



MODERN SLAVERY

STATEMENT 2020



HIGHLIGHTS

FY20

- Developed our understanding of modern slavery risks and awareness across our business
- Completed desktop risk assessment of modern slavery risks in our operations and supply chains
- Reviewed our enterprise-wide management system for appropriateness in identifying and minimising modern slavery risks
- Incorporated modern slavery clauses into new high-risk or high value contracts
- Developed modern slavery action plan for FY21 and beyond





HIGHLIGHTS

FY21 & BEYOND

- Updated risk assessment of our operations and supply chains to identify modern slavery risks
- Supplier engagement on modern slavery risks
- Training to staff on modern slavery risks
- Engage with industry stakeholders on modern slavery to explore peer benchmarks for remediation processes
- Continuous review, improvement and development of modern slavery risk mitigation measures

INTRODUCTION

This is the first Modern Slavery Statement (Statement) for Cooper Energy Limited (Cooper Energy), as informed by the Modern Slavery Act 2018 (Cth) (Act) for the financial year ending 30 June 2020 (FY20). This Statement covers the activities of Cooper Energy and its controlled entities (Group).

Modern slavery is an important and complex challenge facing the world today. Modern slavery includes serious human exploitation such as human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services. At Cooper Energy, we recognise that slavery and human trafficking can occur in many forms and we are committed to protecting human rights across all areas where our business operates.

The purpose of this Statement is to outline our approach to ensuring that Cooper Energy has appropriate frameworks and processes in place to minimise the risk of modern slavery in our business operations and supply chains. We see this as a vital part of our corporate responsibility and inherent in the [Cooper Energy Values](#).





