



Pioneer Sail Holdings Pty Ltd (and its subsidiaries)

Joint Modern Slavery Statement

Reporting Period: 1 July 2021 – 31 December 2022

Pursuant to section 14 of the *Modern Slavery Act 2018* (Cth) for the following mandatory reporting entities:

- Pioneer Sail Holdings Pty Ltd - ABN 45 617 844 569
- Pioneer Sail Australia Pty Ltd - ABN 91 617 846 385
- Alinta Energy Pty Ltd - ABN 64 614 975 629
- Latrobe Valley Power (Holdings) Pty Ltd - ABN 57 621 363 102



alintaenergy

Reporting incidents of actual or suspected modern slavery

Any allegations may be reported anonymously to our Whistleblower Hotlines.

For Alinta Energy the contact details are:

Telephone: (24 hours a day, 7 days per week) 1800 456 493
Email: alintaenergyhotline@deloitte.com.au
Website: www.alintaenergyhotline.deloitte.com.au
Username: alintaenergy
Password: hotline
Post: Alinta Energy Hotline Reply Paid 12628 A'Beckett Street Victoria 8006

For LVP the contact details are:

Telephone: (6.30am-5.30pm Monday to Friday) 1800 849 229
Email: whistleblower@deloitte.com.au
Website: <https://Australia.deloitte-halo.com/LoyYang>
Post: Loy Yang B, Reply Paid 12628 A'Beckett Street Victoria 8006

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Introduction

Pioneer Sail Holdings, and its subsidiaries Pioneer Sail Australia, Alinta Energy and Latrobe Valley Power (collectively, the Reporting Entities), are committed to doing business fairly and ethically, and implementing effective practices which support us in this goal.

The Reporting Entities oppose modern slavery in all its forms including slavery, servitude, child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services. We expect that the employees, contractors and suppliers within our supply chain do the same.

This Modern Slavery Statement, covering the period 1 July 2021 to 31 December 2022, is our third public statement on this issue. Since we started reporting, we have come a long way in increasing our understanding of modern slavery, but there remains much work to do. Recent estimates suggest that the number of modern slaves globally has increased from approximately 40 million in 2018 to 49.6 million in 2021.¹

None of the Reporting Entities have become aware of any specific instances of modern slavery within our supply chains since reporting commenced and no modern slavery grievances have been reported to our whistleblower hotlines to date. This of course does not mean that such instances do not exist, and we are committed to ongoing due diligence to find and address any modern slavery practices that may exist within our supply chains.

Preparing the statement each year provides an opportunity to reflect on our efforts, their effectiveness, and to reset our direction. Our focus in the first three reporting periods has been on raising awareness across the organisation, implementing governance structures, and establishing reporting processes. This has included the integration of modern slavery into relevant policies, the creation of supplier self-assessment questionnaires and a framework to measure effectiveness, the establishment of a working group to support efforts across the Reporting Entities, and modifications to procurement systems to better consider modern slavery risks.

Now, our focus must shift to diving deeper and working more closely with our suppliers to identify challenges and support them in improving their own practices. It remains difficult to identify all risks associated with modern slavery in the context of our diverse operations. Globalisation has meant that supply chains grow increasingly long and dispersed, and many problems can be well-hidden deep within supply chains or in countries which do not facilitate collaborative approaches. Many suppliers do not have publicly available information on their approach to preventing modern slavery. This may reflect the fact that corporate awareness surrounding modern slavery is still in its relative infancy, rather than concealing the existence of an actual 'high risk' supply chain and operations.

The Australian government, human rights organisations, the media, trade unions, universities, not-for-profits and other associations continue to investigate and communicate modern slavery practices. This work helps deepen our understanding of modern slavery issues present in regions, industries and materials relevant to our business. As large and well-resourced organisations, the Reporting Entities understand they have a role to play in identifying and mitigating modern slavery through our due diligence activities.

The supply chains of the Reporting Entities are complex, and include products and services known to have high risks of modern slavery. We recognise the need to take a targeted, risk-based approach to focus our effort where it is most likely to lead to meaningful change. In part, this will involve working more collaboratively with the broader energy industry to leverage sector-wide responses, in terms of applying collective pressure to supply chains and advocating for change required by regulators.

Highlights in this reporting period include:

- Alinta Energy commenced use of an automated supplier self-assessment questionnaire sent out to new suppliers as part of our supplier onboarding process. Sufficient responses were received to allow for high level analysis to identify themes requiring further investigation in the next reporting period, and to identify potential improvements to wording of questions to increase quality of responses.
- An external consulting firm was engaged to conduct an updated supplier risk assessment to provide a broad overview of where modern slavery risks may occur in Alinta Energy and Latrobe Valley Power's supply chains. This work included a deep dive analysis into six high-risk suppliers and two high-risk industry categories (lithium-ion batteries and solar panels). The work was not completed within the Reporting Period and therefore will be reported on in next year's statement.

¹ International Labour Organization (ILO), Walk Free and International Organization for Migration (IOM) (2022). Global Estimates of Modern Slavery: Forced Labour and Forced Marriages. Geneva.

- Recognising that we are also a supplier to many organisations who seek information about our practices, we formalised a Frequently Asked Questions document which streamlines our process for completing supplier self-assessment questionnaires and ensures consistency in the responses.
- Alinta Energy joined the Clean Energy Council, and in the next reporting period will participate in its Modern Slavery Working Group to inform future initiatives and maximise our collective understanding and approach to managing risk in this area.

Please note, detailed findings of our due diligence activities are not included in this Statement to ensure that commercial confidence is preserved, and to maximise the likelihood of meaningful and candid participation by suppliers in future modern slavery risk assessments and mitigation activities.

Global impacts on supply chains

In previous statements, we have acknowledged the significant impact the COVID-19 pandemic had on our supply chains, increasing the risks of modern slavery across multiple areas. After more than three years, while it is still not over, its direct impact on supply chain disruptions is significantly reduced.

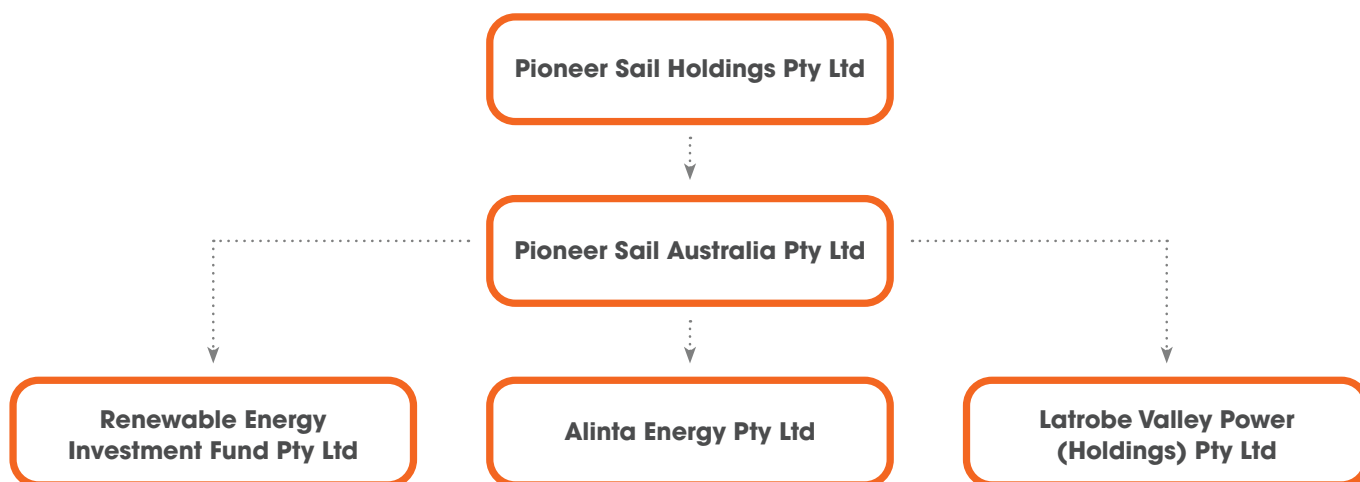
During this reporting period, across the globe, high inflation rates driven by factors including the war in Ukraine have impacted on supply chains. Cost-of-living pressures have been widely discussed in the media over the past couple of years which may increase pressure on cost management from suppliers. Australia now faces the risk of a possible recession and rising unemployment, which could increase the potential to exploit vulnerable members of the community. We will be mindful of this as we further develop our modern slavery practices, resources and training programs.

