



bp Australia modern slavery and human trafficking statement 2020


25 June 2021

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More information:

 Read previous UK slavery and human trafficking statements at bp.com/reportingcentre

 Read more about our human rights policy and labour rights and modern slavery principles at bp.com/humanrights

 Our code of conduct is available at bp.com/codeofconduct

About this statement

This statement relates to the financial year ending 31 December 2020. It is published by BP Australia Pty Ltd (ACN 004 085 616) and BP Developments Australia Pty. Ltd. (ACN 081 102 856), each as reporting entities within the meaning of the term set out in the Australian Modern Slavery Act 2018 (Cth), and on behalf of all other owned and controlled entities of the reporting entities (collectively, **bp Australia**).

Unless explicitly stated otherwise, in this statement:


1. a reference to '**bp**', '**we**' or '**our**' and similar terms are to BP p.l.c. and its subsidiaries generally, including bp Australia, to one or more of them, or to those who work for them; and
2. a reference to '**BP p.l.c.**' is to BP p.l.c. only

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 USD in 2020. We recognise 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 8 and 9](#)

Reporting entities

BP Australia Pty Ltd is the main trading entity for bp's operations in Australia. Its ultimate parent company is BP p.l.c. Also included in the scope of this statement is BP Developments Australia Pty Ltd, the main trading entity for bp's upstream operations in Australia. Like BP Australia Pty Ltd, BP Developments Australia Pty Ltd's ultimate parent company is also BP p.l.c.

Each of the reporting entities, as well as all of their owned and controlled entities, are incorporated in Australia.

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BP p.l.c. and relevant bp subsidiaries have published annual slavery and human trafficking statements since the introduction of the Modern Slavery Act 2015 (UK).

bp Australia

bp Australia has a history of operations in Australia that reaches back to 1919. From exploration and production of crude oil and natural gas, to refining, marketing and retailing of petroleum products. We employ more than 5,700 employees and contractors across Australia; and our operations are in every State and Territory, including major offices in Perth and Melbourne.

bp Australia employs a wide range of employees across its many business units, including customer service representatives at its retail sites, oil and gas industry professionals employed in engineering and operations, and professional and administrative staff who support our operations and business activities. bp Australia aims to provide its employees and contractors with safe working conditions, market-competitive terms of employment (including, in some cases, by way of industrial instruments such as enterprise bargaining agreements), and rigorous induction and pre-employment checks.

bp has set an ambition to become a net zero company by 2050 or sooner, and to help the world get to net zero. bp in Australia is focused on advancing the role of Australian resources in meeting the region's demand for significantly more energy with fewer, and in time, zero emissions. Being part of the bp group enables bp Australia to share global expertise, research and development with Australian business partners, customers and community stakeholders.

bp Australia owns and operates a terminal facility in Kwinana, Western Australia. We also own other import, storage, and distribution infrastructure across Australia. This includes import and storage infrastructure in Brisbane, Queensland, as well as interests or operations in a number of major domestic and regional Australian airports.

Operations and supply chain

bp Australia's operations in Australia can be broadly categorised into the following areas of activity:

- The operation of its convenience store and retail fuel supply network, including the supply of fuel, goods, and other services, to bp-branded independently operated retail sites in Australia.
- The exploration for and production of crude oil and natural gas.
- The sale of fuels to businesses, whether through its fuel card offering, or via bulk sales either delivered to sites or from depots or import terminals.
- The sale of aviation fuels to individual consumers and businesses.
- The sale of marine fuels to individual consumers and businesses.
- The operation and management of major fuel storage and delivery infrastructure, whether at import terminals, airports, or other depots.
- The creation of high performance oils, lubricants, fluids and greases.
- The sale of motor oil and industrial lubricants.

These operations are supported by:

- The importation of refined fuels from countries around the world.
- The sourcing of other materials used in our operations (including vehicles and specialised equipment).
- The sourcing of indirect products and materials (which are all other materials incidental to our business, including technology hardware and consumables such as tools, personal protective equipment office supplies).
- The sourcing of food, beverages, and other goods and services offered for sale at bp Australia's retail sites.

