

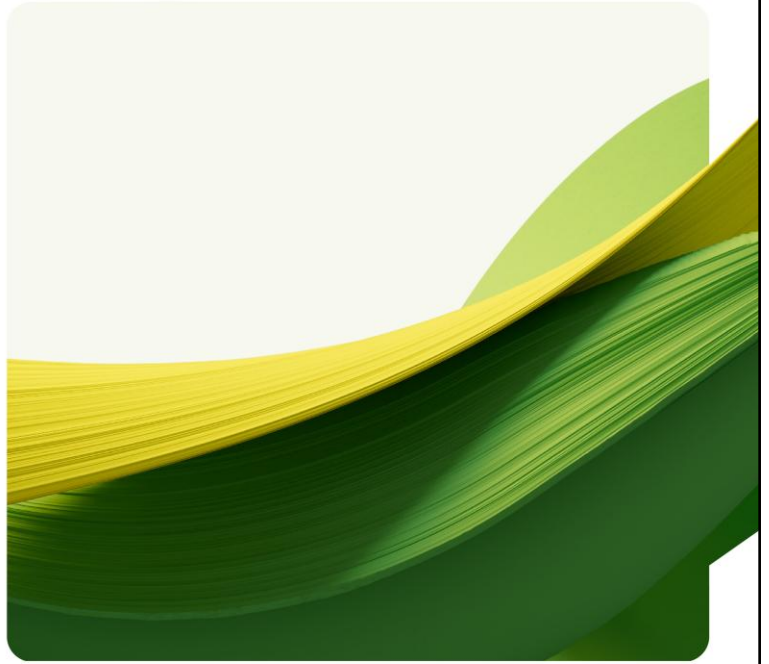
Growing shareholder
value



2Q 2025
financial results

Craig Marshall

SVP investor relations



Hello everyone and thank you for your interest in bp's second quarter 2025 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 presentation 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 Albert Manifold joining bp's board and related timing; plans and expectations regarding bp's review of portfolio businesses, further cost review and plans for business improvement; plans and expectations regarding bp's focus on safety, bp's future growth, bp's ability to maintain strategic progress, underlying organic growth across the businesses, continued momentum in the pace of delivery and sustainable growth of long-term shareholder value; plans and expectations regarding bp's new refining indicator margin and its impact; plans and expectations regarding the amount, timing, quantum and nature of certain acquisitions and divestments, including related payments and proceeds and their effects on bp's adjusted free cash flow; plans and expectations regarding bp's financial frame, balance sheet, financial performance, cash flows, cost reduction, capital expenditure and allocation, results of operations, underlying effective tax rate, non-controlling interest, and shareholder distributions, including the timing and amount of bp's future dividends and share buybacks; plans and expectations regarding bp's ability to grow production, including in the Permian Basin; plans and expectations regarding bp's investments and agreements in Azerbaijan and Libya; plans and expectations in relation to the discovery in the Bumerangue block, including the outcome of laboratory testing of hydrocarbon samples and the conduct and outcome of any future appraisal activities; plans and expectations regarding the deployment and impact of technology and AI, including in well planning and marketing; plans and expectations regarding bp's exploration discoveries, project start-ups including across bp's joint ventures in Norway, Angola and Argentina, access deals, and their impact on bp's future growth; plans and expectations regarding bp's focus on its hydrogen and CCS portfolio, including bp's exit from projects in the US and Australia; plans and expectations regarding the impact of bp's program in TravelCenters, including on near-term cash flow, profitability; plans and expectations regarding the fuels value chain in the US; plans and expectations regarding bp's organizational transformation, including reductions in bp's contractors across the supply chain, review of remaining contractor activity, impact on bp roles and related savings; plans and expectations regarding bp's 2025 and full year 2025 guidance, including upstream production, customers, products, other business and corporate, DD&A, underlying effective tax rate, divestments and other proceeds, Gulf of America settlement payments and capital expenditures; plans and expectations regarding bp's primary targets, including adjusted free cash flow growth and its drivers, structural cost reduction target and its impact, Group ROACE and net debt target; and plans and expectations regarding bp's timing of reporting on its primary targets.

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. Recent global developments have caused significant uncertainty and volatility in macroeconomic conditions and commodity markets. Each item of outlook and guidance set out in this presentation is based on bp's current expectations but actual outcomes and results may be impacted by these evolving macroeconomic and market conditions.

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 "Risk factors" in bp's Annual Report on Form 20-F for fiscal year 2024 as filed with the US Securities and Exchange Commission (the "SEC").

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

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**

August 2025

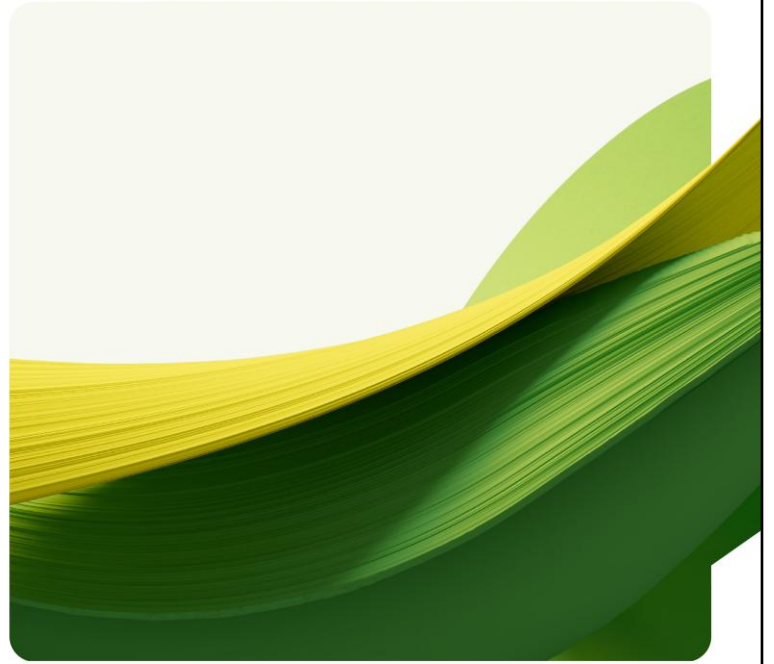
2Q 2025 financial results 3

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.

Before we begin, and following the announcement a fortnight ago, I'd like to extend my welcome to the incoming chair, Albert Manifold. Albert will join the Board on 1st September as a non-executive director and chair elect before taking over as chair on 1st October, and I am really looking forward to working with him.

Delivering our plan

Strong operational performance

Enhancing our portfolio and progressing divestments

Delivering structural cost reductions

Growing resilient dividend, further quarterly share buyback announced

2Q 2025 financial results 5

Turning to today's presentation, we are now two quarters into our 12-quarter plan and I'm encouraged by our results.

Our operations are performing well, with continuing strong plant reliability in the Upstream and the best first half refining availability since 2006.

We continue to invest to enhance our portfolio and have also made further progress on our divestment programme – with expected proceeds from completed or signed agreements now close to \$3 billion.

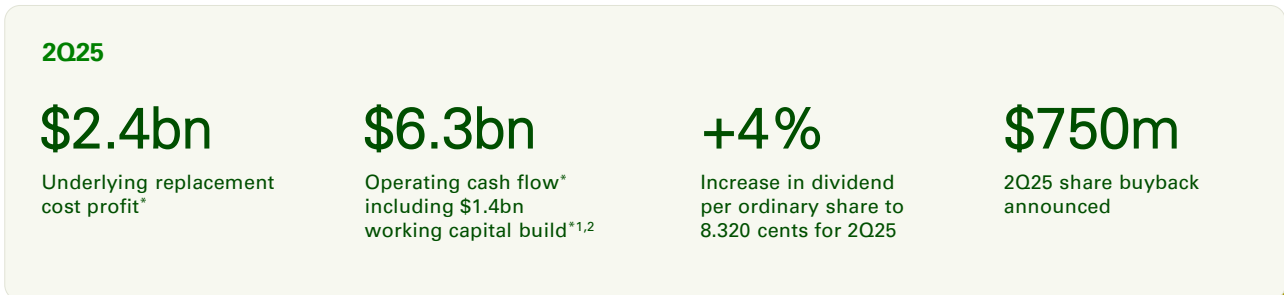
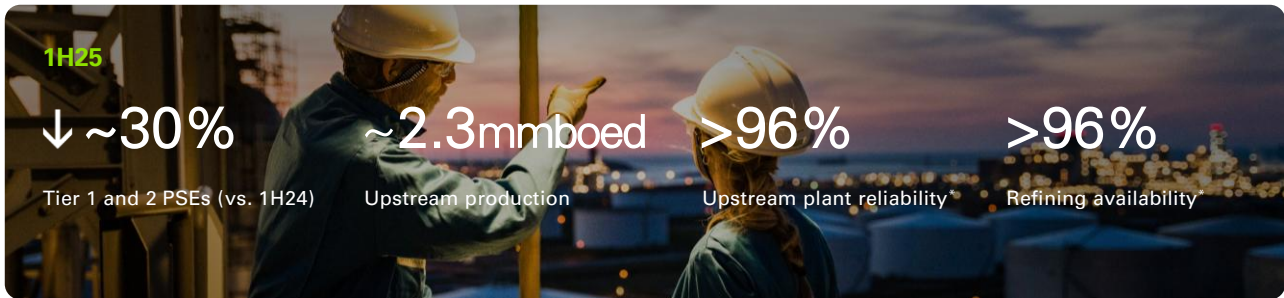
We have also made good progress on delivering our programme to safely and sustainably reduce our costs as we grow the company. We have now delivered around \$1.7 billion structural cost reductions since the start of the programme, with around three quarters from supply chain efficiencies and organisational transformation. We remain focused on driving reductions down to the bottom line and Kate will provide more detail on this shortly.

