



MODERN SLAVERY STATEMENT 2022

Purpose of statement

This modern slavery statement (**Statement**) is made on behalf of Beijing Jingneng Clean Energy (Australia) Holding Pty Ltd (ABN 94 620 007 365) (**BJCE Australia** or **Reporting Entity**) pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) (the **Act**). BJCE Australia is an Australian proprietary limited company with its registered office at Suite 3, Level 21, 1 York Street, Sydney, NSW 2000.

This Statement describes the risks of modern slavery in the operations and supply chains of the Reporting Entity, and sets out the actions taken by the Reporting Entity to address those risks, in the period 1 January 2022 to 31 December 2022 (**Reporting Period**).

BJCE Australia became a reporting entity for the purposes of the Act during the Reporting Period. This Statement is the first modern slavery statement of BJCE Australia.

Snapshot of our work in this Reporting Period

In this Reporting Period, BJCE Australia:

- monitored whether it would become a reporting entity under the Act;
- took steps to understand BJCE Australia's obligations as a reporting entity under the Act;
- developed a template modern slavery clause to incorporate into contracts with our suppliers and service providers.

Since the Reporting Period, BJCE Australia has:

- conducted a high-level mapping exercise of its direct tier 1 suppliers;
- trained staff that manage BJCE Australia's operations and assets on modern slavery risks and BJCE Australia's obligations under the Act, with the assistance of external experts; and
- developed a modern slavery supplier questionnaire for use with BJCE Australia's suppliers.

BJCE Australia's commitment

BJCE Australia strives to foster the care and development of our people, and deliver on our commitment to our stakeholders in a compliant, profitable, safe and environmentally responsible manner. We aim to uphold standards of honesty and integrity in our relationships with our staff, our business partners, and the authorities with which we work.

As part of this, BJCE Australia is committed to acting to assess and address modern slavery risks in its operations and supply chains. We will not knowingly participate in, cause, contribute to or be linked to modern slavery practices through our operations and supply chains, and will make efforts to mitigate risks of modern slavery where they are identified.

BJCE Australia's structure, operations and supply chains

Legal structure

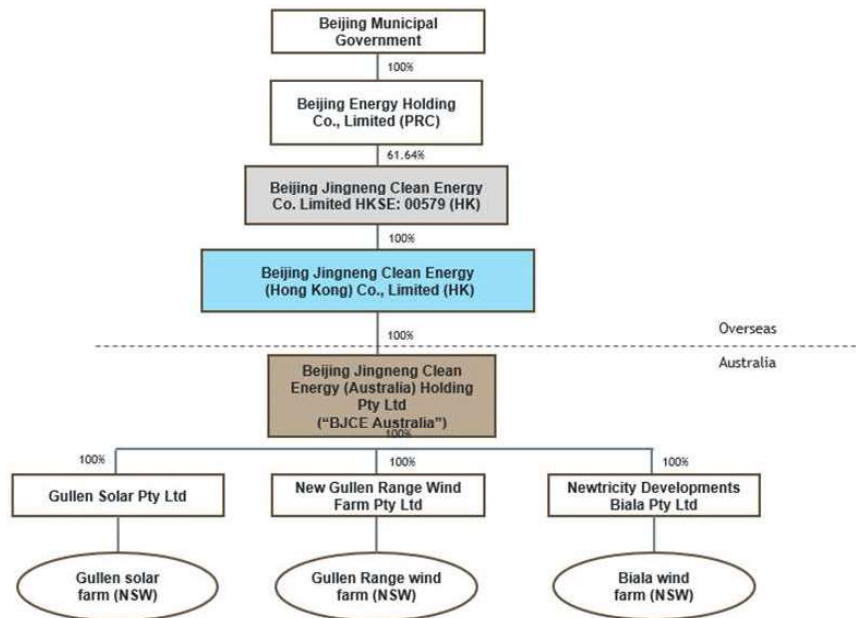
BJCE Australia is an Australian proprietary limited company incorporated under the *Corporations Act 2001* (Cth). It is an indirect wholly-owned subsidiary of Beijing Jingneng Clean Energy Co., Limited, which is an entity listed on the Hong Kong Stock Exchange (HKSE: 0579). The majority of that entity is owned by Beijing Energy Holding Co., Limited, which is an entity incorporated in China and wholly owned by the Beijing Municipal Government.

BJCE Australia owns/controls three entities, being its three direct wholly-owned subsidiaries:

- (a) Gullen Solar Pty Ltd (ACN 600 639 450) (**GS**);
- (b) New Gullen Range Wind Farm Pty Ltd (ACN 167 404 211) (**NGRWF**); and
- (c) Newtricity Developments Biala Pty Ltd (ACN 605 533 935) (**Newtricity**).

