



Canada Fighting Forced Labor and Child Labor in Supply Chains Act Report 2023

May 2024

Introduction

This joint report has been prepared in accordance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("the Act"), which came into force on January 1, 2024, on behalf of the reporting entities set out below in the section entitled *Structure, Activities and Supply Chains*^a ("Reporting Entities"; "Archaea"; "we"; "our"; or "us"). This report lays out the steps taken by the Reporting Entities during the financial year ending December 31, 2023 (the "Reporting Period"), to prevent forced labour and child labour in our business operations and supply chains. This joint report has been prepared in collaboration with relevant corporate functions and representatives from each relevant Reporting Entity.

The Reporting Entities are affiliates of Archaea Energy Operating LLC ("Archaea Operating") and became part of the bp group, a global energy company, in 2022. As part of the integration into the bp group of companies, the Reporting Entities have adopted certain of the policies and procedures used by the bp group, namely the bp Code of Conduct and Human Rights Policy, and the Counterparty Due Diligence process, and the Group Investment Assurance and Approvals Process.

Structure, activities and supply chains

Archaea Operating specializes in the development, construction and operation of RNG, landfill-gas-to-electric and dairy digester facilities that capture waste emissions and convert them into low carbon fuel. Archaea Operating independently and through its joint ventures, operates 50 sites with a presence in 32 US states – including Pennsylvania, California, Michigan, Oklahoma and Tennessee – that capture methane from waste to produce RNG.

The Reporting Entities are based in Houston, Texas. Other than the Reporting Entities, no other members of the Archaea group of companies has any activities in or connected with Canada. Canadian-based activities are currently related to the transportation and sale of RNG. The Reporting Entities do not source materials and services in Canada and do not have any employees or physical assets in Canada. The suppliers for the Reporting Entities are all based in the US.

^a As prescribed by the Act. The Reporting Entities are subsidiaries of Archaea Energy Operating LLC and are separate legal entities. References in this report to "Archaea" or "Archaea group of companies" are to the Archaea entities referenced below that are Reporting Entities, to one or more of them, or to those who work for them. References in this report to "bp group" or "bp group of companies" are to BP p.l.c. and its subsidiaries generally, to one or more of them, or to those who work for them.

Reporting entity	Description of structure/activities
Archaea Energy Marketing LLC ("Archaea Marketing")	Archaea Marketing was formed on November 9, 2021, as a Delaware limited liability company, and is a direct, wholly-owned subsidiary of Archaea Energy. Its principal operating office is located at 201 Helios Way, Floor 6, Houston, Texas 77079. Archaea Marketing's activities in Canada are limited to the transportation and sale of RNG.
Assai Energy, LLC ("Assai")	Assai was formed on April 1, 2020, as a Delaware limited liability company, and is an indirect subsidiary of Archaea Energy. Its principal operating office is located at 201 Helios Way, Floor 6, Houston, Texas 77079. Assai's activities in Canada are limited to the transportation and sale of RNG.
Seneca Energy II, LLC ("Seneca")	Seneca was formed on February 24, 2000, as a New York limited liability company and is an indirect subsidiary of Archaea Energy. Its principal operating office is located at 201 Helios Way, Floor 6, Houston, Texas 77079. Seneca's activities in Canada are limited to the transportation and sale of RNG.

Steps taken to prevent and reduce the risks of forced labour and child labour

In general terms, the Reporting Entities took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in its business and supply chains:

- maintained a code of conduct and human rights policy;
- commenced the process of assessment of impacts and opportunities, including labour rights and modern slavery risks (LRMS) risks, arising from the proposed investments;
- initiated the process of gathering information with respect to our direct suppliers through our Counterparty Due Diligence process;
- in the fourth quarter, started to include anti-forced and anti-child labour contractual clauses in our standard supplier agreements;
- conducted mandatory training on our code of conduct; and

Details on the foregoing are set out in further detail in this Report.

Policies and due diligence processes

Archaea seeks to support the elimination of forced labour and child labour. This type of exploitation is contrary to our core values, which include respecting the rights of our workforce.

