

Beach Energy

FY24 Modern Slavery Statement





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Message from the Managing Director and Chief Executive Officer

Our vision is to become Australia’s leading domestic energy company by delivering leading shareholder returns through the sustainable supply of energy. To do this, we must work to eliminate modern slavery with active stakeholder engagement and by promoting ethical practices throughout our operations and supply chain.

As cases of modern slavery continues to rise and now with more than 50 million people living in modern slavery, so too does the need for a collective effort to tackle this global issue.

Beach released its first Modern Slavery Statement in 2020 and has since developed a Modern Slavery Framework. We perform various risk assessments, embed routine training for employees, and are growing consultation both internally and externally. This foundational work enables Beach to drive continuous improvement year-on-year.

Beach had 2,298 direct suppliers with aggregated expenditure of more than \$800 million in FY24. Over 95% of this expenditure occurred in the low-risk countries in which we operate so our modern slavery risk is considered low. However, modern slavery can often be hidden, and we continue to mature our approach in the identification, monitoring and management of modern slavery risk across our supply chain and operations.

We published a three-year roadmap in FY23 to outline our continuous improvement strategy. In FY24, we have developed a structured process to conduct third-party assessments of our suppliers and their suppliers, expanded the reach of our modern slavery working group and built collaborative capabilities with key stakeholders and industry groups.

This statement details our progress as we accelerate towards achieving the roadmap and strive for continuous improvement in responsible operations.

Brett Woods
Managing Director and Chief Executive Officer

5 December 2024

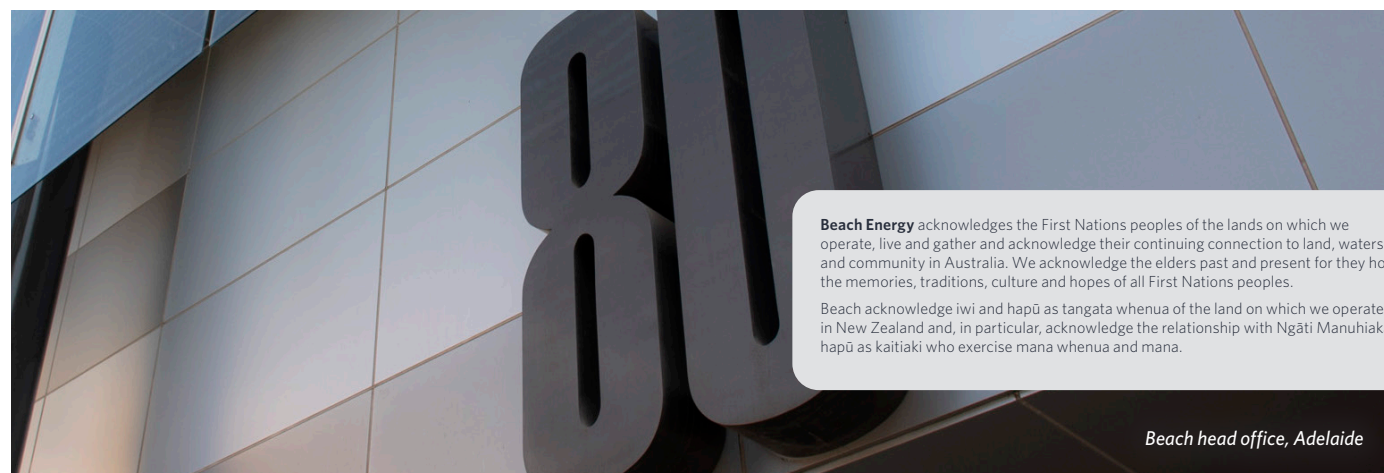


Criteria 1: Identify the reporting entity.

For the purposes of the *Modern Slavery Act (Cth)*:

Reporting entity: Beach Energy Limited (Beach or the company) ABN: 20 007 617 969	Registered office: Level 8, 80 Flinders Street, Adelaide SA 5000
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This statement covers all entities under Beach’s group structure (controlled entities). A list of these controlled entities is available on page 128 of the 2024 Annual Report. It does not cover non-operated joint venture operations.



