

Modern Slavery Statement

AUSGRID GROUP FY2023



Introduction

BOARD APPROVAL

This Modern Slavery Statement (**Statement**) is jointly made by the following reporting entities:

1. Ausgrid Operator Partnership (ABN 78 508 211 731) (**AOP**) and its subsidiary, Ausgrid Management Pty Ltd (ACN 615 449 548) (**Ausgrid Management**);
2. Ausgrid Asset Partnership (ABN 48 622 605 040) (**AAP**) and its subsidiary, Ausgrid Finance Pty Ltd (ACN 615 343 005) (**Ausgrid Finance**); and
3. PLUS ES Partnership (ABN 30 179 420 673) (**PLUS ES**),

(together, the **Ausgrid Group** and each an **Ausgrid Group Member**), pursuant to the *Modern Slavery Act 2018* (Cth) (the **Act**) enacted on 1 January 2019.

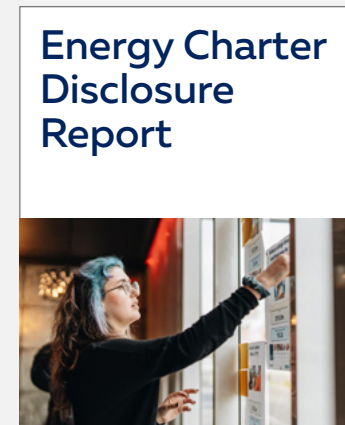
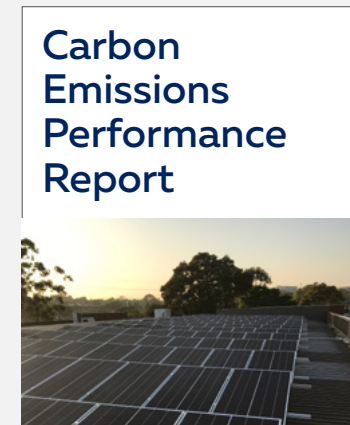
This Statement is for the financial year 1 July 2022 to 30 June 2023 (the **reporting period**) and is approved and endorsed by the respective Boards of the Ausgrid Group Members, which are their principal governing bodies.

Dr Helen Nugent AC
Chair

6 December 2023

AUSGRID ANNUAL ESG REPORTING SUITE

Our annual Modern Slavery Statement is one of several ESG disclosures. Please refer to the Ausgrid website to access these publications.



'Travelling across Country'. Ausgrid's network by First Nations artist, Emma Peel.

ACKNOWLEDGEMENT OF COUNTRY

Our network and operations span the traditional country of 17 languages and tribal and nation groups in Sydney, the Central Coast and the Hunter regions of New South Wales.

We acknowledge First Nations peoples as the Traditional Custodians of the land on which our business activities take place, and we pay our respect to their Elders past, present and future.

As set out in our Reconciliation Action Plan, we want to lead and foster a workforce, and approach to our operations, that embraces the learnings, voices, cultures and histories of these Traditional Owners into our organisation.

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Message from the Chair and CEO

Our 2023 Modern Slavery Statement reflects Ausgrid Group's commitment to human rights.

We are pleased to share Ausgrid Group's 2023 Modern Slavery Statement. Ausgrid Group's approach to addressing modern slavery continues to evolve. This year, we elevated the profile of human rights within the organisation by introducing a new material sustainability requirement: 'Supply chain and human rights'.

This reporting requirement expands engagement with our suppliers on their human rights, social and environmental performance, whilst ensuring that suppliers are treated fairly. It provides us with enhanced performance information.

Protecting human rights is a priority issue for our organisation. We understand that our investors, employees, customers, and the community in which we operate expect us to act responsibly, while delivering our essential services.

Ausgrid Group continues to manage our modern slavery risks through established policies and procedures, due diligence processes and employee training.

We remain committed to taking action to ensure that we address and mitigate modern slavery risk in our supply chains and their operations.

Dr Helen Nugent AC
Chair

Marc England
CEO



About this Modern Slavery Statement

Ausgrid Group is committed to human and labour rights and the global eradication of modern slavery in all its forms.

Each Ausgrid Group Member had a consolidated revenue of at least \$100 million during the reporting period and is classified as a reporting entity pursuant to the Act. This Statement has been prepared by addressing the mandatory criteria for content set out in the Act.

In general terms, modern slavery captures situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom and includes the following categories of serious exploitation: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

