



# bp Australia modern slavery and human trafficking statement 2021

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24 June 2022



# About this statement

This statement relates to the financial year ending 31 December 2021. It is published by BP Australia Group Pty Ltd (ACN 007 412 553), BP Australia Pty Ltd (ACN 004 085 616), BP Developments Australia Pty Ltd (ACN 081 102 856), Castrol Australia Pty Ltd (ACN 008 459 407) each as reporting entities within the meaning of the term set out in the Australian Modern Slavery Act 2018 (Cth).

Unless explicitly stated otherwise, in this statement:

1. a reference to 'bp', 'bp group', '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;
2. a reference to 'BP p.l.c.' is to BP p.l.c. only; and
3. a reference to 'bp Australia' is a reference to the reporting entities and their owned or controlled entities including Castrol Australia Pty Ltd.

## 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 more than 65 countries, employ around 65,900 people and have around 40,000 suppliers. These include contractors, vendors, service providers and contingent labour, many of whom also have further suppliers. Our third-party expenditure was approximately \$51 billion in 2021.

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 teams continue to identify parts of our supply chain as focus areas for their work to manage labour rights risks, including modern slavery.

## Reporting entities

BP Australia Group Pty Ltd is a holding company.

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 and Castrol Australia Pty Ltd.

In 2021, Castrol Australia Pty Ltd moved out of BP Australia Group Pty Ltd. Castrol Australia Pty Ltd meets the Modern Slavery reporting threshold, and is included in the scope of this report. Like BP Australia Pty Ltd, BP Developments Australia Pty Ltd and Castrol 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).

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## More information:

- Previous slavery and human trafficking statements are available at [bp.com/reportingcentre](https://www.bp.com/reportingcentre)
- Our human rights policy and labour rights and modern slavery principles: [bp.com/humanrights](https://www.bp.com/humanrights)
- Our code of conduct: [bp.com/codeofconduct](https://www.bp.com/codeofconduct)

# Introduction

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# 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. bp Australia employs more than 5,000 employees and has contractors across Australia. 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, 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 no longer imports crude oil into Australia following the ceasing of production at Kwinana refinery in Western Australia in 2021. bp Australia owns import, storage, and distribution infrastructure across Australia. This includes import and storage infrastructure in a number of major domestic and regional Australian locations.

## Operations and supply chain

bp Australia's operations 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 businesses.

- The sale of marine fuels to 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 and lubricants 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 and 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 non-related third-party expenditure was approximately \$1.6 billion in 2021. This includes a supply chain of over 3,000 suppliers, the most material of which are domiciled in Australia, the US, China and Malaysia, although the supply may originate from other jurisdictions. 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
- professional services
- real estate

## bp Australia

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 customers are our Dealer network, who sell to end-users.

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.

bp Australia partners with bp's Trading & Shipping entities based in Singapore for fuel imports. bp Australia also purchases fuel from market participants locally, the majority of whom have had a strong Australian presence for many years. This fuel can be sourced from a range of domestically produced suppliers and the international market.

### Joint venture activity

bp Australia is a participant in many joint ventures (JVs) across Australia.

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 respect human rights.


BP p.l.c. sets expectations for how our businesses conduct their activities, including through our code of conduct, human rights policy, labour rights and modern slavery (LRMS) 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 establishes local requirements and processes to manage our operations in Australia.

In all but very limited circumstances, the approaches set out and undertaken by BP p.l.c. have a flow-on effect for bp Australia's operations.

Key bp group developments in 2021:


- We refined the pre-contract risk assessment we use in our procurement processes and have completed more supplier due diligence and human rights questionnaires.

 [Read more about our risk assessment and due diligence processes on \*\*page 11\*\*](#)

- In our operated businesses, our focus was implementing the LRMS requirements included in our OMS and to build the capability of bp teams with accountabilities relating to engagement with our workforce and communities (these are our social practitioners). The decision was made to focus on LRMS as a whole because labour rights issues can be indicators of modern slavery risk.

 [Read more about our OMS on \*\*page 13\*\*](#)

- Under aim 12 of our sustainability frame, we set an aim to support a just energy transition that advances human rights and education. This includes an objective related to decent work, in which we are progressing our efforts to improve working conditions at our sites and in our supply chains. Going forward we plan to report our progress related to this objective.

