



# modern slavery and human trafficking statement 2020

25 June 2021

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## About this statement

This statement relates to the financial year ending 31 December 2020. It is published by bp p.l.c and its relevant subsidiaries<sup>1</sup> in compliance with the UK Modern Slavery Act 2015.

More information:


-  [Read our previous slavery and human trafficking statements at \*\*bp.com/reportingcentre\*\*](https://bp.com/reportingcentre)
-  [Read more about our human rights policy and labour rights and modern slavery principles at \*\*bp.com/humanrights\*\*](https://bp.com/humanrights)
-  [Our code of conduct is available at \*\*bp.com/codeofconduct\*\*](https://bp.com/codeofconduct)

## About bp and our supply chain

We are a global energy business with operations in Europe, North and South America, Australasia, Asia and Africa. We currently operate in 72 countries with 63,600 employees and have around 46,000 suppliers. These include contractors, vendors, service providers and contingent labour, many of whom also have further suppliers.

Our third-party expenditure was approximately \$50 billion in 2020. We recognize the potential for labour rights violations in our industry and supply chain, and we focus our efforts where we believe that risk is greatest.

Our procurement teams have identified parts of our supply chain as focus areas for their work to identify and manage labour rights risks, including modern slavery.

-  [Read more about the work of our procurement teams on \*\*pages 7 and 8\*\*](#)

<sup>1</sup> BP p.l.c. and its subsidiaries are separate legal entities. References to “bp”, “we”, “our” and similar terms are to BP p.l.c. and its subsidiaries generally, to one or more of them, or to those who work for them. bp subsidiaries making this statement are: Air BP Ltd, Arco British Ltd LLC, BP Amoco Exploration (In Amenas) Ltd, BP Berau Ltd, BP Chemicals Ltd, BP Commodities Trading Ltd, BP Exploration (Angola) Ltd, BP Exploration (Azerbaijan) Ltd, BP Exploration (Beta) Ltd, BP Exploration (Caspian Sea) Ltd, BP Exploration (Delta) Ltd, BP Exploration (Epsilon) Ltd, BP Exploration (El Djazair) Ltd, BP Exploration Operating Company Ltd, BP Gas Marketing Ltd, BP International Ltd, BP Marine Ltd, BP Oil UK Ltd, BP Shipping Ltd, BP Wiriagar Ltd, Britannic Energy Trading Ltd, Britannic Marketing Ltd, Britannic Strategies Ltd, Britannic Trading Ltd, Britoil Ltd, Castrol Ltd, Lubricants UK Ltd and Wiriagar Overseas Ltd.

# Introduction

bp supports the elimination of all forms of modern slavery. Modern slavery is a term used in policy and law to describe forms of exploitation that constitute serious violations of human rights, including human trafficking and forced labour. This type of exploitation is contrary to our commitment to respecting the rights of our workforce.

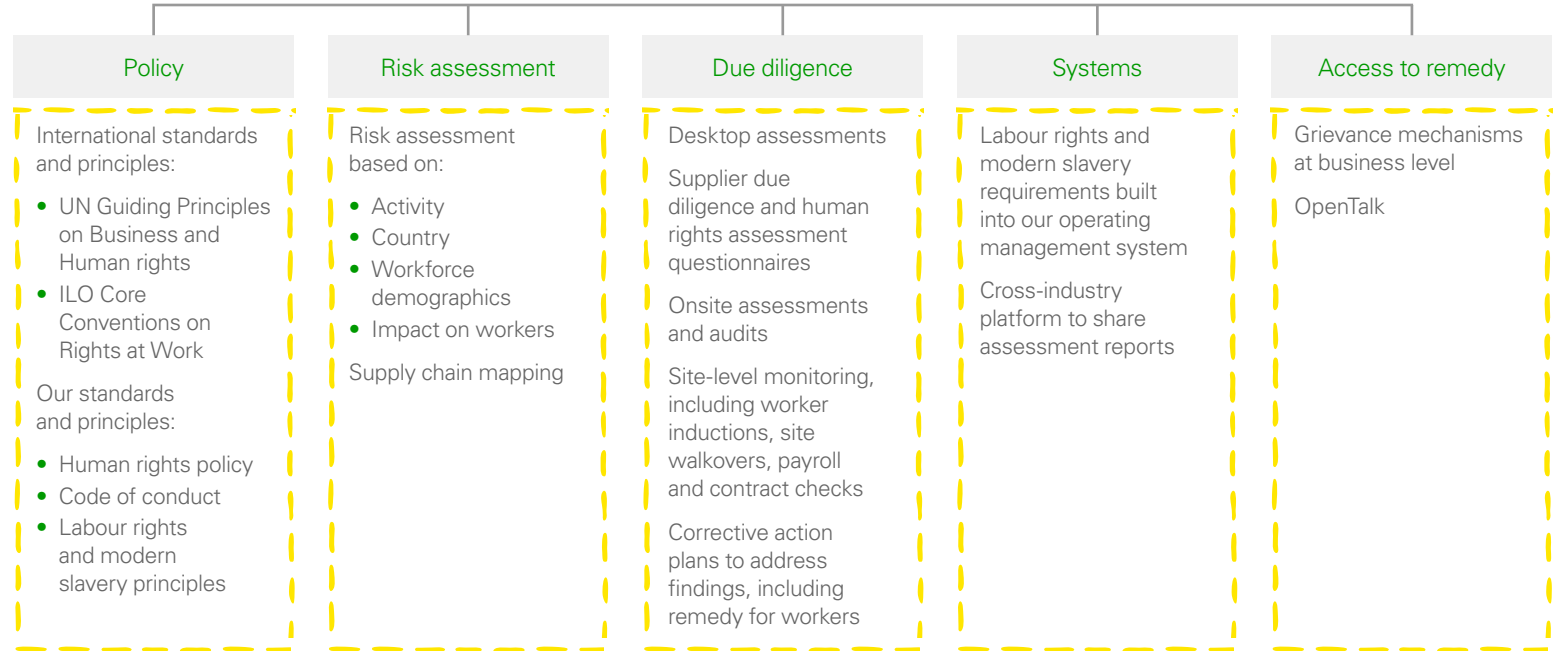
At group level, we set expectations for how our businesses conduct their activities, including through our code of conduct, human rights policy, labour rights and modern slavery principles and operating management system (OMS). Each of our businesses are required to conduct their activities in conformance with these expectations and manage the risks, including modern slavery, associated with them. Often, they establish local requirements or other processes to help them do this.

