



# Modern Slavery

Financial Year 2023

People. Power. Possibilities.



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# Statement on Reporting Entity



This joint statement has been prepared in relation to the mandatory reporting requirements of the Modern Slavery Act 2018 (the Act) for the period 1 July 2022 to 30 June 2023. It covers NSW Electricity Networks Operations Pty Limited (ACN 609 169 959) and NSW Electricity Networks Assets Pty Limited (ACN 609 169 922) (together referred to as we, us, our or Transgrid). No other entities in the Transgrid Group of companies met the reporting entity criteria under the Act during this period. However, we have included Lumea Pty Limited (ACN 626 136 865).

Our procurement function has prepared this joint Modern Slavery Statement on behalf of the relevant entities, in collaboration with our Risk, Compliance, People & Culture, Supply Chain, Community & Policy and Legal teams – and drawing on the expertise of external parties.

This Statement has been reviewed and approved by the Boards of Directors of NSW Electricity Networks Operations Pty Limited and NSW Electricity Networks Assets Pty Limited.

### Principal governing body approval

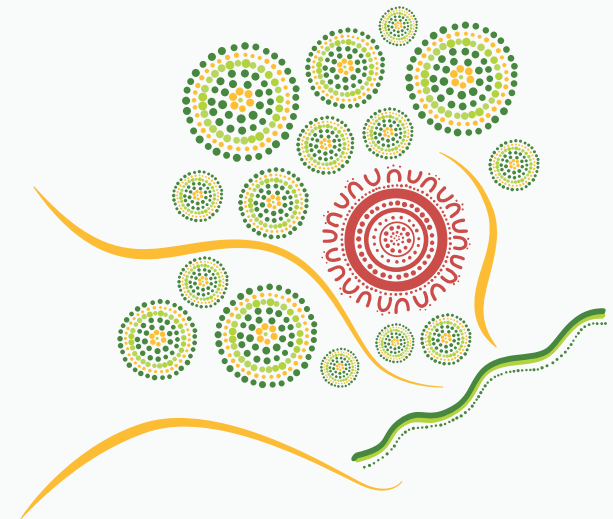
This Modern Slavery statement was approved on 9 November 2023, by the principal governing body of NSW Electricity Networks Operations Pty Limited and NSW Electricity Networks Assets Pty Limited as defined by the Modern Slavery Act 2018 (Cth) (“the Act”).

### Signature of responsible member

This Modern Slavery statement is signed by a responsible member of NSW Electricity Networks Operations Pty Limited and NSW Electricity Networks Assets Pty Limited as defined by the Act.

**Mr Jeremy Maycock**, Chairman of the Board for NSW Electricity Networks Operations Pty Ltd as trustee of the NSW Electricity Networks Operations Trust (TOT)

**Dr Warren Mundy**, Chairman of the Board for NSW Electricity Networks Assets Pty Ltd as trustee of the NSW Electricity Networks Assets Trust (TAT)



### Acknowledgement of Country

In the spirit of reconciliation, Transgrid acknowledges the Traditional Custodians of the lands where we work, the lands we travel through and the places in which we live.

We pay respects to the people and the Elders past, present and emerging and celebrate the diversity of Aboriginal peoples and their ongoing cultures and connections to the lands and waters of NSW and the ACT.

Artist: Sherrie Anderson, Yura Ngura Indigenous Advisory Manager



# 1. CEO message

I am pleased to present Transgrid's Modern Slavery Statement for 2023. This is our fourth statement presenting our journey to date and the steps that we have taken to remain vigilant in our approach to managing the risk of modern slavery in our operations.

**Brett Redman** | Chief Executive Officer, Transgrid



We continue to recognise the importance of the United Nations Guiding Principles on Business and Human Rights to prevent, address, and remedy any human rights abuses committed in our business operations and supply chain. We do not tolerate any modern slavery in our operations and supply chain.

Transgrid is the cornerstone of the National Electricity Market. We play a pivotal role in fostering a competitive wholesale electricity market, driving and supporting the transition towards a more sustainable energy landscape for Australia's Southern and Eastern States and Territories.

In this modern era, the significance of human rights issues cannot be overstated, especially within the global energy sector. Transgrid recognises the rising importance of incorporating human rights considerations into managing our supply chain. This is particularly pertinent as our supply chain intricately weaves into a diverse global market.

Our domestic operations demonstrate a low risk of modern slavery, with around 81% of Transgrid employees enjoying comprehensive coverage under a robust enterprise agreement and all other employees under employment contracts underpinned by Australian workplace laws. Nevertheless, we remain acutely aware of the challenges that lie ahead. Our supply chain, characterised by a high-risk profile and limited visibility, necessitates heightened vigilance. The prevalence of substantial volumes of unskilled labour in developing economies, coupled with potential human rights governance gaps, mandates our proactive involvement in ensuring ethical practices.

Transgrid is resolute in its commitment to addressing these challenges head-on, bolstering our stance as a responsible and ethical industry leader.

This financial year, we have continued to build on our commitments by further embedding modern slavery initiatives across our operation and supply chain. We have done so by:

- Improving our Risk Assessments by conducting a deep dive into suppliers with spend of \$250,000 and over.
- Exploring additional platforms that provide predictive visibility within supply chains of up to 10 tiers.
- Continuing inhouse internal training to raise awareness.
- Adopting a continuous improvement focus with internal and external stakeholders and having a dedicated resource within the business to support both.

Looking ahead to FY24, Transgrid will continue to develop and refine our initiatives and continue to embed, manage and review the risks of modern slavery within our operations. We are committed to building on our continuous improvement by reviewing our due diligence framework and incorporating it into our supply chain onboarding, auditing and management. While we have made significant progress, we are mindful that this is an ongoing and evolving journey.

