

MODERN SLAVERY STATEMENT

2020

**INFRASTRUCTURE
FOR THE FUTURE**



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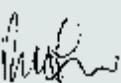
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This Modern Slavery Statement ("Statement") is made pursuant to section 16 of the Australian Modern Slavery Act 2018 (the Act). This Statement is provided by Spark Infrastructure RE Limited (ABN 36 114 940 984) as responsible entity of the Spark Infrastructure Trust (ARSN 116 870 725) ("Spark Infrastructure") and covers the following 100% owned entities of Spark Infrastructure Trust:

- Spark Infrastructure RE Limited (ABN 36 114 940 984)
 - Spark Infrastructure Holdings No. 1 Pty Limited (ABN 14 116 940 786)
 - Spark Infrastructure Holdings No. 2 Pty Limited (ABN 16 116 940 795)
 - Spark Infrastructure Holdings No. 3 Pty Limited (ABN 62 117 034 492)
 - Spark Infrastructure Holdings No. 4 Pty Limited (ABN 66 116 823 548)
 - Spark Infrastructure Holdings No. 5 Pty Limited (ABN 23 151 150 275)
 - Spark Infrastructure (Victoria) Pty Limited (ABN 18 116 940 740)
 - Spark Infrastructure (SA) Pty Limited (ABN 80 116 940 688)
 - Spark Infrastructure SA (No 1) Pty Limited (ABN 54 091 142 380)
 - Spark Infrastructure SA (No 2) Pty Limited (ABN 19 091 143 038)
 - Spark Infrastructure SA (No 3) Pty Limited (ABN 50 091 142 362)
 - Spark Infrastructure Electricity Assets Pty Limited (ACN 609 164 570) (ACN only)
 - Spark Infrastructure Electricity Assets Trust (ABN 95 674 223 769)
 - Spark Infrastructure Electricity Operations Pty Limited (ACN 609 164 598) (ACN only)
 - Spark Infrastructure Electricity Operations Trust (ABN 48 311 370 213)
 - Spark Renewables Pty Limited (previously Spark Infrastructure Holdings No. 6 Pty Limited) (ABN 90 632 860 023)
 - Bomen SF Holdco Pty Ltd (ACN 631 229 331) (ACN only)
 - Bomen SF Hold Trust (ABN 23 832 721 903)
 - Bomen Solar Farm Pty Ltd (ABN 40 620 832 108)
 - Bomen SF Trust (ABN 67 363 258 504)
 - Bomen SF Finco Pty Ltd (ABN 46 631 229 359)
 - Spark Renewables 1 Pty Ltd (ABN 83 646 054 524)
 - Spark Renewables 1 Trust (ABN 86 873 457 480)
- (together, the "Spark Infrastructure Group")

The Statement focuses on activities completed in the calendar year reporting period ending 31 December 2020 (FY20). At this is Spark Infrastructure's first Statement under the Act, reference is made to activities completed outside of the FY20 reporting period where applicable to understanding Spark Infrastructure's broader approach to understanding and managing modern slavery risk.

This Statement was approved by the Spark Infrastructure Board on 23 April 2021.



Rick Francis
Managing Director
Spark Infrastructure RE Limited



ABOUT SPARK INFRASTRUCTURE

Spark Infrastructure is a top 100 entity listed on the Australian Securities Exchange (ASX:SKI) and a long-term investor in energy infrastructure assets.

We invest in regulated electricity transmission and distribution businesses in Australia (which we refer to in this statement as our “investment portfolio”), and we develop and operate electricity infrastructure that is wholly-owned by us (our “operational portfolio”). The map below provides further information on the composition of our investment portfolio and operational portfolio (as at 31 December 2020).

Although our investment portfolio is not considered part of our operations or supply chain, we engaged with our investment portfolio businesses on modern slavery throughout the year. Summaries of our investment portfolio businesses’ modern slavery statements are set out on pages 7-9.

