

FY22 Modern Slavery Statement

GDI (EII) Pty Limited

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1 About GDI

1.1 Introduction

GDI (EII) Pty Limited (ACN 154 766 524) (**GDI (EII)**) is an unlisted investment vehicle that wholly owns the Allgas natural gas distribution network (**Allgas Network** or **Allgas**). GDI (EII) Pty Limited has 100% ownership of the trading entity Allgas Energy Pty Limited (ACN 009 656 446) (**Allgas**).

Allgas has three wholly owned subsidiaries which do not trade, Allgas Toowoomba Pty Limited ACN 009 655 645 (which holds network infrastructure assets), Allgas Pipelines Operations 1 Pty Limited ACN 154 784 853 (which holds the investment in Allgas Pipelines Operations Pty Limited), and Allgas Pipelines Operations Pty Limited ACN 076 666 807 (which holds easements).

The Allgas Network extends from Brisbane, south of the river, to the northern tip of New South Wales, with separate networks in Toowoomba and Oakey. It is supplied with natural gas from a variety of upstream producers that connect into APA's East Coast Grid via the Roma – Brisbane Pipeline (**RBP**). The Allgas Network connects to the RBP at Oakey, Toowoomba and Brisbane.

The Allgas Network consists of 3,919km of pipelines and distribution mains, delivering gas to circa.119,087 end users in QLD and NSW. Its major customers are energy retailers including AGL (circa.39% of revenue in FY22) and Origin Energy (circa.40% of revenue in FY22).

The Allgas Network has been subject to light regulation since July 2015 and is regulated under the NGR & NGL. Accordingly, tariffs are negotiated directly with customers.

APA Group (**APA**) (20% equity owner) provides operations and maintenance and corporate services to GDI under a long term services agreement. APA is responsible for the supply chain of GDI and their owned or controlled entities.

In line with the UN Guiding Principles on Business and Human Rights (**UNGPs**), we respect all internationally recognised human rights as set out in the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

1.2 About this statement

In this statement, when we refer to "GDI" it is a reference to GDI (EII) and Allgas, which are both reporting entities under the Modern Slavery Act 2018 (Cth).

This joint Modern Slavery Statement (**Statement**) has been prepared by APA, the operator, to meet the requirements of the Australian Modern Slavery Act 2018 (Cth) for the financial year ending 30 June 2022 (FY22). The reporting entities covered by the Statement are identified in Appendix 1.

This Statement has been prepared by APA's Modern Slavery Team, in conjunction with APA's Modern Slavery Working Group, with the assistance of external subject matter experts. Information about the approach to consultation with reporting entities and owned or controlled entities to develop this statement is set out on page 20.

This Statement was approved by the GDI Board on 28 November 2022 on behalf of all reporting entities covered by this Statement. The Statement has been signed by the Chair of GDI (page 3).

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1.3 Acknowledgement of country

GDI acknowledges the Traditional Custodians of the lands on which it operates throughout Australia and their connections to land, sea and community. We pay our respects to their Elders past and present and we commit to continuing to find meaningful ways to ensure GDI operates in a manner that genuinely and consistently reflects that respect.

1.4 Statement from Chair

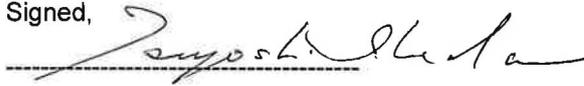
It is my pleasure to introduce this Modern Slavery Statement for GDI covering the financial year ending 30 June 2022. The statement outlines our understanding of the modern slavery risks in our operations and supply chain. It describes how we are assessing those risks and the actions we have taken to date.

GDI does not have any employees. The long term services agreement we have with APA means that our operations, maintenance and corporate services are managed by APA.

APA's Modern Slavery roadmap has continued to mature and evolve over time. The schematic on page 4 highlights key achievements to date.

In FY23 we will continue to support APA's ongoing commitment to responsible procurement practices. APA has commenced an initiative to attain a CIPS¹ Corporate Ethics Mark by end of CY22 and is developing a Responsible Procurement Strategy.

