



Video introduction by the chairman – transcript

Dear shareholder,

2010 was painful and testing for BP. It presented enormous challenges for the company and for your Board.

The tragic accident in the Gulf of Mexico claimed eleven lives and led to an oil spill with widespread pollution.

It was an accident that should never have happened – all of us remain shocked and saddened that it did.

BP's response was unprecedented in scale – with nearly fifty thousand involved at the height of the crisis.

We are determined to live up to our commitments to the Gulf. I repeated this assurance to the President at our pivotal meeting in the White House.

We will do everything to ensure BP is a company that can be trusted by shareholders and communities worldwide.

During the year we set up a twenty-billion-dollar fund to show our willingness to pay all legitimate claims for compensation.

We must learn from all of the events of the last year. We have shared the findings of our own investigation, the Bly report, publicly and we are now implementing all of its 26 recommendations.

We have also announced the sale of some thirty-billion-dollars worth of assets and we have already realised over twenty billion towards that goal.

We had to make the company safe and secure financially and the decision to cancel the dividend was difficult for the Board. We do not underestimate the effect that this had on all of you, our shareholders.

I therefore like to thank you for your support and understanding of this decision that was taken only after very careful consideration.

I have no doubt that this action was vital. It steadied and strengthened our position at a critical point.

I am pleased we have been able to resume dividend payments, albeit at a lower level.

This is an important step towards creating long-term value for our shareholders and we intend to raise the level of the dividend as the company's circumstances and performance improve.

There have been important changes in the leadership of BP. Five new non-executives have joined the Board over the last year and we have a new group chief executive.

I would like to take this opportunity to acknowledge Tony Hayward's contribution as CEO and we are fortunate to have an exceptional successor in Bob Dudley.

We have a strong and united Board which I believe has provided wise and realistic guidance during the year.

Much remains to be done. Above all we must ensure that the right checks and balances are in place across the company.



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We have a clear strategic direction matching the opportunities before us and our emphasis will be on realising value rather than building volume.

BP has a critical role to play in meeting the world's growing energy needs, but to do so we must have the trust of society.

Therefore safety and responsibility are at the heart of everything we do. They are our priority

I said at the start that 2010 was painful and testing for BP. We've been tested as never before.

But from this, I believe that BP will emerge a stronger and wiser company ready to fulfil its important global role for years to come.