



Australian tax report

2024

bp Australia is pleased to present our Australian Tax Transparency Report for 2024. This report provides information on our approach to tax and total tax contribution in Australia for the year ended 31 December 2024.

In 2024, bp contributed \$7.8 billion in taxes, excise, royalties and other payments to Australian federal and state governments.

bp takes a responsible and transparent approach to tax and works to create open, constructive relationships with governments and tax authorities. Our responsible tax principles, which align with our code and beliefs, provide a framework for responsible tax behaviour.

Voluntary Tax Transparency Code

Our Australian Tax Report has been prepared in accordance with the Board of Taxation's Voluntary Tax Transparency Code for large businesses. For further information on bp's global approach to tax and tax contribution please refer to:

- Our [Global Tax Report 2024](#)
- Our [Responsible Tax Principles](#)

We know that tax continues to be a topic of interest to our stakeholders, and we hope this report helps to explain our tax activities and progress. We welcome your feedback.



About bp

bp's purpose is to deliver energy to the world, today and tomorrow.

Our strategy plays to our distinctive strengths and capabilities:

- **Growing the upstream: Our oil and gas business**
We plan to increase investment to grow production while also growing cash flow in addition to disciplined expansion of biogas. Maintaining strong and safe operations throughout.
- **Focusing the downstream: Our customers and products business**
We are reshaping the portfolio to focus on markets and businesses where we have advantaged and integrated positions. We have clear actions to drive improved performance, including addressing costs in our customers business, and improving operations in refining.
- **Investing with discipline in the energy transition**
We plan to invest with discipline with selective investment in biogas, biofuels and EV charging, where we see strong demand growth; adopting innovative capital-light partnerships in renewables; and focusing investment on hydrogen and carbon capture projects to support us in decarbonizing our operations, and position us for growth through the next decade.

Our approach to sustainability is built on strong foundations that guide the way we work and support our net zero, people and planet aims.

Our sustainability frame underpins delivery of our strategy, and our sustainability aims are focused on those that are most relevant to the long-term success of our business.

Refer to our [2024 Sustainability Report](#) for more information.

