ENERGY FOR A BRIGHTER FUTURE

epic energy

Modern Slavery Statement 2024

Acknowledgement

Epic Energy acknowledges the traditional owners and custodians of country throughout Australia and acknowledges their continuing connection to land, waters and community. We pay our respects to the people, the cultures and the elders past, present and emerging.

About this Statement

This Modern Slavery Statement has been prepared by Epic Energy to meet the requirements of the Modern Slavery Act 2018 (Cth) and covers the period 1 July 2023 to 30 June 2024. The terms "the Company", "Epic" and "Epic Energy" are used in this report to refer to the Epic Group of Companies.

All entities in the Epic Energy group structure, operate under the governance of Epic Energy and share the same management. This statement therefore applies to all reporting entities and their owned and controlled entities.

This statement has been approved by the Board, as the highest governing body, in December 2024.

Ralph Craven
Chair
Epic Energy Group

Clive D'Cruz
CEO
Epic Energy Group

About Epic Energy

Epic is a leading energy infrastructure owner and operator with investments across gas and renewable energy markets.

We connect retailers, power generators and industry with the vital energy needed to drive communities forward. Our current portfolio consists of a number of entities, owning and operating the following assets:

›   Moomba to Adelaide Pipeline System (MAPS)

›   South East Pipeline System (SEPS)

›   Timboon and Yawong Wind Farms (Wind Farms)

›   IKEA Solar Array and Battery (IKEA Microgrid)

›   Mannum Energy Park

  — Mannum Solar Farm (MSF)

  — Mannum Solar Farm Stage 2 (MSF2)

  — Mannum Battery Energy Storage System (Mannum BESS)

For over 50 years Epic has been delivering natural gas to South Australian communities and industries via our MAPS and SEPS pipelines.

Our gas business provides transportation services to deliver natural gas from production sources to end market users for electricity generation, industrial processes and residential supply networks for home cooking and heating.

Our power business provides electricity to retailers to on-sell to customers and directly to larger corporate and industrial customers.

We recognise the continuing and vital role natural gas plays in the Australian energy sector and the need to pursue innovative solutions that will shape a sustainable energy future. Epic Energy is committed to supporting the energy transition through our board-endorsed growth strategy to diversify our business through investing in renewable energy and hydrogen infrastructure. This includes wind farms, solar farms, and energy storage technologies such as batteries that will play a role alongside gas to support the reliability of renewable energy supply.

Epic's Asset Portfolio

NORTHERN
TERRITORY

QUEENSLAND

SOUTH
AUSTRALIA

Moomba

NEW SOUTH
WALES

BRISBANE

Whyalla   Port
Pirie

Angaston

①

ADELAIDE   **⑤**   **⑥**

②

Mount
Gambier

④

③

VICTORIA

SYDNEY

MELBOURNE

TASMANIA

① **Moomba to Adelaide
Pipeline System** (MAPS)

② **South East
Pipeline System** (SEPS)

③ **Timboon Wind Farm** 7.2MW

④ **Yawong Wind Farm** 7.2MW

⑤ **IKEA Adelaide Microgrid**
1.2MW Solar PV 3.4MWh Battery

⑥ **Mannum Energy Park**

Mannum Solar Farm (MSF) 6MW

Mannum Solar Farm Stage 2 (MSF2) 39MW

Mannum Battery Energy Storage System
(Mannum BESS) 100MW/200MWh

━●━ **Epic Pipelines**

──── **Other Gas Pipelines**

☀ **Solar Farm**

🏭 **Microgrid**

🌀 **Wind Farm**

🔋 **Battery**

Our Employees

As at 30 June 2024 Epic employed 92 workers, all undertaking roles based in South Australia. Roles carried out by Epic employees are varied and range from Maintenance and Engineering roles performed at our assets in rural and remote areas of South Australia and corporate functions based in our head office in Adelaide such as Procurement, Finance, Sustainability and People and Culture.

Epic conducts pre-employment checks for all employees including right to work checks. Epic does not employ people under the age of 18.

CONTRACT TYPE	FY24
Permanent	79
Fixed Term	11
Casual	2
Total	92

Our supply chain

Epic has determined a number of core tier 1 suppliers who support our business. In FY24 Epic's approximate spend with tier 1 suppliers was $72 million. The term 'tier 1 suppliers' refers to Epic's direct suppliers; however, they may rely on operations and supply chains from overseas. References to 'tier 2 suppliers' refers to the suppliers of Epic's direct suppliers.