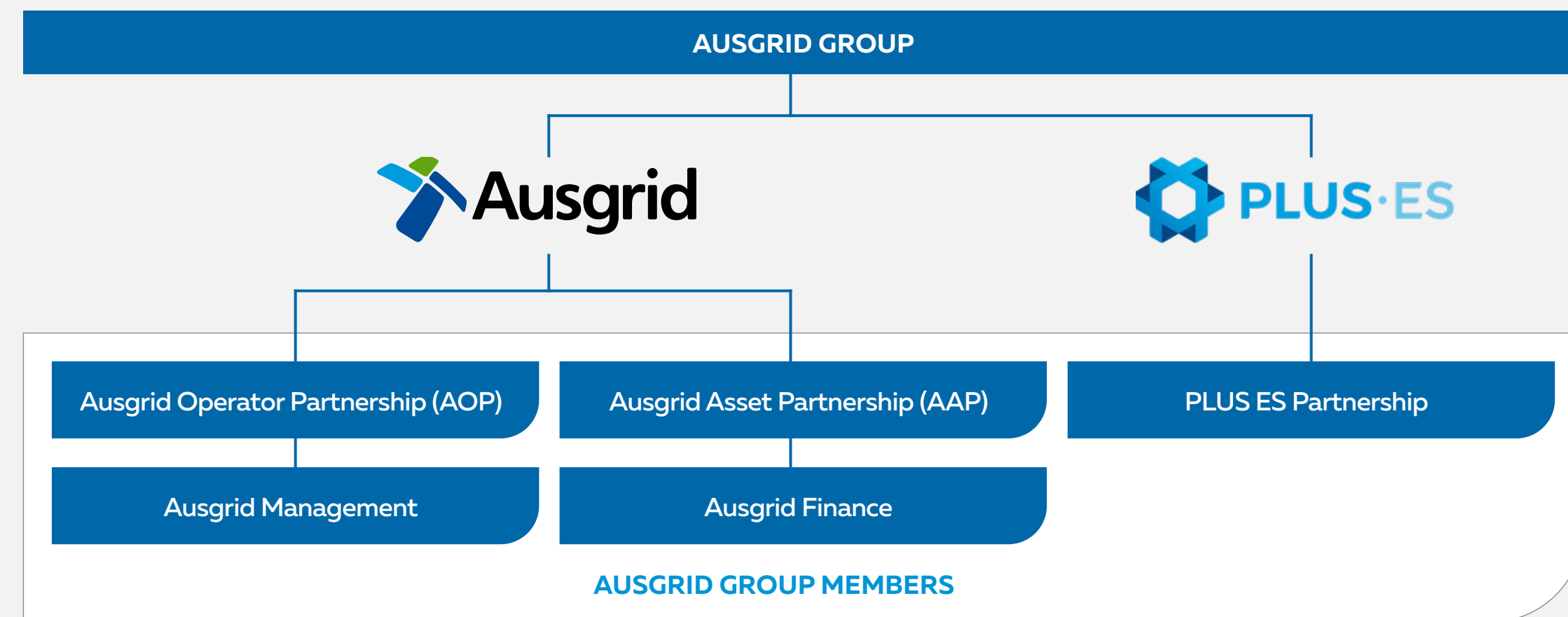
We welcome the measures implemented by the Act and are pleased to communicate our ongoing and developing response to tackling this serious and important issue in this Statement.

This Statement records the actions we have taken, and continue to take, to manage modern slavery risks, and how we measure the effectiveness of these actions in eliminating the risk of modern slavery in connection with our business and supply chain.

We will continue to work with our business partners to raise awareness of this issue, communicate our expectations and take action to eliminate modern slavery risks.

SCOPE OF STATEMENT

In previous years, the Ausgrid Group published a PLUS ES and an Ausgrid Modern Slavery Statement. This year, the Ausgrid Group are publishing a combined Modern Slavery Statement which includes each of the Ausgrid Group entities referred to below:



OUR PURPOSE

Connecting communities, empowering lives

OUR VISION

Our vision is for communities to have the power in a resilient, affordable, net zero future.

OUR VALUES

- Work safe, live safe
- Customer-focused
- Commercially minded
- Collaborative
- Honest and accountable
- Respect



About Ausgrid

AOP and AAP Structure

AOP is a partnership carried on under that name by:

- a. Blue Op Partner Pty Ltd (ACN 615 217 500) as trustee for Blue Op Partner Trust;
- b. ERIC Alpha Operator Corporation 1 Pty Ltd (ACN 612 975 096) as trustee for ERIC Alpha Operator Trust 1;
- c. ERIC Alpha Operator Corporation 2 Pty Ltd (ACN 612 975 121) as trustee for ERIC Alpha Operator Trust 2;
- d. ERIC Alpha Operator Corporation 3 Pty Ltd (ACN 612 975 185) as trustee for ERIC Alpha Operator Trust 3; and
- e. ERIC Alpha Operator Corporation 4 Pty Ltd (ACN 612 975 210) as trustee for ERIC Alpha Operator Trust 4.

AAP is a partnership carried on under that name by:

- a. Blue Asset Partner Pty Ltd (ACN 615 217 493) as trustee for Blue Asset Partner Trust;
- b. ERIC Alpha Asset Corporation 1 Pty Ltd (ACN 612 974 044) as trustee for ERIC Alpha Asset Trust 1;
- c. ERIC Alpha Asset Corporation 2 Pty Ltd (ACN 612 975 023) as trustee for ERIC Alpha Asset Trust 2;
- d. ERIC Alpha Asset Corporation 3 Pty Ltd (ACN 612 975 032) as trustee for ERIC Alpha Asset Trust 3; and
- e. ERIC Alpha Asset Corporation 4 Pty Ltd (ACN 612 975 078) as trustee for ERIC Alpha Asset Trust 4.

A consortium comprising IFM Investors, AustralianSuper, and APG Asset Management holds a 50.4% partnership interest in AOP and AAP. The New South Wales (**NSW**) State Government, through various corporations established in accordance with the *Electricity Retained Interest Corporation Act 2015* (NSW), holds a 49.6% partnership interest in AOP and AAP.

Ausgrid Management is a subsidiary of AOP, and Ausgrid Finance is a subsidiary of AAP. AOP and AAP have effective control over their respective subsidiaries.

Within the AOP and AAP structures, the Ausgrid Group Members hold the following general responsibilities:

- AOP is Ausgrid's primary operating entity and is responsible for operating, maintaining, and building the electricity network and engaging with customers and suppliers for goods and services;
- AAP holds the electricity network assets on behalf of Ausgrid;
- Ausgrid Management is responsible for employing individuals who perform work on behalf of AOP; and
- Ausgrid Finance is responsible for obtaining finance from external lenders on behalf of Ausgrid.



Ausgrid Operations

As at 31 July 2023 Ausgrid has 2,909 employees based across its 26 operational depots and head office in Australia NSW. 92% of its employees (excluding labour hire and contractors) are covered by an enterprise agreement. Its employees are free to associate with the unions that represent their sector.

Ausgrid's core business is to provide electricity distribution network services. It does this by building and operating assets and delivering network solutions to ensure its customers have safe and reliable access to electricity at an efficient and reasonable price.