We welcome feedback or questions about this report, which can be sent to modernslavery@alintaenergy.com.au for any of the Reporting Entities.

About the Reporting Entities

Pioneer Sail Holdings and Pioneer Sail Australia

Pioneer Sail Holdings Pty Ltd (PSH) is the Australian holding company of Pioneer Sail Australia Pty Ltd (PSA), Alinta Energy, Latrobe Valley Power (LVP) and Renewable Energy Investment Fund Pty Ltd (REIF). REIF is not itself a 'reporting entity' as defined in the Act. The image below shows the corporate structure and the relationship of the Reporting Entities.



Each of the Reporting Entities is an Australian incorporated, private company with a registered head office in Sydney, Australia. Alinta Energy, LVP, PSA and PSH are separate legal entities and have separate boards. Alinta Energy and LVP boards are each chaired by independent non-executive directors. Matters relating to modern slavery are reported to the boards of each of the Reporting Entities.

The above are collectively referred to as the Reporting Entities. References to "our" or "we" throughout refer to the Reporting Entities collectively. As the Reporting Entities each have their own Boards, processes and policies, and differ in the types of activities performed, there may be instances where specific differentiation between the Reporting Entities is required in this Statement. Where specific differentiation is required, reference is made to the particular reporting entity (or its supply chains and operations) by name.

For further information regarding the PSH group corporate structure, please see the financial statements of PSH, as filed with ASIC.

PSH invests in Alinta Energy, LVP and REIF, through PSA. As Alinta Energy performs management activities for REIF associated with the Yandin wind farm, we have included the operation of this facility in this Statement.

Since neither PSH nor PSA have any employees, this Statement does not contain specific references to PSH's and PSA's initiatives in relation to modern slavery. From a practical perspective, Alinta Energy and LVP perform activities necessary for the operations of PSH and PSA, and references to the initiatives of Alinta Energy and LVP should be taken as indirectly extending to PSH and PSA. Similarly, the supply chains of Alinta Energy and LVP also relate to PSH and PSA. Staff at Alinta Energy and LVP consulted regularly on modern slavery issues throughout the reporting period.

Further details on the specific structure, operations and supply chain of Alinta Energy and LVP are provided below. Alinta Energy and LVP have employment arrangements in place to support each of their respective activities.

Alinta Energy

Alinta Energy is an Australian incorporated, private company headquartered in Sydney, with offices in Melbourne, Perth, Adelaide, and a Customer Experience Hub in Morwell, Victoria.

Alinta Energy's subsidiaries, unit trusts and joint ventures all relate to the energy industry.

Alinta Energy supplies retail electricity and gas to customers and operates electricity generation, storage and transmission facilities across mainland Australia alongside a power station in New Zealand.

We have been supplying energy in Australia for over 20 years and have approximately 1.2 million customers. We employ approximately 950 people.

Our main activities are:

- **Electricity Generation** - we own, operate, develop, and invest in electricity generation facilities, including power stations, wind farms and solar farms. In some cases, we have constructed these facilities and in others we have entered into power purchase agreements (PPAs) with other parties.
- **Storage** - we own and operate a battery energy storage facility in the Pilbara region of Western Australia and are exploring other storage opportunities, such as additional batteries and pumped hydro.
- **Transmission and distribution** - we own and operate transmission and distribution assets such as electricity transmission lines and gas pipelines.
- **Energy supply** - We provide electricity and gas to customers including households, small businesses, commercial and industrial organisations.

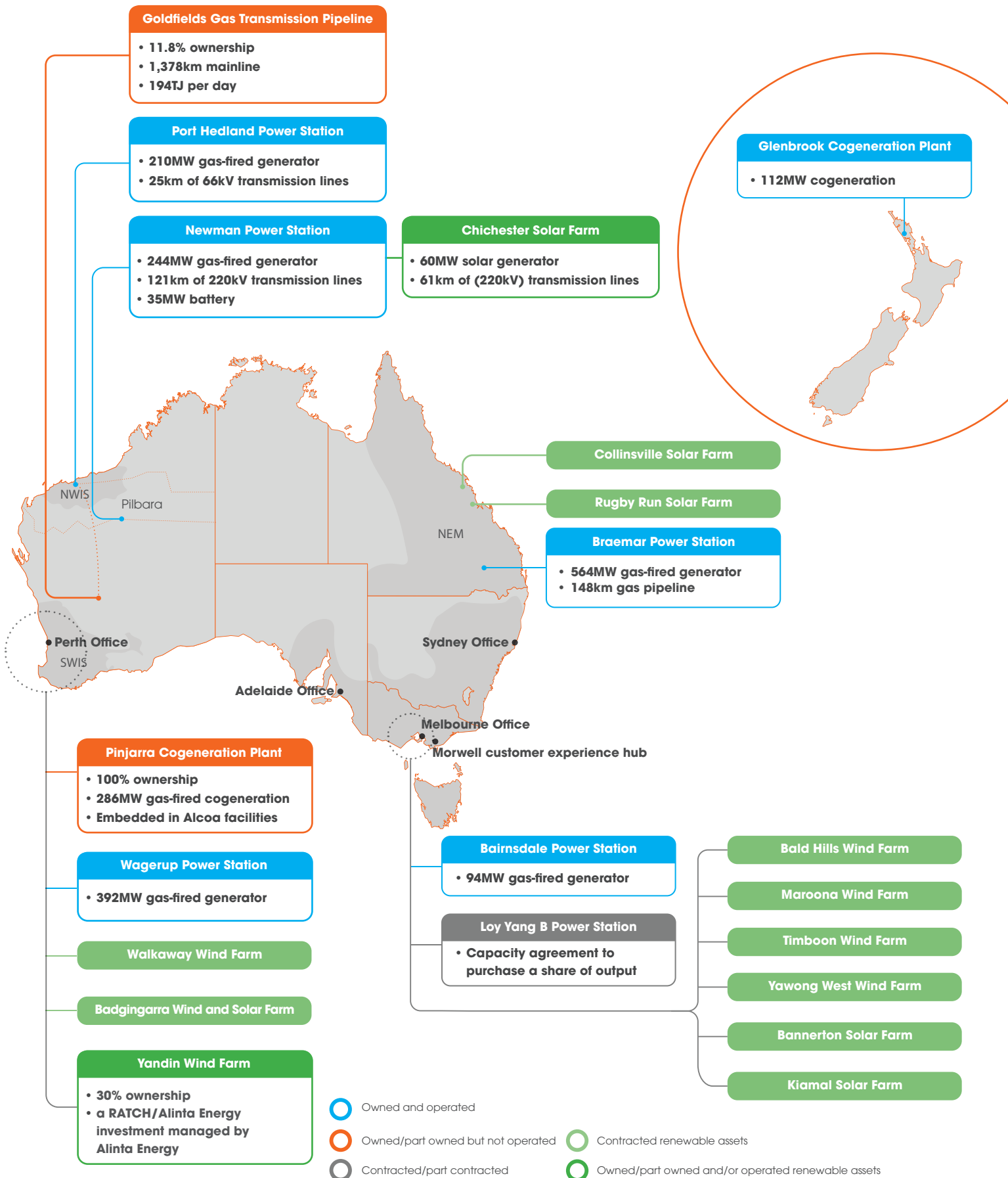
We generate and/or retail electricity in New South Wales, Victoria, Queensland, South Australia, the resource-rich Pilbara region of Western Australia and Western Australia's South West Interconnected System (SWIS, including Perth). We operate in all major mainland Australian wholesale electricity markets and own electricity transmission lines in the Pilbara region of Western Australia. We own and operate an electricity generation facility embedded in the NZ Steel facility in Glenbrook, on the North Island of New Zealand.

We also retail gas in New South Wales, Victoria, Queensland, South Australia and Western Australia and own (or have an equity share in) gas transmission pipelines in Queensland and Western Australia. This is illustrated in the diagram on the following page. Additional detail can be obtained from our annual Sustainability Report available on our website.



Our operating assets and offices

We operate in various gas and electricity markets across Australia, including the South West Interconnected System (SWIS) and North West Interconnected System (NWIS) of WA, as well as the National Electricity Market (NEM), which spans the eastern states of Australia. In New Zealand we provide power at New Zealand Steel's Glenbrook site.