Signed,



Tsuyoshi Ikeda, Chair

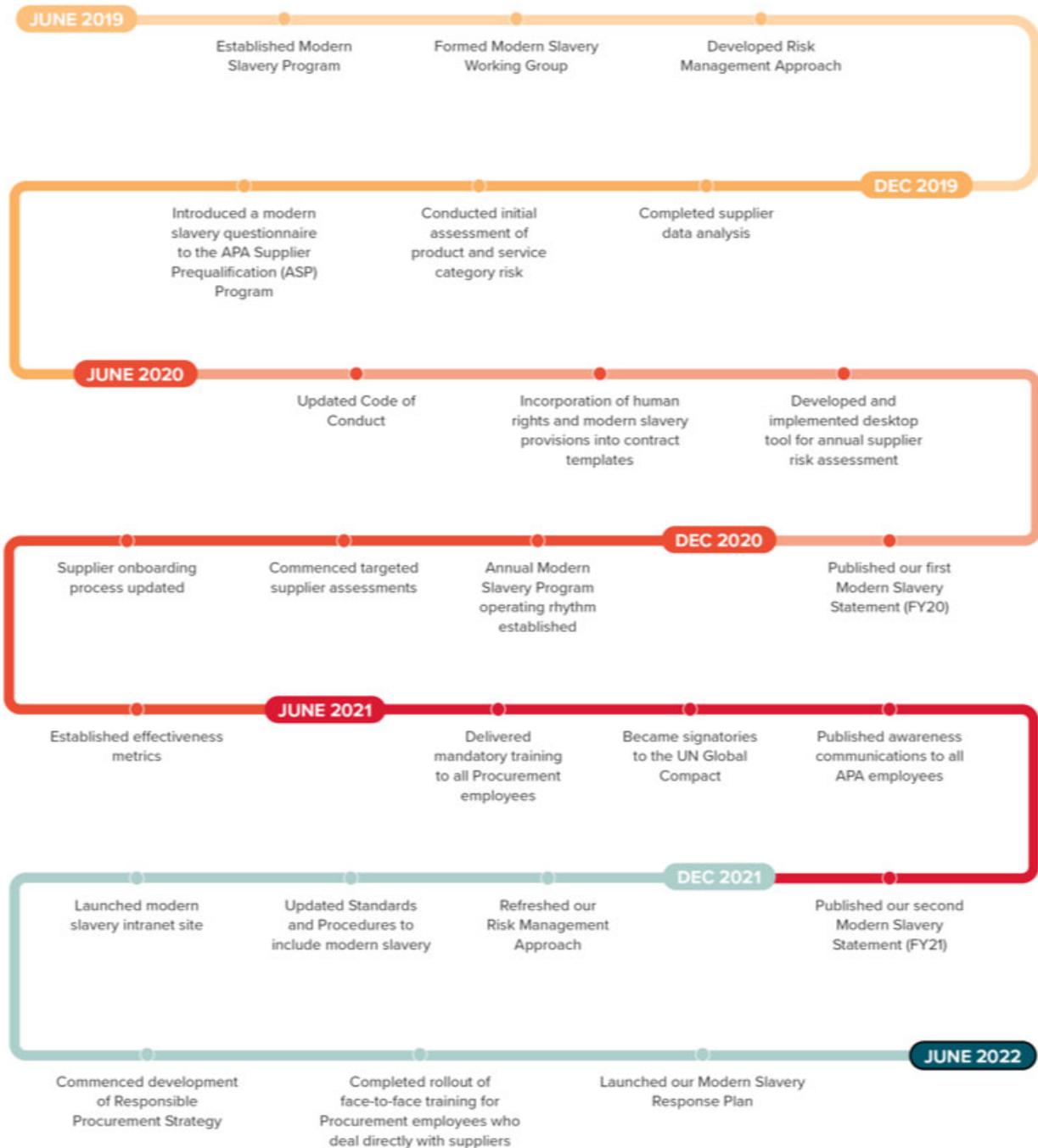
28 November 2022

¹ Chartered Institute of Procurement & Supply. <https://www.cips.org/>

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1.5 Modern slavery journey to date



2 Reporting Criteria 1 & 2

2.1 Operating Model

GDI is operated by APA under the terms of a long term services agreement in which APA performs all the services necessary for the management of the gas distribution network. This includes managing GDI's operations, procurement policies and procedures, and supply chains.

2.2 Operations and supply chain

Total spend = ~\$59million

Direct suppliers engaged = 15

Indirect suppliers engaged = 322

During FY22, GDI's spend was approximately \$59 million, with 15 direct (tier 1) suppliers. APA, on behalf of GDI, procured products and services from 322 indirect (tier 2) suppliers.

The procurement of a diverse range of goods and services to support business operations is predominately managed through contractual arrangements, ranging from, but not limited to:

- Purchase orders governed by standard terms and conditions
- Bespoke agreements for complex procurement
- Multi-year standing arrangements governed by Precedent Agreements

A proportionately small amount of spend is also undertaken using credit cards, primarily for travel expenses.

The following table shows GDI's main areas of operation and its corresponding supply chains.

| Area | Main Operations | Supply Chain |
|--------------------|--|--|
| Network Operations | <p>Operation and maintenance of third party owned gas distribution networks.</p> <p>Development and delivery of capital growth projects and third part works, such as new mains and services, extensions and reticulation of new developments.</p> | <ul style="list-style-type: none"> • Industrial construction materials and equipment sourced directly from Australian tier 1 suppliers, who in turn source materials (such as steel pipe, fittings, valves and gas measurement devices) from offshore suppliers. • Australian based construction and maintenance contractors, mains and service layers, main renewal contractors, plumbers and gas fitters. • Pipe and fitting products, such as polyethylene pipe (PE) sourced and manufactured in Australia. PE raw materials are sourced in Australia and offshore via prequalified tier 2 suppliers. |

