

April 8, 2010

Mr. Tony Hayward, Chief Executive Officer  
BP p.l.c.  
1 St James's Square  
London  
SW1Y 4PD

Re: Special Resolution related to Oil Sands Risk Assessment

Dear Mr. Hayward,

Boston Common Asset Management, Christian Brothers Investment Services, and MMA Praxis Mutual Funds are official co-filers for the special resolution on oil sands to be presented at this year's Annual General Meeting of BP. We, along with other undersigned investors, are writing to express our support for this special resolution, and urge BP to provide the additional disclosure that the resolution requests.

We are concerned about the potential risks associated with our company's oil sands investments. In particular, we are concerned about the potential for future carbon regulation, oil price volatility, water scarcity, as well as the legal and reputational risks arising from local environmental damage and impairment of traditional livelihoods, all of which may impact the long-term economics of this project and the value of our company.

We believe that these risks are material to the company, and that our company has not done an adequate job of disclosing to investors how it plans to manage them over the long-term.

These issues are especially acute given the strategic uncertainty that developments over the past 18 months—including growing momentum to regulate carbon emissions and increasing doubts about the sustainability of high oil prices—have created for oil sands producers. In light of this strategic uncertainty, investors need clarity regarding the macro-economic assumptions being made by BP in deciding to allocate capital to the acquisition and development of oil sands resources.

Our concerns have been heightened by BP's recent moves to substantially increase its exposure to the oil sands. BP's announced deal with Devon to create a joint venture to jump-start the development of the Kirby in-situ project, along with the planned purchase of a majority stake in Value Creation, mark a significant increase in our company's long-term commitment to oil sands production at a time of growing risks for oil sands producers.

We are also concerned that BP has entered the oil sands, with its challenging set of economic, political, environmental and social risks, through joint ventures over which it

has no operational control. From an external perspective, it appears that BP has ceded management of these key risks to other parties, ones that have a poor reputation among investors for their management of environmental risk.

A recent comprehensive benchmarking of oil sands operators<sup>1</sup> rated Husky, our company's joint venture partner in Sunrise, as having the highest risk exposure of any oil sands operators in each of the categories analyzed: disclosure, First Nations, air, water, land and strategy. Devon, our joint venture partner at Kirby, similarly received low scores across most risk categories.

Given the environmental and social risks, the concerns raised about our JV partners, and growing uncertainty about the likelihood of market conditions necessary to justify BP's increasing allocation of capital to high cost oil sands production over other projects within its portfolio, we support the special resolution's call for greater disclosure.

We would welcome the opportunity to meet with senior representatives of the company by phone to discuss our concerns prior to the company's 2010 AGM, and will be following up in the near future to explore this possibility.

Sincerely,



Lauren Compere  
Managing Director  
Boston Common Asset Management

Mark Regier  
Director of Stewardship Investing,  
MMA Praxis Mutual Funds

Dan Nielsen  
Director, Socially Responsible Investing  
Christian Brothers Investment Services

Cc: Anne Drinkwater, President and CEO, BP Canada Energy Company

Investor Signatories:

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<sup>1</sup>[http://www.ethicalfunds.com/SiteCollectionDocuments/docs/lines\\_in\\_the\\_sands\\_full.pdf](http://www.ethicalfunds.com/SiteCollectionDocuments/docs/lines_in_the_sands_full.pdf)

*Lines in the Sand: Oil Sands Sector Benchmarking*, Northwest and Ethical Investments, December 2009

Angus Dennis, Senior Investment Specialist  
Responsible Investment Leaders Funds  
AMP Capital Investors (Australia)

Michael D. Hanas, Principal  
Carolina Friends School

Bennett Freeman, Senior Vice President of Sustainability Research and Policy  
Calvert Asset Management Co., Inc.

Susan Vickers, RSM  
VP Community Health  
Catholic Healthcare West

Bill Dempsey, Board Member  
The Center for Community Change

Stephen Viederman, Finance Committee  
Christopher Reynolds Foundation

Rev. Bruce Southworth, Senior Minister  
The Community Church of NY Unitarian Universalist

Edith Eddy, Executive Director  
Compton Foundation, Inc.

Karen Shapiro  
Domini Investments

Sr. Marcelline Koch, OP  
Office of Justice  
Dominican Sisters of Springfield, Illinois

Faultline Foundation

George Gay, Chief Executive Officer  
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Cathy Rowan, Corporate Responsibility Coordinator  
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Susan Smith Makos, Director of Social Responsibility  
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Daniel Stranahan, Chair Finance Committee  
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Rev. Dr. Rebecca A. Parker, President and Professor of Theology  
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Shelley Alpern, Director of Social Research & Advocacy  
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Dermot Foley, Strategic Analyst  
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