And today we have announced an increase to our resilient dividend for the second quarter and a further share buyback program for the third quarter.

All of this is in service of delivering a compelling investor proposition – and to sustainably grow long-term shareholder value.

I'm pleased with progress, but of course there is a lot more to do. We remain relentless in our aim to deliver improvements right across bp.

1H25 and 2Q25 highlights



(1) Adjusted for inventory holding losses*, fair value accounting effects* and other adjusting items
(2) Includes \$1.1bn Gulf of America settlement payments

2Q 2025 financial results 6

Turning to performance highlights year to date and for the quarter.

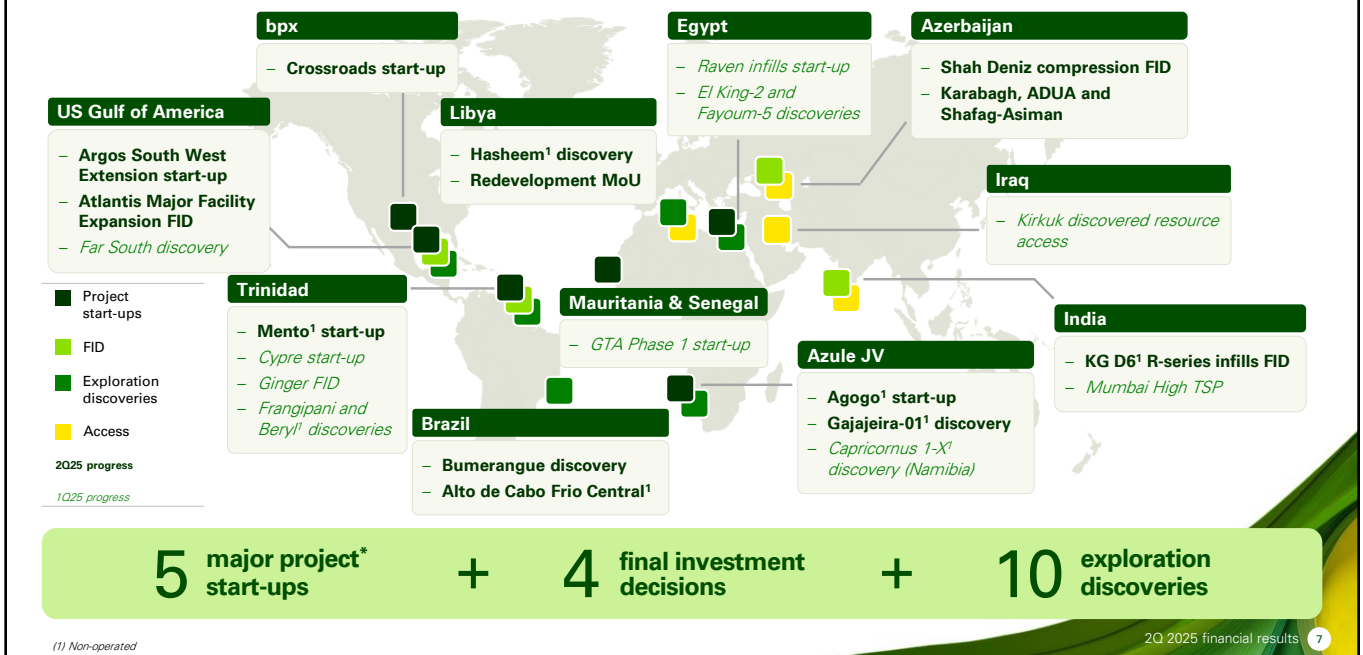
We remain focused on safety, which is our number one priority. Process safety events have decreased by around 30% compared to the first six months last year.

To date, upstream production is ahead of plan, increasing by around 3% quarter-on-quarter, and averaging 2.3mmboed for the first half of the year. Upstream plant reliability and refining availability were both above 96%.

Focusing on the second quarter, this strong operational performance supported the delivery of \$2.4 billion of underlying net income and \$6.3 billion of operating cash flow, which included a \$1.4 billion build in working capital.

Consistent with our financial frame, we have announced a dividend per ordinary share of 8.320 cents, a 4% increase and a further \$750 million share buyback for the second quarter.

Executing our strategy – growing the upstream



I'm also proud of the progress the team is making in executing our strategy – as can be seen in the progress we have made since the first quarter as we grow the upstream.

Following the safe delivery of first oil at Argos South West extension in the Gulf of America and first gas at Mento in Trinidad, we have now delivered five of the ten major project start-ups planned through 2027.

Additionally, the Azule joint venture announced the successful start-up of the Agogo Integrated West Hub Project in Angola, the first of a further seven projects planned for start-up through 2027 across our joint ventures in Norway, Angola and Argentina.

In the US, bpx energy started-up Crossroads, the fourth and final central delivery facility in the Permian Basin – increasing takeaway capacity in the liquids-rich basin, as we continue to grow production out to the end of the decade.

We've taken four final investment decisions this year, including;

- Shah Deniz Compression project in Azerbaijan – the next major phase of development of the giant Shah Deniz gas field,
- Atlantis Major Facility Expansion project in the Gulf of America, and
- An infill wells programme at the KGD6 gas block in India.

And we've continued to deepen our hopper. In Azerbaijan, together with our partners, we entered into a series of agreements that will build and expand on our major oil and gas interests. In Libya, we signed an MoU with National Oil Corporation to evaluate

redevelopment opportunities in the Sirte basin.

And finally, our subsurface and drilling teams have continued their strong start to the year with ten exploration discoveries so far – our best year in recent memory - including an exciting well in the Bumerangue block, located in Brazil's Santos basin in which we hold 100% participation.

The discovery is about 400 kilometres from Rio de Janeiro, in water depths of 2,400 metres. The well was drilled to a total depth of 5,850 metres, intersecting the reservoir about 500 metres below the crest of the structure and penetrating an estimated 500 metre gross hydrocarbon column in a high-quality pre-salt carbonate reservoir with an areal extent of greater than 300 square kilometres.

Rig-site analysis indicates elevated levels of carbon dioxide. We'll now begin laboratory analysis to further characterise the reservoir and fluids discovered, followed by appraisal activities subject to regulatory approval.

These five major project start-ups, four major project FIDs, ten exploration discoveries, and significant new access deals delivered so far in 2025 all underpins our confidence in the continued growth of the Upstream.

Executing our strategy – downstream and transition

Focusing downstream

Disciplined transition

Improving performance

+3%

improvement in
refining availability¹

~50%

improvement in
customers earnings^{1,2}

\$1bn

of structural cost
reductions* delivered³

Reshaping our portfolio

- Castrol strategic review progressing at pace
- Netherlands mobility business sale agreed
- Austria retail and Gelsenkirchen refinery sale processes progressing

Capital-light in low carbon energy

- US onshore wind sale agreed
- JERA Nex bp JV formation completed
- Further focusing of hydrogen/CCS portfolio

(1) 1H25 versus 1H24

(2) Refers to customers underlying RC profit before interest and tax

(3) Versus 2023 baseline

2Q 2025 financial results 8

In downstream, the team is focused on driving improved competitiveness and reliability across our facilities. Refining availability was 3% higher in the first half of the year compared to the same period last year. Importantly, we completed two significant refinery turnarounds in the quarter, including a major crude and coker turnaround at Cherry Point.

Earnings in our customers business were around 50% higher in the first half of the year, compared to the same period last year, supported by strong integrated performance across fuels and midstream and delivery against our structural cost programme.

And we are addressing areas where results are not what we expect. For example, in TravelCenters we are executing a programme to protect near-term cash flow and improve profitability at the bottom of cycle. In the US, we are working to optimise further the fuels value chain.

Meanwhile, we're reshaping our portfolio to focus on businesses and markets where we have advantaged and integrated positions.

We are progressing the strategic review of Castrol at pace. The business continues to perform very well, with earnings more than 20% higher in the first half of the year compared with the first half of 2024 and the second quarter marking the eighth consecutive quarter of improved year on year performance.

Last month we agreed to sell our mobility, convenience and bp pulse businesses in the Netherlands and the sale processes for our Austrian retail business and Gelsenkirchen

refinery continue.

In transition, we're continuing to high-grade and decapitalise low carbon energy. This includes agreeing the sale of our US onshore wind business following a competitive bidding process. In offshore wind, we have completed the formation of JERA Nex bp, our 50:50 joint venture. Finally, our decisions to exit projects in the US and Australia demonstrates the further focusing of our hydrogen and CCS portfolio.

In summary, strong operational performance this quarter – and good strategic progress. Our focus is on maintaining this momentum as we look ahead to the second half of 2025 and beyond.

With that, I'll hand over to Kate to talk through our second quarter financial results.

Kate Thomson
Chief financial officer



2Q25 Underlying results

	\$ billion		
	2Q25	1Q25	2Q24
Brent (\$/bbl)	67.9	75.7	85.0
Henry Hub (\$/mmbtu)	3.4	3.7	1.9
NBP (p/therm)	84.5	115.9	76.6
RMM* (\$/bbl)	21.1	15.2	20.6
RIM* (\$/bbl)	11.9	8.1	11.8
Underlying RCPBIT	5.2	4.5	5.4
Gas & low carbon energy	1.5	1.0	1.4
Oil production & operations	2.3	2.9	3.1
Customers & products	1.5	0.7	1.1
OB&C	(0.0)	(0.1)	(0.2)
Consolidation adjustment – UPII*	0.0	0.0	(0.1)
Finance cost	(1.1)	(1.1)	(1.0)
Tax	(1.5)	(1.7)	(1.5)
Non-controlling interest	(0.3)	(0.3)	(0.2)
Underlying replacement cost profit*	2.4	1.4	2.8
Underlying RC profit per ordinary share* (cents)	15.03	8.75	16.61
Announced dividend per ordinary share (cents per share)	8.320	8.000	8.000

2Q25 vs 1Q25

Underlying RCPBIT higher reflecting:

- Average gas marketing and trading result
- Stronger realised refining margins
- Stronger customers result
- A strong oil trading result

Partly offset by:

- Lower liquids and gas realisations*
- Significantly higher level of refinery turnaround activity

2Q 2025 financial results 10

Thank you Murray, and hello everyone.

