

2020

Modern Slavery Statement



Beach Energy Limited

ABN 20 007 617 969

ACN 007 617 969



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About this statement

The 'reporting entity' (as defined in the *Modern Slavery Act 2018* (Cth)) for the purpose of this Modern Slavery Statement is Beach Energy Limited. In addition, this statement covers all entities under Beach Energy Limited's group structure (controlled entities). A list of these controlled entities is available under the heading 'Subsidiary Companies' on page 138 of [Beach's 2020 Annual Report](#).

Unless otherwise stated, references in this Modern Slavery Statement to 'Beach', 'the Company', 'we', 'us' and 'our' refers to Beach Energy Limited and its controlled entities.

Modern slavery risks and impacts that relate to Beach's non-operated projects are not within the scope of this statement. However, Beach is in the process of establishing governance processes with joint venture operators to ensure modern slavery risks are considered and mitigated in non-operated projects and supply chains.

All amounts disclosed in this statement are in Australian dollars, unless stated otherwise.



Letter from the Chairman and Managing Director

It is an unfortunate reality of the modern world we live in that slavery still exists in many places. As the global trade network grows, so too does the potential involvement of slavery in global supply chains.

Modern slavery can occur in many forms, including trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and child labour. According to the Global Slavery Index 2018 report, more than 40 million men, women, and children are estimated to be victims of modern slavery on any given day.

Of these, 24.9 million people were in forced labour and 15.4 million people were living in a forced marriage. Women and girls are vastly over-represented, making up 71 percent of victims¹.

It is incumbent on governments worldwide and the global business community to do everything they can to eradicate modern forms of slavery.

As a responsible corporate citizen, Beach wants to play its part in creating the right balance of socio-economic conditions for our employees, contractors and suppliers.

Beach welcomes the Australian Government's efforts to eradicate modern slavery through the *Modern Slavery Act 2018* (Cth), and is committed to operating responsibly and establishing and adhering to the highest ethical standards under this legislation. Put simply, Beach will not tolerate any forms of modern slavery or human rights violations in our operations or supply chains.

Informed by the *Modern Slavery Act 2018* (Cth), Beach has produced its first Modern Slavery Statement which aims to outline our approach to identifying and minimising the risk of modern slavery across our supply chains and in operations we either own or control.

This statement is approved by the Board of Beach Energy Limited.

Glenn Davis
Chairman

30 March 2021

Matt Kay
Managing Director

30 March 2021

¹ www.globalslaveryindex.org/2018/findings/global-findings/

Our Key 2020 Achievements

In this inaugural Modern Slavery Statement, Beach assesses the modern slavery risks in its operations and supply chains. Beach is pleased to report the following:

Collaborating with our suppliers

- No specific instances of modern slavery were identified in Beach's supplier engagement in FY20. However, Beach recognises that these investigations are in the early stages;
- Modern slavery risks are often described as 'hidden in plain sight'. Our roadmap will focus on deepening our understanding of modern slavery risks in our supply chain;
- Engagement with suppliers representing ~90% of company-wide spend of FY20, made up of all tier one suppliers² and a selection of tier two suppliers³, (following a rapid screening assessment⁴);
- 94% response rate to Beach Modern Slavery Supplier Questionnaire; and

² Suppliers with an aggregate spend over \$1M during FY20

³ Suppliers with an aggregate spend of \$0.5-\$1M in FY20

⁴ Internal rapid desktop risk assessment, based on the Commonwealth's four modern slavery risk indicators

- Continued focus on maturity of suppliers in their preparedness for uncovering modern slavery in their supply chains.

Enhancing internal capability

- Formation of internal working group with representatives from across the business;
- Development of a modern slavery assessment framework;
- Delivery of modern slavery awareness training to Beach staff; and
- Inclusion of modern slavery clauses in standard goods and services contract templates.

Collaborating with peers

- Collaboration and engagement with industry groups and JV operators.



Modern Slavery Action Roadmap

Year 1 (FY20 Key Milestones)

