Full year and 4Q 2024 financial results

Craig Marshall

SVP investor relations

Hello everyone and thank you for your interest in bp's fourth quarter and full year 2024 results.

Today's video presentation features Murray Auchincloss, chief executive officer and Kate Thomson, chief financial officer.

Before I handover to Murray, let me draw your attention to our cautionary statement.

Cautionary statement

In order to utilize the 'safe harbor' provisions of the United States Private Securities Litigation Reform Act of 1995 (the 'PSLRA') and the general doctrine of cautionary statements, bp is providing the following cautionary statement: The discussion in this results announcement contains certain forecasts, projections and forward-looking statements - that is, statements related to future, not past events and circumstances - with respect to the financial condition, results of operations and businesses of bp and certain of the plans and objectives of bp with respect to these items. These statements may generally, but not always, be identified by the use of words such as 'will', 'expects', 'is expected to', 'aims', 'should', 'may', 'objective', 'is likely to', 'intends', 'believes', 'anticipates', 'plans', 'we see', 'focus on' or similar expressions.

In particular, the following, among other statements, are all forward looking in nature: plans, expectations and assumptions regarding oil and gas demand, supply, prices, volumes and margins; plans and expectations regarding bp's spending, returns to shareholders, financial performance, capital expenditure, balance sheet, cash costs, and cash flows; plans and expectations related to bp's 2025 EBITDA targets and 2026 cost savings target; plans relating to bp's investments; plans and expectations relating to bp's oil and gas portfolio and production; expectations regarding the 1Q25 and full year 2025 guidance, including upstream production, volumes, margins, divestments and other proceeds, net debt, growth, earnings, refinery turnaround activity, customers business; plans regarding the timing and amount of dividends and share buybacks; plans and expectations regarding the timing and quantum of certain divestments and sales; plans and expectations around bp's products, including their margins; plans and expectations regarding bp-operated projects and ventures, and its projects, joint ventures, partnerships and agreements with third party partners; and plans and expectations regarding bp's capital markets update.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will or may occur in the future and are outside the control of bp. Actual results or outcomes may differ materially from those expressed in such statements, depending on a variety of factors, including: the extent and duration of the impact of current market conditions including the volatility of oil prices, the effects of bp's plan to exit its shareholding in Rosneft and other investments in Russia, overall global economic and business conditions impacting bp's business and demand for bp's products as well as the specific factors identified in the discussions accompanying such forward-looking statements; changes in consumer preferences and societal expectations; the pace of development and adoption of alternative energy solutions; developments in policy, law, regulation, technology and markets, including societal and investor sentiment related to the issue of climate change; the receipt of relevant third party and/or regulatory approvals including ongoing approvals required for the continued developments of approved projects; the timing and level of maintenance and/or turnaround activity; the timing and volume of refinery additions and outages; the timing of bringing new fields onstream; the timing, quantum and nature of certain acquisitions and divestments; future levels of industry product supply, demand and pricing, including supply growth in North America and continued base oil and additive supply shortages; OPEC+ quota restrictions; PSA and TSC effects; operational and safety problems; potential lapses in product quality; economic and financial market conditions generally or in various countries and regions; political stability and economic growth in relevant areas of the world; changes in laws and governmental regulations and policies, including related to climate change; changes in social attitudes and customer preferences; regulatory or legal actions including the types of enforcement action pursued and the nature of remedies sought or imposed; the actions of prosecutors, regulatory authorities and courts; delays in the processes for resolving claims; amounts ultimately payable and timing of payments relating to the Gulf of America oil spill; exchange rate fluctuations; development and use of new technology; recruitment and retention of a skilled workforce; the success or otherwise of partnering; the actions of competitors, trading partners, contractors, subcontractors, creditors, rating agencies and others; bp's access to future credit resources; business disruption and crisis management; the impact on bp's reputation of ethical misconduct and non-compliance with regulatory obligations; trading losses; major uninsured losses; the possibility that international sanctions or other steps taken by governmental authorities or any other relevant persons may impact bp's ability to sell its interests in Rosneft, or the price for which bp could sell such interests; the actions of contractors; natural disasters and adverse weather conditions; changes in public expectations and other changes to business conditions; wars and acts of terrorism; cyber-attacks or sabotage; and those factors discussed under "Principal risks and uncertainties" in bp's Report on Form 6-K regarding results for the six-month period ended 30 June 2024 as filed with the US Securities and Exchange Commission (the "SEC") as well as those factors discussed under "Risk factors" in bp's Annual Report and Form 20-F for fiscal year 2023 as filed with the SEC.

Reconciliations to GAAP - This presentation also contains financial information which is not presented in accordance with generally accepted accounting principles (GAAP). A quantitative reconciliation of this information to the most directly comparable financial measure calculated and presented in accordance with GAAP can be found on our website at www.bp.com.

This presentation contains references to non-proved resources and production outlooks based on non-proved resources that the SEC's rules prohibit us from including in our filings with the SEC. U.S. investors are urged to consider closely the disclosures in our Form 20-F, SEC File No. 001-06262.

Tables and projections in this presentation are bp projections unless otherwise stated.

*** For items marked with an asterisk throughout this document, definitions are provided in the glossary**

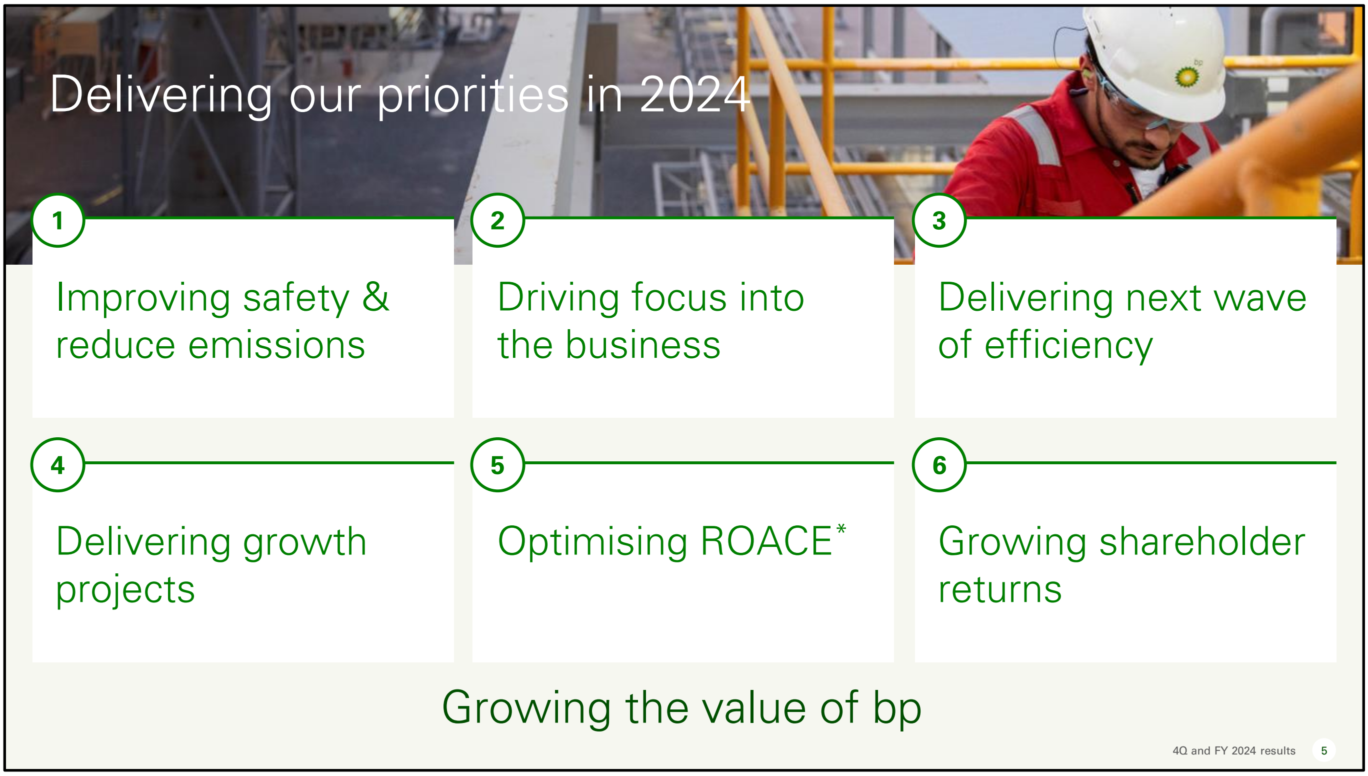
February 2025

In this presentation, we will make forward-looking statements that refer to our estimates, plans and expectations. Actual results and outcomes could differ materially due to factors we note on this slide and in our UK and SEC filings. Please refer to our Annual Report, Stock Exchange announcement and SEC filings for more details. These documents are available on our website.