I'll start with segment financial performance. In the second quarter;

- The gas and low carbon energy underlying financial result was \$500 million higher than the previous quarter reflecting an average gas marketing and trading result, compared with a weak result in the first quarter, and higher production volume, partly offset by lower realisations and a higher DD&A charge.
- In oil production and operations, the underlying result was \$600 million lower compared to the previous quarter, reflecting lower realisations and a higher DD&A charge, partly offset by higher production.
- In customers and products, the underlying result was around \$900 million higher than the previous quarter. Looking at the businesses:
 - In customers, the underlying profit was around \$400 million higher than the previous quarter, reflecting seasonally higher volumes and stronger fuels margins. This was the best 2Q for over a decade as we continue to build momentum across the business.
 - In products, the underlying profit was around \$500 million higher than the previous quarter, reflecting stronger realised refining margins and a strong oil trading contribution, partially offset by a significantly higher level of turnaround activity.

I do want to recognise the trading organisation for its performance this quarter, during what was a period of challenging trading conditions. This is a demonstration of the

organisation's resilience and their continuing focus on creating value and delivering returns through the cycle.

Below the operating segments:

- underlying finance costs were \$1.1 billion, and
- non-controlling interest was \$300 million, similar to the prior quarter and expected to remain at this level for the next couple of quarters.
- underlying effective tax rate decreased in the second quarter to 36%, reflecting changes in the geographical mix of profits. For the first half, our underlying tax rate was 43% and we continue to expect the full year underlying effective tax rate to be around 40%.

Taken together, we reported group underlying replacement cost profit of \$2.4 billion. Net adverse adjusting items was \$300 million, and inventory holding losses after tax was \$400 million. On an IFRS basis, our headline profit was \$1.6 billion.

2Q25 Cash flow and balance sheet

	\$ billion			2Q25 vs 1Q25
	2Q25	1Q25	2Q24	
Operating cash flow*	6.3	2.8	8.1	– Higher operating cash flow primarily driven by higher earnings and lower working capital build
Working capital (build) / release**	(1.4)	(3.4)	0.5	– Lower net debt driven by higher operating cash flow and divestment and other proceeds exceeding cash outflows
Capital expenditure*	(3.4)	(3.6)	(3.7)	
Divestment and other proceeds	1.4	0.3	0.8	
Share buyback executed	(1.1)	(1.8)	(1.8)	
Net debt*	26.0	27.0	22.6	

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

2Q 2025 financial results 11

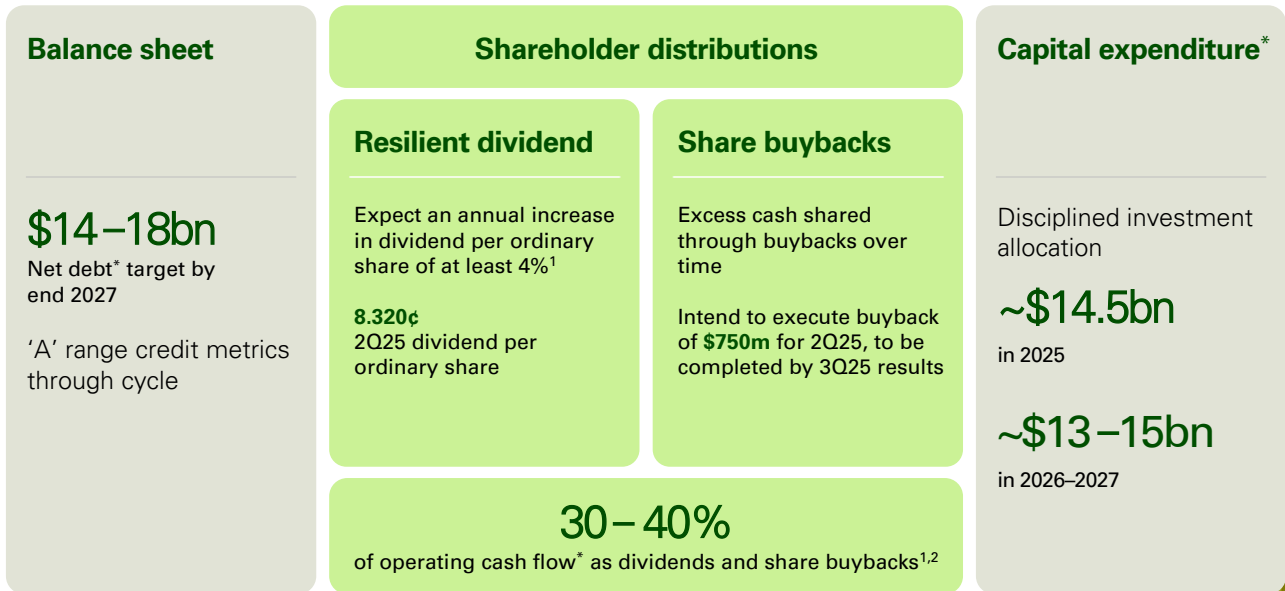
Turning to cash flow and the balance sheet:

Operating cashflow was \$6.3 billion, including a working capital build of \$1.4 billion. Operating cashflow was \$3.4 billion higher than the previous quarter, reflecting higher earnings and a lower working capital build. We did see some of the first quarter working capital build reverse in the second quarter but this was more than offset by the scheduled \$1.1 billion Gulf of America settlement payment and other movements.

Capital expenditure was \$3.4 billion, bringing the first half capex to around \$7 billion. Divestment proceeds received in the quarter were around \$1.4 billion, bringing the first half to around \$1.7 billion. As Murray said, expected proceeds from completed or signed agreements are now close to \$3 billion – underpinning our continuing confidence in delivering expected divestment proceeds for 2025 in the range of \$3 to 4 billion.

Together our second quarter cash inflows, driven by higher operating cash flow and divestment and other proceeds, exceeded our cash outflows, resulting in a reduction in net debt to \$26 billion.

Financial frame



(1) Subject to board discretion each quarter taking into account factors including current forecasts, the cumulative level of and outlook for cash flow, share count reduction from buybacks and maintaining 'A' range credit metrics (2) Includes offsetting any dilution from employee share schemes over time

2Q 2025 financial results 12

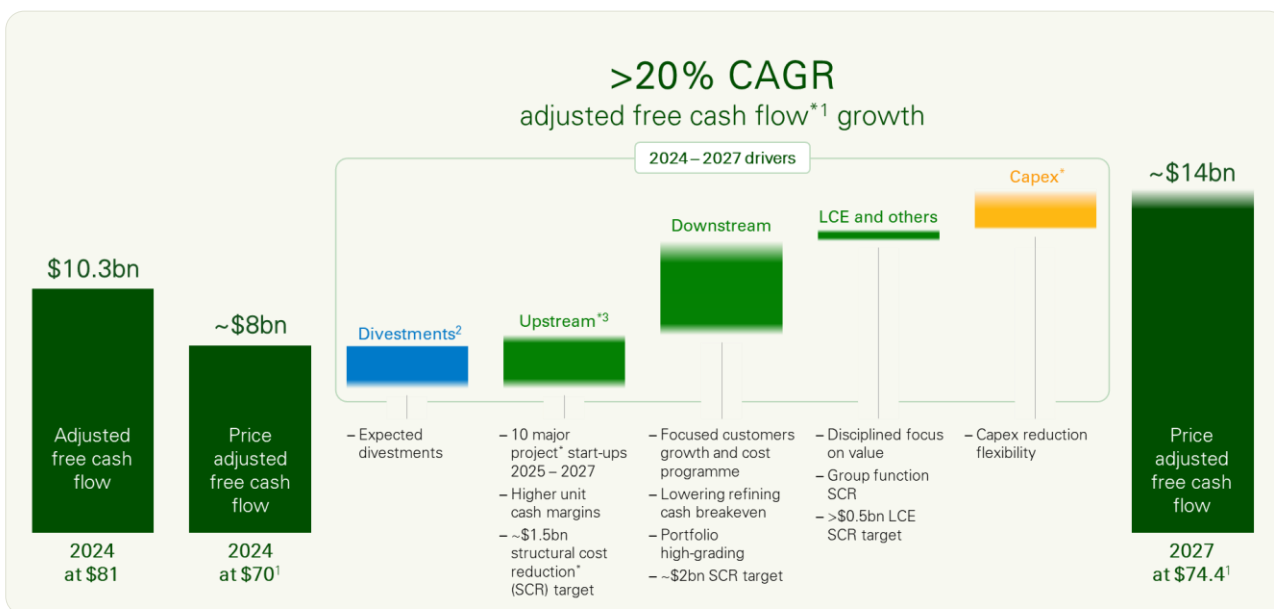
Turning to our financial frame, which remains unchanged. We remain committed to our net debt target of \$14 to 18 billion.