In addition, Alinta Energy is a participant in three joint ventures:

- Yandin Wind Farm - in Dandaragan 175km north of Perth. This is a joint investment venture between RATCH-Australia Corporation Pty Ltd (RATCH-Australia) and PSA (through the investment by REIF, which holds a 30% non-controlling ownership interest). Alinta Energy performs management activities including managing the original construction, ongoing operation, maintenance, procurement and provision of other professional services. The supply chain includes domestic and international suppliers, with key equipment and expertise sourced from Asia and Europe; but with most labour sourced within Australia. Because Alinta Energy's procurement systems are used, spend associated with this joint venture is captured in risk identification and due diligence activities undertaken by Alinta Energy.
- A 50/50 joint venture with CS Energy Ltd; a Queensland Government-owned electricity generator. The joint venture supplies electricity and gas to customers in the Energex Distribution Area in South East Queensland, with Alinta Energy managing the retail operations.
- The Goldfields Gas Transmission Pipeline joint venture, in which we have an 11.8% ownership interest. This is a 1,378km transmission pipeline that extends from Yarraloola, in the Pilbara region of Western Australia, to Kalgoorlie, in the Goldfields-Esperance region. The remaining ownership interest held by APA Group (through its wholly owned subsidiaries Southern Cross Pipelines Australia Pty Ltd and Southern Cross Pipelines (NPL) Australia Pty Limited). All procurement activities in relation to the joint venture are undertaken by the APA Group under their procurement policies and processes.

Alinta Energy will work with its joint venture partners to address on any modern slavery issues that may arise in the future, noting that to date, none have been directly identified. We will continue to consult with our joint venture partners as our modern slavery practices become more sophisticated and we expand our due diligence activities concerning supply chains.

This Statement also includes Alinta Energy's procurement activities that are relevant to the Pinjarra power station, which is owned by Alinta Energy but operated by Alcoa of Australia (Alcoa).



Alinta Energy's values are as follows:



Safety



People Matter



Customer Focus



One Alinta



Commercial Leadership

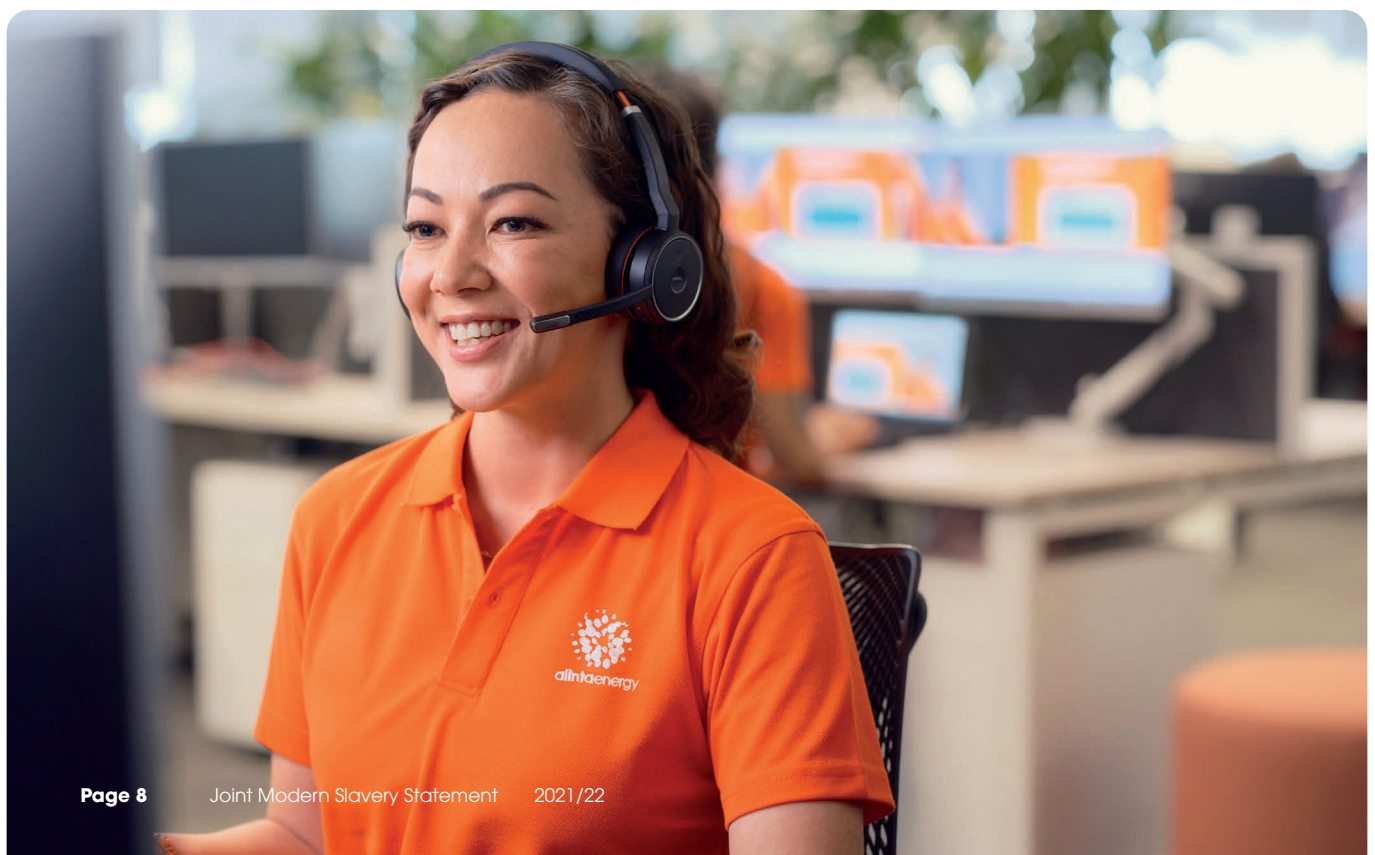


Respect & Integrity

These values extend beyond our immediate staff but not directly to our supply chain partners. Avoiding modern slavery in our supply chains aligns strongly with our values, particularly Safety, People Matter and Respect & Integrity.

Alinta Energy's procurement activities involve over 4,000 direct suppliers in total. Of the Tier 1 suppliers in our procurement system (excluding credit card purchases which are not material), 97% are located in Australia. Key inputs into the supply chain include:

- Gas and electricity purchases;
- Gas and electricity transport;
- Financial services;
- Professional services;
- Maintenance, repairs and overhauls;
- Construction materials, products and services;
- Sales and marketing services;
- Information technology services and hardware;
- Facilities services;
- Consumables including office supplies and staff uniforms.



Latrobe Valley Power

Latrobe Valley Power (LVP) is an Australian incorporated, private company with a registered office in Sydney, Australia. All of LVP's and its subsidiaries' activities relate to the energy industry. LVP owns and operates the Loy Yang B Power Station, a brown coal-fired power station in Victoria's Latrobe Valley, approximately 160km east of Melbourne.

The power station consists of two electricity-generating units, which together provide up to 1,200MW of baseload power and supply approximately 20% of Victoria's energy needs. Loy Yang B has operated since 1993 and continues to be one of the lowest cost and most reliable generators in the National Electricity Market. Loy Yang B procures coal from a neighbouring coal mine under a long-term supply agreement.

LVP has a capacity agreement with Alinta Energy, supplying it with a share of the power station's output. Loy Yang B Power Station operates under local management, including a local procurement team responsible for its supply chain. Most of its procurement activities are conducted through one subsidiary company, LYB Operations & Maintenance Pty Ltd.

LVP has an international supply chain, however, uses best endeavors to procure goods and services from within Australia and particularly from the local community in the Latrobe Valley, Victoria. Key inputs into the supply chain include the purchases of:

- Coal used at our Loy Yang B Power Station; and
- Goods and services related to the operation and maintenance of the Loy Yang B Power Station.



Understanding our modern slavery risks

As part of our commitment to sustainability, our transition from fossil fuels towards increasing provision of renewable energy brings with it exposure to different supply chains and associated modern slavery risks. We are committed to building our understanding and updating our risk management and due diligence activities as we navigate new supply chains.

During the current reporting period, neither Alinta Energy nor LVP had any material change in their operating activities or within their supply chains. As such, we do not consider that there has been a material change to our modern slavery risk and have continued our due diligence activities accordingly. However, we appreciate that as our understanding of supply chain risk matures, so too must our due diligence efforts as we investigate risks further down our supply chain.

