



ATCO

MODERN SLAVERY STATEMENT 2023

AUSTRALIA



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MESSAGE FROM JOHN IVULICH, COUNTRY CHAIR

At ATCO, excellence drives our actions and decisions. We live by our core values of Safety, Integrity, Agility, Caring, and Collaboration, which guide us daily.

Central to our values is respect for every individual, which includes rejecting modern slavery. We actively work to influence our supply chains and business partnerships to operate ethically and responsibly, preventing exploitation and upholding human rights.

I am proud to present this 2023 Modern Slavery Statement, reaffirming ATCO's commitment to protecting human rights and eradicating modern slavery from our supply chain.

ABOUT THIS STATEMENT

This modern slavery statement has been prepared in accordance with the Modern Slavery Act (2018) (Cth), and approved by the governing body of the following reporting entities:

- ATCO Gas Australia Networks Pty Ltd (ABN 24 659 123 636), whose registered office is at Level 12, 2 Mill Street, Perth WA 6000
- ATCO Structures & Logistics Pty Ltd (ABN 71 083 902 309), whose registered office is at 55 Tonka Street, Luscombe QLD 4207

Together with their wholly owned subsidiaries as set out in Appendix A of this document.



John Ivulich
Chief Executive Officer, ATCO Australia
Country Chair, ATCO Australia and ATCO Structures and Logistics



OUR JOURNEY TO DATE

2019

- The Modern Slavery Act 2018 (Cth) commenced on 1 January 2019 introducing a new statutory modern slavery reporting requirement for companies operating in Australia with an annual consolidated revenue of \$100 million or more.
- ATCO set up an internal working group and ran a pilot modern slavery assessment of selected suppliers.

2020

- ATCO published its new modern slavery policy.
- ATCO updated and maintained contract templates to outline the requirement for vendors to adhere to the Modern Slavery Act.
- We transitioned our supplier risk profiling and assessment approach from manual process to an external risk supplier platform.
- ATCO also completed an external independent assessment of its ESG practices to identify opportunities for improvement.
- ATCO commenced publishing its annual Modern Slavery Statement detailing its actions to mitigate the risk of modern slavery in its supply chains.
- We developed an internal Modern Slavery training module and initially rolled it out to the Procurement. This training has been expanded to cover all employees involved in purchasing decisions.



2022

2023

- Continued with the modern slavery risk treatment actions that have been put in place, including policy, training and contract terms and conditions.
- Worked with those suppliers that completed the detailed risk assessment to progress on the improvement opportunities identified.
- Tested the market and migrated to a new solution for supplier risk assessment.



INTRODUCTION

ATCO is committed to respecting human rights and acting with integrity in all of our operations and business dealings. One area of particular focus is modern slavery, which is an umbrella term for a number of serious exploitative work practices that represent violations of human rights.

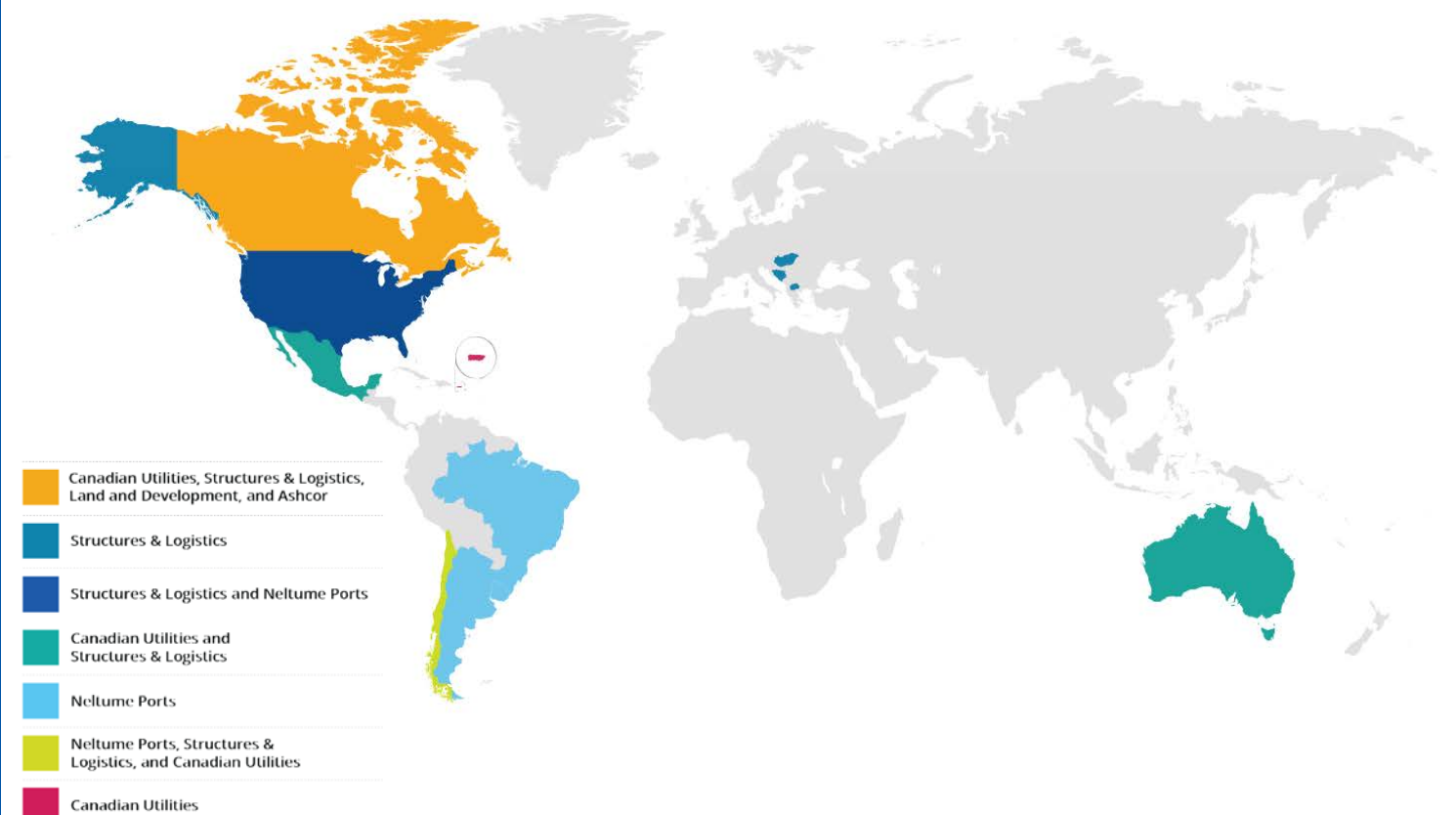
This statement covers the reporting entities listed in Appendix A (Reporting Entities) for the financial year 1 January 2023 to 31 December 2023. It provides an overview of the steps ATCO Australia is taking to prevent our involvement in human rights harm by positively influencing our supply chains and other business partnerships to act responsibly and ethically.

