

## MODERN SLAVERY STATEMENT

### Reporting period ending 31 December 2020

ConocoPhillips has zero tolerance of modern slavery and human trafficking in all its different forms. This approach reflects a commitment to act ethically and responsibly in all business relationships and to ensure that modern slavery and human trafficking are not present in any part of our operations or in our supply chain.

ConocoPhillips supports and is committed to conducting its businesses in a way which is consistent with the human rights philosophy expressed in the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the International Labour Organization Declaration on Fundamental Principles and Rights at Work and expect suppliers and contractors working on our behalf to be guided by these principles.

For further information about the organisation's responsible business practices, refer to the ConocoPhillips [Code of Business Ethics and Conduct](#).

## REPORTING ENTITIES

This Modern Slavery Statement is made pursuant to the *Modern Slavery Act 2018* (Cth) (the **Act**) by :

ConocoPhillips Australia Investments Pty Ltd ABN 45 636 736 199 (**ConocoPhillips Australia Investments**) and ConocoPhillips Australia Pacific LNG Pty Ltd ABN 99 132 823 173 (**ConocoPhillips Australia Pacific LNG**) (together, the **reporting entities**).

## OUR STRUCTURE

The reporting entities are each registered under the *Corporations Act 2001* (Cth) as Australian proprietary companies limited by shares. The reporting entities are part of the ConocoPhillips organisation. Headquartered in Houston, Texas, ConocoPhillips had operations and activities in 15 countries, US\$84 billion of total assets, and approximately 10,300 employees as of 31 March 2021. Production excluding Libya averaged 1,488 MBOED for the three months ended 31 March 2021 and proved reserves were 4.5 BBOE as of 31 December 2020. For more information, go to [www.conocophillips.com](http://www.conocophillips.com).

ConocoPhillips has been operating in Australia for almost two decades. Its Australian operations are headquartered in Brisbane, Queensland with an office also in Gladstone, Queensland.

ConocoPhillips Australia Pacific LNG is a 37.5% shareholder in the Australia Pacific LNG coal seam gas to liquefied natural gas (**LNG**) joint venture (**APLNG**) and ConocoPhillips Australia Operations Pty Ltd ABN 28 141 253 787 (**ConocoPhillips Australia**) (a sister entity of ConocoPhillips Australia Investments and not a reporting entity) is the operator of APLNG's liquefaction facility on Curtis Island, near Gladstone (**APLNG Facility**). ConocoPhillips Australia Pacific LNG is wholly owned by ConocoPhillips Australia Investments.

On 14 October 2019, ConocoPhillips announced that it had entered into an agreement to sell the subsidiaries that

held its Australia-West and East Timorese assets and operations to Santos. This sale was finalised on 28 May 2020.

## OUR OPERATIONS

### Overview

ConocoPhillips' principal Australian operations comprise:

- a 37.5% interest in APLNG and downstream operator of the APLNG Facility;
- exploration for natural gas;
- LNG marketing activities; and
- commercial and corporate functions including operations, HSE, supply chain, compliance, engineering, maintenance, shutdown, marine, security, finance, information technology, human resources, legal and government and external affairs.

### Australia Pacific LNG

Australia Pacific LNG Pty Limited (**APLNG**) is an incorporated joint venture between ConocoPhillips Australia Pacific LNG (37.5%), Origin Energy Limited (37.5%), and Sinopec Australia Pacific LNG Pty Limited (25%). APLNG is the largest producer of natural gas in eastern Australia, supplying Australian customers with natural gas and international customers with LNG. Each year APLNG supplies approximately 30% of the east coast domestic gas market.

A subsidiary of Origin Energy Limited operates APLNG's gas fields, upstream exploration, production and pipeline system while ConocoPhillips Australia operates the downstream APLNG Facility and undertakes LNG marketing for the APLNG Project. The APLNG Facility uses ConocoPhillips' proprietary Optimized Cascade® technology to liquefy natural gas before it is exported to customers in Asia and comprises two gas liquefaction trains, LNG storage tanks, a loading jetty, an operational control center and associated infrastructure. APLNG has two long-term offtake agreements in place for the LNG with China Petroleum & Chemical Corporation and the Kansai Electric Power Co. Inc. of Japan.

