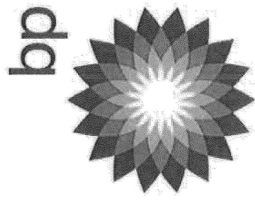
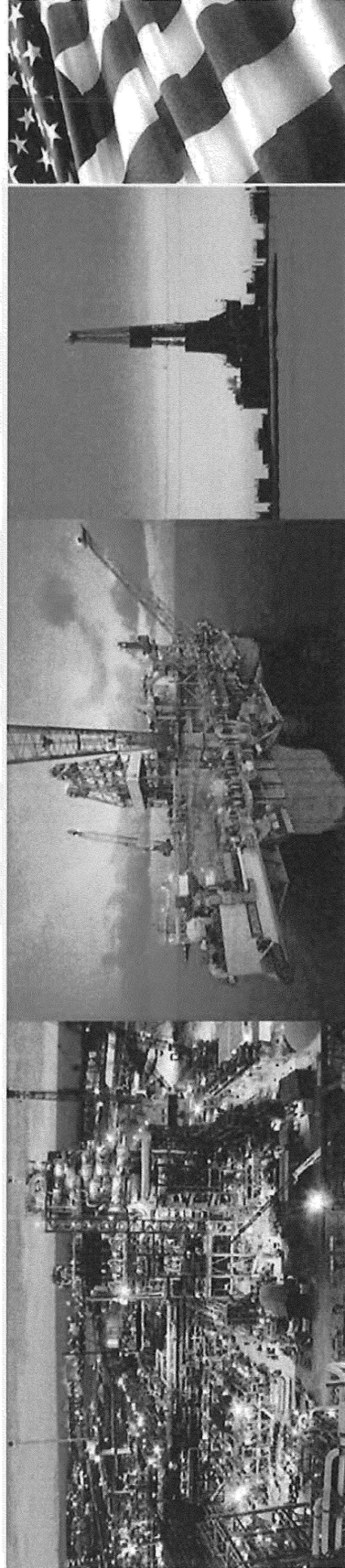


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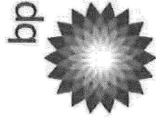
BP America
Quarterly Performance Review
July 2018



BP America

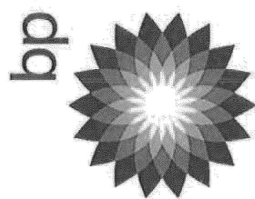
Agenda

- Welcome and context
- Risk and KPI review
 - HSSE, Financials, Headcount
- AOP priorities/objectives
 - Summary reviews
 - In-depth reviews
- Business entity reviews



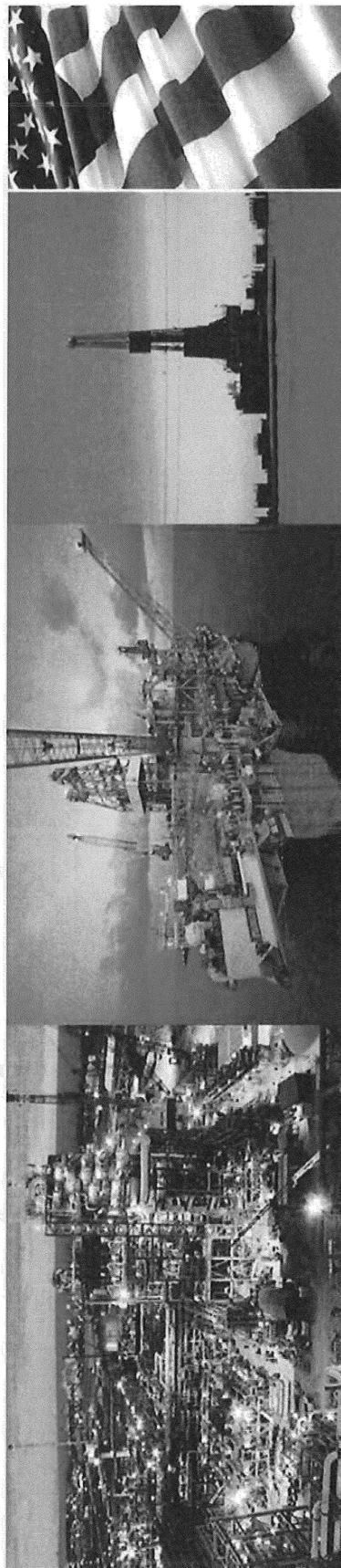
- ① completing as planned - traditional Format
 ② Consider improvements
 ③

E+ C
 Cont.
 7
 11/10/11
 12/10/11

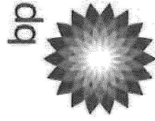


BP America

Risk and KPI review



BP America Risk management



- Mid Year risk review completed June 15th (light touch) – no changes to risk profile
- Annual deep dive to be scheduled in September 2018

