bp Annual Report and Form 20-F 2025







Safety and sustainability committee



"The committee provided disciplined oversight of safety, security and sustainability across the business."

Melody Meyer
Safety and sustainability committee chair

Meetings and attendance

The committee met five times during 2025. Regular attendees included EVP production and operations; SVP safety and operational risk assurance; SVP intelligence, security and crisis management; SVP digital security; SVP HSE and carbon; and SVP global ethics and compliance.

Non-executive directors	Five scheduled meetings
Melody Meyer: member (from May 2017), chair of the committee (from November 2019)	5/5
Dave Hager: member (from December 2025)	0/0
Satish Pai: member	5/5
Johannes Teyssen: member[a]	4/5

a Johannes Teyssen was unable to attend the scheduled meeting in September 2025 due to an existing external commitment.

Chair's introduction

Dear fellow shareholders,

I am pleased to present the safety and sustainability committee report for the year ended 31 December 2025.

During 2025, the committee provided disciplined oversight of safety, security, and sustainability across the business, with a strong emphasis on risk management and operational excellence. This included overseeing progress in the implementation of Process Safety Improvement Plans (PSIPs) in certain businesses, conducting deeper dives on both process and personal safety, reviewing personal and cyber security, and considering operational integrity. The committee also reviewed the principal safety risks and associated mitigations, and received updates on the integration of bp's safety standards into newly acquired businesses.

Tragically, four colleagues lost their lives during 2025. We extend our sincere condolences to the families, friends and colleagues of all of those impacted.

One fatality occurred in our *Thorntons* retail business and three occurred in separate incidents in our TravelCenters of America (*TA*) business during roadside assistance activities. During the incident investigation, and permanently thereafter, all highway roadside assistance activities were suspended in our *TA* business. As with all major incidents, the committee received reports on the incident investigation findings and the actions taken in response.

Following the company's strategy reset in February 2025, the committee provided oversight on the implementation of the five refreshed sustainability aims: net zero operations; net zero sales; people; biodiversity; and water. For more information see **page 37**.

During 2025, members of the committee participated in a site visit to Whiting refinery in the US. This site visit provided the opportunity to have open and constructive dialogue with employees and observe bp's safety and sustainability culture and performance in action.

As I reach the end of my nine-year term on the board and as chair of the committee, I want to express my sincere appreciation for the high level of engagement, transparency and commitment demonstrated across bp in advancing safety performance, sustainability and operational excellence.

Looking forward to 2026, the committee will focus its oversight on maintaining the good progress and continuous improvement in safety performance and the implementation of bp's Operating Management System★ within recently acquired businesses.

Role of the committee

The committee oversees the management of safety and sustainability matters, including physical and cyber security and relevant systems and processes, focusing on those which it considers to be most potentially material from time to time.

Key responsibilities

The committee's full terms of reference can be viewed at **bp.com/governance**.

Melody Meyer
Committee chair
6 March 2026

Activities during the year

Overseeing improved safety performance

The committee continued to oversee safety performance, supporting management's progress in reducing combined tier 1 and 2 process safety events★. During 2025, combined tier 1 and tier 2 safety performance improved, with combined process safety events being 29% lower than in 2024.

The committee received regular reports from the EVP production and operations on safety and operational performance, incident reviews, and on the mitigation of principal and emerging safety risks around the business. It also received updates from management on the implementation of PSIPs in certain businesses and updates on personal security improvements, including the integrity of crisis management and business continuity processes.

Deep-dive updates regarding significant or material events and specific risk areas within the business were also received. The committee challenged management on the root cause and learnings from these incidents and how learnings are embedded into existing safety processes.

Providing challenge on risk management

The committee provides independent challenge to management on the effectiveness of the processes and procedures implemented to manage safety and sustainability risk. This is achieved through regular review and monitoring of the principal risks allocated to it by the board and through deep-dives on key risk areas including wells, process safety, marine risk, product quality, pipeline risk, transportation risk, maintenance integrity, cyber security, ethics and compliance, and regulatory compliance.

Further deep-dives were undertaken into specific areas of risk within the business covering risk management and safety performance in newly acquired businesses, such as TravelCenters of America, Archaea Energy and bp bioenergy. This provided the committee with enhanced oversight of the integration of bp's Operating Management System★ into newly acquired businesses.

The committee routinely received:

- Updates on the activities of internal audit, focused on operational safety audits, together with an annual report on bp's system of internal control. This provides an independent view on management's safety and sustainability performance, as well as an independent assessment of key challenges and risk areas.