- Formed an internal modern slavery working group consisting of representatives from across the business, including; Legal, Risk, Contracts and Procurement (C&P) and Sustainability;
 - Developed a modern slavery supply chains assessment framework;
 - Ensured that modern slavery risk is addressed in the corporate risk register;
 - Updated our standard goods and services contract templates to include modern slavery obligations;
 - Developed a Human Rights policy;
 - Mapped the supply chains to determine spend sub-categories with potential risk exposure, aligned to various resources;
 - Delivered modern slavery awareness training to 189 Beach employees;
 - Developed Beach's Modern Slavery Supplier Questionnaire;
 - Engaged all tier one and some tier two suppliers with the Beach Modern Slavery Supplier Questionnaire, including assessment of potential risk exposure;
 - Engaged with industry peers on current practices and future plans; and
 - Engaged Joint Venture operators to mitigate modern slavery risks in non-operated joint ventures.
- Commence due diligence engagement with suppliers assessed with medium or high potential modern slavery exposure, to ensure robust assurance processes are implemented;
 - Develop remediation plans for suppliers with exposure to modern slavery;
 - Implement targeted assessment on subcategories where workplace conditions present greater potential of exposure (e.g. cleaning, security);
 - Engage further with suppliers who did not respond to Beach's Modern Slavery Supplier Questionnaire;
 - Expand collaboration with industry peers as to trends and findings observed in their respective supply chains;
 - Implement modern slavery supply chains procedures, incorporating:
 - Remediation guidance to support the engagement of key suppliers with medium/high potential exposure and implement mitigation actions as applicable;
 - Reporting and responding to incidents (aligning with existing processes and procedures); and
 - Establishing due diligence practices for continued monitoring subcategories (including sub-suppliers) with potential exposure.
 - Review internal procurement processes to ensure modern slavery identification, mitigation, and assurance programs are actively considered and embedded in relation to business activities, such as tenders and supplier qualifications;
 - Engage and assess the potential exposure of the remaining tier 2, and all tier 3⁵ and tier 4⁶ suppliers via the Beach Modern Slavery Supplier Questionnaire;
 - Formalise industry peer engagement to drive collaboration and develop industry benchmarks; and
 - Establish goals, targets and key performance indicators for modern slavery management, including monitoring mechanisms and effectiveness of due diligence activities.

Future action (within 1-2 years)

- Update governance documentation in relation to the *Modern Slavery Act 2018* (Cth);
- Develop a supplier Code of Conduct, outlining expectations on compliance and ethical conduct;
- Implement training modules for new starters and refresher courses for existing employees;

⁵ Suppliers with an aggregate annual spend of \$100-500k

⁶ Suppliers with an aggregate annual spend under \$100k



Illustration not to scale. Ownership percentages provided are Beach's ownership of the production assets in the respective basins

Reporting Criteria 1 & 2

The reporting entity, our business structure, operations and supply chains

Our business structure and operations

Beach Energy Limited is an ASX listed, oil and gas, exploration and production company headquartered in Adelaide, South Australia.

Founded in 1961, Beach has operated and non-operated, onshore and offshore, oil and natural gas production from five producing basins across Australia and New Zealand and is a key supplier to the Australian east coast natural gas market. As at 30 June 2020, Beach had a total of 5577 direct employees across Australia and New Zealand.

Beach's asset portfolio includes ownership interests in strategic oil and gas infrastructure, assets across Australia and New Zealand and a suite of high potential exploration prospects.

Beach has a major gas business comprising operated and non-operated, onshore and offshore assets across five producing basins that supply gas to the

Australian domestic markets and the New Zealand domestic market.

The Beach-operated Kupe asset in New Zealand is an important domestic gas supplier and produces approximately 50% of domestic LPG supply. In Australia Beach has established a world-class operated oil business on the Western Flank of the Cooper Basin and has grown to become Australia's largest onshore oil producer.

A list of Beach's controlled entities is available under the heading 'Subsidiary Companies' on page 138 of the **2020 Annual Report**. All controlled entities operate under the direction and governance of Beach Energy Limited.

7 As at 30 June 2020. Includes international employees and excludes non-executive directors

Our supply chains

Since its acquisition of Lattice Energy in 2018, Beach's supply chains have grown significantly from supporting operations in the Cooper Basin to now supporting multiple projects and operations within five producing basins across Australia and in New Zealand.

As one of the larger energy companies in Australia, Beach has a diverse range of suppliers from across the globe. Our supply chains engage with both global and established oil and gas suppliers to local family owned companies for drilling and completions services, engineering, consultancy and corporate services, field and production support, marine and road transport and equipment and commodity supply.