## Key developments in 2020

In 2020, part of our group level work was to clarify and update the policy commitments, standards and expectations we set at group level that underpin our efforts to address modern slavery and trafficking. We updated our human rights policy and embedded our labour rights and modern slavery principles in our group OMS, meaning that our principles-based approach is now part of the requirements that govern how we operate. We also issued guidance to our businesses on how to use our labour rights and modern slavery principles.

Together, these steps advance us towards a more systematic approach – one which has been shaped by the lessons we have learned as bp businesses have sought to identify, prioritize and address issues on the ground, by working with our business partners.


In 2020, we also announced that improving people’s lives is one of the focus areas of our new sustainability frame. We know that in delivering our sustainability frame we need to maintain a focus on the vulnerabilities of individual workers to risks of modern slavery and – more broadly



– supporting decent work. Our sustainability frame establishes a set of group-wide aims. These include: specific objectives and targets we have set with respect to a just transition, which advances human rights, including decent work, and with respect to supporting sustainable livelihoods, health and wellbeing. These will shape bp’s approach to sustainable development over the medium term. We will be reporting on our progress as part of our sustainability reporting.

 Read more about decent work on page 54 of the [bp sustainability report 2020](#)

We know that there is more work to do and that steps taken on decent work and the elimination of modern slavery are often more effective when working collaboratively, so we will also continue to work with, and learn from, others. External collaboration is an organizing theme of our sustainability frame, that will inform and enrich the actions we take in pursuit of our sustainability objectives. We expect our approach to managing the risk of modern slavery to continue to evolve as we learn from our risk reviews, refine our practices and further strengthen relevant capability in our businesses and functions.

 Read more about our sustainability frame and advancing human rights at [bp.com/sustainability](#) and [bp.com/humanrights](#)

# Introduction continued

## The impact of COVID-19

2020 will be remembered for the global pain and disruption caused by the COVID-19 pandemic. In responding to the pandemic our priorities were protecting our people and supporting communities where we live and work, as well as strengthening bp's finances.

COVID-19 severely hampered our ability to work on the ground and conduct risk management activities in the usual way and made engagement with contractors on the delivery of corrective actions more difficult. Some of bp's operations were reduced to essential personnel only.

## Supporting our workforce

Our workforce includes bp employees and contractor workers, recognizing that our role and responsibilities are different with respect to these two groups. We acknowledge that the pandemic and resulting restrictions on movement and economic activity may have had a disproportionate adverse impact on people in our workforce who may have already been more vulnerable, including women, migrant workers, those who may be subject to discrimination or those with underlying health conditions.

In response we issued guidance to bp businesses on measures to help vulnerable people stay safe. This included identifying health vulnerability factors as well as those that could lead to risk of serious labour exploitation, recommended measures at work to manage the risk of infection – including hygiene measures, social distancing and identifying, isolating and managing COVID-19 cases that occur. The guidance also covered COVID-19 risks in permit to work safely, task risk assessments and necessary mitigations, including social distancing, cleanliness, disinfection and any specific PPE requirements.


bp's human resources guiding principles required that employees taking a period of time away from work due to COVID-19 would continue to be paid for at least 14 calendar days. The same was true where a bp workplace was closed due to the COVID-19 pandemic, or where restrictions are imposed on the movement of people or the use of public transport.

 [Read more about supporting our workforce during the COVID-19 pandemic on \*\*page 15\*\* of the \*\*bp sustainability report 2020\*\*](#)

Further guidance was issued to our procurement teams on managing relationships with contractors and suppliers during COVID-19, which also emphasized the need to take informed decisions based on consideration of health, safety, security and environmental issues, worker welfare and corporate social responsibility.

In response to increased risks and impacts associated with disrupted work patterns, reduction in workforce numbers, reduced job security, delays and changes to earning capability and workers being unable to get home as contracts finished or work slowed, we issued specific technical guidance to bp businesses to consider these factors as part of their contract management. It encouraged bp businesses to identify the most vulnerable members of the workforce, including migrant, low-skilled or indirectly recruited workers, who may have needed additional support during the pandemic. The guidance states that bp businesses should treat people, including our contractor workforce, with dignity and respect. It identifies steps bp and contractors can take to reduce vulnerability, including, communication on health and safety protocols, changes to working conditions, access to grievance mechanisms, proactive management of working hours, provision of accommodation and basic needs especially for stranded workers.

For example, in our Oman production business, we took steps to provide workers with access to food, lodgings, Wi-Fi and phone cards, even though work had stopped or contracts had come to an end. We also conducted work to understand worker resilience and socio-economic conditions.

 [Read more about supporting our workforce in Oman in the attachment on \*\*page 15\*\*](#)

# Our policies in relation to slavery and trafficking

We are committed to respecting workers' rights, in line with the International Labour Organization Core Conventions on Rights at Work and we expect our contractors, suppliers and joint ventures we participate in to do the same.

Our code of conduct and human rights policy state bp's support for the elimination of all forms of modern slavery such as human trafficking, forced labour and child labour.


Our code of conduct is based on our values and clarifies the principles and expectations for how we work at bp. It applies to all bp employees. Employees are required to report any human rights abuse in either our operations, or those of our contractors and other business partners. The code of conduct makes explicit reference to the role all parties can play in the elimination of human trafficking, forced labour and child labour.

Our human rights policy commits us to respect all internationally recognized human rights as set out in the International Bill of Human Rights and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. It also references the core labour standards as described in the ILO Core Conventions on Rights at Work. We recognize our responsibility to avoid complicity in human rights abuses – including modern slavery – as described in the UN Guiding Principles on Business and Human Rights (UNGPs) and continue to incorporate these principles into our business processes.

Where we identify failures by our employees to adhere to our code of conduct and policy, we take appropriate steps to address those failings. This may involve disciplinary action, up to and including termination of employment. Similarly, if a contractor or supplier fails to act in a manner consistent with our expectations or their contractual obligations, we look to work with

them to resolve the issue to provide remedy to the people affected. If a serious breach is found and no corrective action is taken, we reserve the right to terminate contracts.

In addition to requiring employees to report human rights abuses, we expect them, and encourage contractors, communities and other third parties to speak up if they see something which they think could be unsafe or unethical. We encourage a 'speak up' culture among employees and with our contractors and suppliers. At our worksites we help make sure people are aware of our confidential and anonymous global helpline OpenTalk, and where relevant, community complaints systems and workforce grievance mechanisms. We promote the use of these channels without fear of retaliation.

 [Read more about access to remedy on page 10](#)

## Updating bp's human rights policy and embedding our labour rights and modern slavery principles

We developed our updated human rights policy, published in May 2020, by assessing our human rights commitments against evolving expectations, industry good practice and advancement of our activities and standards in line with the UNGPs since our policy was established in 2013. The development process included extensive consultation with internal and external stakeholders, including bp practitioners, independent experts, and civil society.


