

- Investors and rating agencies such as MSCI, Sustainability Accounting Standards Board (SASB) and ISS ESG are reporting on companies' biodiversity performance (Table 1)⁶.

	BIODIVERSITY & LAND USE	CARBON EMISSIONS	TOXIC EMISSIONS & WASTE	HEALTH & SAFETY	CORPORATE GOVERNANCE	CORRUPTION & INSTABILITY	RATING AND TREND
TOTAL SA	***	****	****	*	***	***	A ↔
EXXON MOBIL CORPORATION	**	**	**	***	***	**	BBB ↔
ROYAL DUTCH SHELL PLC	*	***	****	**	****	***	BBB ↔
BP P.L.C.	*	***	*	**	****	***	BBB ↔
NK LUKOIL PAO	**	****	**	**	***	**	BB ↔
CHEVRON CORPORATION	**	***	*	***	***	**	BB ↑
GAZPROM PAO	***	****	****	*	*	*	BB ↔

Table 1. Summary biodiversity scoring from MSCI 2019.⁷

- Environmental NGOs introducing internal engagement safeguards and principles for working with businesses (Table 2).

	Acceptable Baseline Practice	Progressing Practice	Leading Practice
BIODIVERSITY POLICY	* Safeguard #1: Biodiversity policy/positions & CEO level statements of support to protect biodiversity and ecosystems	* Commitment to apply the mitigation hierarchy or equivalent (i.e. avoid, minimize, offset).	* No Net Biodiversity Loss' or 'Net Gain for Biodiversity' commitment; and mentions alignment with IFC Performance Standard 6.
SENSITIVE/CRITICAL BES PROTECTION	* Has a policy that protects biodiversity and ecosystem services, as well as, detailed process for operating in sensitive / critical habitats	* Commitment to not contribute to Protected Area Downgrading, Downsizing, and Degazettement (PADD)	* Commitment to avoid exploration and/or development in UNESCO World Heritage Sites and RAMSAR (i.e. protected wetland) sites.
BES TARGETS	* BES target measuring corporate biodiversity performance (that focuses on pressure indicators only)	* BES target measuring corporate biodiversity performance (applies state and pressure indicators). Linked to executive remuneration of employees or key officials	* BES target measuring corporate biodiversity performance (applies state and pressure indicators) and demonstrates progress in achieving targets on an annual basis
BES MITIGATION STRATEGIES	* Disclosure of environmental management processes, including identification and mitigation of environmental risks and impacts; risk-based decision making for sensitive environments (e.g. critical habitats, water scarcity areas)	* Disclosure of environmental management and mitigation processes that also includes assessment of ecosystem services	* Mitigation action strategy and plans align with net positive impact biodiversity target and significant improvement in ecosystem services

Table 2. Conservation International's O&G engagement framework for biodiversity.

BP operations

The oil and gas industry's direct impacts on biodiversity are relatively limited compared to other sectors such as agriculture. Yet we have number of operations, major projects and explorations in both marine and terrestrial biodiversity sensitive areas (e.g. Mauritania, Senegal, Tangguh, Sao Tome, and Madagascar) with potential impacts on specific biodiversity features (such as marine mammals, cold water coral etc).

The main impacts are indirect, such as from land use changes (e.g. biofuels displacing cattle ranching which subsequently leads to deforestation), industries moving into new areas following oil and gas entry (e.g. Tangguh, Indonesia), supply chain impacts, and the use and discharge of our products or their derivatives (e.g. plastics). BP is also exposed to biodiversity issues via trading Natural Climate Solutions (NCS)

⁶ How the ratings are calculated varies between agencies, but largely based on where the company is operating, company policies on how biodiversity risks are managed and number of controversial projects.

⁷ MSCI (2019) <https://www.msci.com/esg-ratings>

Despite these challenges, an increasing number of governments have introduced regulations on NNL and NPI (e.g. the French Government introduced NNL legislation in 2017, and the new UK Environment Bill proposes that most new onshore developments will be required to achieve NPI). The draft UN biodiversity framework sets a global goal to achieve “no net loss by 2030” and “increases [in biodiversity] of at least 20% by 2050”.

