
PRE-DECLARATION: BP PLC – VOTE AGAINST THE CHAIR – SHAREHOLDER RIGHTS

AGM date: 23rd April 2026

Background	<p>Evidence shows that companies that engage with, and listen to, their shareholders, perform better over the long-term¹. As a long-term shareholder, and one that is committed to thriving financial markets in the interests of all its members, Railpen closely considers portfolio companies' governance standards and approach to shareholder engagement, transparency and accountability, particularly those which we consider to be systemically important.</p> <p>BP has historically engaged constructively with shareholders on climate-related issues, including in relation to the 2019 Climate Action 100+ Paris-alignment resolution, which was supported by management and received the backing of 99% of shareholders. However, in recent years, BP has taken actions that have raised concerns about its commitment to effective standards of corporate governance and meaningful shareholder rights and access. At the 2025 AGM, many shareholders voted against the former Chair following the Board's decision not to provide shareholders with a vote on its revised climate transition plan, signalling a decline in investor confidence.</p> <p>These concerns have been reinforced ahead of this year's AGM on 23rd April by a number of proposals from the company. These include the proposal to give the Board indefinite future discretion to allow virtual-only AGMs with limited clarity and insufficient assurances on shareholder safeguards, as well as its decision to exclude the Follow This shareholder resolution from the agenda, sharpening questions around shareholder voice and accountability.</p> <p>Against this backdrop, Railpen is pre-declaring its vote against the Chair to reinforce our expectations around effective governance, transparency and the protection of important shareholder rights.</p>
Summary of resolution(s) and our voting intention	Item 4 - Elect Albert Manifold as Director (Chair of the Board) - AGAINST
Rationale for our voting decision	There are several developments at this year's AGM which, taken together, raise concerns about the company's commitment to transparency, board accountability and shareholder rights, for which the Chair has ultimate responsibility:

¹ See, for instance: Bajzik, Havranek, Irsova and Novak (2025): *Does Shareholder Activism Create Value? A Meta-Analysis*; Cuñat, Gine and Guadalupe (2012): *The vote is cast: The effect of corporate governance on shareholder value*; Hoepner, Oikonomou, Sautner, Starks & Zhou (2024): *ESG Shareholder Engagement and Downside Risk*; Cremers & Renneboog (2022): *Shareholder Engagement on Environmental, Social, and Governance Performance*.

1. Proposed amendments to permit virtual-only AGMs, which would further limit opportunities for meaningful shareholder engagement. Limited clarity on specific safeguards has been offered to shareholders before they have been asked to give the Board indefinite future discretion on virtual-only AGMs –what parameters have been provided we deem to be insufficient to ensure genuine engagement and that shareholders are truly heard. Although we recognise the benefits of a virtual element to meetings in allowing international shareholders to participate, hybrid meetings are sufficient for this purpose, without the negative impacts for shareholder voice presented by virtual-only AGMs.
2. BP’s decision to exclude the Follow This shareholder resolution from its AGM agenda². The exclusion, without a clear and transparent explanation of the legal basis in accompanying documentation, represents a material governance concern, as insufficient detail has been provided on how the proposal was assessed against the Companies Act and BP’s articles of association. This limits shareholders’ ability to assess whether the decision was appropriate or proportionate.

The exclusion materially constrains shareholder rights by denying investors the opportunity to vote on a matter of strategic relevance, and risks creating a perception of a hostile environment for shareholders seeking to exercise their rights through established and valuable mechanisms. As a high-profile company, BP’s actions also have broader market implications, with the normalisation of such exclusions risking a weakening of shareholder democracy standards and contributing to a more litigious engagement environment.

3. BP’s proposal to revoke those shareholder resolutions passed in 2015 and 2019 - including a resolution requiring disclosure on how the company’s strategy aligned with the Paris Agreement - raises concerns about whether shareholder votes are treated as enduring commitments. While BP has stated that these resolutions are now superseded by newer regulatory disclosure requirements, Railpen considers this justification to be only partially accurate, as regulatory requirements do not fully reflect the intent or scope of the original shareholder mandates. We do, however, acknowledge that shareholders are being given a vote on the proposed revocation.
4. Although we were reassured at a recent meeting with BP representatives that a thoughtful approach has been taken to board changes and refreshment, we hope the company will in future provide a more rounded and compelling rationale in documentation to forestall future concerns around transparency, governance stability and the clarity of board-level oversight.

² [Resolutions - Follow This.](#)