



Z Energy Modern Slavery Statement

Our commitment to taking action on modern slavery risks

**For the 21 months ending
31 December 2022**

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CEO report

People are at the core of Z's business, including our Z whānau (family), customers, communities, suppliers and partners.

Our purpose is to solve what matters for a moving world, and we acknowledge the impacts of what we do extend beyond our own operations and our direct supply chains. We are committed to upholding human rights to protect workers and prevent exploitation across our business.

Z published Modern Slavery Statements in 2020 and 2021 under Australia's Commonwealth Modern Slavery Act 2018 (the Act) when Z was an ASX-listed company. In May 2022, Z was acquired by the Ampol Group. While Z is no longer required to report under the Act, we remain committed to taking action on modern slavery. This statement is made in anticipation of future Aotearoa New Zealand legislation that will require Z to issue modern slavery statements.

In this statement, we provide an overview of significant changes to Z's structure, supply chains and modern slavery risk factors during the reporting period. We also provide an overview of the actions taken to address the risks of modern slavery in our operations and supply chains and an evaluation of the effectiveness of our actions.

This statement includes information about our subsidiary, Flick Energy Limited, an Aotearoa New Zealand electricity retailer.

Z has not identified any situations or instances of modern slavery practices in its operations or supply chains for the 21 months ending 31 December 2022, and will continue to monitor the risk of modern slavery at Z.

Approach to modern slavery

Z's approach to modern slavery is aligned with our three values:

- **Tū kaha | Stand out** — we'll demonstrate the effectiveness and limitations of our programme and report on outcomes as well as outputs
- **Tū māia | Speak up** — we'll be straight up and honest about our progress on this journey
- **Tū kotahi | Side by side** — we'll take our staff members, suppliers and partners with us every step of the way and constantly look for ways they can help us to improve.

We continue our focus on ensuring we have robust processes in place to reduce the likelihood of modern slavery practices in our operations and supply chains and to ensure we have open communication channels to enable any incidents to be reported and managed — this includes ensuring that:

- Z staff members and our Retailers understand what modern slavery means
- we have the right policies and behaviours in place to ensure we protect the human rights and lawful engagement processes of our staff members and Retailers
- modern slavery is embedded within our existing risk management, procurement, and governance frameworks
- our suppliers understand our expectations around human rights and lawful employment practices in our supply chains.

Key actions undertaken over this reporting period included:

- updating our supplier due diligence process so that new suppliers are entered into Z's digital platform for risk management to manage prequalification, including the requirement to accept our supplier code of conduct
- introducing Ampol's standard questionnaire so new suppliers in high modern slavery risk categories must complete a self-assessment to identify the likely level of modern slavery risk
- reviewing our modern slavery risks in light of high inflation and cost of living.

We remain committed to our process for taking action on modern slavery risks and we are monitoring the New Zealand legislative environment.



