

**To the kind attention of:**

Board of Directors

BP Plc

1 St James's Square

London SW1Y 4PD

United Kingdom

CC: Ashley Alder

Chair of the Financial Conduct Authority (FCA)

7<sup>th</sup> October 2024

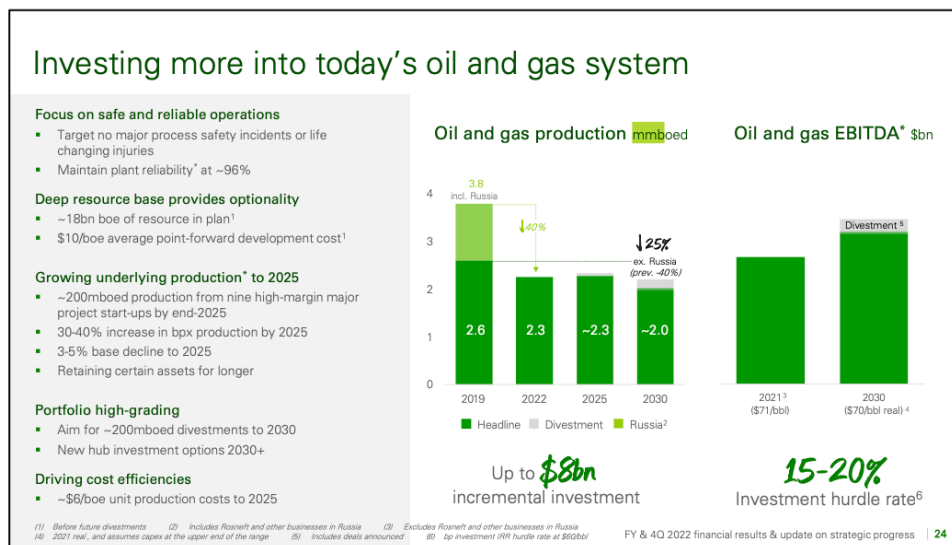
Dear Board of Directors,

Following up on our letter date 25<sup>th</sup> of September 2024<sup>th(1)</sup>, we have learned today, from press reports (“*Exclusive: BP abandons goal to cut oil output, resets strategy*”<sup>(2)</sup>), written by Ron Bousso, Reuters, 7<sup>th</sup> October, 2024), that BP will announce at the strategy update to be presented in February 2025, the removal of the oil production reduction target for 2030, set in February 2023. Oil and gas production targets are obviously considered key price-sensitive information for oil companies. BP has always communicated these targets as part of its official strategy updates, as it did in its last update on 7 February 2023:

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<sup>1</sup> [https://www.bluebellcp.com/\\_files/ugd/41c367\\_096fdc22930e48edad7910aca8df3b02.pdf](https://www.bluebellcp.com/_files/ugd/41c367_096fdc22930e48edad7910aca8df3b02.pdf)

<sup>2</sup> <https://www.reuters.com/business/energy/bp-drops-oil-output-target-strategy-reset-sources-say-2024-10-07/>



Source: BP, 7 February 2024, <https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/investors/bp-fourth-quarter-2022-results-presentation-slides-and-script.pdf>

While we are pleased to learn that, albeit with unfortunate delay, BP is begrudgingly doing exactly what we have been requesting since October 2023 - *de facto* recognizing the failure of the strategy adopted by a complacent Board, under the leadership a seemingly ideologically motivated Chair (Helge Lund) - we are simply astonished by the amateurish manner a public listed company has chosen to communicate information, which we consider to be price-sensitive requiring classification as regulated information, to shareholders and the market.

As highlighted in our previous communication of September 25<sup>th</sup>(<sup>3</sup>), in July 2024, at the Q2 2024 results, Mr. Auchincloss very subtly (*rectius*: sneakily) guided for an Ebitda miss of \$4bn<sup>4</sup>, which at midpoint is an 8% miss versus the guidance. A sort of disguised profit warning.

<sup>3</sup> [https://www.bluebellcp.com/\\_files/ugd/41c367\\_096fdc22930e48edad7910aca8df3b02.pdf](https://www.bluebellcp.com/_files/ugd/41c367_096fdc22930e48edad7910aca8df3b02.pdf)

<sup>4</sup> “As you’ll be aware, 2025 Brent strip is at around \$75 per barrel, and other commodities and prices, including refining margins, are under pressure. Were these prices to play out, the rule of thumb impact in

Today however, it seems BP (being the only plausible source of regulated information), in an attempt to appease shareholders who are furious at stock market losses due to a strategy that can only be described as disastrous, has announced (or more shamefully, potentially leaked) via unidentified sources and selective media (Reuters), that it has decided to abandon its previously communicated target to reduce fuel oil production. This potential leak goes further to declare that this ‘news’ will be officially announced in February 2025.

This is utterly laughable and potentially in breach of listing rules, precisely what we are respectfully requesting the FCA to ascertain. Is this how a publicly listed company communicates such important information?

We demand that BP immediately issue a press release confirming or denying the 'rumor' reported by Reuters. Instead of permitting incomplete information trickling out in an unregulated watered-down manner - which in general could possibly result in a form of market manipulation, in the absence of a clear and transparent communication - the Board should immediately update the market with the revised strategy.

Mr. Auchincloss joined BP in 1998, and from July 2020 to September 2023 he served as BP’s Chief Financial Officer, before becoming first interim CEO (September 2023) and then CEO (January 2024). Given the multiple ‘U-turns’<sup>5</sup> abundantly demonstrable in, BP’s strategic plan announced in February 2023, we find it indefensible and utterly outrageous that, after twelve months in office, Mr. Auchincloss has not produced an updated plan, preferring instead to table a potential update only in February 2025.

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2025 would be around \$4 billion – but that’s a price call that we don’t know at this stage.“  
<https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/investors/bp-second-quarter-2024-results-presentation-slides.pdf>

<sup>5</sup> [https://www.bluebellcp.com/\\_files/ugd/41c367\\_096fdc22930e48edad7910aca8df3b02.pdf](https://www.bluebellcp.com/_files/ugd/41c367_096fdc22930e48edad7910aca8df3b02.pdf)

In the meantime, information that is regulated in nature seems to be clearly, and unacceptably, leaked to the press by Company sources in an effort to calm the market and “buy more time”.

Given the continuing evidence of a grossly mismanaged company, we see no option than for the Chairman of the Board and the Lead Independent Director to be removed. As always, should any of the Board members wish to engage with us, we remain constructively at your disposal.

Yours sincerely,



Giuseppe Bivona

*Partner and CIO*



Marco Taricco

*Partner and CIO*

CC: Nicolas Ceron, Portfolio Manager