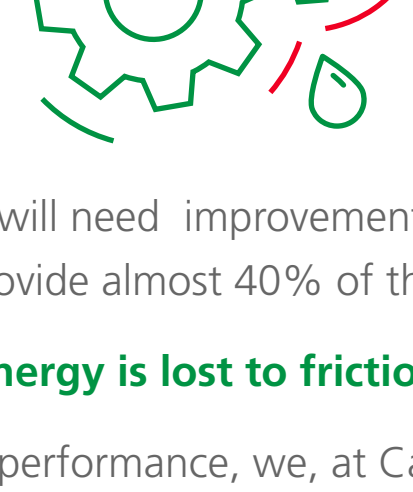




THE WORLD IS ON AN UNSUSTAINABLE PATH AND ACTION IS NEEDED.

We are in the United Nations' "Decade of Action". We have developed a holistic programme to help accelerate the move to a more sustainable future – PATH360.

THE EFFICIENCY PATHWAY



AROUND A QUARTER OF THE WORLD'S ENERGY IS LOST TO FRICTION, CORROSION AND WEAR!¹

To achieve the Paris climate goals, the world will need improvements in end use energy efficiency. In one estimate², these improvements can provide almost 40% of the necessary GHG reductions.

Today, around a quarter of the world's energy is lost to friction, corrosion and wear¹.

With 120 years' experience in efficiency and performance, we, at Castrol, have helped our customers save energy by fighting friction, reducing corrosion and minimising wear. Castrol wants to go further, looking at everything we do.

Our approach is 360; holistic, whole system thinking.

¹Energy efficiency includes enhanced technology performance as well as shifts in end-use sectors from more energy-intensive to less energy-intensive products (including through fuel shifts)
Energy Technology Perspectives 2020 (windrows.net) pg73

“Our approach is 360, holistic, whole system thinking. It's looking at how we can deliver what we do in a lower carbon, more efficient, more sustainable way, and helping our customers do the same too.”

Nicola Buck, CMO, Castrol



OUR 360 ROADMAP

Whilst we will continue to deliver, and pioneer efficiency through performance, we decided to do more.

So we have developed a 360 roadmap for Castrol that embraces circular economy thinking – looking at the life-cycle of every product that we make to see how it can be improved, extended, reused or recycled; and we are driving our business in supporting newer, growing sectors like renewable energy and e-mobility.

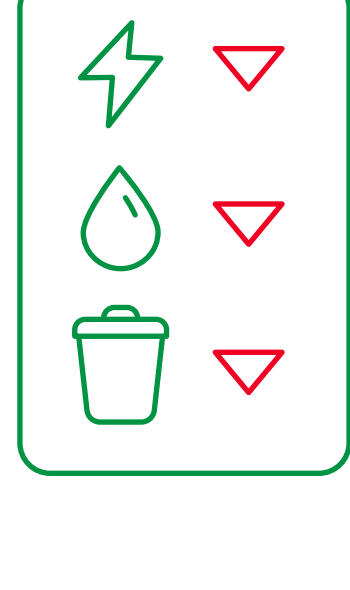
OUR AIMS

We are in the United Nations' "Decade of Action". We have examined our entire business and set ourselves goals under our three focus areas of Waste, Carbon and People.

This builds on work we have been doing to make our business more sustainable, and from 2021, our operations are committed to carbon neutrality³.

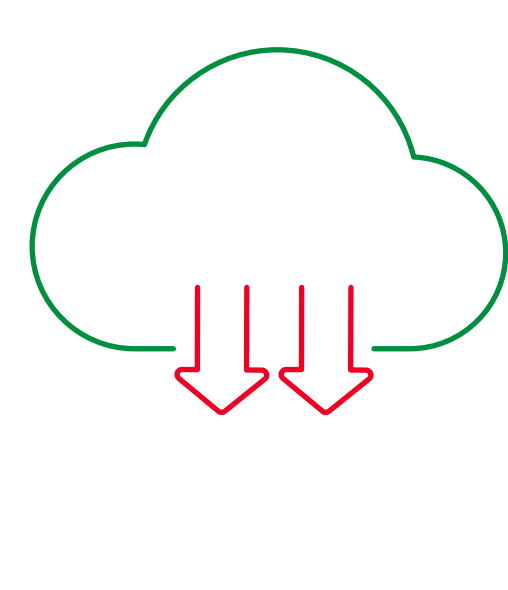
And we want to do more; our PATH360 plan maps our path to becoming net zero by 2050 or sooner.⁴