Lindis Jones
Chief Executive Officer



Our structures, operations and supply chains

Our structures

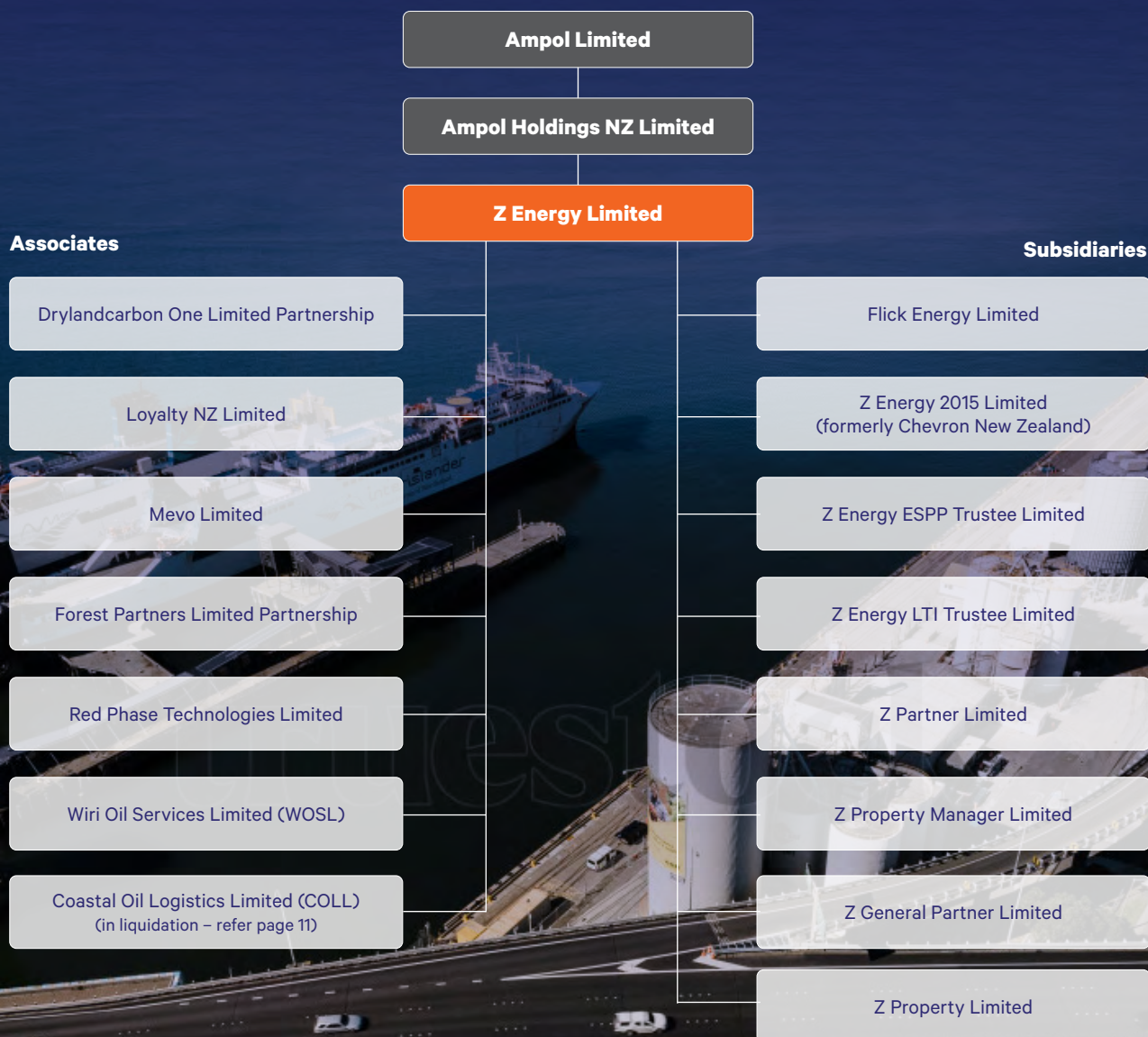
Z's structure

In May 2022, Z Energy Limited (Z) was acquired by Ampol Holdings NZ Limited (Ampol).

Z is registered in Aotearoa New Zealand and has bonds quoted on the New Zealand Stock Exchange (NZX) debt market.

Our head office is located at 3 Queens Wharf, Wellington 6011, New Zealand.

Z's structure and that of our interests in associated and jointly controlled operations, and subsidiaries is set out below.



Our controlled entity

Flick Energy Limited (Flick) Z has one controlled entity — Flick.

As at the time of writing, we now own 100 percent of Flick, an Aotearoa New Zealand registered electricity retailer.

Z Energy Limited and Flick Energy Limited are both covered by this joint Modern Slavery Statement.

Our joint arrangements

Most of Z's investments in joint arrangements relate to fuel distribution and storage.

Aotearoa New Zealand's four main oil companies, Z Energy Limited, Z Energy 2015 Limited, BP New Zealand and Mobil Oil New Zealand, own and operate fuel storage and distribution infrastructure across Aotearoa New Zealand either independently or via joint operating or joint venture arrangements.

Joint Owned Storage Facility (JOSF) – Christchurch Airport

Z has a 50 percent holding in JOSF, a joint venture company operating at Christchurch Airport. This site is used to receive, filter, store and supply fuel to the airport's domestic and international aviation customers.

Joint Into-plane Fuelling Services (JIFS)

Z has a 50 percent holding in JIFS, an into-plane fuelling service for the supply of aviation fuel at Auckland Airport.

Wiri Oil Services Limited (WOSL)

Z has a 44 percent holding in WOSL, a joint venture company that operates the Wiri Terminal and Marsden Point Terminal and distributes fuel via the Wiri to Auckland Airport Pipeline (WAP) which transfers aviation fuel from Wiri to Auckland Airport. Z has a 40 percent holding in the WAP.

Joint User Hydrant Installation (JUHI) – Auckland Airport

Z has a 33 percent holding in JUHI, an unincorporated joint venture operating at Auckland Airport. This site is used to store and supply fuel to the airport's domestic and international terminals and aviation customers.

Coastal Oil Logistics Limited (COLL)

Z had a 50 percent holding in COLL, a joint venture company which coordinated fuel shipments from the refinery that operated at Marsden Point to supply terminals at ports around Aotearoa New Zealand and scheduled refined product imports from international refineries and terminals to supplement the domestic refined product. This joint venture ceased in August 2022 following the change to a 100 percent refined fuel import model with direct-to-port delivery.

Our other associates

Drylandcarbon One Limited (Drylandcarbon)

Z has a 37 percent holding in Drylandcarbon, an Aotearoa New Zealand based carbon farming afforestation partnership.

Mevo Limited (Mevo)

Z has a 32 percent holding in Mevo. Founded in 2014, Mevo was Aotearoa New Zealand's first electric hybrid car share company. Mevo now operates a fleet of modern plug-in hybrid and efficient petrol vehicles in Wellington, Auckland and Hamilton.

Loyalty New Zealand (Loyalty NZ)

Z has a 25 percent holding in Loyalty NZ, a loyalty, marketing and data analytics consulting firm. Loyalty NZ runs the Flybuys loyalty programme used by 80 percent of Aotearoa New Zealand households.

Forest Partners Limited Partnership

Z has a 21 percent holding in Forest Partners Limited Partnership, an Aotearoa New Zealand forestry investment fund.

