



# Modern Slavery Act Statement 2022



Progress for life

# Contents

Message from AGL's CEO	1
1. Introduction	2
2. AGL's Structure, Operations and Supply Chain	3
3. Managing Modern Slavery at AGL	7
4. Consultation	17
5. Looking Forward	19
Appendix A	20
Appendix B	21

## About this Statement

This Modern Slavery Statement (**Statement**) is made pursuant to s16(1) of the Modern Slavery Act 2018 (Cth) (**Act**) and sets out the risks of modern slavery in AGL Energy Limited's (**AGL's**) operations and supply chains, the actions taken to assess and address those risks during the financial year, and how we assess the effectiveness of those actions.

The Statement covers the financial year ending 30 June 2022 (**FY22**) and applies to AGL, the AGL entities considered reporting entities under the Act (which are listed in Appendix A), and the controlled subsidiaries of AGL. A full list of AGL subsidiaries is included in our FY22 Annual Report. The Statement also covers all brands which are part of the AGL Group, including:

- AGL
- Southern Phone Company
- Perth Energy
- Powerdirect
- Connect Now
- Click Energy
- OVO Energy
- Energy360

References to 'AGL', 'we', or 'our' throughout this Statement includes all AGL subsidiaries covered by this Statement, unless otherwise specified.

## Board approval

This Statement was approved by the Board of Directors of AGL, which is the holding company of the AGL Group of Companies on 7 December 2022.



Patricia McKenzie  
Chair



AGL Energy recognises the Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands on which we work, and acknowledge those communities' continuing connections to their lands, waters and cultures. We pay our respects to their Elders, past and present.

# Message from AGL's CEO

---



I am pleased to present AGL's Modern Slavery Statement for FY22, which has been prepared in accordance with the requirements of the Act.

This is AGL's third Modern Slavery Statement which sets out our continued commitment to play an active role in combatting modern slavery in our operations and supply chains. Since releasing our inaugural Statement in 2020, we have pursued year-on-year improvements in our approach to identify and respond to modern slavery risks.

The past 12 months have been an extraordinary time of change for AGL, following the withdrawal of our proposed demerger. We also actively leaned into some of the greatest energy market challenges Australia has ever experienced, with tighter supply and rising costs. In the same period, we reintegrated the business, renewed our Board and Management Team and announced a new strategic direction for AGL which includes a commitment to one of the most significant decarbonisation initiatives in Australia.

Throughout all this change, I am proud our employees and contractors have continued to act ethically and responsibly, placing our Purpose and Values at the core of our approach to business. Importantly, we have continued to take proactive steps in our approach to modern slavery risk identification and management.

Eradicating modern slavery is a complex task, and we recognise Australia's accelerated transition to a low carbon future will present new and emerging risks of modern slavery. AGL has a leading role to play in supporting the energy transition and this includes a commitment to continuously review and improve our approach to prevent the risks of modern slavery. We will continue to protect and uphold the fundamental human rights of our people, customers, supply partners and the communities in which we operate.

Understanding and managing modern slavery risks requires a collaborative approach. Supported by AGL's clear and responsible decarbonisation pathway, and with the stability of experienced leadership, we will continue to work with our supply partners, workforce and other stakeholders, including governments, businesses and the global community.

Collectively, we can, and must, do more work to eradicate modern slavery.

**Damien Nicks**  
Interim Chief  
Executive Officer

# 1. Introduction

---

AGL's Purpose – Progress for Life affirms our determination to make life better for customers, our people, our communities, the Australian economy, and the environment. As Australia's largest electricity generator and leading energy retailer, we understand that it is our responsibility to respect, uphold and contribute to the realisation of human rights, and to take action to avoid complicity in human rights abuse – which includes taking steps to prevent modern slavery in our operations and supply chains.

The work we do to fulfil our human rights commitments not only supports the eradication of modern slavery from global supply chains and our operations, but also helps to enable a just energy transition. Australia is at a pivotal moment in the transition of our energy system, and AGL remains committed to ensuring we play a leading role. This means responsibly transitioning our coal generators, while ensuring energy system stability, energy affordability for customers, support for our people and communities throughout the transition, and appropriate shareholder outcomes.

Throughout this transition, we acknowledge that new and emerging modern slavery risks will arise. In our FY21 Modern Slavery Statement, we recognised the growing risk of modern slavery within our solar panel business operations and supply chains after the acquisition of two leading solar installation companies. As AGL continues to invest in new products and services to support Australia's energy transition and to meet the changing preferences of our customers, the nature of our modern slavery related risks, and the required responses, are likely to evolve.

We also recognise the growing awareness of modern slavery in the community, and the increasing expectations on organisations to address this risk. Recent publications, such as the United Nations Office of the High Commissioner report on human rights concerns in the Xinjiang Uyghur Autonomous Region, have provided increased clarity on the challenges faced in combatting modern slavery – particularly where required raw materials or production are concentrated in one or a small number of geographies.

In this, our third Modern Slavery Statement, we provide an overview of the initiatives and actions implemented by AGL to identify, assess and address the risk of modern slavery in our operations and supply chains across FY22, all of which support AGL in realising our Purpose, Values and the commitments made through our Human Rights Policy and Code of Conduct.

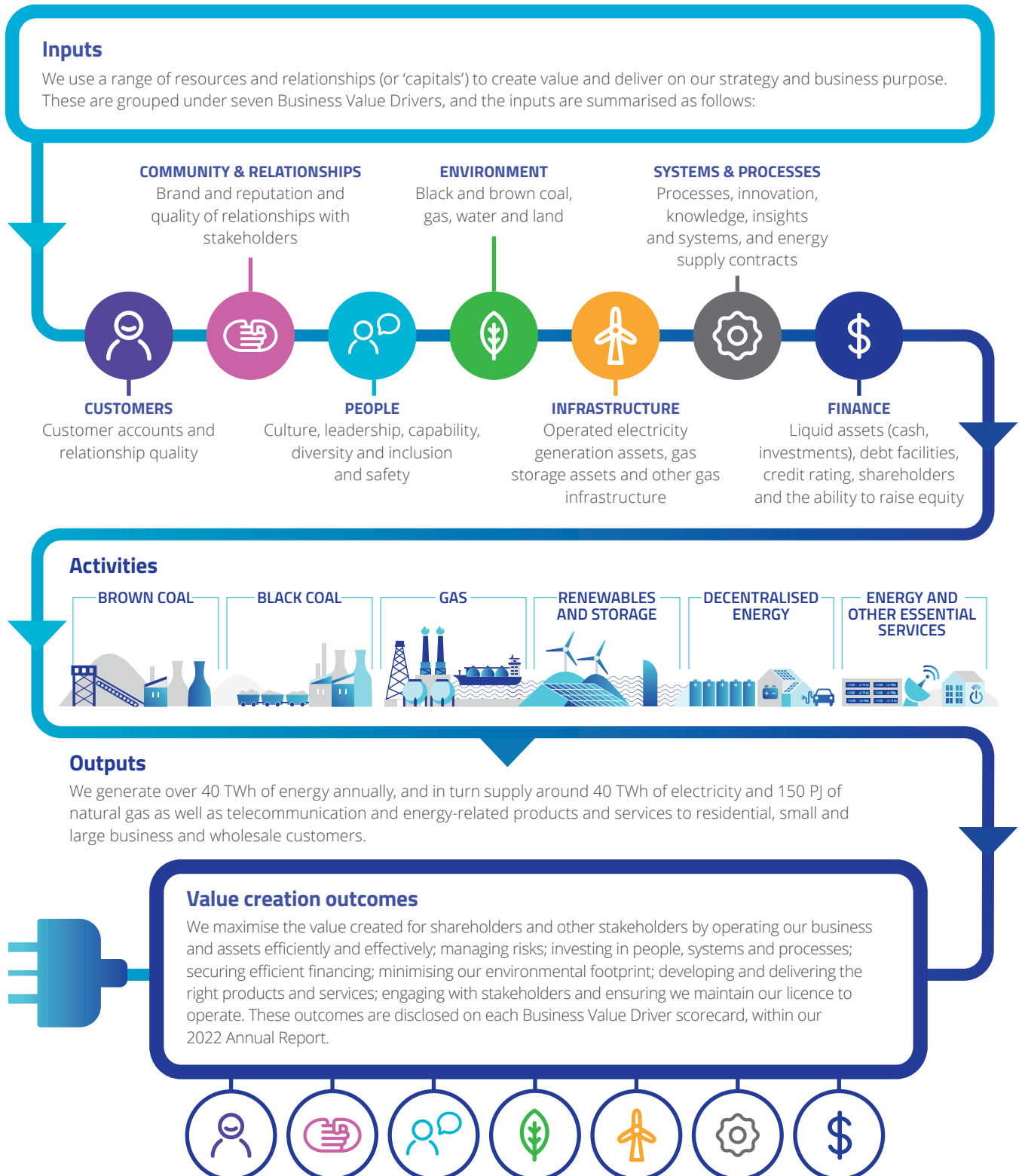
Despite the challenging period AGL has faced, proactive steps have continued to be taken to enhance the manner in which modern slavery risks are managed throughout the FY22 period. Key initiatives delivered during FY22 included a deep dive into the modern slavery risks inherent in our solar panel business value chain; a desktop assessment of the modern slavery risks associated with our major outage processes at two of our large electricity generation sites; and a desktop review of the modern slavery risk management processes of our major contingent worker supplier. In addition, our Modern Slavery Subject Matter Experts (**SMEs**) reviewed key sourcing processes, including tender submissions, where modern slavery risk was considered to be significant. Our SMEs also continued AGL's participation with external industry forums on the subject of modern slavery risk management. As part of AGL's reintegration processes following the withdrawal of the proposed demerger of AGL into two separate energy businesses, roles and responsibilities for modern slavery risk management were also re-confirmed across the business.