Growing industry awareness

The modern slavery risks associated with clean energy sources, including the production of solar panels, wind turbines and batteries, have received increasing scrutiny. Two publications of note during this reporting period that are relevant to our business are:

- Resources, Energy and Modern Slavery: Practical Responses to Managing Risk for People, published by the Australian Human Rights Institute and KPMG in December 2021
- the White Paper by the Clean Energy Council and Norton Rose Fulbright, Addressing Modern Slavery in the Clean Energy Sector, published in November 2022.

From these and other sources, we understand that in our industry, modern slavery risk occurs in the direct procurement of goods used in power infrastructure construction.

The four key factors which elevate risk are:²

- Vulnerable populations – including groups such as migrants and low skill workers
- High-risk business models – such as short-term and temporary work, the use of labour hire and outsourcing work to contractors, franchising, seasonality and aggressive pricing
- High-risk procurement categories – such as services procurement, goods not for sale and raw materials
- High-risk geographies – in regions with conflict, weak rule of law, corruption, displacement and state failure to protect human rights.

The complexity and opacity of international supply chains particularly in countries with limited transparency, means that while awareness of modern slavery risks is growing, there are still considerable limitations in our ability to gain reliable, verified information about suppliers. This is particularly so when goods or services are sourced through several tiers.

We believe that the greatest gains in influencing sustainable changes to international supply chains will result from an industry-wide approach. This will include sharing information, pooling resources to conduct deeper research and due diligence activities and leveraging collective purchasing power. To this end, Alinta Energy joined the Clean Energy Council during this reporting period and will participate as a member of its Modern Slavery Working Group in future reporting periods. This will allow greater access to emerging insights as well as the opportunity to benchmark our approaches against our peers. Alinta Energy also participates in the Sustainability Committee of the Australian Energy Council, which discusses modern slavery amongst other sustainability goals.

² KPMG and Australian Human Rights Commission (2021). Resources, Energy and Modern Slavery. Practical Responses to Managing Risk for People. Sydney. Refer to Figure 3, p. 33.

Harnessing expert insights

During this reporting period, we have undertaken internal work to better understand the risks in our business and communicate the challenges to business leaders. For example, we engaged an external consultant to support us to further understand the modern slavery risks posed by our supply chains and specifically, the risks involved in the solar panel and lithium-ion battery supply chains. The outcomes of that assessment will be reported in our next statement.

We also draw upon our expert external consultant databases to provide greater insights into regions, industries and specific suppliers posing higher risks. This allows us to better prioritise our management responses. During the next reporting period, we intend to build relationships with a wider pool of experts which may include academics, not-for-profit organisations and trade unions.

Supplier engagement

Our suppliers remain amongst the most valuable sources of insights about modern slavery risks and mitigation measures within our supply chains.

We know from work conducted in previous reporting periods that the greatest risks in our supply chains, particularly for goods rather than services, are typically not within Tier 1 suppliers (that is, organisations with whom we directly engage), but further down the supply chain at the manufacturing level of key components, extraction of raw materials and assembly of goods. Because of this we are improving our supplier engagement processes to gather information about key risks further down our supply chains

New suppliers to Alinta Energy are now required to complete an automated supplier self-assessment questionnaire as part of our supplier onboarding process. Analysis of the early responses has identified opportunities to improve the wording of some questions which seem to be commonly misunderstood, and to raise awareness amongst recipients about why these questions are being asked. This process has helped to build our suppliers understanding of modern slavery red flags.

LVP uses a supplier self-assessment questionnaire to assist in assessing any modern slavery risks. For every tender, new supplier (or a reactivation of an old supplier) or new contract, the questionnaire must be completed. A risk assessment is then completed based on the responses prior to the approval of the supplier or contract.

Case study: Port Hedland Power Station Expansion Project tenderer engagement

We recognise the importance of engaging with suppliers early during the tender process for high-risk goods and services.

During the reporting period, we engaged with engineering, procurement and construction (EPC) tenderers for the supply of solar panels and a battery energy storage system for our Port Hedland Power Station expansion project. This involved sending the tenderers detailed modern slavery self-assessment questionnaires to help us better understand how modern slavery risks are managed in these supply chains.

This due diligence work was still ongoing at the end of the reporting period and will be reported on in our next statement. One of the learnings from this exercise was the need to raise modern slavery questions very early in the process to allow adequate time to engage with tenderers without compromising critical project timelines, and to develop a quantified risk process to support differentiation between tenderers. We intend to conduct further research into critical high-risk suppliers outside of procurement processes to streamline future procurement due diligence processes. This will involve greater collaboration with our peers in the clean energy sector.



Key modern slavery risks for the Reporting Entities

Based on our work to date, we understand that there are a number of industries and countries with greater potential for modern slavery. By understanding risks of particular activities at a higher-level, we can take a more informed approach in our future due diligence activities. As there is considerable overlap between the Reporting Entities, key risks are summarised in an aggregated manner.

Our risk identification processes are still in an early stage of maturity. However, using the aforementioned industry reports together with our own risk identification activities, we have developed a list of products and services we procure that carry a higher risk of modern slavery:

- **Raw materials extraction for renewable energy components** – particularly where there is unregulated artisanal mining – for materials including polysilicon for solar panels, balsa wood from the Amazon used for some wind turbine blades, copper and manganese used in the manufacture of wind turbines and cobalt, used in lithium-ion batteries, particularly when obtained from the Democratic Republic of Congo.³
- **Property, construction and engineering activities** – approximately 18% of global modern slavery victims are found in the property and construction sector. Risks are particularly high when using temporary labour. This issue is further complicated by the fact that these industries often use subcontractors, which can decrease oversight about employment relationships and may result in using undocumented migrant workers, who could be in positions of debt bondage.⁴
- **Electrical parts and electronic equipment, including metering equipment** – the electronics supply chain, encompassing the manufacture of components and assembly, has pervasive modern slavery risks. This sector is largely based in high-risk jurisdictions with limited labour rights and protections. For example, we understand that in India and Indonesia, problems can include lack of freedom of association, excessive working hours and low wages. In Thailand, the large migrant worker population is vulnerable to unfair practices, such as paying recruitment fees.⁵
- **Uniforms and personal protective equipment (PPE)** – the textile industry is well-known for having many problems associated with modern slavery.
- **Hospitality** – the widespread use of low-skilled and migrant workers in this sector, particularly as contractors, make it vulnerable to risks including forced labour, debt bondage and trafficking. It is also noted that hospitality sector venues have been used for forced sex work.⁶
- **Cleaning** – the cleaning industry poses high risks of modern slavery. The Cleaning Accountability Framework, which was established to improve human rights in this industry, notes that known practices in Australia have included “withholding of wages, immigration-related coercion and threats, deceptive recruitment, excessive overtime, debt bondage, confiscation of personal and travel documents, and dangerous and substandard working conditions”.⁷
- **International shipping** – there is international concern over numerous recorded examples of mistreatment of crew, including withholding crew pay, crew starvation or denial of clean drinking water and other labour law violations.⁸
- **Food and agriculture** – food supply chains have received significant press over human rights violations and examples of modern slavery. High risk foods sourced from emerging economies are known to include palm oil, rice, sugarcane, beans, coffee, tea, cocoa beans, nuts and seafood. Within Australia, there are numerous stories of backpackers and seasonal workers recruited by labour hire contractors with unethical practices.⁹

3 Clean Energy Council and Norton Rose Fulbright (2022). Addressing Modern Slavery in the Clean Energy Sector. A White Paper by the Clean Energy Council in collaboration with Norton Rose Fulbright Australia. Melbourne. <https://assets.cleanenergycouncil.org.au/documents/resources/reports/Addressing-Modern-Slavery-in-the-Clean-Energy-Sector.pdf>

4 KPMG and Australian Human Rights Commission (2020). Property, construction & modern slavery. Practical responses for managing risks to people. Sydney. <https://assets.kpmg.com/content/dam/kpmg/au/pdf/2020/property-construction-modern-slavery-practical-guide.pdf>

5 Investors against Slavery and Trafficking Asia Pacific. <https://www.iastapac.org/2022/09/28/modern-slavery-risks-in-electronics-supply-chains-in-asia/>

6 The Mekong Club <https://themekongclub.org/blog/unseen-modern-slavery-in-the-hospitality-industry#:~:text=What%20are%20the%20modern%20slavery,low%2Dskilled%20and%20migrant%20workers>

7 Cleaning Accountability Framework (2020). Cleaning Contractors Modern Slavery Guidance (v1.0). Melbourne, p. 2.

8 McGregor, A (2018). Modern Slavery and Human Trafficking reporting: the risks of modern slavery in maritime supply chains. Melbourne, Norton Rose Fulbright, <https://www.nortonrosefulbright.com/en/knowledge/publications/b87356e9/modern-slavery-and-human-trafficking-reporting-the-risks-of-modern-slavery-in-maritime-supply-chains>.

