

A world of
new energy



Modern Slavery Statement

2020



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Message from the CEO



In line with our vision to be the leading global producer of sustainable distributed energy, EDL works to embed safe and socially responsible practices across our operations worldwide.

As such, I am pleased to present EDL's first Modern Slavery Statement.

This statement outlines our commitment to the sustainable production of energy. Modern slavery, which includes heinous practices such as exploiting people, or forced or child labour, is unacceptable to EDL.

We understand our responsibility as a participant in the global energy sector to ensure that no harm comes to the people who produce the goods and services that we need to deliver clean energy benefits for our customers and communities.

As a first step, we consulted with key suppliers, and worked closely with internal stakeholders and external experts to identify and address modern slavery risks across our global operations.

Both this statement and resulting action plan have my full commitment and the commitment of the relevant directors of each of the reporting entities which make up EDL, and this statement was approved by the relevant boards of DUET EDL Pty Ltd and Energy Developments Pty Ltd on 9 June 2021 and EDL Holdings (Australia) Pty Limited on 18 June 2021.

Addressing the challenges of modern slavery requires ongoing vigilance and effort. We will continue to track and report on our progress through annual updates of our Modern Slavery Statement.

A handwritten signature in blue ink, appearing to be 'J Harman', written over a horizontal line.

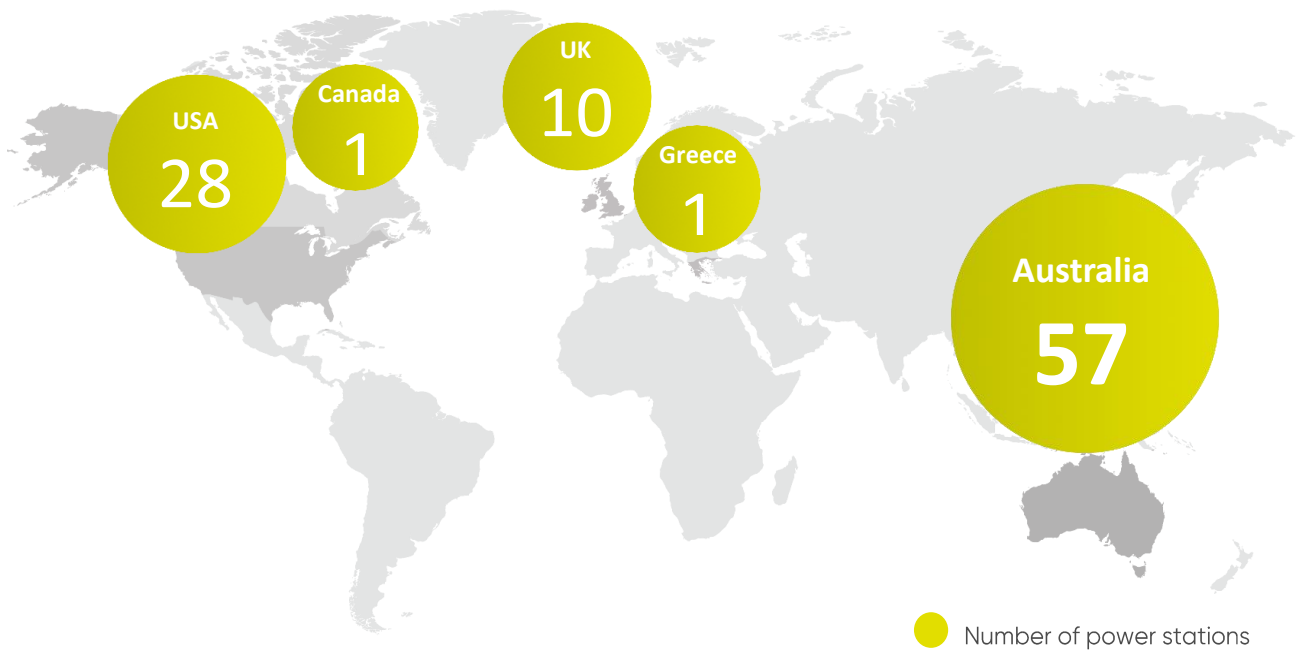
James Harman
Chief Executive Officer
18 June 2021

About us

Our operations

As a leading global energy producer, EDL is dedicated to a world of new energy for our customers and communities.