 [Read more about aim 12 in the \*\*bp sustainability report 2021, page 35\*\*](#).

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.

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.

## The impact of COVID-19 and supporting our workforce

Our workforce includes bp employees and contractors. We recognize that our responsibilities are different with respect to these two groups.

One challenge we continue to face is the potential for unintended impacts on workers caused by changes to work patterns to accommodate COVID-19 restrictions. These unintended impacts include:

- Hampered communication between workers and managers, especially when work needs to be quickly reorganized – resulting in limits to discussions on required changes. Not knowing how long these changes can last, presents a further challenge.
- Updates to new working patterns resulting in a lack of clarity (and in some cases payment issues) for some contractors' workers about which hours are classified as standard hours, overtime, and rest time.
- Increased health risks (for example, fatigue) associated with extended rotations to accommodate shift patterns, implemented for the prevention of cross-infection of COVID-19 across shifts.

## Introduction

Some of these issues have been raised through bp's OpenTalk speak-up mechanism and this has enabled our businesses to work with the relevant contractors to provide remedies.


As outlined in the 2020 bp Australia modern slavery statement, bp issued and continues to update and make available guidance to bp businesses on measures to help vulnerable people stay safe. This includes 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.

bp's human resources guiding principles provided support for employees taking a period of time away from work due to COVID-19 including paid COVID-19 leave in many circumstances. 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.

 [Read more about this guidance on \*\*page 5 of the 2020 bp Australia modern slavery and human trafficking statement.\*\*](#)

# Risk of modern slavery in our supply chain and operations

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

Modern slavery is a term used in policy and law to describe forms of exploitation that constitute serious violations of human rights, including slavery, servitude, human trafficking, debt bondage, forced labour, forced marriage and the worst forms of child labour.

## Operations

bp Australia continued to carry out a review of modern slavery risks over the course of 2020-21 in relation to sourcing of goods and services, our retail networks and our workforce. Key risk areas identified included:

- Our selection of goods and services supply chain for retail sites (including of our Dealer network), with higher risk where goods are lower-skilled manufactured items or services.
- Contractor labour supply chains.
- 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 is 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
- has in place a Dealer compliance program for the majority of Dealer sites. The Assisted Compliance Audit Program, delivered by the Australasian Convenience and Petroleum Marketers Association (ACAPMA), has an external third-party auditor to carry out checks on working conditions on site, including salary and right to work checks
- 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 and 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.

We seek to use our leverage, consistent with the United Nations Guiding Principles on Business and Human Rights (UNGPs) to encourage them to act in a manner consistent with the principles underlying the commitments set out in bp's human rights policy. We monitor performance and how risk is managed in our JVs, whether we are the operator or not. In JVs 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 bp 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 JVs. Where appropriate, we may seek to influence how risk is managed in these types of ventures.

## Supply Chain

bp Australia have identified the following high risk activities in our supply chain:

- suppliers operating in countries that pose a high degree of risk, such as IT and telecommunications hardware
- activities that rely on manual labour such as construction, catering, food including coffee and confectionery, tobacco, cleaning and certain types of manufacturing including uniforms and PPE
- factors relating to the vulnerability of the workforce, such as poverty levels; ethnic, religious or gender minorities; and migrant workers, such as agriculture and shipping

Procurement capture key data on suppliers that feed into our mapping and risk assessment processes but we recognize 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. In 2021, we have implemented learnings from the review to inform further development of both bp Australia and bp group processes.



## Risk of modern slavery in our supply chain and operations

bp Australia's initial analysis focused on a subset of suppliers, including from Castrol Australia Pty Ltd, that constituted the most material spend for its operations in 2020. The analysis ranked these suppliers into four distinct risk categories, namely, 'Extreme', 'High', 'Medium', and 'Low' risk.


In 2021, we refined the supplier list we identified as 'high risk' based on the original desktop filtering process. bp Australia will continue to refine this list by applying a materiality lens to this supplier set. 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.

With respect to the import of fuels, bp's international footprint allows for sharing best practice and evolving challenges to preventing modern slavery in different regions.

# Governance of modern slavery

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

A new simplified governance structure, described in our bp Australia modern slavery and human trafficking statement 2020, came into effect on 1 January 2021.