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| Area | Main Operations | Supply Chain |
|-------------|---|---|
| Head Office | <p>Corporate functions, such as:</p> <ul style="list-style-type: none"> • Finance • Strategy & Commercial • Human Resources • Information and technology • Procurement • Risk, Compliance, Insurance, Legal and Sustainability (including Climate) • Health, Safety, Environment & Heritage <p>*The GDI head office is APA's head office. All corporate functions are provided by APA staff. In the same way APA provides all operational support.</p> | <ul style="list-style-type: none"> • Fleet management • Professional services • Information Technology • Safety clothing and personal protective equipment for corporate and site-based staff • IT equipment and telecommunications • Recruitment and labour hire • Office products • Corporate real estate and facilities • Marketing and advertising • Travel and accommodation • Catering |

3 Reporting criteria 3

3.1 Identifying our modern slavery risks

GDI relies on APA's analysis of its own operational and supply chain risks, as APA provides GDI with operations and maintenance and corporate services, and GDI's suppliers are a subset of APA's suppliers.

APA has assessed the risk of modern slavery consistent with the UN Guiding Principles on Business and Human Rights (**UNGPs**). The UNGPs set out a three-part continuum to explain how companies could be involved in human rights harms, such as modern slavery. The Australian Government recommends companies use this continuum to understand and communicate about their modern slavery risks.

Overall, within both APA's operations and supply chain, APA do not consider that they are likely to cause or contribute to modern slavery, within the meaning of the UNGPs. This reflects APA's view that its actions or omissions are unlikely to either result in modern slavery occurring or facilitate or incentivise modern slavery, including due to the range of controls they have in place. These controls are outlined throughout this statement. On the basis of this assessment, GDI similarly does not consider that it causes or contributes to modern slavery.

However, as an energy infrastructure business with complex supply chains, GDI recognises that it may be directly linked to modern slavery through the products and services procured, which could involve a range of modern slavery risks.

During FY22 APA continued their due diligence process and worked to address high risks highlighted through the risk management approach. During the year APA did not identify any incidents of modern slavery in their operations or supply chain.

3.2 Modern slavery risks in our operations

GDI does not have any employees. APA employees work on the network on behalf of GDI. As such, APA has assessed GDI's operational risk as low.

In FY22, APA assessed the risk of modern slavery in its operations as low, based on the location of operations in Australia, compliance with all applicable legislative requirements in Australia regulating workplace relations, and the internal policies and processes in place.

3.3 Modern slavery risk in investments

GDI does not hold any investments outside of the entities being reported on in this Statement and detailed in Appendix 1.

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3.4 Modern slavery risk in our supply chain

GDI's primary supplier is APA. APA provides operations and maintenance and corporate services to GDI under a long term services agreement.

APA's supply chain may be directly linked to modern slavery in the sourcing and processing stages of the raw materials that make their way into the products ultimately supplied to them, and in the manufacturing plants located in higher risk locations that supply goods to their suppliers or wholesalers. Modern slavery risks in these scenarios may be increased by the use of base-skilled migrant workers, sourcing from countries with a comparatively higher prevalence of modern slavery, procurement from sectors which can involve high levels of subcontracting, and reliance on complex supply chains.

APA also monitors information about emerging modern slavery risks. For example, recent research has identified potential modern slavery risks linked to the use of state sponsored forced labour in the production of polyvinyl chloride (**PVC**). APA primarily sources polyethylene (**PE**) rather than PVC products and are undertaking further work to assess the possible risk exposure.

APA's risk management approach has continued to be used to inform and assess the main areas of exposure to modern slavery risks in its supply chain. The table below details the products and services procured from high risk suppliers and the generally known modern slavery risks.

GDI accepts APA's assessment that its operational modern slavery risk is low.

| Product / service procured | Generally known modern slavery risks |
|---|--|
| <ul style="list-style-type: none"> Lubricants, oils, greases and anti-corrosives | <p>Key risks relating to this category are outlined below:</p> <p>Certain manufacturing and mining regions and materials carry higher risks of modern slavery, including where materials may be produced or sourced in higher risk countries or involve sectors known to have high modern slavery risks. For example, APA procures building materials such as concrete, asphalt, timber, steel, which may involve modern slavery risks due to the way these materials are produced or manufactured.</p> <p>APA also procures a range of machinery and equipment used in construction, which can involve modern slavery risks if they are manufactured in countries with a higher prevalence of modern slavery risks or include components such as electronics manufactured in high-risk countries.</p> |