## Our Values:

- Care in every action
- Integrity always
- Better together
- Deliver your best
- Shape tomorrow

# 2. AGL's Structure, Operations and Supply Chain

Our value creation model shows how AGL creates value through seven business value drivers, by identifying key inputs, core activities, and the resulting outputs and outcomes in terms of value creation.



## 2. AGL's Structure, Operations and Supply Chain (continued)

### 2.1 Our Structure and Operations

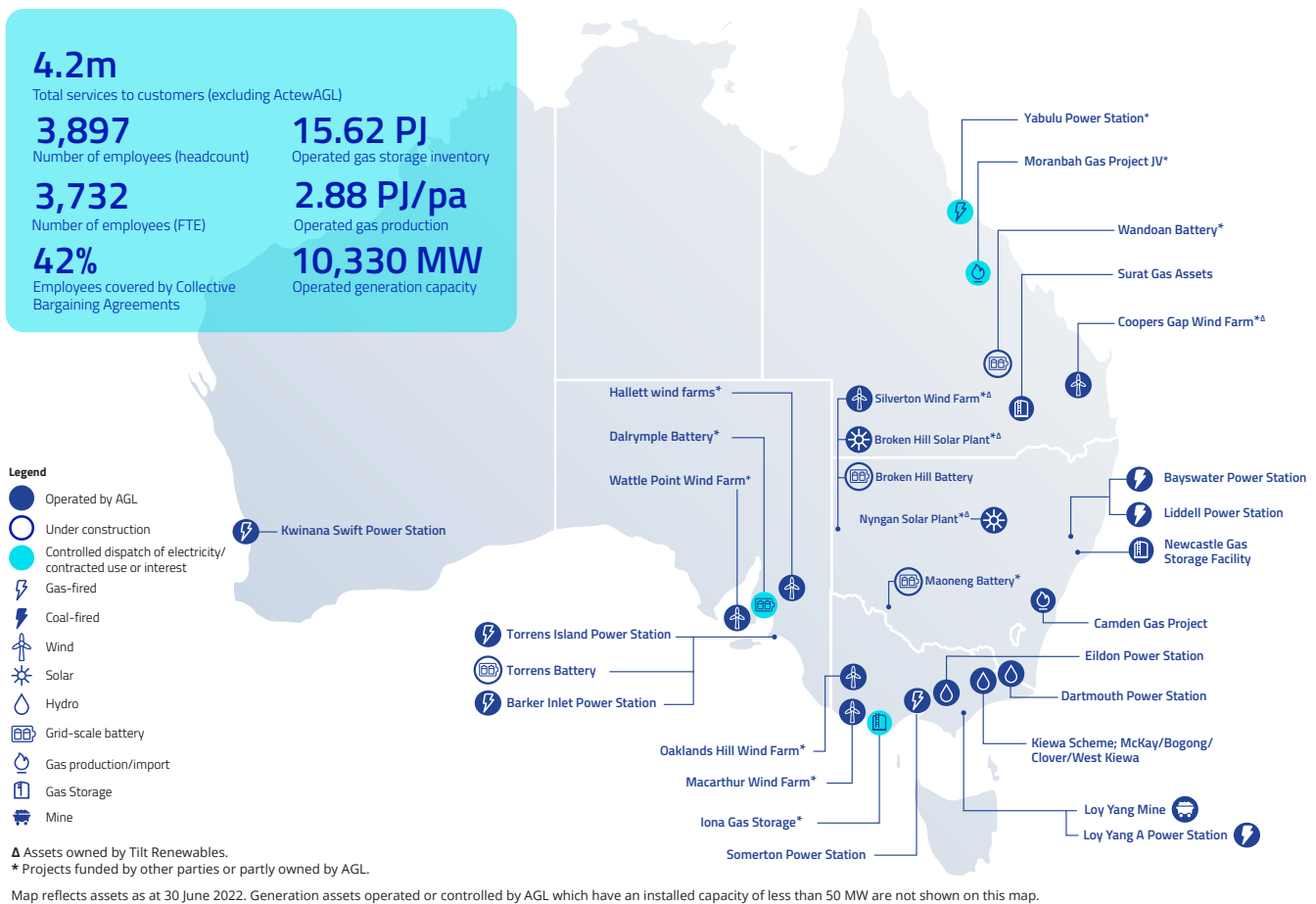
Proudly Australian for 185 years, AGL is an Australian company (ABN: 74 115 061 375), registered in New South Wales. AGL supplies energy and other essential services to residential, small and large businesses and wholesale customers. We operate Australia's largest electricity generation portfolio, with a total installed capacity of more than 10 GW, which accounts for approximately 20% of the total generation capacity within Australia's National Electricity Market. We are also the operator of one of the largest portfolios of renewable generation and storage assets of any ASX-listed company. AGL is committed to making the supply of energy, alongside other essential services, simple, fair and transparent.

AGL's principal activities in FY22 comprised the operation of energy businesses and investments, including electricity generation, gas storage, the sale of electricity and gas to residential, business and wholesale customers and the retailing of broadband and mobile services.

AGL manages its business in three key operating segments, Customer Markets, Integrated Energy, and Investments which are summarised as follows:

- **Customer Markets** – Customer Markets is responsible for the retailing of electricity, gas, telecommunications (broadband/mobile/voice), solar and energy efficiency products and services to residential, small, and large business customers.
- **Integrated Energy** – Integrated Energy operates AGL's power generation portfolio and other key assets, including coal, gas and renewable generation facilities, natural gas storage and production facilities, and development projects. Integrated Energy manages price risk associated with procuring electricity and gas for AGL's customers, manages AGL's obligations in relation to renewable energy schemes, and controls the dispatch of AGL's owned and contracted generation assets, third party gas agreements and associated portfolio of energy hedging products.
- **Investments** – Investments comprises AGL's interests in the ActewAGL Retail Partnership, Tilt Renewables, Energy Impact Partners Europe, Solar Analytics Pty Limited, Sunverge Energy Inc, RayGen Resources Pty Ltd, Honey Insurance Pty Ltd and Ovo Energy Australia Pty Ltd.

The map below shows the energy assets which we operate or invest in, including key projects from our development pipeline, as at 30 June 2022.



## 2. AGL's Structure, Operations and Supply Chain (continued)

---

### Subsidiaries and Acquisitions

On 29 April 2022, AGL completed the acquisition of Energy 360 Pty Ltd (**Energy360**). Energy360 had not been fully integrated into AGL's operations and standard management processes as at 30 June 2022. In addition, as detailed in AGL's FY21 Statement, AGL acquired a 51% stake in OVO Energy Australia Pty Ltd (**OVO**) in April 2021. OVO had also not been fully integrated into AGL's operations and standard management processes as of 30 June 2022. Accordingly, the structure, operations and supply chains of Energy360 and OVO are summarised below.