  Briefings from the SVP global ethics and compliance on emerging areas of risk and associated mitigations, including increased reports of external threats affecting retail operations.

  Reports on cyber security risks and the effectiveness of mitigation processes, including identification of emerging cyber risks from AI and geopolitical events.

The committee also continued its joint engagement with the audit committee through combined updates on non-operated joint venture safety and sustainability.

Oversight of sustainability matters

Refreshing bp's sustainability frame TCFD

The committee reviewed and endorsed a refreshed sustainability frame with five aims: net zero operations; net zero sales; people; biodiversity; and water. Progress against these aims was monitored through regular updates from management. In 2025 focused deep-dives were undertaken into each pillar of the sustainability frame, with focus on management's plans to address areas of more challenged delivery.

Human rights and global reporting landscape

The committee reviewed progress on mitigations in human rights and modern slavery. It also kept abreast of the current global sustainability reporting environment, including bp's plans for compliance through reporting from management.

Sustainability and safety linked remuneration targets

The committee made recommendations to the remuneration committee regarding safety and sustainability targets and outcomes that are tied to remuneration. This included critically analyzing current methodologies for the setting of targets to ensure they remain appropriately stretching, and incorporated changes to the sustainability frame announced in February 2025.



Whiting refinery visit

During the visit to the Whiting refinery, the S&SC members were briefed on infrastructure upgrades, with particular emphasis on enhancements to electrical systems and the refinery's continued focus on safety, reliability and continuous improvement.

The S&SC members also took a driving tour of the refinery to gain a deeper understanding of its operational footprint and integration with the local community. The visit provided an opportunity for the Whiting team to demonstrate their critical role in bp's integrated value chain and commitment to operational excellence.

Image: Whiting refinery, US

TCFD Information that supports TCFD Recommendations and Recommended Disclosures in relation to governance (see **pages 41-44**)

Audit committee



"The committee had particular focus on advancing digital transformation initiatives."

Tushar Morzaria
Audit committee chair

Meetings and attendance

The committee met eight times during 2025. Regular attendees included the chief financial officer (CFO), group controller, SVP internal audit, EVP legal and the external auditor.

Non-executive directors	Eight scheduled meetings
Tushar Morzaria: member (from September 2020), chair of the committee (from May 2021)	8/8
Pamela Daley[a]: member (until 7 July 2025)	2/4
Karen Richardson: member	8/8
Hina Nagarajan[b]: member	7/8
Ian Tyler: member (from 2 June 2025)	4/4

a Pamela was unable to attend the meetings in April and May due to personal reasons.
b Hina was unable to attend the meeting in September due to pre-existing external commitments.

Chair's introduction

Dear fellow shareholders,

I am pleased to present the audit committee report for the year ended 31 December 2025.

Financial reporting remains central to the committee's responsibilities – monitoring its integrity, overseeing management's control procedures and evaluating their effectiveness and working with internal and external auditors to ensure that what you – our shareholders – rely on in our reporting has been appropriately challenged and reviewed. This involves acting on behalf of the board and co-ordinating input from other committees as needed, including reporting and making recommendations to the board.

In 2025 the committee maintained its oversight of bp's reporting processes, with particular emphasis on advancing digital transformation initiatives and monitoring their implementation progress.

Among its many activities during the year, the committee has monitored progress against bp's 2027 $4-5 billion structural cost reduction target. In addition, the committee is overseeing the mandatory external audit tender, with the tender process expected to conclude during 2026.

As the regulatory environment evolves, the committee remains engaged with management to oversee bp's approach to new reporting requirements, with particular focus on the new UK Corporate Governance Code 2024, provision 29 readiness. The committee also monitored management's plans for the implementation of financial and non-financial reporting developments.

In September 2025 the committee visited bp's supply, trading and shipping business in Canary Wharf, London. The visit included a tour of the trading floors and business briefings, with a particular focus on the energy and commodities trading operations. Read more on **page 85**. The committee continues to engage with other stakeholders where appropriate, including through regulatory inspections when they occur.

On behalf of my colleagues on the committee, I would like to extend my thanks for the continued professional support and focus of effort by management and our various advisers during a year where bp delivered strong performance in some areas but had some challenges in others. We look forward to continuing this journey through 2026.

Role of the committee

The committee monitors the effectiveness of the group's financial reporting, including ESG and climate-related financial disclosures, as well as systems of internal control and risk management as allocated by the board. It also monitors the integrity of the external and internal audit processes.

This report describes how bp has approached compliance with the provisions of the FRC's Audit Committees and the External Audit: Minimum Standard.

