



Senex Energy Pty Ltd

Modern Slavery Statement

Financial Year 2022

Our commitment

This Modern Slavery Statement by Senex Energy Pty Ltd (ABN 50 008 942 827) and its controlled entities (**Senex**) is prepared as required by the *Modern Slavery Act 2018 (Cth)* for the financial year ended 30 June 2022. Senex consulted the relevant controlled entities in the development of this statement.

Senex is committed to transparency in relation to modern slavery and addressing any modern slavery risks in its operations and supply chain. Utilising the Senex Enterprise Risk Management Framework, our company undertakes risk assessments of modern slavery in our operations and supply chain. This statement outlines progress to date and our future commitments.

Our structure, operations, and supply chains

Senex is an established and growing Australian producer of low-carbon natural gas, committed to securing Australia's energy future.

Senex has committed to invest more than A\$1 billion in a major expansion of its Atlas and Roma North natural gas developments in Queensland's Surat Basin. The expansion is expected to increase Senex's production to 60 petajoules a year by the end of 2025, which is equivalent to more than 10 per cent of annual east coast domestic gas demand or around 40 per cent of Queensland's demand. Senex employs more than 130 people and will increase its workforce to meet the demands of the expansion.

Importantly, increased supply of Senex's sustainable and reliable natural gas means energy security for industry and manufacturers. Senex has also committed to net zero operational emissions by 2040.

Senex was previously a public company listed on the ASX until 4 April 2022 when it was delisted, after the 100% acquisition of Senex shares by Senex Holdings Pty Ltd on 1 April 2022. Senex is now a private proprietary company owned by Senex Holdings Pty Ltd, a company owned by POSCO International Corporation (50.1%) and Hancock Energy Corporation Pty Ltd (49.9%). There was no change in the management of Senex, and operations continue as before.

As at 30 June 2022, Senex held the following subsidiaries:

- Azeeza Pty Ltd ACN 009 030 068;
- Permian Oil Pty. Ltd. ACN 104 456 386;
- Senex Assets Pty Ltd ACN 160 649 338;
- Senex Assets 2 Pty Ltd ACN 650 731 918;
- Senex Compression Facility Pty Ltd ACN 654 787 747;
- Senex Qld Exploration Pty Ltd ACN 623 117 251;
- Senex Weribone Pty Ltd ACN 007 897 627;
- Stuart Petroleum Pty Ltd ACN 059 146 226, which is the holder of 100% of the issued share capital in:

- Stuart Petroleum Cooper Basin Gas Pty Ltd ACN 130 588 055; and
- Stuart Petroleum Cooper Basin Oil Pty Ltd ACN 130 588 019;
- Victoria Oil Pty. Ltd. ACN 010 514 119; and
- Victoria Oil Exploration (1977) Pty. Ltd. ACN 008 898 431.

Operations

Senex owns and operates several natural gas supply projects in the Surat Basin in southern Queensland.

Our Atlas operation, near Wandoan, is dedicated to supplying the domestic market and provides gas to commercial and industrial customers.

Since 2019, Senex has signed almost 90 petajoules of natural gas sales agreements with household names in power generation and manufacturing from CleanCo Queensland and Southern Oil Refining, to CSR Building Products, Orora and Visy Glass, just to name a few.

In January 2022 Senex acquired undeveloped gas fields PL209 and PL445 from APLNG. These fields are adjacent to and will complement the Atlas operation.

Senex's Roma North operation, near Roma, provides important natural gas supplies to the GLNG liquefied natural gas project as well as the domestic market.

Supply chain

Senex contracts and partners with predominantly Australia-domiciled companies that provide specialised gas services in the following areas:

- drilling and well completion services
- construction of well pads and pipelines
- operations of above-ground gas processing facilities
- logistics
- specialist technical services
- corporate and professional services

What we buy:

- engineering, construction, and fabrication services
- drilling, compression, and wellhead equipment
- pipeline materials, including valves and fittings
- wellsite services
- maintenance spares and services
- electrical and electronic equipment
- operations support services including remote accommodation and catering services
- specialist labour, professional and corporate services

In 2022, we had 521 active vendors and suppliers and spent \$148 million with 33 Tier 1 suppliers (direct suppliers with \$1 million spend per annum). We have established long-term

relationships with many of our suppliers, the majority of which are located in Australia. Australian suppliers comprise at least 98 per cent of our total expenditure.

In addition to our Australian suppliers, about \$4.3 million of our annual procurement spending is directly with overseas suppliers operating in six countries, primarily Canada and the United States.

Wherever possible, Senex actively pursues opportunities to sustain and grow local Surat Basin businesses. In 2022, the local supplier base represented 7 per cent of our total expenditure (local refers to Roma, Wandoan and neighbouring communities).

Senex released its first standalone Sustainability Report in November 2021. The Sustainability Report contains information on our sustainable practices across our supply chain and our partnerships with local suppliers. The Sustainability Report can be found [here](#).