On shareholder distributions:

- Firstly, our policy is to maintain a resilient dividend. For the second quarter, we have announced a dividend of 8.320 cents per ordinary share, an increase of 4% .
- Secondly, we are committed to sharing excess cash through buybacks over time. This policy enables us to share the upside in cash generation when the price environment is stronger, while enabling the balance sheet to remain resilient in a lower price environment.
- And today we announced \$750 million of share buybacks to be executed by 3Q results.
- Our guidance remains for total dividends and share buybacks to be in the range of 30 to 40% of operating cash flow, over time.

Looking ahead, we continue to expect to announce buyback decisions at the time of quarterly results. The Board will, of course, be mindful of both short-term macro volatility and the medium-term outlook for prices across the basket of commodities that drive our cashflow.

Growing adjusted free cash flow



(1) For price assumptions, see appendix

(2) Excludes any potential transactions relating to announced Castrol strategic review and Gelsenkirchen

(3) Including biogas

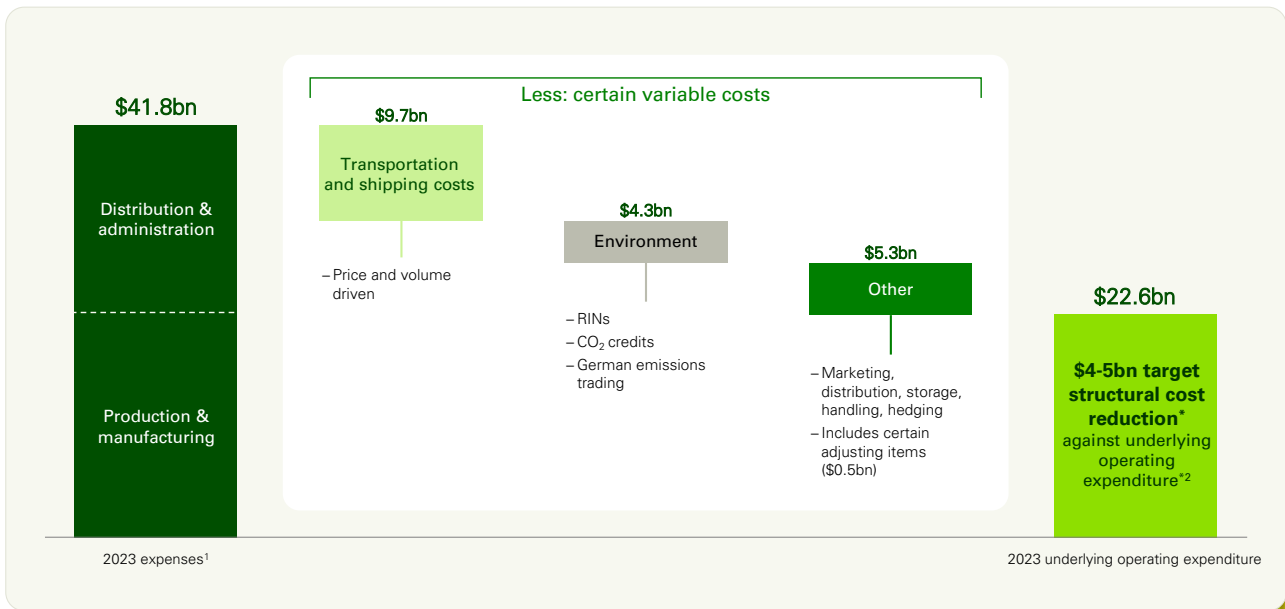
2Q 2025 financial results

13

I'd now like to spend the next few minutes highlighting the progress we have made on two of our primary targets:

- Firstly, on our target to deliver 20% compound annual growth in adjusted free cash flow from 2024 to 2027, we are six months into our reset strategy and making good progress, delivering around 40% growth year on year on a price adjusted basis, supported by interventions we have taken on capex and the benefit of lower cash taxes. As we continue to drive improvement in performance, we remain confident in delivering the underlying organic growth from across the businesses.
- Secondly, we are committed to delivering \$4 to 5 billion structural cost reductions against our 2023 baseline by end 2027, and to updating you on our progress every six months. Delivering sustainable cost reductions safely is an important factor underpinning our adjusted free cashflow target. This is an area of relentless focus for us as a leadership team.

Framing our \$4 to 5 billion structural cost reduction target



(1) Represents production and manufacturing expenses plus distribution and administration expenses as reported in our financial disclosures
(2) Versus 2023 baseline, excludes potential proceeds from Castrol and Gelsenkirchen

2Q 2025 financial results 14

Before looking at progress, let me remind you how we frame our \$4 to 5 billion target - which represents around 20% of our 2023 underlying operating expenditures of \$22.6 billion.

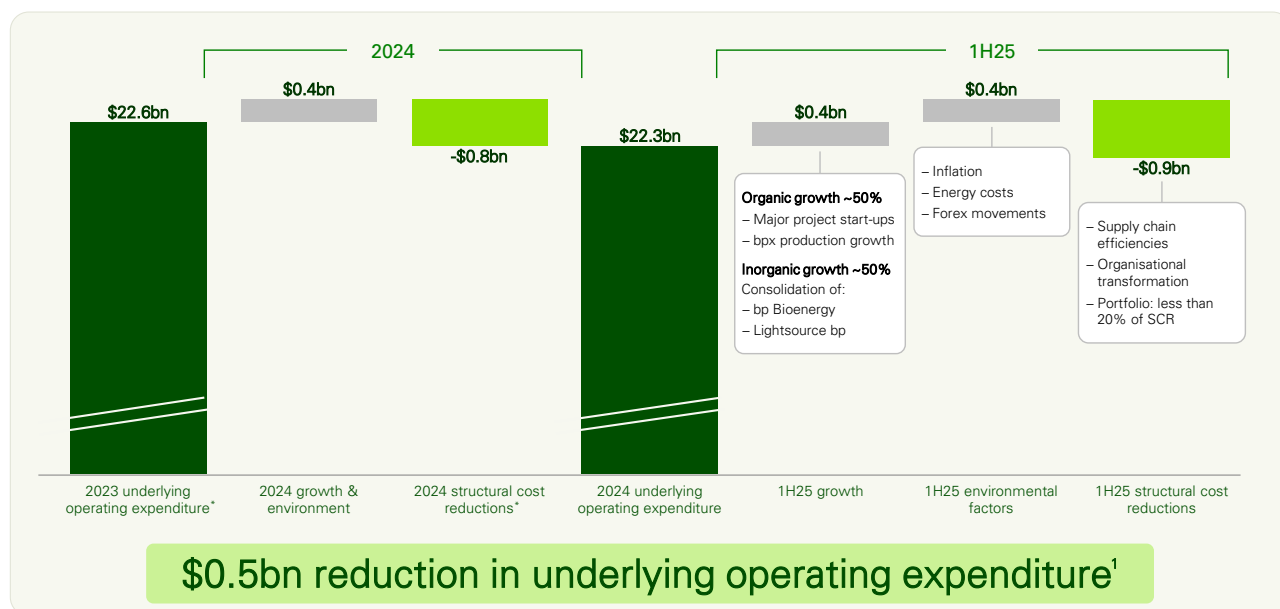
As a reminder, underlying operating expenditures are reported across two income statement lines:

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

Starting with our fourth quarter 2024 results, we introduced additional disclosures in our results announcements, which further break out the P&M and D&A costs into those that vary primarily by volume versus those that are in our underlying cost base. We believe the additional disclosures frame our underlying operating expenditure and structural cost reductions consistently with peers and improves comparability.

As a reminder, potential reductions associated with the outcome of the Castrol strategic review and Gelsenkirchen transaction are not included in this target.

Delivering a net reduction in underlying operating expenditure



(1) Versus 2023 baseline
Because of rounding, some totals may not exactly agree with the sum of their component parts.

2Q 2025 financial results 15

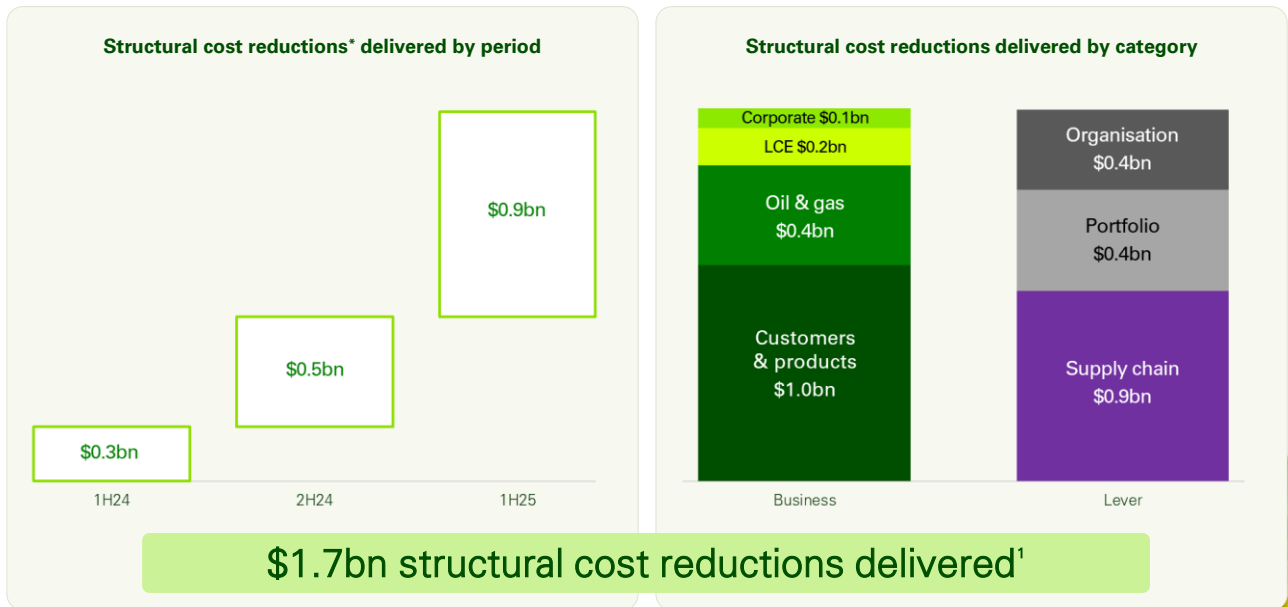
And we have made strong progress in delivering these cost reductions since we started this programme. In 2024, we delivered around \$750 million of structural cost reductions. In the first half of 2025, we've continued to build positive momentum, delivering an additional \$900 million in savings. That means, since the start of our programme, we have now delivered around \$1.7 billion structural cost reductions, more than offsetting over \$1.2 billion of costs related to the growth of our business and environmental factors. Resulting in a reduction in absolute underlying operating expenditure of around \$500 million.

