



Modern Slavery Statement

ElectraNet Pty Limited

1 July 2019 – 30 June 2020

This Modern Slavery Statement is jointly made by:
ElectraNet Pty Limited (ACN 094 482 416)
ElectraNet Transmission Investments Pty Ltd (ACN
119 027 262) pursuant to the Modern slavery Act
2018 (Cth).

This Statement is approved by the Board of the
ElectraNet Group.

Signed 
Gordon Jardine
Independent Director and Chairman

Signed 
Steve Masters
Chief Executive ElectraNet

Reporting Entity

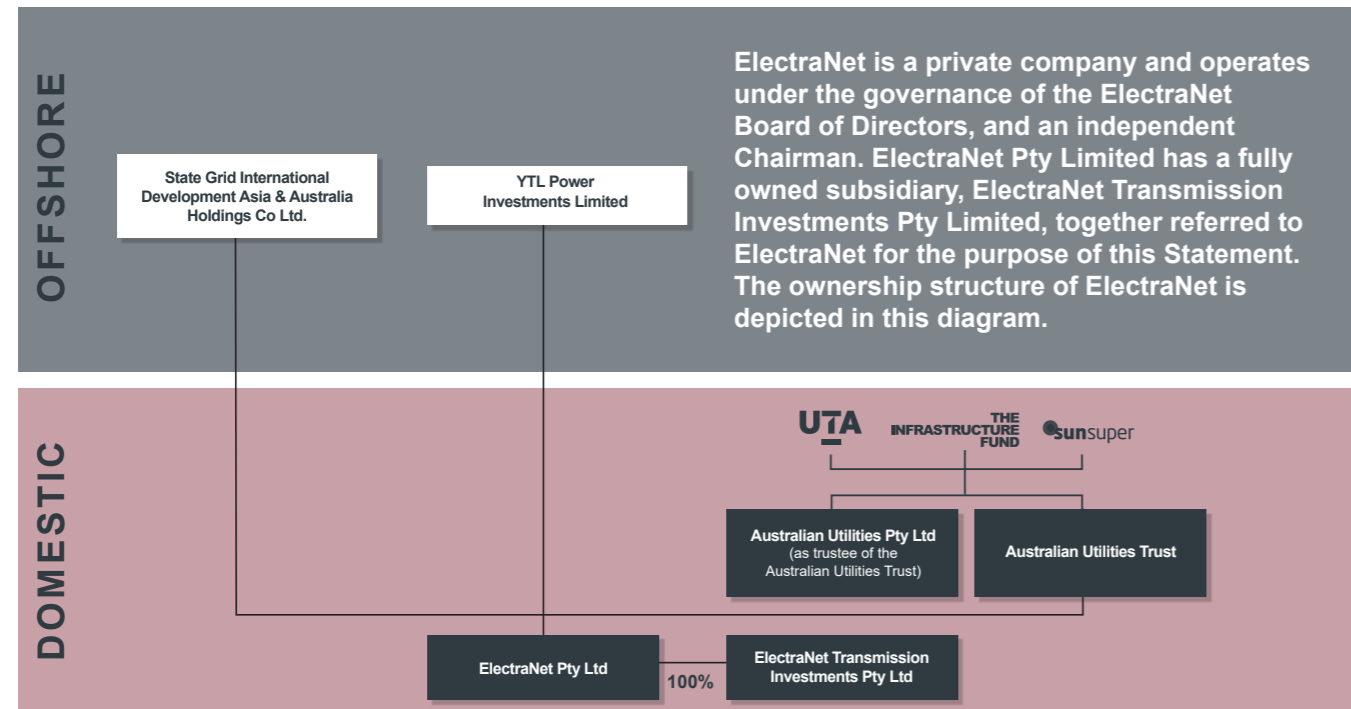
This Modern Slavery Statement is submitted by the
ElectraNet Group, comprising ElectraNet Pty Limited
ACN 094 482 416 and its subsidiary ElectraNet
Transmission Investments Pty Limited,
ACN 119 027 262.

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52-55 East Terrace
Adelaide, South Australia 5000

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Structure, Operations & Supply chains

Entity Structure



ElectraNet owns and manages South Australia’s high-voltage transmission network which transports electricity over long distances from traditional and renewable generators both local and interstate. There are six divisions which work together in the management of the network to ensure continuous improvement and the delivery of value for customers, stakeholders and shareholders.