**COOPER ENERGY
IS COMMITTED TO
PROTECTING HUMAN
RIGHTS ACROSS ALL
AREAS WHERE OUR
BUSINESS OPERATES**

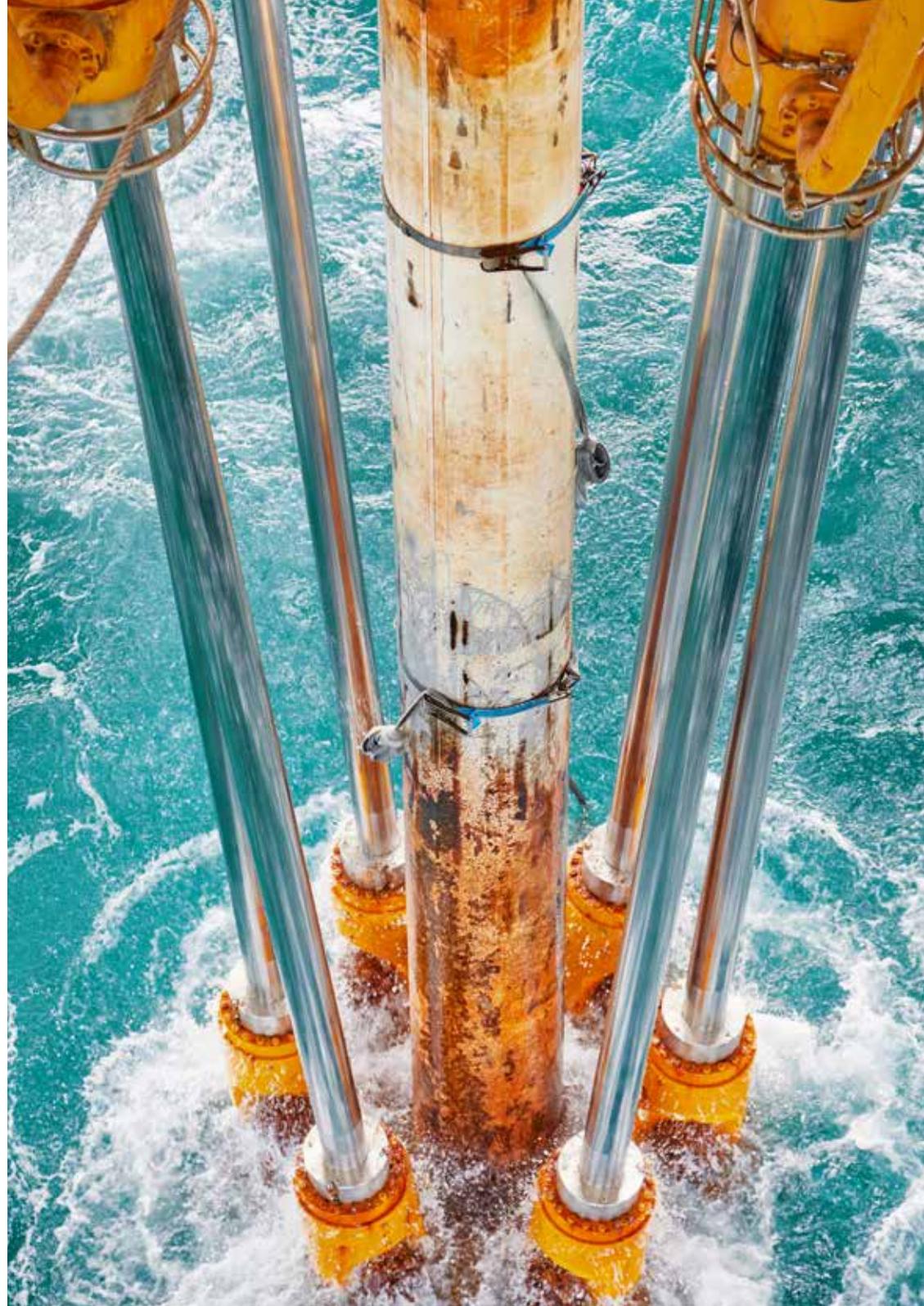
ABOUT COOPER ENERGY

Cooper Energy is an S&P/ASX 200 (ASX:COE) listed energy company which generates revenue from the discovery, commercialisation and sale of gas to south-east Australia and low-cost Cooper Basin oil production.

Our operations are located in Australia, primarily in the Cooper Basin, Otway Basin and Gippsland Basin. This includes involvement in a number of operated and non-operated joint ventures as further detailed below and in our [Annual Report 2020](#).

We are focused on delivering sustainable growth in total shareholder return through a strategy that requires:

- due care for health, safety, and the environment and communities in which we operate;
- focus on hydrocarbon resources and opportunities possessing the strong economic fundamentals that support generation of leading returns for our shareholders and good commercial outcomes for customers within the foreseeable future; and
- concentration of effort and resources on opportunities where we have deep knowledge and expertise, principally the Australian basins and the commercialisation of gas



OUR VALUES

We have chosen to be a values-driven business. We strive to think, decide and act at all times in accordance with the Cooper Energy Values, which are:



CARE

Prioritising safety; health; the environment; and community.



INTEGRITY

Striving to be consistent; staying true to our values; and accountable for our actions.



FAIRNESS & RESPECT

Valuing diversity & difference; acting without prejudice; and communicating with courtesy.



TRANSPARENCY

Being honest; addressing problems; and being clear with our communications.



COLLABORATION

Sharing ideas and knowledge; encouraging cooperation; listening to our stakeholders; and building long term relationships.



AWARENESS

Taking account of all identified key issues in our decisions; and considering future impacts.



COMMITMENT

Staying focused on the core objectives; making pragmatic, quality technical and commercial decisions; and being decisive with the courage of our convictions.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

OUR STRUCTURE

A list of our Group entities is set out in our Annual Report 2020 (see page 111). All Group entities operate under the direction and governance of Cooper Energy.

The role of our Board is to maintain and build Cooper Energy's capacity to deliver sustainable total shareholder return, in a manner consistent with the Cooper Energy Values including prioritising safety, health, the environment and community. The Board has established and maintains an Audit Committee, a Risk & Sustainability Committee, a People & Remuneration Committee and a Nomination Committee.

Our management, under the leadership of our Managing Director, is responsible for delivering the strategic plans for Cooper Energy.

Cooper Energy has implemented a comprehensive management system that details the policies, procedures and guidelines required for the safe, efficient and effective operation of all our activities.

