this was resigned during 2020.

Trade association

National Association of Manufacturers (NAM)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

NAM's climate policy has changed in recent months and is now more aligned with bp. The organization supports the objectives of the Paris Agreement and has a set of climate principles to guide its approach moving forward.

How have you influenced, or are you attempting to influence their position?

We have communicated potential misalignments and our expectations on climate policy to the association's leadership and those within bp who work with the NAM.

Since our participation in trade associations report in 2020, NAM's position has evolved in the area of carbon pricing as the organization stated support for 'market-based options'.

We are encouraged by this progress and will continue to work with NAM on climate and in other areas relevant to our business in the US.

Trade association

US Chamber of Commerce

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

The Chamber made progress on its climate change position in 2019. This includes supporting US participation in the Paris Agreement as well as calling on policymakers to act on climate. Additionally, the Chamber has launched a Task Force open to its entire membership to inform its approach on climate policy proposals.

How have you influenced, or are you attempting to influence their position?

We have communicated potential misalignments and our expectations on climate policy to the association's leadership and to those bp employees who work with the US Chamber.

bp was among the companies urging the Chamber to take a more active and positive

approach to climate policy, which it did with its January 2021 policy update. On carbon pricing, the Chamber has updated its policy position to state support for a 'market-based approach to accelerate GHG emissions reductions' and the direct regulation of methane emissions. The Chamber has also made strong statements in support of climate science and continued to support US participation in the Paris Agreement and the 'urgent need for action' on climate change. We are encouraged by the progress made since our participation in trade associations report in 2020 and will continue to work with the US Chamber of Commerce on climate and in other areas relevant to our business in the US.

Trade association

Australian Industry Greenhouse Network (AIGN)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Australian Petroleum Production & Exploration Association (APPEA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

European Chemical Industry Council (Cefic)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

European Round Table for Industry (ERT)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Fuels Europe

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Mineralölwirtschaftsverband (MWV)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Verband der Chemischen Industrie (VCI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

International Association of Oil and Gas Producers (IOGP)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

International Emissions Trading Association (IETA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

International Gas Union (IGU)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

IPIECA

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Oil and Gas Climate Initiative (OGCI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

World Business Council on Sustainable Development (WBCSD)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Vereniging Nederlandse Petroleum Industrie (VNPI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

VNO-NCW

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Spanish Association of Petroleum Products Operators (AOP)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Confederation of British Industry (CBI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

Trade association

Oil & Gas UK (OGUK)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Associations that were deemed to be aligned were those which we found to have: aligned positions on Paris and climate science; and no significant misalignments in other areas; and limited areas where we found no position.

How have you influenced, or are you attempting to influence their position?

For those associations deemed as aligned, we have formally communicated our expectations to association leadership and those within bp who work with the organization in question. We will continue to work with them and monitor alignment going forward.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Carbon Mitigation Initiative: Based at Princeton University, the Carbon Mitigation Initiative (CMI) is an independent academic research programme sponsored by bp and administered by the High Meadows Environmental Institute (HMEI). CMI is Princeton's largest and most long-term industry-university relationship. Established in 2000, the mission of CMI is to lead the way to a compelling and sustainable solution to the carbon and climate change problem. 2020 saw the publication of CMI's Net-Zero America report, which outlines five distinct technological pathways for the United States to decarbonize its energy system. The study's five scenarios describe at a highly detailed, state-by-state level the scale and pace of technology and capital mobilization needed across the country, and highlights the implications for land use, incumbent energy industries, employment, and health.

bp also supports a number of other organisations and initiatives, including:

- The World Economic Forum's Stakeholder Capitalism Metrics initiative
- The Carbon Pricing Leadership Coalition
- The Climate and Clean Air Coalition's (CCAC) Oil and Gas Methane Partnership
- The Methane Guidance Principles
- The Climate Leadership Council
- The CO2 Capture Project; a bp-operated joint partnership to develop and pilot technology and demonstrate safe and secure geological containment
- The World Bank-Zero Routine Flaring by 2030 initiative
- The Task Force on Climate-related Financial Disclosures (TCFD)
- The Sustainability Accounting Standards Board
- The Hydrogen Council, a global initiative of leading energy, transport and industry companies with the long-term ambition for hydrogen to support the energy transition
- The Collaboratory to Advance Methane Science, an industry-led group helping the oil and gas sector find the most effective strategies for cutting methane emissions
- The NCS Alliance, led by the World Business Council for Sustainable Development (WBCSD) and World Economic Forum (WEF)
- The Taskforce on Scaling Voluntary Carbon Markets

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Our Aim 6 is to more actively advocate for policies that support net zero, including carbon pricing. We have stopped corporate reputation advertising campaigns, and this is enabling us to redirect resources to promote well designed climate policies. In future, any corporate advertising will be to push for progressive climate policy; communicate our net zero ambition;

invite ideas; or build collaborations. We will continue to run recruitment campaigns and advertise our products, services and partnerships – although we aim for these to increasingly be low carbon.