 [Read more about sustainability governance on page 49 of the 2021 bp sustainability report.](#)

At BP p.l.c. level, in 2022, the board reviewed and approved our modern slavery and human trafficking statement for 2021 and the 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. The bp group LRMS working group includes members of our central teams, and representatives from a cross-section of bp businesses. The group is tasked with developing and trialling tools, processes and other resources that can enable our projects and operations to better implement our LRMS programs globally.

In 2021, our internal audit function carried out a review of our central systems for managing LRMS risk. This audit provided insights on some areas for improvement and the internal audit function plans to carry out audits in 2022, at selected key operating sites to assess implementation of these improvements, as part of its wider audit programme.

In Australia, the ethics and compliance committee of senior executives within bp Australia and Castrol Australia now provide oversight on modern slavery. This committee is supported by the Australia and New Zealand modern slavery working group, with representatives from across the business, including the reporting entities.

## Our policies related to modern slavery and human 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 to do the same.


## Our LRMS policies and practices

We set out more details on our policies, including our code of conduct and human rights policy, in our bp Australia modern slavery and human trafficking statement 2020.

 [Find our human rights policy and LRMS principles at bp.com/humanrights.](#)

## Grievance mechanisms

We encourage a speak-up culture among employees, contractors and suppliers. In addition to requiring bp 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. At our sites we help make sure that contractors and their workers are aware of our confidential and anonymous global helpline OpenTalk and, where relevant, community complaints systems and workforce grievance mechanisms. Our Code of Conduct, which is provided to our suppliers and referred to in our standard supplier agreements, includes the details of OpenTalk. We promote the use of these channels without fear of retaliation.




 [Read more about access to remedy on page 15](#)

### Our LRMS policies and practices



# Risk, remedy and capability

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## Risk assessment and due diligence

Before contracts are awarded, we consider the supplier's scope of work and their location. This helps us conduct a risk assessment and prioritize our due diligence activities. We have refined the country risk criteria we use to assess new suppliers, and are in the process of determining how best to collate and integrate associated risk data into our procurement systems.

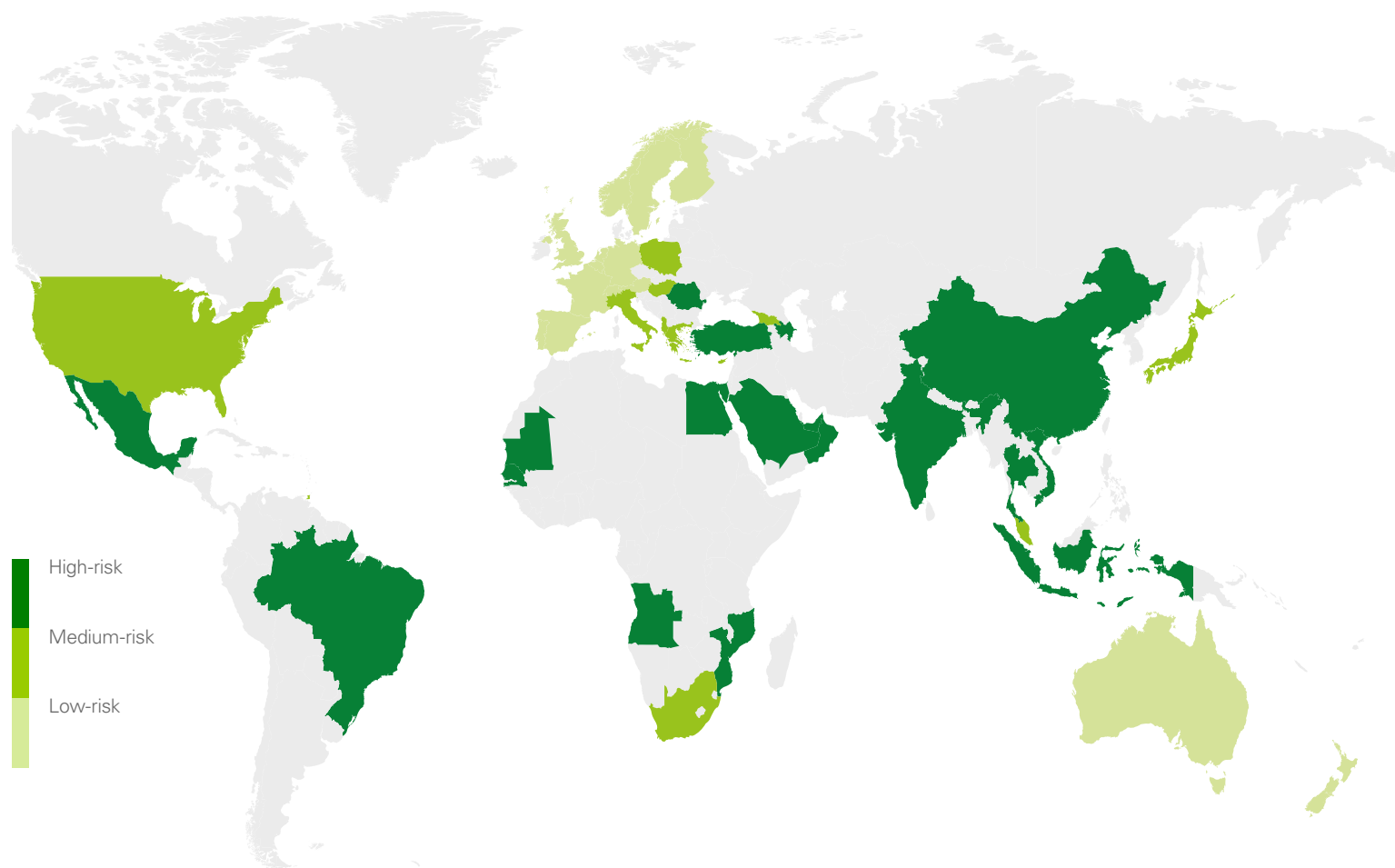
### Developing our risk assessment approach