This includes our:

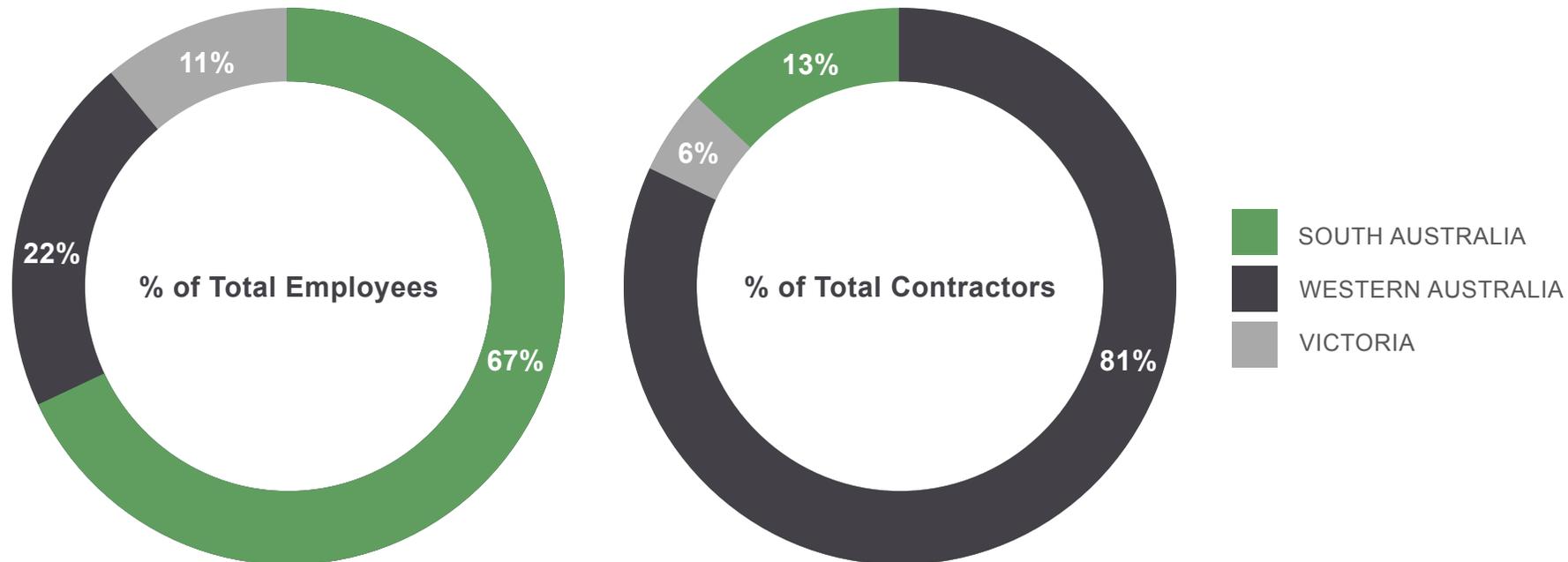
- **Risk Management Policy** – Outlines the approach of Cooper Energy for risk management to be adopted by officers, staff and contractors. It is the policy of Cooper Energy to achieve best practice in management and decision making by managing risk to the benefit of all stakeholders in a manner consistent with the Cooper Energy Values. “Best practice” recognises the activities and size of the Group and its assets and is fit for purpose having regard to these attributes.
- **Code of Conduct** – Sets out the standards of behavior expected of all Cooper Energy employees, directors, officers, contractors and consultants. Cooper Energy has a range of codes and procedures which underpin its Code of Conduct which are designed to foster and maintain ethical business conduct within Cooper Energy and govern such things as workplace and human resources practices, handling of confidential information, insider trading, risk management and legal compliance.

OUR STRUCTURE

Our framework of policies, procedures and guidelines provides for compliance with the ASX Corporate Governance principles on corporate governance and for effective management and supervision of the company's affairs. All of our publicly available corporate governance framework documents are accessible on our [website](#).

Our head office is in Adelaide and we also have offices in Perth and at the Athena Gas Plant in Port Campbell, Victoria.

