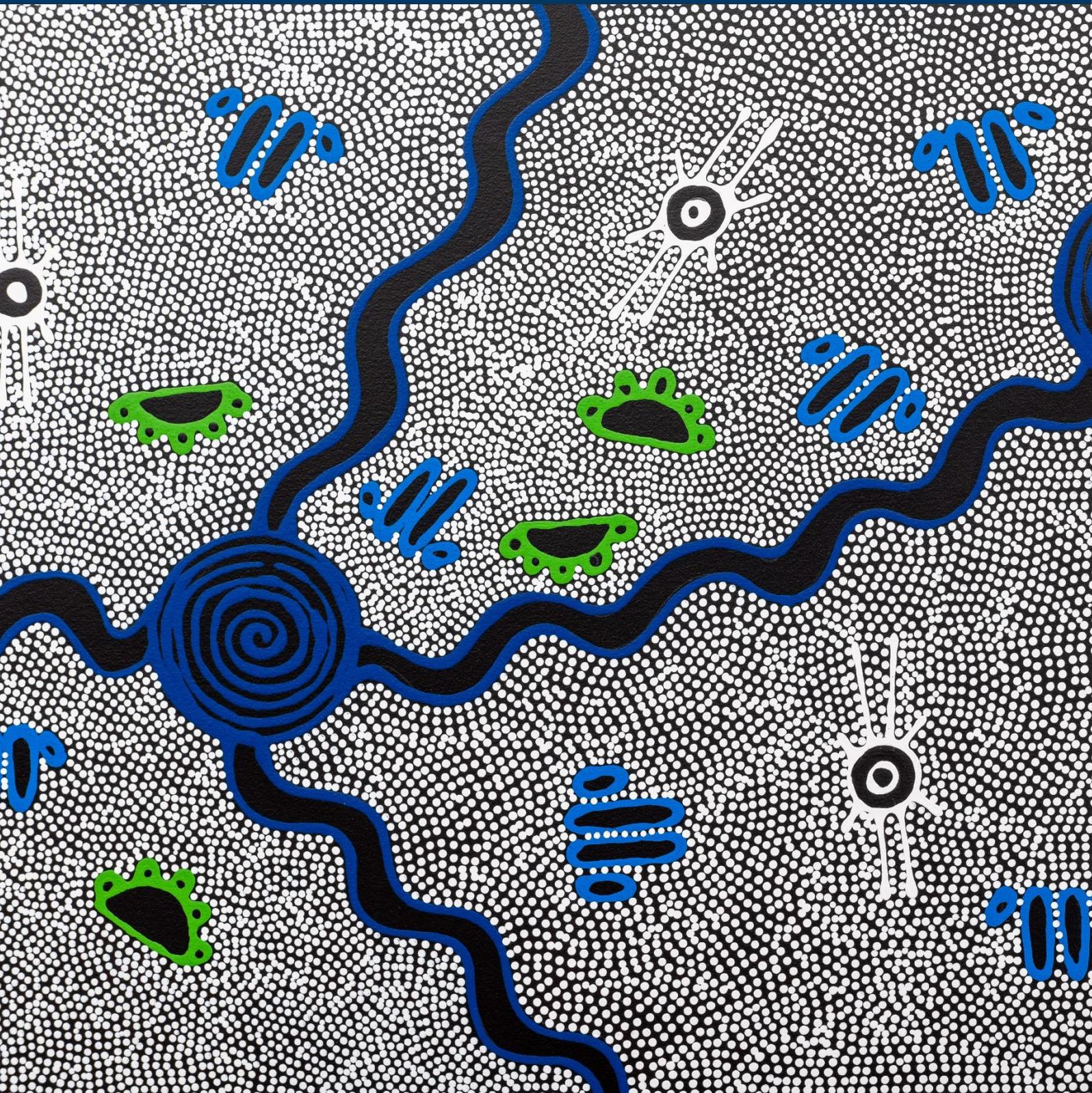


# Modern Slavery Statement

2023

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## Message from the CEO



I am pleased to provide our 3<sup>rd</sup> annual Modern Slavery Statement for the financial year ending 30 June 2023, in compliance with the *Modern Slavery Act 2018*.