Red Phase Technologies Limited

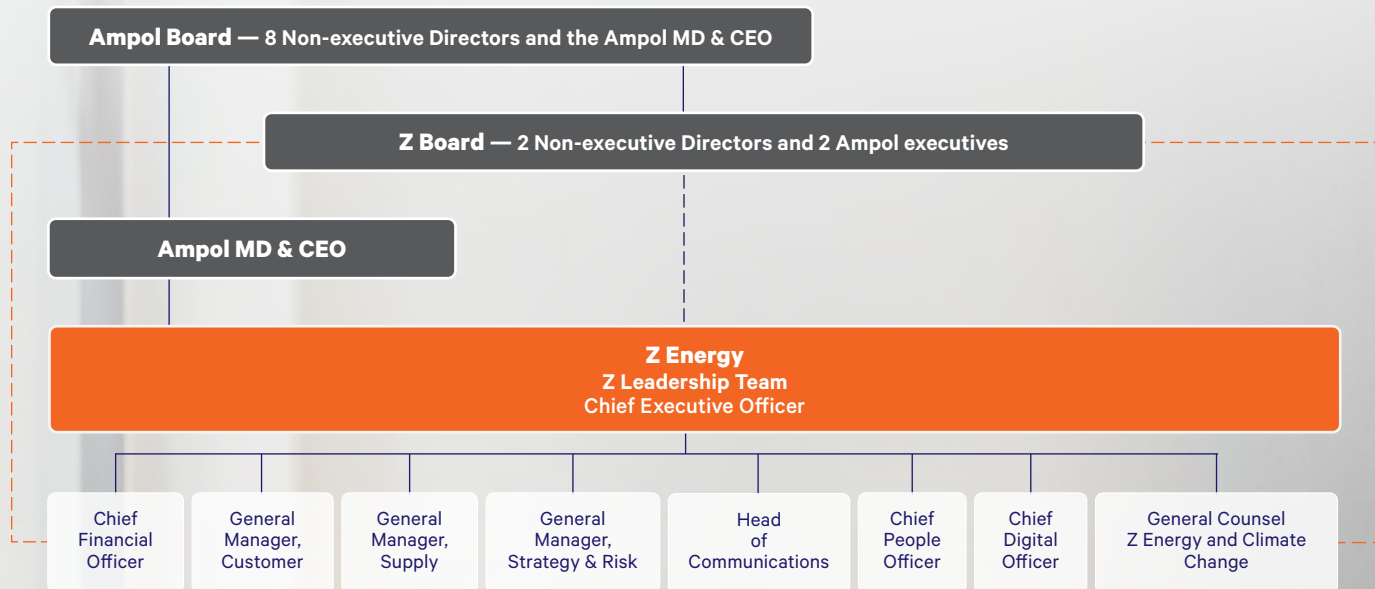
Z has a six percent holding in Red Phase, an Aotearoa New Zealand Electric Vehicle (EV) charging technology company.

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Our corporate governance

Z’s Board and Leadership Team ensure we have the right strategies in place and are making the right decisions to deliver on our purpose in an ever-changing environment.

Our governance structure is set out below:



Our employees

As at 31 December 2022, Z had a total of 2,275 workers, including direct employees and contractors at our corporate offices and terminal sites and our Retailers. Further details about our employees are provided on page 10.



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Our values

Z has a strong, values-based culture to guide the way we behave, work together and the decisions we make. Having clearly defined values at Z provides direction and clarity for our people, especially during challenging or uncertain times.

Z's values are the foundations of our company. While we only have three values, and they are remarkably simple, they have helped us build a highly engaged, committed company during the most challenging year in our history.

Tū kaha | Stand out

We believe we can build a better business and a better world.

We are distinctive where it really matters. We challenge the status quo by being bold, innovative and passionate. We work relentlessly to be a force for good for our communities, our economy and our planet.

Tū māia | Speak up

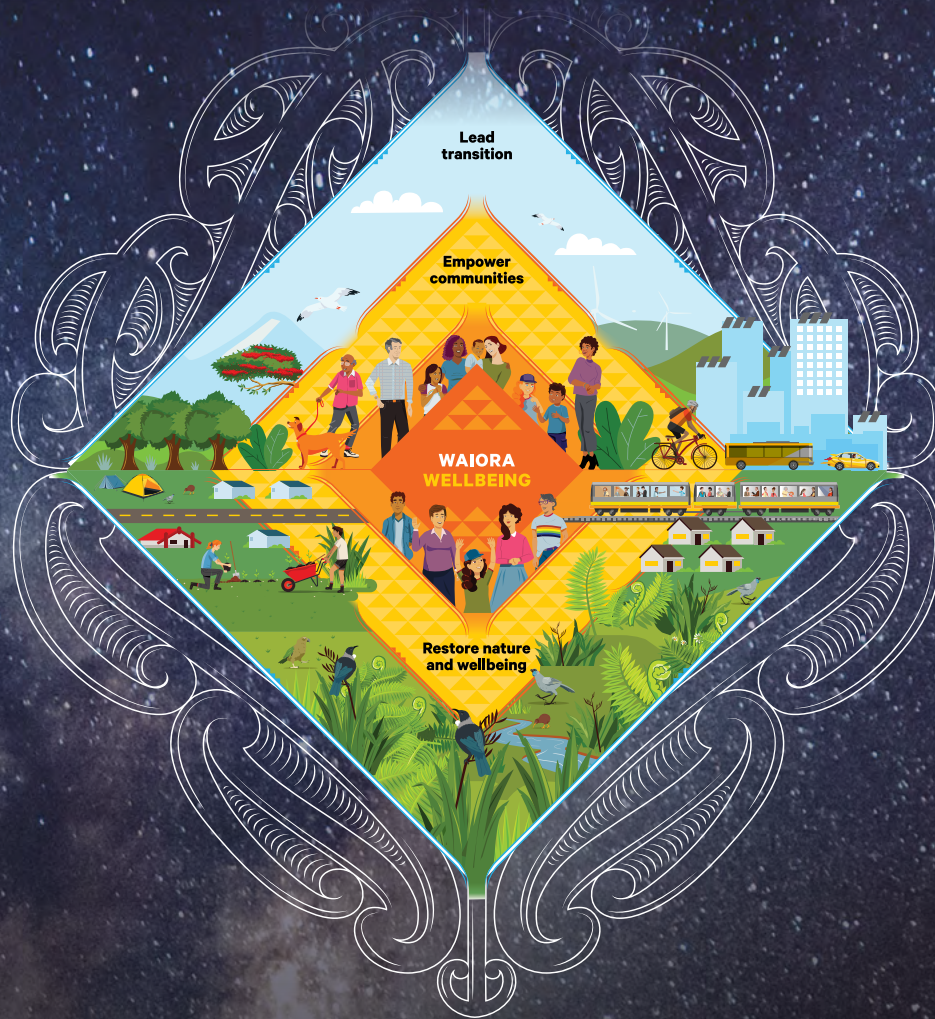
We believe extraordinary outcomes are fuelled by active participation and dialogue.

We speak up with courage around what's important to us and encourage others to do the same. In doing so, we will create new possibilities together.

Tū kotahi | Side by side

We believe learning and growing together delivers unlimited potential.