BY 2030



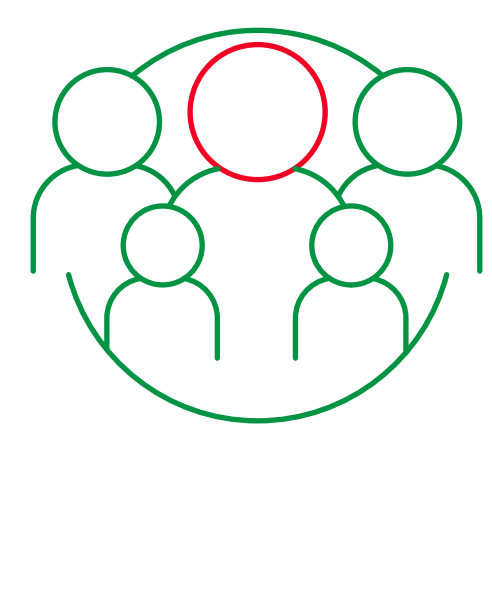
SAVING WASTE

Continue to help our commercial customers save energy, waste and water as well as reduce our plastic footprint by half⁵.



REDUCING CARBON

Halve the net carbon intensity per litre of our products⁶.



IMPROVING PEOPLE'S LIVES

Through our offers and support we will continue to work to improve people's lives around the world⁷.

³Castrol is committed to making its Scope 1 and 2 emissions certified carbon neutral from 2021. The CO2 emissions are calculated in accordance with the Greenhouse Gas Protocol's Corporate Standard and includes life-cycle emissions. The demonstration of carbon neutrality will be assessed by an independent Third Party and certified to ISO 14063:2000 carbon neutral specification. For more information visit www.castrol.com/neutral

⁴As part of bp's ambition to be net zero by 2050 or sooner and to help the world get to net zero

⁵To promote the responsible design and management of plastic packaging along its life-cycle, Castrol defines its plastic footprint as the amount of virgin plastic included in our packaging per litre that isn't recycled in our 2019 baseline. For more information visit www.Castrol.com/PATH360Definitions
⁶Castrol's net carbon intensity of our products sold in 2019. For more information visit www.Castrol.com/PATH360Definitions
⁷For example, through offsetting as part of Castrol's carbon neutral programme and other activities as detailed in www.Castrol.com/PATH360Definitions