Risk assessment is included in our operating management system (OMS) processes. We use external labour rights and modern slavery (LRMS) data sources, such as Maplecroft risk indices, to generate risk heatmaps for the countries in which we operate. Each country is categorized as being either low, medium, or high-risk. The map below shows the jurisdictional risk map that has been prepared for our bp group operated assets.

bp's OMS requires all operated businesses to risk assess and categorize their key contractors. This approach enables our businesses to determine any further due diligence and remedial action required to adequately mitigate supply chain LRMS risks. Our operated businesses are aiming to increase the breadth of their assessment. In 2020, bp Australia assessed all its first-tier suppliers, via an independent third party for all incumbent suppliers and undertook a detailed due diligence process during the pre-contract award phase for new suppliers.

 Read more about bp Australia's risk-based approach to pre-contract due diligence and post award contract management in the [2020 bp Australia modern slavery and human trafficking statement page 8](#).

Risk assessment heatmap of the main countries where bp operates




## Risk assessment and due diligence

### Supplier due diligence

Under aim 12 in our sustainability frame we have set a global target to assess 100% of our high-risk suppliers on LRMS by 2025. For bp Australia we have used a combination of the location of supplier operations and the industry environment they are engaged in to assess supplier risk.

High-risk suppliers are required to provide documentary evidence that they have implemented appropriate policies, processes and practices to manage LRMS risks and must demonstrate having shared these with their workforce. This approach enables us to assess whether suppliers can meet our LRMS expectations. If gaps or concerns are identified, additional commensurate controls may be implemented to help manage and monitor the risk associated with a particular supplier.

 The human rights assessment platform, we developed with several of our peers, is described on [page 10 of our bp Australia modern slavery and human trafficking statement 2020](#).

During 2021, bp group operationalized the human rights assessment platform and continued to improve our systematic approach to pre-contract due diligence. The process and scoring criteria were streamlined to improve the quality and speed of assessments, increasing the number completed via the human rights assessment platform from eight in 2020 to 66 in 2021. Our sustainability team within procurement also conducted several in-house assessments.


In building corrective action plans during supplier due diligence processes, information on industry best practice may be shared with suppliers, which we believe benefits both bp and the supplier.

Our objective is to gather information about suppliers' policies and processes and discuss what 'good' looks like in terms of eliminating the potential for human rights and modern slavery impacts.

