GDI (EII) Pty Limited

# FY24 Modern Slavery Statement

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# 1      Reporting criteria 1

## 1.1     About GDI

GDI (EII) Pty Limited (ACN 154 766 524) (**GDI (EII)**) is an unlisted investment vehicle that wholly owns the Allgas natural gas distribution network (**Allgas Network**). GDI (EII) has 100% ownership of the trading entity Allgas Energy Pty Limited (ACN 009 656 446) (**Allgas**). In this statement, when we refer to "GDI" it is a reference to GDI (EII) and Allgas, which are both reporting entities under the *Modern Slavery Act 2018* (Cth) (**Act**).

Allgas has three wholly owned subsidiaries which do not trade, Allgas Toowoomba Pty Limited ACN 009 655 645 (which holds network infrastructure assets), Allgas Pipelines Operations 1 Pty Limited ACN 154 784 853 (which holds the investment in Allgas Pipelines Operations Pty Limited), and Allgas Pipelines Operations Pty Limited ACN 076 666 807 (which holds easements).
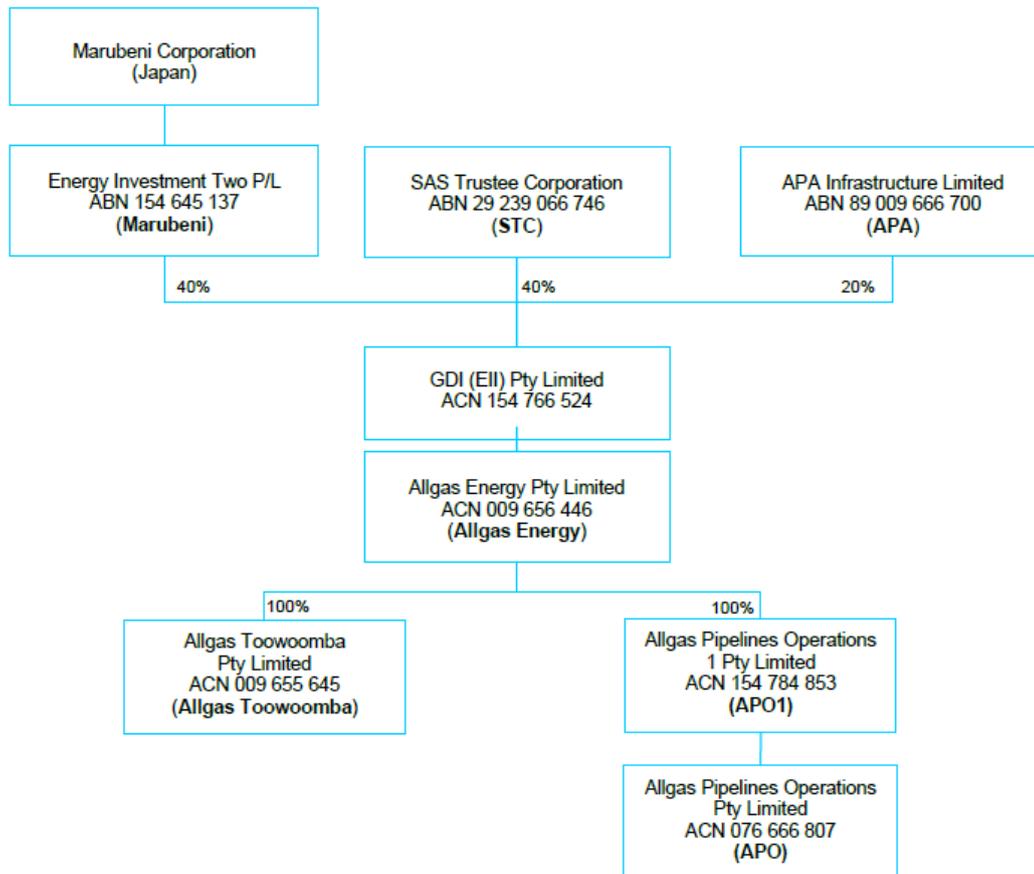


The Allgas Network extends from Brisbane, south of the river, to the northern tip of New South Wales, with separate networks in Toowoomba and Oakey. It is supplied with natural gas from a variety of upstream producers that connect into APA's East Coast Grid via the Roma – Brisbane Pipeline (**RBP**). The Allgas Network connects to the RBP at Oakey, Toowoomba and Brisbane.

The Allgas Network consists of over 3,900km of pipelines and distribution mains, delivering gas to over 114,000 connections in QLD and NSW. Its major customers are energy retailers and commercial and industrial users.

The Allgas Network is subject to light regulation pursuant to the National Gas Law and National Gas Rules by the Australian Energy Regulator.

APA Group (**APA**) (20% equity owner) provides operations and maintenance and corporate services to GDI via a long-term services agreement. APA is responsible for the supply chain of GDI and their owned or controlled entities.

In line with the UN Guiding Principles on Business and Human Rights (**UNGPs**), we respect all internationally recognised human rights as set out in the Universal Declaration of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

## 1.2    About this statement

This Modern Slavery Statement (**statement**) has been prepared for GDI (EII) and Allgas by APA, the operator of the Allgas Network, to meet the requirements of the Act for the financial year ending 30 June 2024 (FY24). The entities covered by the statement are identified in Appendix 1.

This statement has been prepared by APA's Modern Slavery Team, in conjunction with APA's Modern Slavery Working Group, with the assistance of external subject matter experts. Information about the approach to consultation with reporting entities and owned or controlled entities to develop this statement is set out in Section 6.

