



BP in Angola  
Sustainability Report 2006



## The BP group

BP provides fuel from oil and gas and from other low-carbon sources for transportation, energy, heat and light and retail brands and products used in everyday life. We operate globally, with business activities and customers in around 100 countries and more than 97,000 employees. We have exploration and production interests in 26 countries. Just under 40% of our fixed assets are located in the US and around 25% in the UK and the rest of Europe.

In 2006, the BP group produced the equivalent of almost 4 million barrels of oil and gas per day for customers across the world. The group's capital spending totalled \$17.2 billion in 2006. On the US Securities and Exchange Commission (SEC) basis of reserves reporting, our reserve replacement ratio was 113% in 2006.<sup>a</sup>

## This report: its scope and process

In BP, we define 'sustainability' as the capacity to endure as a group, by renewing assets, creating and delivering better products and services that meet the evolving needs of society, attracting successive generations of employees, contributing to a sustainable environment and retaining the trust and support of our customers, shareholders and the communities in which we operate.

While we have contributed previously to a 2004 BP Sustainability report covering the Southern Africa region, this is our first account detailing our sustainability performance specifically in Angola. It is published to coincide with the production of first oil from our operations here. Its focus is on activities in 2006, but as it is our first report of this kind, information from previous years is provided where useful.

The report has been prepared by our business in Angola, based in Luanda and Sunbury in the UK. It describes our activities in all the countries where the Angola strategic performance unit (SPU) conducts business. Data is shown for our operations as a whole. In line with BP group reporting practice, we have used a formal process to determine which issues are of most significance to internal and external parties to ensure that the report presents a balanced and reasonable view of our performance.

<sup>a</sup> On a combined basis of subsidiaries and equity-accounted entities, excluding acquisitions and disposals.

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Augusto Caterça, HSE safety adviser,  
on board of the Jack Ryan drilling rig.

## A message from our group auditor, Ernst & Young

We have reviewed the *BP in Angola Sustainability Report 2006* in order to provide assurance to BP management that the data, statements and assertions made regarding the sustainability performance of BP in Angola are supported by evidence or explanation. Our scope of work and conclusions can be found on page 35.

In this report, references to 'BP' and the 'BP group' shall mean BP p.l.c., its subsidiaries and affiliates and, unless otherwise stated, the text does not distinguish between the operations and activities of BP p.l.c. and those of its subsidiaries and affiliates. Unless specified otherwise, references in this report to 'us', 'we', and 'our' shall refer to companies in the BP group operating in Angola.



## A message from BP Angola's country president

We are extremely proud to publish this report, our first sustainability report dedicated to the activities of BP Angola. Its launch in connection with our first oil celebrations is appropriate – marking an important milestone for us, our partners and the people of Angola.

Businesses face many challenges when working in Angola. Despite a welcome period of growing economic and political stability, the country is still in a transitional state, recovering from the physical and social impact caused by years of war. For business, as for many others, the consequences of conflict are still felt in diverse ways – in the damaged physical infrastructure, the evolving legal and regulatory framework, the skill and educational shortages, and the need to contribute to building the social and economic fabric of the country.

But Angola has great potential. Much of this, of course, derives from the plentiful supplies of oil and gas resources which lie just offshore. But the country's most significant resource is its people. Our goal is to build a local energy company, staffed and led by Angolans, making a major contribution to national well-being.

This report, which sets out our values, performance and goals, is just one tool – but an important one – in building a truly sustainable business. We look forward to receiving your feedback.

A handwritten signature in black ink, appearing to read 'José Patricio'.

**José Patricio**  
BP Angola Country President  
September 2007



## A message from BP Angola's strategic performance unit leader

The first oil celebrations provide us with an opportunity to look back on the significant achievement of getting this far but more importantly to look forward to future operations here for years to come.

Angola is widely recognized as an important future production area for the BP group. Coupled with this, the future development of onshore facilities, such as liquefied natural gas, provides an opportunity not just for maximizing value from natural resources, but of assisting in the process of economic diversification and regional development. In our capacity-building work with local suppliers and contractors, we are conscious of the need not only to develop local skills and capabilities that will benefit our industry, but to ensure that those skills are transferable to other sectors of the economy.

In all our actions, our aspiration is to create a sustainable, profitable and progressive business in Angola, building on the decades of experience we already have gained, learning lessons where necessary, and continuing to build the trust of our customers, shareholders, partners and the communities in which we operate.

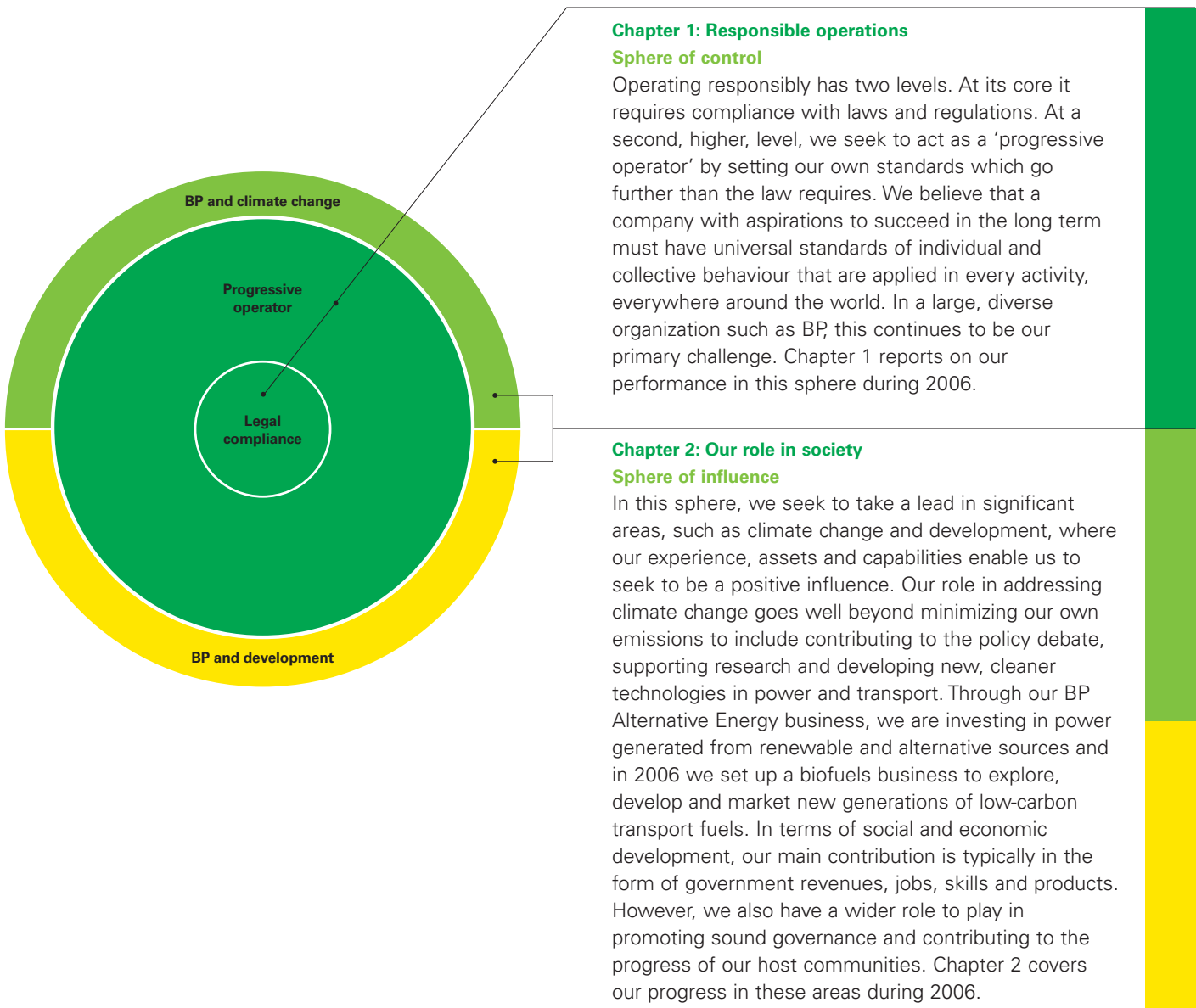
Our strategy is clear and unchanged, and we have in place plans and actions to achieve this goal.

A handwritten signature in black ink, appearing to read 'Mary Shafer-Malicki'.

**Mary Shafer-Malicki**  
BP Angola SPU Leader  
September 2007

# What responsibility means for BP

This report is structured according to the framework we use in BP to describe the different aspects of corporate responsibility. According to this framework, our activities fall into two categories: those in which we have control and those where we have an influence. Our 'sphere of control' covers our operations, while our 'sphere of influence' extends beyond our operations to many aspects of society and the environment.



# Highlights in 2006

## Achievements

**Capacity building** We have taken significant strides in 2006, continuing on the progress made in previous years, to build the skills and capabilities of our staff through training and development programmes. These include technical and on-the-job training, coaching, leadership development scholarships and bursaries (pages 20-23).

**Completion of the first Floating, Production, Storage and Offloading vessel (FPSO)** Fabrication of the FPSO was completed in South Korea in 2006. Its construction was a major and successful piece of engineering and project management. The FPSO is now offshore Angola, and coming into service in 2007 (page 8).

**New discoveries** We made three major new oil discoveries in our operated block 31 in the course of 2006, bringing the total of discoveries in this area to 12. The discoveries are

testimony to the continuing excellence of our exploration and technology capability (pages 8-9).

**Enterprise development** We have continued to support the growth of local contractors and suppliers through our participation in an industry supplier training initiative embodied by the CAE – Centro de Apoio Empresarial – an enterprise centre targeting the development of Angolan small and medium-sized enterprises (SMEs). CAE has offered training, support and events in 2006 to local SMEs, including a trade fair which was very favourably received by participants (pages 29-30).

**Safety performance** We enjoyed a good safety record in 2006, without fatalities. This achievement has required overcoming the challenges inherent in working safely in an environment that does not yet have a high tradition of safety awareness (pages 13-15).



## Challenges

**Protecting the value of our investment** We recognize the risk that the economic value of our projects may be eroded by factors which lie outside our control, such as changes to the legal framework, alterations to fiscal law, or changes to the Production Sharing Agreements which govern our activities. Managing these risks requires a constructive set of relationships with government and other important players such as Sonangol (pages 11-12).

**The operating environment** Factors come into play in Angola which make the operating environment for business a difficult one. These include deficiencies in

the physical infrastructure, the lack of qualified professional staff, the embryonic nature of much of the legal and regulatory framework, and the risk of political instability (page 25).

**Revenue transparency and governance** The lack of revenue transparency in Angola's economy has resulted in concerns about governance and corruption. There is mounting pressure inside and outside the country for faster steps to be taken to introduce more openness about the use of oil-related revenue (pages 27-28).

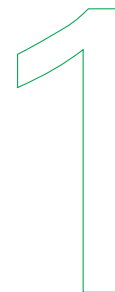
**Angolanization** The targets set by government for employing high

proportions of local citizens across our organization are challenging. While we are already seeking to become a local Angolan energy company led by local people, the targets for Angolans in senior leadership positions will pose particular difficulties on account of the relative inexperience of locals who join the company (pages 20-23).

**Our environmental and social impact** As our footprint grows as an operator of various projects, we will become exposed to increasing challenges related to the environmental and social impacts that these activities have on local communities (pages 16-18).

# Responsible operations

- 1.1 How we work
- 1.2 Our business activities
- 1.3 Financial and economic performance
- 1.4 Dialogue and engagement
- 1.5 Health and safety
- 1.6 Environmentally sound operations
- 1.7 Security and human rights
- 1.8 Our People



BP and Acergy staff making final arrangements for riser tower sailaway from Lobito Bay.