A1. Group-Level Risks*					
Risk Level	Risk Description	Net Risk / Worst Credible Impact	Owner	Status	Comments
Group Level Risk Strategic & Commercial	Damage to BP's reputation	D4 / C3	M. Streett	☐	Risk heightened with opposition to carbon tax initiative, executing risk management plan
Group Level Risk Strategic & Commercial	Harmful new US regulatory and tax policies	C6 / B5	M. Streett	☐	Federal tax/reg risk lower but State/Local still significant (e.g. Washington State)
Group Level Risk Strategic & Commercial	Failure to comply with the EPA agreement <i>remove?</i>	D2 / B3	C. Yeilding	☐	No changes to risk profile, all controls still in place and operating effectively
A2. Additional Significant Business Risks (not submitted to Group)					
Risk Level	Risk Description	Severity	Owner	Status	Comments
Significant Business Risk	Failure to improve diversity and inclusion	E5	R. Dempsey	☐	Risk profile shifting with increased litigation risks, controls in place and operating

Summary



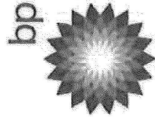
*BP America
Risk management
Mid Year Review
June 15th
Light touch
No changes to risk profile
Annual deep dive
September 2018*

WPC?

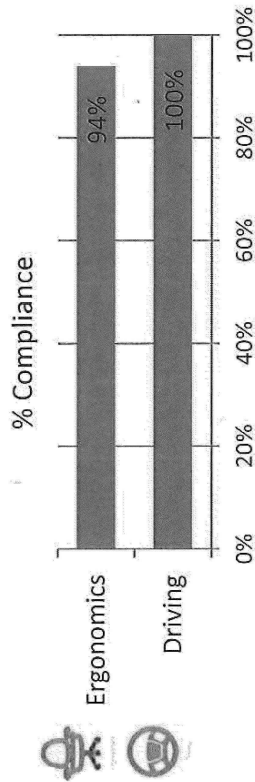
BST - Bunkers - Confidential

OSD?

BP America HSSE program



Safety Compliance



- Assess workstation every three years. Review assessment if experiencing pain or discomfort, or if move desks.
- Complete Driving Safety Questionnaire and appropriate driver training course if drive on company business.

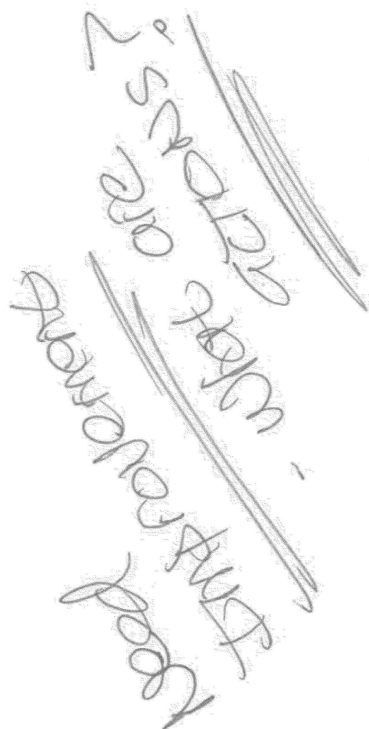
Safety and Security Management

Q1 Q2 Q3 Q4

 Safety walk thru WL1 Re-entry (Q2)				
 Digital awareness				
 Workplace violence				
 Offsite events				

- Know / follow HSSE rules at site and other sites you visit.
Know your HSSE Champion / floor warden. Safe WL1 re-entry
- Understand and follow the digital security policy.
- Active shooter awareness refresh.
- Carry out risk assessment for off-site /ad-hoc events.
Communicate risk mitigation to those potentially impacted.

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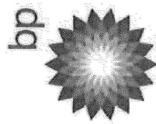


- | | | |
|---|--|----|
| 1 | Dominic Emery
17 members | 88 |
| 2 | David Geoffrey Philip Eyton
1347 members | 81 |
| 3 | Rahul Erik Saxena
147 members | 77 |
| 4 | Susan W Dio
110 members | 72 |
| 5 | Eric Leslie Nitcher
607 members | 70 |
| 6 | Robert Fryar
1435 members | 69 |