This statement was approved by the GDI Board on 2 December 2024 on behalf of all reporting entities covered by this statement. The statement has been signed by the Chair of GDI.
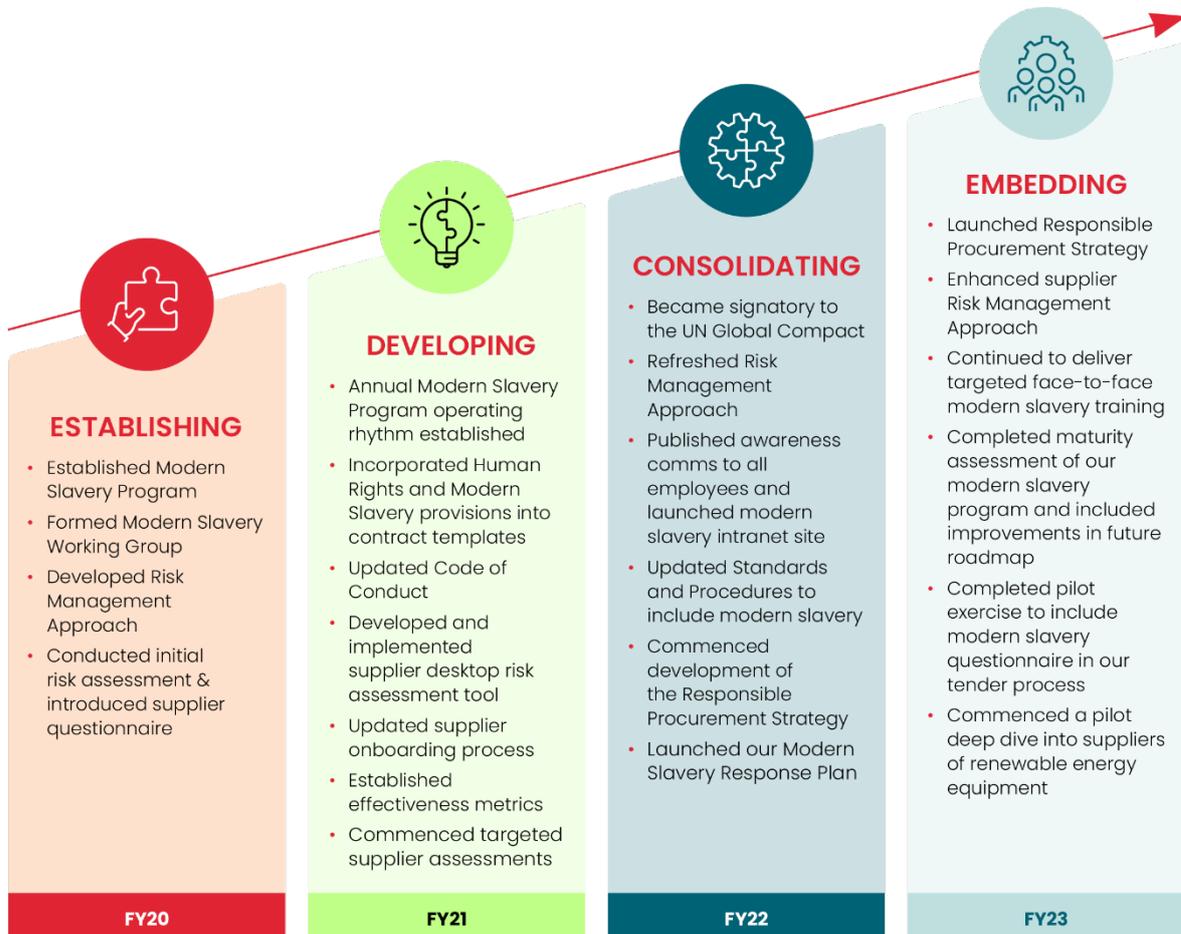
Garrick Rollason

## 1.3    Advancing APA's modern slavery response

APA is focused on refining its modern slavery response and has continued to learn from experiences, strengthen due diligence processes, and increase supplier engagement.

The visual below highlights APA's progress during the financial year.

**ESTABLISHING**

- Established Modern Slavery Program
- Formed Modern Slavery Working Group
- Developed Risk Management Approach
- Conducted initial risk assessment & introduced supplier questionnaire

**FY20**

**DEVELOPING**

- Annual Modern Slavery Program operating rhythm established
- Incorporated Human Rights and Modern Slavery provisions into contract templates
- Updated Code of Conduct
- Developed and implemented supplier desktop risk assessment tool
- Updated supplier onboarding process
- Established effectiveness metrics
- Commenced targeted supplier assessments

**FY21**

**CONSOLIDATING**

- Became signatory to the UN Global Compact
- Refreshed Risk Management Approach
- Published awareness comms to all employees and launched modern slavery intranet site
- Updated Standards and Procedures to include modern slavery
- Commenced development of the Responsible Procurement Strategy
- Launched our Modern Slavery Response Plan

**FY22**

**EMBEDDING**

- Launched Responsible Procurement Strategy
- Enhanced supplier Risk Management Approach
- Continued to deliver targeted face-to-face modern slavery training
- Completed maturity assessment of our modern slavery program and included improvements in future roadmap
- Completed pilot exercise to include modern slavery questionnaire in our tender process
- Commenced a pilot deep dive into suppliers of renewable energy equipment

**FY23**

## Embedding FY24 actions

Continued to roll out modern slavery training

Monitored emerging modern slavery risks

Delivered tailored training to Executive Leadership Team and Board

Included modern slavery questionnaire in high-risk tender events

Conducted deep dives for suppliers identified as having an elevated risk of modern slavery

Partnered with a key supplier to action a continuous improvement plan

Refreshed modern slavery clauses and obligations included in precedent agreements and terms and conditions

Continued development of new Supplier Code of Conduct and developed a draft Modern Slavery Supplier Risk Mitigation Engagement Guide

# 2 Reporting criteria 2

## 2.1 Operating Model

The Allgas Network is operated by APA under the terms of a long-term services agreement in which APA performs all the services necessary for the management of the gas distribution network. This includes managing the operations, procurement policies and procedures, and supply chains.

## 2.2 Operations and supply chain

**Total procurement spend = ~$77million**

**Direct suppliers engaged = 14**

**Indirect suppliers engaged = 314**

During FY24, GDI's procurement spend was approximately $77 million, with 14 tier 1 suppliers. APA, on behalf of GDI, procured products and services from 314 tier 2 suppliers. The term 'tier 1 suppliers' refers to GDI's direct suppliers of goods or services. References to 'tier 2 suppliers' are the suppliers or subcontractors of GDI's tier 1 suppliers, 'tier 3 suppliers' are the suppliers or subcontractors of GDI's tier 2 suppliers, and so forth.

The procurement spend is predominately managed through contractual arrangements including:

- purchase orders governed by master agreement terms and conditions, such as agreements for professional services or supply of goods,

- bespoke agreements for the procurement of complex and high value goods, including for products such as valves, regulators and water bath heaters to support the development of new assets,

- multi-year standing arrangements governed by Precedent Agreements such as long-term services agreements.

The following table shows GDI's main areas of operation and its corresponding supply chains.

| Area | Main Operations | Supply Chain |
|------|-----------------|--------------|
| **Network Operations** | Operation and maintenance of third party owned gas distribution networks.<br><br>Development and delivery of asset replacement, growth projects and third-party works, such as new mains and services, extensions and reticulation of new developments. | - Industrial construction materials and equipment sourced directly from Australian tier 1 suppliers, who in turn source materials (such as steel pipe, fittings, valves and gas measurement devices) from offshore suppliers<br>- Australian-based construction and maintenance contractors, mains and service layers, mains renewal contractors, plumbers and gas fitters<br>- Pipe and fitting products, such as polyethylene pipe (PE) sourced and manufactured in Australia. PE raw materials are sourced in Australia and offshore via prequalified tier 2 suppliers. |
| **Head Office[1]** | Corporate services, such as:<br>- Finance and Technology<br>- Strategy and Corporate Development<br>- People, Safety and Culture<br>- Procurement<br>- Risk, Compliance and Insurance<br>- Legal and Governance<br>- Sustainability (including Climate) and Corporate Affairs<br>- Health, Safety, Environment and Heritage | - Fleet management<br>- Professional services<br>- Information Technology, including telecommunications<br>- Safety clothing/personal protective equipment (PPE)<br>- Recruitment and labour hire<br>- Office products<br>- Corporate real estate and facilities<br>- Marketing and advertising<br>- Travel<br>- Catering<br>- Training and development<br>- Insurance |

[1] The GDI head office is APA's head office. All corporate functions are provided by APA staff. In the same way APA provides all operational support. GDI does not have its own employees.

# 3 Reporting criteria 3

## 3.1 Identifying our modern slavery risks

GDI relies on APA's analysis of its own operational and supply chain risks, as APA provides GDI with operations and maintenance and corporate services, and GDI's suppliers are a subset of APA's suppliers.

