bp Annual Report and Form 20-F 2025







Chair's letter



Dear shareholders,

bp is one of the world's great energy companies, with a strong team, high quality assets and distinctive strengths in key business areas. I was honoured to be appointed as chair in 2025, joining a company that is making progress on a reset strategy, albeit with challenges to overcome. With the environment in which we operate continuing to be shaped by geopolitical uncertainty and complex market dynamics, we need to accelerate delivery, reduce complexity and increase our financial resilience in order to realise the full value of the business for shareholders.

Appointment of Meg O'Neill

One of my first tasks, working with fellow board members, was to identify an outstanding leader to take the company forward. Murray Auchincloss stepped down in December 2025 after more than three decades of service to bp, the last five as a member of our board, first as chief financial officer and then as chief executive. I would like to thank him for his contribution and commitment to bp.

In December 2025 we appointed Meg O'Neill as chief executive who will join bp on 1 April 2026. Meg's track record of driving transformation and growth with disciplined capital allocation makes her the right leader for bp as we pursue significant strategic and financial opportunities. And her relentless focus on business improvement and financial discipline gives us high confidence in her ability to shape the company for its next phase of growth.

Safety and performance in 2025

The board plays a critical role in monitoring the organization's culture and setting the tone from the top. This is particularly important on safety. Employees and contractors at bp face a complex range of risks across the business. Sadly in 2025, four colleagues working in bp's US retail operations lost their lives. On behalf of the board, I would like to extend our sincere condolences to their families, friends and colleagues.

Safety will always be the board's highest priority. That's why we continue to work with the leadership team to ensure every incident is thoroughly investigated and the lessons learned are applied.

On process safety, I commend the teams that contributed to a decrease in serious process safety events of about one third, compared with 2024.

Ongoing improvement in safety is the foundation for strong operational performance. In 2025 the teams set new records for plant reliability on the upstream side of the business and availability in refining.

Strategic progress was also strong with seven major projects★ delivered in the year and significant exploration success, including the world's largest offshore discovery. Carol provides more detail on safety and performance in her letter overleaf.

Governance

In early 2025 the board's focus moved from the resetting of strategy to overseeing disciplined performance and the delivery of our four primary financial targets. Together with Meg O'Neill's appointment, the board's composition and capability have been further strengthened during 2025 deepening its expertise in key strategic areas: oil and gas, disciplined capital allocation and the oversight of performance and risk.

Our governance framework remains a foundation for delivering sustainable long-term value for shareholders. That framework has also evolved, recognizing the changing needs of the business and external developments, including the implementation of provision 29 of the UK Corporate Governance Code, relating to risk management and internal control. And it will continue to evolve, informed by a further review, to ensure the framework and the board that oversees it are best placed for the bp we want to be, rather than the bp we have been over recent years.

Engagement with stakeholders remained a priority in 2025. On joining the board, I initiated an extensive dialogue with our largest shareholders, complemented by a continued focus by the board on workforce engagement.

More to do

Over the course of 2026, you will see bp taking concerted action to strengthen the company and position it to grow and deliver sustainable value for the long term. One such step was the board's decision earlier this year to suspend the share buyback and fully allocate excess cash to our balance sheet. And you will see bp continue to take action to simplify and high-grade the portfolio, reduce the cost base and make disciplined investments in the best and highest-returning opportunities. Most importantly, you will see the board supporting a management team focused on growing cash flow and returns.

A better bp

I offer my thanks to the bp teams, whose dedication, skill and determination continue to shine through, no matter the challenge. And thank you to you, bp's owners, for your guidance and your trust. The board and I will continue to actively engage with you and communicate with increasing clarity and transparency. With your support we can and will become a stronger bp. One that is more sustainable in every way, especially in the creation of value for shareholders.



Albert Manifold
Chair
6 March 2026

★ See glossary on **page 375**