Looking at the first half 2025 in more detail:

- Around 50% of growth costs were organic, relating to growing the upstream with major project start-ups such as Mento and growth in bpx energy production driving higher underlying operating expenditures.
- The other 50% of growth is inorganic, related to the full consolidation of Lightsource bp and bp bioenergy, which means our underlying operating expenditures reflects removing costs associated with divestments and cost growth acquisitions. We have no other material inorganic additions in the plan.
- Our underlying operating expenditures are also influenced by environmental factors, notably inflation of around \$300 million. We continue to work to offset much of this through our procurement organisation including working closely with supplier alliances.

Looking forward, we expect continued momentum in the pace of delivery into the second half of 2025.

Strong momentum delivering structural cost reductions



(1) Versus 2023 baseline. Phasing of \$0.8bn structural cost reductions delivered in 2024 is indicative only, as data capture started from 3Q24 onwards. Because of rounding, some totals may not exactly agree with the sum of their component parts.

2Q 2025 financial results 16

Progress in our structural cost reduction program reflects the significant changes we have made to performance culture across the organisation to further embed discipline and accountability.

You can see on this slide the contribution from each of the business groups, with around 60% coming from the C&P segment since the start of 2024. We have also been heavily focused on reducing our corporate and overhead costs and have delivered over \$400 million of reductions from these activities. The benefit of this shows up in the business group numbers with the remaining \$100 million in Other Businesses & Corporate.

Looking at the reductions by lever,

- Across the supply chain, we've delivered around \$900 million of savings. Over a third of our supply chain spend reductions seen so far reflect a reduction in contractors, significantly enabled by technology, which I will elaborate on in a minute. We have already reduced our contractor numbers by 3,200, and expect a further 1,200 contractors to exit by the end of 2025. Beyond that, we will continue to rigorously review the remaining contractor activity across our businesses and functions.
- In organisational transformation, we now expect 6,200 bp roles to be impacted by the end of 2025, out of an office-based workforce of 40,000 employees. With a majority of the exits anticipated in the fourth quarter of 2025, we expect material incremental savings from the first quarter of 2026.
- And, as Murray mentioned, we are in action high grading our portfolio. More than

50% of portfolio related reductions to 2027 are now underpinned by announced divestments.

Technology enabling productivity and cost reductions

Improving capital productivity...

Oil & gas operations

Production optimisation and real-time monitoring

↑ 5%

Increase in production¹

Drilling & completions

Well planning efficiency in Azerbaijan

↑ 90%

Improvement in time taken to plan wells



...and delivering cost reductions

Convenience & mobility

Technology enabled simplification of marketing organisation

↓ 50%

Time to produce point of sale marketing materials

Integrated Management Systems

Programme underway for major rationalisation of ERP systems

↓ 85%

Reduction in ERP systems



(1) Since 2022

2Q 2025 financial results 17

Before I close with guidance, I want to showcase how technology is helping improve capital productivity and drive cost reductions across the portfolio.

Our Total Resource Management programme leverages an advanced analytics tool developed in collaboration with Palantir to systematically manage the contractor landscape across bp. This initiative has enabled us to achieve significant supply chain spend reductions, as previously mentioned.

In organisational transformation, we are reducing the number of ERP systems that we use by 85%, democratising data to allow work to be executed in lower cost locations and implementing AI-powered systems.

Within the businesses:

- At our offshore oil and gas facilities, digital tools enable us to optimise production through real-time surveillance and equipment monitoring, increasing overall bp operated production by around 5% in addition to protecting over 10% more from going offline.
- Planning a well is complex and can take months. In Azerbaijan, the engineers are now using generative AI to run thousands of scenarios in just a few days, helping to deliver a 90% reduction in the time required for well planning.
- In conjunction with Palantir we are now taking the learning from a decade of digitising the Upstream across to our refining business, where we see multiple opportunities to remove costs, create efficiencies and optimise our refinery portfolio.

- And in Convenience and Mobility, we are utilising AI and digital tools to drive efficiency in our marketing organisation. For example, we are now producing point of sale marketing materials in around 50% of time it used to take, thereby allowing greater speed to market and significantly reducing costs.

Guidance

3Q25 vs 2Q25¹

Reported upstream* production:

- slightly lower

Customers:

- seasonally higher volumes
- fuels margins to remain sensitive to movements in the cost of supply

Products:

- a significantly lower level of planned refinery turnaround activity
- partly offset by seasonal effects of environmental compliance costs

Other:

- expects income taxes paid to be around \$1bn higher mainly due to the timing of instalment payments, which are typically higher in 3Q each year
- on 4 August bp elected to redeem \$1.2 billion of its perpetual hybrid bonds, representing the remaining amount callable from June 2025. The hybrid bonds will be redeemed on 1 September 2025 using proceeds from bp's November 2024 hybrid bond issuance

New disclosure – Refining Indicator Margin*

- bp has retired its RMM and RMM RoT and replaced it with the RIM and RIM RoT
- The RoT of \$550m per +/- \$1/bbl change in bp RIM, reflects the sensitivity of the group's underlying replacement cost profit before interest and tax to changes in bp's RIM at normal operating conditions
- As a consequence, the CMU price assumptions for refining have been updated. There is no impact on plan or targets from this change
- See Appendix for more information

All RoTs are available at [bp.com/Trading conditions update](https://bp.com/Trading%20conditions%20update)

Full year 2025¹

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. Earnings growth supported by structural cost reduction; fuels margins to remain sensitive to the cost of supply

Products

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

\$0.5-1.0bn subject to foreign exchange impact

DD&A

Slightly higher compared with 2024

Underlying effective tax rate*

Expected to be around 40%

Divestment and other proceeds

\$3-4bn, remaining proceeds weighted to 4Q25

Gulf of America settlement payments

\$1.2bn pre-tax, of which \$1.1bn 2Q25

Capex*

~\$14.5bn

(1) Refer to the 2Q25 stock exchange announcement and bp.com for full text

Turning to guidance, and looking ahead to the third quarter, we expect:

- Upstream production to be slightly lower compared to the second quarter;
- In customers, seasonally higher volumes compared to the second quarter and fuels margins to remain sensitive to movements in the cost of supply; and
- In products, a significantly lower level of planned refinery turnaround activity partly offset by seasonal effects of environmental compliance costs.

In terms of cash flow, we expect cash taxes paid to be around \$1 billion higher than the second quarter due to the timing of instalment payments.

And we have elected to redeem \$1.2 billion of hybrid bonds in September, representing the remaining amount callable in the June to September 2025 window. This was pre-financed in November 2024.

Regarding the full year 2025 guidance, in addition to the change in customers, I have a few things to highlight:

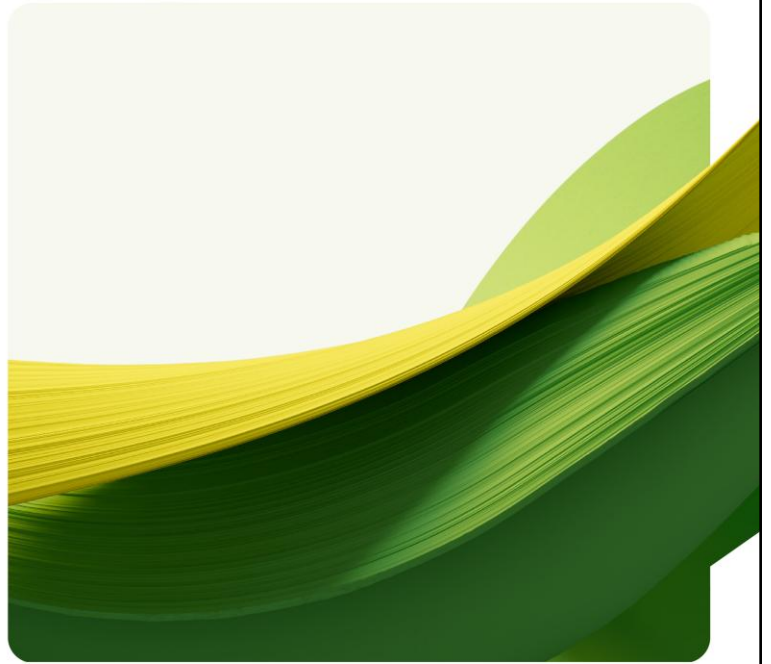
- In products, we are now no longer providing guidance on refining margins because we are now giving you a weekly refining indicator margin which I will give you more detail on shortly.
- The OB&C underlying quarterly charge is now expected to be in the range of \$0.5 to 1 billion, subject to foreign exchange impacts.
- We now expect the depreciation, depletion and amortisation to be slightly higher than 2024.