APA draws upon the UN Guiding Principles on Business and Human Rights (UNGPs) to understand the connection to modern slavery risks.

The UNGPs are the authoritative global standard for addressing business-related adverse human rights impacts and set out a three-part continuum to explain how companies could be involved in human rights harms, such as modern slavery.

The Australian Government recommends companies use this continuum to understand and communicate about their modern slavery risks.

| Cause | Contribute | Directly linked |
|---|---|---|
| Entities can cause modern slavery if their operations 'directly result in modern slavery practices'. | Entities can contribute to modern slavery where their 'acts or omissions … facilitate or incentivise' modern slavery practices. | An entity can be directly linked to modern slavery where its 'operations, products or services … (are) connected to modern slavery through the activities of another entity … (it has) a business relationship with' |
| Hypothetical example:<br><br>A construction contractor working in the infrastructure sector intentionally exploits foreign workers it recruits, including confiscating their passports to force them to work. | Hypothetical example:<br><br>An infrastructure company revises the parameters for a major project at short notice, including requiring a subcontractor to meet tightened cost and timing deadlines that could only reasonably be achieved by the subcontractor requiring excessive working hours and unpaid overtime. | Hypothetical example:<br><br>An infrastructure company sources personal protective equipment (PPE) produced by a supplier using cotton harvested by a sub-supplier using forced labour. |

## 3.2 Modern slavery risks in our operations

As noted in previous modern slavery statements, and in this statement, GDI and its subsidiaries do not have any employees. APA employees and contractors work on the network on behalf of GDI. As such, there remains a low risk that GDI or its subsidiaries have caused, contributed or were directly linked to, adverse human rights via their operations.

In FY24, APA assessed the risk of modern slavery in its operations as low due to:

- the workforce is based in Australia and primarily employed on a permanent or fixed-term basis

- compliance with all applicable legislative requirements in Australia regulating workplace relations

- well-defined internal policies and processes in place to maintain a safe and fair working environment, such as: recruitment and onboarding processes including employment, visa and health checks, induction processes and training, and comprehensive policies and procedures.

Employees are free to associate and enter into employment agreements that meet the requirements of the National Employment Standards, including the freedom to join unions and/or enter collective bargaining agreements, as well as requests for flexible working arrangements, parental leave and long service leave.

APA's Apprentice Program is open to school leavers aged 16 and above. APA aims to provide a safe and fair working environment for apprentices in line with Australian workplace law. All Apprenticeship Program participants undergo a multiweek induction program which includes training courses on issues including safety, wellbeing, and internal systems and procedures. They then complete their apprenticeships in areas such as civil construction and fabrication.

### 3.3    Modern slavery risk in our supply chain

GDI's primary supplier is APA. APA provides operations and maintenance and corporate services to GDI via a long-term services agreement.

APA's greatest exposure to modern slavery risks is through its supply chain. GDI recognises that it could be directly linked to a range of modern slavery risks through APA's suppliers, including for both goods and services. For example, APA may be directly linked to modern slavery though the sourcing and processing stages of the raw materials that make their way into the products ultimately supplied to us, and in the manufacturing plants located in higher risk locations that supply goods to APA's suppliers or their wholesalers.

We understand that we could also potentially contribute to modern slavery if the controls outlined in this statement failed or were not fit for purpose.

The visual below highlights key areas of modern slavery risk and shows the different risk factors taken into account during APA's risk assessments. Key controls to address these risk areas are set out in Appendix 2.
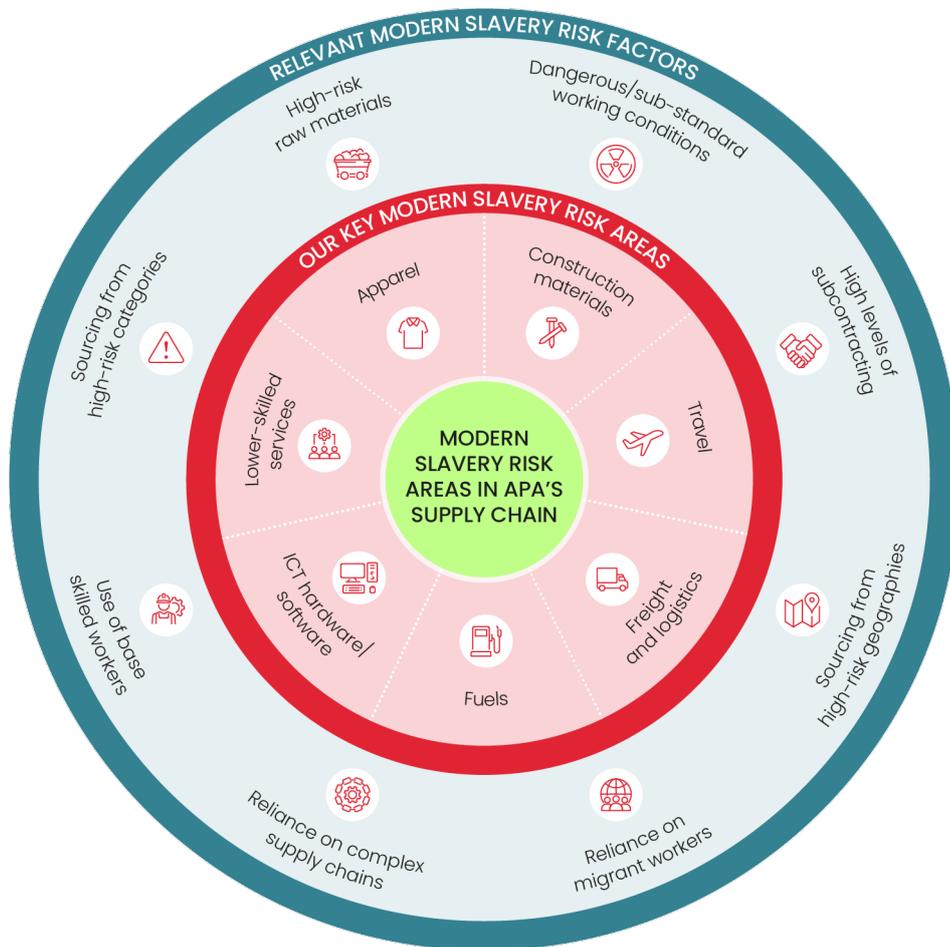
# 4      Reporting criteria 4

## 4.1      Actions taken to assess and address risk

GDI remains committed to taking meaningful action to address risks in its operations and supply chain. All of the actions outlined in this section were undertaken by APA on behalf of GDI, given APA operates GDI's assets and is responsible for its supply chain. APA's modern slavery statement provides additional details in relation to its actions, for APA and on behalf of GDI.

## 4.2      Governance Framework

APA's governance framework helps to manage material risks and opportunities, including risks relating to modern slavery, are escalated through the executive leadership team to the GDI Board with the support of APA's Executive Risk Management Committee, and Risk Management Committee.

The cross-functional Modern Slavery Working Group met quarterly throughout the year to drive the continuous improvement in APA's approach to managing modern slavery risk.

## 4.3      Policy Framework

GDI's risk management framework leverages APA's group wide policy framework, which sets the foundation for the approach to managing modern slavery risks.