We're better together – holding each other up as well as challenging ourselves to grow and develop. Side by side we build trusted partnerships with our people, our customers and our communities.

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Our stands

Z has always elected to publicly stand for the things we believe are most important. We call these things our ‘stands’ and they are the areas in which we seek to make a distinctive contribution within Aotearoa New Zealand.

Respecting the human rights of our teams and of every worker in our supply chains is an important element of our strategy. We have integrated safety and wellbeing, sustainability, community, and diversity and inclusion into the way we go about our business every day, so that every decision we make has our purpose at its heart — ‘Solving what matters for a moving world’.

These stands remain as important as ever with ongoing challenges posed by climate change, high inflation and mounting global and local concern over issues of racial and gender equality.

Te Hapori | Community

We stand for a resilient and healthy Aotearoa New Zealand that empowers our youth, neighbourhoods, and Z whānau.

We will actively support local communities in the locations where we operate, enabling more New Zealanders to live the lives they value and empower the young people of Aotearoa to reach their full potential.

Ngā Rerekētanga me te Whakaurutanga | Diversity and Inclusion

We have a Diversity and Inclusion stand where we are committed to reflect the diversity of Aotearoa New Zealand with an inclusive culture so that diversity can be fully expressed and manifest in tangible benefits. We will lead the way in developing a Kiwi firm that has our people being successful, being ourselves.

Te Tiaki Taiao | Sustainability

We stand for an environmentally sustainable Aotearoa New Zealand that is an example to the rest of the world and an inspiration to Kiwi.

Haumarutanga me to Hauora | Safety and Wellbeing

We stand for enhancing the lives of our people and communities where we are committed to providing workplaces that enable safe, productive and engaging work that enhances the physical and mental wellbeing of our Z whānau, the partners we work with and the wider Aotearoa New Zealand.

We know that our wellbeing can only be achieved when we are physically and emotionally healthy and feel safe in the work that we are doing, as well as being safe and supported in bringing our whole selves to our work.

We recognise that we have a broad risk profile and operate across Aotearoa New Zealand. As such, we proactively identify, eliminate and/or manage the risks that we create or face.

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Our Crew Promise

Z has a Crew Promise for the staff of all our Retailers which outlines a promise from Z and our Retailers based on the effort they put into working with Z.

Our Crew Promise has four parts – it doesn't matter where you work or what role you perform, Z and all Z's Retailers promise these four things:

Lifestyle and wellbeing

We are committed to promoting your physical, mental and emotional health and wellbeing so you go home happy and healthy at the end of every working day.

Learning and development

Your development matters because people matter — it is you who will make us extraordinary and we are committed to your success.

Reward and recognition

We reward and recognise excellent performance so that we can attract, keep and grow the best people.

Tribe and vibe

As a member of the Z family, you're part of our 'tribe' — a group of individuals connected by a common purpose of 'solving what matters to a moving world'.

There are things that matter so much to us that you will see them playing out in how we work every day, like our values and the things we stand for. Our people are passionate about what they do and we are passionate about supporting our people to enjoy their work and thrive in it.



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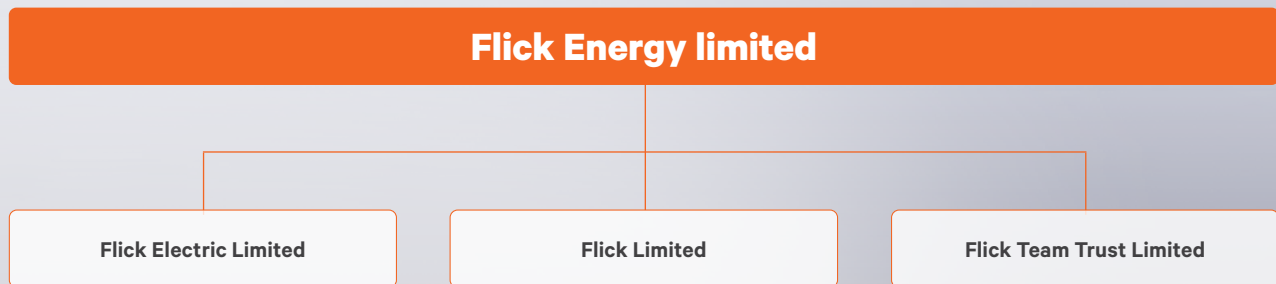
Flick's structure

Flick Energy Limited (Flick) is an incorporated company, registered in New Zealand.

Flick's office is co-located at Z's head office at 3 Queens Wharf, Wellington.

Flick's entities

Flick has 100 percent ownership of the entities as set out below:



Flick's employees

As at 31 December 2022, Flick had 63 employees.



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Our operations

Z's operations

Z is the largest transport energy company in Aotearoa New Zealand.

Our operations span refined product and non-fuel procurement, contracted, national distribution, fuel and non-fuel product sales, and commercial and retail marketing.

All the fuel sold by Z is refined product that Z purchases from overseas suppliers and ships to ports around Aotearoa New Zealand for storage at our owned or jointly owned terminals before distributing throughout the country. The main form of distribution is by road tankers operated by our contracted national fuel haulage company who transports the fuel to our service stations and truck stops, as well as to airports and some of our commercial, aviation, bitumen and marine customers. Diesel and lubricants are also transported by our Mini-Tankers franchisees directly to some customers.

Fuel is also sold directly from bulk fuel terminals on a Terminal Gate Pricing (TGP) basis which requires compliance with our certification procedures.

Z supplies more than 40 percent of the Aotearoa New Zealand fuel market across our network of 326 Retail service station sites and 148 truck stops.

Our workforce

Our workers are employed in our corporate offices and at our terminal sites and Retail sites.

Of our 2,275 workers, 518 are direct employees: 474 of those are permanent employees, 21 are fixed term employees and four are casuals (non-guaranteed hour employees).