EDL has more than 30 years' experience in delivering innovative solutions that meet our stakeholders' expectations of reliable, cost-effective and environmentally sustainable energy. We play a key role in the world's transition from traditional energy sources to decarbonised solutions.



EDL owns and operates a portfolio of more than 1GW from 97 sites in Australia, North America and Europe.

Our energy expertise includes six areas of capability, listed below:



Renewables and hybrids

As the world transitions to renewables, EDL is growing our portfolio of world-class wind and solar projects across Australia, with an increasing emphasis on market leading, high penetration renewables for off-grid locations.



Remote energy

To meet the needs of communities and industrial projects in remote Australia, EDL uses a range of methods to deliver safe, reliable and sustainable power generation solutions.



Landfill gas

EDL is one of the pioneers of the Australian landfill gas energy sector and we continue to advance our expertise in the sector across our global operations.



Waste coal mine gas

EDL is providing industry-leading solutions for major coal miners in Australia by using waste gas from mine sites to generate electricity and reduce site emissions.



LNG and CNG

Through the production, delivery and supply of liquefied natural gas (LNG) and compressed natural gas (CNG), EDL provides customers with a viable long-term energy source for power generation and transport, particularly in locations with limited energy infrastructure.



RNG

EDL is investing in the production of renewable natural gas (RNG), using gas from EDL's landfill gas portfolio. RNG is a 'green gas' that is fully interchangeable with conventional natural gas.

Our values

At EDL, we are proud of our culture, built on our commitment to the SPIRIT values listed below. No matter where we are working, these values create a common bond that connects more than 500 EDL employees worldwide.



Safety, health and environment

Constantly strive for Zero Harm.



Respect & responsibility

Show respect for the skills, knowledge and experience of others. Accept the consequences of our behaviour.



Performance

Drive for results.



Integrity

Do what we say we will, in an honest and open manner.



Innovation & initiative

Embrace new ways of doing things.



Teamwork

Demonstrate effective participation, cooperation and communication in teams.

About this statement

Overview

EDL's inaugural Modern Slavery Statement reports on our assessment of the potential risks of modern slavery within EDL and through our supply chains, as well as outlining our existing processes and procedures, and new ones we will be implementing, to reduce such risks.

To deliver on our commitments to our customers and communities, we procure fuel collection, electricity generation and gas processing plant and equipment, mostly from long-term global suppliers. These suppliers are mostly headquartered in countries that are recognised as having low jurisdictional risk for modern slavery.

Our operations are primarily carried out by skilled employees, and we only outsource our core activities to a limited extent, mainly to specialist reputable contractors and consultants, which inherently reduces the risk of exposure to modern slavery. In addition, our operations are based in countries that are recognised as having a low jurisdictional risk of modern slavery.

That said, some ancillary activities conducted under our business have the potential to involve modern slavery risks, which we are working to address. These include activities through our cleaning contractors, personal protective equipment suppliers and telecommunications providers.

Our due diligence has to date focused on our employees and major suppliers, and has not identified any instances of modern slavery in our operations or our supply chain. As part of our commitment to continuous improvement, we will progressively expand our assessments.

Developing this statement

To develop this statement, EDL established a modern slavery working group, with representatives from the procurement, human resources, and legal teams.

This working group consulted with subject matter experts within EDL's headquarters, senior executive and financial management of the relevant companies responsible for EDL's operations in each jurisdiction, and representatives of holding companies above the DUET EDL level.

The statement was submitted to, and reviewed by, EDL's Audit Committee, and subsequently approved for publication by the Board of Directors of each of the reporting entities (described in more detail further below).

Reporting entities and corporate/business structure

This is a joint Modern Slavery Statement for the period 1 January 2020 to 31 December 2020 by three members of the Energy Developments Group (in this statement, 'EDL', 'we', 'our' and similar) – DUET EDL, Energy Developments and EDL Holdings—under the Australian modern slavery laws—comprising the Modern Slavery Act 2018 (Cth).

