

# Energy Queensland Group Modern Slavery Statement

2023 - 2024



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Energy Queensland acknowledges the traditional custodians of the land on which we live and work, and recognise their continuing connection to land, waters, and community. We would also like to pay our respects to Elders past and present for they hold the memories, the traditions, the culture and hopes of First Nations people. We also acknowledge that the lands and waters beneath the poles and wires that stretch across the communities where we live and work, was and always will be traditional Aboriginal and/or Torres Strait Islander land.

## About this Statement

This Modern Slavery Statement has been prepared in accordance with the requirements of the *Modern Slavery Act 2018* (Cth).

This is the fifth joint Modern Slavery Statement made by Energy Queensland Limited and its wholly owned subsidiaries Energex Limited, Ergon Energy Corporation Limited, Ergon Energy Queensland Pty Ltd and Yurika Pty Ltd (the EQL Group).

As the EQL Group use the same policies and processes, operate in the same sector, and share many suppliers, this Statement provides a consolidated description of the actions taken to assess and address the risk of modern slavery in the operations and supply chains of the EQL Group for the financial year ending 30 June 2024.

This, and our earlier Modern Slavery Statements, can be found on the Modern Slavery Register at <https://modernslaveryregister.gov.au>



## Our structure, operations, and supply chain

Energy Queensland is Australia's largest, wholly Government-owned electricity company, comprising Energex and Ergon Energy Network, Ergon Energy Retail and Yurika (as shown in **Figure 1**).

The EQL Group was created in 2016, from a predecessor history of over 100 plus years of experience in electricity retailing, distribution, transmission and generation.

Our shareholding Ministers, on behalf of the Queensland community, are the Deputy Premier, Treasurer and Minister for Trade and Investment, and the Minister for Energy and Clean Economy Jobs.

We have a unifying vision, purpose, and set of values that guide everything we do. Our vision helps us to understand where we are heading, our purpose is what we do, and our values are how we do it.

*Figure 1: EQL Group of companies*



## Structure and operations

Energy Queensland operates predominantly in Queensland as the parent company of the EQL Group. We provide administrative, corporate and management functions to each of the EQL Group entities and their subsidiaries.

Our electricity distribution businesses, Ergon Energy Network and Energex deliver electricity across Queensland. We supply more than five million Queenslanders through more than 210,000 kilometres of electricity networks, and 33 isolated systems.

Our retailer, Ergon Energy Retail, sells this electricity to its 772,000 customers throughout regional Queensland, with generation, energy trading and retailing capabilities. Our customer numbers make us the fourth largest retailer in the National Electricity Market.

Yurika provides integrated solutions in energy and infrastructure, energy supplies, metering, telecommunications, and digital services to connect its customers to a sustainable energy future.

We energise Queensland communities from Tweed River to Torres Strait and from Brisbane across to Birdsville, and through Yurika's services, to a growing national footprint. Our core service area is shown in **Figure 2**.

We have more than 9,300 employees across Queensland, and in other Australian markets that we're operating in. Approximately half of our employees reside and work in regional areas.

We employ a diverse range of people in operational, technical and professional roles. The majority are engaged through direct employment on permanent or fixed term contracts.