- We continue to expect divestment and other proceeds to be around \$3 to 4 billion with remaining proceeds weighted towards the fourth quarter of 2025.

Before I hand back to Murray – and consistent with our continuing effort to improve guidance and enhance transparency – effective today, we are introducing a new bp refining indicator margin. This metric is more representative of bp's refining portfolio and realised refining margin per barrel. We believe this weekly disclosure enhances external understanding of our realised margin delivery and refining profitability. To support this, we have also updated our refining rule of thumb. As a consequence of this change, the bp refining marker margin is retired. The price assumptions applicable to two of our primary targets have been rebased with the refining indicator margin. And importantly, there is no change to our targets. More details can be found in the Appendix to this presentation and in our supplementary disclosures.

Now let me hand back to Murray.

Murray Auchincloss
Chief executive officer



Our primary targets

Adjusted free cash flow* growth

>20%¹

CAGR from 2024–2027

Net debt* target

\$14 – 18bn

by end 2027

Structural cost reduction*

\$4 – 5bn

by end 2027

Group ROACE*

>16%¹

by end 2027

(1) For price assumptions, see appendix

2Q 2025 financial results 20

Thanks Kate.

To summarise, in the first half of 2025 we have;

- Delivered strong operational performance with greater than 96% reliability,
- Made further progress on delivering structural cost reductions,
- Enhanced our portfolio, notably in the Upstream, and progressed our divestment programme, and
- Announced a second quarter dividend increase of 4% per ordinary share, payable in the third quarter, and a second quarter share buyback of \$750 million to be executed by the time of our third quarter results.

We are two quarters into a twelve-quarter plan and are laser-focused on delivery of our four key targets – and while we should be encouraged by our early progress, we know there's much more to do.

In advance of Albert joining the board on 1 September, he and I have been in discussions and have agreed that we will conduct a thorough review of our portfolio of businesses to ensure we are maximising shareholder value moving forward – allocating capital effectively.

We are also initiating a further cost review and, whilst we will not compromise on safety, we are doing this with a view to being best in class in our industry.

We reaffirm our commitment to ensure that there is an embedded process of

continuous business improvement across our operations.

This is all in service of accelerating the delivery of our strategy.

bp can and will do better for its investors.

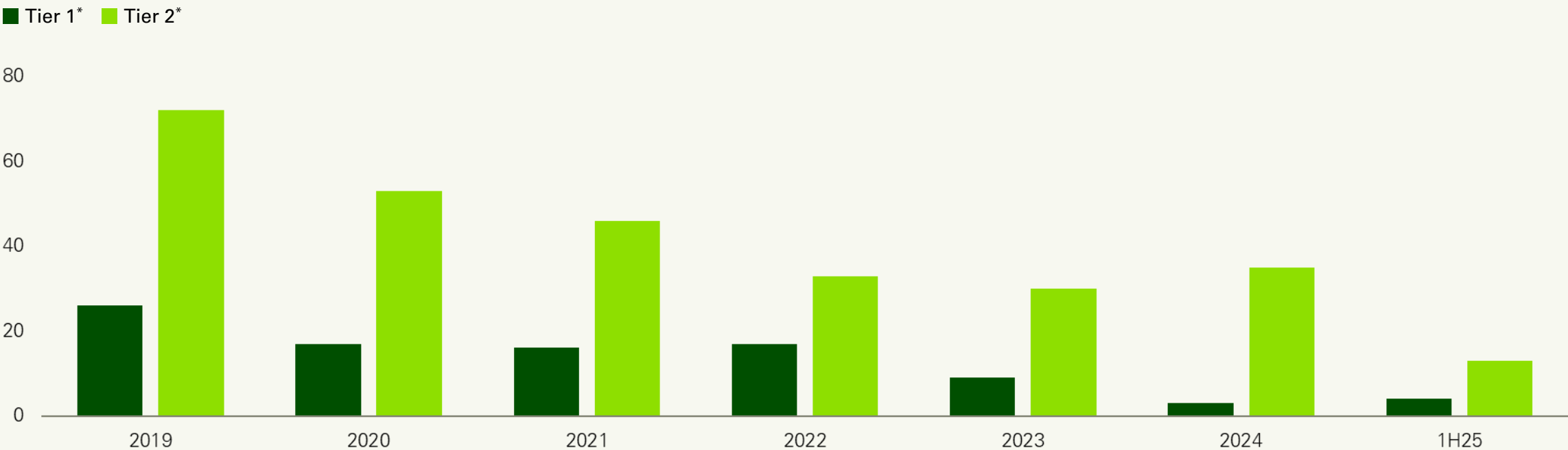
Thank you for listening.

Appendix



Safety

Process safety events (PSE)



Safety goals

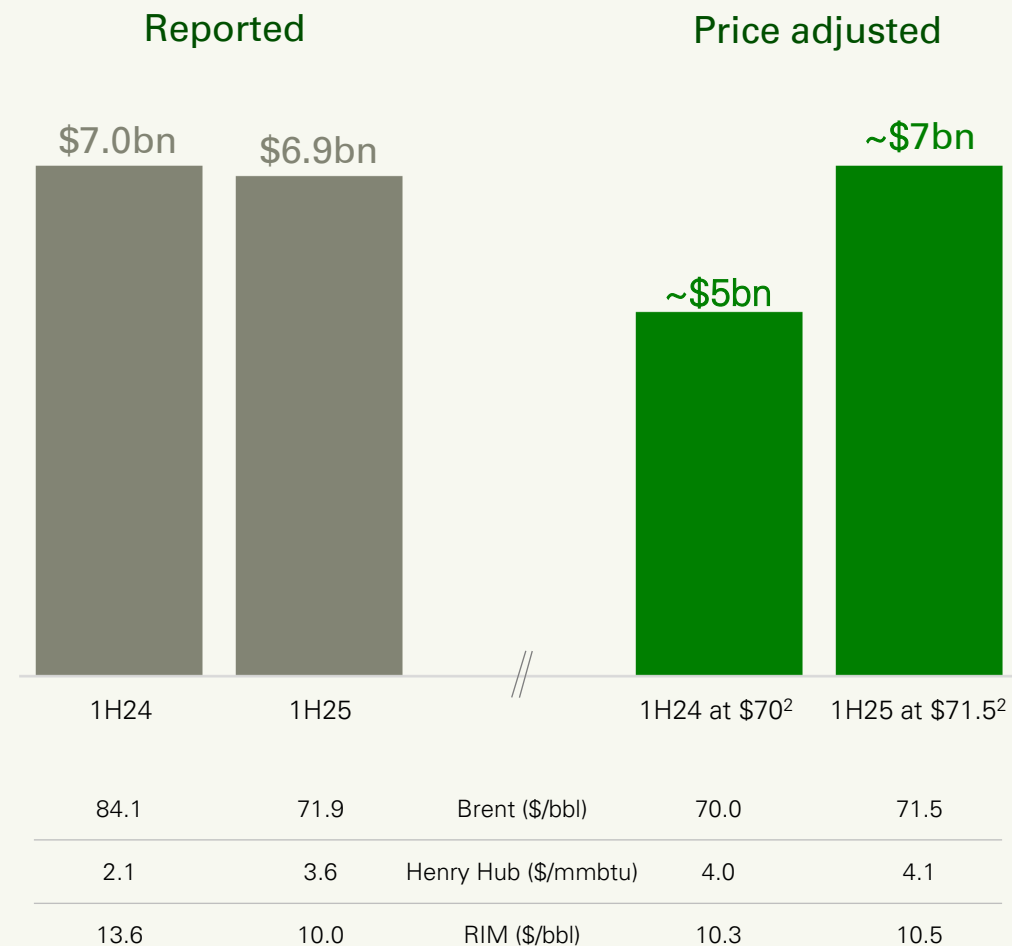
- Maintain a consistent safety culture
- Eliminate life changing injuries
- Eliminate Tier 1 PSEs

Adjusted free cash flow reconciliation

Adjusted free cash flow* reconciliation

\$ billion	Reported	
	1H25	1H24
Net cash provided by operating activities	9.1	13.1
Exclude: working capital* ¹ build	(4.7)	(1.9)
Adjusted operating cash flow*	13.8	15.0
Less: capex*	(7.0)	(8.0)
Adjusted free cash flow	6.9	7.0

Adjusted free cash flow



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

(2) For price assumptions, see appendix

Enhancing guidance and disclosures – Refining Indicator Margin

Updating bp's refining rule of thumb (RoT)

- Refining Marker Margin* (RMM) is being replaced with a portfolio level Refining Indicator Margin* (bp RIM)
 - bp RIM has a better track record of forecasting realised refining margin performance than RMM
 - bp RIM aligns closer to the absolute realised refining margin per barrel than RMM
- bp RIM RoT: \$550m per +/- \$1/bbl (vs RMM \$400m per +/- \$1/bbl)
- Updated weekly on bp.com; prices available from 3rd party databases
- bp RIM does not fully explain all QoQ performance
- More details can be found in our supplementary disclosure – [here](#)

Historical bp RIM (\$/bbl)

1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
21.9	14.7	21.4	14.5	15.3	11.8	8.7	7.2	8.1	11.9

Crude markers

EU	Brent	55%
US	WCS ¹	25%
	ANS	10%
	WTI	10%
Global	Total inputs	100%

Product markers

EU	Naphtha (NWE)	2%
	Gasoline (NWE, MED)	16%
	Jet (NWE, MED)	6%
	Diesel (NWE, MED)	25%
	Fuel oil (NWE)	4%
US	Gasoline (MW, NW)	23%
	Jet (MW, NW)	5%
	Diesel (MW, NW)	14%
Global	Other products ²	5%
Global	Total inputs	100%

Other margin drivers

US	RINs ³	37%
Global	Constant factor ⁴ \$(3)/bbl	100%

(1) WCS differential to WTI is lagged one calendar month (2) Including bitumen, coke and LPG (3) The marker includes an estimate of the cost of RINs for our US refineries. RINs represent a compliance cost for refiners and importers under the U.S. RFS (4) The constant factor represents the estimated delivered crude cost, losses incurred in processing and other crude differentials

Price assumptions

Marker prices		2024 Actual	2024 ¹	2025	2026	2027	Rule-of-thumb 2025 impact on underlying replacement cost profit before tax ²
Brent	(\$/bbl)	80.8	70.0	71.5	72.9	74.4	
Henry Hub	(\$/mmbtu)	2.3	4.0	4.1	4.2	4.3	
RIM	(\$/bbl)	10.7	10.3	10.5	10.7	10.9	
RMM* (retired)	(\$/bbl)	17.7	17.0	17.4	17.8	18.1	

- Oil price Brent
+/- \$1/bbl is ~\$340m
- Natural gas price Henry Hub
+/- \$0.10/mmbtu is \$40m
- RIM*
+/- \$1/bbl is \$550m

These prices are not intended to reflect management's forecasts for future prices.

