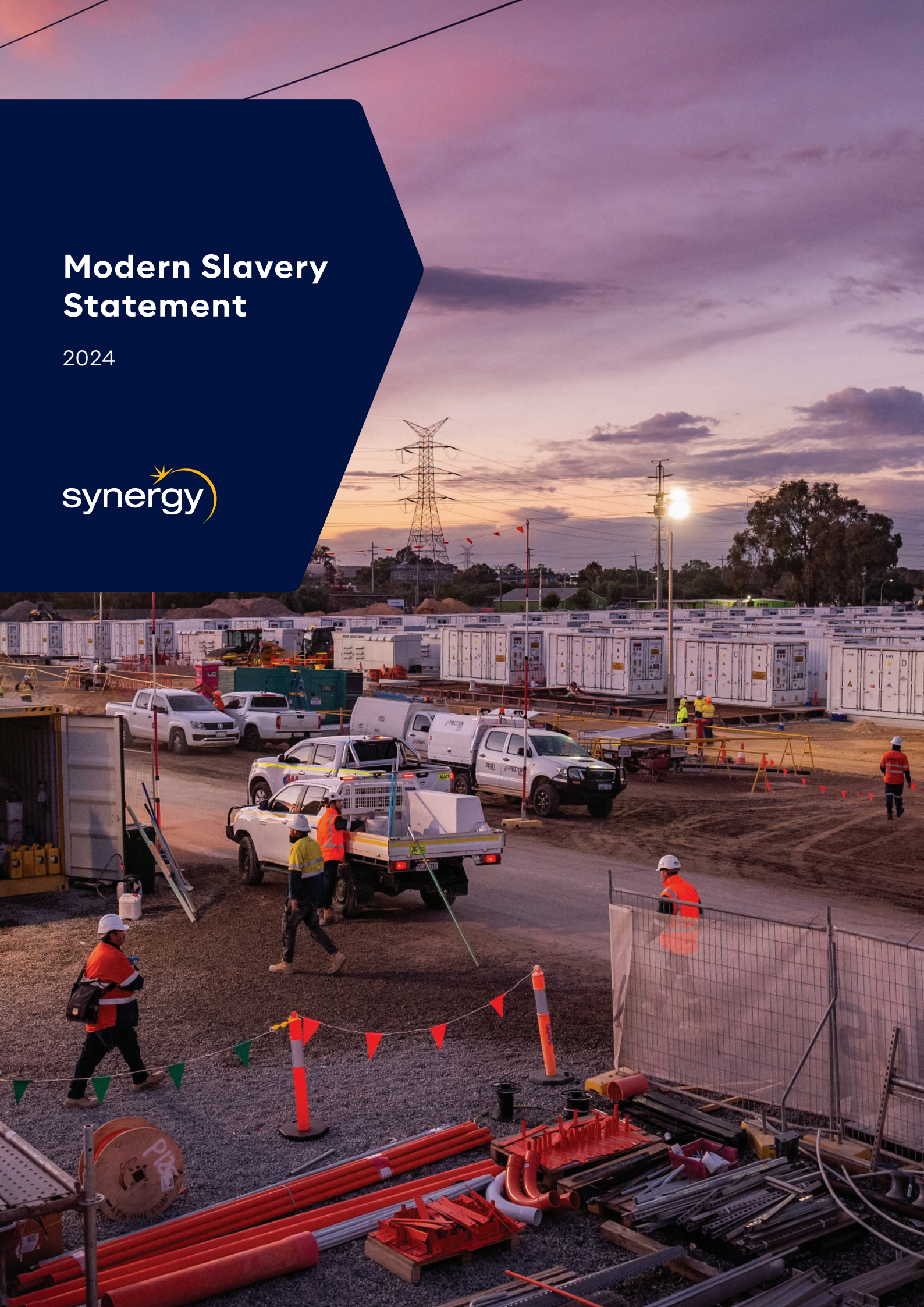


Modern Slavery Statement

2024



Acknowledgement of Country

Synergy acknowledges the Traditional Owners of the Land on which we operate and their continuing connection to the land, water and community. We recognise that Aboriginal and Torres Strait Islander people have survived practices that we now call modern slavery, and that the legacies of that treatment continue to affect them and their communities today. We pay our respects to all Aboriginal and Torres Strait Islander communities, their cultures and to Elders past, present and emerging.



About this statement

This statement has been prepared by the Electricity Generation and Retail Corporation, trading as Synergy (ABN 58 673 830 106) (Synergy), at its registered office address of level 23, 152-158 St Georges Terrace, Perth, Western Australia (WA), to meet the requirements of the *Modern Slavery Act 2018* (Cth) (the Act). This statement identifies the risks of modern slavery in Synergy's operations and supply chains, the actions taken to assess and address these risks, how we assess the effectiveness of those actions, and our forward-looking commitments as we seek to continuously improve our approach.

This statement covers the financial year ending 30 June 2024 (the Reporting Period). Where our structures, operations and supply chains are as per the 2022-23 financial year, we have re-stated the same information from our 2023 statement.

This statement is made on behalf of Synergy, Synergy's wholly owned subsidiary South West Solar Development Holdings Pty Ltd (ACN 152 749 936) (SWSDH), and SWSDH's subsidiary Synergy Renewable Energy Developments Pty Ltd (ACN 152 752 719) (SynergyRED).

The statement was approved by Synergy's board (principal governing body) on 29 October 2024.

A handwritten signature in black ink, appearing to read "m/shepherd".

Michelle Shepherd
Chair



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Addressing the mandatory reporting criteria

Applicable section of the Modern Slavery Act 2018 (Cth)	Mandatory Reporting Criteria Guidance for Reporting Entities	Location in document
s 16(1)(a) s 16(1)(b)	Criteria One and Two: Identify the reporting entity and describe its structure, operations and supply chains.	About this statement, page 2 Synergy overview, page 5 Our supply chains, page 13
s 16(1)(c)	Criterion Three: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls.	Our modern slavery risks, page 16
s 16(1)(d)	Criterion Four: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.	Our FY24 highlights, page 9 Our modern slavery risks, page 16
s 16(1)(e)	Criterion Five: Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks.	Assessing the effectiveness of our actions, page 24
s 16(1)(f)(i) and (ii)	Criterion Six: Describe the process of consultation with any entities the reporting entity owns or controls.	Our reporting entities and consultation, page 25
s 16(1)(g)	Criterion Seven: Any other relevant information.	Looking ahead, page 26



A message from our CEO

Synergy respects human rights. We acknowledge modern slavery risks are interconnected and complex and cannot be eliminated in isolation; collaboration within Synergy and with external stakeholders is key.

Over the past several years, we have developed and matured our modern slavery risk management capability. The refreshing of our corporate strategy and introduction of our social value pillar in 2022 brought modern slavery to the forefront of decision-making at the highest levels of the organisation.