Ausgrid's network of substations, powerlines, underground cables, and power poles spans Sydney, the Central Coast, and the Hunter region in NSW, connecting its customers and their communities. Its network has powered the lives of its customers for over a century.

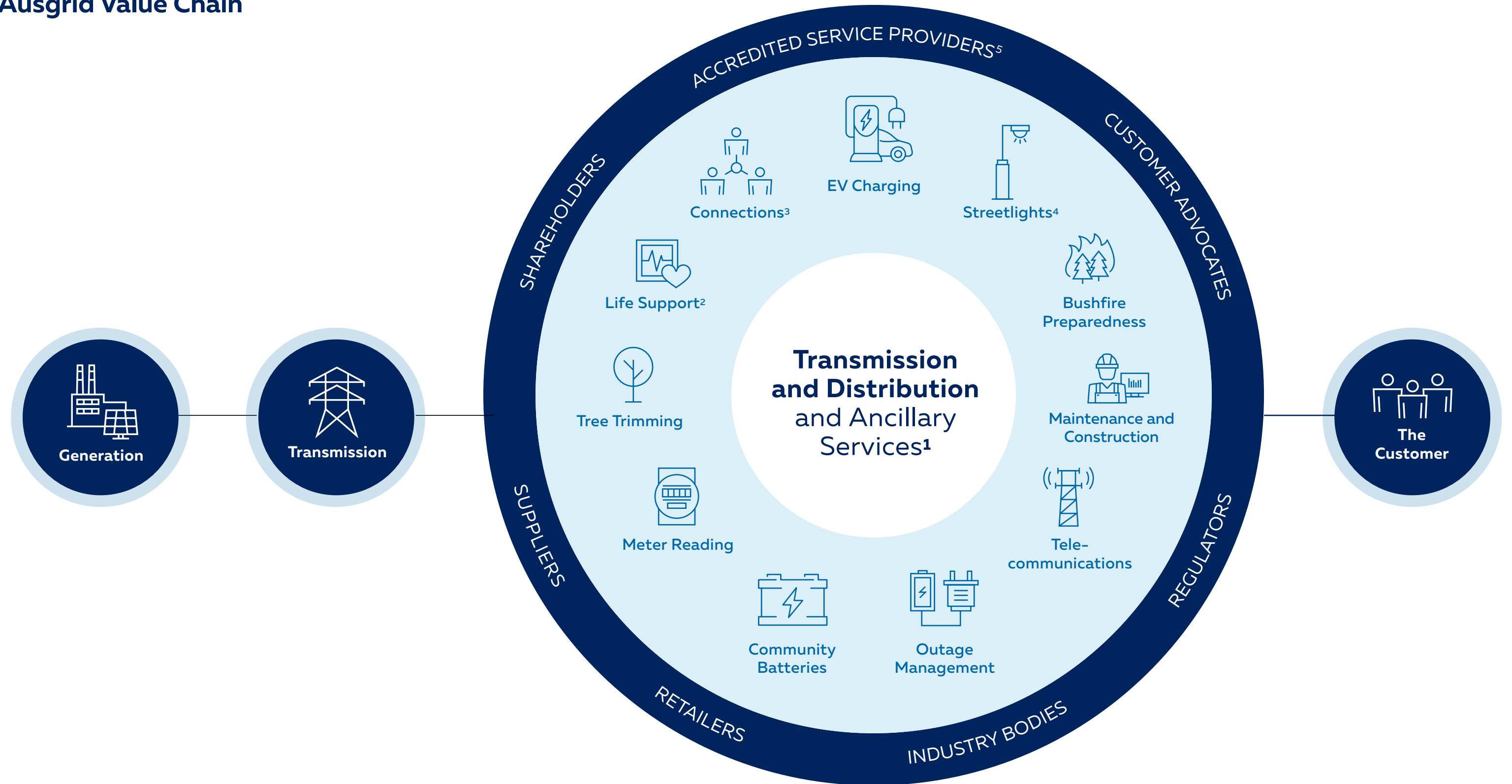
To operate its network, Ausgrid maintains 510,901 power poles, 47,523 km of power lines and underground cables, 230 large electricity substations and 33,346 small distribution substations. It provides more than 257,440 streetlights across Sydney, the Central Coast, and the Hunter region, and maintain these to keep our communities safe.

It provides a safe and reliable network that involves it undertaking maintenance works and construction, trimming vegetation, and conducting helicopter and ground patrols. These activities help protect its customers, particularly its life support customers, communities, and network, from bushfires, power outages and storm impacts.

It has its own telecommunications fibre network on its infrastructure, which is also used by third parties and assists its communities in staying connected.

It provides electricity distribution network services to almost 1.8 million homes and businesses across Sydney, the Central Coast, and the Hunter region in NSW. Ausgrid provides services to 186,228 businesses, 1,328 schools and 65 hospitals.

Ausgrid Value Chain



KEY

- Ausgrid
- Third party

NOTES

- 1 Ancillary Services**
Non-routine services provided to individual customers
- 2 Life Support**
Keeping the power on for our vulnerable customers
- 3 Connections**
These include solar panels, emerging technologies such as batteries, connecting new customers and upgrading existing customers
- 4 Streetlights**
Maintenance to keep our communities safe and upgrading to LED for more energy efficiency
- 5 Accredited Service Providers**
Third parties authorised to work on or near our network on behalf of customers



About PLUS ES

PLUS ES Structure

Our structure PLUS ES Partnership (ABN 30 179 420 673), trading as PLUS ES, is a partnership carried on under that name by:

- a. Blue PES Partner Pty Ltd (ACN 622 175 428) as trustee for the Blue PES Partner Trust;
- b. ERIC Alpha AUP Corporation 1 Pty Ltd (ACN 621 524 374) as trustee for ERIC Alpha AUP Trust 1;
- c. ERIC Alpha AUP Corporation 2 Pty Ltd (ACN 621 524 454) as trustee for ERIC Alpha AUP Trust 2;
- d. ERIC Alpha AUP Corporation 3 Pty Ltd (ACN 621 524 525) as trustee for ERIC Alpha AUP Trust 3; and
- e. ERIC Alpha AUP Corporation 4 Pty Ltd (ACN 621 524 605) as trustee for ERIC Alpha AUP Trust 4.