While the number of corporates making NNL commitments remains relatively low, numbers are growing,¹¹ and are expected to significantly increase given the changing societal focus. In the energy sector, Shell and Total have requirements to achieve NNL at the site-level when operating in sensitive areas but no energy company has yet committed to corporate-level NNL or NPI. In contrast, Rio Tinto made a corporate-level NPI commitment in 2004, spent 5-10 years developing and applying the methodology only to reduce this to a site-specific requirement in 2017. In 2019, Anglo-American¹² moved into this space with “*Our vision is to deliver net positive impact across Anglo American...*” and is working with Fauna & Flora International to achieve this.

In terms of BP’s position options, different levels of ambition around NNL or NPI could be adopted based on site versus corporate level application, and whether it is applicable across all sites or only those in sensitive areas. These levels of ambition are summarised in Table 3.

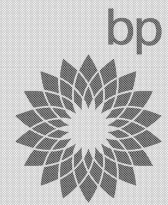
Ambition	Scope	Level of risk & complexity	Benchmark
1. No net loss (site)	When operating in sensitive areas only	Low	Shell & Total BP (2019)
2. No net loss (site)	When operating in all areas	Moderate	Rio Tinto (after 2017)
3. Net positive impact (site)	When operating in sensitive areas only	Moderate	
4. Net positive impact (site)	When operating in all areas	High	
5. No net loss (corporate)	Across all operations and activities	High	
6. Net positive impact (corporate)	Across all operations and activities	Very high	Anglo-American & Rio Tinto (2004)

Table 3: Summary of the various levels of ambition in NNL/NPI. The scope only

¹¹ 66 companies have NNL/NPI commitments (De Silva 2019)

<https://onlinelibrary.wiley.com/doi/full/10.1002/bse.2379>

¹² Anglo American NPI <https://www.angloamerican.com/sustainability/environment>



Business and Human Rights policy

1. Introduction

2. Commitment

3. Delivery

4. Governance

1. Introduction

[Placeholder for introductory sentence, pending finalization of statement of corporate purpose.]

In meeting the world's growing demand for energy, we expect to be held to high standards. We strive to be a safety leader in our industry, a world-class operator, a good corporate citizen and a great employer. We care about the impact of our decisions and our activities, on those around us – including potential adverse impacts on human rights. Human rights issues that may be associated with our activities include: impacts on people's livelihoods, access to water, land or other resources in communities near our operations; impacts on the rights of our workforce, including modern slavery; and impacts on people (including human rights defenders) arising from the conduct of security forces providing security at our facilities.

We first developed a business and human rights policy in 2013, to codify how we would meet our responsibility to respect human rights, but BP has a much longer history of striving to conduct its business activities responsibly and in a manner that respects the rights of our workforce and our neighbours. Our approach has evolved – and it will continue to evolve – to reflect new standards of responsible business conduct.

Our actions and operations as a company can also bring about major benefits to individuals and improvements to societies and communities, many of which have been articulated as elements of the UN Sustainable Development Goals (SDGs). Improved access to energy supports economic and social development and significantly enhances people's livelihoods. We support sustainable development and – in our role as an employer, investor, partner, neighbour and energy provider – we support efforts to achieve the SDGs.

[We also recognize the importance of a just transition as envisaged by the Paris Agreement on climate change – one which delivers decent work, quality jobs and minimizes adverse impacts on the livelihoods of workers and the economic development of communities – as societies around the world strive to meet the goals of that Agreement. We will work to contribute to achieving this where it relates to our workforce and communities local to our operations.]

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[Bernard Looney to sign introduction]

2. Commitment

2.1. We conduct our business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

2.2. We respect internationally-recognized human rights as set out in the International Bill of Human Rights and the core labour standards recognized by the International Labour Organization (ILO), as set out in the ILO Declaration on Fundamental Principles and Rights at Work.