This statement highlights Pacific Energy's actions to identify, manage and respond to modern slavery risks and our key achievements. As our business continues to grow rapidly, I am pleased to report that we have made considerable progress in mitigating risks and exposure to modern slavery in our operations and supply chains across all business units.

This statement also outlines additional practices we have identified as part of our modern slavery framework to continue to improve on how we manage modern slavery risk over time.

A handwritten signature in blue ink, which appears to read "Jamie Cullen". The signature is fluid and cursive.

Jamie Cullen  
**Chief Executive Officer**

# 1. Key Achievements FY23

## 1.1 Summary of Improvement Activities

Pacific Energy has continued to focus on opportunities to better identify and address the risk of modern slavery across our operations and within supply chains. The key improvement activities are summarised below.

Identifying and Assessing Risk		
Assessed almost all direct suppliers against risk of Modern Slavery (97%)	Undertook deep dive audits into specific high-risk suppliers	Included Modern Slavery as part of ESG risk assessment criteria
Addressing Risks		
Worked with key suppliers to encourage better visibility into their supply chains	Specific engagement and due diligence with high-risk industries suppliers in order to attain traceability reports	General Terms & Conditions include a modern slavery clause
Improving our Processes		
Initiated a Modern Slavery Working Group and workforce education	Modern Slavery risk mitigation elevated in Governance structures	Developed a supplier screening and questionnaire process as part of the procurement process

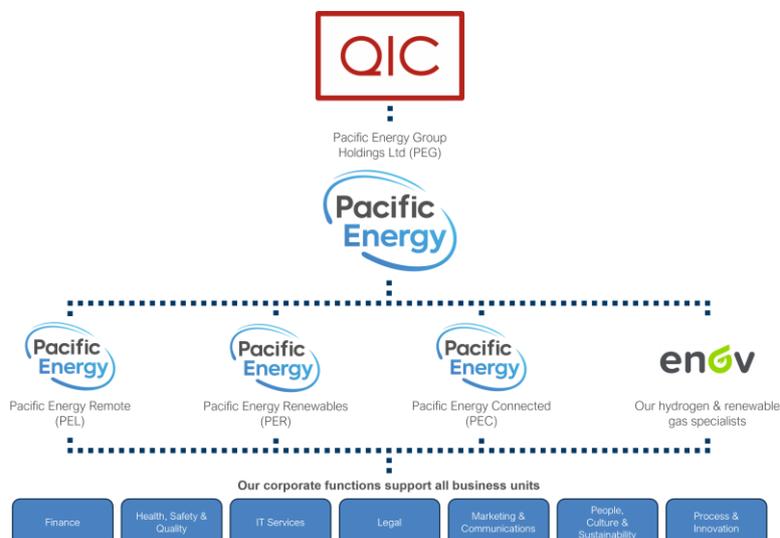
## 2. Reporting Entity

The Modern Slavery Act (2018) requires entities based, or operating, in Australia which have an annual consolidated revenue of more than \$100 million to report annually on the risks of modern slavery in their operations and supply chains. With a consolidated revenue more than \$100 Million, Pacific Energy Group Holdings Ltd is therefore required to report under the Act. The reporting entity owns several subsidiary businesses, and references in this statement to “Pacific Energy” or “Pacific Energy Group” refer to the actions and activities undertaken as a whole.

## 3. Structure, Operations and Supply Chain

### 3.1 Structure

Pacific Energy’s corporate and business structure is outlined below and is summarised in 4 key divisions; Remote Power, Connected, Renewables & ENGV.



The reporting entity, Pacific Energy Group Holdings Limited (ABN 22 009 191 744) is the holding company for the following subsidiaries as of 30 June 2023:

- Pacific Energy Pty Ltd (ABN 48 081 538 258)
- Pacific Energy (KPS) Pty Ltd (ABN 92 134 226 056)
- Contract Power Land Pty Ltd (ABN 99 624 941 573)
- Contract Power Assets Pty Ltd (ABN 80 624 940 683)
- Pacific Energy (Hydro) Pty Ltd (ABN 86 004 474 186)
- Hybrid Systems Australia Pty Ltd (ABN 38 609 605 521)
- CPE Switchboards Pty Ltd (ABN 30 636 191 305)
- Pacific Energy (Peaking Power) Pty Ltd (ABN 44 119 925 334)
- MVLV Power Solutions Pty Ltd (ABN 86 603 490 268)
- ENGV Pty Ltd (ACN 163 139 053)
- Waste Heat Recovery Systems Pty Ltd (ABN 60 129 115 644)
- Hybrid Systems Pty Ltd (ABN 29 609 605 987)
- Hybrid Systems NT Pty Ltd (ABN 86 656 230 189)
- Digital Intelligence Pty Ltd (ACN 605 852 220)
- Pacific Energy Personnel Pty Ltd (ABN 47 658 286 205)