## 1.1 How we work

**Operating responsibly lies at the heart of our framework for corporate responsibility. Responsibility demands that we maintain high and consistent standards every day and wherever we work – including safety, integrity, environmental stewardship and people management. This section outlines our approach and how the activities of BP Angola are positioned within the group framework.**

BP Angola is fast becoming one of the most significant businesses within BP's worldwide portfolio. As one of BP's new profit centres, our activities in the deepwater, offshore Angola are integral to the delivery of BP's strategic priorities.

Our country-facing organization, based in Luanda, works to build a distinctive BP Angola identity. The team manages our Angola operations, which include interests in four deepwater production blocks offshore. The team also works to build local relationships. In addition, we have activities based in the UK, dealing with future developments, the growth of a gas business (including participation in a project targeting production of liquefied natural gas – LNG – in Angola by 2011), and the commercial aspects of the major projects we undertake, such as the recently completed construction of the FPSO in Korea.

Technology plays a key role in delivering our business objectives. Given the depth and geological characteristics of the oil fields in Angola, much of our exploration activity uses leading-edge technologies, enabling drilling in 'ultra-deep' waters once considered un-explorable. To provide a framework for the use and development of technology in the Angola business, a technology

governance board has been established. The board is supported by the group's research and engineering activities which help the group access the energy resources we need to provide future security of energy supply.

We work in partnership with other oil and gas companies active in Angola. Our major investments here involve groups of businesses working together in exploration and development. This includes working with Sonangol (Sociedade Nacional de Combustiveis de Angola), the state-owned oil company of Angola.

BP also works with a number of non-BP companies and other entities in joint ventures (JVs). From a group perspective, many of these JVs are large and significant businesses in their own right, established as separate companies with their own boards and governance processes, in which BP is a shareholder. BP implements its own standards and policies in those JVs it operates and where the joint venture agreement permits. Where BP is not the operator or where BP is the shareholder in a JV, BP encourages adoption of or works towards standards and policies comparable with BP's own. In Angola, we work in partnerships in all our offshore exploration and production, which is typical given the



capital-intensive nature of this activity. We are also partners in a project to develop an LNG plant to be located near Soyo, which would be the first major onshore oil and gas project in Angola.

**Vision and strategy** The BP group strategy is captured within five-year and annual plans. The strategy seeks to achieve the principal goal set by the board – namely maximizing shareholder value on a long-term basis. Segments and business units, including BP Angola, develop their own strategies in line with group strategy.

In Angola, our strategy is to create a leading upstream position characterized by the development of a business of material significance, producing over 350,000 barrels of oil per day (bopd) by 2012, with financial returns that enhance BP's overall performance. In doing this, we also want to be a distinctive Angolan energy company.

To pursue these goals, we have developed a country-facing strategy which seeks alignment between our everyday business activities and the country's advancement. The strategy recognizes that Angola faces challenges in translating its oil wealth to country wealth. The result of this is that the business and country agendas are closely linked. Our future vision is for BP Angola to be recognized as a local company and a positive contributor, making a difference to the well-being and advancement of the Angolan people and their economy.

**Governance and risk management** Our corporate governance and management systems provide a framework for determining what we are trying to deliver and how we go about that delivery. The system is designed to enable the business to achieve its commercial goals – through strategy, planning and execution – while operating safely, ethically and responsibly by applying values, standards and controls.

In terms of how we deliver, our action is shaped by:

- Executive limitations: These define the boundaries between the board and the group chief executive (GCE) and those activities and conditions the board considers unacceptable. The board delegates authority to the GCE for performance within these limitations.
- Brand attributes: Our brand attributes are to be 'performance-driven', 'progressive', 'innovative' and 'green'.

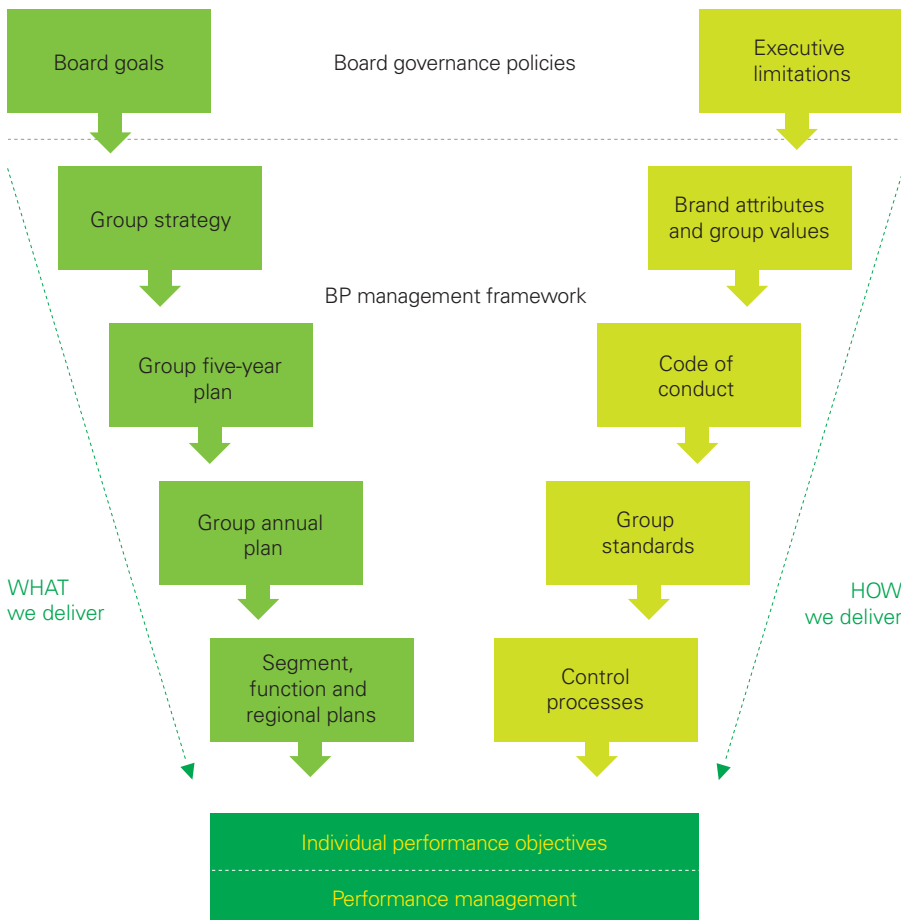
- Group values: These are statements that lay out courses of action and goals, often aspirational, against which we can test our performance and shape the reputation of the group. They include aspirations to have no accidents, conduct environmentally sound operations, treat employees fairly, have an inclusive and meritocratic organization, pursue mutually advantageous relationships and promote respect for human rights.
- The BP code of conduct: The code of conduct translates certain group values into specific mandatory principles and expectations for all employees within BP.
- Group standards: These set out clear expectations, processes and principles to be followed worldwide. The code of conduct and standards for driving safety, credit, business continuity planning, and the group investment assessment and approval procedures are fully operational. Four others have been approved and are now being executed: control of work, integrity management, digital security and security; and three are currently being defined: marine operations; people; and management information.
- Control processes: These consist of practical frameworks which contribute to the implementation of the system of internal control.
- Individual performance objectives: This defines an individual's expected contribution to deliver the annual plan. It lays down the individual's targets, objectives, resources, activities and limitations.

To apply this framework in Angola, we produced in 2006 a detailed handbook for team leaders, entitled 'How we work'. Team leaders play an important role in delivering the business strategy and doing so in a way which is consistent with our corporate governance and management systems. The Leadership Council, which represents the principal leadership of the organization, also provides direction to develop and set the business strategy, provide assurance on performance and manage risks to delivery.

The rest of this report provides insight into the operation of these values, standards and controls in the context of our activities in Angola.

### Board goals to individual performance objectives

Translating the goals into activities and executive limitations into individual limitations





## 1.2 Our business activities

**BP's involvement with Angola dates back to the mid 1970s. During the 1990s, BP made substantial investments in Angola's offshore oil such that it is now an important part of the company's upstream portfolio. We hold interests in four of the key deepwater blocks in offshore Angola. In blocks 18 and 31, we operate (i.e. manage) the exploration and development activities on behalf of the group of companies investing in them. We have non-operating interests in blocks 15 and 17. We are also participating in the development of an LNG facility near Soyo.**

Our oil production in Angola is derived from four offshore fields. In 2006, our gross production totalled 784,000 bopd and BP's share was 133,000 bopd. Production volume shares are divided between Sonangol and the contracting group based on details in the Production Sharing Agreement (PSA) which sets out the terms of our engagement in Angola with the Angolan government.

**Block 18 and the 'Greater Plutonio' development** Block 18 has enjoyed an outstanding exploration programme, with eight successes from the eight

exploration wells drilled. Greater Plutonio, which encompasses five of these discoveries, was the first BP operated development in Angola.

Development of Greater Plutonio presents a number of challenges. The fields are spread over a wide area, in water depth of 1,200-1,500 metres. At this depth and distance from existing infrastructure, floating production, storage and offloading systems have proved an effective means of developing such resources world-wide. We will use an FPSO in Angola to process and store the discovered oil and gas before export by

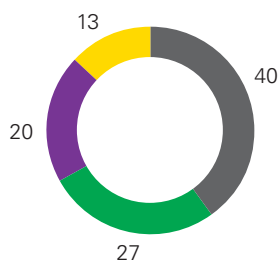
tanker. In November 2006, a major milestone was reached when the FPSO set sail from its construction site in Ulsan, South Korea at the beginning of its two-month journey to block 18.

The development was approved early in 2004 and the development contracts are well under way. The project is on course to deliver first oil in 2007.

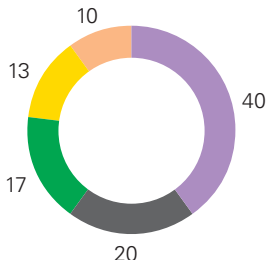
**Block 31** Operatorship of block 31 was awarded to BP Exploration (Angola) Limited in May 1999. Block 31, which covers an area of 5,349 square kilometres, is one of the so-called 'ultra-deepwater'

### Block percentages (%)

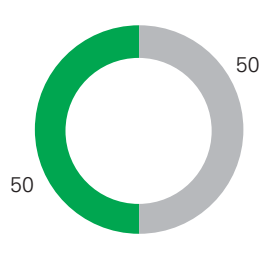
**Block 15: operated by ExxonMobil**



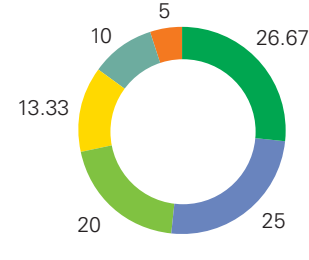
**Block 17: operated by Total**



**Block 18: operated by BP**



**Block 31: operated by BP**

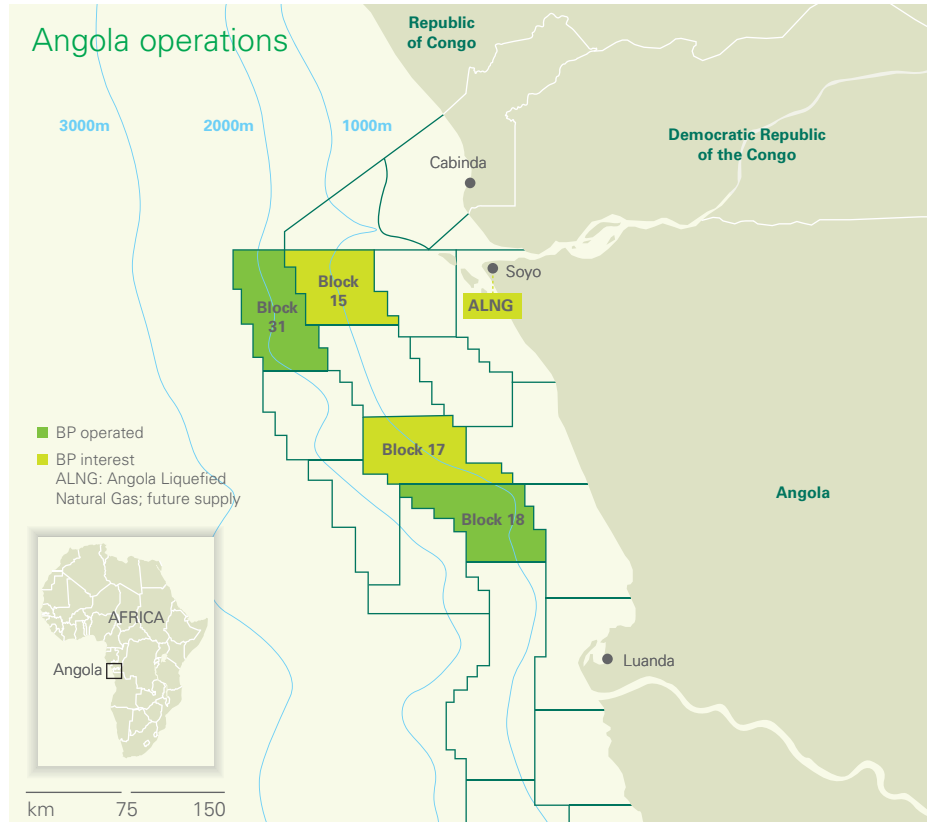


■ BP    ■ Statoil    ■ ExxonMobil    ■ Eni    ■ Marathon    ■ SSI  
■ Esso    ■ TEPA    ■ Norsk Hydro    ■ Total    ■ Sonangol

