



# **Modern Slavery Statement**

22 December 2021

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## Introduction

The Modern Slavery Act 2018 (Cth) (**MSA**) requires entities with annual consolidated revenue over \$100m to disclose their efforts to address the issue of modern slavery in their operations and supply chains.

This is our second Modern Slavery Statement (**Statement**) as part of our compliance with Australia's MSA.

This joint Statement is made on behalf of the following three reporting entities (collectively, **Peregrine, Reporting Entities, we** or **our**):

- SEPL as trustee for SFT ABN 75 492 874 033 (**SEPL**);
- Peregrine Energy Pty Ltd ABN 80 615 822 065; and
- Reliable Petroleum Pty Ltd ABN 54 602 197 375.

Any type of human exploitation is contrary to our values and codes of conduct.

We expect our suppliers to meet the expectations required under the MSA and to share these expectations with their own suppliers so that the expectations are communicated throughout the supply chain to drive greater transparency on this issue.

Peregrine understands that compliance takes time and so we encourage ongoing collaboration with our suppliers to identify challenges and opportunities for continuous improvement.

This Statement reflects our work on this initiative over the last reporting period. During this time, we have seen an increased awareness within our business and our supply chain. The result has been an increase in transparency (both internal and external) regarding the potential risks within our supply chain.

We remain committed and focused on continually strengthening and refining our processes to identify any new modern slavery risks that may arise in our supply chains and operations into the future.

## **1. Identity of the Reporting Entities**

- 1.1. This joint Statement is prepared and issued by Peregrine on behalf of the Reporting Entities which share many of the same policies, procedures, and systems.
- 1.2. Each Reporting Entity operate in the same or similar industry sector and share suppliers for various goods and services in product and service delivery.
- 1.3. Management teams of each Reporting Entity have been engaged and consulted in the preparation of this Statement and understand that ongoing future work will be required to address modern slavery risks in their supply chains and operations going forward.
- 1.4. SEPL was first incorporated on 21 August 1987 and the Peregrine head office is located at 270 The Parade, Kensington South Australia 5068.
- 1.5. As at 31 December 2021, Peregrine employs approximately 6,500 employees, with annual revenue of more than \$2.5bn.

## 2. Reporting Entities' structure, operations, and supply chain

- 2.1. The Reporting Entities principal operations are in Quick Service Restaurants (QSR's), fuel and consumer goods retailing. These operations commenced in South Australia, however in recent years have expanded nationally.
- 2.2. SEPL ultimately owns the On the Run retail, fuel, convenience and QSR's (as franchisee and master franchisee) business and owns and operates the Smokemart and Gift Box retail tobacco and gift business.
- 2.3. Peregrine Energy operates a wholesale fuels business under the Mogas brand.
- 2.4. Reliable Petroleum operates a wholesale fuels business under the Reliable Petroleum brand.
- 2.5. Our supply chain is spread locally and internationally with various longer-term commercial service agreements governing the relationships with our relatively stable core supplier base.
- 2.6. Contract management is centralised at the head office of Peregrine for all Reporting Entities.
- 2.7. Peregrine has developed a consistent basis for the assessment of modern slavery across the supplier base, which is an ongoing process.
- 2.8. A team has been assembled to work with the Reporting Entities to project manage compliance with the MSA.
- 2.9. Our supply chain of over 2000 suppliers includes:

Category	Supply Chain	Country of origin
Operations and Administration	Commercial leasing, Marketing and Communications, Property Management, Professional Consultants, Staffing and Recruitment, Energy	Australia

Category	Supply Chain	Country of origin
	Management, Finance, Legal, Office services and equipment.	
Materials and Equipment	<p><u>Information technology:</u> Infrastructure, information technology products, software, electronic and equipment procurement utilised as business equipment</p> <p><u>Building Materials and Fuel Equipment:</u> Are procured from 3<sup>rd</sup> party suppliers. We do not have clear visibility where all products are sourced from. All suppliers we directly contract are Australian based.</p>	Australia, China, India, USA and EU.
Buying and procurement	QSR's suppliers Fuel and Consumer Goods Retailing suppliers. Across both food and non-food small consumer products.	Australia, China, India, USA, Singapore, EU and Japan

### 3. Risks of modern slavery practices

- 3.1. According to the International Labour Office it was estimated that over 40m people were living in modern slavery in 2016. We acknowledge that risks of modern slavery may be present at some indirect stage within the supply chain of products sourced mainly from outside of Australia.
- 3.2. Peregrine supports the protection of fundamental human rights and the global fight against modern slavery and will be proactive in ensuring suppliers are made aware of the risks of modern slavery where possible.
- 3.3. Peregrine has assessed its overall risk of modern slavery within its operations and direct supply chain as being low.
- 3.4. Risk assessments continue to be carried out on suppliers based on audit and questionnaire findings and responses to inform our direct supplier risk assessments and provide guidance to management.
- 3.5. The following table summarises the core categories used as part of our modern slavery risk assessment framework and methodology:

Risk Category	Modern Slavery Risk	Risk Rating
Manufacturing	The Department of Home Affairs outlines that certain sectors and industries have higher modern slavery risks because of their characteristics, products, and processes. For example, extractives, textiles, fashion, fishing, electronics, cleaning, construction, and agriculture are recognised as high-risk industries globally. Peregrine utilises electronics as part of its operations, however,	Low

