



INVESTOR BRIEF | JULY 2026

BP Whiting Lockout: Investor Risks Amid a Global Oil Crisis



This brief highlights significant investor risks stemming from a pattern of recurring labor conflicts, safety and operational failures, governance instability, and environmental liabilities of British Petroleum (LON: BP; NYSE: BP). Its ongoing lockout of more than 800 unionized workers in Whiting, Ind., is emblematic of these institutional failures. BP's deep volatility within its upper-level management has translated into a lack of a comprehensive strategy throughout its value chain, raising concerns about BP's ability to effectively manage operations during a period of heightened global energy and market uncertainty. We urge investors to engage with BP's board and executive leadership to address the concerns outlined below and, crucially, to demand that BP end its illegal lockout.

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SOCIAL CONCERNS

On March 19, 2026, BP locked out approximately 800 workers at its Whiting, Ind., facility after those unionized workers overwhelmingly rejected BP's proposal that would have frozen wages, weakened safety protections, eliminated jobs (including environmental technician roles), restructured job classifications, and dramatically undermined the role of the union at the facility. BP also refused to participate in the decades-long established national pattern bargaining—a stabilizing force in the industry, which ensures that competing refineries implement the same negotiated labor-cost increases across the United States. Despite the employees' rejection of the company's proposal, they told BP they were ready and willing to work while negotiations continued. BP rejected this offer and locked out its workers to pressure them into accepting concessions. The USW has repeatedly called on BP to end its illegal lockout and has been joined by political and community leaders, all of whom understand the critical contributions of USW-represented oil workers to the Whiting facility and to the community.

BP's demands to eliminate jobs and undermine the role of the union at the Whiting facility fall under the shadow of past serious safety and operational failures at other of its operations. In reviewing two incidents in particular—the 2005 Texas City Refinery explosion, which killed 15 workers and injured 170¹, and the 2022 Toledo Refinery fire at BP-Husky, which killed 2 workers—the U.S. Chemical Safety Board (CSB) identified six key preventable incidents leading up to the Toledo Refinery fire that were identical to those preceding the Texas City Refinery explosion. The CSB determined “[that the Toledo Refinery] has a weak safety culture, largely because of chronic morale problems and a history of poor relations between refinery management and the unionized workforce.”² BP's conduct in Whiting risks causing the very same safety culture, morale, and relational issues at Whiting.

¹ Wang, Marian. 2010. “BP Agrees to Pay \$50 Million for Earlier Texas City Problems.” ProPublica. August 12, 2010. <https://www.propublica.org/article/bp-agrees-to-pay-50-million-for-earlier-texas-city-problems>.

² U.S. Chemical Safety and Hazard Investigation Board. 2024. “Fatal Naphtha Release and Fire at BP-Husky Toledo Refinery: Investigation Report.” CSB.gov. https://www.csb.gov/assets/1/6/final_report_-_20241.pdf.

GOVERNANCE CONCERNS

BP's illegal lockout also reflects serious governance concerns. In the last three years alone, BP has had three CEOs and three board chairs—a level of turnover that signals instability at the top and undermines confidence in BP's strategic direction.

At the same time, BP has faced criticism from major investors and proxy advisors for its decision at the 2026 Annual General Meeting to exclude a shareholder resolution submitted by Follow This, even though the resolution met the submission threshold and received the backing of 16 major institutional investors. Glass Lewis observed that this exclusion raised questions about “transparency, shareholder communication, and responsiveness to shareholder concerns”³ and recommended that shareholders vote against Chair Albert Manifold. The 18.23% of protest votes against Albert Manifold as director sent a strong message about shareholder concerns over governance.

Just as the company has been criticized for restricting shareholder rights, the lockout demonstrates a willingness to ignore the concerns of employees rather than resolve disputes through good-faith engagement.