In 2022-23, we concluded our Modern Slavery Roadmap, which has been followed by our first-ever Modern Slavery Strategy to guide our actions moving forward. Our vision of success is clear: to change behaviour within our supply chains and reduce the incidence of modern slavery.

Reflecting on this Reporting Period, I'm proud to share the progress we have made. Developing Synergy's Modern Slavery Framework marks a significant step forward and advances our approach to due diligence.

In light of the recent establishment of the Federal Anti-Slavery Commissioner and other measures to support victims and survivors in Australia, we are committed to staying abreast of further regulatory developments.

We look forward to continuing our efforts.

David Fyfe
Chief Executive Officer

Synergy overview



¹ Owned and operated by Bright Energy Investments (BEI).
² Provides electricity solely to Coral Bay. Does not feed electricity into the SWIS.
³ Provides electricity solely to Hopetoun. Does not feed electricity into the SWIS.

Synergy snapshot

27

Generation assets in operation and two in the late stage of development

1

Utility-scale Battery Energy Storage System in operation and two in construction

6,011 GWh

Of energy generated

1,186,927

Customers

69.3%

Customer effort score

1,212

Our people

1.84

Recordable injury frequency rate

\$100,000+

Community funding awarded



Our operations

Synergy is a WA Government Trading Enterprise (GTE), established under the *Electricity Corporations Act 2005 (WA)* and governed by the *Government Trading Enterprises Act 2023 (WA)*. These acts outline Synergy's powers, functions, and operational restrictions.

As WA's largest integrated electricity generator and energy retailer, Synergy serves over one million household and business customers across the South West Interconnected System (SWIS).

Synergy owns, operates, or has interests in a broad portfolio of electricity generating assets throughout the SWIS, including thermal power stations, wind and solar farms and hybrid systems. We also own and operate wind-diesel systems in Coral Bay and Hopetoun, outside the SWIS.

During the Reporting Period, we generated 6,007GWh of electricity, including 3,820GWh from coal, 2,183GWh from gas and 3,774MWh from wind and wind-diesel. Additionally, Synergy has a 19.9 per cent stake in Bright Energy Investments (BEI) which is a joint venture between Synergy, Cbus, and DIF. BEI generated 714.4GWh from wind and 87GWh from solar.

Synergy's operations focus on providing safe, reliable power at the lowest sustainable cost. The organisation is moving towards a more sustainable future by developing new renewable energy generation and storage solutions to replace its coal-fired power stations by 2030.

Our structure

For management purposes, Synergy is organised into business units based on functions and activities. In line with the *Electricity Corporations Act 2005 (WA)* and the *Electricity Corporations (Electricity Generation and Retail Corporation) Regulations 2013 (WA)*, Synergy has four operating segments detailed as per below.

Energy Generation

The Energy Generation division, including our Future Energy and Thermal Generation business units, manages our generating assets. This includes the safe and reliable operations and maintenance of our power stations and associated infrastructure. By 2030, we will retire our coal-powered stations and transition to increased use of renewables. Our gas turbine fleet plays a crucial role in providing energy and essential system services to support a reliable SWIS.

Wholesale

Synergy participates in the WA Wholesale Electricity Market. Our Wholesale division trades wholesale electricity and gas and manages the dispatch of our generation fleet and independent producer contracts, as well as fuel contracts. Wholesale buys electricity and related products, selling to retail and wholesale market participants under ring-fenced arrangements.

Customer

Customers are at the heart of everything we do. Our Customer division carries out the retail operations of Synergy, including the pricing, sale and marketing of electricity and gas to end-user customers in the SWIS.

Corporate Shared Services

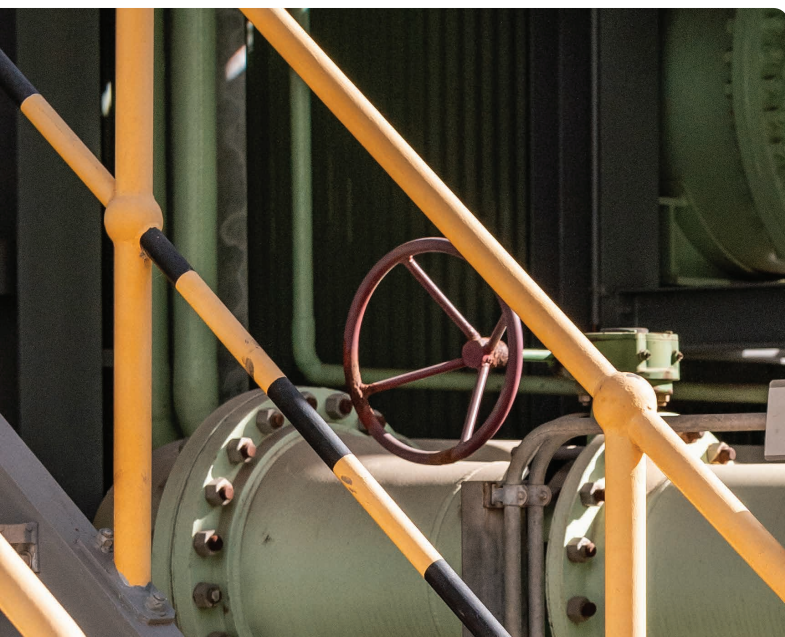
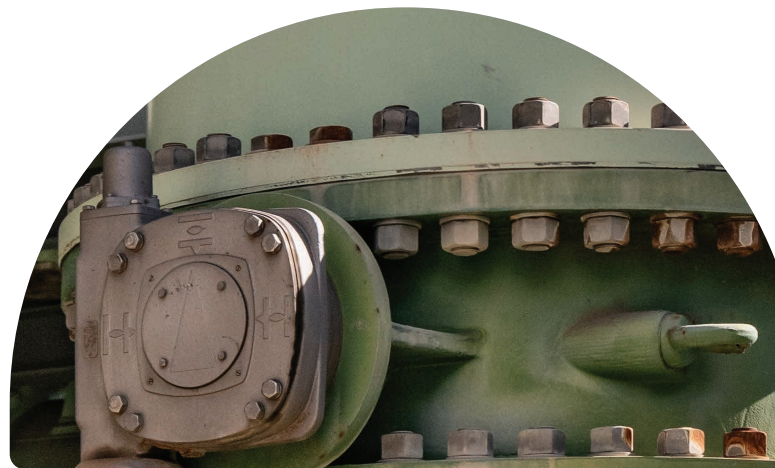
Our Corporate Shared Services division supports our Energy Generation, Customer and Wholesale divisions by performing functions such as corporate planning, strategy and transformation, finance, legal, people management, environment, health and safety, information technology, regulatory and compliance.

This division also includes the operations of Synergy's wholly owned subsidiary SWSDH and SWSDH's subsidiary SynergyRED. SynergyRED develops new renewable assets and provides asset management services, including for BEI assets, as well as vehicle management services.

Our people

Our workforce comprises 1,212 people, including 123 contractors, who fulfill a range of technical, operational, and professional roles within the Perth, Kwinana, and Collie regions of WA. We foster a safe, inclusive, and respectful workplace where everyone can collaborate, reach their full potential, and go home safe and well at the end of each day.

