

APLNG Statement on Modern Slavery 2023



Austra



ConocoPhillips



Australia Pacific LNG Pty Ltd

This statement is made pursuant to the *Modern Slavery Act 2018 (Cth)* (the Act) by Australia Pacific LNG Pty Limited (ABN 68001646331) (APLNG) and is APLNG's fourth statement on modern slavery, covering the financial year ending 30 June 2023.

APLNG's subsidiaries include:

- Australia Pacific LNG (Moura) Pty Limited
- Australia Pacific LNG CSG Marketing Pty Limited *
- Australia Pacific LNG (CSG) Pty Limited *
- Australia Pacific LNG CSG Processing Pty Limited
- Australia Pacific LNG CSG Transmissions Ry Limited
- Australia Pacific LNG Gladstone Pipeline Ry Limited
- Australia Pacific LNG Marketing Pty Limited *
- Australia Pacific LNG (Ironbark) Ry Limited
- Australia Pacific LNG Downstream Holdings Ry Limited
- Australia Pacific LNG Processing Pty Limited *
- Australia Pacific LNG (Shared Facilities) Pty Limited

This is a joint statement made on behalf of APLNG and those subsidiaries marked with an asterisk (*) in the list to the left, which are themselves reporting entities for the purposes of the Act. APLNG and its subsidiaries share the same policies and processes and operate in the same sector, often sharing the same suppliers. This statement on modern slavery is therefore a consolidated description of the actions taken to address modern slavery risks by each reporting entity and company within the APLNG group of companies.

APLNG is opposed to all forms of modern slavery and this statement describes the risks of modern slavery practices in the operations and supply chains of APLNG (including its subsidiaries and appointed Operators and Service Providers) and the actions taken to assess and address those risks.



Operations and Structure of APLNG

APLNG is a Queensland based incorporated joint venture between ConocoPhillips Australia Pacific LNG Pty Ltd (**ConocoPhillips Australia**) (47.5 per cent), Origin Energy Limited (**Origin Energy**) (27.5 per cent), and Sinopec Australia Pacific LNG Pty Ltd (**Sinopec**) (25%) (together, the “**Shareholders**”).

APLNG owns and operates a range of exploration and production assets associated with the production of natural gas and liquefied natural gas (**LNG**) in Queensland and supplies both the Australian east coast domestic gas market and international LNG markets. APLNG also holds working interests in non-operated joint ventures operated by third parties engaging in similar exploration and production activities.

Domestic gas is supplied directly to commercial and industrial customers and to retailers that supply the Australian east coast domestic gas market. LNG is supplied to Asia under long-term sale and purchase agreements, as well as spot LNG sales to international destinations.

The key elements of APLNG’s operated activities include:

- the development of APLNG’s gas fields in the Surat and Bowen basins in Queensland
- operations and maintenance of APLNG’s gas field production infrastructure and high-pressure gas pipelines in Queensland
- operations and maintenance of APLNG’s downstream LNG facilities on Curtis Island near Gladstone.

The structure of APLNG’s governance framework is described in Figure 1 below.

The framework governs the relationship and activities of APLNG as well as APLNG’s Shareholders, Board, Board Sub-Committees, Management, Upstream and Downstream Operators, CSG Marketing Agent, LNG Marketing Services Provider, and the Corporate Services Provider (which are defined below).