**Brett Redman**  
Chief Executive Officer,  
Transgrid

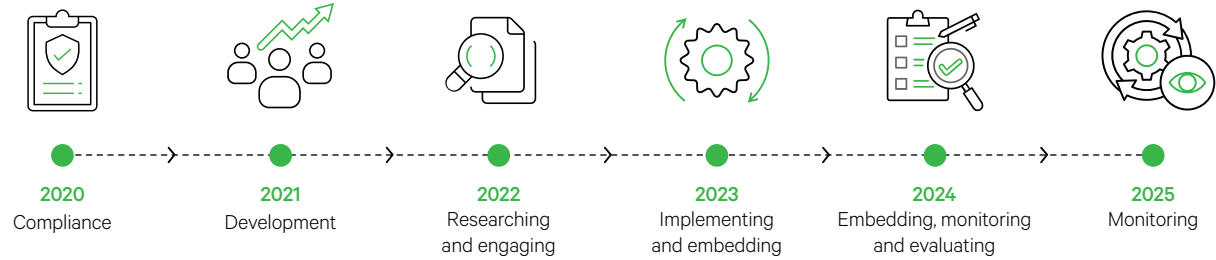


# Monitoring and evaluating

We do not tolerate modern slavery within Transgrid's operations and supply chain. We proactively look for and take action to prevent trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and child labour. Our approach is to assess risk, mitigate risk, remediate risk and build capability.

We report transparently on our progress every year, being open about challenges, gaps and works in progress. We are in the early stages of embedding modern slavery mitigation mechanisms into our operations and supply chain and we are committed to continuous improvement.

## Our modern slavery journey





# FY23 highlights

During the year, we fulfilled the commitments of our 2022 Modern Slavery statement by:

- Continuing our Modern Slavery Working Group with cross business leaders discussing risks and opportunities bi monthly
- Evaluating systems to capture Tier 1 modern slavery risks on our risk management platform
- Continuing our sector collaboration with the Energy Procurement Suppliers Association including regular meetings
- Deep diving into suppliers with whom we spend \$250,000 or more during the financial year

In addition to fulfilling our commitments for 22/23, we have:

- Further embedded our Social Procurement Analyst within our project and bid teams across the business to ensure compliance across our existing and upcoming projects
- Extended the deep dive focus to include more higher risk suppliers
- Developed and introduced a Modern Slavery Reporting Protocol to the business, improving how we report any suspected modern slavery within our supply chains both domestically and internationally
- Continued the commitment of holding Modern Slavery Working Group meetings and increased the meetings from quarterly to bi monthly

## Sustainable Development Goals (SDGs)

Transgrid considers our work to address modern slavery in the context of the SDGs. The primary SDG we are supporting is SDG 8, which directly calls for the end of trafficking and modern slavery.



Take immediate and effective measures to eradicate forced labor and end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms - SDG8.

Our efforts also support other SDGs, including:

Goal **5.2**

Eliminate all forms of violence against all women and girls in public and private spheres, including trafficking and sexual and other types of exploitation.

Goal **12.2**

Achieve the sustainable management and efficient use of natural resources (assisted by our supply chain work to harness the circular economy).

Goal **16.2**

End abuse, exploitation, trafficking and all forms of violence against and torture of children.

