



**Modern Slavery
Statement**
2023

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Introduction

In submitting this fourth Modern Slavery Statement, CS Energy continues to be supportive of the Australian Government's *Modern Slavery Act 2018*. This statement covers all sites owned or operated by CS Energy (as outlined on page 6) for the financial year (FY) ending 30 June 2023.

CS Energy is committed to doing all that we can to prevent modern slavery in our business and supply chain.

In 2023, our focus continued to be enhancing the understanding of Modern Slavery within CS Energy and further deepening our supplier relationships. This is the second year we approached all suppliers in an effort to maximise our understanding and relationships with our supply base.

Our assessment of modern slavery risks in our supply chain continued to be considered as low and there were no instances of modern slavery concerns reported to CS Energy.

We recognise that eradication of modern slavery is an on-going journey and CS Energy will continue to work undertake actions internally and externally to understand, identify and prevent modern slavery.

CS Energy's Board has approved this Modern Slavery Statement.



Adam Aspinall

Chair

About CS Energy

CS Energy is a proudly Queensland-owned and based energy company that provides power to some of our state's biggest industries and employers. CS Energy employs more than 550 people in professional, technical and trade roles at the Callide and Kogan Creek power stations and our Brisbane office.

We generate and sell electricity in the wholesale and retail markets, and we are investing in new energy assets, including solar and wind farms, renewable hydrogen and batteries.

Our Strategy

Our strategy outlines how we will create a sustainable future for our business, people and communities as Queensland transitions to a clean energy economy.



Reporting Criteria 1 & 2

Our organisational structure

CS Energy (ABN 54 078 848 745) is a Queensland Government Owned Corporation established in 1997 under the *Government Owned Corporations Act 1993 (Qld) (GOC Act)*. CS Energy is also a registered public company incorporated under, and subject to, the *Corporations Act 2001 (Cth)*.

Two Queensland Government Ministers (shareholding Ministers) hold shares in CS Energy on behalf of the people of Queensland:

- The Hon. Cameron Dick MP, Deputy Premier, Treasurer and Minister for Trade and Investment
- The Hon. Mick de Brenni MP, Minister for Energy and Clean Energy Jobs

The CS Energy Board is accountable to our shareholding Ministers for CS Energy's performance and corporate governance.

The Chief Executive Officer is responsible for the day-to-day management of CS Energy.

CS Energy controls the following subsidiary entities, which are covered by this group Modern Slavery Statement.

Subsidiaries and joint ventures	
Wholly owned subsidiaries	
Name	ABN / ACN
Callide Energy Pty Ltd	86 082 468 746
Aberdare Collieries Pty Ltd	64 009 659 367
Kogan Creek Power Station Pty Ltd	82 088 229 832
CS Energy Kogan Creek Pty Ltd	093 455 648
Kogan Creek Power Pty Ltd	57 088 229 789
CS Kogan (Australia) Pty Ltd	90 092 712 322
CS Energy Group Holdings Pty Ltd	79 095 322 599
CS Energy Group Operations Holdings Pty Ltd	73 095 322 508
CSE BESS PTY Ltd Australia	68 662 866 908
CS Energy Financial Services Pty Ltd	73 095 322 508
CSE H2 Operations Pty Ltd	12 128 970 034
CSE H2 Pty Ltd	74 659 177 385

Our operations

CS Energy works to build positive, long-lasting relationships with the communities that host our operations.

Our power stations deliver significant financial benefits to our local economies and we procure goods and service from local businesses wherever possible.

Our energy portfolio

We are creating a more diverse portfolio to meet our customers' decarbonisation requirements and support Queensland's future energy needs.

Coal-fired generation

- 1 Callide B Power Station – 700 MW
- 2 Callide C Power Station – 848 MW
- 3 Kogan Creek Power Station – 750 MW
- 4 Gladstone Power Station – 1,680 MW, trading rights

Renewables, energy storage and hybrid technologies

- 5 Chinchilla Battery – 100 MW/200MWh
- 6 Greenbank Battery – 200MW/400MWh
- 7 Kogan Renewable Hydrogen Demonstration Plant
- 8 Brigalow Peaking Power Plant – 200–400 MW
- 9 Columboola Solar Farm – 162 MW, Power Purchase Agreement
- 10 Moura Solar Farm – 56 MW, Power Purchase Agreement
- 11 Kennedy Energy Park – 60 MW, Offtake Agreement
- 12 Hughenden Solar Farm – 20 MW, Power Purchase Agreement
- 13 Capricornia Energy Hub – 1.4 GW, multi-party project
- 14 Banana Range Wind Farm – 230 MW, multi-party project
- 15 Boulder Creek Wind Farm – 230 MW, multi-party project
- 16 HyNQ – multi-party project

Retail

- 17 Large commercial and industrial – Queensland
- 18 Alinta Energy 50/50 joint venture – South East Queensland

Coal assets

- 19 Kogan Mine ML 50074 – 130 Mt, MDL 335 – 400 Mt



Our generation portfolio includes coal-fired power stations, renewable energy, firming and storage assets.

