

Governments and communities

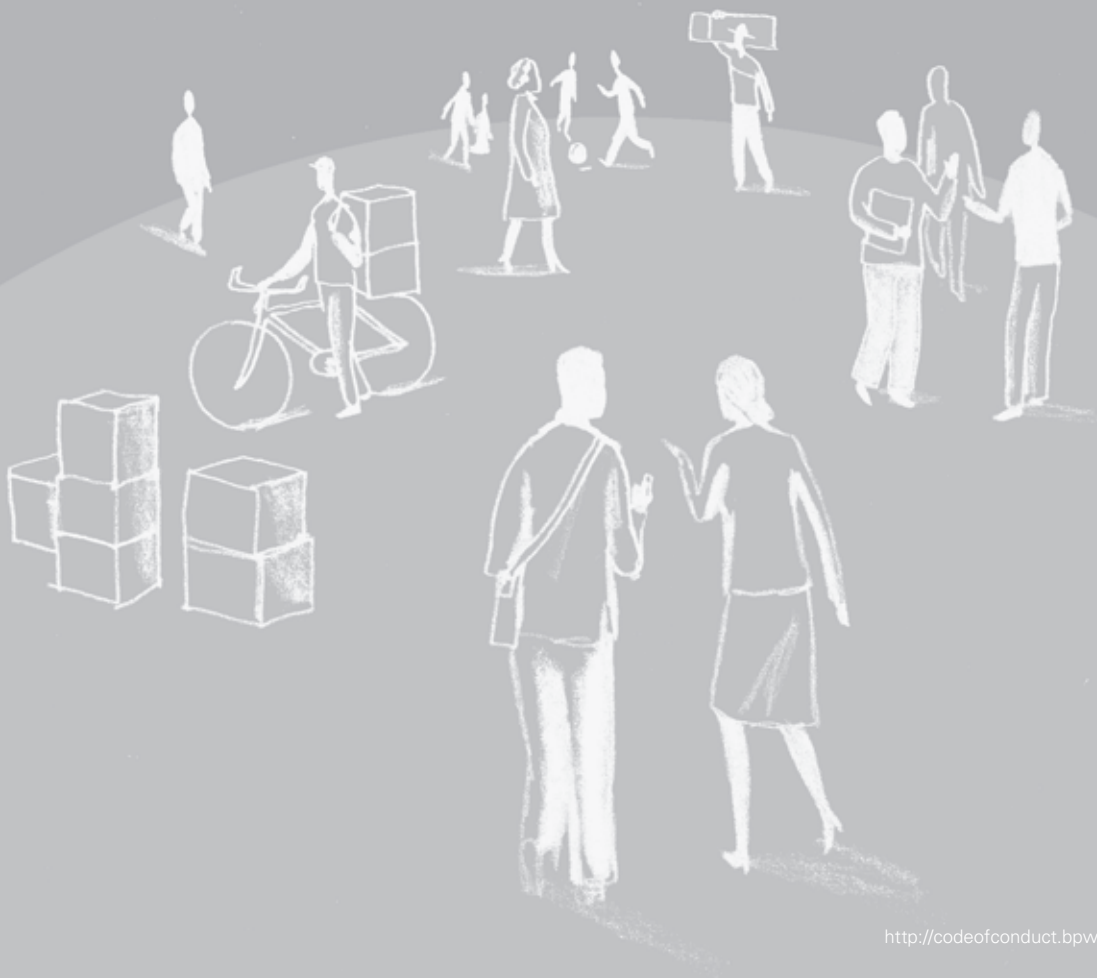
Our aim is that countries and communities in which we operate should properly benefit from our presence – through the wealth and jobs created, the skills developed within the local population and the investment of our time and money in people. We will work towards improvements that are measurable and contribute to the real, independent growth of communities where we operate.

We will not engage in bribery or corruption in any form. Corruption is the enemy of development and human progress, and we are committed to transparency in all our dealings.

We will engage constructively with all governments in whose jurisdiction we operate. We will not participate in partisan political activity, and will make no political contributions in any country.

We will seek to form a constructive and productive relationship with all branches of the media.