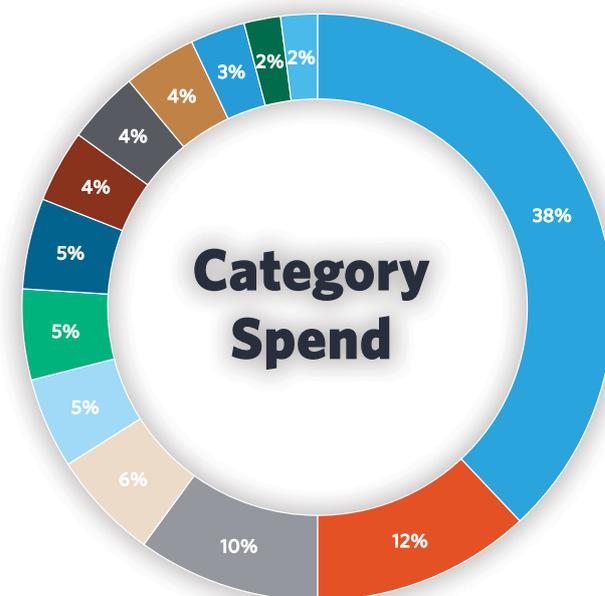
In FY20, Beach actively engaged with ~1,700 suppliers across our assets with an aggregated spend of ~\$900m (total invoices paid in FY20). Over 74% of this expenditure was incurred in relation to suppliers directly based in Australia.

Supplier's Base

Australia	74.1%
United States	10.9%
New Zealand	8.4%
Singapore	2.2%
United Kingdom	2.1%
Norway	2.0%
Japan	0.2%
Less than 0.1%: Netherlands, Canada, Malaysia; Bahrain; United Republic of Tanzania; United Arab Emirates; Italy; Mauritius; Ireland; Argentina; Romania	0.2%

Figure 1 Supplier expenditure across countries

Beach has implemented a number of contract and procurement policies and procedures over the past two years to continue to support our growing business and develop the maturity of our practices when engaging with our suppliers and communities. These policies and procedures involve considering factors beyond safety, cost and technical requirements and have enhanced the focus of the business on practices of engagement.



- Drilling/Completions & Well Interventions
- Corporate Services
- Equipment, Parts & Consumables
- Field Support Services
- Transport
- Major Construction
- Professional Services
- Production Services
- Energy & Commodities
- IT
- Exploration & Appraisal
- Production Facility Services
- Logistics & Warehousing

During FY20, Beach entered into ~480 new contracts and had ~880 active contracts.

Our top spend-categories in FY20 (illustrated above) reflect the growth within the business as the majority of the expenditure was to support existing assets and development activities across our broader portfolio, including drilling, completions and well intervention, corporate services equipment, parts and consumables.

Risks of modern slavery practices in our supply chains

Governance

Beach has policies and guidelines in place that are intended to promote ethical and legally compliant business conduct. Our policies and Code of Conduct guide our actions and support our commitment to prevent human rights violations including modern slavery from occurring in our business.

Responsibility over matters relating to human rights and modern slavery sits with the Beach Energy Limited Board (Board), which meets monthly. Supporting the Board is the Risk, Corporate Governance and Sustainability Committee which consists of three non-executive directors and meets at least three times annually. The Board, directly and via the Risk, Corporate Governance and Sustainability Committee is provided with regular briefings on all non-financial matters.

At a management level, modern slavery related responsibilities sit with Beach’s Executive Leadership Team.

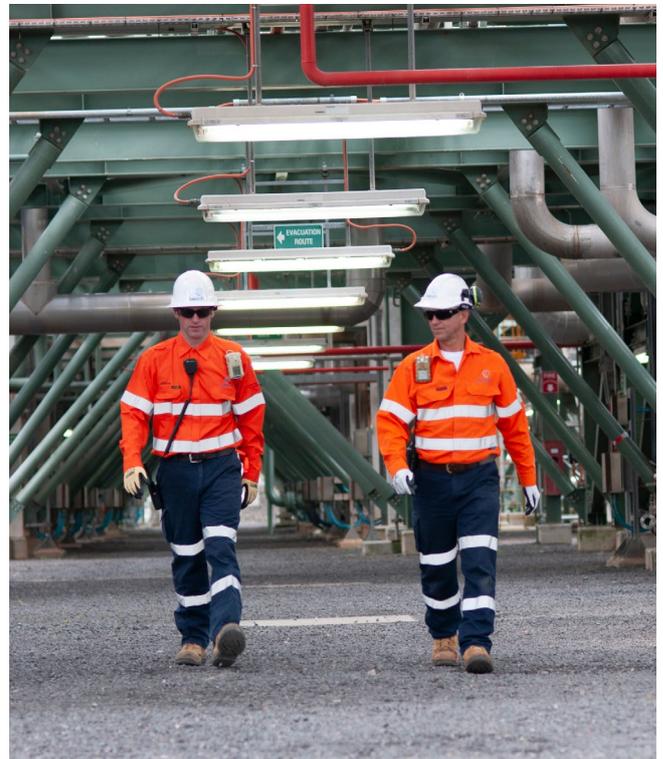
Risk oversight and management

Risk is inherent in Beach’s business, so effective risk management is crucial to the long-term viability of the company. The Board and our Risk, Corporate Governance and Sustainability Committee provide oversight of business risks and proactively consider and review risks relating to social, economic, environmental and sustainability issues. Risks to Beach include those associated with maintaining a social license to operate, reputation, health, safety, environment and economic risk. Significant risks are continually reviewed and updated in the corporate risk register. Detailed discussion of Beach’s risk management framework is provided in our [2020 Corporate Governance Statement](#) which can be viewed on the Beach Energy Website.