The updated policy sets out bp's commitment to respect internationally recognized human rights. It clarifies and explicitly states our commitment to respecting the human rights of vulnerable groups and to the ILO's core labour standards concerning the right of our workers to join trade unions and supporting the elimination of child and forced labour. It also includes more detail on our approach to respecting human rights in other important areas which may be relevant to our efforts to respect rights at work, such as promoting the importance of accessible and effective operational-level grievance mechanisms, and support for civic space and human rights defenders.

The policy explains how we manage human rights impacts across our operations. It also emphasizes that we want to work with business partners that share our commitment to human rights, safety and ethics and compliance. And we seek to use our leverage, consistent with the UNGPs, to encourage them to act in a manner consistent

with the principles underlying the commitments set out in our policy.

We launched the bp labour rights and modern slavery principles in 2019, and they have been reinforced by including reference to them in our human rights policy. The principles reiterate our commitment to respecting workers' rights in line with the ILO Core Conventions and Rights at Work and our expectation that our contractors, suppliers and joint ventures do likewise. The principles are intended to help our businesses, our suppliers and our business partners, in identifying and managing risks and impacts from poor labour practices, including the risk of modern slavery. They do so by promoting the employer pays principle – that employers, not workers should pay fees associated with recruitment – and by seeking to prevent passport retention, supporting secure employment through fair contracts and appropriate wage payments and promoting effective grievance mechanisms.

We are now driving them into action across bp and with our contractors and suppliers in higher risk operations through our procurement and operations teams and systems.

 [Read more about bp's human rights policy and labour rights and modern slavery principles at \*\*bp.com/humanrights\*\*](#)

# Governance of modern slavery

The risk of modern slavery is a serious issue. The board of bp p.l.c. and the bp executive leadership team continue to be engaged in reviewing our progress in identifying and addressing potential modern slavery issues within higher-risk parts of our businesses and supply chains.


At bp p.l.c. board level in 2020, the board reviewed and approved our 2019 slavery and human trafficking statement and through its safety, environment, and security assurance committee (now safety and sustainability committee) reviewed our approach to assessing and managing risks associated with modern slavery. At executive management level, the group operations risk committee reviewed progress on managing the risks of modern slavery. In previous years our internal audit function has tested the effectiveness of our approach to managing labour rights and modern slavery risk and reported to the board audit committee on its findings. Due to the COVID-19 pandemic and related travel restrictions, it was not possible to do so in 2020. However, we anticipate this will commence again once restrictions are sufficiently eased.

Our human rights working group, which was made up of representatives from across the business, considered current and emerging human rights risks of potential group significance. In 2020 this included reviewing progress in the management of modern slavery risks and our disclosure under the Modern Slavery Act.

In 2020, in line with our strategy and work to reinvent bp, we reviewed the way we govern sustainability at board and executive level. This new simplified governance structure came into effect on 1 January 2021 and as a result there have been some changes to how we manage modern slavery and human trafficking issues.

The board-level safety and sustainability committee (S&SC and formerly called SESAC) has oversight of human rights, including the review of our performance in assessing and managing risks associated with modern slavery. Our human rights working group was consolidated into a new sustainability forum, which, as part of its activities also considers current and emerging human rights risks of potential group significance and reviews progress in managing modern slavery risks.

At executive leadership level, the group operational risk committee will continue to provide oversight on all group-level operational risks, which includes sustainability issues such as modern slavery.

 Read more about sustainability governance on [page 77](#) of the [bp sustainability report 2020](#)

# Due diligence and risk assessment

Since 2016 we have taken a risk-based approach to assessment and identification of modern slavery in our businesses and supply chains, based on business activity, country risk and workforce demographics.

This has resulted in a prioritised set of sites and contractors for due diligence, desktop reviews, onsite assessments, and actions to address and remedy findings.

Through 2019 and 2020 we have adopted a more systematic approach using the lessons learned since 2016. This has included:

- Setting requirements in our OMS for our operated businesses to identify and remedy labour rights and modern slavery risks, supported by guidance and tools on how to carry out key activities.
- Formalising accountabilities for labour rights and modern slavery risk management between our procurement, health, safety, environment & carbon (HSE&C) and people & culture teams from 2021. With the intent that this will enhance our capabilities to conduct due diligence and onsite assessment, supported by knowledge of local labour practices and central expertise for key activities such as remedy.
- Building capability at site and business-level to identify and remedy labour rights and modern slavery issues and support contractors to improve their performance.

➔ Read more on building capability on [page 11](#)