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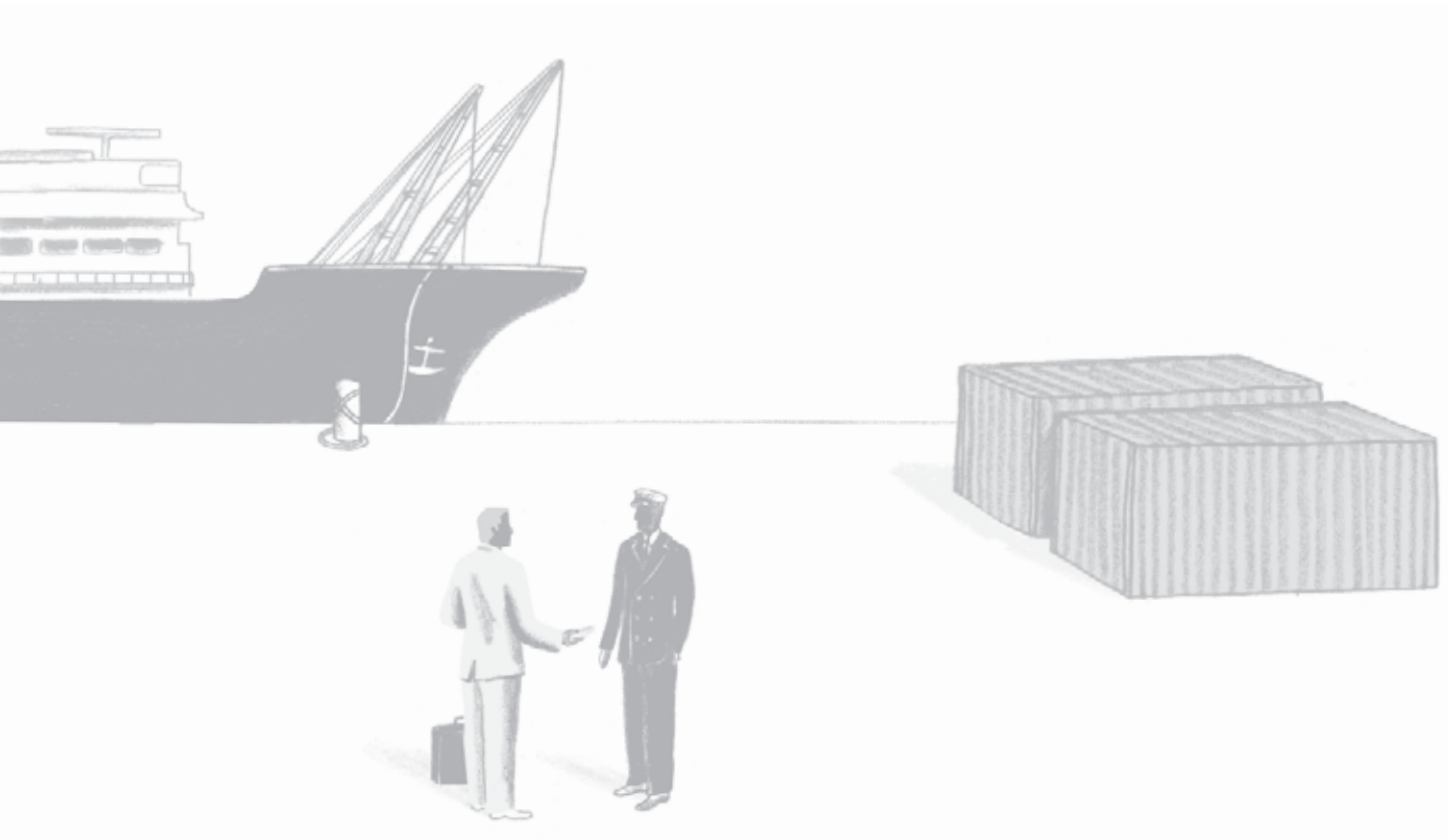
Bribery and corruption

Bribery means giving or receiving an undue reward to influence the behaviour of someone in government or business to obtain commercial advantage.

Most countries have laws that prohibit corruption. In addition, an increasing number of countries are adopting laws to prohibit bribery even when it is committed **outside** these countries' own borders – i.e. paid to a foreign governmental official. A breach of any of these laws is a serious offence which can result in fines for companies and imprisonment for individuals. Even the appearance of a breach of anti-bribery or anti-corruption laws could do incalculable damage to BP's reputation.