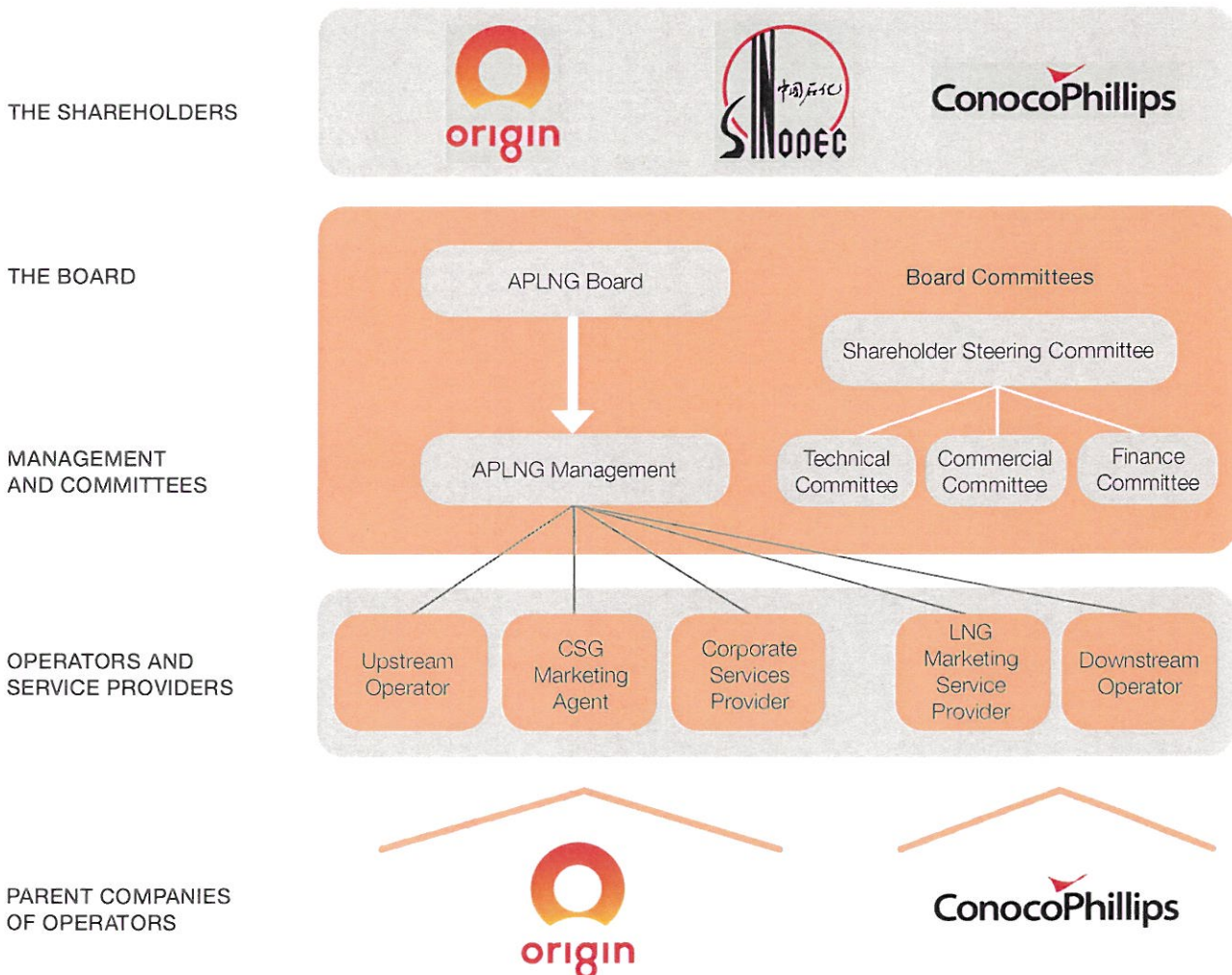


Figure 1 - APLNG’s Governance Structure

APLNG's Operators and Service Providers

Upstream and Downstream Operations

APLNG's upstream and downstream operations and activities are undertaken by operators appointed by APLNG (**APLNG's Operators**).

APLNG's upstream operations and activities are undertaken by Origin Energy Upstream Operator Pty Ltd (**Upstream Operator**).