Corporate Services

Empowers the operational side of the business to operate safely and to its optimum standard with regard to energy consumers, the natural environment and current government policies. This is achieved through a range of services in the areas of communications, environmental and land management, safety, people, technology and cyber security.



Asset Management

Strategic asset management, power system planning and network development, regulation, regulated investment planning, and government and stakeholder relations.



Network Services

Capital project and maintenance program delivery, engineering services, network operations and network and asset performance.



Corporate Development

Growth strategy, business development and customer management.



Finance

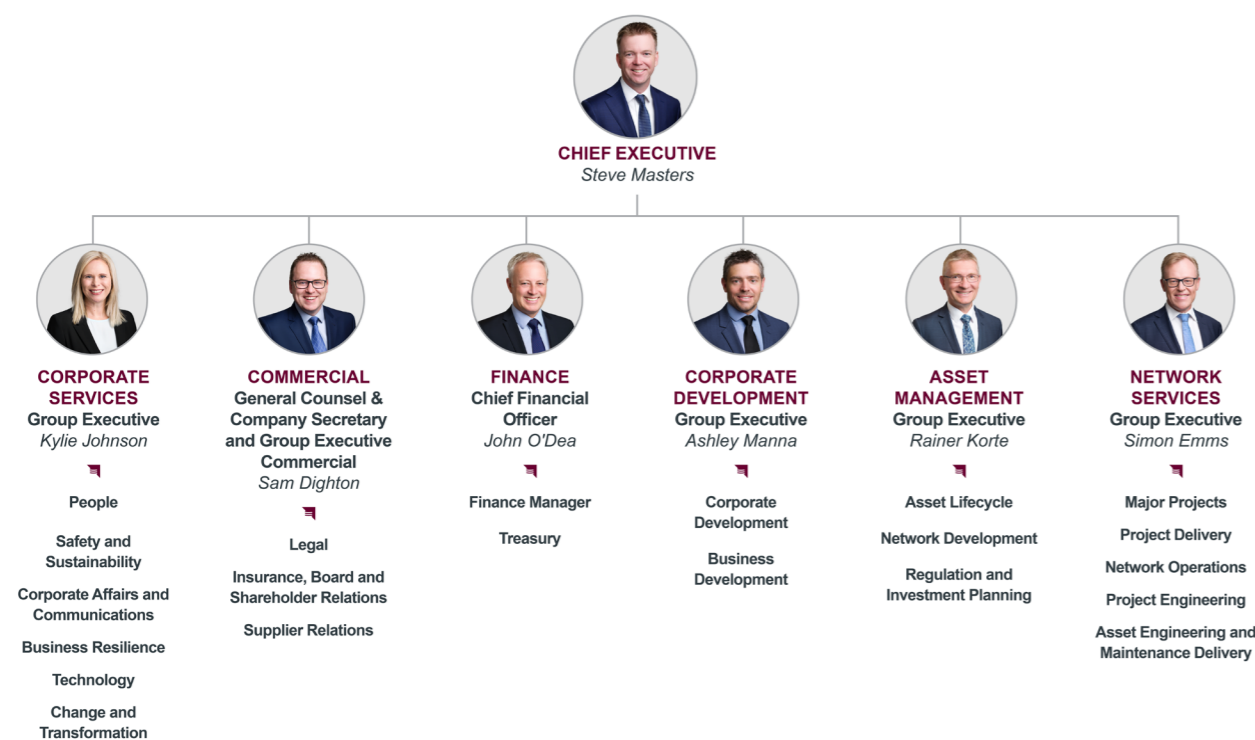
Finance and accounting including treasury, financial operations, accounting taxation and credit rating management.



Commercial

Board and committee support, insurance, procurement and legal services.

Corporate Structure



Structure, Operations & Supply chains

Operations

ElectraNet is a specialist in electricity transmission – providing energy and infrastructure solutions across Australia. ElectraNet plans, builds, operates, maintains and owns South Australia’s high-voltage electricity transmission network and is the principal Transmission Network Service Provider (TNSP) in South Australia.

Our network transports power generated from local and interstate sources over long distances to metropolitan and regional areas of demand (local centres). It is one of the most extensive regional transmission systems in Australia, extending across some 200,000 square kilometres of South Australia. This network consists mainly of transmission lines operating at 132,000 and 275,000 volts.

ElectraNet’s direct customers include a variety of energy generators, South Australia’s electricity distributor (SA Power Networks) and large industry.

