

SEPL

Modern Slavery Statement

2023

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Acknowledgement of Country

SEPL acknowledges the Traditional Custodians of Country throughout Australia and recognises their continuing connection to the land, waters, and community. We pay our respects to them and their cultures, and to Elders both past and present.

Executive Summary

This Modern Slavery and Human Trafficking Statement (Statement) is made pursuant to the Modern Slavery Act 2018 (Cth) (the Act) on behalf of the following three (3) reporting entities (collectively, **SEPL, SEPL Group, Reporting Entities, we or our**):

1. SEPL Pty Ltd as trustee for SFT ABN 75 492 874 033 (SEPL);
2. Peregrine Energy Pty Ltd ABN 80 615 822 065; and
3. Reliable Petroleum Pty Ltd ABN 54 602 197 375.

This is our fourth Modern Slavery Statement (**Statement**) as part of our compliance with the Act.

SEPL Group falls within the scope of a reporting entity under the Act, being an Australian entity with a minimum annual consolidated revenue of \$100 million and must publish annually a statement to the Modern Slavery Statement Register disclosing risks of modern slavery in their supply chains and actions to address those risks.

This statement has been prepared to meet the following applicable mandatory requirements of the Act:

Mandatory criteria

1. Identify the reporting entity.
2. Describe the reporting entity's structure, operations and supply chains.
3. Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity and any entities it owns or controls.
4. 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.
5. Describe how the reporting entity assesses the effectiveness of these actions.
6. Any other information that the reporting entity, or the entity giving the statement, considers relevant.

SEPL's Position

Any type of human exploitation is contrary to our values and codes of conduct.

SEPL Group accepts that, like all global businesses of a certain scale, the incidence of modern slavery deep within its supply chains is likely an unfortunate reality, rather than some theoretical notion.

SEPL Group is committed to a long-term effort to diminish modern slavery from its supply chains and operations. To that end, we have engaged and worked closely with, subject matter experts on modern slavery over the course of 2019-2023. We consider this to be an important component of our broader corporate social responsibility and human rights obligations.

SEPL Group recognises that the efforts and measures defined in this Statement are the initial recognised phases, since the introduction of the Act, in its targeted efforts to carry out uniform and evidence-based modern slavery remediation. What is contained in this Statement is not put forward as the attainment of an end goal in itself but rather a roadmap to build upon the encouraging early steps that are underway.

In addition to meeting the specific legal reporting requirements under the Act, this Statement sets out SEPL Group's methodology, key findings and planned framework for future action during upcoming reporting periods in relation to modern slavery risk identification and remediation.

We expect our suppliers to meet the expectations required under the MSA and to share these expectations with their own suppliers so that expectations are communicated throughout supply chains to drive greater transparency on this issue.

SEPL understands that compliance takes time and so we encourage ongoing collaboration with our suppliers to identify challenges and opportunities for continuous improvement.

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This Statement reflects our work on this initiative over the last reporting period, being 1 July 2022 to 30 June 2023. During this time, we have seen an increased awareness within our business and our supply chain. This increased awareness has resulted in greater transparency (both internal and external) regarding the potential risks within our supply chain.

We remain committed and focused on continually strengthening and refining our processes to identify any new modern slavery risks that may arise in our supply chain and operations into the future.

1. Identity of the Reporting Entities

- 1.1. This joint Statement is prepared and issued by SEPL on behalf of the Reporting Entities which share many of the same policies, procedures and systems.
- 1.2. Each Reporting Entity operate in the same or similar industry sector and share suppliers for various goods and services in product and service delivery.
- 1.3. Management teams of each Reporting Entity have been engaged and consulted in the preparation of this Statement and understand that ongoing future work will be required to address modern slavery risks in their supply chains and operations going forward.
- 1.4. SEPL was first incorporated on 21 August 1987 and the SEPL head office is located at 270 The Parade, Kensington South Australia 5068.
- 1.5. As at the date of this Statement, SEPL employs approximately 6,800 employees, with annual revenue of more than \$3bn.

2. Reporting Entities' structure, operations, and supply chain

- 2.1. The Reporting Entities principal operations are in Quick Service Restaurants (**QSR's**), fuel and consumer goods retailing. These operations commenced in South Australia, however in recent years have expanded nationally.
- 2.2. SEPL ultimately owns the On The Run retail, fuel, convenience and QSR's (as franchisee and master franchisee) business and owns and operates the Smokemart and Gift Box retail tobacco and gift business.
- 2.3. Peregrine Energy operates a wholesale fuels business under the Mogas brand.
- 2.4. Reliable Petroleum operates a wholesale fuels business under the Reliable Petroleum brand.
- 2.5. Our supply chain is spread locally and internationally with various longer-term commercial service and supply agreements governing the relationships with our relatively stable core supplier base.
- 2.6. Contract management is centralised at the head office of SEPL for all Reporting Entities.
- 2.7. SEPL has developed a consistent basis for the assessment of modern slavery across the supplier base, which is an ongoing process.
- 2.8. A team has been assembled to work with the Reporting Entities to project manage compliance with the MSA.
- 2.9. Our supply chain of over 2,000 suppliers includes:

Category	Supply Chain	Country of origin
Operations and Administration	Commercial leasing, Marketing and Communications, Property Management, Professional Consultants, Staffing and Recruitment, Energy	Australia

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Category	Supply Chain	Country of origin
	Management, Finance, Legal, Office services and equipment.	
Materials and Equipment	<p><u>Information technology:</u> Infrastructure, information technology products, software, electronic and equipment procurement utilised as business equipment</p> <p><u>Building Materials and Fuel Equipment:</u> Are procured from 3rd party suppliers. We do not have clear visibility where all products are sourced from. All suppliers we directly contract are Australian based.</p>	Australia, China, India, USA, UK and EU.
Buying and procurement	<p><u>Motor spirit and fuel:</u> Sourced from Australian suppliers.</p> <p><u>QSR's, food, beverages, and non-food consumer goods:</u> largely sourced from Australian suppliers who may also source internationally.</p>	Australia, China, India, USA, UK, EU, Singapore and Japan

3. Risks of modern slavery practices

- 3.1. According to the International Labour Organisation it was estimated that almost 50 million people were living in modern slavery in 2021. We acknowledge that risks of modern slavery may be present at some indirect stage within the supply chain of products sourced mainly from outside of Australia.
- 3.2. SEPL supports the protection of fundamental human rights and the global fight against modern slavery and is proactive in ensuring suppliers are made aware of the risks of modern slavery where possible.
- 3.3. SEPL understands that the risks of modern slavery may be heightened in some of our supply chains due to the geographical location of our suppliers. We acknowledge that we lack visibility in certain overseas markets and this in turn carries risks of modern slavery especially in secondary levels of our chain of suppliers used in SEPL's goods and services.
- 3.4. SEPL has assessed its overall risk of modern slavery within its operations and direct supply chain as being low.
- 3.5. We continue to carry out risk assessments against our suppliers through our own due diligence investigations, which includes assessing responses we receive from each supplier on our annual audit questionnaire that we issue. These findings and responses inform our direct supplier risk assessments and provide guidance to management.
- 3.6. The following table summarises the core categories used as part of our modern slavery risk assessment framework and methodology:

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Risk Category	Modern Slavery Risk	Risk Rating
Manufacturing	<p>The Department of Home Affairs outlines that certain sectors and industries have higher modern slavery risks because of their characteristics, products and processes. For example, extractives, textiles, fashion, fishing, electronics, cleaning, construction and agriculture are recognised as high-risk industries globally. SEPL utilises electronics, fashion and construction as part of its operations, however, does not engage in any direct manufacturing activities. SEPL sources locally manufactured goods and also imports a range of consumer goods for retail sale through its outlets. SEPL's category teams have in place due diligence checks and codes of conduct to work with suppliers to mitigate reasonably foreseeable concerns of modern slavery in the manufacturing process.</p>	Low
Commodity	<p>According to the Global Industry Classification Sectors, particular commodities carry greater risk of modern slavery and human rights violations due to the way that they are produced. Risk is determined by the presence of the commodity, country of origin of the commodity and relevant certification.</p>	Low

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Risk Category	Modern Slavery Risk	Risk Rating
Country-based labour	With an increased global supply chain, SEPL recognises the importance of combatting modern slavery and in turn supports localised supply. The majority of SEPL's direct suppliers operate within Australia. According to the 2023 Trafficking in Persons Report, and International Labour Organisation's country data, Australia's modern slavery risk is deemed to be very low.	Very Low
Entity engagement	SEPL will not knowingly engage any suppliers with a record of treating workers poorly or with human rights violations.	Low
Labour	The work profile of SEPL attracts a very low labour risk. SEPL complies with all applicable Australian labour laws and conducts regular workforce audits to ensure ongoing compliance which in turn ensures no employees are enslaved.	Low

4. Actions taken to assess and address modern slavery risks

- 4.1. Utilising the modern slavery risk categories outlined above, we (collectively across the three Reporting Entities) have continued to improve and refine our modern slavery compliance framework and actions we developed and implemented in our previous three Statements.
- 4.2. Our continuous review and improvements have enabled us to readily identify and assess modern slavery risks in our supply chain (either directly or through suppliers), especially in higher risk contexts even if they are sometimes difficult to identify.
- 4.3. During this reporting period, the Reporting Entities have taken the following non-exhaustive actions to assess and address modern slavery risks:
 - mapped out our supply chain;
 - undertaken due diligence investigations against our suppliers, including issuing updated modern slavery questionnaires to all suppliers in our supply chain in consultation with our relevant business units. We have received approximately a 5% increase in supplier engagement in responding to the questionnaires compared to our last reporting period;
 - worked with suppliers who raised modern slavery concerns in their modern slavery questionnaires to understand what types of modern slavery practices exist and how they intend to remediate those concerns. If such concerns are not addressed, SEPL will consider terminating the business relationship with that supplier;
 - assessed modern slavery risks based on certain risk categorisations, such as labour risk and country risk;