9 McGregor, A (2017). 'Food for thought: the Modern Slavery Act's impact in fresh food retail, wholesale and agriculture' in Krug, K (ed.). Cultivate. Norton Rose Fulbright. <https://www.nortonrosefulbright.com/-/media/files/nrf/nrfweb/imported/cultivate---issue-14.pdf?revision=af2cdc4f-30c8-41a1-15e-6a3a2d6e6000&revision=5248360958507387904>

Managing our modern slavery risks

Our objective is to develop sustainable processes that ensure there is genuine engagement with the risks of modern slavery, and practical tools and resources available to our business. Over time we hope the breadth and depth of our due diligence activities will increase.

Over the first years of implementing our modern slavery risk management program, we have improved our understanding of this complex problem, how it applies to our operations and supply chains and what governance structures need to be in place to address the issue. As our approach matures and becomes more embedded into our core business, we plan to implement a systemic and holistic framework, with six overarching elements comprising a loop of continuous improvement and leading to more in-depth engagement.

This framework is illustrated on the following page and is loosely modelled on the structure of management system standards such as ISO 14001, contextualised with modern slavery terminology.

This section describes each element in more detail.



Policy

The policy element of our framework sets the direction for all actions that follow, clearly stating at a high level the position towards modern slavery of the Reporting Entities and providing guidance to all staff, contractors and suppliers about standards of behaviour. Our commitment to ensuring appropriate standards and protecting human rights is embedded within relevant policies and high-level documents, as summarised below.

For Alinta Energy, relevant policies include:

- **Code of Conduct** – which outlines our values and the standards of behaviour expected by our employees in the performance of their duties. It provides direction in areas where staff need to make personal, informed and ethical decisions. The Code of Conduct includes a section on Modern Slavery, outlining Alinta Energy’s commitment to conducting business fairly and ethically and protecting human rights. It broadly defines modern slavery and makes clear that all employees, contractors and suppliers are required to oppose practices which may constitute modern slavery (for suppliers, this is spelt out in greater detail in a separate Supplier Code of Conduct, discussed later in this section). The Code of Conduct provides examples of situations which may indicate a risk of modern slavery practices and ways that Alinta Energy could potentially contribute to these practices (such as requesting services at significantly lower cost or in unreasonable periods of time). All staff are required to complete on-line training on the Code of Conduct within six weeks of joining and complete refresher training every two years.
- **Procurement Policy and Standards** – our Procurement Policy requires that procurement activities must place the health, safety and welfare of our people, suppliers, contractors and anyone involved in our business, first; must ensure that business risks are mitigated through each stage of the procurement process and must be conducted in a manner that is ethical, fair and consistent. Our accompanying Procurement Standards include a section on modern slavery considerations. These Standards are currently under review and the resulting improvements will be documented in the next reporting period.
- **Whistleblower Protection Policy** – which defines misconduct, encourages its reporting in relation to Alinta Energy, and outlines the process that will apply when a report of misconduct is made to ensure there is no fear of reprisal, victimisation or disadvantage. An anonymous, independently operated, 24/7 hotline is available for reporting issues including actual or suspected incidents of modern slavery. This hotline is also available for use by our suppliers who are encouraged to use it.
- **Supplier Code of Conduct** – The Alinta Energy Supplier Code of Conduct is provided in tender documents, when on-boarding a new supplier (or reactivating existing suppliers) and when executing new contracts. The Code of Conduct has a specific section on Labour and Human rights, states Alinta Energy’s opposition to modern slavery and expectations that the Supplier also opposes all forms of modern slavery.

For Latrobe Valley Power, relevant policies and high level documents include:

- **LVP Employee Information Manual** - New LVP employees are introduced to the Employee Information Manual through the standard induction process. There is a specific section in the manual that outlines the company’s commitment to conducting business fairly and ethically and to the protection of human rights. It provides some examples of behaviors that could constitute modern slavery and advises to keep modern slavery risks in mind when engaging with suppliers and what to do if suspected instances of modern slavery are identified.
- **Procurement Policy** – this policy requires LVP to conduct all procurement activities ethically and in a fair, open and transparent process. It requires our suppliers to comply with our Supplier Code of Conduct and with labour laws including Modern Slavery laws.
- **Whistleblower Policy** – covers similar content to that for Alinta Energy, and uses the same independent reporting hotline mechanism.
- **Supplier Code of Conduct** – The LVP Supplier Code of Conduct is provided in tender documents, when on boarding a new supplier (or reactivating existing suppliers) and when executing new contracts. The Code of Conduct has a specific section on Labour and Human rights and states LVPs opposition to modern slavery and LVP’s expectation that the Supplier also opposes all forms of modern slavery.

Risks, obligations and opportunities

We employ a number of different methods to identify and assess risks of modern slavery facing our business, as described below.

- **Analysing data from Monitoring and Remediation initiatives** - data to identify modern slavery concerns is collected from multiple sources. This includes anonymous reports through the hotline, email feedback to the modern slavery inbox, supplier questionnaires, outcomes of supplier engagement and audit findings. Themes identified from these various data sources allow us to better prioritise future actions in our planning processes. We are still early in this process and our data set is limited but will be an area of focus in the subsequent reporting period.
- **Expert advice** - understanding of modern slavery risks is evolving. For the current and past two reporting periods, we have engaged expert external consultants to advise us on how to improve our internal processes, particularly to conduct supplier risk assessments and due diligence processes. These consultants have access to proprietary databases and other tools which have provided insights that would not otherwise have been accessible. During the CY22 period, we attempted to take a deeper approach to understanding risk within supply chains. A consultant was engaged to conduct a risk assessment of our supply chains to identify high risk industries. This was followed by a deep dive investigation into a small number of selected suppliers to understand their human rights maturity. This work was not completed during the Reporting Period and therefore will be described further in our next Modern Slavery Statement.
- **Analysis of our procurement databases** - data from our procurement databases, including spend on each supplier, industry types and country of origin of each Tier 1 supplier, has been analysed by external consultants to help identify modern slavery risks.

Processes to ensure we understand our obligations, include the following:

- **Gap analysis against legislation and best practice guidelines** - as relevant legislation, particularly the Modern Slavery Act 2018 (Cth) is amended, the Reporting Entities will conduct a gap analysis against any changed requirements and implement the necessary systemic changes within timeframes required by legislation. We also review other key best practice reports as we become aware of them to identify gaps and propose changes to our system.
- **Commitments from previous statements** - are captured in planning processes to ensure they are completed.

We also rely on the following to identifying opportunities for improvement:

- **Information from external organisations & working groups** - the Reporting Entities collaborate closely with external organisations, including through working groups, to benefit from wider industry insights. Any relevant influences arising from such industry participation will be described in future reports.

The approach to risk assessment and due diligence is subject to change in future reporting periods as the Reporting Entities look to:

- improve the data set used for risk identification processes.
- embed due diligence activities within everyday business practices.
- Improve the maturity of due diligence activities.
- use improved technology and tools that may be developed in the evolving supply

Strategy and planning

During the reporting period we recognised a need to streamline our focus and further develop strategy to help guide our future modern slavery activities. We therefore engaged an external consultant to develop a three-year roadmap that aligned with our goals. This was not completed before the period end and we will report on key elements in our next Statement. The Roadmap will be operationalised in a more detailed Annual Action Plan.

Both the Roadmap and Annual Action Plan will be living documents which will be updated periodically as additional opportunities for improvement are identified.

Action

The action element addresses the various ways in which we implement and deliver upon our policies and strategies. It includes the sub-elements described below.

Resources, responsibilities and accountabilities

Our modern slavery program cannot be effective without the allocation of adequate resources and distribution of responsibilities and accountabilities to drive initiatives.