Supply chains assessment

Modern slavery risks are often described as ‘hidden in plain sight’ and therefore, the identification of our exposure to modern slavery risks requires continuous review and evaluation. Beach understands that our supply chains’ footprint extends beyond domestic borders and across various sectors, as well as beyond the geographical base of our direct suppliers, which increases our potential exposure to modern slavery.

As indicated in section 2, the majority of our international spend is with direct suppliers situated in countries with low prevalence of modern slavery, in accordance with the Global Slavery Index (2018). Collectively, this spend represents 0.03% (AUD\$0.3K) of the total FY20 spend. These costs are associated with the closure of Beach entities based in these countries (Tanzania and Romania)⁸, and the procurement of a separator vessel for our Kupe asset (Malaysia).



⁸ Tanzanian and Romanian expenses are related to the use of professional services including accountants and lawyers

Beach's Modern Slavery Supply chains Assessment Framework

In FY20, our working group developed a modern slavery supply chain assessment framework to assist us in our assessment of modern slavery risk, with a focus on the following high-risk indicators:

- Industry/category (per below) – sectors deemed at risk, in accordance with industry group/peer identifications;
- Entity risk – maturity of policy, training, and due diligence embedded in our supplier's businesses;
- Workplace conditions – workforce profile, low-skill and/or vulnerable populations and form of engagements; and
- Geographical locations – as per Global Slavery Index (2018).

Beach further reviewed its category structure and identified the spend subcategories that present a greater exposure to modern slavery based on the nature of the industry. Resources for this assessment include:

- US Department of Labor 2018 List of Goods produced by Child and Forced Labor;
- Energy Procurement Supply Association – Supply chains; and
- Industry peer identification.

Spend Categories at-risk (no particular order)

- Ad-hoc Building Services and Facilities Maintenance
- Civil Works and Construction
- Contingent Workforce
- Engineering Services
- Equipment Hire
- Equipment, Parts & Consumables
- Facility/Camp Management
- IT Services
- Lubricants and Chemicals
- Marine Transport
- Traffic Management

Beach's Modern Slavery Supplier Questionnaire

Beach developed a Modern Slavery Supplier Questionnaire taking into account our modern slavery supply chain assessment framework, subcategory assessment and the Commonwealth's modern slavery reporting guidelines.

This was designed to facilitate a weighted assessment structure aligned to our framework to produce a potential exposure rating of low, medium, or high.

This questionnaire was issued to all tier one and a portion of tier two suppliers (identified by our rapid screening assessment tool against the four modern slavery risk indicators), based on FY20 spend and subcategory assignment. This identified that production facility services, field support services and transport generally showed higher potential for exposure to modern slavery risk as a result of the lower maturity of business practices and lack of established policies, training, due diligence and assurance activities specific to modern slavery risk as well as low visibility of such risks throughout their supply chains.

The assessment also enabled us to identify additional spend subcategories with potential exposure beyond our original assessment as a result of the lower maturity of business practices on modern slavery. These include: Fuel, Gas & Electrical, Inspections & Specialist Services, and Drilling Fluid Engineering & Fluid Additives.

While in FY20 Beach maintained its focus primarily on our tier one and two suppliers (by spend), it is our intention to roll this assessment out to our tier three and tier four suppliers over the next two to three years, recognising that modern slavery may be present in our lower spend suppliers (the remaining 10% spend profile across <90% of suppliers).

Industry/Category

Beach works with suppliers of all sizes and across a broad range of subcategories, that employ both highly skilled and low-skilled labour. As evident in the diagram below, one third of our engagements reside with small and micro sized businesses (as defined by the Australian Bureau of Statistics) with less than twenty personnel in their workforce.

Further assessment highlighted that many of these services are provided through a mix of workforce structures. Our suppliers in production facilities services, transport, corporate services and professional services (engineering consultancy) all show a higher proportion (over 50%) of non-permanent staff. This result was expected, due to the nature of services provided.