A consortium comprising IFM Investors, AustralianSuper and APG Asset Management holds a 50.4% partnership interest in PLUS ES. The NSW State Government, through various corporations established in accordance with the *Electricity Retained Interest Corporation Act 2015* (NSW), holds a 49.6% partnership interest in PLUS ES.

As at 31 July 2023, PLUS ES employs (via its subsidiary, PLUS ES Management 1 Pty Ltd) 80 people on individual contracts. PLUS ES employees are based in New South Wales, Queensland and Victoria, Australia and its head office is in Sydney.

PLUS ES Operations

PLUS ES is dedicated to helping Australian businesses optimise energy consumption through advanced data delivery and end-to-end energy infrastructure solutions. PLUS ES is also an expert in the end-to-end delivery of telecommunications infrastructure for the broader telecommunications industry in Australia. It is a one-stop shop and the go-to expert in the end-to-end delivery of contestable metering and infrastructure services, both energy and telecommunications.

PLUS ES was launched in late 2017. PLUS ES is ring-fenced from the regulated Ausgrid network (electricity distribution) business (being, Ausgrid and Ausgrid Assets).



Metering Services

Provides advanced metering solutions to residential, embedded network, commercial, industrial, and high-voltage customers. It offers dynamic load management, sub-metering, and data insight services.



Telco Infrastructure

It provides services to design, build, own and operate telecommunication infrastructure including small cells, macro towers, dark fibre, and fixed access wireless.

PLUS ES Services



Energy Infrastructure

It provides services to design, build, own and operate electrical infrastructure including battery storage and electric vehicle charging.



Calibration and Testing

It operates a calibration laboratory accredited by the National Association of Testing Authorities (NATA) in Silverwater, Sydney. It comprises a standards and calibration laboratory and is an authorised service and repair agent for Fluke, Doble and Megger instruments.

Ausgrid Group Supply Chain

Ausgrid's network tariffs are approved by the Australian Energy Regulator (AER) annually, while its regulated revenue allowance is approved by the AER once every five years. For the regulatory period from 1 July 2019 to 30 June 2024, the AER approved network revenue of approximately \$7.6 billion. This revenue allows Ausgrid to invest in its network to continue providing safe and reliable network services for its customers.

PLUS ES is one of the largest metering service providers in Australia and offers advanced solutions to over one million customer connections. PLUS ES engages its affiliate, Ausgrid, as its procurement service provider and benefits from the governance, policies, procedures, and expertise it has in providing the goods and services PLUS ES needs. This excludes procurement activities relating to electricity services.

To support the Ausgrid Group's significant operations, a global supply chain is utilised to provide the components and services required from domestic and international suppliers. The Ausgrid Group's international supply chain covers Europe, North and South America, Asia, and the Middle East.

Many procured goods and services have complex supply chains containing multiple suppliers and manufacturers (including from overseas) providing the raw commodities, components, and services to produce the end product or service.

The Ausgrid Group's external partners supplied 23 categories of goods and services to Ausgrid Group Members in FY23. These categories cover the following:

- Cables
- Construction
- Corporate services
- Engineering and technical services
- Equipment hire
- Fleet
- Human resources services
- Industrial and electrical consumables
- Information technology (IT) hardware
- IT services
- IT software
- Network services and maintenance
- Operational technology (OT) hardware
- Other manufactured components
- Overhead line supports
- Property
- Professional services
- Secondary systems
- Streetlighting equipment
- Switchgear
- Telecommunications
- Training and development
- Transformers and equipment



AUSGRID GROUP KEY STATISTICS

\$876m

spent on the purchase of goods and services in FY23 by the Ausgrid Group.

1,962

suppliers procured from in FY23 by the Ausgrid Group.

23

Categories of goods and services procured from Europe, North and South America, Asia, and the Middle East by the Ausgrid Group.

Ausgrid Group Supply Chain Map

Ausgrid Group suppliers of goods and services

KEY

- Primary & secondary
- Primary
- Secondary

NOTES

This map shows countries where Ausgrid has contracts to source goods and services. Countries marked as secondary suppliers are those that provide goods and services to Ausgrid contracted suppliers.