Beach Energy acknowledges the First Nations peoples of the lands on which we operate, live and gather and acknowledge their continuing connection to land, waters and community in Australia. We acknowledge the elders past and present for they hold the memories, traditions, culture and hopes of all First Nations peoples.

Beach acknowledge iwi and hapū as tangata whenua of the land on which we operate in New Zealand and, in particular, acknowledge the relationship with Ngāti Manuhikāi hapū as kaitiaki who exercise mana whenua and mana.

Beach head office, Adelaide

This statement was approved by the Beach Board of Directors in their capacity as principal governing body of Beach Energy Limited on 5 December 2024.



Our business structure, operations, and supply chain

Criteria 2: Describe the structure, operations, and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.

Structure

Beach is an ASX-listed oil and gas exploration and production company headquartered in Adelaide, South Australia. Founded in 1961, Beach produces gas, oil and natural gas liquids from five basins across Australia and New Zealand, with a strategic focus on the East Coast and West Coast of Australia. Beach aims to become Australia’s leading domestic energy company by delivering leading shareholder returns through the sustainable supply of energy.

Operations

Beach operates production facilities in the Cooper/Eromanga and Otway Basins in South Australia, Otway and Bass Basins in Victoria, the Perth Basin in Western Australia and the Taranaki Basin in New Zealand. These operations are subject to the environmental approval processes of the respective governments in Australia and New Zealand.

For more information on the company’s operated and non-operated assets, including Beach’s Governance Framework, please refer to the 2024 Annual Report.

Supply Chain

Beach’s supply chain consists of local family-owned businesses and major organisations specialising in a range of goods and services as shown in Figure 1.

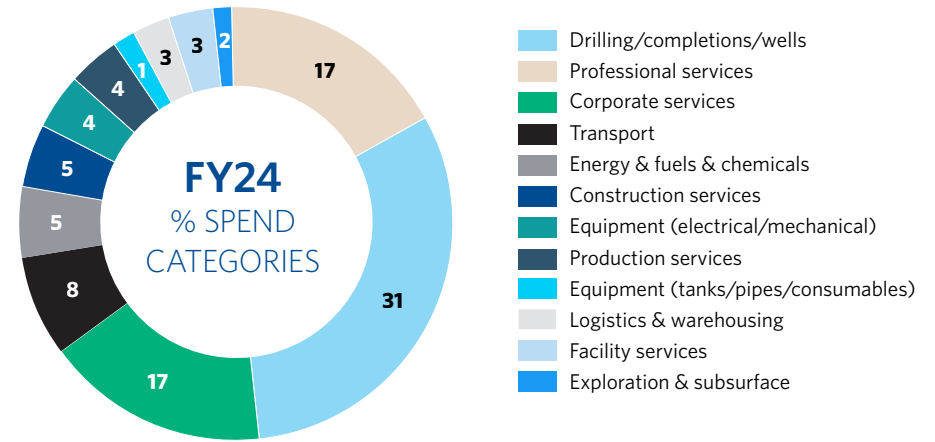
Beach directly engaged with 2,298 suppliers (Tier 1 suppliers) and spent approximately \$811 million on the goods and services outlined in Figure 1 during FY24. Over 600 new contracts were executed and approximately 1,480 contracts were active at year-end. Drilling, completions and well interventions accounted for 31% of total expenditure and corporate services and professional services accounted for 17% each.

Beach aims to utilise local suppliers where possible with over 95% of total expenditure occurring in either Australia or New Zealand.

Beach established its Supplier Expectations in FY21 to clearly identify what the company expects from its suppliers beyond standard contractual terms and conditions, laws and regulations and Health, Safety and Environmental requirements. Through this document, Beach requires all suppliers to conduct their own due diligence into their suppliers (Tier 2 suppliers) and facilitate all Beach audit requirements upon request.

The expectations are proactively incorporated into all new agreements and reflect Beach’s commitment to respecting labour and human rights, identifying, avoiding, minimising and mitigating human rights risks in its operations and supply chain. The Supplier Expectations can be [accessed here](#).