### Structure, Operations and Supply Chain of Energy360 and OVO

#### Energy360 Structure, Operations and Supply Chain

The Energy360 group of companies consists of Energy 360 Pty Ltd, Access Way SPV Pty Ltd (**Access Way**) and Carbon Green Pty Ltd (**Carbon Green**). Access Way and Carbon Green are wholly owned by Energy 360 Pty Ltd. It is an organisation comprised of 19 employees.

Energy360's business operations consist of the design, engineering, manufacture, installation, commissioning and servicing of biogas flares and biogas delivery systems. It also designs and engineers fit for purpose technology for companies with an organic waste stream for the purpose of generating biogas that provides those companies with baseload energy. Energy360's supply chain included over 50 suppliers with an addressable spend of \$1,346,000 in FY22. Its main categories of suppliers include biogas equipment manufacturers and distributors, subcontractors, transport companies, steel (stainless and mild), electrical control panels and components. The majority of Energy360's suppliers are based in Australia, but it also utilises overseas suppliers, particularly German based companies who supply fabricated equipment that requires specialist skills and expertise to manufacture.

Access Way is a special purpose vehicle wholly owned by Energy360 which has been established to develop an anaerobic digestion plant in Queensland. Carbon Green is also wholly owned by Energy360 but is not currently trading.

#### OVO's Structure, Operations and Supply Chain

OVO is an energy retailer which retails electricity to residential customers in New South Wales, Queensland, South Australia and Victoria. The OVO team consists of 46 employees who are all based in Melbourne, focusing on simplicity, ease of service and encouraging more renewable energy into the grid. OVO provides customer service and billing capabilities through billing platforms and a contact centre located in Melbourne. OVO also manages its wholesale market risk through hedging strategies which provide acceptable management of wholesale costs and prudential requirements.

OVO's supply chain includes over 110 direct suppliers who provide a variety of goods and services with an addressable spend of approximately \$22 million in FY22. Key categories of spend included wholesale electricity expenses, network tariffs charged by distributors, labour charges, IT services (including software) and office expenses. The majority of OVO's addressable spend was to Australian-based suppliers (although some of these are subsidiaries of foreign owned entities).

OVO's supply chain also includes the procurement of energy and energy-related products for its customers and operations.

Further information detailing how Energy360 and OVO manage their modern slavery risks is set out in Section 4 of this Statement.

## 2. AGL's Structure, Operations and Supply Chain (continued)

### 2.2 Our Supply Chains

AGL has a diverse supply chain with a large number of inputs required to supply goods and services to its residential, business and wholesale customers. Over the course of FY22 AGL's procurement addressable spend totalled approximately \$1.7 billion. Key categories of spend included engineering, consulting, contingent labour, manufacturing, construction, IT services and software.

As reported in our FY21 Statement, a key component of AGL's supply chain also includes the procurement of energy-related products for our customers and operations, referred to as 'Wholesale Markets'. This includes electricity, gas and other fuel, renewable certifications and other contractual relationships with third parties to manage pricing risks.

#### Wholesale Markets

In FY22, AGL's wholesale markets supply chain included the following key types of supply arrangements:

- Electricity supplied to our customers is predominantly purchased from the Australian Energy Market Operator (AEMO), which is a legislated body that manages the electricity and gas systems and markets across Australia. Various power generation companies, both domestic and foreign owned, supply the electricity procured by AEMO.
- Gas and other fuel for generation, including coal, is purchased from upstream producers or other wholesalers, with additional contracting of required transportation and transmission services to deliver to AGL's sites or customers.
- Renewable certificates are purchased from producers through standalone contracts or power purchase agreements.

The Wholesale Markets business area within Integrated Energy maintains contractual relationships with counterparties to manage price risk.

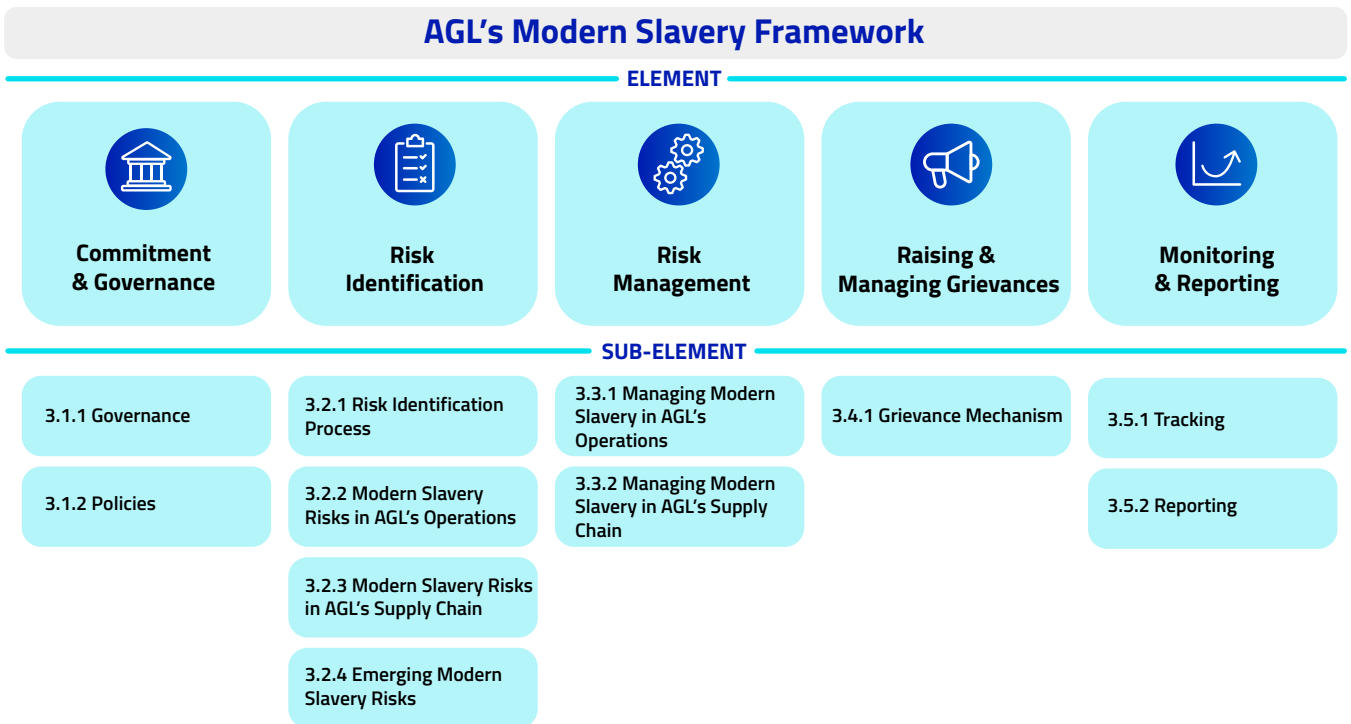
Over <b>3,000</b> Direct Suppliers	Approximately <b>\$1.7 billion</b> in supply spend exclusive of GST
<b>17</b> Material Suppliers	Over <b>28%</b> of spend to material suppliers
<b>21</b> Countries of Supply	Over <b>91%</b> of spend to Australian companies



# 3. Managing Modern Slavery at AGL

AGL's 'Modern Slavery Framework' (**Framework**) is based on a benchmarked analysis of external best practices within the areas of modern slavery and human rights. It describes the approach we take to the management of modern slavery risks, and to support the development of prioritised improvements in a coordinated and focused manner.

In FY22 the business continued to embed and enhance the Framework as part of our ongoing commitment to continuously improve the management of the risks of modern slavery across our organisation. AGL's Modern Slavery Framework is comprised of five elements and eleven sub-elements referenced in the diagram below.



Further detail on AGL's approach to each of the elements of our Framework is set out below.

## 3.1. Commitment & Governance

The 'Commitment and Governance' element sets out AGL's approach to governing the management of modern slavery risk, and includes the key policies, frameworks and standards in place that articulate AGL's commitment to effective management of modern slavery risk.