As at 30 June 2020, we had 75.9 full time equivalent employees and 31.5 full time equivalent contractors working across our operations. Our employees and contractors all based within Australia and are split between South Australia, Western Australia and Victoria as follows:



OUR OPERATIONS

Our operations focus on the discovery, commercialisation and sale of gas to south-east Australian and low-cost Cooper Basin oil production.

Our key activities include:

- **Gas production:** Cooper Energy supplies gas for domestic and industrial use in south-east Australia from its operations offshore Victoria in the Gippsland Basin (Sole gas field) and Otway Basin (Casino, Henry and Netherby gas fields).
- **Gas project development:** Cooper Energy is upgrading and connecting the Athena Gas Plant in Victoria to provide a low-cost processing hub for Otway Basin gas, and is analysing development for new supply from discoveries such as Annie.
- **Gas supply contracts:** Cooper Energy has a growing portfolio of gas supply contracts, with customers including AGL Energy, Alinta Energy, EnergyAustralia, VISY and Origin Energy.

- **Gas exploration:** Cooper Energy holds exploration permits and participates in exploration for competitive new sources of gas supply in south-east Australia. In 2020 this exploration activity resulted in the Annie gas discovery offshore Victoria and the Dombey gas discovery in the onshore Otway Basin, South Australia.
- **Oil production:** Cooper Energy produces approximately 0.2 million barrels of oil per annum from low cost operations in the Cooper Basin.

Further details of Cooper Energy's operations and interests are available on our [website](#) and in our [Annual Report 2020](#).

OUR OPERATIONS

ADELAIDE

HEAD OFFICE

1

PERTH

PROJECTS AND DRILLING OFFICE

2

ATHENA GAS PLANT

GAS PROCESSING FOR OFFSHORE OTWAY BASIN

- Being commissioned for commencement of operations in September Quarter 2021

3

ONSHORE OTWAY BASIN

GAS EXPLORATION

3

COOPER BASIN

ONSHORE OIL PRODUCTION

- Western flank oil production and exploration

4

GIPPSLAND BASIN

OFFSHORE GAS PRODUCTION AND EXPLORATION

- Sole gas field
- Manta gas and liquids resource
- Exploration permits

5

OFFSHORE OTWAY BASIN

GAS PRODUCTION AND EXPLORATION

- Casino Henry Netherby gas production and development
- Annie gas field
- Gas exploration

6



OUR SUPPLY CHAINS

As an oil and gas company, our direct supply chain primarily includes oil and gas field engineering, drilling, construction and technical services companies, logistics and transportation, specialist consultancies and labour and corporate services.

To facilitate our operations, we buy a wide range of products and services including:

- drilling, process and development equipment and services, including wellhead and wellsite equipment and services;
- engineering, construction and technical services;
- logistical and transportation services;
- site equipment, management and maintenance services, support services, and civil and construction equipment and services;
- energy, utilities and consumables; and
- labour and corporate services including IT, accounting and administrative services.



Our supply chain in FY20 consisted of over 450 direct suppliers and a total of AUD123 million in procurement expenditure, of which approximately 94% was paid to suppliers located in Australia and less than 6% to international suppliers.

OUR SUPPLY CHAINS

An overview of our direct supply chain and procurement expenditure is below:

OUR SUPPLY CHAIN IN FY20

SPEND BY BUSINESS ACTIVITY	Exploration 35%	Development 42%
SPEND BY SUPPLIER LOCATION (% OF TOTAL PROCUREMENT SPEND)	Australia 94.18%	International 5.82%
	United Kingdom 1.94%	Netherlands 1.29%
TOP INTERNATIONAL SUPPLIERS BY COUNTRY (% OF TOTAL PROCUREMENT SPEND)	United States 0.65%	Canada 0.43%
	France 0.43%	

OUR POLICIES AND PROCEDURES

We are committed to ensuring that Cooper Energy has appropriate frameworks and processes in place to minimise the risk of modern slavery in our business operations and supply chains. We have formal policies already in place which are intended to promote ethical and legally compliant business conduct.