Figure 1 FY24 percentage spend categories



Primary supplier base in FY24	Spend by Country	Suppliers by Country
Australia	78.6%	79.4%
New Zealand	18.1%	13.2%
United Kingdom	1.9%	1.9%
United States of America	0.5%	2.4%
Bermuda	0.2%	0.0%
Canada	0.1%	0.5%
Israel	0.1%	0.1%
Malaysia	0.1%	0.3%
Netherlands	0.1%	0.2%
Singapore	0.1%	0.9%
Other ¹	0.2%	1.7%

Table 1 Supplier expenditure

¹ Consolidated spend across Norway, Singapore, Malaysia, Canada, Luxembourg, Netherlands and Denmark was less than 0.7% of total spend.



Risks of modern slavery practices in our supply chains and operations

Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities that the reporting entity owns or controls.

Modern Slavery Risk Framework

Beach's Modern Slavery Risk Framework aims to address the risk of modern slavery in its supply chain and operations.

The Modern Slavery Risk Framework is informed by the:

- United Nations Guiding Principles on Business and Human Rights (UNGP);
- International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work; and
- Beach Risk Management Framework.

The company abides by the ILO's five principles to promote a safe and healthy work environment, free from modern slavery and discrimination. Beach's Risk Management Framework considers a wide range of business risks and provides the basis by which it defines, standardises and implements processes to manage risks, applicable to all personnel performing work within the company's jurisdiction.

It applies the *Commonwealth Modern Slavery Act 2019: Guidance for Reporting Entities' high-risk indicators of modern slavery*, with minor changes to reflect the oil and gas industry to enhance the company's understanding of where risks can occur (refer Table 2).

Beach partners with its suppliers to provide resources, guidance and support in the development of modern slavery programs, thereby improving the overall supply chain visibility for all parties.

Modern Slavery Risk Assessment Process

Beach actively assesses modern slavery risks within its supply chain during procurement activities and where a potential risk has been identified. This cumulative supply chain assessment increases stakeholder transparency, in alignment with the UNGP's Continuum of Involvement.

Beach includes a Rapid Risk Assessment (RRA) in its tendering framework and award protocols to produce a preliminary risk rating for potential suppliers. The RRA considers four high-risk indicators of modern slavery and if a supplier is considered medium-risk or high-risk, a Modern Slavery Supplier Questionnaire will follow.

The Questionnaire queries the supplier's business structure, internal processes and policies, supply chain visibility (including Tier 2 supplier locations), employee training, internal and external audit provisions and employee entitlements. Specific due diligence and assurance activities are prepared based on the response. Beach engages third-party modern slavery contractors to both validate supplier questionnaire responses and assure modern slavery practices for high-risk suppliers.

Where applicable, Beach will engage third-party inspections that enable robust onsite monitoring and evaluation of its suppliers, and in turn, maintains visibility of any potential modern slavery risks in the supply chain.

High-risk Indicator	Governing Indices
Geography boundaries / Country of Risk	Global Slavery Index Transparency International Corruption Perception Index
Commodities / Categories of goods and services	US Department of Labour List of Goods produced by Child and Forced Labour Verite Force Labour Commodity Atlas
Industry / Sector	OECD Sector-Specific Guidance
Entity Risk (e.g. governance and structure)	UN Guiding Principles on Business and Human Rights

Table 2 Modern slavery high-risk indicators



Supply Chain by Company Size

Beach works with suppliers of all sizes and across a broad range of categories that employ both high and low-skilled labour. Large and Medium businesses have greater resources and more mature business processes whereas Small and Micro businesses are less likely to have robust processes².

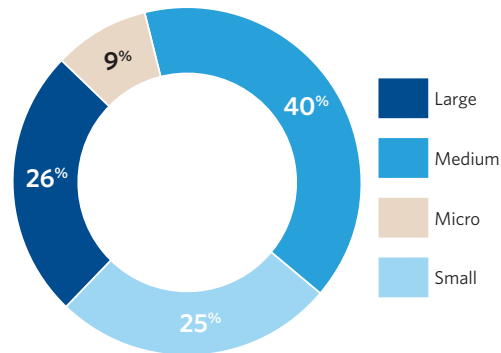


Figure 2 Business size by primary suppliers

Complex organisational structures, including a reliance on outsourcing labour and supply chains with multiple tiers, make identification of modern slavery difficult, particularly given supply chain globalisation.