The business is subject to revenue regulation by the Australian Energy Regulator (AER) under the National Electricity Rules (NER) for the regulated business.

ElectraNet must also meet reliability standards established by the jurisdictional licensing authority, the Essential Services Commission of South Australia (ECOSA) and under the South Australian Electricity Transmission Code (SAETC). Together with the requirements of the NER, these standards drive much of the regulated investment undertaken by ElectraNet.

ElectraNet plans and operates the electricity transmission system in accordance with the requirements of the NER and SAETC and provides regulated, negotiated and contestable transmission services to its customers.

Regulated electricity transmission services comprise of shared transmission network connection services provided to the distribution or other regulated networks, as well as “grandfathered” connection services provided to generators and high-voltage customers that operate within the NEM.

The AER sets a revenue cap for these services and ElectraNet determines electricity transmission services prices on an annual basis to recover the costs of providing these services.

ElectraNet provides negotiated electricity transmission services as well as contracted (contestable) electricity transmission services to direct-connect customers and generators, including ‘thermal’ wind and solar generators and loads such as the Olympic Dam mine. ElectraNet also provides contracted electricity transmission services, subject to negotiation.

ElectraNet participates in inter-regional planning and provides advice on network developments that may have a material inter-network impact.

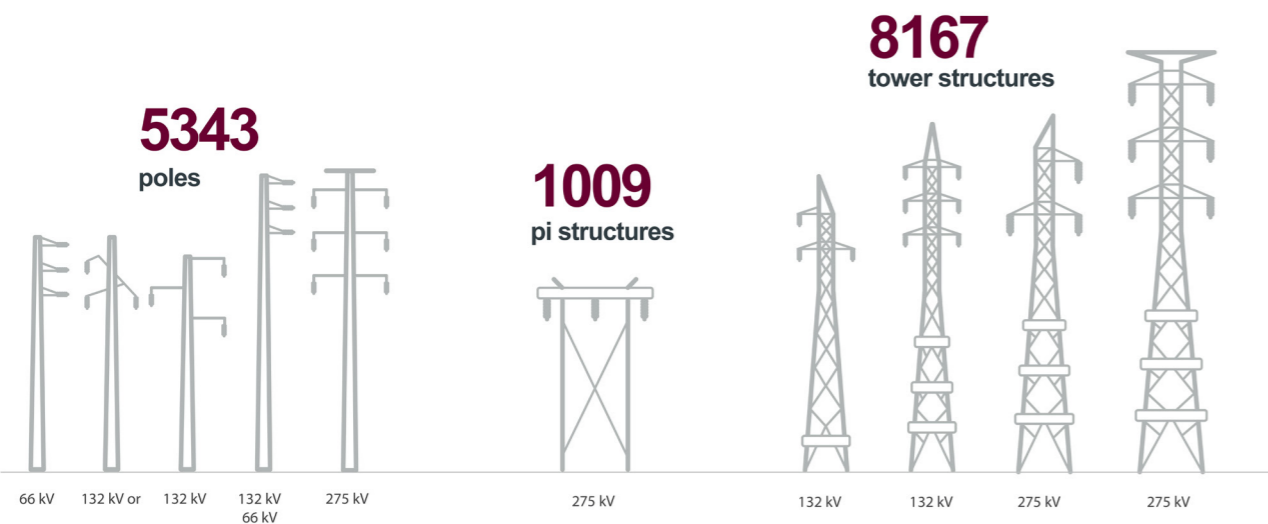
As at 30 June 2020 ElectraNet had 384 full time equivalent staff. ElectraNet’s workforce perform their roles either in a corporate office or at one of our asset locations throughout South Australia.



Structure, Operations & Supply chains

Supply chains

As at 30 June 2020, ElectraNet's transmission network consisted of 5800 circuit kilometres of transmission lines across the state of South Australia, with 97 substations and switchyards across the network.



To support the building of new network infrastructure and maintenance of the existing assets, ElectraNet engages specialist organisations to provide design, construction and maintenance services.

secondary plant and telecommunications equipment. The balance of the supply chain broadly consists of professional services, incorporating legal services, IT services, supplementary labour and consultancy services, facilities services and IT hardware.

To source the materials required to build and maintain ElectraNet's infrastructure, we engage with our suppliers both directly where the goods are ordered by ElectraNet and indirectly where the goods are ordered by our suppliers. These materials include major plant such as transformers and reactors, primary plant such as disconnectors and surge arrestors,

These organisations use predominantly South Australian-based labour to deliver works for regulated and unregulated projects and maintenance work on assets within South Australia. On average, our suppliers' workers provide 88,000 hours per month on ElectraNet sites across South Australia.