Epic seeks to create sustainable benefits for the regions around our assets and source local suppliers where possible. We help local businesses to understand our pre-qualification processes and procurement standards. Where local procurement is not available or competitive, we consider national or international procurement. In FY24, 99% of our supplier spend was with Australian based businesses and 40% was with South Australian based businesses.

KEY STATS

Total Tier 1 supplier spend	**~$72 million**
Tier 1 suppliers used in the last twelve months	**456 suppliers**
% of spend with Australian based businesses	**99**
% of spend with South Australian based businesses	**40**

In FY24 we procured goods and services from a range of supply categories as noted below:
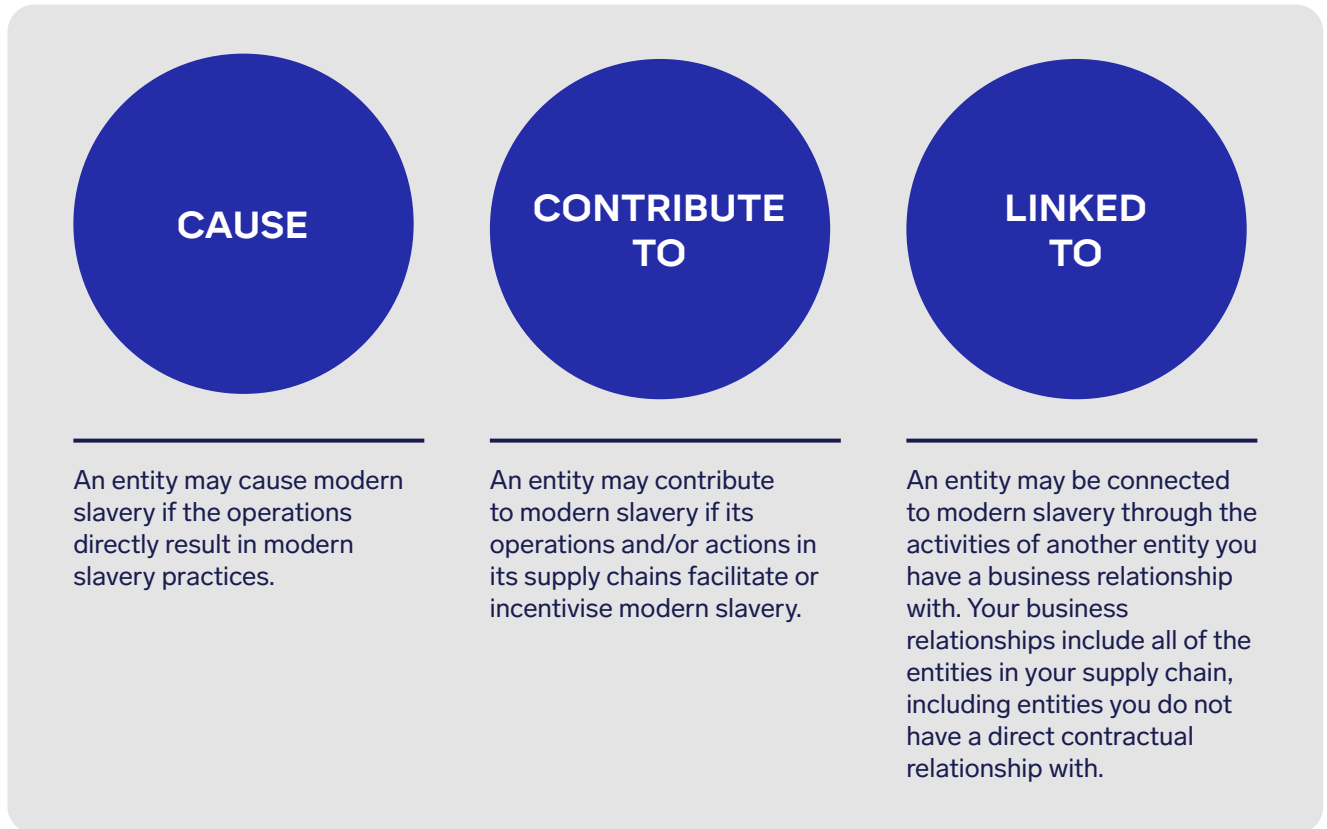
GOOD AND SERVICES PROCURED	% OF FY24 SPEND
Asset related services including operating and maintenance agreements and the construction of new assets	55.8
Professional services including engineering and design services and technical consulting.	18.0
Corporate services including insurance, consulting and legal and professional costs	10.6
Infrastructure equipment and materials	5.9
IT and telecommunications	3.6
Freight, travel, and logistics	2.7
Human resources	2.2
Safety equipment and workwear	0.7
Other	0.5