Beach’s Tier 1 suppliers have indicated a shift towards simpler business models, likely a result of either an increased risk awareness associated with complex labour arrangements or economic pressures requiring a leaner organisation. In FY24, 81% of Beach Tier 1 suppliers employed more than 50% of their workforce as permanent workers compared to 75% in FY23.

Outsourced labour is still a necessity for smaller suppliers and 33% of Small and 50% of Micro suppliers utilised outsourced labour in FY24. 96% comply with the United Nations ILO conventions to eliminate the worst forms of child labour, hazardous child labour and minimum age for work.

All Beach suppliers provide all full-time employees with all legal working entitlements and privileges. This includes the ability to resign, receipt of all legal pay entitlements, no age deductions or security deposit requirement and no retention of original identification. 99% of all Tier 1 suppliers provide employees with a written contract in an appropriate language with clearly articulated terms.

Large Beach suppliers continue to build a strong modern slavery management and responsible sourcing program with 95% utilising a modern slavery policy and/or procedure, 86% implementing a due diligence framework and 71% establishing a responsible sourcing audit or certification process.

Smaller suppliers are less likely to have an established modern slavery framework in place. This is often the result of limited resourcing, reduced exposure to modern slavery occurrences and reporting requirements, and/or localised value chains. However, Beach’s suppliers are increasingly providing modern slavery training to their personnel with 57% doing so in FY24, up from 48% in FY22.

Supply Chain by Type

Certain sectors and industries may have higher modern slavery risks due to their characteristics, products and processes, including complex and multi-tiered supply chains. Beach’s Modern Slavery Framework identifies higher risk categories and tracks expenditure accordingly.

Beach materially improved its categorical modern slavery risk in FY24 with 38% of Tier 1 suppliers operating in a higher-risk category, relative to 61% of all Tier 1 suppliers in FY23. Beach’s highest risk categories were equipment, parts and consumables (13% of total expenditure), wellsite services (12%) and equipment hire (12%).

Beach’s expenditure is reflective of the various large projects and work activities carried out in FY24, typically being high-value procurements. For example, 96% of equipment hire spend is attributed to drill rig or crane hire. Given most Tier-1 suppliers resource internally, modern slavery risk is minimised.

Business size	MS Policy/Procedure	MS Due Diligence Program	Responsible Sourcing Program	Overall	
				FY24 Average	FY23 Average
Large	95%	86%	71%	84%	96%
Medium	78%	66%	66%	70%	71%
Small	72%	61%	67%	67%	54%
Micro	50%	41%	50%	47%	60%

Table 3 Spend by business size

² Australian Bureau of Statistics defines business size by employee population as follows: Micro - Large: 200+ employees; Medium - 20 - 199 employees; Small - 5 - 19 employees; and Micro - 4 persons and under.