ElectraNet Supply chain

ElectraNet has 5,800 circuit kilometres of transmission lines, supported by 14,519 structures, including 27 circuit kilometres of underground transmission cable.

97
substations and switchyards

35
275 kV sites

43
275 kV power transformers

3490
voltage and current transformers

58
132 kV sites

108
132 kV power transformers

621
circuit breakers

4
66 kV sites

6
66 kV power transformers

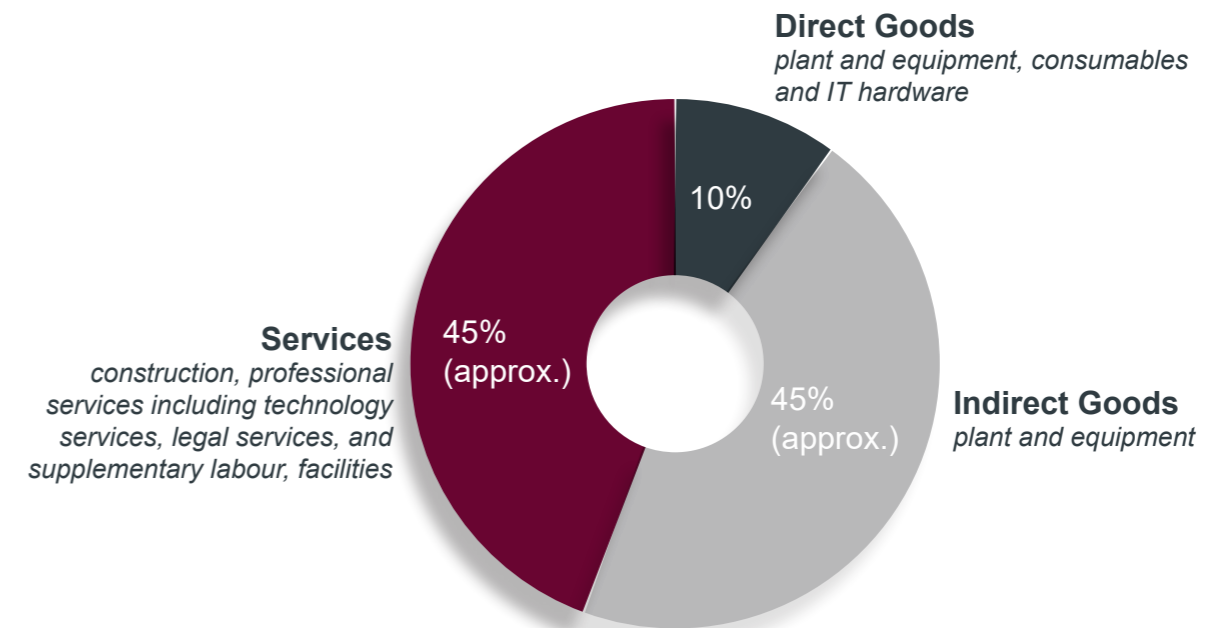
COMMUNICATIONS TOWER

127
telecommunications sites including 45 stand-alone towers

1400 km
of optical fibre (approx)