All our direct employees work in Aotearoa New Zealand. They are employed on predominantly permanent employment individual agreements which we regularly review to ensure compliance with New Zealand employment legislation, which in principle legislates against practices that are broadly described as “modern slavery”.

Our business relationships

Retail network

Most of our service stations are staffed. We have regular, structured communications with our Retailers whose employees form a significant part of our frontline operations.

Our operational risk management system is applied across our Z Retail sites.

Caltex sites are independently owned and operated.

Mini-Tankers

Z operates a franchise model with Mini-Tankers who provide fuel and lubricants directly to equipment via refuelling bulk diesel tanks and through direct machine refuelling. Mini-Tankers supply to trucking and earth moving companies, transport firms, construction sites, power generators, loggers and mining operations, as well as to some farms and private homes for use in home heating.

Our operational risk management system is also applied across Mini-Tankers.

Flick's operations

Flick is an electricity retailer. Team functions comprise customer service, operations, marketing and product/technology.

Flick's workforce

Flick's employees work inhouse.

All staff are employed on independent employment agreements. Of Flick's 63 employees, 62 were permanent employees and one was a casual (non-guaranteed hours) employee.

Flick pays at least the living wage to any hourly wage staff.

Our supply chains



Refined fuel imports

Approximately 80 refined fuel imports for Z per annum.
At any point in time there are:

- 2-3 imports in NZ waters
- 5-6 imports en route in international waters (3 weeks out)
- 10 imports scheduled (3 months out)
- 20 imports penciled in (5 months out)

Channel Infrastructure



Wiri bulk fuel terminal



Z's supply chains

Our supply chain can be simplified into three distinct parts relating to the supply and distribution of:

- refined fuel and the products and services that support the delivery of refined fuel and related products. This includes lubricants to our customers via our Retail network of service stations and truck stops, and refined fuel to wholesale customers/competitors through Terminal Gate Pricing (TGP) via our bulk fuel terminals
- convenience retail products for our Retail sites and products and services that support our corporate operations
- low carbon products and associated services. This includes electric vehicle (EV) charging infrastructure for Z's expanding EV charging network.

Refined fuel supply chain (our core supply chain)

Z supplies just over half of the country's total liquid transport energy requirements. Z does not explore or drill for oil.

On 1 April 2022, Aotearoa New Zealand transitioned to an import-only, finished product model when the country's sole oil refinery reverted to an import-only terminal, Channel Infrastructure. On 31 July 2022, the Coastal Oil Logistics Limited (COLL) joint venture ceased.

Refined fuel imports:

Z is now wholly responsible for its own fuel supply chain and sources 100 percent of its refined fuel from global refineries located predominantly in Asia, including Singapore, Japan and Korea. Z currently has a cargo of fuel arriving into the country approximately every five-and-a-half days.

Supply and distribution:

Refined product is imported by tanker either to Channel Infrastructure or directly to ports around the country. Channel Infrastructure operates the Terminal to Auckland Pipeline (TAP), a 170 kilometre underground multiproduct pipeline which transfers industry refined product to Auckland.

Z directly owns and operates nine bulk fuel storage terminals across Aotearoa New Zealand, with total storage representing just over 40 percent of the country's tankage. Product is distributed in smaller amounts from Z's bulk fuel terminals by road tankers and pipelines to retail service stations and truck stops. We also sell fuel to wholesale customers/competitors from our bulk fuel terminals.

Customers:

Z provides product such as aviation fuel to airlines; marine fuel oil to the shipping and fishing industries; bitumen to Aotearoa New Zealand's road-building industry and diesel for trucks and tractors.

Z has the largest truck-stop network in the country with 148 sites. In 2022, Z sourced and delivered a shipment of Sustainable Aviation Fuel (SAF) to Air New Zealand as part of a pilot. Z also provides fuel to customers through its network of 192 Z-branded and 134 Caltex-branded service stations.

Risks of modern slavery practices in our operations and supply chains

Our stand on Safety and Wellbeing drives our commitment of ensuring that modern slavery practices are not present in any of our operations or supply chains, or in any of the entities we own, control or are directly linked. Z's Organisational Risk Management system (ZORM) helps to guide the identification, management and monitoring of any modern slavery practices in our operations or supply chains.

Risks in our operations

A core characteristic of Z's generative risk culture is that our employees and the contractors, suppliers and partners we work with are encouraged and empowered to proactively raise any areas of risk, including unsafe, unfair or inhumane working conditions such as modern slavery practices to ensure:

- the risk can be appropriately assessed and remediated
- appropriate mitigations are embedded into everything we do to prevent the risk from happening again
- any potential or actual modern slavery practices identified are escalated to the right level of management accountability for appropriate attention, treatment and oversight.

Identifying operational risks

Risks in our recruitment processes

Z's direct workforce is almost entirely direct employees employed on predominantly permanent employment individual agreements. We recruit almost all the vacancies into these roles ourselves, using a recruitment process that is compliant with Aotearoa New Zealand employment legislation and puts a heavy emphasis on candidate care.

In Bulk Fuels, we engage some workers via third party contractual arrangements under terms and conditions set out in standard Z procurement contracts. These contractors are legitimate trading entities in Aotearoa New Zealand and abide by Z's policies and procedures of safe work practices and employee engagement processes, including training, risk assessment and control of works. For all other labour arrangements, Bulk Fuels either directly employs individuals under Z individual employment contracts or contracts suitable organisations to provide labour and contract services for specific work tasks, e.g. maintenance and engineering works.

In other areas of Z we very rarely use labour hire agencies to support our direct workforce, however, when we do, we use reputable, Aotearoa New Zealand based organisations that comply with New Zealand employment law. We ensure these workers are fully inducted on Z's policies, employee code of conduct and values so their actions can also be guided by these, including creating the space to speak up should they have concerns about the experience they have had with their agency.