APLNG is committed to the highest standards in respect of the operation of its gas fields, gas pipelines and the APLNG Facility. Considerations include safety, community engagement and sustainable practices.

## OUR SUPPLY CHAIN

Supply chain management is integral to the operation of the APLNG Facility and delivers significant value through an integrated and collaborative approach to business planning and use of supply chain practices.

ConocoPhillips has an unwavering focus on safety, quality and sustainability in the selection and management of our suppliers and contractors. We strive for continuous improvement by developing rigorous sourcing and contracting strategies, having consistent and reliable supply chain standards and developing mutually beneficial partnerships with our suppliers and contractors. We regularly engage our suppliers through business reviews, supplier relationship management and supplier audits.

ConocoPhillips is also committed to maximising Australian local content and the engagement of Indigenous peoples wherever possible through our own operations and through our supply chain.

The types of goods and services sourced by ConocoPhillips Australia from direct or indirect suppliers and contractors

include:

- Engineering equipment and services
- Maintenance services and spares
- Ferry and barge services
- Freight forwarding
- Utilities and waste management services
- Refrigerants and industrial gases
- Workers' accommodation
- IT equipment, software and services
- Storage services
- Labour and corporate services
- Cleaning and catering services

In 2020, ConocoPhillips Australia had approximately 240 active contracts and approximately 95% of our total annual spend on goods and services was with Australian suppliers and contractors. Furthermore, approximately 82% of all our suppliers and contractors are Australia based. The remaining suppliers and contractors with an annual spend of over \$1 million are located in the United Kingdom, the United States of America and Norway.

## MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAIN

ConocoPhillips considers the risk of modern slavery in our Australian operations and supply chain to be relatively low due to their geographical location. In addition, construction of the APLNG Facility has been completed for several years resulting in a considerably reduced annual spend on goods and services. The majority of our suppliers and contractors are Australian-based and relatively few goods and materials are currently directly sourced from countries reported to have high prevalence of modern slavery by international organisations or NGOs.

However, while we consider the risks of modern slavery in our operations and supply chain to be relatively low, we do recognise that our suppliers based in Australia procure goods and services internationally. To identify potential exposure in these areas, an internal risk assessment tool was developed. Using this tool, identified risks were assessed by considering elements such as the country in which goods are manufactured or services provided, the particular industry sector, the length and nature of the ongoing relationship with the supplier, annual spend with the supplier as well as through reviews of publicly available information such as media reports and self-reported material. As a result of undertaking this risk assessment, certain goods and services in ConocoPhillips Australia's supply chain were identified as potentially having a higher modern slavery risk than others, for example, the manufacture of components such as valves, gaskets and fasteners by subcontractors of our suppliers in countries in the Asia Pacific region which are considered higher risk due to socio-economic factors such as poverty or a poor human rights track record. Information provided in the [Global Slavery Index](#) and the [Freedom House List](#) were used to assess higher-risk countries. 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.

A further area assessed was the LNG vessels used by APLNG's LNG off-takers and the relatively few vessels chartered by ConocoPhillips Australia for delivered at terminal spot cargos, as seafarers may be from high-risk jurisdictions. This is an area in which ConocoPhillips has rigorous, well established ship vetting and inspection procedures which ensure that the requirements of the Maritime Labour Convention 2006 are met. Although ConocoPhillips Australia does not directly engage seafarers, by working collaboratively with reputable vessel owners and operators we ensure these statutory rights are upheld. The vessels are also under the jurisdiction of, and are

audited by, the Australia Maritime Safety Authority when they load at the Port of Gladstone.

Following completion of the risk assessment, key suppliers were identified and due diligence was subsequently undertaken on their operations, supply chain and approach to managing modern slavery risks.

## ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

ConocoPhillips conducts all contracting and procurement activities in an ethical manner in accordance with our Supply Chain Standard and applicable laws. We require suppliers to comply with certain requirements as a condition of business and to be guided by the principles and standards set forth in the ConocoPhillips [Code of Business Ethics and Conduct](#) and their own ethics and conduct policies. We have developed the [ConocoPhillips Supplier Expectations](#) to provide additional clarity to our suppliers regarding our expectations in this area.