## Due diligence and risk management in response to COVID-19

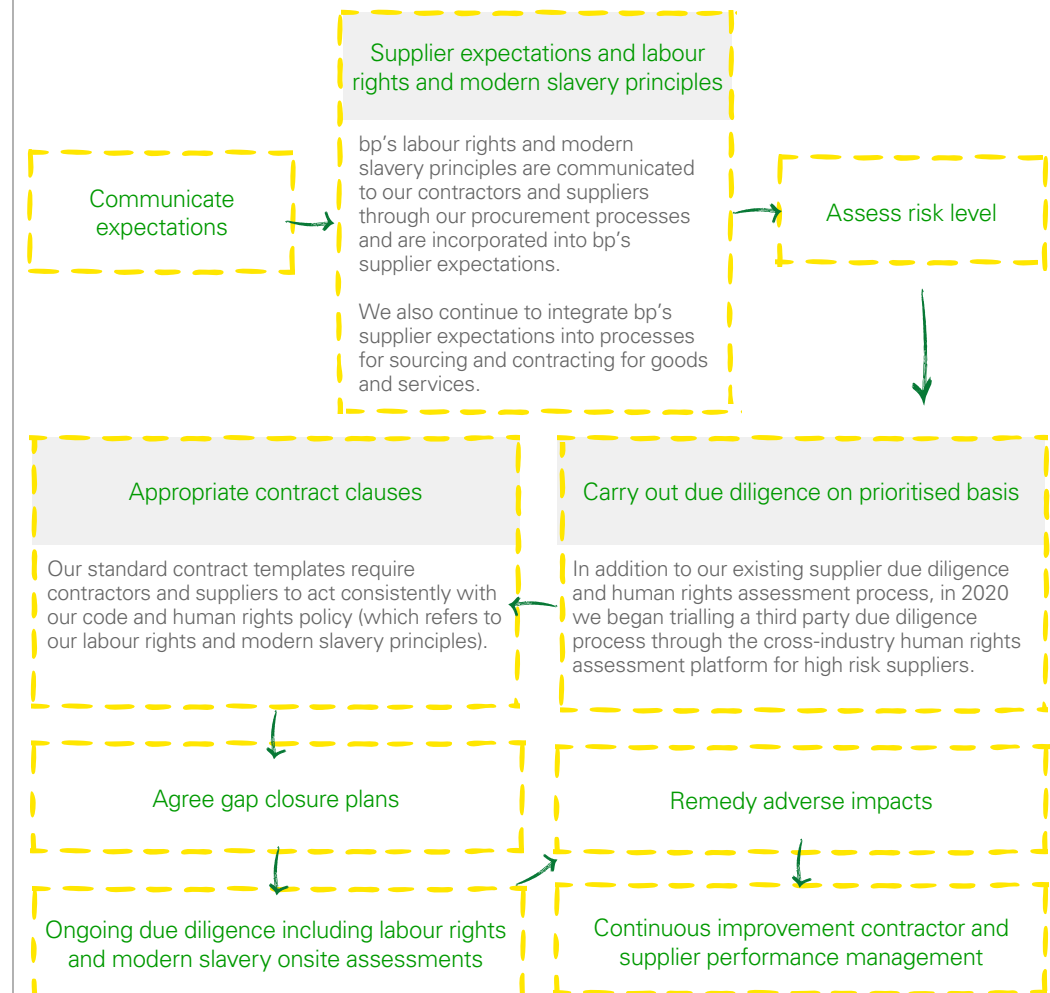
The COVID-19 pandemic has impacted our ability to carry out in-person, onsite labour rights and modern slavery assessments or oversight as travel bans and access to sites has been restricted for safety reasons. In the short-term, businesses were encouraged to carry out worker interviews with contractor workforces to understand the impact of and worker sentiment on changes made and identify if there were any issues. In two cases this identified delays in salary payments to workers. On investigation, this was due to cash flow issues with their employer. We worked with our main contractors and their subcontractors to secure payment of outstanding wages.

➔ Read more about due diligence and risk management during COVID-19 in the attachment on [page 15](#)

We continue to find ways to stay connected with our workforce as well as carry out ongoing assessment and monitoring activities despite the physical limitations. To support this, we are working to bolster ongoing monitoring activities and capabilities such as worker interviews and contractor reviews as well as trialling remote labour rights and modern slavery assessment methodologies including third-party remote worker interviews.

## Pre-contract due diligence

Our approach to supplier labour rights and modern slavery due diligence is prioritised and evidence-based. This pre-contract due diligence enables us to identify whether suppliers are able to meet our labour rights and modern slavery expectations, whether additional controls are appropriate to help manage the risk associated with a particular supplier or contractor activity, and how to introduce them. We aim to increase the due diligence of our supply chain to meet the targets and aims outlined in our sustainability frame.





# Due diligence and risk assessment continued

## Human rights assessment platform

In 2020, we worked with our peers to complete the development of a cross-industry platform to share supplier responses to a standard human rights due diligence questionnaire and when applicable, onsite assessment outcomes. This platform will help our industry to perform consistent supplier human rights due diligence assessments and audits; creating greater efficiency, reducing assessment fatigue for suppliers and enabling us all to focus on improving human rights performance in our supply chains. We have piloted and rolled out the supplier assessment questionnaire for our higher risk supply chains across major procurement areas.

Six assessment companies are affiliated with the platform and the reports are shared between the companies included in the platform, so participating companies have access to assessment and audit services for both the supplier assessment questionnaire and site-level human rights assessments – including an in-depth, iterative onsite assessment process.

The platform due diligence process includes options for third-party desktop assessments based on the above-mentioned questionnaire and is scored accordingly. There is also an option for third-party onsite assessments but bp has not issued any in 2020 primarily due to COVID-19 restricting site access. bp reviews the assessment report and works with the contractor to agree an action plan. This is incorporated into the ongoing labour rights and modern slavery performance management process by the businesses.

In 2020, between October to December we carried out due diligence through this platform on eight suppliers, in addition to our other internal supplier assessments. We intend to increase the use of the platform in 2021.

 Read more on [page 52](#) of the [bp sustainability report 2020](#)

## Post award contract management

Once a contract is awarded, oversight of labour rights and modern slavery risks may include risk assessment, ongoing monitoring activities, contractor performance management and securing remedy as needed. This approach is part of the requirements outlined in our OMS.

Ongoing monitoring activities for the contractor workforce at a bp site can, for example, include raising worker rights awareness in worker inductions, onsite worker interviews, sample-based payroll and contract checks. Where warranted by the risk assessment, this can be supplemented by onsite labour rights and modern slavery assessments by bp and/or a third-party. Any issues identified are discussed with the contractor in their performance review meetings, corrective actions agreed and monitored to close out.

In 2020, we carried out onsite assessments in Mauritania and Senegal and have gap closure plans in place to address issues identified. Mainly due to COVID-19 restrictions, no further onsite assessment or new onsite third-party assessments were carried out. However we did use a third-party to carry out a follow up verification visit at Port Klang Malaysia lubes plant.

We work to the principles of promoting continuous improvement in managing labour rights and modern slavery risks and working with contractors and suppliers to make sure findings are remedied.

## Supply chain mapping

Our procurement team capture key data on suppliers that feed into our mapping and risk assessment processes but we recognise there is more to do to gain better visibility of our supply chain. In 2020, bp Australia worked with a third-party consultant to carry out a desktop review of its process to identify modern slavery risk and piloted an approach to supply chain mapping and risk assessment. We intend to take the learnings from that to inform further development of both bp Australia and bp group processes.



# Operating management system

Our practice for the management of environmental & social performance is included in our OMS.