### 3.1.1 Governance

AGL has defined clear roles, responsibilities and accountabilities for the management of modern slavery related risks throughout the organisation. In FY22, the following key roles, responsibilities and accountabilities existed across the organisation for the management of modern slavery related risks:

- The **AGL Board** is ultimately responsible for the governance of AGL, and has approved the FY22 Modern Slavery Statement. The role of the Board is to safeguard AGL's interests and to protect and foster sustainable value creation while taking into account the reasonable interests of shareholders, employees, customers, the communities in which AGL operates and other relevant stakeholders. The Board reviews and approves AGL's strategic direction and provides oversight of management. Additionally, the Board is responsible for guiding AGL's company culture by establishing the "tone from the top" and by monitoring the implementation of, and broader adherence to, AGL's core Values, policies and related processes. This includes monitoring AGL's approach to the management of both financial and non-financial risks.
- The Board has delegated to AGL's **Chief Executive Officer (CEO)** the authority to manage AGL's day-to-day affairs. The CEO has authority to subdelegate to the AGL Executive Team. The Executive Team is accountable to the CEO for identifying, assessing, managing, reporting, reviewing, and monitoring risks that may impact the achievement of AGL's strategic, operational, and commercial objectives, and ensuring that there are systems in place to maintain adherence to these policies.
- The **Enterprise Leadership Team** (comprised of direct reports to the Executive Team) is responsible for overseeing human rights and modern slavery risks within AGL's operations and supply chains. The day-to-day responsibility for managing these risks sits within each business unit. The business units themselves are responsible for implementing processes and controls to ensure compliance with AGL's policies and standards, including AGL's Human Rights Policy.

## 3. Managing Modern Slavery at AGL (continued)

---

- **Business Unit Risk** teams work within their relevant areas to identify, assess and monitor modern slavery risks and their treatment on an ongoing basis. Further, specific teams are responsible for monitoring compliance with organisational wide policies, such as those relating to supplier sourcing.
- **Group Risk Compliance and Insurance (GRCI)** has carriage of the AGL enterprise-wide risk management function, and is responsible for supporting the business to manage risks and compliance obligations, including those associated with human rights. The GRCI team also includes Modern Slavery SMEs, who provide support to the Modern Slavery Working Group and where required, provide advice to the business on the management of operational and supply chain modern slavery risks.
- **Modern Slavery Working Group (Working Group)** is made up of a cross functional group of senior business stakeholders, and is responsible for driving the implementation and continuous improvement of AGL's initiatives to adequately manage our modern slavery risk profile.
- **Group Audit** provides independent and objective assurance to AGL on the effectiveness of governance, risk management and internal controls, and from time to time provides assurance over AGL's modern slavery risks.

Throughout FY22, the day-to-day responsibility for the management of modern slavery risks continued to remain with each business unit under the management of the accountable Executive Team member. AGL's business units are responsible for implementing processes and controls to manage the modern slavery risk based on its materiality assessed by the business unit in accordance with AGL's Risk Management and Assessment Standard.

### 3.1.2 Policies and Codes of Conduct

Throughout FY22 AGL continued to affirm its commitment to ethical behaviour and to the prevention of modern slavery in our operations and supply chain via the existence of well defined and established policies approved by AGL's Board. AGL's key policies underpinning this commitment remained consistent with those policies set out in the FY21 Statement which were as follows:

- **AGL's Code of Conduct** – sets out the standards of responsibility and conduct that are required of every director, employee and contractor when working at AGL. This Code notes that AGL's success as a company depends greatly on how its people demonstrate a high standard of ethical behaviour.
- **AGL's Supplier Code of Conduct** – sets out the minimum Environmental, Social and Governance (**ESG**) standards of behaviour required from all our suppliers, and specifically calls out our commitment to work with suppliers that share our values and commitments. Its scope covers ethical business, human rights, labour practices, modern slavery, supply chain and supplier diversity and community engagement expectations. This code is aligned with the United Nations Global Compact principles and to the International Labour Organisation's Declaration on the Fundamental Principles and Rights at Work.

Throughout FY22 AGL's expectations of its suppliers remained consistent with its FY21 expectations, requiring all suppliers to read and understand AGL's Supplier Code of Conduct, and to ensure that their business and supply chain meet the Code's requirements and comply with all laws applicable to their business. This requirement is included as a standard contractual term in AGL's procurement contracts.

- **AGL's Human Rights Policy** – sets out AGL's commitment to respect the dignity and human rights of our employees, customers, suppliers and the communities in which we operate or who are affected by our operations. This policy confirms AGL's commitment to operate in a manner consistent with the laws and jurisdictions in which our business operates, including those relating to human rights and modern slavery, and to operate to the highest standards of integrity, fairness and ethical conduct. This policy is guided and informed by internationally and domestically recognised human rights standards, including the Universal Declaration of Human Rights, the International Labour Organisation's Declaration of Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, and the United Nations Global Compact Principles.
- **AGL's Whistleblower Protection Policy** – sets out the various ways concerns or grievances can be raised at AGL. This policy and the processes that underpin the AGL's whistleblower protection program play an important role in our commitment to uphold the highest standards of integrity, fairness and ethical conduct at AGL, all of which play a fundamental role in managing our modern slavery risks.

## 3. Managing Modern Slavery at AGL (continued)



### 3.2. Risk Identification

Throughout the reporting period AGL took proactive steps, aligned to its Risk Management Policy and standard risk management practices summarised in Section 3.3 below, to specifically identify and assess the risks of modern slavery inherent to AGL's operations and supply chain.

#### 3.2.1 Risk identification Process

AGL's ongoing modern slavery related risk assessment process is informed by risk indicators identified to be relevant to AGL's business, operations and supply chains. The indicators draw from external Modern Slavery guidance, including the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities. Through identification of these risk indicators, AGL is able to identify and validate its modern slavery risk exposure in key areas of its operations and supply chains. These risk indicators are also used to inform the identification of any emerging risks of modern slavery in the business and provide assistance with modern slavery identification in instances where new acquisitions are made by AGL, or new areas of business are commenced.

The below risk indicators were initially identified in preparation for AGL's FY20 Statement and were revalidated during the reporting period with the assistance of an independent consultancy firm. The ongoing appropriateness of these risk factors mean that they continued to be used to inform AGL's risk assessment process in FY22.

 <b>Vulnerable populations:</b> Groups of people more likely to be exposed to harm, or unable to advocate for themselves in exploitative situations. The level of worker vulnerability, and risk of poor labour practices and exploitation are recognised to be higher in contexts where base skill labour is relied upon.	 <b>High risk business models:</b> Business models that rely on third parties for the provision of services - often labour hire. Outsourcing reduces company visibility over third-party recruitment practices and provision of worker entitlements.
 <b>High risk sectors or categories:</b> Products and services regarded as having more significant inherent modern slavery risk including industries that rely heavily on low-skilled labour and/or involve menial and repetitive work, often performed at night-time or in remote locations.	 <b>High risk geographies:</b> Countries or regions which are known to have higher human rights (and modern slavery) risks. High risk geographies include countries and regions vulnerable to bribery and corruption, or without strong labour laws and governance.

AGL undertook the following key activities in FY22 to validate its modern slavery risk profile:








1. material changes to AGL's structure, operations and supply chains since the FY21 Statement were analysed to determine whether these changes impacted on the risks initially identified. This included changes in product / service offerings, internal restructures, changes to processes, and investments / acquisitions made throughout the year;
2. input was sought from key areas of the business, including business unit risk teams and the Modern Slavery Working Group; and
3. a central review of documentation relevant to AGL's modern slavery risk was undertaken (such as business unit risk registers, sourcing risk assessments and external risk documentation) to identify any changes to the inherent risk of modern slavery at AGL.

The outcome of these activities resulted in minor changes in AGL's modern slavery risk profile, which are detailed in the following sections.

#### 3.2.2 Modern Slavery Risks in AGL's Operations

Considering the nature of AGL's business operations and the risk indicators identified above, the following key modern slavery risks were identified within AGL's operations in FY22:

### 3. Managing Modern Slavery at AGL (continued)

Operations		Key Risk Indicators
<b>Offshore Labour</b>	AGL engages offshore labour through third parties in geographies which are inherently more likely to face modern slavery risks (including labour hire services, data processing and call centre personnel). Accordingly, workers may be subject to forced labour or child labour. AGL has comparatively less visibility over practices employed through these arrangements outside of Australia.	 
<b>Engagement of labour via third parties (including subcontracting)</b>	AGL utilises third party recruitment firms to engage on-shore contingent labour. AGL also engages with third parties for the provision of services, who may sub-contract aspects of the service delivery to other organisations, all of which may involve the use of migrant workers and involve low barriers to entry for labour hire providers. In these cases, AGL has comparatively less visibility over practices employed through these contracting arrangements. For example, the risk of forced labour may be relatively higher when third parties are engaged to provide labour. In addition, workers may be engaged to work in remote areas, which may significantly increase the complexity of required oversight by AGL as well as by regulators, unions and third-party labour providers due to the remoteness of a site.	 
<b>Acquisitions, Investments and Joint Ventures</b>	Depending on the sector, acquisitions, investments in, or partnerships with, other organisations can expose AGL to high-risk business models, vulnerable populations, or high risk geographies.	  