ABOUT US

3.1 ATCO Group

ATCO Australia is part of the ATCO Group of Companies (ATCO) with diverse products and services across many industries, and is a one-stop provider of integrated energy, housing, transportation and infrastructure solutions. ATCO and its subsidiary and affiliate companies have approximately 20,000 employees and \$25 billion of assets worldwide, offering comprehensive solutions and service excellence, having worked in more than 100 countries around the world in:

- **Structures & Logistics** — workforce and residential housing, innovative modular facilities, construction, site support services, workforce lodging services, facility operations and maintenance, defense operations services, and disaster and emergency management services.
- **Utilities** — electricity and natural gas transmission and distribution.
- **Energy Infrastructure** — electricity generation, energy storage and industrial water solutions.
- **Retail Energy** — electricity and natural gas retail sales.
- **Transportation** — ports and transportation logistics.

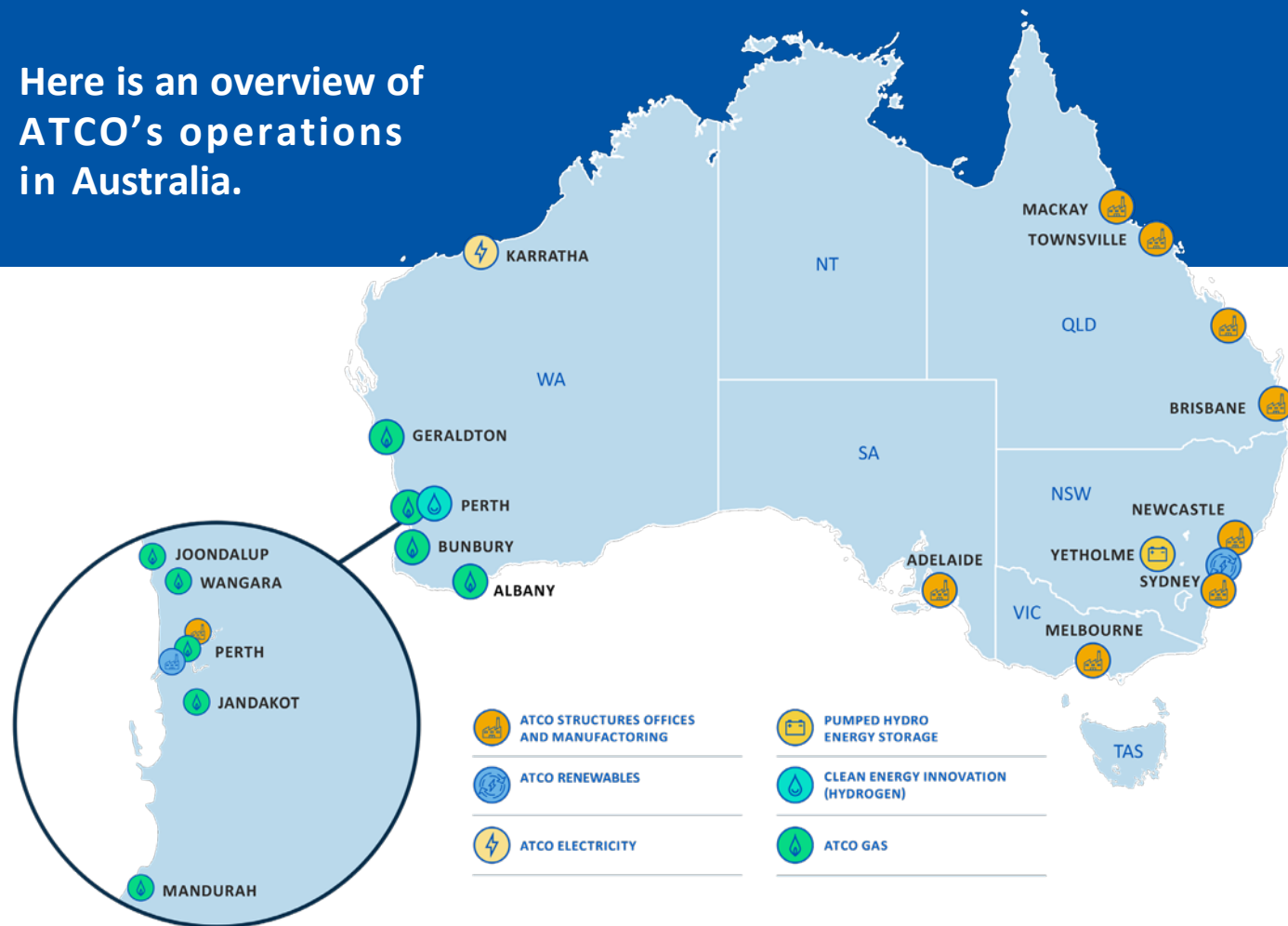


ATCO IN AUSTRALIA

3.2 ATCO in Australia

ATCO has been proudly operating in Australia for over 60 years, giving us a deep understanding of the local environment and allowing us to become a trusted, long-term partner of many large and respected Australian companies.

Here is an overview of ATCO's operations in Australia.



3.2.1 ATCO Australia

This statement covers the following ATCO operations in Australia –

- a) **ATCO Gas Australia**, which owns and operates Western Australia's largest reticulated gas network, with more than 14,500km of pipeline serving around 800,000 customers.

Currently, more than 80% of the Perth metropolitan area is serviced by our underground network of pipelines and ready for connection of homes and businesses to natural gas.

ATCO Gas Australia operates a distribution network providing services delivering gas to our customers across the Perth greater metropolitan area (from Yancheep in the north to Mandurah in the south), as well as Geraldton, Kalgoorlie, Bunbury, Busselton and Albany in the regions.

