



# Canada Fighting Forced Labour and Child Labour in Supply Chains Act Report 2023

May 2024

## Introduction

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

## Structure, activities and supply chains

The Reporting Entities are part of the bp group of companies, which is a global energy business. The Reporting Entities' Canada-based activities focus on buying and selling energy commodities, as well as offshore energy exploration activities in Newfoundland and Labrador. US-based Reporting Entities are also involved in buying and selling energy commodities in Canada, the United States and elsewhere, as well as refining, and operating retail fuel supply networks in the United States.

Canada-based activities rely on supply chains that focus on sourcing materials and services for transportation and storage of energy commodities, support of the offshore drilling program, and other materials and services incidental to our business.

We procure goods and services from a range of third-parties in different businesses including information technology, telecommunications, real estate management, human resources firms, transportation, storage, mail services, research and analytics, consulting services, and office supplies.

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<sup>a</sup> As prescribed by "The Act". BP p.l.c. and its subsidiaries are separate legal entities. References in this report to "bp group" or "bp group of companies" are to BP p.l.c. and its subsidiaries generally, to one or more of them, or to those who work for them. BP p.l.c. publishes a statement under the UK Modern Slavery Act, which can be found at [https://www.bp.com/en\\_gb/united-kingdom/home.html](https://www.bp.com/en_gb/united-kingdom/home.html) under Regulatory Information.

Reporting entity	Description of structure/activities
BP Canada Energy Group ULC (BPCEG)	BPCEG is a Nova Scotia unlimited liability company with its principal operating office in Calgary, AB and an office in St. John, Nfld. BPCEG is the main operating entity in Canada. Its activities include the purchase and sale of natural gas and other commodities within Canada, export and import to/from the United States and the provision of related gas management services, as well as oil and natural gas exploration offshore Newfoundland and Labrador.
BP Canada Energy Marketing Corp (BPCEMC)	BPCEMC is a Delaware company with its principal operating office in Houston, TX and offices in Omaha, NB and Chicago, IL. Its activities include the purchase and sale of natural gas and biogas in the United States, and the provision of related gas management services
IGI Resources Inc. (IGI)	IGI is an Idaho company with its principal operating office in Boise, Idaho. Its activities include the purchase and sale of natural gas in Western Canada and the United States Pacific Northwest regions, and the provision of related gas management services.
BP Products North America Inc. (BPPNA)	BPPNA is a Maryland company with its principal operating office in Chicago, IL. Its primary activities include the purchase and sale of crude oil, condensate and refined products from/to suppliers and customers throughout the Americas. Refining of crude oil at its two crude oil refineries in the United States located at Whiting, Indiana and Cherry Point, Washington. Operation of a convenience store and retail fuel supply network in the United States, including the supply of fuel, foods, and other services to bp branded independently operated retail sites.
BP Lubricants USA Inc. (BPLUSA)	BPLUSA is a Delaware company with its principal operating office in Wayne, NJ. Its activities include the development, manufacturing, distribution and marketing of lubricating oils, fluids, and greases, as well as provision of related services in the United States and sales in Canada.
Air BP Canada LLC (AirBPC)	AirBPC is a Delaware company with its principal operating office in Houston, TX. Its activities include the purchase and sale of jet fuel from suppliers in Canada and the United States for sale to airline customers in Canada.

## Policies and due diligence processes

bp supports the elimination of forced labour and child labour in line with the International Labour Organization Core Conventions on Rights at Work<sup>b</sup>. This type of exploitation is contrary to our commitment to respecting the rights of our workforce.

Each of the Reporting Entities is a member of the bp group of companies and is required to conduct its activities in conformance with the bp group policies and procedures applicable to their activities. These policies and procedures set expectations of our interactions within bp, and with external partners, suppliers, and communities where we operate.

We describe here a framework of policies and controls underlying the activities undertaken by the Reporting Entities in 2023 and relating to mapping, assessing, developing and implementing the due diligence processes related to identifying and addressing labour rights and modern slavery (LRMS) risks in our supply chains.