Pacific Energy has a Board of Directors, with the following Committees:

- Audit Committee
- Safety and Risk Committee
- People, Culture and Remuneration Committee

The directors of Pacific Energy Group Holdings Ltd also serve on the Board of Directors of each Pacific Energy subsidiary entity.

Pacific Energy Group Holdings Ltd is 100% owned by a holding company, QGIF Swan Holdco Pty Ltd, which is in turn owned by the following entities:

- QGIF Co No. 2A Pty Ltd as trustee for the QGIF Security No.2 Trust
- QIC Investments No. 3 Pty Ltd as trustee for the Horizon Infra Trust No. 1
- QIC Investments No. 1 Pty Ltd as trustee for the QGIF Swan Co-invest No. 1 Trust
- QIC Investments No. 2 Pty Ltd as trustee for the QGIF Swan Co-invest No. 2 Trust
- QIC Infrastructure Management Pty Ltd as trustee for the QGIF Swan Co-invest No. 3 Trust

The statement is submitted as a joint statement and applies to all brands and legal entities that form part of Pacific Energy Group Holdings Limited.

### **3.2 Operations**

In terms of its operations, the key operational activities conducted by Pacific Energy are designing and building/installing power generation facilities, including thermal, renewable and energy storage facilities on the following basis:

- On a build, own, operate basis
- For third parties – on a design and install basis

As at the date of this statement Pacific Energy has over 590 employees, all within Australia and with the majority in Western Australia.

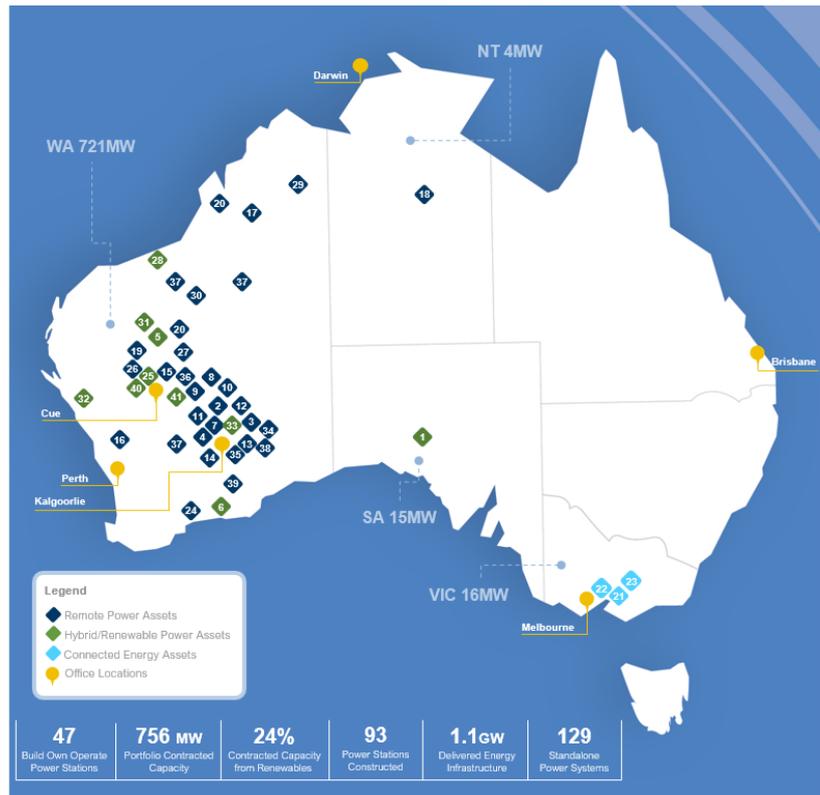
Pacific Energy has office and workshop facilities in various locations across Australia and owns and operates 47 power generation facilities in Australia as shown below:

## Pacific Energy Assets

We specialise in designing, building, owning and operating power generating assets across Australia.