Our main operations and the corresponding supply chains are as follows:

OPERATIONS	KEY SUPPLY CHAIN ELEMENTS
Infrastructure delivery – capital growth projects such as pipeline connections, renewable and battery storage assets.	› Engineering design and technical consultants › Construction contractors › Equipment and materials such as solar panels, battery storage systems, steel pipe › Civil and earthworks
Asset operation and maintenance	› Material and equipment such as steel pipe, valves, rotating equipment, electrical equipment › Maintenance equipment › Operations and maintenance contractors › Engineering design and technical consultants
Corporate services such as: › Procurement › Legal › Strategy and Business Development › People & Culture › Risk & compliance › Finance › WHS › Sustainability	› Professional services › Recruitment › Travel and accommodation › ICT equipment and services › Clothing and PPE › Office supplies › Facility management › Fleet management

Identifying Modern Slavery Risks

We have assessed the risk of modern slavery in our operations and supply chains consistent with the UN Guiding Principles on Business and Human Rights (UNGPs) as recommended by the Australian Government, by assessing the potential for Epic to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains.

CAUSE

An entity may cause modern slavery if the operations directly result in modern slavery practices.

CONTRIBUTE TO

An entity may contribute to modern slavery if its operations and/or actions in its supply chains facilitate or incentivise modern slavery.

LINKED TO

An entity may be connected to modern slavery through the activities of another entity you have a business relationship with. Your business relationships include all of the entities in your supply chain, including entities you do not have a direct contractual relationship with.

Under our current controls and practices, we consider the likelihood that we are causing or contributing to modern slavery as defined by the UNGPs to be low but we recognise the risk of being linked to modern slavery through the goods and services that we procure.

Modern slavery risks in our supply chain

Epic's greatest exposure to modern slavery risks is via the supply chain for the procurement of goods and services that support our projects and operating business. Products and/or services typically procured by Epic which have recognised modern slavery risks include:

- Solar PV — polysilicon, a silica product derived from quartz sand, is a key component in the manufacture of solar panels. Third party reporting has indicated that state sponsored forced labour may be linked to the production of polysilicon in certain regions.

- Batteries — the mining of cobalt, a common component of lithium-ion batteries, has been linked to exploitative practices including child labour in some mining regions. Some batteries are now moving to having lower or no cobalt requirements.

- Pipeline — the production and manufacture of material such as steel may have modern slavery risks especially if produced or sourced from higher risk countries.

- ICT hardware & services — electronics and IT companies have modern slavery risks embedded in their supply chains. The mining of key components such as cobalt and mica are associated with modern slavery risks. In some countries there has been reported cases of forced labour in parts of the electronics manufacturing industry which is sometimes reliant on migrant labour.

- Clothing and PPE — the textiles and garment industry is a well-documented high-risk sector for modern slavery and exploitative practices have been extensively reported on.

- Short term recruitment — suppliers may use temporary, seasonal and contract workers whilst carrying works such as cleaning or the construction of assets. These sectors have been found to sometimes employ a base-skill and migrant workforce who are more vulnerable to exploitative practices. Business models in these sectors also tend to be heavily based on outsourcing, which increases the complexity of operations and supply chains and decreases the visibility of labour risks and impacts.

Modern slavery risks within Epic Energy

We assess the risk of modern slavery potentially caused by Epic Energy through its employment practices. In FY24 we considered this risk to be low. This conclusion was based on several factors, including:

- Location: our operations are all based in Australia which has a low inherent risk of modern slavery. According to the Walk Free Global Slavery Index, Australia had the 'strongest government response to modern slavery in the Asia Pacific region, and the equal second strongest response globally'.

- Recruitment: our recruitment process involves visa and employment checks.

- Health, safety, and wellbeing: we place a strong emphasis on the safety of employees, contractors and community along our assets and seek to embed a safety leadership culture. We also run an annual wellbeing calendar which covers a range of topics to inform and support our employees, in both their professional and personal lives.

- Renumeration: all employees are renumerated in excess of minimum wage.

- Policies: as part of onboarding and induction, all employees must read and understand key policies which outline our expectations around conduct and treatment of others.

Epic provides a range of additional benefits to employees including salary continuance insurance, health insurance subsidy, paid parental leave, fitness club membership subsidy, flexible work arrangements, and short-term incentive payments for eligible employees.

Assessing and addressing risks

In FY24, our first year to meet the Modern Slavery Act reporting threshold, we undertook a range of range of initiatives to support us in assessing and addressing modern slavery risks.