We own and operate the Kogan Creek Power Station near Chinchilla and own the neighbouring Kogan Creek Mine, which supplies black coal to the power station.

Adjacent to our existing operations at Kogan Creek we are creating our first clean energy hub, where the Chinchilla Battery and the Kogan Renewable Hydrogen Demonstration Plant are both under construction.

In Central Queensland we own the Callide B Power Station and have a 50 per cent interest in the Callide C Power Station where we provide operations and maintenance services to the Callide C Joint Venture. We also trade energy generated by Gladstone Power Station, in excess of the requirements of the Boyne Island aluminium smelter.

We have a growing portfolio of contracted renewables in Queensland that we supply to our large commercial and industrial retail customers. We are also exploring opportunities for CS Energy to invest in and operate renewable energy assets such as the Boulder Creek and Banana Range wind farms and parts of the Capricornia Energy Hub.

Our corporate office is located in Brisbane.

Our people

At CS Energy, we are powered by experienced, skilled and talented people. We employ 556 people (2022: 494) across three sites and a range of technical and professional roles. Our workforce growth in FY2023 reflects our investment in future energy projects and strengthening the organisation's asset management, digital technology and business support services capabilities.

CS Energy is building a safe, constructive and high-performance culture to support the delivery of our strategy. We have a suite of benefits and initiatives to create a more inclusive work environment and diverse workforce, including gender pay parity, flexible working arrangements, domestic and family violence leave, and being a WORK180 Endorsed Employer for Women.

Our Inclusion and Diversity Leadership Team sets our overall direction in this area and works closely with employee Inclusion and Diversity Support Networks who support company initiatives at the site level and share employee ideas and insights.

CS Energy has introduced the Team Management Profile as a tool to support team development and highlight work preferences to promote inclusion. So far, 15 per cent of CS Energy's employee workforce have completed their profile, with more underway to support teams during this period of transformation and understand working preferences of new hires.

In June 2023, CS Energy conducted an Employee Engagement Survey via our partner, Culture Amp. This employee engagement focussed model will support more targeted and tangible action planning to drive cultural change. More than 83 per cent of the workforce completed the survey and the preliminary results indicate target areas for CS Energy to improve employee engagement.

Non-operational sites

CS Energy's portfolio also includes the mining, trading rights, retail, and renewable energy offtakes listed below. CS Energy is not required to report on modern slavery risks at these sites as they are not under our operational control.

- **Gladstone Power Station** – We trade energy generated by Gladstone Power Station, in excess of the requirements of the Boyne Island aluminium smelter. Gladstone Power Station is operated by NRG Gladstone Operating Services on behalf of the Station owners.
- **Alinta Energy retail joint venture** – We have a 50/50 joint venture with retailer Alinta Energy to supply electricity to customers in the Energex Distribution Area in South East Queensland. Under the agreement CS Energy generates and supplies wholesale electricity, and Alinta Energy manages the retail business.
- **Renewable energy offtakes** – We have renewable energy offtake arrangements at various Queensland locations, including the Kennedy Energy Park, Moura Solar Farm, Columboola Solar Farm, and the Hughenden Solar Farm.

Our supply chain

CS Energy's procurement expenditure is predominantly in Australia. In addition to the local supply of coal and water that are fundamental to sustain operations, CS Energy is proud to support local, state and Australian businesses.