Key responsibilities

A summary of the committee's terms of reference is on **page 359** and the full terms of reference can be viewed at **bp.com/governance**.

Tushar Morzaria
Committee chair
6 March 2026

Financial expertise

The board is satisfied that

- Tushar Morzaria, the chair of the committee, has recent and relevant financial experience as required by the UK Corporate Governance Code and that he is competent in accounting and auditing in accordance with the FCA's Disclosure Guidance and Transparency Rules.
- The committee has an appropriate and experienced blend of commercial, financial and audit expertise to assess the issues it is required to address, as well as competence in the relevant sector in which bp operates. During 2025, Ian Tyler was appointed as a member of the committee, further strengthening the committee's financial expertise.
- As a US foreign private issuer, the committee meets the independence criteria provisions of Rule 10A-3 of the US Securities Exchange Act of 1934, and Tushar Morzaria can be regarded as an audit committee financial expert as defined in Item 16A of Form 20-F.

★ See glossary on **page 375**

Activities during the year

Monitoring the integrity of financial reporting and assurance

- Through monitoring and reviewing that bp's financial statements and formal announcements relating to bp's financial performance are clear and appropriate, the committee oversees the integrity of our financial reporting.
- Management's application of key accounting policies and recommendations on financial reporting judgements was carefully considered, with the committee concluding that these matters were appropriately addressed in the financial statements.
- The committee monitored progress and reporting on cost savings.

Going concern, viability and fair, balanced and understandable considerations

The committee reviewed the company's going concern assumption and longer-term viability statement. In determining and recommending to the board that it was appropriate to adopt the going concern basis of accounting and the longer-term viability of the company, the committee carefully considered and, where appropriate, constructively challenged relevant underlying assumptions and supporting analysis.

The committee received an update from management on the verification process for the bp *Annual Report and Form 20-F* in support of its recommendation to the board that the report was fair, balanced and understandable. These documents were comprehensively reviewed with input from subject matter experts and the external auditors. The committee's review included consideration of bp's non-financial disclosures such as the Task Force on Climate-related Financial Disclosures (TCFD) that are made in compliance with the UK Listing Rules. TCFD

Maintaining resilience through systems of internal control and risk management

- The committee oversaw risk management and internal control processes, routinely reviewing and monitoring principal risks allocated to it by the board through a combination of business or function reviews and focused engagement with key stakeholders.
- Through a deep-dive update, the committee reviewed supply, trading and shipping business performance. The session focused on the refined products trading and shipping interface, LNG and power benches as well as key and emerging market, operational and geopolitical risks.
- The committee reviewed the affordability of proposed distributions, taking into account factors such as whether sufficient distributable reserves are available.
- In addition, the committee received:
  - updates on the systems in place to assess fraud risk and the controls in place to manage and mitigate identified risks, reflecting developments such as to the UK's Economic Crime and Corporate Transparency Act.
  - an update on compliance with new business regulations, together with additional briefings during the year on technical accounting updates and developing ESG disclosures. TCFD
- The committee remained focused on regulatory developments, including receiving updates on the consideration of enhancements to bp's risk management and internal control framework as a result of the UK Corporate Governance Code 2024, and received updates on implementation progress.

Effectiveness of risk management and systems of internal control

The committee reviewed and challenged management on the effectiveness of the system of internal control and agreed that it did not require further action nor were there any significant failings or weaknesses to report. As part of this assessment the committee considered internal audit's annual review of internal control and risk management, together with an assessment of it from management. Further details can be found on **pages 127-128**. The committee also discussed internal controls and financial reporting processes during the year, challenging control gaps identified, root cause analysis and remediation actions, and reviewing progress towards addressing deficiencies that had previously been identified in relation to manual journal controls. Tier II control gap reporting was introduced at each scheduled meeting. Further details on internal controls in place for financial reporting can be found on **page 360.**

In addition, the committee received updates on the evolution and enhancement of non-financial reporting controls and assurance, such as first and second line of defence activities. TCFD



Canary Wharf site visit

During the audit committee's tour in September of the supply, trading and shipping (ST&S) floors in Canary Wharf, London, the directors met internal stakeholders based there, hearing from colleagues in gas & power and refining & products trading.