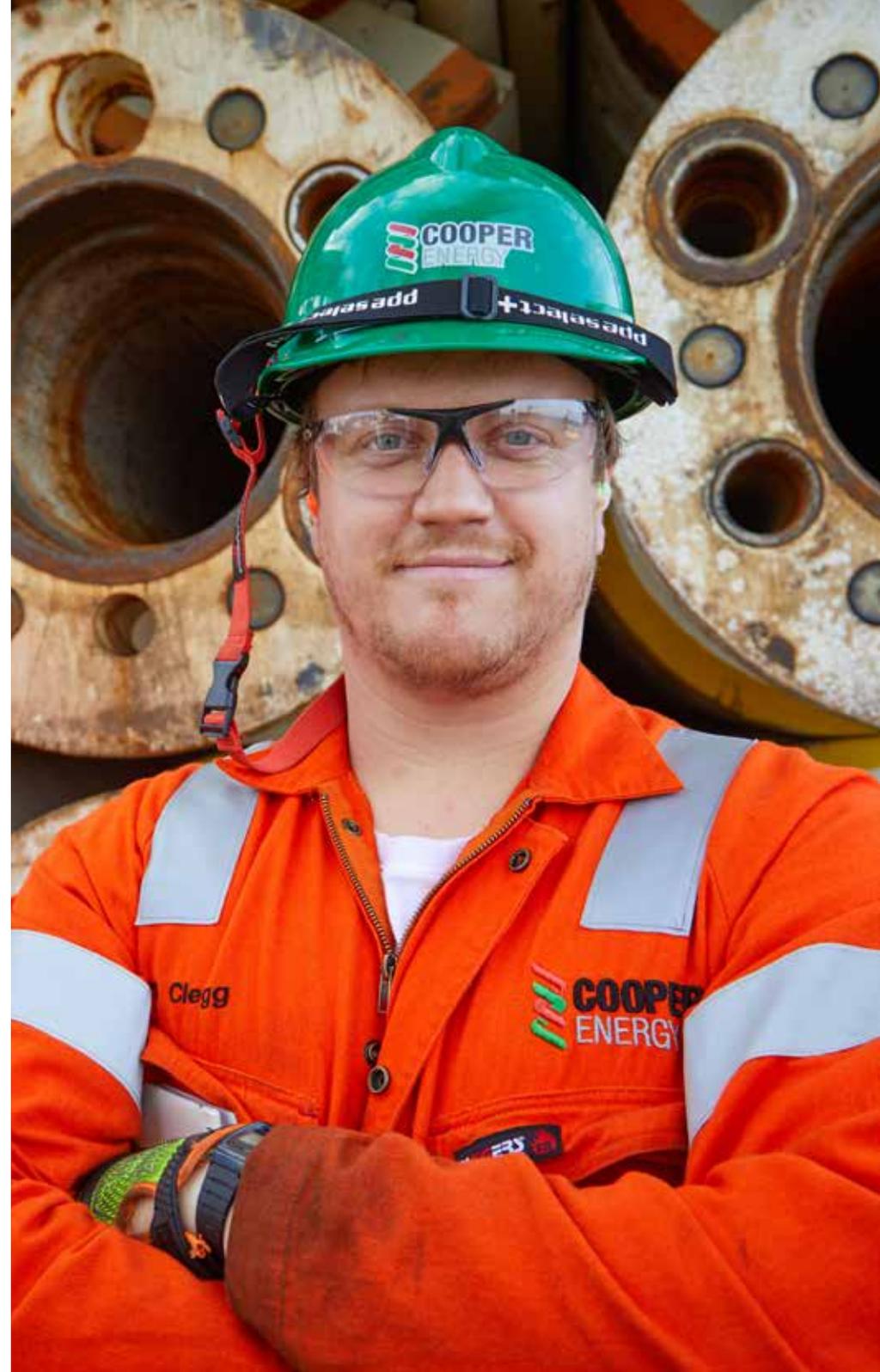
Our policies contribute to our commitment to prevent violations of human rights such as modern forms of slavery in our business, including the following:

- Code of Conduct;
- Equal Opportunity & Diversity Code;
- Risk Management Policy;
- Anti-bribery & Corruption Code;
- Whistleblower Policy (and associated anonymous whistleblower hotline); and
- Cooper Energy Values.