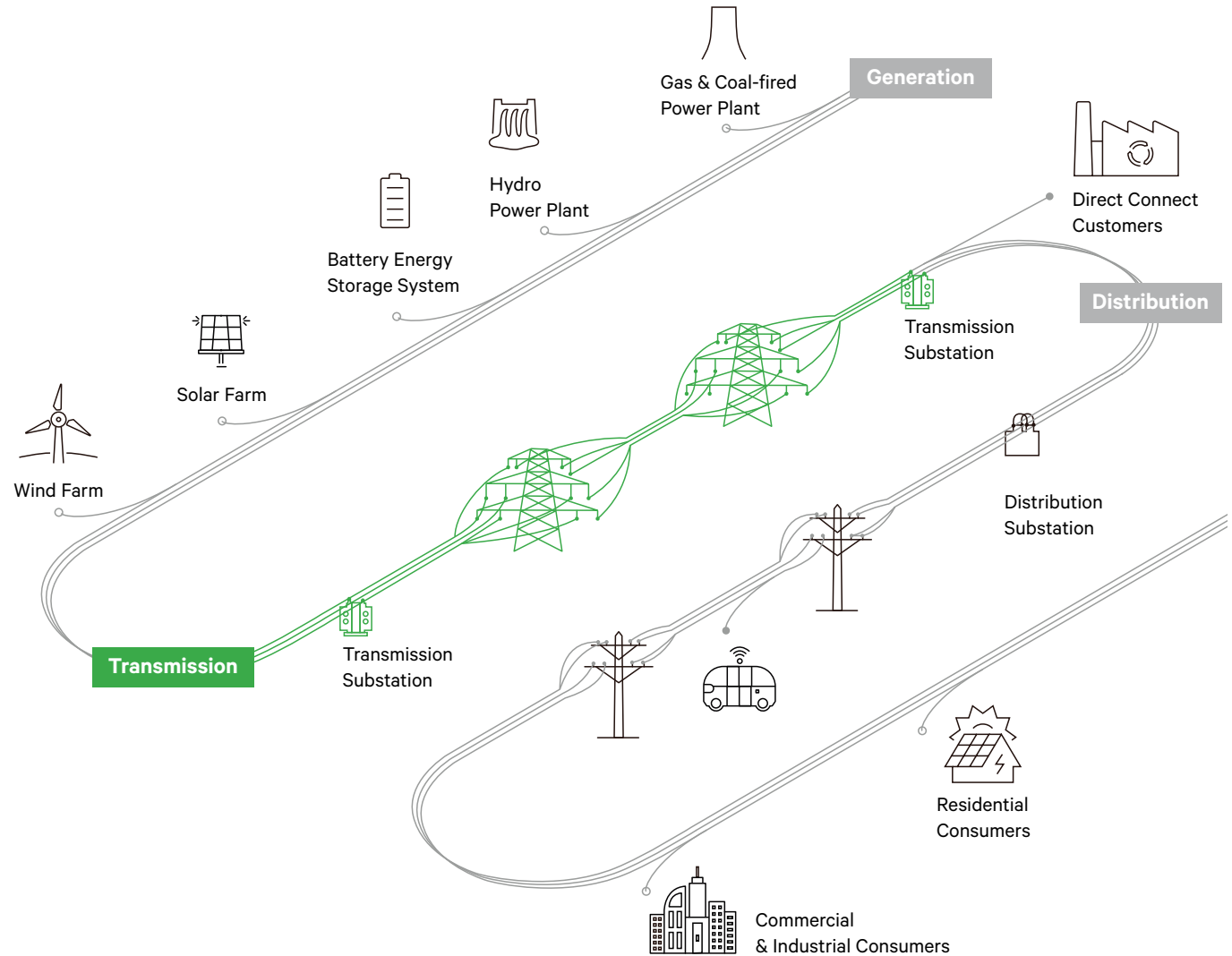


# 2. Our structure, operations and supply chain



Transgrid operates Australia's largest electricity transmission network, maintaining and upgrading the backbone of the National Electricity Market. Our network transports electricity from multiple generation sources, including wind, solar, hydro, gas and coal power plants, to large directly connected industrial customers and the distribution networks that deliver it to more than three million homes and businesses.

As a major transmission network service provider, Transgrid is leading the transition to Australia's clean energy future. The traditional coal system that served our country for decades is nearing the end of its life, to be replaced by wind and solar generation. We are building the infrastructure needed to support a renewable-based energy system.





# Our structure

This is a joint statement covering NSW Electricity Networks Assets Pty Limited, which owns the network assets, and NSW Electricity Networks Operations Pty Limited, which operates the network. In order to prepare this joint statement, we engaged with each of the reporting entities covered by this statement and consulted the entities we own or control. No other entities in the Transgrid Group of companies met the reporting entity criteria under the Modern Slavery Act 2018.

The two reporting entities are separate and independent, operating at arm's length, each with its own board and governance structure.

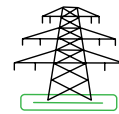
Within the Transgrid Group, the NSW Electricity Networks Operations Pty Limited is the only operational entity that employs a workforce and procures goods and services. All activities that may introduce the risk of modern slavery are confined to this entity.

NSW Electricity Networks Assets Pty Limited has a Management Services Agreement with NSW Electricity Networks Operations Pty Limited to provide policies, processes and back office support, including a centralised, shared procurement function.

## Transgrid organisation chart



### Line of business



Transgrid Network



Contestable business

### Delivery



Delivery



Major projects

### Enabling



Finance, Strategy & Technology



Legal, Governance & Risk



Community & Policy



People, Culture & Safety





# Our operations

Transgrid operates and manages the high voltage electricity transmission network in NSW and the ACT.

We deliver a range of essential transmission, infrastructure and telecommunications services to enable customer access to low cost energy while meeting the growing needs and expectations of our customers. Our operations are managed and delivered in two key areas, both covered by this report:

### Transgrid Network

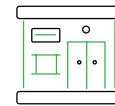
This is the largest part of our business, which operates and manages the transmission and telecommunication assets acquired from the NSW State Government in 2015 by way of a 99-year lease and a Sale and Purchase Agreement. The Australian Energy Regulator is responsible for the economic regulation of Transgrid's prescribed services business under the National Electricity Rules. This business is headquartered in Sydney, with regional offices in Western Sydney, Newcastle, Orange, Tamworth, Wagga Wagga and Yass.

### Contestable Business

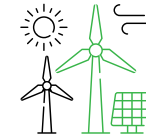
Our commercial arm, Lumea, is an essential energy infrastructure provider, which is helping to accelerate Australia's energy transition by connecting renewable energy generators to the National Energy Market. The business provides integrated energy management and large-scale energy storage solutions to wholesale, government and emergency services customers. Lumea is also one of the leading telecommunications providers to renewable projects in Australia, with a focus on regional areas, data transmission and emergency broadcast services.



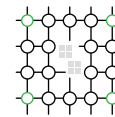
### Transgrid Group Operations



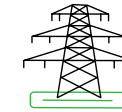
126  
substations and switching stations



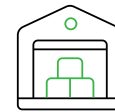
Over  
3 million  
households connected to renewable energy system



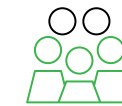
5  
interconnectors to Queensland and Victoria



13,248km  
high voltage transmission lines and underground cables



6  
warehouses



1,506  
local employees



81%  
on an Enterprise Agreement



23  
employees on a visa



180  
employees have indicated that their first language is not English



109km  
underground cables



# Our supply chain

As the only private owner of the electricity grid in NSW/ACT, coupled with \$11 billion dollars of projects in the pipeline for transmission infrastructure. Our procurement function is in an influential position to protect human rights, both directly through purchase decisions and indirectly by influencing product design and potentially the products and services used by these suppliers (our indirect supply chain). Our Tier 1, direct supply chain primarily consists of construction, network equipment, facilities management, advisory and corporate services companies. These entities are largely headquartered in Australia.