We ended the year with a recordable injury frequency rate of 1.84, a 63 per cent improvement on last year. We also achieved a 12 per cent improvement in our significant incident frequency rate to 2.45. These improvements resulted from a range of initiatives supporting our people's physical and mental health and wellbeing.



Our FY24 highlights

Governance

- ✓ Developed first Modern Slavery Policy*.
- ✓ Developed first Modern Slavery Framework.
- ✓ Revised internal Modern Slavery Working Group Charter and defined roles to enhance ownership and accountability.
- ✓ Addressed recommendations from internal audit.

Due diligence

- ✓ Finalised Synergy's risk appetite regarding modern slavery.
- ✓ Detailed new due diligence processes within Modern Slavery Framework.
- ✓ Conducted second tier supply chain analysis on key suppliers.
- ✓ Defined approach for monitoring supplier compliance with modern slavery obligations.
- ✓ Developed first Social Procurement Standard.
- ✓ Updated procurement procedures to align with existing modern slavery due diligence practices.

Remedy

- ✓ Formalised remediation commitment within Modern Slavery Policy and Framework.

Capability building

- ✓ Delivered training program to senior leaders and key employees.

**Described as 'Human Rights Commitment' in Synergy's 2023 Modern Slavery Statement.*

Our policy and governance approach

Human rights control framework



FY24 Maturity Assessment

Modern slavery maturity tracking

We track our modern slavery maturity against our Human Rights Control Framework, which is based on a benchmarked analysis of external best practices in relation to assessing and addressing modern slavery risks.

The charts demonstrate Synergy’s progress between 2023 and 2024 across four main categories, governance, due diligence, remedy, and capability building, and then across 12 subcategories. During the reporting period, Synergy recorded improvements across all four main categories, moving from “ad hoc” and “informal” processes in its subcategories, to “defined” processes in ten of its twelve subcategories.



FY23 Maturity Assessment for Comparison

1. Ad hoc

Processes at this level are in a state of dynamic change, tending to be driven in an ad hoc and reactive manner, providing an inconsistent response to the same events.

2. Informal

Processes at this level are unlikely to be rigorous, however, processes are informally established and understood, providing some consistency in response to the same events.

3. Defined

Processes at this level are, in some key functions, standard processes that may be subject to some infrequent degree of improvement over time. This provides mostly consistent practices and outcomes in response to the same events.

4. Managed

Processes at this level have a common and consistent understanding, having been formalised and subject to continuous improvement, providing consistent practices and outcomes in response to the same events. Such processes are typically integrated within wider organisational processes.

5. Optimised

Processes at this level are focused on continuous improvement of the organisational response to the same events through both incremental changes and innovation, and are recognised as a high value add function of the organisation.

Synergy's Modern Slavery Statement

Over the past several years, we have developed and matured our modern slavery risk management capability; developing our first Modern Slavery Framework represents the next step in this journey.

The Modern Slavery Framework:

1. Aligns with our social value strategic pillar by demonstrating a commitment to fair and ethical supply chains, one of Synergy's social value priorities;
2. Establishes our vision of changing behaviours within our supply chains to reduce the incidence of modern slavery, within our industry context and sphere of influence; and
3. Outlines processes and practices used to assess modern slavery risks within our supply chains, enabling proactive risk management and mitigation.

Framework hierarchy

While developing the Modern Slavery Framework is a significant milestone, its impact will only be realised through implementation. Synergy will invest the time and resources required to make our vision of success a reality.

	Component	Description
WHAT WE WANT TO ACHIEVE	Strategy	Overarching structure, context and vision to achieve Synergy's modern slavery objectives.
	Policy	Synergy's commitment to change behaviours within its supply chains to reduce the incidence of modern slavery; also outlines expectations regarding the management of modern slavery risks.
HOW WE WILL MEASURE OUR PROGRESS	Working group charter	Purpose, structure, membership and responsibilities of Synergy's internal Modern Slavery Working Group, which drives adoption of the Framework and monitors effectiveness.
	Risk management & remediation standard	Good practice requirements for dealing with modern slavery risk at Synergy in supply chains.
	Risk management & remediation procedure	Steps required to execute modern slavery risk management and remediation processes.
HOW WE WILL ACHIEVE IT	Key risk indicators	Early warning signs of threats to achieving modern slavery objectives, enabling timely action.

Social Procurement Standard

During the Reporting Period, we launched our Social Procurement Standard. The standard articulates how various aspects of social procurement are incorporated into our procurement processes and decision-making. It brings together all the social procurement processes that we follow into a consolidated standard, including considerations to identify and address modern slavery risks within our supply chains.

Supplier Code of Conduct

Our Supplier Code of Conduct (Code) outlines Synergy's values and sets our minimum expectations of suppliers providing goods and services to Synergy. The Code addresses our expectations around labour and human rights as well as a range of other topics such as health, safety and wellbeing, diversity and inclusion, governance and community. This year, 77 per cent of onboarded suppliers have agreed to adhere to the requirements of the Code. We will continue to work with suppliers that have either disagreed with elements of the Code or have been unresponsive.

Modern Slavery Working Group

Synergy's Modern Slavery Working Group comprises representatives from across our business. During the Reporting Period, we reviewed and revised the working group charter as part of developing our Modern Slavery Framework. The revised purpose of the working group is:

1. Functioning as a platform for open discussions, knowledge exchange, and the dissemination of best practices related to modern slavery and human rights;
2. Driving the adoption of and monitoring the effectiveness of the framework; and
3. Serving as an escalation point for risks during sourcing and within Synergy's supply chains.

Stakeholder engagement

We have engaged and collaborated with internal and external stakeholders throughout the Reporting Period. Internally, Synergy's board, executive leadership team and members of the Modern Slavery Working Group provided input into developing the Modern Slavery Framework.

Externally, we continued our engagement as part of the Human Rights Resource and Energy Collaborative (HRREC), a group of Australian companies in the energy and resources sector that collaborate, share knowledge, and develop practical tools to identify and address modern slavery risks within supply chains. During the Reporting Period, the risks in renewables continued to be a focus, and Synergy participated in a dedicated renewables workstream.



Our supply chains

¹ Spend with Australian entities



68%

Number of vendors procured from

1007

Active contracts

441

Contestable spend

\$992m



We carry out our sourcing activities through a centralised procurement and supply chain function based in Western Australia. This function follows procurement policies and procedures that support socially responsible sourcing and the use of local suppliers whenever feasible. This year, we recruited a dedicated social procurement specialist into the procurement team, further supported by our strategy and social value team.

