

2019 Annual Operating Plan - BP America							Apr-19
Strategy	Vision - In the U.S., BP is viewed as a transformative leader in the energy industry and the employer of choice for top talent.						
	Mission - BP America works in service of our U.S. businesses and our people, to deliver the BP group strategy.						
	Group Strategy						
	Set the tone for safety leadership						
	Advance the energy transition and the low-carbon agenda						
	Preserve the corporate governance process including oversight of internal and external risks and obligations						
	US Businesses						
	Drive coherence across the US to identify similarities and best practices to improve competitiveness						
	Advocate for sensible policy and regulations by engaging with key stakeholders and influencers						
	Advance BP's reputation, promoting our contributions to the industry and our commitment to the U.S. economy and the communities where we do business						
Our People							
Cultivate a diverse and respectful workplace that reflects BP's values and expected behaviors							
Create a modern work environment that enables innovation, facilitates collaboration, and attracts and retains top talent							
Sustain and continue to enhance the ethics & compliance and business integrity programs							
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	<div></div>	No changes to risk profile, all controls still in place and operating effectively; Live discussions: ANWR, Trade Associations	
Redacted - First Amendment							
Group Level Risk: Strategic & Commercial		Failure to comply with the EPA agreement	D2 / B3	C. Yeilding	<div></div>	EPA agreement completed in March 2019.	
Group Level Risk: Strategic & Commercial		BP America Geopolitical	C2 / B4	M. Streett	<div></div>	Global risks continue to grow, all controls still in place and operating effectively	
A2. Additional Significant Business Risks (not submitted to Group)							
Risk Level		Risk Description	Severity	ELT Owner	Status	Comments	
Significant Business Risk		Failure to improve diversity and inclusion	E4	R. Dempsey	<div></div>	Risk profile shifting with increased litigation risks, controls in place and operating.	
Significant Business Risk		Failure to sustain Ethics & Compliance and Business Integrity improvements beyond the term of the Monitor.	E5	S. Dio	<div></div>	Ethics & Compliance Committee established and prioritize BP Values through comms.	
B. Objectives							
Focus	Priorities	Objectives	Owner	Status	Comments		
Group Strategy	Set the tone for safety leadership	Providing data, sharing best practices, and supporting improvement efforts in conjunction with S&OR	G. Cuadra	<div></div>	US Leader "sharing best practices" meeting held, process safety challenge, BP America board material significantly improved.		
		Redacted - First Amendment					
	Advance the Energy Transition and the Low Carbon Agenda	Supporting the advancement of venturing and low carbon energy projects and new technologies.	C. Yeilding	<div></div>	Hosted BP Venturing Team in OTC suite, Princeton annual meeting, brought US perspectives to Low Carbon Days		
		Communicating BP's commitments and objectives internally and externally, positioning BP as a leader in the transformation.	M. Streett	<div></div>	- Bloomberg TV engagement - Hosting WSJ in Permian and methane article - Calysta investment announcement		
		Leading National Petroleum Council's carbon capture utilization and storage technology study	C. Yeilding	<div></div>	Study delivered to DOE and NPC Steering Committee in late September as per original timeline. NPC endorsement scheduled for December 11th.		
	Provide oversight and governance	Holding regular and productive meetings of BP America Board of Directors and subsidiary boards	S. Dio	<div></div>	BPA America Meeting Effectiveness Survey in June, and received positive feedback		
		Providing oversight and assurance of completion of residual Deepwater Horizon agreements, legal processes, and other related activities	C. Coburn	<div></div>	COSP claims facility is winding down. Litigation (economic and medical) activity is moving and legal is managing.		
		Providing oversight for major risks and material obligations through reviews at BP America Board meetings	S. Dio	<div></div>	First Risk Review session and BPA Board held on 5/29, and next in Aug 2019.		
		Providing support to Bargaining Governance Board to help balance interests of key stakeholders. Ensuring emergency operating or business continuity plans (EOP) at labor bargaining sites are robust in the event of a work stoppage or other disruption of operations.	S. Dio	<div></div>	All labor agreements ratified in 1Q19.		
		Identifying opportunities to integrate BP America activities to simplify, maximize value, and increase competitiveness for BP.	S. Dio	<div></div>			
	Drive coherence across the U.S. to leverage synergies and enhance competitiveness	Strengthening relationships with multi business/ multi segment suppliers and drive competitiveness through collaborative relationships. Drive the supplier diversity agenda.	S. Dio	<div></div>	Stakeholder Map under development, engagement opportunities enhanced through Diamond Club and Houston Open.		
		Providing crisis and business continuity leadership for Group level audit findings and where events span multiple businesses or segments, impact BP reputation at a national level, or threaten BP license to operate in the U.S.	G. Cuadra	<div></div>	Document updated and reviewed by CST. Training completed. Table-top exercise pending. Group audit finding well organized and on track.		
		Clarifying and consolidating national and local agendas to link together business strategy, local investments, community outreach, and communications.	M. Streett	<div></div>	- AHA partnership - Astros Foundation sponsorship of the Houston Open - International African American Museum		
		Redacted - First Amendment					
U.S. Businesses	Advance BP's reputation	Seeking targeted opportunities to speak at public forums and with special interest groups to convey BP's leadership position and transformative investments.	S. Dio	<div></div>	OTC, Rest of LT to support. Video and slidepack needed to support.		
		Leveraging major trade groups, NGO's, boards, and external events in service of top Group and business priorities.	M. Streett	<div></div>	- EDF visit to East Texas to demonstrate advanced technology for improved methane leak detection and repair		
	Diverse and Respectful Workplace	Providing oversight of and promoting BP's Values & Behaviors and Code of Conduct in the U.S.	S. Dio	<div></div>	People reset meeting held; focus on rewarding V&B through energize and cash awards.		
		Leading a U.S.-wide Diversity & Inclusion program that complements businesses' diversity activities, progresses ambitions, and underpins a culture of inclusion in the workforce.	R. Dempsey	<div></div>	Positive progress across all dimensions. GL/SLL component of US Minority ambition threshold reached.		
		Ensuring that employee benefits are competitive and reflect BP's values	S. Dio	<div></div>	Benefits committee in action.		
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Our People	Employer of Choice	Embedding an effective speak-up culture and the integrity of the Employee Concerns program to encourage reporting and handling of concerns at the earliest opportunity.	C. Yeilding	●	Values and Behaviors sessions deferred to 3Q post-reorg. E&C audit postponed to second half 2019 due to reorg.
		Developing a Houston office long-term plan and securing funding for ongoing modernization efforts.	G. Cuadra	●	Report issued and endorsed. Pending financial approvals.
		Delivering the BP America People Plan	M. Williams	●	BP America Organizational Review completed and signed off in Aug 2019. Currently in implementation mode with expectation to stand-up new organization by Sep 16th.
	E&C / BI	Enhancing the employee experience with a focus on building a sense of community and wellbeing as part of the Westlake culture.	G. Cuadra	●	Progress made. Hospitality resources onboarded and training in-progress. Obtaining new resources and support.
		Optimizing BP Foundation to support employees contributions and natural disasters.	R. Dempsey	●	Completing backlog issues in employee matching. Updating processes to improve employee experience.
		Establishing a BPA Ethics & Compliance Committee and utilizing it to sustain and improve on the progress made under the Ethics Monitor.	C. Yeilding	●	Initial meeting held in February, Courage conversation developed and distributed. 3rd E&C meeting to be held 8/22 in Chicago.
		Tracking performance data and engaging in material breaches to assure proper controls are in place, consistency across the U.S., and to identify emerging risks.	S. Dio	●	Ethics and Compliance Committee in action