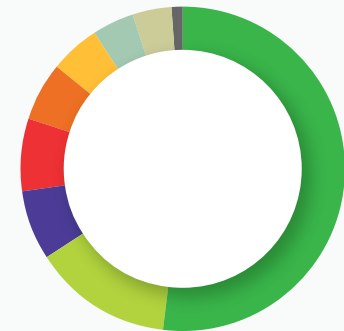
We have more than 1,000 suppliers in our domestic and international supply chains. To create a strong, resilient supplier base, we are working to standardise, streamline and simplify our supply chain. At the same time, we are expanding our social procurement with minority businesses that have ethical practices. More diverse suppliers are essential to help us build Australia's future grid, manage network integrity and deliver excellent customer service.

Many of our Tier 1 suppliers, such as the head contractors on major projects, purchase goods and services on our behalf, sometimes from overseas. We therefore acknowledge that our indirect supplier base, and modern slavery risks, will extend further, with risks increasing in Tier 3 and Tier 4.

## Supply chain spend by category

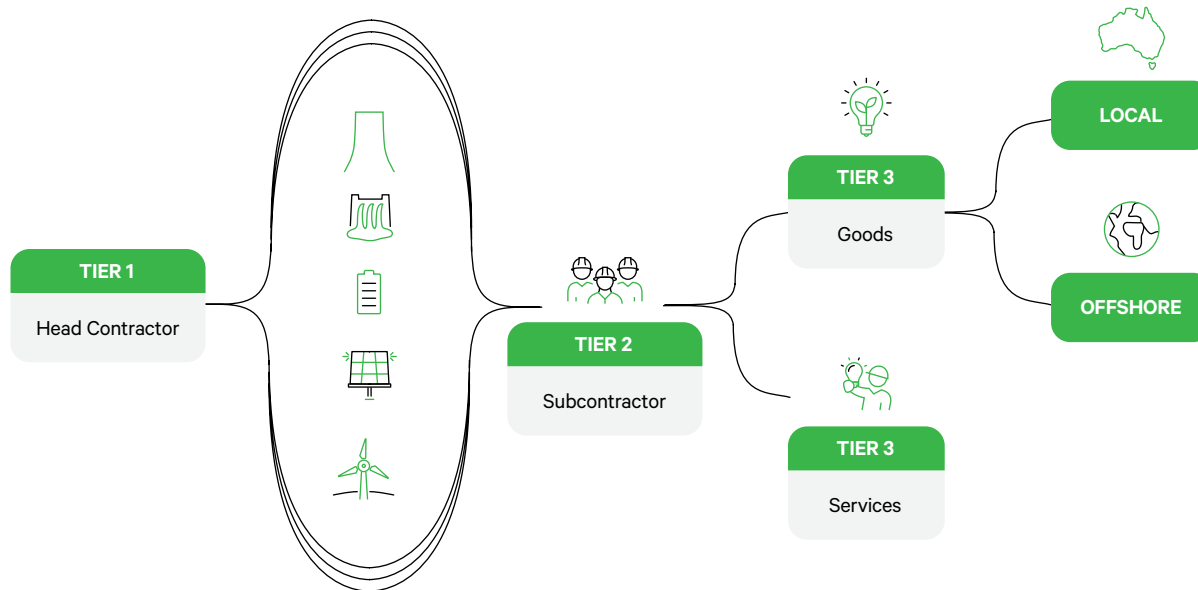
Looking at our nine supplier categories, the majority of our total spend is in construction services and network equipment. These services and products are primarily provided by local Australian suppliers.

In the context of today's rapidly changing global energy mix and acceleration towards decarbonisation, the relationships between traditionally distinct sectors are rapidly shifting, resulting in considerable supply chain crossover.



FY23 Major Spend Categories

Construction Services	52%
Network Equipment	14%
Corporate Services	7%
Network Services	7%
Information Technology	6%
Technical Services	5%
Advisory Services	4%
Facilities Management	4%
Fleet	1%





# Our Strategy

**People** are at the heart of everything we do, from providing essential service on the network to transforming and planning our business for the future.

**Power** is our core business. We are the builders and maintainers of Australia's critical energy infrastructure.

**Possibilities** reflect the innovation we are harnessing to build new transmission, stronger connectors and reliable system security so different types of renewable energy can get to market, increase competition and help drive down prices for energy consumers.

Transgrid is working with a broad range of stakeholders to build Australia the energy system we need to thrive in a clean energy future. Our partners in this important work include State and Federal Governments, the Australian Energy Market Operator (AEMO) and other transmission and distribution network service providers.