blocks in which the water depth varies from 1,400-2,700 metres. This presents technical and engineering challenges for both production and drilling technology. The challenges are exacerbated by near surface salt, which adds complexity to exploration by distorting seismic images – in layman’s terms, similar to how opaque glass can give a distorted picture of what lies behind. As a consequence, salt-affected areas require significant amounts of additional seismic processing and interpretation prior to drilling.

Three new discoveries were made in block 31 in the course of 2006. In May, we announced the ‘Urano’ oil discovery, the 10th successful discovery BP has drilled in this block, following Plutão, Saturno, Marte, Venus, Palas, Ceres, Juno, Astraea and Hebe.

Urano was drilled in a water depth of 1,938 metres, some 345 kilometres north-west of Luanda and reached a total depth of 4,578 metres below sea level. This was the first discovery in block 31 where the exploration well has been



## The FPSO

An FPSO (a Floating, Storage, Production, and Offloading vessel) is an offshore production facility that is typically ship-shaped and stores crude oil in tanks located in the hull of the vessel. The crude oil is periodically offloaded to tankers for transport to shore. FPSOs may be used as production facilities to develop marginal oil fields or fields in deepwater remote from the existing pipeline infrastructure. They have been used around the world since the 1970s.

Our plans are to use an FPSO to process and store the discovered oil and gas before export by tanker. The Greater Plutonio FPSO was fabricated in South Korea by Hyundai Heavy Industries. It is 310 metres long, 58 metres broad and 31 metres deep. It will house production and processing

facilities utilities and accommodation areas. It has been designed to accommodate 180 people. The throughput of the FPSO will be approximately 220,000-240,000 barrels of oil per day. The FPSO is now in position in offshore Angola, having completed its journey of some 20,000 kilometres from its fabrication yard in South Korea.

drilled through salt to access the oil-bearing sandstone reservoir beneath.

The well was tested at a maximum flow rate of 1,970 bopd. Encouragingly, testing confirmed the capability of the entire sand interval to flow at a much higher rate.

In October 2006, the 'Titania' oil discovery was made. The discovery, in a water depth of 2,152 metres, 385 kilometres north-west of Luanda, reached a total depth of 5,339 metres below sea level. Similar to Urano, the exploration was drilled through salt to access the oil-bearing sandstone reservoir beneath. The well was tested at an operationally restricted flow rate of 2,045 standard bopd.

'Terra' became the third discovery made in 2006, and the 12th overall in block 31. The well is located approximately 30 kilometres north-west of the Titania discovery. The discovery was made in a water depth of 2,328 metres, some

411 kilometres north-west of Luanda and reached a total depth of 6,118 metres below sea level. Test results indicate anticipated flow capacity in excess of 5,000 barrels per day under production conditions.

**Block 17: operated by Total** Although not operated by BP, block 17 has applied many of the lessons learned from our deepwater developments in the Gulf of Mexico and the west of Shetland. Fifteen discoveries have been made to date in block 17 including the first major find in the area, Girassol, in 1996. The Girassol field came on stream in 2001 and has been producing at over 200,000 bopd since 2003. In addition to Girassol, the Dalia field came on stream in 2006.

**Block 15: Kizomba Deep Water; operated by Exxon** This block, in which BP is a non-operating partner, has produced 17 discoveries from 19 exploration wells

drilled between 1998 and 2004 – a world-class success rate. With our partners, we will continue to explore for new discoveries in this field, while maintaining excellent rates of production.

**Angola LNG: Operated by Chevron and Sonangol; BP share of 13.6%** Together with other major operators in the deepwater blocks, we are participating in the development of a five-million tonne per year onshore LNG facility. The plant will be located near Soyo, some 300 kilometres to the north of Luanda, at the mouth of the Congo River.

The project will end routine flaring of associated gas, generate revenues, protect the value of oil fields by avoiding the need for excessive gas re-injection, and provide the opportunity for the development of a local onshore industry. The current plan is that first gas will be exported from the facility in 2011.

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## 1.3 Financial and economic performance

**As one of the major foreign investors in offshore Angola, our financial and economic impact in the country is significant. This also reflects the current primacy of oil-related revenue in the national accounts. In future, the potential development of onshore activities like LNG production will increase the financial impact of our operations here.**

Our financial relationship with the Angolan government is set out within the detailed provisions of the PSAs.

Payments under the PSAs represent the most direct of our economic and financial impacts. We pay a significant amount of taxes to the government in the form of production related revenues. Our capital investment is also significant, totalling \$1,840 million in 2006. We also have significant influence and responsibility as a user of local contractors and suppliers and estimate that we have spent the equivalent of

approximately \$300 million in purchasing goods, services and labour with Angolan content in 2006. The training and development of contractors we undertake also has the potential to deliver economic benefit for the country as a whole.

We are also an important employer of Angolan nationals and will continue to grow the proportion of jobs filled by Angolan citizens in the years ahead. The goal of 'Angolanization' and how it is being achieved is described in more detail on pages 20-21.

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## 1.4 Dialogue and engagement

**We interact on a regular basis with a wide range of groups – including government, communities, opinion leaders, non-governmental organizations, lenders, suppliers and business partners. Our aim is to ensure that dialogue and engagement with these groups builds relationships which create mutual advantage – that is, benefits for those with whom we do business as well as for ourselves.**

The scale and nature of our activities in Angola lead us to develop a broad network of relationships focused within the country including central, provincial, and local government, industry groupings, local people, academia, and non-governmental organizations (NGOs). The high degree of external interest in Angola's development also requires constructive relationships with international governments and the European Union, trade bodies (such as the US-Angola chamber of commerce), and other non-Angolan oil companies operating in country.

**Relations with government** The need to respond to the rapidly changing political, social, and economic context means that our relationship with government is particularly important, helping us to identify and analyse developments which may affect our business. These may be strategic in nature, such as assessing the commercial implications of Angola's decision to join the Organization of Petroleum Exporting Countries (OPEC), or responding to the government's policy of working with other national oil companies who are new entrants to the Angolan market. We also work with government to encourage revenue transparency and

good governance (see section 2.3).

In addition to assessing and reacting to these far-reaching developments, which will shape the evolution of the Angolan oil and gas market for years to come, we interact on a regular basis with government on more immediate concerns that shape the current operating environment. For example, we work together to tackle the delays and complexity which can arise when carrying out routine business activities, such as obtaining customs clearance, visas for workers or permits for ongoing operations.

In the course of 2006, our discussions with government have covered important legal and regulatory developments. These have related to matters which, without business input to the policy development process, run the risk of having a negative impact on the operating environment and threaten the ability of business to protect and deliver value.

**Sonangol** Our activities in Angola involve partnership with the state-owned oil company, Sonangol, which is managing the development of Angola's hydrocarbons on behalf of the country. We interact with Sonangol in a wide range of fields, including operations, and are collaborating to develop a stronger



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Angolan oil industry supply chain (see section 2.4).

**Communities** As we expand the scale of our operations in 2007 and beyond, we recognize we will face increasing scrutiny and demands from external parties. An example of this is the need to engage with the local community in Soyo, in the province of Zaire, which is the proposed site of the LNG facility planned with our partners. The LNG project team has already undertaken an environmental and social impact assessment to understand the needs of that community and the potential impact of the project. The assessment seeks to identify ways to mitigate negative impacts while maximizing benefits. We will continue to engage with local communities in Angola.

In doing so, we can draw on the experience gained through carrying out our own formal and informal community consultation since the late 1990s and the regulatory consultation connected to

Environmental Impact Assessments (EIAs). These have been conducted over a number of years, linked to our seismic surveying and drilling activities necessary for exploration. An EIA for the Greater Plutonio development underwent public consultation in 2004. Additional assessment was carried out in relation to the seismic programme in block 31 in 2004 and 2005. In these cases, consultation with interested parties formed an integral part of the assessment.

**Employees** Our own employees, of course, are a key constituent. Internal communication is carried out in many ways, ranging from informal face-to-face communications to more formal events like 'townhalls' in which management information is typically presented by a member of the group leadership, prior to discussion. E-mail, newsletters, magazines, videos and the intranet are all used to ensure that messages are sent and received simply and efficiently. We

have also carried out the bi-annual People Assurance Survey (PAS) in 2006, which gives insight into employee views of the company and their working life. It is discussed in more detail on pages 22-23.

**Managing our reputation** In recognition of the broadening scale of our operations, we have developed a more structured approach to managing our reputation, captured within our first reputation management plan. The plan, formulated after months of research and discussions inside and outside Angola, sets out the need for communication with different audiences to build on operational excellence and tangible business achievement.

We also convene a Country Reputation Council (CRC). The role of the CRC, which involves external advisers, is to provide an alternative perspective on issues and risks within Angola which the company needs to address. The CRC met twice in Angola in 2006, providing valuable input to our strategies and plans of action.

## 1.5 Health and safety

**In BP Angola, we have continued in 2006 to work to improve our existing safety practices, focusing on four dimensions (known as the 'four Ps') – the safety of our plant, people, processes and our performance. We have sought to build more comprehensive systems for managing all four of these dimensions of safety in our operations. We have acted on these themes to review our safety culture and practices. Our goal is to continue to build a robust and continually improving framework for safety as our business grows.**

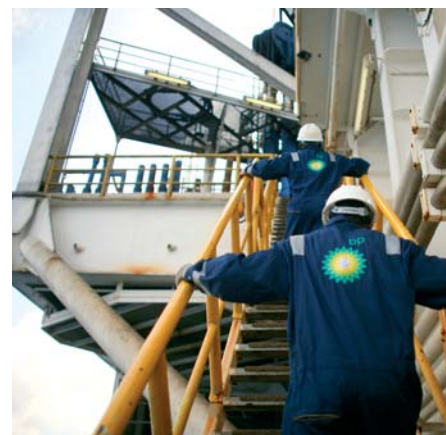
**Safety: building competence** In 2006, major effort was put into building the scale and competence of the Health, Safety, Security and the Environment (HSSE) team in Angola. In line with the goal to develop as a local energy company, this involved recruitment of Angolan nationals, and the creation of development plans (often incorporating HSSE coaching) for new and existing staff. Skills development and training is particularly important given the lack of technical HSSE specialists in the country.