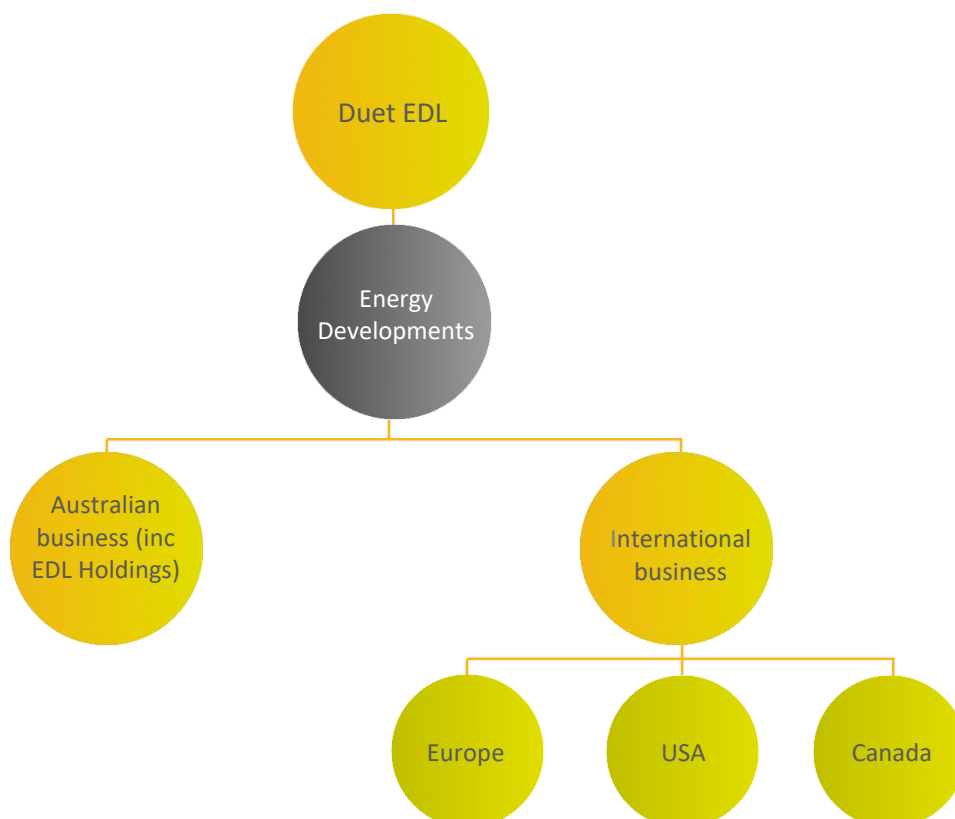
These three members are reporting entities under the Australian modern slavery laws, as follows:

DUET EDL Pty Limited ABN 91 607 005 685	DUET EDL	DUET EDL is the sole shareholder of Energy Developments, and, as with EDL, is ultimately owned by the CK William Consortium.
Energy Developments Pty Limited ABN 84 053 410 263	Energy Developments	Energy Developments is a wholly owned subsidiary of DUET EDL.
EDL Holdings (Australia) Pty Limited ABN 67 058 224 481	EDL Holdings	EDL Holdings is a wholly owned subsidiary of Energy Developments and is a holding company for the majority of EDL’s Australian businesses.

Notes: the CK William Consortium is ultimately owned by three Cheung Kong companies listed on the Hong Kong Stock Exchange, namely (a) CK Infrastructure Holdings Limited (Hong Kong Stock Exchange Code: 1038 “CKI”); (b) CK Asset Holdings Limited (Hong Kong Stock Exchange Code: 1113 “CKA”); and (c) Power Assets Holdings Limited (Hong Kong Stock Exchange Code: 0006 “PAH”).

The three reporting entities, DUET EDL, Energy Developments and EDL Holdings, are each Australian proprietary companies, limited by shares and having their registered office at Waterfront Place, Level 6, 1 Eagle Street, Brisbane QLD Australia 4000.

EDL’s corporate and business structure is outlined below.



Steps taken in 2020



Working group and action plan

EDL formed a working group of cross-disciplinary senior representatives to assess the modern slavery laws. The group prepared short- and long-term action plans to improve the transparency of EDL's approach to modern slavery matters.

Gap analysis

EDL reviewed our processes and procedures (with assistance from external experts) and identified areas for improvement to reduce the risks of modern slavery to EDL's business.



Education and training

Our working group undertook training on modern slavery issues, and gained a strong understanding about the topic and EDL's obligations.