ENVIRONMENTAL CONCERNS

Thirty-nine days into the lockout, on April 26, 2026, a flaring event occurred at the Whiting Refinery following a power outage, producing visible smoke and odor throughout the city.⁴ Despite alarms and a shelter-in-place order for workers inside the refinery, BP never notified community members or locked-out workers just outside the refinery gates.⁵ This is a troubling show of corporate irresponsibility and reveals that the company's disregard of its workers extends to the surrounding community which is disproportionately low income (50%) and a community of color (78%).⁶ These demographics make the area particularly sensitive to environmental justice concerns and heighten BP's responsibility to protect public safety and environmental health in Whiting. BP's proposal to eliminate environmental technician roles at the Whiting facility is strategically unsound, as removing worker voices from environmental monitoring will weaken oversight, increase risk, and further erode community trust.

³ Nasralla, Shadia, and Stephanie Kelly. 2026. “Glass Lewis Recommends Vote against BP Chair over Blocked Climate Resolution.” Reuters, March 20, 2026.

<https://www.reuters.com/business/energy/shell-says-pearl-gtl-facilitys-train-two-qatar-requires-around-year-full-repair-2026-03-20/>

⁴ Biscocho, Ramelito, and Indiana Department of Environmental Management. 2026. “Office Memorandum: Complaints -BP- Whiting.” Indiana Department of Environmental Management Virtual File Cabinet.

https://ecm.idem.in.gov/cs/idcplg?IdcService=GET_FILE&dID=83965872&dDocName=83973990&Rendition=web&allowInterrupt=1&noSaveAs=1

⁵ Wilkins, Maya. 2026. “Flares Went off at BP Refinery Sunday Night, IDEM Monitoring.” Chicago Tribune. April 29, 2026. <https://www.chicagotribune.com/2026/04/29/flares-went-off-at-bp-refinery-sunday-night-idem-monitoring/>

⁶ United States Environmental Protection Agency. 2024. “Detailed Facility Report | ECHO | US EPA.” Epa.Gov. Enforcement and Compliance History Online. 2024. <https://echo.epa.gov/detailed-facility-report?fid=110000398338>

BP EARNINGS AND PROFITS

BP's own July 14 trading statement demonstrates that BP's ability to capture available refining profits has been negatively impacted during the same period as the lockout: BP expects second-quarter refinery throughput of 1.445 to 1.475 million bbl/d, down from 1.527 million barrels per day sequentially.⁷ BP expressly attributes the decline partly to "lower Whiting volumes".⁸ Although BP explains decreased productivity at the Whiting refinery as "due to a third-party event in April which has now been resolved" it does not define this event or quantify that impact, and the second quarter substantially overlaps with the lockout period that began on March 19. As a result, lower production occurred during the same period in which prices were strong.

Those lost barrels occurred during an exceptionally profitable refining market: BP's own Refining Indicator Margin (RIM) rose from \$16.90 per barrel in the first quarter to \$29.60 in the second quarter. A RIM of \$26.90 is the highest quarterly value reported in BP's disclosures that we could find.⁹

The public record does not isolate the exact volume or dollar loss attributable specifically to BP's lockout; nonetheless BP's disclosures establish that Whiting volumes were lower precisely when every incremental refined barrel carried unusually high economic value and, therefore, BP was unable to fully monetize one of the strongest refining environments in recent years.

BP RIM Second Quarter 2023–2026

2023	14.7
2024	11.8
2025	11.9
2026	29.6

CONCLUSION

The environmental, social, and governance concerns outlined in this brief — of which BP's illegal lockout in Whiting is emblematic — warrant immediate investor attention. We urge investors to engage with BP regarding these risks and to demand that BP end the lockout and negotiate a fair agreement with the union.

Please note that this brief is for informational purposes only, and is not intended to provide, and should not be relied on for investment, legal, tax, or accounting advice. Trustees should consult their own advisors and investment professionals to evaluate the merits and risks of any investment.

⁷ See "Second quarter 2026 trading statement", BP, July 24, 2026, available online at: <https://www.bp.com/press-and-publications/press-releases/second-quarter-2026-trading-statement>.

⁸ Id.

⁹ Id. and see also, BP historical RIM data: "Supplementary disclosure - refining indicator margin", BP, available online at: <https://www.bp.com/api/files/6cqieuhq4no/master/2Q919U0DOWOI50gcFUYWio/d10dd1d389f149bc20bae386a44990bb/bp-second-quarter-2025-results-supplementary-info-rim.pdf>.