- Labour and services.

bp Australia's third-party expenditure was approximately \$1.3 billion in 2020. This includes a supply chain of over 3,000 suppliers, the most material of which are located in Australia, USA, China and Malaysia. Across these suppliers, the largest sectors by spend include:

- construction and engineering
- oil and gas storage
- logistics and transportation
- tobacco
- fast moving consumer goods for our retail sites

Less material spend categories include:

- commercial services and supplies
- IT services
- machinery and electrical equipment
- oil and gas refining and marketing
- professional services
- real estate

Automotive fuels are supplied and marketed through bp Australia's national network of more than 1,400 retail service stations. Of that number, approximately 350 retail service stations are wholly-owned and operated by bp Australia, and approximately 1,050 are bp-branded and operated by independent businesses (known as Dealers).

Dealers within the bp Australia network buy their automotive fuels from bp Australia. They are also entitled to:

- participate in the bp Australia buying group (a collective buying group for the procurement of retail shop goods).

- operate an outlet of bp's wholly-owned Wild Bean Café brand.
- participate in the bp Australia customer and business loyalty program, bp Rewards.
- accept payment from customers via bp's mobile fuel payment application, bpMe.

Each of our Dealers employ their staff directly, and are free to set the prices of their automotive fuels independently. A significant proportion of bp Australia's supply chain is made up of our Dealer network.

Participation in the bp Australia buying group allows bp Australia to set terms and deal with suppliers in a manner consistent with the reduction of modern slavery risk. This includes, for example, the incorporation of modern slavery risk mitigating contractual provisions into our commercial arrangements with suppliers.

Joint venture activity

bp Australia is a participant in many joint ventures (JVs) across Australia, although mainly as a non-operating participant.

For bp Australia's downstream operations, these joint ventures predominantly include bp Australia's interests in various bulk fuel storage facilities and delivery infrastructure, including import terminals, airports, and other depots.

For bp Australia's upstream operations, examples of joint ventures bp Australia participates in include those which deal in the exploration for and production of crude oil and natural gas.

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.

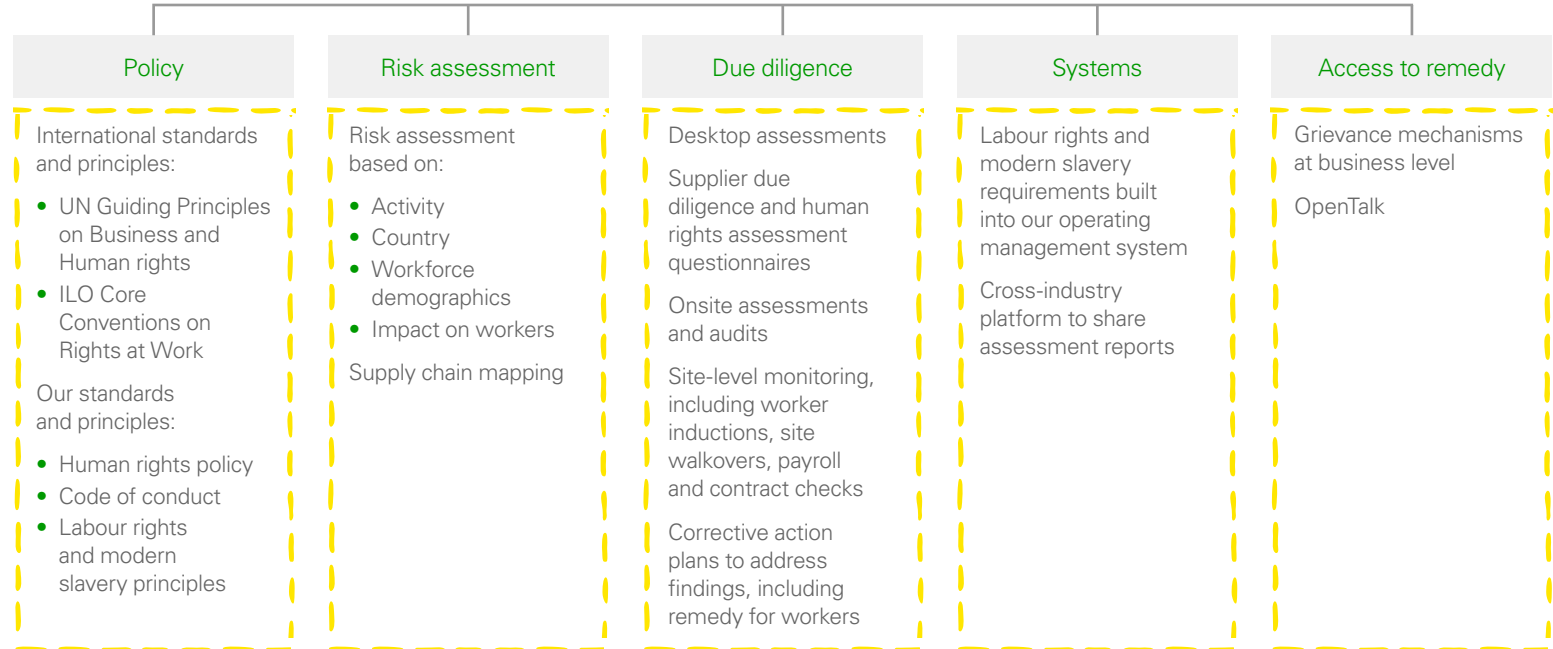
At group level, we set expectations for how our businesses conduct their activities, including through our code of conduct, human rights policy, labour rights and modern slavery principles and operating management system (OMS). Our Australian businesses are required to conduct their activities in conformance with these expectations and manage the risks, including modern slavery, associated with them. Our local operating management system (LOMS) establishes local requirements and processes to manage our operations in Australia.

