

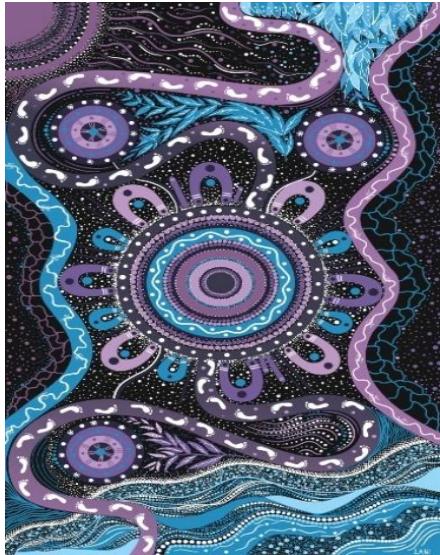


Modern Slavery Statement

2024

AEMO's Modern Slavery Statement for the financial year ending 30 June 2024





We acknowledge the Traditional Custodians of the land, seas and waters across Australia. We honour the wisdom of Aboriginal and Torres Strait Islander Elders past and present and embrace future generations.

We acknowledge that, wherever we work, we do so on Aboriginal and Torres Strait Islander lands.

We pay respect to the world's oldest continuing culture and First Nations peoples' deep and continuing connection to Country; and hope that our work can benefit both people and Country.

Important notice

Purpose

AEMO's Modern Slavery Statement for the financial year ending 30 June 2024 (FY24) is made in accordance with the Modern Slavery Act 2018 (Cth). It sets out the actions taken by AEMO to assess and address modern slavery risks in our operations and supply chains, including those of the AEMO Group.

Principle Governing Body Approval

This statement was approved by the board of the Australian Energy Market Operator (AEMO) in their capacity as principle governing body of AEMO on DATE to be inserted.

This statement is signed by Mary O'Kane in her role as Chair of AEMO on 12 December 2024

Name	Mary O'Kane
Title	Chair, AEMO
Date	12 December 2024

Version control

Version	Release date
1.0	Approved by the AEMO Board on 12 December 2024

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1 Our structure, operations and supply chain

AEMO Group's Structure

The Australian Energy Market Operator Limited (ABN 94 072 010 327) is Australia's independent system and market operator and system planner. AEMO is a member-based company limited by guarantee (governments 60%, industry members 40%). As a not-for-profit, operating costs are recovered through participant fees and other funding mechanisms. The AEMO Board governs AEMO and delegates day-to-day management to the CEO. AEMO is a Reporting Entity for the purposes of the Modern Slavery Act.

AEMO established AEMO Services Limited (ABN 59 651 198 364) in 2022 to support the NSW Electricity Infrastructure Roadmap as Consumer Trustee, and Transmission Company Victoria (ABN 70 665 119 068) in 2023 to undertake early works for the VNI West project. While ASL and TCV are not Reporting Entities in their own right, their operations and supply chains are included in this Statement's analysis of the AEMO Group.

AEMO Group's operations

AEMO's functions are set in its constitution and relevant legislative instruments (including the National Electricity Law/Rules, National Gas Law/Rules, and Western Australian frameworks). AEMO's four primary functions are: system and market operations, planning and forecasting, whole-of-system engineering, and stakeholder engagement/industry facilitation.

ASL coordinates long-term investment planning, runs competitive tenders to facilitate generation and storage in NSW, and undertakes authorisation of Renewable Energy Zone transmission infrastructure as Consumer Trustee. In 2023 the Australian Government engaged AEMO to support the roll-out of the Capacity Investment Scheme (CIS) as advisor and tender delivery partner, leveraging Group capabilities in market design, financial risk and tender governance.

AEMO has the following four primary functions:

Operate electricity and gas systems

- Real-time operations
- System service and security management, monitoring and review
- Engineering analysis, support and modelling
- Monitoring power system operating reserves, gas supply adequacy and operational forecasting
- Emergency and outage management
- Digital and cyber security (AEMO systems)



Operate wholesale energy markets

- Participant registrations and accreditation
- Market operations and procedures
- Metering, settlements, prudentials and payments
- Market monitoring, advice and analysis
- Modernising digital market systems



Plan and enable the energy system of the future

- Enable the energy transition through AEMO's planning and forecasting functions
- Energy system forecasting, modelling and planning
- Network connection enablement
- Technical analysis and resource adequacy assessments
- Statutory and government policy support and integration
- Energy system and market reform consultation and project delivery



Support new investment

- Design and conduct tenders for generation, storage and firming infrastructure.
- Map development pathways and tender plans in New South Wales (NSW).
- Authorise renewable energy zone network infrastructure in NSW.