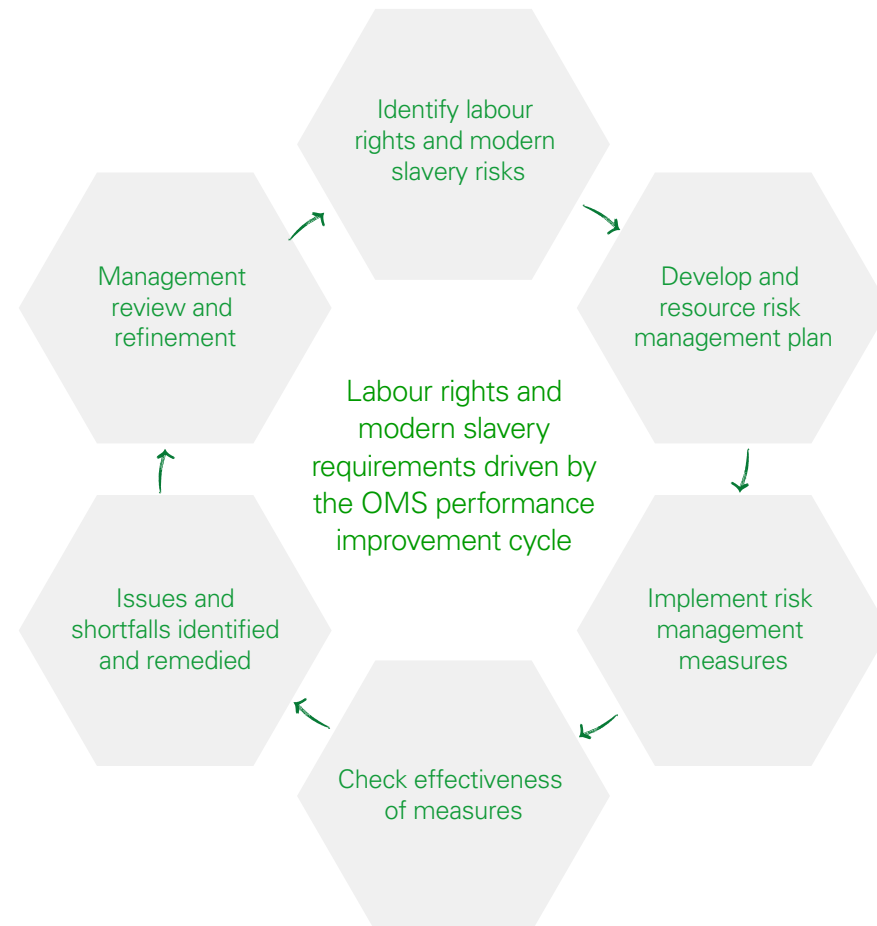
Our OMS applies to both operations and projects and includes practices, procedures and guides, with supporting training materials, to help operations and projects understand how to deliver requirements in practical terms. OMS requires bp operations and projects to assess labour rights and modern slavery risks and put in place effective controls in a proportionate and systematic way – for example through pre-contract due diligence, worker induction, ongoing monitoring and contractor management. This promotes breadth as well as depth to our due diligence.

The introduction of these requirements and our labour rights and modern slavery principles into our OMS at the end of 2019 shifted our approach from a top-down risk-based approach to a more business-led and systematic one. The intention is for this to become part of how our businesses operate, building capability within the organization over time to do this well and adapt to changing local and global challenges.

Within our OMS, we have a performance improvement cycle (PIC). The OMS PIC, as applied to labour rights and modern slavery risks, involves the systematic review and development of risk management plans to identify and resource needed gap closure. At its heart, the PIC cycle, when applied to labour rights and modern slavery risks, enables bp operations and projects to understand current performance so that work can then be undertaken to mitigate risks or impacts and work with our sites, contractors and suppliers to improve performance over time.

During 2020, we focused on the roll-out and implementation of our labour rights and modern slavery requirements.

## Our performance improvement cycle



# Providing our workforce with access to remedy

If we find that we have caused or directly contributed to adverse impacts on workforce rights, we are committed to provide for, or co-operate in, the remediation of those impacts.

We encourage a 'speak up' culture among employees and with our contractors and suppliers in their work for us. At our worksites we help make sure people are aware of our confidential and anonymous global helpline, OpenTalk, which is available to employees, workers employed by our contractors or suppliers, and to other third-parties, including communities. Where relevant, mainly at project and operations sites, we also have local community complaints and workforce grievance mechanisms.

## Contact speak-up

Concerns can be raised through OpenTalk, which is available 24 hours a day, seven days a week and in 75 languages. Concerns can be raised anonymously from most locations and reports will be kept confidential to the fullest extent possible, consistent with law and good business practices. Concerns will be taken seriously and bp will not tolerate retaliation of any kind.

Working to ensure that workers on bp sites have easy access to grievance mechanisms that they trust significantly strengthens our ability to respect the rights of our employees and others who work for us, by helping to identify and address potential risks to the safety and welfare of our workforce.

We continue to take steps to enhance the accessibility and effectiveness of the grievance mechanisms available, and make our workforce feel able to raise grievances without fear of any form of retaliation. Our code of conduct clearly states that we have zero tolerance for retaliation, which includes threats, intimidation, exclusion, humiliation and raising issues maliciously or in bad faith. This stance is further reinforced in our human rights policy.

If we find that we have caused or directly contributed to adverse impacts on workforce rights, we are committed to provide for, or cooperate in, the remediation of those impacts and work with our contractors and suppliers to encourage them to do the same, in line with our human rights policy.

➔ Read more about our work with contractors on remedy in the Oman Khazzan & Ghazeer and Oman Air bp case studies in the attachment on **pages 15 and 16**

## Our human rights policy and access to remedy

As stated in our human rights policy, we do not impede access to state-based judicial processes or require individuals to permanently waive their legal right to bring a claim through a judicial process as a precondition of raising a grievance through a bp grievance mechanism. Where bp identifies that we have caused or contributed to adverse impacts on the human rights of others, we provide for or co-operate in the remediation of the adverse impacts through legitimate processes intended to deliver effective remedy while not preventing access to other forms of remedy if justified. This may include co-operating in good faith in the provision of remedy through state-led mechanisms. Where adverse impacts are directly linked to our activities through our business relationships, we will support our business partners in the remediation of those impacts through their own grievance management processes, or support collaboration to provide for non-judicial remediation through third-parties.

📄 Read more about our human rights policy at **[bp.com/humanrights](https://bp.com/humanrights)**

# Training and capability building

We are continuing to develop and build the required capability to effectively manage risks to our workforce, through training and expert technical guidance.