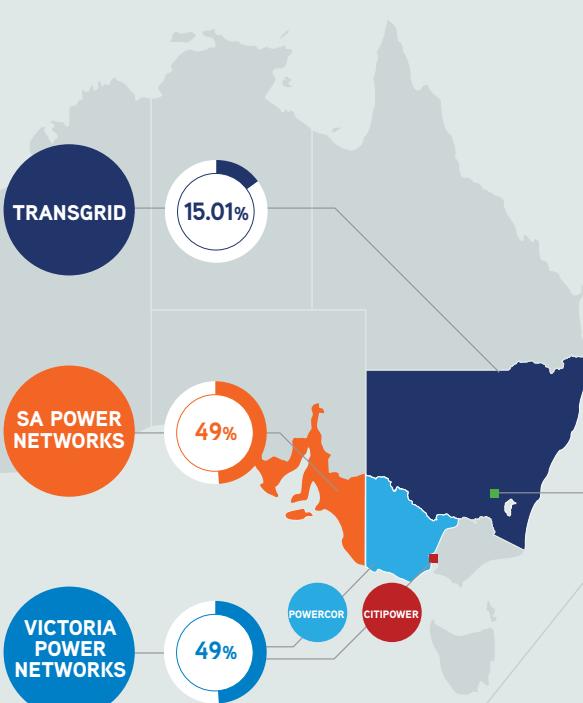


SPARK INFRASTRUCTURE INVESTMENT PORTFOLIO

We hold a 15.01% ownership stake in **TransGrid**, the operator of the high-voltage electricity transmission network connecting generators, distributors, and major end users in NSW and the Australian Capital Territory across over 13,000 km of transmission lines

We hold a 49% ownership stake in **SA Power Networks**, the operator of South Australia’s electricity distribution network covering 178,200 sq km and consisting of over 89,000 km of power lines

We hold a 49% ownership stake in **Victoria Power Networks**, which comprises CitiPower (the operator of a 157 sq km distribution network in Melbourne’s CBD and inner suburbs) and Powernet (the operator of Victoria’s largest electricity distribution network consisting of over 89,000 km of power lines)



SPARK INFRASTRUCTURE OPERATIONAL PORTFOLIO

Bomen Solar Farm is 100% owned and operated by Spark Infrastructure, and achieved full commercial operations in July 2020. The solar farm has the capacity to produce enough clean energy to power 36,000 homes annually.



SPARK INFRASTRUCTURE GOVERNANCE, OPERATIONS AND SUPPLY CHAIN

GOVERNANCE

The Spark Infrastructure governance structure consists of a Board of Directors, various Board Committees (including the Audit, Risk and Compliance (“ARC”) Committee) and the Senior Management Team as well as the operations and management teams of Bomen Solar Farm.

Key roles and responsibilities regarding the assessment and management of modern slavery risk include:

- **Spark Infrastructure Board of Directors**
 - Ultimate oversight of compliance with modern slavery regulations
- **Senior Management Team** –
 - Responsibility for day-to-day management of modern slavery risk in direct operations and supply chain
- **Head of Legal** – responsibility for whistleblowing/grievances

DIRECT OPERATIONS

At the close of FY20, Spark Infrastructure’s direct workforce comprised 14 individuals across white collar roles such as investment management, asset operations, legal, and other corporate functions. All of our direct workforce is engaged on individual workplace agreements that pay above the Australian minimum wage. These employees are based out of Spark Infrastructure’s head office in Sydney.