2.3. In meeting our responsibility to respect human rights, we consider relevant international human rights standards, including UN instruments establishing or elaborating on the rights of specific groups. We respect the rights of individuals belonging to groups or populations which may be particularly vulnerable to adverse impacts, including: indigenous people; women; national or ethnic, religious and linguistic minorities; children; LGBTI people, persons with disabilities; and migrant workers and their families.

2.4. We recognize our responsibility to respect human rights and avoid complicity in human rights abuses, as stated in the UN Guiding Principles on Business and Human Rights (UNGPs) and reiterated in the human rights chapter of the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

2.5. Consistent with our commitment to respect ILO core labour standards, we respect freedom of association and collective bargaining. We support the elimination of all forms of forced or compulsory labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation.

2.6. We treat everyone who works for BP fairly and without discrimination. Our employees, agency staff and suppliers are entitled to work in an environment and under conditions that respect their rights and dignity.

2.7. We will abide by applicable domestic laws concerning non-interference in our workers' right to form or join a trade union or to bargain collectively, as well as their right not to do so. Where our employees wish to be represented by trade unions or works councils, we will cooperate in good faith with the bodies that our employees collectively choose to represent them. In situations where freedom of association is restricted or prohibited by law, we will be open to and supportive of alternative means of worker representation and engagement.

2.8. We respect the human rights of people in communities that may be affected by our activities.

2.9. We endorse the Voluntary Principles on Security and Human Rights ((Voluntary Principles) and are committed to implementing them, as the global standard for the provision of responsible security in our industry.

2.10. We seek to make contractual agreements with our suppliers that require them to respect internationally-recognized human rights in their work for BP, consistent with the principles contained in this policy. We have standard contract clauses to support this.

3. Delivery

3.1. We will meet our responsibility to respect human rights by implementing the UNGPs and incorporating these principles into the internal processes and policies that govern our business activities and into our supporting guidance. This includes: training; conducting human rights due diligence – as described by the UNGPs – through our risk and impact management processes; and grievance management. We thereby enable our businesses to identify potential impacts on the rights of individuals in local communities and workers affected by our activities.

3.2. Our Code of Conduct (see box) and Expectations of Suppliers [LINK] reinforce and support our commitment to respect human rights.

3.2.1. Our Expectations of Suppliers:

Are a tool for communicating the expectations in the Code – and the expectation that our business partners should respect human rights and meet the responsibilities set out in the UNGPs – to our suppliers, including contractors, vendors and providers of services such as contingent labour.

The Expectations also ask that our suppliers communicate those expectations to their employees, suppliers and business partners who may provide goods or services to us.

3.2.2 Our Labour Rights and Modern Slavery Principles:

Reiterate that we expect our contractors, suppliers and joint ventures (JVs) to respect workers' rights, in line with the ILO's Core Conventions on Rights at Work and set out 13 principles to assist our businesses, contractors and suppliers as they work to check performance on this expectation.

3.3. The rights of our workforce

Respect for our employees' human rights is integral to our recruitment, management and diversity and inclusion processes. We provide guidance to our businesses and projects on respecting the rights of workers and screen our major projects in the development stages, including with respect to labour rights, to help identify and prevent potential impacts.

3.4. Human rights and communities

Where people in local communities may be affected by our activities, we seek to identify adverse human rights impacts and take appropriate steps to avoid, minimize and/or mitigate them. To support this, we provide guidance to our businesses and projects on engaging with local stakeholders, managing the process of receiving and responding to community complaints.

3.4.1. Water

We respect the rights to water and sanitation for people who could potentially be affected by our activities, including our employees, contractors and communities near our operations. The availability of water in areas where we work varies greatly, so we

Our Code of Conduct [LINK] supports our commitment to respect human rights.

It sets out expectations on diversity and inclusion, equal opportunity and freedom from abuse or harassment in the workplace. We seek to maintain a workplace that is free of harassment, intimidation, inhumane treatment and discrimination based on race, colour, national origin, religion, gender, age, sexual orientation, gender identity, marital status, disability, or any other characteristic protected by applicable laws.