WEATHER STATION

109
weather stations including 57 stand-alone

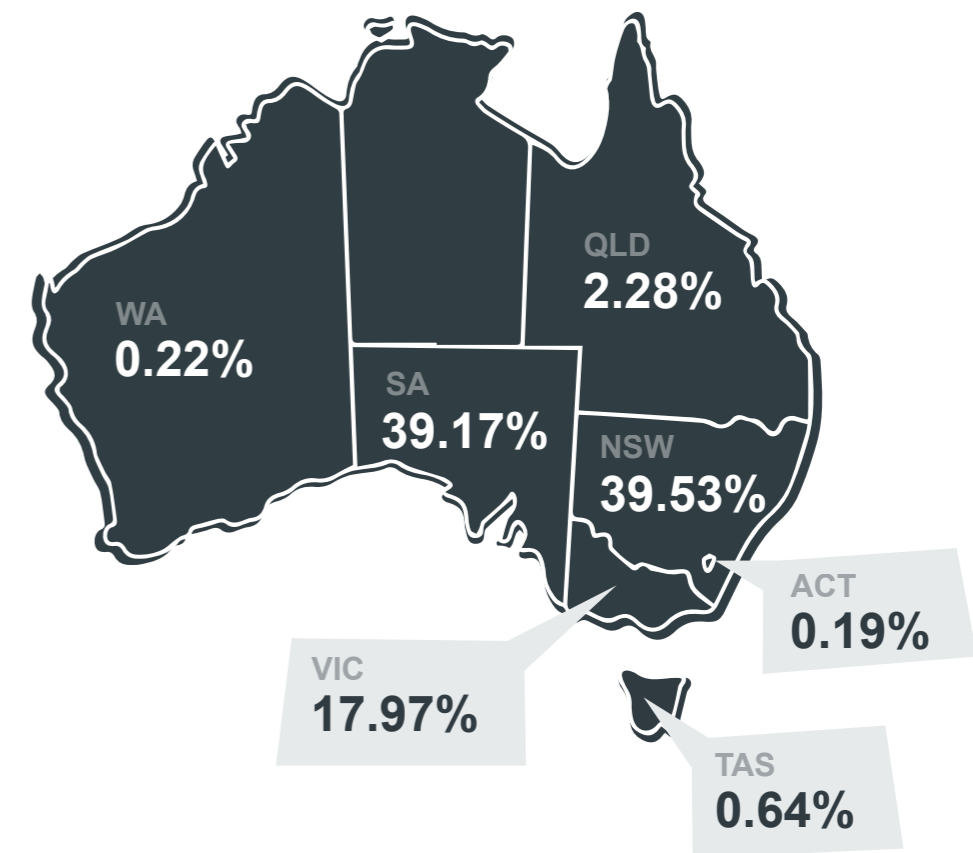


While the composition of ElectraNet's supply chain is predominantly construction and maintenance services and plant and equipment, we source other goods and services to support our operations.

Supply chains Continued

In the 2019/20 financial year, 98.99% of ElectraNet's spend with suppliers was to Australian-based entities.

This Australian based spend can be split as follows:



The remaining 1.01% of ElectraNet's spend in the reporting period was with organisations based in the following countries: South Korea, United States of America, South Africa, Great Britain, New Zealand, Germany, Canada, Ireland, Singapore, Japan and the Netherlands.

ElectraNet purchases a range of specialised plant and equipment to expand and maintain our infrastructure. This plant and equipment has precise technical requirements that can only be sourced from a small number of expert suppliers who manufacture the equipment required by ElectraNet.

This equipment is mainly sourced from the Australian entity of a multi-national parent company with manufacturing occurring overseas.

Outside of construction services and manufacture of plant and equipment, ElectraNet engages predominantly with organisations which supply to the utilities industry on an international basis.

Risks of modern slavery practices in the operations and supply chain

Risk in operations

ElectraNet's workforce perform their roles either in a corporate office or at one of our asset locations throughout South Australia.

During the reporting period our staff, where they were not required to work at an asset location, worked from their own homes as we managed the risks of COVID-19. All staff are employees under either an Enterprise Agreement or Total Remuneration Agreement. We do not engage casual workers.

The safety of both ElectraNet staff and our suppliers when undertaking work on our infrastructure is of the highest importance to ElectraNet with close monitoring of any lead indicators to safety events.

Risk in Supply chains

ElectraNet, as South Australia's electricity transmission provider, is heavily reliant on the provision of labour in South Australia and the provision of specialised plant and equipment which may be manufactured overseas. This plant is purchased both directly from suppliers and indirectly via our construction partners. There is a risk that modern slavery exists and this is managed as a critical business issue.