The operations of CS Energy during FY2023 were supported by approximately 1,100 vendors:

Vendor geographic location	FY2023 spend		Vendors	
	AUD\$ Value	Orders	Number	% of number
Australian based	\$1,029M	99.8%	1,107	98.3%
Overseas based	\$1.7M	0.2%	19	1.7%
Total	\$1,031M	100%	1,126	100%

While most expenditure is with Australian entities, some items are sourced either directly or indirectly from overseas with our supply chain reaching into:

- Canada
- China
- Denmark
- Europe
- India
- Indonesia
- Italy
- Japan
- Korea
- Malaysia
- New Zealand
- Philippines
- Singapore
- South Africa
- South Korea
- Sweden
- Taiwan
- Thailand
- United Kingdom
- USA

All suppliers to CS Energy were requested to undertake a modern slavery questionnaire to understand both the application of the legislation to them, and their awareness of modern slavery. Key facts identified for FY2023, were:

- 510 (or 56%) suppliers responded to the questionnaire;
- 33% of our suppliers have staff undertake modern slavery training or are planning to introduce modern slavery training;
- 21% have supplier pre-screening already as part of their supplier on-boarding procedures or in the process of establishing pre-screening;
- 15% of the suppliers that completed the questionnaire are reportable entities under the Act.

Reporting Criteria 3

Modern slavery risks in our operations and supply chain

During the year we further analysed our supply chain modern slavery risks. Taking into account the survey feedback received, the assessed risk of modern slavery in our supply chain continued to be low and is outlined in further detail below.

CS Energy operations

As noted in Reporting Criteria 1 and 2, CS Energy employs 556 people, including a People & Culture Team incorporating industrial relations. We strive to ensure that our business complies with all relevant employment laws in Australia, including endeavouring to make our workplace free of harassment, discrimination and bullying.

In FY2023, we refreshed our company values (as outlined on page 4), taking on board the feedback of our employees. Our four new values define what is important to us and show our customers, communities and stakeholders what kind of workplace we want to be. We have various policies, procedures and governance in place that demonstrate our commitment to be a responsible employer, including:

- Code of Conduct;
- Equal Employment Opportunity and Appropriate Behaviour Standard;
- Gender pay parity;
- Diversity & Inclusion Program; and
- Employee Assistance Program.

CS Energy maintains separate enterprise agreements for each of our power stations and the Brisbane office. More than half of our employees are employed under enterprise agreements and the remainder are employed under Alternative Individual Agreements, which are underpinned by an enterprise agreement. A small number of senior roles are covered by non-enterprise agreement arrangements.

When hiring contractors, CS Energy uses a panel of registered specialist labour hire organisations.

Our supply chain

When assessing modern slavery risks in our supply chain, CS Energy referred to the following recommended resources in the Federal Government's guidelines for reporting entities:

- The 2018 Global Slavery Index;
- The US Department of Labour 2020 List of Goods Produced by Child or Forced Labour; and
- 'Hidden in Plain Sight': Report of the 2017 Parliamentary Inquiry into establishing a Modern Slavery Act in Australia.

These sources identify products and services with a high risk of modern slavery. High risk products/services of relevance to CS Energy's operations are:

- Cotton/Garments/Footwear;
- Cement;
- Bricks;
- Electronics;
- Furniture;
- Iron/metals;
- Locks;
- Rubber;
- Copper;
- Cleaning;
- Hospitality (and products such as cocoa, coffee and tea);
- Construction; and
- Temporary Work.

Reporting Criteria 4

Actions taken to assess and address our modern slavery risks

CS Energy has a zero-tolerance approach to modern slavery within our business and supply chain. We seek to only work with suppliers who are aligned with the values of our business.

In 2023, our focus was on continuing to expand our understanding of potential modern slavery risks in our supply chain.

Actions undertaken by CS Energy included:

Understanding and creating awareness in our supply chain

As a continued action from the FY2022 Modern Slavery Statement, CS Energy includes all vendors under our Modern Slavery vendor engagement.

This enables discussions to occur with a broader range of vendors on the risks of modern slavery and CS Energy's desire to ensure that modern slavery is prevented in our supply chain.

Supplier expectations statement and reporting

CS Energy has a Supplier Expectations Statement, which clearly articulates CS Energy's expectations of our suppliers to prevent modern slavery. This document includes a mechanism for reporting modern slavery concerns that initiates a CS Energy investigation into those concerns.

The Supplier Expectations Statement is available on our website at www.csenergy.com.au/suppliers.

No report was received during the year raising modern slavery concerns within the CS Energy supply chain.

Standard terms and conditions

CS Energy uses a suite of standard terms and conditions when we engage suppliers. These documents include the requirement for suppliers to comply with all relevant legislation, including modern slavery and employment legislation.

CS Energy Code of Conduct

CS Energy is committed to instilling an organisational culture that conducts all business activity with integrity and in compliance with relevant laws and standards.