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| Product / service procured | Generally known modern slavery risks |
|---|--|
| <ul style="list-style-type: none"> • ICT hardware • IT Service delivery • Software maintenance and support | <p>Key risks relating to this category are outlined below:</p> <p>APA procures a range of computer and telecommunications hardware and services, including to support the corporate operations.</p> <p>Modern slavery risks are present in the supply chains that provide IT companies with the necessary materials to produce electronic goods, and parts of those goods. For example, there may be modern slavery risks (including the worst forms of child labour and forced labour) associated with the mining of cobalt and mica.</p> <p>Modern slavery risks may also be associated with suppliers and the use of offshore contact centres and other services by telecommunications and software companies and the construction and maintenance of telecommunications infrastructure.</p> |
| <ul style="list-style-type: none"> • Uniforms • Protective gloves | <p>Key risks relating to this category are outlined below:</p> <p>APA procures a variety of textiles and apparel products, including PPE. The textiles and apparel sector is recognised as a high-risk sector for modern slavery, including due to the use of raw materials such as cotton which may be produced using modern slavery, as well as exploitation in factories manufacturing textiles and apparel products. PPE such as masks and gloves can also involve particular modern slavery risks, which have been exacerbated by increased demand for these products during the COVID-19 pandemic.</p> |
| <ul style="list-style-type: none"> • Temporary personnel services • Personnel recruitment | <p>Key risks relating to this category are outlined below:</p> <p>APA engages contract workers and other temporary workers. APA also engage key service providers such as construction services and cleaning and security services providers, who may rely on temporary and contract workers. In some circumstances, APA may also engage catering workers for their sites and corporate offices.</p> <p>Temporary and contract workers in Australia and overseas performing base-skilled labour can be vulnerable to modern slavery due to a range of factors, including opaque subcontracting arrangements, which can make it difficult to monitor working conditions. The use of migrant workers in sectors such as cleaning and construction can also involve modern slavery risks, including where these workers may not understand their workplace rights and entitlements. From time to time, where construction contractors have a need for temporary or contract workers, they are generally highly skilled trades or educated professionals such as engineers or designers rather than base-skilled labour.</p> |

| Product / service procured | Generally known modern slavery risks |
|---|--|
| <ul style="list-style-type: none"> Fuels | <p>Key risks relating to this category are outlined below:</p> <p>There is a risk that raw material extraction, manufacture and disposal could be associated with vulnerable populations in higher-risk countries. There is also the risk that vessels used for the transport of fuel could expose crew to forced labour or unacceptable working conditions.</p> |
| <ul style="list-style-type: none"> Travel | <p>Key risks relating to this category are outlined below:</p> <p>The provision of travel and accommodation related services may involve modern slavery risks, including in relation to the use of base-skilled, subcontracted workers by accommodation providers. APA's travel is primarily domestic and would not generally involve travel to countries where modern slavery is comparatively more prevalent.</p> |
| <ul style="list-style-type: none"> Freight & logistics | <p>Key risks relating to this category are outlined below:</p> <p>There is a risk that freight and logistics services provided by third parties (including warehousing) could involve the exploitation of base-skilled workers. These risks are likely to be higher where these services are provided overseas. There are also particular risks associated with working conditions for seafarers and APA recognise these risks have been exacerbated by the COVID-19 pandemic.</p> |

4 Reporting criteria 4

4.1 Actions taken to assess and address risk

GDI is committed to taking meaningful action to address risks in their operations and supply chain. All of the actions outlined in this section were undertaken by APA on behalf of GDI, given APA operates GDI's assets and is responsible for its supply chain. APA's modern slavery statement provides additional details in relation to its actions, on behalf of APA and GDI.

4.2 Governance Framework

APA's governance framework helps to ensure material risks and opportunities, including risks relating to modern slavery, are escalated through the executive leadership team to the GDI Board with the support of the APA Executive Risk Management Committee, and APA's Risk Management Committee.

The response to modern slavery by APA and GDI is overseen by a cross-functional Modern Slavery Working Group, which is responsible for implementing the modern slavery roadmap. The Working Group was established in late 2019 and is made up of representatives from Procurement, Risk and Compliance, Sustainability & Community, Finance and Legal. The GDI board was updated periodically on the upcoming requirements and policy review.

4.3 Policy Framework

GDI's risk management framework leverages APA's group wide policy framework, which sets the foundation for the approach to managing modern slavery risks.

Key policies governing ethics and integrity at APA during the reporting year can be found in Appendix 2.

4.4 Modern Slavery Risk Management Approach

APA continued to use the operating rhythm set in FY21 whilst delivering to the planned roadmap for this reporting period. Opportunities for improvement were identified and changes made to processes to analyse the spend data for FY22, the desktop risk assessment tool to improve usability, and monthly reporting to the Modern Slavery Working Group.

APA's modern slavery supplier due diligence (which also applies to GDI's suppliers) encompasses:

- APA's new supplier onboarding process and human rights declaration,
- Contractual clauses for new supplier agreements to comply with modern slavery provisions,
- Supplier information from APA's Supplier Prequalification System for new and existing critical suppliers (refreshed annually).

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The modern slavery risk management approach comprises three stages:

Stage 1 – data driven risk assessment:

Spend data from FY21 was mapped against the United Nations Standard Products and Services Codes (**UNSPSC**), country risk assessed against the Walk Free Global Slavery Index 2018 (**GSI**), and supplier risk screening against lists of known sanctions and enforcements relating to a range of issues. The results were categorised into high, medium and low risk suppliers. Further analysis was conducted, and 6 GDI suppliers were shortlisted for further review (of 33 APA high risk suppliers).

