

| 2017 Delivery Plan - BP America  |   |  |                  |                                  |               |  | BP Confidential   |        | June 13th, 2017 |
|--|---|--|------------------|----------------------------------|---------------|--|---|--------|-----------------|
| Mission  | <b>Mission</b> - Defend and support BP's US businesses to maximize shareholder value. <b>We serve this mission by:</b> <ul style="list-style-type: none"><li>Building and maintaining <b>relationships</b> with government and communities to <b>ensure strong business support</b></li><li>Mitigating <b>external threats</b> and leveraging <b>opportunities</b> to support business objectives</li><li>Providing <b>connectivity</b> between BP Group and US businesses, <b>overseeing</b> ethics and compliance, US benefits, and diversity &amp; inclusion</li><li>Determining <b>BP's positions</b> and developing <b>key messages on US policy</b></li><li>Maintaining the <b>corporate governance</b> process, providing <b>oversight</b> of external obligations</li><li>Protecting and promoting BP's <b>reputation</b> as a safe, reliable and a compliant operator with employees, shareholders, and customers</li><li>Providing <b>internal and external coherence</b> across BP's US businesses</li></ul> |  |                  |                                  |               |  |   |        |                 |
| <b>A1. Group-Level Risks*</b>  |   |  |                  |                                  |               |  |   |        |                 |
| Risk Level   | Risk Description  |  |                  | Net Risk / Worst Credible Impact | SPA           | Commentary   |   | Status |                 |
| Group Level Risk: Strategic & Commercial - Failure to maintain underlying business | Damage to BP's Reputation   |  |                  | D4 / C                           | Geoff Morrell | Fundamental controls and contingencies still good. Reputation work plans reflect updated engagement plans. |   |        |                 |
| Group Level Risk: Strategic & Commercial - Failure to maintain underlying business | Harmful New US Regulatory and Tax Policies  |  |                  | D6 / C                           | John Mingé    | Tax Policy/Rule plan continues to address this risk  |   |        |                 |
| Group Level Risk: Strategic & Commercial - Failure to maintain underlying business | Compliance with the EPA Agreement   |  |                  | D2 / C                           | John Mingé    | Compliance Team in place with gatekeepers and SPAs. Monthly reports and quarterly Board updates.           |   |        |                 |
| <b>A2. Additional Significant Business Risks (not submitted to Group)</b>          |   |  |                  |                                  |               |  |   |        |                 |
| Risk Level   | Risk Description  |  |                  | Severity                         | ELT Owner     | Commentary   |   | Status |                 |
| Significant BPA Business Risk  | Failure to effectively transition Ombudsman Activity  |  |                  | E3                               | Randy Latta   | Activities fully transitioned into E&C and BI. Controls and monitoring in place and operating effectively. |   |        |                 |
| Significant BPA Business Risk  | Failure to manage bribery and corruption risks  |  |                  | E3                               | Abdinasir Ali | Review Community Investment Policy in 2017 to ensure corporate giving is in line with the CoC              |   |        |                 |
| Significant BPA Business Risk  | Risk of loss or unavailability of DWH data  |  |                  | E3                               | Craig Coburn  | Controls and contingencies in place and operating effectively.   |   |        |                 |
| Significant BPA Business Risk  | Failure to improve diversity and inclusion  |  |                  | E5                               | Ray Dempsey   | New construct for D&I established 1/2017. Minority Ambition underway                                       |   |        |                 |
| <b>B. KPIs</b>   |   |  |                  |                                  |               |  |   |        |                 |
|  | Unit  | Owner  | 2016 Actual      | 2017 Plan                        | 2017 Actual   | 2017 LE  | Comments  | Status |                 |
| Safety   | RIF   | JCM  | 0.0              | 0.0                              | 0.0           |  | See KPI review slides   |        |                 |
| EPA External Compliance  | Delivery  | JCM  | 100%             | 100%                             | 100%          |  | 2016 Annual report issued 3/29/17. EPA audit reported expected late July  |        |                 |
| Gross Cash Costs   | \$m   | JCM  | 82               | 79                               |               | 81   | See KPI review slides<br>McKinsey incremental spend not in LE   |        |                 |
| Headcount - BP Staff   | FTE   | JCM  | 82               | 82                               |               | 87   | See KPI review slides   |        |                 |
| Headcount - Contractors  | FTE   | JCM  | 6                | 6                                |               | 6  | See KPI review slides   |        |                 |
| <b>C. BP America Priorities</b>  |   |  |                  |                                  |               |  |   |        |                 |
| Category   | Priorities**  | 2017 Objectives  |                  | Owner                            | 2017 Plan     | Status   | Comments / Assumptions  |        |                 |