Image: Audit committee members at our Canary Wharf office, London, UK

TCFD Information that supports TCFD Recommendations and Recommended Disclosures in relation to governance (see **pages 41-44**)

Overseeing the relationship with external and internal audit

- During the year, the FRC's Audit Quality Review (AQR) team selected Deloitte's audit of the Company's Annual Report and Accounts for the year ended 31 December 2024 as part of its annual inspection of audit firms. The review was assessed as 'limited improvements required' with only one other finding identified. The chair of the committee received a full copy of the FRC's report, and discussed it with Deloitte. The committee confirmed that there were no significant areas for improvement identified, no key findings within the report and was satisfied that there is nothing within the report which might have a bearing on the audit appointment.
- On the recommendation of the committee, the board will propose the reappointment of Deloitte as the company's external auditor to shareholders at the 2026 annual general meeting. The external auditor's independence and objectivity were reviewed and monitored by the committee using a combination of factors, including assurances provided to it by the external auditor, the level of non-audit fees, and the timeline for lead audit partner rotation and re-tender of audit services. The committee concluded that it was satisfied with the audit team's effectiveness, service quality and commitment, including that the external auditor provides constructive challenge to management. In support of this, the committee received reports from the external auditor that covered insights from their audit work, actions taken to address the FRC's annual report on the external auditor, and the inspection results of the external auditor's quality control procedures. During 2025, following the 2024 audit, the external auditor undertook an auditor effectiveness review. The process comprised a series of interviews with senior stakeholders within bp who engage with the audit team on a regular basis. Stakeholder feedback reflected a positive view of the quality and effectiveness of the audit. In addition, the committee received reports from management, which included a survey seeking internal stakeholder feedback on the external auditor's performance and bp's commitment to the audit. The main measurement criteria covered planning and scope, robustness of audit, independence and objectivity, quality of delivery, quality of people and service, and value-added advice.
- The committee met privately with the external auditor during the year and, in addition, reviewed, approved and monitored progress against the external audit plan, considering materiality levels, audit risks, scoping changes, and resourcing. The committee is satisfied that the external auditor has full access to staff and records. The committee continued to monitor and review the effectiveness and capabilities of the internal audit function. This included, for example, reviewing and approving the internal audit plan in the context of bp's principal risks. The committee concluded that the function had independent, unrestricted scope, access to information, and sufficient resources to fulfil its mandate. They met privately with the SVP internal audit, discussed regular updates on internal audit activities and where appropriate challenged management's response and progress made on the closure of findings.

A summary of the external audit approach, including audit risks, is set out in the independent auditor's report on **pages 130-148**.

Lead audit partner rotation and re-tender of audit services

The external auditor must rotate the lead audit partner every five years and other senior staff every five to seven years.

The company complies with the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014, which requires bp to tender the audit at least every 10 years.

External audit services were last tendered in 2016, and the external auditor has been in that role since 2018 (seven years). During the year the committee agreed an approach, timeline and selection criteria for a re-tendering of audit services that is anticipated will be completed by the end of 2026, for the 2028 audit.

Oversight of audit fees and non-audit services

The committee reviewed and approved the audit services fee and terms of engagement for the external auditor while retaining oversight of bp's policy on non-audit services and the review and approval of non-audit services.

The total amount of audit and non-audit fees paid to Deloitte for 2025 is set out in Financial statements – **Note 36**. The committee is satisfied that the audit fee is appropriate in respect of the audit services provided. The majority of non-audit fees relate to work of an assurance nature.

The non-audit services policy safeguards audit objectivity and independence through the prohibition of non-audit tax services being provided by the external auditor, the limitation of audit-related work which falls within defined categories, and by stating that the auditor may not perform non-audit services that are prohibited by the SEC, Public Company Accounting Oversight Board (PCAOB), International Auditing and Assurance Standards Board (IAASB) or the FRC.

The external auditor is considered for permitted non-audit services only when its expertise and experience of bp are important. Approvals for individual engagements of pre-approved permitted services below certain thresholds are delegated to the group controller or the CFO. More information is outlined in the principal accountant's fees and services on **page 361**.

Examples of how key accounting judgements and estimates were considered and addressed, and how relevant accounting policies have been applied