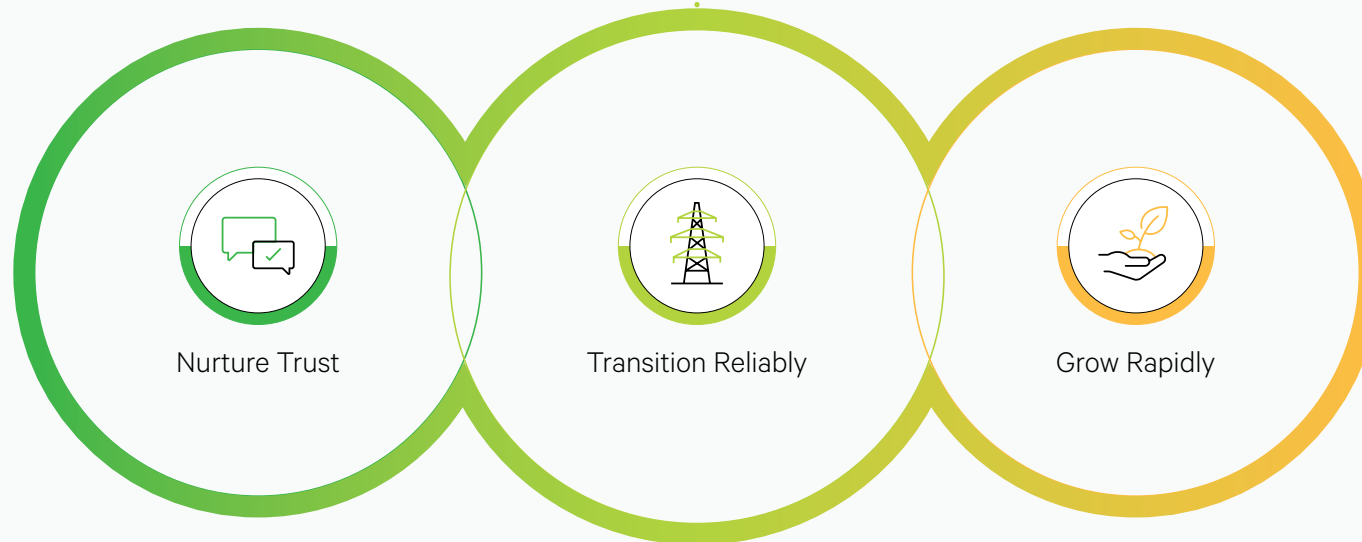


**Vision:** Lead the transition to a clean energy future



**Purpose:** Make a better power system for Australians

## Our Three Pillars are:



Nurture Trust

Transition Reliably

Grow Rapidly

**Consumers:** Enable energy prices to reduce in line with NSW Government targets



# 3. Risk identification

We consider modern slavery risk in our operational workforce to be low. All our direct employees are based in Australia.

Around 81% of Transgrid employees are covered by the Transgrid Enterprise Agreement 2020, an instrument collectively negotiated with Transgrid employees and their employee representatives. All other employees are employed on employment contracts underpinned by Australian workplace laws.

Transgrid representatives meet regularly with employee representatives and their union representatives to consult on changes within the business that have an effect on employees.

Transgrid has a suite of comprehensive employment policies and procedures in place, to identify, prevent, mitigate and remedy actual or potential adverse human rights impacts. Our Enterprise Agreement includes a Dispute Resolution Procedure, and a procedure on Consultation Regarding Workplace Change.

Policies and procedures include:

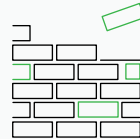
- Anti-discrimination, Harassment and Bullying Policy
- Fatigue Management Procedure
- Grievance Management Procedure
- Whistleblower Policy
- Our Business Ethics

## High-risk supply chain

Several areas in Transgrid's complex supply chain are prone to modern slavery risk.

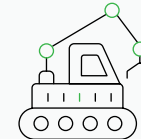
### Raw materials

The smelter phase of extractive projects may rely on unregulated artisanal mining from high-risk geographies prone to instability and corruption, resulting in a risk of the worst forms of child labour and forced/unpaid labour.



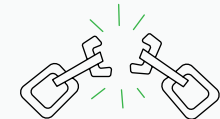
### Construction industry

Skills shortages and the temporary nature of this work means labour is frequently outsourced to third-party contractors, raising the risk of deceptive recruitment and bonded labour, also has a reliance on vulnerable migrant populations.



### Logistics and transport

These sectors are known to force contracts by threat or duress, resulting in an unsafe number of work hours, or non-payment for non-driving work such as loading and waiting.



We identify and mitigate modern slavery risk using an internally developed supplier risk matrix scoring system. This year, our assessment indicated four high/moderate risk categories:



### Network equipment

Transformers, static volt-ampere reactive (VAR) compensators, synchronous condensers, capacity banks and HV components are primarily sourced from Asia.



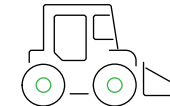
### Personal Protective Equipment (PPE)

We have identified garments that have been manufactured offshore.



### Electronics

Hardware components and services are primarily manufactured and provided by organisations with support services based in developing countries.



### Construction labour

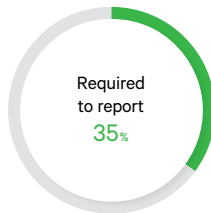
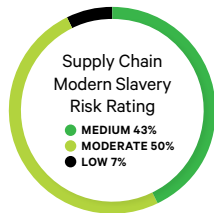
Employment practice visibility can be limited when Tier 2 or Tier 3 companies subcontract low-skilled or unskilled labour for construction projects.



# Supply chain deep dive

During the year, Transgrid analysed our suppliers that have a potentially higher risk based on the nature of the goods or services they provide. Our top 165 suppliers with a spend of \$250,000 and greater represent 79% of our total spend during the financial year.

Transgrid acknowledges that progress is still to be made by our suppliers in managing their modern slavery risks. This has been the key driver to implement a new modern slavery risk assessment tool, along with additional governance processes, to help us support and augment the management of our modern slavery risks.