Over to you, Murray.

Murray Auchincloss

Chief executive officer



Thanks Craig.

Early in 2024, we laid out six priorities to support bp in becoming a simpler, more focused and higher value company.

2024 was also a year where we made deliberate choices to focus and high-grade our portfolio. The scale and pace of the action we have taken in the past year is greater than anything we have seen over the past 20 years – laying a strong foundation on which to build.

Many of our businesses performed well during 2024, as seen through higher upstream production and strong plant reliability in oil and gas, another good year for trading, and of course, the good progress we have made on cost reductions that Kate will cover shortly.

And while it was also a difficult year for our customer and products business, notably in refining, I remain confident that the actions we are taking will drive an improvement in performance.

Safety underpins everything we do. Our goal to eliminate fatalities, life changing injuries and Tier 1 process safety events remain unchanged. We have demonstrated that strong progress is achievable, including in process safety, where we have continued the pattern of reducing Tier 1 events.

However, in the fourth quarter, a colleague died following an incident at an industrial facility at a recently acquired bp bioenergy site in Brazil. This is deeply regrettable, and we must – and will – learn from this incident.

Turning to emissions, our focus also remains unchanged and we continue to track well above our 2025 target for operational emission reductions. The implementation of our methane measurement approach at the end of 2023, across our upstream oil and gas assets, is providing enhanced insight and improving management and reporting.

Turning to financial and operational performance.

In 2024, we delivered operating cash flow of $27.3 billion and adjusted EBITDA of $38 billion – around $5.7 billion lower than 2023 reflecting the impact of lower refining margins, trading results, and realisations, partly offset by higher upstream production. Our upstream production for the year was 2.36 million barrels of oil equivalent per day, an increase of 2% compared to 2023 with plant reliability over 95%.

We saw the start-up of oil production from the new Azeri Central East platform in the Caspian Sea and we brought online our third centralised processing facility in the Permian basin.

Across the group, we took FID on 10 major projects, including – with our partners – the Tangguh UCC project in Indonesia, sanctioned in November.

In December, we established a new gas joint venture, Arcius Energy with ADNOC's international energy investment company, XRG, and we also announced an agreement to form JERA Nex bp – our offshore wind joint venture that will combine the complementary capabilities and portfolios of both companies and help grow the scale of the business in a capital-light way for bp.

We have signed an agreement with ONGC, as the technical services provider for the largest offshore oil and gas field in India, responsible for around 25% of the country's oil production.

And in Iraq, we have agreed the majority of commercial terms with the government for the redevelopment of several oil fields in Kirkuk. This builds on our longstanding and strategic relationship and delivers access to a new material resource opportunity.

In refining, availability declined to 94.3%, including the impact of the Whiting outage in the first quarter. We saw continued stronger performance in Castrol, aviation and momentum in EV charging, convenience, and retail fuels, however, midstream results were lower due to lower biofuels and B2B margins due to supply demand imbalances.

And in trading, the consistent delivery of an average uplift of around 4% to group ROACE now extends to the past 5 years.

We grew our dividend per ordinary share by 10% and announced $7 billion of share buybacks for the year, including the $1.75 billion announced today.

We are confident in the actions we are taking and are excited to tell you about our plans at our capital markets update on 26 February.

Let me then handover to Kate to cover our fourth quarter results and update on progress on our cost agenda.

Kate Thomson

Chief financial officer

4Q24 Underlying results

$bn	4Q23	3Q24	4Q24
Brent ($/bbl)	84.3	80.3	74.7
Henry Hub ($/mmbtu)	2.9	2.2	2.8
NBP (p/therm)	98.7	81.8	106.8
RMM ($/bbl)	18.5	16.5	13.1
Underlying RCPBIT*	**6.1**	**5.2**	**4.0**
Gas & low carbon energy	1.8	1.8	2.0
Oil production & operations	3.5	2.8	2.9
Customers & products	0.8	0.4	(0.3)
Other businesses & corporate	(0.1)	0.2	(0.5)
Consolidation adjustment – UPII*	0.1	0.1	(0.0)
Finance costs	(0.9)	(1.0)	(1.1)
Tax	(2.2)	(1.8)	(1.4)
Non-controlling interest	(0.1)	(0.2)	(0.3)
Underlying replacement cost profit*	**3.0**	**2.3**	**1.2**
Announced dividend per ordinary share (cents per share)	7.270	8.000	8.000

4Q 2024 vs 3Q 2024

- Underlying RCPBIT lower reflecting:
  - Weaker realised refining margins and a higher impact from turnaround activity
  - Seasonally lower customer volumes and fuels margins
  - Higher OB&C charge

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Thanks Murray.

In the fourth quarter, we reported group underlying replacement cost profit before interest and tax of $4.0 billion. The result was around $1.2 billion lower than the third quarter, primarily driven by a lower customers and products segment result, and a higher charge in other businesses and corporate, which was largely due to foreign exchange effects.

Looking at segment performance in more detail:

– In the gas and low carbon energy segment, the underlying profit was around $200 million higher than the third quarter, largely driven by higher realisations. The gas marketing and trading result was average. The fourth quarter included a one-off $100 million favourable impact.

– In the oil production and operations segment, the underlying profit was around $100 million higher than the third quarter, reflecting lower exploration write-offs, partly offset by lower realisations and volumes. In the quarter, there was also a cumulative benefit of around $300 million for several items, including hedging and income from a sale of royalties.

– The customers and products segment was around $700 million lower quarter-on-quarter.

– In customers, the underlying profit was around $400 million lower, reflecting lower fuels margins, seasonally lower volumes, and adverse foreign exchange impacts.

– In products, the underlying result was around $300 million lower, mainly reflecting weaker realised refining margins and a higher impact from turnaround activity. The oil trading contribution was weak.

Below the operating segments:

– Our underlying finance costs were $1.1 billion in the fourth quarter, around $100 million higher than the third quarter, which was mainly reflecting higher gross debt.

– Our non-controlling interest was $340 million in the fourth quarter, around $180 million higher than the third quarter, mainly reflecting earnings from our subsidiaries with minority interests.

– Our underlying effective tax rate was 49%, bringing the full year to 41%.

Taken together, our reported group underlying replacement cost profit was $1.2 billion.

On an IFRS basis, our headline loss was $2.0 billion, after net adverse adjusting items of $3.1 billion.

And finally today, we have announced a dividend of 8 cents per ordinary share for the fourth quarter.

4Q24 Cash flow and balance sheet

$bn	4Q23	3Q24	4Q24
IFRS operating cash flow*	9.4	6.8	7.4
Working capital release[*1]	*2.1*	*1.4*	*1.3*
Capital expenditure*	(4.7)	(4.5)	(3.7)
Divestment and other proceeds	0.3	0.3	2.8
Share buyback executed during quarter	(1.4)	(2.0)	(1.6)
Net debt*	20.9	24.3	23.0

4Q 2024 vs 3Q 2024

- Operating cash flow higher reflecting:
  - Lower cash taxes paid and timing of provision settlements
  - Partly offset by lower underlying earnings

FY 2024

- FY 2024 capex of $16.2bn
- FY 2024 divestment and other proceeds $4.2bn

(1) Adjusted for inventory holding gains or losses*, fair value accounting effects* and other adjusting items

Moving to cash flow and the balance sheet.

Operating cashflow was $7.4 billion in the fourth quarter, which was around $700 million higher than the previous quarter reflecting lower cash taxes paid and timing of provision settlements, partly offset by lower underlying earnings. There was also a working capital release of $1.3 billion in the quarter.

Capital expenditure in the fourth quarter was $3.7 billion. This brought full year capex to $16.2 billion, which is in-line with guidance set at the start of the year.

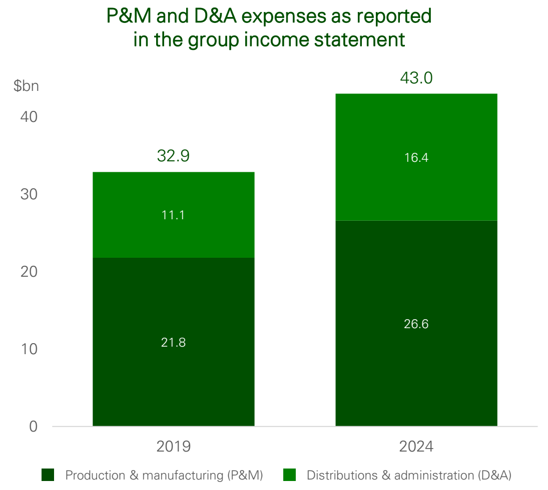
Divestment and other proceeds were $2.8 billion in the quarter, bringing the full year proceeds to $4.2 billion.