Key accounting judgements and estimates	Audit committee activity	Conclusions/outcomes
Impact of climate change and the energy transition TCFD		
Climate change and the transition to a lower carbon economy may have significant impacts on the currently reported amounts of the group's assets and liabilities and on similar assets and liabilities that may be recognized in the future.	• Reviewed management's best estimate of oil and natural gas price assumptions for value-in-use impairment testing and investment appraisal. • Reviewed management's determination that its best estimate of oil and natural gas prices is in line with a range of transition paths consistent with the goals of the Paris climate change agreement.	• Management's revised best estimates of oil and natural gas prices are in line with a range of transition paths consistent with the goals of the Paris climate change agreement. • See Financial statements – **Note 1** for more details on how bp applies carbon pricing in its impairment testing, sensitivity analyses estimating effects of changes in net revenue and changes in the expected timing of decommissioning.
Provisions		
The group holds provisions primarily for decommissioning, environmental remediation and litigation. The most significant provision is for the future decommissioning of oil and natural gas production facilities and pipelines. Estimation uncertainty exists as most of these events are many years in the future. Assumptions are made by bp in relation to cost estimation, settlement dates, technology, legal requirements and discount rates. There is also a risk that decommissioning obligations from previously divested assets revert to bp.	• Received briefings on decommissioning (including the process for managing the risk of decommissioning reversion), environmental, asbestos and litigation provisions. These included the requirements, governance and controls for the development and approval of cost estimates and provisions in the financial statements. • Reviewed and challenged the group's discount rates for calculating provisions.	• Decommissioning provisions of $12.3 billion were recognized on the balance sheet at 31 December 2025. • The discount rate used by bp to determine the balance sheet obligation at the end of 2025 was a nominal rate of 4.5% based on long-dated US government bonds. The discount rate remains unchanged from the prior year.
Recoverability of asset carrying values		
Determination as to whether and how much an asset (including exploration intangibles), cash generating unit (CGU) or group of CGUs containing goodwill is impaired involves management judgement and estimates on uncertain matters such as future commodity prices, discount rates, production profiles, reserves and the impact of inflation on operating expenses. Judgement is required to determine whether it is appropriate to continue to carry intangible assets related to exploration costs on the balance sheet.	• Reviewed policy and guidelines for compliance with oil and gas reserves disclosure regulation, including the group's reserves governance framework and controls. • Reviewed and challenged the group's oil and gas price assumptions. • Reviewed and challenged the group's discount rates for impairment testing purposes. • Impairment charges, reversals and 'watch-list' items were reviewed in the quarterly due diligence process.	• The group's price assumption for Brent oil and for Henry Hub gas were updated as set out on **page 20** and Financial statements – **Note 1**. • Sensitivity analyses estimating the effect of changes in net revenue and discount rate assumptions have been disclosed in Financial statements – **Note 1**. • Net impairment charges of $5.2 billion as disclosed in Financial statements – **Note 4**. • Exploration intangibles totalled $4.0 billion at 31 December 2025.
Taxation		
Computation of the group's income tax expense and liability, the provisioning for potential tax liabilities and the level of deferred tax asset recognition are underpinned by management judgement and estimation of the amounts which could be payable. Judgement is also required when determining whether a particular tax is an income tax or another tax type.	• Received regular updates on the group's tax risk exposures and deferred tax asset recognition. • Reviewed the judgements exercised over tax risk provisioning as part of its annual review of key provisions.	• Deferred tax assets of $4.3 billion were recognized on the balance sheet at 31 December 2025. • The calculation of tax risk provisions is consistent with IAS 37 and IFRIC 23.
Pensions		
Accounting for pensions and other post-employment benefits involves making estimates when measuring the group's pension plan surpluses and deficits. These estimates require assumptions to be made about uncertain events, including discount rates, inflation and life expectancy.	• Reviewed and challenged the group's assumptions used to determine the projected benefit obligation at the year end, including the discount rate, rate of inflation, salary growth and mortality levels.	• At 31 December 2025, surpluses of $7.8 billion and deficits of $4.8 billion were recognized on the balance sheet in relation to pensions and other post-employment benefits. • The method for determining the group's assumptions remained largely unchanged from 2024. The values of these assumptions and a sensitivity analysis of the impact of possible changes on the benefit expense and obligation are provided in Financial Statements – **Note 24**.

Examples of how key accounting judgements and estimates were considered and addressed, and how relevant accounting policies have been applied continued