#### 3.2.3 Modern Slavery Risks in AGL's Supply Chain

The table below details the key modern slavery risks that may be present in AGL's supply chains:

Supply Chain		Key Risk Indicators
<b>Solar Supply Chain</b>	<p>The procurement of renewable technology, and specifically solar related products, is considered a high-risk industry for modern slavery due to risks present throughout the supply chain. Specifically, polysilicon used in the manufacturing of some solar products has been associated with the exploitation of Uyghur and Kazakh minorities in Xinjiang, China.</p> <p>In addition, solar installations have been assessed to be an area of modern slavery risk in the construction sector due to the common practice of utilising migrant workers, complex and informal subcontracting, labour hire involving multiple sub-contracting arrangements, and low barriers to entry for labour hire providers. Where installations consist of large-scale solar installations in remote areas, the site's remoteness may significantly increase the complexity of required oversight by AGL as well as by regulators and unions, meaning that there are unique risks associated with these installations, which may heighten the risks associated with modern slavery.</p>	   
<b>Sourcing of Batteries</b>	The procurement of batteries is considered high-risk for modern slavery due to risks present throughout the supply chain. For example, key resources used for batteries (e.g. lithium, cobalt) may be sourced from regions associated with human rights abuses. It is estimated that between 15% and 30% of the cobalt used in lithium batteries, in which solar energy is stored, is sourced from artisanal mines in Democratic Republic of the Congo – where forced and child labour is common <sup>1</sup> .	  
<b>Sourcing of Electronic Goods (e.g., laptops, modems, and mobiles)</b>	The electronics manufacturing industry is a high-risk industry for modern slavery due to the low profit margins and tiered production system typically associated with the industry. Manufacturing often takes place in less developed countries with minimal legal and regulatory protections, and as a result there may be relatively less oversight over labour rights. In addition, modern slavery risks are present within the supply chains of these products, particularly in the sourcing of raw materials from high-risk geographies.	  
<b>Cleaning, Maintenance and Security Services</b>	These categories of work have been assessed as relatively high risk due to factors including remote work locations, manual labour, on demand work and diminished visibility over sub-contracting arrangements.	  
<b>Power Purchasing of Renewable Certificates</b>	The renewable energy industry has been assessed as being at a relatively higher risk for modern slavery, specifically due to the risk of forced labour and / or debt bondage. These risks arise due to risks present throughout the supply chain, from sourcing raw materials to the manufacturing of products.	

1. Cockayne, Huerta and Burcu, 'The Energy of Freedom? Solar energy, modern slavery and the Just Transition, pg. 5, 2022.

#### 3.2.4 Emerging Modern Slavery Risks

As AGL's business operations and supply chain evolve to align with the preferences of our customers, the requirements of our regulators and to support the transition of Australia's energy system through its decarbonisation pathway, new and emerging modern slavery related risks are likely to arise.

New and emerging modern slavery risks are identified through AGL's standard risk management and assessment process. AGL conducts regular external environment scans, reviews key risk indicator data to identify changing risk trends and consults with peers within and outside the industry to identify potential new and emerging risks relevant to modern slavery. In addition, each business unit has processes in place to identify and assess risks relevant to their specific business objectives and operations, including new and emerging modern slavery risks.

On a regular basis, AGL's key modern slavery risks are reviewed and updated by GRCI in consultation with AGL's Modern Slavery Working Group.

## 3. Managing Modern Slavery at AGL (continued)



### 3.3. Risk Management

AGL is committed to ensuring that risk management practices are embedded into all business processes and operations in order to drive consistent, effective and accountable action, decision making and management practice. A strong risk management culture is critical to enabling AGL to achieve its strategic, operational and commercial objectives and can also be a source of competitive advantage. Modern slavery related risks, both at an operational and supply chain level, are managed by the business in accordance with AGL's standard risk management and assessment processes and AGL's Risk Management Policy.

Below, we have set out the key risk initiatives or activities implemented to manage the risks of modern slavery within our operations and our supply chains.

#### 3.3.1 Managing Modern Slavery in AGL's Operations

As noted in Section 3.2.2 above, most of the risks of modern slavery identified within AGL's operations relate to the management of labour, and specifically to the risks of forced or child labour. Key initiatives undertaken to manage modern slavery in AGL's operations are detailed below.

##### Communication and Awareness

The effectiveness of AGL's processes and systems designed to identify and address modern slavery risk rely on the awareness of these processes and systems and the capability of our people. Through various mechanisms, AGL is committed to raising awareness within and outside of our organisation of the risks of modern slavery, and increasing our collective capability to manage this risk effectively. In order to continue to raise awareness of the risk of modern slavery and our approach to managing this risk, a number of initiatives were completed in FY22 that built on awareness activities undertaken in previous periods, including the following:

- **AGL-wide Communication Campaign** - AGL's Modern Slavery Executive Sponsor led an awareness communication campaign across the business following on from the finalisation of AGL's FY21 Statement. The campaign included sharing with AGL personnel our FY21 Modern Slavery Statement, and linked to AGL's modern slavery intranet site.
- **Modern Slavery Intranet Site** - to ensure AGL personnel are aware of the risk of modern slavery and information relating to AGL's approach to the management of its modern slavery risk, AGL's Modern Slavery SMEs throughout FY22 continued to maintain and update our modern slavery intranet site, accessible by all AGL personnel. The site provides a description of modern slavery and its associated risks, together with information on how the risk is to be managed in accordance with relevant policies, standards and processes, all of which are linked to the modern slavery intranet site.
- **Targeted training** - during the reporting period, AGL's Modern Slavery SMEs designed and implemented targeted training across various areas of the business.
- **Communication of AGL's Human Rights Policy** - all AGL staff are made aware of AGL's policies, including its Human Rights Policy. The policy is made available publicly on our website and internally on AGL's intranet site.
- **Supplier Awareness Campaigns** - AGL continued to increase modern slavery risk management awareness across its supply chain through Supply Chain Questionnaires and corrective action plans agreed with suppliers. In many instances this has resulted in suppliers with immature or sub-standard modern slavery risk management practices taking action to uplift those practices.

##### Case Study - Raising awareness and supporting continuous improvement across our supply chain

Prior to engaging with new suppliers, all new sourcing requests trigger AGL's standard modern slavery sourcing risk assessment processes. During the reporting period, a sourcing activity with a potential engineering and contract management supplier identified that the organisation's modern slavery management practices required enhancement (including an uplift to modern slavery governance practices). Through ongoing communications as part of a tender process, AGL was able to provide feedback on steps the supplier needed to take in order to demonstrate effective management of the risk. As a result of this education process, the organisation undertook several initiatives to enhance its modern slavery risk management and governance processes, including the following:

- establishing a Supplier Code of Conduct requiring third parties to take all necessary steps to ensure the risks of modern slavery are managed in their operations and supply chain;
- establishing and publicising a Grievances and Complaints Policy detailing how grievances can be raised in the supplier's workplace, including those relating to modern slavery;
- establishing Remediation Guidelines to address a third party's non-compliance with the requirements of the Supplier Code of Conduct;
- the development and roll out of modern slavery training to the supplier's key stakeholders; and
- undertaking due diligence to understand the modern slavery risks of their suppliers.

## 3. Managing Modern Slavery at AGL (continued)

---

The above case study is representative of the work our Modern Slavery SMEs carry out, supported by business procurement leads in order to uplift the modern slavery risk management practices of our suppliers.