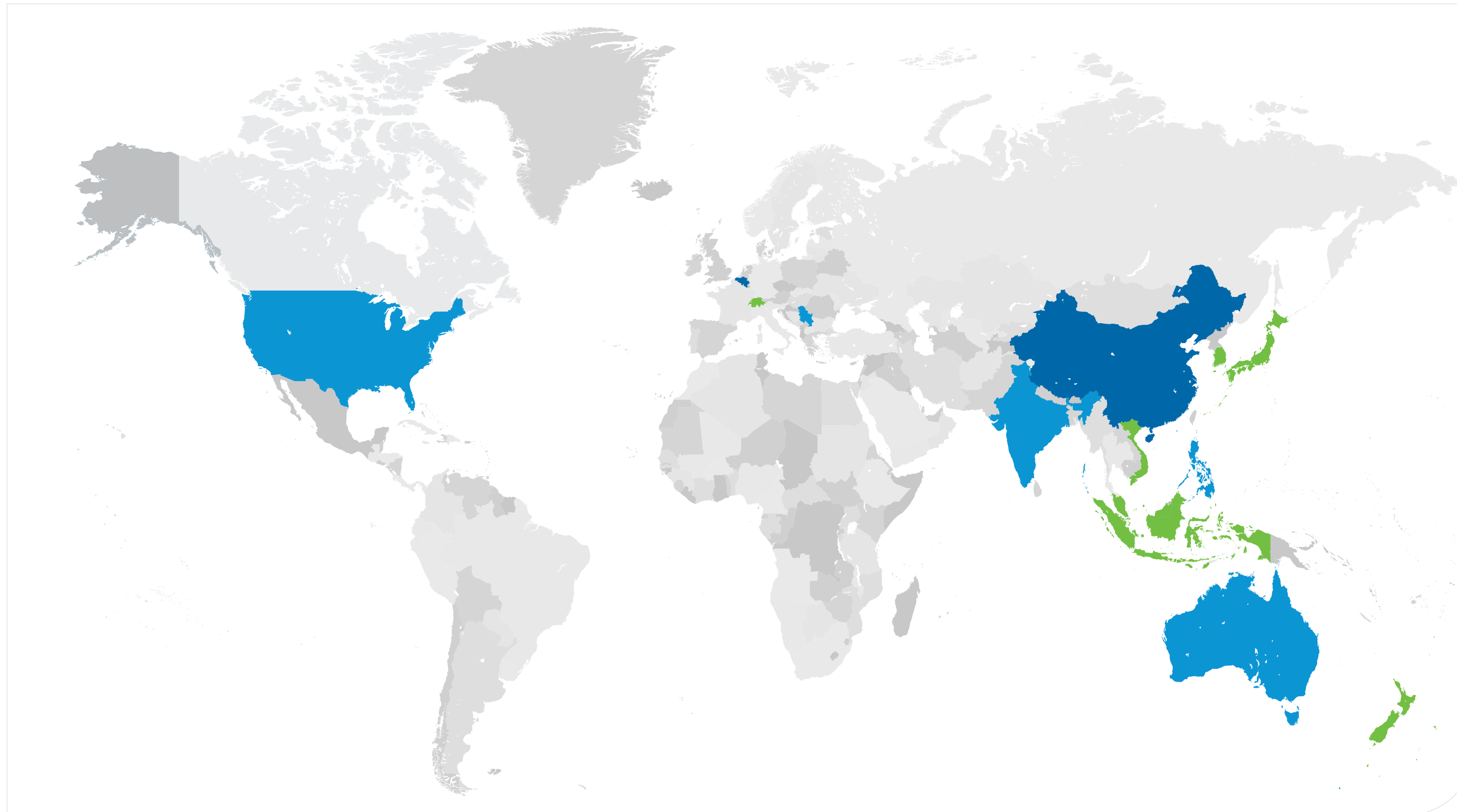
These secondary suppliers are a sample of suppliers and service providers based on our initial supply chain mapping. We will continue to engage with our primary suppliers to strengthen our supply chain mapping and improve our supply chain visibility.

AMERICAS

- IT Software

EUROPE

- Switchgear
- Secondary systems



ASIA

- Backoffice support
- Cable
- Electrical consumables
- Electricity meters
- Engineering and technical services
- Industrial and electrical consumables
- IT hardware
- IT services
- Meter accessories
- OT hardware
- Other manufactured components
- Overhead line supports
- PPE and Workwear
- Secondary systems
- Streetlighting equipment
- Switchgear
- Vehicle fleet

OCEANIA

- Cable
- Construction
- Corporate services
- Electrical consumables
- Electrical services
- Engineering and technical services
- Equipment hire
- Human resources
- Industrial and electrical consumable
- Meter installation
- Meter readings
- Metering service work
- Network services and maintenance
- Overhead line supports
- PPE and workwear
- Professional services
- Property
- Secondary systems
- Streetlighting equipment
- Switchgear
- Telecommunications
- Training and development
- Transformers and equipment
- Vehicle fleet

Ausgrid Group Supply Chain Risks

The complex nature of the Ausgrid Group's supply chain means there are risks that it may be indirectly linked to modern slavery practices.

As outlined in the "Ausgrid Group Supply Chain" section of this Statement, the Ausgrid Group procures 23 categories of goods and services. It has assessed these categories to determine their level of risk for modern slavery practices.

This year, the Ausgrid Group benchmarked its industry risk rating against both the Energy Procurement Supply Association (EPSA) modern slavery industry risk rating, and other modern slavery industry risk rating research. This benchmarking validated the categorisation of the Ausgrid Group's highest-risk goods and services. We also used the Walk Free Global Slavery Index 2023 to inform our country risk assessment.

The Ausgrid Group's risk-based assessment identified six of these 23 categories as 'higher risk'. These are higher risk due to their country of origin and/or the internationally recognised modern slavery risks associated with these categories of goods or services.

Identifying these higher-risk areas allows the Ausgrid Group to prioritise and focus its efforts on those areas with the most significant potential for the existence of modern slavery.

The Ausgrid Group's higher risk categories are identified as:

- industrial and electrical consumables,
- IT hardware;
- OT hardware;
- switchgear;
- IT services; and
- cables.

In previous years, COVID-19 has directly impacted global supply chains and operations. This has resulted in greater worker vulnerability and increased the risk of modern slavery in delivering goods and services to the Ausgrid Group.

As a result, the Ausgrid Group:

- took additional measures to work with its suppliers to understand the potential impact of COVID-19 on the security of the supply of goods and services and worker health and safety; and
- will continue to monitor this situation.

Ausgrid Group Higher Risk Categories

 <p>Industrial and Electrical Consumables</p> <p>high volume, low value goods manufactured in Asia, including clothing and gloves</p>	 <p>IT Hardware</p> <p>components manufactured in Asia</p>	 <p>OT Hardware</p> <p>components manufactured in Asia</p>
 <p>Cables</p> <p>manufactured in Australia and Asia</p>	 <p>Switchgear</p> <p>electrical switches, fuses or circuit breakers sourced from China, Malaysia, Germany, New Zealand</p>	 <p>IT Services</p> <p>sourced from India</p>

Actions to actively manage our risks

Introduction

The Ausgrid Group understands that modern slavery can be an invisible risk, with its presence not fully understood by all stakeholders, especially given that if it does occur, it is likely to occur in arm’s length business transactions.