The three main gas distribution systems operated by ATCO Gas Australia are:

- **The Mid-West and South-West Gas Distribution Systems (MWSWGDS)** – these natural gas distribution networks reach Geraldton, Eneabba, Bunbury, Busselton, Harvey, Pinjarra, Kemerton, Capel and the Perth greater metropolitan area including Mandurah. The MWSWGDS is a covered pipeline which can be a confusing term given all of our pipelines are situated underground. In this context however, a covered pipeline means it is subject to an Access Arrangement which is reviewed and approved by the Economic Regulation Authority.
 - **The Kalgoorlie Gas Distribution System (Kalgoorlie GDS)** – is a natural gas distribution network that serves the Kalgoorlie-Boulder area. The Kalgoorlie GDS is not a covered pipeline (again, the pipeline is situated underground) however it is not subject to an Access Arrangement; and
 - **The Albany Gas Distribution System (Albany GDS)** A liquefied petroleum gas (LPG) gas distribution network that serves the Albany area. The Albany GDS is also not a covered pipeline and is not subject to an Access Arrangement.
- b) **ATCO Structures and Logistics** – which has been designing, manufacturing and installing modular building solutions across Australia since 1961, to a wide range of industries including mining, oil and gas, construction, education, healthcare, government and the commercial sector.

ATCO also provides turnkey lodge services including catering, housekeeping, retail, maintenance and utility services.

ATCO's modular building solutions include offices, classrooms, accommodation units, lunchrooms, toilets, kitchen and dining facilities, recreation buildings, gyms and laundries.

ATCO also delivers outside-the-box, custom-designed buildings and villages for even the most specific requirements. With manufacturing facilities strategically located throughout Australia, ATCO can mobilise project needs quickly. With superior scale and speed, ATCO continually provides among the fastest deployment lead times available in the sector.