Our processes for assessing and managing modern slavery risks are risk-prioritized globally based on geography and work activity. Since the business activities of the Reporting Entities in Canada and the United States are in many areas lower-risk for modern slavery, relative to business activities in some other geographies, specific actions pursuant to these processes taken for the Reporting Entities' business activities may accordingly be relatively limited.

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<sup>b</sup> In this report we also refer in places to modern slavery. This is a term used in policy and law, for example in the UK Modern Slavery Act, to describe forms of exploitation that constitute serious violations of human rights, including forced labour, human trafficking, and child labour.

## Key controls supporting modern slavery prevention

bp group control	Description	How it supports mitigation of modern slavery risks
Code of Conduct and Human Rights Policy	Establishes principles and expectations for how we work. Code of Conduct underpins and reinforces our Human Rights Policy. These policies apply to all employees.	<p>These policies reference recognized human rights and core labour standards as established by International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.</p> <p>In addition to requiring employees to report human rights abuses, we expect them, and encourage contractors, communities and other third-parties, to speak up if they see something they feel to be potentially unsafe, unethical, or harmful.</p> <p>The policies are supported by a variety of channels to facilitate this 'speak up' culture, such as line managers, supporting teams, ethics and compliance, human resources, or via bp's confidential helpline OpenTalk.</p>
bp Labour Rights & Modern Slavery (LRMS) Principles	The principles are intended to assist our businesses as they work to check performance against our expectations relating to LRMS.	Lays out our expectation that workers in our operations and supply chains are not subject to abusive or inhumane practices, such as child labour, forced labour, trafficking, slavery or servitude, discrimination, or harassment. Other bp key controls and policies in the LRMS space align with these principles and expectations.
Operating Management System (OMS)	Governs our activities where bp operates.	Our OMS provides a framework for delivering safe, reliable, and compliant operations in bp. It brings together bp requirements on health, safety, security, environment, social performance (including LRMS) and operational reliability, as well as related areas such as maintenance, working with contractors and organizational learning, into a common management system.
Procurement and Supply Chain Management Processes	Supports procurement minimum standards, methodology, vendor vetting and management processes. Applies to bp procurement activities.	Sets out expectations on how bp procures goods and services in relation to LRMS due diligence. Supported by training and guidance to build awareness on LRMS risks and how to engage with suppliers.
Counterparty Due Diligence	Sets minimum KYC (Know Your Counterpart) requirements to contract with any third party wishing to do business with bp.	Risk assessment and due diligence of third-parties bp contracts with, that includes corporate structure vetting, assessment of sanctions, criminal activity, negative media coverage for reputational risks (including modern slavery), assignment of risk rating and ongoing dynamic monitoring for updates and red flags.
The Group Investment Assurance and Approvals Process (GIAAP)	Governs the evaluation, documentation, and approval of investment projects.	For projects above pre-determined thresholds, sustainability professionals are included in the assurance process, to assess impacts and opportunities, including LRMS risks, arising from the proposed investments.

## Assessing and managing our risk

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

### Assessment tools and approach

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 then categorized as being either low, medium, or highrisk. Canada is identified as low risk by Maplecroft. Country level risk is used in conjunction with the scope of work conducted and workforce composition to perform risk assessments.

Risk assessment is included as a requirement in our operating management system (OMS) processes. This approach intends to enable our businesses to determine any further due diligence or actions required to adequately mitigate supply chain LRMS risks. Our operating businesses are working towards conformance with this requirement.

Within the trading & shipping organization, based on an assessment of risk, scale and value, certain investment or divestment cases are required to include an assessment of alignment with bp's sustainability frame and the identification of any material sustainability-related impacts and risks, including those related to LRMS, prior to any authority being granted to take the case forward.

### Supplier due diligence

Before contracts are awarded through our procurement team's processes, we consider suppliers' scope of work, location, and workforce composition. This helps us conduct risk assessment and prioritize our due diligence activities.

In 2023, as part of the pre-contract assessment, high-risk suppliers were required to provide our procurement teams with evidence that they have implemented appropriate policies, processes, and practices to manage LRMS risks. This includes reviewing contractors' policies and procedures against LRMS indicators such as recruitment practices, pay and rest periods. High-risk suppliers are also expected to demonstrate that they have shared these with their workforce. This approach enables us to assess whether suppliers can meet our LRMS expectations.