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- updated our codes of conduct to include further provisions on modern slavery risks and process to eliminate such behaviour, which are issued to all suppliers and employees and are available to customers;
- updated our whistle-blower policies for employees of the Reporting Entities or any suppliers, manufacturers or customers to use to report any modern slavery concerns or breaches of our codes of conduct;
- completed pre-screening processes with new direct suppliers;
- implemented modern slavery obligations, warranties and due diligence requirements in agreements with new suppliers and renewals of existing agreements;
- worked with suppliers to monitor and assess how they are progressing with any actions that they have put into place to address modern slavery risks – this is undertaken with material suppliers in our annual supplier review process as well as annual supplier due diligence questionnaires;
- undertaken a periodic review of our modern slavery risk assessment framework to ensure that it remains up to date;
- tracked internal compliance with modern slavery obligations, including continuous employee training;
- completed regular environmental, social and governance assessments of each asset;
- undertaken analysis and reporting on modern slavery risks in our supply chain portfolio;
- monitoring any medium to high-risk suppliers, including visiting their manufacturing facilities and suppliers; and

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- reviewing cases reported through publicly available reporting services and internal reporting mechanisms such as the anonymised whistle-blower hotline across the Reporting Entities.

5. Assessment of the effectiveness of these actions

- 5.1. While we have assessed our modern slavery risk within our operational and direct supply chain as low, we recognise that modern slavery risks can be hidden by indirect suppliers or caused by strict contract terms that inadvertently push solely for the lowest possible prices or rapid delivery times that indirectly cause modern slavery risks.
- 5.2. Ongoing education and training forms part of our compliance program as we consider this to be central to informing the workforce of the Reporting Entities to mitigate the risks of such instances occurring. Education and training seminars are conducted annually.
- 5.3. SEPL understands that an entity cannot improve its response to modern slavery if it does not have a way to check whether its actions to assess and address modern slavery risks are working.
- 5.4. SEPL assesses the effectiveness of its actions in response to modern slavery by continually monitoring its actions by:
 - working with suppliers to monitor and assess how they are progressing with any actions that they have put into place to address modern slavery risks – this is undertaken with material suppliers in our annual supplier review process as well as supplier due diligence questionnaires;
 - undertaking a periodic review of our modern slavery risk assessment framework to ensure that it remains up to date;
 - tracking internal compliance with modern slavery obligations including training;
 - undertaking analysis and reporting on modern slavery risks in our supply chain portfolio;

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- including specific modern slavery contractual obligations as warranties in support of our modern slavery framework across commercial agreements;

We also, on an ongoing basis, undertake:

- monitoring of any medium to high-risk suppliers; and
- reviews of cases reported through publicly available reporting services and internal reporting mechanisms such as the anonymised whistle-blower hotline across the Reporting Entities.

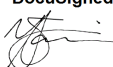
- 5.5. As at the date of this Statement, there have been a small number of reports of modern slavery concerns in this reporting period in our supply chain across the Reporting Entities. Such concerns were able to be identified through our annual modern slavery questionnaire discussed earlier in this Statement.
- 5.6. These findings and responses allowed SEPL to reach out directly to those suppliers and ascertain what systems are in place to ensure there is no reoccurrence of these practices.
- 5.7. In some circumstances, the questionnaires have also provided insight into how our suppliers have addressed their own modern slavery risks through terminating supply or finding alternate established supply through certain channels.
- 5.8. SEPL adopts a continuous improvement approach to the assessment of modern slavery risks in our supply chain and aims to develop our existing framework and actions on an ongoing basis. At SEPL, we stand for Care, Reputation, Equality, and Determination (CRED) and through these deeply held values we will maintain our vigilance when managing the risk of modern slavery in our business and supply chains.

6. Consultation process with Reporting Entities

- 6.1. This Statement reflects the position of each of the Reporting Entities. This Statement was prepared in conjunction with regular meetings between the appropriate teams of each Reporting Entity and the Boards of Directors of the Reporting Entities.
- 6.2. During 2023-24 and beyond, SEPL intends to further enhance its capabilities and processes to address modern slavery risk across the Reporting Entities and refine the abilities of our internal resources to take actions to mitigate such risks.

7. Other relevant information

- 7.1. Risk assessments continue to be carried out on suppliers based on audit and questionnaire findings and responses to inform and provide guidance to management of SEPL of any direct supplier risk.
- 7.2. Ongoing education and training forms part of our compliance program to ensure the ongoing risk of modern slavery is reiterated to our workforce.
- 7.3. This joint Statement will be uploaded to the Australian Border Force Online Register for Modern Slavery Statements.
- 7.4. This Statement was approved pursuant to resolutions of the Boards of Directors of the Reporting Entities in December 2023.

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Yasser Shahin
Executive Chairman
for SEPL,
Peregrine Energy Pty Ltd, and
Reliable Petroleum Pty Ltd