Building our organizational capability extends far beyond recruiting and developing new staff. It also requires continuous learning either as individuals or as an organization, even in areas where we have always focused attention. For example, in line with group practice, we began analysing the prevailing attitudes and behaviours relating to safety in the internal People Assurance Survey (see section 1.8). The survey found that 93% of respondents in the Angola business were confident that their safety skills and competencies were adequate to do their job. Ninety percent felt that their supervisor or line manager was open to receiving honest information about safety performance even if it was not good news. Overall, 87% of respondents gave

a favourable opinion of BP's concern for the health and safety of employees. While these scores are positive, they show there is still room for improvement and that there may even be an element of over-confidence.

**Performance management** We also sought to build more structure into the health and safety organization by introducing more formalized performance management processes. We are participating in the development of a new operating management system (OMS) which is being introduced across the group and which will integrate existing processes or supplement them where necessary. The OMS will systematically incorporate all aspects of our operations, including the four dimensions of safety (plant, people, processes and performance) as well as health and the protection of the environment.

**Process safety** In terms of process safety, we took action to implement the improvements set out in the group-wide 'six point plan', an approach which targets key priorities for investment and action. Building the competence of teams (especially in relation to the areas of safety and process operations through



training and development), was one aspect of the six point plan particularly relevant to Angola given the stage of development our business has reached. We also carried out a major accident risk assessment – a requirement under the group Integrity Management standard for locations where activities could pose a major risk to people or the environment.

**Personal safety** Improving personal safety in Angola requires actions to raise awareness of the importance of safety in identifying and managing risk. One challenge inherent in this is the need to educate and build the capacity of local

contractors, who often do not share our safety values or experience. In some cases, the challenge may be even more fundamental – the lack of standards means that some suppliers in the local market lack the basic equipment needed to provide even a reasonable level of personal protection. In our dealings with local companies, we endeavour to instil our safety values, practices and approaches, and by so doing build their own capacity.

An example of seeking to increase consciousness of personal safety is found in the work done on promoting road safety. Driving is a priority concern across the entire BP group, because road-traffic accidents have been the largest single cause of workforce fatalities group-wide over the past eight years. In Angola, damaged roads, congestion, driver behaviour and the poor quality of many vehicles means that driving is a high-risk activity. We are continuing to work to reduce the number and rate of vehicle

accidents in Angola, both of which increased in 2006.

We have been providing training and coaching to drivers and supplying vehicles to comply with the BP group driving safety standard. We have been using a tool called 'Drive Right' to monitor and share learning about driving behaviour. We also provide comprehensive safety guidance for those travelling to Angola, and support for visitors throughout their period in country.

The challenge of building the capacity of individuals and teams so that safety

performance can improve not only affects the parts of the business located in Angola. The fabrication of the FPSO in South Korea highlighted the challenges of working in a project environment in which we had the ability to influence but not control the safety standards applied on site (see the case study).

**Safety performance** We are pleased to report that there were no fatalities in the course of the year. At the end of 2006, over one year had been worked across the Greater Plutonio project without a day

#### Safety performance in Angola

	2004	2005	2006
Workforce fatalities	0	0	0
Day Away from Work Case Frequency	0.1	0	0.06
Recordable Injury Frequency	0.2	0.14	0.25
Total Vehicle Accident Rate	11.53	4.56	23.35
Man hours worked	1,878,661	4,295,913	6,433,581
Kilometres driven	1,300,405	2,193,063	3,340,962



## Influencing contractor safety at Hyundai Heavy Industries

Construction of the Greater Plutonio FPSO was carried out by Hyundai Heavy Industries (HHI) in Ulsan, South Korea. The FPSO was built in two separate areas within Ulsan; the hull was built in HHI's shipyard, and fabrication and integration of the topside facilities in HHI's offshore yard.

Managing and influencing safety within the two yards was a significant challenge. The Greater Plutonio FPSO was just one project among many within the shipyard, so great emphasis was placed on HHI working to the safety standards expected of the oil industry.

In our dealings with HHI, emphasis was placed on safety at all levels, involving multi-client engagement with HHI to develop actions and plans to promote safety. For example, along with other oil industry clients, we worked on initiatives such as developing an HSE induction package, developing a safety charter, and increasing senior management visibility on issues related to safety. The Greater Plutonio project ran an innovative scheme to reward good safety performance by HHI's workforce, featuring weekly and monthly safety recognitions and prize draws.

As a consequence of these efforts, the Greater Plutonio FPSO was able to demonstrate improvements in safety performance as the construction period progressed including the achievement of over two million man-hours without a lost-time injury.



away from work case (DAFWC).

Summary information on our safety performance is set out in the table opposite. More detail is provided in the performance data table on page 34.

While we are pleased with our performance, we recognize the need to remain vigilant. We have for example, had a number of high potential incidents – that is, safety incidents where the outcome could have been a major incident. These have alerted us to the need for constant care and attention to safety. This is important especially in the period ahead when manpower levels continue to grow rapidly and the nature of our operations shifts from projects to include the operation of the FPSO.

**Health** Mitigating the risks to the health of our workforce is a serious challenge in Angola. Health risks arise not just from the possibility of workplace incidents, given the inherently high-risk nature of many of our operations, but from broader factors such as the prevalence of malaria and cholera. Risks are compounded by the need for better healthcare facilities in the country and the current shortage of qualified healthcare professionals.

We tackle these challenges in a range of ways. In 2006, for example, we began a recruitment process for creating an occupational health team with the competencies and skills for dealing with the workplace risks we face in our day-to-day operations. This effort will be supported by a training and development programme in which industrial hygiene features.

We provide comprehensive healthcare coverage for our workforce through a medical management plan and by providing access to medical clinics. This support, available for both nationals and expatriate staff, is provided by ISOS (a medical first-responder organization) delivered through local facilities. To help

build local capacity, we have chosen to use local clinics rather than providing private facilities dedicated to our own staff. If it becomes necessary, we offer a route for treatment outside the country for employees and their immediate family or dependants.

**Malaria, cholera and HIV/AIDS** We have put plans in place to tackle broader public health challenges, such as malaria, HIV/AIDS and the possibility of an influenza pandemic.



BP Angola's malaria policy aims to provide employees, their families, contractors and visitors with a full understanding of the disease and the measures that should be taken to protect against it.

Malaria remains one of the greatest health risks facing those who work and live in Angola, with this country being a malaria endemic area with one of the most severe forms of the disease. It has been estimated that malaria is responsible for about two-thirds of outpatient visits in Angola and is the leading cause of death in children under five years of age. Angolan women have a one-in-nine chance of dying from a maternal-related death; half of which are directly related to malaria. In response, our malaria management plan concentrates on raising awareness and educating staff, dependants, visitors and contractors on the health risk posed by the disease.

BP Angola's malaria policy aims to provide employees, their families, contractors and visitors with a full understanding of the disease and the measures that should be taken to protect against it.

Policies have also been developed to tackle other health risks. In 2006, we developed a pandemic response plan, in accordance with group requirements. We are also implementing our regional policy on HIV/AIDS. Statistical information on rates of HIV/AIDS is currently unreliable but there are fears that with freer travel the incidence of infection could rise quickly. Education is an important factor in prevention. Externally, we have run awareness-raising initiatives in targeted populations in the community; internally, we use a 'peer educator' programme which seeks to make people feel comfortable discussing HIV and prevention among their peer group.

In response to the cholera outbreak which claimed approximately 2,000 lives in Angola in 2006, we supported relief NGOs by purchasing medical supplies. To help ensure our efforts have maximum value, we collaborate with the humanitarian relief efforts undertaken by fellow oil companies.

## 1.6 Environmentally sound operations

**BP Angola is fully committed to the highest standards of environmental performance, aspiring to achieve our group-held goal of 'no damage to the environment'. Getting health, safety and the environment right is at the heart of our philosophy and critical to successful business operations. Through our HSE management systems and processes and through individual behaviour we strive to meet the highest standards of environmental performance.**

Potential environmental impacts from our activities fall into the following main areas:

- Waste generation, management and disposal: hazardous and non-hazardous wastes are produced from operations at rig and logistics sites.
- Operational discharges from drilling: these include drill cuttings generated when we drill into the seabed to construct a well. Mud or drilling fluids may adhere to the cuttings and when disposed at sea may settle down and deposit on the seabed.
- Air emissions: these are generated mainly from the combustion of fuels in drilling and vessel engines, power generation and well clean-up and testing operations.
- Accidental spills.
- Noise emissions and impact on marine fauna from seismic surveys.

To manage these impacts, we have established an Environmental Management System (EMS) which is certified to ISO14001, the international EMS standard. The system has been developed around a traditional 'plan, perform, measure, improve' cycle. A requirement under our EMS is to publish a verified environmental statement. Although it is normal practice in BP to issue these every three years, we will



Our waste management strategy involves working with contractors, industry groups and relevant government departments to follow best practice.

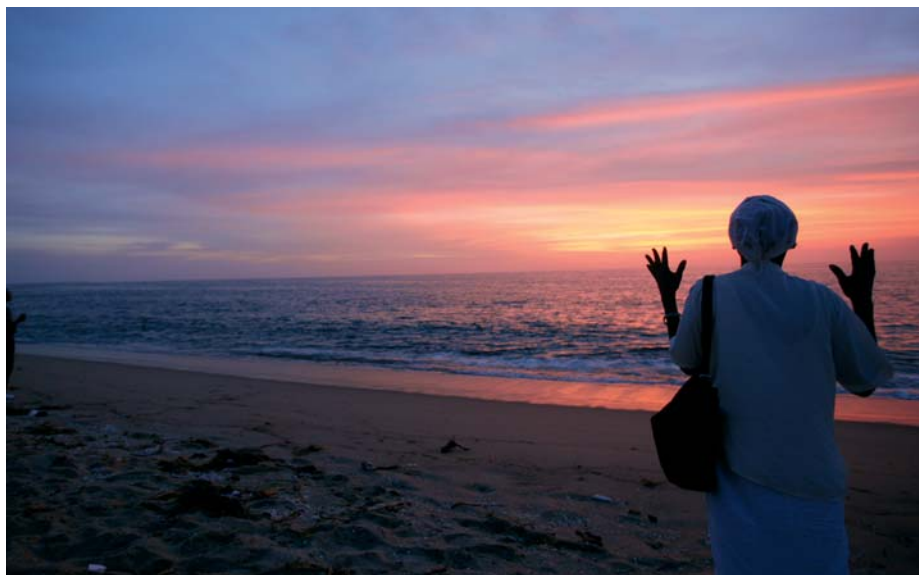
issue one annually in light of our rapidly increasing set of activities. The current statement has been independently certified by Det Norske Veritas (DNV). A copy is available on our website at [www.bp.com](http://www.bp.com).

**Waste management** Our waste management strategy involves working with contractors, industry groups and relevant government departments to follow best practice. For example, we support the work of ACEPA (the Association of Companies for Exploration and Production in Angola) in working to improve regulatory and operating waste management standards in Angola. We believe that improvements in the waste management infrastructure will benefit the industry and the country more generally.

Our own performance is reviewed through regular internal audits and inspection. We seek to minimize the amount of waste generated by procuring reusable containers and using bulk carriers to transport supplies to our drilling rigs. Where it is not possible to implement waste reduction, we attempt to reuse materials by processing and reusing drilling muds. We also recycle some waste, such as scrap metal, and where necessary dispose of operational waste

### Waste disposed (tonnes)

	2004	2005	2006
Hazardous	50	138	673
Non-hazardous	84	239	353



through landfill or incineration using an internationally-accredited contractor.

The waste volumes generated offshore and sent to shore by our operations in blocks 18 and 31 are shown below. The increase in the volume of solid waste generated reflects an increase in offshore operations activities.