### Stakeholder Engagement

AGL recognises that the eradication of modern slavery is a complex undertaking that requires a collaborative response from governments, businesses, and the international community. In FY22, AGL continued to work collaboratively with broader stakeholder groups including:

- 1. The Clean Energy Council's Risk of Modern Slavery Working Group (RMS Working Group):** as set out in its Charter, the RMS Working Group serves as a forum for members to share actions and experiences in meeting the reporting requirements under the Act, and to provide a platform for members to discuss and collaborate on efforts to manage modern slavery risks within their supply chains. AGL was an active participant in working group meetings throughout FY22 which included engagement on the development of the Clean Energy Council's Pledge Against Modern Slavery.
- 2. UN Global Compact Network Australia (UNGCNA):** AGL actively participated in the UNGCNA Modern Slavery Community of Practice during the reporting period. The UNGCNA is a small, interactive forum that meets quarterly to connect participating UNGCNA members. Its purpose is to provide members with an opportunity to discuss challenges and opportunities facing Australian business with respect to the identification, management and communication of modern slavery risks. The forum allows members to build on their modern slavery capabilities in order to be best positioned to respond to the requirements of the Act, global developments and risks relating to the management of human rights.

### Third-party Recruitment

AGL operates in accordance with the labour laws of Australia and upholds the right to freedom of association and the right to collective bargaining, a commitment made within AGL's Human Rights Policy. As stated in AGL's FY21 Modern Slavery Statement, AGL has clear policies and standards that govern the recruitment of permanent employees through its internal recruitment function, with contingent labour sourced and paid by a contracted third-party recruitment firm via a third-party service agreement which is periodically audited.

To better understand AGL's modern slavery risks relating to contingent labour, in FY22 AGL undertook a desktop modern slavery review of its major third-party recruitment firm. AGL's Modern Slavery SMEs conducted a review of the firm's key documents relating to its management of modern slavery risk. The desktop review was supplemented with targeted information gathering through the completion of AGL's Modern Slavery Questionnaire by the third-party recruitment firm.

The desktop review confirmed that the third-party recruitment firm has in place appropriate modern slavery risk management related processes and governance. The review also confirmed that the third-party recruitment firm requires that the organisations it works with share its values, with its tier one suppliers being required to participate in the firm's due diligence process which requests evidence of processes and procedures that support key business standards (e.g. ethical conduct, human rights and workplace health and safety). The review also noted that the firm has not identified any evidence of modern slavery in its operations or supply chain within the reporting period.

### 3.3.2 Managing Modern Slavery in AGL's Supply Chain

Throughout FY22 AGL continued to manage its modern slavery risk within its supply chain by engaging in the following activities:

#### Modern Slavery Risks in AGL's Solar Supply Chain

Whilst AGL further analysed the risks associated with AGL's solar operations and supply chain throughout the reporting period, the risks continued to remain a focus area due to the solar industry's connection to Xinjiang (which has been referenced in a number of publications as an area of high risk for modern slavery).

#### Solar Installation Business Deep Dive

AGL engaged a third-party consultant to advise on how AGL can respond to, address, and manage potential modern slavery risks in its solar business. The engagement's scope was comprised of the following core items:

- 1. Broadening our understanding of the modern slavery risks within the solar supply chain:** this involved reviewing publicly available industry and government approaches to responsible sourcing in the solar supply chain globally and interviewing third parties with subject matter expertise to improve our understanding of the risks and how they can be practically managed.
- 2. Assessing AGL's existing approach to solar procurement and the management of modern slavery:** this involved reviewing key procurement documentation to obtain insights into AGL's existing approach to the management of modern slavery risk with a view to identifying key improvement opportunities.
- 3. Validating the risks associated with key suppliers within AGL's solar supply chain:** this involved an independent review of key supplier documentation (including their responses to AGL's Modern Slavery Questionnaire) and conducting a series of interviews with key suppliers to determine the level of modern slavery risk within AGL's solar supply chain.

AGL is currently reviewing the outcomes of this engagement and will incorporate the recommended actions into its modern slavery improvement workplan in future years.

### 3. Managing Modern Slavery at AGL (continued)

#### Major Outage Deep Dive

As a provider of an essential service to the National Electricity Market and Australian energy customers, the reliable operation of AGL's power generating plants is a critical objective of our business.

As such, AGL's power generating units are periodically subject to planned outages which support ongoing reliability, and are in some cases complex activities requiring extended planning and large numbers of contingent workers as well as equipment sourced from multiple locations within Australia and abroad.

As part of two major planned outages conducted at Loy Yang and Bayswater Power Stations, AGL's Modern Slavery SMEs conducted a review of the modern slavery risk exposure inherent in these activities, specifically focused on the suppliers involved in the outages. The assessment process required key suppliers to complete AGL's Modern Slavery Assessment Questionnaire, and provide relevant information as appropriate.

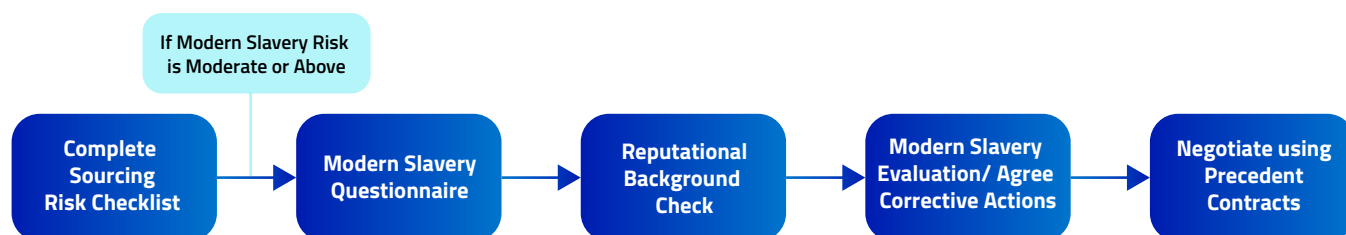
As a result of the assessment performed, AGL identified opportunities for improvement in the manner in which a number of its suppliers manage their modern slavery risk. AGL will continue working with these suppliers to support their ongoing improvement in the development of appropriate governance and controls to mitigate the risk of modern slavery in their operations and supply chains.

#### Ongoing Supplier Due Diligence

To proactively identify, assess and address the risks of modern slavery across the AGL supply chain in FY22, AGL continued to operate in accordance with the procurement principles and procedures documented within the AGL FY21 Modern Slavery Statement. As outlined in the FY21 Statement, these principles and procedures are required to be followed by all employees to ensure the consistent application of procurement principles across the organisation.

#### Due Diligence of Suppliers

#### High-level Modern Slavery Risk Assessment Process



As documented in AGL's FY21 Modern Slavery Statement, AGL employs a risk-based approach to the engagement of its suppliers and has embedded a modern slavery risk assessment process into its sourcing processes. A high-level overview is provided in the diagram above, with a further explanation of the key components set out below:

- **Sourcing Risk Checklist:** before the commencement of any sourcing activity and as required by AGL's Source to Contract Standard, a Sourcing Risk Checklist must be completed by the business sourcing owner. This checklist is used to identify key risks associated with a procurement activity. Amongst other things, the completion of the checklist provides an inherent modern slavery risk rating associated with the procurement activity, with the rating determining any further due diligence initiatives required before making the decision to onboard a supplier. In circumstances where the Sourcing Risk Checklist assesses the risk rating as moderate or above, the business must complete the sourcing steps set out below.
- **Modern Slavery Questionnaire is completed by the prospective supplier:** the business contract owner arranges for the supplier to complete AGL's Modern Slavery Questionnaire. This questionnaire has been developed to assess the residual modern slavery risk of the supplier and sets out a series of questions that provide information relating to how the supplier identifies, assesses and manages its modern slavery risks. Questions include whether the supplier has relevant policies, processes and systems in place to govern and manage modern slavery risks, and whether the supplier has encountered any instances of modern slavery.
- **Reputational background check of the supplier:** a Reputational Background Check on the supplier is completed using a third-party platform that provides information on ESG claims or issues that relate to the supplier. Answers to the Modern Slavery Questionnaire are compared to relevant findings in the background check as part of the Modern Slavery Evaluation.
- **Modern Slavery Evaluation:** The Modern Slavery Questionnaire and Reputational Background Check report are reviewed by AGL's Modern Slavery SMEs, who provide the business contract owner with an evaluation, together with recommendations on any remediation actions required to be taken before engaging the preferred supplier, also referred to as "corrective actions."
- **Commercial negotiations and the use of AGL's Precedent Contract:** On completion of due diligence activities and on the successful selection of a supplier, contract negotiations commence and, in most cases, the AGL precedent contract will be used for the procurement activity. The precedent contract includes mandatory clauses that require suppliers to comply with AGL's Supplier Code of Conduct. The standard clause provides AGL with the right to issue the supplier with a questionnaire seeking information about the supplier's approach to business and performance of the contract. This allows AGL to compare the supplier's performance to the requirements of the Supplier Code of Conduct and

## 3. Managing Modern Slavery at AGL (continued)

provides a right to audit the supplier against the requirements of that code. The precedent contract also includes a modern slavery clause that requires a supplier to comply with modern slavery laws, and to notify AGL in writing where it becomes aware of any actual or potential breach of those laws.