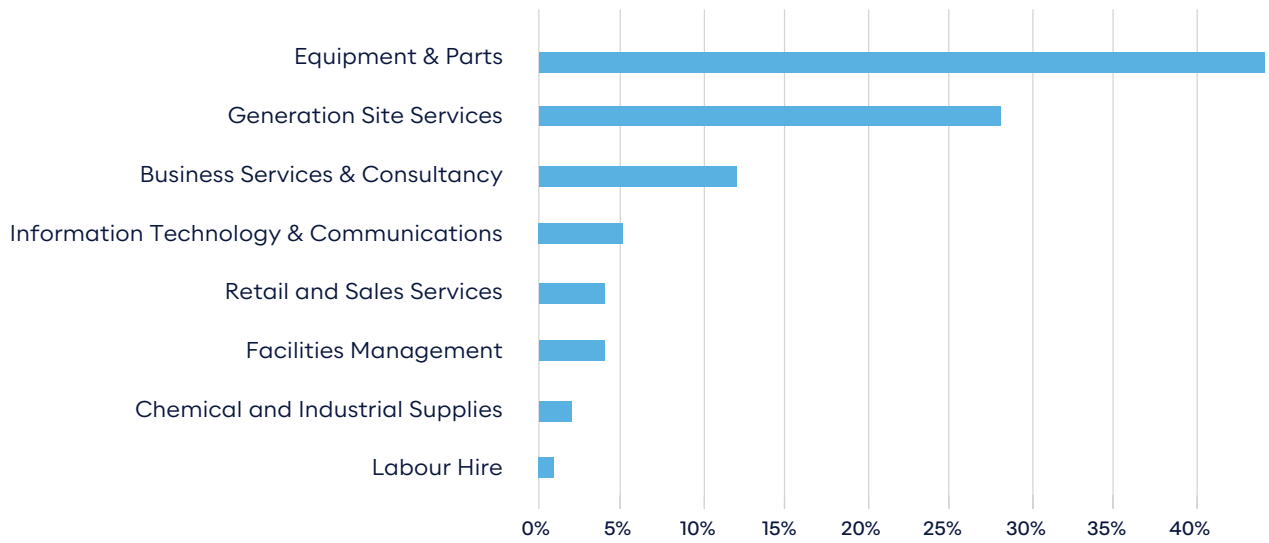
In the Reporting Period, 53 per cent of Synergy's contestable spend was with Western Australian entities, and 8 per cent of that was with suppliers located within the regions where we operate.

We meaningfully engage with Aboriginal businesses and have integrated the Western Australian Aboriginal Procurement Policy into our sourcing processes. This approach has resulted in achieving our annual target for the fifth consecutive year, awarding four per cent of contracts to Aboriginal-owned businesses.

As in previous years, the key areas of Synergy's contestable expenditure were procurement of equipment and operations and maintenance services for our generation assets; there has been an increasing focus on renewable assets including the supply of battery energy storage.

¹ The FY24 expenditure of Synergy's wholly owned subsidiary SynergyRED, was \$12.88 million, primarily covering electricity network studies and professional services.