Reviews of key policies are conducted to help ensure they remain fit for purpose to mitigate modern slavery as well as other broader human rights issues. Details of relevant policies can be found in Appendix 3.

## 4.4      Modern Slavery Risk Management Approach

As our most likely connection to modern slavery risks is through our supply chain, the modern slavery due diligence approach is focused on suppliers.

**New supplier onboarding**

Modern slavery checks are part of APA's supplier onboarding and pre-engagement risk management process.

The onboarding process requires suppliers to declare their commitment to respect workers' fundamental human rights before they are added to the internal systems.

This includes committing to:

- providing a safe working environment (and appropriate worker accommodation facilities where relevant)

- paying a fair wage in accordance with all relevant laws and regulations

- treating workers equally without distinction based on gender, race, age or religion

- ensuring workers are free from forced labour, including that workers are able to access to employee documentation and passports (if internationally sourced labour)

- ensuring workers are free to join a union or other similar collective bargaining arrangement.

APA's precedent agreements include modern slavery clauses and obligations that were reviewed and uplifted during FY24.

These commitments seek to mitigate modern slavery risks in GDI's supplier operations and supply chains. The template clauses support APA's Modern Slavery Risk Management Approach, ongoing supplier due diligence, access to grievance mechanisms, and APA's Modern Slavery Response Procedure. This includes any necessary remediation process in circumstances where risk is identified, and/or incidents are reported.

**Existing supplier risk management**

APA suppliers, including GDI's suppliers, are screened for inherent modern slavery risk using the Fair Supply platform using the process outlined below.

<u>Initial screening/supply chain mapping:</u>

The platform traces the economic inputs typically required to produce products and services sourced from tier 1 up to tier 10 suppliers. The supply chain mapping was performed by linking supply chain data from 190 countries and over 15,000 industry sectors. Data is sourced from:

- the United Nations' (UN) System of National Accounts
- UN COMTRADE databases
- Eurostat databases
- the Institute of Developing Economies, Japan External Trade Organization (IDE/JETRO)
- numerous national agencies including the Australian Bureau of Statistics.

It examines supply chains against international standards:

- the UN Guiding Principles on Business and Human Rights
- the Walk Free Global Slavery Index
- International Labour Organisation's (ILO) Global Estimates of Modern Slavery
- the United States' Reports on International Child Labour and Forced Labour.

Results from the screening and supply chain mapping are reviewed and suppliers with a higher inherent risk are asked to complete a self-assessment questionnaire.

<u>Self-assessment questionnaires (SAQ):</u>

The SAQ responses are used to assess the level of modern slavery risk in the supply chain and the maturity of suppliers' modern slavery risk management response.  Questions asked are in relation to:

- company information and related policies
- modern slavery supplier risk screening and assessment
- training and education
- due diligence
- grievance and remediation mechanisms
- measuring effectiveness
- industry collaboration.

Results from the SAQ process are reviewed through an automated assessment in the first instance and, if required, further due diligence actions will be put in place for residual high-risk suppliers. Mitigation actions may include:

- contacting suppliers to request further information
- collaborative supplier engagement
- offering supplier training
- supplier improvement plans
- on-site auditing and worker interviews.

<u>Supplier performance management:</u>

Supplier performance management will be required for existing and future suppliers where the need for further modern slavery due diligence, and/or opportunities for improvement, is identified.

This will commence with direct supplier engagement following consideration given to the outcomes of any deep dive assessment undertaken following the SAQ. The supplier will be provided with relevant information detailing the modern slavery risk or concern and given the opportunity to respond. APA would then seek to address any remaining concerns not addressed through the supplier's response upon agreeing remediation actions and timing for review and discussion with the supplier. This process may also be supported by third-party social audits, particularly where deeper supply chain visibility is deemed necessary.

## 4.5 CASE STUDY – Impact of implementing a supplier performance improvement plan to combat modern slavery

In our FY23 statement, we outlined APA's commitment to partnering with suppliers to strengthen their modern slavery awareness and management of associated risks.

In late 2023, APA implemented their first modern slavery performance improvement plan with a key supplier to support them in better understanding, developing and implementing strategies to mitigate modern slavery risk in their own operations and supply chain. The supplier was identified as having a high risk of modern slavery in their supply chain due to the sourcing origins of the raw materials used in manufacturing, as well as scoring low in the assessment of their modern slavery risk management response.

The performance improvement plan contained a set of clear objectives which were derived from the gap analysis performed on the supplier's responses to the APA's modern slavery SAQ. The objectives and milestone dates were mutually agreed upon between the parties with an overall timeline for completion of 12 months.

Four key target areas were identified for improvement and are detailed in the table below.

| Key target area | Objective |
|---|---|
| Controls and processes to assess modern slavery risk | Supplier uplift in the following areas:<br>• internal governance and policy frameworks (i.e. implement a Supplier Code of Conduct)<br>• risk identification and assessment. |
| Supply chain awareness and understanding | Supplier to demonstrate awareness and understanding of their supply chain with the provision of a supply chain map. |
| Modern slavery training | Supplier to offer modern slavery training to senior leadership and key stakeholders within their business. |
| Grievance mechanisms | Supplier to establish mechanisms to report identification of modern slavery concerns and ensure these mechanisms are communicated to staff, contractors and suppliers. |

Progress meetings were held with the supplier and minutes were issued to manage the actions, track against milestones, and maintain accountability of all involved. As a result, the regular engagement and progress meetings strengthened APA's relationship with the supplier.

APA considers fit-for-purpose, tailored performance improvement plans can provide long-term mutual benefits including:

• Enhanced knowledge and skills: Organisations can play a pivotal role in uplifting their suppliers' knowledge, skills, and capabilities in identifying and mitigating risks associated with modern slavery. This collaborative journey fosters a culture of continuous learning and improvement, ensuring that all parties are well-equipped to address complex issues.

• Scheduled check-ins and feedback: Regularly scheduled meetings serve as critical touchpoints for providing feedback and monitoring progress. These check-ins ensure that suppliers remain on track to meet the milestones outlined in the performance improvement plan. They also provide the opportunity to address any challenges promptly, ensuring that corrective actions are taken in a timely manner.

• Strengthened stakeholder relationships: A structured performance improvement plan, coupled with regular check-ins, fosters transparency and trust between APA and its suppliers. This collaborative approach not only enhances compliance but also strengthens the overall stakeholder relationship. Active, collaborative engagement with suppliers leads to an increased shared commitment to ethical practices.

Implementing a performance improvement plan with suppliers has the ability to deliver significant benefits, as demonstrated above.

A further update on the performance improvement plan with this supplier will be provided in APA's next Modern Slavery Statement.

## 4.6　　　Retaining the CIPS Corporate Ethics Mark

During FY24, APA successfully renewed its Chartered Institute of Procurement and Supply (CIPS) Corporate Ethics Mark[2], as a demonstration of their ongoing commitment to ethical procurement practices.

The CIPS Corporate Code of Ethics was developed as part of CIPS' commitment to reinforcing global ethical values across all procurement and supply practices. The voluntary code can be adopted by organisations across the world, of any size and from any sector, and sets out the values, business culture and practices the organisation must demonstrate.