Therefore, to tackle modern slavery risks, the Ausgrid Group believes it must actively manage those risk by increasing awareness and implementing meaningful actions.

These actions include:

Policies and procedures

Having frameworks, policies, and procedures across the Ausgrid Group that communicate its intent, expectations and assist in managing modern slavery risks. These frameworks, policies and procedures will continue to evolve to capture our progression and developing maturity.

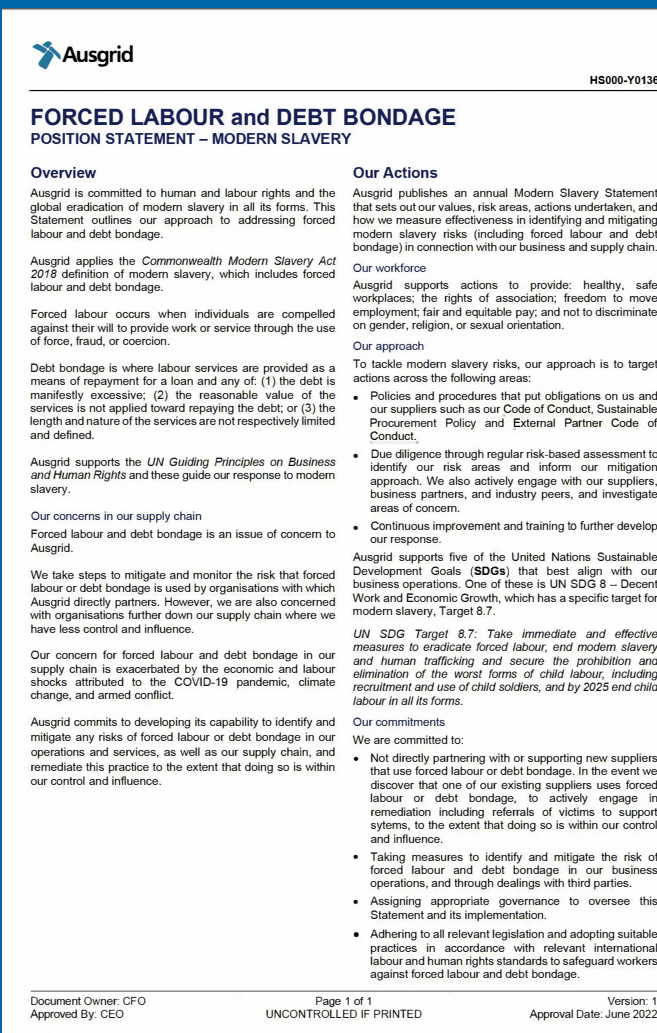
Due diligence

Conducting risk-based assessments to identify our risk areas to inform our mitigation approach and next steps for improvement.

Proactively engaging with our suppliers and business partners, collaborating with our industry peers, and actively investigating areas of concern.

Continuous improvement and training

Identifying ways to improve our management of modern slavery risks, implementing these into our business practices, and providing relevant information and raising awareness in our employees and external partners.



Forced Labour and Debt Bondage

The Ausgrid Group continues to be committed to identifying and mitigating the risks of forced labour and debt bondage in our operations, services, and supply chain. We are building our capability to identify and mitigate these risks and remediate this practice to the extent that doing so is within our control and influence.



Rare Minerals

The Ausgrid Group has begun implementing large battery storage devices and shifting to electric vehicle use as part of the energy transition to net zero. We recognise that these technologies depend on lithium-ion batteries that use raw minerals whose mining practices have a high risk of human rights violations. In particular, the mining of cobalt has been linked to grave human rights abuses in the Democratic Republic of Congo.

This year, the Ausgrid Group commenced assessing its modern slavery risk exposure to cobalt mining, researched supplier best practices and investigated mitigation options. This is an area of concern, and as these activities occur further down our supply chain, we are examining ways to improve in the areas we can control or influence.

Policies and procedures

Overview

The Ausgrid Group manages its modern slavery risks through a range of policies and procedures. The following policies and documents support our modern slavery governance and provide a platform for continual improvement and engagement with our supply chain.

Sustainable Procurement Policy

We have been working to make the Ausgrid Group more sustainable. With procurement having such a significant environmental, social and governance impact, our Sustainable Procurement Policy includes commitments and considerations on social issues such as the responsible labour practices of our suppliers.

Procurement procedures

Our process for assessing tenders is mature and follows a rigorous process. We provide clear information on our requirements and expectations for our external partners. Our assessments are made on the cost and quality of suppliers' goods and services and other important metrics such as health and safety, environmental and social performance, and how they address and manage modern slavery risks.

To demonstrate that our suppliers have an awareness of modern slavery risks and are taking action to address these risks, we require suppliers to:

- agree to be bound by our External Partner Code of Conduct, which explicitly requires them to identify and mitigate risks and eliminate any forms of modern slavery;
- comply with our policies and procedures which address modern slavery; and

- respond to surveys regarding modern slavery as part of our tender processes.

External Partner Code of Conduct

Our External Partner Code of Conduct (the Code) communicates our expectations of our external partners and their supply chains in providing goods and services to the Ausgrid Group. It outlines our expectations, encourages positive behaviors, and seeks to mitigate negative practices that impact:

1. social,
2. environmental,
3. governance; and
4. economic performance.

(collectively referred to as the 'Four Pillars').

In particular, the social pillar sets out our expectations for our external partners to drive the most positive social impact and mitigate negative social impacts to provide the best outcomes for our communities.