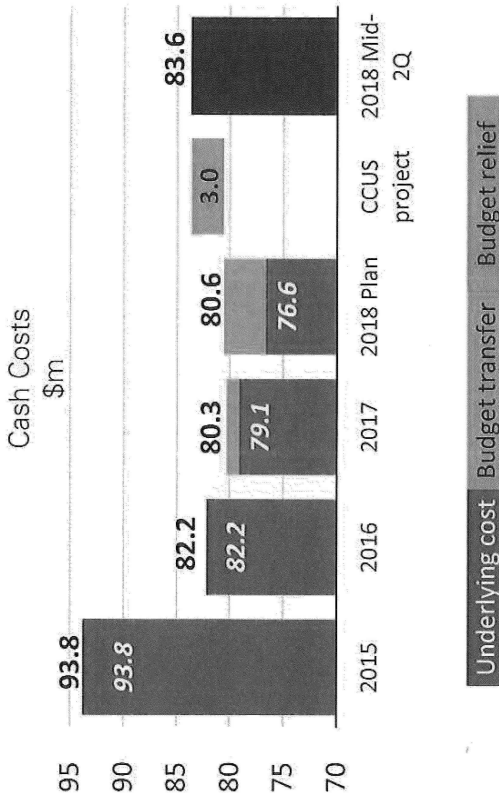


BP America

Financial review - summary



BP America
 CCUS
 2018 Plan
 2017
 2016
 2015



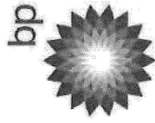
- Underlying cash cost reduction of 18% since 2015
- Gray budget transfers in:

Year	2017	2018
HR D&I	+1.2	+5.5
EPA compliance		-1.5
CoSec		
- 2018 Plan increased by \$3 million for CCUS project

Confidential

BP America

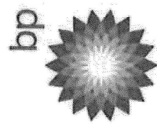
Financial Data by Spend Category (\$m)



\$ million	2015 Actuals	2016 Actuals	2017 Actuals	2018 LE	Q2 YTD Actuals	2018 % Spend	Comments
Staffing Costs & SBP	33.4	26.5	26.7	25.4	12.9	51%	2018 LE reduction driven by CoSec transfer
Staffing Costs - reorg	-	-	-	2.3	1.6	70%	Further relocation costs expected
Travel & Entertainment	1.8	1.9	2.4	2.3	1.1	48%	Run rate on track
Projects - '17 GoM / '18 CCUS	-	-	4.0	3.0	1.5	50%	Exit costs accrued in 2Q
Lobbying, Events, Consulting	13.3	8.2	6.1	9.9	4.2	42%	2018 LE includes 3.9m for EPA budget transfer
Contributions	9.7	10.9	10.0	12.5	4.1	33%	2018 variance timing - generally weighted to 4Q
BP Foundation	5.7	5.7	11.3	6.2	2.5	40%	Annual Foundation outflows ~ 9m
USOC Sponsorship / Activation	6.4	5.1	1.2	-	-	-	2017 amount payable over 4 years
Membership - API	9.8	8.6	6.9	9.6	4.8	50%	2016-2017 dues lower due to use of API excess funds
Memberships- Other	7.9	10.2	7.1	7.7	4.2	55%	2018 variance timing - larger orgs funded (NAM, etc.)
Rent and Other	5.4	4.9	4.7	4.2	2.4	57%	2018 variance timing - annual charges taken 1H of year
Defend BP	0.4	-	-	0.5	-	0%	
Sub-total cash costs	93.8	82.0	80.3	83.6	39.3	47%	
Humanitarian Assistance	-	-	6.4	-	-	-	
Total cash costs	93.8	82.0	86.7	83.6	39.3	47%	

* Removes US CoSec, includes CCUS project, and adjusts categories based on LE

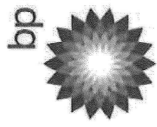
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BP America

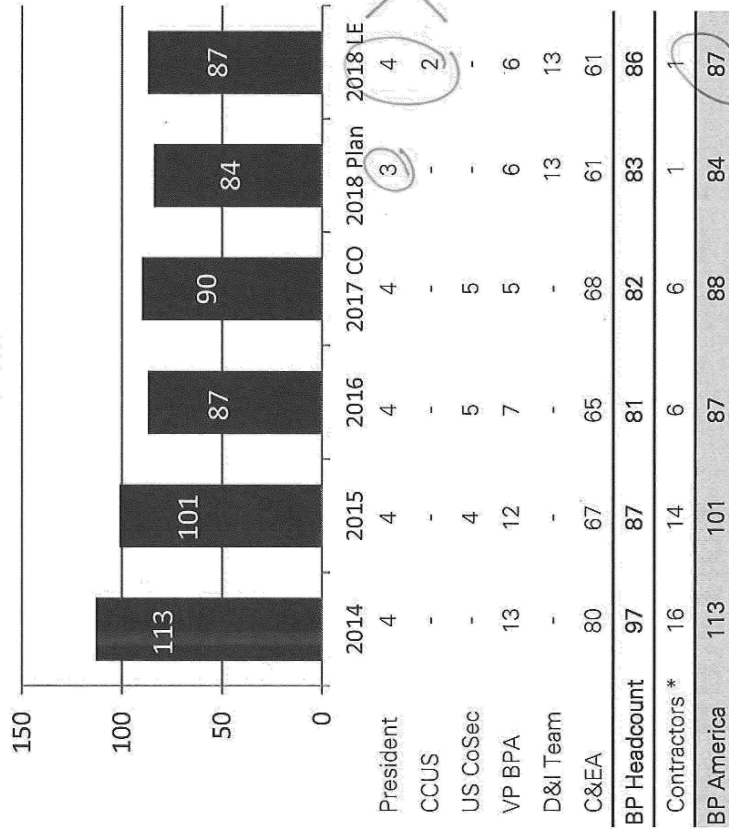
Financial Data by Team (\$m)