It emphasizes that we have zero tolerance for retaliation, and specifies that retaliation can include threats, intimidation, exclusion, humiliation and raising issues maliciously or in bad faith.

It also states that we seek to work with business partners who share our commitments to safety and ethics and compliance and expects us to communicate clearly our expectations to our suppliers and business partners, agreeing contractual obligations where appropriate, and taking appropriate measures where they do not meet those expectations or obligations. This will include seeking to communicate appropriately our human rights policy and expectations concerning the responsibility to respect human rights.

consider local conditions, such as water stress and scarcity, in order to understand and mitigate our impacts. We first seek to avoid any impacts and, if not feasible, we adopt mitigation measures that remedy the impact. We review water risks in our portfolio on an annual basis, considering the local availability, quantity, quality and regulatory requirements.

3.4.2. Our approach to the resettlement of communities

We avoid involuntary resettlement of communities and/or individuals, but if this is not possible our guidance for where we need to access or acquire land for our operations is aligned with the principles outlined in IFC Performance Standard 5.

3.4.3. The rights of indigenous peoples

We respect the rights of indigenous peoples and, where they may be affected by our business activities, our approach and actions will be consistent with the principles set out in international standards for consultation and engagement with indigenous peoples, including the ILO's Indigenous and Tribal Peoples Convention (ILO169), the UN Declaration on the Rights of Indigenous People (UNDRIP). Also, our guidance references IFC Performance Standard 7. [We recognize the principle of free, prior and informed consent (FPIC) as a safeguard for indigenous people's rights. For all new projects and expansions of existing major operations which may produce adverse impacts on indigenous lands, territories or significant adverse impacts on critical cultural heritage, we will consult and negotiate in good faith to understand the

concerns and needs of potentially affected indigenous peoples and seek their consent to our planned activities, while meeting applicable legal requirements.]

3.5. Assessment of human rights impacts

3.5.1. We work to embed human rights into environmental and social impact assessments, or undertake independent assessments of potential adverse human rights impacts, as appropriate. In identifying, assessing and addressing the human rights impacts of our operations and relationships, we will consult with those who may be affected.

[3.5.2. We will require all major operating sites to undergo periodic, independent third-party assessment of their conformance with the principles set out in this policy.]

3.5.3. We conduct assessments of the risk of modern slavery and human trafficking, both for our own operations and certain activities of our contractors and suppliers, focusing our efforts where we believe risks to the rights of our workforce are higher. On this basis, we apply our labour rights due diligence process to suppliers and, where our risk-based criteria warrant it, conduct on-site assessments.

3.5.4. All operating sites are required to conduct security risk assessments, through which they consider security-related human rights risks, and to develop action plans, consistent with the Voluntary Principles, to address any they identify.

3.6. Grievance mechanisms and remediation

3.6.1. We seek to make grievance mechanisms available to our workforce and local communities. We do not impede access to state-based judicial processes. Nor do we require individuals or communities to permanently waive their legal right to bring a claim through a judicial process as a precondition of participating in a BP grievance mechanism. Our confidential global helpline, OpenTalk, is available to employees, workers employed by contractors or suppliers and to other third parties, including communities.

3.6.2. In line with this policy and the requirements of our Code, our grievance mechanisms include recording and reporting of grievances raised, including in relation to human rights, and actions taken to address them.

3.6.3. Where BP identifies that we have caused or contributed to adverse impacts on the human rights of others, we provide for or cooperate 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, for example, co-operating in good faith in the provision of remedy through State-led mechanisms, such as the OECD national contact points. Where adverse impacts are directly linked to our operations 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.

3.7. As a global business and a long-term investor, we value open societies, characterized by the rule of law, good governance and respect for civic freedoms. We will neither tolerate nor contribute to attacks, or physical or legal threats, against those safely and lawfully exercising their right to freedom of expression, peaceful protest or assembly in respect of our activities, including human rights defenders (HRDs), or against workers seeking to exercise their right to freedom of association. We respect the rights of HRDs and recognize their important role in advancing the fulfilment of human rights in the societies where we operate. [In certain circumstances, we may choose to act in coordination with other stakeholders and as appropriate to the nature of any leverage available to us, to support human rights defenders in the exercise of those rights.]