1 <b>Jacinth Ambrosia</b> Iluka Resources	15 <b>Bluebird</b> Westgold	25 <b>Savannah</b> Panoramic Resources
2 <b>Jaguar</b> Aeris Resources	16 <b>Deflector</b> Silver Lake Resources	30 <b>Karlawinda</b> Capricorn Metals
3 <b>Tropicana</b> AngloGold Ashanti	17 <b>Canning Basin</b> FMG	31 <b>Abra</b> Galena Mining
4 <b>Juardi</b> Beacon Minerals	18 <b>Booth Creek</b> OM Manganese	32 <b>Coburn</b> Strandline Resources
5 <b>DeGrussa</b> Sandfire Resources	19 <b>Fortnum</b> Westgold Resources	33 <b>Sandy Ridge</b> Tellus
6 <b>Espérance</b> Horizon Power	20 <b>Thunderbird</b> Kimberley Mineral Sands	34 <b>Tropicana Borefields</b> AngloGold Ashanti
7 <b>Red October</b> Linden Gold	21 <b>Blue Rock</b> Meridian Energy	35 <b>Odysseus</b> IGO
8 <b>Moolart Well</b> Regis Resources	22 <b>Cardinia</b> Energy Australia	36 <b>Binduli</b> Norton Gold Fields
9 <b>Thunderbox</b> Northern Star Resources	23 <b>NovaPower</b> NEM	37 <b>Nullagine</b> Novo Resources
10 <b>Garden Well</b> Regis Resources	24 <b>Mt Cattlin</b> Aikem	38 <b>Mt Ida</b> Auregne Group Mining
11 <b>Gwalia Deeps</b> St Barbara	25 <b>Horizon Midwest</b> Horizon Power (7 stations*)	39 <b>Norseman Gold</b> Pantoro Limited
12 <b>Mt Weld</b> Lynas Corp	26 <b>Murchison Observatory</b> Horizon Power	40 <b>Big Bell</b> Westgold Resources
13 <b>Carosue</b> Northern Star Resources	27 <b>Matilda</b> Wiluna Mining Corporation	41 <b>Tuckabianna</b> Westgold Resources
14 <b>Higginsville</b> Karara Resources	28 <b>Pilgangoora</b> Pilbara Minerals (2 stations)	

