

Modern Slavery Statement

Financial Year Ended 30 June 2024 (FY24)

The Board wholeheartedly endorses the values and aims encompassed by the *Modern Slavery Act (Cwlth 2018)*.

Mandatory Criteria One and Two - Identify the reporting entity and describe its structure, operations and supply chains

The ultimate parent company of ZEN Energy is ZEN Energy Pty Ltd (formerly ZPH Investments Pty Ltd). This report covers the operations of all subsidiaries of the parent company, carried out by the following entities:

- ZEN Energy Retail Pty Ltd (“ZER”, the entity obliged to report under the Modern slavery Act) and its parent, ZEN Energy Holdings Pty Ltd; and
- ZEN Energy Wholesale Pty Ltd, and its operating subsidiaries:
 - ZEN Energy Markets Pty Ltd
 - ZEN Energy Derivatives Pty Ltd
 - ZEN Energy Future Pty Ltd
 - ZEN Energy Environmental Pty Ltd
- Sunshot Industries Pty Ltd
- Burragorang Valley Green Energy Pty Ltd

All entities listed are jointly operated under common management, systems, processes, and Board oversight. Where this Statement refers to ZEN Energy, or ZEN, this refers to the entirety of the operating entities listed above. ZEN is incorporated solely in Australia and is not a listed company.

In FY24, for the Western Sydney Pumped Hydro (WSPH) project, ZEN has formed a partnership with the SADA Group, to form Burragorang Valley Green Energy (BVGE). ZEN has taken a 51 per cent stake in BVGE, with SADA remaining in place as a 49 per cent owner. As the majority owner, we also report on BVGE activities here.

ZEN operations covered the following activities in FY24:

- Sale of retail energy to customers located in South Australia, New South Wales, Victoria and Queensland
- Purchase of wholesale energy from AEMO and via Power Purchase Agreements (PPAs) with:
 - 3 solar farms in Victoria
 - 4 wind farms in Victoria
 - 4 solar farms in New South Wales
 - 1 wind farm in New South Wales

- 3 solar farms in South Australia
- 1 wind farm in South Australia
- 1 battery energy storage system in South Australia
- 2 solar farms in Queensland
- Purchase and sale of financial electricity risk management products including electricity swaps, Caps, and Settlements Residue Auction products (SRA's) from various wholesale market participants located in Australia
- Purchase and sale of Certificates related to renewable electricity, including Large Scale Generation Certificates (LGC's), Small Scale Certificates (STC's) and related products. These products may be purchased on market or sourced directly from solar or wind farms.
- Employment of 82 staff
- Procurement of goods and services related to office-based operations, including IT equipment, stationery, leasing of office space, building management services, and food and beverage
- Procurement of goods and services related to renewable project construction and development

ZEN supply chains are described below.

- ZEN's activities rely on the supply chains that supply electricity into the National Electricity Market (NEM)
 - In the NEM, because all generated electricity must be purchased from a pool, technically all generation and transmission supply chains across the network are involved in ZEN's supply chains, including mining, resource extraction, manufacturing, transportation and construction of assets used to generate electricity.
- ZEN leases its office locations from building operators who employ staff who provide administration, cleaning and maintenance services to ZEN.
- ZEN uses IT equipment supplied by an IT provider, which in turn has been manufactured in an IT equipment supply chain.
- ZEN also employs external contractors including IT providers, consultants, and legal advisors who all have their own supply chains.
- ZEN sources catering from hospitality providers, which in turn have long supply chains around food production and labour hire.
- ZEN sources branded clothing from clothing manufacturers which have supply chains in raw materials, textile production and labour hire.
- For our Templers BESS project we have contracted suppliers, including:
 - Sungrow Power Supply Co., Ltd. – An Original Equipment Supplier (OEM) to supply battery systems. Sungrow are based in China. Typically, OEMs will

- have supply chains in raw material extraction, manufacturing, transport and logistics.
- China Energy Engineering Group Shanxi Electric Power Construction Co., Ltd (Shanxi) – a party to the offshore Engineering, Procurement and Construction (EPC) contract, providing overseas logistics and commercial risk wrap only. No equipment was procured from them.
- Consolidated Power Projects Australia Pty Ltd (CPP) – An on-shore EPC supplier for the construction of the project. EPC suppliers will also have supply chains in raw material extraction, manufacturing, transport and logistics.
- For our WSPH project, through the BVGE structure, we have continued rehabilitation activities and site assessments that were ongoing at the time of acquisition, utilizing the existing workforce from the previous site owners, the SADA Group.

Mandatory Criterion Three - Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls

There are risks of modern slavery practices in the supply chains of several of the business activities carried out by ZEN.

The [Australian Human Rights Commission and KPMG Identified](#) most modern slavery risks in Australia's energy sector relate to the direct procurement of goods used in the construction of power infrastructure. In line with this view, we believe our potential OEM suppliers contain the largest risk of modern slavery in our operations and supply chains. This is due to a combination of high-risk factors including supply chains in high-risk geographies, demand for base-skill workers, the temporary and seasonal nature of work, use of labour outsourcing, low visibility over multi-tiered supply chains and reliance on long chains of logistics and transport which, themselves, are areas of high modern slavery risk. Although we have built some visibility of our renewable project development supply chains over the reporting year, our oversight is limited to the information provided to us at the tender stage by potential suppliers about their own operations and supply chains. Our construction activities have also expanded our supply chains through our contracts with EPC providers, who in turn have their own multi-tiered supply chains of goods and labour.

By also purchasing electricity in the National Electricity Market (NEM), ZEN is directly linked to potential modern slavery practices involved in the sourcing of raw materials and fuel, transportation, construction and, operation and maintenance of all electricity infrastructure

in the NEM. These supply chains are hidden to ZEN, as we have no direct contracts in these cases.