Key accounting judgements and estimates	Audit committee activity	Conclusions/outcomes
Supplier finance arrangements		
The group's trade payables include certain supplier finance arrangements that utilize letter of credit facilities and promissory notes. Judgement is required to assess trade payables subject to supplier financing arrangements to determine whether they should continue to be classified as trade payables and give rise to operating cash flows or finance debt and financing cash flows.	• Received a briefing on the group's supplier finance arrangements. • Reviewed the group's proposed enhanced disclosures in relation to Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: disclosures' relating to supplier finance arrangements.	• bp had liabilities of $5.6 billion, $1.4 billion and $1.0 billion, respectively, in respect of letters of credit, promissory notes and reverse factoring arrangements that are presented within trade and other payables at 31 December 2025. • The disclosures required by the Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: disclosures' relating to supplier finance arrangements are included in Financial Statements – **Note 29**.
Derivatives		
For its level 3 derivative financial instruments, bp estimates their fair values using internal models due to the absence of quoted market pricing or other observable, market-corroborated data. Judgement may be required to determine whether contracts to buy or sell commodities meet the definition of a derivative, in particular LNG contracts.	• Received a briefing on the group's trading risks and reviewed the system of risk management and controls in place. • Reviewed the control process and risks relating to the trading business. • Received updates on accounting judgements on LNG contracts.	• bp has assets and liabilities of $20.1 billion and $18.2 billion, respectively, recognized on the balance sheet for level 3 derivative financial instruments at 31 December 2025, mainly relating to the activities of the supply, trading & shipping function. bp's use of internal models to value certain of these contracts has been disclosed in Financial Statements – **Note 1**. • bp considers that contracts to buy or sell LNG do not meet the definition of a derivative under IFRS.

People, culture and governance committee



"2025 has been a busy year for the committee, with a strong focus on board succession."

Albert Manifold
People, culture and governance committee chair

Meetings and attendance

The committee met five times during 2025. The CEO and EVP people, culture & communications regularly attend these meetings.

Non-executive directors	Five scheduled meetings
Albert Manifold: member (from September 2025); chair of the committee (from October 2025)	1/1
Helge Lund: member (until September 2025); chair of the committee (until September 2025)	4/4
Dame Amanda Blanc: member	5/5
Dr Johannes Teyssen: member	5/5
Hina Nagarajan: member	5/5

Chair's introduction

Dear shareholders,

I am pleased to present the people, culture and governance committee report for the year ended 31 December 2025, my first since being appointed as board chair and as chair of the committee on 1 October 2025.

2025 has been a particularly busy year for the committee, with a strong focus on board succession.

In support of the strategy reset in February 2025 and to fill current and anticipated vacancies on the board, the committee undertook a search process to identify new board members who would bring the additional skills and experience required as bp embarked on its next chapter. The search process resulted in three new non-executive directors being appointed:

- Ian Tyler was appointed on 1 April 2025, succeeding Tushar Morzaria as chair of the remuneration committee with effect from 17 April 2025 and becoming a member of the audit committee from 2 June 2025.
- Dave Hager joined the board on 2 June 2025 and became a member of the safety and sustainability committee with effect from 10 December 2025.
- Simon Henry joined the board on 1 September 2025.

In April 2025, Helge Lund informed the board of his intention to step down as chair. Pamela Daley informed the board in July 2025 that she would also be standing down from the board. During the year, Murray Auchincloss also informed the board of his openness to step down as CEO.

Comprehensive search processes were undertaken by separate committees of the board in connection with these decisions.

In turn, this led to my own appointment as a non-executive director from 1 September 2025, succeeding Helge as chair of the board and of this committee on 1 October 2025. It also resulted in the appointment of Meg O'Neill as CEO with effect from 1 April 2026, with Carol Howle being appointed as interim CEO with effect from 18 December 2025 until Meg joins the board.

Further information on these search processes is provided on **page 90**.

In addition to board succession matters, during 2025, the committee continued its focus on culture, reviewing feedback from the workforce engagement sessions that took place during the year and the results of the annual and live employee pulse surveys to gauge employee sentiment.

Role of the committee

The committee seeks to ensure that the composition and structure of the board and leadership team remain effective. It also monitors the balance of skills, knowledge, experience and diversity of the board. The committee oversees the development of a diverse pipeline for executive succession to the board and leadership team through continuous succession planning and monitoring development plans for bp leaders and beyond.

The committee tracks bp's culture and its alignment with our 'Who we are' culture frame, and monitors sentiment of the workforce.

The process for the nomination, induction and orderly succession of candidates for the board, the leadership team and the company secretary role are led by the committee, as is the annual board and committee performance review.

Key responsibilities

The committee's full terms of reference can be viewed at **bp.com/governance**.

Albert Manifold
Committee chair
6 March 2026

Diversity statistics and outcomes

As at 31 December 2025, 46% of the board were women, three senior board positions were held by women and three directors identified as being from a minority ethnic background. For further details on board and leadership team diversity, in line with the UK Listing Rules, see **page 126**.

As at 31 December 2025, senior management, defined as the leadership team (being the first layer of management below board level) and the company secretary[a], and their direct reports, comprised 44% women (2024 50%) and 22% Black, Asian and other ethnic minority individuals (2024 29%).

a As defined in the UK Corporate Governance Code 2024.