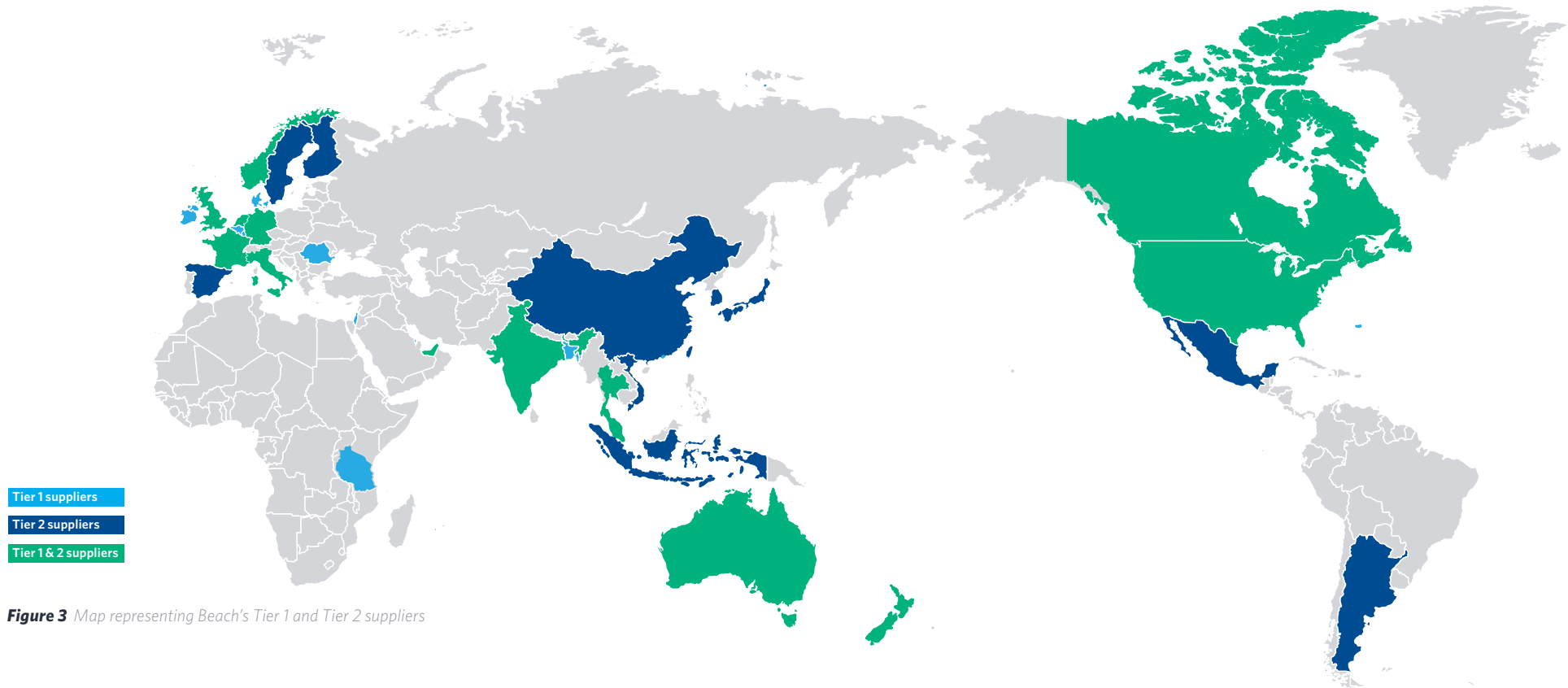


Figure 3 Map representing Beach's Tier 1 and Tier 2 suppliers

Supply Chain by Geography

Modern slavery risks can vary depending on the country from which goods and services are procured. While Beach has minimal engagement with Tier 1 suppliers from high-risk geographical locations, exposure to high-risk locations is amplified through Tier 2 suppliers.

In FY24, Beach engaged Tier 1 suppliers from 26 countries with 99% of total expenditure occurring in low-risk locations (Australia, New Zealand or the United Kingdom, according to the Global Slavery Index (2018)). A small portion of total expenditure (0.13%) occurred in India and Malaysia, considered higher-risk locations, and related to enterprise resource planning support, legal fees, professional

body subscriptions, seismic data acquisition, and filtration services. Approximately 0.01% of total expenditure occurred in the United Republic of Tanzania relating to ongoing legal and consultancy services for the Beach entity based in the country.

Beach requires its Tier 1 suppliers to disclose the two primary locations of Tier 2 suppliers. Supply chain visibility continues to increase with 66% of Tier 1 suppliers reporting adequate visibility across Tier 2 suppliers, compared to below 60% in FY23.

Beach suppliers materially reduced their modern slavery risk in FY24 with 1.5% of Tier 1 suppliers sourcing goods and services from high-risk locations, compared to 2.7% in FY23. These countries include India, Indonesia, Malaysia,

Thailand and Vietnam and generally relate to engineering services, fabrication services, subsea services, value supply, chemical supply, fuels, and materials handling.

Operational Assessment

All Beach contracts are established and regulated within Australian and New Zealand legislative requirements, providing direct visibility for employee contract terms and conditions. Beach has one subsidiary situated in a high-risk country (Tanzania) with no activities or operations in the area.

The company utilises well-developed policies and a risk framework that underpins its operations to identify modern slavery risks. Beach has also improved its ability to identify modern slavery risks within its operations by enhancing staff participation rates in online modern slavery training.