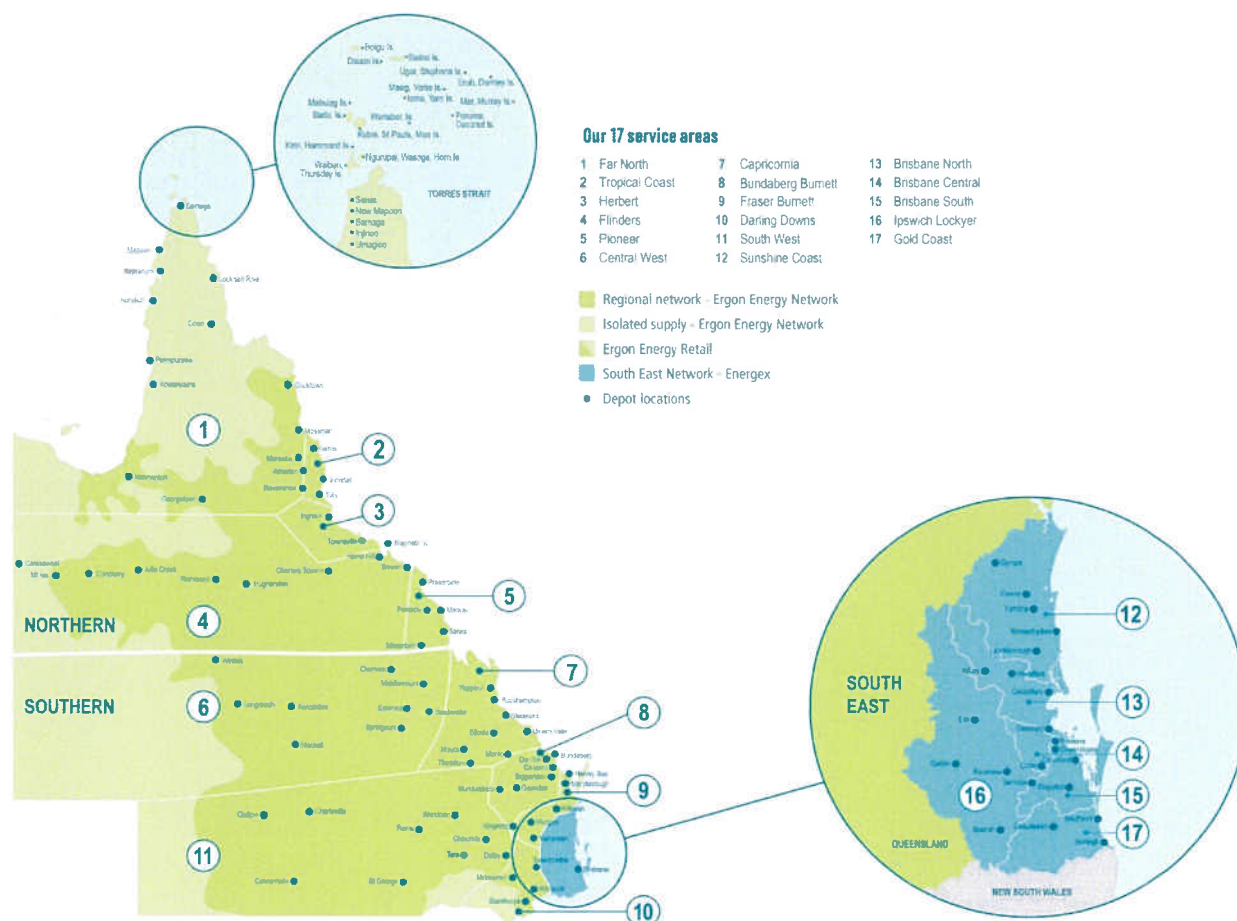


Figure 2: EQL core service areas

## Investments

Energy Queensland holds a minority investment in Queensland Capacity Network Pty Ltd ACN 633 081 517 (trading as QCN), a communications company set up for the purpose of enabling faster and more reliable internet services in regional Queensland.

Ergon Energy Retail holds an interest in EnergyOS Pty Ltd ACN 164 557 448, a software company that delivers energy management and portfolio services.

## Supply Chain

The EQL Group utilises global and domestic suppliers to procure goods, materials and services for our operations.

Our suppliers are based in Europe, the UK, USA, New Zealand, Canada, China and Southeast Asia, as well as across many States within Australia. In alignment with the Queensland Procurement Policy we encourage procuring from small to medium enterprises within Queensland to support local businesses.

Procurement of any goods, materials or services is governed by robust policies, procedures and processes that apply to all employees and contractors working for or on behalf of the EQL Group.