The refining price assumptions applicable to bp's CMU Cash Flow and ROACE Targets* have been updated by replacing the RMM price assumption with a RIM price assumption. There is no change to the CMU Cash Flow and ROACE Targets or to the prices used for impairment testing as a consequence of this update.

Financial summary

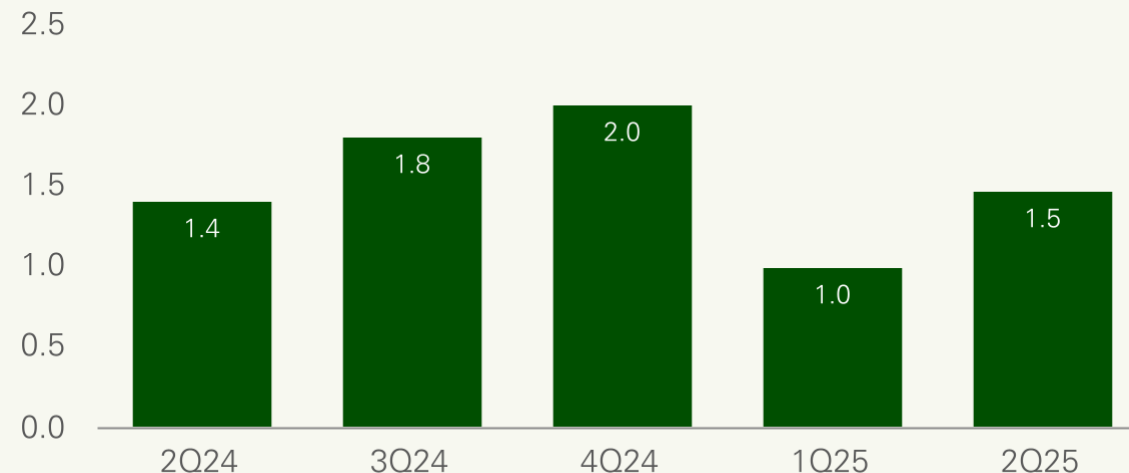
	1H25	1H24
Brent (\$/bbl)	71.9	84.1
Henry Hub (\$/mmbtu)	3.6	2.1
UK Gas - National Balancing Point (p/therm)	100.5	72.6
RMM* (\$/bbl)	18.2	20.6
RIM* (\$/bbl)	10.0	13.6
\$ billion		
Underlying RCPBIT	9.7	11.4
Gas & low carbon energy	2.5	3.1
Oil production & operations	5.2	6.2
Customers & products	2.2	2.4
Other businesses and corporate	(0.2)	(0.3)
Consolidation adjustment – UPII*	0.0	(0.0)
Finance cost	(2.2)	(1.9)
Tax	(3.2)	(3.6)
Non-controlling interest	(0.6)	(0.3)
Underlying replacement cost profit*	3.7	5.5
Operating cash flow*	9.1	13.1
Working capital (build)/release* ¹	(4.7)	(1.9)
Capital expenditure*	(7.0)	(8.0)
Divestment and other proceeds	1.7	1.2
Share buyback executed	(2.9)	(3.5)
Net debt*	26.0	22.6

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

Gas and low carbon energy

	2Q25	1Q25	2Q24
Production volume			
Liquids (mbd)	85	83	98
Natural gas (mmcf)	4,043	3,950	4,648
Total hydrocarbons* (mboed)	782	764	899
Average realisations*			
Liquids (\$/bbl)	64.15	70.74	79.92
Natural gas (\$/mcf)	6.50	7.26	5.47
Total hydrocarbons (\$/boe)	40.84	45.38	36.85
Selected financial metrics (\$bn)			
Exploration write-offs	0.0	0.0	0.0
Adjusted EBITDA*	2.9	2.2	2.6
Capital expenditure* ¹ - gas	0.7	0.8	1.0
Capital expenditure - LCE	0.1	0.1	0.1

Underlying RCPBIT* \$bn



2Q25 vs 1Q25

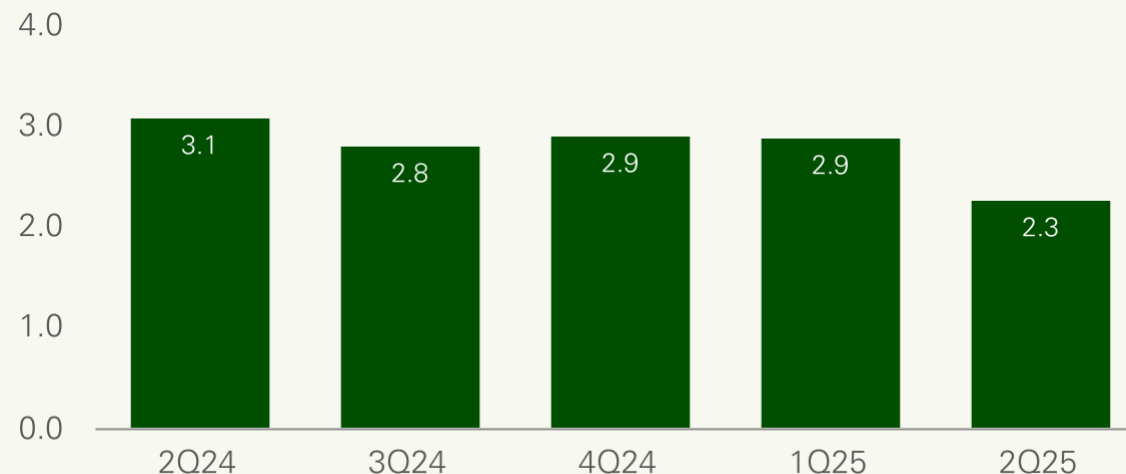
- An average gas marketing and trading result compared with a weak result and higher volumes
- Partly offset by:
 - Lower realisations; and
 - A higher depreciation, depletion and amortisation charge

(1) 2Q24 have been restated to reflect the move of our Archaea business from the customers & products segment to the gas & low carbon energy segment

Oil production and operations

	2Q25	1Q25	2Q24
Production volume			
Liquids (mbd)	1,115	1,086	1,085
Natural gas (mmcf)	2,338	2,258	2,292
Total hydrocarbons* (mboed)	1,518	1,475	1,481
Average realisations*			
Liquids (\$/bbl)	59.74	67.50	73.01
Natural gas (\$/mcf)	3.66	4.74	2.02
Total hydrocarbons (\$/boe)	49.03	56.45	55.78
Selected financial metrics (\$bn)			
Exploration write-offs	0.1	0.1	0.1
Adjusted EBITDA*	4.3	4.7	4.9
Capital expenditure*	1.7	1.7	1.5
Combined upstream			
Oil and gas production ¹ (mboed)	2,300	2,239	2,379
bp average realisation (\$/boe)	45.84	52.28	47.49
Unit production costs* (\$/boe)	6.81	6.34	6.34
bp-operated plant reliability* (%)	96.8	95.4	96.1

Underlying RCPBIT* \$bn



2Q25 vs 1Q25

- Lower realisations and a higher depreciation, depletion and amortisation charge
- Partly offset by higher production

(1) Because of rounding, upstream production may not agree exactly with the sum of gas and low carbon energy and oil production and operations