Our training and capability building activities include:

- Providing training on our code of conduct, which underpins and reinforces elements of our human rights commitments. We train bp employees about how to apply the code of conduct in their daily work. Training is available in 15 languages.
- Delivering targeted facilitator-led online training to relevant parts of our businesses and functions to raise awareness of and how to manage the risk of labour rights and modern slavery. In 2020, we focused on strengthening process and capability for human rights due diligence in procurement and developing internal expertise in risk assessment and remediation.
- More than 650 employees undertook self-directed online awareness-raising training on labour rights and modern slavery risk management in 2020. This training is open to any bp employee, although it is primarily aimed at people who work on projects, in operational roles and in functions such as, HSE&C, human resources and ethics and compliance. The training covers: awareness of labour rights, modern slavery and labour practices associated with increased worker vulnerability; how modern slavery risk indicators may occur in our industry or supply chains; and how to identify warning signs. It also provides role-specific information on how employees can help identify and manage the risks of modern slavery, including by implementing effective prevention measures and remedies.
- Specific training for our procurement teams, designed to help identify and manage modern slavery risks they may encounter during the procurement process, including during pre-contract supplier due diligence and contracting. The majority of our procurement employees have now completed this training with 250 of them taking it in 2020. We continue to recommend this training to new joiners to our procurement teams.
- Bespoke team-specific training on the new labour rights and modern slavery requirements in our OMS, accountabilities for implementation, as well as accompanying tools and guidance to support implementation of risk management and businesses' use of our labour rights and modern slavery principles.
- Human rights and social performance training and awareness-raising in support of the launch of our revised human rights policy – including dedicated sessions led by senior leadership on the importance of the policy and implementing it through conformance with our OMS. These sessions included information on identification, assessment and management of labour rights and modern slavery risks and impacts. In total around 1,300 employees attended these sessions.
- Improving site and contractor understanding of our labour rights and modern slavery principles and of their role in promoting them. This includes awareness on ethical recruitment, including the employer pays principle, the need to identify any recruitment fees that might have been paid and to reimburse, as appropriate – as well as not withholding worker passports. We know that early engagement with our contractors, suppliers and joint ventures, before undertaking labour rights risk assessments, is important in building awareness and capability to support preventative, corrective or remedial actions. Securing reimbursement of recruitment fees is an ongoing challenge but one we continue to tackle through dialogue, setting our expectations pre-contract and discussing solutions at industry level.

# Consultation and collaboration

Stakeholder collaboration and learning from our peers remains central to our approach, as we seek to strengthen our ability to assess and address modern slavery risks in our businesses and supply chains.

2020 activity included:

- Participation, at group level, in the UN Global Compact UK Network's Modern Slavery Act Working Group and Business for Social Responsibility's Human Rights Working Group.
- bp UK retail business joining founding members of the Responsible Car Wash Scheme to support a pilot scheme.

→ Read more about the pilot scheme in the attachment on **page 16**

- Instructing Business for Social Responsibility, a leading membership organisation working with companies on social sustainability, to assess our disclosure against best practice in several industries. We have tried to align with some of the practices identified through that process, in order to enhance the accessibility and detail of our disclosure.
- Engaging with several leading civil society organizations on our group approach to managing and reporting on modern slavery and seeking to reflect their recommendations in this statement as appropriate.
- Continued collaboration with IPIECA, our industry association for environmental and social issues, to develop guidance and tools

to support the industry and our contractors to address labour rights risks, including modern slavery, at large operating sites. We will continue to support cross-industry learning and risk management approaches. This includes collaboration through a joint project of IPIECA and the Building Responsibly Initiative – which continued through 2020 – to develop training for contractors and suppliers focused on the potential labour rights and modern slavery risks associated with the construction of large projects. This training was finalized in June 2021 and aims to strengthen contractor capability, to support longer term, collaborative efforts to address labour rights issues, particularly in the context of major oil and gas projects. Developed in partnership with Ergon, a specialist labour rights consultancy, it provides modular training, to deepen understanding and develop capability in relevant functions and roles – HR, construction, health & safety and procurement – for addressing core issues, such as working hours, freedom of association and the availability of effective worker grievance mechanisms.

🔗 Read more at [ipieca.org/our-work/social](https://www.ipieca.org/our-work/social) and [building-responsibly.org](https://www.building-responsibly.org)

## Standardizing due diligence processes

We continue to work with a number of our peers to find ways of standardizing our human rights due diligence and assessment processes. For example, in 2020 we worked with IPIECA to develop industry-specific guidance on labour rights risk identification in supply chains – to support convergence in companies' practice on supplier labour rights risk identification and prioritization.

We have also supported the development of a platform that enables participating energy companies to share contractor responses to a standard human rights due diligence questionnaire.

→ Read more about the due diligence platform on **page 8**

# Assessing the effectiveness of our approach

We're taking steps, through the integration of our labour rights and modern slavery principles into our OMS, training, risk reviews and enhanced contractual frameworks to strengthen our ability to prevent or remedy abuses.

Our approach is focused on the higher-risk parts of our business and supply chain, by enhancing our ability to identify and manage modern slavery risks and address issues where we find them. We also recognize the role of our contractors and suppliers, and the importance of working with them, to help manage labour rights and modern slavery risks in their activities.

In situations where an onsite assessment identifies specific indicators of modern slavery risk or other labour rights issues, we expect our business partners to develop appropriate corrective action plans to address them. Our businesses and functions then engage to monitor delivery of those plans. Actions we have taken in a number of prioritized bp businesses – and actions taken by our business partners, in agreement with those businesses – have contributed to improved working conditions and reduced the risk of exploitation, particularly in our contracted workforce.

➔ [Read more on action taken in Oman and Malaysia in the attachment on page 15](#)

We know that, if our approach is to be sustainable and effective over the longer term, it will need to be focussed on those areas where our efforts and those of our contractors and business partners can and do successfully address the most severe impacts on the rights of our workforce. In order to help ensure that is the case, we are working to systematize the collection and tracking of information about modern slavery issues – such as worker grievances, risk indicators and corrective actions – so we can effectively support

improvements on a rigorously prioritised and data-driven basis.

In our 2019 statement, we reported that we were developing a measurement framework to help us assess, through the use of key performance indicators (KPIs), the quality and effectiveness of the actions we are taking to manage labour rights risks – including modern slavery – and to track the completion of corrective or remedial actions.

In 2020, we completed the process of developing KPIs, having tested them in 2019 with priority bp businesses and requested performance data from an initial, targeted cohort of 17 businesses. We intend to use these KPIs – which as of Q4 2020 are being phased into a new group-wide data collection system – to help us measure, support and manage performance.

Over time, we hope that collecting and measuring performance information in this manner will help us to track more effectively our progress in identifying, managing and remediating labour rights and modern slavery risks. We expect, once the data collection system is sufficiently mature to support external reporting, to consider how most appropriately to account, through our annual disclosure statement, for the impact of our actions on the rights of our workforce on the ground.

From this initial pilot in 2020 of 17 businesses, we identified the following:

- Businesses are using onsite activities mainly worker interviews, assessments and payroll checks to identify labour rights and modern slavery issues. The main areas where issues

The table below describes the KPIs we will measure and summarizes how the data collected is intended to support our labour rights and modern slavery programme.