Stage 2 – desktop risk assessment:

The 6 GDI suppliers shortlisted in Stage 1 underwent desktop risk assessments to determine if they had the necessary controls in place to manage modern slavery risks in their supply chain.

Results of the desktop risk assessments were analysed by the Modern Slavery Team and Procurement Managers. Findings were presented to the Modern Slavery Working Group and 3 GDI suppliers were identified as requiring further targeted assessment.

Stage 3 – Targeted Supplier Assessments:

APA engaged a reputable external consultancy to provide additional due diligence information in the form of modern slavery red flag reports. The reports provided additional information across modern slavery risk indicators and additional research data for each of the three suppliers.

The reports were reviewed by Procurement Managers and findings presented to the Modern Slavery Working Group. A small number of high risk suppliers have been flagged for additional engagement in early FY23 to understand their approach to modern slavery risk management. The risk will be reassessed, and any suppliers that remain high risk will be managed via the Modern Slavery Response Plan, medium risk suppliers continue to be monitored.

CASE STUDY – Beyond the first tier

Product and supplier analysis for safety and protective clothing

APA recognises that PPE can involve higher modern slavery risks. In FY22, APA continued to monitor and consolidate items of safety clothing and PPE, further reducing the number of brand manufacturers they have on their approved range by 25%. APA have also moved PPE items to their approved supplier's own manufactured brand to simplify modern slavery compliance management and secure stock supplies.

COVID-19 restrictions in FY22 led to challenges with monitoring compliance to ethical sourcing and accreditation due to factory shutdowns. As factory audits have slowly resumed, APA received 16 of 17 certificates of currency relating to factories its supplier sources from. These include:

- Worldwide Responsible Accredited Production (**WRAP**), one of the world's largest independent facility certification programs,
- Sedex Members Ethical Trade Audit (**SMETA**), which provides a globally recognised way to assess responsible supply chain activities and good practice in ethical audit technique, and
- Ethical Clothing Australia (**ECA**), an accreditation body working collaboratively with local textile, clothing and footwear businesses.

These audit certifications provide a globally recognised audit technique to independently assess responsible supply chain activities at a factory level.

Further consolidation is planned for PPE gloves and eye protection in FY23.

4.5 Modern Slavery Roadmap

Raising awareness through communications

A dedicated intranet site was established for all APA employees to readily access information about the Modern Slavery Program. The site provides links to frequently asked questions, APA's modern slavery statement, modern slavery e-learning, an awareness video, internal communications articles published throughout the year, and details on how to safely report concerns about modern slavery.

Development of the Responsible Procurement Strategy

In FY22, APA engaged a professional third-party service provider to assist in the development of the Responsible Procurement Strategy. The objective being to undertake a broader Environment, Social and Governance (**ESG**) and modern slavery risk and opportunity assessment within APA's supply chain utilising the third-party risk tool. A gap analysis to ISO20400², to understand the current state and approach to sustainable procurement was also undertaken to build a maturity roadmap to 2025. Along with focused initiatives, the objective is to increase APA's maturity in its sustainable procurement capability.

The Responsible Procurement Strategy is targeted for approval by APA's Executive Leadership Team, with key initiatives identified for strategy execution to commence in FY23. The strategy will also apply to GDI's supply chain.

Supplier selection and onboarding

During FY22 new suppliers were onboarded using the APA supplier onboarding process. The process ensures suppliers declare their commitment to respect workers' fundamental human rights before they are added to APA's systems. These commitments include:

- providing a safe working environment (and appropriate accommodation facilities if being provided),
- paying a fair wage in accordance with all relevant State and Commonwealth laws and regulations,
- equal treatment without distinction based on gender, race, age, religion,
- freedom from forced labour, including access to employee documentation and passports (if internationally sourced labour), and
- freedom to join a union or other similar collective bargaining arrangement.

For all procurement-managed spend >\$200k a precedent agreement is considered, in accordance with APA's Procurement Policy. The precedent agreement includes modern slavery clauses and obligations that were added in FY21.

² ISO20400 is the international guidance standard for sustainable procurement.

<https://www.iso.org/obp/ui/#iso:std:iso:20400:ed-1:v1:en>

CASE STUDY – Deep dive into cleaners

A high-risk area for modern slavery in Australia is the provision of cleaning services. APA procures a range of cleaning related services for the corporate offices and sites around Australia.

During the year, APA reviewed its cleaning services providers across Australia to assess and understand the risk exposure across all sites. Some of these sites are also used by GDI. APA also wanted to better understand the range of suppliers in its network.