2 Our approach and progress (FY25)

AEMO's Modern Slavery Statement incorporates consideration of the operations and supply chains of the AEMO Group. It describes the actions taken during the financial year ended 30 June 2024 to strengthen our approach, policies, and procedures across the AEMO Group, in line with the requirements of the Modern Slavery Act. It outlines our continued efforts to broaden the scope of our existing operational and supply chain programs to detect the risk of Modern Slavery across AEMO Group's business and supply chains; and ensure we have in place evolving and appropriate responses to those risks.

As part of our broader operations and supply chain programs for the AEMO Group, we continue to develop our approach and focus on preventing and addressing Modern Slavery related risk, consistent with our guiding corporate values and behaviours. The ways by which we act to meet these values are described in greater detail on AEMO's Corporate website.

Over the past 12 months, we have continued to focus on further embedding a wide range of previously implemented initiatives to support AEMO Group's contribution towards mitigating and reducing the risk of Modern Slavery.

Table 1 Key focus in 2024

Group-wide procurement standards. AEMO's Purchasing Policy and Procedures continue to apply across the AEMO Group. All suppliers participating in formal selection processes must meet statutory obligations under Occupational Health & Safety, Environmental Management, Employment and Equality legislation, and the Modern Slavery Act 2018 (Cth). These settings remain aligned with the Australian Government's current framework while consultations are underway on future reforms.
Supplier Code of Conduct and downstream controls. We continued rolling out the AEMO Group Supplier Code of Conduct to all suppliers, regardless of contract value, and embedded it in selection, contracting and ongoing performance management. During FY24 we emphasised:
<ul style="list-style-type: none">access to grievance/complaints channels for workers in our supply chains;the ability to escalate and record incidents or substantiated risks; andclearer expectations on corrective action plans. These emphases anticipate potential amendments the Government has agreed in principle to explore (e.g., reporting on incidents/risks, grievance mechanisms, and internal/external consultations).
Targeted awareness and capability building. Modern Slavery awareness training continued for all Supply Chain staff, with refreshers for high-risk roles. We have made sure AEMO practices are aligned to broad guidance around how we describe risks (criterion 3) and actions/effectiveness (criteria 4–5).
People-related controls. Mandatory AEMO Group Code of Conduct training remained in place and was updated during the year.
Applicable AEMO Group mandatory Code of Conduct training is routinely updated and delivered to all employees to ensure continued compliance and understanding of our ethical standards.
Speaking up and remediation. Our Whistleblower Policy remained under regular review, with updates to reflect evolving legislative settings and good practice for complaint handling. We also maintained our Workplace Adjustments Policy to support an inclusive and safe working environment.

AEMO has a robust corporate governance framework in place, with the AEMO Board overseeing our broader human rights program through the AEMO Finance, Risk, and Audit Committee. Underpinning this framework are AEMO's suite of policies, several of which are relevant to Modern Slavery.

We know that setting clear expectations is particularly important. Summarised below are AEMO's existing policies, which collectively set the standards we require, encompassing the prevention of Modern Slavery in the workplace and in our supply chains. Our policies are supported by our risk and compliance management systems (policies and frameworks), that outline what we do and how we should do it. We regularly monitor our risks and compliance with our obligations and policies, and report on progress to the AEMO Finance Risk and Audit Committee. These policies have been adopted by TCV. ASL has adopted a combination of AEMO and customised policies. We are progressively consolidating and updating our policies for general application to the AEMO Group and their adoption by the applicable AEMO Group Board.