In addition to pre-contract due diligence of new suppliers, LRMS risk assessments are ongoing across the bp group's current global supplier base. OMS requires our businesses to carry out contractor risk assessments and regular monitoring activities, which form a key part of our routine due diligence. We supplement the risk assessment processes with information sourced through our speak up channels.

Where our assessments and monitoring activities identify gaps or concerns, we work with suppliers to devise prioritized corrective action plans to make ongoing improvements and review their performance during contract review meetings.

## Remediation measures/assessing effectiveness

We encourage a 'speak up' culture among employees and with our contractors and suppliers in their work for us. Concerns can be raised through OpenTalk, which is available 24 hours a day, seven days a week and in 75 languages. Concerns can be raised anonymously from most locations, including Canada and the United States, and reports are kept confidential to the fullest extent possible, consistent with law and good business practices. Concerns are taken seriously and bp does not tolerate retaliation of any kind.

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. As stated in the 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 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.

The Reporting Entities are also in the process of creating and refining a framework to assess the effectiveness of our approach to LRMS risk management for these entities and reporting under the Act.

## Training

Code of Conduct training is mandatory for all bp employees.

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

## Approval and attestation

This report was approved pursuant to subparagraph 11(4)(a) of the Act by the board of directors of each of BP Canada Energy Group ULC, BP Canada Energy Marketing Corp., IGI Resources Inc., BP Products North America Inc., Air BP Canada LLC, and BP Lubricants USA Inc. as it relates to the activities of each applicable Reporting Entity.

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

<p><b>BP Canada Energy Group ULC</b></p> <p>I have the authority to bind BP Canada Energy Group ULC</p> <p>DocuSigned by: <i>Alison Allen</i></p> <p>Signature: _____ <small>37723E93113242F...</small></p> <p>Name: <u>Alison Allen</u></p> <p>Title: <u>Director</u></p> <p>Date: <u>May 28, 2024</u></p>	<p><b>BP Products North America, Inc.</b></p> <p>I have the authority to bind BP Products North America, Inc.</p> <p>DocuSigned by: <i>Aleida Rios</i></p> <p>Signature: _____ <small>77FB9C033F3341F...</small></p> <p>Name: <u>Aleida Rios</u></p> <p>Title: <u>Director</u></p> <p>Date: <u>May 28, 2024</u></p>
<p><b>BP Canada Energy Marketing Corp.</b></p> <p>I have the authority to bind BP Canada Energy Marketing Corp.</p> <p>DocuSigned by: <i>John Jackson</i></p> <p>Signature: _____ <small>D3C36015B34A4D7...</small></p> <p>Name: <u>John Jackson</u></p> <p>Title: <u>Director</u></p> <p>Date: <u>May 28, 2024</u></p>	<p><b>BP Lubricants USA Inc.</b></p> <p>I have the authority to bind BP Lubricants USA Inc.</p> <p>DocuSigned by: <i>Hortensia Perez</i></p> <p>Signature: _____ <small>E83ADE1A0A0740F...</small></p> <p>Name: <u>Hortensia Perez</u></p> <p>Title: <u>Director</u></p> <p>Date: <u>May 28, 2024</u></p>
<p><b>IGI Resources Inc.</b></p> <p>I have the authority to bind IGI Resources Inc.</p> <p>DocuSigned by: <i>RANDY L SCHAULTZ</i></p> <p>Signature: _____ <small>B74D167771B346E...</small></p> <p>Name: <u>Randy Schultz</u></p> <p>Title: <u>Director</u></p> <p>Date: <u>May 28, 2024</u></p>	<p><b>Air BP Canada, LLC</b></p> <p>I have the authority to bind Air BP Canada, LLC</p> <p>DocuSigned by: <i>Laura Holakovsky</i></p> <p>Signature: _____ <small>36A311BB651E497...</small></p> <p>Name: <u>Laura Holakovsky</u></p> <p>Title: <u>Director</u></p> <p>Date: <u>May 28, 2024</u></p>