\$ million	2015 Actuals	2016 Actuals	2017 Actuals	2018 LE	Q2 YTD Actuals	2018 % Spend	Comments
President	6.1	6.5	4.7	2.8	1.6	57%	1H overspend on NAM and MS contribution
Defend BP	0.4	-	-	0.5	-	0%	
US Secretary	1.8	1.4	1.4	-	-	-	
BPA VP / Oversight	13.2	5.0	2.8	7.0	3.3	47%	2018 LE increase from 2017 due to EPA budget transfer
D&I Team	-	-	5.8	5.8	3.1	53%	Higher salary costs should reduce with FICA reduction
C&EA	54.4	53.1	41.7	47.0	21.8	47%	Lower primarily phasing on contributions
API Membership	9.8	8.6	6.9	9.6	4.8	50%	Run rate on track
Share Based Payments	2.4	1.8	1.8	1.8	0.8	50%	Run rate on track
BP Foundation	5.7	5.7	11.3	6.2	2.5	40%	Timing
Projects - '17 GoM / '18 CCUS	-	-	4.0	3.0	1.5	50%	CCUS project on track, exit costs accrued in 2Q
Sub-total cash costs	93.8	82.0	80.3	83.6	39.3	47%	
Humanitarian Assistance	-	-	6.4	-	-	-	
Total cash costs	93.8	82.0	86.7	83.6	39.3	47%	



BP America Headcount

FTEs

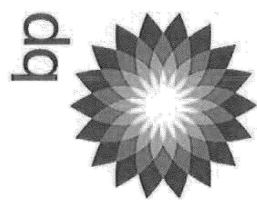


- 2018 LE versus Plan
 - +1 President
 - +2 CCUS project

July vacancies

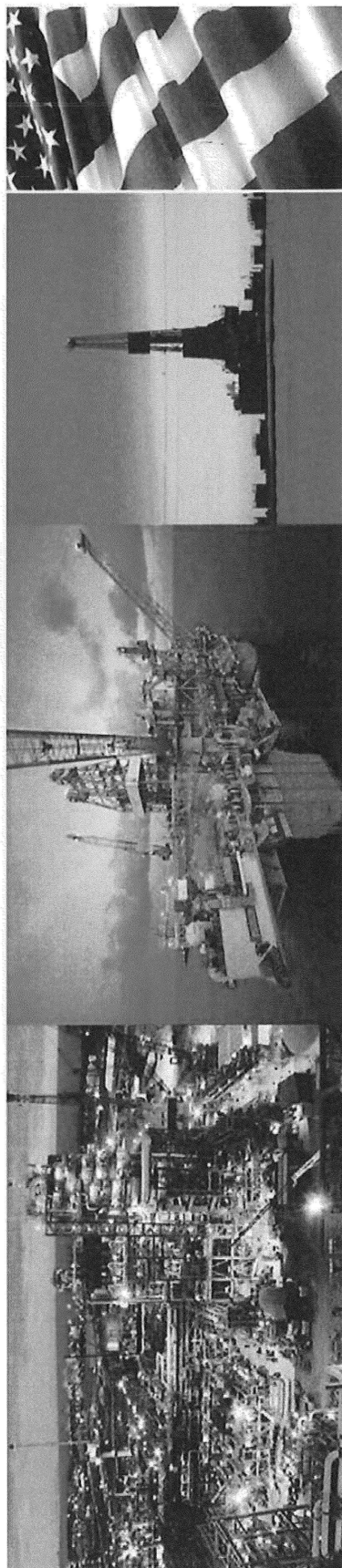
- 1 President (EA)
- 1 VP BPA (PA)
- 1 VP BPA (EPA)
- 1 C&EA – S&P
- 1 C&EA – Reg Affairs
- 7 C&EA – US Govt Affairs
- 1 C&EA – Intl Affairs

* Contractor headcount best estimate until CO implemented



BP America

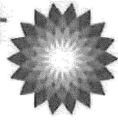
AOP priorities



BP America

Priorities – quick review

C. BP America Priorities		Objectives	Owner	Status	Comments
Governance & Oversight	Redacted - First Amendment				
WLPB	Redacted - First Amendment				



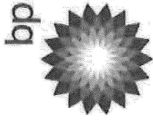
DWH Liabilities

Manage the DWH claims and liabilities, as well as the related administrative and support cost while minimizing unexpected financial exposure and within the agreed financial framework.