C. KPIs							
		Unit	2018 Actual	2019 Plan	2019 LE	Status	Comments
Group Strategy							
HSSE (Gabe)	US Recordable Injury Frequency	Rate	0.34	0.00	0.24	●	As of June 30, 2019.
HSSE (Gabe)	T1+T2 Incidents per 200K hrs for all US Businesses, per Orange Book Data	Rate	0.14	0.10	0.22	●	Significant improvement in 2Q vs 1Q.
GHG Emissions (Gabe)	Reduction in emissions (2017 was 50.5 MteCO2 equivalent)	%		1		○	Pending update
Cyber Security (Finance)	Team score published	%	76	80	88	●	BPA Score of 88 in June 2019, compared to 91 as of March 2019 and 84 as of Dec 2018.
Gross Cash Costs (Finance)	CCUS budget approved, self-help options to mitigate other pressures	\$	95.9	88.6	89.1	●	Need plan to realize overview cost reductions of \$3.6m. Requesting relief for \$0.5m increased CCUS support costs.
Headcount - BP (Finance)	FTE	FTE	110	110	110	●	To be reviewed post ReOrg.
US Businesses							
Legislation and Regulatory (Mary)	Delivery of entity plans as agreed with regional and segment leadership	%		90		●	Entity plan delivery on track; as measured by quarterly reviews.
Synergies & Competitiveness (Mary)	Projects; Identify opportunities to leverage synergies between regions / segments or between functions to deliver increased business value and competitiveness	#		5		●	On track. E.g. Realigned Houston sponsorship activities to better align with global employee wellness offer.
Our People							
Diversity & Inclusion (Ray)	Supplier Diversity Annual Spend	%	3.3% (\$538m)	4%		●	Spend at 3.5% through midyear, risk of losing key supplier in downstream in 3Q.
	Delivery of BPA D&I Annual Plan	%	95%	95%	100%	●	All activities are on track.
V&B / E&C (Cindy)	U.S. Wide People Assurance Participation	%		80%		●	Measure in 3Q after Pulse Survey. Pulse Survey launched on Aug. 5th, followed by Susan Dio support on Aug. 6th.
Modern Work (Gabe)	Deliver FM3 Scope ex. Basement	date	NA	Q3	30-Aug	●	Initial health inspection passed.
	Increase in GoM Leesman Survey Results	%	53.20%	15		●	Measure in 4Q

●	On-track
●	Needs SPA internal intervention
●	Needs BP support intervention
●	Likely not deliverable