The activities undertaken by the Upstream Operator on behalf of APLNG include the day-to-day management, operation and maintenance of all APLNG owned and operated gas field facilities and infrastructure (**APLNG Operated Assets**) and the management of APLNG's non-operated joint venture interests in gas fields, facilities and infrastructure operated by third parties (**APLNG Non-Operated Assets**). APLNG's Operated and Non-Operated Assets comprise of existing coal seam gas (**CSG**) wells and the drilling and completion of new CSG wells and associated surface facilities, gas and

Under the APLNG Shareholders' Agreement, the water gathering pipeline systems, gas processing and compression facilities, water and brine treatment and storage facilities and high-pressure gas transmission pipelines. The Upstream Operator also manages stakeholder relationships with landholders and with the communities associated with APLNG Operated Assets.

APLNG's downstream operations and activities are undertaken by ConocoPhillips Australia Operations Pty Ltd (**Downstream Operator**). The activities undertaken by the Downstream Operator on behalf of APLNG include the day-to-day management, operation and maintenance of the APLNG owned LNG processing facilities and related infrastructure on Curtis Island. APLNG's LNG facilities comprise of two gas to LNG processing trains, LNG storage tanks, loading jetty, operational control centre and associated infrastructure services including power, water and telecommunications.

Corporate Services and Marketing Activities

APLNG's corporate services activities are undertaken by Origin Energy Limited (**Corporate Services Provider**). The activities undertaken by the Corporate Services Provider on behalf of APLNG involve the day-to-day management of APLNG's consolidated accounting and treasury functions and the provision of services associated with tax, insurance, legal, company secretarial, or as otherwise required by APLNG.

APLNG's domestic gas marketing activities are managed by Origin Energy Upstream Operator Pty Ltd (**CSG Marketing Agent**). The activities managed by the CSG Marketing Agent on behalf of APLNG involve the day-to-day management of APLNG's domestic gas marketing supply and transportation requirements.

APLNG's LNG marketing activities are supported by ConocoPhillips Australia Operations Pty Ltd (**LNG Marketing Services Provider**). The activities provided by the LNG Marketing Services Provider on behalf of APLNG include marketing, customer interface and vessel chartering.

Corporate Services Provider, CSG Marketing Agent and LNG Marketing Services Provider are collectively referred to as **Service Providers**.

Shareholders and APLNG record their agreement as to the manner in which the upstream and downstream operations, CSG and LNG marketing activities and corporate services will be conducted. The APLNG Board is responsible for the overall direction and management of APLNG, including giving direction in respect of those functions.

Each of APLNG's Operators and Service Providers described above are engaged under long-term agreements, each of which sets out the terms and conditions of the appointment. These include that the respective Operator or Service Provider must carry out its obligations in accordance with all applicable laws (including those relating to modern slavery) and in accordance with the directions of APLNG given under the respective agreement. The functions of each must be carried out in a diligent manner, and in the case of APLNG's Operators, in accordance with the standards of a reasonable and prudent operator.

APLNG Management exercises oversight and direction over these services via various forums, including regular Board Sub-Committee meetings and Board meetings as well as regular reporting, maintaining delegations of authority limits, and following well documented governance processes (refer Figure 1 for further detail).

APLNG's Supply Chains

APLNG's supply chain extends across its upstream and downstream operations and includes the procurement of goods, services and energy, managed by APLNG's Operators and Services Providers to support the activities referred to above. The range of categories and types of goods and services sourced in respect of APLNG's upstream and downstream operations and activities include, but is not limited to, wellheads, drilling and gathering, engineering, facilities maintenance, spare parts, utilities and waste management, accommodation, cleaning and catering, IT, labour and corporate services,

freight and ferry/barge services, safety equipment and construction services.

Across its upstream operations, APLNG has approximately 895 suppliers, with vendors registered in Australia making up more than 99 per cent of total spend. Across its downstream operations, APLNG has approximately 600 suppliers, with vendors registered in Australia making up more than 93 per cent of total spend. In certain cases, vendors supply both upstream and downstream operations.