## Assessing the risk of modern slavery in our operations and supply chain

### Operational risk assessment

As with previous years, we assessed the risk of modern slavery in our operations by considering:

- Sector and industry risks - Certain sectors and industries may have high modern slavery risks because of their characteristics, products, and processes.
- Product and services risks - Certain products and services may have high modern slavery risks because of the way they are produced, provided, or used.
- Geographic risks - Some countries may have higher risks of modern slavery, due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors like poverty.
- Entity risks - Some entities may have modern slavery risks because they have poor governance structures, a record of treating workers poorly or a track record of human rights violations.

The EQL Group's risk of modern slavery practices in our operations is assessed as low given our operating context. We operate in a highly regulated industry and as a Government Owned Corporation, we are subject to additional regulations, scrutiny, and community expectations.

We are committed to ethical and responsible decision making and have in place an Integrity Framework that supports this via policies, training and guidelines, as well as internal networks and support.

Our recruitment, resourcing and governance frameworks mitigate the risk of modern slavery for our employees. This is further supported by our People Strategy 2024 -2032, a focus on empowering and enhancing our workforce to

ensure they are equipped to deliver the best results for our customers and community.

### Supply chain risk assessment

We continue to register suppliers on the Informed 365 platform to complete a modern slavery self-assessment questionnaire. This year was the first cyclic review period for many of our suppliers. They were invited to review their original self-assessment and provide updates and commentary on any changes that have occurred. This process ensures that supplier modern slavery risk ratings are assessed regularly. While we maintain a focus on our high risk/high spend suppliers, we continue to broaden this scope to include smaller material suppliers based on their geographic location. Supply chain mapping information is gathered for goods and material contracts during tender activities and we use this information to determine their geographic risk profile.

By the end of the reporting period a total of 531 EQL suppliers had been invited to complete an assessment of their practices on the Informed 365 platform. These invitations were sent directly by the EQL Group or shared by a supplier of a member of the Energy Procurement Supply Association. 67% of suppliers invited by the EQL Group have completed the survey.

An area of continued focus for EQL will be with our small suppliers to ensure that they are aware of and contribute to our efforts to identify modern slavery in the supply chains of all suppliers, regardless of size. As EQL covers large, rural areas of the state, we want to raise awareness with suppliers about how they can identify modern slavery, not only in their supply chains, but also in the communities they live and work in. EQL continues working with Informed 365 to develop a self-assessment questionnaire that is better suited to small businesses while still enabling us to sufficiently assess modern slavery risk.

## Due Diligence

We mitigate the risks through our procurement and contract management policies, procedures, and processes. For example, the EQL Group:

- only use licensed agencies on either the Queensland Government Contingent Resource Panel or our own panel of vetted contractors and suppliers;
- utilise robust engagement and contract terms;
- conduct regular reviews of labour hire rates and wages to ensure they meet or exceed legislative requirements; and
- use Informed 365 to assess individual suppliers.

Further details in relation to the actions we have taken to mitigate the risk of modern slavery are outlined below.

### Queensland Government's Framework

As a Government Owned Corporation, Energy Queensland Limited is bound by the Queensland Procurement Policy 2023 which sets a clear commitment to eliminating modern slavery in government supply chains through its Ethical Supplier Mandate, Ethical Supplier Threshold, and the Supplier Code of Conduct 2023.

When registering to become a supplier to the EQL Group, businesses must complete a supplier registration form where they are required to acknowledge that they will comply with the Queensland Government's Supplier Code of Conduct when supplying us goods or services.

Under the Queensland Government's Supplier Code of Conduct, suppliers are required to act against human rights exploitation in their supply chain and to address modern slavery risks.