Top spend categories

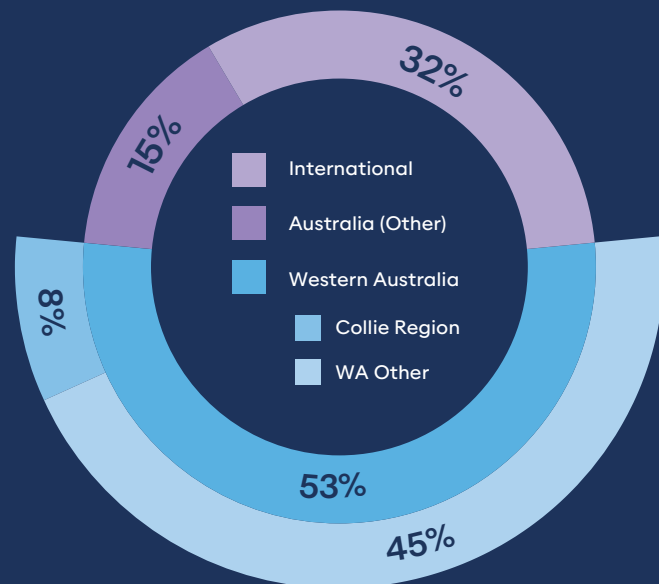


Top 5 source countries

By spend

- Australia (68%)
- China
- Spain
- United States
- Switzerland

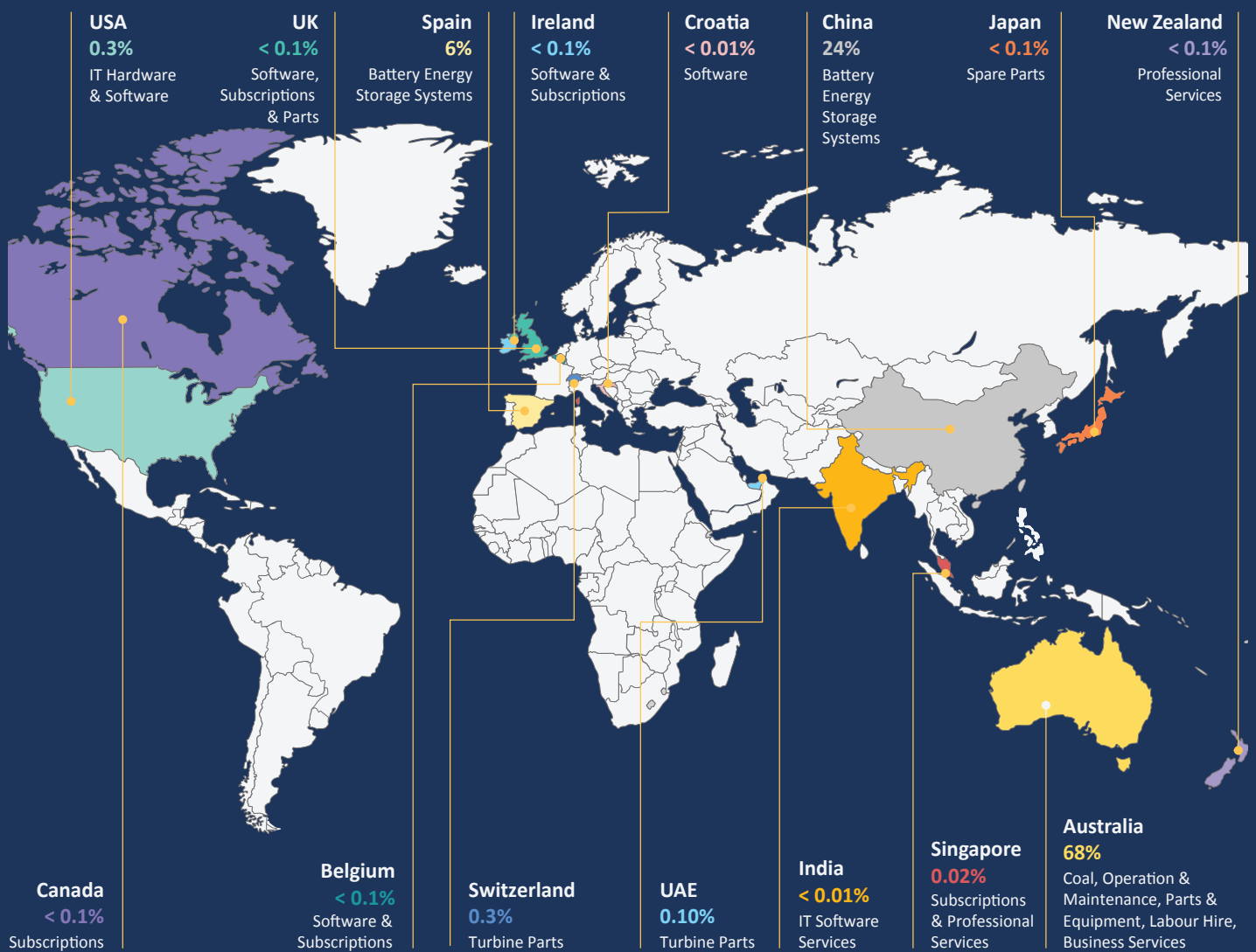
Spend by region



Tier 1 supplier location

By percentage of spend

This map identifies spend by region based on our tier 1 (direct supplier) location. Through our sub-tier visibility assessments, we have been able to identify relevant equipment manufacturing and offshore services across countries such as China, India, Italy, Saudi Arabia and UAE.



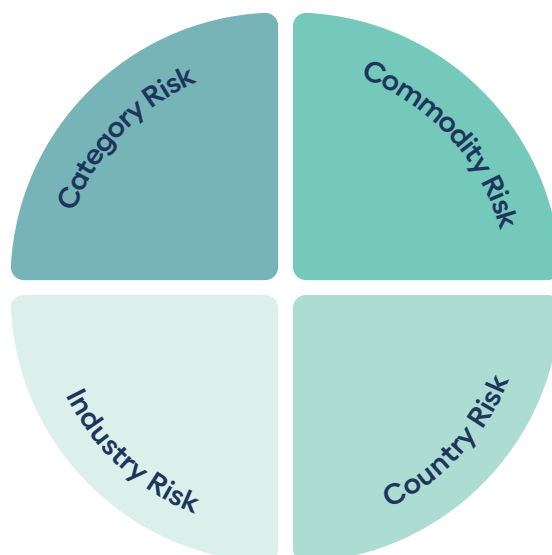
These percentages have been rounded to one decimal point and therefore do not add up to 100%.

Our modern slavery risks

We acknowledge that Synergy's operations and supply chains could potentially cause, contribute to, or be directly linked to modern slavery. Modern slavery comprises human rights violations such as human trafficking, slavery, forced labour, debt bondage, forced marriage, and the worst forms of child labour. We understand that modern slavery can involve coercion, threats, or deception to exploit victims and limit their freedom. These practices are serious criminal offences and can often be concealed and difficult to detect.

In acknowledgement that all human rights abuses are equally unacceptable regardless of their nature, we do not assess modern slavery severity. Synergy's ongoing risk assessment process continues to be informed by indicators specific to our supply chains, categorised into the following four risk factors:

- 1. Industry risk:** Includes industries involving people who may have a higher risk of harm due to language, literacy or education characteristics, or higher risk business models (including offshore services, labour hire, or other services involving migrant workers).
- 2. Category risk:** Exploitative labour practices are more likely in particular supply chain categories, such as solar panels, wind turbine components, electronics and textiles.
- 3. Commodity risk:** Identification of high-risk areas further down the supply chain, into the raw materials and minerals such as polysilicon, cobalt, metals, copper and rare earths.
- 4. Country risk:** High risk geographies are typically characterised by conditions including weak rule of law, high levels of corruption or conflict and other factors such as internal displacement of people, high cross-border migration and regional or remote areas.





Risk appetite

During the Reporting Period, the Synergy board approved Synergy's Group Risk Appetite Statement. This statement outlines the level of risk we are willing to assume in pursuit of our strategic goals, including specifically addressing modern slavery risks relevant to our supply chains. Synergy's appetite has been set at a level that acknowledges the inherent risks associated with all goods and services we procure. However, accepting these risks does not imply acceptance of modern slavery practices.

The statement separately addresses workplace health and safety (WHS), including psychosocial risks relevant to modern slavery risks within our operations. Synergy's appetite for WHS risks commits to avoiding harm to our people.

Our risk appetite level is embedded in Synergy's Modern Slavery Framework (page 11) and drives ongoing efforts to identify and address risks in both our operations and supply chains, ensuring these considerations inform our decision-making.

Risks in our operations

We have not identified any instances of modern slavery in our operations, past or present. All Synergy's operations are based in Australia, a country with a low prevalence of modern slavery². Due to the protections in place for our workforce, we consider the likelihood of Synergy causing, contributing or being directly linked to such practices to be low.

Our comprehensive range of policies and processes, detailed in Appendix 1: Governance documents (page 27), safeguard our workforce's human rights by outlining requirements for:

1. Ethical behaviour and reporting breaches: Code of Conduct, Speaking Up Standard, Public Interest and Whistle-blower Procedure;
2. Fair recruitment and compensation: Recruitment and Selection Standard, Total Reward Standard, and Equal Opportunity Standard; and
3. A safe work environment: Bullying, Discrimination and Sexual Harassment Standard, Flexible Working Arrangements Standard, Health and Safety Policy & Procedures.

We conduct thorough pre-employment screenings, including visa and criminal checks, to identify candidates vulnerable to exploitation or engaged in unethical practices. We also provide appropriate training and support to hiring managers and regularly audit recruitment activities to ensure compliance.

Synergy provides competitive terms and conditions of employment for employees, using external benchmarked data which enshrine fair employment terms and conditions. These terms and conditions are formalised through Synergy's employment policies and procedures and through enterprise agreements for some of our employees. Enterprise agreements also apply to most of our contractor workforce at generation sites, reflecting market terms and conditions to attract and retain required skills and experience.

Despite the low risk of modern slavery within our operations, we acknowledge the estimated 41,000 people living in modern slavery in Australia². Modern slavery risks can exist in any sector or organisation. Therefore, we remain vigilant and will take appropriate measures to address any material changes in the level of risk that may arise within our operations.

² Australia: Country risk assessment based on the Global Slavery Index 2023 published by the Walk Free Foundation

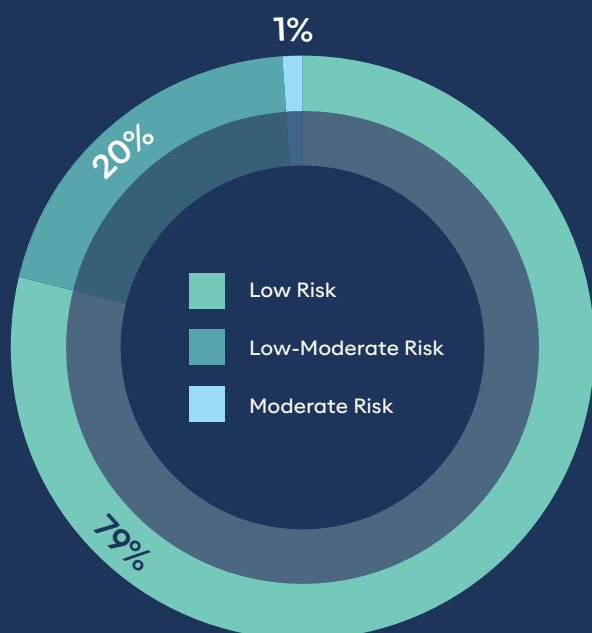
Contribution to Just Transition

We are managing the impacts of the energy transition on our workforce in a just and socially responsible manner. We entered into a long-term enterprise bargaining agreement during the Reporting Period with relevant unions, supporting our coal-fired power station teams as we work towards retiring these assets. Separately, with union support, we have implemented additional benefits to assist employees transitioning from our coal powered assets.

