



Modern Slavery Statement 2019-20

TasNetworks acknowledges the Traditional Owners and the Traditional Custodians of the lands we live and work and their continuing connection to the land, sea and community. We acknowledge and pay our deep respects to Elders past, present and emerging.

The cover image shows star trails over Palmerston Substation near Poatina in Tasmania. Photo by TasNetworks' Greg Gibson.

INTRODUCTION

TasNetworks values human rights and is committed to ensuring that all business is conducted according to ethical, professional and legal standards in a fair, honest and open manner.

We own, operate and maintain the electricity transmission and distribution network in Tasmania and deliver a safe, cost-effective and reliable electricity supply to more than 295,000 residential, commercial and industrial customers. We facilitate the transfer of electricity between Victoria and Tasmania via Basslink, the sub-sea electricity interconnector. We also provide telecommunications and technology services.

Our aspiration is to embed social responsibility into the way we work, through engagement with our people, our customers, the broader community and stakeholders. This helps us to deliver our purpose of powering a bright future and strengthens our positive organisational culture.

The objective of social responsibility is to contribute to sustainable development. We have adopted the United Nations Sustainable Development Goals (**SDGs**) as a way to understand and demonstrate our contribution to local and global challenges.

The Modern Slavery Act 2018 (Cth) (the **Act**) imposes obligations on TasNetworks to make annual public reports about its actions to address Modern Slavery risks in its business operations and supply chains. The Act applies to all of our operations (including our subsidiaries). This Statement addresses the criteria set out in the Act.

Modern slavery is a violation of basic human rights and captures situations where coercion, threats or deception are used to exploit victims and deprive people of their freedom.

It takes various forms such as: slavery, servitude, forced labour, trafficking in persons, child labour, debt bondage, forced marriage, and deceptive recruiting for labour or services.

We're continuing to engage with external stakeholders to understand the bigger picture and work collectively to address modern slavery risks and collaborate to continually improve. Modern slavery compliance is an increasingly important issue to companies not simply because eradicating slavery around the globe is an important social cause, it demonstrates how businesses are taking action to eliminate modern slavery risks.

BOARD APPROVAL

This Modern Slavery Statement (**Statement**) is made by Tasmanian Networks Pty Ltd (**TasNetworks**) and its wholly owned subsidiaries: TasNetworks Holdings Pty Ltd, Fortytwo24 Pty Ltd, Marinus Link Pty Ltd and Large Scale Renewables Pty Ltd pursuant to the *Modern Slavery Act 2018 (Cth)* (the **Act**).

This statement is for the 1 July 2019 to 30 June 2020 financial year.

The Board has approved the Modern Slavery Statement as required by the Act.



Dr Dan Norton AO
Chairman
March 2021



Lance Balcombe
Chief Executive Officer
March 2021

Key statistics

Contractual relationships:

Tasmanian (or interstate based with Tasmanian presence)	248 (53%)
Interstate contracts	197 (41%)
International contracts	31 (6%)

Key risks:

High risk categories:

High volume, low value goods

- clothing
- personnel protective equipment

ICT hardware

Electrical equipment

- cables
- meters
- switchgear
- circuit breakers

OUR SUPPLY CHAIN

We predominately use Australian companies and international companies with an Australian presence.

We're committed to the Tasmanian Government's Buy Local policy and ensuring all our procurement policies and procedures adhere to those policy requirements.

In doing so, we seek to maximise the opportunities for Tasmanian businesses. Many of the goods and services we procure have complex supply chains, with multiple suppliers to produce the end product or service. These categories include:



MANAGING OUR RISK

Highlights

For our first Statement, the following are some highlights of our approach to identifying and managing modern slavery risks:

- clear and robust Policy Against Modern Slavery;
- raising awareness and understanding through targeted education to our team members and raising awareness with external stakeholders;
- an independent risk assessment of procurement relationships in our supply chain, with a focus on direct suppliers to understand highest risk categories and take action;
- a substantial update of our procurement policy, guidelines and procurement contract suite to include controls for modern slavery; and
- working collaboratively with other leading Australian businesses and our industry peers to understand best practice.

Our approach

Following the methodology developed by the Energy Procurement Supply Association and utilising the Global Slavery Index, the highest risk categories of materials, equipment and services in the supply chain were identified. As a result, we implemented the Policy Against Modern Slavery and prioritised the following actions to actively manage our risks:

- communication of the Policy Against Modern Slavery and all relevant elements of the program to affected team members throughout our business and to our business partners and direct supply chain;
- the assessment of modern slavery risks within our business operations and its supply chain and the development of effective, efficient and transparent controls to reduce exposure to those risks;
- a substantial update of the procurement, guidelines and contract suite;
- targeted training so that team members can recognise modern slavery practices and take steps to avoid them;
- addressed any modern slavery identified within the business including our supply chain; and
- implemented steps to monitor the effectiveness of our approach.

Continual improvement

We are early in our maturity with a focus on our direct suppliers and we will monitor effectiveness to improve our approach.