| Governance & Oversight   | Governance/DWH (6)  | Provide oversight and assurance of completion of residual DWH agreements and activities  |                  | JCM                              | ✓             |  | McKinsey work extended, still on track for delivery with DOJ  |        |                 |
|  |   | Provide oversight for all material obligations   |                  | Craig Coburn                     | ✓             |  | Impacts of recent 495 ruling under review   |        |                 |
|  |   | Support integrity of the corporate governance process  |                  | Susan Baur                       |               |  | 2017 meetings scheduled; creating agenda alignment; review of projects in process   |        |                 |
| <div>Redacted - First Amendment</div>  |   |  |                  |                                  |               |  |   |        |                 |
| Protect & Deliver Value  | Access (8)  | Secure more favorable lease terms (royalty and duration) and greater development flexibility in deepwater GoM through new regulation/legislation |                  | Cindy Yelding                    | ✓             |  | Deliverables on track   |        |                 |
|  | Protect against anti-industry activism (1,3)  | Redacted - First Amendment   |                  |                                  |               |  |   |        |                 |
|  |   | Defeat efforts in Whatcom County to restrict Cherry Point license to operate and future expansion  |                  | Joe Ellis                        | ✓             |  | Did well with comprehensive plan issue, but did not remove all threats  |        |                 |
|  |   | Review and recalibrate resourcing requirements in high risk areas to address long term threat from anti-industry activism                        |                  | Geoff Morrell                    |               |  |   |        |                 |
|  |   | Preserve the role of gas as a destination fuel by working with regulators and ENGOs  |                  | Bob Stout                        | ✓             |  | Deliverables on track   |        |                 |
|  | Support API efforts to change oil and gas industry narrative and improve perception among Millennials   |  | Liz Sidoti       |                                  |               |  |   |        |                 |
| Energy Transition (4)  | Provide analysis of energy transition trends in US policy and potential impact on BP  |  | Seymour Khalilov | ✓                                |               | Deliverables on track  |   |        |                 |
| Remediation (10)   | Assure the right oversight is in place for execution plans consistent with strategies for each RM site  |  | JCM              |                                  |               |  |   |        |                 |
| People   | D&I (7)   | Progress the US minority ambition, strengthen D&I performance in the workforce   |                  | Ray Dempsey                      | ✓             |  | Minority Ambition launched, implementation plan underway  |        |                 |
|  |   | Identify and develop minority owned businesses to expand the pool of qualified vendors/suppliers   |                  | Ray Dempsey                      |               |  | YE 2016 MWBE spend up to 3.3% vs 2.7% at YE 2015  |        |                 |
|  | Capability (11)   | Deliver BP America People Plan   |                  | Khymerly Booth                   |               |  | People Plan in place, managed through people forum meetings, first meeting held in Q2                                     |        |                 |
| Coherency  | One BP leadership (11)  | Support morale and motivate staff leveraging BP America identity and tone from the top on Values&Behaviors, E&C, and Code of Conduct             |                  | JCM                              |               |  | Program delivery plan underway 1Q   |        |                 |
|  |   | Provide leadership and oversight for US employee programs via the Benefits Committee   |                  | JCM                              |               |  | Meetings to be set on a qtrly basis. Upcoming discussions on fiduciary rules, stock purchase and possible new investments |        |                 |
|  | Reputation (11)   | Build relationships and establish credibility with new government officials, especially senior members of Trump administration                   |                  | Geoff Morrell                    | ✓             |  | Deliverables on track   |        |                 |
|  |   | Educate new government officials about BP's US economic impact   |                  | Geoff Morrell                    |               |  |   |        |                 |
|  |   | Build and maintain relationships with local government and communities to ensure business support  |                  | Joe Ellis                        |               |  |   |        |                 |
|  |   | Continue to improve perception of BP as a 'safe and reliable operator' among target audiences  |                  | Liz Sidoti                       | ✓             |  | Deliverables on track   |        |                 |
|  | Balance group climate commitments against new political realities in the US   |  | Geoff Morrell    |                                  |               |  |   |        |                 |
| Outreach (11)  | Leverage BP membership in major trade groups, boards, and participation in events in service of top business priorities   |  | Cindy Yelding    | ✓                                |               | Deliverables on track  |   |        |                 |