Archaea Operating and the Reporting Entities are members of the bp group of companies, and are required to conduct their activities in alignment with certain bp group policies and procedures applicable to our activities, that set expectations of our interactions within bp, and with external partners, suppliers, and communities we operate in.

We describe here a framework of policies and controls underlying the activities undertaken by the Reporting Entities.

Key controls supporting modern slavery prevention

bp group control	Description	How it supports mitigation of modern slavery risks
Code of Conduct and Human Rights Policy	Establishes principles and expectations for how we work. Code of Conduct underpins and reinforces our Human Rights Policy. These policies apply to all employees.	<p>These policies reference recognized human rights and core labour standards as established by International Bill of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work.</p> <p>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 they feel to be potentially unsafe, unethical, or harmful.</p> <p>The policies are supported by a variety of channels to facilitate this ‘speak up’ culture, such as line managers, supporting teams, ethics and compliance, human resources, or via bp's confidential helpline OpenTalk.</p>
Counterparty Due Diligence	Sets minimum KYC (Know Your Counterpart) requirements to contract with any third party wishing to do business with bp.	Risk assessment and due diligence of third-parties bp contracts with, that includes corporate structure vetting, assessment of sanctions, criminal activity, negative media coverage for reputational risks (including modern slavery), assignment of risk rating and ongoing dynamic monitoring for updates and red flags.
The Group Investment Assurance and Approvals Process (GIAAP)	Governs the evaluation, documentation, and approval of investment projects.	For projects above pre-determined thresholds, sustainability professionals are included in the assurance process, to assess impacts and opportunities, including LRMS risks, arising from the proposed investments.

Forced labour and child labour risks in our business operations and supply chains

Forced labour and child labour risks in our business operations

Given that the majority of our business operations are conducted in the US, and we conduct selling and transportation activities in Canada, that Archaea's workforce is employed in the US, and that we have human resources policies and procedures in place to help ensure compliance with all applicable laws, we consider the risk of forced labour and child labour occurring within our business operations in Canada and the US to be low.

Forced labour and child labour risks in our business operations

Given that the majority of our business operations are conducted in the US, and we conduct selling and transportation activities in Canada, that Archaea's workforce is employed in the US, and that we have human resources policies and procedures in place to help ensure compliance with all applicable laws, we consider the risk of forced labour and child labour occurring within our business operations in Canada and the US to be low.

Forced labour and child labour risks in our supply chains

As part of GIAAP, for projects above pre-determined thresholds, Archaea has referenced external labour rights and modern slavery ("LRMS") data sources, such as Maplecroft risk indices, to understand risk for areas of new development in the US and has sought guidance from bp subject matter experts regarding specific geographical risks related to undocumented workforce exposure and mitigation options. The US is identified as a medium risk country and Canada is identified as low risk country by Maplecroft. Country level risk is used in conjunction with the scope of work conducted and workforce composition to understand potential risk.

Archaea is currently evaluating the appropriate processes necessary to understand total risk exposure to LRMS at our US operating sites and appropriate mitigations.

Assessing and managing our risk

bp has taken a risk-based approach to the assessment and identification of modern slavery in our businesses and supply chains, based on business activity, country risk and workforce demographics.

Assessment tools and approach

Business Operations

Archaea's hiring process requires all new hires to provide proof of legal working status and we comply with applicable human rights, employment and labour laws.

Supplier due diligence

Before contracts are awarded through our procurement team's processes, we strive to consider suppliers' scope of work, location, and workforce composition. This helps us conduct a risk assessment and prioritize our due diligence activities according to the level of risk that is identified.

Starting in Q4 2023, all current vendors undergo a counterparty due diligence vetting process prior to providing any goods or services. As part of this vetting process, a supplier that is flagged as high risk in any area, including LRMS, will be further analyzed to determine whether the supplier can be eliminated from consideration. If, due to the criticality and availability of their offering in relation to the rest of the market, the supplier is deemed to be necessary for business, the vendor must undergo a heightened screening process that includes attestations to their internal policies and procedures. Vendors who are flagged as high risk for any reason, including LRMS, will be subject to annual screenings to assure that no changes have occurred in their status.