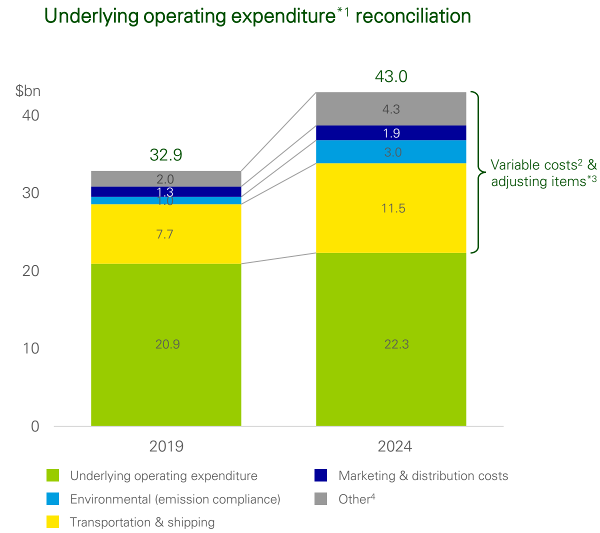
Net debt reduced by $1.3 billion to $23 billion, including the impacts of:

– acquired net debt of around $3 billion from the completion of the bp bioenergy and Lightsource bp acquisitions and,

– the issuance of $2.6 billion US dollars equivalent of perpetual hybrid bonds, where we proactively took advantage of attractive credit spreads on the hybrid market to manage the refinancing of our portfolio through 2026.

Closer look at costs





(1) Target first introduced in bp's first quarter 2024 group results announcement referred to cash costs savings. Cash costs has the same meaning as underlying operating expenditure.
(2) Primarily variable with volumes (such as freight costs)
(3) Adjusting items 2019 is $0.6bn and 2024 is $1.3bn
(4) Includes commission, storage and handling costs and other variable costs and non-cash costs

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I'd like to touch on how we think about costs and update you on our cost efficiency programme, where we are making really good progress.

For the detailed readers of our quarterly and annual accounts,

We report cost of sales – expenses that are directly involved in generating revenue – across three lines in the income statement:

- purchases,
- production and manufacturing expense, or 'P&M' and
- distribution and administration expense or 'D&A'

It is important to note that companies report costs differently so the reported expense line items may not be comparable.

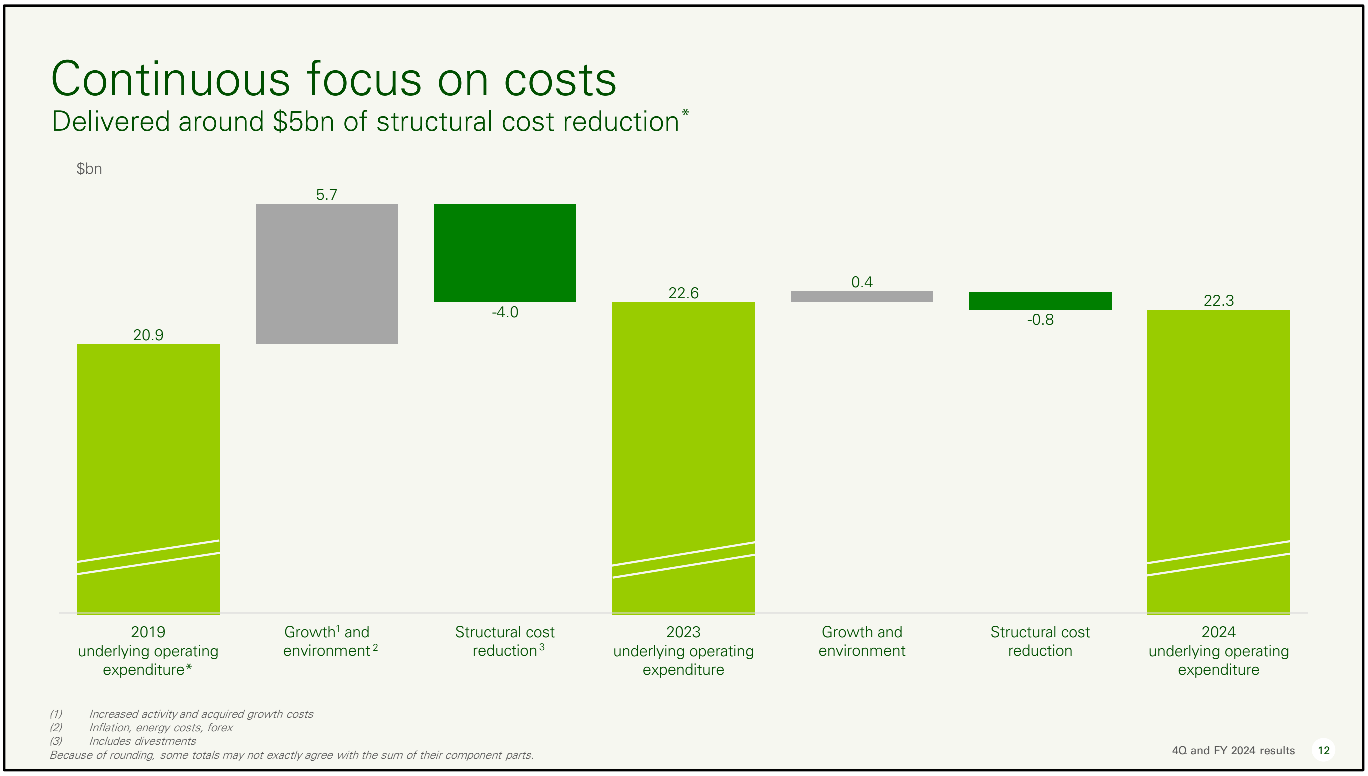
In 2024, our P&M and D&A costs total to around $43 billion. While these 2 expense line items have increased by $10 billion over the last 6 years, $8 billion of this increase, a substantial majority, is related to variable costs. This increase in variable costs is primarily driven by higher transportation and shipping expenses, including freight costs, and reflects higher activity levels as we drive increased value and returns largely in our oil & gas trading business. Over this period, we also saw higher costs associated with emissions compliance primarily related to the German

Emissions Trading Act that was introduced in 2021.

In addition, we saw an increase in marketing and distribution costs, largely reflecting increased volumes as we grow our customers business.

We are continuously reviewing these variable costs to ensure we are safely running the most efficient business and that we are delivering a strong cost-to-margin ratio.

Beyond these variable costs, we are focused on our ‘underlying operating expenditure’. As you know, we have previously referred to these as ‘cash costs’ but going forward, we will now refer to them as ‘underlying operating expenditure.’ This expenditure is a subset of P&M plus D&A expenses that exclude the variable costs. A detailed reconciliation of P&M plus D&A expenses to underlying operating expenditure is provided as an appendix to our results presentation and in our stock exchange announcement.



On this slide, you can see our track record of delivering structural cost reductions.

We updated you at the 2021 second quarter results, that we had delivered $2.5 billion of structural cost reductions and this slide shows continued progress through to 2023. However, this was more than offset by environmental factors such as supply chain inflation, higher energy costs and growth costs.

In 2024 we announced a target to reduce underlying operating expenditure by at least $2 billion by end-2026, from a 2023 baseline. I am pleased to report that we have delivered structural cost reductions of around $800 million this year, more than offsetting the impacts of inflation, energy costs, foreign exchange effects and growth costs. Taken together, we reduced absolute underlying operating expenditures by $300 million.

Over half of these reductions were delivered in the customers and products segment and a third in other business and corporate.

Looking forward, we will provide regular updates in our disclosures on the further progress we are making on structural cost reductions.

Guidance

Full year 2025[1]

Reported upstream production	Lower than 2024
Underlying upstream production*	Slightly lower than 2024, of which OPO broadly flat and GLCE lower
Customers	Growth in its customers businesses including a full year contribution from bp bioenergy and a higher contribution from TravelCenters of America; earnings growth supported by structural cost reduction; fuels margins to remain sensitive to the cost of supply and earnings delivery to remain sensitive to the relative strength of the US Dollar
Products	Broadly flat refining margins and stronger underlying performance underpinned by the absence of the plant-wide power outage at Whiting refinery, and improvement plans across the portfolio; similar levels of refinery turnaround activity, with phasing of turnaround activity in 2025 heavily weighted towards 1H25, with the highest impact in 2Q25
OB&C	Around $1bn charge, quarterly charges may vary
DD&A	Broadly flat compared with 2024
Underlying effective tax rate*	Expected to be around 40%
Divestment and other proceeds	~$3bn, weighted to the second half
Gulf of America settlement payments	~$1.2bn pre-tax, of which $1.1bn 2Q

1Q 2025 vs 4Q 2024[1]

Reported upstream production:

- Lower compared with 4Q 2024 primarily due to the already announced divestments in Egypt and Trinidad, which completed towards the end of 4Q 2024 and base decline in both regions, totalling ~90mboed

Customers:

- Seasonally lower volumes
- Fuels margins to remain sensitive to movements in cost of supply and earnings delivery to remain sensitive to the relative strength of the US Dollar

Products:

- Realised refining margins to remain low and a lower level of refinery turnaround activity

Rules of thumb available at bp.com/Trading conditions update

(1) *Refer to the 4Q24 stock exchange announcement and bp.com for full text*

And now guidance.