APA employees responsible for sourcing, supplier selection and supplier management activities completed the CIPS Ethics Test during the year.

The annual training, along with signing the CIPS Statement of Commitment, reinforces APA's focus on ethical sourcing and engagement with suppliers, including in relation to modern slavery.

## 4.7　　　Training and awareness raising

**Staff training**

Providing tailored modern slavery training to key staff across the business is one of the foundations of APA's modern slavery response. We see training as critical to building and maintaining awareness of modern slavery across key areas and to help ensure relevant staff are equipped to identify and safely report any concerns.

During the reporting period, APA delivered nine modern slavery training sessions. This included four 1.5-hour sessions and five 30-minute refresher sessions for staff who had previously completed the 1.5-hour session. APA delivered these training sessions online in partnership with an expert business and human rights advisory firm.

The training content was tailored to create a bespoke training program. The 1.5-hour sessions included information about what modern slavery is and how it could occur in ways relevant to APA, as well as guidance about stakeholder expectations, legislation, and key human rights standards such as the UNGPs.

The training also explored the actions APA is taking to manage modern slavery risks, key modern slavery red flags to monitor when engaging with vulnerable third-party workers and supplier management, and key 'dos and don'ts' for responding to modern slavery concerns. The refresher training included a condensed version of this information.

**Strategic briefings for our Board**

During the reporting period, a strategic briefing was provided to GDI Board members to support them to continue to effectively oversee their modern slavery response.

We partnered with an external law firm to develop tailored content for the session.

The Board briefing included information about what modern slavery is, how modern slavery relates to directors' duties, emerging trends and evolving stakeholder expectations.

**Modern slavery lunch-and-learn**

To complement the targeted training for key staff, APA held a modern slavery lunch-and-learn session in June 2024. The aim of the online session was to raise awareness of modern slavery across the business through an interactive presentation.

The session included hypothetical examples of how modern slavery could occur in ways relevant to GDI. The session was used to remind staff about key modern slavery red flags they should be aware of and how to report concerns.

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[2] Ethics Register | CIPS

## 4.8 Stakeholder engagement and collaboration

In addition to engagement with suppliers (outlined above), APA engages with other external stakeholders on modern slavery. These engagement opportunities support us to monitor and learn from peers and contribute to industry wide approaches and standard setting. Engagement opportunities include:

**Clean Energy Council (CEC)**

APA is a member of the CEC Risk of Modern Slavery Working Group. The Working Group provides an opportunity for APA to meet with peers to discuss modern slavery risks facing the energy industry.

**United Nations Global Compact (UNGC) Membership**

APA's ongoing membership of the UNGC continues to reinforce commitments to uphold the 10 Principles of the United Nations in the areas of Human Rights, Labour, Environment and Anti-Corruption, including the Sustainable Development Goals.

**United Nations Global Compact Network Australia (UNGCNA) Modern Slavery Community of Practice (CoP)**

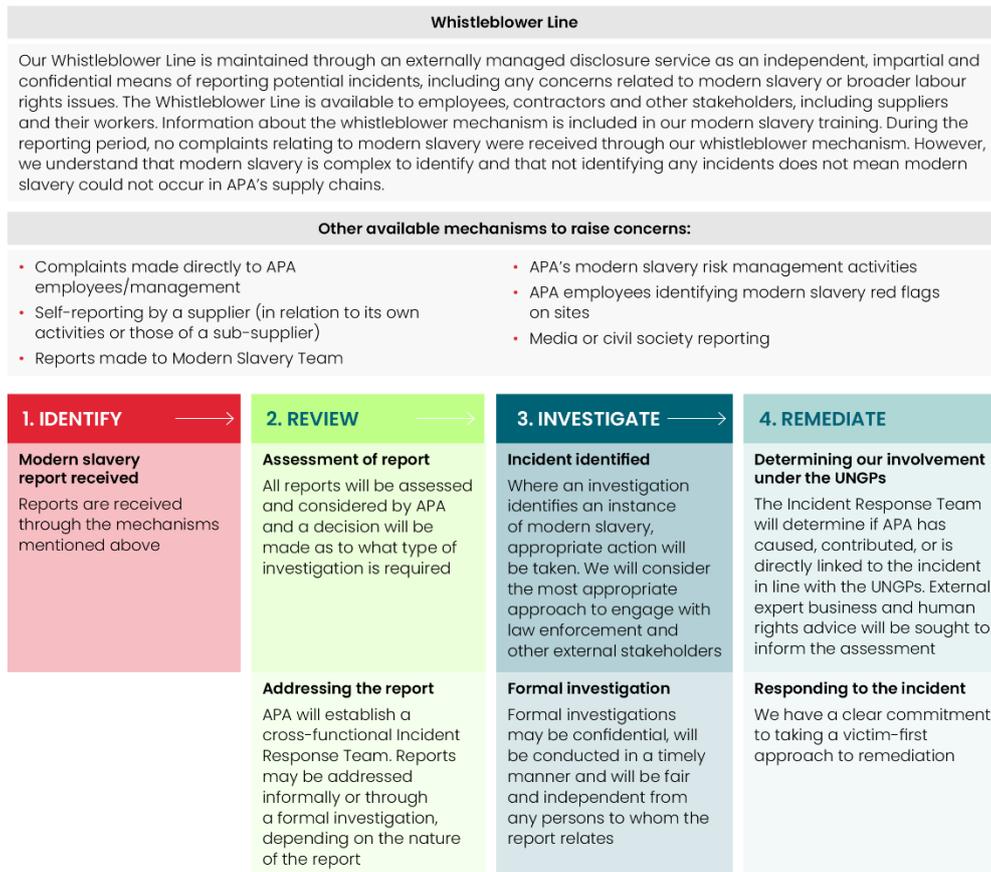APA continued to participate in the CoP during the reporting period.

## 4.9 Grievance mechanisms and remediation process

As outlined in this statement, APA takes a range of steps to prevent and mitigate modern slavery risks. However, we recognise that it is also important to be prepared to respond to actual or suspected incidents of modern slavery.

During the reporting period, no complaints relating to modern slavery were received through the whistleblower mechanism or other relevant channels.

The visual below outlines APA's grievance mechanisms and remediation process; the latter is documented in APA's Modern Slavery Response Procedure.

**Our Grievance Mechanisms and Modern Slavery Response Procedure**

**Whistleblower Line**

Our Whistleblower Line is maintained through an externally managed disclosure service as an independent, impartial and confidential means of reporting potential incidents, including any concerns related to modern slavery or broader labour rights issues. The Whistleblower Line is available to employees, contractors and other stakeholders, including suppliers and their workers. Information about the whistleblower mechanism is included in our modern slavery training. During the reporting period, no complaints relating to modern slavery were received through our whistleblower mechanism. However, we understand that modern slavery is complex to identify and that not identifying any incidents does not mean modern slavery could not occur in APA's supply chains.