These documents are available on our [website](#).

Our procurement team also have risk mitigation and procurement processes and procedures in place relating to the contracting of goods and/or services from external parties. These outline our processes for procuring goods and contracting services from our suppliers, reflect our zero-tolerance stance on illegal or unethical behavior, focus on acting fairly and responsibly, and codify our expectation that care is integrated into our culture at all levels (as set out in more detail in our Code of Conduct).

The above procedural controls are regularly reviewed, including with a focus on ensuring that we have appropriate processes in place to ensure the risk for illegal and unethical business behavior in our business and operations is minimized.



POTENTIAL RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

We strive to conduct our business in a manner consistent with the Cooper Energy Values including prioritising safety, health, the environment and community. In relation to human rights risks, we comply with all labour, employment (including the Fair Work Act), immigration and whistleblower laws of Australia, across all states and territories in which we operate.

Consistent with our Code of Conduct, we are committed to:

- operating with care, prioritising the safety and health of all personnel and the environment and the communities in which Cooper Energy operates;
- acting honestly and with high standards of personal integrity including treating other personnel with respect;
- complying with the laws and regulations that apply to Cooper Energy and its operations;
- not knowingly participating in any illegal or unethical activity; and
- striving to be good corporate citizens and achieving community respect including by dealing with customers and suppliers fairly.



Our integrated management system has been designed to support the effectiveness of our risk control framework and compliance with our principles, charters, policies, procedures, and guidelines. However, we acknowledge that modern slavery has the potential to exist in our operations and supply chain through a variety of circumstances. Accordingly, in FY20 we undertook a review of potential risk of modern slavery practices across our operations and supply chains using our risk management framework. During this review, we considered the risks that could cause, contribute or be directly linked to modern slavery practices.

The following risk factors around modern slavery informed our risk analysis:

- *Geographic locations* – Certain countries are associated with a higher risk of modern slavery practices (for example, as listed in the Global Slavery Index).
- *Industry sector* – Certain industry sectors are deemed higher risk in international and national guidance documentation (for example, as set out in the ACSI guide on Modern Slavery Risks, Rights & Responsibilities, 2019).
- *Commodity/products* – Certain commodities and products are deemed higher risk in international guidance documentation (for example, as set out in US Department of Labor’s 2018 List of Goods Produced by Child and Forced Labor).

In undertaking this review process our focus in FY20 was on our largest suppliers by spend. We acknowledge that modern slavery risks are present in all suppliers regardless of spend size and future reviews will work to further understand the vulnerabilities and potential modern slavery risks across our supply chain. Our operations, procurement spend and supplier profile will continue to inform our risk management processes around modern slavery moving forward as we recognize that modern slavery risks are evolving and reflect a continuously changing environment.

Within our operations and supply chains, we have been able to identify areas of low risk, for example in operational activities that are directly undertaken by Cooper Energy employees and are covered by our internal processes. We generally consider the potential for us to directly cause or contribute to incidents of modern slavery to be low.

The majority of our direct suppliers are located in Australia. Of our direct international suppliers, all are in countries which are considered to be low risk for modern slavery practices. Even though we predominantly use Australian suppliers, we recognise that goods and services provided by those suppliers may come from countries other than Australia. We also recognise that goods and services provided by our direct international suppliers may come from countries other than where those suppliers are domiciled.

We have suppliers across various industries sectors including those considered to be higher risk for modern slavery practices. We have identified areas of potential vulnerability which include suppliers in the following industry sectors:

- maintenance and cleaning services;
- transport;
- building and construction services;
- labour hire; and
- consumables and materials.

As a result, these identified areas of potential risk and vulnerability in relation to modern slavery will be the focus areas for our further due diligence activities in FY21 as part of our modern slavery action plan.