3.8. Co-operation and multi-stakeholder initiatives

3.8.1 We participate in international initiatives that are intended to support human rights [LINK], including: the UN Global Compact; the Extractive Industries Transparency Initiative and the Voluntary Principles. We will continue to take a constructive and progressive role in human rights-related multi-stakeholder initiatives and believe that multi-stakeholder efforts are an effective means of promoting reasonable standards for human rights practices at the operational level.

3.8.2. We support and implement the Voluntary Principles as a framework for operational due diligence and management of security-related risks to the human rights of people in communities near our sites. The VPs inform the way we work with the public and private security forces who protect our facilities, to reinforce respect for human rights. We also provide internal guidance and training to our businesses on implementation of the them.

3.9. We will make sure that our communications with governments, regulatory bodies and public authorities are consistent with our human rights commitments, as stated in this policy.

3.10. Consistent with the UNGPs, in those instances where there is a conflict between a legal requirement and this policy, we seek to apply the higher standard while complying with all applicable laws. We do not follow customs of any kind that would constitute a breach of our Code of Conduct.

4. Governance

4.1. This policy applies to every employee and officer in every BP wholly owned entity, and in BP-operated JVs.

4.2. We know that, through the conduct of their activities, our business partners – including non-

operated JVs, contractors and suppliers – can have direct adverse impacts on human rights. 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 the principles set out in this policy.

4.3. Responsibility and accountability for the management of human rights issues are located at various points throughout BP. In particular: the main board's safety, environment and security assurance committee has oversight of human rights, including review of our performance in managing modern slavery risks; at executive management level, the group operations risk committee reviews progress on human rights implementation; the human rights working group, which is made up of senior representatives from across the business, considers current and emerging human rights risks of potential group significance; business functions and local operations are responsible for implementing actions to help us meet the commitments we make in this policy and all relevant group requirements.

4.4. We report annually to stakeholders on the implementation of this policy in a number of relevant disclosures, such as our Sustainability Report [LINK], BP plc's slavery and human trafficking statement [LINK] and annual report on implementation of the VPs [LINK].

Annex: BP's position on plastics and plastic waste

- **Plastics have many benefits**

- Plastics are durable, versatile and low cost – which has made them so useful.
- Plastics offer significant societal benefits in areas such as food safety, storage and preservation, medicines and construction.
- Compared with other packaging materials, and when taking a full life cycle view, plastic often provides the most useful and sustainable option.
 - For example, plastic food containers are typically less energy intensive to produce and transport than metal or glass, so can offer a carbon benefit.

- **Plastic waste is the issue**

- It is the plastic waste, and how this waste is managed, which presents a challenge.
- Plastic takes a very long time to break down and can negatively impact eco-systems.
- BP is also worried about the impact of plastic waste on the planet and agrees that society needs to take urgent action to tackle the challenge.

- **BP is in action**

- We want to play our part to reduce plastic waste, and we are starting with the areas where we can make the biggest difference.
- We have joined forces with other companies to tackle plastic waste with BP Infinia² recycling technology, with the aim of making PET packaging infinitely recyclable.
- We are reducing the amount of plastics we use in our lubricants packaging.
- At some retail sites in Europe, we will be piloting solutions to reduce single use packaging or switch to packaging that is reusable, recyclable or biodegradable.
- Bio-based feedstocks to plastics is also a solution to making plastics more circular, and we are exploring ways to create plastics using renewable feedstocks to further reduce the carbon footprint of PTA e.g. Partnership with Virent³ and JM.

- **Society needs clear policies**

- BP supports the circular economy principles, and the waste hierarchy (Reduce, Reuse, Recycle) provides an important framework for tackling plastic waste.

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² BP Infinia technology and consortium launches

³ BP, Virent and Johnson Matthey agreement on BP.com

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