



# Senex Holdings Pty Ltd

## Modern Slavery Statement

Financial Year 2022

## About this Statement

This Modern Slavery Statement (**Statement**) by Senex Holdings Pty Ltd (ABN 45 656 318 759) (**Senex Holdings**) and its wholly owned and controlled entities (together, the **Senex Group**) is prepared as required by the *Modern Slavery Act 2018 (Cth)* (the **Act**) for the financial year ended 31 December 2022.

Senex Holdings is a reporting entity as defined in the Act and is the parent company of the Senex Group. Senex Holdings is an Australian entity and had consolidated revenue in excess of \$100 million during the financial year ended 31 December 2022. This Statement is a joint statement made by Senex Holdings and also Senex Energy Pty Ltd (**Senex Energy**). Senex Energy is an Australian entity and had revenue in excess of \$100 million during the financial year ended 31 December 2022.

To prepare this joint Statement, Senex Holdings consulted and engaged with the relevant personnel in its controlled entities, including Senex Energy. As Senex Energy is the operating entity of the Senex Group, the majority of the corporate services and business processes, including in the procurement function, sits within Senex Energy.

## Our commitment

The Senex Group is committed to transparency in relation to modern slavery and addressing any modern slavery risks in its operations and supply chain. Utilising the Senex Enterprise Risk Management Framework, our company undertakes risk assessments of modern slavery in our operations and supply chain. This Statement outlines progress to date and our future commitments.

## Our structure and operations

### Senex Holdings

Senex Holdings is an unlisted Australian proprietary company limited by shares, incorporated on 4 January 2022. Senex Holdings is owned 50.1% by POSCO INTERNATIONAL Corporation (a company incorporated in Korea) and 49.9% by Hancock Energy Corporation Pty Ltd. Senex Holdings is an investment holding company, with its only material assets being those which it indirectly owns through its ownership of 100% of the issued shares of Senex Energy.

As of 31 December 2022, Senex Holdings held the following subsidiaries:

- K-A Energy 2 Pty Ltd ACN 656 347 625;
- Senex Energy ACN 006 942 827, which is the holder of 100% of the issued share capital in:
  - Azeeza Pty Ltd ACN 009 030 068;
  - Permian Oil Pty. Ltd. ACN 104 456 386;
  - Senex Assets Pty Ltd ACN 160 649 338;
  - Senex Assets 2 Pty Ltd ACN 650 731 918;

- Senex Compression Facility Pty Ltd ACN 654 787 747;
- Senex Projects Holdings Pty Ltd ACN 662 873 912, which is the holder of 100% of the issued share capital in:
  - Senex Kogan H2 Pty Ltd ACN 662 874 268;
- Senex Qld Exploration Pty Ltd ACN 623 117 251;
- Senex Weribone Pty Ltd ACN 007 897 627;
- Stuart Petroleum Pty Ltd ACN 059 146 226, which is the holder of 100% of the issued share capital in:
  - Stuart Petroleum Cooper Basin Gas Pty Ltd ACN 130 588 055; and
  - Stuart Petroleum Cooper Basin Oil Pty Ltd ACN 130 588 019;
- Victoria Oil Pty. Ltd. ACN 010 514 119; and
- Victoria Oil Exploration (1977) Pty. Ltd. ACN 008 898 431.

## Senex Energy

Senex Energy is an unlisted Australian proprietary company limited by shares, incorporated on 17 November 1980. Senex Energy was previously a public company, until it was delisted from the Australian Securities Exchange on 4 April 2022 following the acquisition of 100% of its issued shares by Senex Holdings by way of a scheme of arrangement. Senex Energy currently employs more than 170 people in Brisbane, Surat Basin and Adelaide.

Senex Energy is a world-class supplier of affordable, reliable and secure energy, committed to delivering essential energy for life. The energy we proudly provide is essential to our modern lives and for the thriving communities we serve. Senex Energy is also a critical energy provider to Australia's manufacturing industry. The energy we supply powers the production of a range of essential goods from bricks to plasterboard to glass bottles. And we're playing our part in the global energy transformation, delivering essential energy for the journey to a cleaner energy future.

## Operations

Senex Energy currently owns and operates two key natural gas developments in Queensland's Surat Basin.

Our Atlas operation, near Wandoan, is dedicated to supplying the domestic market and provides gas to commercial and industrial customers. Senex Energy's Roma North operation, near Roma, provides important natural gas supplies to the GLNG liquefied natural gas project as well as the domestic market.

Senex Energy is a critical energy provider to keep the lights and heat on in Australian households, and for Australia's manufacturing industry. Gas from Senex Energy's Atlas development also helps to support thousands of workers who make essential goods, from cement to bricks to glass bottles.

## Our supply chain profile

Senex Energy predominantly contracts and partners with Australian based companies that provide specialised gas services in the following areas:

- drilling and well completion services;
- construction of well pads and pipelines;
- construction and operations of above-ground gas processing facilities;
- logistics;
- specialist technical services; and
- corporate and professional services.