Measure	Examples of supporting metrics	Purpose
Systematic approach to identification, prevention and management of labour rights and modern slavery risks	<ul style="list-style-type: none"> <li>– Types of ongoing monitoring activities carried out</li> <li>– Types and numbers of issues identified</li> <li>– Presence and status of action plans to address issues identified</li> </ul>	Understand trend data on issues found and proportion of issues actively in progress
Contractor and workforce engagement on labour rights and modern slavery	Means to engage contractors and workers in labour rights and modern slavery agenda	Understand methods most used by businesses to engage contractors and workforce
Effective Workforce Grievance Management	<ul style="list-style-type: none"> <li>– Presence of grievance mechanisms</li> <li>– No. grievances raised and % remedied by category</li> </ul>	<ul style="list-style-type: none"> <li>– Understand what is in place and degree to which it is used by workforce</li> <li>– Understand types of issue raised and trends</li> </ul>

were identified include wages and deductions, employment terms, working time and rest. These issues were raised with the relevant contractors and corrective actions agreed.

- The main means to engage contractors on labour rights and modern slavery was kick-off meetings with contractors (this is the first meeting with a contractor post contract award) and ongoing performance review meetings.
- Whilst most businesses reported having an effective grievance mechanism, data showed varying levels of active use by workers.

From this pilot we will work with the businesses to further improve data collection methodologies and identify how to use this data more proactively to support real time implementation and improvements on the ground. Focus areas will include:

- Gaining visibility on the number of issues identified and closed out through onsite monitoring activities.
- Understanding root causes of why workers might not actively use grievance mechanisms and identify means to encourage a stronger speak up culture.

# Looking ahead

We remain open to dialogue, collaboration and constructive challenge. We expect our approach to managing the risk of modern slavery to continue to evolve as we learn from our risk reviews, refine our practices and continue to build capability in our organisation. We know that there is more work to do and we cannot achieve this on our own. Where we encounter challenges, we will do our best to resolve them, working collaboratively with others.

Over the coming year we intend to:

- Work with industry and contractors to continue to improve approaches to ethical recruitment, assessment and remedy, including recruitment fees and reimbursement.
- Expand our use of the cross-industry Human Rights Assessment platform for high risk suppliers.
- Continue to embed our systematic approach through our OMS and further embed labour rights and modern slavery principles into key processes, decisions, and stage gates.

- Trial and evaluate use of remote labour rights and modern slavery assessments and worker interview methodologies to enable ongoing connection with workers and continued monitoring even where COVID-19 might restrict travel and access.
- Enhance awareness of labour rights and modern slavery risks with key suppliers and contractors, including the use of grievance mechanisms and effective remedy.
- Improve the quality of our labour rights and modern slavery performance data and KPIs; and extend collection of this data to additional businesses.



Bernard Looney  
chief executive officer, 25 June 2021

This statement has been approved by the board of BP p.l.c. and of each of its relevant subsidiaries, in compliance with the UK Modern Slavery Act. It was approved by the board of BP p.l.c. on 14 May 2021.

bp businesses around the world are taking measures to assess and address the risk of modern slavery. The following case studies illustrate bp's approach in more detail.



For more information visit [bp.com/sustainability](https://bp.com/sustainability) and [bp.com/modernslavery](https://bp.com/modernslavery)

# Case studies

Our businesses around the world are taking measures to assess and address the risk of modern slavery. These are some examples:

## **Port Klang Plant Malaysia – addressing the root cause of labour rights and modern slavery issues**

As outlined in previous Modern Slavery statements, our blending plant at Port Klang Malaysia has continued to work with their contractors to improve issues identified during the onsite assessment carried out in 2017. A recent verification assessment showed an improvement in the working conditions of contract workers at the plant.

The initial assessments in 2017 focused on the recruitment, hiring and employment of foreign migrant workers, but also identified issues in relation to Malaysian contract workers engaged on a casual basis with informal working arrangements. In recognition that this was not aligned with our labour rights and modern slavery principles, the business incorporated the expectations of the principles into tendering documents when the existing contracts expired. Only contractors who would provide more job security, formal employment contracts and related benefits were considered for the tender.

As a result, more than 170 workers benefited from guaranteed monthly income, paid annual leave, sick pay and access to social insurance. The business recognised that the associated costs could be partly offset by the potential savings to the business in terms of better attendance and attrition rates, improved safety, reduced onboarding training and overall productivity uplift.

## **Oman Khazzan & Ghazeer – labour rights and modern slavery evolution and strong worker engagement**

bp's 2019 statement outlines the approach this business has taken to establish a workforce welfare programme. Many of the controls trialled here have been adopted into bp's guidance and systematic approach taking lessons learned to the wider business. The Oman business has worked with their contractors on a journey of continuous improvement for the workforce provided to the business.

As a result, a comparison of induction statistics for the Oman business between 2017–2020 showed significant improvements made across the key areas of focus. For example, 96% of workers said they had an option to hold their passport compared to 81% in 2019 and 99% of workers reported not paying a recruitment fee in 2020. To achieve these changes bp has worked with its contractors over several years, who have had to make a number of updates to the way they recruit and employ workers. Improvements continue, for example this year a key construction contractor decided to enable workers to keep their own passports in a place they felt was safe. This was a fundamental change for the contractor, and it has updated its hiring policies at corporate level, not just for bp.

Activities on site are transitioning from the Project (construction) to operations phase, reducing the number and demographics of workers on

site. The business recognises the importance of responsible demobilisation and continues to survey its workforce to make sure any concerns are captured and acted upon.

## **Acting on workforce grievances**

Via a programme of grievance mechanisms, including site walkovers carried out by the bp team, the business identified a number of workers who had repeatedly been paid late since COVID-19 had started, contributing to financial hardship for subcontractor businesses. Working with the relevant contractors, we developed a plan to bring all wage payments up to date, resulting in 87 workers being paid in the region of \$94,400 in overdue wages.

The team followed up with workers to check that they had received their monies, but also to understand the impact that the delays in repayment had on them. Workers reported hardships in being unable to support their families and purchase personal items. Coping strategies included getting loans from family and friends or going without items. On receiving payment of outstanding wages, workers said this enabled them to repay loans, send money home, purchase land and build or refurbish their homes.

## **Understanding financial resilience**

Engagement with workers in the Oman Khazzan & Ghazeer business highlighted that some were experiencing financial difficulty. As such, we also carried out interviews with a small sample of 33 workers to understand their socio-economic situation and financial resilience for example number of people supported by their jobs, ability to save and strategies to respond to disruptions to their finances. Findings included 58% of workers reporting they felt if they could not work, they had a financial safety net, yet 55% also report having one month or less of a financial buffer. This is very much an initial pilot and we intend to review the methods and findings to help us understand more about our workforce and help inform our sustainable livelihoods agenda.