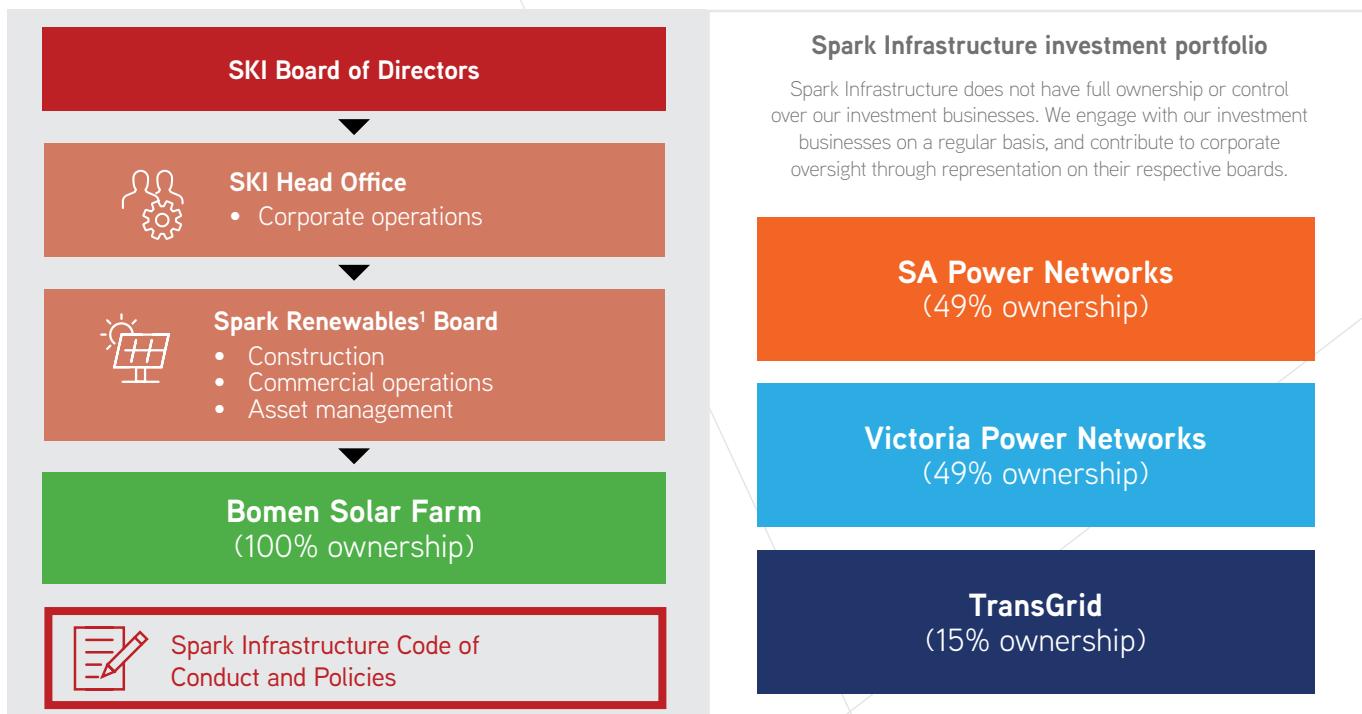
SUPPLY CHAIN

Suppliers within Spark Infrastructure’s supply chain can be split into two categories:

- Bomen Solar Farm – including suppliers involved in the construction and operations of Bomen Solar Farm
- Corporate – including suppliers engaged to support head office tasks such as information technology, audit, legal, and other corporate services.

Spark Infrastructure engages approximately 200 suppliers, most of which are based in Australia. These Tier 1 suppliers procure products and services from their own suppliers (Tier 2 and beyond), some of which are domiciled overseas. Of those 200 suppliers, approximately 15 are associated with over 90% of our annual supplier spend.

SPARK INFRASTRUCTURE GOVERNANCE



1. Spark Renewables Pty Limited is the entity within Spark Infrastructure Group that holds Spark’s renewable energy assets including Bomen Solar Farm and other renewable energy development opportunities.

MODERN SLAVERY RISKS IN SPARK INFRASTRUCTURE'S OPERATIONS AND SUPPLY CHAIN

Employees within Spark Infrastructure's direct operations are skilled white-collar professionals operating exclusively in Australia, and therefore have a low association with the industry risks or geographic risks that may indicate the presence of modern slavery.

We consider only a small part of our supply chain to be at higher risk of modern slavery than our direct operations.

Specifically, we are aware that activities related to the construction and operations of Bomen Solar Farm may present the following risk factors for modern slavery:

- Use of low-skilled, contract and/or migrant labour
- Subcontracting and use of third-party labour hire agencies
- Complex projects, often with hundreds of workstreams and considerable outsourcing, which increases supply chain complexity and decreases the visibility of labour risks and impacts
- A highly competitive and cost-driven business sector, with a heavy reliance on contract terms predicated on low margins and significant pressure on delivery times
- Procurement of specific materials, the production of which may involve modern slavery
- Supply chains that extend into countries with weak or opaque commitments to human rights.



"Spark Infrastructure maintains a range of policies and procedures to manage modern slavery risks in our operations and supply chain."

MANAGING MODERN SLAVERY RISKS IN SPARK INFRASTRUCTURE'S OPERATIONS AND SUPPLY CHAIN

Spark Infrastructure maintains and implements a range of policies and procedures which help to mitigate modern slavery risks in our operations and supply chain.

