



MODERN SLAVERY STATEMENT 2021

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1. ABOUT THIS STATEMENT

This modern slavery statement has been prepared in accordance with the *Modern Slavery Act (2018)* (Cth), and approved by the governing body of the following reporting entities:

- ATCO Gas Australia GP Pty Ltd (ABN 76 151 245 779) (for and on behalf of the ATCO Gas Australia Limited Partnership) (ABN 57 638 514 209), whose registered office is at Level 12, 2 Mill Street, Perth WA 6000
- ATCO Structures & Logistics Pty Ltd (ABN 71 083 902 309), whose registered office is at 55 Tonka Street, Luscombe QLD 4207

together with their wholly owned subsidiaries as set out in section 5 of this document.

This modern slavery statement is signed by



Patrick Creaghan

Country Chair

ATCO Australia

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2. INTRODUCTION

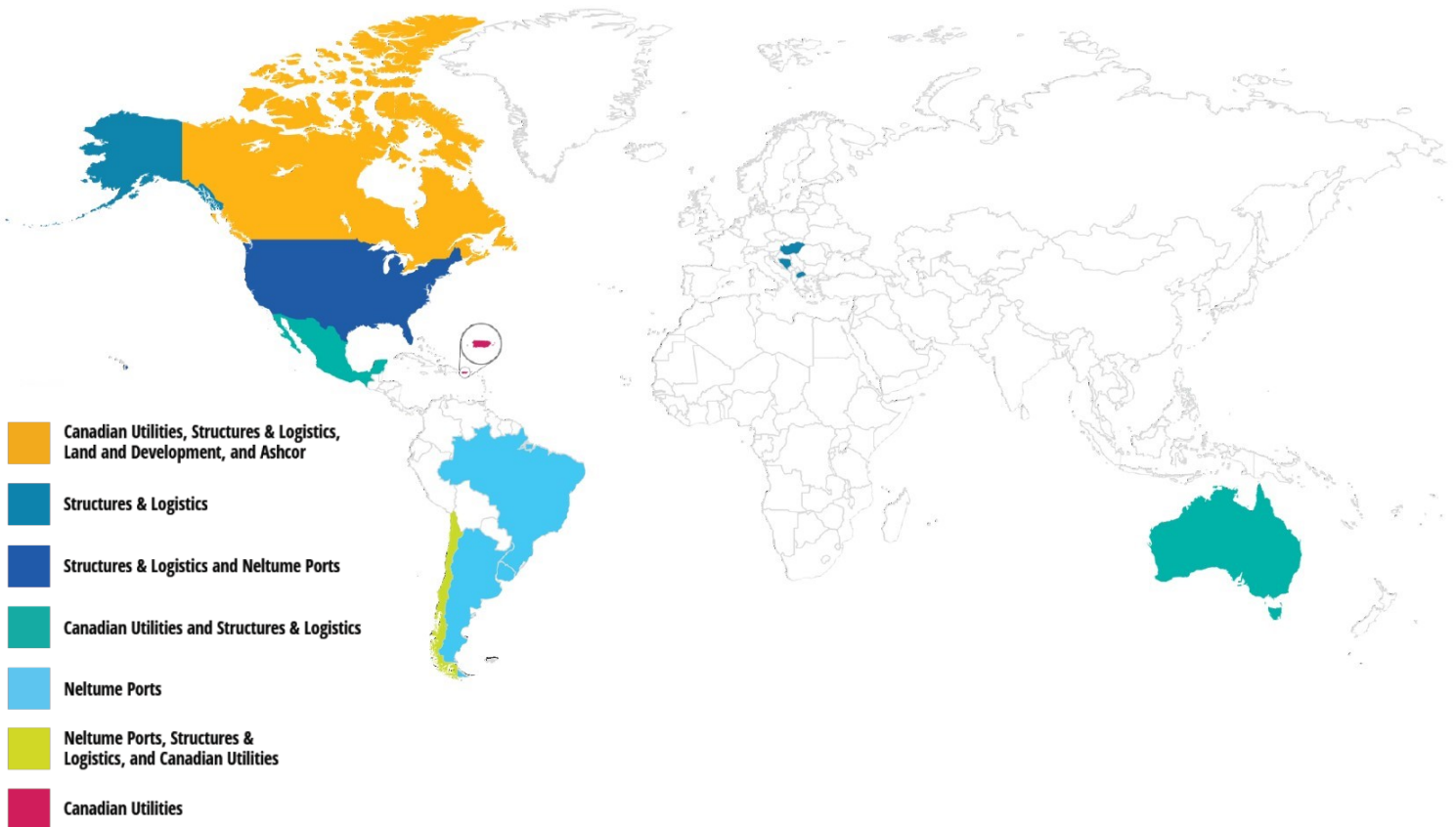
ATCO is committed to respecting human rights and acting with integrity in all of our operations and business dealings. One area of particular focus is modern slavery, which is an umbrella term for a number of serious exploitative work practices that represent violations of human rights.