## Tender questions

All tenderers for our procurement activities are required to answer modern slavery questions that allow us to assess the risk of modern slavery in their operations and supply chain. Those tendering on goods and materials contracts are required to provide details about their supply chain, including the primary and secondary locations of where they will obtain materials they propose to supply to us. This information is collated into a mapping register to provide an overall view of the supply chain to enable more informed tendering decisions.

## Contract clauses

Our commitment to identifying and remediating modern slavery in our supply chain is reflected through specific clauses in our contracts.

Depending on the nature of the contract and the associated risk profile, suitable template clauses will be included in our contracts. For example, the contract may require the supplier to have adequate and reasonable policies, controls, procedures, and training in place designed to detect, assess, manage, and remedy modern slavery in its operations and supply chains.

The contract may also enable us to request information about a supplier's compliance with the modern slavery contract clauses and to undertake due diligence on their supply chain.

All contract templates, including those for our subsidiaries, have been updated to include modern slavery clauses.

## Informed 365 assessments

While we prioritise modern slavery assessments of suppliers with a higher risk of modern slavery (based on sector, service provided or geographic location), we continue to expand our assessment across our entire supply chain, including small and medium sized suppliers during this reporting period.



Responses indicate our suppliers are becoming more aware of modern slavery and they are taking steps to understand how they can improve their own identification and remediation processes.

Some of the steps suppliers are taking to reduce the risk of modern slavery include embedding contractual obligations in supplier agreements, employee training and supply chain mapping. 51% of suppliers have stated in their survey response that they have mapped out at least tier 1 suppliers and a further 21% indicate they plan to do so within the next 12 months.

We will continue to encourage our suppliers who are yet to complete the survey to do so.

### **Collaboration and engagement with industry**

Energy Queensland continues to be an active member of the Modern Slavery Community of Practice (CoP). The CoP is comprised of Queensland Government Owned Corporations, statutory bodies, and budget sector agencies.

This ongoing collaboration provides a forum to share knowledge, expertise and resources (such as training and awareness materials) amongst members of the CoP. The CoP is an integral source of information and input into the Queensland Government's Modern Slavery Framework and Roadmap.

As a member of the Energy Procurement Supply Association (EPSA), we continue to meet with Informed 365 to discuss improvements to the functionality of the platform.

### **Training and awareness**

During the reporting period, we adapted the training materials offered by the Australian Border Force into general awareness modules available to all EQL Group staff to support awareness around identifying, assessing, and managing modern slavery risks.

Tailored training is provided to our procurement team members, given the nature of their role requires a greater understanding of modern slavery practices and risk indicators.

During the reporting period, periodic internal communication channels were utilised to promote awareness of Modern Slavery and available resources (such as the training modules) to support our people to identify signs of modern slavery and know how to respond.

### **Employment**

We are committed to paying people equitably and fairly, with robust policies supported by our HR platform SuccessFactors. The majority of staff members are permanent with only a small volume operating on a contingent arrangement.

Labour hire arrangements recognise market hourly rates which are applied on all labour hire engagements. Work is currently underway to move to the whole-of-Queensland Government arrangement. This will be prescribed under the Queensland Government's Temporary and Contracted Workers Preferred Supplier Panel.

Enterprise Bargaining Agreements containing terms and conditions of employment are in place covering the majority of EQL employees.

### **Industrial Relations**

The EQL IR team work closely with the trade unions on monitoring the rates that are paid to contracting companies for core work and ensuring equivalency to pay levels of permanent employees. Iterative improvements are also being made to modernise the classification structure for EQL positions, which includes minimum salaries paid for different occupational groups covered by EQL's Enterprise Agreements.



## **Integrity Line and modern slavery investigation process**

EQL utilises an Integrity Line (administered externally by Deloitte) for reporting whistle blower issues and any concerns that the EQL Group may be involved in modern slavery practices. The Integrity Line is promoted through internal communication channels in addition to being publicly available on our websites. No reports related to instances of modern slavery were received via the Integrity Line during the reporting period.