Starting with the first quarter 2025:

– In the upstream, we expect reported upstream production to be around 90 thousand barrels of oil equivalent per day lower, including the already announced divestments in Egypt and Trinidad, which completed towards the end of the fourth quarter, as well as base decline in both regions.

– In customers, we expect seasonally lower volumes. In addition, we expect fuels margins to remain sensitive to movements in cost of supply and earnings to remain sensitive to the relative strength of the US dollar.

– In products, we expect realised refining margins to remain low, with a lower level of refinery turnaround activity.

– And as a reminder, we had roughly $400 million of favourable impacts in the fourth quarter across the oil production and operations and the gas and low carbon segments.

Turning to our full year 2025 guidance.

– Reported upstream production is expected to be lower, primarily reflecting previously announced divestments in gas regions. Underlying upstream production is expected to be slightly lower year-on-year.

– In our customers business, we expect growth including a full year contribution from bp bioenergy and a higher contribution from TravelCenters of America. Fuels margins are expected to remain sensitive to the cost of supply and earnings delivery to remain sensitive to the relative strength of the US dollar. Earnings growth is also expected to be supported by structural cost reductions.

– In products, we expect broadly flat refining margins relative to 2024 and stronger underlying performance, underpinned by the absence of the plant-wide power outage at Whiting refinery and improvement plans across the portfolio. We expect similar levels of refinery turnaround activity to 2024 which was lower than 2023, with phasing in 2025 heavily weighted towards the first half, and the highest impact in the second quarter.

I won't go through the full year guidance line by line. It is on this slide and in our stock exchange announcement published this morning.

Lastly, we are, today, retiring our 2025 EBITDA target. For completeness, let me reflect on how we hold this.

As we have previously mentioned, the basket of prices in 2023 was, in aggregate, equivalent to our plan prices at the time we set our 2025 EBITDA target. 2024 reported EBITDA was $38 billion and, adjusting that to 2023 prices, it would be around $42 billion. When considering:

– the underlying growth in our businesses,

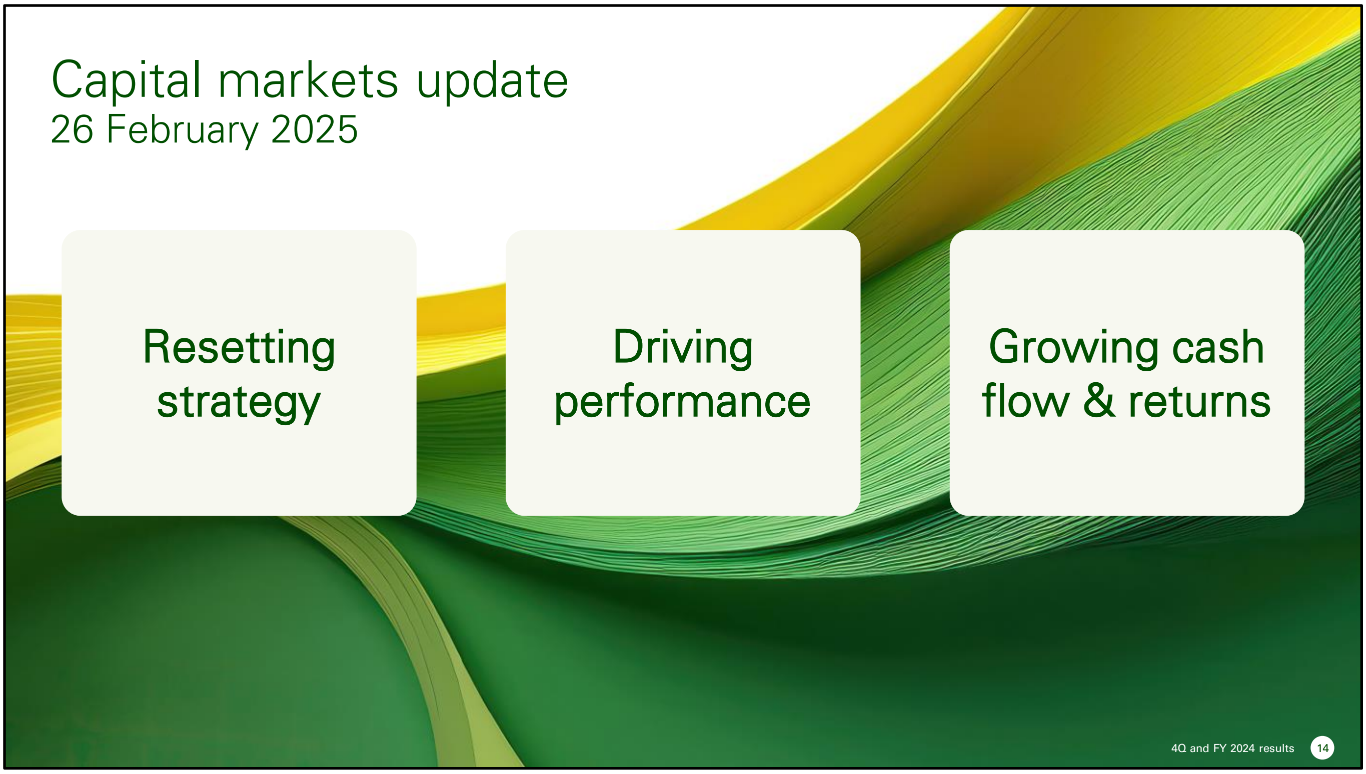
– the absence of the plant-wide power outage at Whiting refinery, and

– the full year impact of recent acquisitions and disposals,

we would expect 2025 EBITDA to be slightly below the bottom-end of the previously guided target of $46 to $49 billion.

Looking ahead, and consistent with our focus on growing cashflow and returns, we will be updating our metrics, targets and financial frame at our capital markets update on the 26 February.

Now, let me hand back to Murray.



Thanks Kate.

I'll close by looking ahead to our capital markets update on 26 February.

Since setting out our strategy five years ago, a lot has changed – in the global economy, across the energy sector and within bp. We have come through a period of active transformation, we have learned and we have been actively engaging with, and listening to, you, our shareholders.

We are also a far more focused business than 12 months ago, having delivered significant change across bp in 2024.

Our oil and gas business is well-positioned and performing strongly and we have been taking action to reshape our portfolio, and grow free cash flow, including sanctioning new projects such as Kaskida and through new access in India and Iraq. We are focused on improving performance in refining, have stopped projects that won't compete for capital, and are restructuring our low-carbon business to grow, but in a more capital-light way.

Our capital markets event will be a comprehensive update that builds on this;

– It will be a fundamental reset of our strategy

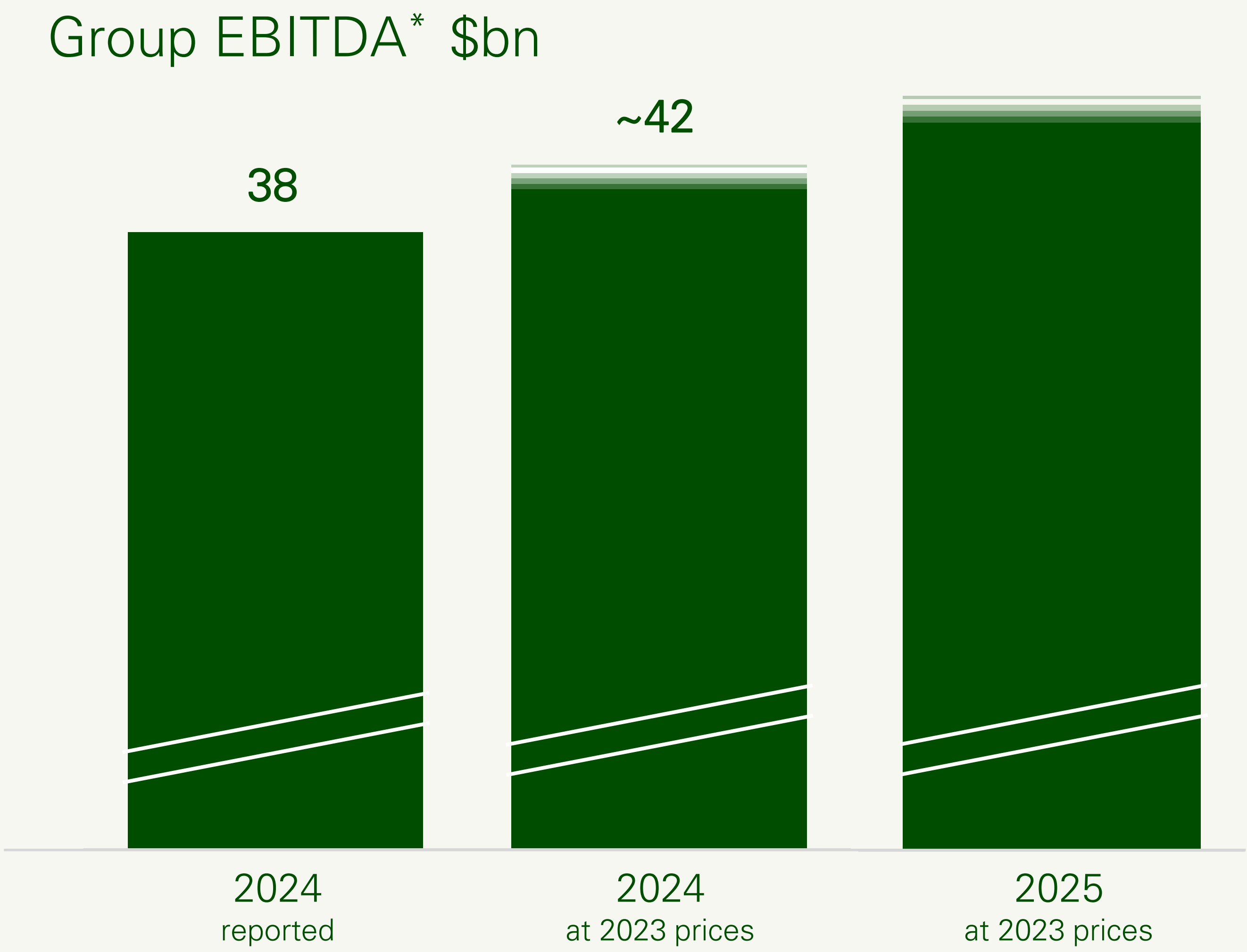
– It will demonstrate our focus on actions to drive performance, AND

