



# Sustainable Purchasing Position

November 2023

“bp’s procurement organization carries out much of our purchasing and supply chain management. This sustainable purchasing position articulates to our current and prospective suppliers our areas of focus so that we can progress together, towards a more sustainable supply chain. In procurement, we want to work with suppliers that share, and can show us how they will support, this ambition.”

*Louise Jacobsen Plutt, chief procurement officer, bp*

## Introduction

bp’s sustainability frame sets out bp’s aims for getting to net zero, helping the world get to net zero, improving people’s lives, and caring for our planet. It rests on strong, well-established foundations, including a focus on safety in everything we do, and a non-negotiable commitment to ethics and compliance.

bp is working to embed sustainability across its businesses; this includes consideration of the supply chain. In procurement, we want to promote environmental stewardship and social responsibility. Aim 20 of bp’s sustainability frame – ‘sustainable purchasing’ – underpins procurement’s focus on developing a more sustainable supply chain.

Read more about bp’s sustainability frame and 20 aims at [bp.com/sustainability](https://bp.com/sustainability)

This document complements [bp’s expectations of its suppliers](#). It outlines procurement’s intent for sustainable purchasing and the principles we intend to follow as we work to promote a more sustainable supply chain. The principles will guide our actions, so the section on ‘what we plan to do’ needs to be read in this context.

## What we plan to do

We have set our focus for sustainable purchasing in line with bp's sustainability frame, with three components: decarbonization ('Get to net zero'), social sustainability ('Improve people's lives') and environmental sustainability ('Care for our planet').

### Net zero

We plan to **contribute to the reduction of bp's operational emissions**, by sourcing goods and services that support delivery of operational decarbonization projects.

We also plan to:

- Work jointly with a range of our suppliers to better understand and **reduce greenhouse gas emissions in our supply chain**.
- Encourage all suppliers, and in time require some suppliers, to demonstrate their approach to carbon management.
- Define appropriate emissions data sets to collect from selected suppliers and engage with them to identify opportunities to improve.

### People

We plan to continue our efforts to **promote respect for human rights in the supply chain**, including how labour rights and modern slavery risks are managed. This includes conducting human rights due diligence for high-risk suppliers and expecting suppliers to remedy priority findings.

Read more: [Our aim 12 – Just transition](#)

We plan to continue our efforts to **drive greater equity**, increasing our spend with diverse suppliers, and unlocking innovation through diversity.

Read more: [Our aim 14 – Greater equity](#)

We plan to continue our efforts to **develop local content**, sourcing local goods and services to enhance community livelihoods and support a just transition.

### Planet

We plan to **embrace circular economy thinking** and to encourage our suppliers to do the same, promoting reuse, repurposing, and recycling of materials, keeping them in use for longer in their lifecycle.

We plan to continue our efforts to support our businesses' delivery of bp's 'planet' aims, in areas such as **water, biodiversity, and circularity**.

Read more: [Our aims to care for our planet](#)

## Principles for how we intend to deliver

### Conformance

We intend to act in accordance with our code of conduct, business and human rights policy, labour rights and modern slavery principles, and environmental policy where they apply to our activities.

Read more: [bp.com/codeofconduct](https://bp.com/codeofconduct)

Read more: [bp.com/humanrightspolicy](https://bp.com/humanrightspolicy)

Read more: [bp.com/humanrights](https://bp.com/humanrights)

Read more: [bp.com/environmentalpolicy](https://bp.com/environmentalpolicy)

### Supply chain collaboration and partnership

We will seek to develop and strengthen relationships with suppliers who share similar intentions and can demonstrate a commitment to helping bp achieve its sustainability aims alongside their own.

We believe that effective action and collaboration of this kind is often best informed by decision-useful information from along the supply chain. It is widely recognised that gathering such information is one of the key challenges facing the promotion of supply chain sustainability.

One reason for sharing this position with our current and prospective suppliers is to be transparent with them that, over time, they can expect us to request more information – and potentially metrics – from them on matters such as GHG emissions, the approaches that they and their own suppliers are taking to identify and remedy human rights abuses, and how they are managing the risks and impacts associated with critical minerals.

### Industry action

We know that, for our suppliers and their supply chains, we are only one of often many customers. Working to different standards and expectations for different customers can introduce risk, cost and complexity, so where – consistent with applicable legal requirements – we see opportunities to participate in industry or cross-sectoral harmonization initiatives, we want to pursue those opportunities.

### Prioritization

We intend to focus our actions on areas of higher risk and impact within the supply chain, as we identify them, and work with suppliers to address them. We know that if we spread our efforts too thinly, we risk reducing impact and effectiveness.

### Capability building

We plan to continue to build on our own capability and awareness in relation to supply chain sustainability, and to encourage our suppliers to do likewise. We also recognize that we can learn from our suppliers about how sustainability can best be enhanced and promoted in their own areas of activity.

We will keep this document under review as we gain experience. Like many other businesses, we have much to learn about how to drive action most effectively in the supply chain.