Actions we have taken to assess and address risks of modern slavery practices

Criteria 4: Describe the actions taken by the reporting entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.

Beach regularly assesses modern slavery risks within its supply chain and operations and has implemented a number of initiatives to support its stakeholders.

Supplier Due Diligence

Beach monitors its exposure to human rights and modern slavery risks using a combination of external research, new supplier screening, supplier due diligence programs, and supplier and supply chain worker feedback mechanisms.

Beach is currently reviewing those suppliers who scored a rating of Medium or High via the formalised Supplier Self-Assessment Questionnaire in FY24, where due diligence programmes will be developed specific to their responses provided. These programmes will consider a range of tools and methods to establish assurance with suppliers to de-risk potential occurrences of modern slavery.

Supplier Partner Days

Beach held four Supplier Partner Days between March and April 2024 in Adelaide, Melbourne, Perth and New Zealand. The purpose was to engage key suppliers on responsible sourcing topics to enhance supplier engagement and prepare for emerging company goals and requirements.

Each day was presented by Beach senior leaders who aimed to increase communication, collaboration and upskilling of suppliers. Discussions focused on modern slavery as well as effective engagement with Beach, environmental, social and governance (ESG) considerations, indigenous participation and cyber security. The sessions were attended by 63 Australasian suppliers from 15 market sectors ranging from professional services to logistics.

Third Party Inspections

Beach engaged Intertek to enable third-party inspection of supplier modern slavery risks. Intertek has a presence in over 100 countries, ensuring efficient cultural engagement in each jurisdiction. Inspection services are inclusive of audit criteria in line with ILO conventions, and are underpinned by policies in sustainable procurement, labour rights, human rights, and modern slavery.

The audit capability enables end-to-end on-site assessment, processing and documentation review. For example, a site tour, management and worker interviews, and correction plans for identified issues are coupled with close-out audits and further periodic assessments to ensure continuous improvement.

Maturing our Modern Slavery Framework

Beach's responsible sourcing framework continues to evolve with an increased focus on ESG considerations including modern slavery and human rights. It considers the interdependencies between Beach's Modern Slavery Framework and other frameworks, the process to identify, assess and monitor modern slavery risks in the company's operations, how to escalate incidences of modern slavery, and outlines how Beach can support modern slavery risk reductions and/or ceasing of engagements that pose a higher risk.

Beach will enhance its system-based supplier qualification solution to introduce additional data verification capabilities and live data links to key indices for real-time notifications. This system-based solution has recently been tendered and awarded, with solution design commencing in 2025.

Training

Education and awareness training continues to be a key tool to negate modern slavery risks. Beach maintains an online training module that is utilised for staff onboarding and every two years thereafter. 93% of all Beach employees and contingent works completed the modern slavery training module between February 2022 and February 2024.

External Engagement

In addition to attending regular SGH Limited modern slavery working groups, Beach regularly engages with its joint venture partners to collaborate on modern slavery risk prevention. Collaboration improves risk monitoring and data analysis of overlapping supply chains, drives decision making and enhances understanding of potential modern slavery risks.

Whistleblower Mechanism

In addition to Beach's processes to find and mitigate modern slavery in its supply chains and operations, Beach encourages all personnel to report instances, or suspected instances, of modern slavery.

Employees, contractors and third-party consultants have access to Stopleveline, an expert whistleblower service that allows users to raise grievances and report modern slavery concerns, human rights violations, illegal conduct or other serious workplace issues either with personal details or anonymously.

Any reports of misconduct and potential modern slavery will be taken seriously and addressed in line with company policy and local legislation.

FY24 Reported Concerns

Where instances of modern slavery are reported, Beach works with relevant stakeholders to remedy adverse human rights impacts. No modern slavery related grievances or reports were received in FY24.

Assessing effectiveness of actions

Criteria 5: Describe how the reporting entity assesses the effectiveness of such action.

At the beginning of each year, Beach establishes new and addresses maturing key performance indicators (KPI) that track performance against the company's roadmap and highlights the effectiveness of its approach to modern slavery risks. The below table highlights Beach's FY24 KPIs and performance against them.