**Drilling discharges** While discharges to water result from a number of activities associated with drilling operations, such as water treatment for drainage or bilge, the most significant issue is the treatment of drill cuttings. Managing cuttings is an issue for the oil industry worldwide, requiring consideration of factors including environmental impact, safety and cost.

Independent EIAs on exploration that we undertook in blocks 18 and 31 found that there would be no impacts during normal exploration and drilling operations on the terrestrial or inter-tidal zone and negligible impacts on the fishing industry, fish eggs and larvae, turtles, seabirds, whales, dolphins or wetlands. There were indications that there could be minor impacts on marine benthos, but that using synthetic drilling muds would mitigate this. Our deepwater drilling has therefore been carried out using these as they are less toxic and

degrade more quickly than traditional oil-based muds.

Due to a failure of cutting cleaning equipment while drilling in block 18 in 2006, BP exceeded the regulatory limit of 5% of oil on cuttings. The incidents were properly managed in consultation with the Ministry of Petroleum.

**Air emissions** Our main atmospheric emissions from offshore operations derive from diesel combustion during rig and vessel operations and, to a lesser extent, from flaring of oil and gas during well testing and clean-up. The data shown below is for emissions to air from BP's operated blocks 18 and 31.

**Emissions to air (in tonnes): blocks 18 and 31 (BP operated)**

	2004	2005	2006
SOx	5	17	108
NOx	72	272	1,587
Non-methane hydrocarbons	9	26	260

**Equity share greenhouse gas emissions (tonnes CO<sub>2</sub> equivalent): blocks 18 and 31 (BP operated)**



**Equity share greenhouse gas emissions (tonnes CO<sub>2</sub> equivalent): blocks 15 and 17 (non-BP operated) and blocks 18 and 31 (BP operated)**





## Collaborating to protect biodiversity

Our approach to biodiversity protection in Angola, set out within the BP Angola biodiversity action plan, includes a research partnership to improve understanding of the deepwater ocean environments where exploration is taking place. We are using remotely-operated vehicles to survey the ocean floor and collect data that helps improve our understanding of the marine environment. We are working in partnership with the Scripps Institution of Oceanography, Southampton Oceanography Centre, the Serpent Project, Aberdeen University, and Texas A&M University.

Our efforts have resulted in some remarkable discoveries. In 2005, the Serpent project identified a new species of amphipod – a small crustacean – in the deep waters of block 31. In block 18, a completely new fish species was discovered in 2006 – its name will remain unknown until a specimen is collected and its characteristics confirmed.

There will always be more to learn, but to date, our approach has already led to the discovery of new species and has supported the publication of a number of scientific papers. Over and above this, data gathered is also used in

the Environmental Impact Assessments for our operated projects in Angola, helping us to factor environmental considerations into operations.

We believe the BP Angola deepwater biodiversity programme is the most comprehensive of its kind ever carried out. The information it continues to deliver should prove of great value in the coming years – to BP and the wider scientific community.

Greenhouse gas emissions are also shown on an equity share basis for blocks 15 and 17 where we hold a commercial interest but are not the operator.

**Oil spill prevention** Avoidance of spills is a key element of drilling control. In common with industry best practice, an oil spill contingency plan is in place. An emergency response team has also been established. Oil companies operating in Angola have set up a mutual aid agreement to develop, maintain and improve procedures and ensure shared assistance and co-operation in the

control and clean-up of major petroleum spills should they occur.

In 2006, we had two reportable oil spills, where the volume spilled was in excess of one barrel. Investigation into the incidents was conducted so that lessons could be learned to prevent reoccurrence.

**Seismic activities** Noise associated with drilling operations and seismic surveys has the potential to affect marine fauna, such as mammals and turtles. To mitigate this risk, we have conducted EIAs covering the seismic surveying and drilling activities necessary for exploration. Much of this

work took place in 2004 and 2005.

To protect the marine environment, we require the presence of marine mammal observers (MMO) on board the seismic vessels exploring the subsea geological formations. The role of the observer is to increase awareness on board of the presence of marine mammals, and by following clear procedures, seek to ensure that animals are not in the area during seismic operations. As trained scientists, MMOs can contribute to the study of marine biodiversity by identifying and recording species movements in the areas of operation.

## 1.7 Security and human rights

**Peace and political stability in Angola since 2002 have led to a period of increasing economic aspiration, social expectation and personal mobility. While these are positive developments, they also create challenges. Urban migration, for example, especially into Luanda, places significant strain on the physical and social support infrastructure, previously neglected for many years on account of war. Experience in other countries has shown that when expectations are high, the failure to deliver against social aspiration can readily lead to serious risks to security.**

In the business context, this transitional phase of economic aspiration and growing wealth generation gives rise to a variety of business and personal security risks, including crime, fraud and corruption. Rates of petty crime, for example, are high, posing a threat for Angolans and expatriates alike.

We have developed processes and policies to provide for the security of our people and assets. These include risk identification and management, awareness raising, training, and incident reporting, analysis and prevention.

To ensure that our approach remains fit-for-purpose and aligned with group standards for security management, we reviewed our policies and practices against those in the group 'Getting Security Right' (GSR) system in 2006. GSR provides a systematic approach to security risk management and seeks to ensure that our efforts are focused on operational requirements and aligned to business objectives. At a workshop held in November, incorporating expertise and guidance from the regional and international security teams in BP, we discussed issues and assessed our practices in the areas of leadership and accountability, risk assessment and management, people, training and

behaviours, information and documentation and incident analysis and prevention.

Recommendations were made which will help us continue our drive for security excellence.

We recognize that good security is assisted by positive engagement with local communities. We maintain relations with Angola's increasingly important civil society, becoming part of local communities and aiming to ensure security co-ordination and information sharing through working with other organizations. We also work with Sonangol, the Angolan armed forces and the Angolan police on security matters.

**Human rights** An important aspect of our relationship with the security forces is the way in which human rights are managed.

International oil companies have faced criticism from human rights organizations for failing to take sufficient action to prevent human rights abuses in areas where host authorities take responsibility for security. BP supports and uses the Voluntary Principles on Security and Human Rights designed to safeguard human rights by ensuring that police, security forces and private guards assigned to protect energy sites or



personnel are properly trained and closely monitored. We see our support for human rights at operational level as part of a broader picture in which civil society and long-term regional stability are supported through promoting respect for human rights and the rule of law.

In Angola, we have sought to ensure greater awareness of the voluntary principles to support their effective application. A seminar on the principles was hosted in Luanda in November 2006 at which we outlined our commitment to them and their importance in safeguarding the rights of all individuals directly or indirectly affected by our activities.

## 1.8 Our people

**Our vision in Angola is to be recognized as an Angolan operating company, staffed and led by Angolans, and making a positive contribution to the well-being and advancement of the Angolan people and national economy.**

Building a truly local workforce wherever we operate is an important objective for the group around the world. It is in line with our core values and our drive to create a diverse and inclusive work environment. Using local resources, such as locally-recruited people or employing in-country suppliers, can also save money. In many ways, therefore, building a local energy company means building a sustainable business.

**'Angolanization'** Our goal of becoming a local energy company is underpinned by targets set by government for the employment and training of Angolan citizens. These are included within a government decree which derives from the PSAs.

The decree sets out target percentages of Angolan employees in three broad categories which can be described as low-skilled, technical/professional, and senior professionals/team leaders. In each category, the minimum percentage of Angolans in place five years after first oil from our operated assets is 70%. Among low-skilled staff the target is to have 100% Angolan employees at the time of first oil.

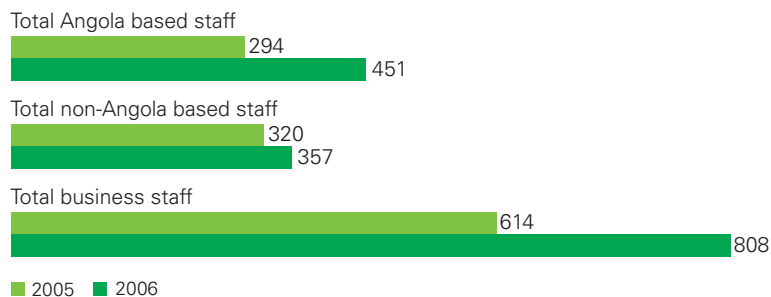
Meeting these targets is demanding. Finding and recruiting sufficient numbers of Angolans at this rate in a fast-growing sectoral environment is a challenge in itself, requiring recruitment events within Angola and in Brazil, South Africa, Portugal, the United States and the United Kingdom. Developing senior professionals and team leaders within the timescale envisaged is also challenging, given the breadth of experience we require of our people before they reach these positions.

At the end of 2006, the Angola Business Unit employed 808 people compared with 614 in 2005. Of these, 56% are Angola-based. A total of 126 Angolans were recruited in 2006, representing about 80% of the total new

recruitment in the business unit as a whole. They were recruited into disciplines including drilling and completions, operations, sub-surface engineering, procurement and supply chain management, commercial, human resources, digital communications and HSSE.

In pursuit of our local energy company goal, we have developed an Angola workforce plan. The plan is a 10-year forecast of labour demand for the business up to 2015. It is broad in scope, containing projections relating to numbers of employees, contractors, trainee technicians and service providers. Each discipline has developed its own plan derived from the manpower forecasts that sets out the activities they need to

### BP Angola workforce headcount



take to meet their needs. For example, prerecruitment activities (such as bursaries or scholarships) are an important element because of the need to develop the size and talent of the recruitment pool.

We estimate that the size of the workforce will peak around 2012, when we project that around 1,750 people will be employed in the Angola business.

**The ‘people basics’** We have a number of core processes in place designed to ensure that all our people have the opportunity for development, founded on a clear and regular assessment of their performance and goals. This ‘people basics’ programme includes a first six month’s induction programme, annual performance reviews, individual

objective setting, personal development plans, training and development planning, and on-the-job coaching. ‘People days’ are held at least once a year, in which every employee’s personal development plan is discussed.

#### **Training and development opportunities**

The Angolanization targets mean that training and development is a priority for our business. A variety of courses and methods are used, including programmes in Angola and abroad. One such plan focuses on accelerated leadership development for high-potential Angolans. This is an intensive programme which includes professional leadership coaching.

Each year we offer new graduates with less than three year’s experience the chance to join our Challenge programme,

BP’s global graduate training scheme. The scheme offers participants on-the-job training with the support of a mentor, technical coaching, and a tailored training programme. In 2006, 29 new graduates joined the programme.

Scholarships and bursaries provide staff with the opportunity to undertake technical and academic work to improve skills and qualifications. Eleven scholarship students began four-year courses in petroleum, chemical, and civil and mechanical engineering at the Middle East Technical University in Ankara in 2006.

To provide effective and rapid on-the-job training, we have a comprehensive but flexible programme of coaching. In our commercial department, we use one-to-one coaching to support the accelerated



## The Angola Leadership Development Programme (ALDP)

The Angola Leadership Development Programme, which was designed in 2006, provides personalized development training for high-potential individuals. It has been developed in the context of our goal of building a local energy company, and seeks to build a pool of potential leaders and help those individuals develop the leadership skills they need to progress.

The programme, which is being run as a pilot in 2007, has a number of elements including the need for participants to engage in a clearly defined business project, featuring challenges that link to their development needs. But arguably the core element of ALDP is the provision of individual coaching for each participant provided by external experienced coaches.

To ensure a fair opportunity to participate in the programme, all of the people in two grade bands were assessed against the leadership competency framework. As a result of this screening, a total of twenty-six men and women were selected. The first coaching sessions are now under way.

development of challenge graduates. In HSSE, full-time coaches support the development of technical specialist skills among team leaders. In addition to these examples, our administration, human resources, subsurface, drilling and completions, and supply chain management disciplines each have discipline co-ordinators and a coaching programme tailored to their own needs.