- It will enable us to grow cash flow and returns – and shareholder value.

It will be a new direction for bp, and NOT business as usual. I am excited about it and look forward to updating the market and seeing many of you then.

Appendix

Building momentum into 2025



2024 to 2025 EBITDA growth:

- Underlying growth across businesses including structural cost reduction*
- Refining – return to a normal turnaround schedule with Whiting at full capacity
- Portfolio, including full year impact of recent acquisitions and divestments

Financial summary

$bn	FY23	FY24
Brent ($/bbl)	82.6	80.8
Henry Hub ($/mmbtu)	2.7	2.3
NBP (p/therm)	98.9	83.6
RMM ($/bbl)	25.8	17.7
Underlying RCPBIT*	**27.0**	**20.6**
Gas and low carbon energy	8.7	6.8
Oil production & operations	12.8	11.9
Customer & products	6.4	2.5
Other businesses and corporate	(0.9)	(0.6)
Consolidation adjustment – UPII*	(0.0)	(0.0)
Finance costs	(3.2)	(4.0)
Tax	(9.4)	(6.9)
Non-controlling interests	(0.6)	(0.8)
Underlying replacement cost profit*	**13.8**	**8.9**
IFRS operating cash flow*	32.0	27.3
Working capital release*[1]	2.8	0.8
Capital expenditure*	(16.3)	(16.2)
Divestment and other proceeds	1.8	4.2
Share buyback executed[2]	(7.9)	(7.1)
Net debt*	20.9	23.0

(1) Adjusted for inventory holding gains or losses, fair value accounting effects* and other adjusting items*
(2) Includes share buybacks to offset the expected full-year dilution from the vesting of awards under employee share schemes. In 2023, bp completed $675m and in 2024, bp completed the $0.3bn buyback programme

FY23 & FY24 Underlying operating expenditure reconciliation

$bn	FY23	FY24
From group income statement		
Production and manufacturing expenses	25.0	26.6
Distribution and administration expenses	16.8	16.4
	41.8	**43.0**
Less certain variable costs		
Transportation and shipping costs	10.8	11.5
Environmental costs	3.2	3.0
Marketing and distribution costs	2.4	1.9
Commission, storage and handling costs	1.6	1.5
Other variable costs and non-cash costs	0.7	1.5
Certain variable costs	**18.7**	**19.4**
Operating expenditure*	**23.1**	**23.6**
Less certain adjusting items*		
Gulf of America oil spill	0.1	0.1
Environmental and related provisions	0.6	0.2
Restructuring, integration and rationalisation costs	(0.0)	0.2
Fair value accounting effects – derivative instruments relating to the hybrid bonds	(0.6)	0.2
Other certain adjusting items	0.4	0.6
Certain adjusting items	**0.5**	**1.3**
Underlying operating expenditure	**22.6**	**22.3**
Underlying operating expenditure reduction relative to 2023		**(0.3)**
Of which:		
*Structural cost reduction**		*(0.8)*
Increase/(decrease) in underlying operating expenditure due to inflation, exchange, portfolio changes and organic growth		*0.4*

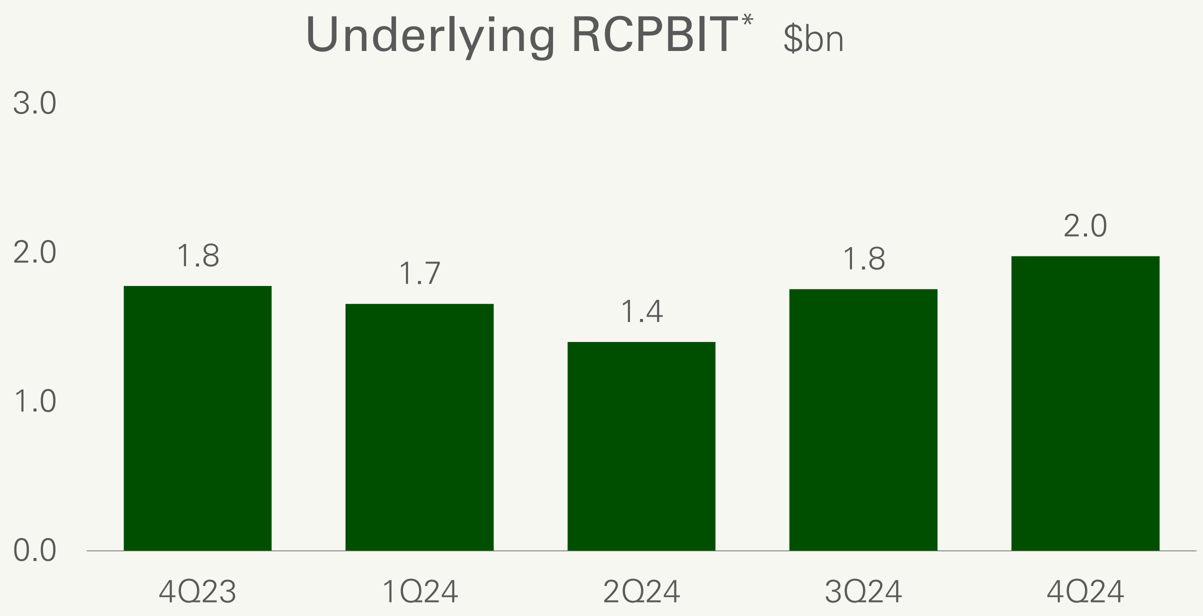
Because of rounding, some totals may not exactly agree with the sum of their component parts.

FY19 & FY23 Underlying operating expenditure reconciliation

$bn	FY19	FY23
From group income statement		
Production and manufacturing expenses	21.8	25.0
Distribution and administration expenses	11.1	16.8
	32.9	**41.8**
Less certain variable costs		
Transportation and shipping costs	7.7	10.8
Environmental costs	1.0	3.2
Marketing and distribution costs	1.3	2.4
Commission, storage and handling costs	1.3	1.6
Other variable costs and non-cash costs	0.1	0.7
Certain variable costs	**11.3**	**18.7**
Operating expenditure*	**21.5**	**23.1**
Less certain adjusting items*		
Gulf of America oil spill	0.3	0.1
Environmental and related provisions	0.3	0.6
Restructuring, integration and rationalisation costs	(0.0)	(0.0)
Fair value accounting effects – derivative instruments relating to the hybrid bonds	-	(0.6)
Other certain adjusting items	(0.0)	0.4
Certain adjusting items	**0.6**	**0.5**
Underlying operating expenditure	**20.9**	**22.6**
Underlying operating expenditure reduction relative to 2019		**(1.7)**
Of which:		
*Structural cost reduction**		*(4.0)*
Increase/(decrease) in underlying operating expenditure due to inflation, exchange, portfolio changes and organic growth		*5.7*

