

BP Oil Sands Shareholder Resolution – April 2010

At BP's forthcoming AGM we have been asked to vote on a Shareholder Resolution:

Resolution 25: Approve that the Audit Committee or a Risk Committee of the Board Commissions and Reviews a Report Setting Out the Assumptions Made by the Company in Deciding to Proceed with the Sunrise Project.

Both Management and Research Recommendations and Electronic Voting (RREV) have recommended voting against this resolution.

After conducting our own research and meeting senior executives at BP, we believe the company's response to issues raised in the shareholder proposal to have been satisfactorily addressed.

BP have outlined their assumptions on world energy demand (citing the IEA's 2009 World Economic Outlook) and oil price volatility, they have also provided details on pricing estimates for carbon emissions for its projects and have conducted independent studies on the impact of Steam Assisted Gravity Drainage (SAGD), which suggests CO2 emissions are 5-15% higher compared to conventional methods. The company will make its final investment decision later this year and assuming it is sanctioned will start production in 2014. In the meantime BP will continue to look at techniques through technological innovation to further reduce emission levels. As part of the company's established investment approval process the board has stated that for all its projects they look at several factors which include non-financial risk elements - environmental, social and reputational risk. BP have also committed to producing an annual Canadian sustainability report which will commence in 2011.

BAPIML will be voting against the shareholder resolution.

For further information please click on the links provided below.

http://www.bp.com/liveassets/bp_internet/globalbp/STAGING/global_assets/downloads/B/BP_Oil_Sands_Presentation_08022010.pdf

<http://www.bp.com/sectiongenericarticle.do?categoryId=9032829&contentId=7060779>