Priorities	Cash flow management						
1. Manage Deepwater Horizon settlements and litigations to \$3.4bn Plan 2. Right-size GCRO and support organizations to reflect reduced requirements in the post-settlement environment	2018 cash outflows \$m <table border="1"> <thead> <tr> <th>Category</th> <th>Value (\$m)</th> </tr> </thead> <tbody> <tr> <td>Adj Plan</td> <td>3,369</td> </tr> <tr> <td>LE</td> <td>3,496</td> </tr> </tbody> </table>	Category	Value (\$m)	Adj Plan	3,369	LE	3,496
Category	Value (\$m)						
Adj Plan	3,369						
LE	3,496						
Key business value deliverables ▪ Deliver obligations under agreed settlements with the Federal, State and Local governments and coordinate outflows from Economic, Property and Medical settlement programs and other litigation (On track) ▪ Proactively work to reduce exposure and mitigate risk (see status / risks below) ▪ Manage and reduce overall settlement administrative and support costs (On track)							
Status / Risks - Successful settlements underpinned delivery of 1H 2018 reduction in BEL claims to be resolved. Total unresolved claims at end of 2Q is 466, down from 2,563 at YE 2017 - Ongoing pressure on cash in 2018 (\$3.4bn)							

Confidential

Crashy



EPA Administrative Agreement

Oversee and assure compliance with the EPA Administrative Agreement across all US Businesses

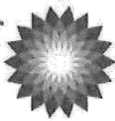
Priorities	Highlights
1. Comply with all agreement requirements 2. Continue to implement Ethics Monitor recommendations across US Businesses 3. Develop MOC for continued compliance with identified key requirements post agreement (e.g., E&C training, ECL accountabilities, investigations, etc.)	▪ Five-year agreement terminates in March 2019 ▪ Ethics Monitor Fourth Report to EPA issued 23 May – positive tone confirmed continued implementation of his recommendations ▪ EPA Auditors Report on 2017 Compliance issued 15 June (two months ahead of scheduled due date) – no material deficiencies, one minor deficiency and six observations
Key business value deliverables	
▪ Continued compliance with all agreement obligations (On track) ▪ Continued implementation of Ethics Monitor recommendations and suggestions (On track) ▪ Corrective Action Plan to address minor deficiency submitted to EPA Representative (Complete) ▪ Review of all agreement requirements to determine which should continue post agreement and develop MOC to transition from BPA Oversight to Group US Businesses and Functions (Upcoming) – <i>done very early</i> <i>done 10/5/2017</i>	

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Diversity and Inclusion

To build and sustain a fully inclusive culture that welcomes the talents, skills, and contributions of every person in our workforce, every company in our supply chain, and every community partner we engage.

bp

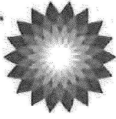


Handwritten notes:
 10/19/16
 BP
 Concern
 the
 we
 10/15/16
 2

Priorities	MWBE participation																				
1. Continue inclusion focus, leverage "Think Inclusion" campaign 2. Strengthen BP reputation/brand through external engagement 3. Deepen BRG linkage to business performance 4. Increase participation of Minority, Women, Veteran and LGBT owned businesses - trends 5. Enhance D&I progress reporting transparency	BP America <table><tr><th>May YTD</th><th>2018</th><th>2017</th><th>2016</th></tr><tr><td>Total 3rd Party Spend (\$bn)</td><td>\$7</td><td>\$6</td><td>\$7</td></tr><tr><td>Diverse Spend (\$m)</td><td>\$196</td><td>\$187</td><td>\$223</td></tr><tr><td>% Diverse</td><td>3.0%</td><td>3.1%</td><td>3.3%</td></tr><tr><td># Diverse Suppliers</td><td>157</td><td>183</td><td>206</td></tr></table>	May YTD	2018	2017	2016	Total 3 rd Party Spend (\$bn)	\$7	\$6	\$7	Diverse Spend (\$m)	\$196	\$187	\$223	% Diverse	3.0%	3.1%	3.3%	# Diverse Suppliers	157	183	206
May YTD	2018	2017	2016																		
Total 3 rd Party Spend (\$bn)	\$7	\$6	\$7																		
Diverse Spend (\$m)	\$196	\$187	\$223																		
% Diverse	3.0%	3.1%	3.3%																		
# Diverse Suppliers	157	183	206																		
Key business value deliverables	▪ Engage and support development of 2018 D&I plans for all businesses (Complete) ▪ Execute major sponsorships and conference participation for BP reputation/brand (On track) ▪ Advance STEM agenda, increase strategic internal collaboration and secure BP leadership support for programs (On track) ▪ Establish leadership accountability for actions to meet Global Gender Ambition and the US Minority Ambition (Complete) ▪ Increase supplier diversity mix from 3.3% to 4.0% by year end 2018 (Trending flat, see chart above) - At Risk ▪ Deliver BRG Summit to guide priorities and activities during 2018 (Complete)																				

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bp



Leverage major trade groups, boards, and external events in service of top business priorities.