■ Large ■ Medium ■ Small ■ Micro

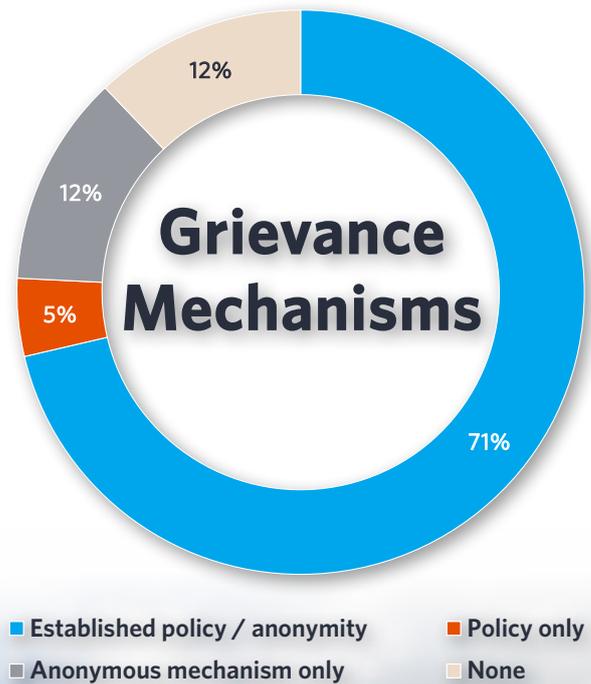
Entity/Workplace Considerations

Our assessment shows that smaller businesses⁹ typically do not have mature policies, assurance processes and procedures (in the context of modern slavery) to the same extent as large corporates.

In summary:

- ~60% of our suppliers have robust policies and a training regime embedded in their business that specifically address modern slavery; 15% have some form of embedded process and 25% have no embedded policies or training regime.
- A majority of our suppliers undertake some form of due diligence in responsible sourcing and modern slavery within their supply chains, however this is not always comprehensive. These suppliers are typically sourcing from countries with limited risk and are not limited by business size.
- ~80% of our suppliers have an established whistle-blowing policy and/or anonymous grievance mechanism in their business. Those suppliers without embedded policy and training regimes are generally small and micro-sized businesses.

While nearly all responses indicated satisfactory compliance and that good business practices are in place with respect to workplace conditions, Beach acknowledges that modern slavery may be hidden in the supply chains. This has a potential to impact low-skilled workforces, complex employment arrangements, vulnerable populations, or scopes where work is repetitive, dirty and/or dangerous. As part of our next phase of implementation of the modern slavery actions, Beach will be undertaking further due diligence in this space, as outlined in our roadmap on page 5.