### **Provide oversight for all material obligations**

*During 2017 further resolve outstanding claims (substantially winding up the DHECC) and positioning BP to litigate the remaining 'tail' i*

1. Plan on DHECC wind down and agreed structure with PSC and court to support residual activity
2. Fit for purpose process for addressing Backend Litigation on Medical Settlement
3. Plan to address remaining 'tail' litigation

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## **Defeat efforts in Whatcom County to restrict Cherry Point license to operate and future expansion**

*Defeat or significantly mitigate efforts by the Whatcom County Council to restrict Cherry Point's ability to operate and expand while bolstering Cherry Point's standing with voters and policy makers to improve the landscape in which we operate for the long-term.*

### **Q1 Deliverables**

1. Conduct education meetings with every Cherry Point employee and contractor.
2. Meet with each member of the Planning Commission and County Council.
3. Execute paid media plan.
4. Mobilize all allies to attend public hearings.

### **Q2 Deliverables**

1. If County Council adopts harmful language in 1Q and the company opts to pursue a legal remedy, create and execute a long-term campaign
2. Continue educating employees and shoring up support among allies to mitigate policy risks in the future and create a healthier policy environment
3. Create sustainable effort by Whatcom Business Alliance to educate voters about Whatcom County's opportunity to have good jobs and additional business investment while also preserving a healthy environment.
4. Complete the ongoing assessment of how resources are being used to ensure alignment with business objectives and recommend calibration

### **Q3 Deliverables**

1. Continue educating employees and shoring up support among allies to prepare for mobilization for public hearings.
2. Continue executing long-term campaign to bolster Cherry Point with policy makers.

### **Q4 Deliverables**

1. Continue educating employees and shoring up support among allies to prepare for mobilization for public hearings.
2. Continue executing long-term campaign to bolster Cherry Point with policy makers.

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onment to protect Cherry Point long-term.

ion of external spend.

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## **Analysis of US policy on energy transition & potential impact on BP**

*Assess current and emerging developments and policies in the US with potential impact on long-term structure of US energy systems an*

### **Q1 Deliverables**

1. Detailed scope of the study and delivery plan

### **Q3 Deliverables**

2. Analysis (slide pack)

*d BP businesses in the US.*

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## **Reputation – Safety Campaign**

*Continue to improve the perception of BP as a “safe and reliable operator” among target audience*

### **Q1 Deliverables**

1. Roll out new safety ads by mid-March.
2. Improve or maintain safety metrics in polling among target audiences.
3. Amplify the new content internally to educate and empower employees.

### **Q2 Deliverables**

1. Improve or maintain safety metrics in polling among target audiences.
2. Continue to amplify the new content internally to educate and empower employees.
3. Create new “sponsored content” with media companies.

### **Q3 Deliverables**

1. Improve or maintain safety metrics in polling among target audiences.
2. Decide whether we will continue to advertise during remainder of year.

### **Q4 Deliverables**

1. Improve or maintain safety metrics in polling among target audiences.
2. Determine 2018 advertising strategy.

*s so that we can continue to protect and expand our license to operate in the U.S.*