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. These standards and principles are intended to set expectations across bp, including for bp Australia. As such, in all but very limited circumstances, the approaches set out and undertaken by the wider bp group have a flow-on effect for bp Australia's operations.

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, prioritise 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, including 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 organising 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 \[bp.com/sustainability\]\(https://bp.com/sustainability\) and \[bp.com/humanrights\]\(https://bp.com/humanrights\)](#)

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, and many bp Australia sites continued to function with a temporarily reduced workforce.

Supporting our workforce

Our workforce includes bp employees and contractor workers, recognising 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, bp 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 emphasised 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, bp 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 clearly states that bp businesses should treat people, including our contractor workforce, with dignity and respect and identifies steps bp and contractors can take to reduce vulnerability, including, for example, clear 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.

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 clearly 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. It applies to all bp Australia 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 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 recognised 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 recognise 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 13](#)

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

Our updated human rights policy, published in May 2020, was developed 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 recognised 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.

bp 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.

bp are now driving them into action across bp businesses, including bp Australia, and with our contractors and suppliers in higher risk operations through our procurement and operations teams and systems. The principles provide a clear position on a range of issues that help bp, our suppliers and our business partners, in identifying and managing labour rights and modern slavery risks.

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

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.


bp's human rights working group, which was made up of representatives from various disciplines across the business, considered current and emerging human rights risks of potential significance to businesses. In 2020 this included reviewing progress in the management of modern slavery risks and disclosure under the Modern Slavery Act (UK).

In 2020, in line with our strategy and work to reinvent bp, we reviewed the way we govern sustainability at BP p.l.c. board and bp group 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 BP p.l.c. 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. bp's 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.

In Australia, the safety and operations risk committee will continue to provide oversight on all local operational risks, which includes sustainability issues such as modern slavery. This committee will be supported by the Australia and New Zealand modern slavery working group, with representatives from across the business, including the reporting entities.

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

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

Operations

bp Australia carried out a review of modern slavery risks over the course of 2019-2020 in relation to sourcing of goods and services, our retail networks and our workforce. Key risk areas identified included:

- Goods and services supply chain for retail sites and refinery, with higher risk where goods are lower-skilled manufactured items or services.
- Contractor labour supply chains especially in large scale temporary workforces e.g. in turnaround operations required to perform maintenance at refineries.
- The workforce and supply chains of our retail businesses that are run by dealers. Key risks may arise from business models e.g. dealer network and businesses potentially with less corporate governance and oversight, workforce demographics, especially where low-skilled or of migrant origin and thus more vulnerable to abuse, and incentivisation on financial performance by sites.

Flowing from this initial review, risks of modern slavery across bp Australia's operations are considered low. bp Australia's workforce are predominantly located in Australia, which is a relatively low-risk jurisdiction.