⁹ Suppliers with a workforce of 20 or less personnel

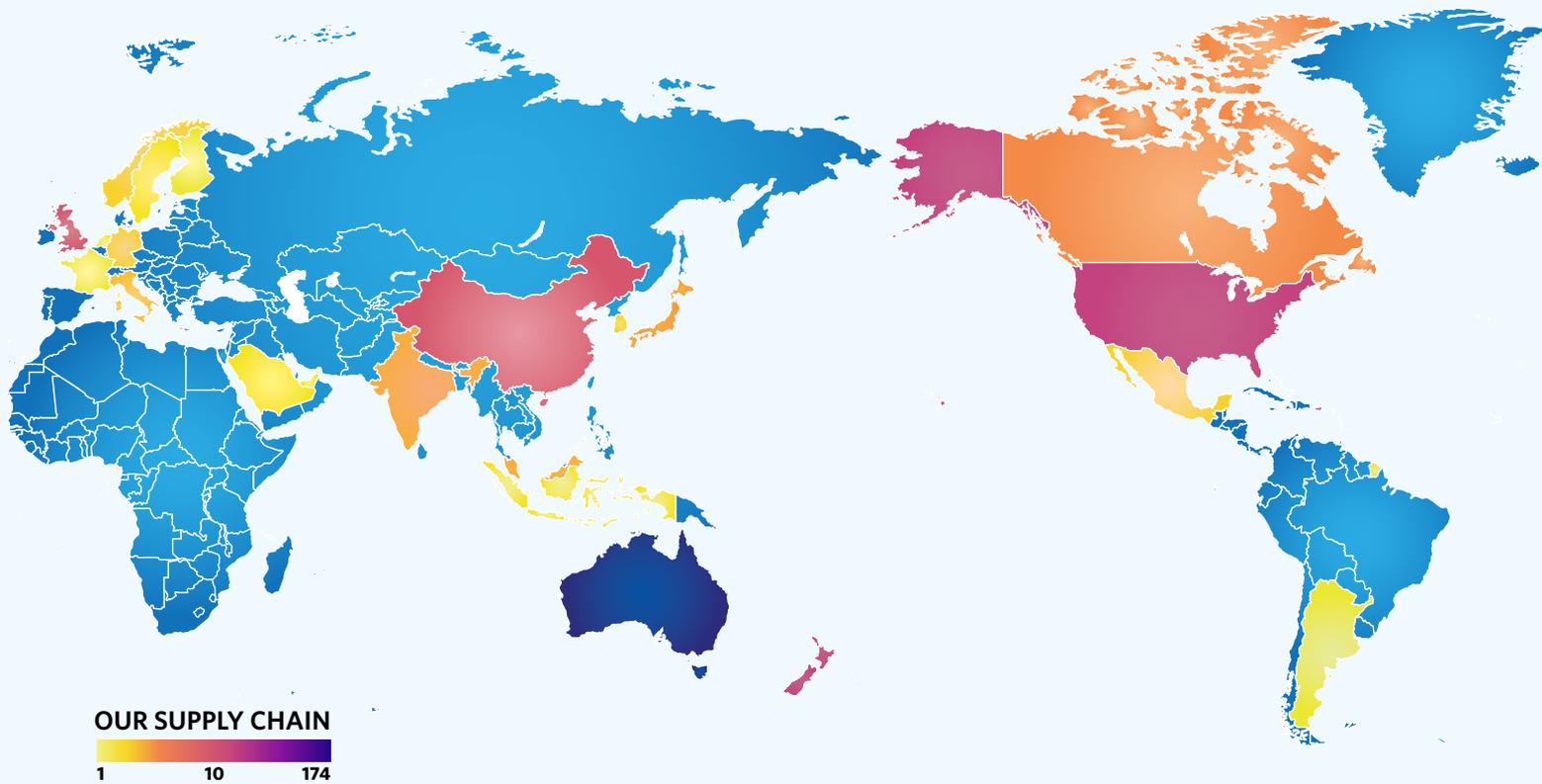


Figure 2 Map representing concentration of suppliers across the globe. Majority of Beach’s primary and secondary suppliers (174 suppliers out of 336) are located in Australia.

Supply chains Geography

Beach recognises it presently has limited visibility beyond the first two levels of engagements within our supply chains (our direct suppliers and sub-suppliers). This is because of the complexity associated with sourcing a wide range of goods and services, where visibility may be further restricted in low spend subcategories, expanse of geographical locations further down the supply chains and/or large volume of suppliers in a specific category.

Our assessment, as shown in figure 2, highlights that our supply chains extends beyond the physical location of the suppliers we procure from. Our tier one and tier two suppliers are located in seven countries, and the supplier’s sub-suppliers are spread over 25 different countries (noting ~25% of our suppliers do not maintain clear visibility in their supply chains).

Of these countries, we note a small group of suppliers sourcing from three countries recognised by the Global Slavery Index (2018) as at risk: India, Indonesia, and Malaysia. These are typically for suppliers who provide specialist services such as engineering and consultancy, as well as goods and

commodities managed under contract (including subsea equipment, lubes, instrumentation, consumables).

Operational Assessment

As an upstream oil and gas company that employs highly skilled and professional employees and operates in countries such as Australia and New Zealand, Beach considers the risk exposure of modern slavery within its direct business operations is assessed to be low. We are respectful towards the human rights and safety of our workforce, suppliers and communities in which we operate and comply with all local and international laws to ensure that international human rights are respected across the business. We also acknowledge that in many instances modern slavery can be hard to identify and can occur in the unlikeliest places. Recognising this, during the year we engaged with the joint ventures in our non-operated assets to understand their approach to managing and enhancing visibility of modern slavery risks. We will continue to work with joint venture participants to identify opportunities for collaboration.



Reporting Criteria 4

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

Due Diligence

In FY20, Beach maintained its focus on understanding modern slavery risks in our supply chains, raising staff awareness, building internal capability, and identifying the next set of actions to improve our approach and performance in relation to modern slavery risk management.

Our actions taken to assess and address potential risk of modern slavery practices are as follows:

- Used tools and resources such as the Global Slavery Index to recognise the high-risk countries and categories;
- Developed a Human Rights Policy;
- Formed an internal working group consisting of representatives from Legal, Risk, Contracts and Procurement and Sustainability;
- Organised awareness training and education for relevant employees;
- Included provisions on the *Modern Slavery Act (2018)* and business practices within our contracts and purchase order terms and conditions;

- Developed the modern slavery supply chains assessment framework and Beach Modern Slavery Supplier Questionnaire, used to carry out an assessment of all of our tier one and tier two suppliers' potential exposure;
- Identified due diligence activities with our suppliers from the assessment, including suppliers with a potential exposure or with limited visibility within their supply chains; and
- Engaged with industry peers and joint venture participants for our non-operated assets.