\*Cue, Meekatharra, Mt Magnet, Norseman, Sandstone, Wiluna, Yalgoo



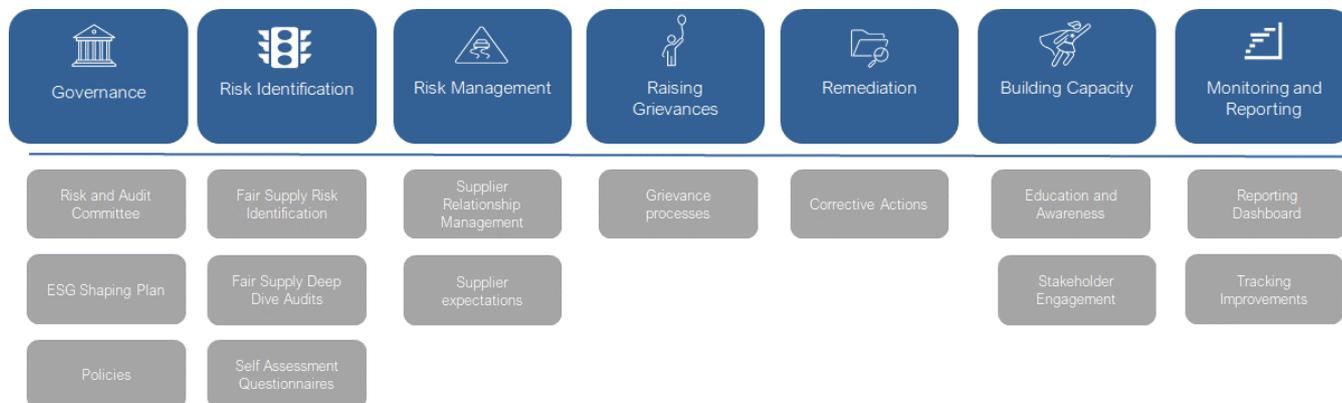
### 3.3 Our Supply Chains

Pacific Energy's supply chain includes over 500 suppliers. Many suppliers are located in Australia however, like all supply chains there are products and components being sourced around the world and high-risk locations such as China and other countries in Asia are identified in these supply chains. Pacific Energy engaged Fair Supply to undertake a review of our suppliers this year - to look at theoretical risk of modern slavery. Over 96% of our supply chain was reviewed and continues to be risk assessed by Fair Supply.

The findings of the Fair Supply risk assessment suggest that the theoretical likelihood of modern slavery in Pacific Energy's supply chain is low and continued investigation and monitoring of the ongoing supply chain will ensure a better understanding of the risk and potential for modern slavery.

## 4. Managing Modern Slavery at Pacific Energy

Pacific Energy is committed to understanding and managing the risk of modern slavery within our operations and supply chain. Our modern slavery framework guides our actions and ensures an all of company response, ongoing commitment and continual improvement on the issue of modern slavery.



### 4.1 Governance

#### 4.1.1 Modern Slavery Working Group

A Modern Slavery Working Group was formed to drive improvements in Pacific Energy’s approach to Modern Slavery. The Working Group has representation from all business units as well as leadership, in order to focus on key areas of improvement and continually assess our approach to mitigating the risk of Modern Slavery in our operations and supply chain. A key area of focus during FY23 was the development of the supplier screening process for any new potential suppliers.

#### 4.1.2 Board and Executive Committees

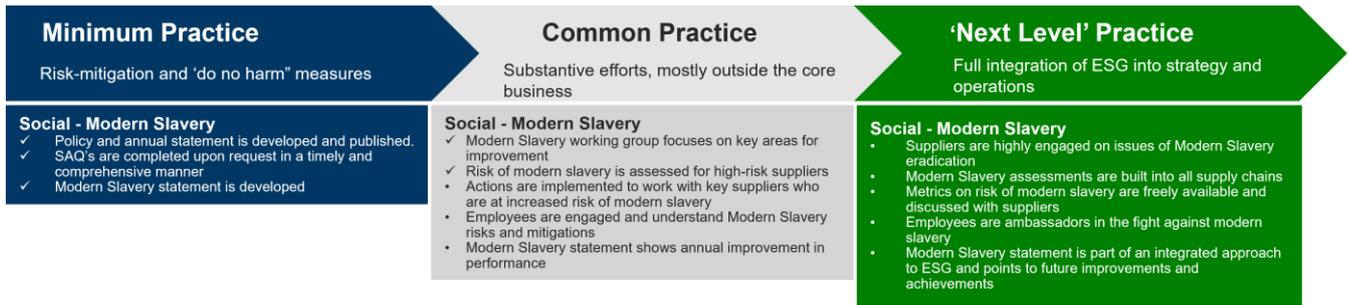
Members of the Pacific Energy board lead a People, Culture and Remuneration Committee (PCRC), which meets quarterly and whose oversight includes all ESG (Environmental, Social and Governance) initiatives. Modern Slavery is part of the ESG maturity framework for the group and is monitored by this Board Committee.

A ESG Steering Committee has also been established in FY23 with all members of the Executive Committee and key senior personnel. The formation of this committee ensures that ESG items are elevated to the senior leadership, with modern slavery a key focus area for the business to ensure proper systems and processes are in place.

#### 4.1.3 ESG Shaping Plan

In October 2022, an ESG shaping plan was presented to the Pacific Energy board which includes the expectations for Pacific Energy’s ongoing improved approach addressing and eliminating instances and risks of modern slavery across our entire supply chain.

It was Pacific Energy’s aim to ensure the items under the ‘common practice’ area of the modern slavery section of the ESG plan are integrated into business practices during FY23, to which was achieved.



#### 4.1.4 Policies

Pacific Energy has a **Code of Conduct** and **Supplier Code of Conduct** policy, which govern the conduct of all corporate activity, including procurement. A **Modern Slavery** policy was established in October 2020 along with a **Whistle-blower** policy, providing employees, contractors, and families an avenue to confidentially disclose any concerns regarding unethical conduct.