Policy review

Our review of EDL policies and procedures resulted in actions including:

- revising EDL's whistleblower policy to reference modern slavery matters
- linking the EDL Rules to Live By to our key human rights and health and safety policies
- redrafting relevant policies to support these amendments.

These changes affirm our respect for human rights and our expectation that our employees and contractors do the same.



Supplier commitments

EDL recognises that our suppliers are an essential part of our service delivery. That's why we have taken steps to ensure that they have similar commitments to reducing modern slavery risks, including:



- modifying our supplier code of conduct
- changing our Australian supplier onboarding process so that new suppliers commit to relevant EDL policies and provide the information we need to assess modern slavery risks
- preparing standard modern slavery clauses for our key procurement contracts
- reviewing the modern slavery statements of key suppliers to be informed about how they deal with modern slavery risks.

Top-tier supplier assessment

We also identified our biggest suppliers (i.e. the suppliers who are collectively responsible for approximately the top 60% of our annual expenditure) and started assessing their operations for the likelihood of significant modern slavery risks.



COVID-19 response

Despite the business interruption impact of COVID-19, we took action to keep our employees safe (including by supporting working-from-home environments) and maintain close to business-as-usual operations globally.

Modern slavery risk assessment

EDL has adopted a risk assessment-based approach to modern slavery, where we consider factors such as:

- the country of employment and broader human rights (such as equality, fair pay and safety) applicable to our employees
- our top-tier suppliers (based on our annual expenditure with them) and the location of their headquarters and key operations
- the types of industries we operate in
- likely risk factors associated with our supply chain.

Our findings are outlined in the following sections.

Our corporate governance framework

Supported from the top

The Board of Directors and management of Energy Developments and other EDL companies are committed to having a robust corporate governance framework to support our vision to be a leading global producer of sustainable distributed energy.

Current, relevant and effective policies

EDL's key policies cover human rights, workplace health and safety, diversity and inclusion, First Nations participation (including Aboriginal and Torres Strait Islander participation for EDL's Australian operations), and supplier and contractor management. These policies are supported by mandatory employee training and contractor undertakings to encourage behaviour across our global operations that:

- is respectful and tolerant of difference
- supports Aboriginal and Torres Strait Islander and minority populations
- focuses on maintaining and continuously improving safe work practices (including stringent workplace health and safety requirements, monitoring and reporting)
- supports good mental health.

We regularly review our policies to ensure that they remain current, relevant and effective. Outcomes of the 2020 review included:

- modifying our existing whistleblower policy (which supports transparency in our operations by encouraging employees and contractor personnel to report misconduct in a safe environment) to expressly state that this is an avenue for reporting modern slavery issues
- consequential amendments to relevant policies with respect to modern slavery and human rights matters.

This suite of new and amended policies is targeted for roll-out in 2021, and will apply to all EDL employees and relevant contractors. We are also asking our existing suppliers to commit to these modified policies, and will be requesting our new suppliers to do the same.

Training to create awareness

In 2020, EDL's modern slavery working group and interested personnel attended external training to better understand the nature and risks of modern slavery.

A dedicated modern slavery training module will be developed and included in EDL's existing mandatory training for all employees. This will enable our people to recognise, and address, modern slavery risk factors.

Our countries of operation

We operate in five countries—across Australia and the United States of America, and in Canada and the United Kingdom, with an interest in a joint venture in Greece.

None of these countries are recognised as having elevated modern slavery risks.

Our people

EDL's workforce comprises mostly employees rather than outsourced contract personnel.

Recruitment process

EDL recruits most of our employees directly, instead of through recruitment/labour brokers. In addition, our employees negotiate the terms of their employment with us, reducing the risks of modern slavery in our recruitment processes.

Working conditions

In 2020, we had more than 500 employees. They are employed by EDL group companies registered in the relevant jurisdiction of operation (i.e. Australia, the USA, the UK and Canada). These countries have comprehensive employment, workplace health and safety, and anti-discrimination laws, and are recognised as having low modern slavery risks.

EDL workplaces operate under a robust safety management system, which includes monthly reporting, a focus on safety processes and training, and mental health awareness.

We're proud of our strong company culture that fosters a diverse workforce and inclusive working environments. For example, EDL supports flexible working arrangements, which enables us to retain our people as they move through different life stages.