Risks in our business relationships

In Aotearoa New Zealand, franchised retail service station operations (Retail network) have been identified as a potential area of modern slavery risk as they have tended to employ higher numbers of migrant and casual workers.

During the reporting period:

- we reduced the number of Z Retailers from 19 to 16
- we continued to have conversations with our Retailers about our human rights expectations to reiterate our zero tolerance for modern slavery practices
- there was a marked decrease in the number of migrant workers in New Zealand due to the Covid-19 pandemic.

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Risks in our supply chains

We have continued our work to assess the likelihood of modern slavery practices in relation to our tier 1 suppliers. We have focused on risks associated with high-risk areas of modern slavery in terms of sector and industry, products and services, labour practices and contracting.

During the reporting period, there was a significant change to Aotearoa New Zealand's domestic fuel supply chain with the closure of the country's only crude oil refinery. This closure saw Z move to an import-only refined fuel model from 1 April 2022, sourcing 100 percent refined fuel (up from approximately 25 percent).

The additional refined fuel was sourced through a competitive tender process. The new relationship and contract were awarded to a trading organisation with indirect purchasing of offshore crude oil, refinery production and shipping. This replaced the need to source crude, refine locally and ship product from the domestic refinery to Z's terminals across Aotearoa New Zealand. While this resulted in an increased risk of modern slavery practices due to the arm's length relationship with the trading organisation and utilisation of offshore refineries, this was mitigated through the negotiation of contractual obligations on the trader and due diligence completed prior to initial product orders.

This risk will be further mitigated from 1 April 2023, with the Ampol Group supplying Z's refined fuel product requirements. Ampol has its own trading desk and refinery operations which allow for tighter and closer monitoring of Modern Slavery risk. For more information see Ampol's Modern Slavery Statement at: <https://www.ampol.com.au/sustainability/human-rights>

There is the potential that further modern slavery risks could result from the purchase of products and services to enable new business ventures and conduct innovative experiments to deliver Z's low carbon future strategy. For instance, through the overseas sourcing and manufacturing of parts and products in relation to electric vehicle (EV) charging infrastructure and EV vehicles.

Modern slavery risk factors

- Provides Z- or Caltex-branded merchandise
- Operates in the horticulture, textile, construction, cleaning or marine industry (including shipping)
- Uses a high number of migrant, young or elderly workers
- Uses unskilled, temporary and/or seasonal labour
- Uses subcontractors, temporary staffing agencies and short-term contracts

Actions taken to assess and address the risks

Our action plan

Our modern slavery action plan is used to manage delivery against our modern slavery commitments.

The following diagram illustrates the key components of our action plan and updates on our actions are set out on the following pages:



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Our modern slavery action roadmap

	Previously completed	1 April 2021 to 31 December 2022	2023 and beyond
Govern	<p>'We've Got Your Back' programme strengthened</p> <p>Action plan developed</p> <p>Focus group established</p> <p>Engagement plan developed</p> <p>Communications prepared</p> <p>Modern Slavery commitment market disclosures made</p>	<p>Modern Slavery training provided to Retailers at Retailer roadshows</p> <p>Modern slavery considered within existing governance and risk management processes</p> <p>Environmental and legislative trends monitored for potential impacts on our understanding of modern slavery risks</p> <p>Commenced coordination with Ampol to adopt their modern slavery e-learning module</p> <p>Supplier pre-qualification process digitised</p> <p>Risk appetite updated for acts of material ethical misconduct, including modern slavery</p>	<p>Ongoing communications and training including adopting Ampol's Modern Slavery Awareness e-learning module and rolling this out to contract managers and Retailer network members, e.g. how to identify and raise potential modern slavery practices</p>
Identify	<p>Modern slavery risk incorporated into governance and risk management processes</p> <p>Likely areas of modern slavery risk identified (tier 1 suppliers)</p> <p>'We've Got Your Back' campaign communicated</p>	<p>SCOC compliance assessments commenced</p> <p>Supplier due diligence process digitised so new suppliers are entered into Z's digital platform for risk management (ZORMD) to manage prequalification</p> <p>SCOC embedded within ZORMD so that suppliers must accept Z's supplier conditions as part of prequalification</p> <p>Ampol's standard questionnaire introduced so new suppliers in high modern slavery risk categories must complete a self-assessment identifying the likely level of modern slavery risk</p> <p>Existing Z frameworks utilised to provide assurance over risk management processes regarding modern slavery</p>	<p>Ongoing SCOC compliance assessments as part of standard practice</p> <p>Digitise the full supplier onboarding process to ensure all high-risk suppliers are included in Z's digital platform for risk management</p> <p>Seek ongoing, annual assurance of the effectiveness of our risk management processes with respect to modern slavery</p>
Remediate	<p>SCOC updated</p> <p>Supplier Code of Conduct relaunched</p> <p>Strengthening of supplier contract terms commenced</p> <p>SCOC compliance process developed</p> <p>Remediation process development commenced</p>	<p>Further development of remediation process</p>	<p>Use the SCOC process to identify high-risk suppliers, then work with them to better understand their supply chain(s) and how they manage modern slavery risks, including their response frameworks in situations involving modern slavery practices</p> <p>Enhance supply chain transparency and management of key inputs</p> <p>Supply chain mapping with key indicators for strategic/high risk goods/services</p> <p>Strengthen the awareness of modern slavery risks for staff members who are directly associated with high-risk areas of the business</p> <p>Refine our remediation process to consider modern slavery risk factors</p> <p>Provide guidance on how to use our incident management processes to investigate an issue or situation, how to prevent further harm and how assistance can be provided to those people who have been impacted</p>
Engage	<p>Controlled entity engagement</p> <p>'We've Got Your Back' built into Crew Promise</p> <p>NZ Retailers' anti-racism pledge launched</p>	<p>Controlled entity engagement</p>	<p>Controlled entity engagement</p> <p>Leverage Ampol's external networks to assess human rights leadership programmes</p>

Ongoing commitment

- We have an ongoing commitment to identifying and remedying modern slavery risks in our operations and supply chains
- We have an ongoing commitment to meet the requirements of modern slavery legislation and to provide transparency through sustainability disclosure
- This Statement, along with our other integrated sustainability reporting, forms a key part of how we communicate what matters with our key stakeholders and is aligned with our values.