Working with young people

We recognise that young people are at a heightened risk of experiencing modern slavery. During the Reporting Period, more than 40 people participated in our graduate, vacation and apprenticeship programs. These programs comply with all applicable Australian workplace relations laws and regulations. Synergy ranked first nationally in the Top Intern Programs 2024 and 18th nationally in the Top Graduate Employers rankings in 2023.

Supplier Risk Profile



Risks in our supply chains

Synergy's supply chains present the greatest risk of potentially contributing to or being directly linked to modern slavery practices. Various risk factors — as outlined in our Procurement Due Diligence Framework (see page 16) — may impact the nature and extent of modern slavery practices, particularly when these factors intersect. While forced labour is the most common form of modern slavery globally³, we could potentially encounter any form of modern slavery in our supply chains.

Synergy continues to engage a third-party Environmental, Social, and Governance (ESG) risk analytics platform to support our supply chain risk assessment process. During the Reporting Period, we used this platform to assess the modern slavery risks in the operations and supply chains of our current suppliers as well as potential suppliers participating in a tender process; 471 current suppliers were assessed through the platform.

Our analysis confirms a shift in risk levels among Synergy's suppliers. In 2022-23, 96 per cent of suppliers were rated as having low modern slavery risks. However, in the Reporting Period 79 per cent of suppliers received a low-risk rating. This change highlights our growing exposure to higher risk renewable energy supply chains, which aligns with delivery of our decarbonisation strategy.

During the Reporting Period, Synergy approached over 200 suppliers, requesting the completion of a modern slavery Supplier Assessment Questionnaire (SAQ). The SAQ provides Synergy with a deeper understanding of the supplier's risk profile, controls and the maturity of their approach to addressing modern slavery risk. As we have been achieving a response rate of around 50%, increased efforts were made to collaborate with suppliers that have been unresponsive to SAQs and other information requests. Synergy is committed to continuous improvement across the business and will continue to engage with suppliers to prevent and mitigate the risk of modern slavery within our supply chains.

³ Global estimates of modern slavery: forced labour and forced marriage 2022 published by the International Labour Organization and the Walk Free Foundation

Elevated modern slavery risks

Our increased exposure to higher-risk renewable energy supply chains reinforces the need for thorough evaluation of suppliers and the importance of identifying and understanding the relevant risk factors within Synergy's supply chains.

Category	Elevated Risk Factors
Electrical equipment (including battery energy storage)	Involves complex supply chains with components sourced from multiple countries. Risks include raw material extraction (e.g., cobalt and lithium mining), which is linked to child labour and poor working conditions.
Turbine equipment	Involves large-scale industrial operations. Risks include low-skilled labour, reliance on outsourcing, and operations in countries with weak labour laws. Components such as steel and electronic parts are often sourced from high-risk regions.
Fabricated metals	Requires significant quantities of raw materials often sourced from high-risk areas. Risks include forced labour in mining, poor working conditions in manufacturing plants, and the use of subcontractors who may not adhere to ethical labour practices.
Construction	The industry is known for reliance on low-skilled labour and subcontracting. The use of temporary and migrant workers, who are often vulnerable to exploitation, elevates the risks. Additionally, construction materials (e.g. steel) are often sourced from regions with poor labour practices.
Computing equipment	Production involves complex supply chains with significant risks in raw material extraction (e.g., conflict minerals), manufacturing, and assembly processes. Countries involved in these processes often have weak labour protections, and there is a high reliance on low-skilled, low-wage labour.
Offshore services (including IT and customer support)	Often based in countries with lower labour costs and less stringent labour laws. Risks include forced labour, excessive working hours, and poor working conditions. A dependence on outsourcing further heightens the risk of labour exploitation.
Facilities management	Involves services like cleaning, maintenance, and security, which are often filled by low-skilled, low-wage workers, including migrants, who are vulnerable to exploitation. The use of subcontractors further increases the risk of poor labour practices.
Labour hire	Companies supply workers across various sectors, often for temporary or seasonal work. This category is particularly high-risk due to the potential exploitation of temporary workers, especially migrants. Risks include underpayment, poor working conditions, and lack of job security, potentially leading to forced labour and other forms of modern slavery.

Case study

Enhancing sub-tier supplier visibility

Synergy aimed to improve transparency and assess modern slavery risks by gaining sub-tier visibility of selected direct suppliers' supply chains. We requested details such as a list of their direct suppliers with locations, manufacturing locations, details of efforts to identify high-risk suppliers and information about modern slavery risks within their supply chains. The initiative had mixed outcomes, including:

- 1. Pushback on transparency:** some international suppliers were reluctant to provide detailed information regarding their supply chains, citing confidentiality and competitive reasons.
- 2. Risk identification:** Some suppliers identified elevated risks within specific industries, particularly those involved in raw material extraction and manufacturing in high-risk regions.
- 3. Local visibility:** Suppliers with a strong local presence in Australia provided greater visibility into their local supply chains.

The analysis revealed:

- 1. Supplier engagement challenges:** The low response rate and pushback highlighted the challenges in obtaining sub-tier supply chain visibility, indicating a need for stronger engagement strategies and consideration of more robust contractual obligations.
- 2. Sector-specific risks:** The identified risks in certain industries aligned with existing knowledge of high-risk sectors. This reinforces the need for targeted risk assessments focusing on these areas.
- 3. Local vs. international responses:** The contrast between responses from local and international suppliers suggests that proximity and local regulatory environments may influence willingness to provide supply chain information.

This exercise highlighted the importance of sub-tier visibility in managing modern slavery risks. Our upcoming priorities include incorporating supply chain transparency and risk assessments in supplier contracts, developing stronger communication strategies, and evaluating digital data management tools. We will also focus on detailed risk assessments in high-risk sectors and regions.

During the Reporting Period, we sourced 68 per cent of goods and services from Australian suppliers (see Our supply chains, page 13); this approach helps maintain a low country risk profile for our direct imports. Synergy's strategic shift towards renewable energy has required increased international procurement, a trend expected to continue. For example, 30 per cent of our contestable spend was for the procurement of renewable assets (battery energy storage systems) sourced from China and Spain⁴.