In addition to pre-contract due diligence of new suppliers, LRMS risk assessment is ongoing across our current supplier base. Under OMS, our businesses are required to carry out ongoing monitoring activities of suppliers, depending upon their degree of risk, which form a key part of our routine due diligence.

 [Read more about our OMS on page 13](#)

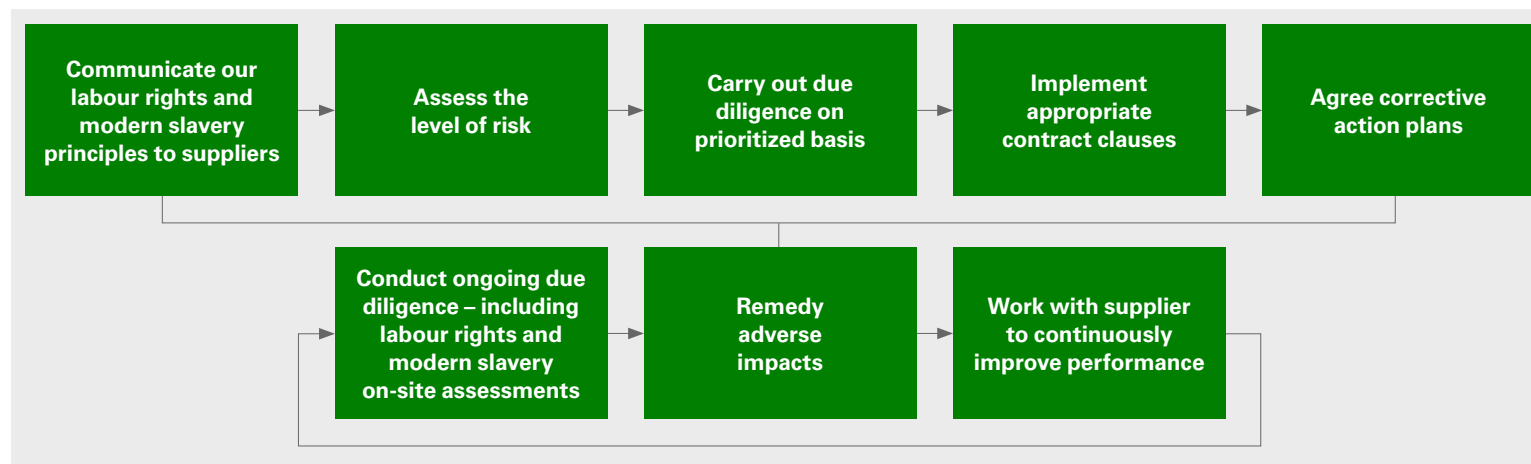
Our operated businesses have started carrying out business-level risk reviews of existing suppliers, to take account of ongoing risks in their day-to-day operations. These assessments are a cornerstone of our OMS process.

 [Read more about our LRMS risk assessment and due diligence process on page 9 of our bp Australia modern slavery and human trafficking statement 2020](#).

Risk assessment criteria include worker demographics (such as the presence of migrant workforces), use of recruitment agents, workforce skill levels and the number of supply chain tiers. These business risk reviews are helping us to establish the prevalence of specific risks and identify where overall risk is highest. These risk assessments are an ongoing, iterative process. They help us to determine where best to deploy resources for on-site assessments.

In bp Australia, we are working to systematically embed monitoring activities for our high-risk suppliers.

### Elements of supplier due diligence



## Risk assessment and due diligence

### Operating management system

Our practices for the management of environmental and social performance are included in our OMS.

Our OMS requires bp operations and projects to assess LRMS risks and to put in place effective controls in a proportionate and systematic way. During 2021, we made a concerted effort to build awareness and understanding of the indicators of LRMS risk, and to support our operated businesses in implementing effective controls. As issues arise, our central team of experts continues to support the businesses to facilitate remedy for workers.