No immediate modern slavery risks were identified by this process. Many of APAs suppliers have:

- Modern Slavery Policies,
- Codes of Conduct that addresses modern slavery,
- issued mandatory or voluntary modern slavery statements,
- become members of the Cleaning Accountability Framework (**CAF**), which aims to improve labour practices in the sector (this includes the majority of APAs main corporate offices), or pre-qualified CAF suppliers.

As part of APAs continuous engagement approach to modern slavery, and in line with how they onboard new suppliers, APA have asked its existing cleaning services suppliers to formally accept APA's Code of Conduct and commit to upholding fundamental human rights, including human rights relating to freedom from modern slavery. APA have received positive feedback from many of its cleaning services suppliers. As of 1 October 2022, APA have received acceptance from 65% of those suppliers.

4.6 Grievance mechanisms and remediation

As outlined in this statement, APA take a range of steps to prevent and mitigate its modern slavery risks. However, APA recognise that it is also important that they are prepared to respond to modern slavery related allegations or incidents.

APA's externally managed whistleblower line (available by phone and email) provides an independent, impartial and confidential means of reporting potential incidents, including any concerns related to modern slavery or broader labour rights issues. The whistleblower mechanism is available to all employees, contractors and other stakeholders, including suppliers and their workers.

During the year, APA continued to raise awareness of the whistleblower process through regular employee communications, including when the updated Code of Conduct was rolled out. Importantly, information about modern slavery red flags and the whistleblower mechanism was also included in the modern slavery training for employees.

During the reporting period, no complaints relating to modern slavery were received through the whistleblower mechanism. However, APA understands that modern slavery is complex to identify and that not identifying any incidents does not mean modern slavery could not occur in its supply chains.

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4.7 Development of Modern Slavery Response Plan

During the reporting period, APA developed and launched a four-step Modern Slavery Response Plan (**Response Plan**) in close consultation with the Modern Slavery Working Group.

1. Identify
2. Review
3. Investigate
4. Remediate

The aim of the Response Plan is to provide a framework for APA to appropriately manage a potential modern slavery allegation or incident involving a supplier. An external business and human rights advisory firm was engaged to help align the Response Plan with the UNGPs. For example, the Response Plan provides guidance about how to assess whether APA may have caused, contributed to, or be directly linked to modern slavery, in line with the UNGPs.

No incidents or reports of modern slavery were received in FY22. APA understands that each allegation or incident of modern slavery raised will be unique. As per the Response Plan, any future reports of modern slavery would undergo the following process and would be applied by APA on behalf of GDI:

- Establish a cross-functional team to manage the response;
- Work to prioritise the best interests of any victims;
- Consider the most appropriate approach to engage with law enforcement and other; external stakeholders;
- Take other relevant steps to investigate the allegation or report, and;
- Work to always ensure the safety of our employees and any victims.

In FY23 the Response Plan will be formally incorporated into APA's Procurement Standard.

5 Reporting Criteria 5

5.1 Effectiveness assessment

Assessing the effectiveness of modern slavery risk management helps understanding the impact of our actions and identify opportunities for continuous improvement.

An effective response to modern slavery risks as one that is: fit for purpose; tailored to context and risk profile; and meaningfully implemented across the business.

APA aim to take an evidence-based approach to assessing the effectiveness of their actions. The Modern Slavery Working Group is primarily responsible for assessing the effectiveness of APA's actions as part of its annual operating rhythm. The table below sets out how APA monitors the effectiveness of its actions against key areas of its response.

| Key actions taken | Outcomes | How we seek to measure the effectiveness of our actions |
|---|---|--|
| Governance of Modern Slavery Program | | |
| Regular Modern Slavery Working Group meetings | Meetings held monthly to progress the roadmap and track actions. | Active participation by all Working Group members. Key actions implemented to schedule. |
| Development of Responsible Procurement Strategy | Annual review of strategy will incorporate progress of key initiatives and will be refreshed to further enhance maturity in responsible procurement capability. | Responsible Procurement Strategy approved and published internally. |
| Grievance mechanisms and remediation | | |
| Monitoring of whistleblower mechanism | Number of whistleblower complaints raised by financial year, which helps us to understand how the whistleblower mechanism is operating. | Zero whistleblower complaints raised in respect to modern slavery in FY22. |
| Development of APA's Modern Slavery Response Plan | When the Modern Slavery Response Plan is activated, APA would seek to assess its effectiveness by reviewing any lessons learned. | Modern Slavery Response Plan approved and integrated into procurement standard. |