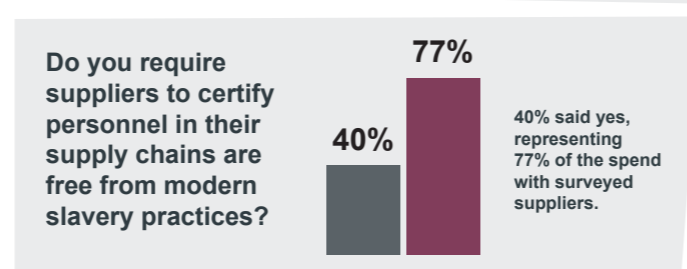
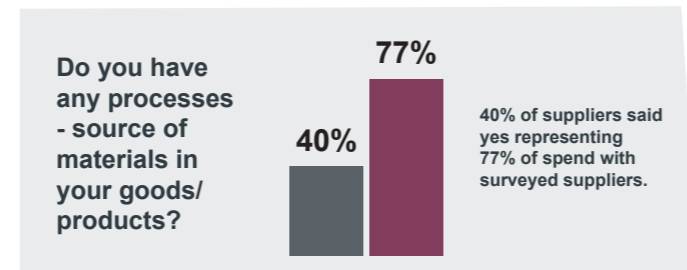
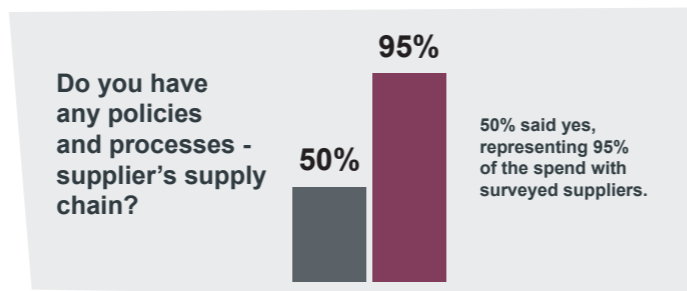
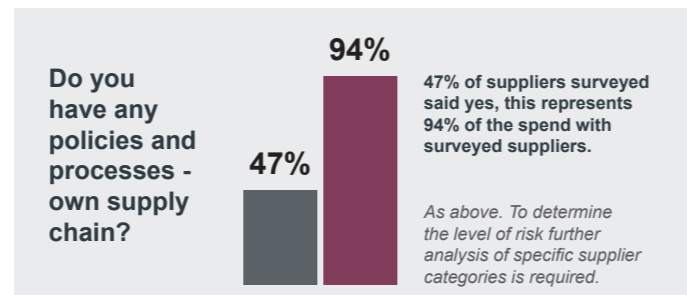
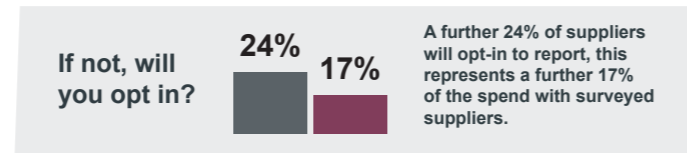
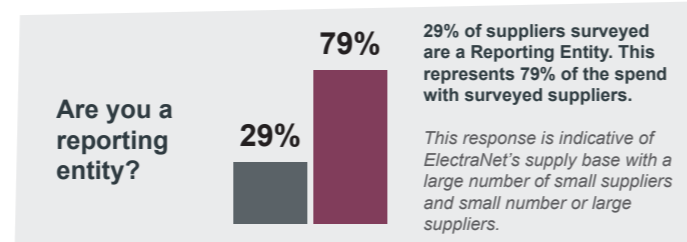
In order to assess the risk of modern slavery in our supply chain a pre-qualification questionnaire was provided to a number of suppliers including those of construction and maintenance services, plant and equipment and consulting services.

To date responses have been submitted by 72 suppliers who represent 73% of ElectraNet's spend with suppliers in the reporting period.

The data to the right represents the responses where the supplier responded "yes" to each question. A further breakdown is provided for suppliers of major plant and construction services recognising that these suppliers form the majority of ElectraNet's supply chain.

All surveyed suppliers

Percentage of positive responses As a percentage of the spend of surveyed suppliers