These include our:

- Code of Conduct
- Speak Up (Whistleblower) Policy
- Risk Management Policy
- Procurement (incl External Service Providers) Policy

ENGAGING SUPPLIERS ON MODERN SLAVERY

Throughout our engagement with suppliers, we implement the following procedures directed at understanding modern slavery risks and minimising the likelihood of modern slavery occurring in our supply chain:

- Prospective supplier due diligence – our Procurement Policy states that prior to engaging a supplier, due diligence must be performed and documented, and due diligence is to consider supplier processes and systems, compliance arrangements, and past regulatory issues (among other factors)
- Ongoing supplier due diligence – we regularly review the performance and compliance of our suppliers, and we require select suppliers to complete a modern slavery questionnaire designed to understand supplier awareness and management of modern slavery risk based on the processes and systems that they have in place
- Specific contract terms – we have added clauses to select new supplier contracts, which require the supplier to report to us any instances of modern slavery in its operations or supply chains and to provide all reasonable information to Spark Infrastructure regarding its compliance with modern slavery laws

- Training – we have engaged an external legal service provider to present training on modern slavery to all employees of Spark Infrastructure and to assist in the preparation of training materials for future training sessions
- Reporting – we require regular reporting from current suppliers as to their compliance with laws and regulations, the appropriate functioning of processes and systems, stakeholder engagement and complaints, and training provided to employees, among other factors.

REMEDIATION

Spark Infrastructure's Speak Up (Whistleblower) Policy is a key component of its approach to identifying and remediating instances of modern slavery present in its operations and supply chains. The Speak Up Policy encourages anyone with information about potential misconduct, which includes concerns over modern slavery, to report the information to specific individuals named in the policy. The policy clearly identifies its applicability to current and past employees, directors, consultants, contractors, suppliers and associates. Individuals who provide information to Spark Infrastructure in accordance with the Speak Up Policy can do so anonymously. Spark Infrastructure is committed to upholding the legal protections afforded to individuals who report potential misconduct, and making sure that individuals who Speak Up are treated fairly and do not suffer detriment. The Spark Infrastructure Board or a committee of the Board receives a summary of reports made under the Speak Up Policy.

There were no confirmed instances of modern slavery within our operations or supply chain brought to our attention in FY20. There were also no instances of modern slavery identified in the operations and supply chains of our investment businesses in FY20. This does not mean

that modern slavery is not actually occurring in our operations, our supply chain, or across our investment businesses. We remain committed to enhancing our focus on modern slavery and working with our investment businesses to further minimise modern slavery risks in their operations and supply chains.

When we are made aware of any grievance or complaint that indicates the possibility of modern slavery occurring in our operations or supply chain, we investigate the matter further and take appropriate action. The appropriate action may involve requests for further information and discussions with key officers or personnel. If a supplier is found to be violating modern slavery laws, and a satisfactory resolution could not be achieved, we may consider terminating the relationship with the supplier. When considering remediation activities including supplier termination, our focus is always on mitigating the risk to those experiencing the possible impacts and using our leverage to foster continuous improvement.

ADDRESSING MODERN SLAVERY RISKS AT SA POWER NETWORKS

Throughout 2020, SA Power Networks (SAPN; including its unregulated business, Enerven) implemented strong processes for understanding and addressing modern slavery risks in its operations and supply chain.

Approximately
2,000
suppliers

98%

of tier one suppliers are based in Australia

4th year

Chartered Institute of Procurement and Supply (CIPS) Standard Certification and Ethical Procurement Supply Certification

GEOGRAPHIC RISK AT SA POWER NETWORKS



INDUSTRY RISK AT SA POWER NETWORKS

AT-RISK SECTORS



CONSTRUCTION & ENGINEERING



ELECTRICAL COMPONENTS & EQUIPMENT



HUMAN RESOURCE & EMPLOYMENT SERVICES

WHY IS THIS SECTOR AT RISK OF MODERN SLAVERY?

- This sector relies on long international supply chains and manual labour for sourcing raw materials.
- Includes higher risk involved in shipping of construction materials.
- Like construction, this sector relies on long international supply chains for raw materials.
- The manufacturing and product assembly of these products may occur under poorly regulated working conditions.
- Whilst these services are typically lower risk in Australia, the direct impact on people means this sector carries an inherent modern slavery risk.

HOW DOES THIS IMPACT SAPN?

SAPN procures products which may be impacted by these risks. Energy infrastructure materials such as power cables, transformers, line hardware, protective equipment as well as other products including IT hardware are associated with the construction and electrical components supply chains above.