# Case studies continued

## Gelsenkirchen – addressing risks during turnaround

At our Gelsenkirchen refinery in Germany, the labour rights and modern slavery risk assessment identified turnarounds as a higher risk activity. Turnarounds are mandatory shutdowns of the refinery to execute inspections and to verify that the operator fulfils legal requirements. During this time labour rights and modern slavery risk can increase due to the expanded and more transient workforce (as they are only onsite for a few months), time pressures and the possibility of additional contractors and subcontractors being used to complete the work.

The business developed and introduced a worker questionnaire in 13 languages designed to identify any potential red flags, for example workers being charged for employer provided accommodation or salaries paid late or in cash. This was completed by around 260 members of the turnaround workforce.

The business also raised labour rights and modern slavery awareness through integration into worker inductions and through a video and posters which included contact details of key bp personnel. Similar awareness training was also delivered during the onboarding of bp employees, contractors and security staff. And a third-party was engaged to carry out a remote desktop review of the main contractors and selected higher risk subcontractors. The review found that the main contractors did not have systems to screen or monitor subcontractors; one subcontractor had policies allowing deductions from salary.

bp is in the process of responding to the findings of this review to develop action plans with contractors and adapt practice for future turnarounds. These lessons will also be shared with other bp businesses.

## Oman Air bp – access to remedy

Air bp selected a contractor to carry out a short-term pipe maintenance project. However, initial labour rights and modern slavery due diligence identified that the proposed contractor had weak systems, practices and poor understanding of bp's labour rights and modern slavery requirements and did not demonstrate an appetite to change and improve. The business therefore took the decision to re-tender and identified a contractor who met more of the requirements and expressed a commitment to improve where needed.

As part of bp's systematic approach, the business carried out worker interviews and identified that 15 workers had not received salaries for the last three months. This was raised with the contractor who explained salary delays were a result of COVID-19 workflow disruption from other customers which had caused cash flow issues. The business worked with the contractor to repay workers outstanding salaries before authorising payment of the final invoice to the contractor.

However, while this key issue was addressed, demobilization meant not all concerns identified through final worker interviews could be addressed with our contractor, highlighting the benefit, where feasible, of conducting worker surveys early in a project and maintaining the option to exercise contractual rights to allow time and maintain leverage to address concerns identified.

## Mobility and convenience Americas – partnership with 'IN OUR BACKYARD'

bp's convenience network in the US is partnering with a national non-profit called 'IN OUR BACKYARD' (IOB) as part of their initiative known as Convenience Stores Against Trafficking. This focuses on education, advocacy and

promotion of the US National Hotline Number for human trafficking (both labour and sex trafficking) which can be unknowingly facilitated through convenience stores, which are used for fast in-and-out, anonymous access to bathrooms and to purchase "treats" for the women and children involved. bp is encouraging our bp-branded third-party operators to display signage in stores, provide informational brochures to customers, and train workers on how to spot and report suspected trafficking.

*"Our code of conduct and human rights policy reinforce our support for the elimination of all forms of modern slavery. We encourage customers and sites across our brands, along with others in our industry, to participate in the efforts to address this global challenge."*

**Richard Harding**, SVP mobility & convenience Americas

5,000 missing children's booklets – sponsored by bp – were distributed throughout Tampa in early 2021 around the Super Bowl. Fourteen of the 36 children in the booklets were recovered within a week of the game. During the 10-day operation more than 150 convenience stores were provided anti-trafficking information and two of those stores reported sightings of missing children within the first hour of outreach. IOB met with over 400 volunteers and trained over 200 of those volunteers about trafficking. Additionally, IOB worked with top law enforcement and provided them with 80 actionable leads.

*"We were honored to partner with bp in anti-trafficking efforts surrounding the Tampa Bay Super Bowl. We look forward to continued partnership to stop this atrocity surrounding the Super Bowl and beyond."*

**Cheryl Csiky**, Executive Director of IN OUR BACKYARD.

## Collaboration in action: Responsible Car Wash Scheme

In late 2020, the bp UK retail business joined founding members of The Responsible Car Wash Scheme (RCWS) to support the RCWS to win the backing of the Government to develop a blueprint for a national licensing scheme for hand car washes to tackle endemic non-compliance within the industry.

The RCWS was launched in 2018 to improve standards in the hand car wash and valeting industry winning the support of Government and regulators. Its work to date has included a number of local trials which have demonstrated the effectiveness of the RCWS Code of Practice in identifying non-compliances and driving improvement.

Building on this work, the Government backed pilot will see the RCWS and the Gangmasters and Labour Abuse Authority (GLAA) work with Slough Council and regulatory bodies to apply compliance pressure across all aspects of the business operation including health and safety, environmental, planning and employment practices. We hope that by supporting this initiative, it will drive improvements and compliance in UK carwashes and provide better protection for workers.

# Case studies continued

## Actions taken in response to COVID-19

### Mexico

In Mexico, bp implemented an initiative in response to COVID-19 to protect vulnerable members of our contracted workforce employed through Manpower (an employment agency) at our company owned and operated sites; they were placed on paid leave and support was made available. bp also led an initiative to give such workers a bonus to compensate for loss of incomes through tips which they were unable to receive due to the requirement to isolate at home.

At the outset of the pandemic, bp Mexico said that Manpower contractors working for bp Mexico would benefit from the same three months without dismissals as bp employees and has maintained all contracted workers under contract. We also worked with the agency to help ensure the employer provides them additional medical care options and telephone access to externally- and internally-provided medical support.

For those members of the bp Mexico contracted workforce who suffered from COVID-19, bp has guaranteed full payment and benefits and given them time to fully recover at home after their discharge from care.

### Spain

At our Castellón refinery in Spain, we reviewed the terms of the contract with each contractor company in order to manage COVID-19 risks derived from the most severe lockdown in Europe; in some cases we agreed similar work-life balance measures as were in place for bp employees.

bp conducted joint assessments with our contractors of their financial health and their vulnerability from a business continuity point of view. Specific conditions have been agreed with each contractor for the pandemic, such as mass balancing of man hours.

We have also paid particular attention to small local suppliers, which are more vulnerable to the adverse financial effects of the pandemic; to support the local community, we took steps intended to avoid cash flow restrictions having a negative impact on the salaries of those suppliers' employees. bp has also undertaken analysis and redistributed contractor workload, in order to do what we could to help those contractors minimize the number of redundancies they needed to make in the context of the broad effects of the pandemic on the industrial sector in Spain.