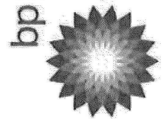
Offshore Technology Conference (OTC) 2018

16

BPA_HCOR_00204747

Follow-up
Grady

Work
on the
road
to capture
7



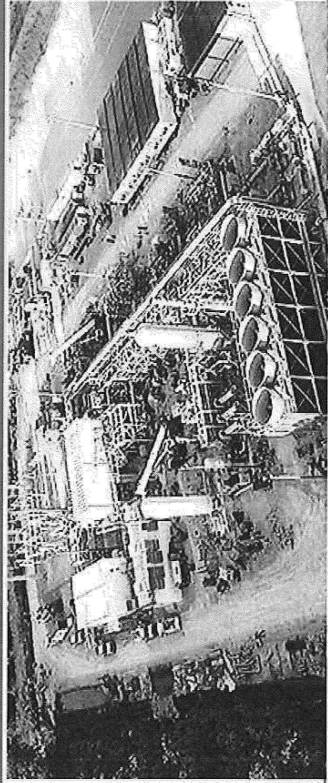
NPC CCUS Study

Lead the National Petroleum Council's Carbon Capture, Use and Storage study

Priorities

1. Define potential pathways leading to CCUS deployment at scale in the U.S. at the request of DoE Sec. Perry
2. Working with McKinsey and key stakeholders to develop a Roadmap toward broad CCUS implementation
3. Continue to strengthen BP's reputation as a leader in CCUS and advancing the low carbon agenda

Technology Example: Netpower Pilot (LaPorte, Texas)



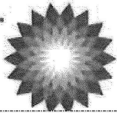
Key business value deliverables

- Workplan developed and endorsed by Coordinating Subcommittee, Steering Committee and Dept of Energy (Complete)
- Leaders identified for all Study Task Groups and Subgroups; currently staffing groups (On Track)
- Engagement with BP stakeholders and alignment with existing CCUS activities (Ongoing)
- BP staff identified and engaged for participation in Task Groups and Subgroups (On Track)
- Technology Workshop to develop common platform of knowledge/understanding (Upcoming, September 2018)

15 month study culminating September 2019, delivering a Roadmap and Report on Economics, Technology and Enablers

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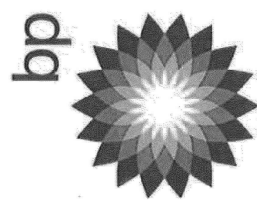


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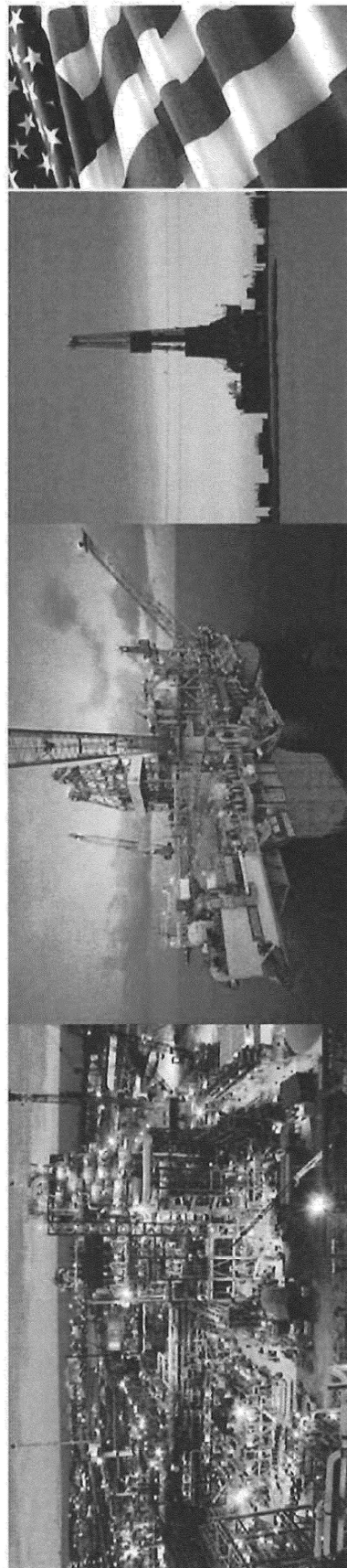