This statement covers the reporting entities listed in section 5 (**ATCO Australia**) for the financial year 1 January 2021 to 31 December 2021. It provides an overview of the steps ATCO Australia is taking to prevent our involvement in human rights harm by positively influencing our supply chains and other business partnerships to act responsibly and ethically.

3. ABOUT US

3.1 ATCO Group

ALWAYS THERE. ANYWHERE.



ATCO Australia is part of the ATCO Group of Companies (**ATCO**) with diverse products and services across many industries, and is a one-stop provider of integrated energy, housing, transportation and infrastructure solutions. With approximately 6,200 employees and assets of \$22 billion worldwide, ATCO offers comprehensive solutions and service excellence, having worked in more than 100 countries around the world in:

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- **Structures & Logistics** — workforce and residential housing, innovative modular facilities, construction, site support services, workforce lodging services, facility operations and maintenance, defence operations services, and disaster and emergency management services.
- **Utilities** — electricity and natural gas transmission and distribution.
- **Energy Infrastructure** — electricity generation, energy storage and industrial water solutions.
- **Retail Energy** — electricity and natural gas retail sales.
- **Transportation** — ports and transportation logistics.
- **Land and Development**

3.2 ATCO in Australia

ATCO has been proudly operating in Australia for over 60 years, giving us a deep understanding of the local environment and allowing us to become a trusted, long-term partner of many large and respected Australian companies.

Here is an overview of where ATCO operates in Australia.



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3.2.1 ATCO Australia

This statement covers the following ATCO operations in Australia –

- a) **ATCO Gas Australia**, which owns and operates Western Australia’s largest reticulated gas network, with more than 14,000km of pipeline serving around 780,000 customers.

Currently, more than 80% of the Perth metropolitan area is serviced by our underground network of pipelines and ready for connection of homes and businesses to natural gas.

ATCO Gas Australia operates a distribution network providing services delivering gas to our customers across the Perth greater metropolitan area (from Yanchep in the north to Mandurah in the south), as well as Geraldton, Kalgoorlie, Bunbury, Busselton and Albany in the regions.

The three main gas distribution systems operated by ATCO Gas Australia are:

- **The Mid-West and South-West Gas Distribution Systems (MWSWGDS)** - these natural gas distribution networks reach Geraldton, Eneabba, Bunbury, Busselton, Harvey, Pinjarra, Kemerton, Capel and the Perth greater metropolitan area including Mandurah. The MWSWGDS is a covered pipeline which can be a confusing term given all of our pipelines are situated underground. In this context however, a covered pipeline means it is subject to an Access Arrangement which is reviewed and approved by the Economic Regulation Authority.
 - **The Kalgoorlie Gas Distribution System (Kalgoorlie GDS)** – is a natural gas distribution network that serves the Kalgoorlie-Boulder area. The Kalgoorlie GDS is not a covered pipeline (again, the pipeline is situated underground) however it is not subject to an Access Arrangement; and
 - **The Albany Gas Distribution System (Albany GDS)** - a liquefied petroleum gas (LPG) gas distribution network that serves the Albany area. The Albany GDS is also not a covered pipeline and is not subject to an Access Arrangement.
- b) **ATCO Structures and Logistics**, which has been designing, manufacturing and installing modular building solutions across Australia since 1961, to a wide range of industries including mining, oil and gas, construction, education, healthcare, government and the commercial sector.

ATCO also provides turnkey lodge services including catering, housekeeping, retail, maintenance and utility services.

ATCO’s modular building solutions include offices, classrooms, accommodation units, lunchrooms, toilets, kitchen and dining facilities, recreation buildings, gyms and laundries.

ATCO also delivers outside-the-box, custom-designed buildings and villages for even the most specific requirements. With manufacturing facilities strategically located throughout Australia, ATCO can mobilise project needs quickly. With superior scale and speed, ATCO continually provides among the fastest deployment lead times available in the sector.