Our focus has been on the design and development of our approach to manage modern slavery – to establish governance, identify risks, assess risks and take actions to manage risks.

To continually improve, we'll investigate the implementation of the following:

- embedding an education and training program;
- widening our risk assessment and controls to indirect suppliers;
- further refining data capture for country of origin to improve our risk assessment and controls for high volume, low value inventory;
- engaging with identified high/moderate risk suppliers to understand what due diligence is being undertaken to identify risks of modern slavery in their supply chain, through the review of Modern Slavery Statements and contract evaluation;
- work closely with our suppliers so that we can start to reduce modern slavery further across our supply chains; and
- implement key measures to improve the assessment of effectiveness.

Consultation and engagement

Our core competencies are instilling trust, collaboration and communicating effectively. We engage and seek feedback from our team members and external stakeholders to build robust solutions.

An internal working group has been established with key representatives to develop and implement the risk management framework for modern slavery risks. This working group reaches across the TasNetworks Group.

The TasNetworks Leadership Team have been involved in the development and endorsement of this Statement for the Board.

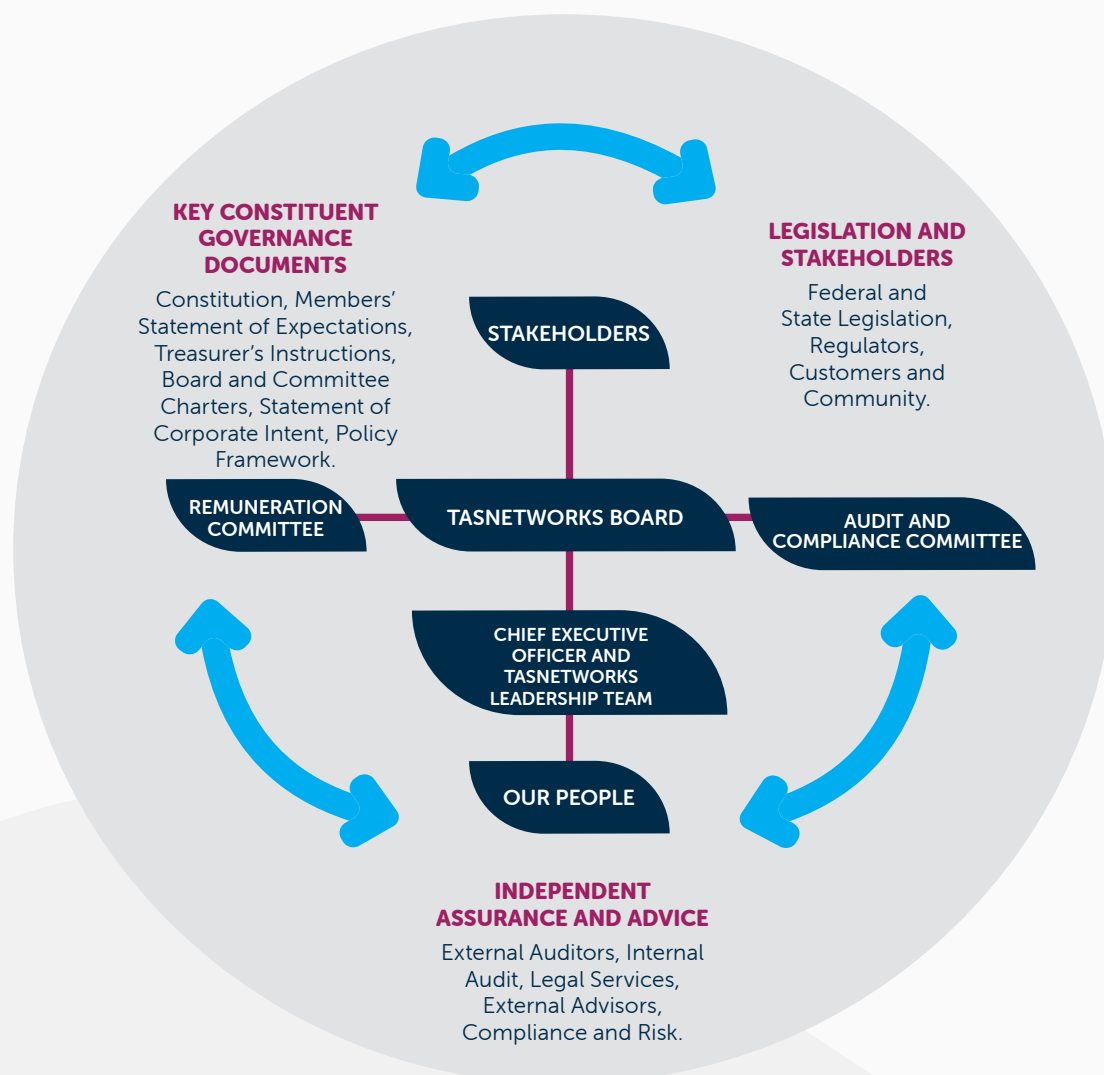
Our approach to date has also been supported through consultation with the Energy Procurement Supply Association. We will continue to work collaboratively within our industry to model a consistent approach to modern slavery.