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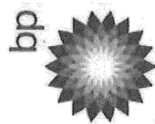


BP America

Business entity review



BP America Upstream value delivery



Execute GoM access plan with goal of delivering 12.5% royalty rate - *what is status?*

Gulf of Mexico

1

2

3

4

5

Lower 48

6

7

8

9

Alaska

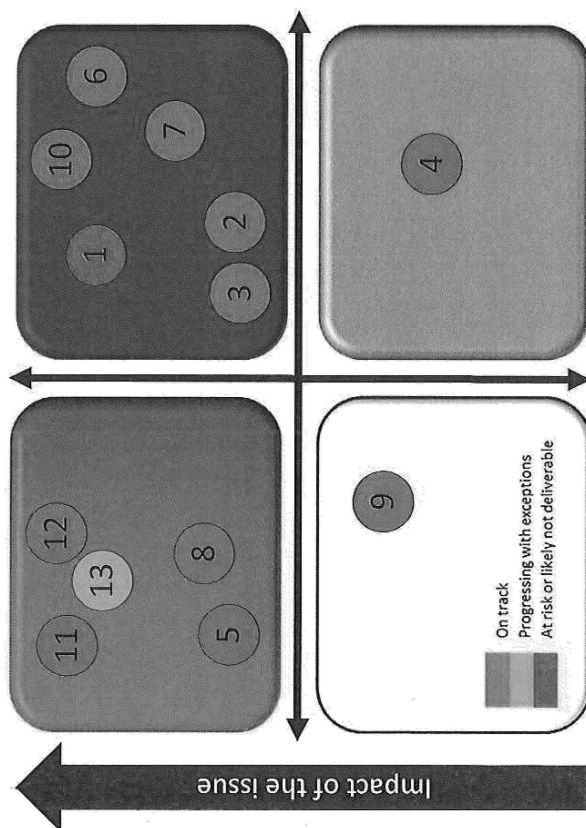
10

11

12

13

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Redacted - First Amendment

Promote stable business environment

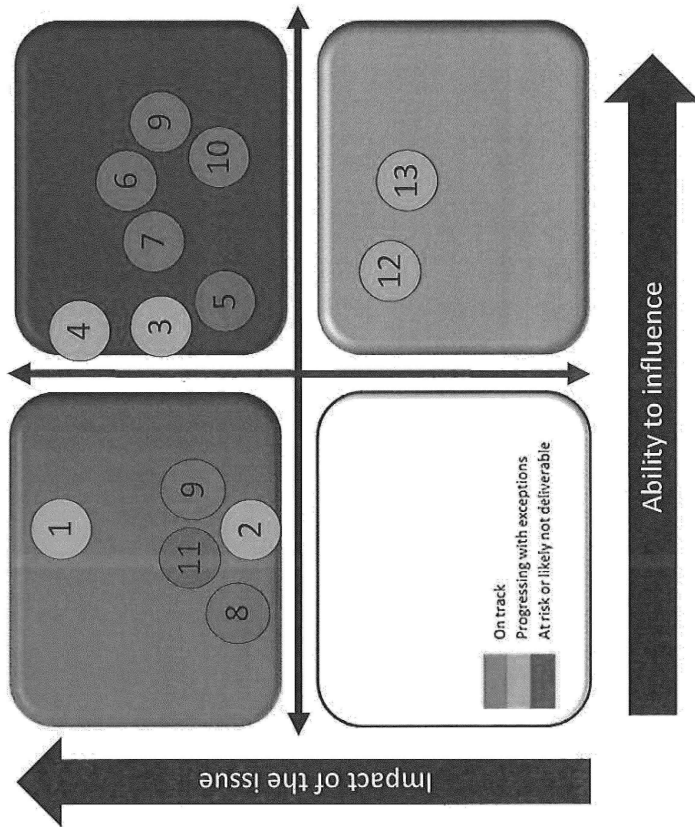
Support Alaska LNG

Underscore BP's long-term commitment to Alaska

Increase employee engagement and promote owner mind set

BP America

Downstream value delivery

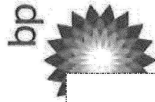


Fuels NA

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

Petrochemicals

- 9
- 10
- 11
- 12
- 13



Redacted - First Amendment

Improve Cherry Point and West Coast business environment
Deliver employee communications on business strategy and role
Achieve timely receipt and aggressively defend all key permits
Execute integrated communications strategy on retail growth