The Sustainability Manager for Alinta Energy is responsible for preparing the annual Modern Slavery Statement, coordinating risk management activities across both Alinta Energy and LVP and responding to concerns and questions. A reasonable allocation of time is allowed for this function to ensure meaningful progress can be made. This is supplemented with a dedicated budget to allow additional support from consultants or other providers.

The Procurement Managers for Alinta Energy and LVP have oversight of the Procurement Policies and Supplier Codes of Conduct.

Accountability for ensuring compliance with modern slavery legislation and internal commitments sits with the Executive Leadership teams and the Boards of the Reporting Entities.

Consultation and communication

Internal consultation primarily takes place within our Modern Slavery Working Group, where members discuss practices and initiatives with their peers across the organisation. Additionally, opportunities for discussion arise during modern slavery training sessions.

To ensure transparency and accountability, we actively seek feedback from interested stakeholders, including external parties. To this end, our annual Modern Slavery Statement encourages stakeholders to provide feedback, and we provide contact details for this purpose.

Staff training

Increasing employee awareness about the prevalence and nature of modern slavery risks within its supply chains and operations is important for both risk reduction and remediation. We are working to help our people develop the skills and experience required to understand, identify and mitigate modern slavery risks.

All staff at Alinta Energy and LVP complete induction training which includes discussion of modern slavery. Alinta Energy employees also complete refresher training every two years. More specialised training on modern slavery risks and mitigation approaches is offered periodically to key staff including the Executive Leadership Team.

Documentation

Modern slavery management requirements are documented in a range of locations such as the policies and standards described earlier in this section. The Modern Slavery Statement also serves as a means of documenting our processes.

Procurement and contract management

Alinta Energy has a decentralised procurement process. Responsibility for identifying and mitigating modern slavery risks associated with suppliers falls on the individual conducting the procurement process, whether they are the Procurement Manager, project staff, or business operations staff. The Sustainability Manager is available to provide support upon request.

LVP has a centralised procurement process and therefore the day-to-day responsibilities for modern slavery compliance at LVP sit with the LVP Procurement Manager.

Alinta Energy and LVP have developed template contract clauses relating to modern slavery risks, and provide remediation, audit and termination options. In future reporting periods, the Reporting Entities plan to implement a process that ensures these clauses are appropriately applied in procurement activities across the business.

Supplier engagement/uplift

Alinta Energy's and LVP's Supplier Codes of Conduct require suppliers to address modern slavery risks and implement a grievance mechanism for interested parties to raise modern slavery issues. These Codes of Conduct are publicly available on our respective websites.

We have used external consultants to assist with our initial efforts in supplier due diligence, both in terms of informing process and conducting initial reviews. Given the large number of suppliers used by our organisation during the Reporting Period (over 4,000 for Alinta Energy and over 500 for LVP), we focus our due diligence on suppliers that are considered high risk or very high risk.

Deloitte was engaged during in 2022 to conduct deep dive investigations into six high-risk suppliers across the Reporting Entities. This work was not concluded during the Reporting Period and therefore will be reported on in our next Statement. To gain a better understanding of suppliers' modern slavery risks and mitigation practices, a series of follow-up engagement questions were developed for the six high-risk suppliers, as well as for suppliers operating in high-risk industries. These questions will be used in future reporting periods as part of our ongoing efforts.

Monitoring and remediation

There are a number of different ways by which we gather information which allows us to improve our effectiveness. These are described further below.

Monitoring of disclosures and allegations

Issues relating to modern slavery may be raised through a number of channels, all of which are monitored regularly. These include the:

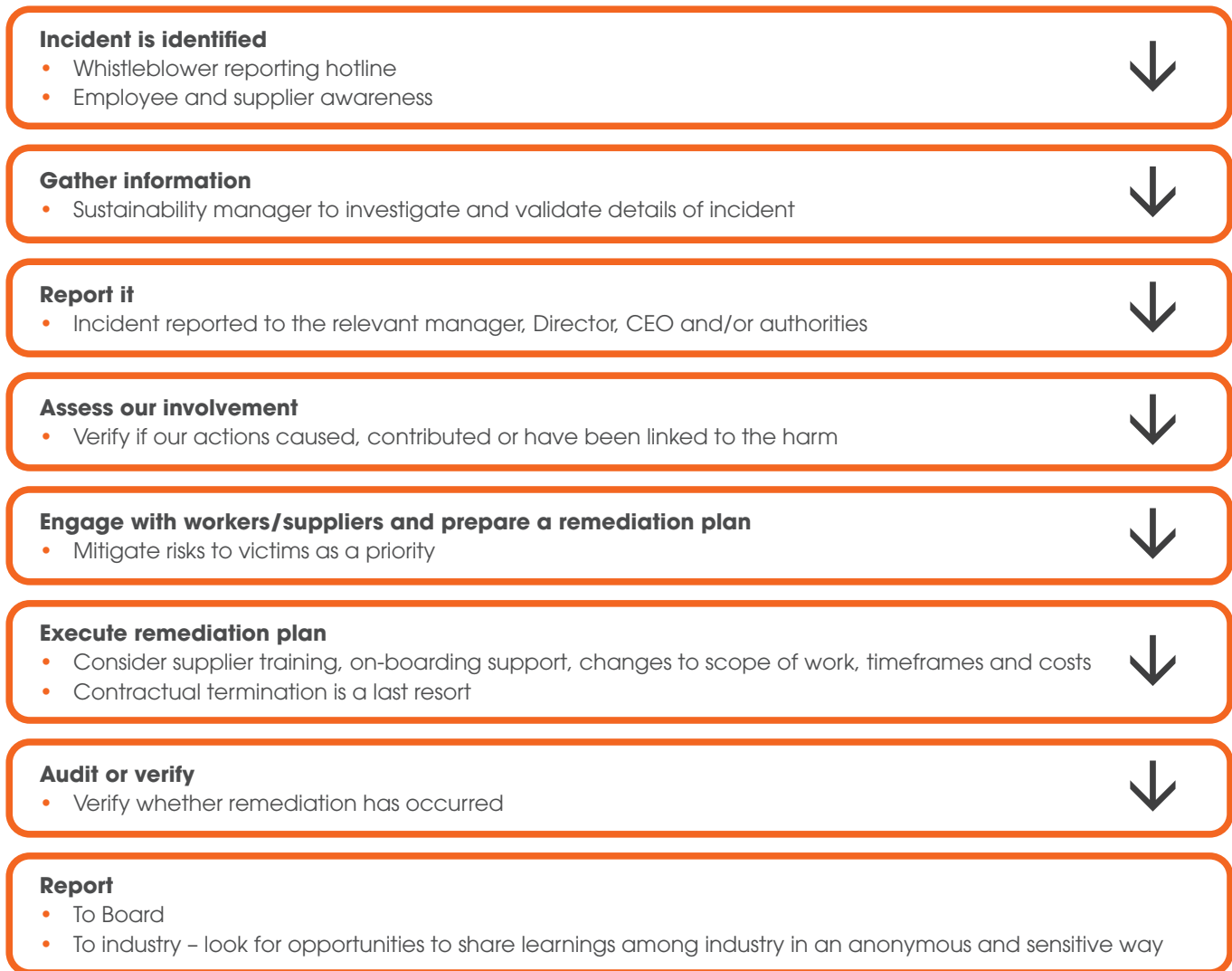
- Independent Whistleblower Reporting Hotline – discussed under the Policy element above.
- Modern slavery inbox – a generic email inbox, used for modern slavery correspondence across PSH operations.
- Feedback from other sources – such as direct disclosures made by employees to their managers or executives, which are then communicated to the Sustainability Manager for inclusion in our modern slavery management system.

Corrective/Preventive Action Requests and Remediation

A systematic means of responding to requests for corrective and preventive actions is a critical component of any management system. This ensures that actions are appropriately investigated and implemented in a timely manner, providing oversight and ensuring effective management of potential issues.

While there have been a limited number of such requests to date, we recognise the importance of having a systematic approach to capturing and addressing them. As our system matures and awareness of reporting tools, such as the hotline, grows, there could be an increase in the number of reported instances of modern slavery. Therefore, in the next reporting period, we will develop a register to capture and track all issues raised through various channels, allowing us to identify any overarching themes or trends.

While no concerns of modern slavery have been raised to date, we have established a remediation process, which is outlined on the following page. Although it has not yet been activated, we have put this process in place to ensure that any issues related to modern slavery are identified and addressed in a timely and effective manner.