**OUR OPERATIONS,
PROCUREMENT
SPEND AND
SUPPLIER PROFILE
WILL CONTINUE
TO INFORM OUR
RISK MANAGEMENT
PROCESSES AROUND
MODERN SLAVERY**

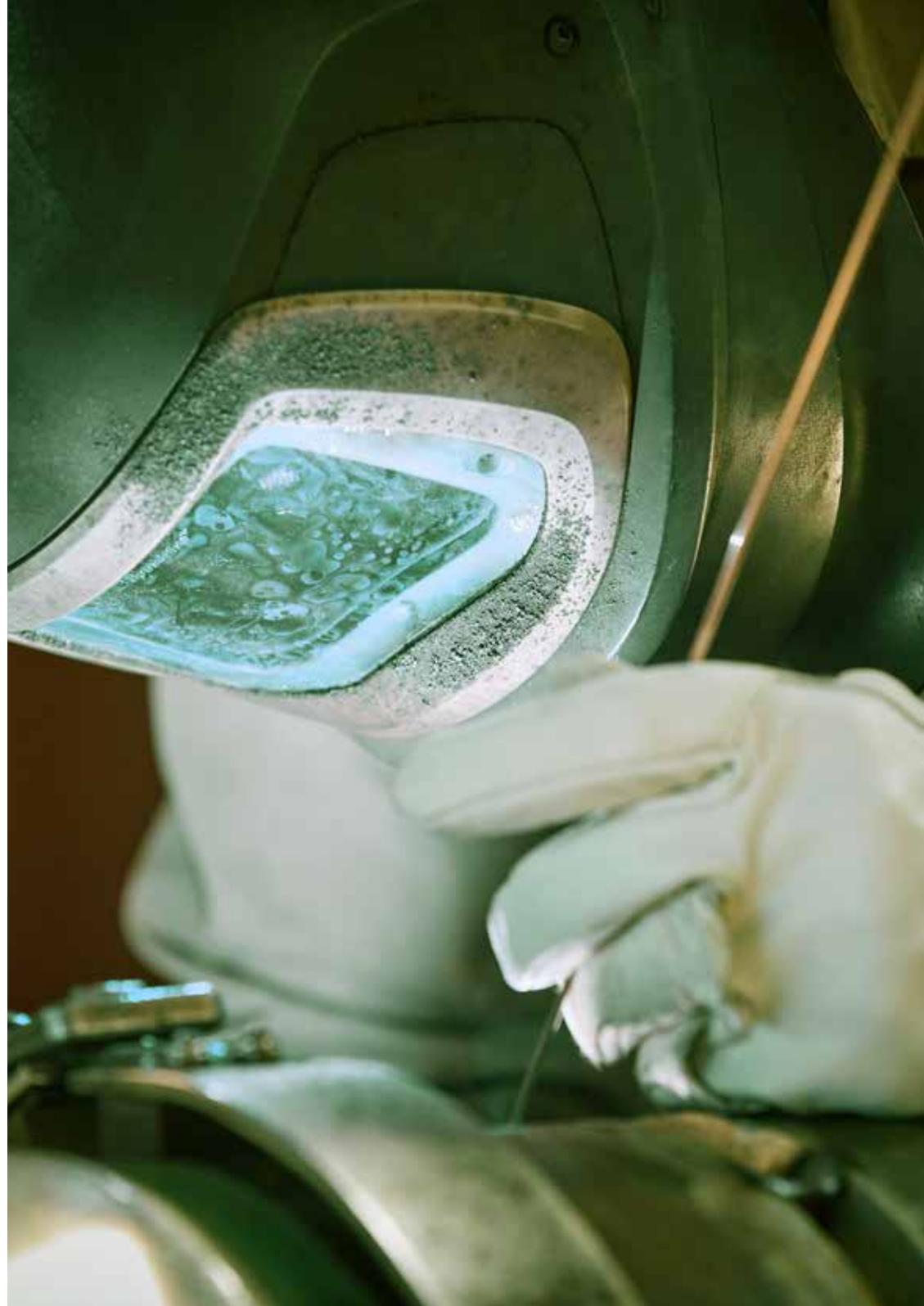


ASSESSING AND ADDRESSING THE RISK OF MODERN SLAVERY PRACTICES

In FY20 we completed a risk assessment of our operations and supply chains to identify modern slavery risks, including identifying our highest spend suppliers against the indicators of modern slavery.