Risk Category	Modern Slavery Risk	Risk Rating
	<p>does not engage in any direct manufacturing activities. Peregrine imports a range of consumer goods for retail sale through its outlets. Category teams have in place due diligence checks to work with suppliers to mitigate reasonably foreseeable concerns of modern slavery.</p>	
Commodity	<p>According to the Global Industry Classification Sectors, particular commodities carry greater risk of modern slavery and human rights violations due to the way that they are produced. Risk is determined by the presence of the commodity, country of origin of the commodity and relevant certification.</p>	Low
Country-based labour	<p>With an increased global supply chain, Peregrine recognises the importance of combatting modern slavery and in turn supports localised supply. Peregrine’s direct suppliers operate within Australia. According to the 2020 Trafficking in Persons Report, and ILO’s country data, Australia’s modern slavery risk is deemed to be very low.</p>	Very Low
Entity engagement	<p>Peregrine will not knowingly engage any suppliers with a record of treating workers poorly or with human rights violations.</p>	Low

<b>Risk Category</b>	<b>Modern Slavery Risk</b>	<b>Risk Rating</b>
Labour	The work profile of Peregrine attracts a very low labour risk. Peregrine complies with all applicable Australian labour laws and conducts regular workforce audits to ensure ongoing compliance which in turn ensures no employees are enslaved.	Low

#### **4. Actions taken to assess and address modern slavery risks**

- 4.1. We have built upon the groundwork that has been done in the last two years with the implantation of our modern slavery compliance framework. This has enabled us to develop and rely on processes and procedures to assist us with ongoing risk assessments of modern slavery in our organisation (either directly or through suppliers).
- 4.2. To illustrate our progress, we have listed the additional actions taken in the last Reporting Period, with reference to our previous actions to illustrate our progress.
- 4.3. Utilising the categorisations above, Peregrine (collectively across the Reporting Entities) has been able to rely on the modern slavery framework it has developed and implemented, allowing us to assess and address our modern slavery risks and, especially in higher risk contexts even if they are sometimes difficult to identify.
- 4.4. Peregrine will assess the effectiveness of its actions in response to modern slavery by continually monitoring the actions taken by:
  - working with suppliers to monitor and assess how they are progressing with any actions that they have put into place to address modern slavery risks – this is undertaken with material suppliers in our annual supplier review process as well as supplier due diligence questionnaires;
  - undertaking a periodic review of our modern slavery risk assessment framework to ensure that it remains up to date;
  - tracking internal compliance with modern slavery obligations including training;
  - undertaking analysis and reporting on modern slavery risks in our supply chain portfolio;

- including specific modern slavery contractual obligations as warranties in support of our modern slavery framework across commercial agreements;
  - monitoring any medium to high-risk suppliers; and
  - reviewing cases reported through publicly available reporting services and internal reporting mechanisms such as the anonymised whistle-blower hotline across the Reporting Entities.
- 4.5. As at the date of this Statement there have been no reports of modern slavery concerns in the reporting period across the Reporting Entities and, as such, no remediation action has been required.
- 4.6. Peregrine adopts a continuous improvement approach to the assessment of modern slavery risks in our supply chain and aims to develop our existing framework and actions on an ongoing basis.

## 5. Assessment of the effectiveness of these actions

- 5.1. While we have assessed our modern slavery risk within our operational and direct supply chain as low, we recognise that modern slavery risks can be hidden by indirect suppliers or caused by strict contract terms that inadvertently push solely for the lowest possible prices or rapid delivery times that indirectly cause modern slavery risks.
- 5.2. Ongoing education and training will form part of our compliance program as we consider this to be central to informing the workforce of the Reporting Entities to mitigate the risks of such instances occurring. Education and training seminars are scheduled to be conducted annually.
- 5.3. Peregrine will assess the effectiveness of its actions in response to modern slavery by continually monitoring the actions taken by:
  - working with suppliers to monitor and assess how they are progressing with any actions that they have put into place to address modern slavery risks – this is undertaken with material suppliers in our annual supplier review process as well as supplier due diligence questionnaires;
  - undertaking a periodic review of our modern slavery risk assessment framework to ensure that it remains up to date;
  - tracking internal compliance with modern slavery obligations including training;
  - undertaking analysis and reporting on modern slavery risks in our supply chain portfolio;
  - including specific modern slavery contractual obligations as warranties in support of our modern slavery framework across commercial agreements;

- 5.4. We also, on an ongoing basis, undertake:
- monitoring any medium to high-risk suppliers; and
  - reviewing cases reported through publicly available reporting services and internal reporting mechanisms such as the anonymised whistle-blower hotline across the Reporting Entities.
- 5.5. As at the date of this Statement there have been no reports of modern slavery concerns in the reporting period across the Reporting Entities and, as such, no remediation action has been required.
- 5.6. Peregrine adopts a continuous improvement approach to the assessment of modern slavery risks in our supply chain and aims to develop our existing framework and actions on an ongoing basis.

## **6. Consultation process with Reporting Entities**

- 6.1. This Statement reflects the position of each of the Reporting Entities.
- 6.2. During 2022 and beyond, Peregrine intends to further enhance its capabilities and processes to address modern slavery risk across the Reporting Entities and refine the abilities of our internal resources to take actions to mitigate such risks.

## 7. Other relevant information

- 7.1. Risk assessments continue to be carried out on suppliers based on audit and questionnaire findings and responses to inform and provide guidance to management of Peregrine of any direct supplier risk.
- 7.2. Ongoing education and training will form part of our compliance program to ensure the ongoing risk of modern slavery is reiterated to our workforce.
- 7.3. This joint Statement will be uploaded to the Australian Border Force Online Register for Modern Slavery Statements.
- 7.4. This Statement was approved pursuant to resolutions of the Boards of Directors of the Reporting Entities on 22 December 2021.

**Yasser Shahin**  
Executive Chairman  
for SEPL,  
Peregrine Energy Pty Ltd, and  
Reliable Petroleum Pty Ltd