SAPN also purchases services, such as asset inspection, construction and maintenance, facilities management, solar services, traffic management, and IT and professional services.

KEY MEASURES TO ADDRESS GEOGRAPHIC AND INDUSTRY RISK

- Taking responsibility through strong due diligence.
- Implementing a range of policies and procedures to guide decision-making.
- Educating and training employees.
- Working with our industry (Energy Procurement Supply Association).
- Providing remediation if necessary.

For details on each of these measures, see [SAPN's Modern Slavery Statement](#)

LOOKING AHEAD

SAPN aims to formalise its approach by incorporating risks related to modern slavery into its risk management process in 2021. Other key priorities include standardising supplier due diligence, evaluating performance and developing systems for non-compliance.

49%

Spark infrastructure has a 49% share in SA Power Networks

As a substantial shareholder, Spark Infrastructure provides oversight and support for SA Power Networks' modern slavery approach.

ADDRESSING MODERN SLAVERY RISKS AT VICTORIA POWER NETWORKS

In 2020, Victoria Power Networks (VPN; including its unregulated business, Beon) focused on creating a strong foundation for further initiatives to better understand and address the risk of modern slavery in its supply chain.

Approximately
1,400
active suppliers

96%
of suppliers based in Australia

2018 Global Slavery Index
published by Walk Free used to assess geographic risk

INDUSTRY RISK AT VICTORIA POWER NETWORKS

AT-RISK SECTORS



CONSTRUCTION & ENGINEERING



ELECTRICAL COMPONENTS & EQUIPMENT



HUMAN RESOURCE & EMPLOYMENT SERVICES

WHY IS THIS SECTOR AT RISK OF MODERN SLAVERY?

- This sector sources goods and materials which originate in countries or geographic regions with the potential of weaker working conditions and regulations.
- Like construction, the electronics industry typically has long international supply chains for its raw materials manufacture and product assembly.
- Whilst these services are typically lower risk in Australia, the direct impact on people means this sector carries an inherent modern slavery risk.

HOW DOES THIS IMPACT VPN?

VPN buys the products it uses in its businesses from suppliers, many of which purchase components from their own suppliers. Energy infrastructure materials such as power cables, transformers, line hardware, protective equipment as well as other products including IT hardware are associated with the construction and electrical components supply chains above. VPN also purchases services, such as asset inspection, construction and maintenance, facilities management, solar services, traffic management, and IT and professional services.

KEY MEASURES TO ADDRESS INDUSTRY RISK

- 1 Enacting stronger procurement criteria.
- 2 Embedding modern slavery into corporate governance.
- 3 Risk management. *Modern slavery identified as an emerging risk to be incorporated into 2021 ERM.*
- 4 Educating VPN's procurement team.
- 5 Providing remediation if necessary.

For details on each of these measures, see [VPN's Modern Slavery Statement](#)

2020 INSIGHTS

From October 2019, VPN amended all procurement contracts and standard purchase order terms to include anti-slavery and human trafficking clauses and have included those terms in all standard form contracts entered in 2020. Looking ahead, the business will build on these initial efforts by improving outreach efforts (supplier surveys and monitoring) as well as engaging with Energy Procurement Supply Association (EPSA).



49%

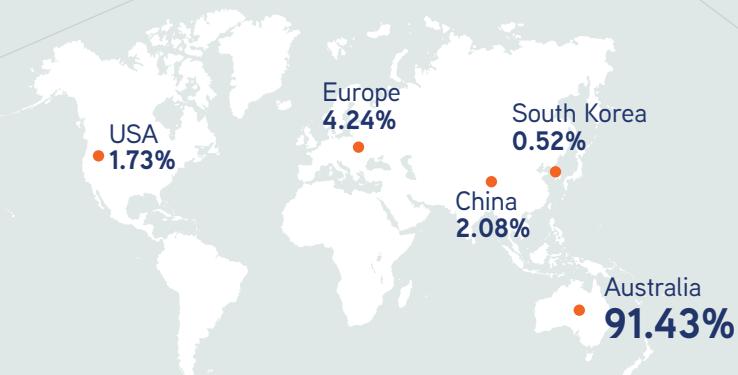
Spark Infrastructure has a 49% share in Victoria Power Networks

As a substantial shareholder, Spark Infrastructure provides oversight and support for Victoria Power Networks' modern slavery approach.