Areas of risks

Using the Enterprise Risk Management Framework, Senex conducted an initial risk assessment of modern slavery in our operations and supply chain and continues to monitor the effectiveness of actions being taken to assess and address modern slavery risks.

As previously identified, potential areas where there may be some risks for modern slavery are:

- suppliers who may use products purchased or manufactured in high-risk countries; and
- products purchased which are made in high-risk countries.

In 2020, Senex investigated the risk of modern slavery in relation to our business critical and higher risk direct suppliers, with no remediation actions required regarding modern slavery. Senex continues to assess its direct suppliers regularly.

For these reasons, Senex considers it has a low risk of modern slavery in its immediate supply chain (i.e. material suppliers are domiciled in low risk geographies and in low risk industries).

Prior to the planned expansions commencing in early 2023, Senex will be reviewing its modern slavery risks. In future years as our supply chain matures and the business grows, Senex will extend these investigations to additional direct suppliers and critical indirect suppliers and customers.

Our approach

To ensure efforts are focused appropriately in preparing for modern slavery reporting, it is important for Senex to develop a *fit-for-purpose approach* based on internal cross-functional collaboration and leveraging appropriate existing processes and frameworks where possible.

During the year Senex undertook the following measures to address risks in modern slavery:

Modern slavery working group

A group of relevant Senex specialists (Risk, Legal, Contracts and Procurement, Government and Stakeholder Relations) prepared this statement and, with support from Executives, undertook tasks as required to achieve our ambition statement.



Ambition Statement	Review and restate as required each year or following significant business change, including awareness training for all staff			
Modern Slavery Statement	Repeat annually, increasing detail as processes are developed			
Risk Assessment	Review each year or following significant business change, including development of performance measures			
Supply Chain Management	Engage with significant and high risk Tier 1 (direct) suppliers	Implement ongoing evaluation of Tier 1 suppliers Implement approach for other Tier 1 and critical Tier 2 (indirect) suppliers Perform gap analysis for procurement outside of C&P	Implement auditing and follow-up of Tier 1 suppliers regarding modern slavery matters Continue to implement approach for Tier 2 and beyond suppliers Implement approach for evaluation of customers	

Modern slavery ambition statement and road map

Senex is committed to transparent governance and management to address the risks of modern slavery in our operations and supply chains. Senex has to the extent practicable, continued with its modern slavery roadmap, and ambition statement.

Due to reduced activities during FY22, there has been less opportunity to make significant progress against the road map. As activities ramp up in 2023, Senex proposes to increase resources to progress its modern slavery road map.

Our road map for this reporting period included:

- conducting training to educate key staff (Legal and Contracts and Procurement) and suppliers and provide tools for staff to better identify examples of modern slavery
- encouraging staff to raise any concerns that an activity may be at risk of involving modern slavery (in line with Senex’s Code of Conduct and Whistleblower Policy)
- continually reviewing Senex policies and procedures and ensuring risk management of modern slavery is appropriately covered (in line with our governance standards)

Training

In order to respond to the risks of modern slavery, Senex promotes activities to raise awareness and educate its employees. Training to educate key staff (Legal and Contracts and Procurement) was limited during the reporting period to those directly involved in procurement and contractual supply arrangements. This was due to the reduced level of procurement during the year.

Supply Chain Management

Senex continued to build and rely on its newly established centralised digital repository of contracts and agreements. Used alongside the new Stakeholder Management System, this repository facilitates better management of information and enables a higher level of strategic engagement with our suppliers.

Review of template agreements

To ensure we meet our obligations under the Act, further review of Senex's template agreements for the supply of goods and services was undertaken. These agreements now include provisions addressing modern slavery and request of information from suppliers. External legal counsel reviewed and updated the Request for Proposal document to further refine the assessment of social responsibility and sustainability issues, including modern slavery.

Independent whistleblower service

Senex is committed to a supportive workplace environment and employees and stakeholders are encouraged to raise concerns regarding conduct occurring at, or in relation to Senex. We continue to promote our independent, confidential external whistleblower service, where our contractors and suppliers can freely raise concerns. Information on the whistleblower service is provided on our website, and in our Whistleblower Policy. In 2022, there were no reports of modern slavery related misconduct.

COVID-19 impact

During 2022, we remained focused on the safety and wellbeing of our employees, contractors, and communities. We continued our stringent protocols and effective business continuity measures ensured Senex could continue to operate safely and effectively.

As restrictions began to ease, there was a gradual increase in travel and activity on site, resulting in increased spending with suppliers.

Effectiveness

We will use the existing Senex Enterprise Risk Management framework to manage modern slavery risk, including identifying, assessing, addressing, and monitoring effectiveness of risk management.

This Statement is approved by the Board of Senex Energy Pty Ltd in their capacity as the principal governing body of Senex on 22 November 2022.



Jhoon Soo Jho
Chair
Senex Energy Pty Ltd