All these policies are published at [www.pacificenergy.com.au](http://www.pacificenergy.com.au)

## 4.2 Risk Identification

### 4.2.1 Fair Supply Risk Identification

Information regarding the group's suppliers was provided to Fair Supply and an assessment of the theoretical risk of modern slavery was conducted for over 97% of suppliers to Pacific Energy. This assessment enables Pacific Energy to understand the number of theoretical slaves relative to each million dollars spent. This assessment of theoretical slaves is further explored by industry, by supply chain tier and by country. The assessment has allowed Pacific Energy to better understand where there is the potential risk of modern slavery and where to focus additional efforts with suppliers to better understand their supply chain and where mitigation actions can be focused.

### 4.2.2 Fair Supply Deep Dive Audits

To better explore the potential risk of modern slavery in high-risk industries in the renewable sector, deep dives into solar panel and wind turbine suppliers has resulted in a much deeper understanding of the specifics of these supply chains. Further, this has allowed Pacific Energy to ensure it has explored all options for potential suppliers of these specific components with a view to continue to work with suppliers to reduce and mitigate risks of modern slavery.

### 4.2.3 Self- Assessment Questionnaires

As part of the supplier screening process for potential suppliers, self-assessment questionnaires have been developed in order to gain an understanding of their approach to Modern Slavery and assess any red flags. To date, the questionnaires have been issued for suppliers in high-risk industries or geographic locations. A key focus is consolidating the supplier screening and self-assessment questionnaires to be rolled out into standard business practice. These self-assessment questionnaires will be used as part of the initial engagement of new and ongoing suppliers to continually gauge their approach and understanding of modern slavery risks.

## 4.3 Risk Management

### 4.3.1 Supplier Relationship Management

Building and maintaining strong relationships with suppliers is a critical strategy to ensure the ability to mitigate risk and potential for modern slavery. Pacific Energy has continued to focus on better understanding the risk of modern slavery for specific suppliers who may source components from high-risk countries or industries. This has then allowed us to work closely with these suppliers to

ensure they are aware of their own risks for modern slavery, and we can ensure appropriate mitigations are a focus for these suppliers. Ongoing management of the supplier relationships remains a critical focus for Pacific Energy.

#### 4.3.2 Supplier Expectations

Pacific Energy's general Terms and Conditions for goods and services requires that suppliers have investigated labour practices (and those of agents, contractors or subcontractors) to ensure that there is no forced labour or slavery used anywhere in any suppliers' business or in the business agents, contractors or subcontractors. The conditions require that suppliers ensure they have put in place all necessary processes, procedures, investigations, and compliance systems and that all necessary actions and investigations to remain compliant with applicable laws in relation to modern slavery and exploitative practices be adhered to in the future. Pacific Energy also has a Supplier Code of Conduct which expects all suppliers to comply with reasonable Australian community standards of ethics and business practices with our principles as outlined in the Code.

##### Case Study: **Solar Modules**

- Pacific Energy commenced due diligence with relevant solar module providers to identify a potential preferred long-term supplier that would comply with our modern slavery standards
- An audit of the market of major suppliers was undertaken and Pacific Energy engaged with these suppliers to identify which ones had the greatest level of transparency/disclosure on their supply chains
- Pacific Energy continued engagement with suppliers that demonstrated a willingness to provide disclosure and traceability, including a deep dive audit by Fair Supply
- Following significant due diligence and engagement with a particular supplier, Pacific Energy placed a small order of solar modules in order to be provided a sample traceability report (100KW)
- Within this order, Pacific Energy incorporated contractual clauses that stipulate our modern slavery conditions which included a nomination clause on acceptable areas/geographic location of supply of goods and services
- Pacific Energy continued engagement with the supplier to review the traceability report and identify areas for improved disclosure and improved traceability reporting
- Pacific Energy is now moving towards a nominated supply chain that this supplier can utilise for solar modules – traceability mapping
- Key outcome: Pacific Energy have transparency beyond the first tier of the solar module supplier which includes traceability of the product from raw material. There is robust and regular engagement in order to strengthen the disclosure and traceability.