EDL people are well-qualified and most are highly-skilled in professional and technical fields. As such, they are remunerated at or above local minimum wage requirements and often enjoy additional employment benefits. Our Australian operations workforce is also governed by enterprise agreements approved by and registered with the Fair Work Commission and subject to review by the Industrial Relations Court.

Our working conditions comply with, or exceed, the requirements of the International Labour Organisation and the Universal Declaration of Human Rights. Accordingly, EDL considers that there is low to minimal risk that EDL employees are subjected to any form of modern slavery while working at EDL.

Our suppliers

Our suppliers provide the raw materials, fuel, plant and equipment necessary for EDL to run our operations and deliver on our commitments to our customers and communities.

We focus on sourcing reputable and reliable suppliers with whom we can develop long-term relationships for mutually beneficial outcomes.

Number of suppliers

We have more than 2,000 suppliers globally that provide plant, equipment, materials, and services to EDL.

This spread of spending across many suppliers make it unlikely that significant volumes of expenditure are directed towards any particularly risky area.

Supply sectors

We assessed the industry sectors where our suppliers mainly operate, and identified the following risks.

Sector	Assessment
Fuels, petroleum products and other power station consumables	<p>EDL uses a variety of hydrocarbon-based fuels, petroleum-based products and other power station consumables (e.g. coolants) in our operations.</p> <p>Gaseous fuels, such as natural gas, landfill gas and coal seam methane, originate in the countries where we operate (which have a low jurisdictional risk of modern slavery).</p> <p>Diesel fuel, petroleum-based products (e.g. oils and oil-based lubricants) and other power station consumables (e.g. coolants) either originate in the countries where we operate or are imported, and as such may originate from or be processed in countries that have a higher jurisdictional risk of modern slavery than the countries where we operate.</p>
Gas capture and processing equipment Electricity generators and storage solutions	<p>We procure a variety of plant and equipment for our power operations. These include:</p> <ul style="list-style-type: none"> plant and equipment needed to capture, reticulate and process gases (including landfill gas, waste coal mine gas and natural gas) such as gas pipeline equipment diesel and gas generators, solar PV panels, wind turbines, batteries, electrical storage solutions and inverters. <p>These items are manufactured in various countries, which have varying modern slavery risk factors.</p> <p>Additionally, some raw materials (such as certain metals) used in these plant and equipment could originate from countries known to have a high risk of modern slavery.</p>

Sector	Assessment
Fleet and transportation services	<p>We procure these types of services to move some fuels from the processing facility to our power stations, as well as to get plant and equipment to site.</p> <p>Although these services are typically provided in the low-risk countries where we operate, the lower skill requirements of workers involved in these services do create a higher potential for modern slavery risks.</p>
Professional and technical services	<p>We source a variety of professional and technical services from external organisations, including specialist technical design, construction, testing, commissioning and maintenance services, and legal, financial and other professional advice.</p> <p>As these services are typically provided by highly-skilled and professional people, such as engineers, lawyers and accountants, the risk of modern slavery in this sector is low.</p>
Facilities management	<p>This sector includes cleaning, catering, and waste management services. By its nature, this sector attracts lower-skilled and transient workers, increasing the risk of modern slavery.</p>
Personal protective equipment and workwear	<p>These items include the supply of personal protective equipment such as gloves and goggles, as well as safety uniforms.</p> <p>We are aware that such items are often produced in countries with lower levels of relevant government oversight and due diligence, which leads to an increase in modern slavery risks.</p> <p>In addition, there are industry risks associated with certain raw materials used in workwear.</p>
Office services	<p>This sector includes the supply of information technology and computer equipment. This area has known modern slavery risks, principally due to jurisdictions where these goods are manufactured or supplied.</p>

Jurisdictional risk

We have carried out preliminary jurisdictional risk assessments of our top-tier suppliers.

Most of these suppliers are part of larger corporate groups that operate globally, and are typically headquartered in countries such as Australia, the United Kingdom, France, Germany, Switzerland, Austria, Finland and the USA. Each of these countries is rated as having a low jurisdictional modern slavery risk, including because of the strong labour protection laws in those countries.

However, a small proportion of our top-tier supplier expenditure is with suppliers that are headquartered in countries identified as having higher risk profiles in relation to modern slavery risks.