Coaching complements the core technical training provided within each discipline. In drilling and completions, for example, we ran over a dozen courses in Luanda in 2006 for Angolan staff. These were facilitated by internationally recognized experts from Heriot-Watt University and specialists from the Drilling Training Alliance. Courses were opened to other oil companies to participate. By doing so, we were helping to develop the

technical skills of Angolans not just to meet our own needs but those of the industry more generally.

Many of our employees are exposed to development opportunities abroad through expatriate assignments both into and out of Angola. To help build skills in country, we encourage Angolan nationals to pursue short- and long-term assignments abroad before returning to work here. In 2006, 43 Angolans were working on expatriate assignments.

**2006 People Assurance Survey** We completed the People Assurance Survey (PAS) in 2006, a BP-wide employee opinion survey conducted every two years. The questionnaire examines various aspects of employees' working lives and provides important data for leadership teams. Responses are confidential and remain anonymous, and are sent directly

to an independent third-party research firm. The participation rate in the Angola business in 2006 was 65%.

The PAS provides information about employee attitudes to different 'dimensions' of their working life. These include their feelings about BP; the company's distinctiveness; the work environment; performance and innovation; mutual trust and respect; development; diversity and inclusion; pay, benefits and recognition; and safety. A composite 'Employee Satisfaction Index' (ESI) is calculated based on answers to 10 of the survey questions.

The Angola ESI rating in 2006, at 69%, showed a 4% improvement on 2004. The results showed strongest performance in dimensions relating to mutual trust and respect, and performance and innovation. Responses to newly-introduced questions about



## The Offshore Technicians Training Programme

This initiative seeks to bring young nationals into BP and train them to a very high level of technical expertise, despite the lack of necessary resources in Angola itself.

Following an initial screening to assess suitability, trainees, who come from all over Angola, spend a year learning technical English at a facility in Angola, but are then moved outside the country to complete the bulk of their training. They undertake three years' vocational training with either a Shell/BP Refinery in South Africa, or BP Chemicals and BP Shipping, both in the UK. Where possible, further experiential training is provided offshore with BP Exploration & Production in the North Sea or the Gulf of Mexico.

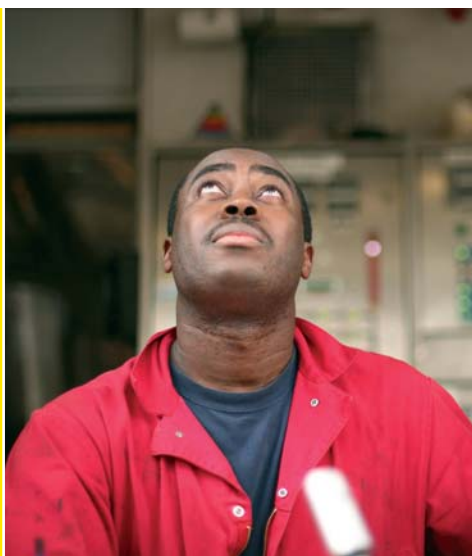
The scheme is now in its seventh year. There are currently 170 Angolans who have completed the programme or are in

various stages of training around the world. The Angolans who have already graduated from the programme have worked in the Floating, Production, Storage and Offloading vessel construction yard in South Korea. It is anticipated they will comprise approximately half of the offshore technician complement when the Greater Plutonio development starts production in 2007.

BP Angola will benefit from the programme, as will the Angolans who complete it. It also has other positive impacts: having Angolans at training locations such as Durban in South Africa and Hull in the UK has helped to increase awareness of Angola and what BP is doing worldwide among the staff at those specific locations.



BP Group code of conduct represents BP's commitment to integrity, defining what is expected of every BP employee in five areas: health, safety, security and the environment; employees; business partners; governments and communities; and company assets and financial integrity.



We ran seminars in 2006 to reinforce the importance of the code. Events, which typically involved 15 to 25 people, were held in English and Portuguese.

safety were also encouraging (see section 1.4). Pay/benefits and recognition were identified as areas where we need to focus further attention.

**Compliance and ethics** The Angola business unit has been one of those in the BP group to develop a regulatory compliance management system as part of a pilot programme to ensure we are aware of and can demonstrate compliance with laws and regulations wherever the business unit operates. We created a post for a full-time compliance and ethics manager in July 2004.

We continued to raise awareness of the BP group code of conduct (which was launched in 2005) among employees and contractors in 2006. The code represents BP's commitment to integrity, defining what is expected of every BP employee in five areas: health, safety, security and the environment; employees; business partners; governments and communities; and company assets and financial integrity. It is a company-wide framework that sets out how we should behave when faced with choices about our behaviour at work, ranging from basic rules on safety to detailed

expectations regarding competition and anti-trust issues. It was developed in line with international best practice and shows employees where to find more detailed standards on specific issues.

We ran seminars in 2006 to reinforce the importance of the code. Events, which typically involved 15 to 25 people, were held in English and Portuguese. Team-based sessions were also held to embed the code – focusing on particular subjects of interest such as conflicts of interest, confidentiality of information, and how to deal with offers of gifts and entertainment. Reference to the code was incorporated in the new joiner induction process.

In addition to these efforts to embed the code, we carried out the annual ethics certification process in Angola in 2006. This process provides a key indicator of legal, regulatory and BP ethical compliance. As part of this process, team discussions are held indicating the extent to which individuals and teams have complied with laws, regulations, and BP's ethical standards. Certification involves both individuals and line managers, who certify the behaviour of teams under their direction. Certificates are

submitted upwards through the business unit leader and country head, who in turn sign certificates submitted on behalf of the staff of BP Angola.

**OpenTalk** 'OpenTalk' is BP's global independent employee concerns programme, which provides the opportunity for anyone within BP to raise concerns or enquiries about compliance or ethics in a confidential manner. Individuals can contact OpenTalk in their own language by phone or fax, e-mail or letter, at any time, and callers can choose to remain anonymous. Enquiries or concerns raised are forwarded to the appropriate regional ombudsman in BP, who will arrange a response including, where appropriate, an investigation. If allegations are substantiated, action is taken. Alongside the launch of the code of conduct, we extended the scope of the OpenTalk programme to provide advice for people on aspects of the code, in addition to being able to raise concerns.

Awareness of OpenTalk is high. The people assurance survey scores showed higher levels of awareness (96% in the Angola BU) than in the BP group and the exploration and production segment overall.

# Our role in society

- 2.1 The social and environmental context
- 2.2 BP and climate change
- 2.3 Promoting good governance
- 2.4 Enterprise development
- 2.5 Education
- 2.6 Access to energy
- 2.7 Other social programmes

# 2



Farmer from Mabuia.

## 2.1 The social and environmental context

**After years of civil war, Angola is in a state of transition, developing its physical, social and economic infrastructure after the ravages of conflict. Since peace in 2002, Angola has been rebuilding its social and economic fabric, beginning to harness its potential and move on to a more secure footing. According to the UNDP, 'the consolidation of peace and the re-entry of the country on the path of sustainable development are the next great challenges in order to improve the well-being of all Angolans.'**

Angola's impressive economic growth rate in recent years has been driven largely by steeply rising oil production, which accounts for over half of GDP, three-quarters of government revenue and approximately 90% of total exports. Economic reforms introduced since 2000 have brought greater macro-economic stability and reduced inflation resulting in the long-standing deficit being eliminated.

In spite of its abundant natural resources and potential wealth, Angola faces deep-seated economic and social problems. A sample of socio-economic indicators shows the breadth and depth of the challenges – high rates of infant mortality; an average life expectancy of just 41; an educational enrolment ratio of 25%; approximately 70% of the population living on less than \$2 per day; diseases such as malaria a continuing problem. In many spheres of everyday life, therefore, the challenges are pressing. In 2006, Angola ranked 161st out of 177 countries on the UNDP Human Development Index.

**The role of business** These circumstances present a difficult climate in which to do business. At the same time, they highlight the need for business to act in accordance with high standards of behaviour and to

make a positive contribution where it can. The biggest benefit BP brings to the areas where we operate is through the way we conduct our business: namely through the oil we produce, the taxes we pay, the jobs we create directly through the staff we employ and indirectly through the local companies we contract with, and through the skills and capabilities we transfer.

We also contribute to development through support for social projects which have clear and focused objectives. At group level, we focus our contributions on support for revenue transparency initiatives, and direct most of our community investment to programmes and projects that support enterprise development, education and improving access to energy. All of these themes have strong relevance in Angola.

Business has a role to play in contributing to poverty reduction through the delivery of essential products and services – such as energy – which stimulate economic development directly. However, there is a perceived trade-off between providing access to energy and protecting and improving the natural environment. Our group values include the aspiration to overcome this trade-off.

In BP's operations in Angola and



around the world, we deal with this in part through measures designed to ensure our operations are carried out in an environmentally sound manner – described in section 1.6 of this report.

But there is another environmental issue which represents a significant challenge for societies in every country in the world: climate change. For this reason, we begin this section of the report by setting out the group's thinking on climate change and an overview of its global marketing of low carbon power and transport.

## 2.2 BP and climate change

**As a global energy company we have a responsibility to play a part in addressing the threat of climate change. In 2006, we launched a biofuels business that will provide low-carbon solutions for transport. We also announced plans to invest \$500 million over 10 years to create a dedicated Energy Biosciences Institute, which will explore the application of bioscience and the production of new and cleaner energy.**

Our track record for action on climate change stretches back to 1997 and we are widely known as the first oil company to publicly acknowledge the issue. Today we take precautionary action to limit Green House Gas (GHG) emissions and to combat climate change. We first set voluntary targets to reduce emissions from our operations in 1998 and achieved these original goals ahead of schedule. We continue to take action to reduce these emissions.

In response to increasing demand for energy with a low-carbon footprint we have made a major commitment to develop low-carbon sources of energy. In 2005, we launched BP Alternative Energy – a profitable business that provides low-carbon power generation solutions based on solar, wind, hydrogen power and gas power.

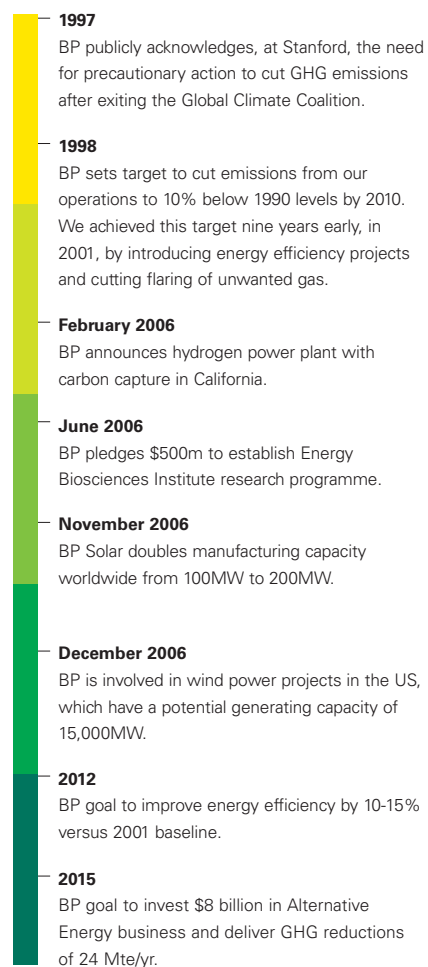
We continue to market a range of cleaner fuels and lubricants around the world. In 2006, we introduced BP Ultimate fuels to South Africa and Russia at significant levels and rolled out our Ultra Low Sulphur Diesel in the US. We are working with several partners to develop lubricants that support improvements in engine construction and emissions systems that are intended to improve fuel

efficiency and reduce pollution.

We fund a significant amount of research on ways of providing low-carbon energy and have made carbon a theme of our corporate advertising in several countries throughout 2006.

