

Supplementary Information

The information below has been provided to enhance understanding of the terminology and performance measures that have been used in the accompanying presentations.

Group measures

The following non-GAAP measures or associated adjustments are defined in Glossary on pages 29-31 of our third-quarter 2017 results announcement:

- Adjusted effective tax rate.
- Free cash flow.
- Inorganic capital expenditure.
- Net debt and net debt ratio (gearing).
- Non-operating items.
- Operating cash flow.
- Organic capital expenditure.
- Organic cash balance
- Underlying RC profit or loss.

Downstream underlying earnings growth

Improvement in underlying replacement cost profit before interest and tax, adjusted for refining environment, foreign exchange, turnaround and portfolio impacts.

Organic free cash flow

Organic free cash flow is operating cash flow less organic capital expenditure. Organic free cash flow excludes any pre-tax impacts from the Gulf of Mexico oil spill.

Adjusted effective tax rate (ETR)

The adjusted ETR is calculated by dividing taxation on an underlying RC basis excluding the impact of the reduction in the rate of the UK North Sea supplementary charge in the third quarter 2016 by underlying RC profit or loss before tax. Taxation on an underlying RC basis is taxation on a RC basis for the period adjusted for taxation on non-operating items and fair value accounting effects.

	%				
	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017
Effective tax rate (ETR) on profit or loss	(19)	12	29	83	41
Adjusted for inventory holding gains or losses	3	(650)	-	(20)	2
ETR on replacement cost (RC) profit or loss	(16)	(638)	29	63	43
Adjusted for non-operating items and fair value accounting effects	(7)	648	4	(3)	(3)
Underlying ETR	(23)	10	33	60	40
Adjusted for the impact of the reduction in the rate of the UK North Sea supplementary charge	60	-	-	-	-
Adjusted ETR	37	10	33	60	40

Underlying operating cash flow

Underlying operating cash flow is net cash provided by operating activities excluding pre-tax amounts related to the Gulf of Mexico oil spill.

	\$ billion		
	Q3 2016	Q2 2017	Q3 2017
Net cash provided by operating activities	2.5	4.9	6.0
Add back: Pre-tax amounts related to the Gulf of Mexico oil spill	(2.3)	(2.0)	(0.6)
Underlying operating cash flow	4.8	6.9	6.6