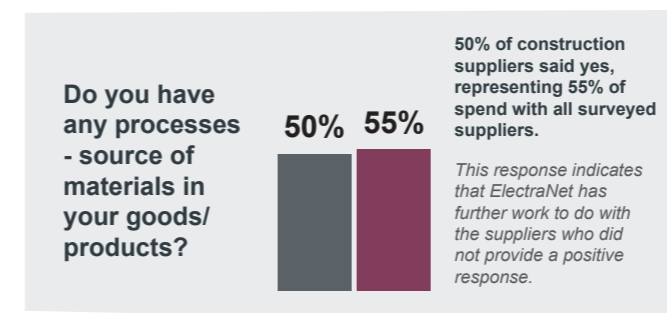
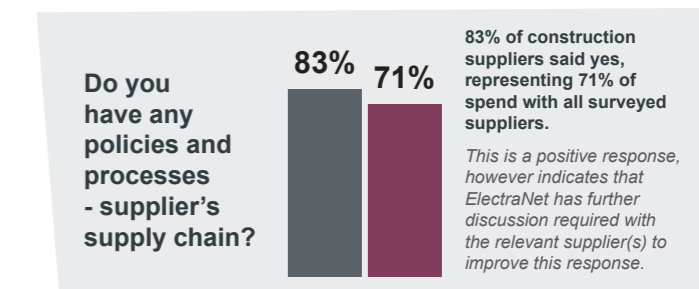
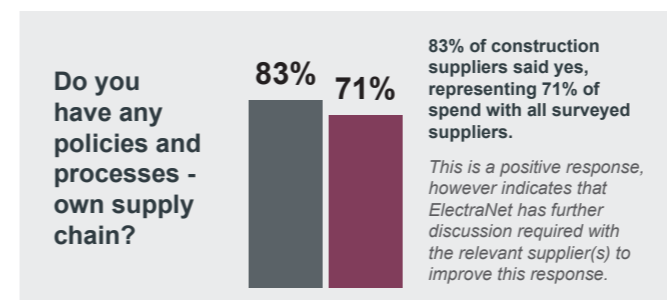
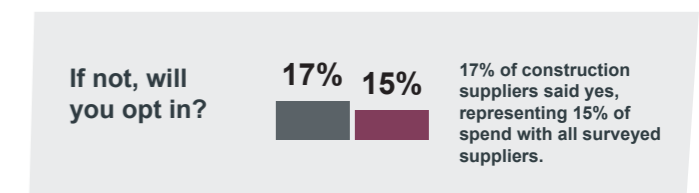
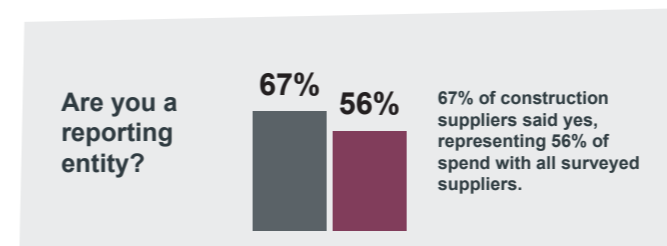


Further analysis was undertaken on the major plant suppliers and the construction services suppliers.

ElectraNet's major plant suppliers, of which 3 have been surveyed all responded that they are Reporting Entities under the legislation and responded positively to the remaining applicable questions. These 3 suppliers represent 21% of the spend with surveyed suppliers.

The data from the construction services suppliers is shown below:

Construction Services Suppliers



In summary, the responses from our suppliers with specific focus on the suppliers of construction services and major plant, provide ElectraNet a level of assurance that the companies we work with have policies and processes in place to assess and address modern slavery within their supply chains and those of their suppliers. ElectraNet will continue to monitor, follow up and work with our suppliers to increase our level of assurance that the risk of modern slavery in our supply chain is minimised.

Action taken by the reporting entity to address these risks, including due diligence and remediation processes.

Supplier Code of Conduct

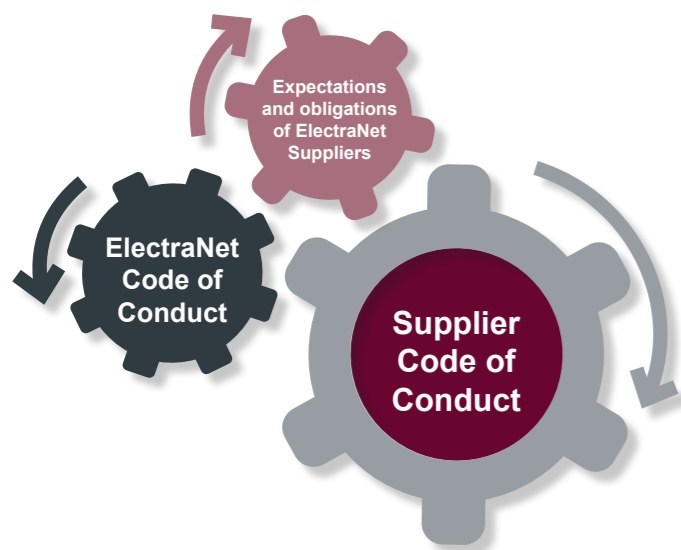
ElectraNet's Code of Conduct is built on the principles of mutual respect and integrity in the way we work and interact with colleagues, shareholders, customers, suppliers, stakeholders, landholders and other members of the public. The Code of Conduct, while written for ElectraNet staff also sets the expectation that our suppliers will follow these principles.