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| Raising awareness | | |
|---|---|---|
| <p>Taking steps to raise awareness of modern slavery to all APA employees</p> | <p>Number of articles published (4 in FY22) and feedback received.</p> <p>Monitor site traffic to track engagement.</p> <p>Feedback from employees, which helps to further tailor the intranet site and FAQs to employees' needs.</p> | <p>Internal comms articles published to all APA employees.</p> <p>Creation of modern slavery information site on intranet.</p> <p>Modern slavery FAQs developed and published internally.</p> |
| Procurement documentation | | |
| <p>Update Standards and Procedures to include specific modern slavery protocols</p> | <p>Feedback from employees and suppliers which helps in identifying areas where further governance or guidance is required.</p> | <p>Procurement Policy and Procurement Standard published for use by all APA embedded into business-as-usual practices.</p> |
| <p>Review of Risk Management Approach</p> | <p>Annual review of Risk Management Approach.</p> | <p>Improvements from FY22 incorporated into Risk Management Approach.</p> |
| Risk Management | | |
| <p>Implementation of APA's Risk Management Approach</p> | <p>Number of desktop risk assessments completed for high-risk suppliers.</p> <p>Number of targeted supplier assessments commenced for shortlisted suppliers.</p> | <p>6 desktop risk assessments completed for high-risk suppliers. 3 suppliers identified as requiring targeted review.</p> <p>2 suppliers identified as requiring further investigation.</p> |
| <p>Selection and onboarding of new suppliers</p> | <p>New supplier procedure declarations tracked for completeness, which helps APA to determine if suppliers understand the process.</p> | <p>Number of successfully completed new supplier declarations in FY22.</p> |

Impact of COVID-19

APA responded to the COVID-19 pandemic in FY21 by reducing payment timeframes for regional and smaller suppliers (<50 employees). To continue support of small businesses in the supply chain the preferential payment terms were made permanent in FY21 and were implemented for any new small suppliers in FY22.

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5.2 Looking forward

APA is continuing to learn and mature its approach to modern slavery year on year. The roadmap has been agreed with the Modern Slavery Working Group and it builds on the progress to date, and the improvement opportunities identified in FY22.

The priorities in the coming year are:

TRAINING & AWARENESS - embed modern slavery training as part of business as usual, extend information sharing and awareness communications.

RISK MANAGEMENT - deep dives / audits for suppliers operating in high risk categories and/or countries.

CONTINUOUS IMPROVEMENT – review of supplier modern slavery questionnaire. Review and uplift of the Risk Management Approach and desktop risk assessment tool.

DOCUMENTATION – review and update relevant policies and procedures to integrate the risk management approach.

RESPONSIBLE PROCUREMENT – finalisation and approval of inaugural strategy. Commence execution of the responsible procurement strategy through targeted initiatives.

INDUSTRY COLLABORATION - continue to engage with industry networks and peer groups to provide opportunities for shared learnings in the assessment of suppliers beyond the first tier.

6 Reporting criteria 6

6.1 Process of consultation with reporting entities and owned or controlled entities

GDI (EII), Allgas and their owned or controlled entities (which do not trade) have a common directorship and management team. They also share a supply chain, which is managed by APA. This statement was prepared in tandem with APA's statement. Accordingly, APA and GDI have a common modern slavery risk in their operations and supply chains, which is described in this statement.

The members of all of the GDI boards are common and have been notified of the key requirements of the Modern Slavery Act and the actions undertaken to address and access the risk of modern slavery as detailed in this statement.

7 Appendix 1 – Reporting Entities

| Name | Description |
|--|---|
| GDI (EII) Pty Limited ACN 154 766 524 | An unlisted investment vehicle that wholly owns the Allgas natural gas distribution network. |
| Allgas Energy Pty Limited ACN 009 656 446 | The trading entity for the Allgas Network which extends from Brisbane, south of the river, to the northern tip of New South Wales, with separate networks in Toowoomba and Oakey. |
| Allgas Toowoomba Pty Limited ACN 009 655 645 | Holds network infrastructure assets. |
| Allgas Pipelines Operations 1 Pty Limited ACN 154 784 853 | Holds the investment in Allgas Pipelines Operations Pty Limited. |
| Allgas Pipelines Operations Pty Limited ACN 076 666 807 | Holds easements. |

8 Appendix 2 – APA’s Policy Framework

| Policy | Relevance to Modern Slavery | How this policy continued to be implemented at APA during the reporting period |
|---|---|---|
| <p><u>Code of Conduct</u></p> | <p>The principles and business standards that support safety, anti-harassment, anti-bullying, anti-discrimination, human rights (such as modern slavery), community engagement, environmental protection, anti-corruption and data privacy and security, and prevent anti-competitive behaviour. The Code of Conduct was updated during FY22.</p> | <p>APA’s Code of Conduct is available to all suppliers on the APA website and is referred to in APA’s precedent works and contractor agreements, in its purchase order terms and conditions, and new supplier request form.</p> <p>The Code of Conduct makes it clear that it is expected that suppliers, contractors, and business partners to uphold the principles and standards. Suppliers have an obligation under the Code of Conduct to advise APA of any illegal or unethical practices of which they become aware, which would include modern slavery. Consequences of non-compliance with the Code can include termination of contract.</p> |
| <p><u>Diversity and Inclusion Policy (Including Equal Employment Opportunity)</u></p> | <p>The current policy sets out APA’s principles for a diverse and inclusive workplace, including guidelines on acceptable behaviour and anti-discrimination practices. This also helps APA to model the same behaviour they expect from its suppliers in relation to the rights of workers.</p> | <p>Fair treatment awareness training is mandatory for all APA employees, and an inclusive leadership course is available for people leaders.</p> <p>The Diversity and Inclusion Policy applies to all APA workplaces, employees, contractors, consultants, visitors and other workplace participants. The Policy extends to conduct in any work-related context, including outside of normal working hours.</p> <p>In FY23 the current Diversity and Inclusion policy is being renewed.</p> |
| <p><u>Anti-Bribery and Corruption Policy</u></p> | <p>APA’s commitment to fostering business integrity including detecting and preventing bribery, corruption and fraud, it is recognised that these can facilitate modern slavery.</p> | <p>Training is provided annually to senior leadership and managers of employees.</p> <p>APA recorded zero confirmed incidents of fraud, bribery or corruption in FY22.</p> |

