



Information on LkSG Requirements

Version: 15th November 2022

The German Supply Chain Due Diligence Act (*Lieferkettensorgfaltspflichtengesetz*, "LkSG") obliges us to ensure that our supply chain is organised in such a manner as to ensure that appropriate consideration is given to statutory duties of care with respect to human rights and environmental protection. The aim is to anticipate and minimise risks to human rights and the environment and to stop violations of human rights and breaches of environmental obligations.

Human rights and environmental standards referenced in the LkSG

The principles and requirements set out in the LkSG are referenced to the conventions and standards listed below:

- The United Nations International Covenant on Civil and Political Rights
- The United Nations International Covenant on Economic, Social and Cultural Rights
- The Core Conventions of the International Labour Organization (ILO)
- The Minamata Convention on Mercury, the Stockholm Convention on Persistent Organic Pollutants and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal

The first two covenants reflect the United Nations Universal Declaration of Human Rights – with it they form the International Bill of Rights – and are the part of the Bill that is binding on States. The ILO Core Conventions are human rights standards relating to forced labour, child labour, freedom of association and discrimination in the workplace. The environmental standards are three widely ratified United Nations environmental conventions.

The LkSG identifies the need to manage the following human rights risk areas:

1. Prohibition of child labour

The LkSG refers to ILO Convention 138 concerning the minimum age for admission to employment or work and Convention 182 concerning the prohibition and elimination of the worst forms of child labour. Under those Conventions, the minimum age shall not be less than the age of completion of compulsory schooling under local law and, in any case, shall not be less than 15 years (subject to specific limited exceptions under applicable local law). Employees or workers below the age of 18 must not be used in work that is harmful to the health, safety or morals of young persons (e.g., work at night, overtime, exposure to poisonous or hazardous substances).

2. Prohibition of forced labour and other forms of modern slavery

Absolutely no forced labour, modern slavery or any such form of labour may be used. All work must be performed willingly and without threat of punishment, for example as a result of debt bondage or trafficking in human beings. Other forms of domination or oppression in the workplace, such as extreme economic or sexual exploitation and humiliation are also referenced as prohibited.



3. Occupational health and safety

Compliance with all applicable laws and regulations pertaining to occupational health and workplace safety, including reference to (i) having in place sufficient safety measures and standards; (ii) provision and maintenance of the workplace, workstation and equipment; (iii) appropriate protective measure to avoid exposure to chemical, physical or biological hazards; (iv) prevention of excessive physical and mental fatigue must be prevented through appropriate measures relating to working hours and breaks; and (v) adequate training and instruction of employees on applicable health and safety standards and measures.

4. Freedom of association

Respect for employees' freedoms of organisation and association as well as their collective bargaining rights to the extent these are legally permitted and possible in the respective country. In accordance with which, the LkSG references, employees have the right to form unions or other representative bodies, or to join them in the interest of safeguarding their common interests, including by exercising the right to strike and the right to collective bargaining. Employees must not be discriminated or retaliated against for having founded, joined or taken up membership in such organisations.

5. Prohibition of discrimination

Avoid unequal treatment in employment unless justified by the requirements of employment. This applies in particular to equal remuneration for work of equal value and in relation to discrimination based on national or ethnic origin, social background, health status, disability, sexual orientation, age, gender, political opinion, religious or philosophical beliefs or any other characteristics that are protected under the law.

6. Appropriate wages

Payment of employees' wages, including for overtime, in line with statutory requirements – particularly as they pertain to minimum wage under applicable law in the location of employment. And in addition, the LkSG refers to keeping apprised of the local cost of living for employees and their families and paying wages that meet or exceed the local liveable wage determined in accordance with the regulations of the place of employment.

7. Impacting living conditions

Avoid violating the rights of others, including in particular indigenous peoples where relevant, by unlawfully depriving them of land, forests or waters whose use constitutes the basis for securing their livelihoods. The LkSG also refers to prohibition of causing harmful soil changes, water and air pollution, harmful noise emissions and excessive water use are forbidden if they harm health of individuals, significantly impair the natural foundations for food production or prevent individuals from accessing safe, clean drinking water or sanitary facilities.



8. Use of security operatives

Where hiring private security operatives or using or working with public security forces to protect any company project taking steps to ensure that due to a lack of control or instruction by the company security actions contravene the prohibition of torture and cruel, inhumane or degrading treatment, cause injury to life and limb or violate rights to freedom of association and organisation.

9. Other serious violations of protected human rights

Finally, the LkSG refers to acts or omissions, which are directly capable of impairing other protected human rights in a particularly serious manner, and the unlawfulness of which is obvious upon a reasonable assessment of all the circumstances.

The LkSG further identifies the need to manage the following specific environmental risk areas:

10. Handling of waste and hazardous materials

Compliance with applicable laws implementing the prohibitions on exporting hazardous waste set out in the Basel Convention of 22 March 1989, as amended. Handling of mercury, mercury compounds and mercury waste in accordance with applicable laws implementing the prohibitions set out in the Minamata Convention of 10 October 2013 (Article 4(1), 5(2) and 11(3)). Handling of persistent organic pollutants in accordance with applicable laws implementing the Stockholm Convention of 23 May 2001 on Persistent Organic Pollutants (POP Convention), as amended, including refraining from the manufacture and use of the chemicals listed in Article 3(1)(a) and Annex A of the Stockholm Convention, provided that the applicable national law stipulates this in accordance with the POP Convention and refraining from handling, collecting, transporting and storing waste in a manner that is not environmentally sound in violation of applicable laws implementing Article 6(1)(d)(i) and (ii) of the POP Convention.

Links to related bp expectations

Code of Conduct [bp code of conduct](#)

Human Rights Policy [bp-human-rights-policy.pdf](#)

Labour Rights and Modern Slavery Principles www.bp.com/Humanrights

Whistleblowing We have established "OpenTalk", a helpline that enables individuals to report risks of human rights violations and environmental risks or breaches of duty within their organisation or our supply chain, and to address any other concerns in relation to our expectations of ethical business conduct. OpenTalk is available to all and enables individuals to submit questions or concerns (anonymously if they wish) by telephone (in Germany: 0800-2255288) or online (www.opentalkweb.com). Messages sent in the context of the whistleblowing procedure will be treated confidentially. We expect our suppliers to refrain from discriminating against or otherwise penalising employees and others who contact us through the helpline.