We believe that ambitious climate policies will be essential to enable the world to meet the Paris climate goals, including achieving global net zero greenhouse gas (GHG) emissions. In our aim 6 we have publicly stated our aim to more actively advocate for well designed policies that will support net zero. We co-operate and engage with governments, regulators and legislators in the development of proposed policies relevant to our business – ranging from those in support of net zero, through to policy related to tax, employment, safety and other issues. Our activities may include direct lobbying on specific policy proposals by bp employees, through broader advocacy via research work or supporting think tanks, to communications activities and advertising. We're also working in cross-industry initiatives and partnerships to promote policies that support net zero, such as the NCS Alliance, the Carbon Pricing Leadership Coalition, and the Taskforce on Scaling Voluntary Markets.

bp's climate policy positions (accessible at: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp-climate-policy-positions.pdf>) set out our high level public positions in response to those specific areas of climate policy. This does not seek to be comprehensive. The detail of specific policies and regulations is crucial for their success; new policies and regulations generally need to interact effectively with a range of existing measures, and these interactions can be complex. Each policy maker needs to tailor their policy objectives to the unique circumstances, challenges and opportunities of their country and their specific social, political and economic environment. For these reasons, to achieve the relevant policy objectives while avoiding unintended consequences it is essential that climate policies – like any other policies – are well designed.

bp is a member of many industry associations that offer opportunities to share good practices and collaborate on issues of importance to our sector. We aim for alignment between our policies and those of trade associations but understand that associations' positions reflect a compromise of the assorted views of the membership. Our Aim 8 is to set new expectations for our relationships with trade associations around the globe. We will make the case for our views on climate change within the associations we belong to and we will be transparent where we differ. And where we can't reach alignment, we will be prepared to leave.

In 2020, we published a review focused on the climate positions of 30 key associations that were actively involved in energy policy discussions. We also announced our decision to leave three associations where we were not aligned, and we found that the positions of five others were only partially aligned. The full report can be found here:

<https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/our-participation-in-trade-associations-climate.pdf>

We understand that positions taken on any topic by an organization are often a compromise or majority view, arrived at through individual decision-making processes, with the potential for widely differing views among membership. Consequently, although we may share our perspective and try to persuade others, we do not expect to dictate the positions our associations may take. We are respectful of others' views and perspectives and where differences arise, our priority is to try to influence from within. We realize that this may take time.

We published a 2021 progress update on our participation in traded associations: climate in May 2021. This document builds on last year's review by providing an update on the progress made by the five partially aligned associations. And, as part of our ongoing pursuit of

transparency, we are also providing a list of our 66 most significant memberships as determined by fees paid. The report can be found here:

<https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/our-participation-in-trade-associations-climate-2021-progress-update.pdf>

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

 bp-annual-report-and-form-20f-2020.pdf

Page/Section reference

bp Annual Report and Form 20-F 2020: Sections Strategic report and Corporate governance

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Available online here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/investors/bp-annual-report-and-form-20f-2020.pdf>
Expanded TCFD disclosures are found on pages 52-55


Publication

In voluntary sustainability report

Status

Complete

Attach the document

 bp-sustainability-report-2020.pdf

Page/Section reference

bp Sustainability Report 2020: whole document

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Available online here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp-sustainability-report-2020.pdf>

Publication

In voluntary communications

Status

Complete

Attach the document

 bp-esg-datasheet-2020.pdf

Page/Section reference

bp ESG datasheet 2020: pages 5, 6, 9, 10, 11

Content elements

Emissions figures
Other metrics

Comment

Available online here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp-esg-datasheet-2020.pdf>

Publication

In voluntary communications

Status

Complete

Attach the document

 our-participation-in-trade-associations-climate.pdf

Page/Section reference

Our participation in trade associations: climate: whole document

Content elements

Governance
Strategy
Risks & opportunities

Comment

Available online here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/our-participation-in-trade-associations-climate.pdf>

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Publication

In voluntary communications

Status

Complete

Attach the document

 bp-tcfd-2020.pdf

Page/Section reference

TCFD Energy Group Metrics: whole document

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Other metrics

Comment

Available online here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/bp-tcfd-2020.pdf>


Publication

In voluntary communications

Status

Complete

Attach the document

 bp-energy-outlook-2020.pdf

Page/Section reference

Energy Outlook 2020 edition, whole document

Content elements

Strategy

Risks & opportunities

Other, please specify

Uncertainties surrounding the energy transition and potential scenarios

Comment

Available online here: <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/energy-outlook/bp-energy-outlook-2020.pdf>

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

As a global group, our interests and activities are held or operated through subsidiaries, branches, joint arrangements or associates established in – and subject to the laws and regulations of – many different jurisdictions. We have well-established operations in Europe, North and South America, Australasia, Asia and Africa. BP p.l.c. and its subsidiaries are separate legal entities. References to “bp”, “bp businesses”, “we”, “our” and similar terms throughout this submission are to BP p.l.c. and its subsidiaries generally, to one or more of them, or to those who work for them.

In responding to some of the questions in this questionnaire we make forward-looking statements that refer to our estimates, plans and expectations. Actual results and outcomes could differ materially due to factors that we note in our UK and SEC filings. Please refer to our Annual Report, Stock Exchange Announcements and SEC filings for more details. These documents are available on our website. Responses other than quantified data are intended to be illustrative rather than comprehensive or selected according to materiality; quantified data drawn from data published elsewhere by bp are subject to any qualifications or clarifications provided there.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Executive Vice President, Strategy & Sustainability	Chief Sustainability Officer (CSO)