APLNG's Approach and Values: Operations and Supply Chain Activities

APLNG's position on human rights and modern slavery is reflected in APLNG's *Ethics & Code of Conduct* and *Health, Safety and Environment* policies, which apply to both APLNG as a corporate entity and its secondees (where relevant). As described, APLNG conducts its business:

- in compliance with laws and to the highest ethical standards in a way which is consistent with fundamental human and labour rights and treating all APLNG stakeholders, internal and external, equally and with respect;
- valuing the wellbeing of APLNG's workers, customers, the communities in which APLNG operates and the environment; and
- respecting the rights, interests, diverse cultures and values of the people and communities in which APLNG operates.

This position is further supplemented and enshrined in the approaches adopted, and commitments made, by APLNG's Operators and Service Providers in undertaking APLNG's operations and supply chain activities on behalf of APLNG, as described in the *Human Rights Policy* of Origin Energy and the *Human Rights Position Statement* and *Code of Business Ethics and Conduct* of ConocoPhillips respectively. These approaches and commitments include:

- commitments to act ethically and responsibly;
- rejecting slavery and human trafficking in any parts of business or supply chain;

- conducting business in a way which is consistent with the human rights philosophy expressed in the Universal Declaration of Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work; and
- respecting, protecting and upholding fundamental human rights at all operations and projects and addressing modern slavery.

APLNG also relies on Origin Energy's Supplier Code and ConocoPhillips' Supplier Expectations to ensure further compliance with relevant human rights practices.

APLNG takes all allegations of any type of unethical or illegal behaviour very seriously and APLNG promotes an open and transparent workplace.

APLNG has an established mechanism through which employees or former employees and contractors can raise a complaint or grievance in relation to APLNG's modern slavery practices. In particular, under [**APLNG's Whistleblower and Modern Slavery Disclosure Policy**](#), APLNG encourages the reporting by eligible whistleblowers of any instances or suspicions of misconduct, or improper state of affairs or circumstances and provides protections and measures to ensure persons can make such disclosures confidentially and without fear of reprisal, victimisation or detriment. Similar policies and protections exist across Origin Energy and ConocoPhillips, covering APLNG's upstream and downstream operations and supply chain.



Risks of Modern Slavery Practices in Operations and Supply Chains and Due Diligence Processes

Certain activities within APLNG's operations and supply chain could contribute to or be linked to the risk of modern slavery practices in its various forms. This could occur across APLNG's upstream, downstream and corporate operations and respective supply chains (in respect of both APLNG's Operated Assets and Non-Operated Assets), including via employment conditions associated with employees, secondees and contractors involved in APLNG's operations, suppliers of goods and services to APLNG and APLNG's Operators and Service Providers, and transportation of products to customers.

Risk management and due diligence processes are undertaken on an ongoing basis to assess, prioritise and address the risks of modern slavery across APLNG's upstream and downstream operations and supply chains. These processes involve assessing risk factors associated with third-party spend for goods and services, including across country of operations, categories or sectors and resources and goods utilised. These assessments are then used to inform appropriate due diligence activities when sourcing suppliers and improvement plans associated with managing modern slavery risks.

In relation to APLNG's upstream activities, the Upstream Operator continues to apply a four-step methodology to identify, assess and address modern slavery risks in its operations and supply chain. The Upstream Operator's Modern Slavery Risk Management Toolkit assists in identifying which suppliers to prioritise for increased assurance. The higher-risk supplier profiles identified through this assessment in FY2023 were consistent with those identified in FY2022: direct and indirect manufacturing (i.e., suppliers that manufacture, or distribute goods manufactured, in a country with higher risks of modern slavery practices), onshore and offshore services (i.e. suppliers of services in industries with higher risks of modern slavery practices), and commodities (i.e. suppliers providing goods containing commodities with higher risks of modern slavery practices). In addition, the Upstream Operator established a priority risk profile which considers the presence of intersecting modern slavery risk factors.