### Our top findings were:

Our deep dive on our high risk/ high spend suppliers unveiled that some parts of our supply chain are at different stages of their modern slavery journey and require Transgrid's support to further progress how they address modern slavery risks. For this set of suppliers we found that:

**50%** had modern slavery governance mechanisms in place

**27%** lack modern slavery training modules

**84%** audited suppliers when investigating serious risk

**35%** have yet to perform a modern slavery risk assessment

**26%** of our suppliers are seeking alternative sources to avoid modern slavery

**65%** don't have a remediation process

### High risk countries of manufacture are:

30-39.9



Japan  
Laos  
Malaysia  
Mongolia  
Taiwan

20-29.9



China  
South Korea

10-19.9



Papua  
New Guinea

<0-9.9



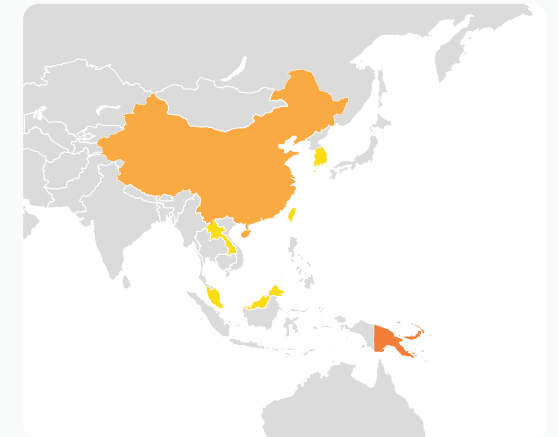
N/A

(Please refer to Appendix 1 – page 16 for detailed explanation of the risk ratings)

### Transgrid's Geographic Risk based on Government Response Rating (Global Slavery Index)

#### Risk assessment factors:

- What Tier does supplier have visibility over
- Remediation
- Grievance
- Training
- Mitigation: contract clause, audit, alternative supply
- ISO20400 certification
- Business model risks
- Government response rating
- Country of manufacture / geopolitics
- Industry
- Organisational risk
- Vulnerable population
- Supply chain procurement categories
- Complexity of supply chain





# 4. Actions taken

In FY23, Transgrid built on our FY22 initiatives, further embedding modern slavery initiatives across our operations and supply chain. Our commitment to identifying, mitigating and remediating modern slavery risk is shown by our continued efforts in our day-to-day operations.

## Modern Slavery Working Group

Transgrid's cross functional Modern Slavery Working group is represented by the following key business units, that met four times in FY23: Legal, Risk, Compliance, People & Culture, Supply Chain, Community & Policy and Communications. In FY24, the Working Group will meet bimonthly to continue the momentum in embedding modern slavery risk mitigation processes across our operations. During the year our Working Group reviewed our grievance mechanism and took steps to ensure the business is aware of how to identify suspicious activity and how to report it. A modern slavery reporting protocol was developed and rolled out to the business and published on the intranet.

## Improving risk assessment

We continued our engagement and usage of the Informed 365 platform to help, not only our sector but our operations, gather accurate reporting on human rights and modern slavery risks across clients, suppliers and sub-contractors, including organisations that might usually be seen as competitors. Informed 365, which aligns with GRI, ISO20400, CDP and TCFP, allows the non-profit Energy Procurement Supply Association (EPSA) to share questionnaire data of mutual suppliers at an industry level. With suppliers only having to complete questionnaires once – not multiple times for multiple clients – Informed 365 removes the modern slavery reporting burden, encouraging better and more transparent reporting. At the same time, the industry can take a collaborative approach to addressing modern slavery risk, sharing information and best practices.

In FY23, we took a refined approach with Informed 365 and audited our active suppliers with spend of greater or equal to \$250,000, to analyse supplier compliance relating to registering and completing the Self Assessment Questionnaire (SAQ). Of 165 suppliers audited 49 (29.6%) had completed and successfully linked with Transgrid, 42 (25.4%) had completed an SAQ but had not linked with Transgrid and 74 (44.8%) had not registered or completed a questionnaire. Our Social Procurement Analyst completed the exercise and requested linking to the 49 suppliers already on the platform and issued 74 registration requests. Our Social Procurement Analyst is now responsible for reviewing, assessing and scoring the assessments and working alongside Supply Chain Sourcing and Procurement Business Partners in managing any identified potential risks. While this information is useful, we are mindful of the limitations of self-assessment questionnaires.

One size does not fit all. Small and medium enterprises are not captured by the reporting regulations and therefore do not always have the policies and frameworks in place in larger organisations. Neither do they have the resources to answer survey questions. Suppliers tend to complete questionnaires in a compressed timeframe and their responses are limited by the way a survey narrows in on answers. Transgrid is currently in the final stages of procuring the Fair Supply platform to assist in identifying, assessing and mitigating the risks of our supply chain. The new platform will also provide greater visibility for up to 10 tiers.

## Social Procurement Analyst ongoing role and responsibility

Our Social Procurement Analyst has been working closely with business units to ensure that the business remains vigilant in its responsibility and commitment in combating modern slavery. During the reporting year the social procurement analyst has been responsible for and achieved the following:

- Delivered four social procurement workshops to procurement teams and respective leaders on the following:
  - What is modern slavery
  - How it impacts our business operations and supply chains
  - Geopolitical influences such as ongoing effects of the covid pandemic and the current war in Ukraine
  - Reporting suspected modern slavery breaches
- Facilitated social procurement workshops with key delivery partners
- Actively involved in bid responses and addressing Transgrid's modern slavery commitments and processes
- Actively supporting new suppliers with their onboarding
- Creating and rolling out a modern slavery reporting protocol to the business
- Identifying continuous improvement strategies; and
- Representing Transgrid in Energy Procurement Supply Association meetings and events

## Ongoing and renewed commitments for Financial year 23/24

Transgrid is on a continuous improvement trajectory and acknowledges a need to further its capacity in identifying risks in the supply chain. This financial year will see an addition to the current risk assessment tool that the business will use to strengthen its due diligence and governance processes. This will provide Transgrid with greater insight into the supply chain of delivery partners and manage any high risk activities.

Our commitment to ongoing training of employees will continue as we look to embed modern slavery awareness modules for new and existing employees.