Redacted - First Amendment

Successful rollout and marketing of PTAir Neutral

Redacted - First Amendment

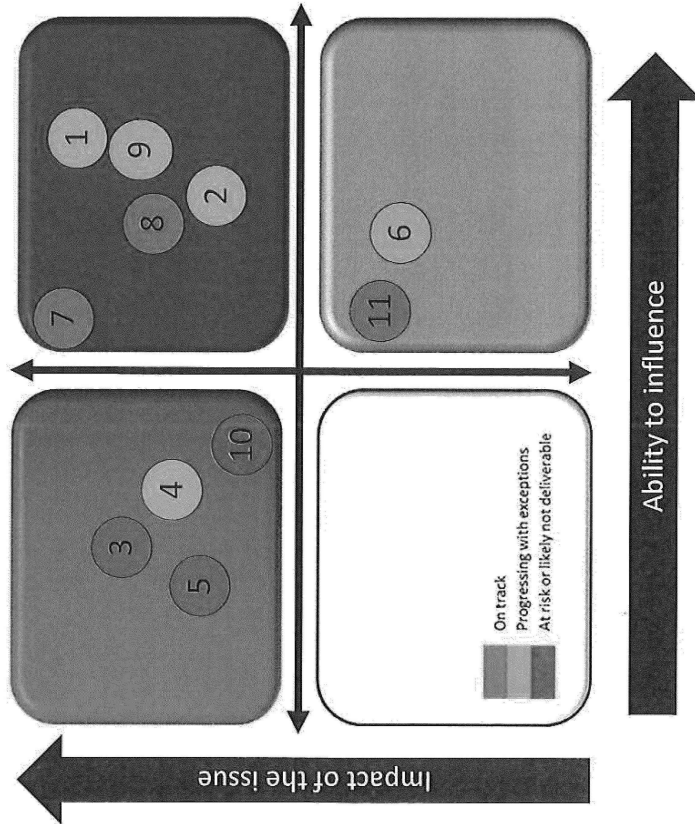
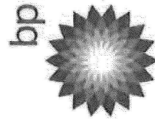
Increase employee engagement and promote owner mind set

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BP America

Midstream/Other value delivery

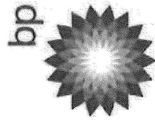
IST



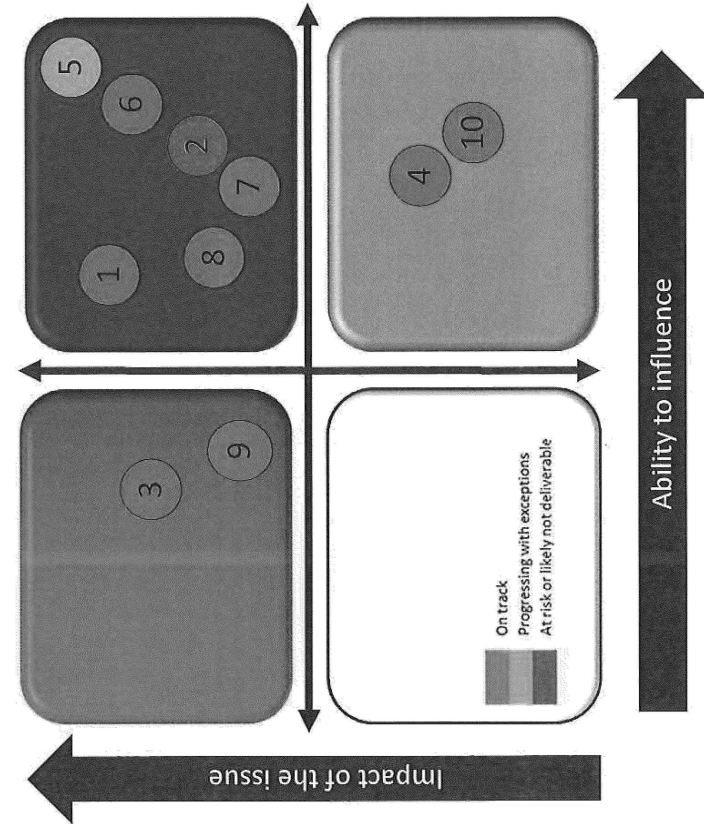
- 1
 - 2
 - 3
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 - 10
 - 11
- Defeat efforts to undermine wholesale energy markets
- Showcase environmental progress of IST's GEP business
- Redacted - First Amendment
- BP Wind Energy
- Expedite permitting & leverage for repower/optimization plan
- Advocate for AWEA to develop industry safety/training standards
- Advocate for creation of Joint Industry Project-blade maintenance - *need info*
- AE objective - Develop/execute plans for Lightsource BP, Butamax, Tesla, etc.

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BP America Midstream/Other value delivery



BP Shipping



- 1 Success completion of license-to-operate drill
- 2
- 3 Influence budget for higher % of Harbor Maintenance Trust Fund to Houston Ship Channel
- 4

Remediation Management - Risk with leadership

Redacted - First Amendment

- 5
- 6
- 7
- 8
- 9
- 10

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