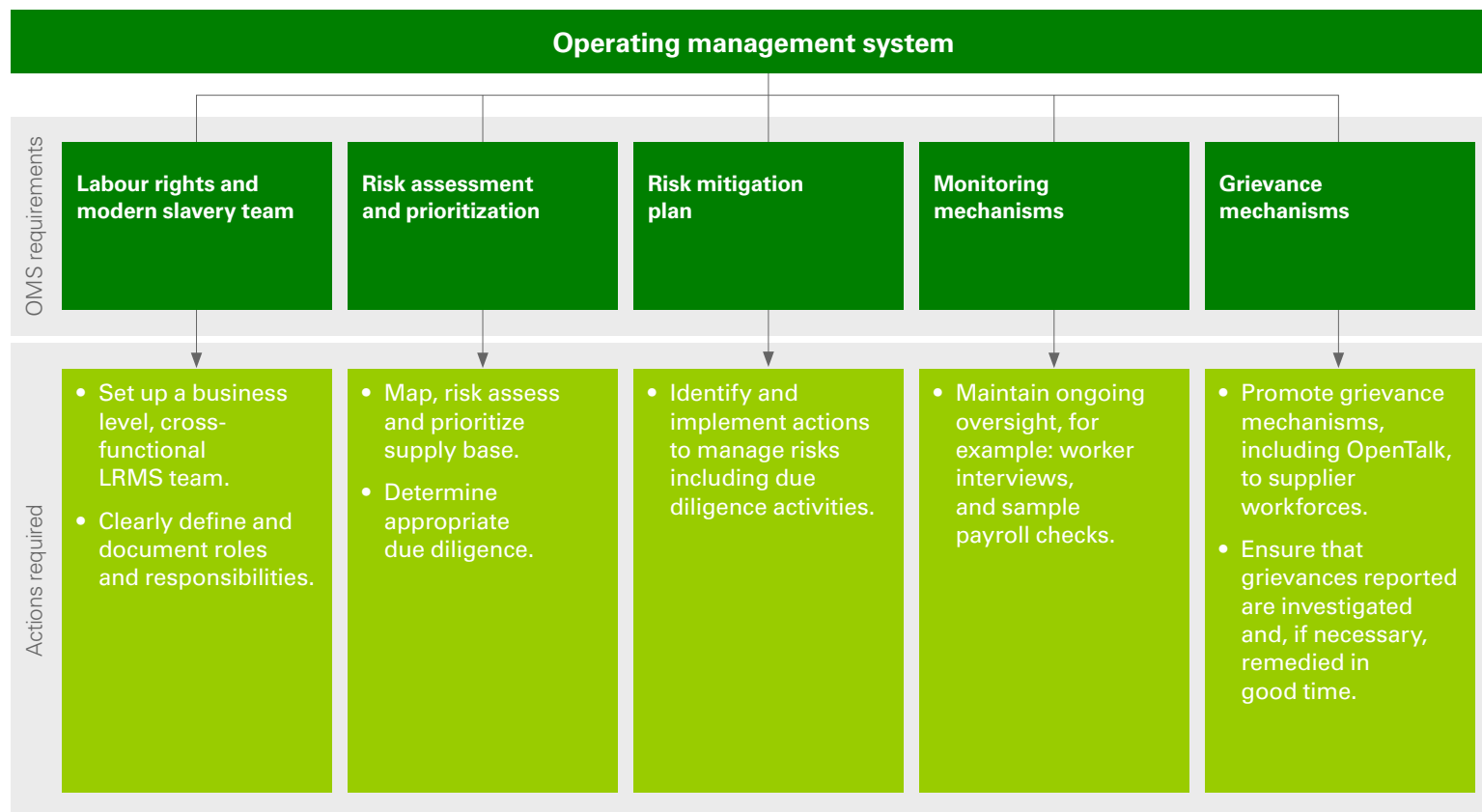
 For more detail read [page 12 of our 2020 bp Australia modern slavery and human trafficking statement](#).

### Progress against OMS requirements

In 2021, business-level LRMS teams were established through formalizing roles and responsibilities, following bp’s organizational restructure in 2020-21, and through encouraging teams to work together. Risk assessments are currently underway, and we anticipate that the majority of our operated businesses will complete initial risk assessments and have risk mitigation plans in place by the end of 2022.

Data from completed or ongoing risk assessments is helping to inform our plans for prioritized on-site assessments in 2022 and onwards.