3.2.2 Energy Infrastructure

While not covered by this statement (due to their smaller turnover), ATCO's operations in Australia also include the following -

- **Power** – Leveraging a legacy of over 70 years of power generation in Canada, ATCO has been providing gas-fired power generation in Australia for over 20 years. Through our two gas-fired power facilities in Australia, in Karratha, Western Australia, and Osborne, South Australia we supply the Western Australian Wholesale Electricity Market (WEM), and the National Electricity Market (NEM). The Osborne Cogeneration Power Station is a joint venture between ATCO and Origin Energy.
- **Renewables** – ATCO is committed to identifying innovative energy solutions for customers that will further lower emissions and reduce costs. To help us do that, we have a range of research and development projects underway. As a customer focused organisation, ATCO is committed to identifying innovative energy solutions for our customers that lower costs and emissions. That's why we have developed a Clean Energy Innovation Hub (CEIH) in Western Australia with the support of the Australian Renewable Energy Agency (ARENA). In collaboration with Fortescue Metal Group and with support from the Western Australia Government's Renewable Hydrogen Fund, we have built a Hydrogen Refuelling Station (HRS) on the same site as the CEIH. Furthermore, using the hydrogen produced by CEIH, for the first time in Western Australia, ATCO has blended a small amount of renewable hydrogen into the existing natural gas distribution network as part of the Hydrogen Blending Project in the City of Cockburn. The CEIH, the HRS and the Hydrogen Blending Project are significant steps in Western Australia's moves towards a hydrogen economy.



OUR VALUES

Our history includes a long-standing commitment to business excellence in all areas.

Our values portray who we are and include a commitment to integrity and ethical business conduct. In today's business environment, living our values is critical for our continued success. Our values guide the conduct of all employees, officers and directors. We seek out business partners who share them as well. It is important that all members of our team embrace these values as they are fundamental to how we do business. We live by the following values:

SAFETY

Safety is the first consideration in everything we do. We hold a shared belief that safety must direct all our day-to-day priorities and decisions, and we are accountable for understanding and following the health and safety requirements for any work we undertake.

CARING

We care about our customers, our employees and their families, our communities and the environment. We seek to understand and care enough to challenge each other.

COLLABORATION

We work together, share ideas, recognize the contribution of others and learn from our failures and successes. We are clear about our intentions and communicate openly especially when problems or issues arise. We value and encourage diversity and different perspectives. We work together to build strong networks.

AGILITY

We are creative, innovative and take a measured approach to opportunities and risk, balanced with a long term perspective. We stay relevant, reward action and learn from failure.

INTEGRITY

We are honest, ethical and treat others with fairness, dignity and respect. We make good decisions, take personal ownership of tasks, are responsible for our actions and deliver on our commitments.

GOVERNANCE

Modern slavery, is characterised by low wages, excessive working hours, unsafe conditions, bonded labour contracts and trafficking, persists in regions where poverty rates are high, and where the rule of law is under-developed, and enforcement is absent or undermined by corruption. ATCO Australia recognises that with the globalisation of supply chains, it is exposed to the risk of modern slavery through the suppliers and business partners we engage.

ATCO Australia has developed a Human Rights and Modern Slavery Practice (the Policy) that outlines its commitment in respecting human rights and acting with integrity, and managing modern slavery risks within its supply chain. ATCO's commitment is also detailed in our "How We Do Business, Living the ATCO Values" ("How We Do Business"), which is an ATCO-wide code of conduct setting out the standards of conduct we expect of ourselves and our business partners, and the means of reporting concerns relating to actual, suspected or anticipated unlawful or unethical behaviour relating to ATCO Australia's businesses.

If ATCO Australia becomes aware of any evidence or information to suggest that one of our partners or suppliers is engaged in human rights harm or modern slavery, we will investigate, and work with the partner or supplier in resolving the issue, then where appropriate, terminate the relationship and report such practices to the responsible national or international authorities.

OUR PEOPLE

We are committed to fostering an environment where human rights are respected and protected. We prohibit all forms of slavery, compulsory and forced labour, human trafficking and child labour in our operated business activities.

We ensure that we comply with all relevant employment legislation and policies that govern our operations.

The integration of industrial relations and human resource management with our business strategies, values and culture ensures that every person who is employed by us is treated fairly.

We employ around 790 employees on a full-time, part time and fixed term basis across Australia. The majority of our workforce resides in Western Australia, and are employed by ATCO Gas Australia.

In addition, ATCO Australia has a number of key procedures and practices (policies) which govern procurement and contracting processes and related business activities including:

- Procurement
- Conflicts of Interest
- Anti-Bribery & Corruption
- Speaking Up (Whistleblower)

Each of these policies are referenced in "How We Do Business" code, and awareness and training in the policies is supported by on-line training modules for ATCO Australia employees involved in procurement decisions.

4.1.1 Consultation

ATCO Australia has established a working group consisting of representatives from the reporting entities to develop and implement the modern slavery risk treatment actions as set out in this modern slavery statement, and the working group consulted with the Executive Teams of the reporting entities in the development of this modern slavery statement.

In addition to adhering to all applicable sector awards and legislation, ATCO Gas Australia has also entered into an Enterprise Agreement with its field technicians.

We are proud of our diverse workforce. Our ultimate DEI vision is to foster a community where everyone can bring their whole selves to work and reach their full potential.