FORMATION OF A WORKING GROUP

We formed a cross departmental working group in FY24 which is responsible for developing and implementing initiatives to improve our ability to prevent, detect, and respond to modern slavery and human rights abuses in the goods and services that we procure.

RISK ASSESSMENT & DUE DILIGENCE

We developed a risk assessment and due diligence process for Epic's tier 1 suppliers in which we assess the inherent modern slavery risks associated with suppliers based on two key indicators:

- Product/Industry risk: modern slavery commonly occurs in industries that supply materials and products and that rely on workers to carry out jobs that are hazardous or low-skilled, often seasonal and low-paying.

- Industries where labour recruitment is outsourced or which require high quantities of materials, products and parts, often use multi-tiered supply chains. This can contribute to a lack of visibility and control over the recruitment practices of suppliers and subcontractors.

- Geographic risk: countries and regions can become increasingly vulnerable to modern slavery and exploitative practices when there are risk factors present such as governance issues, lack of basic needs, inequality, disenfranchised groups, and conflict.

All suppliers with whom we transacted with in the previous 12 months were assessed against these indicators. Those that were determined to have an inherent medium-risk rating were prioritised for further desktop due diligence based on the level of spend and frequency of transactions. No high-risk suppliers were identified.

SUPPLIER SELF-ASSESSMENT

In FY24 we developed and issued our supplier self-assessment questionnaire to priority suppliers. The questionnaire forms a key component of our desktop due diligence process and is designed to:

- Support the identification of modern slavery risks
- Assess supplier maturity
- Foster collaboration
- Improve supply chain transparency
- Identify areas for improvement or further due diligence

The majority of suppliers assessed were determined to have policies and processes in place to manage modern slavery risks. We have also identified those with whom we will seek to further understand their exposure and approach to managing to modern slavery risks. We will continue to monitor the suitability and effectiveness of our questionnaire.

3RD PARTY DUE DILIGENCE ON ASSET TRANSACTIONS

We undertake modern slavery and human rights due diligence in potential asset transactions. In FY24 this due diligence was undertaken by specialist providers who assessed tier 1 and key tier 2 suppliers against a range of modern slavery risk indicators as well as other human rights issues such as Indigenous rights, cultural heritage, and community impacts. The ability of management practices to assess, mitigate, and address the identified risks were then assessed following supplier interviews and a review of all available information.

In FY24 Epic proceeded with the transaction of a cobalt free battery energy storage system. The risks associated with this project were determined to be sufficiently managed by the tier 1 and 2 suppliers assessed.

CONTINUAL IMPROVEMENT

As part of our efforts to drive continuous improvement we are already actively investigating and considering a range of initiatives. These include:

Training — while the modern slavery working group has significantly increased their knowledge and awareness of what modern slavery is, what are the risk factors, and what are the relevant risks to Epic; further training will be rolled out across the business to ensure that personnel involved in purchasing goods and services are aware of risks factors or questions to ask.

Contract clauses — the incorporation of modern slavery related contract clauses into purchase order terms and conditions which can support the articulation of standards and expectations of suppliers.

Procedure and process review — review and update of policies to embed periodic reassessment of existing suppliers, in addition to a focus on new suppliers.