Anti-bribery and anti-corruption laws

- Apply to BP employees worldwide.
- Forbid making, offering or promising to make a payment or transfer anything of value, including the provision of any service, gift or entertainment, to government personnel and other officials for the purpose of improperly obtaining or retaining business, or for any other improper purpose or business advantage.
- Forbid making improper payments through third parties – BP personnel must therefore be diligent in selecting and monitoring contractors, agents and partners.
- Require that companies keep accurate books and records so that payments are honestly described and company funds are not used for unlawful purposes.



Basic rules you must follow

Never

- Offer or make an unauthorized payment, or authorize an improper payment (cash or otherwise) to a local or foreign official, or any related person or entity.
- Attempt to induce a local or foreign official to do something illegal.
- ‘Shrug off’ or fail to report any indication of improper payments.
- Offer or receive money (or anything of value), gifts, kickbacks or commission, in relation to obtaining business or awarding contracts.
- Establish an unrecorded ‘slush’ fund for any purpose.
- Do anything to induce or facilitate someone else to break these rules.
- Permit an agent or representative of BP to take questionable actions (‘looking the other way’).

BP rules on facilitation payments*

BP policy does **not** permit so-called ‘facilitation’ or ‘grease’ payments to be made to government officials, even if such payments are nominal in amount.

(*‘Facilitation payments’ are payments made to secure or speed up routine legal government actions, such as issuing permits or releasing goods held in customs.)

Commercial bribery

Bribery of government officials is a serious matter, but bribery of those working in the private sector is also often illegal and always against BP’s own standards of business conduct. In the end, bribery is bribery regardless of the recipient.

- i** For further information on bribery laws, contact BP legal. In addition, as a general matter, if you are involved in international business, contact BP legal to make sure you understand the policies – local or international – that may apply to your business activities.

For further guidance, refer to the *Accurate and complete data, records, reporting and accounting* and also *Money laundering* sections of this code.

Q I was told that I could hire a consultant to take care of getting all the permits we need from a foreign government. He requested a \$40,000 retainer and said that he would use the money to ‘help move the process along’. Since we don’t really know where the money is going, do we have to worry about it?

A Yes, you do have to worry about it. You must know where that money is going and for what purpose it is being used. Moreover, your company is required to take steps to ensure that this money is not used as a bribe. Seek the advice of your line manager or BP legal immediately.

You may have worked previously for, or have colleagues at, another company that allows facilitation payments to be made. BP does not.

Dealing with governments

Being transparent in our communications about our performance (whether good or bad) increases trust in our activities, and makes others wish to do business with us.

Government or regulatory agency enquiries or investigations

If you have contact with government officials during your work, or are asked to provide information in connection with a government or regulatory agency enquiry or investigation, you must make sure that any information you provide is truthful and accurate, and that BP's legitimate interests are protected. Always seek advice from BP legal and your line manager (who may consult the local communications & external affairs team) before responding to a non-routine request for information from a government or regulatory agency (for definition of such non-routine requests, see the *Political activity* section of this code).

Basic rules you must follow

Never

- Mislead any investigator or other government or regulatory official.
- Attempt to obstruct in any manner the collection of information, data, testimony or records by properly authorized government or regulatory officials (if in doubt, consult BP legal).
- Conceal, alter or destroy documents, information or records that are subject to an investigation or enquiry (if in doubt, consult BP legal).
- Attempt to hinder another employee from providing accurate information.
- Retaliate against anyone who co-operates with the government or regulatory agencies.

Always

- Co-operate courteously with officials conducting a government or regulatory agency enquiry or investigation.
 - However, where the request is non-routine, notify and seek advice from BP legal and your line manager before responding.
- Make sure that records and information relevant to any government or regulatory agency enquiry or any litigation are preserved.
 - Make sure that any automatic systems, including electronic systems, for record disposal are stopped to avoid destruction of relevant records and information relating to such circumstances.

(See also the *Accurate and complete data, records, reporting and accounting* section of this code – *Record retention* – page 60.)

Community engagement

Community engagement in areas of operation

At BP we seek to engage in open and transparent dialogue and consultation with communities and other representatives of civil society – e.g. recognized international non-governmental organizations (NGOs) – who have a legitimate interest in our operations.