Update of supplier contractual terms

Our new contracts with our suppliers include terms concerning modern slavery practices which require suppliers to:

- Irrespective of the supplier's jurisdiction, ensure it and its personnel does not engage in any activity, practice or conduct that would constitute an offence of modern slavery under the *Criminal Code Act 1995 (Cth)* if such activity, practice or conduct were carried out in Australia;
- Take reasonable steps to ensure that there is no modern slavery or human trafficking in the supply chains of its personnel or in any part of their business, as part of their contracting terms and assurance activities; and
- Ensure accessibility for Beach or a third-party group to carry out audits and/or assurance activities on their supply chains.

Recruitment Practices

Beach has put in recruitment practices, policies and procedures to ensure fair treatment for its workforce. Human Resources (along with other parts of the business) regularly undertake reviews of existing policies and procedures to ensure they effectively address the risk of modern slavery.

The majority of Beach's workforce is employed directly under permanent, fixed-term, part-time or enterprise bargaining agreement arrangements and all of Beach's employment contracts meet or exceed the applicable employment legislation in Australia and New Zealand, where we operate.

Additionally, Beach does not partake in high risk or unethical labour engagement practices including:

- Charging employees for recruitment fees;
- Using child labour; and
- Undertaking deceptive recruitment practices.

Policy development and awareness training

Beach has developed a Human Rights Policy to improve employee awareness of and compliance with our position on modern slavery and human rights violations. Additionally, awareness training was delivered to Beach employees to help improve the identification and remediation of human rights and modern slavery risks.



Supplier due diligence

Beach has robust risk mitigation and procurement processes in place including supplier on-boarding requirements. New suppliers are required to pass an internal approval process, and depending on scope materiality, comply with additional prequalification requests which facilitate assessment of a suppliers' management systems and performance within HSE, quality, commercial and general management processes. Once engaged, key suppliers are then actively monitored through our contract management system to measure performance, including via audits, assurance processes and the use of key performance indicators.

A due diligence and assurance program has been developed which considers three streams of mitigation activities with our suppliers following the Beach assessment:

1. Suppliers assessed with high potential exposure – noted potential modern slavery risks / workplace conditions. Assurance program to be commenced within Q3 FY21, and will be actively monitored over a two-year period.
2. Suppliers assessed with medium potential exposure:
 - a) supporting our suppliers who are still in the early phases of developing their modern slavery business policies and practices;
 - b) supporting suppliers to investigate visibility of modern slavery in their supply chains, particularly in countries identified as “at-risk” (in accordance with the Global Slavery Index).
3. Suppliers assessed with low potential exposure across the four high-risk indicators but with limited supply chains visibility – supporting suppliers to verify their supply chains to verify low potential of modern slavery.

Seven suppliers (4%) opted to provide their own modern slavery statement instead of completing the Beach Modern Slavery Supplier Questionnaire. An assessment and gap analysis will be carried out on these suppliers to determine potential exposure and partner with them in accordance with the criteria described above to mitigate any risks.

Beach will then carry out a detailed assessment of the effectiveness of these due diligence actions, with a view to enhancing the process as required to ensure improved due diligence procedures are implemented in 2022.

Additionally, Beach is currently in the process of developing a system-based solution to manage supplier assessments, including running periodic assessments, analysis, and reporting.

Remediation

In addition to the actions detailed above, Beach has developed a three-year roadmap to strengthen and enhance management of modern slavery in our operations and supply chains. Refer to the action roadmap detailed on page 5 for more information.

Employees, contractors and third parties can report any concerns regarding modern slavery or human rights violations and other illegal conduct to their manager. There is also provision under the Beach Whistleblower policy to make an anonymous report by a variety of means, including online via a third-party disclosure service which also offers disclosure through the STOP 247 smart phone app.

As outlined within our roadmap, we will also be developing our due diligence and assurance processes, which will include factors such as criticality of supplier, mitigation activities and termination protocols.



Reporting Criteria 5

Assessing effectiveness of actions

Beach understands the importance of assessing the effectiveness of the actions it undertakes to assess and address modern slavery risks. As our first year of reporting on modern slavery, this year Beach took time to identify and initiate specific actions to strengthen our foundation in line with the requirements of the *Modern Slavery Act 2018 (Cth)*.

Through modern slavery awareness training, embedding specific contractual obligations in supplier contracts, development of a modern slavery assessment framework and supplier and joint venture engagement, Beach continued to strengthen its ability to manage and mitigate direct and indirect modern slavery risks resulting from our operations.

In coming years, Beach intends to track its performance and assess the quality and effectiveness of our actions by establishing specific key performance indicators. These include response

rates to the Modern Slavery Supplier Questionnaire, deep dives with identified high potential exposure suppliers, implementation of due diligence plans with high risk suppliers, monitoring the percentage of Beach employees undergoing training, and monitoring the number of complaints received and remedied under Beach's Whistleblower policy.