This includes specific human rights, labour rights, health and safety requirements, inclusiveness, and supply chain diversity.

As part of our engagement with our suppliers, we require them to be familiar with our External Partner Code of Conduct to undertake actions consistent with the outlined expectations. Our contracts with suppliers also typically compel them to comply with our External Partner Code of Conduct.

Code of Conduct

Our Code of Conduct is intended to promote a safe, healthy, ethical, and productive workplace that we are proud to be a part of, and where we are held in the highest regard. The Code sets out the:

- Minimum standards of behavior that:
 - Our customers, suppliers, regulators, and stakeholders expect of us,
 - We should expect of each other, and
- Consequences of engaging in behaviour that is not acceptable.

Our Code, together with our Values, guides our decisions and actions, and how we conduct business.

Forced Labour and Debt Bondage Position Statement

We are committed to human and labour rights and the global eradication of modern slavery in all its forms. Forced labour and debt bondage is an issue of concern to the Ausgrid Group. We are committed to developing our capability to identify and mitigate any risks of forced labour or debt bondage in our operations and services, as well as our supply chain, and remediate this practice to the extent that doing so is within our control and influence.

Whistleblower Policy

We are committed to a whistleblower protection program that allows and encourages individuals to voice or escalate concerns in relation to misconduct on a confidential basis, without fear of reprisal, dismissal, discrimination, demotion, harassment, or bias.

Preventing Fraud and Corruption Policy

We expect our employees and service providers to conduct themselves in line with the highest ethical standards. We are committed to fraud and corruption prevention efforts so that fraud risks are understood, effectively managed, and reported. Where instances of fraud or corrupt behavior are identified, these will be investigated, and appropriate action taken. Where appropriate, matters will be reported to the relevant law enforcement agency and/or regulator.

Materiality Assessment

Materiality assessments help organisations identify and prioritise the ESG issues most relevant to their business and stakeholders. Undergoing this process assists us in shaping our sustainability approach and structuring how we report on ESG.

This year, the Ausgrid Group undertook a comprehensive materiality assessment in accordance with the Global Reporting Initiative (GRI) Universal Standards requirements that came into effect on 1 January 2023.

A key update from this year's assessment was the inclusion of a new material topic related to managing modern slavery risks:

- **Supply chain and human rights:** *Engaging with our suppliers on their human rights, social and environmental performance, and ensuring that suppliers are treated fairly and supported in meeting the ethical standards set out by our organisation.*

The Ausgrid Group has aligned its sustainability topics with the United Nations Sustainable Development Goals (SDGs) that most fit our business operations. As part of our materiality review, we replaced SDG 5: Gender equity, with the broader SDG 10: Reduced inequalities. This reflects our focus on diversity beyond gender to ensure equal opportunity for all and supports our commitment to upholding human and labour rights.

SDG 10 joins our other human rights aligned sustainable development goal - SDG 8: Decent work and economic growth.

More information about our material sustainability topics and aligned SDGs can be found in our FY23 Sustainability Report.



Human Rights Policy

Delivering on our Modern Slavery Roadmap

The Ausgrid Group is developing a new Human Rights Policy, drawing from existing policies, processes, and programs, that outlines our commitment to respecting and supporting human rights across our operations and supply chain.

The new policy will become effective in FY24 and will apply to all employees, business partners, consultants, contractors, suppliers, and any person undertaking work for the Ausgrid Group.

The commitments in this Human Rights policy will be managed through existing policies. The Ausgrid Group's approach to managing human rights risks will evolve as we learn from our experiences, and continually refine and improve our approach.

Due diligence

Risk-based Assessment

The Ausgrid Group assesses our modern slavery risks by identifying higher-risk, high-risk and lower-risk categories of goods and services we procure internationally and domestically. Its risk-based assessment reviews the risks associated with the industries and countries from which those goods or services are procured.

Industry Collaboration

The Ausgrid Group engages with industry peers through its membership with EPSA, and aims to identify any risks and set expectations early in the relationship with its external partners.

Our industry peers use many of the same suppliers who are often unique to Distribution Network Service Providers (DNSPs). Engagement with our peers has allowed us to share learnings and build our capacity to manage modern slavery risks.

Supplier Engagement

Working with our industry peers does not abrogate our responsibilities in managing this critical issue. When any of our goods or services are procured via a tender process, we require the tendering organisation to complete an ESG Tender Response Schedule mandating adherence to specific modern slavery requirements to assist us in assessing their eligibility.

Modern slavery is a complex issue, and we wish to encourage honest reporting by our supply chain partners. If modern slavery is identified in our external partner's business or supply chain, our approach is to encourage them to address this before we take any other action.

Where modern slavery is in a supply chain partner's supply chain, we ask that they work with their subcontractors and suppliers to rectify the issue and retain employment for those affected. With modern slavery recognised as endemic in the lower parts of supply chains, we wish to encourage open dialogue about its existence and efforts to improve behaviour rather than create an environment where information may be withheld.

Through our surveys, External Partner Code of Conduct, Sustainable Procurement Policy, and our alignment with UN SDG 8: Decent work and economic growth and SDG 10: Reduced inequalities, we hope to send clear signals to our external partners on our expectations on modern slavery.



Continuous improvement and training

The Ausgrid Group ensures new and existing suppliers adhere to our human rights expectations as detailed in its External Partner Code of Conduct.

Supplier Assessment and Engagement

This year, Ausgrid refreshed its ESG Tender Response Schedules based on business, procurement, and supplier feedback over the last 12-18 months. This increased the number of social impact compliance questions and more specific requests for evidence. These changes will improve the quality of supplier responses and Ausgrid’s ability to effectively assess suppliers’ performance and risk exposure to modern slavery and other human rights issues.