**Other available mechanisms to raise concerns:**

- Complaints made directly to APA employees/management
- Self-reporting by a supplier (in relation to its own activities or those of a sub-supplier)
- Reports made to Modern Slavery Team

- APA's modern slavery risk management activities
- APA employees identifying modern slavery red flags on sites
- Media or civil society reporting

| 1. IDENTIFY | 2. REVIEW | 3. INVESTIGATE | 4. REMEDIATE |
|---|---|---|---|
| **Modern slavery report received**<br>Reports are received through the mechanisms mentioned above | **Assessment of report**<br>All reports will be assessed and considered by APA and a decision will be made as to what type of investigation is required | **Incident identified**<br>Where an investigation identifies an instance of modern slavery, appropriate action will be taken. We will consider the most appropriate approach to engage with law enforcement and other external stakeholders | **Determining our involvement under the UNGPs**<br>The Incident Response Team will determine if APA has caused, contributed, or is directly linked to the incident in line with the UNGPs. External expert business and human rights advice will be sought to inform the assessment |
| | **Addressing the report**<br>APA will establish a cross-functional Incident Response Team. Reports may be addressed informally or through a formal investigation, depending on the nature of the report | **Formal investigation**<br>Formal investigations may be confidential, will be conducted in a timely manner and will be fair and independent from any persons to whom the report relates | **Responding to the incident**<br>We have a clear commitment to taking a victim-first approach to remediation |

# 5 Reporting criteria 5

## 5.1 How we assess effectiveness

Assessing the effectiveness of modern slavery risk management helps us understand the impact of actions and to identify opportunities for continuous improvement.

An effective response to modern slavery risks is one that is fit for purpose, tailored to organisational context and risk profile, and meaningfully implemented across the business. APA applies a quantitative and qualitative lens to assessing the effectiveness of the actions taken, which is the primary responsibility of the Modern Slavery Working Group.

The table below details the measures used to monitor effectiveness and the outcomes of APA's actions for FY24.

| Key actions taken | Approach to assessing effectiveness | Outcomes |
|---|---|---|
| **Governance of Modern Slavery Program** | | |
| Maintain Modern Slavery Working Group | • Tracking frequency of meetings and progression of key action items. | • The Working Group met three times. All Working Group members actively participated in meetings held throughout the year. |
| Refresh Risk Management Approach | • Annual review and refresh of Risk Management Approach to help ensure it remains fit for purpose | • The Risk Management Approach was updated to reflect key learnings from FY24. |
| **Grievance mechanisms and remediation** | | |
| Monitor whistleblower mechanism | • Number of modern slavery related complaints raised each financial year and the outcome of any complaints raised. | • Zero whistleblower or other complaints raised in respect to modern slavery during FY24 (although we recognise this does not mean no modern slavery occurred). |
| Maintain Modern Slavery Response Procedure | • Number of times the Modern Slavery Response Procedure was activated for each financial year and the outcomes of any investigation. | • There were no circumstances in FY24 that triggered the Response Procedure. |
| **Training and communications** | | |
| Continue to rollout face-to-face training to priority groups across the business | • Number of employees trained.<br>• Feedback from training sessions monitored and lessons learned incorporated into future sessions. | • Employees trained, with informal feedback suggesting increased awareness of modern slavery risks for those employees who deal directly with suppliers and/or contractors.<br>• Strategic briefings attended by all Board members.<br>• Tailored training pack created for employees involved with apparel purchases. |
| Raise awareness of modern slavery and red flags for APA through internal communications | • Number of employees in attendance at modern slavery lunch and learn session.<br>• Number of articles published, and feedback received throughout the financial year. | • Lunch-and-learn session attended by 366 APA staff.<br>• Articles published on APA's intranet homepage and internal networking site.<br>• Refreshed content on modern slavery intranet site. |
| Completion of the CIPS Ethics Test | • Number of employees who completed CIPS training. | • 100% of employees responsible for Allgas sourcing, supplier selection and supplier management activities completed the CIPS Ethics Test for FY24. |
| **Risk management** | | |
| Map supply chains for high-risk suppliers<br><br>Identify high-risk suppliers and issue SAQs for completion<br><br>Conduct supplier deep dives for high-risk suppliers | • Number of high-risk suppliers identified as a result of the supply chain mapping and modern slavery risk assessment.<br>• Number of SAQs completed by suppliers, the quality of these responses, and the proportion of suppliers requiring a deep dive assessment.<br>• Number of deep dives completed, and the level of engagement achieved with each supplier. | • FY23 spend data used to map theoretical supply chain risk as deep as tier 10 for all GDI suppliers, with SAQs requested for high-risk suppliers. |
| New suppliers complete human rights declaration during onboarding | • Number of new suppliers onboarded and compliant with the new supplier process. | • Human rights declaration completed for new suppliers. |

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## 5.2 APA's future plans and progress on past commitments

| | FY23 commitment | | Progress in FY24 | FY25 commitment |
|---|---|---|---|---|
| **Training and awareness** | Continue to rollout and embed modern slavery training as part of business as usual, rollout refresher training, extend information sharing and awareness communications for those employees managing high risk categories. | ✓ | Continued modern slavery training program for identified key roles, delivering face-to-face training for new starters and an annual refresher module throughout the year.<br><br>Held a lunch-and-learn awareness session for all employees on how to identify red flags and raise a modern slavery concern.<br><br>Communications released on APA's internal networking site sharing information on modern slavery. | • Reassess modern slavery training as part of business as usual.<br>• Hold information sharing and awareness sessions for those employees managing high-risk categories. |
| | Complete development and rollout of modern slavery training for GDI Board. | ✓ | Tailored training delivered to GDI Board. | |
| **Risk management** | Monitor emerging risks and conduct deep dives for suppliers operating in high-risk categories and/or countries. | ✓ | Screening and supply chain mapping completed for all suppliers. | • Continue to monitor emerging risks and proactively assess modern slavery risk prior to engaging suppliers.<br>• Progress the development of the Modern Slavery Risk Mitigation Engagement Guide for engaging with suppliers presenting an elevated risk of modern slavery.<br>• Annual renewal of CIPS Corporate Ethics Mark. |
| | Develop and launch step-by-step playbook for addressing and mitigating identified risk for elevated-risk suppliers. | → | Developed a draft step-by-step playbook (Modern Slavery Risk Mitigation Engagement Guide), comprising mitigating actions for elevated-risk suppliers. | |
| | Annual renewal of CIPS Corporate Ethics Mark. | ✓ | Successfully renewed the Chartered Institute of Procurement and Supply (**CIPS**) Corporate Ethics Mark. | |
| **Procurement and supplier engagement** | Continue development of new Supplier Code of Conduct. | → | Progressed the development of a Supplier Code of Conduct. | • Progress the Supplier Code of Conduct.<br>• Work collaboratively with suppliers to build awareness of modern slavery risks and capability to support related due diligence, including supplier training.<br>• Preparation and readiness for future MSA changes.<br>• Develop an action plan template to support the Modern Slavery Response Procedure. |
| | Update tender process and rollout use of modern slavery questionnaire for all future tenders. | → | Modern slavery questionnaire included in sourcing events which pose a high risk of modern slavery for APA. | |
| | Refresh modern slavery clauses and obligations in precedent agreements. | ✓ | Refreshed modern slavery clauses included in precedent agreements and terms and conditions. | |
| | Develop and rollout Modern Slavery Response Plan Guide for managing high risk supplier improvement plans. | ✓ | Modern Slavery Response Procedure was reviewed and uplifted during FY24. | |
| **Industry collaboration** | Partner with suppliers to strengthen their modern slavery awareness and their approach to modern slavery risk management. | → | Initiated a performance improvement plan for a key supplier (refer to case study, page 10). | • Collaborative supplier engagement.<br>• Participate in CEC Modern Slavery Working Group. |
| | Participate in Clean Energy Council (**CEC**) Modern Slavery Working Group. | ✓ | CEC Modern Slavery Working Group attendance and participation. | |
| **Grievance and remediation** | Further embed and operationalise the Modern Slavery Response Procedure. | ✓ | Modern Slavery Response Procedure refreshed and published internally for all APA employees.<br><br>Lunch-and-learn session provided staff with information on how to identify red flags and raise a modern slavery concern. | • Refresh the Modern Slavery Response Procedure.<br>• Continue the review of APA's grievance mechanisms in terms of awareness and accessibility. |
| | Review awareness and accessibility of grievance mechanisms. | → | Precedent agreements updated to include grievance accessibility. | |