When directly purchasing renewable electricity and LGCs from suppliers through Power Purchase Agreements, ZEN is still directly linked to all potential modern slavery practices involved in the entirety of the NEM as the market is a pool-based structure. Although there are direct contracts in these situations, these supply chains remain hidden from us as we have had no input into the construction of these renewable generators. Whilst ZEN can exercise some choice through direct purchasing, the choice is limited due to the low supply of renewable energy in Australia currently.

Our other supply chains related to office-based operations also contain modern slavery risks. The electronics inside the IT equipment used at our offices carries a risk of modern slavery and we have no visibility over its supply chain. Acknowledging the risks in building services, we have no visibility of the supply chains employed at the building sites that we lease for our offices. Similarly, we have no visibility of the supply chains used in our hospitality and catering service procurement. We also have no visibility of the supply chains behind our IT equipment, and branded clothing. We have no visibility of the supply chains behind our contracted services including IT and data providers, consultants and legal advisors, although these areas are less likely to be directly involved in modern slavery given their higher-skilled labour requirements.

Mandatory Criterion Four - Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes

We have determined that renewable project equipment procurement is the area that has the highest modern slavery risk, and where we have the most potential to build supply chain visibility and exercise supplier influence. For our Templers BESS project, we have focused on assessing modern slavery risks that come from our primary suppliers. To assess these suppliers we have:

- Deployed a supplier questionnaire to supplement our Supplier Code of Conduct. All of our suppliers for Templers answered our supplier questionnaire and signed our Supplier Code of Conduct.
 - The questionnaire includes requiring potential suppliers to share their ESG policy, environmental or OHS policy, Modern Slavery Statement (if

applicable), confirmation they do not use forced labour, confirmation that they and their suppliers have not been convicted of an offence relating to modern slavery or are the subject of enforcement proceedings or inquiries

- Built a risk matrix assessing all suppliers who responded to the Request for Procurement based on information provided in the supplier questionnaire and Code of Conduct
- Engaged a globally recognised assurance and risk management organisation, DNV to perform an onsite audit of three international high-risk supplier facilities to identify and assess potential risk factors around facility management systems and supply chain due diligence, human rights and labour rights, occupational health & safety, environment protection and business ethics & governance
- Sent ZEN staff to inspect suppliers' overseas factories and offices.

In terms of integrating our findings across ZEN and taking appropriate action to address impacts for all our projects, we have:

- Aligned our procurement of polysilicon-based products with the ban enforced by the United States Customs and Border Protection on silicon-based products from certain areas and companies.
- Drafted a Modern Slavery Risk Management Plan project template for projects that identify a moderate or higher modern slavery risk through the questionnaire mapping and site audits
- Explored a partnership to physically test for the origin of polysilicon products, to align with the ban enforced by the United States Customs and Border Protection on silicon-based products from certain areas and companies
- Updated our Whistleblower policy and procedure to provide more reporting options, including to an external Whistleblower Hotline Provider, and provided more detail around the reporting, protection, confidentiality, and report handling and investigation processes.

ZEN views due diligence on broader renewable electricity purchases from the market and direct PPAs more difficult to address. Some developers of energy generation facilities took adequate modern slavery risk mitigation actions during procurement and construction, but there remains a limited supply of renewable generation in Australia. The potential for components sourced in part from areas subject to modern slavery practices remains across most existing Australian energy generation facilities, renewable or otherwise. Once a generator produces electricity, ZEN automatically becomes linked to their modern slavery risks through the broader electricity market, regardless of whether we purchase directly.

We are yet to implement any actions to track ZEN's performance to check whether impacts are being addressed.

We publicly communicate our actions through our annual Impact (formerly ESG) Report, and through this Modern Slavery Statement.

During the reporting period, all project risks were communicated through each project's Steering Committee. Our Board Risk and Governance Committee had oversight of material risks and their remediation actions. However, there was no formal policy in place for escalation and remediation if modern slavery instances were found. We continue to use a continuous improvement approach in line with evolving our project development activities.

Mandatory Criterion Five - Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

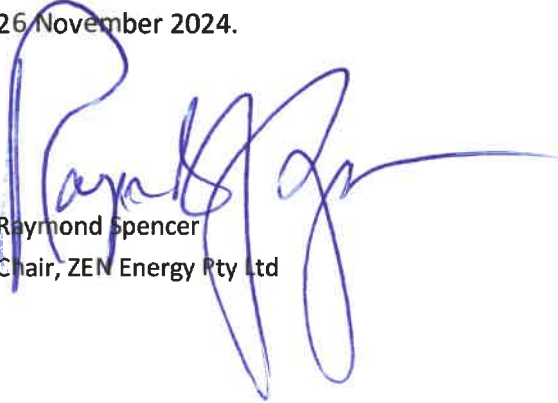
In this reporting period, ZEN assessed the effectiveness of its actions through an external audit of three high-risk supplier facilities to ensure that supplier questionnaire responses are accurate. We are hoping to undertake polysilicon tracing, to help provide confidence that the materials come from lower risk areas in line with information provided by suppliers.

ZEN has not taken any actions to assess the effectiveness of actions taken to address modern slavery risks. ZEN is currently reviewing and maturing our procurement processes to drive continual improvement in the effectiveness of our ability to assess and address modern slavery risks.

Mandatory Criterion Six - Describe the process of consultation with any entities the reporting entity owns or controls

No consultation with subsidiaries occurred because all subsidiaries have ZEN personnel involved. There are no additional modern slavery risks or impacts from the other entities.

The Board of ZEN Energy Pty Ltd approved the release of this Statement at its meeting held 26 November 2024.



Raymond Spencer
Chair, ZEN Energy Pty Ltd