We have established long-term relationships with many of our suppliers, and we purchase:

- engineering, construction, and fabrication services;
- drilling, compression, and wellhead equipment;
- pipeline materials, including valves and fittings;
- wellsite services;
- maintenance spares and services;
- electrical and electronic equipment;
- operations support services including remote accommodation and catering services; and
- specialist labour, professional and corporate services.

In 2022, we had 764 active vendors and suppliers and spent \$167.7 million with 38 Tier 1 suppliers (direct suppliers with \$1 million spend per annum). Australian suppliers comprised 94 per cent of our total expenditure.

Senex Energy actively pursues opportunities to sustain and grow local Surat Basin businesses wherever possible. In 2022, the local supplier base represented 8 per cent of our total expenditure and 18 per cent of our total supplier base (with “local” referring to Roma, Wandoan and neighbouring communities). An additional 14% of our expenditure went to regional suppliers, representing 5% of our total supplier base (Figure 1 and Figure 2).

Outside our majority Australian supply chain, about \$12 million of our 2022 annual procurement spending was with 29 overseas suppliers operating in 7 countries, with most overseas suppliers and expenditure based in Canada and the United States.

## Suppliers' profile

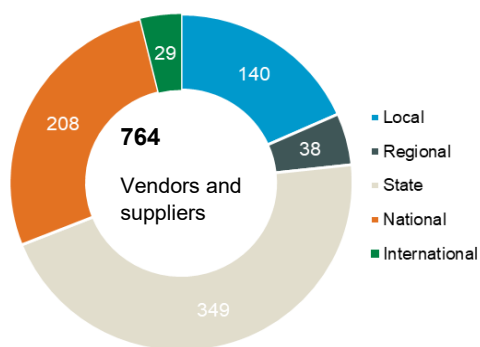


Figure 1 - Profile of suppliers by location

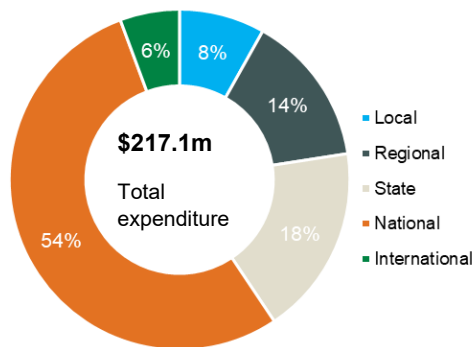


Figure 2 - Profile of expenditure by supplier location

## Risk Assessment

Using the Senex Enterprise Risk Management Framework, we conducted an initial risk assessment of modern slavery in our operations and supply chain, and we continue to monitor the effectiveness of actions being taken to assess and address our modern slavery risks.

As previously identified, potential areas where Senex Energy may have some risks relating to modern slavery are:

- suppliers who may use products purchased from or manufactured in high-risk countries; and
- products purchased that are manufactured in high-risk countries.

In 2022, we investigated the risk of modern slavery in relation to our business critical and higher risk direct suppliers and identified no required remediation actions regarding modern slavery. The Senex Group continues to regularly assess its direct suppliers with regards to potential modern slavery risks.

In 2022, similar to previous years, we determined our immediate supply chain held low risk of modern slavery, based on:

- a high percentage of local and regional suppliers well known to us, the broader gas industry and the community over time;
- general material suppliers located in low-risk country areas such as Australia and Canada, and moderate risk country areas such as the United States;
- formal engagement of contractors and suppliers with formal payment systems and obligations; and
- sourcing products from lower-risk industries and service areas.

Prior to any further expansions, we will again be reviewing our modern slavery risks. In future years as our supply chain matures and the business grows, the Senex Group will extend these reviews to include additional direct suppliers and critical indirect suppliers and customers.

## Effective Risk Control

To ensure efforts are focused appropriately in preparing for modern slavery reporting, it is important for us to develop a *fit-for-purpose approach* based on internal cross-functional collaboration, leveraging appropriate existing processes and frameworks where possible.

### *Modern slavery working group*

A group of relevant Senex Group specialists (Risk, Legal, Contracts and Procurement, Government and Stakeholder Relations) prepared this statement and, with support from Executives, undertook tasks as required to achieve our ambition statement.

### *Training*

In order to respond to the risks of modern slavery, the Senex Group promotes activities to raise awareness and educate its employees. Training to educate key staff (Legal and Contracts and Procurement) was provided during the reporting period to those directly involved in procurement and contractual supply arrangements, as well as to suppliers.

### *Supply Chain Management*

Senex Energy continued to build and rely on its new stakeholder management system, an established centralised digital repository of contracts and agreements. This system facilitates better management of information and enables a higher level of strategic engagement with our suppliers.

### *Review of template agreements*

To ensure we meet our obligations under the Act, we undertook a further review of Senex Energy's template agreements for the supply of goods and services during the reporting period. As a result, these agreements now include provisions addressing modern slavery and request of information from suppliers. External legal counsel reviewed and updated our Request for Proposal document to further refine the assessment of social responsibility and sustainability issues, including modern slavery.

