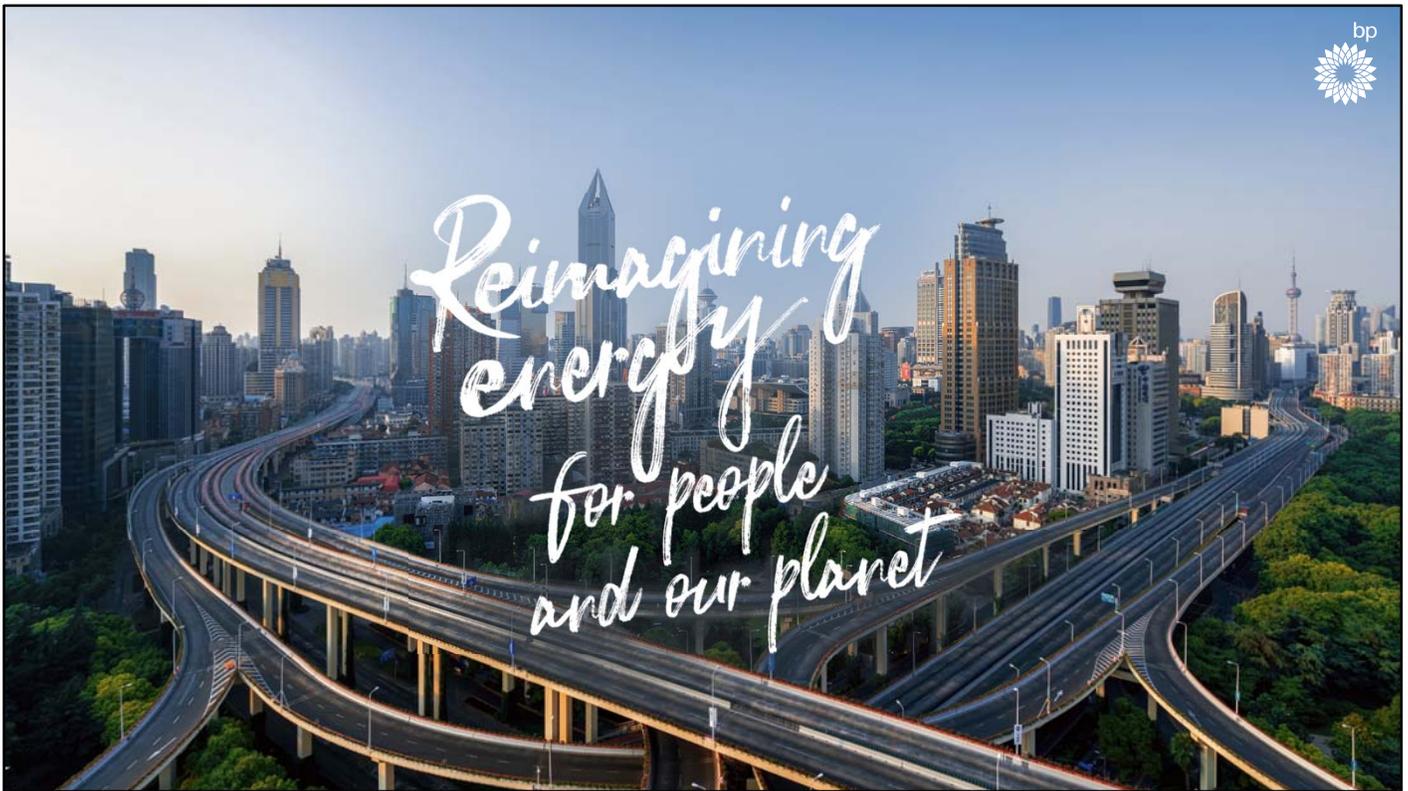




# Helge Lund Chairman

Thank you, Craig.

And good morning.



And let me add my own welcome to everyone on our webcast.

Thank you for joining us.

As chairman of bp's board, I would not usually join our results call.

Normally they are led by our executive team.

But today we're making an exception.

This morning, we outlined a set of results that were delivered during a uniquely challenging period.

At the same time, we made announcements on three strategically important board decisions.

First, a new company strategy to meet the ambition and aims we set out in February

Second, a new and resilient financial frame, including a clear approach to how we allocate capital

And third, a new investor proposition that includes a new distribution policy

We believe these three elements will benefit our many stakeholders, including our investors.

So, before Bernard, Murray and Giulia explain the key details, I want to briefly outline:

the judgements the board has made in reaching these decisions;

and the process we have followed.

## JUDGEMENTS

Starting with our judgements.

And our first judgement simply recognises a stark truth.

The world is on an unsustainable path - its carbon budget is running out.

Our second judgement is that – in response to that stark truth – energy markets have begun a process of fundamental, lasting change – shifting increasingly towards low carbon and renewables.

Oil and gas produced safely and efficiently, will, we believe, continue to perform a vital role for the world and in our business.

But – and this is our third judgement – over the longer term the demand for both oil and gas will be increasingly challenged.

Finally, our fourth judgement is that bp, alongside many others, can contribute to the energy transition the world wants and needs – and create value in doing so.

We have the skills, the energy market experience, the resources and the global relationships.

## PROCESS

In applying these four judgements to our decision-making, the board has been actively engaged with the leadership team in a process that began long before Bernard became CEO this year, but which has accelerated since.

From the beginning of 2019, we made our strategy the central focus of every board meeting.

This year, we have worked closely with Bernard and his team.

We have – in certain periods – increased the frequency of our meetings to weekly – recognising the scale of the shift our company needs to make.

And the strategy we announce today has benefited from extensive dialogue with our shareholders.

It will change bp from an International Oil Company to an Integrated Energy Company focused on delivering solutions for customers – a major,

necessary step in support of bp's purpose and ambition.

## **FINANCIAL FRAME**

To deliver this strategy, the board has agreed a new financial frame for bp.

It provides a stable foundation for our company.

Strengthens our balance sheet

Provides a clear approach to capital allocation

And crucially, through our disciplined approach to investment, creates the opportunity for us to significantly increase our investment in low carbon activities in this decade, while at the same time operating a high-quality base business.

## **INVESTOR PROPOSITION**

Together, our new strategy and financial frame create our investor proposition, which is designed to reward our investors through committed distributions and profitable growth, while generating sustainable value as we invest into the energy transition.

Bernard, Murray and Giulia will shortly explain the details more fully.

## **CLOSING REMARKS**

But I will close for now by thanking them – and their entire team – for their leadership of bp during this extraordinary period.

They could hardly have had a more challenging first few months.

There will undoubtedly be further challenges along the way.

And, through this transition, I know we are going to learn a lot.

Yet there's a lot this company already understands.

About rising to those challenges when they come.

About energy.

And about the opportunity we have to reimagine energy for people and our planet.

Bernard and his team have the board's full support.

And I'm very pleased to join them in announcing these big steps for bp.

Thank you.