Reporting Criteria 6

Consultation with Beach owned entities

This statement covers all entities under Beach Energy Limited's group structure. A list of all controlled entities is available under the heading 'Subsidiary Companies' on page 138 of Beach's [2020 Annual Report](#). These entities are covered by Beach's policies, procedures, standards and systems including those relating to C&P, Health and Safety and Human Resources. The controlled entities all operate under the direction and governance of Beach Energy Limited.



Reporting Criteria 7

Other information

COVID related impact

The (COVID-19) pandemic occurred during the second half of our reporting period, with internal efforts focused on ensuring the health and safety of our workforce, contractors and communities, as well as the economic sustainability of our business. Because of this, we elected to accept the extension offered by the Australian Border Force to submit our Modern Slavery Statement.

Beach's Crisis Management Team (CMT) was activated in January 2020 and a Business Continuity Team (BCT) was soon established to provide ongoing daily management support of COVID-19 related matters across the business, covering HSE, operations, drilling, office management, communications, supply chains and logistics, and worst-case scenario planning.

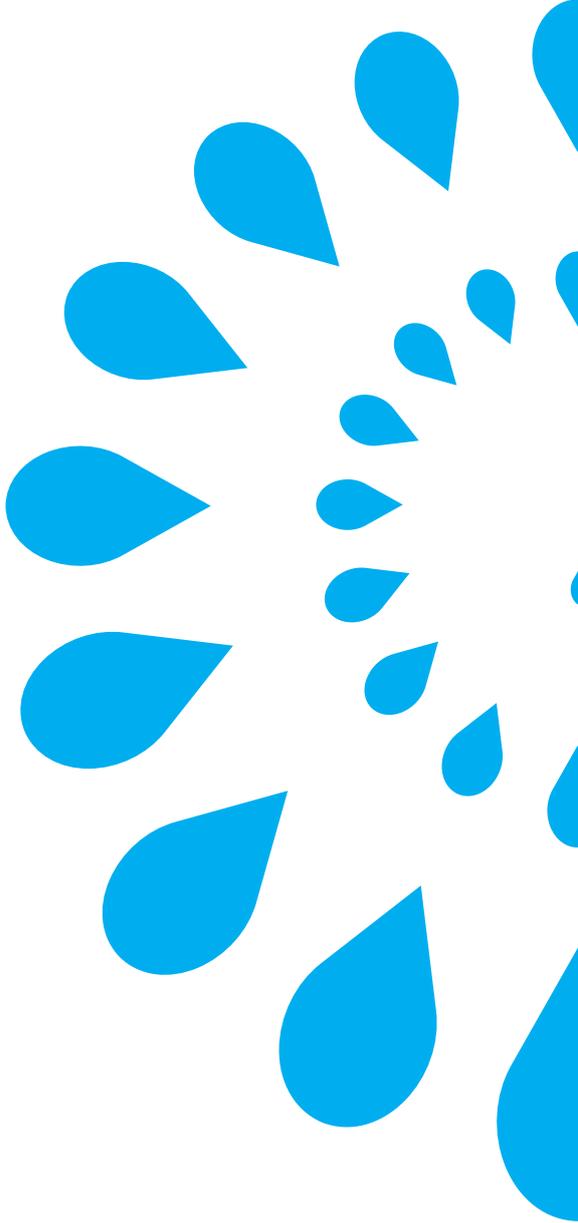
Beach partnered closely with its key suppliers and contractors to ensure the wellbeing of their workforce and implemented a range of safety measures and restrictions to reduce all non-essential travel, works, and onsite requirements. Only safety and operational critical personnel, both employees and contractors, were permitted to Beach sites during these times under strict guidelines to ensure operational continuity.

There have been, and still are, many logistical constraints felt across our procurement supply chains. Interstate border restrictions, national port and freight congestion and international freight delays have each impacted operational continuity. To ensure minimal impact on operations, our C&P team, in partnership with the BCT and CMT, proactively engaged with our suppliers and contractors to ensure supply continuity.

One of the key factors in this engagement was ensuring that, while work was being expedited, persons working (particularly in international manufacturing locations) had adequate work breaks and appropriate working conditions. Beach ensured this through collaborating down our supply chains and proactively engaging with sub-suppliers in partnership with our suppliers to review extended hours and agree to non-workdays.

Beach also partnered with our smaller local suppliers, who faced significant economic impacts as a result of the market downturn, and considered milestone compensation to maintain cashflow.

Lastly, while Beach had to announce deferments on some investment activities, we proactively engaged with our employees, suppliers and communities to provide support, where possible, during these challenging times.



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