## 4.4 Raising Grievances

### 4.4.1 Grievance Process

Employees are encouraged to raise concerns regarding conduct occurring at Pacific Energy or in relation to Pacific Energy. This can be done via our internal grievance procedures where an employee is encouraged to report concerns to their immediate supervisor or manager. Employees are also able to report concerns to the People and Culture team members or to members of the Executive directly. All reported concerns are taken seriously and addressed in a timely manner.

Employees and suppliers, contractors and other stakeholders are also able to report any issues of concern via the steps outlined in the confidential Whistle-blower policy and process.

No grievances relating to human rights or modern slavery were raised via the internal grievance process or the Whistle-blower process during the 2023 reporting period.

## 4.5 Remediation

### 4.5.1 Corrective Actions

Pacific Energy is committed to addressing any instances where we may have caused or contributed to modern slavery or any other human rights violations. Immediate and appropriate steps will be taken where such violations identified.

As outlined in our Grievance and Whistle-blower policies Pacific Energy will treat each and all instances raised seriously and sensitively. Investigations will be conducted promptly, and outcomes and actions will be identified fairly and objectively.

No instances relating to modern slavery were raised through these processes during the reporting period.

Pacific Energy is continuing to understand those suppliers with the highest risk of modern slavery in their supply chains. As noted in section 4.2.2 deep dive audits have been conducted in a focused way to further understand modern slavery risks. Pacific Energy is also working with suppliers who may be considering social compliance audits to better understand concerns and mitigation actions required.

## 4.6 Building Capacity & Capability

### 4.6.1 Education and Awareness

The Modern Slavery Working Group receives updates and information on key developments and compliance regarding Modern Slavery. During FY23, this included the Australian Government's review of the *Modern Slavery Act 2018 (Cth)* and other reports about modern slavery in the renewable energy sector, given its relevance to our business. As part of our continual improvement approach, the Modern Slavery working group meets and considers all updates and new information as contractual elements, supplier screening and risk management is addressed.

A training was also developed and rolled out through eLearning software to the entire workforce assists staff to understand modern slavery, current associated legislation, and how to identify the risks it presents to our operations and supply chain.

### 4.6.2 Stakeholder Engagement

Pacific Energy recognises that the path to eradicating modern slavery will be complex and requires a concerted effort for all segments of the community worldwide. Pacific Energy is committed to continuing to work with all relevant stakeholders, contractors, suppliers and community partners to better understand the complex nature of modern slavery and to raise ongoing awareness of this issue. Modern Slavery will continue to be a focus of discussion in all stakeholder relationships going forward.

## 4.7 Monitoring and Reporting

### 4.7.1 Reporting Dashboard

Accurate and timely information about the potential and risk of modern slavery is a critical enabler to focus attention and understanding of modern slavery. As mentioned in section 4.2 Pacific Energy has been accessing resources provided by Fair Supply to maintain a dashboard. This dashboard shows risk of theoretical slavery in our supply chain by country of origin, industry and supply chain tier. This information will continue to be updated as suppliers are added or amended and will be a key source of information going forward.

### 4.7.2 Tracking Improvements

Providing current updates on key metrics obtained via reporting dashboards and ongoing supplier relationship interactions will be a key to understanding where improvements have been made and the opportunity for further progress. Having timely information about suppliers and their supply chains during key negotiations and discussions are critical to continue to highlight the importance of a focus on modern slavery.

## 5. Future Outlook

During 2023-24 focus will be on the following:

- Further achievements in the 'Next Level' practice of Pacific Energy's ESG shaping plan
- Continuing the education and awareness of staff, in particular those in purchasing and procurement related roles
- Increasing management focus on procurement and contracting strategies to continue to understand and reduce our modern slavery risk
- Periodic reporting on ESG progress including Modern Slavery, to the PCRC, ESG Steering Committee and Pacific Energy's Board
- Continuing to build our supplier relationships and engaging in modern slavery discussions
- Refining reporting dashboards and information to track modern slavery risks and improvement made via remediation and corrective action

## Chairperson Approval



This statement was approved by the Board of Pacific Energy including all companies listed in section 3.1 on 10 NOVEMBER 2023.

A handwritten signature in black ink that reads "Cliff Lawrenson". The signature is written in a cursive, flowing style.

Cliff Lawrenson  
**Chairman**