The Ausgrid Group addressed its modern slavery risks within its supply chain by implementing several strategies, including:

- assessing new suppliers through the onboarding process;
- monitoring existing suppliers as contracts were renewed;
- reviewing third-party data on modern slavery breaches, including Australian Border Force registers, Dun and Bradstreet reports (includes legal activity against a supplier) and media reporting; and
- engaging closely with suppliers to ensure long-term supplier relationships thereby increasing certainty and enhancing their ability to manage their own supply chain.

This year, modern slavery risk assessment surveys were sent by EPSA to a selection of our suppliers in the higher-risk categories of industrial and electrical consumables, IT hardware, OT hardware, and cables. The responses were reviewed by Ausgrid Group with these suppliers categorised as low to medium risk and no modern slavery occurrences were reported.

Industry Engagement

As a member of EPSA and through engagement with industry peers, the Ausgrid Group shares insights and adopts learnings on modern slavery best practices.

FY23 AUSGRID GROUP TRAINING

The Ausgrid Group provides several training modules that educate our people on our obligations to manage modern slavery risks:

84%

of executives, senior leaders and new hires completed our modern slavery training module

90%

of all employees completed Our Code of Conduct training, which includes our Whistleblower program

83%

of all employees (excl. contractors and labour hire) completed Our Procurement Awareness training, which includes training on the External Code of Conduct and modern slavery obligations

Outstanding training completion is escalated to line managers to ensure completion.

Delivering on our Modern Slavery Roadmap

The Ausgrid Group's Modern Slavery Roadmap provides a roadmap and implementation plan to improve the Ausgrid Group's maturity in relation to modern slavery risk management.

The roadmap has five areas of focus:

1. human rights and related policies;
2. risk assessment and monitoring;
3. accountabilities and capabilities;
4. communication and collaboration; and
5. grievance and remediation.

This year, the Ausgrid Group appointed a dedicated Sustainability Officer to project manage the delivery of this roadmap. A phased project plan has been developed to deliver this program of work.

CASE STUDY

Engagement with key uniforms manufacturer on modern slavery risk management.

Ausgrid engaged its primary supplier of uniforms to understand how its modern slavery risks are managed. Unfortunately, modern slavery practices have been identified in the international garment industry, and this local Ausgrid supplier has been working hard to make sure it complies with best practice modern slavery obligations.

Although the manufacturer is not obligated to submit a Modern Slavery Statement to the Australian government, it provided a comprehensive risk management approach, including:

- Providing its modern slavery policy statement and Supplier Code of Conduct;
- A detailed overview of its SEDEX (Supplier Ethical Data Exchange: an online system that allows suppliers to maintain data on ethical and responsible practices and share this information with customers) and Ethical Clothing Australia accreditation process and ongoing membership obligations; and
- Highlighting its commitment to recycling, reuse, and repurposing of its garments.



Measuring effectiveness and other information

Measuring Effectiveness

We are committed to continuous improvement and measuring the effectiveness of our modern slavery risk mitigation actions.

We measure the effectiveness of our modern slavery response based on the following:

- the quality of the responses we receive from our external partners on how they are managing modern slavery risks;
- the number of reported incidents;
- self-reporting from our external partners of an identified or suspected modern slavery issue;
- the quality of such reporting; and
- our progress against our three-year Modern Slavery Roadmap.

This year, the Ausgrid Group completed a post-implementation review of its modern slavery survey procedure, assessing the effectiveness and quality of the process, data, and outcomes. As part of our Modern Slavery Roadmap, we will examine ways to streamline and improve methods of effectively engaging with suppliers.

Consultation

The Ausgrid Group applied a cross-functional approach to preparing and drafting this Statement with input from several Ausgrid Group Member teams, including procurement, legal, sustainability and the executive leadership team.

Other information about this Statement

For the purposes of the Act and this Statement, modern slavery means conduct which would constitute:

- an offence under Division 270 or 271 of the Criminal Code; or
- an offence under either of those Divisions if the conduct took place in Australia; or
- trafficking in persons, as defined in Article 3 of the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, done at New York on 15 November 2000 ([2005] ATS 27); or
- the worst forms of child labour, as defined in Article 3 of the ILO Convention (No. 182) concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, done at Geneva on 17 June 1999 ([2007] ATS 38).

FY23 ACHIEVEMENTS

100%

of all Ausgrid Group legally approved agreement templates and agreements include the obligation to adhere to the Act

88%

of employees completed their assigned modern slavery related training



Dedicated Sustainability Officer appointed

0

Zero reports of slavery or trafficking through the Whistleblower Program

Seeking Assistance

If you have concerns about modern slavery or broader human rights issues relating to the Ausgrid Group’s supply chain or operations, you can contact us using our Whistleblower hotlines and can choose to remain anonymous.

Individuals covered by the Whistleblower Policy will be protected against detriment or threats of detriment. Whistleblower disclosures must be made as set out below:

	For Ausgrid Matters	For PLUS ES Matters
Online	24/7 reporting at http://www.yourcall.com.au/report (enter "AUSGRID" as org. ID)	24/7 reporting at http://www.yourcall.com.au/report (enter "PLUSES" as org. ID)
Call	Your Call hotline number: 1800 607 206	Your Call hotline number: 1800 607 206
Email	mailto:ausgrid@yourcall.com.au	mailto:pluses@yourcall.com.au
Mail	Locked Mail Bag 7777, Malvern VIC 3144	Locked Mail Bag 7777, Malvern VIC 3144

Otherwise, if you are a member of the public, you can send any concerns via the contact details below.

Ausgrid

13 13 65
enquiries@ausgrid.com.au

PLUS ES

1300 760 626
info@plusES.com.au





www.ausgrid.com.au

General enquiries 13 13 65
(9.00am to 4.30pm Monday to Friday)

enquiries@ausgrid.com.au

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Sydney NSW 2001

ABN: 78 508 211 731



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