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3.2.2 Power Generation and Energy Solutions

While not covered by this statement (due to their smaller turnover), ATCO's operations in Australia also include the following -

- **Power Generation** - Leveraging a legacy of over 70 years of power generation in Canada, ATCO has been providing gas-fired power generation in Australia for over 20 years. Through our two gas-fired power facilities in Australia, in Karratha, Western Australia, and Osborne, South Australia we supply the Western Australian Wholesale Electricity Market (WEM), and the National Electricity Market (NEM). ATCO is currently working the Central West Pumped Hydro Project in New South Wales, which is in the early stages of project assessment and development. When completed, the project will store energy during periods of surplus electricity generation and generate energy during period of high demand using the stored energy under a daily cycle regime.
- **Energy Solutions** – ATCO is committed to identifying innovative energy solutions for customers that will further lower emissions and reduce costs. To help us do that, we have a range of research and development projects underway. As a customer focused organisation, ATCO is committed to identifying innovative energy solutions for our customers that lower costs and emissions. That's why we have developed a world class Clean Energy Innovation Hub (CEIH) in Western Australia with the support of the Australian Renewable Energy Agency (ARENA). The CEIH generates renewable hydrogen through solar-powered electrolysis, and was a significant step in Western Australia's moves towards a hydrogen economy. Building on the research and development from our CEIH, ATCO is continuing to exploring potential futures in hydrogen including the development of a Clean Energy Innovation Park.

4. OUR SUPPLY CHAINS

ATCO Australia delivers its services and solutions using a combination of our internal workforce, external suppliers, and contractors to ensure that activities, projects and work program resources are deployed efficiently and at the lowest sustainable cost, maintained over the long-term. ATCO's success is linked inextricably to the performance of our global supply chain.

4.1 How is ATCO Australia managing modern slavery risks?

While modern slavery, which is characterised by low wages, excessive working hours, unsafe conditions, bonded labour contracts and trafficking, persists in regions where poverty rates are high, the rule of law is under-developed, and enforcement is absent or undermined by corruption, ATCO Australia recognises that with the globalisation of supply chains, it is exposed to the risk of modern slavery through the suppliers and business partners we engage.

4.1.1 Governance

ATCO Australia has developed a Human Rights and Modern Slavery Practice (the Policy) that outlines its commitment in respecting human rights and acting with integrity, and managing modern slavery risks within its supply chain. ATCO's commitment is also detailed in our "How We Do Business, Living the ATCO Values" ("How We Do Business"), which is an ATCO-wide code of conduct setting out the standards of conduct we expect of ourselves and our business partners.

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In addition, ATCO Australia has a number of key procedures and practices (policies) which govern procurement and contracting processes and related business activities including:

- Procurement
- Conflicts of Interest
- Probity
- Anti-Bribery & Corruption
- Speaking Up (Whistleblower)

Each of these policies are referenced in “How We Do Business” code, and awareness and training in the policies is supported by on-line training modules for ATCO Australia employees involved in procurement decisions.

These policies support the commitments in ATCO’s “How We Do Business” code and promote awareness and the means of reporting of concerns relating to actual, suspected or anticipated unlawful or unethical behaviour relating to ATCO Australia’s businesses.

If ATCO Australia becomes aware of any evidence or information to suggest that one of our partners or suppliers is engaged in human rights harm or modern slavery, we will investigate, and where appropriate, terminate the relationship and report such practices to the responsible national or international authorities.

4.1.2 Modern Slavery Risks

ATCO Australia believes in working with business partners who demonstrate high standards of ethical business conduct. We expect them to be guided by the principles outlined in our policies and Codes of Conduct, and we will not knowingly work with business partners who operate unethically, unsafely or who violate the law, compete dishonestly or use unfair business practices.

When engaging with our business partners, we take steps to retain them on commercially reasonable terms and conditions and ensure they are aware of, and contractually bound by, our standards of business conduct.

In 2019 and 2020, based on modern slavery risk assessment tools developed by industry groups, ATCO Australia assessed the modern slavery risks within our supply chain, which took into account industry type and location. The initial risk review identified the following supply chain categories to have a higher modern slavery risk profile:

- in **materials and equipment**, particularly given global commodity sourcing, manufacture and logistics (including maritime transport) from overseas countries;
- in **asset construction and maintenance** such as traffic management;
- in **IT and professional services**, in particular those engaging lower skilled off-shore labour in higher risk regions; and
- in **support and ancillary services** such as cleaning and security.