Continued consultation will occur across all facets of our operations and entities by including key representatives who can provide critical input and updates as new initiatives and tools are introduced to the business.

Please refer to page 15 which documents our forward commitments for financial year 23/24.





# 5. Assessing effectiveness

Transgrid uses multiple mechanisms to verify whether our actions to assess and address modern slavery risks are working.

## Groups and individuals monitoring our progress

The effectiveness of Transgrid's modern slavery program is tracked, critiqued and evaluated by two key internal stakeholders:

**Modern Slavery Working Group** – One of the functions of the Modern Slavery Working Group is to assess the effectiveness of the modern slavery program. In this regard, the Working Group receives guidance and input from the Chief Risk Officer, General Counsel, Head of Compliance, Sustainability Manager, General Manager of Health, Safety and Environment as well as representation from Human Resources, Supply Chain category managers, Communications and Community & Policy.

**Social Procurement Analyst** – At the heart of our modern slavery efforts, our Social Procurement Analyst helps us benchmark against modern slavery risk mitigation and reporting trends, best practice and regulator standards and updates. We also benchmark our progress against industry peers through EPSA, allowing us to identify improvement opportunities in the program.

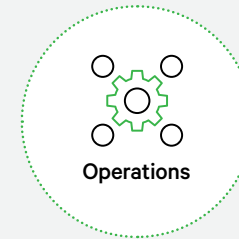
### Our metrics



Capability



Supply chain



Operations

Measure
Regular engagement and feedback
Tracking modern slavery e-learning module completion
Collaborating with similar businesses at external working groups

Measure
Number of suppliers that have improved their modern slavery response from last year
Percentage of high-risk suppliers screened and monitored via third party platform / percentage of spend
Percentage of contracts with modern slavery clauses
Percentage of contract negotiations on modern slavery
Number of suppliers who completed the questionnaire
Number of departures from the modern slavery contract terms

Measure
Number of modern slavery incidents identified
Number of human rights grievances reported
Number of people that completed modern slavery training
<b>Governance:</b> annual review of Modern Slavery Policy, Due Diligence Framework, risk assessment, supplier code of conduct, contract terms review, standard of behaviour for suppliers and our people



## Progress against Transgrid's three-year modern slavery roadmap

In FY23, Transgrid made further progress towards our key target actions, and we are continuously reviewing modern slavery initiatives that reflect our sector and position within domestic and international supply chains.

TARGET ACTION	ACTION	YEAR	STATUS	TARGET ACTION	ACTION	YEAR	STATUS		
<b>Development</b>	Risk assessment	Review Tier 1 risk assessment	FY21	●	<b>Implementing and embedding</b>	Remediation	Develop grievance mechanism	FY23	●
	Risk mitigation	Include modern slavery in strategic supplier meetings	FY21	●		Capability	Train all employees	FY23	●
		Update and communicate new Terms & Conditions	FY21	●			Continue sector collaboration	FY23	⦿
		Include Ethics commitment in supplier onboarding	FY21	●		Capability / Risk mitigation	Review effectiveness of Modern Slavery Policy	FY23	⦿
		Capability	Develop Modern Slavery Roadmap	FY21			●	Embed modern slavery mitigation within procurement process and supplier onboarding	FY23
	Capability / Risk assessment	Launch cross-functional Modern Slavery Working Group	FY22	●			Include modern slavery in supplier forums and training	FY24	👉
	Risk assessment	Investigate systems to capture Tier 1 modern slavery risks	FY22	●			Prepare operations to implement the Modern Slavery Act (Cth) 2018, including the 30 recommendations into the business	FY24	👉
<b>Researching and engaging</b>	Risk mitigation/capability	Develop Modern Slavery Policy	FY22	●	Risk assessment	Social Procurement Analyst to deep dive into Tier 2 suppliers	FY24	👉	
	Risk mitigation	Include Modern Slavery Advisor in supplier negotiations	FY22	●		<b>Monitoring and evaluating</b>	Capability, Operations and Supply Chain which is being done in FY24	FY24 auditing high-risk suppliers ad hoc	FY24
	Risk assessment	Deep dive into high risk category – Cleaning and PPE offshore network, electronics, construction	FY22	●			Investigate additional platform that provides predictive supply chain data to Tier 10	FY24	👉
	Capability	Continue sector collaboration	FY22	●			Integrate Human Rights Due Dilligence Framework	FY24	👉
		Continue Modern Slavery Working Group	FY22	●					
		Develop intranet page	FY23	●					
<b>Implementing and embedding</b>	Risk mitigation	Embedding MS Tender Question	FY23	⦿					
		Review contract clauses and embed in all new supplier contracts	FY23	●					
	Risk assessment	Develop checklist for procurement team	FY23	●					
	Risk mitigation/Remediation	Review effectiveness of grievance mechanism	FY23	●					

KEY: ● Complete 🔄 Near completion 📈 In progress 🏁 Started ⦿ Continuous process

### Forward commitments

In the coming year, our modern slavery goals include introducing:

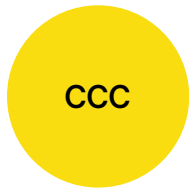
- Rules for monitoring improvements or termination with suppliers
- A remediation guideline, including assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how the impacts are addressed
- A modern slavery risk register
- The newly developed supplier grievance mechanism
- Modern slavery elements into our tenders
- Embed modern slavery mitigation within our procurement and supplier on boarding processes.