Recognising that our suppliers have additional expectations and obligations in the delivery of their goods and services to ElectraNet, the Supplier Code of Conduct has been developed. The Supplier Code of Conduct combines the principles of the ElectraNet Code of Conduct and the expectations and obligations of suppliers.

This Supplier Code of Conduct establishes a requirement with our suppliers that all people involved directly and indirectly in our supply chain are treated in a manner consistent with the United Nations Guiding Principles of Business and Human Rights.

This Supplier Code of Conduct is part of our developing modern slavery framework which is being designed to assess and avoid any risk prior to engaging with suppliers. This Code is being rolled out to all current and prospective suppliers.

For new suppliers they will be asked to confirm their agreement to the Supplier Code of Conduct.



Supplier Code of Conduct

Working principles, expectations and obligations of suppliers

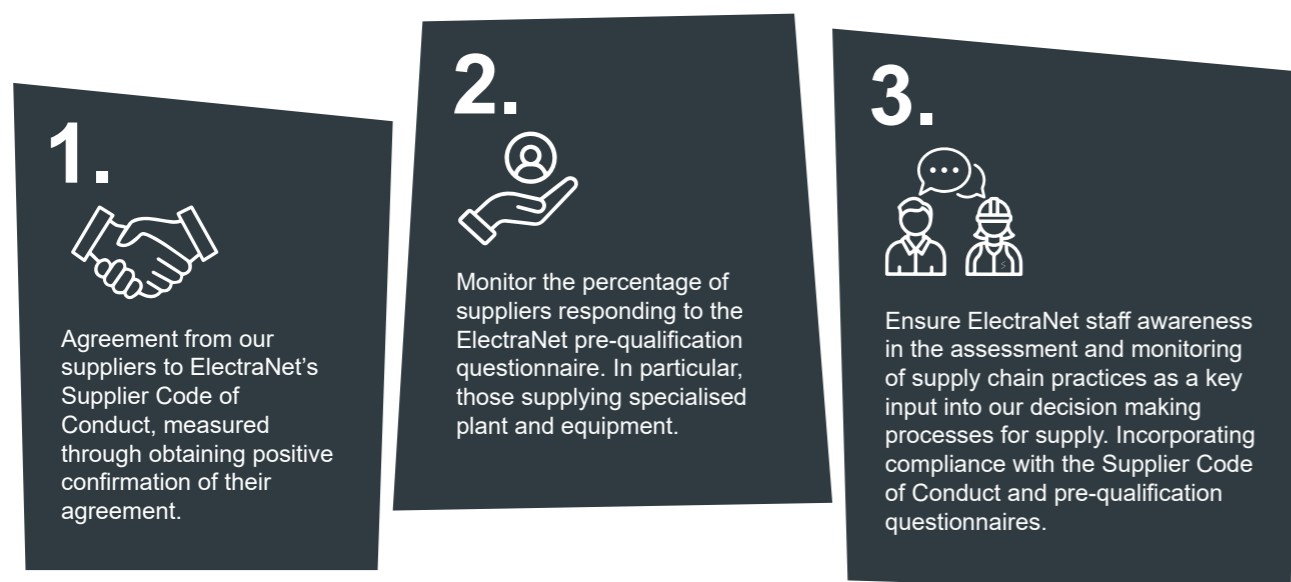
<p>Pre-qualification Questionnaire <i>Gathering information of the measures suppliers have in place regarding their supply chains and those of their suppliers</i></p>	<p>Tender specific questions/ due diligence <i>Specific focus areas related to a specific tender</i></p>
<p>Contract Terms and Conditions <i>Modern slavery clauses in our contracts</i></p>	<p>Media Monitoring <i>Maintaining awareness via the media of any occurrences with any of our suppliers</i></p>
<p>Audit and inspection <i>Site specific reviews</i></p>	

Modern slavery clause in contracts

Our contract templates, including our standard Purchase Order Terms and Conditions, all contain a modern slavery clause requiring our suppliers to comply with the requirements of the Modern Slavery Act.

How the effectiveness of these actions is assessed

The effectiveness of the ElectraNet's actions will be a continual assessment based on:



In the 2020/21 period ElectraNet will take further action to improve our diligence of our supply chains.

This includes:

1. Continue assessment of suppliers through the modern slavery pre-qualification questionnaire.
2. Consideration of investment in a tool to support automation of assessment and monitoring of supply chain practices.
3. Review of our factory pre-qualification observation questionnaire.
4. Improving knowledge and awareness across our business.