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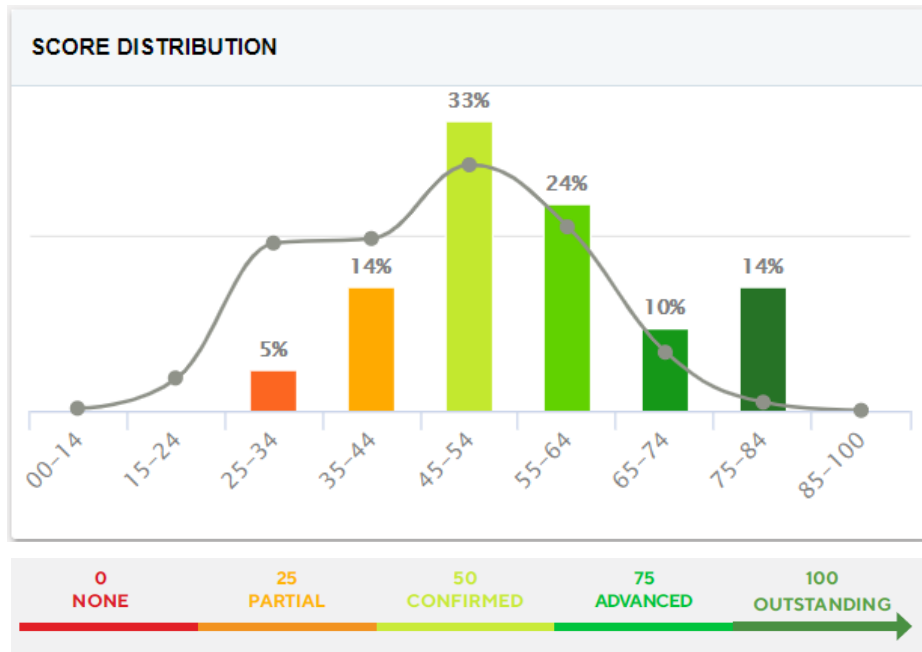
Table 1: A summary of the key supply chain categories is set out in the following table:

Key Supply Chain Categories	
Materials and equipment	Pipeline, fittings, valves, meters, vehicles (light and heavy commercial), parts, tools, fabrication materials (timber, metals, fittings), cabling, building materials (concrete)
IT	Software licences, hardware (servers and personal computing); support services, cloud services (including Software as a Service), telecommunications and data services
Support and Ancillary Services	Logistics (transport, courier and storage), safety and PPE supplies (incl. clothing), security, cleaning
Professional Services	Legal, audit, tax, accounting, banking (including debt finance), engineering (design, construction), recruitment, training, meter reading, environmental (testing, laboratory and advisory), insurance, agency and contract staff services
Asset Construction and Maintenance	Field services (construction, repair & maintenance, emergency response, new connections), vegetation control, high-pressure gas mains surveillance, manufacturing, trades services (carpentry, electrical, civil, mechanical)

In 2021, ATCO Australia continued to build on the modern slavery risk assessments conducted in 2019/2020 and engaged 49 suppliers that operate in industries and/or regions with higher risk of modern slavery to undertake further due diligence assessment through an independent provider (**CSR provider**), who specialises in corporate social responsibility (**CSR**) assessments, including labour and human rights. This assessment involves a detailed evaluation of the supplier's management system (e.g. policies, performance target, reporting, and audit and assurance program).

21 of the 49 suppliers fully completed the due diligence assessments in 2021. The bar graph below shows the assessment results in the area of labour and human rights, and the line graph is the score distribution benchmark provided by the CSR provider. Comparing our suppliers' results against the CSR provider's score distribution benchmark, we are performing well with a higher percentage of suppliers with an "Advanced" and "Outstanding" score.

Graph 1: ATCO Suppliers’ labour and human rights assessment score distribution



81% (or 17 suppliers) of the assessed suppliers have been rated as at least meeting 2/3 of the labour and human rights assessment criteria. The remaining 19% (or 4 suppliers) have been assessed as “Partial”, meaning that they have only addressed up to 2/3 of the labour and human rights assessment criteria. The key improvement areas identified with these 4 suppliers are summarised below –

- Improve reporting on labour practices and human rights issues, which may include key performance indicators; and
- Develop a clear labour and human rights action plan and implement across the supplier’s operations and workforce.