### Case Study – Modern Slavery Evaluation of a potential supplier to our telecommunication business

AGL's Modern Slavery Evaluation process provides AGL's Modern Slavery SME with the opportunity to support the business with sourcing activities. In FY22 the process resulted in a potential third-party supplier being assessed by the SME as having a high modern slavery risk.

Whilst the initial assessment of the supplier's Modern Slavery Questionnaire was deemed satisfactory on the basis that the supplier had appropriate governance arrangements and

processes in place to manage its modern slavery risk exposure, human rights and corruption issues were flagged in the Reputational Background Check completed on the supplier. This resulted in the business contract owner, with assistance from AGL's Procurement team and Modern Slavery SMEs engaging in further consultation with the supplier about the issues referenced in the Reputational Background Check to gain further insight into the allegations. Despite the supplier's value proposition being favourable in comparison to other third-party suppliers, the supplier was not engaged due to the supplier being unable to satisfactorily respond to the issues flagged in the Reputational Background Check.

### Due Diligence of Wholesale Markets' Counterparties

As noted in our FY21 Statement, transactions engaged in by our Wholesale Markets business unit follow a separate process to centrally procured goods and services due to the nature of the activities performed, and the need to comply with related regulatory requirements.

All new Wholesale Markets counterparties involved in the physical supply of commodities must complete a **'Know Your Customer' questionnaire** as part of the onboarding process. The questionnaire is assessed, and the counterparty is screened using an end-to-end third-party due diligence screening and monitoring workflow tool to identify and assess any modern slavery risks associated with the counterparty. Any high risks identified during the onboarding process are escalated to AGL's Modern Slavery SMEs to determine if any corrective actions are required before proceeding with the engagement. Once onboarded, the Wholesale Markets team performs ongoing monitoring of these counterparties.

### Ongoing Supplier Management

Sourcing activities mandated under AGL's Source to Contract Standard to manage risk exposure are complemented by the risk management activities prescribed by AGL's Supplier Management Standard. The Supplier Management Standard supports the ongoing management of risk, including modern slavery risk, throughout the life of the contract via a requirement for business units to appoint a business contract owner for each procurement contract owned by the business unit. The business contract owner must actively manage the supplier and risks associated with the procurement activity.

In FY22, the Wholesale Markets business area continued the ongoing monitoring of counterparties via a third-party due diligence system. The system provides weekly and monthly monitoring alerts that highlight relevant watchlists relating to Sanctions, Politically Exposed Persons, State-Owned Enterprises, Enforcements and other risk related matters. The alerts are reviewed and actioned accordingly. During FY22, no alerts were raised against counterparties which required remediation action to be taken.

### Third-party Remediation

During the due-diligence and onboarding process, prospective suppliers may be identified as deficient in their modern slavery risk management process. In this case, AGL agrees corrective actions with the supplier that must be completed to conform to the requirements of AGL's Supplier Code of Conduct. As part of a supplier's ongoing management, the business contract owner is responsible for managing, agreeing and closing out these corrective actions with the supplier.

Further, AGL's Supplier Code of Conduct Questionnaire is used to periodically assess a supplier's compliance against the minimum ESG requirements set out in the Supplier Code of Conduct. All material suppliers are required to complete the questionnaire on an annual basis for the purpose of assessing their compliance against the Supplier Code of Conduct. In reviewing the supplier's response to the questionnaire, AGL may issue the supplier with corrective actions which the supplier must complete to meet the requirements of AGL's Supplier Code of Conduct. In FY22 all material suppliers completed the questionnaire and were assessed as compliant, with no material supplier being required to complete corrective action(s).



## 3. Managing Modern Slavery at AGL (continued)



### 3.4. Raising and Managing Grievances

AGL is committed to a supportive workplace environment and encourages the raising of concerns about conduct occurring at AGL or in relation to AGL. AGL encourages all our employees, officers, business partners, customers, contractors and suppliers (including employees of suppliers) to report any concerns relating to our activities and suspected violations of our policies, including our Human Rights Policy.

#### 3.4.1 Grievance Mechanisms & Remediation

As documented in AGL's FY21 Modern Slavery Statement, there are various ways in which our employees can raise concerns about conduct occurring at AGL or in relation to AGL. AGL's Code of Conduct encourages employees and contractors to report to their immediate leader in circumstances where the Code of Conduct has been breached (or where there is a reasonable suspicion of a breach). Should it be necessary, a matter can also be reported directly to People & Culture or to the responsible Executive Team member. Suppliers are also required to notify AGL of any actual or suspected breach of the Supplier Code of Conduct by the supplier or by their supply chain.

As was the case in FY21, current and past employees, officers, contractors, suppliers (including employees of suppliers) and their associates throughout the reporting period were able to report and express any concerns relating to AGL's activities and suspected violations of our policies, Values and/or legal requirements via our Whistleblower Protection Policy.

Throughout the reporting period AGL continued to maintain two channels through which grievances or concerns about matters covered by the AGL Whistleblower Protection Policy could be raised. The channels outlined below allow AGL to meet its commitment to investigate, address and respond to any concerns and to take appropriate corrective actions in any instance where AGL is suspected of causing, contributing or directly linked to a human rights violation. The two channels for reporting modern slavery or human rights abuses were as follows:

1. reporting the matter internally to any of our eligible recipients (which include AGL's Executive Team); or
2. reporting anonymously via AGL's whistleblower service.

As outlined in AGL's FY21 Modern Slavery Statement, AGL's Investigation Framework sets out the minimum standards that must be followed for investigations conducted by AGL. All investigations are tailored to address the specific allegations that are the subject of the investigation. The Framework provides guidance in respect of investigations relating to the AGL Whistleblower Protection Policy in addition to providing guidance on other more general investigations.

During the FY22 reporting period, no grievances relating to human rights or modern slavery were raised via our reporting channels.



### 3.5. Monitoring & Reporting

Our approach to managing the risks associated with human rights constantly evolves as we learn from our experience and the experiences of others, and as we refine our processes and engagement with our suppliers.

#### 3.5.1 Tracking

In FY22 AGL utilised the following key governance mechanisms to assess its existing practices as they relate to modern slavery risk, and to track the progress made on initiatives planned and underway to manage and mitigate these risks:

- Initiative Reporting: On a regular basis, the Modern Slavery SMEs provide reporting on the progress made in relation to initiatives planned to be implemented across the reporting period to the General Manager GRCl and the Modern Slavery Working Group.
- Ongoing engagement between GRCl and business unit risk and compliance teams: GRCl plays an ongoing role in supporting the progress made on agreed improvement initiatives, and challenging the progress with each individual business unit where relevant.
- Engagement with the Modern Slavery Working Group: The Working Group regularly discusses the changing risk landscape associated with modern slavery, and the associated initiatives in place to address these risks.
- Periodic updates to the Executive Sponsor: The General Manager, GRCl provides regular updates to the Executive Sponsor for modern slavery, which includes a broad overview of progress made against FY22 initiatives.

In addition to the monitoring measures described above, Group Audit provides independent, objective assurance to AGL on the effectiveness of governance, risk management and internal controls, with the FY23 Group Audit plan including an audit of AGL's Modern Slavery Framework.

## 3. Managing Modern Slavery at AGL (continued)

---

Further, AGL's Modern Slavery Framework includes 47 Key Compliance Indicators (**KCIs**) that measure specific elements and sub-elements of the Modern Slavery Framework. The KCIs relate to actions and controls that an organisation is recommended to implement to effectively identify, address, and remedy its modern slavery risks. The KCIs are a combination of qualitative and quantitative measures that can be used to measure the effectiveness of our processes and to identify and prioritise improvements over time. However, further work is required in order to embed a regular reporting rhythm to operationalise these KCIs.

