

## **CA SB 658 DISCLOSURE – CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT**

This statement is published by BP America Inc. and its relevant subsidiaries<sup>1</sup> in compliance with the California Transparency in Supply Chains Act, which requires that certain companies provide information regarding their efforts to prevent slavery and human trafficking in their own businesses and supply chains.

### **About our business**

BP Group is a global energy business with wide reach across the world's energy system. We have operations in Europe, North and South America, Australasia, Asia and Africa.

At group level, we set expectations for how our businesses conduct their activities. These include our code of conduct (code), human rights policy and operating management system (OMS).

Each of our businesses is required to conduct its activities to deliver conformance with these expectations and manage risks associated with its activities, including modern slavery. Often our businesses establish business or local operating site requirements or other arrangements to help them deliver conformance.

### **Our code and human rights policy**

Our code and human rights policy together reinforce our support for the elimination of all forms of modern slavery, such as human trafficking and forced labour.

Our code is based on our values and clarifies the principles and expectations for how we work at BP. It applies to all BP employees, officers and board members. Our internal accountability standards and procedures require employees to report any human rights abuse in either our operations, or those of our business partners; the code makes explicit reference to the role all parties can play in the elimination of human trafficking and forced labour.

Our human rights policy commits us to respect internationally recognized human rights as set out in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We are working towards alignment with the UN Guiding Principles on Business and Human Rights by implementing our human rights policy.

Failure by an employee to comply with our code and policies may result in disciplinary action, up to and including termination; failure by a contractor to comply may result in contract termination.

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<sup>1</sup> BP America Inc. and its subsidiaries are part of the BP Group and each of BP America Inc., its subsidiaries and its affiliates in the BP Group are separate legal entities. References to "BP", "we", "our" and similar terms are, as the context requires, to the BP Group, BP America Inc. and its subsidiaries generally, to one or more of them, or to those who work for them.

Our OMS sets expectations for how businesses conduct their activities, including guidance on respecting the rights of workers. We screen our major projects early in the development stages, including with respect to labour rights and workforce welfare, to help identify and prevent potential impacts. Where we find an issue, including once project work has begun, we seek to remedy it.

We encourage employees, contractors, communities and other third parties to speak up if they see something they feel to be potentially unsafe, unethical or harmful. Employees are encouraged to discuss their questions or concerns with their managers, supporting teams, works councils (where relevant), or via BP's confidential helpline, OpenTalk.

### **Modern slavery and our governance**

At the BP p.l.c. board level, our safety, ethics and environment assurance committee reviewed our approach to assessing and managing risks associated with modern slavery. The group operations risk committee reviewed progress on plans to manage potential risks of modern slavery.

### **Training**

We continue to strengthen employee awareness of our human rights policy and potential human rights impacts relevant to our work.

Training for employees covers what human rights means in an operational context, as well as specific topics including modern slavery. Senior leadership teams also participate in awareness-raising training.

We are placing particular importance on building expertise on forced labour and human trafficking in priority parts of our business, including our procurement and supply chain management teams.

### **Assessing the risk of modern slavery**

We engage in verification activities to systematically review of the risk of modern slavery in our businesses and supply chains. We are using third-party expertise, such as Verisk Maplecroft's Human Rights Risk Indices, to identify the country-level risk of factors such as human trafficking, forced labour and the rights of migrant workers, combined with information on the risk associated with our own business activities, especially those involving contracted manual labour such as cleaning, catering, construction and certain types of manufacturing. We are also taking into account various factors related to the vulnerability of the workforce.

The steps we are taking in this review include a combination of: mapping the contractor chain; identifying existing preventative controls and gathering information about workforce demographics and contractor practices, to decide locations, suppliers or contractors for further review. In some instances this has led to further actions, including reviewing of contractor workforce recruitment plans, on-site labour rights assessments and verifying contractors' commitments to labour rights. Where we have appropriate capability, we may conduct these assessment activities ourselves; in other cases we use external expertise, such as non-profit organization Verité.

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 remedying these impacts.

### **How we manage modern slavery risks in our supply chain**

We expect our contractors and their employees to act consistently with our code and human rights policy. We seek to make contractual commitments with our contractors and suppliers that encourage them to adhere to the principles set out in our code of conduct and human rights policy, including those relating to modern slavery and human trafficking.

To promote contractor and supplier compliance in relation to forced or trafficked labour, the standard model contracts that our procurement teams use when agreeing new contracts require our contractors and suppliers to respect internationally recognized human rights, including those relating to modern slavery, in their work for BP. However, BP America Inc. and its subsidiaries do not require suppliers to separately certify that materials incorporated into their products comply with applicable slavery and human trafficking laws. We are prepared to take appropriate action in support of these contractual commitments.

We are working to strengthen the way in which we assess suppliers and contractors on human rights across the business, including mitigations and monitoring over the lifetime of a contract. We have piloted a due diligence process to help screen potential suppliers anywhere in the world on labour rights, including modern slavery risks.

We are taking a risk-based approach to monitoring our contractors and suppliers. Although we do not normally conduct independent or unannounced audits, when appropriate for assessment or monitoring purposes we conduct labour rights reviews or audits on suppliers that look into potential issues such as prevention of forced labour and human trafficking and other rights outlined in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

### **Looking ahead**

We are committed to working to improve our understanding and management of modern slavery risks over time. We expect our approach to managing the risk of modern slavery to evolve as we learn from our risk reviews, refine our practices and continue to build capability in our business.