Table 2 Key documents

Document	Scope	Relevance to Modern Slavery
Modern Slavery Policy	All AEMO	This policy establishes the framework for managing Modern Slavery risks and affirms our commitment to contribute to ending all forms of Modern Slavery, both in Australia and overseas. It outlines our approach to reduce

Table 2 Key documents		
		the risk of Modern Slavery practices within our supply chains and operations. This Policy also supports the intent of international conventions, treaties, and protocols relevant to the Modern Slavery Act 2018.
Bullying, Discrimination & Harassment Policy	All AEMO	This preventative policy outlines employee standards and AEMO's responsibilities in line with national legislation, detailing appropriate remedial actions for breaches.
Code of Conduct	All AEMO	The Code of Conduct is applied to a range of AEMO Policies and Procedures, in accordance with relevant State and Commonwealth laws. AEMO extends the policy to laws and customs beyond Australian borders, when undertaking business in host countries.
Remuneration Policy	All AEMO	The Policy outlines the appropriate remuneration frameworks that govern employee conditions (to be read in conjunction with the AEMO Enterprise Agreement 2022).
AEMO Enterprise Agreement	All AEMO	The AEMO Enterprise Agreement is voted and agreed upon by employees. It provides protection for employees as it sets out wage guarantees and employment conditions in line with national employment standards.
Talent Acquisition Policy	All AEMO	The Policy and related guidelines outline the sourcing processes and expectations of AEMO management throughout the recruitment process. This ensures anti-discrimination policies are adhered to and allows new employees to be contracted, employed, and onboarded within the appropriate governance frameworks.
Grievance Resolution Policy	All AEMO	This is a broad ranging Policy, outlining AEMO's responsibilities and commitment to adequately resolve workplace grievances and disputes in the interests of all concerned.
Diversity, Equity & Inclusion Policy	All AEMO	This policy outlines AEMO's commitment to a diverse and inclusive workplace and culture, where all employees are treated equally.
Procurement Policy	All AEMO	AEMO's procurement policy provides guidance to employees and contractors involved in purchasing activities. This ensures Modern Slavery risks are mitigated in a way that is simple, transparent, and efficient.
Risk Management Policy	All AEMO	The Policy provides direction to all staff to mitigate risk and support the achievement of AEMO's strategic and operational objectives. In particular, the Policy provides guidance to AEMO staff involved in purchasing. It covers the way we identify, assess, manage, and mitigate risks, using the most cost-effective controls within our operating environment and area of influence with external stakeholders.
Whistleblower Policy	All AEMO, Contractors & Stakeholders	The Policy states that misconduct can be reported without fear of reprisal. Misconduct includes practices that could be a direct non-compliance of the requirements under the Modern Slavery Act 2018.
Workplace Adjustment Policy	All AEMO	This Policy supports the engagement, development and retention of existing employees with disability and facilitates the employment of skilled and talented candidates with disability

AEMO's [Corporate website](#) contains more detail on our approach to corporate governance. We continue to articulate our expectations to suppliers through our Policies, Codes, Procedures and Guidelines.

3 Risk assessment & mitigation

Our modern slavery risk management aligns with AEMO's enterprise risk framework (ISO 31000). The Finance, Risk and Audit Committee oversees risks on behalf of the Board. We recognise risk drivers such as vulnerable populations, sector/category characteristics and geographies. Categories such as ICT hardware, facilities services, and PPE/textiles may present elevated exposure.

We note the establishment of the Australian Anti-Slavery Commissioner; the Modern Slavery Amendment (Australian Anti-Slavery Commissioner) Act 2024 commenced in November 2024 and the inaugural Commissioner, Chris Evans, commenced on 2 December 2024. We are monitoring the Commissioner's guidance and priorities and will calibrate our program accordingly

4 Supplier due diligence

AEMO's due diligence is risk-based and informed by the UN Guiding Principles on Business and Human Rights ("Protect, Respect and Remedy").

Modern slavery framework & processes.

We maintained our modern slavery framework that guides staff actions if modern slavery is suspected or identified. All new and renewing suppliers in higher-risk categories complete a pre-qualification questionnaire via our contract management system. Where a medium or higher residual risk is assessed, matters are referred to Risk and Legal for additional checks (including attestations/evidence of compliance, and where appropriate, corrective action plans).

AEMO has implemented its modern slavery framework. This framework establishes our businesses processes in respect to slavery and human trafficking concerns. The framework also provides staff with guidance in actions to be taken if a case of modern slavery is identified

Due Diligence:

We have developed a process where all new and renewing suppliers within high-risk categories, are subject to a review process prior to onboarding or contract award. Suppliers are now required to answer a brief prequalification questionnaire that is administered in the procurement contract management system. This process helps us to identify potential areas of risk, and if evaluated above a medium residual risk rating, the supplier is referred to our Risk and Legal team for further due diligence checks. This may include requiring the supplier to attest and/or demonstrate their compliance with requirements under the Modern Slavery Act.