GOVERNANCE

We're committed to being ethical, fair and transparent in all aspects of our operations. This means we uphold, respect and promote human rights in all our business dealings and relationships.

We have a zero-tolerance approach to modern slavery within our business and our supply chain. Our governance structure is outlined below and further explained in our 2019-20 Annual Report.



Policies and Procedures

The following are the relevant policies which guide our team members in continuing to build our capability to address this important issue:

- Policy Against Modern Slavery
- Code of Conduct
- Procurement Policy
- Whistleblower Policy
- Right to Information Policy
- Fraud and Corruption Policy

ABOUT US

TasNetworks owns, operates and maintains the electricity transmission and distribution network in Tasmania.

We deliver a safe, cost-effective and reliable electricity supply to more than 295,000 residential, commercial and industrial customers. We facilitate the transfer of electricity between Victoria and Tasmania via Basslink, the sub-sea electricity interconnector. We also provide telecommunications and technology services.

We're owned by the State of Tasmania and operate as a commercial business with assets of \$3.5 billion.

Our responsibilities include:

- Keeping our people and our customers safe
- Tasmanian jurisdictional planner in the National Electricity Market
- Maintaining and replacing network infrastructure to ensure a reliable service for our customers
- Connecting new customers to the network (including small and large-scale generators)
- Investing in the network to support capacity growth

- Operating the network on a day-to-day basis, including all power outage restoration
- Maintaining the public lighting system
- Recording and providing regulated meter data to retailers
- Providing telecommunications, data centre and information technology services to customers, including those in the Tasmanian electricity supply industry.

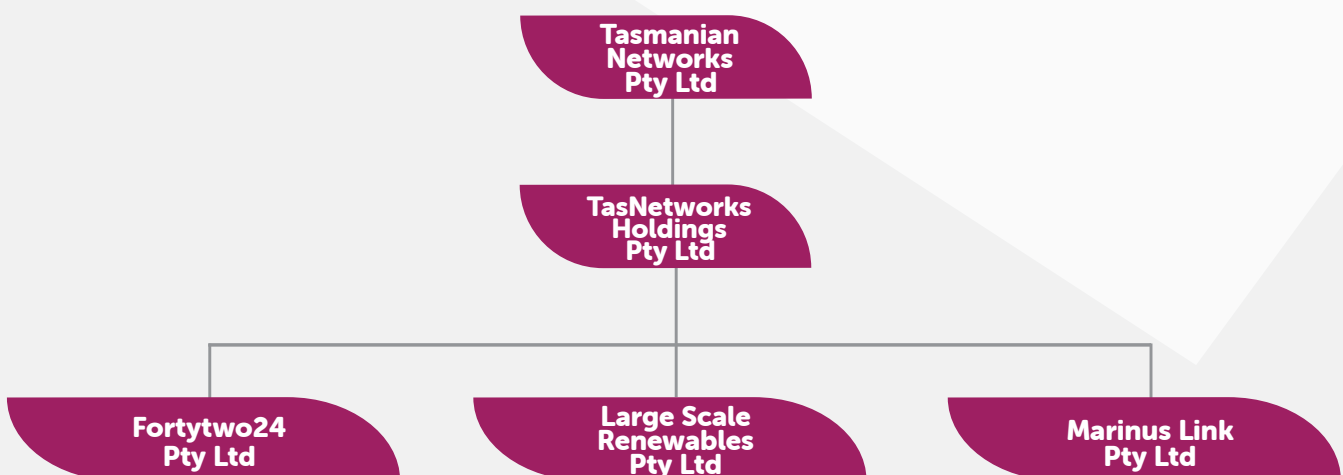
42-24

We own and operate a subsidiary business called 42-24 that specialises in telecommunications, information technology and data centres services.

Project Marinus

Marinus Link is a proposed 1,500 megawatt capacity undersea and underground electricity connection, together with supporting transmission developments in Tasmania, that will link Tasmania's renewable energy generation and storage resources to Victoria and the NEM. In June 2020 the Prime Minister included Project Marinus as one of 15 national priority infrastructure projects to support Coronavirus COVID-19 recovery.

The TasNetworks Group



WHAT IT TAKES TO DELIVER YOUR POWER



TRANSMISSION

3500
CIRCUIT KILOMETRES OF
TRANSMISSION LINES

7600
TRANSMISSION LINE
SUPPORT STRUCTURES

11000
HECTARES OF
EASEMENT

49
SUBSTATIONS



DISTRIBUTION

15000
KILOMETRES OF HIGH
VOLTAGE POWERLINES

4900
KILOMETRES OF LOW
VOLTAGE POWERLINES

2600
KILOMETRES OF HIGH
AND LOW VOLTAGE
UNDERGROUND CABLES

232 000
POLES



TELECOMMUNICATIONS

1900
KILOMETRES OF FIBRE
OPTIC CABLE

2
DATA CENTRES

PEOPLE

1144
EMPLOYEES