Gas and low carbon energy

	4Q23	3Q24	4Q24
Production volume			
Liquids (mbd)	99	92	91
Natural gas (mmcfd)	4,637	4,627	4,402
Total hydrocarbons* (mboed)	899	890	850
Average realisations*			
Liquids ($/bbl)	78.87	74.80	68.93
Natural gas ($/mcf)	6.18	5.80	6.96
Total hydrocarbons ($/boe)	40.17	37.91	43.21
Selected financial metrics ($bn)			
Exploration write-offs	0.3	0.0	(0.0)
Adjusted EBITDA*	3.4	2.9	3.1
Capital expenditure* - gas	0.8	1.2	0.9
Capital expenditure - low carbon	0.5	0.9	(0.1)
Operational metrics (GW, bp net)			
Installed renewables capacity*	2.7	2.8	4.0
Developed renewables to FID*	6.2	6.6	8.2
Renewables pipeline*	58.3	46.8	60.6

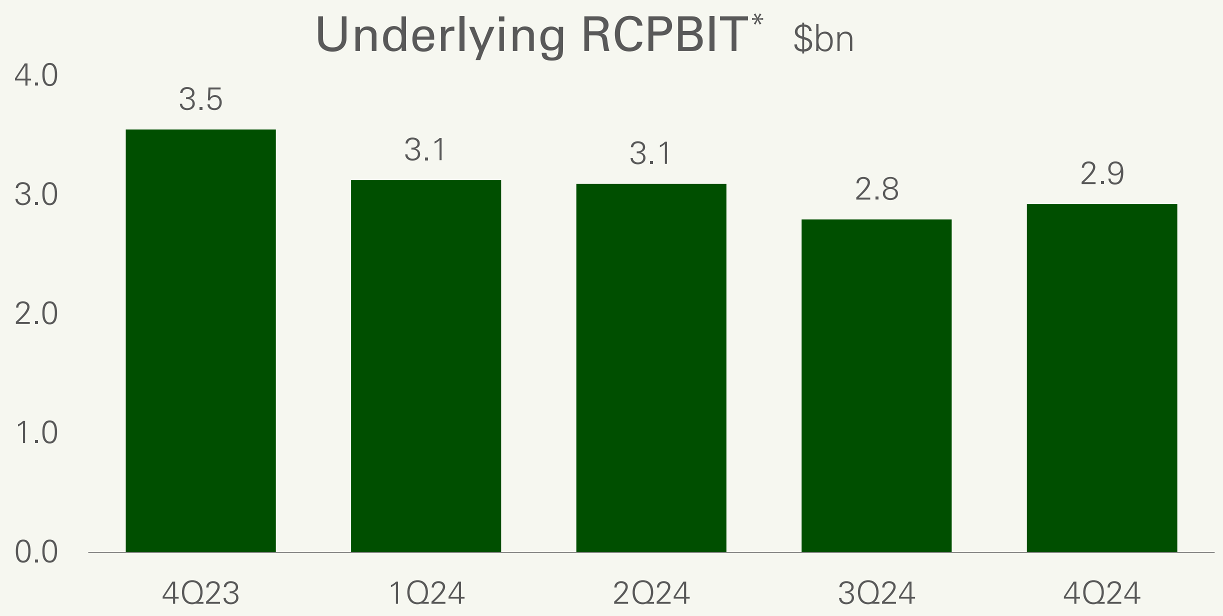


4Q 2024 vs 3Q 2024

- Higher gas realisations
- Average gas marketing and trading results
- 4Q included a one-off $100m favourable impacts

Oil production and operations

	4Q23	3Q24	4Q24
Production volume			
Liquids (mbd)	1,024	1,084	1,057
Natural gas (mmcfd)	2,305	2,348	2,269
Total hydrocarbons* (mboed)	1,421	1,488	1,449
Average realisations*			
Liquids ($/bbl)	76.22	70.22	65.56
Natural gas ($/mcf)	3.65	2.25	3.29
Total hydrocarbons ($/boe)	59.69	53.65	52.28
Selected financial metrics ($bn)			
Exploration write-offs	0.0	0.3	0.1
Adjusted EBITDA*	5.1	4.8	4.8
Capital expenditure*	1.6	1.4	1.5
Combined upstream			
Oil and gas production[1] (mboed)	2,320	2,378	2,299
bp average realisation ($/boe)	50.90	46.81	48.44
Unit production costs*[2] ($/boe)	5.78	6.25	6.17
bp-operated plant reliability*[2] (%)	95.0	95.3	95.2



4Q 2024 vs 3Q 2024

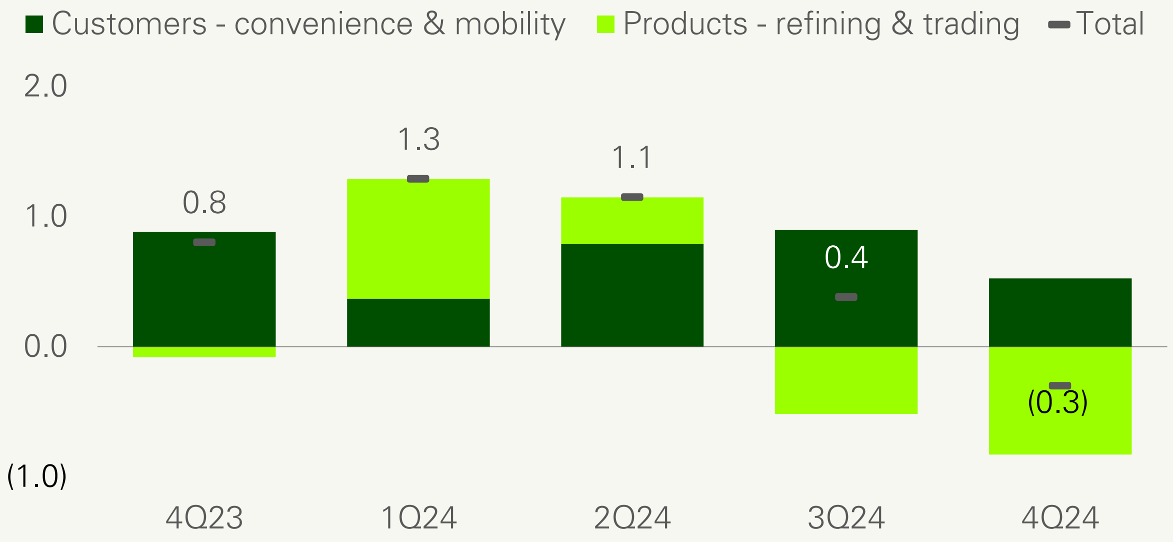
- Lower costs partly offset by lower realisations and volumes
- 4Q included a cumulative benefit of ~$300m for several items, including hedging and income from a sale of royalties

(1) Because of rounding, upstream production may not agree exactly with the sum of gas and low carbon energy and oil production and operations
(2) On a year-to-date basis

Customer and products

	4Q23	3Q24	4Q24
Customers – convenience & mobility			
Customers – convenience & mobility adjusted EBITDA* ($bn)	1.3	1.4	1.2
Castrol adjusted EBITDA[1] ($bn)	*0.3*	*0.3*	*0.3*
Capital expenditure* ($bn)	0.8	0.5	0.5
bp retail sites* - total[2]	21,100	21,200	21,200
Strategic convenience sites*[2]	2,850	2,950	2,950
Marketing sales of refined products (mbd)	3,062	3,181	3,127
Products – refining & trading ($bn)			
Adjusted EBITDA	0.4	(0.1)	(0.4)
Capital expenditure	0.8	0.5	0.8
Refining environment			
RMM*[3] ($/bbl)	18.5	16.5	13.1
Refining throughput (mbd)	1,312	1,440	1,390
Refining availability* (%)	96.1	95.6	94.8

Underlying RCPBIT* $bn



4Q 2024 vs 3Q 2024

Customers

- Convenience & mobility – lower fuels margins, seasonally lower volumes, and adverse foreign exchange impacts

Products

- Refining – weaker realised refining margins and a higher impact from turnaround activity
- Trading – a weak oil trading result

(1) Castrol is included in customers – convenience & mobility
(2) Reported to the nearest 50
(3) The RMM in the quarter is calculated on bp's current refinery portfolio.

Transition growth engines

$bn	Capex* FY23	Capex* FY24	EBITDA* FY23	EBITDA* FY24
Bioenergy	0.7	0.8	0.5[1]	0.7
Convenience	1.3[2]	0.5	0.8	1.0
EV charging	0.5	0.6	(0.3)	(0.2)
Hydrogen	0.2	0.3	(0.3)	(0.4)
Renewables & power	1.1	1.5	0.4	0.1
Total transition growth engines*	*3.8*	*3.7*	*1.0*	*1.2*

(1) *Commencing 1H24 we have included the biofuels contribution from our retail and B2B businesses. If applied to 2023 Bioenergy EBITDA ,this would have resulted in an increase of $0.2bn.*
(2) *Includes share of TravelCenters of America acquisition spend allocated to convenience*

Because of rounding, some totals may not exactly agree with the sum of their component parts.