To keep ourselves accountable, ATCO has made a number of social commitments to further promote diversity, equity and inclusion in the workplace as part of our 2030 Environmental, Social and Governance (ESG) targets. To read more about ATCO's 2030 ESG targets, and our progress so far - Read more in our current [Sustainability Report](#).

OUR SUPPLY CHAINS

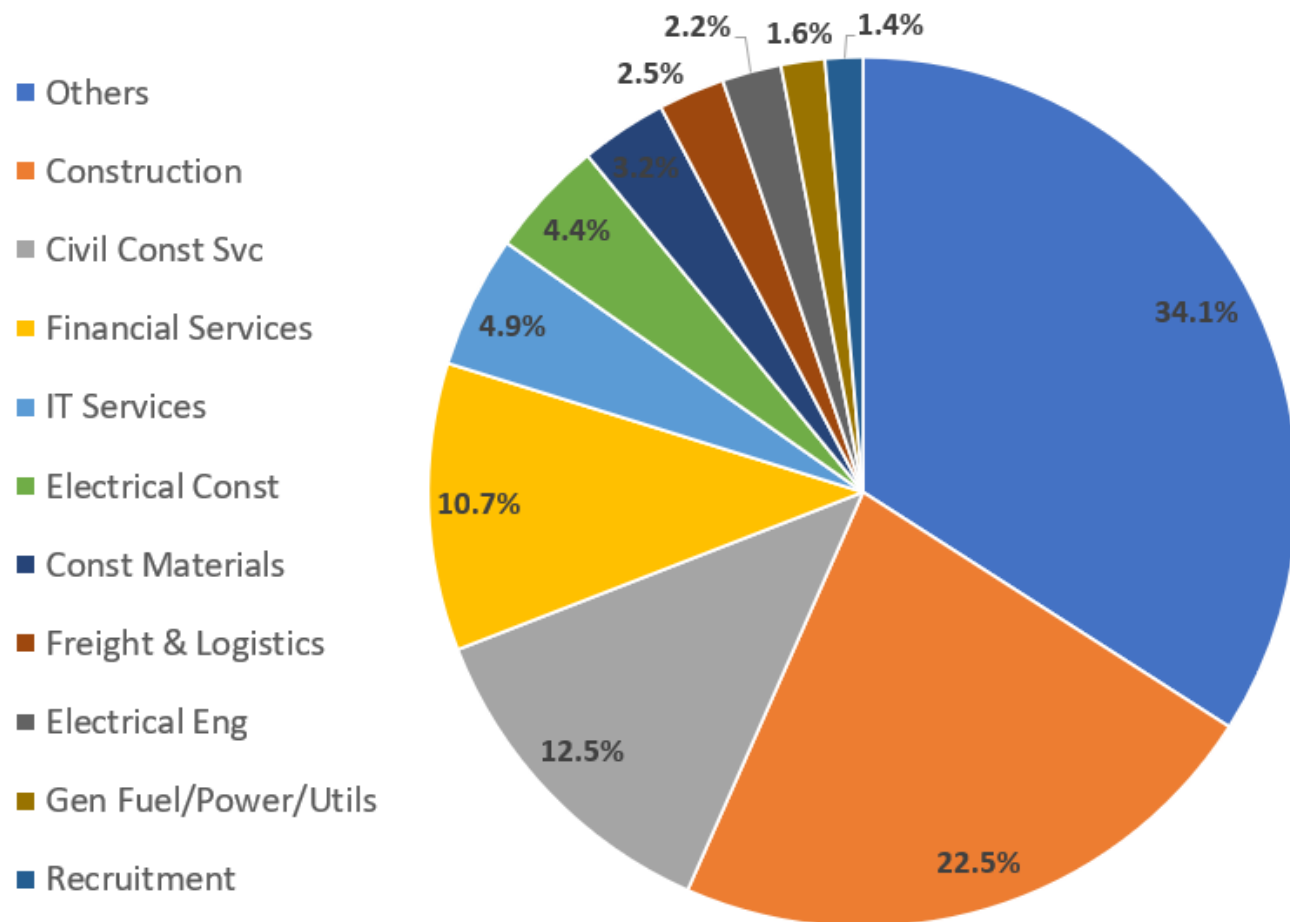
ATCO delivers its services and solutions using a combination of our internal workforce, external suppliers, and contractors to ensure that activities, projects and work program resources are deployed efficiently and at the lowest sustainable cost, maintained over the long-term.

ATCO Gas Australia and ATCO Structures and Logistics believe in working with business partners who demonstrate high standards of ethical business conduct. We expect them to be guided by the principles outlined in our policies and Codes of Conduct, and we will not knowingly work with business partners who operate unethically, unsafely or who violate the law, compete dishonestly or use unfair business practices.

When engaging with our business partners, we take steps to retain them on commercially reasonable terms and conditions and ensure they are aware of, and contractually bound by, our standards of business conduct.