Going forward, we will consider jurisdictional risk as part of the process of assessing new suppliers.

Cultural alignment

In selecting our suppliers, we consider various factors and seek to contract with suppliers whose ethics, culture, values and practices align with ours so we can establish stable, long-term working relationships to support our projects through operations.

This alignment is, and will continue to be, affected by requiring our suppliers to commit to complying with our policies, as well as including appropriate provisions in our supply contracts.

Supplier personnel

Our supplier personnel can be divided into several categories, including:

- skilled personnel who directly provide us with professional and niche technical services—due to the highly-skilled nature of these personnel, the risk of modern slavery in this sector is low
- unskilled personnel who directly provide us with general services (such as our transportation and facilities management services)—these areas tend to attract lower-skilled and transient workers, resulting in a relatively elevated risk of modern slavery
- personnel involved further down the supply chain, for example in the production of raw materials and the manufacture of our plant and equipment (ranging from pipeline and power generation assets to computer equipment).

We are currently addressing the risk of modern slavery to supplier personnel by:

- contractually requiring our suppliers to adhere to relevant laws. For suppliers whose personnel attend our project sites, we require compliance with workplace health and safety laws, safety standards, and relevant inductions, policies and procedures—both ours and those of our customer (as appropriate).
- including specific provisions in our contracts requiring our suppliers to commit to behaviours that reduce the risk of modern slavery.
- requiring our suppliers to meet the standards and outcomes set in our relevant policies during our supplier onboarding process.

Country of origin for raw materials, consumables and fuel

Due to the nature of our business, most of the consumables and fuel used at our project sites are sourced locally while some are trucked within the relevant country. These countries are recognised as having generally low risks of modern slavery.

The major consumables and fuel sourced overseas include diesel, engine parts and balance of plant parts.

We are broadly aware that some materials originate in countries with modern slavery risks which are higher than the countries in which we operate, and information about the origins of the raw materials for our plant and equipment will become progressively available to us through our supplier-related changes. This will allow us to better assess relevant risks associated with the country of origin. In the meantime, we are including appropriate provisions in our supply contracts for these materials and asking these suppliers to commit to meet the standards and outcomes set in our relevant policies.

Country of manufacture

Most of our materials, plant and equipment expenditure relate to core assets used for our electricity generation, gas production and waste fossil fuel capture.

We are aware that many of these assets are manufactured in a range of countries. In a similar process to the assessment of raw materials, we will be requesting our suppliers provide information on the country of manufacture, which will allow us to assess jurisdictional risks associated with the country of manufacture, so that we can tailor our supplier base. We are currently including relevant provisions in our supply contracts and asking our suppliers to commit to our relevant policies.

Assessment of our actions

EDL's focus in 2020 was establishing our approach to modern slavery risks, including developing actions to reduce the risk of modern slavery in our operations and supply chains.

In the years ahead, we will assess the effectiveness of these actions through regular monitoring and carrying out annual modern slavery risk assessments.

EDL has a culture supportive of openness and transparency with dedicated confidential avenues for reporting. We have not received any complaints or reports about modern slavery within our business operations or through our supply chain.

Plans for 2021 and beyond

Policy updates

We will continue to review and update our policies and code of conduct to appropriately reference modern slavery risks. The changes to our whistleblower policy will expressly address human rights and modern slavery concerns.

We will also communicate these policy updates to EDL people across our global operations.



Continuous supplier engagement



We will continue to improve processes and procedures, and further engage with and review our suppliers, to help support change within our industry wherever possible. Specifically, we will:

- modify the supplier onboarding process for our overseas businesses so suppliers provide the information we need to assess modern slavery risks
- require new suppliers to adopt the principles set out in our policies
- request current suppliers globally to recommit to our new suite of policies
- include relevant modern slavery clauses in supply agreements.

Training

We will prepare human rights and modern slavery training modules for our people, to enable them to:

- identify the risks of modern slavery (both internally and with suppliers)
- know the actions that can be taken to mitigate these risks
- be aware of relevant legislative protections of such actions.



Effectiveness review

We will undertake regular reviews of our approach to monitor our effectiveness in mitigating the risks of adverse impacts on human rights.

Managing identified risks

If any specific risks are identified through the year, we will review and respond with mitigation measures.