HOW WE'RE GOING TO DO IT: OUR PATH360 FRAMEWORK

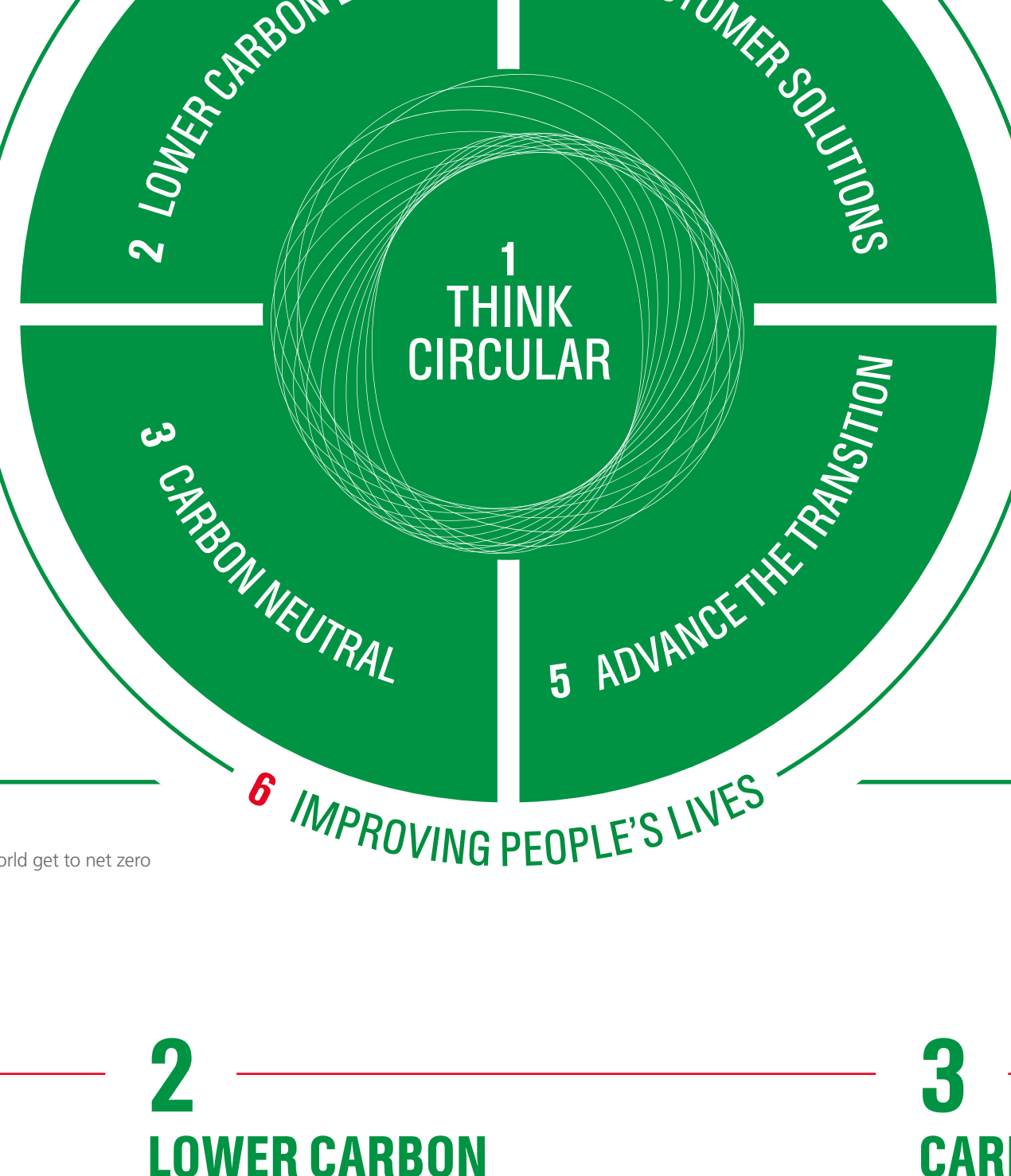
3
FOCUS AREAS

SAVING WASTE

REDUCING CARBON

IMPROVING PEOPLE'S LIVES

6
GUIDING PRINCIPLES



0

AIMING TO BE
NET ZERO
BY 2050 OR SOONER⁸

⁸As part of bp's ambition to be net zero by 2050 or sooner and to help the world get to net zero

1 THINK CIRCULAR

We look at the life-cycle carbon emissions of our products from "cradle to grave" and are using circular economy thinking to help us improve them.

2 LOWER CARBON DESIGN

We consider life-cycle carbon emissions as part of our product development process to deliver high performance lower life-cycle carbon solutions.

3 CARBON NEUTRAL

To make a carbon neutral offer we follow the PAS 2060 standard to calculate the life-cycle carbon emissions (or carbon footprint) of the product, develop a carbon reduction plan, purchase and retire sufficient carbon offset credits to compensate for residual emissions. Carbon offsetting is a rapid way to compensate for a product's carbon footprint⁹ while we work to bring it down.

4 CUSTOMER SOLUTIONS

We know that the biggest difference we can make is by working together with our customers and partners and helping them towards their sustainability goals. Our products can help our commercial customers save energy, waste or water and we are focused on high performance solutions to maximise this contribution.

5 ADVANCE THE TRANSITION

We are investing in and developing products and services that support the world's transition to renewable energy and sustainable technologies – like lubricants for wind turbines and fluids for e-mobility.

6 IMPROVE LIVES

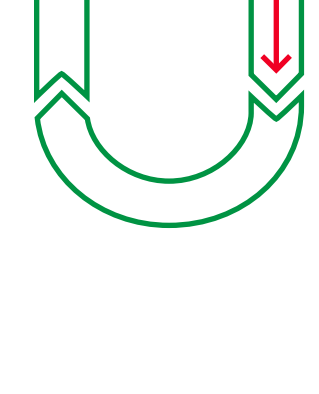
And we build in positive outcomes for people around the world as we work. Our activities range from aiming to improve mechanic education, helping to support more sustainable livelihoods and a focus on customer inclusion.