Climate change is high on the global policy agenda and we are actively involved in the debate. We support the view that to reduce the risks of the worst impacts of climate change, the CO<sub>2</sub> equivalent of GHG concentration in the atmosphere should be limited within the range 450-550 parts per million (ppm). We also argue in favour of mandatory emission caps and policies that set a price for carbon in a way that can change behaviour and encourage innovation.

### BP and Climate change – our journey



## 2.3 Promoting good governance

**We have an interest in Angola's long-term economic progress. Transparency and good governance are important aspects of sound economic management. We therefore try to use our influence to ensure that the wealth created from natural resources is used productively. We believe that efforts to increase accountability, efficiency and effectiveness, and the development of a strong and clear legal framework which upholds respect for democratic traditions and discourages corruption, are indispensable factors in moving towards sustainable development.**

Our investment in Angola will significantly increase national revenue, creating opportunities for faster development. Historically, however, such windfalls have often been associated with macro-economic instability, exchange rate over-valuation and corruption.

**Transparency** As with other oil-dominated economies, Angola faces challenges in implementing effective revenue management. The government is under pressure from within Angola to be more open with regard to oil revenues. Transparency is becoming a major issue in Angolan politics, with the opposition focusing increasingly on the destination of oil revenues and the much anticipated 'peace dividend'.

The analysis and occasional criticism of international government and NGOs adds to the pressure; Transparency International, for example, has ranked Angola 142nd in their 2006 Corruption Perceptions Index survey of 163 countries. There is also pressure to participate in the Extractive Industries Transparency Initiative (EITI) which seeks to increase the transparency of payments by oil, gas and mining companies to governments, and of



**BP is keen to support the Angolan government's efforts to foster transparency as we believe this is beneficial to all.**

revenues received by those governments. The government of Angola has expressed support for EITI, but has not yet formally committed to take part in the initiative.

BP is keen to support the Angolan government's efforts to foster transparency as we believe this is beneficial to all. We have, for example, been working with the government to encourage a positive position on EITI and data disclosure, which we believe will reduce the risks of operating here by creating an environment more conducive to doing business and more attractive to foreign investment.

In 2006, we met with the World Bank in Luanda and Washington to discuss the encouraging progress being made by the government of Angola on the publication of fiscal data and the quality and comprehensiveness of accounting for budgetary flows, enhancing its capabilities and participating in discussions on transparency and oil revenue management. We also assisted in preparing and participating in two workshops on petroleum revenue management, jointly hosted by the World Bank and the Ministry of Finance in Luanda. One of these was open to a range of groups, including



BP have committed to fund the first three years of the Masters of Law (LLM) programme in oil and gas at the Agostinho Neto University College of Law, at a budgeted cost of **\$2.3** million.

representatives of civil society organizations.

We recognize there are many ways to promote transparency and good governance in the oil and gas sector, including sponsorship of appropriate educational programmes. Accordingly, BP have agreed to provide financial, technical and administrative support for the establishment of a Masters of Law (LLM) programme in oil and gas at the Agostinho Neto University College of Law. Besides

imparting high-level legal skills and knowledge to the participants, the programme is designed to demonstrate the benefits of conducting business in an ethical and transparent fashion. Towards this end, the programme includes a module on ethics and social responsibility. The programme, scheduled to begin in 2007, will accept 35-40 students a year. BP have committed to fund the first three years of the programme at a budgeted cost of \$2.3 million.

We are committed to transparency about our own activities wherever we operate but always in accordance with the applicable legal and contractual frameworks. In Angola, this means adherence to the provisions of production sharing agreements with Sonangol, the concessionaire. Our global policies on business ethics and transparency guide our actions in Angola as much as anywhere else in the world and will continue to do so.

## 2.4 Enterprise development

**We can make an important contribution to the development of local enterprise, using local suppliers and contractors where possible. With our partners, we have established the Centro de Apoio Empresarial (CAE) business support centre. The CAE provides supplier training and specialist support to local companies wishing to participate more actively in oil and gas contracts.**

**Supplier training** In Angola, under the auspices of an oil industry initiative for industrial development and cost competitiveness, BP, in conjunction with its partners, has established a supplier training initiative in consultation with Citizens Development Corps (CDC – a United States-based non-profit organization that supports private sector development and economic growth in emerging and transitioning economies).

We have been actively encouraged and supported financially in this effort by the other members of the industry group and by Sonangol. The initiative's objective is to build the capacity of local SMEs and to encourage the business support industry to participate more actively in the oil and gas sector to create local economic growth. Over time, our aim is to help local SMEs develop the capacity to provide the products and services needed by the sector competitively and competently.

**CAE** Building on an initial phase of work on supplier training which focused on market gap analysis and programme design, we launched a second implementation phase in 2005. This second phase led to the creation of the CAE. Supported by CDC and our partners, CAE provides training and consultancy

support to SMEs to improve their business in matters such as health and safety, quality assurance, business strategy, financial planning and accounting, and ethics and compliance – all factors which will drive longer-term capacity and competitiveness. By increasing the capacity of these companies, local SMEs should be better positioned to win business with the oil

sector, thus creating jobs, distributing wealth, and increasing local content opportunities.

In the course of 2006, CAE has delivered training, technical assistance, volunteer-in-kind contributions, trade shows and outreach fairs. Training events, have been held in Luanda, Cabinda, Soyo and Benguela. Over 580 people, from over 200 companies,



Over time, our aim is to help local SMEs develop the capacity to provide the products and services needed by the sector competitively and competently.



participated in CAE training events in 2006.

CAE has also provided specialist assistance to 88 companies, in the form of one-to-one consulting. Partnerships have been established with a range of Angolan organizations to kick-start the development of a network of business support organizations. One such relationship is with Trade Jango, a body which collects information on potential Angolan suppliers.

CAE's support is in service of the oil sector. But its clients are from diverse market segments. Oil and gas clients represent only about 16% of the organization's customer base. Organizations from some 15 different sectors have been clients of CAE in 2006. IT, telecoms and civil engineering firms are particularly well-represented.

**Micro-credit** We have also supported projects which provide micro-credit. In

Huambo and Benguela provinces, with Banco Sol and ADRA (Accao para o desenvolvimento rural e ambiente – Action for Rural and Environmental Development) our support has helped to promote rural business by providing access to micro-credits for associations, co-operatives and individuals. A three-year programme was launched in September 2005, with a budget of \$2.76 million. It is intended to benefit over 60,000 rural families.



## CAE trade fair

In September 2006, we held a trade fair in Luanda to bring contractors and small and medium-sized enterprises (SMEs) together. The objective was to provide an opportunity for existing and potential service providers to share experience and identify work opportunities.

More than 20 oil and gas contractors attended and over 70 SMEs. The event provided an excellent opportunity for building relationships and exploring commercial opportunities. Five contracts resulted from the event.

"This gives us the chance to meet local vendors who can provide us

with services and materials and avoid the necessity of importing them. This is the first time I have attended such an event and while some things are not relevant to me they are relevant to many other companies here."

**Euan Coul, Transocean**

"The bidders (the large oil and gas contractors) for BP's future programme of investment are here to present their work to local SMEs and give them a chance to show what they can offer these contractors. Bidders don't know if they will be awarded a contract but this helps them to understand their responsibility to increase local content by helping to train SMEs and enabling them to participate in contracts in the oil sector"

**Elsa Lacladere, BP supply chain management team**



## 2.5 Education

**Supporting education is an important area for us because by helping individuals we can contribute to wider social development and self-sufficiency. Our programmes are developed from assessments of need. As a result, we have tended to focus on providing books and equipment in schools as well as initiatives within the workforce and at university level to develop skills and capacity. Improving education, a fundamental requirement in Angola's social and economic development, is an important theme in our community investment strategy.**

**Support for schools** Our approach to supporting schools has covered both the physical requirements of local schools and the need to support capacity building. In two municipal areas of Luanda, we assessed the needs of schools and embarked on a programme to purchase books and provide IT equipment such as videos, photocopiers, and computers. At ICRA (Instituto de Ciências Religiosas de Angola – the Angolan Institute for Religious Studies), we have worked to strengthen the pre-university course for social development by supporting capacity building of the training and management team as well as acquiring books and computers and helping to systematize the library. New projects planned for the future will continue in this direction as well as promoting English language skills.

**Education in staff development** Education is a key part of our own staff development package. As part of our technician recruitment programme, we run a scholarship scheme for Angolan students. Scholarships were provided in 2006 to 25 students (from 300 interviewed candidates). The selected individuals have now begun their studies at the Middle East Technical University



We believe that increasing the pool of qualified personnel will bring benefit to the country overall, as well as potentially to BP.

in Ankara, Turkey. The course involves work in the English language, followed by four-year degree courses. These are in petroleum engineering, chemical engineering, and civil and mechanical engineering.

Following a joint study with the Agostinho Neto University in 2005, we signed a co-operation agreement with the university in 2006. The aim of the agreement is to support the university in its teaching of engineering and the

geosciences. We believe that increasing the pool of qualified personnel will bring benefit to the country overall, as well as potentially to BP. In the course of the year, we have provided financial support for 60 students in these faculties, and provided textbooks and photocopying equipment with a value of around \$184,000.

Our total spending on educational initiatives is planned to be approximately \$1.6 million in 2007.

## 2.6 Access to energy

**Energy is a major factor in improving standards of living for residents within rural communities. Although Angola is a country rich in natural resources, it is estimated that over 80% of the whole population and about 95% of the rural population's sole source of energy is wood and coal. Securing widespread access to reliable sources of energy is a fundamental challenge facing Angola.**

We have carried out projects to promote solar energy as a means of bringing energy to rural communities. In 2004, the Paranhos Solar village pilot project was launched. The project provides energy to Paranhos, a village of 360 people and 10 communal buildings 55 kilometres north of Luanda: the solar energy gives light to communal buildings

(such as schools and farmers' associations), lighting to individual housing, water pumping and storage and a standalone system for medical centre (including vaccines).

### **Learning from our pilot solar project**

The Paranhos pilot has delivered valuable lessons. Some of these have focused on

resolving specific technical problems at the village site. Others have been of wider significance, related to the potential for using solar photovoltaics (PV) to supply electricity on a much wider scale across Angola.

In support of wider rural electrification, we carried out a feasibility study to identify the potential for a nationwide solar programme, together with MINEAS (the Angolan Ministry of Energy and Water). The report, which was completed in November 2005, concluded that a national solar PV programme represented a significant opportunity for Angola but was dependent on a number of critical factors. These included the need for leadership from relevant Angolan government ministries, awareness-raising and capacity building, and a clear presentation of how such a programme would fit within existing national policies.

In addition to the pilot project, we have sought to introduce solar energy to facilities which will bring a wider social benefit. Rehabilitation and solar energy will be put into two schools in Luanda to enable adults to attend classes at evenings. We estimate that the project will benefit some 3,000 individuals in total.



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## 2.7 Other social programmes

**In addition to support for enterprise development, education, and access to energy, we support a number of smaller projects, summarized here. These initiatives seek to tackle local needs for capacity building as well as support national challenges such as HIV/AIDS.**

**HIV/AIDS** While HIV/AIDS is not as prevalent in Angola as in other parts of the region, we want to help manage the risk of it becoming a major problem. We support HIV/AIDS awareness initiatives and have sponsored a condom-marketing programme which has expanded distribution of condoms to seven of Angola's 18 provinces. We also sponsor programmes in several

provinces to increase HIV/AIDS awareness in schools and communities.

**Palanca Boys Home** We have supported the Palanca Boys Home in Luanda since 1997. The home provides a safe haven for street boys to live, learn and mature. More than 1,000 boys, all of whom are orphaned or have lost contact with their families through displacement, have had

access to the home. We are working with Palanca to help it become more sustainable and less reliant on donations.

**OSANDE project** This project, being implemented by ADRA, an Angolan NGO in Huambo province, strengthens local communities by building skills in leadership, civic education, administration and small business initiatives.