While no instances of modern slavery were identified in our operations and supply chain and no allegations of modern slavery via our grievance mechanisms were received during the reporting period, our self-evaluation over the management of our modern slavery risks indicates that we can continue to improve on our strategies to identify and mitigate the risk of modern slavery across the business.

### 3.5.2 Reporting

GRCI regularly reports material risks and compliance matters to the Audit Risk Management Committee (**ARMC**) which is an AGL Board committee. The ARMC meets five times per year and its remit includes the responsibility to monitor the implementation of policies and procedures for identifying, assessing, monitoring and managing risk, including modern slavery.

GRCI also reports to the ARMC on the progress of our annual Modern Slavery Statement and submits the Statement to the ARMC for its endorsement before it is approved by the Board.

# 4. Consultation

---

This Statement is submitted as a joint statement and applies to all brands and legal entities which form part of the AGL Group. It is important to note that whilst there are many distinct legal entities within the AGL Group, the AGL Group operates with a single overarching governance structure that is supported by uniform systems and processes that allow a consistent risk management approach to be adopted for the management of operational and supply chain risks (including modern slavery risks). This structure provides for and embeds ongoing consultation and engagement across the AGL Group which allows for extensive consultation as part of the development of this Statement.

Section 4.1 sets out the consultation process that occurs with those entities that have not been integrated into our overarching governance structure. In FY22 the consultation process was limited to those entities recently acquired by AGL.

## 4.1 Consultation with acquired entities

As described in Section 2.1, AGL acquired Energy360 during the reporting period. In addition, as reported in our FY21 Statement, AGL continues to retain a 51% interest in OVO.

As this Statement has been developed as a joint statement, which includes a description of the modern slavery risk management approach taken by AGL's subsidiaries that operate independently or partially independently from AGL's Modern Slavery Framework and supporting processes, a consultation process was undertaken as part of the development of this Statement. In FY22, this included consultation with Energy360 and OVO, to understand their approach to identifying, assessing and managing modern slavery risks. In addition to the understanding obtained through this process, our consultation with Energy360, AGL's most recent acquisition, provided an opportunity for AGL's Modern Slavery SMEs to provide management at Energy360 with an understanding of the actions that are undertaken at an AGL Group level to identify, assess and manage modern slavery risks.

In FY21, AGL reported on the modern slavery management of Epho and Solgen which have now been integrated into AGL's operations, and as a result separate consultation with these entities is no longer required.

### 4.1.1 Energy360

Consultation with the management of Energy360 on acquisition identified that formal processes and procedures specific to the management of modern slavery risks were limited. Whilst a specific modern slavery focused risk assessment had not been previously conducted, Energy360 management considered the inherent risk of modern slavery to be relatively low, due to the sourcing of goods and services from predominantly Australian based companies, and lack of exposure to many of the risk indicators AGL is otherwise subject to.

While modern slavery specific documentation is limited, Energy360 does have a Quality, Safety and Environmental Management System (**QSEMS**) that is used for the purposes of managing its modern slavery risk exposure. The QSEMS outlines and defines the quality, health, safety and environmental practices, processes, policies and procedures that are to be followed by personnel and Energy360 management. Specifically, the QSEMS calls out the following commitments that have a significant bearing on Energy360's modern slavery risk management:

- provide all employees, sub-contractors, clients and visitors with a workplace that is safe and without risk to health and safety. This commitment extends to ensuring operations and activities do not place the local community at risk of injury, illness or damage. To achieve this commitment the QSEMS confirms Energy360's preparedness to take steps to ensure compliance with legislative obligations and relevant standards, a requirement overseen and managed by senior management.
- Energy360 is committed to responsible environmental management, sustainability and protection of the natural environment through work practices that are sensitive to the needs of the environment.

Energy360 recognises that it has a moral and legal responsibility to ensure that its operations do not have a negative impact on the environment or the health and safety of its personnel or the public. To discharge this responsibility Energy360's senior management are responsible for establishing and maintaining policies, practices and procedures that reduce health, safety and environmental risks.

#### Energy360's Modern Slavery Risks

AGL is in the process of consulting with Energy360 on its modern slavery risk profile to more formally identify and assess the risks of modern slavery inherent in its operations and supply chain, and to consider these risks in the context of AGL's broader modern slavery risks. The risk assessment will provide senior management with insight into areas of its business operations and supply chain that have a potential exposure to modern slavery risks, how those risks are being managed, and to identify opportunities to enhance existing risk management practices.

## 4. Consultation (continued)

---

### 4.1.2 OVO Energy Australia

As reported in AGL's FY21 Modern Slavery Statement, OVO has various governance mechanisms in place to support its commitment to managing modern slavery. These include:

- clear accountability of the OVO Board to oversee the management of its policies and standards, including policies associated with modern slavery management.
- adopting AGL's Code of Conduct which confirms OVO's commitment to act in a way that preserves human rights which includes taking steps to prevent modern slavery in OVO's operations and supply chains. Formal training on the Code of Conduct is completed annually by all OVO personnel.
- adopting AGL's Whistleblower Protection Policy to allow employees to raise concerns, including those associated with modern slavery or human rights abuses.
- offering an Employee Assistance Program service to provide confidential counselling to OVO employees and their families to ensure the OVO workplace remains a safe and sustainable place to work.

### OVO's Modern Slavery Risks

The risks of modern slavery present in OVO's operations and supply chain have undergone no significant change from those described in AGL's FY21 Modern Slavery Statement. OVO's most significant modern slavery risk continues to relate to the procurement of goods and services, in particular laptops and electronic goods, and contingent labour. Although not specifically tailored for the management of modern slavery and human rights, OVO continues to have a Third-Party Management Policy which outlines a due diligence process that must be undertaken before entering into a contract with a third-party vendor for the supply of services. A key control within the due diligence process requires the engagement of suppliers that align to OVO's values and commitments, and that the strategies and goals of the supplier do not conflict with those of OVO.

Our consultation with OVO has confirmed that OVO remains committed to:

- evaluating the company's own activities against activities of AGL and best industry practice;
- analysing any complaints or grievances received through the adopted whistleblower mechanism or other channels;
- periodically reviewing relevant governance documents, processes, and procedures; and
- periodically completing a human resources health check that is validated with AGL stakeholders.

# 5. Looking Forward

---

With the release of the outcomes of AGL's Strategic Direction Review in September 2022, a new direction has been set for the company which will include one of the most significant decarbonisation initiatives in Australia. It sets a clear pathway for the company's future and its leading role in Australia's energy transition.

As we embark on this new journey, AGL remains committed to protecting and upholding the human rights of our people, our communities and the stakeholders that are impacted by our supply chains and operations. In line with our Purpose and Values, AGL will continue to place ethical behaviour at the core of our business, and ensure that the steps we take to identify and manage the risk of modern slavery are continually enhanced.

# Appendix A

---

The following AGL subsidiaries are reporting entities in their own right, having met the reporting threshold under the Act in FY22.

- AGL Sales Pty Limited
- AGL Electricity (VIC) Pty Ltd
- Victorian Energy Pty Limited
- AGL South Australia Pty Limited
- AGL Loy Yang Pty Ltd
- AGL Loy Yang Partnership
- AGL Hydro Partnership
- AGL HP1 Pty Limited
- AGL Macquarie Pty Limited
- AGL Retail Energy Limited
- AGL Wholesale Gas Limited
- AGL Generation Holdco Pty Ltd
- Powerdirect Pty Ltd
- Perth Energy Holdings Pty Ltd
- Perth Energy Pty Ltd
- SEGH Pty Ltd
- Sustainable Business Energy Solutions Pty Ltd

A full list of AGL subsidiaries is available in our FY22 Annual Report. This report is available on our website.

# Appendix B

---

<b>Mandatory reporting criteria</b>	<b>Section(s) in this Statement</b>	<b>Page Reference</b>
S16(1)(a) Identify the reporting entity	About this Statement	Contents page
S16(1)(b) Describe the reporting entity's structure, operations and supply chains	Section 2	3
S16(1)(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Section 3.2	9
S16(1)(d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Section 3	7
	Section 3.3	11
S16(1)(e) Describe how the reporting entity assesses the effectiveness of these actions	Section 3.5	15
S16(1)(f) Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Section 2.1	4
	Section 4	17
S16(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Section 3.1	7
	Section 3.4	15
	Section 3.5	15

---