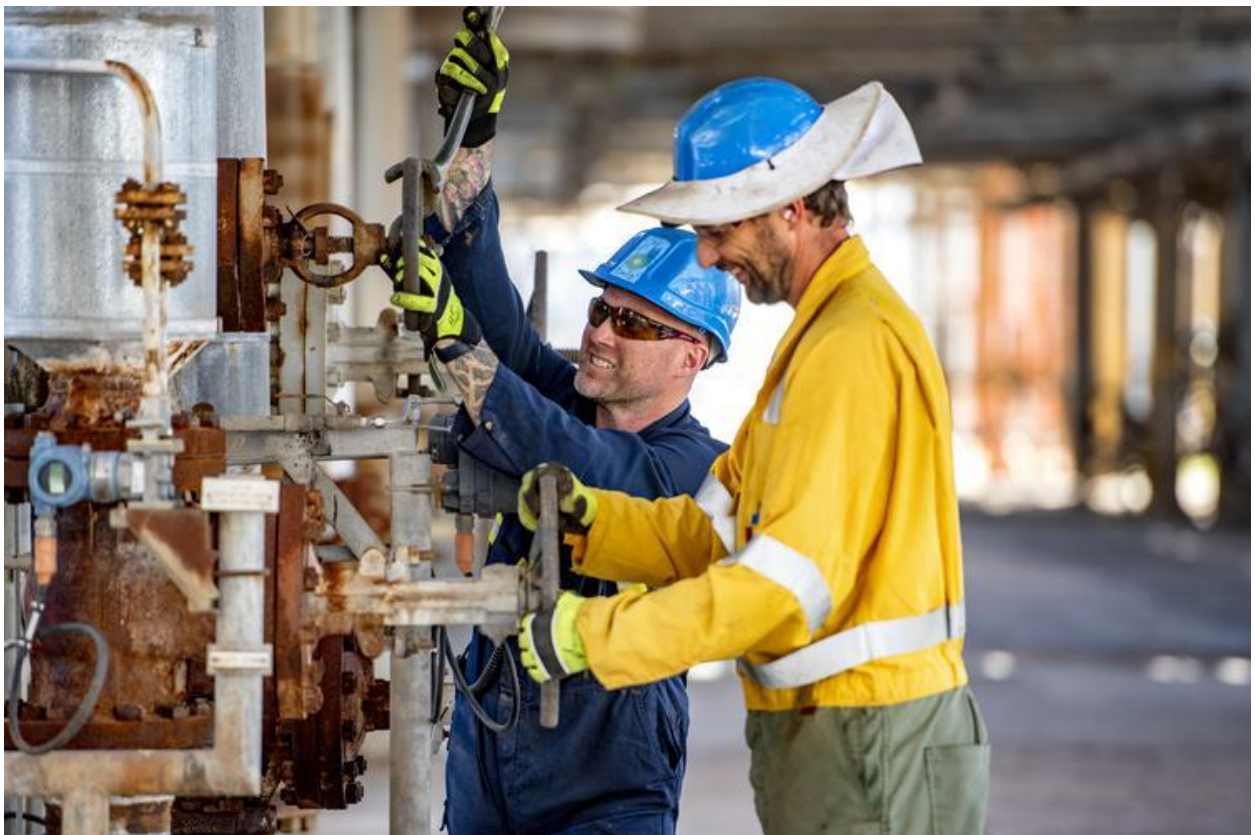


bp in Australia

We are an integrated energy company, serving customers across all sectors, from light vehicles to heavy transport, rail, aviation, and maritime.

Our history in Australia spans more than a century, and our customers are at the heart of our operations. Through our growing network of over 1,400 retail sites and bp pulse charging stations, we provide the convenience, mobility, and energy solutions they rely on.

We're also integrating our natural gas capabilities with power trading and growth in low-carbon markets, including wind, solar, hydrogen, and carbon capture and storage. Our business model and service offerings continue to evolve with our customers' needs, today and into the future.



bp Australia Group

For 2024 Australian statutory reporting purposes, bp prepared accounts for the following eligible tier one companies:

- BP Australia Investments Pty Ltd (and its controlled entities)
- BP Regional Australasia Holdings Pty Ltd
- Castrol Holdings Australia Pty Ltd (and its controlled entities)

Under the tax consolidation regime in Australia, the eligible tier one companies have elected to form a Multiple Entry Consolidated (MEC) group.

BP Regional Australasia Holdings Pty Ltd, as provisional head company of the Australian MEC group, lodges one consolidated income tax return on behalf of all the wholly owned Australian subsidiaries in the MEC group.

International Related Party Dealings

bp's policy is that all related party transactions occur on arm's length terms in a manner consistent with Organisation for Economic Co-Operation and Development (OECD) principles and abiding by the laws of the countries in which the transactions occur.

The main international related party transactions for bp Australia include product purchases from bp Singapore, with financing principally provided by bp in the UK, support services predominantly provided by bp in the UK and increasingly from India. License of brands (e.g. bp and Castrol) are owned by bp in the UK. bp Australia also sells LNG and other liquid products to bp Singapore from the North West Shelf.



Our approach to tax

Our responsible tax principles

Our responsible tax principles offer a clear framework for responsible tax practice. To help us become an industry leader for the transparency of our reporting, we want to align with emerging best practice in tax transparency and support its continuing development.

Embedding our responsible tax principles

We endorse The B Team Responsible Tax Principles¹ which set out a responsible approach to tax and support stable, secure and sustainable communities.

They were developed collaboratively by businesses, civil society and institutional investors. We are actively involved in The B Team's Responsible Taxes Working Group, and this is helping us improve our own tax practices. This section provides examples of how we are applying the principles and our progress in 2024.

Accountability and governance

Tax is a core part of corporate responsibility and governance and is overseen by our board of directors.

Compliance

We comply with the tax legislation of the countries in which we operate and pay the right amount of tax at the right time, in the countries where we create value. We will only use business structures that are driven by commercial considerations, are aligned with business activity and which have genuine substance. We do not seek abusive tax results.