Operations actions

Our risk framework

The risk of modern slavery practices in our operations and supply chains is incorporated into our broader risk governance and management practices.

Z's Organisational Risk Management system (ZORM)

Our enterprise risk management framework is reflected in Z's Organisational Risk Management system (ZORM) that is designed to enable us to identify, manage and monitor risks through mechanisms that are embedded in our day-to-day business operations and decision-making processes.

ZORM consists of a suite of standards, procedures, approaches, guidelines and tools which govern and articulate the expectations of our people, partners and suppliers when faced with situations, conditions or threats including in regard to modern slavery practices in our operations and supply chains. ZORM also helps our people to identify, analyse, evaluate, treat and review our operational risks, including those related to occupational health and safety, wellbeing and modern slavery.

It is the responsibility of our people, partners and suppliers to ensure they are familiar with all Z policies, procedures and guidelines, including those included within ZORM. It is a condition of signing an agreement or contract to work for (or with) Z in any capacity that these policies, procedures and guidelines are understood and followed at all times.

ZORM is used throughout our operations at all sites under our direct management control, including our corporate offices, terminal networks, Retail sites and Mini-Tankers.

The inclusion of modern slavery risk within ZORM ensures that our people, partners and suppliers clearly understand the expectations of acceptable conduct and behaviours with regard to modern slavery, and equally that they can recognise and raise situations when they are being treated in a way that is inconsistent with these expectations.

Additionally, ZORM is our ISO45001 accredited management system that is designed to eliminate or minimise operational hazards and risks, and ensure the safety, health and wellbeing of our people and the community and environment we operate in.

More information on our risk assessment and incident investigation process can be found in our annual report for the nine months to 31 December 2022 at: <https://www.z.co.nz/about-z/corporate-centre/financials/>

Our policy framework

The following are the key policies, procedures and guidelines that are most relevant in the prevention and management of potential or actual modern slavery practices in our operations and supply chains.

Ampol's Human Rights Policy

Our parent company's policy regarding human rights steers Z's commitment to modern slavery.

Z's Enterprise Risk Policy

Our Enterprise Risk Policy underpins ZORM and outlines our people's responsibilities regarding identifying and managing risk such as those related to modern slavery. The Z Board is responsible for ensuring we are operating and making decisions that are consistent with this policy, including the Z Board's commitment to no harm to our people, including zero tolerance for modern slavery practices in our operations and supply chains.

Z's Risk Appetite

Z has no appetite for modern slavery practices in our operations and supply chains, or any conduct or behaviours that are inconsistent with our values.

The 'Z Why'

Z's foundation document, outlining the things that we stand for — our brand, our stands and our vision, values and strategy. It outlines the choices that people make in coming to work for Z.

Employee Code of Conduct

The Code is designed to help guide and inform the choices that Z staff make on a daily basis and ensure they do the right thing. It is designed to help Z's people succeed through making choices that are consistent with two key parts of the company's foundations: Z's values and enterprise policies.

The Z 'Fair Go Guide'

At Z, we simply talk about giving our people a 'fair go' by building a culture where we recognise and respond to everyone's behaviours fairly and consistently. This guide helps us to identify and respond to behaviour that is either above, meeting, or below our expectations, and helps our people build an environment where we know we will all get a fair go if we make mistakes or when things do not go according to plan.

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Team Member Whistleblower hotline

The Whistleblower hotline is staffed by an external third party. Any Z employee or contractor who becomes aware of a legal, regulatory, policy or other compliance issue, or a breach of the Code of Conduct, has a responsibility to report it. Z staff members can also use the hotline to report in confidence any personal concerns about modern slavery.

Employee Assistance Programme (Clearhead)

The Employee Assistance Programme (EAP) is a professional and confidential service paid for by Z. It is designed to help our people experiencing any personal or work-related difficulties that is impacting their mental wellbeing. This service is provided by an independent company called Clearhead, and their people are all qualified, registered and experienced counsellors and specialists. Z people can choose from a range of 350 practitioners across a range of specialties from counsellors to clinical psychologists. It is app based and provides wellbeing self-help tools and webinars, and confidential consultations can be provided online or in person.

We monitor anonymous data to understand trends in Clearhead usage and hotspot topics and report this information annually to the Z Board.

‘We’ve Got Your Back’ Guidance

The ‘We’ve Got Your Back’ guidance is designed to help our Retailers deal with situations where a customer is making derogatory remarks particularly related to human diversity such as ethnicity, gender, religion, or appearance.

A good proportion of our Z whānau are new New Zealanders, and it’s imperative that they’re enabled to feel safe, secure and valued in showing up as the face of Z to our retail customers every day. We are committed to leading the way in developing a Kiwi firm that has our people being successful, being themselves.

Discrimination, Bullying & Harassment Policy

This policy sets out what discrimination, bullying, and harassment is, our approach to prevention and awareness, and a set of procedures for dealing with these issues if they arise. It applies to all Z people: our employees, contractors, customers, clients, visitors and other stakeholders.

Compliance with New Zealand legislation

Z’s people, suppliers, partners and entities within its operations and supply chains are required to comply with all New Zealand legislative requirements at all times. These include, among other things, the provisions of the Crimes Act 1961 (NZ) prohibiting slave dealing, smuggling and trafficking of people, abduction and kidnapping.

Z will work with and seek to change the practices of suppliers found to be benefiting from modern slavery practices.