Activities during the year

Succession planning

Chair and CEO succession

The board established two committees to lead the selection processes for the company's next chair and CEO. The committee that led the search process for the new chair was chaired by Dame Amanda Blanc, joined by Melody Meyer, Hina Nagarajan and Johannes Teyssen as members. The committee that led the search process for the CEO was chaired by Albert Manifold, joined by Dame Amanda Blanc, Dave Hager, Karen Richardson, and Ian Tyler as members.

Executive search consultants, Egon Zehnder[a], were appointed to support both processes by identifying suitable candidates to replace Helge Lund and Murray Auchincloss against role specifications agreed by the respective committees and the board. Each role specification set out the skills, experience, diversity and knowledge required for each role, including leadership capability, industry, sector, safety and operational expertise.

Shortlisted candidates were invited to interviews with members of each committee. The preferred candidates for each role were then invited to meet the full board.

The board appointed Albert Manifold as a non-executive director and chair designate with effect from 1 September 2025 and as chair of the board and this committee with effect from 1 October 2025.

The board appointed Meg O'Neill as CEO with effect from 1 April 2026. Carol Howle was appointed as interim CEO with effect from 18 December 2025 until Meg joins the board. See **page 81** for further information on the decision-making process and stakeholder considerations.

The board and committees

As part of the ongoing process to refresh the board and to ensure it has the right balance of skills, experience, and diversity needed to meet the company's current and future priorities, the committee agreed the criteria for three new non-executive roles. The criteria focused on candidates primarily from the UK and US with industry, sector, safety and operational experience, including, in the case of the remuneration committee leadership, remuneration committee expertise and the ability to lead complex remuneration considerations for a complex global company such as bp.

Suitable candidates for each role were identified against the agreed role profiles with support from Egon Zehnder[a] and shortlisted candidates were invited to interview with members of the committee.

This process resulted in the board approving the committee's recommendations to appoint Ian Tyler, Dave Hager, and Simon Henry as new non-executive directors.

During the year, the membership of the board committees was also reviewed. As a result, Ian Tyler was appointed as chair of the remuneration committee with effect from 17 April 2025 and as a member of the audit committee from 17 April 2025. Dave Hager was appointed as a member of the safety and sustainability committee with effect from 10 December 2025.

bp's leadership team

The committee oversees development plans for bp's senior leaders and emerging talent and their alignment with executive succession planning over various timescales. Development plans identify the desired breadth and depth of experience and roles required to bolster the skills of individuals with executive potential.

Diversity

Better decision making and outcomes are achieved when people with differences of opinion and with different backgrounds come together with a common ambition. The committee periodically reviews the board's diversity, equity and inclusion (DE&I) policy.

The board's DE&I policy applies to the board and its committees, and complements bp's wider diversity policies, the group's values, code of conduct and sustainability frame. It includes gender and ethnicity representation targets for the board that are aligned with the UK Listing Rules. Read more at **bp.com/governance**.

Oversight of culture and the voice of the workforce

The committee oversees employee engagement, leading and lagging indicators of culture, and how culture is being embedded. This includes monitoring feedback from the workforce engagement programme (WFEP) and private sessions with bp's SVP, ethics and compliance (E&C), who has accountability to, and direct channels of communication with, the committee. The committee is responsible for approving the appointment and termination of the SVP, E&C and reviews and recommends their remuneration to the remuneration committee.

The WFEP continued during 2025 with directors engaging with employees across multiple regions and from different disciplines on topics including leadership and culture, safety (including retail safety), transformation, and remuneration. Insights from these sessions are collated and shared with the board, strengthening its consideration of workforce views in board discussions and the decisions it ultimately takes. The committee continues to consider that the WFEP is the most appropriate mechanism for workforce engagement, given the activities and structure of bp. Read more on **page 80**.

Board performance

The externally facilitated board performance review in 2024 highlighted the continuing importance of succession planning to drive the delivery of the reset strategy. Building on the outputs from the 2024 review, the board appointed three new non-executive directors and introduced enhanced performance reporting by management during the year. This reporting was supplemented by a programme of insight sessions, providing the board with in-depth briefings from leaders of the businesses with the greatest impact on the delivery of strategy.

The CEO's performance review is conducted by the chair, with input from the senior independent director. Given the short tenure of Albert Manifold, a performance review of the chair was not undertaken in 2025. This process is usually led by the senior independent director.

