# BP chief executive to unveil strategic overhaul amid investor pressure



In a pivotal moment for BP, Chief Executive Murray Auchincloss is poised to reveal his strategic overhaul aimed at reversing the fortunes of the energy company. This critical presentation, set to take place today, holds significant implications not only for Auchincloss’s future but also for Chairman Helge Lund, who has been under scrutiny for a series of strategic shifts since assuming leadership in 2019.

In his much-anticipated update, Auchincloss is expected to substantially ease the company’s green agenda. Central to his plans is the proposed sale of BP's lubricants division, Castrol, which is estimated to be valued at approximately £8 billion. The move to divest Castrol is part of a broader strategy to recalibrate BP’s focus amid mounting pressure from investors, particularly from activist firm Elliott Management. This group has signalled that it may advocate for changes at the boardroom level should today’s outcomes fall short of their expectations.

Auchincloss’s tenure as chief executive has seen BP's shares decline by 2 per cent since he took on the role full-time in January last year, and more drastically, the shares have plummeted over 10 per cent since Lund's ascension as chairman, resulting in a staggering reduction of nearly £10 billion in the company’s market value.

Concerns also circulate regarding Lund’s capacity to manage his responsibilities effectively; in addition to his role at BP, he is the chairman of Novo Nordisk, the company behind the popular diabetes medications Ozempic and Wegovy. Susannah Streeter, head of money and markets at Hargreaves Lansdown, commented, “Given that Auchincloss was appointed as chief executive permanently a year ago, a change at the top at this time would be more unsettling than reassuring. But if the strategy underwhelms, there may be calls for a shake-up.” She further speculated that the likelihood of Lund’s departure as chairman could increase, reflecting on the challenging path BP has faced under his leadership.

The strategic pivot outlined by Auchincloss is anticipated to downplay BP's ambitious targets for renewable energy expansion and scrap previous initiatives aimed at reducing oil and gas output. This shift in focus reflects a significant move away from the net zero commitments that his predecessor, Bernard Looney, had championed before his exit from the company.

As investors await the details of Auchincloss’s presentation, BP's shares experienced a decline of 2.2 per cent, dropping to 436.9 pence. The outcome of the announcement will be closely monitored, as it not only affects the direction of the company but also potentially sets the stage for critical leadership decisions within the boardroom.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.rigzone.com/news/wire/bps_strategy_reset_5_things_to_watch-25-feb-2025-179738-article/> - This article discusses BP's strategic reset under CEO Murray Auchincloss, including the pressure from activist investor Elliott Management and potential changes in BP's focus on oil and gas versus renewable energy.
* <https://www.vacourts.gov/courts/scv/rulesofcourt.pdf> - This document outlines the rules of the Supreme Court of Virginia but does not directly relate to the article about BP's strategic changes.
* <https://caliber.az/en/post/bp-to-abandon-oil-and-gas-output-cuts-as-ceo-struggles-to-meet-investor-demands> - This article reports on BP's plans to reverse previous oil and gas output cuts as part of a strategic overhaul, aligning with Auchincloss's efforts to meet investor demands.
* <https://rextag.com/blogs/blog/profits-or-planet-bp-s-new-beginning-the-shift-from-low-carbon-to-core-oil-and-gas-and-q4-2024-results> - This blog post discusses BP's shift away from low-carbon initiatives towards core oil and gas projects, reflecting Auchincloss's strategic pivot and efforts to improve shareholder returns.
* <https://www.noahwire.com> - This source is mentioned in the article but does not provide specific information about BP's strategic changes without further context.