Since the introduction of the Act, ConocoPhillips has increased its focus on modern slavery within its Australian operations and supply chain. During 2020, we undertook a number of actions to assess and address modern slavery risks. These actions included:

- establishing a modern slavery working group comprising representatives from a number of functions to assess and address modern slavery risks in our operations and supply chain;
- developing a 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. This scoping exercise enabled us to carry out an initial prioritisation of the most significant areas for further assessment and due diligence;
- undertaking due diligence on those suppliers considered most at risk and prioritising those with whom ConocoPhillips Australia has the largest annual spend and an ongoing relationship;
- formulation of a vendor questionnaire which was issued to approximately 20% of our key suppliers which requested information, including country of origin and the ways in which the vendor is addressing its modern slavery risks;
- subsequently evaluating the responses to the vendor questionnaire. To date, no material risks of modern slavery have been identified;
- reviewing and updating ConocoPhillips Australia's standard contract terms and invitations to tender to incorporate provisions with respect to compliance with applicable human trafficking and modern slavery laws;
- making key suppliers aware of ConocoPhillips' modern slavery standards and requesting that each key supplier provide confirmation of acknowledgement of ConocoPhillips' first Modern Slavery Statement and supply an equivalent statement for the supplier's organisation, if required under the Act;
- liaising with joint venture companies and partners as they developed and implemented modern slavery policies, reviewed risks and published modern slavery statements; and
- ensuring ConocoPhillips' ethics reporting framework and policies are accessible and that ethics issues or grievances can be reported confidentially and without fear of reprisal. This reporting framework allows us to investigate potential issues, take action where necessary and prevent future issues. Should any incident of potential or actual modern slavery be reported, we are committed to working with our suppliers and external stakeholders to investigate the incident and respond appropriately to remediate the impact. No incidents of modern slavery were reported through ConocoPhillips' ethics reporting framework or under ConocoPhillips

Australia's whistleblowing policy in 2020.

We are committed to a process of continuous improvement in our modern slavery response and to this end, have identified a number of actions we intend to undertake in future reporting periods to assess and address modern slavery risks. For example, we are committed to training and developing relevant employees in modern slavery and human trafficking. A program of modern slavery training will be delivered during 2021 and beyond to relevant employees to raise awareness of high-risk industries, products and services and to enable employees to assess the risk of modern slavery. ConocoPhillips Australia will also issue a vendor questionnaire to suppliers in lower spend categories, conduct due diligence on those vendors and assess and evaluate modern slavery risks in their operations and supply chains. Modern slavery risk management will be further embedded in our current risk management and assurance processes and procedures in 2021 and beyond.

## IMPACTS OF COVID-19

During 2020, ConocoPhillips Australia worked successfully with its existing suppliers to mitigate supply disruptions and deferred some non-critical maintenance work at the APLNG Facility. The risk of modern slavery is not, therefore, considered to have increased as a result of the COVID-19 pandemic.

## ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

ConocoPhillips understands that it has a responsibility to continue to assess and mitigate the risk of modern slavery in its operations and supply chain over the long term. ConocoPhillips Australia currently utilises its internal risk management and assurance processes for reporting actual or suspected ethics concerns to assess the effectiveness of the actions being taken, including in relation to the risk of modern slavery in our operations and supply chain.

In 2021, we intend to:

- continue our supplier due diligence in relation to further, lower risk, categories of suppliers and contractors;
- work with suppliers to remedy any potential or actual findings;
- conduct periodic checks of our risk management and assurance processes to validate their effectiveness and amend or update these processes as necessary;
- undertake an internal audit of our supplier due diligence processes and controls following which a senior management review of our modern slavery response to date will be undertaken.

It is recognised that the nature of the risk of modern slavery may change over time and ongoing adaption will be required.

## CONSULTATION AND APPROVAL

The reporting entities consulted with ConocoPhillips Australia in the development of this statement. In particular, the consultation involved review of the statement by ConocoPhillips Australia management personnel across the reporting entities, board members and external advisors.

This statement has been approved by the Board of ConocoPhillips Australia Investments on behalf of itself and ConocoPhillips Australia Pacific LNG. A new statement will be published each year on the corporate website [www.conocophillips.com.au](http://www.conocophillips.com.au).

Khoa Dao  
President, Australia  
for and on behalf of ConocoPhillips Australia Investments Pty Ltd  
28 June 2021