Our success is linked inextricably to the performance of our global supply chain. In 2023, ATCO Gas Australia and ATCO Structure and Logistics collectively partnered with a variety of businesses to a total of ~2,730 vendors. As part of our supply chain review, we have mapped our suppliers and our spend with those suppliers by industry (refer to Chart 1 below).

Chart 1: 2023 spend by industry



6.1 Risk of Modern Slavery in our Supply Chain

In 2021, ATCO Gas Australia and ATCO Structures & Logistics implemented an online supply chain assessment tool, and we have continued to utilise the assessment tool to assess the modern slavery risks within our supply chain.

Drawing on the information available from our ESG Supply Chain Assessment Provider, we have identified the following supply chain industry categories to have a higher modern slavery risk profile:

- in materials and equipment, particularly given global commodity sourcing, manufacture and logistics (including maritime transport) from overseas countries;
- in asset construction and maintenance such as traffic management;
- in information technology and professional services, in particular those engaging lower skilled off-shore labour in higher risk regions; and
- in support and ancillary services such as cleaning and security.



MATERIALS AND EQUIPMENT

Pipeline, fittings, valves, meters, vehicles (light and heavy commercial), parts, tools, fabrication materials (timber, metals, fittings), cabling, building materials (concrete)



Information Technology

Software licences, hardware (servers and personal computing); support services, cloud services (including Software as a Service), telecommunications and data services



SUPPORT AND ANCILLARY SERVICES

Logistics (transport, courier and storage), safety and PPE supplies (incl. clothing), security, cleaning



PROFESSIONAL SERVICES

Legal, audit, tax, accounting, banking (including debt finance), engineering (design, construction), recruitment, training, meter reading, environmental (testing, laboratory and advisory), insurance, agency and contract staff services



ASSET CONSTRUCTION AND MAINTENANCE

Field services (construction, repair & maintenance, emergency response, new connections), vegetation control, high-pressure gas mains surveillance, manufacturing, trades services (carpentry, electrical, civil, mechanical)

MANAGEMENT OF MODERN SLAVERY RISKS TO DATE

ATCO Gas Australia and ATCO Structures and Logistics are committed to assess the effectiveness of its modern slavery risk treatment actions as follow:

- Suppliers' assessment –**
 Continue to monitor the labour and human rights assessment score of our suppliers, in particular, the score distribution across the level "Partial", "Confirm", "Advanced" and "Outstanding". At a minimum, we aim to work with our suppliers to maintain their score distribution within the ESG Supply Chain Assessment Provider's score distribution benchmark.
- Independent assessment of ATCO's performance –**
 ATCO Australia engaged our ESG Supply Chain Assessment Provider and completed a detailed assessment of our ESG management practices. A reassessment will be undertaken in 2025 to evaluate the effectiveness of our actions and initiatives to manage modern slavery risks.
- Training and awareness –**
 Training and awareness are an important part of our action plan. ATCO Gas Australia and ATCO Structures & Logistics aim to have 100% of our employees involved in procurement decision completing the online modern slavery training.

7.1 How effective were we?

In 2023, ATCO Gas Australia and ATCO Structures & Logistics met our objectives as detailed above, and made good progress on our commitment to mitigate the risk of modern slavery within our Supply Chains.

We have continued to utilise the online supply chain screening solution to risk assess all of our active suppliers and identify those that should be prioritised for further engagement by ATCO. This risk assessment factored in the supplier's inherent corporate social responsibility risks (including labour and human rights), and the risk assessment considers the supplier's industry risk, country risk and procurement risk (based on the level procurement spend level and criticality to our operations). Suppliers with the highest combined inherent risk rating in these categories have been requested to undertake a detailed desktop ESG assessment specifically tailored to their company.

As our understanding of the risk of modern slavery continues to evolve, and technology is developed to support the evaluation of modern slavery in supply chains, we have a responsibility to ensure we are utilising the right tools and resources to effectively analyse our supply chain. In late 2023, we tested the market and selected a new system that will enable ATCO Gas Australia and ATCO Structures & Logistics to undertake supplier risk assessments at a larger scale. This solution will be implemented in 2024.

7.1.1 Suppliers' Assessments

A total of 46 suppliers have completed the in-depth supplier assessment through our ESG Supply Chain Assessment Provider since 2021. In 2023, 52% of the assessed suppliers were re-evaluated. Overall, they scored above average in their level of ESG maturity in comparison to the provider's benchmark, which is defined as all other suppliers rated by the provider who has an estimated global network of more than 100,000+ rated companies.

Further, when we compared the suppliers' overall assessed scores in 2022 and 2023, there were material improvements across all categories, with environment being the most improved area (refer to Charts 2 and 3 below).

Our suppliers assessed score in the area of Labor & Human Rights and Sustainable Procurement also improved by up to 9% from the previous year. This supports our observations that our key suppliers are continuing to mature their ESG practices.