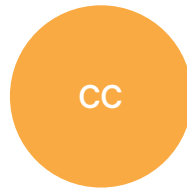
# Appendix 1:

## Geographic risk based on global slavery index government response



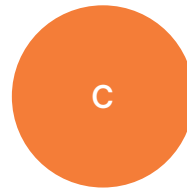
### 30 to 39.9

The government has a limited response to modern slavery, with limited victim support services, a criminal justice framework that criminalises some forms of modern slavery, and has policies that provide some protection for those vulnerable to modern slavery. There may be evidence of a National Action Plan and/or national coordination body. There may be evidence that some government policies and practices may criminalise and/or deport victims and/or facilitate slavery. Services may be largely provided by International Organisations (IO) and Non-Governmental Organisations (NGO) with international funding, with limited government funding or in-kind support.



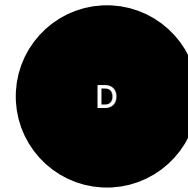
### 20 to 29.9

The government has a limited response to modern slavery, with largely basic victim support services, a limited criminal justice framework, limited coordination or collaboration mechanism, and few protections for those vulnerable to modern slavery. There may be evidence that some government policies and practices facilitate slavery. Services are largely provided by IOs/NGOs with limited government funding or in-kind support.



### 10 to 19.9

The government response to modern slavery is inadequate, with limited and/or few victim support services, a weak criminal justice framework, weak coordination or collaboration, while little is being done to address vulnerability. There are government practices and policies that facilitate slavery. Services, where available, are largely provided by IOs/NGOs with little government funding or in-kind support.



### <0 to 9.9

The government has a wholly inadequate response to modern slavery, and/or there is evidence of government-sanctioned modern slavery. However, countries in this category may be experiencing high levels of poverty and internal conflict that may prevent or hinder a response to modern slavery.

Source: Based on the Global Slavery Index as published by international human rights group Walk Free



# Appendix 2: Risk mitigation framework



## OPERATIONS

## SUPPLY CHAIN

### Business Area

- Report risks to Procurement Team
- Modern Slavery Policy annual review

- Procurement Team
- Suppliers

### Governance

- Supplier Code of Conduct review
- Contract terms review
- Standard of behaviour for suppliers and employees

- Social Procurement Analyst to advise on modern slavery contract negotiations
- Responsible supplier incentive

### Transactional

- Social Procurement Analyst to analyse and advise on modern slavery in contract negotiations

- Audit high risk suppliers with little visibility
- Influence suppliers beyond Tier 1

### Monitoring

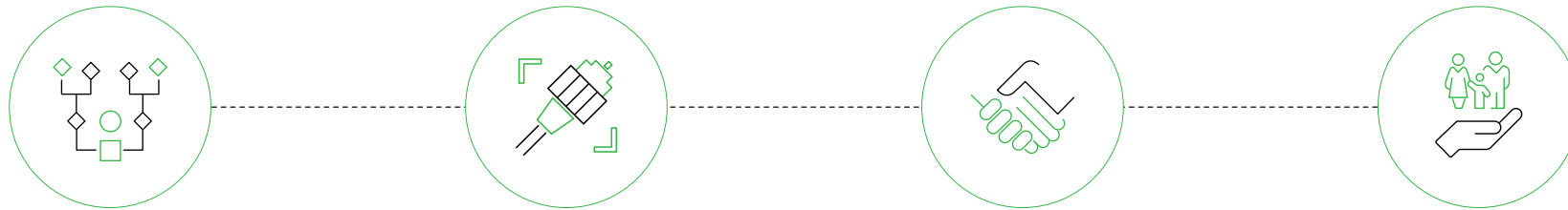
- Collaborative action with EPSA

- Establish benchmarks



# Appendix 3: Developing a human rights due diligence framework

Recognising that modern slavery is a subset of broader human rights violations, during the year we developed a holistic Human Rights Due Diligence Framework. The framework will help us to prevent and manage human rights risk, including modern slavery, and encourage engagement, negotiation and collaboration to prevent them.

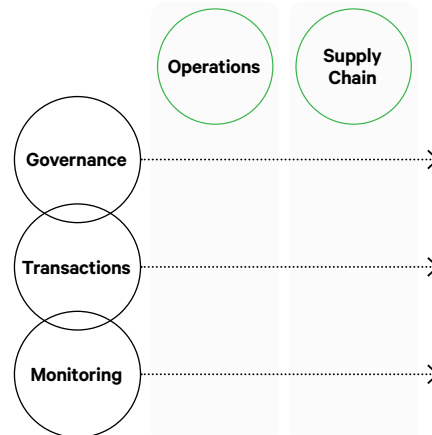


### Risk assessment

**Assess and score high risk, high spend suppliers:**

- Category
- Country
- Commodity
- Vulnerability of workers
- Supply chain structure
- Government response rating
- Organisational risks
- Hidden risks
- Rank risks by severity and degree of responsibility

### Mitigation



See Appendix 3 for more.

### Remediation

- Anonymous whistleblower service
- Business Ethics Policy
- Modern Slavery Register
- Review remediation and grievance mechanisms
- Support services for employees
- Rules for monitoring improvements of termination with suppliers
- Develop remediation guideline

### Capability

- Provide business-wide training
- Regular report
- Surveys through Informed 365
- Building supplier relationships
- Assess procurement process
- Support suppliers eradicate modern slavery in their operations before looking for alternative sources

### Transgrid Whistleblower Service

Phone Toll Free | 1800 826 109  
Email [transgridwhistleblow@deloitte.com.au](mailto:transgridwhistleblow@deloitte.com.au)

You can send a letter to:

**Transgrid**  
Reply paid 12628 A'Beckett Street, Victoria 8006



Find out more at:  
Telephone: 1800 222 537  
Email: [community@Transgrid.com.au](mailto:community@Transgrid.com.au)  
[www.Transgrid.com.au](http://www.Transgrid.com.au)