→ In progress      ✓ Completed

# 6     Reporting criteria 6

## 6.1     Process of consultation with reporting entities and owned or controlled entities

GDI (EII), Allgas and their owned or controlled entities (which do not trade) have a common directorship and management team.  They also share a supply chain, which is managed by APA.  This statement was prepared in tandem with APA's statement.   Accordingly, APA and GDI have a common modern slavery risk in their operations and supply chains, which is described in this statement.

The members of all of the GDI boards are common and have been notified of the key requirements of the Act and the actions undertaken to address and access the risk of modern slavery as detailed in this statement.

# 7 Appendix 1 – Reporting entities

| Name | Description |
|---|---|
| GDI (EII) Pty Limited<br><br>ACN 154 766 524 | Reporting Entity<br><br>An unlisted investment vehicle that wholly owns the Allgas natural gas distribution network. |
| Allgas Energy Pty Limited<br><br>ACN 009 656 446 | The trading entity for the Allgas Network which extends from Brisbane, south of the river, to the northern tip of New South Wales, with separate networks in Toowoomba and Oakey. |
| Allgas Toowoomba Pty Limited<br><br>ACN 009 655 645 | Holds network infrastructure assets |
| Allgas Pipelines Operations 1 Pty Limited<br><br>ACN 154 784 853 | Holds the investment in Allgas Pipelines Operations Pty Limited. |
| Allgas Pipelines Operations Pty Limited<br><br>ACN 076 666 807 | Holds easements. |

# 8    Appendix 2 – Key supply chain modern slavery controls

| Goods / services procured | Generally known modern slavery risks - (*key risks relating to each category are outlined below*) | APA's controls to mitigate and manage risk |
|---|---|---|
| **High risk area – construction materials** | | **Key controls:** |
| • Lubricants, oils, greases and anti-corrosives<br>• Valves, hardware and fittings<br>• Pipe and pipe fittings | Certain manufacturing and mining regions and materials carry higher risks of modern slavery, including where materials may be produced or sourced in higher risk countries or involve sectors known to have high modern slavery risks. For example, APA procures building materials such as concrete, timber, steel, quarried stone products, glass, polyvinyl chloride and construction films, which may involve modern slavery risks due to the way these materials are produced or manufactured.<br><br>We also procure a range of machinery and equipment used in construction, which can involve modern slavery risks if they are manufactured in countries with a higher prevalence of modern slavery risks or include components such as electronics manufactured in high-risk countries. Similarly, mining operations for copper, tin, lead, lithium, quartz, silicon, selenium, tellurium, arsenic, nickel, manganese, cadmium, aluminium, boron, gallium or indium, can involve modern slavery risks related to forced and child labour, including the worst forms of child labour. Therefore, any equipment containing components which include these minerals may involve modern slavery risks. | New suppliers are required to declare their commitment to respect workers' fundamental human rights, page 8.<br><br>All existing suppliers are assessed as per APA's Modern Slavery Risk Management Approach, page 8 and 9.<br><br>Modern slavery clauses and obligations are included in relevant precedent agreements.<br><br>Bespoke contract agreements include modern slavery clauses specific to high-risk suppliers.<br><br>Modern slavery questions are included in tenders for high-risk categories.<br><br>APA's policy framework, Appendix 3. |
| **High risk area – freight & logistics** | | |
| • Logistics services for infrastructure delivery projects | There is a risk that freight and logistics services provided by third parties (including warehousing) could involve the exploitation of base-skilled workers. These risks are likely to be higher where these services are provided overseas. There are also particular risks associated with working conditions for seafarers. The NSW Anti-slavery Commissioner's Inherent Risk Identification Tool (**IRIT**) identifies that rail logistics may rely on labour hire for infrastructure maintenance and cleaning, carrying a risk of labour exploitation. | |
| **High risk area – fuels** | | |
| • Motor gasoline for use in fleet vehicles and asset sites | There is a risk that raw material extraction, manufacture and disposal could be associated with vulnerable populations in higher-risk countries. There is also the risk that vessels used for the transport of fuel could expose crew to forced labour or unacceptable working conditions. | |
| **High risk area – IT hardware / software** | | |
| • ICT hardware<br>• Telecommunications hardware<br>• Software maintenance and support | Modern slavery risks are present in the supply chains that provide IT companies with the necessary materials to produce electronic goods, and parts of those goods. For example, there may be modern slavery risks (including the worst forms of child labour and forced labour) associated with the mining of cobalt and mica. The NSW Anti-slavery Commissioner's IRIT identifies ICT hardware as an area with well-established evidence of modern slavery risks in its supply chains, including around child labour and forced labour.<br><br>The IRIT also cites complex subcontracting arrangements in supply chains and the use of labour hire agencies as factors that can increase risks of exploitation. Modern slavery risks may also be associated with APA's suppliers and the use of offshore contact centres and other services by telecommunications and software companies and the construction and maintenance of telecommunications infrastructure. The NSW Anti-slavery Commissioner's IRIT identifies offshore call centre services as having higher risks for modern slavery, where there are known to be high staff turnover rates due to high workloads and abusive practices. | |