Theme	Key performance indicator	FY24 Results	Page Ref
Identify / Assess	Maintain >80% supplier assessments against suppliers assessed in top spend categories	●	5
	Maintain >60% supplier assessments within spend level 4 (\$100k-\$250k per annum) by high-risk subcategories	●	5
Capability / Training	Ensure 90% of employees maintain training including 2 year renewals	●	7
	Training provided to Service Providers (to commence on the implementation of training capability)	●	7
Mitigate / Business Framework	Formalise Modern Slavery Framework within the Modern Slavery Procurement Procedure	●	7
Remediate / Grievance Mechanisms	Third party auditing of suppliers at premises (to commence on implementation of third party auditing capability)	●	7
	Ensure 100% of concerns raised using our grievance mechanisms are investigated and actioned	●	7
Collaborate	Maintain 80+% participation in key groups related to modern slavery, including the SGH Limited Modern Slavery Working Group	●	8

● Completed ● Progressed ● Not Started



Perth Basin, Western Australia

Consultation with Beach owned entities

Criteria 6: Describe the process of consultation with any entities that the reporting entity owns or controls.

This statement covers all entities within Beach's group structure. A list of all controlled entities is available under the heading 'Subsidiaries' on page 128 of the 2024 Annual Report. These entities are covered by Beach's policies, procedures, standards, and systems including those relating to Contracts and Procurement, Health and Safety and Human Resources. The controlled entities all operate under the direction and governance of Beach Energy Limited.

Beach maintains a multi-functional group of representative members at each operational site across Australia and New Zealand. Monthly meetings are held to discuss potential modern slavery risks, opportunities for improvement and the continuous development of the annual Modern Slavery Statement. The statement is also reviewed by Beach management and the Executive Team who provide input and final approval.

In alignment with Beach's commitment to strive for continuous improvement, Beach has expanded the reach of its consultation in FY24 to include joint venture partner Mitsui Ltd. and share modern slavery risks, challenges and ideas. Continuous collaboration with partners is essential to mature the approach of Beach and that of others, ensuring supply chains are responsibly maintained.



Cooper Basin, South Australia

Other information

Criteria 7: Other information

Modern Slavery Action Roadmap

The table below provides an update on the current three-year roadmap and Beach's performance against action items.

Action roadmap FY24-FY26	Status	
	Start of FY24	End of FY24
Further embed the modern slavery training module across Beach, including a review of the onboarding process for supplementary workers, suppliers, and consultants	●	●
Expand the scope of our Contracts & Procurement team, with a dedicated focus on responsible sourcing which includes consideration of human rights issues	●	●
Build collaboration with industry groups and key stakeholders	●	●
Establish a process for engaging a third party to conduct modern slavery specific assessments at suppliers/sub-suppliers locations (nationally and overseas)	●	●
Strengthen our internal modern slavery working group by including members from wider business groups such as Operations, People and Culture and Assurance	●	●
Expand Beach's operational assessment to enhance the identification and management of modern slavery risks within our operations, both directly, working with groups such as employees, contractors, service providers or indirectly, via sub-contractors or sub-sub-contractors	●	●

● Achieved ● Commenced ● Planned



Modern Slavery Statement

Published 5 December 2024

Ways to contact Beach for modern slavery concerns

Beach is committed to promoting a culture of ethical conduct through the protections offered within our [Whistleblower Policy](#). As stated within the policy, protections are applicable to company directors (former and current), officers, employees, contractors, sub-contractors or associates and families of those persons.

If anyone wishes to make a complaint this can be done via a report to any of the following internally:

- Reporting and Protection Officer
- The Company Review Panel or member thereof
- The persons manager
- The Board (if none of the previous avenues are appropriate)
- Via our new internal online portal available to staff and contractors

For external complaints, as per the policy, a report can be made to Beach's Reporting and Protections Officer (Company Secretary) by post to Beach Energy Ltd, Level 8, 80 Flinders Street, Adelaide SA 5000 (marked to the attention of the Reporting and Protection Officer and as URGENT and CONFIDENTIAL).

Copies of Beach's policies referenced in this report can be found on our website [here](#).



Beach Energy Limited

ABN 20 007 617 969

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