Chart 2: 2022 supplier's assessment score (maximum score of 100) distribution against industry benchmarks



Chart 3: 2023 supplier's assessment score (maximum score of 100) distribution against industry benchmarks



7.1.1.1 Labour and Human Rights

It is important for ATCO Gas Australia and ATCO Structures & Logistics to understand how our chosen business partners compare to the industries in which they operate. Chart 4 below demonstrates that the majority of our assessed suppliers are performing well above their respective industry benchmarks. This provides us with confidence that our chosen business partners have sufficient process and procedures in place to treat their direct workforce fairly and in accordance to legislation.

We also recognise that there is room for improvement, such as improving the standard of documentation on labour & human rights policies and will continue working with our suppliers moving forward to educate and raise awareness in regards to the importance of robust systems and frameworks that support the fair treatment of employees and mitigate the risk of modern slavery.

7.1.1.2 Sustainable Procurement

Sustainable procurement is the integration of ESG principles into a company's procurement processes and decisions while ensuring they still meet business objectives.

Sustainable procurement practices have entered into the spotlight for government and private industries and is increasing becoming an integral factor in managing one's Supply Chain. The impact of Covid-19 on global markets has taught us that the integrity of our Supply Chain beyond tier 1 suppliers is of greater importance than ever and represents the biggest opportunity for both us and our suppliers to improve upon.

Whilst our suppliers have scored higher than average in respect to the industries in which they operate, ATCO Gas Australia and ATCO Structures & Logistics are cognisant that we have a responsibility to ensure that all entities within a Supply Chain are treated ethically. We believe that by asking our suppliers to improve their sustainable procurement practices, this will assist to mitigate the risk of modern slavery across ATCO Gas Australia and ATCO Structure & Logistics entire supply chain.

7.1.2 Training and awareness

ATCO Gas Australia and ATCO Structures and Logistics provide training on modern slavery to employees that are involved in procurement decisions, including all members of its executive team, and the Procurement business unit. The training is in the form of an online training module, and these employees initially completed the modern slavery training in 2022, with all new employees involved in procurement decisions also completed the training in 2023. Moving forward, we will continue to provide modern slavery training to new employees involved in procurement decisions as part of the onboarding process, with existing employees completing refresher training every 2 years.

7.1.3 Independent Assessment of ATCO's Performance

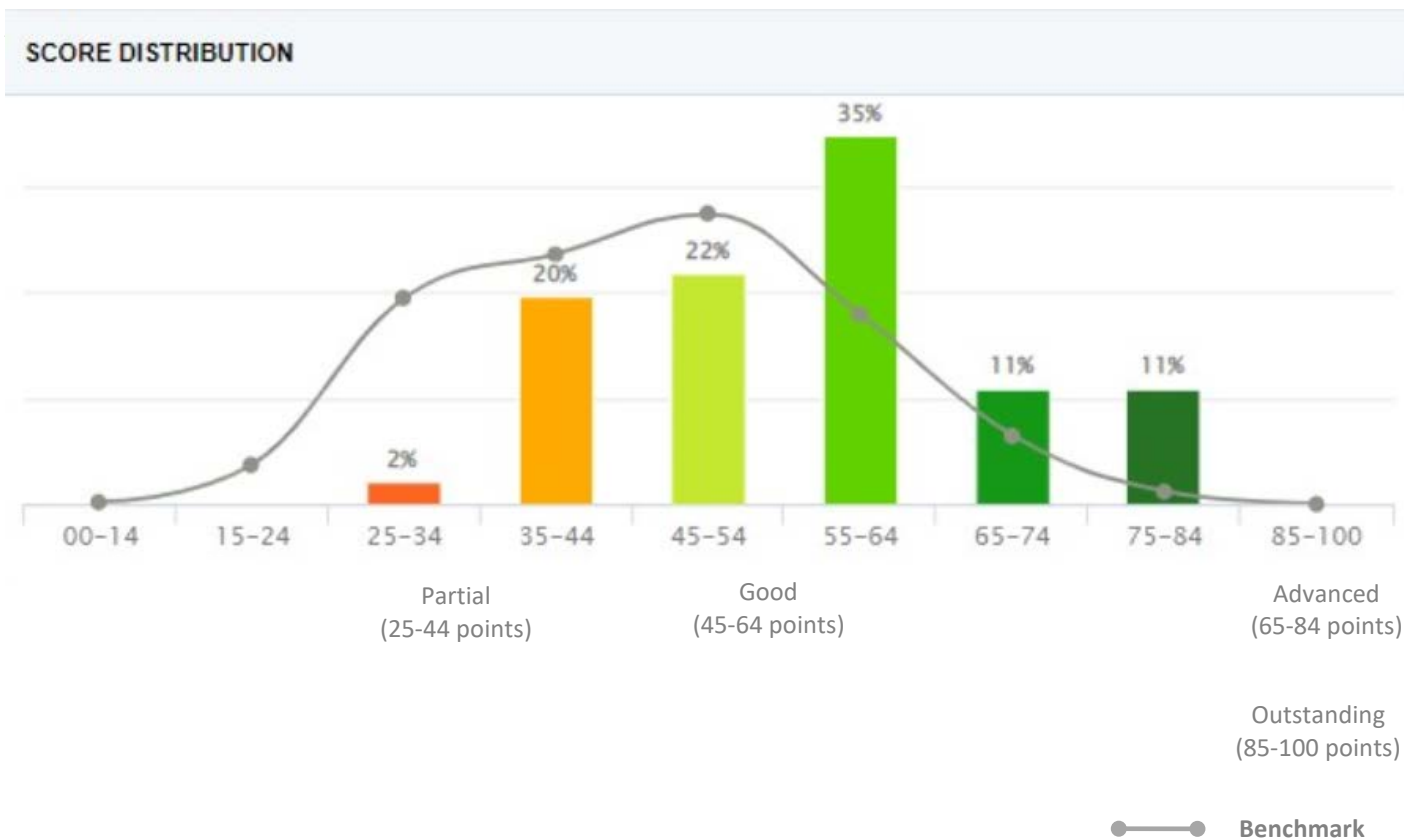
ATCO Australia undertook a detailed assessment of our ESG management practices in 2022 (refer to Chart 5 for the score). In summary, ATCO Australia scored in the 85th percentile of all companies rated by the ESG Supply Chain Assessment Provider. As previously mentioned, the solution provider has assessed over 100,000 companies globally to date so we believe this demonstrates that ATCO Australia has strong systems in place for ESG management.