Customer and products

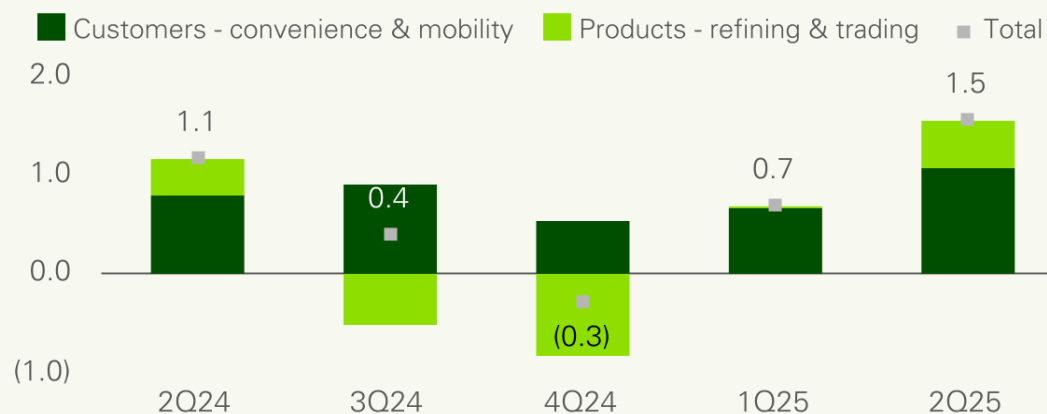
	2Q25	1Q25	2Q24
Customers – convenience & mobility (\$bn)			
Customers – convenience & mobility adjusted EBITDA*	1.7	1.2	1.3
Castrol adjusted EBITDA ¹	0.3	0.3	0.3
Capital expenditure*	0.4	0.6	0.5
Marketing sales of refined products (mbd)	3,198	3,054	3,197
Products – refining & trading (\$bn)			
Adjusted EBITDA*	0.9	0.4	0.8
Capital expenditure ^{*2}	0.4	0.4	0.4
Refining environment			
RIM ^{*3} (\$/bbl)	11.9	8.1	11.8
RMM ^{*4} (\$/bbl)	21.1	15.2	20.6
Refining throughput (mbd)	1,288	1,496	1,392
Refining availability* (%)	96.4	96.2	96.4

(1) Castrol is included in customers – convenience & mobility

(2) 2Q24 have been restated to reflect the move of our Archaea business from the customers & products segment to the gas & low carbon energy segment

(3) Refining capacity weighted average of bp's crude slate and product yield (4) RMM in the quarter is calculated on bp's current refinery portfolio. To be retired.

Underlying RCPBIT* \$bn



2Q25 vs 1Q25

Customers

- Convenience & mobility – seasonally higher volumes and stronger fuels margins

Products

- Refining – mainly reflecting stronger realised refining margins and a significantly higher level of turnaround activity
- Trading – oil trading contribution was strong

Glossary – abbreviations

ANS	Alaskan North Slope.
Barrel (bbl)	159 litres, 42 US gallons.
boe	Barrels of oil equivalent.
CAGR	Compound annual growth rate.
CCS	Carbon capture and storage.
CMU	Capital markets update.
DD&A	Depreciation, depletion and amortisation.
EBITDA	Earnings before interest, tax, depreciation and amortisation
ERP	Enterprise resource planning.
FID	Final investment decision.
GLCE	Gas and low carbon energy.
JV	Joint venture.
LCE	Low carbon energy.
mbd	Thousand barrels per day.

mboed	Thousand barrels of oil equivalent per day.
MED	Mediterranean.
mmbtu	Million British thermal units.
mmcfd	Million cubic feet per day.
MW	Mid-West.
NBP	National balancing point.
NW	North-West.
NWE	North-West Europe.
OB&C	Other businesses and corporate.
OCF	Operating cash flow.
OPO	Oil production and operations.
O&G	Oil and gas.
PSE	Process Safety Event.
QoQ	Quarter on Quarter.

Glossary – abbreviations

RC	Replacement cost.
RCOP	Replacement cost operating profit.
RFS	Renewable fuel standard.
RIM	Refining Indicator Margin.
RINs	Renewable Identification Numbers.
RMM	Refining Marker Margin.
RoT	Rule of thumb.
SCR	Structural cost reduction.
SVP	Senior vice president.
TSP	Technical service provider.
WCS	Western Canadian Select.
WTI	West Texas Intermediate.

Glossary

Adjusted EBITDA Is a non-IFRS measure presented for bp's operating segments and is defined as 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). Adjusted EBITDA by business is a further analysis of adjusted EBITDA for the customers & products businesses. bp believes it is helpful to disclose adjusted EBITDA by operating segment and by business because it reflects how the segments measure underlying business delivery. The nearest equivalent measure on an IFRS basis for the segment is RC profit or loss before interest and tax, which is bp's measure of profit or loss that is required to be disclosed for each operating segment under IFRS.

Adjusted EBITDA for the group is defined as profit or loss for the period, adjusting for finance costs and net finance (income) or expense relating to pensions and other post-employment benefits and taxation, inventory holding gains or losses before tax, net adjusting items before interest and tax, and adding back depreciation, depletion and amortisation (pre-tax) and exploration expenditure written-off (net of adjusting items, pre-tax). The nearest equivalent measure on an IFRS basis for the group is profit or loss for the period.

Adjusted free cash flow CAGR Adjusted free cash flow CAGR is a non-IFRS measure. It is annualised growth rate of adjusted free cash flow (defined above) at \$70/bbl Brent, \$4/mmbtu Henry Hub, and \$17/bbl refining marker margin, all 2024 real. bp believes the measure provides useful information to investors. Adjusting free cash flow CAGR enables investors to measure our progress on delivering growth and improving our performance. The nearest IFRS measure is net cash provided by (used in) operating activities.

Adjusted operating cash flow

Non-IFRS measure. It is defined as net cash provided by (used in) operating activities as presented in the group cash flow statement, excluding movements in inventories and other current and non-current assets and liabilities as presented in the group cash flow statement, adjusted for inventory holding gains/losses*, fair value accounting effects (FVAEs) relating to subsidiaries and 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. When used in the context of a segment or subset of businesses rather than the group, the terms refer to the segment or business' estimated share thereof.

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.

Glossary

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.	Fair value accounting effects	Non-IFRS adjustments to our IFRS profit (loss). They reflect the 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 below. Other than as noted below, the fair value accounting effects described are reported in both the gas & low carbon energy and customers & products segments. Refer to the stock exchange announcement and bp.com for full text.
CMU Cash Flow and ROACE Targets	<p>CMU Cash Flow and ROACE Targets are the following targets first announced by bp on 26 February 2025: (i) bp's target for adjusted free cash flow compound annual growth of greater than 20% from 2024-2027; and (ii) bp's target for group ROACE above 16% in 2027.</p> <ul style="list-style-type: none"> Adjusted free cash flow is a non-IFRS measure and defined as operating cash flow* excluding working capital* (after adjusting for inventory holding gains/losses*, fair value accounting effects* and other adjusting items) less cash capital expenditure*. ROACE is a non-IFRS measure and is defined as underlying replacement cost profit* 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. 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. 	Hydrocarbons	Liquids and natural gas. Natural gas is converted to oil equivalent at 5.8 billion cubic feet = 1 million barrels.
Consolidation adjustment – UPII	Unrealised profit in inventory arising on inter-segment transactions.	Inventory holding gains and losses	Non-IFRS adjustments to our IFRS profit (loss). Refer to the stock exchange announcement and bp.com for full text.
		Liquids	Liquids comprises crude oil, condensate and natural gas liquids. For the oil production & operations segment, it also includes bitumen.
		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	Non-IFRS measure. 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 group cash flow statement.

Glossary

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 annualised time lost due to turnaround activity and all mechanical, process and regulatory downtime
Refining Indicator Margin (RIM)	A simple indicator of the weighted average of bp's crude slate and product yield as deemed representative for each refinery. Actual margins realised by bp may vary due to a variety of factors, including the actual mix of a crude and product for a given quarter.
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.

Replacement cost (RC) profit or loss / RC profit or loss attributable to bp shareholders

Reflects the replacement cost of inventories sold in the period and is calculated as profit or loss attributable to bp shareholders, adjusting for inventory holding gains and losses (net of tax). RC profit or loss for the group is not a recognised IFRS measure. bp believes this measure is useful to illustrate to investors the fact that crude oil and product prices can vary significantly from period to period and that the impact on our reported result under IFRS can be significant. Inventory holding gains and losses vary from period to period due to changes in prices as well as changes in underlying inventory levels. In order for investors to understand the operating performance of the group excluding the impact of price changes on the replacement of inventories, and to make comparisons of operating performance between reporting periods, bp's management believes it is helpful to disclose this measure. The nearest equivalent measure on an IFRS basis is profit or loss attributable to bp shareholders.

Structural cost reduction

Non-IFRS measure. 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 realised 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 organisation, 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

Glossary

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.

Underlying
effective
tax rate (ETR)

Non-IFRS measure and 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*. Information on underlying RC profit or loss is provided below. Taxation on an underlying RC basis presented for the operating segments is calculated through an allocation of taxation on an underlying RC basis to each segment.

Underlying
operating
expenditure

Non-IFRS measure. 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
replacement
cost (RC) profit
or loss /
underlying RC
profit or loss
attributable to
bp shareholders

Non-IFRS measure and is RC profit or loss* after excluding net adjusting items and related taxation.

Glossary

Underlying RC profit or loss before interest and tax

For the operating segments or customers & products businesses is calculated as RC profit or loss (as defined above) 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.

bp believes that underlying RC profit or loss is a useful measure for investors because it is a measure closely tracked by management to evaluate bp's operating performance and to make financial, strategic and operating decisions and because it may help investors to understand and evaluate, in the same manner as management, the underlying trends in bp's operational performance on a comparable basis, period on period, by adjusting for the effects of these adjusting items. The nearest equivalent measure on an IFRS basis for the group is profit or loss attributable to bp shareholders. The nearest equivalent measure on an IFRS basis for segments and businesses is RC profit or loss before interest and taxation.

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.

Upstream

Includes oil and natural gas field development and production within the gas & low carbon energy and oil production & operations segments. References to upstream exclude Rosneft.

Upstream plant reliability

(bp-operated) is 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.

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; fair value accounting effects relating to subsidiaries reported within adjusting items for the period; and 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

@ You can contact the investor relations team at ir@bp.com

Useful links

- [Why invest in bp](#)
- [Modelling guidance](#)
- [Databook](#)
- [Major projects](#)
- [Environment, social and governance](#)
- [Debt investor](#)

Investor events

4 November 2025
Third quarter results