Additionally, bp Australia:

- provides its employees and contractors with safe working conditions, as well as market-competitive terms and conditions of employment
- carries out rigorous pre-employment checks and induction

- has in place policies and procedures designed to identify, investigate, and where necessary, take action against modern slavery, including human trafficking, slavery, forced or child labour
- conducts regular internal training to improve staff awareness of modern slavery, human trafficking, and human rights risks
- provides its employees, contractors, and suppliers, a channel to report concerns and risks through its OpenTalk program
- clearly articulates its position and expectation of its employees and contractors in its:
 - code of conduct
 - human rights policy
 - labour rights and modern slavery principles

Joint venture activity

We know that, through the conduct of their activities, our business partners – including operated and non-operated JVs, contractors and suppliers – can have direct adverse impacts on human rights and we can be linked to this impact. For this reason, we want to work with business partners that share our commitments 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 our the principles underlying the commitments set out in bp's human rights policy.

We monitor performance and how risk is managed in our joint ventures, whether we are the operator or not. In joint ventures for which we are the operator, our OMS, code of conduct and other policies apply.

When we are not the operator, our OMS is available as a reference point for bp businesses when engaging with operators and other participants. We have a group framework to assess and manage bp's exposure related to safety and operational risk – including modern slavery risks – as well as bribery and corruption risk from our participation in non-operated joint ventures. Where appropriate, we may seek to influence how risk is managed in these types of ventures.

Supply chain

Procurement 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 beyond tier 1. In 2020, bp Australia worked with a third-party consultant to carry out a desktop review of our 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.

Following the first stage review of modern slavery within bp Australia's operations, outlined on page 3, a second stage risk review was conducted across bp Australia's supply chain. This involved an assessment of bp Australia suppliers for geographic and industry risks, by reference to the Verisk Maplecroft Modern Slavery Index 2020.

bp Australia's initial analysis focussed on a subset of suppliers that constituted the most material spend for its operations in 2020. The analysis ranked these suppliers into three distinct risk categories, namely, 'High', 'Medium', and 'Low' risk.

Of the 1,355 suppliers analysed in this initial assessment, five percent were identified as falling into the highest risk category.

It is intended that bp Australia's analysis of its suppliers, including those not included in our initial assessment, will continue on an ongoing basis.

Due diligence and risk assessment

bp has taken a risk-based approach to assessment and identification of modern slavery in our businesses and supply chains, based on country risk, business activity, 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 by bp 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](#)

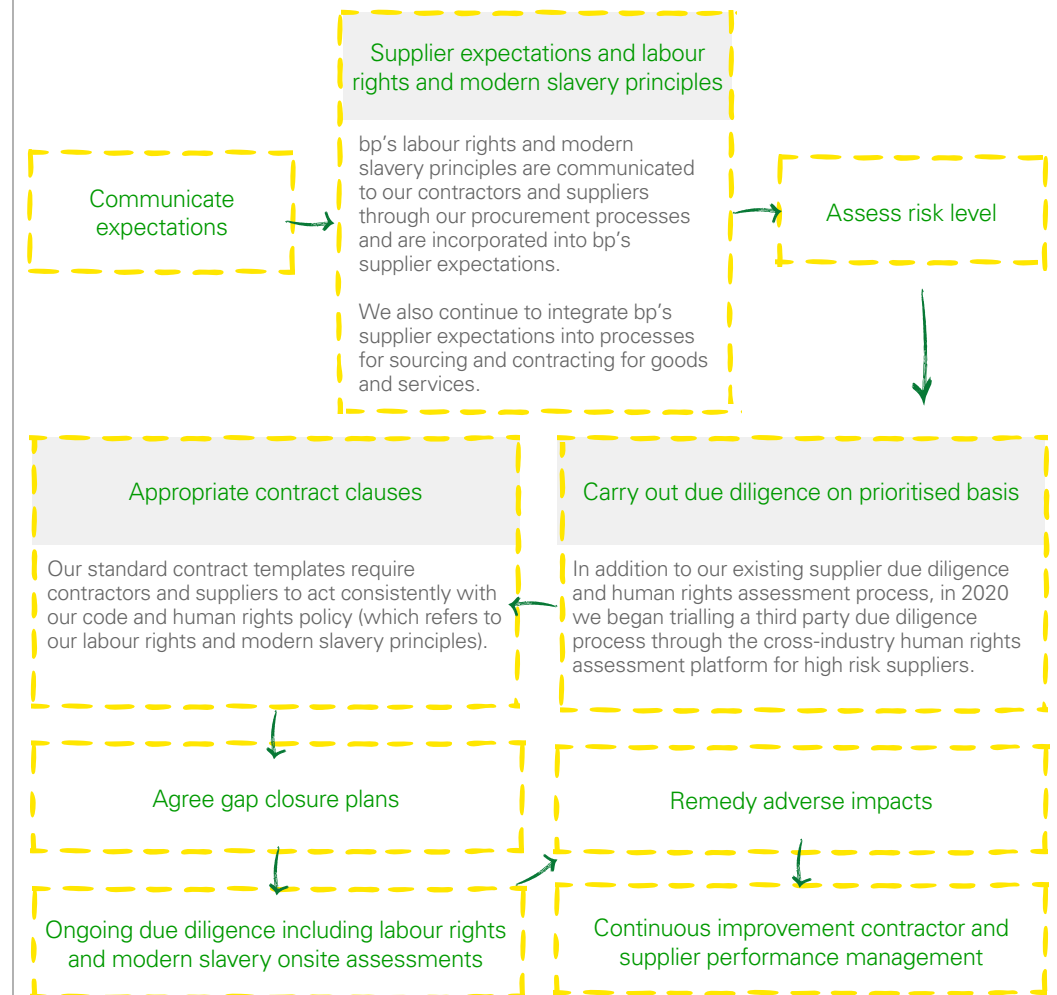
Due diligence and risk management in response to COVID-19