Strategic progress – last 12 months

Resilient hydrocarbons*

Scaling-up our bioenergy business
- Archaea – 9 AMD plants brought online in FY24 with capacity of >10m mmbtu of RNG p.a
- Start-up of 4 dairy digestion facilities (JV with Clean Energy) in FY24
- Two bio-refinery projects paused and assessing three other projects

Major projects* start-ups
- ACE start-up with ~10mboed peak production (net)
- GTA LNG project 1st gas flow to FPSO

Advancing projects – key milestones
- Atlantis Drill Centre Expansion – two well tie-back approved
- Coconut project offshore Trinidad approved
- Pipeline replacement project in Trinidad completed
- UCC project in Indonesia sanctioned
- Ruwais FID taken
- Kaskida project approved
- Majority of commercial terms agreed with Iraq for redevelopment of Kirkuk
- Signed an agreement with ONGC TSP for the largest offshore O&G field in India

New exploration and access success
- 4 blocks across North Sea, Brazil, Egypt, plus a further 23 in GoA
- Manakin/Cocuina cross-border license awarded
- Azule 42.5% farm-in exploration block in the Orange basin offshore Namibia[2]
- ACG PSA addendum signed to enable progress of non-associated natural gas
- NCMA 2 block offshore Trinidad was awarded

High-grading our refining portfolio
- Announced plans to transform the Gelsenkirchen refinery
- Announced intention to market Gelsenkirchen operation for potential sale
- Completed sale of bp's share of assets in SAPREF

LNG strategic update
- Long-term SPA with Kogas – in total supply of 2.5mtpa of LNG until ~2035
- 10% interest in ADNOC-operated LNG facility in Abu Dhabi approved
- Trinidad Atlantic LNG restructured

bpx energy growing production
- Third Permian Basin central processing facility "Checkmate" brought online
- 30-40% growth target achieved 1 year early

Met first goal aim 4 target
- Deployed methane measurement across all existing major O&G assets

Convenience and mobility[1]

Scaling-up our bioenergy business
- Took full ownership of bp Bunge Bioenergia – production capacity ~50kbd
- Launched new Bioenergy HVO brand in UK and Netherlands
- Announced a 10-year agreement with MIGASA, for supply of 40k tonnes per year of vegetable oil waste, with plans to use waste to produce biofuels, and a strategic collaboration with Corteva on novel feedstocks

Expanding in retail fuels and convenience
- Acquired X Convenience, an Australian fuel and convenience retailer[2]
- Launched our own line of private label consumer-packaged products in the US – *epic goods*
- Launched a new customer loyalty program in the US, providing exclusive discounts on convenience and fuels – *earnify*
- Strategic partnership with Audi to develop advanced sustainable fuel

High-grading our retail fuels and convenience portfolio
- Completed sale of Türkiye ground fuels business to Petrol Ofisi, including the group's interest in three JV terminals in Türkiye
- Announced plans to sell bp mobility and convenience and bp pulse businesses in Netherlands

Growing our EV charging business

Growing network and energy sold
- Energy sold +75% vs FY23; CPs +35% vs FY23
- Roll out of new UFC* hubs in the UK and Germany
- Acquisition of one of Europe's largest truck stops, Ashford International in Kent, UK

Partnering to drive utilisation
- Exclusive EV charging partnership with ADAC, leading automobile association in Germany with over 20m members

Advancing future network growth
- US deals signed with Simon Property Group (900 high-speed charging bays at up to 75 sites) and LAZ Parking (UFC hubs in 20 cities)

Castrol in action
- Diversifying into battery-swapping ecosystems with investment in Gogoro Inc., a global technology leader
- Strategic partnership with Audi – development of lubricants and EV fluids for Audi's V6 turbo engine and electric motor and battery
- Awarded lubricant supply contracts with leading OEMs

Low carbon energy

bp and JERA agree to combine offshore wind businesses
- 13GW potential net generating capacity

bp and consortium selected to develop OFW farm in Japan

Acquisition of Lightsource bp
- 62GW development pipeline, operations in 19 global markets

Renewables pipeline*
- 4Q 2024 pipeline 60.6GW[3]

bp to sell its US onshore wind business

NZT Power and NEP FID
- Financial close reached; external debt secured
- UK government awarded development consent

Lingen green H2 project FID
- Awarded funding as part of European IPCEI Hy2Infra wave

Castellon green H2 project FID

High-grading H2 portfolio
- bp to acquire 49% in Hyport green hydrogen* project in Duqm, Oman
- $MachH_2$ selected to develop a Regional Hydrogen Hub in US Midwest

Completion of GETEC ENERGIE GmbH
- Supplier of energy to commercial and industrial customers in Germany

Denotes transition growth* engine

(1) Includes customer-facing, midstream biofuels activities and bp Bunge which form part of the Bioenergy transition growth engine (2) Subject to customary approvals (3) As at 31 December 2024

Glossary – abbreviations

ACE	Azeri Central East.
ACG	Azeri-Chirag-Deepwater Gunashli.
AMD	Archaea Modular Design.
Barrel (bbl)	159 litres, 42 US gallons.
boe	Barrels of oil equivalent.
CCS	Carbon, capture and storage.
CP	Charge points.
DD&A	Depreciation, depletion and amortisation.
EV	Electric vehicle.
FID	Final investment decision.
FPSO	Floating production, storage and offloading.
GoA	Gulf of America.
GLCE	Gas and low carbon energy.
GW	Gigawatt.
H_2	Hydrogen.
JV	Joint venture.
LNG	Liquefied natural gas.
$MachH_2$	Midwest Alliance for Clean Hydrogen.
mboed	Thousand barrels of oil equivalent per day.
mmbtu	Million British thermal units.
MtCO2e	Metric tons of carbon dioxide equivalent.
mtpa	Million tonnes per annum.
OB&C	Other businesses and corporate.
OFW	Offshore wind.
ONGC	Oil and Natural Gas Corporation.
OPO	Oil production and operations.
O&G	Oil and gas.
RC	Replacement cost.
RNG	Renewable natural gas.
RINs	Renewable identification numbers.

Glossary – abbreviations

SEA	Stock Exchange Announcements.
SPA	Sale and purchase agreement.
SVP	Senior vice president.
UFC	Ultra-fast charging.

Glossary

Adjusting items	Items that bp discloses separately because it considers such disclosures to be meaningful and relevant to investors. They are items that management considers to be important to period-on-period analysis of the group's results and are disclosed in order to enable investors to better understand and evaluate the group's reported financial performance. Adjusting items include gains and losses on the sale of businesses and fixed assets, impairments, environmental and related provisions and charges, restructuring, integration and rationalisation costs, fair value accounting effects and costs relating to the Gulf of America oil spill and other items. Adjusting items within equity-accounted earnings are reported net of incremental income tax reported by the equity accounted entity. Adjusting items are used as a reconciling adjustment to derive underlying RC profit or loss and related underlying measures which are non-IFRS measures.
bp-operated plant reliability	Calculated taking 100% less the ratio of total unplanned plant deferrals divided by installed production capacity, excluding non-operated assets and bpx energy. Unplanned plant deferrals are associated with the topside plant and where applicable the subsea equipment (excluding wells and reservoir). Unplanned plant deferrals include breakdowns, which does not include Gulf of America weather related downtime.
Capital expenditure (capex)	Total cash capital expenditure as stated in the condensed group cash flow statement. Capital expenditure for the operating segments, gas & low carbon energy businesses and customers & products businesses is presented on the same basis.
Consolidation adjustment – UPII	Unrealised profit in inventory arising on inter-segment transactions.
Developed renewables to FID	Total generating capacity for assets developed to FID by all entities where bp has an equity share (proportionate to equity share at the time of FID). If asset is subsequently sold bp will continue to record capacity as developed to FID.
EBITDA / adjusted EBITDA	Replacement cost (RC) profit before interest and tax, excluding net adjusting items* before interest and tax, and adding back depreciation, depletion and amortisation and exploration write-offs (net of adjusting items).
Electric vehicle charge points / EV charge points	Number of connectors on a charging device, operated by either bp or a bp joint venture as adjusted to be reflective of bp's accounting share of joint arrangements.
Fair value accounting effects	Difference between the way bp manages the economic exposure and internally measures performance of certain activities and the way those activities are measured under IFRS. Fair value accounting effects are included within adjusting items. They relate to certain of the group's commodity, interest rate and currency risk exposures as detailed in the SEA.
Green hydrogen	Hydrogen produced by electrolysis of water using renewable power.
Hydrocarbons	Liquids and natural gas. Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.
Hydrogen / low carbon hydrogen	Hydrogen fuel with reduced carbon attributes, including renewable (green) hydrogen made from solar, wind and hydro-electricity, and (blue) made from natural gas in combination with CCS.
Installed renewables capacity	bp's share of capacity for operating assets owned by entities where bp has an equity share.
Low carbon activity	An activity relating to low carbon including: renewable electricity; bioenergy; electric vehicles and other future mobility solutions; trading and marketing low carbon products; blue or green hydrogen* and carbon capture, use and storage (CCUS).

