



## BP European Works Council

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### **AGREEMENT ON "BUSINESS SERVICE CENTRE (BSC)" CONSULTATION**

On the basis of the BP EWC Agreement on Information and Consultation signed 25 April 2007

Management of BP Europe Region

and

Employee Representatives of the BP European Works Council (BP EWC)

have reached the following understanding:

#### **1. Introduction**

The Management of BP has informed BP EWC employee representatives of their intention to pursue the option of consolidating their Customer Service and Finance Centres of Expertise activities into a single Business Service Centre (BSC) in Europe. It is anticipated that it will be located in a low cost area within Europe (location to be decided) and that this option will be fully realised by end 2010. An impact on jobs is seen as inevitable.

Management emphasized that the project is in its early stages, with no formal business case or FM signed, but they see both a need and a benefit in including the BP EWC from the outset.

The Management has offered BP EWC employee representatives an open dialogue and consultation process and has given assurance that there is no preformed result to this project on the part of the Management.

The purpose of this memorandum is to clarify the main project targets and the processes of the proposed consultation between Management and BP EWC employee representatives.



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### 2. Targets

The project will be guided by the following objectives:

- Maintain or improve satisfaction levels in relation to customer service
- A level of effectiveness consistent, as a minimum, with current provisions
- A competitive cost structure

In pursuing the implementation of these targets, management will strongly endeavor to avoid forced/compulsory redundancies to the maximum extent possible by using a wide range of personnel tools, e.g. redeployment within the company, relocation, retraining, outplacement support, and early retirement. The application of these tools will be guided by BP policies and local labor market conditions and laws.

### 3. Organization/Responsibilities of Management and BP EWC employee representatives

a. The accountability for the project lies with the Refining and Marketing Vice President, Business Transformation.

The project will be managed by a project team headed up by

- Project Manager, Programme Coordination and Business Simplification
- Project Manager, Customer Service Design
- Project Manager, Finance Centers of Expertise

It is envisaged these people will be the R&M business contacts for the consultation process. The roles may evolve as the project progresses.

b. The involvement of BP EWC will initially be covered by the Link Committee, representing the elected members of the BP EWC, as described in Section 3.2 of the BP EWC agreement.

The BP EWC Link Committee is responsible to the elected members of the BP EWC and will lead on their behalf. All activities and decisions will be reported, by the Link Committee, to the BP EWC membership at every opportunity.

The project will be managed by the usual processes within BP (e.g.: CVP). To be assured of a proper and beneficial involvement, BP EWC Link Committee



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members will receive training where necessary on all aspects of the project and its processes.

This agreement has no impact on any local consultation.

### **4. Access to Information**

BP Management guarantees access, for BP EWC Link Committee members, to all relevant data, documents and information relative to the above mentioned project.

### **5. Confidentiality**

Prejudicial information is that which, by its nature, is such that it would be seriously harmful or could create unnecessary risks for any of the undertakings concerned, and will not be provided.

Confidential information is that which has been provided to the selected representatives (or expert(s) engaged to assist BP EWC) in confidence and must not be disclosed further. Where this would result in breach of a local legal requirement, the respective BP EWC employee representative will immediately notify the BP EWC Link Committee Coordinator who in turn will discuss the matter with the chairperson of the BP EWC.

### **6. Experts**

In accordance with its agreed constitution, BP EWC may call upon the services of "experts" where it is necessary to assist the selected representatives in the fulfillment of their role. These "experts" may be employees of BP or from external sources.

Prior agreement to the engagement of the services of an expert must be obtained from the Secretary of BP EWC if costs are involved and/or disclosure of confidential information to the expert is intended. Accompanying the request will be details of the reason why the expert is required, the information it is proposed to disclose to the expert and an estimate of the likely costs involved. The expert may attend a pre-meeting, but only employees of BP will attend the main BP EWC meeting unless by prior agreement with the Secretary of BP EWC.

### **7. Milestones and Project Plan**



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The Management will prepare a plan for the project. This plan will include a timeline, on which target milestones and the points of decisions are shown.

### 8. Disputes

Any dispute concerning this memorandum will be treated in accordance with the main BP EWC agreement.

Cologne, <sup>nd</sup> 1st April 2008

Chairperson, BP EWC

BP EWC Coordinator