The COVID-19 pandemic has impacted our ability to carry out in-person 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.

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

bp's 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, bp 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. Globally, bp 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 bp 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, including, over time, the highest risk suppliers identified in bp Australia's supply chain mapping, as outlined on page 9.

 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.

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.

Actions to address modern slavery risks

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 bp 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 bp's 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, including those from bp Australia.
- 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 of bp attended these sessions on our revised human rights policy, including members of the bp Australia procurement team.
- 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.

Dealer compliance program

To address the identified risks in bp Australia's Dealer network, the majority of dealer sites are part of the Assisted Compliance Audit Program, delivered by the Australasian Convenience and Petroleum Marketers Association (ACAPMA), whereby an external third-party auditor carries out checks on working conditions on site, including salary and right to work checks.

This program is a required condition for any new and renewed contracts and includes counterparty due diligence for new independent business partners. bp Australia holds quarterly Dealer meetings to raise awareness, discuss any issues and agree remedy as needed. The Assisted Compliance Audit Program is further reinforced annually at the bp Australia independent business partners conference.

Under each new and renewed Dealer agreement, non-compliance with the Assisted Compliance Audit Program will constitute a material breach, giving bp Australia the right to terminate the agreement. Additionally, no contribution payments will be made by bp Australia to Dealers within the Assisted Compliance Audit Program unless an audit certificate completed by ACAPMA, or nominated auditor approved by bp Australia, is received.

The overall purpose of this program is not only to ensure compliance, but also to educate bp Australia's Dealer network of the importance of the issues addressed within the program, including issues relating to employment compliance, workplace health & safety and environmental safety. ACAPMA provide businesses with information, support, resources and advice on how to resolve any issues identified through this program.