Key additional actions taken to assess and address modern slavery risks in FY20 included:

- identifying potential areas of modern slavery risks across our business with input from representatives across key business units;
- reviewing our suite of risk-related policies and governance control measures for appropriateness for mitigating the modern slavery risks identified in our business;
- reviewing our internal management systems around the identification of high-risk suppliers in relation to modern slavery;
- incorporating a modern slavery clause into new high-risk or high value contracts; and
- increasing the awareness across various key business units around modern slavery and human rights.



FUTURE COMMITMENTS

We plan to continue using the modern slavery indicators around high risk industry sectors, commodities or products and countries or geographies to assess potential modern slavery risks in our business as part of our commitment to continuously review, improve and develop our modern slavery risk mitigation measures.

In FY21 and beyond, we will continue to strengthen our risk management controls, improve the transparency of our risk profile and collaborate with suppliers where appropriate to address the risks of modern slavery in our operations and supply chain. We have developed a modern slavery action plan which has the following key areas of focus:

- **Governance review** – We will review and assess the effectiveness of policies, procedures and guidelines in identifying and minimising modern slavery risks across our business and supply chains.
- **Awareness and training** – We will provide training to our employees and contractors on modern slavery risks.

- **Supplier engagement** – We will engage with our suppliers in relation to modern slavery risks starting with the key focus areas identified in our FY20 modern slavery risk assessment.
- **Risk identification** – We will undertake an updated modern slavery risk assessment of our operations and supply chains.
- **Stakeholder engagement** – We will engage with industry stakeholders to explore peer benchmarks for remedy pathways.
- **Contracting** – We will incorporate modern slavery clauses into a broader selection of our contracts, including in certain contract templates and new high-risk or high value contracts.
- **Promoting reporting & whistleblowing** – We will continue to provide our anonymous whistleblower hotline to allow our internal and external stakeholders (including workers from our contractors and suppliers) to freely raise concerns about any actual or suspected unethical, unlawful or undesirable conduct.

We are committed to continually reviewing and improving our modern slavery risk management initiatives informed by our modern slavery action plan and under the leadership of our Board and management team.

This Statement has been approved by the Board of Cooper Energy Limited.

This Statement has been made by Cooper Energy Limited ABN 93 096 170 295. This Statement covers Cooper Energy Limited and its controlled entities (as set out on page 111 of the Cooper Energy Annual Report 2020).

This is a voluntary Modern Slavery Statement informed by the Modern Slavery Act 2018 (Cth) for the reporting period ending 30 June 2020 and has been prepared for the purposes of outlining our approach to ensuring that we have appropriate frameworks and processes in place to minimise modern slavery risks in our business operations and supply chains.

We are involved in a number of operated and non-operated joint ventures. The modern slavery risks and impacts associated with projects which Cooper Energy Limited or its controlled entities do not operate are not included in this Statement. Modern slavery risks and impacts have also not been assessed in jurisdictions where Cooper Energy Limited or its controlled entities have a presence but do not actively operate.

This Statement references significant events occurring after 30 June 2020. Where this Statement contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events, these statements are not statements of fact and there can be no certainty of outcome in relation to the matters to which the statements relate. Forward looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause the actual outcomes to be materially different from the events or results expressed or implied by such statements, and the outcomes are not all within our control. Statements about past performance are not necessarily indicative of future performance.



FOR ADDITIONAL INFORMATION

EMAIL

customerservice@cooperenergy.com.au

WEBSITE

www.cooperenergy.com.au

ADELAIDE HEAD OFFICE

Level 8, 70 Franklin Street
Adelaide, South Australia 5000
+61 8 8100 4900

PERTH OFFICE

Level 15, 123 St Georges Terrace
Perth, Western Australia, 6000
+61 8 6556 2101