Helge Lund's decision to step down from the board in April 2025 and the appointment in September 2025 of his successor offered an opportunity, alongside the board's established performance-evaluation processes, for the continuing directors to reflect on the roles and performance of the board and its committees. This in turn influenced the skills, experience and leadership credentials that were sought from the new board chair and, then also, the new CEO.

Ultimately, having appointed Albert Manifold as chair from 1 October 2025 and Meg O'Neill as new CEO from 1 April 2026, the board concluded that the process of the 2025 performance review for the board and its committees had been comprehensively undertaken. In view of this, a standalone supplementary performance review was therefore not warranted. Additionally, and since his appointment to the role, the chair held a series of one-to-one meetings with each non-executive director to discuss their reflections on the board's performance and that of its committees and individual board members.

Overall, the insights gathered from the 2025 performance review will inform the future needs and roles of the board and its respective committees, how they operate and the optimal composition of the board over the longer term.

Among the changes already in motion as a result of this review process, members of the leadership team routinely join board meetings to discuss safety, operational and financial performance, major projects and delivery of the four primary targets set out in the reset strategy. The introduction of a reporting dashboard during the year strengthened this enhanced board oversight of performance at a more granular level, by business group and against key metrics. This is being supplemented with additional scheduled board time for in-depth discussions on performance and portfolio composition.

a The committee engaged Egon Zehnder in support of search activity for new board candidates. Egon Zehnder does not have any connection with the company or individual directors, save that Egon Zehnder provides advice and support on bp's executive development programme.

Directors' remuneration report



"2025 was a year of strong underlying financial and operational performance and we have made meaningful progress towards the strategic priorities announced in February 2025."

Ian Tyler
Remuneration committee chair

Meetings and attendance

The chair and the chief executive officer (CEO) are standing attendees, except for matters relating to their own remuneration. The CEO is consulted on the remuneration of the chief financial officer (CFO) and other members of the leadership team, and receives input from the committee on remuneration across the wider workforce. Both the CEO and CFO are consulted on matters relating to the group's performance and the metrics adopted for each performance cycle.

bp's EVP people, culture & communications, SVP reward, external advisors and other executives may attend where necessary. The committee consults other board committees on the group's performance and on issues relating to the exercise of judgement or discretion as necessary.

The committee met nine times during 2025. Meeting attendance can be found below.

Non-executive directors	Seven scheduled meetings	Two ad hoc meetings
Ian Tyler: chair of the committee[a]	4/4	2/2
Tushar Morzaria: member[a]	7/7	2/2
Dame Amanda Blanc: member	7/7	2/2
Pamela Daley: member[b]	2/4	0/0
Melody Meyer: member	7/7	2/2

a Ian Tyler was appointed as remuneration committee chair from the conclusion of the 2025 AGM. Tushar Morzaria stepped down as interim remuneration committee chair from this date.
b Pamela Daley stepped down as a non-executive director and member of the remuneration committee on 7 July 2025.

Role of the committee

The role of the committee is to determine and recommend to the board the remuneration policy and to set chair, executive director and leadership team remuneration. In determining the policy, the committee takes into account various factors, including wider workforce remuneration, structures and alignment of reward with performance, thus promoting the long-term success of the company. The committee also reviews workforce remuneration and monitors related policies, satisfying itself that incentives and rewards are aligned with bp's goals and culture.

Key responsibilities

A summary of the committee's terms of reference is on **page 359** and the full terms can be reviewed at **bp.com/governance**.

Key areas of focus in 2025

- **Workforce engagement** – engaged with the wider workforce on performance, reward and wellbeing. This included holding a workforce engagement programme session in July 2025, where selected employees were invited to discuss bp's approach to reward and employee engagement.
- **Remuneration outcomes** – agreed the outcomes of incentive awards for executive directors, including reviewing performance 'in the round' and determining whether discretion should be exercised. Monitored in-flight progress of equity and bonus awards.
- **Performance measures** – discussed and agreed the performance measures for the 2025 annual and long-term performance scorecards to ensure alignment with bp's strategy. This included reflecting on our sustainability measures and seeking input from the safety and sustainability committee. TCFD
- **Framework on fatalities** – reflected on the impact of fatalities on annual bonus outcomes and the framework that was introduced in 2024 to help guide decisions going forward.
- **Change in leadership** – set the remuneration terms for the interim CEO and incoming CEO. Agreed the exit arrangements for the outgoing CEO.
- **Merit-based reviews** – reviewed pay for performance arrangements for the leadership population in line with bp's reward principles.

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TCFD Information that supports TCFD Recommendations and Recommended Disclosures in relation to governance (see **pages 41-44**)