ATCO Australia will work with suppliers with key gaps identified in their labour and human rights practice to encourage continuous improvements.

4.1.3 Modern Slavery Awareness Training

To tackle and manage the risk of modern slavery, it is important that ATCO Australia’s employees and contractors have the requisite knowledge and awareness of modern slavery practices and risks in the supply chain. In 2020, face-to-face training sessions were provided to the ATCO Australia executive team, and key business unit personnel involved in procurement activities were enrolled to complete a modern slavery awareness online training module. While ATCO Australia planned to further roll out the online modern slavery training to ATCO Australia employees involved in procurement decisions in 2021, there was delay and the online modern slavery training will now be rolled out in 2022.

4.2 Consultation

ATCO Australia has established a working group consisting of representatives from the reporting entities to develop and implement the modern slavery risk treatment actions as set out in this modern slavery statement, and the working group consulted with the Executive Teams of the reporting entities in the development of this modern slavery statement.

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4.3 Our Approach and Plan Moving Forward

ATCO Australia will continue with the risk assessment approach described in section 4.1.2 above, which involve –

- a) an initial screening to identify suppliers with higher inherent risks of modern slavery;
- b) engage with these suppliers (as identified above) to undertake a full assessment to consider their supply chain and CSR management practices; and
- c) work with suppliers with key gaps identified in their labour and human rights practice to encourage continuous improvements.

The key change in 2022 is the implementation of an online screening solution developed by the CSR provider to replace the manual risk assessment tool that was previously developed by industry groups. The new online screening solution provides instant assessment of the supplier's inherent corporate social responsibility risks (including labour and human rights), and the risk assessment considers the supplier's industry risk, country risk and procurement risk (based on the level procurement spend level and criticality to ATCO Australia). In 2022, ATCO Australia will remap all of its active suppliers using this new online screening solution to refine the list of suppliers with inherently higher risk of labour and human rights issues. As described above, ATCO Australia will then work with these suppliers to undertake a detailed assessment and progress with improvement initiatives.

In 2022, ATCO Australia will engage our CSR provider to undertake a detailed assessment of our CSR management practices. This will enable ATCO Australia to compare its performance against other companies assessed by the CSR provider, and also sets the reference point to evaluate the effectiveness of ATCO Australia's actions and initiatives to reduce modern slavery risks in our supply chain.

4.4 Effectiveness of ATCO's management of modern slavery risks

ATCO Australia will assess the effectiveness of its modern slavery risk treatment actions as follow –

- a) **Training and awareness** – Training and awareness is an important part of our action plan. ATCO Australia aims to have 100% of our employees involved in procurement decision completing the online modern slavery training in 2022.
- b) **Suppliers' assessment** – Continue to monitor the labour and human rights assessment score of our suppliers, in particular, the score distribution across the level "Partial", "Confirm", "Advanced" and "Outstanding" (refer to Graph 1 above). At a minimum, we aim to work with our suppliers to maintain their score distribution within the CSR Provider's score distribution benchmark.
- c) **Independent assessment of ATCO's performance** - In 2022, ATCO Australia will engage our CSR provider to undertake a detailed assessment of our CSR management practices. A reassessment will be undertaken in 2024/25 to evaluate the effectiveness of its actions and initiatives to manage modern slavery risks.

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5. REPORTING ENTITIES

Below is a list of the ATCO entities in Australia covered by this statement -

- ATCO Gas Australia GP Pty Ltd (ABN 76 151 245 779) (for and on behalf of the ATCO Gas Australia Limited Partnership) (ABN 57 638 514 209)
- ATCO Gas Australia Holdings Pty Ltd (ACN 151 295 439)
- ATCO Technologies Australia Pty Ltd (ACN 151 386 015)
- ANetworks Pty Ltd (ACN 105 439 503)
- WA Network Holdings Pty Ltd (ACN 104 788 123)
- ATCO Gas Australia Pty Ltd (ACN 089 531 975)

ATCO Gas Australia Pty Ltd is the only operating company within the list of reporting entities above, and the consolidated revenue reporting entity is ATCO Gas Australia GP Pty Ltd (for and on behalf of the ATCO Gas Australia Limited Partnership).

- ATCO Structures & Logistics Pty Ltd (ACN 083 902 309)

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