### OMS requirements and progress



## Other 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.

### Training and capability building

Our training and capability building activities in 2021 included:

- Providing training on our code of conduct, which underpins and reinforces elements of our human rights policy. This is mandatory for all bp employees.
- 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. We continue to recommend this training to new joiners to our procurement teams, including those from bp Australia.
- Specific LRMS training available for bp employees through our online training system.

As part of the process to embed LRMS through our OMS, we have identified the need to further build our capability in our operated businesses, specifically to help manage potential risks in contractor workforces. As a result, we have mapped out the learning journey for social practitioners within bp, who have a role to play in managing contractor workforces and launched a new 'introduction to social' course, including a LRMS module.

We have also developed a 'good worker interviews' module. This will enhance our ability to engage more regularly with our contractor workforce on the ground and open up conversations to enable teams to identify issues and red flags that might require further investigation.

### Trading and shipping

To address risks identified in fuel supply, all chartering of vessels is managed by bp Trading & Shipping on behalf of bp Australia. Prospective vessels are required to be vetted and cleared prior to fixing a vessel via a charter party.

Once a vessel is fixed for a journey, the key interactions with vessel captains and owners is also via bp's Trading & Shipping organization. However, the local bp Australia team remain acutely aware of modern slavery risks within shipping and the need to speak up if they believe significant risk is present.

### 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.

- For more information on the Dealer compliance program see [page 11 of our 2020 bp Australia modern slavery and human trafficking statement](#).



## Providing our workforce with access to remedy

Where we identify that we cause or contribute to modern slavery we are committed to remedying or participating in the remedy of the impact of modern slavery on the individuals. Our human rights policy states that we do not impede access to state-based judicial processes.

If we cause or contribute to adverse impacts on human rights, we provide for or co-operate in their remediation through legitimate processes intended to deliver effective remedy, while not preventing access to other forms of remedy if justified.

If we identify that our employees do not adhere to our code of conduct and policies, then this may result in disciplinary action, up to and including termination of employment. If we consider that our contractors or suppliers have failed to act consistently with our expectations or with their obligations, then we try to work with them to resolve any issues and provide remedy for people affected. If a serious breach is found and no corrective action is taken, we reserve the right to terminate contracts.

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

We encourage a speak-up culture among our employees, contractors and suppliers.





## Providing our workforce with access to remedy

bp employees or contractors and their workforce can submit a report to OpenTalk through the website at [opentalkweb.com](https://opentalkweb.com)

OpenTalk is overseen by our ethics and compliance (E&C) team. In 2021, the bp group LRMS team worked more closely with E&C to:

- better identify complaints related to LRMS issues with a focus on complaints from contractor workforces

- provide support on investigations into complaints, including identifying root causes of issues
- facilitate remedy for workers
- identify further improvements to systems, to prevent issues happening in the future

Through a number of these collaborative investigations, some consistent themes have been identified across different regions and businesses. We are using this analysis to collate learnings and identify necessary system changes to help reduce the potential for these issues to re-occur. Insights will be shared with social practitioners in other bp operated businesses in 2022, through our social community of practice.




The table below provides examples of instances where bp group has worked with our contractors to facilitate remedy of issues identified for more than 960 workers.

### Access to remedy: themes and responses

Themes identified from work on complaints raised by contractor workforces	Example of remedy provided by contractors
Non-, late and partial payment of wages, overtime pay and holiday pay	<ul style="list-style-type: none"> <li>• Workers repaid monies owed</li> <li>• Improvements made in record-keeping systems and processes</li> </ul>
Workers did not understand how pay was calculated	<ul style="list-style-type: none"> <li>• Rules for standards and overtime clarified, updated in workforce contracts (where appropriate), communicated to workers and incorporated into new systems</li> <li>• Payslips updated, explained and provided to workers for each pay period</li> </ul>
Extended working hours and rotations	<ul style="list-style-type: none"> <li>• Improved timesheet records to include start and finish times</li> <li>• Records to include total hours worked and set limits for maximum hours</li> <li>• Implemented oversight process to check that limits were maintained</li> </ul>
Insufficient communication with workers about the implementation – and subsequent maintenance – of changed patterns of work due to COVID-19	<ul style="list-style-type: none"> <li>• Contractors updated workforce contracts to reflect the new work patterns and rules for overtime and rest time</li> </ul>
Insufficient workplace communication	<ul style="list-style-type: none"> <li>• Implemented grievance process and mechanism to enable workers to raise concerns</li> <li>• Held sessions with workers to promote new grievance channel and also invite open conversation between workers and management</li> </ul>

# Progress and next steps

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## Assessing the effectiveness of our approach

bp Australia assesses its performance in relation to managing our modern slavery risk via ongoing assessment and reporting to the modern slavery working group and ethics and compliance committee. We are taking steps to strengthen our ability to identify, prevent and remedy concerns through the integration of our labour rights and modern slavery (LRMS) principles into our operating management system (OMS), training, risk reviews and enhanced contractual frameworks.