In relation to APLNG's downstream activities, through the Downstream Operator's risk assessment processes, higher-risk supplier profiles identified in FY2023 were, similarly, the manufacture of components such as valves, gaskets and fasteners by subcontractors of suppliers in countries in the Asia-Pacific region, which are considered higher-risk due to socioeconomic factors such as poverty or a poor human rights track record. In addition, cleaning and catering services and the provision of direct hire labour, each of which may involve low wages and manual labour, were assessed as potentially having modern slavery risks.

Another area assessed was the relatively few vessels chartered by the APLNG for delivered at terminal spot cargos, as seafarers may originate from high-risk jurisdictions. This is an area in which the LNG Marketing Services Provider has rigorous, well established ship vetting and inspection procedures which ensure that the requirements of the *Maritime Labour Convention 2006* are met. Although the LNG Marketing Services Provider does not directly engage seafarers, by working collaboratively with reputable vessel owners and operators, it ensures these statutory rights are upheld. The vessels are also under the jurisdiction of, and are audited periodically by, the Australia Maritime Safety Authority when they load at the Port of Gladstone.

Following completion of the respective risk assessment processes, which focused on high-risk geographies, product and service categories, business models structured around high-risk work practices and vulnerable populations, key suppliers were identified and corrective action plans / improvement opportunities were implemented with the supplier to ensure their operations and supply chain activities effectively managed any potential modern slavery risks.

To date, no material risks or known modern slavery practices have been identified across APLNG's operations and supply chain activities.



FY2023 Continuous Improvement to Address Risks of Modern Slavery

APLNG Management

During the reporting period, APLNG Management progressed the implementation of actions documented in the *FY23-24 APLNG Modern Slavery Action Plan*, developed following the maturity self-assessment in FY2022. The following specific actions were undertaken or progressed during the FY2023:

- APLNG engaged a third-party supplier to utilise the global Social Responsibility Alliance’s slavery and trafficking risk framework to assist APLNG to assess all current and future APLNG suppliers for modern slavery risks and collaborate with APLNG on implementing effective risk remediation actions and compliance verification activities. APLNG will leverage the supplier’s expertise to develop timely compliance solutions that assist our business to navigate and fulfil regulatory requirements in addition to prequalifying suppliers to allow APLNG to focus on risk remediation efforts. APLNG will benchmark its modern slavery

actions and remediation plans enabling the verification of the effectiveness of the APLNG risk assessment/management program ensuring we can continually implement improvements in relation to our modern slavery risk profile;

- APLNG maintained regular collaboration forums with APLNG’s Operators and Service Providers to build understanding and capability with respect to modern slavery risk mitigation across the joint venture and allow for lessons learned to be shared so that APLNG may collectively strive for the effective elimination of modern slavery from our business;
- APLNG continued to participate in the Human Rights Resources and Energy Collaborative.

The development and implementation of further actions arising from the benchmarking exercise will continue into FY2024.





Upstream

Activities undertaken during the reporting period by the Upstream Operator include a continued focus on embedding the policies and processes developed in previous reporting periods across its initial Modern Slavery Maturity Plan including: building understanding and capabilities; improving policies and processes; and enhancing engagement with suppliers.

This was complemented by the development of a further two-year Modern Slavery Maturity Plan outlining key deliverables across FY2023 and FY2024 with a continuous improvement approach to review and strengthen controls and mature processes and systems.

Building Understanding and Capabilities

In FY2023, the Upstream Operator continued to build understanding and capability across its group entities and supply chain by:

- continuing to deliver the tiered modern slavery training strategy to upskill people across the business;
- prioritising representation and participation in quarterly Origin Energy Modern Slavery Working Group meetings to share internal learnings, challenges and promote a whole-of-Origin approach in delivering against the Modern Slavery Action Plan. Four sub-committees also met regularly to focus on specific actions in identifying, assessing and addressing risk to people as relevant to key business activities such as procurement, commodities and shipping; and
- undertaking an internal assessment of salient human rights issues, supported by an external human rights expert review. Modern slavery risks was a key focus of the internal assessment and expert review.