Basic rules you must follow

Always

- Comply with local laws and regulations in each community and country in which you work.
- Respect the cultures and varying business customs of those communities and countries (as long as they do not conflict with the principles in this code).
- Seek to recruit qualified local personnel, where practical.
- Notify contact with designated international NGOs to your line manager and your local communications & external affairs (C&EA) team in advance of engaging in dialogue.

We encourage employee participation in support of local community development initiatives and civic causes. (However, you need to be careful to avoid conflicts of interest – for further guidance on this, see the *Conflicts of interest* section of this code.)



External communications

Investors, analysts and the media

External communications with these audiences require careful consideration and a unique understanding of legal and media issues. Only those employees specifically authorized to do so may respond to enquiries from members of the investment community (e.g. shareholders, brokers, investment analysts, etc.).

Basic rules you must follow

Always

- Take advice from the press office or investor relations before talking about company matters with a reporter or analyst, either on or off the record.
- Report enquiries promptly to the press office or investor relations as appropriate, and take their advice before responding.

External speaking engagements

Basic rules you must follow

- Statements of BP's existing financial position and forward-looking financial statements may be made only by properly authorized officers of the company.
- Non-financial formal speaking engagements on behalf of the company must be cleared by your senior leadership, in consultation with the local C&EA team.
- Even where the venue is informal, such as a trade association event, if possible, seek review of your presentation by your line manager and in all cases take care not to cause any harm to the reputation of the BP group.

i The communications & external affairs (C&EA) function exists to ensure consistent communications with all our key external audiences. It is critical that our communications with external audiences are managed in a co-ordinated way.

If you have any doubts or concerns in this area, raise them with your line manager or with your local C&EA representative.

Q I have just received an invitation to attend a hearing of a government/local authority committee as an expert industry witness. How should I respond?

A You must seek advice from your line manager and from the local C&EA team as to whether you (or another) should attend; they will give you any necessary guidance for the hearing itself.



Political activity

Corporate political activity

BP's approach on corporate political participation is very simple and applies everywhere we do business:

- The company will *not* participate directly in party political activity.
- The company will make *no* political contributions, whether in cash or in kind, anywhere in the world.

Personal political activity

BP recognizes employees' rights to participate as individuals in the political process, in ways that are appropriate to each country. However, you must be careful to make clear that you do not represent the company as you participate in the political process.

Basic rules you must follow

- Do not use company time, property or equipment to carry out or support your personal political activities. In short, engage in the political process in your own time and with your own resources.
- Always make clear that your views and actions are your own and not BP's.
- If you plan to seek or accept a public office, notify your manager in advance. You should discuss whether your official duties might affect your work and work constructively with your manager to minimize any adverse impact on your job.

Lobbying/advocacy

Although BP will not directly participate in party politics, the company will continue to engage in policy debate on subjects of legitimate concern to the group, its staff and the communities in which it operates, by processes such as lobbying.

Basic rules you must follow

- Lobbying activity on behalf of the interests of BP is highly regulated by law. Our communications & external affairs team (C&EA) is responsible for this activity.
- Consult your line manager before any non-routine contact is made with government officials or employees. Non-routine is defined as:
 - Other than as required by normal government processes and monitoring contacts.
 - Relating to government policy or legal/regulatory changes.



i Contact your line manager or local C&EA team if you are in doubt as to whether an activity is appropriate, or might be subject to misinterpretation.

If you feel uncomfortable about reporting something directly to line management, you can seek advice from **OpenTalk**.

Q I attended a fundraising dinner for a pro-business candidate for a local office position. Since this candidate takes positions favourable to our interests, can I get this expense reimbursed by BP?

A No. Reimbursement of this expense would amount to a contribution by BP and would not comply with BP's prohibition against political contributions. As an individual, you are of course free to support the candidate because you believe in their policies.

Q Our business has from time to time made contributions to local governments, such as material for science training programmes, solar education materials, and surplus BP equipment. Are these donations allowed by the code?

A Yes. In-kind contributions of materials to schools or local governments are a critical feature of BP's community relations in some areas and are allowed by the code. However, any contributions of this sort must be handled by your local C&EA team.