While our 'buy local' approach aligns with our commitment to mitigating modern slavery risks, as we delve deeper into our supply chains, we understand that additional risks may be discovered. We have increased our focus on understanding modern slavery risks beyond our direct suppliers. This shift underscores the importance of expanding our risk assessments to include sub-tier suppliers and ensuring comprehensive visibility of our supply chains.

⁴ Country risk assessment based on the Global Slavery Index 2023 published by the Walk Free Foundation. In the Asia Pacific region, Australia is ranked 26 and China is ranked 19. However, Synergy is aware of the elevated risk of modern slavery within particular regions in China, including the Xinjiang Uyghur Autonomous Region. Spain has been assessed as having a low modern slavery risk, with prevalence levels similar to Australia.



Addressing risks

Due diligence

Our processes to identify, assess, prevent, and mitigate the risks of modern slavery are derived from the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles). Our due diligence approach includes identifying, assessing, and mitigating the risk to people caused by, contributed to, or indirectly linked to our business activities. Synergy's approach aims to:

1. Identify and assess the risk and impact of modern slavery on people across our operations and supply chains;
2. Prevent and mitigate the risk of modern slavery across our operations and supply chains;
3. Address risk and impact to people across our operations and supply chains; and
4. Enable appropriate remediation of any adverse human rights impacts that Synergy may cause or contribute to.

Tender risk assessment

The Modern Slavery Framework has formalised and enhanced Synergy's approach to due diligence during tender processes, building on the Procurement Due Diligence Framework established during 2022-23. Under the revised process, due diligence will escalate in accordance with the inherent risk and contract value involved in each tender. When engaging with high-risk tenders and suppliers over specified financial thresholds, we will undertake a structured risk management process as follows:

1. An initial risk assessment;
2. Desktop due diligence to gain visibility into sub-tier supply chains and identify potential risk flags; and
3. If further risk factors are uncovered, on-site due diligence, verifying supplier authenticity and investigating any indications of modern slavery.

Remedy

We do not tolerate any form of misconduct at Synergy, including unethical behaviour that may be linked to modern slavery. Our Integrity Framework underpins our culture of speaking up, ensuring that concerns can be addressed promptly and effectively. The Framework supports our Code of Conduct and comprises standards, procedures and guidelines for whistleblowing, public interest disclosure, investigations, and reporting.

Synergy encourages transparent relationships with our suppliers where concerns about potential human rights violations can be safely voiced and investigated. The details of our whistle-blower hotline (Stopline) are communicated on our website and in onboarding materials, tender documents, our modern slavery risk assessment tool, and Supplier Code of Conduct.

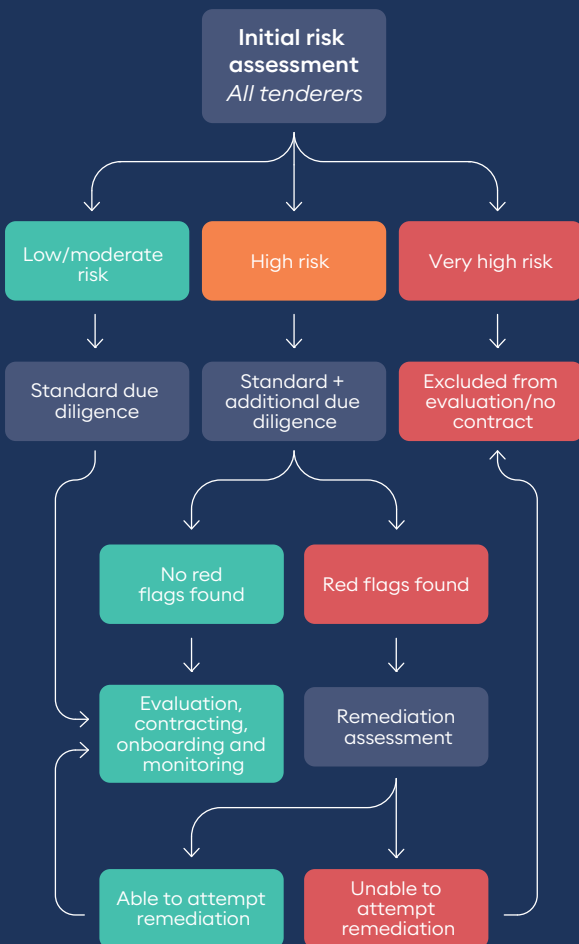
Remediation assessment

During the Reporting Period, we formalised our approach to remediating modern slavery detected within our supply chains either during the tender process or as part of an existing engagement. This approach broadly aligns to the principles outlined in the HRREC Modern Slavery Response and Remedy Framework and is tailored to Synergy’s context and operational requirements.

We have developed a remediation assessment tool to determine our appetite and ability to influence behaviour within our supply chains. When we can engage in remediation:

1. A Modern Slavery Remediation Action Plan (MSRAP) will be developed outlining the objectives, metrics, timelines, financial resources, and responsibilities required to address these issues;
2. If we are unable to engage in remediation, we will consider options to terminate contractual arrangements; and
3. Walkaway conditions will be established should the MSRAP prove ineffective.

Risk assessment of eligible tenders



While we engaged an external specialist to develop our remediation approach, we have not yet recorded a modern slavery incident or engaged in remediation. As such, our proposed approach has not been implemented or tested. Moving forward, we will monitor the effectiveness of our approach and develop it further as necessary.



Capability building

During the Reporting Period, we continued to deliver targeted training programs as part of our Human Rights Learning and Development Strategy. These programs increase awareness and build the capacity of key functions, including our supply chain team, contract management employees, and executive team.

We delivered seven bespoke face-to-face training sessions to 99 employees; attendees included 94 per cent of our senior leadership team, and representatives from all business units. The high attendance rates, particularly by senior leadership, underscore the importance of this issue at Synergy.

By continuing to prioritise capability building and training, Synergy fosters a culture of awareness and proactive modern slavery risk management. Equipping our supply chain and leadership teams with knowledge and tools is a critical step upholding human rights and ethical practices within our operations and supply chains.

Assessing the effectiveness of our actions

We acknowledge UN Guiding Principle 20, which states that to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response. Tracking should be based on appropriate qualitative and quantitative indicators and draw on feedback from both internal and external sources, including affected stakeholders.

We regularly review and assess the effectiveness of our policies, codes, standards, and procedures as part of our overall governance framework.

During 2022-23, we conducted an internal modern slavery audit, identifying various opportunities to enhance our management of modern slavery risks. In response to these opportunities, Synergy:

1. Engaged a specialist external procurement and supply chain consultancy to support the completion of our Modern Slavery Framework;
2. Defined Synergy's risk appetite in relation to modern slavery;
3. Established new internal modern slavery key risk indicators (quantitative); and
4. Established mechanisms to routinely monitor progress against Synergy's modern slavery strategic objectives (qualitative and quantitative).