ADDRESSING MODERN SLAVERY RISKS AT TRANSGRID

Transgrid is implementing strong processes for understanding and addressing modern slavery, targeting supplier industries and geographies with elevated human rights risk.

GEOGRAPHIC RISK AT TRANSGRID



Approximately

3,140

suppliers

91.43%

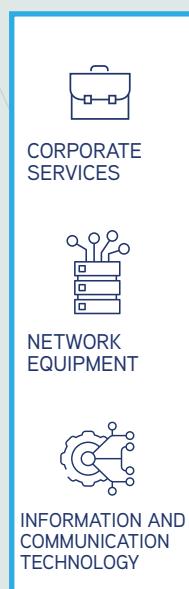
of suppliers located in Australia

11

companies providing services through Supply Nation

INDUSTRY RISK AT TRANSGRID

AT-RISK SECTORS



WHY IS THIS SECTOR AT RISK OF MODERN SLAVERY?

- Most safety equipment and protective work wear are manufactured in Asia and may occur under poorly regulated working conditions.
- Cleaning services present a higher risk for employee protections.
- Essential network equipment is manufactured in Asia (China, South Korea) putting these products at higher risk.
- Hardware components and services are also primarily manufactured and provided by back offices located in Asia.

HOW DOES THIS IMPACT TRANSGRID?

As a major energy infrastructure business, TransGrid procures a wide range of products and services. While TransGrid's largest expenditure category is construction services, it is sourced from Australia and low risk. In contrast, Corporate Services was identified as 'High Risk' in the 2020 assessment because of the geographic and industry modern slavery risks. Network Equipment and Information and Communication Technology have similar geographic characteristics but were rated Moderate Risk.

KEY MEASURES TO ADDRESS GEOGRAPHIC AND INDUSTRY RISK

- Policies reinforcing our operations.
- Partnering with communities.
Innovate RAP.
- Due diligence in our supply chain.
Supplier Relationship Management (SRM) Program.
- Mitigating risks and remediation.
- Training to support ethics and compliance.

For details on each of these measures, see [TransGrid's Modern Slavery Statement](#)

2020 INSIGHTS

TransGrid's initial 2020 risk assessment engaged directly with all of its Tier 1 suppliers, which represent 51% of TransGrid's total spend. The objective for 2021 is to continue building capacity and effectiveness in managing the modern slavery risks identified by broadening the assessment of TransGrid's supply base. This will be complemented by the completion of the EPSA pilot program, which will be presented to all Australian member organisations for consideration.



15.01%

Spark Infrastructure has a 15.01% stake in Transgrid

As a shareholder, Spark Infrastructure provides oversight and support for TransGrid's modern slavery approach.

ASSESSING EFFECTIVENESS

We are committed to regular evaluation of our modern slavery approach and taking action to continuously improve over time. We implement a range of activities designed to understand the effectiveness of our modern slavery risk management, such as:

- Regular review of policies and procedures
- Reviews of supplier responses to due diligence activities and supplier questionnaires
- Any other feedback received from suppliers, industry peers, advisors, and others
- Twice-yearly reviews of our risk profile, led by the Audit, Risk and Compliance Committee.

We have identified the following actions that will be taken in FY21 to enhance our understanding and management of modern slavery risk in our operations and supply chain:

- Continuing the rollout of modern slavery training for our people
- Formalising our approach to supplier engagement based on information received from modern slavery questionnaires
- Requiring key suppliers to report to us on modern slavery risk management as part of existing compliance reporting.

PROCESS OF CONSULTATION WITH OWNED OR CONTROLLED ENTITIES

The content of this statement applies to all entities within Spark Infrastructure Group, which taken together form the consolidated entity required to provide this statement under the Act. Internal and external subject matter experts were involved in preparing and reviewing this statement.

Although our investment portfolio businesses are not wholly owned or controlled by us, we collaborated with them in the preparation of their modern slavery statements through our membership on their respective boards and through ongoing dialogue between our businesses.

ADDITIONAL INFORMATION

The COVID-19 pandemic has caused profound disruption to companies and their supply chains across the globe. We are aware that the pandemic has disproportionately impacted society's most vulnerable individuals and has created uncertainty that could increase modern slavery risks. Our focus on modern slavery risks in our operations and supply chains has remained strong during the pandemic, as we sought to support the health and safety of our people, our suppliers, and those within our investment businesses.