Improving Policies and Processes

In FY2023, the Upstream Operator also continued to improve its policies and processes to assist it to proactively address the risks of modern slavery in its supply chain activities. In particular, the Upstream Operator:

- worked with the Human Rights Resources and

Energy Collaborative, a group of Australian energy and resources companies that share knowledge and develop practical tools to identify and address modern slavery in supply chain activities, to develop an industry aligned shared principles document and Frequently Asked Questions guide. As a result of these collaborative activities, the Upstream Operator developed a standalone Social Audit Protocol to outline expectations when assessing the working conditions and human and labour rights protections at supplier sites. The Social Audit Protocol assists in determining if suppliers are complying with the Supplier Code;

- strengthened the Modern Slavery Risk Assessment Procedure by integrating the Supply Chain Traceability Tool and Social Audit Protocol to improve contract pre-award due diligence processes for suppliers with higher-risk exposure to modern slavery type practices;
- joined Sedex, a leading ethical trade platform to manage supply chain risk and facilitate improvements through social audits and
- updated people-related policies to improve their alignment with Origin's Human Rights Policy.

Enhancing Engagement with Suppliers

In FY2023, the Upstream Operator also focused on enhancing its engagement with suppliers, by:

- supporting small business suppliers to help them meet Origin's Supplier Code requirements and better manage shared supply chain risks by developing and deploying modern slavery training for local, regional and Indigenous suppliers to build their capacity, and awareness and understanding of the risks and indicators of modern slavery practices. This was shared with a pilot group of 20 suppliers to build their baseline awareness of modern slavery risk indicators and share grievance mechanism for escalating concerns.
- developing relationships with five third-party social auditors accredited by the Association of Professional Social Compliance Auditors to facilitate independent social audits of suppliers.



Downstream

The Downstream Operator undertook a range of activities to address risks of modern slavery in downstream operations and supply chains during the reporting period, including the following:

- Continuing its internal modern slavery working group comprising representatives from a number of functions to assess and address modern slavery risks in our operations and supply chain.
- Delivering a program of modern slavery training to end users of key contracts across different functions to raise awareness of modern slavery and steps that end users can take to identify and mitigate those risks when dealing with suppliers.
- Delivering modern slavery training induction modules to all new employees to raise awareness of high-risk industries, products and services.
- Utilising the internally-developed risk assessment tool to identify modern slavery risks using indicators such as the country in which the supplier operates, the supplier's industry sector, the nature of the supplier's operations or services and its supply chain as well as its relationship with the relevant reporting entity.
- Issuing and evaluating the vendor questionnaire to a further 29 of our suppliers identified as being higher-risk, to seek information relevant to the assessment of modern slavery risks, including country of origin and the ways in which the vendor is addressing its own modern slavery risks. To date, no material risks of modern slavery have been identified.
- Extending due diligence beyond those suppliers considered most at risk and those with whom ConocoPhillips Australia has the largest annual spend and an ongoing relationship, to include suppliers with whom ConocoPhillips has a smaller annual spend and an ongoing relationship with.
- Ensuring that ConocoPhillips Australia's standard contract terms and invitations to tender, which incorporate provisions with respect to compliance with applicable human trafficking and modern slavery laws, are used in respect of all contractors or suppliers entering into new contracts.
- Ensuring ConocoPhillips Australia's ethics reporting framework and policies are accessible and that ethics issues or grievances can be reported confidentially and without fear of reprisal by publishing the framework and policies on the Conoco Phillips external company website. There were no incidents of modern slavery reported through ConocoPhillips Australia's ethics reporting framework or under ConocoPhillips Australia's whistleblowing policy during the reporting period.