Chart 5: ATCO Australia risk assessment score

Theme score comparison



Chart 4: 2023 supplier's assessment score distribution against industry benchmarks



Key Strengths of ATCO Australia's ESG Management per the external assessment includes -

A) Our Governance Structures

The company demonstrates an advanced management system on labour & human rights issues.

- The company demonstrates an advanced management system on ethics issues.
- Grievance mechanism on discrimination and/or harassment issues.
- Awareness training regarding diversity, discrimination, and/or harassment.
- Actions to promote the inclusion of minority/vulnerable groups in the workplace.

B) Our Industrial Relations Practices

- Communication to all employees of remuneration process (e.g. procedure for salary advancement).
- Annual employee satisfaction survey.
- Flexible organization of work (e.g. remote work, flexi-time).
- Family Friendly programs (FFPs) implemented (e.g. parental or care leaves, childcare services or allowances).

Key Area for Improvement includes -

A key area for improvement for ATCO Australia is our Sustainable Procurement systems and practices. Out of the recommended improvement areas, ATCO Australia has selected two key items to focus on:

• Documentation on sustainable procurement policies

ATCO Australia will update its procurement policy and procedures to integrate commitments and operational objectives on all material sourcing risks the company faces.

• Inclusion of social or environmental clauses being included in supplier contracts.

ATCO Australia will incorporate provisions in business contracts that cover social & environmental issues which are not directly connected to the subject matter of the specific contract. It's a tool defining the behaviour/setting the expectations and for engaging with suppliers on sustainability.

Whilst we aimed to complete the above actions in 2023 and made progress to prepare a draft sustainable procurement policy, completion of these actions has now been scheduled for 2024.

2024 - OUR APPROACH AND PLAN MOVING FORWARD

8.1 Supply Chain Risks – Continuous Improvement

Our continuous improvement focus in 2024 will be to fully implement the new supplier risk assessment solution, and significantly expand the number of active suppliers completing the modern slavery risk assessment. The aim is to invite at least 200 of ATCO Australia's active suppliers to complete a modern slavery questionnaire to enable ATCO Australia to better identify modern slavery risks within our supply chain.

In 2024, we will also incorporate the supplier risk assessment solution into our sourcing process. Suppliers invited to major sourcing activities will be requested to complete the modern slavery questionnaire, and the results will form part of the vendor evaluation and selection assessment.

8.1 Training

We will continue to provide training on modern slavery to all existing and new employees involved in procurement decisions and employees in management position. Existing employees who have previously completed the modern slavery training will be provided periodic refresher training once every two years, to ensure reinforce their knowledge and maintain their awareness on this very important issue.

8.2 Contract

ATCO Gas Australia will continue to ensure Modern Slavery compliance clauses are included in its supplier agreements, including its standard Purchase Order terms and conditions and contract templates.

REPORTING ENTITIES

Below is a list of the ATCO entities in Australia covered by this statement as at 31 December 2023 -

- ATCO Gas Australia Networks Pty Ltd (ABN 24 659 123 636)
- ATCO Gas Australia GP Pty Ltd (ABN 76 151 245 779)
- ATCO Gas Australia Pty Ltd (ABN 90 089 531 975)

ATCO Gas Australia Pty Ltd is the only operating company within the list of reporting entities above, and the consolidated revenue reporting entity is ATCO Gas Australia Networks Pty Ltd.

- ATCO Structures & Logistics Pty Ltd (ABN 71 083 902 309)





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