We have made progress on the focus areas we set out in our bp Australia modern slavery and human trafficking statement 2020, and the bp Australia modern slavery working group continues to meet regularly to advance these focus areas across the Australian business.

These focus areas include:

- 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.

The table below describes examples of KPIs measured by bp and summarises how the data collected is intended to support our global labour rights and modern slavery programme.

Measure	Examples of supporting metrics	Purpose	Examples of findings
Systematic approach to identification, prevention and management of LRMS risks	<ul style="list-style-type: none"> <li>• Ongoing monitoring activities</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 in progress	Top three on-site monitoring activities used were site walkovers and worker interviews, payroll checks and checks on working hours and overtime. These identified risks in wages, employment terms, working hours and discrimination
Effective workforce grievance management	<ul style="list-style-type: none"> <li>• Presence of grievance mechanisms</li> <li>• Number of grievances raised and percentage remedied by category</li> </ul>	Understand what is in place and the degree to which it is used by the workforce  Understand types of issues raised and trends	Of the 883 grievances raised, 863 were closed as of the end of 2021 – a close out rate of 98%

## Maintaining our progress

We are open to constructive challenge and expect our approach to managing the risk of modern slavery to continue to evolve. We know there is more work to do and that we achieve our best when we address the challenges we face through collaboration.

### bp group objectives for the future include:

#### Systems and due diligence

- Further embed our systematic approach through our OMS to increase our understanding of LRMS risk across our supply base.
- Carry out on-site assessments prioritized through risk profiling.
- Continue to progress towards our decent work objective under aim 12 of our sustainability frame by increasing the number of LRMS assessments carried out.

#### Engaging with workers:

- Build our operated businesses' capability to carry out more routine worker interviews, capture and follow up on findings to reduce risks to and impacts on workers.

#### Building capability

- Finalize and roll out global social practitioner training.
- Train an internal team to carry out on-site LRMS assessments.
- Pilot LRMS awareness training with some suppliers to inform its wider roll-out across our supplier base. This is in collaboration with other IPIECA members.

bp Australia will also review third-party guidance as we continue to develop our Australian and bp group sustainable procurement processes.

### Consultation and collaboration

This statement was prepared by the bp Australia modern slavery working group, which includes individuals from procurement, LRMS, our mobility and convenience business, Castrol Australia Pty Ltd, corporate affairs, HSE and legal with responsibility across Australia.

The statement has been prepared in consultation with each of the reporting entities outlined on page 1, and their owned and controlled entities. Information and data is collated from all business units, and despite operational differences, bp Australia has a relatively centralized approach to working which means that ongoing consultation is built into our business structure.

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

Throughout 2021, bp continued to contribute as members of UN Global Compact UK Network's Modern Slavery Act Working Group and Business for Social Responsibility (BSR) Working Groups. We have used the insights gained from this work to inform BP p.l.c.'s modern slavery statement, as well as our future LRMS programme.

This statement was reviewed by members of bp Australia's ethics and compliance committee, and senior representatives from the reporting entities and with internal consultation from owned and controlled entities, via the bp Australia modern slavery working group. The statement was then sent to the bp Australia Group Pty Ltd and BP Australia Pty Ltd boards and for review and approval.



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This statement has been approved by the boards of BP Australia Group Pty Ltd, BP Australia Pty Ltd and Castrol Australia Pty Ltd, in compliance with the Australian Modern Slavery Act.

## Annexure A – Reporting criteria

Reporting criterion	Page
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	1-6
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	7-9
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	11-16
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	18
6. Describe the process of consultation with any entities the reporting entity owns or controls	19