Assessing the Effectiveness of Actions Taken

APLNG acknowledges that identifying and addressing modern slavery risks and practices across APLNG's supply chain requires continuous commitment, assessment, adjustment and improvement. The effectiveness of the actions and initiatives (including risk management processes) described above are continually assessed across APLNG's upstream, downstream and corporate operations and supply chain activities via:

- internal audits and other assurance activities undertaken by APLNG's Operators and Service Providers on their respective procurement activities;
- compliance monitoring and reviews of procurement activities and controls, including supplier codes and supplier self-assessment questionnaires; and

- supplier requirements to report on compliance and initiatives.

Continued participation and collaboration with member organisations of the Human Rights Resources and Energy Collaborative, as well as internally, via the APLNG Modern Slavery Collaboration Forum, enables APLNG Management and its Operators to continually review and assess the effectiveness of policies and processes designed to identify, assess and address potential modern slavery risks across the joint venture as well as identify better practices being developed and implemented across the wider sector.

APLNG's benchmarking process (as outlined above) will further enable it to quantitatively assess the effectiveness of the actions it has taken in this reporting period.

Looking Ahead

APLNG will continue to facilitate the sharing of insights and learnings to address modern slavery via structured engagements, both internally across APLNG's Operators and Service Providers, and externally through the engagement of APLNG Management and APLNG Operators with industry peers via the Human Rights Energy and Resources Collaborative and active participation in relevant working groups, as well as seeking other cross-industry collaboration opportunities.

Over the next reporting period, APLNG Management

will continue its implementation of the *FY23-24 APLNG Modern Slavery Action Plan* including the implementation of the online risk framework which will allow for more streamlined assessment, analysis, mitigation actions and reporting on APLNG Management's supply chain and operational risks.

APLNG will undertake a re-evaluation of its modern slavery maturity self-assessment, in light of progress made towards implementation of the *FY23-24 APLNG Modern Slavery Action Plan*.

Consultation Process

In preparing this statement, consultation has included engagement with the following stakeholders:

- Representatives of APLNG's Operators and Service Providers with regards to the activities undertaken by them across APLNG's operations and supply chain on behalf of APLNG;
- Representatives of Origin Energy and ConocoPhillips Australia with regards to ensuring alignment with their own modern slavery statements where appropriate;¹ and
- APLNG's senior management, Shareholders and Board of Directors.

APLNG expects to expand its consultation process with relevant stakeholders as necessary as APLNG's

processes and policies associated with the ongoing management of modern slavery risks and mitigation actions evolves.

APLNG's statement was approved by the APLNG Board of Directors on 9th November 2023 and is signed by a Director of APLNG. A new statement will be published each year as required under the Act.

Director
Australia Pacific LNG Pty Limited and its subsidiaries

¹ [Origin Energy's 2023 Modern Slavery Statement](#) and [ConocoPhillips Australia Pacific LNG's 2022 Modern Slavery Statement](#) are both available online

Statement Annexure: Addressing the Mandatory Reporting Criteria

Principal Governing Body Approval

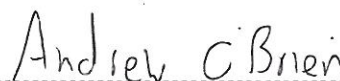
This modern slavery statement was approved by the principal governing body of **Australia Pacific LNG Pty Limited (ABN 68001646331)** as defined by the *Modern Slavery Act 2018* (Cth) ("the Act") on 9th November 2023.

Signature of Responsible Member

This modern slavery statement is signed by a responsible member of **Australia Pacific LNG Pty Limited (ABN 68001646331)** and its subsidiaries as defined by the Act:



APLNG Director Signature



Director Name

Australian Modern Slavery Act Mandatory Reporting Criterion	Reference in This Statement (Page/s)
Identify the reporting entity.	2
Describe the reporting entity's structure, operations and supply chains.	3-5
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	6
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.	7-9
Describe how the reporting entity assesses the effectiveness of these actions.	10
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	10