Grievance and Remediation Processes:

AEMO is committed to the protection and respect of human rights across the AEMO Group's operations and supply chain. We have established reporting procedures and mechanisms where employees and third parties can report any concerns regarding unethical or illegal conduct, including Modern Slavery concerns. Employees and third parties can report to their manager, or if they wish to remain anonymous, report through our independently operated Whistleblower hotline. Where issues are investigated and substantiated, we take appropriate action. Further information regarding the investigation process is available in the Whistleblower Policy, and on our corporate website.

5 Stakeholder engagement & collaboration

In preparing AEMO's Modern Slavery Statement for the financial year ending 2024, AEMO has consulted with and incorporated content from the applicable procurement, risk and legal teams, including in ASL and TCV. We discussed details of the Modern Slavery Act's reporting requirements; the implementation of measures to address Modern Slavery risk, and information regarding the actions we intend to take to address Modern Slavery risks across the AEMO Group.

Cooperation with AEMO Group suppliers, AEMO's members and relevant government agencies to effect change is a key feature in our strategy to eradicate Modern Slavery risk. While we are committed to collaborating with government and other businesses, we recognise that we are in the initial stages of our journey but understand the need to support a coordinated approach to addressing human rights issues, including the risk of Modern Slavery, across the AEMO Group.

Throughout the Financial year ended 30 June 2024, AEMO continued to participate in multi-stakeholder forums and collaborate on diversity and inclusion and human rights issues with groups like Power of Engineering.

6 Looking forward

The AEMO Board and our business leaders remain committed to fostering a culture that actively prevents modern slavery within the AEMO Group's operations and supply chains. We will continue to promote awareness of our responsibilities through the consistent application of our policies and procedures across the Group, and through ongoing training and guidance for employees.

AEMO continues to monitor the effectiveness of its processes and controls in addressing the modern-slavery risks that our business may cause, contribute to, or be directly linked to, in line with the UN Guiding Principles on Business and Human Rights. We assess effectiveness by tracking actions and outcomes, partnering with suppliers and other external stakeholders, and conducting regular internal-governance and external-assurance reviews.

Based on these results, AEMO will adapt and strengthen its approach to continuous improvement. We also remain alert to evolving Australian Government guidance—including from the newly established Australian Anti-Slavery

Commissioner—and to any future legislative amendments, so that our program continues to reflect national best practice.

7 Glossary

Term	Definition
AEMO Group	AEMO, ASL, and TCV.
Energy Legislation	<p>As the context requires, some or all of the following:</p> <ul style="list-style-type: none"> (a) the National Electricity Law, National Electricity Regulations and National Electricity Rules; (b) the National Gas Law, National Gas Regulations and National Gas Rules; (c) the National Energy Retail Law, National Energy Retail Regulations and National Energy Retail Rules; (d) any legislation applying any of the foregoing in a jurisdiction; (e) the <i>Electricity Industry Act 2004</i> (WA), <i>Electricity Industry (Wholesale Electricity Market) Regulations 2004</i> (WA) and WEM Rules; (f) the <i>Gas Services Information Act 2012</i> (WA), <i>Gas Services Information Regulations 2012</i> (WA) and Gas Services Information Rules (WA); (g) the <i>Electricity Infrastructure Investment Act 2020</i> (NSW); (h) any other statute or legislative instrument of the Commonwealth or a State or Territory of Australia conferring one or more functions on AEMO, ASL or TCV; and (i) any instrument or procedure made under any of the foregoing.
Modern Slavery	Situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom as defined in the Modern Slavery Act.
Modern Slavery Act	<i>Modern Slavery Act 2018</i> (Cth). Noting that The Modern Slavery Amendment (Australian Anti-Slavery Commissioner) Act 2024 commenced in Nov 2024

Term	Definition
Reporting Entity	Has the meaning set out in the Modern Slavery Act. AEMO is a Reporting Entity for the purposes of the Modern Slavery Act as it had a consolidated revenue of at least AU\$100 million over its twelve month reporting period and was an Australian entity during the financial year ending 30 June 2024.
The Board	Means, as the context requires, the AEMO Board, the ASL Board or the TCV Board.