| Goods / services procured | Generally known modern slavery risks - *(key risks relating to each category are outlined below)* | APA's controls to mitigate and manage risk |
|---|---|---|
| **High risk area – temporary and contract workers** | | **Key controls:**<br><br>As per above<br><br>**Additional controls:**<br><br>Labour hire companies must hold regulatory registration, where required |
| • Labour hire and other temporary workers<br>• IT Service delivery<br>• Management consultants<br>• Construction design services<br>• Cleaning and security service providers<br>• Catering providers | Temporary and contract workers in Australia and overseas performing base-skilled labour can be vulnerable to modern slavery due to a range of factors, including opaque subcontracting arrangements, which can make it difficult to monitor working conditions.<br><br>The use of migrant workers in sectors such as cleaning and construction can also involve modern slavery risks, including where these workers may not understand their workplace rights and entitlements. From time to time, where construction contractors have a need for temporary or contract workers, they are generally highly skilled trades or educated professionals such as engineers or designers rather than base-skilled labour. | |
| **High risk area – apparel** | | **Key controls:**<br><br>As per above<br><br>**Additional controls:**<br><br>Approved preferred supplier is engaged for the procurement of safety clothing and PPE. The supplier monitors their tier 1 (APA's tier 2) suppliers for compliance to ethical sourcing and accreditation, and requests certificates of currency from factory audits. These include:<br>• Worldwide Responsible Accredited Production<br>• Sedex Members Ethical Trade Audit<br>• Ethical Clothing Australia |
| • Uniforms<br>• PPE | The textiles and apparel sector is recognised as a high-risk sector for modern slavery, including due to the use of raw materials such as cotton which may be produced using modern slavery, as well as exploitation in factories manufacturing textiles and apparel products.<br><br>The NSW Anti-slavery Commissioner's IRIT identifies uniform and workwear procurement as having a high level of inherent modern slavery risk due to the difficulty in tracing raw materials and known risks of forced labour and child labour at the raw material stage and in manufacturing. The IRIT also identifies the casualisation of workforces and limited unionisation as risk factors. | |
| **High risk area – travel** | | **Key controls:**<br><br>As per above<br><br>**Additional controls:**<br><br>Suppliers for domestic accommodation are vetted annually through a tender process in consultation with APA's travel management partner. Preferred suppliers are selected based on their responses to questions, such as, compliance with local employment laws, and organisation policies and grievance mechanisms. |
| • Domestic accommodation<br>• Domestic transport | The provision of travel and accommodation related services may involve modern slavery risks, including in relation to the use of base-skilled, subcontracted workers by accommodation providers. APA's travel is primarily domestic and would not generally involve travel to countries where modern slavery is comparatively more prevalent. | |

# 9 Appendix 3 - APA's policy framework

Key policies governing ethics and integrity at APA[3] include:

| Policy | Relevance to modern slavery | How this policy continued to be implemented at APA during the reporting period |
|---|---|---|
| Code of Conduct | APA's Code of Conduct brings the purpose and culture to life so we can make the right choices every day. It is underpinned by APA's behaviours of being courageous, accountable, nimble, collaborative and impactful. It includes principles and business standards that support safety, diversity and inclusion, human rights, community engagement, environmental protection, and data privacy and security, and prevent discrimination, bullying, harassment, corruption and anti-competitive behaviour. | APA's Code of Conduct is available to all suppliers via the APA website and is referred to in APA's precedent works and contractor agreements, in purchase order terms and conditions, and the new supplier request form.<br><br>The Code of Conduct makes it clear that it is expected that suppliers, contractors, and business partners uphold the principles and standards.<br><br>Suppliers have an obligation under the Code of Conduct to advise APA of any illegal or unethical practices of which they become aware, which would include modern slavery.<br><br>Consequences of non-compliance with the Code of Conduct can include termination of contract and new contracts not awarded. |
| Inclusion and Diversity Policy | APA's commitment and strategy to build a diverse, equitable and truly inclusive workplace where everyone belongs, feels valued, and respected and comfortable to bring their authentic and best selves to work. | Respect @ Work training is mandatory for all APA employees, and an inclusive leadership course is available for people leaders.<br><br>The Inclusion and Diversity Policy applies to all APA workplaces, employees, contractors, consultants, visitors and other workplace participants.<br><br>The policy extends to conduct in any work-related context, including outside of normal working hours. |
| Respect @ Work Procedure | APA's commitment to providing and fostering an inclusive and respectful workplace with safe, fair and positive working conditions. APA has zero tolerance for any form of harmful behaviour including unlawful discrimination, bullying, harassment, sexual harassment, sex-based harassment, vilification, victimisation and other inappropriate behaviour. | The Respect @ Work Procedure aligns with the Inclusion and Diversity Policy and the Code of Conduct.<br><br>This procedure encourages all APA workers (including but not limited to employees, contractors and sub-contractors) to speak up if they witness harmful behaviours including unlawful discrimination, bullying, harassment, sexual harassment, sex-based harassment, vilification and victimisation. |
| Anti-Bribery and Corruption Policy | APA's commitment to fostering business integrity including detecting and preventing bribery, corruption and fraud. | Training is provided annually to senior leadership and managers of employees.<br><br>APA recorded zero confirmed incidents of fraud, bribery, or corruption in FY24. |
| Health, Safety, Environment and Heritage Policy | APA's aspiration is to not only respect the past but to also protect values for the future. We do this by protecting the health, safety and wellbeing of our people and the environment, heritage and the communities in which we operate. | The policy is implemented through the Health, Safety, Environment and Heritage Management system Safeguard which identifies and establishes controls to meet the objectives of the policy. |
| Risk Management Policy | APA's Risk Management Policy sets out APA's overall risk management principles and approach to risk management and approach aligns with the principles in the international risk standard ISO 31000:2018. | The policy informs the Risk Management Approach to modern slavery.<br><br>Consideration of the risk across countries, suppliers and product /service categories, recognising social performance and specific international social impact risk data, to drive supplier reviews and interventions.<br><br>These reviews consider the control environment supporting key risk areas for suppliers including legal requirements, confidence in assurance provided, independent third-party reviews together with brand and reputation impacts of transacting with the supplier. |
| Sanctions Policy | APA's Sanctions Policy sets out the principles and processes all APA employees are expected to adhere to in order to comply with sanctions obligations. | The policy is available on APA's intranet and informs personnel of their responsibilities with respect to sanctions and demonstrates APA's commitment to compliance with its sanctions obligations. |

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[3] References to "we", "us" or "our" in this Appendix 3 refers to APA.

| Policy | Relevance to modern slavery | How this policy continued to be implemented at APA during the reporting period |
|---|---|---|
| Compliance Policy | The Compliance Policy supports the effective management of compliance obligations and incorporation of compliance into the broader Enterprise Risk Management Framework.<br><br>The Compliance Policy aligns with the principles and requirements in the international good practice standard for compliance (ISO 37301:2021 – Compliance Management Systems), sets out compliance management objectives and clarifies responsibilities for compliance within APA. | The Compliance Management System (**CMS**) ensures APA complies with the applicable legal, regulatory, standards, codes and licence requirements, including the MSA.  The CMS also ensures processes are established for identification of regulatory change to provide for timely change implementation activities. APA has adopted a risk-based approach to managing the risks of modern slavery in our operations and supply chains and is supported by a model of continuous improvement. |
| <u>Whistleblower Policy</u> | This policy creates a safe and protected environment to escalate potential matters of concern and suspected wrongdoing for those working with and for APA, including our employees, contractors, suppliers and consultants. The Whistleblower Policy also outlines the process and structures in place for assessing, addressing and reporting on whistleblower disclosures. | The Whistleblower Policy is available on APA's website.<br><br>Whistleblower reports or disclosures made are investigated by the Disclosure Officer, and where substantiated, process or control improvements implemented. |
| Procurement Policy | The Procurement Policy and associated performance requirements and procedures reflect our approach to identifying and mitigating modern slavery risk and to align with APA's Code of Conduct. | The Procurement Policy and associated Procurement Standards, and Modern Slavery Response Procedure, are available for all employees via APA's intranet.   The draft Modern Slavery Risk Mitigation Engagement Guide will be progressed in FY25.<br><br>The approach to identifying and managing modern slavery risk is embedded within the policy and associated documents, with role specific training tailored towards educating employees to identify red flags, and all of business communications designed to raise awareness of modern slavery. |