| Policy | Relevance to Modern Slavery | How this policy continued to be implemented at APA during the reporting period |
|---|---|---|
| | <p>The Anti-Bribery and Corruption Policy prohibits bribery and corruption in any form.</p> | |
| <p><u>Health, Safety and Wellbeing Policy</u></p> | <p>The Policy sets out APA's commitment to provide workplaces free of injury and support the good health, wellbeing, respect and inclusion of all employees, contractors and visitors.</p> | <p>The Policy is implemented through APA's Health, Safety, Environment and Heritage Management system (HSEH) Safeguard which identifies and establishes controls to meet the objectives of the policy.</p> |
| <p><u>Risk Management policy</u></p> | <p>The Risk Management Policy sets out APA's overall risk management principles and approach to risk management and is aligned to the international risk management standard ISO 31000.</p> | <p>The Policy informs APA's Risk Management Approach to modern slavery.</p> <p>Consideration of the risk across countries, suppliers and product /service categories, recognising social performance and specific international social impact risk data, to drive supplier reviews and interventions. These reviews consider the control environment supporting key risk areas for suppliers including legal requirements, confidence in assurance provided, independent third-party reviews together with brand and reputation impacts of transacting with the supplier.</p> |
| <p>Compliance Policy</p> | <p>The Policy supports a culture of regulatory compliance and ethical decision-making and ensuring appropriate updates and reporting to regulators.</p> | <p>The Compliance Management System (CMS) ensures APA complies with the applicable legal, regulatory, standards, codes and licence requirements, including the Modern Slavery Act 2018 (Cth). The CMS also ensures processes are established for identification of regulatory change to provide for timely change implementation activities.</p> <p>APA has adopted a risk-based approach to managing the risks of modern slavery in its operations and supply chain and is supported by a model of continuous improvement.</p> |

FY22 Modern Slavery Statement

FY22

| Policy | Relevance to Modern Slavery | How this policy continued to be implemented at APA during the reporting period |
|--|---|--|
| <p><u>Whistleblower Policy</u></p> | <p>The process for APA’s people to report matters of concern and suspected wrongdoing that constitutes reportable conduct.</p> <p>The Whistleblower Policy provides for disclosures regarding modern slavery practices occurring in APA’s supply chain.</p> | <p>The Whistleblower Policy is available on the APA website.</p> <p>Whistleblower reports or disclosures made are investigated by the Disclosure Officer, and where substantiated, process or control improvements implemented.</p> |
| <p>Procurement Policy</p> | <p>The Procurement Policy and associated performance requirements and procedures reflect APA’s approach to identifying and mitigating modern slavery risk and to align with its Code of Conduct.</p> | <p>The Procurement Policy and associated requirements and procedures is available for all employees via APA’s intranet. The approach to identifying and managing modern slavery risk is embedded within the procedures with training and communications in place focussed on the role of employees in identifying modern slavery issues, looking out for supplier red flags and raising awareness on modern slavery across our business.</p> |

9 Appendix 3 - How our statement addresses the mandatory criteria

| Mandatory criteria | Section | Page number/s |
|---|---|---|
| a) Identify the reporting entity | About this statement Appendix 1 | Page 2 Page 21 |
| b) Describe the reporting entity's structure, operations and supply chains | About GDI Operating model Operations and supply chain | Page 2 Page 5 Page 5 - 6 |
| c) 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 our modern slavery risks Modern slavery risks in our operations Modern slavery risks in our supply chain | Page 7 Page 7 Page 8 - 10 |
| d) 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 | Actions taken to assess and address the risks Policy framework Risk management approach Modern slavery roadmap Grievance mechanisms and remediation Modern slavery response plan | Page 11 Page 22- 24 Page 11 - 12 Page 14 Page 15 Page 16 |
| e) Describe how the reporting entity assesses the effectiveness of these actions | Effectiveness assessment Looking forward | Page 17 - 18 Page 19 |
| f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls | Process of consultation | Page 20 |
| g) Any other information that the reporting entity, or the entity giving the statement, considers relevant | Impact of Covid-19 Message from GDI Chairman Modern slavery journey to date | Page 18 Page 3 Page 4 |