Community and Sustainability Framework

In the second half of 2022, Z consulted on our vision and commitments around environmental sustainability and supporting local communities to ensure the actions we take deliver meaningful and measurable impact on our natural environment and communities.

The refreshed strategy provides a clear pathway for how Z can achieve meaningful social and environmental outcomes in areas in which we can have the greatest impact and are most relevant to our business and the communities in which we live and operate.

We will actively support local communities in the locations where we operate, enabling more New Zealanders to live the lives they value and empower the young people of Aotearoa New Zealand to reach their full potential.

Supply chain actions

As set out on page 13, we manage and monitor supplier relationships and associated contracts in a consistent way, based on risk, i.e. the risk drives the required level of assurance and performance measurement.

Supplier Code of Conduct

Z’s Supplier Code of Conduct (SCOC) is embedded in all of Z’s Standard Supplier Agreements. This outlines minimum standards and expectations on ethical, social and environmental business practices.

The objective of Z’s SCOC is to focus on what we reckon matters to Aotearoa New Zealand: Ethical Business, People & Community, Safety & Wellbeing, and Environmental Sustainability.

The SCOC is applicable to all suppliers, including their parent, subsidiaries, affiliates and subcontractors (suppliers) providing goods or services to Z. Suppliers must effectively communicate the content of the SCOC to all staff members and subcontractors, parent, subsidiaries and affiliates providing products or services to Z and undertake actions necessary and appropriate to assure its implementation.

The SCOC includes an expectation that our suppliers operate with integrity and comply with all applicable laws, regulations and ethical standards of all the countries where they are doing business, including competition and fair trading laws, insider trading laws, data privacy laws, environmental laws and regulations and anti-corruption laws.

In 2022, automation of the SCOC process now requires new suppliers to sign up to the SCOC as part of prequalification.

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Supplier due diligence

Modern slavery risks are considered as part of supplier selection alongside other risks such as those associated with Person Conducting a business or Undertaking (PCBU).

Z's Procurement Policy statement

Z takes a risk and threshold-based approach to the sourcing and contracting of products and services in line with the detailed guidance provided in our Procurement Policy.

The policy determines the planning, purchasing and contracting activities based on the identified level of third-party risk and spend.

Oversight and training

Modern slavery practices in our supply chains and operations are considered within our enterprise risk management framework and governance framework, with oversight of modern slavery risk included within our normal business areas, in particular Governance and Legal, Risk, Procurement, Retail and Communications.

These business areas will ensure we:

- monitor and report on modern slavery risk using our enterprise risk management processes
- communicate with staff members and Retailers to ensure there is understanding of what modern slavery is
- adopt and implement Ampol's modern slavery training to ensure our Contract Managers and Retailers have an increased understanding of modern slavery, the types of circumstances that may present a risk and how to report any issues
- communicate with our suppliers to understand the types of circumstances that may present a modern slavery risk.

During the reporting period, we commenced coordination with Ampol to adopt their modern slavery e-learning module.

Remediation process

We acknowledge our responsibility in remediation should modern slavery practices be identified in our operations and supply chains.

Our remediation process continues to be developed with a focus on ensuring that:

- modern slavery training and information is provided so that our staff members and Retailers understand modern slavery
- we have the right policies in place to ensure the human rights of our staff members and Retailers are protected
- modern slavery is included as a risk within our risk management processes and practices
- modern slavery forms part of our governance framework and reporting
- our suppliers understand our expectations around human rights
- investigation techniques are used to help understand and assess the cause when an issue or situation is detected, including to consider organisational factors, environmental conditions (including workplace and human factors), individual/team actions, and absent/failed controls
- we will work with suppliers when an issue or situation is detected, including how to prevent further harm such as through improving standards for workers, how assistance can be provided to those who have been impacted and how to learn from the issue or situation.

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Impacts of Covid-19

During the initial Covid-19 pandemic, Z undertook a number of actions to protect vulnerable workers, customers and communities from the increased risk of modern slavery practices due to the pandemic.

As Aotearoa New Zealand emerges from the disruption of Covid-19 into an environment of high inflation and cost-of-living where more households are under pressure, we continue our efforts to keep customers, staff and communities healthy and well.

Over the reporting period, Z:

- provided paid leave to employees who were unable to work due to Covid-19 isolation requirements or who took time off to support their wellbeing during extended Covid-19 lockdowns
- donated \$1.7 million to community groups and initiatives who do good across Aotearoa New Zealand through our Good In The Hood community investment programme to enable these groups and initiatives to invest in improving their services, reach and capabilities
- took a pragmatic approach where suppliers requested price increases due to inflationary pressure.

Assessing the effectiveness of our actions

We remain committed to taking action on modern slavery risks.

Our modern slavery focus group is in place to help implement our action plan. Regular reporting by this group to our General Counsel, Z Energy & Climate Change is in place to track completion of each action and obtain additional resource where required.

Z will adopt Ampol's modern slavery training module. This module will be released to module and release it for our Contract Managers and Retailers to increase their understanding of what modern slavery practices look like and how to report any risks or incidents that may arise in our supply chains or operations.

We continue to monitor for instances of modern slavery practices as part of our risk management processes and practices.

Our incident management and reporting processes will ensure any instances of modern slavery in our supply chains or operations are brought to the attention of the relevant parties and stakeholders for appropriate investigation and remediation.

Furthermore, we are required to report any actual instances of modern slavery to our parent company (Ampol) as part of our periodic governance reporting.

Annual organisational risk reviews are conducted and improvements are considered for implementation as part of risk management improvements for each business unit.



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Consultation process with related entities

Z's ownership in Flick Energy Limited increased from 70 to 95 percent over the reporting period, and subsequently increased to 100 percent as at the time of writing this statement.

As a fully-owned subsidiary, we acknowledge there is a greater need for consistency in approach to identify and take action on modern slavery risks in Flick's operations and supply chain.