Our key governance policies to promote ethical and responsible decision making include a Code of Conduct as well as various policies to ensure legislative compliance.

Our Code of Conduct applies to CS Energy's Board of Directors and employees as well as contractors, consultants and visitors to CS Energy sites.

Queensland Government Supplier Code of Conduct

Vendors are required to provide formal verification of their compliance with the Queensland State Government Supplier Code of Conduct (www.hpw.qld.gov.au/__data/assets/pdf_file/0023/3938/procurementsuppliercodeofconduct.pdf). This Supplier Code of Conduct provides an additional conduit for individuals to notify any modern slavery concerns.

Vendor engagement

We maintain procurement category management and engagement by allocating an employee with accountability for managing each procurement category. This approach provides us with a better understanding of industry issues and enable greater contact between CS Energy, the vendors, and their industry.

Dedicated Human Resources/Industrial Relations function

CS Energy maintains separate enterprise agreements for each of our power stations and the Brisbane office. More than half of our employees are employed under enterprise agreements and the remainder are employed under Alternative Individual Agreements, which are underpinned by an enterprise agreement. A small number of senior roles are covered by non-enterprise agreement arrangements.

Temporary workforce engagement

If CS Energy has a requirement for temporary personnel, this is undertaken through a standing panel of pre-qualified and registered labour hire providers.

All workers, including those engaged by CS Energy contractors, are subject to competency and qualification checks prior to commencing work on site.

Joint Ventures

CS Energy also undertook modern slavery engagement with our joint venture operators where we do not control those joint venture operations. Each of the counterparties to our joint ventures is a reporting entity under the Modern Slavery Legislation.

Warehouse Stock

In FY2021 and FY2022 CS Energy undertook an analysis of the country of origin of our warehouse stock by engaging with suppliers who provide some 80 per cent of the stock held in warehouses. This enhanced the visibility in our current and potential supply chain.

Reporting Criteria 5

Assessing the effectiveness of our actions

CS Energy views our modern slavery risk assessment as an on-going journey of education and improvement in collaboration with our suppliers.

CS Energy assesses the effectiveness of our actions against the following criteria:

- a) Continued improvement in understanding our modern slavery risks;
- b) Enhancement of vendor understanding of modern slavery risk management in their supply chain;
- c) Assisting our suppliers to implement changes in their business to identify and manage modern slavery risks. A number of vendors have started to implement improvements in their systems and CS Energy will continue to engage on their progress; and
- d) Investigations undertaken in relation to modern slavery concerns raised. No reports or concerns were raised during the year of modern slavery in the CS Energy supply chain.

Status on planned actions in FY2023:

FY2023 planned actions	Outcome
Reinforcement of Internal Training for the understanding and identification of modern slavery risks.	Completed 15 Nov 2023
Further embedding country of origin information in inventory processes.	Ongoing

Planned actions for FY2024

- On going reinforcement of internal training for the understanding and identification of modern slavery risks; and
- Systemisation of country of origin information in inventory processes.

Reporting Criteria 6

Consultation with owned or controlled entities

CS Energy operates a group of wholly owned subsidiaries listed in Reporting Criteria 1 & 2 (Subsidiaries). These entities are subject to CS Energy group policies, procedures and practices, including modern slavery expectations.

The Subsidiaries do not have separate procurement systems or procedures. With the exception of Kogan Creek Power Pty Ltd, the Subsidiaries do not have separate employees. CS Energy employees undertake procurement processes and activities on behalf of the Subsidiaries in accordance with group policies and procedures.

The only persons eligible to be appointed as Subsidiary directors are CS Energy board members, executive general managers or senior officers. The Boards of Directors of the Subsidiaries are currently comprised of executive general managers (EGMs) of CS Energy.

The application of Group policies and statements to both CS Energy and the Subsidiaries (including this Modern Slavery Statement) are considered by the EGMs prior to recommendation and adoption.

During the reporting period, CS Energy effectively engaged and consulted with all Subsidiaries in the development of this group statement; and analysis of Subsidiary supply chain risks, controls, performance and commitments, including through the involvement of the EGMs in those activities.

This group Modern Slavery Statement was reviewed and recommended to the CS Energy Board by CS Energy's Chief Executive Officer and the EGMs.

Reporting Criteria 7

Other information considered as relevant

CS Energy has taken all reasonable steps to ensure that all relevant information has been reported in this statement and is not aware of any other information that is considered relevant for this statement.