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# Performance data

	2004	2005	2006
<b>Safety</b>			
BP employee fatalities	0	0	0
BP contractor fatalities	0	0	0
Day away from work cases (DAFWC) <sup>a</sup> – workforce <sup>b</sup>	1	0	2
Day away from work cases frequency (DAFWCf) <sup>c</sup> – workforce	0.1	0.00	0.06
Recordable injuries <sup>d</sup> – workforce	2	3	8
Recordable injury frequency (RIF) <sup>e</sup> – workforce	0.2	0.14	0.25
Total vehicle accidents	15	10	78
Total vehicle accident rate (TVAR) <sup>f</sup>	11.53	4.56	23.35
Hours worked – workforce	1,878,661	4,295,913	6,433,581
Kilometres driven	1,300,405	2,193,063	3,340,962
<b>Environment</b>			
Equity share direct carbon dioxide (CO <sub>2</sub> ) <sup>g</sup> – operated and non-operated (tonnes)	403,417	520,004	484,666
Equity share indirect carbon dioxide (CO <sub>2</sub> ) – operated and non-operated (tonnes)	0	0	0
Equity share direct methane (CH <sub>4</sub> ) – operated and non-operated (tonnes)	873	1,502	1,643
Equity share direct greenhouse gas (GHG) <sup>h</sup> – operated and non-operated (tonnes CO <sub>2</sub> equivalent)	421,750	551,546	519,169
Equity share direct carbon dioxide (CO <sub>2</sub> ) – operated (tonnes)	4,842	15,618	19,598
Equity share indirect carbon dioxide (CO <sub>2</sub> ) – operated (tonnes)	0	0	0
Equity share direct methane (CH <sub>4</sub> ) operated – (tonnes)	0	0	0
Equity share direct greenhouse gas (GHG) – operated (tonnes CO <sub>2</sub> equivalent)	4,842	15,618	19,598
Total gas flared (tonnes)	29	466	1,987
Sulphur dioxide (SOx) (tonnes)	5	17	108
Nitrogen oxides (NOx) (tonnes)	72	272	1,587
Non-methane hydrocarbons (NMHC) (tonnes)	9	26	260
Number of hydrocarbon spills <sup>i</sup>	0	0	2
Volume of product spilled (litres)	0	0	2,543
Volume of product unrecovered (litres)	0	0	2,543
Total hydrocarbon discharges to water (tonnes)	0	0	0
Hazardous waste disposed (tonnes)	50	138	673
<b>Employees</b>			
Total BP Angola staff	459	614	808

a DAFWC: An injury or illness is classified as a Day Away From Work Case (DAFWC) if as a consequence of it the member of the BP workforce could not have worked on any day after the injury or illness, irrespective of whether there was scheduled work, or when a physician or other licensed health care professional recommends that the member of the BP workforce stay at home but the individual comes to work anyway.

b The BP workforce comprises all BP employees, all BP contractors and all BP Directors.

c DAFWCf workforce: The number of injury DAFWCs to the BP workforce for every 200,000 hours worked in the same period.

d A recordable injury is an injury and illness incident that results in a fatality, a day away from work case, restricted work or job transfer, or medical treatment beyond first aid.

e RIF: The total number of Recordable Injuries to the BP workforce for every 200,000 hours worked in the same period.

f TVAR: Total Vehicle Accident Rate: the sum of all light vehicle and all mobile plant accidents per one million kilometres driven.

g Direct GHG emissions are the physical emissions from BP's sources. Indirect GHG emissions are a consequence of the import of steam and electricity from third-party sources.

h GHG emissions include carbon dioxide and methane emissions (converted to the quantity of CO<sub>2</sub> that would create an equivalent warming effect).

i Hydrocarbon spill: An accidental or unplanned loss of hydrocarbon greater than or equal to one barrel from primary containment from a BP or contractor operation, irrespective of any secondary containment or recovery. (One barrel is equal to 159 litres, equivalent to 42 US gallons.)

# Assurance statement

**This report has been substantiated by Ernst & Young, the BP group auditors. The primary purpose of the report substantiation process is to test that the assertions, claims and data set out in the text regarding BP's sustainability performance can be supported by evidence. This process is intended to give assurance about the report contents from an independent third party. Ernst & Young's scope of work and their conclusions are provided below.**

## **Independent assurance statement to BP management**

The *BP in Angola Sustainability Report 2006* (the Report) has been prepared by the management of BP Angola, who are responsible for the collection and presentation of information within it. Our responsibility, in accordance with BP management's instructions is to carry out a limited assurance engagement on the Report as outlined below, in order to provide conclusions on the claims, data and coverage of issues within it.

Our responsibility in performing our assurance activities is to the management of BP p.l.c. only and in accordance with the terms of reference agreed with them. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization. Any reliance any such third party may place on the Report is entirely at its own risk.

**What we did to form our conclusions** Our assurance engagement has been planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE3000). Our scope of work is to carry out a limited assurance engagement on the claims and data contained within the Report.

The Report has been evaluated against the following criteria:

- Whether the Report covers the key sustainability issues relevant to BP in Angola in 2006 which were raised in the media, BP Angola's own review of material sustainability issues, and selected internal documentation.
- Whether sustainability claims made in the Report are consistent with the explanation and evidence provided by relevant BP managers.
- Whether the sustainability data

presented in the Report is consistent with the relevant business unit level data records.

In order to form our conclusions we undertook the steps outlined below.

1. Reviewed a selection of external media reports and internal documents relating to the sustainability performance of BP in Angola in 2006 as a check on the scope and appropriateness of statements made in the Report.
2. Reviewed BP Angola's process for determining the key issues to be included in the Report.
3. Reviewed information or explanation about the Report's sustainability performance data and statements. Whilst we reviewed documentation to support the sustainability data contained within the Report, we did not test the data processes for gathering, collating and reporting data at country or site level.

**Level of assurance** Our evidence gathering procedures have been designed to obtain a limited level of assurance on which to base our conclusions. The extent of evidence gathering procedures performed is less than that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

**Our conclusions** On the basis of our review and in accordance with the terms of reference for our work we provide the following conclusions on the Report. Our conclusions should be read in conjunction with the above section on 'What we did to form our conclusions'.

### **1. Does the Report cover the key issues?**

Based on our review of media, selected internal documents, and BP Angola's process for determining key issues, we are not aware of any key

sustainability issues that have been excluded from the Report.

### **2. Are the data and statements regarding BP Angola's sustainability performance contained within the Report supported by evidence or explanation?**

We are not aware of any misstatements in the assertions and data presented by BP management within the Report regarding BP Angola's sustainability performance.

**Our independence** Our assurance team has been drawn from our global environment and sustainability network, which undertakes similar engagements to this with a number of significant UK and international businesses. As auditors to BP p.l.c., Ernst & Young are required to comply with the independence requirements set out in the Institute of Chartered Accountants in England & Wales (ICAEW) Guide to Professional Ethics. Ernst & Young's independence policies, which address and in certain places exceed the requirements of the ICAEW, apply to the firm, partners and professional staff. These policies prohibit any financial interests in our clients that would or might be seen to impair independence. Each year, partners and staff are required to confirm their compliance with the firm's policies.

We confirm annually to BP whether there have been any events including the provision of prohibited services that could impair our independence or objectivity. There were no such events or services in 2006.

 **ERNST & YOUNG**

**Ernst & Young LLP**

London, September 2007

## Glossary of terms

ADRA	Accao para o desenvolvimento rural e ambiente (Action for Rural and Environmental Development)
Bopd	Barrels of oil per day
CAE	Centro de Apoio Empresarial (the Enterprise centre)
CDC	Citizens Development Corps
CRC	Country reputation council
DAFWCf	Day away from work case frequency
EIA	Environmental impact assessment
EITI	Extractive Industries Transparency Initiative
EMS	Environmental management system
ESI	Employee satisfaction index
FPSO	Floating, production, storage and offloading vessel
GCE	Group chief executive
GDP	Gross domestic product
GSR	Getting Security Right
HIV/AIDS	Human Immuno-deficiency virus/Acquired Immuno Deficiency Syndrome
HSSE	Health, Safety, Security and the Environment
ICRA	Institutio de Ciencias Religiosas de Angola (the Angolan Institute for Religious Studies)
JV	Joint venture
LNG	Liquefied natural gas
NGO	Non-governmental organization
MMO	Marine mammal observers
OMS	Operating management system
PAS	People assurance survey
Ppm	Parts per million
PSA	Production sharing agreement
PV	Photovoltaics
SME	Small and medium-sized enterprise
SPU	Strategic performance unit
UK	United Kingdom
UNDP	United Nations Development Programme

## Further information

In 2006, we have continued to embed our three levels of sustainability reporting: the BP group sustainability report, selected country reports and selected local site reports.

**Group reporting** Our group website provides a full information resource for people interested in finding out more about BP's approach to sustainability and responsibility. The site includes detailed information and data about the group's sustainability performance, including the BP Sustainability Report 2006 ([www.bp.com/sustainability](http://www.bp.com/sustainability) and [www.bp.com](http://www.bp.com)).

A range of case studies is available online. These provide specific examples of how we put our commitments into practice around the world. They cover topics including health, safety and security, employees, diversity and inclusion, education, conservation, BP and development, responsible operations, enterprise development, revenue management, and business ethics. They have been substantiated by Ernst & Young ([www.bp.com/casestudies](http://www.bp.com/casestudies)).

The website also includes detailed charting tools that allow you to view BP's

performance data on issues such as health, safety, and the environment through an intuitive and easy-to-use charting function with an accessible formatting option. Charts can be created as images and raw data downloaded ([www.bp.com/hsechartingtool](http://www.bp.com/hsechartingtool)).

Our environmental mapping tool aims to provide greater transparency on the issues we face at local level by allowing you to access environmental management information about individual BP sites. This shows where all major BP operated facilities with ISO certification are located and identifies which issues are significant for management of each site. Using the tool, you can review details for biodiversity, air quality (non-greenhouse gas), fresh water use, water quality and waste by region. Plotting these sites on background maps that illustrate regional environmental conditions helps to put site information into local context, especially in relation to environmentally sensitive areas ([www.bp.com/hsemappingtool](http://www.bp.com/hsemappingtool)).

**Country sustainability reports** In 2006, we produced four country sustainability reports: Azerbaijan, Georgia, Germany

and Trinidad & Tobago. As with this report, their aim is to provide a detailed insight into our operations in the context of a particular region or market. They have been produced to a consistent template in terms of structure, content and design and have adopted standardized processes for content development and external verification. ([www.bp.com/countrysustainabilityreports](http://www.bp.com/countrysustainabilityreports) and [www.bp.com/worldwide](http://www.bp.com/worldwide)).

**Verified site reports** Our website also contains more than 60 verified site reports, providing detailed accounts of health, safety, environmental, and social performance around the world. We believe independently verified site reports provide local transparency on our progress towards our stated aspirations ([www.bp.com/sitereports](http://www.bp.com/sitereports)).

**Speeches on corporate responsibility** We publish a range of speeches on our group website. In 2006, these included subjects such as technology and innovation, energy security, business and poverty, alternative energy, climate change, and low carbon power. ([www.bp.com/speeches](http://www.bp.com/speeches)).

## Contact details and acknowledgements

Your feedback is important to us. You can write to us at the address below, marked for the attention of the Communications and External Affairs team, or send an e-mail to us at [bpangola@bp.com](mailto:bpangola@bp.com).

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### Production notes

**Paper**  
This Sustainability Report is printed on Revive Uncoated from the Robert Horne Group, which is produced using 100% de-inked post-consumer waste recycled fibre at a mill that has been awarded the ISO 14001 certificate for environmental management. The pulp is bleached using an elemental chlorine-free (ECF) process.