Remediation measures/assessing effectiveness

We encourage a "speak up" culture among employees and with our contractors and suppliers in their work for us. Concerns can be raised through OpenTalk, a reporting channel administered by an independent company (NAVEX), available 24 hours a day, seven days a week, and can accommodate calls in more than 75 languages. Concerns can be raised anonymously from most locations, through either the OpenTalk hotline, where employees may speak to a live communication specialist, or through the OpenTalk online reporting platform. We use NAVEX's EthicsPoint case management application to support the administration of OpenTalk, which is hosted on NAVEX's secure servers. Reports are kept confidential to the fullest extent possible, consistent with applicable laws and good business practices. We endeavour to take concerns seriously and in accordance with Archaea policy, Archaea does not tolerate retaliation of any kind.

Upon receiving a complaint, we will conduct a prompt, fair and thorough investigation into any claim of a violation of this policy. Following an investigation, we will take corrective measures against any person who has engaged in conduct in violation of this policy, as necessary. These measures may include, but are not limited to, counseling, suspension, or immediate termination.

As per Archaea policies, we also encourage our suppliers to communicate the OpenTalk reporting channel to their own employees when engaging in work with us.

If we find that we have caused or directly contributed to adverse impacts on workforce rights, we strive 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.

We did not identify or receive reports of forced labour or child labour in our operations or supply chains during the Reporting Period. Accordingly, there is nothing to report with respect to measures taken during the Reporting Period to remediate: (i) instances of any forced labour or child labour, or (ii) the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in our activities and supply chains.

Training

Code of Conduct training is mandatory for all Archaea employees.

Archaea employees can also access bp group available training for use by bp businesses including the Reporting Entities, designed to develop and build the capability needed to effectively identify and manage LRMS risks. This training focuses on three specific needs: (i) raising awareness of LRMS issues amongst employees across bp; (ii) building capability to meet our LRMS due diligence requirements through targeted training for specific groups of employees, for example, certain procurement and contracting teams; and (iii) developing the specialist skills required by a small group of employees to carry out more in-depth LRMS due diligence.

Assessing Effectiveness

There is nothing to report with respect to actions taken to assess the effectiveness of the Reporting Entities in preventing and reducing risks of forced labour and child labour in their activities and supply chains in the Reporting Period.

Archaea is endeavoring to proactively assess and manage the risk of forced and child labour within its operations and supply chains through the implementation of policies and processes aiming to prevent these risks.

Approval and Attestation

This report was approved pursuant to subparagraph 11(4)(b)(i) of the Act by the members of each of Archaea Energy Marketing LLC, Assai Energy, LLC, and Seneca Energy II, LLC as it relates to the activities of each applicable Reporting Entity.

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, attest that I have reviewed the information contained in this report for the entity named above my signature. Based on my knowledge, having exercised reasonable due diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I make the above attestation in my capacity as a member of, and for and on behalf of the member(s) of:

<p>Archaea Energy Marketing LLC</p> <p>I have the authority to bind Archaea Energy Marketing LLC.</p> <p>DocuSigned by: <i>Mukhtadar Khan</i></p> <p>Signature: _____ <small>B893F5732115408...</small></p> <p>Name: <u>Mukhtadar Khan</u></p> <p>Title: <u>Vice President and Chief Financial Officer</u></p> <p>Date: <u>May 31, 2024</u></p>	<p>Assai Energy, LLC</p> <p>I have the authority to bind Assai Energy, LLC.</p> <p>DocuSigned by: <i>Mukhtadar Khan</i></p> <p>Signature: _____ <small>B893F5732115408...</small></p> <p>Name: <u>Mukhtadar Khan</u></p> <p>Title: <u>Vice President and Chief Financial Officer</u></p> <p>Date: <u>May 31, 2024</u></p>
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