### *Code of Conduct*

The Senex Code of Conduct reflects what is important to us and what we expect from everyone who works for, or with, Senex Energy to meet our legal and ethical obligations. The Code of Conduct is available publicly, and to all staff, who are made aware of the Code of Conduct initially during induction and then through regular refresher training.

### *Independent whistleblower service*

We are committed to a supportive workplace environment and employees and stakeholders are encouraged to raise concerns regarding conduct occurring at, or in relation to, the Senex Group. We continue to promote our independent, confidential external whistleblower service, where our contractors and suppliers can freely raise concerns. Information on the whistleblower service is provided on our website, and in our Whistleblower Policy. In 2022, we received no reports of modern slavery related misconduct.

### *ESG Strategy*

Senex Energy provides sustainability reporting for transparency and disclosure: the 2022 report is expected to be released in the third quarter of 2023.

### Continuous improvement

To ensure we appropriately focus our efforts in preparing for modern slavery reporting, we have developed a *fit-for-purpose approach* based on continuous vigilance, cross-functional collaboration and networking, information gathering, and investigation where appropriate.

## Progress on our Roadmap

The Senex Group is committed to transparent governance and management to address the risks of modern slavery in our operations and supply chains. The Senex Group has, to the extent practicable, continued with its modern slavery roadmap and ambition statement, as shown in Figure 3.

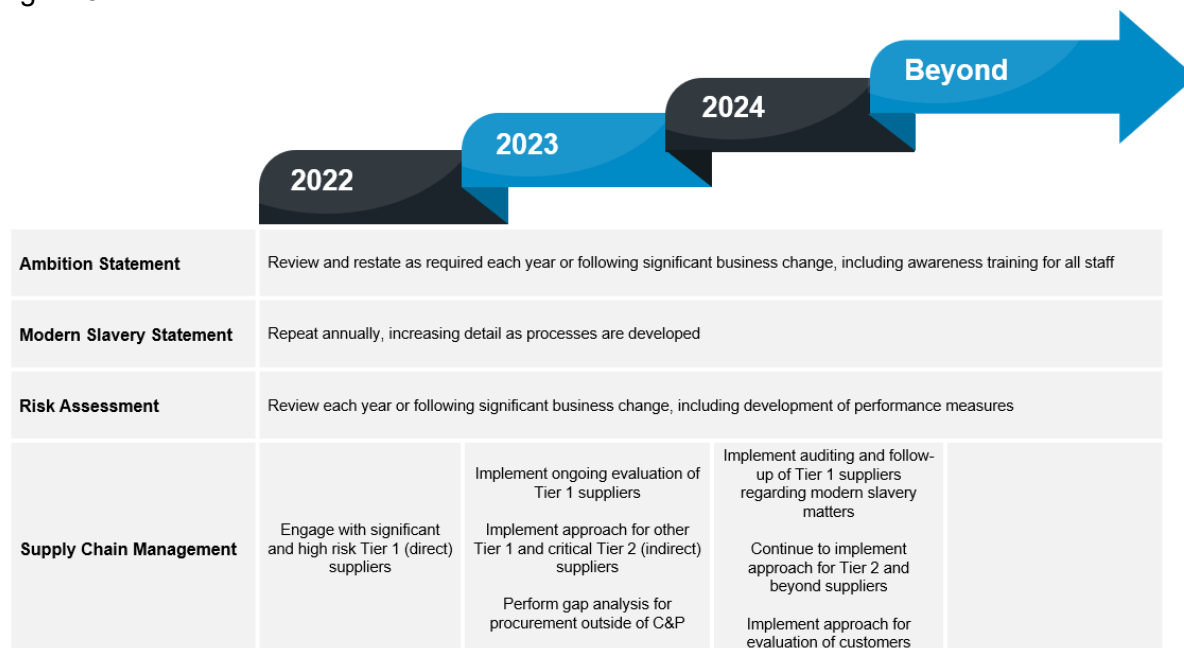


Figure 3 - Modern Slavery ambition statement

Our road map deliverables for this reporting period included:

- conducting training to educate key staff (Legal and Contracts and Procurement) and suppliers and provide tools for staff to better identify examples of modern slavery;
- encouraging staff to raise any concerns that an activity may be at risk of involving modern slavery (in line with our Code of Conduct and Whistleblower Policy); and
- continually reviewing Senex Energy policies and procedures and ensuring risk management of modern slavery is appropriately covered (in line with our governance standards).

We have also begun the process of further interrogating the secondary sources of supply from our Australian-based vendors, and this data will further enhance our supply chain risk identification and management.

The Senex Group proposes to increase resources in the future, as required, in order to progress its modern slavery road map.

## Effectiveness

We will use the existing Senex Enterprise Risk Management Framework to manage our modern slavery risk, including identifying, assessing, addressing, and monitoring effectiveness of risk management.

This Statement is approved by the Board of Senex Holdings Pty Ltd in its capacity as the principal governing body of the Senex Group on 28 June 2023.



Jhoon Soo Jho  
Chair  
**Senex Holdings Pty Ltd**