## Assessing the effectiveness of our actions

EQL continues to monitor the effectiveness of our actions to address modern slavery risks in our operations and supply chain. We have grouped our actions into five core focus areas:

1. supplier engagement and assurance ;
2. training and awareness;
3. collaboration;
4. procurement and purchasing processes; and
5. robust integrity and reporting avenues.

Against each of these focus areas we have developed measures of effectiveness detailed in **Table 1**. We continue to evolve our actions and effectiveness measures over each reporting period.

**Table 1.** EQL's Assessment of Actions Taken:

Focus Area	Objective	Measure of Effectiveness
Supplier engagement and assurance	<ul style="list-style-type: none"> <li>• Increase supplier awareness of modern slavery practices</li> <li>• Encourage suppliers to review their operations and supply chain for human rights and modern slavery practices</li> <li>• Assurance over supplier's self-assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Process to prompt suppliers to review their questionnaire responses every 2 years.</li> <li>• Process to review supplier's self-assessments and verify documentation.</li> <li>• Process for engaging with and investigating any supplier with a risk rating of medium, high, or very high. 35% of self assessment questionnaires have been reviewed to date based on this process.</li> </ul>
Training and awareness	<ul style="list-style-type: none"> <li>• Promote awareness of modern slavery practices and support our people to identify signs of modern slavery and how to respond</li> </ul>	<ul style="list-style-type: none"> <li>• Modern Slavery awareness training made available to all staff on EQL's internal learning platform. The awareness training is non-mandatory and on a self-serve basis.</li> <li>• Refresher training completed for all procurement team members during reporting period</li> <li>• Periodic review of training materials and resources</li> <li>• Internal communication channels were utilised in October, December and March to raise awareness of modern slavery practices and the resources available (such as training and procurement processes)</li> </ul>
Collaboration	<ul style="list-style-type: none"> <li>• Sharing of knowledge and learnings with energy and other utility organisations</li> <li>• Collaborating on activities to support the eradication of modern slavery</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement at monthly EPSA Modern Slavery meetings and Queensland Government Entities' Modern Slavery Community of Practice</li> <li>• Improvements made to the EPSA Modern Slavery Risk platform on Informed 365</li> </ul>



Procurement and purchasing processes	<ul style="list-style-type: none"> <li>Support the identification, assessment, and actions to address modern slavery risks</li> </ul>	<ul style="list-style-type: none"> <li>33 Fleet suppliers and 3 renewable energy tenderers were added to the Informed 365 platform. This is in addition to suppliers already in the Informed 365 platform completing the questionnaire review.</li> <li>Modern slavery risks are considered, identified and mitigated through the procurement process</li> </ul>
Robust integrity and reporting avenues	<ul style="list-style-type: none"> <li>Provide employees and third parties with a process to report actual or suspected instances of modern slavery practices in our operations or supply chain</li> <li>Modern Slavery Investigation Process to allow assessment of incidents raised</li> </ul>	<ul style="list-style-type: none"> <li>Reports relating to modern slavery made to our 24/7 Integrity Line. No reports were made in the reporting period.</li> <li>Employee awareness of reporting process</li> <li>Periodic review of the Modern Slavery Investigation Process</li> </ul>

## Consultation and Approval

Energy Queensland and its wholly owned subsidiaries Energex Limited, Ergon Energy Corporation Limited, Ergon Energy Queensland Pty Ltd and Yurika Pty Ltd Limited are each reporting entities under the *Modern Slavery Act 2018* (Cth).

To prepare this joint statement, we actively engaged and consulted with each reporting entity in the EQL Group. The Executive Leadership Team that is shared across the EQL Group was involved in the review and the endorsement of this Statement for approval by the Energy Queensland Board of Directors.

This statement was approved pursuant to the *Modern Slavery Act 2018* (Cth) by the Board of Energy Queensland Limited as the parent entity on 20 November 2024.



**Sarah Zeljko**  
Chair