



TANGGUH COORDINATION WITH POLICE DURING YEAR 2014

The Integrated Community Based Security (ICBS) program was designed with the goal of providing those who live and work around Tangguh LNG with a safe and secure environment. It was formulated in collaboration with the Indonesian authorities to address the security and human rights concerns of all stakeholders based on partnerships between Tangguh, the communities, and the government's security providers. As such, on April 16, 2004, a Security "Field" Guidelines Agreement was executed between the Papua police and BP, as operator of Tangguh LNG¹. The Field Guidelines set forth the measures to implement the broader Memorandum of understanding dated August 22, 2003 between BPMIGAS (at the time Indonesia's Upstream oil and gas regulatory body) and the Indonesian police concerning security of oil and gas projects throughout the Republic of Indonesia. This field Security Guidelines Agreement is worth for 5 (five) years and has been renewed on August 6, 2009.

The Field Guidelines are aimed at ensuring that the working conditions at Tangguh LNG remain secure, in order and without violation of the law. They cover the provision of security at the project and at associated project facilities. The Field Guidelines make clear that BP is responsible for primary security provided by unarmed private security guards. The Guidelines also specify the procedures to be followed whereby BP can request assistance from the police, and the procedures to be followed by the police in deploying such assistance.

The Field Guidelines describe specific commitments of both BP and the police with respect to bearing the costs of security for Tangguh. In this regard:

- Each respective organization will bear its own cost for the conduct of its activities or the discharge of its basic obligations under the Guidelines.
- All costs, payments, and provisions of materials or supplies will be open and transparent and either side has the discretion to publicly disclose this information.
- If BP requests security assistance from the police:
 - With BP approval and request for payment, then BPMIGAS and now SKK Migas (the Indonesia upstream oil and gas oversight body) will make payment for transportation, lodging, meals, and daily allowances.
 - The amount and procedure for payment will be based on standards and procedures issued by SKK Migas.
 - BP will not be obligated to pay for any support unless previously approved and accepted by SKK Migas as 'cost recoverable' based on the applicable production sharing contracts and approved by BP Management and its investment partners in the Tangguh project. BP will not be allowed and will not provide any weapon, weaponry, ammunition or any funding to support the procurement of these items.

¹ "Field Guidelines for Joint Security Measures within the Work Area of the Tangguh LNG Project", Joint Decree of Chief of Regional Police of Papua and BP Berau, Ltd., April 16, 2004. See <http://www.bp.com/tangguh>



Further information on the ICBS program as well as a copy of the Field Guidelines is available on this web site, www.bp.com/tanggung.

Payments in 2014 in Direct Support of Tangguh Security

In 2014, several activities in regard to ICBS and Security operations were conducted as below:

1. Police assistance in issuing a death certificate and investigation to a medical case at LNG Site.
2. Police support for Tangguh Exploration and Appraisal Project (TEAP) consisting of seven activities related to explosives handling and joint security land patrol activities.
3. Support during the AMDAL Hearing at Bintuni and Kokas as part of the Tangguh Expansion Program.
4. Investigation of a vandalism incident on a Tangguh excavator at the LNG fencing area.
5. Police assistance to handle local community demonstration at Babo related to a labor recruitment issue.
6. Police involvement in the community policing program in Tanah Merah Baru and Saengga villages.
7. Police assistance to release a detained charter boat from local community at Taroy jetty.
8. Joint Exercise coordination meeting at LNG Site.
9. Police involvement in the law familiarization program for 10 villages in Teluk Bintuni, including familiarization of law, exclusion zone and runway.
10. Police visit for security audit at LNG Site.
11. Joint Exercise program with Papua Police at Babo.
12. Joint sea security patrol to secure exclusion zone and reduce trespassing cases.

A summary breakdown of payments is listed in the table below:

No	Date of Event	Amount (USD)	Description
1.	28 Jan	46.22	Two Babo police officers were involved in the investigation of a contractor who died of a heart attack at site. This is a required procedure to obtain a death certificate.
2.	1 Jan – 30 Nov	27,336.14	Assistance from nine Bintuni police officers assisted throughout January to November on the explosives handling and land joint patrol for the TEAP project.
3.	8 - 13 Feb	20,050.42	191 police and 38 military personnels secured the AMDAL Hearing activity in Bintuni and Kokas.



4.	22 - 23 Apr	100.84	Two police support to investigate the vandalism on a Tangguh excavator in the fencing area at LNG Site.
5.	18 Apr	243.70	Three police officers and eight military officers assisted with the management of community demonstration at Babo airport related to labor recruitment.
6.	5 - 10 May	966.39	Three Police officers participated in the community policing program at Tanah Merah Baru and Saengga villages.
7.	22 - 24 May	361.34	Police assistance to release a BP charter boat that was detained by local community at Taroy jetty.
8.	18 - 20 Aug	495.80	Six Bintuni police officers participated in the Joint Exercise coordination meeting at LNG Site.
9.	22-26 Sept	1,928.57	Nine Police and two military personnels attended the Law Socialization at 10 villages in Teluk Bintuni.
10.	13 - 14 Nov	389.92	Four Papua police visited LNG Site for security audit.
11.	27 - 30 Nov	8,773.11	Joint Exercise program with Papua Police at Babo.
12.	1 Oct - 31 Dec	4,301.26	Five police officers participated in the security exclusion zones patrol activities.
	TOTAL	64,993.71	

Note: The above cost spending summary includes all payments in cash in the form of daily allowance, excluding logistical support which is provided in-kind by BP.