Read more about the Assisted Compliance Audit Program at acapma.com.au/

Operating management system

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

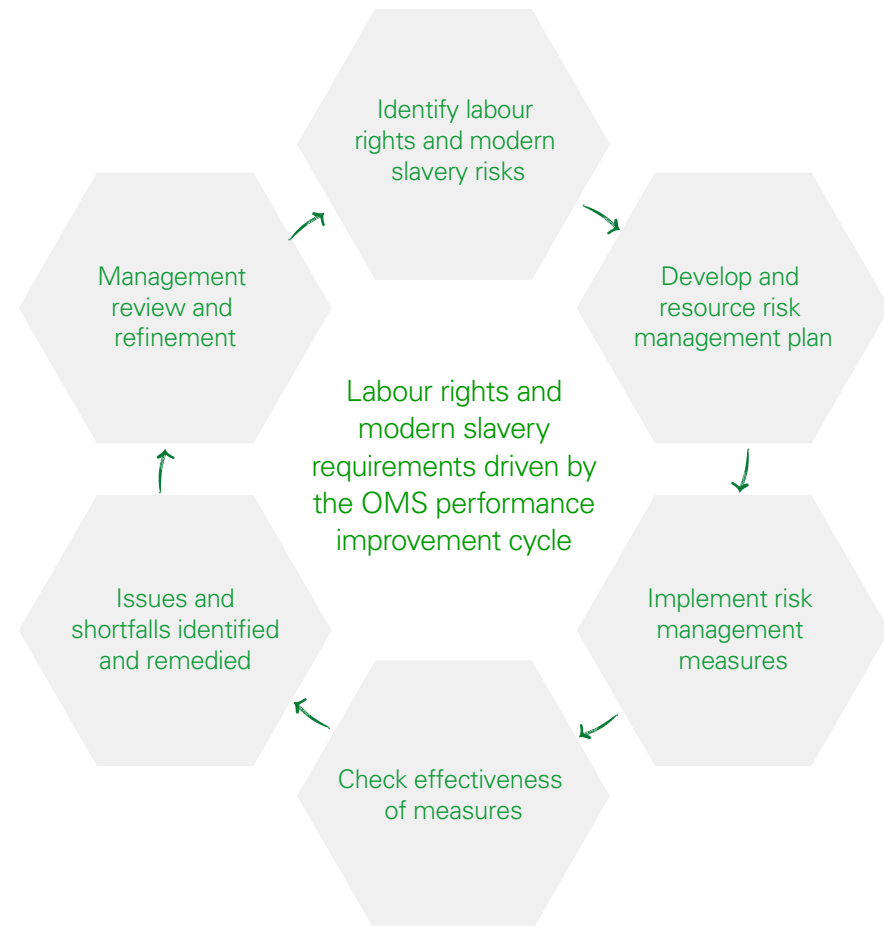
Our OMS applies to both operations and projects and includes practices, procedures and guides, with supporting training materials, to help operations and projects understand how to deliver requirements in practical terms. OMS requires bp operations and projects to assess labour rights and modern slavery 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 organisation 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, 7 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.

 A report to OpenTalk can be submitted through the website at opentalkweb.com

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.

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

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 bp 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 bp Group.
- 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 organisations 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 finalised 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-and-building-responsibly.org](https://www.ipieca.org/our-work/social-and-building-responsibly.org)

Standardising due diligence processes

We continue to work with a number of our peers to find ways of standardising our human rights due diligence and assessment processes. For example, in 2020 bp 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 prioritisation.

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 10](#)

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 recognise 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 prioritised 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.

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 systematise 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 bp's 2019 UK modern slavery and human trafficking statement, bp reported developing a measurement framework to help assess, through the use of key performance indicator (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, bp group 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. bp intends 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.

The table below describes the KPIs we will measure and summarises 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"> Types of ongoing monitoring activities carried out Types and numbers of issues identified Presence and status of action plans to address issues identified 	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"> Presence of grievance mechanisms # grievances raised and % remedied by category 	<ul style="list-style-type: none"> Understand what is in place and degree to which it is used by workforce Understand types of issue raised and trends

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 bp 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.

bp Australia will also review third-party guidance as we continue to develop our Australian and group sustainable procurement processes. This will include the recommendations made through the reviews of current processes and supply chain risks outlined on page 9.

Consultation

Information and data is collated from all business units, and despite operational differences, bp Australia has a relatively centralised approach to working which means that ongoing consultation is built into our business structure.

This statement has been prepared in consultation with each of the reporting entities outlined on page 2. This statement was reviewed by members of bp Australia's safety and operations risk committee, and senior representatives from the reporting entities. The statement was then sent to the BP Australia Pty Ltd and BP Developments Pty Ltd Boards for review and approval.



Frédéric Baudry
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Mobility, convenience and midstream AsPac
Regions, cities and solutions - AsPac
President bp Australia
BP Australia Pty Ltd

This statement has been approved by the boards of BP Australia Pty Ltd and BP Developments Pty Ltd on behalf of bp Australia, in compliance with the Australian Modern Slavery Act.



For more information visit bp.com/sustainability and bp.com/modernslavery