In future, we will use these qualitative and quantitative monitoring and reporting mechanisms to assess the effectiveness of our actions internally. Synergy's modern slavery strategic objectives also inform our forward-looking commitments, which will be reported on externally (see page 26).

Ongoing due diligence

Synergy's Modern Slavery Framework formalises our approach to ongoing due diligence. This approach will be enabled through supplier engagement, which is critical to achieving our objectives. We engage with suppliers throughout sourcing and contracting to award, delivery, and close-out.

Ongoing due diligence will escalate in line with the risk profile of each situation. Our process is designed to monitor the effectiveness of our modern slavery controls, which include Human Rights Risk Management Plans (HRRMP) and Modern Slavery Remediation Action Plans (MSRAP). This process is not only a measure of our control effectiveness but also a mechanism to identify and assess any significant changes in the supply chain.

We will adjust our approach based on residual risk levels to ensure continued compliance with our contractual obligations and to promptly address any emerging risks. This approach demonstrates our unwavering commitment to proactively addressing the challenges posed by modern slavery.



Our reporting entities and consultation

This statement is submitted as a joint statement and applies to all subsidiaries owned by Synergy. Synergy's wholly owned subsidiary South West Solar Development Holdings Pty Ltd (SWSDH) and SWSDH's subsidiary Synergy Renewable Energy Developments Pty Ltd trading as SynergyRED, have been engaged and consulted with in the development of this statement, and in relation to modern slavery risks in their operations and supply chains. SynergyRED's team works closely with Synergy and is co-located at Synergy's offices. A SynergyRED representative is a member of our cross-functional Modern Slavery Working Group and has endorsed this statement.

Our comprehensive governance requirements extend to subsidiary entities, including in the context of procurement and risk management. This ensures a uniform approach to managing operational and supply chain risks, including the management of modern slavery risks as described throughout this statement. Synergy's new Modern Slavery Framework applies to all of its subsidiaries.



Warradarge Wind Farm is a Bright Energy Investment asset, which is a joint venture between Synergy, Cbus and DIF



Looking ahead

Our two-year Modern Slavery Roadmap has concluded and is followed by a 2024-2029 Modern Slavery Strategy which provides the structure, context, and vision to achieve our modern slavery objectives. Our objectives for the next reporting periods through to and including the 2029 calendar year are set out below.

Leadership

1

1.1 Change behaviour in our supply chains

1.2 Influence policy and industry

Ethics

2

2.1 Drive social value through continued supply and decarbonisation

2.2 Reduce human suffering in our supply chains

Defensibility

3

3.1 Generate appropriate sub-tier visibility

3.2 Maintain high reliability data sources

Transparency

4

4.1 Drive organisational alignment around modern slavery

4.2 Effectively engage with our key stakeholders (internal and external)

Sustainability

5

5.1 Deliver on our business strategy within budget and timeframes

5.2 Enable effective organisational culture, capability and capacity

In FY25, our priorities are to:

- Operationalise and embed our new Modern Slavery Policy, Framework and due diligence processes.
- Generate appropriate sub-tier visibility.
- Deepen supplier collaboration, with a focus on suppliers that have been unresponsive.
- Drive organisational alignment around modern slavery.
- Expand reach of modern slavery training to key employees.

Appendix 1

Governance documents

Key governance documents that detail the approach, expectations, and practices to protect human rights in our internal operations and mitigate modern slavery risks in our supply chains.

Modern Slavery Governance

Modern Slavery Strategy	Sets out the structure, context and vision to achieve modern slavery objectives.
Modern Slavery Policy	Outlines Synergy's commitment to change behaviour within its supply chains to reduce the incidence of modern slavery.
Modern Slavery Framework	Synergy's Modern Slavery Framework comprises a suite of interconnected tools which support risk management within our supply chains.
Modern Slavery Working Group Charter	Details the purpose, structure, membership and responsibilities of Synergy's internal Modern Slavery Working Group.
Modern Slavery Risk Management and Remediation Standard	Sets out good practice requirements for dealing with modern slavery risks at Synergy.
Modern Slavery Risk Management and Remediation Processes	Details the steps required to execute modern slavery risk management and remediation processes.
Modern Slavery Key Risk Indicators	Serve as early warning signs of threats to achieving modern slavery objectives, enabling timely action.
Modern Slavery Procurement Due Diligence Framework	Outlines the approach to assessing and evaluating modern slavery risks through the procurement process.

Operations (People) Governance

Purpose

Code of Conduct	Sets out standards for appropriate ethical and professional behaviour for Synergy staff and contractors.
Supplier Code of Conduct	Outlines Synergy's values and sets our expectations around modern slavery and human rights as well as health, safety and wellbeing
Speaking Up Standard	Explains the channels for speaking up; how and to whom people can speak up; what happens when people speak up; and the protections given to people who speak up.
Public Interest and Whistle-blower Procedure	Contains processes for raising concerns about actual or suspected misconduct at work under the PID Act or the corporate whistle-blower laws.
Misconduct Reporting Procedure	Outlines the requirements for employees who receive reports about actual or suspected misconduct.
Recruitment and Selection Standard	Defines the minimum mandatory performance requirements for sourcing activities associated with recruitment and selection of employees at Synergy.
Equal Opportunity Standard	Provides guidance to ensure that all employees and potential employees are treated consistently, equitably and fairly.
Total Reward Standard	Defines the approach to managing fixed and variable remuneration, benefits, and recognition programs to fairly remunerate, attract and retain skilled employees.
Non-Contractual Benefits Standard	Details the additional employee benefits provided to supplement contract remuneration packages.

Appendix 1

Governance documents (continued)

Operations (People) Governance	Purpose
Bullying, Discrimination and Sexual Harassment Standard	Explains Bullying, Discrimination and Sexual Harassment and provides guidance on what to do if the standard is breached.
Flexible Working Arrangements Standard	Sets out the core principles by which any flexible working arrangement at Synergy is to align, including the legislative provisions applicable to certain categories of employees.
Overtime Management Procedure	Provides the framework for consistent allocation, approval, and management of overtime. Includes framework for the fatigue management procedure.
COVID- 19 Work Practices Procedure	Defines the steps required to manage absences or changed work practices associated with COVID-19.
Health and Safety Governance	Purpose
Health and Safety Policy	Outlines our commitment to the health and safety of our people.
Health and Safety Risk Management Procedure	Describes the process, procedure, and tools for planning, undertaking and follow up action for H&S and process safety hazard and risk reviews.
Fatigue Management Procedure	Provides appropriate guidance, knowledge, and tools for the safe management of fatigue.
Contract and Procurement Governance	Purpose
Procurement Standard	Sets out the standards applicable to all employees in the conduct of activities for procurement of materials and services.
Procurement Procedure	This procedure provides guidance and instructions to support the execution of the procurement process by the supply chain team.
Procure-it Contract Framework Procedure	Describes the requirements and steps to request, source, award, manage and complete a contract at Synergy.
Social Procurement Standard	Articulates how various aspects of social procurement are incorporated into Synergy's procurement processes and decision making.



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