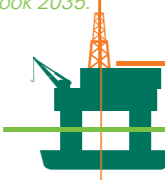







# Our progress in 2013

We aim to meet the world's energy needs by creating long-term value for both our shareholders, and the societies and economies in which we operate. Here we report on where we are today and our plans for the future.

	The energy future	Our people	How we operate
<b>What we said we would do</b>	<p>We seek to meet the growing demand for secure, affordable energy, while addressing climate change and other issues.</p> <ul style="list-style-type: none"> <li>Assess long-term global and regional patterns of energy demand and supply.</li> <li>Investigate the effects of natural resource scarcities on patterns of energy supply and consumption.</li> <li>Fulfil the commitment we made in 2005 to invest \$8 billion in alternative energy by 2015.</li> </ul>	<p>We value diversity of people and thought, and we aim to treat everyone at BP with respect and dignity.</p> <ul style="list-style-type: none"> <li>Work for 25% of our group leaders to be women by 2020.</li> <li>Recruit 40% of our graduate intake from outside the UK and US in 2013.</li> <li>Further embed our values throughout the business.</li> </ul>	<p>We strive to be a world-class operator, a responsible corporate citizen and a good employer, with a relentless focus on safety.</p> <ul style="list-style-type: none"> <li>Issue a policy to provide a consistent framework for identifying and managing BP's exposure to risks associated with non-operated joint ventures.</li> <li>Screen for environmental and social impacts in planning major projects.</li> <li>Develop deeper, longer-term relationships with selected contractors in our Upstream business.</li> </ul>
<b>Where we are today</b>	<p>Extended forecasts for world energy markets in <i>BP Energy Outlook 2035</i>.</p> <p><b>15</b> universities took part in our Energy Sustainability Challenge programme.</p> <p><b>\$8.3bn</b> invested in alternative energy since 2005, meeting our commitment two years ahead of schedule.</p> 	<p><b>18%</b> of group leaders are female.</p> <p><b>44%</b> of our graduate intake recruited from outside the UK and US.</p> <p><b>12</b> percentage point increase in employee understanding of BP values and how they relate to their work.</p> 	<p>Non-operated joint venture policy launched.</p> <p><b>91</b> projects completed the screening process from April 2010 to the end of 2013.</p> <p><b>37%</b> increase in spend under global agreements with upstream contractors and suppliers.</p> 
<b>What we plan to do next</b>	<ul style="list-style-type: none"> <li>Help meet the growing energy demand through a diverse mix of fuels and technologies.</li> <li>Continue to engage with our stakeholders on climate change.</li> <li>Further improve fuel efficiency through the use of our branded fuels and engine oils.</li> </ul>	<ul style="list-style-type: none"> <li>Further increase the number of women in leadership positions and build on our work to encourage other forms of diversity.</li> <li>Focus on global graduates through the development of programmes to achieve a consistent approach around the world.</li> <li>Enhance how we manage ethics and compliance risks by targeting priority areas of our business.</li> </ul>	<ul style="list-style-type: none"> <li>Assess how the non-operated joint venture policy is being applied.</li> <li>Evaluate our current screening process to help projects identify and assess socio-economic sensitivities and impacts.</li> <li>Look for opportunities to continue to support a local supply chain.</li> </ul>
<b>For more information</b>	<ul style="list-style-type: none"> <li>Read our view on the concept of unburnable carbon on page 14.</li> <li>View our programme of action to manage carbon and climate risk on page 15.</li> </ul>	<ul style="list-style-type: none"> <li>View statistics on our workforce profile at <a href="http://bp.com/people">bp.com/people</a>.</li> <li>Read about our code of conduct on page 23.</li> </ul>	<ul style="list-style-type: none"> <li>Read about our approach to working with our contractors and partners on page 27.</li> <li>View BP's approach to managing risk at <a href="http://bp.com/riskmanagement">bp.com/riskmanagement</a>.</li> </ul>

	Safety	Environment	Society
<b>What we said we would do</b>	<p>Everything BP aims to do as a company relies upon the safety of our workforce and the communities around us.</p> <ul style="list-style-type: none"> <li>Continue to embed our operating management system (OMS).</li> <li>Conduct self and independent assurance that confirms our conduct of operating.</li> <li>Appoint an independent expert to provide an objective assessment of our progress in implementing the Bly Report recommendations.</li> </ul>	<p>We work to avoid, minimize and mitigate environmental impacts wherever we do business.</p> <ul style="list-style-type: none"> <li>Assess which operations are in water scarce areas to understand associated risks.</li> <li>Seek to work collaboratively with government regulators in planning for oil spill response.</li> <li>Focus efforts on energy efficiency where it is relevant for local business management.</li> </ul>	<p>We seek to have a positive impact on the communities and societies in which we operate.</p> <ul style="list-style-type: none"> <li>Update our risk processes to better describe the potential socio-economic consequences from incidents.</li> <li>Continue to support community development programmes.</li> <li>Develop human rights training, prioritizing specific businesses and functions.</li> </ul>
<b>Where we are today</b>	<p><b>20</b> Our reported tier 1 process safety events are down from 43 to 20.</p> <p>Independent expert assessing progress in implementing the Bly Report recommendations.</p> <p><b>3</b> lines of defence to support safe and reliable operations.</p> 	<p>Around half of our major operations withdraw fresh water in areas of water stress or scarcity.</p> <p><b>8%</b> improvement in energy intensity at our Toledo refinery in the US from 2010 to 2013.</p> <p>Lessons shared on oil spill response with regulators in Azerbaijan, Brazil and Libya.</p> 	<p>Socio-economic risk criteria developed.</p> <p><b>\$78.8m</b> spent on community investment.</p> <p><b>21</b> human rights training events conducted.</p> 
<b>What we plan to do next</b>	<ul style="list-style-type: none"> <li>Continue to use the performance improvement cycle to align business practices with our OMS.</li> <li>Further develop the self verification capability of operations.</li> <li>Maintain our progress towards completing the outstanding recommendations of the Bly Report.</li> </ul>	<ul style="list-style-type: none"> <li>Investigate water management approaches taking into account our operations' life cycle water demand and local water resources.</li> <li>Continue to develop modelling tools to better predict the consequences of an oil spill to land.</li> <li>Share lessons learned at Toledo with our other refineries around the world.</li> </ul>	<ul style="list-style-type: none"> <li>Test the socio-economic risk criteria with our businesses.</li> <li>Update our framework for managing social investment.</li> <li>Deliver human rights workshops in other priority areas.</li> </ul>
<b>For more information</b>	<ul style="list-style-type: none"> <li>Read about how we are working to prevent incidents at our operations on page 30.</li> <li>See progress updates on implementing the recommendations of the Bly Report at <a href="http://bp.com/internalinvestigation">bp.com/internalinvestigation</a>.</li> </ul>	<ul style="list-style-type: none"> <li>View the ratios for GHG emissions to upstream production, refining throughput and chemicals produced at <a href="http://bp.com/greenhousegas">bp.com/greenhousegas</a>.</li> <li>See how we are using IPIECA's Global Water Tool to manage water risks at <a href="http://bp.com/water">bp.com/water</a>.</li> </ul>	<ul style="list-style-type: none"> <li>See how we are working to align with the UN Guiding Principles on Business and Human Rights at <a href="http://bp.com/humanrights">bp.com/humanrights</a>.</li> <li>See how we are working with local suppliers in Azerbaijan on page 42.</li> </ul>