Business structure

Our responsible tax principles offer a clear framework for responsible tax practice. Our responsible tax principles in action.

Relationships with authorities

We seek, wherever possible, to develop cooperative relationships with tax authorities, based on mutual respect, transparency and trust.

Seeking and accepting tax incentives

Where we claim tax incentives offered by government authorities, we seek to ensure that they are transparent and consistent with statutory or regulatory frameworks.

Supporting effective tax systems

We engage constructively in national and international dialogue with governments, business groups and civil society to support the development of effective tax systems, legislation and administration.

Transparency

We provide regular information to our stakeholders, including investors, policymakers, employees, civil society and the general public, about our approach to tax and taxes paid.

[Read more about how we have adopted our responsible tax principles](#)

¹ The B Team is a global non-profit initiative that brings together a group of global leaders from business, civil society and government to achieve better ways of doing business, which prioritize the wellbeing of people and the planet.

Relationships with authorities

In Australia, we meet regularly with the Australian Taxation Office (**ATO**) to make progress on our ongoing tax matters and provide updates about significant business transactions affecting our Australian taxes. We also participate in initiatives to simplify and improve tax regimes to encourage investment and economic growth.

We actively contribute to tax policy development reviews via direct submissions. We also contribute to industry association submissions (for example through our participation in associations such as Australian Energy Producers, the Business Council of Australia and the Corporate Tax Association) We support efforts to increase public trust in tax systems and work closely with the ATO to support the 'justified trust' agenda.

Compliance arrangements

For income tax, we engage with the ATO under a Pre-Compliance Review (**PCR**) arrangement.

For indirect tax, we engaged with the ATO under an Annual Compliance Arrangement (**ACA**) for years up to 31 December 2021. From 2022 onwards, bp is part of a Tax Assurance Review (**TAR**).



Tax Transparency Tables

Total tax contribution

The table below shows total taxes paid and collected by bp Australia during the year ended 31 December 2024.

Amounts have been disclosed based on cash paid or received.

	31-Dec-24 (A\$ mil)
Table 1: bp Australia group taxes paid	
Income Tax	254
Royalties	155
Excise	5,521
GST	1,779
Employment taxes	34
Total tax paid	7,742

Tax reconciliations

The tables below provide a reconciliation of accounting profit to tax expense and to income tax payable for the year ended 31 December 2024.

	31-Dec-24 (A\$ mil)
Table 2: reconciliation of accounting profit to income tax expense	
Accounting profit before tax	697
At the statutory income tax rate of 30%	209
Adjustments in respect of previous years	2
Foreign exchange	1
Other	2
Income tax expense	214

	31-Dec-24 (A\$ mil)
Table 3: reconciliation of income tax expense to income tax payable	
Income tax expense (as above)	214
Adjustments in respect of previous years (as above)	(2)
Temporary differences recognised in deferred tax	(24)
Income tax charge	188
Tax credits and offsets	(8)
Income Tax Payable (after offsets) per lodged tax return	180

Effective tax rate

The tables below show the calculation of bp's effective tax rate in Australia and globally.

Effective tax rate has been calculated as income tax expense divided by accounting profit before tax.

	31-Dec-24
Table 4: calculation of effective tax rate – bp Australia	(A\$ mil)
Accounting profit before tax	697
Income tax expense	214
Effective tax rate – bp Australia	31%

	31-Dec-24
Table 5: calculation of effective tax rate – bp globally	(US\$ mil)
Profit (loss) before taxation	6,782
Tax charge (credit) on profit or loss	5,553
Effective tax rate – bp Global	31%

*Source: bp 2024 Annual Report and Form 20-F 2024 (p.201).

Table 6: breakdown of adjustments impacting bp Australia's effective tax rate	
Corporate tax rate - Australia	30%
Adjustments in respect of previous years	0.28%
Foreign exchange	0.21%
Other	0.18%
Effective tax rate - bp Australia	31%