Glossary

Major projects	Have a bp net investment of at least $250 million, or are considered to be of strategic importance to bp or of a high degree of complexity.
Net debt	Calculated as finance debt, as shown in the balance sheet, plus the fair value of associated derivative financial instruments that are used to hedge foreign currency exchange and interest rate risks relating to finance debt, for which hedge accounting is applied, less cash and cash equivalents. Net debt does not include accrued interest, which is reported within other receivables and other payables on the balance sheet and for which the associated cash flows are presented as operating cash flows in the group cash flow statement.
Operating cash flow	Net cash provided by (used in) operating activities as stated in the condensed group cash flow statement.
Realisations	Result of dividing revenue generated from hydrocarbon sales, excluding revenue generated from purchases made for resale and royalty volumes, by revenue generating hydrocarbon production volumes. Revenue generating hydrocarbon production reflects the bp share of production as adjusted for any production which does not generate revenue. Adjustments may include losses due to shrinkage, amounts consumed during processing, and contractual or regulatory host committed volumes such as royalties. For the gas & low carbon energy and oil production & operations segments, realisations include transfers between businesses.
Refining availability	Represents Solomon Associates' operational availability for bp-operated refineries, which is defined as the percentage of the year that a unit is available for processing after subtracting the annualized time lost due to turnaround activity and all mechanical, process and regulatory downtime.
Refining marker margin (RMM)	Average of regional indicator margins weighted for bp's crude refining capacity in each region. Each regional marker margin is based on product yields and a marker crude oil deemed appropriate for the region. The regional indicator margins may not be representative of the margins achieved by bp in any period because of bp's particular refinery configurations and crude and product slate.
Renewables pipeline	Renewable projects satisfying the following criteria until the point they can be considered developed to FID: Site based projects that have obtained land exclusivity rights, or for power purchase agreement based projects an offer has been made to the counterparty, or for auction projects pre-qualification criteria has been met, or for acquisition projects post a binding offer being accepted.
Retail sites	Include sites operated by dealers, jobbers, franchisees or brand licensees or joint venture (JV) partners, under the bp brand. These may move to and from the bp brand as their fuel supply agreement or brand licence agreement expires and are renegotiated in the normal course of business. Retail sites are primarily branded *bp*, ARCO, *Amoco, Aral, Thorntons* and TravelCenters of America and also includes sites in India through our Jio-bp JV.
Return on average capital employed (ROACE)	Defined as underlying replacement cost profit, which is defined as profit or loss attributable to bp shareholders adjusted for inventory holding gains and losses, adjusting items and related taxation on inventory holding gains and losses and adjusting items total taxation, after adding back non-controlling interest and interest expense net of tax, divided by the average of the beginning and ending balances of total equity plus finance debt, excluding cash and cash equivalents and goodwill as presented on the group balance sheet over the periods presented. Interest expense before tax is finance costs as presented on the group income statement, excluding lease interest, the unwinding of the discount on provisions and other payables and other adjusting items reported in finance costs.

Glossary

Strategic convenience sites	Retail sites, within the bp portfolio, which sell bp-supplied vehicle energy (e.g. bp, Aral, Arco, Amoco, Thorntons, bp pulse, TA and PETRO) and either carry one of the strategic convenience brands (e.g. M&S, Rewe to Go) or a differentiated bp-controlled convenience offer. To be considered a strategic convenience site, the convenience offer should have a demonstrable level of differentiation in the market in which it operates. Strategic convenience site count includes sites under a pilot phase.
Structural cost reduction	Calculated as decreases in underlying operating expenditure* as a result of operational efficiencies, divestments, workforce reductions and other cost saving measures that are expected to be sustainable compared with 2023 levels. The total change between periods in underlying operating expenditure will reflect both structural cost reductions and other changes in spend, including market factors, such as inflation and foreign exchange impacts, as well as changes in activity levels and costs associated with new operations. Estimates of cumulative annual structural cost reduction may be revised depending on whether cost reductions realized in prior periods are determined to be sustainable compared with 2023 levels. Structural cost reductions are stewarded internally to support management's oversight of spending over time. bp believes this performance measure is useful in demonstrating how management drives cost discipline across the entire organization, simplifying our processes and portfolio and streamlining the way we work. The nearest IFRS measures are production and manufacturing expenses and distributions and administration expenses.
Technical service contract (TSC)	Technical service contract is an arrangement through which an oil and gas company bears the risks and costs of exploration, development and production. In return, the oil and gas company receives entitlement to variable physical volumes of hydrocarbons, representing recovery of the costs incurred and a profit margin which reflects incremental production added to the oilfield.
Tier 1 and tier 2 process safety events	Tier 1 events are losses of primary containment from a process of greatest consequence – causing harm to a member of the workforce, damage to equipment from a fire or explosion, a community impact or exceeding defined quantities. Tier 2 events are those of lesser consequence. These represent reported incidents occurring within bp's operational HSSE reporting boundary. That boundary includes bp's own operated facilities and certain other locations or situations. Reported process safety events are investigated throughout the year and as a result there may be changes in previously reported events. Therefore comparative movements are calculated against internal data reflecting the final outcomes of such investigations, rather than the previously reported comparative period, as this represents a more up to date reflection of the safety environment.
Transition growth	Activities, represented by a set of transition growth engines, that transition bp toward its objective to be an integrated energy company, and that comprise our low carbon activity* alongside other businesses that support transition, such as our power trading and marketing business and convenience.
Ultra fast/Ultra-fast charging	Includes electric vehicle charging of ≥150kW
Underlying effective tax rate (ETR)	Calculated by dividing taxation on an underlying replacement cost (RC) basis by underlying RC profit or loss before tax. Taxation on an underlying RC basis for the group is calculated as taxation as stated on the group income statement adjusted for taxation on inventory holding gains and losses and total taxation on adjusting items*

Glossary

Underlying operating expenditure	Non-IFRS measure and a subset of production and manufacturing expenses plus distribution and administration expenses and excludes costs that are classified as adjusting items. It represents the majority of the remaining expenses in these line items but excludes certain costs that are variable, primarily with volumes (such as freight costs). Other variable costs are included in purchases in the income statement. Management believes that underlying operating expenditure is a performance measure that provides investors with useful information regarding the company's financial performance because it considers these expenses to be the principal operating and overhead expenses that are most directly under their control although they also include certain foreign exchange and commodity price effects. The nearest IFRS measures are production and manufacturing expenses and distributions and administration expenses.
Underlying production	2024 underlying production, when compared with 2023, is production after adjusting for acquisitions and divestments, curtailments, and entitlement impacts in our production-sharing agreements/contracts and technical service contract*.
Underlying replacement cost profit	Replacement cost profit or loss* after excluding net adjusting items* and related taxation.
Underlying replacement cost profit or loss before interest and tax (RCPBIT)	For the operating segments or customers & products businesses is calculated as RC profit or loss including profit or loss attributable to non-controlling interests before interest and tax for the operating segments and excluding net adjusting items for the respective operating segment or business.
Unit production costs	Calculated as production cost divided by units of production. Production cost does not include ad valorem and severance taxes. Units of production are barrels for liquids and thousands of cubic feet for gas. Amounts disclosed are for bp subsidiaries only and do not include bp's share of equity-accounted entities.
Working capital	Movements in inventories and other current and non-current assets and liabilities as reported in the condensed group cash flow statement. Change in working capital adjusted for inventory holding gains/losses, fair value accounting effects relating to subsidiaries and other adjusting items is a non-IFRS measure. It is calculated by adjusting for inventory holding gains/losses reported in the period and fair value accounting effects relating to subsidiaries reported within adjusting items for the period. From 2022, it is adjusted for other adjusting items relating to the non-cash movement of US emissions obligations carried as a provision that will be settled by allowances held as inventory. This represents what would have been reported as movements in inventories and other current and non-current assets and liabilities, if the starting point in determining net cash provided by operating activities had been underlying replacement cost profit rather than profit for the period. The nearest equivalent measure on an IFRS basis for this is movements in inventories and other current and non-current assets and liabilities. bp utilises various arrangements in order to manage its working capital including discounting of receivables and, in the supply and trading business, the active management of supplier payment terms, inventory and collateral.

Resources

bp's website includes information about our financial performance, reports and information on investing in bp, dividend payments, AGM and strategy events.

- Find out more on **bp.com/investors**
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- **Major projects**
- **Environment, social and governance**
- **Debt investor**

Investor events

26 February 2025

Capital markets update

29 April 2025

First quarter results

5 August 2025

Second quarter results

4 November 2025

Third quarter results