Audits

To date, none of the Reporting Entities have conducted internal audits of their own operations or specific modern slavery centered third-party audits of suppliers. Our approach to date has included external assurance and guidance over the development of our approach to identifying and managing these risks alongside a number of focused deep dive activities centered on high-risk categories as referenced earlier. As our management system matures, we plan to implement audits to ensure ongoing effective identification and mitigation of modern slavery risks throughout our operations and supply chains.

Governance and measuring effectiveness

The final element of our continuous improvement cycle is the governance and measuring effectiveness function, which includes a top-down management review conducted by our senior management. The objective of this review is to evaluate our system's performance in reducing modern slavery risks within our supply chains and to ensure that continuous improvement is demonstrated. This section outlines the various activities that comprise this element.

Measuring Effectiveness Framework

Assessing the effectiveness of a system is a critical element in driving continuous improvement.

The Measuring Effectiveness Framework is a self-assessment checklist designed to evaluate the extent to which various components of the management system contribute to our goal of reducing modern slavery risks. The framework includes criteria organised under five pillars:

1. Regulatory Compliance
2. Governance Framework
3. Training
4. Stakeholder Engagement
5. Monitoring

The Modern Slavery Working Group members complete this framework annually to assess trends in achievements over time, which informs the development of annual action plans.

Board and Board committees







Both Alinta Energy and LVP have separate Audit & Risk Committees that consider modern slavery as required. Additionally, Alinta Energy has an Environment, Safety, and Sustainability Committee of the Board, which provides a platform for discussing modern slavery concerns and approaches. In the upcoming reporting period, we plan to further formalise the reporting process to these board committees.

Tracking our progress

Our previous Modern Slavery Statements included commitments to future activities or improvements in our internal processes, which the Working Group monitors our progress against. Completed initiatives from previous reporting periods include:

- Implementation of a Supplier Code of Conduct in FY20 (Alinta Energy) and FY21 (LVP)
- Automation of a supplier self-assessment questionnaire during procurement onboarding in FY21 (Alinta Energy)
- Creation of a supplier self-assessment questionnaire for procurement onboarding and a risk assessment based on responses before approval of the supplier or contract in FY21 (LVP)
- Creation of a Measuring Effectiveness Framework to be used annually to inform subsequent reporting periods in FY21 (Alinta Energy and LVP)
- Deepening consultation with joint venture parties, which was successfully implemented in FY21, with a formalised approach to be implemented in the next reporting period.

Ongoing commitments and their status are summarized on the following pages.



Period	Commitment	Progress	Status at end of CY22
Assessing and addressing risk – Governance			
FY20	LVP to update its existing Employee Information Manual to expressly address the expectations and standards regarding modern slavery during the FY21 Reporting Period.		This commitment was successfully completed during the Reporting Period. LVP will continue to periodically review the manual and update it as needed.
FY20	In future reporting periods, the Reporting Entities to work with the provider of our whistleblower reporting hotline to consider ways to optimize the hotline, ensure it is fit for purpose, simple to use and that grievances are dealt with in accordance with best practice.		Opportunities to optimize the whistleblower reporting hotline to be investigated through industry consultation
Assessing and addressing risk – Engaging and communicating with suppliers			
FY20	LVP to implement a Supplier Code of Conduct, which includes details about how to use the whistleblower reporting hotline during the FY21 Reporting Period.		Completed FY20
FY20	LVP to include a supplier self-assessment questionnaire in its supplier on-boarding practices and invitation to tender documents in future reporting periods.		Completed FY20
FY20	Alinta Energy to automate its supplier self-assessment questionnaire within the on-boarding process in future reporting periods to ensure consistent and comprehensive modern slavery due diligence is performed prior to engaging suppliers		Completed FY20
FY20	<p>n relation to modern slavery clauses in their contracts, in future reporting periods, the Reporting Entities to:</p> <ul style="list-style-type: none"> • Monitor the responses and feedback from suppliers to these clauses and consider using remediation action plans, audit and termination rights if necessary; and • Include the modern slavery clause in a wider ambit of contracts, to ensure that it is uniformly and appropriately used in procurement activities that take place across the business 		Although the template modern slavery clauses have been incorporated into some contracts, there is still room for improvement. In the next reporting period, we will implement an approach ensuring these clauses are used in all high-risk contracts. At the current time, feedback about the clauses has been minimal and we have not had to use remediation action plans or exercise termination rights on modern slavery grounds.

Period	Commitment	Progress	Status at end of CY22
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Assessing and addressing risk – Governance

FY20	In future reporting periods the Reporting Entities to increase the number of suppliers with whom we carry out due diligence and direct engagement activities		The Reporting Entities have established a repository of supplier self-assessment questionnaire responses and feedback. This will facilitate the refinement of our due diligence process and help enhance the quality of our engagements with suppliers. To further strengthen our approach, we engaged an external consultant to conduct a deep-dive investigation into six high-risk suppliers and develop additional questions for them. This work is expected to conclude in the next reporting period and will be detailed in the subsequent Modern Slavery Statement.
FY21	Alinta Energy to implement supplier self-assessment questionnaires during the supplier or contract tender process and implement a process to assess the risk of suppliers or contracts based on their responses.		To enhance the effectiveness of our early engagement process in future activities and promote meaningful long-term improvements, we will integrate the insights gained from the Port Hedland Power Station project tender into our future endeavors. Additionally, we will explore opportunities to collaborate with other companies in the clean energy industry to achieve this goal.

Assessing and addressing risk – Education and knowledge sharing

FY20	In future reporting periods, Alinta Energy and LVP to increase the number of employees who receive Modern Slavery training. This will be done by delivering a Modern Slavery Fundamentals training session that will be available to all employees’ business wide, using our online learning management system to record and track completion rates.		All new employees at Alinta Energy and LVP receive high-level awareness training about modern slavery as part of their Code of Conduct training. Additionally, Alinta Energy provides two-yearly refresher training in the Code of Conduct. Key internal staff, including executives and those with significant procurement responsibilities, have undergone modern slavery training in earlier reporting periods. Deloitte will provide modern slavery training to selected Alinta Energy and LVP staff in the CY23 period, and the outcome will be reported in our next Statement.
FY20	In future reporting periods, the Reporting Entities to continue consultation with industry and subject matter experts to: <ul style="list-style-type: none"> • Increase our involvement and contribution to industry consultation efforts; • Remain informed of good practice modern slavery risk assessment and remediation tools available; • Compare our approach to our energy and utility sector peers; and • Further identify industry networks operating in the eastern states of Australia. 		We joined the Clean Energy Council in CY22 and have committed to participating in its Modern Slavery Working Group in future reporting periods. We will also explore the possibility of joining other relevant industry groups to further expand our reach and efforts towards eradicating modern slavery in our operations and supply chains

Period	Commitment	Progress	Status at end of CY22
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Assessing our effectiveness – Measuring Effectiveness Framework

FY20	Alinta Energy and LVP to develop and implement a Measuring Effectiveness Framework in future reporting periods that is specifically designed to assess the effectiveness of our approach to addressing risks of modern slavery.	✓	Completed FY20. The framework continues to be used.
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Consultation – Joint venture consultation

FY20	porting Entities to deepen consultation efforts with external joint venture partners in future reporting periods.	✓	This commitment was successfully completed in relation to the Reporting Period. Alinta Energy and LVP will continue to consult with joint venture partners in future reporting periods and refine this process as needed.
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Future commitments

Over the upcoming reporting period, we will integrate our modern slavery approach into a broader human rights focus, by expanding the scope of the Modern Slavery Working Group to an Ethical Sourcing Working Group. In line with our three year Modern Slavery Roadmap, still under development, we will commit to specific future actions which include:

Element	Commitments
Policy	<ul style="list-style-type: none"> Conduct a comprehensive review of all policies to ensure they reflect a high level of commitment to combat modern slavery
Risks, obligations and opportunities	<ul style="list-style-type: none"> Our external consultant to complete the high-level risk assessment and deep dive into selected high-risk suppliers and industries and use the insights to inform creation of additional actions. Review changes resulting from review of Modern Slavery Act 2018 and implement the necessary modifications to ensure compliance. Build a wider network of modern slavery experts to learn from which may include academics, not-for-profit organisations and trade unions.
Strategy and planning	<ul style="list-style-type: none"> Finalise a comprehensive three-year roadmap and develop a detailed action plan for CY23 to achieve the objectives outlined in the roadmap. Develop a clear strategy to gradually enhance due diligence measures for suppliers to effectively identify and mitigate modern slavery risks over time.
Action	<ul style="list-style-type: none"> Review and enhance accountability measures for modern slavery across the entire organisation, including the Executive Leadership Team. Provide additional modern slavery training to key internal stakeholders, with the presentation made available to all Alinta Energy and LVP staff. Develop a comprehensive manual outlining our modern slavery management system. Revise the Alinta Energy Supplier Self-Assessment Questionnaire to better identify low-risk suppliers and clarify any questions causing confusion. Ensure the modern slavery model clauses are incorporated into new contracts for high-risk suppliers. Improve the supplier database accuracy by classifying supplier data in line with the UNSPSC categorisations. Add an industry categorisation field to the Maximo system used for procurement and maintenance data by LVP to facilitate periodic supplier risk assessments. Provide additional guidance to suppliers on modern slavery expectations and resources on the Alinta Energy and LVP websites. Initiate a process of gathering information from long-standing suppliers, beginning with those in the highest risk industries. Actively participate in the Clean Energy Council Modern Slavery Working Group and explore opportunities to leverage its wider reach.
Monitoring and remediation	<ul style="list-style-type: none"> Conduct at least one audit, desktop or otherwise, of a supplier
Governance and measuring effectiveness	<ul style="list-style-type: none"> Continue to present the Modern Slavery Statements to the Alinta Energy and LVP boards for review and approval.

Appendix

Requirements of the Modern Slavery Act 2018

Requirement of the Act	Clause	Statement section	Page/s
Approval by principal governing body and signature of a responsible member	s14(2)(d)(i), s16(2)(b)	Board approval	
Details of the reporting entity	s16(1)(a)	About the Reporting Entities	
Describe each reporting entity's structure, operations and supply chains	s16(1)(b)	About the Reporting Entities	
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns and controls	s16(1)(c)	Understanding our modern slavery risks	
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	s16(1)(d)	Understanding our modern slavery risks Managing our modern slavery risks	
Describe how the reporting entity assesses the effectiveness of these actions	s16(1)(e)	Managing our modern slavery risks Tracking our progress	
Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	s14(2)(c), s16(1)(f)	About the Reporting Entities	
Any other information that the reporting entity, or the entity giving the statement, considers relevant	s16(1)(g)	Introduction Future commitments	

Board sign-off

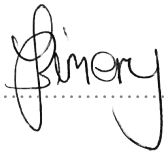
Pioneer Sail Holdings Pty Ltd – ABN 45 617 844 569

Insofar as this Statement relates to Pioneer Sail Holdings Pty Ltd and its subsidiaries, the Board (as principal governing body) approves the Statement.



Pioneer Sail Australia Pty Ltd – ABN 91 617 846 385

Insofar as this Statement relates to Pioneer Sail Australia Pty Ltd and its subsidiaries, the Board (as principal governing body) approves the Statement.



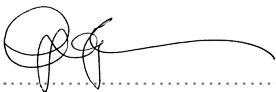
Alinta Energy Pty Ltd – ABN 64 614 975 629

Insofar as this Statement relates to Alinta Energy Pty Ltd and its subsidiaries, the Board (as principal governing body) approves the Statement.



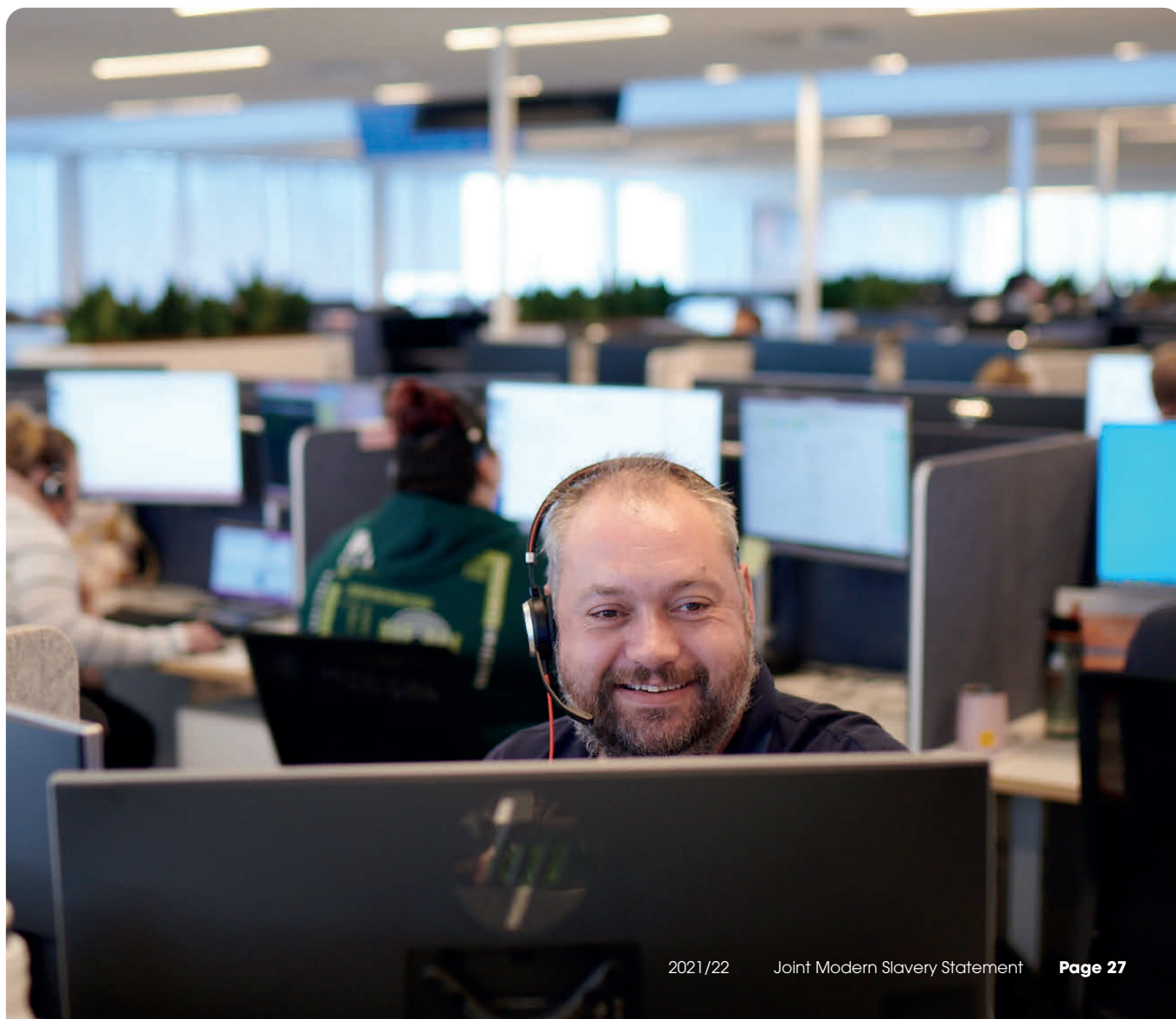
Latrobe Valley Power (Holdings) Pty Ltd – ABN 57 621 363 102

Insofar as this Statement relates to Latrobe Valley Power (Holdings) Pty Ltd and its subsidiaries, the Board (as principal governing body) approves the Statement.



Glossary

Act	<i>Modern Slavery Act 2018 (Cth)</i>
Alcoa	Alcoa of Australia Ltd
CS Energy	CS Energy Ltd
EPC	Engineering, procurement and construction
ERP	Enterprise resource planning
Fair Supply	fairsupply.com.au Pty Limited ACN: 630 354 371
LVP	Latrobe Valley Power Pty (Holdings) Limited
NEM	National Energy Market
NWIS	North West Interconnected System
PPA	Power purchase agreement
PSA	Pioneer Sail Australia Pty Ltd
PSH	Pioneer Sail Holdings Pty Ltd
RATCH-Australia	RATCH-Australia Corporation Pty Ltd
REIF	Renewable Energy Investment Fund Pty Ltd
SWIS	South West Interconnected System



Report feedback

We welcome feedback, concerns, questions or suggestions about this report or our approach to managing modern slavery.

Please contact us at **modernslavery@alintaenergy.com.au** for any of the Reporting Entities. All feedback will be treated sensitively.

Details about how to contact our reporting hotline for anonymous reports are included inside the front cover of this report.