⁹GHG Protocol's product lifecycle accounting and reporting standard

OUR WHEELS ARE ALREADY IN MOTION - WHAT WE'VE DONE SO FAR

In 2021 products and services that meet the PATH360 qualifying criteria¹⁰

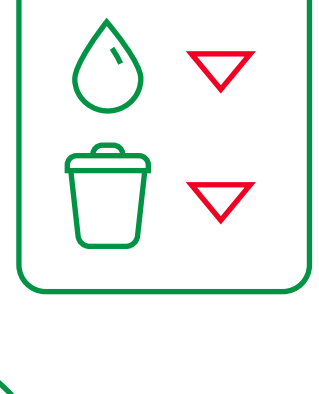
MADE UP 34% OF CASTROL GLOBAL SALES



We estimate that in 2021 our lower viscosity lubricants saved our passenger car customers

280 MILLION LITRES OF FUEL

compared to what would have been used by vehicles using an industry average portfolio of lubricants¹¹.



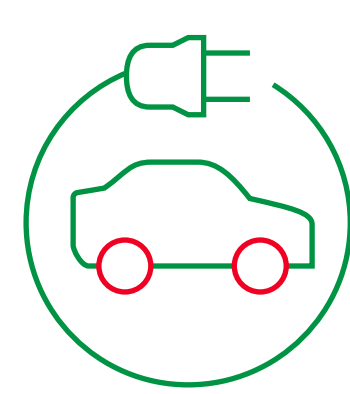
Through our partnership approach and advanced metalworking fluids offer, **RENAULT SAVED 1 MILLION LITRES OF WATER AND 1 MILLION LITRES OF WASTE** in their automotive engine plant¹².

We've redesigned our plastic packaging to be stronger, lighter and more efficient through distribution. We expect this will

REDUCE OUR PLASTIC USE BY 7,000 TONNES PER YEAR BY 2023

compared to 2019 baseline. In 2021 we rolled these packs out in 7 countries

SAVING OVER 2,000 TONNES OF PLASTIC



We've invested and developed a range of EV Fluids for electric vehicles and today,

2 OUT OF 3 OF THE WORLD'S

major car manufacturers use Castrol ON EV Fluids as part of their factory fill¹³.



Since 2014 Castrol has contributed to an offset programme that has helped to improve the lives of over

A MILLION PEOPLE¹⁴

through better health, decent work, training and gender equality.

¹⁰Castrol's PATH360 Qualifying Criteria 2021. For more information visit www.Castrol.com/PATH360Qualify
¹¹Due to the Castrol passenger car portfolio sold in 2021, being made up of a larger proportion of lower viscosity lubricants based on a set of assumptions. Fuel efficiency determined via the Industry M111E test. For more information visit www.Castrol.com/PATH360Saving-fuel
¹²For more information visit http://www.castrol.com/en_gb/infocentre/press-releases/2021/01/2021-01-20-castrol-reduces-water-waste-renewable-energy
¹³Based on LMCA data for top 20 selling OEMs (total new car sales) in 2019. Used as part of OEM factory fill
¹⁴Based on data provided by offset project suppliers and publicly available in CDM, Gold Standard and VCS monitoring and impact reports. For more information visit www.bp.com/en_globaltarget-neutral/home/offsetting-projects/cookstoves-mexico.html



COMPENSATING FOR CARBON AND IMPROVING HEALTH COOKSTOVES, MEXICO

An example of the bp Target Neutral projects Castrol has supported is a cookstove project in Mexico.

This project is helping to equip rural communities in Mexico with cookstoves that burn much more efficiently than open fires, saving firewood, reducing indoor air pollution and improving respiratory health. The project saved almost 92,000 tCO2e per year¹⁵.

¹⁵https://www.bp.com/en_globaltarget-neutral/home/offsetting-projects/cookstoves-mexico.html

WORKING TOGETHER FOR THE FUTURE

At Castrol we see this as just the beginning - we want to do more. We believe it's by working with customers, communities and partners where we can make the biggest positive difference. This is our new, holistic path to help create a more sustainable future, and help Castrol reach net zero by 2050 or sooner.

“This is about holistic and collective responsibility. We are taking action across our business. Castrol can also make a positive impact by helping and enabling others with their sustainability goals, and ultimately help accelerate the world's path towards net zero.”

Michelle Jou, SVP, Castrol



IT'S MORE THAN JUST OIL. IT'S LIQUID ENGINEERING.