Grievance mechanism — development of a mechanism which allows for anyone to report on actual or perceived modern slavery risks associated with our operations or the goods and services that we procure.
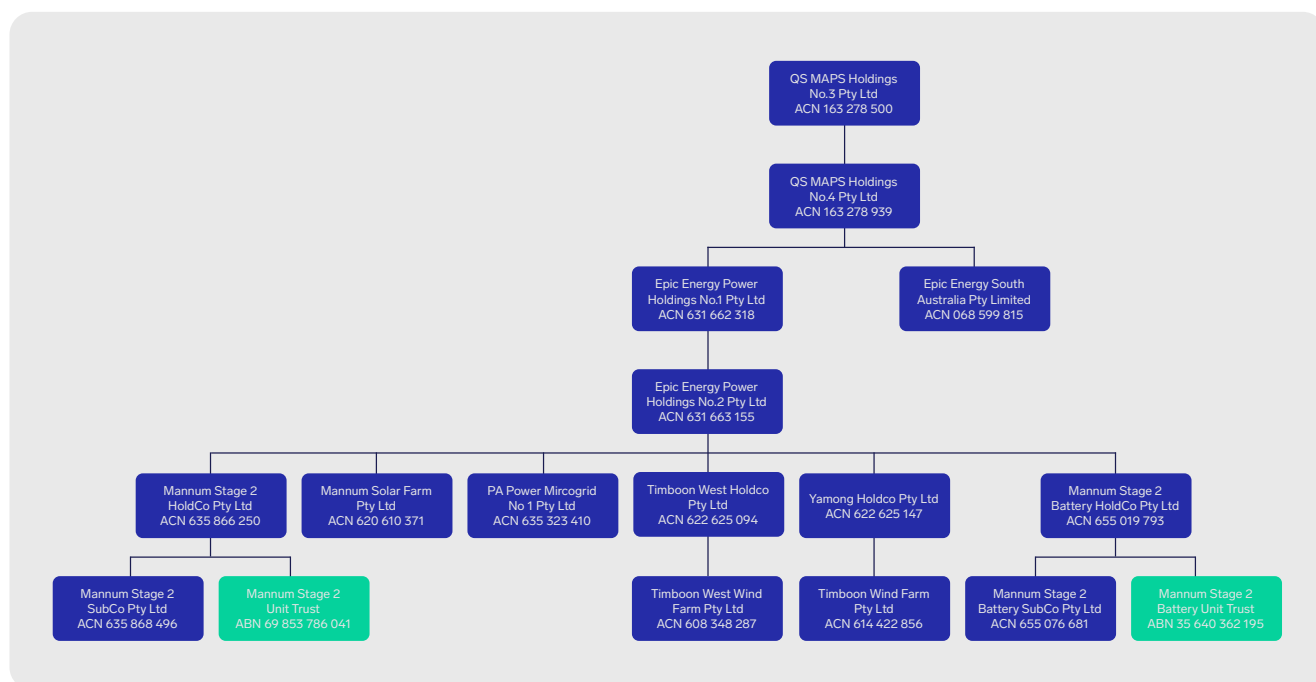
Evaluating Effectiveness

We currently undertake a range of actions to assess the adequacy and effectiveness of the actions we take. These include:

Modern slavery working group meeting frequency — the working group met regularly throughout FY24 in order to develop and monitor the implementation of our action plan. We monitor the number of key actions that are implemented in line with our action plan timelines and those that are delayed.

Review of best practice — we continue to monitor and be informed by best practice guidance. We also use publications such as the Modern Slavery Disclosure Quality reports by the Monash Business School to benchmark our progress against ASX listed companies.

Supplier self-assessment reviews — we continue to monitor the number of questionnaires completed, the quality of responses received, the number of suppliers moving from medium to high-risk, and the number of suppliers requiring follow-up actions.

Appendix A — Epic Energy Group Structure (as at 30 June 2024)

QS MAPS Holdings No.3 Pty Ltd
ACN 163 278 500

QS MAPS Holdings No.4 Pty Ltd
ACN 163 278 939

Epic Energy Power Holdings No.1 Pty Ltd
ACN 631 662 318

Epic Energy South Australia Pty Limited
ACN 068 599 815

Epic Energy Power Holdings No.2 Pty Ltd
ACN 631 663 155

Mannum Stage 2 HoldCo Pty Ltd
ACN 635 866 250

Mannum Solar Farm Pty Ltd
ACN 620 610 371

PA Power Mircogrid No 1 Pty Ltd
ACN 635 323 410

Timboon West Holdco Pty Ltd
ACN 622 625 094

Yamong Holdco Pty Ltd
ACN 622 625 147

Mannum Stage 2 Battery HoldCo Pty Ltd
ACN 655 019 793

Mannum Stage 2 SubCo Pty Ltd
ACN 635 868 496

Mannum Stage 2 Unit Trust
ABN 69 853 786 041

Timboon West Wind Farm Pty Ltd
ACN 608 348 287

Timboon Wind Farm Pty Ltd
ACN 614 422 856

Mannum Stage 2 Battery SubCo Pty Ltd
ACN 655 076 681

Mannum Stage 2 Battery Unit Trust
ABN 35 640 362 195

Appendix B — Addressing the mandatory criteria

MANDATORY CRITERIA	SECTION	PAGE NUMBER/S
Identify the reporting identity	About this statement	2
	Appendix A — Epic Energy Group Structure	12
Describe the reporting entity's structure, operations, and supply chains	About Epic	4-7
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Identifying modern slavery risks	8-9
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Assessing and addressing risks	10-11
Describe how the reporting entity assesses the effectiveness of these actions	Evaluating effectiveness	11
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls	About this statement	2
Any other information that the reporting entity, or the entity giving the statement, considers relevant	n/a	

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