GS, NGRWF and Newtricity are all Australian proprietary companies, each with their registered offices at Suite 3, Level 21, 1 York Street, Sydney, NSW 2000. The assets of each of these entities are the Gullen solar farm, Gullen Range wind farm and Biala wind farm respectively.

A corporate structure diagram is set out below.



BJCE Australia's operations

BJCE Australia is a renewable energy generation company. BJCE Australia's direct operations include the operation of renewable energy assets in Australia. BJCE Australia sells the energy generated through its renewable energy assets to end-users in Australia.

BJCE Australia does not directly employ any employees. Instead, the staff of another Australian subsidiary of Beijing Energy International Holding Co., Ltd (32% owned by Beijing Energy Holding Co., Limited). (**Asset Manager**) manage BJCE Australia's operations and assets. BJCE Australia's three subsidiaries, GS, NGRWF and Newtricity are also managed by the same Asset Manager.

BJCE Australia, GS, NGRWF and Newtricity share the same Board of Directors. The same policies and internal governance frameworks apply across each of these entities.

During the Reporting Period, BJCE Australia owned three wind and solar projects in New South Wales through its subsidiaries, GS, NGRWF and Newtricity:

- GS owns the Gullen solar farm, which is an operational solar photovoltaic power plant with an installed capacity of 10MW. The Gullen solar farm consists of 42,000 solar panels and is co-located within the Gullen Range wind farm in New South Wales, Australia. For more information, see the Gullen solar farm website here: <https://www.gullensolarfarm.com/>.

- NGRWF owns the Gullen Range wind farm, which is an operational wind farm in the Southern Tablelands of New South Wales, Australia. The Gullen Range wind farm consists of 73 turbines and produces 165.5MW of renewable power in ideal wind conditions. For more information, see the Gullen Range wind farm website here: <https://gullenrangewindfarm.com/>.
- Newtricity owns the Biala wind farm, which comprises 31 wind turbines located in the Southern Tablelands of New South Wales, Australia. The Biala wind farm has an installed capacity of approximately 110MW, and is located near to the Gullen Range wind farm. For more information, see the Biala Wind Farm website here: <https://bialawindfarm.com/>.

Of the three wind and solar projects, BJCE Australia operated the Gullen Range solar farm during the Reporting Period via the staff of the Asset Manager. The Gullen Range and Biala wind farm were operated by an operation and maintenance supplier.

BJCE Australia's supply chains

A summary of BJCE Australia's main categories of supplier relationships is described in the below table.

Supplier category	Supplier location
<p>1. Equipment and components</p> <p>Includes equipment and components for BJCE Australia's wind and solar assets, e.g. wind turbine blades, generators, solar panels, inverters, etc.</p> <p>In the Reporting Period, BJCE Australia procured the vast majority of equipment and components directly from Australian suppliers. Most were procured from one Australian supplier who is also the provider of operation and maintenance services to BJCE Australia (see row below).</p> <p>A limited amount of equipment and components, being mostly solar equipment and components, was sourced directly from other suppliers.</p>	<ul style="list-style-type: none"> • Australia • Italy
<p>2. Operation and maintenance</p> <p>Operation and maintenance services for BJCE Australia's Gullen Range and Biala wind farm assets were provided by an Australian supplier under a long-term operation and maintenance agreement (O&M Supplier).</p>	<ul style="list-style-type: none"> • Australia
<p>3. Energy transmission services</p> <p>Energy transmission services to distribute the energy generated through BJCE Australia's wind and solar farm assets were provided by an Australian service provider, under a long-term agreement.</p>	<ul style="list-style-type: none"> • Australia
<p>4. Procurement of other goods</p> <ul style="list-style-type: none"> • Laptops, and • Office supplies. 	<ul style="list-style-type: none"> • Australia
<p>5. Professional services</p> <p>BJCE Australia procured various professional consultancy services during the Reporting Period, such as:</p> <ul style="list-style-type: none"> • IT software support, • Legal, • Business management, • Accounting, 	<ul style="list-style-type: none"> • Australia

Supplier category	Supplier location
<ul style="list-style-type: none"> • Engineering, • Community Engagement, • Environmental, • Telecommunications, and • Insurance services. <p>BJCE Australia also procured services in support of the operations of its wind and solar farm assets, including meteorological mast servicing, large-scale generation certificate brokerage, energy forecasts, land surveying, tree planting services, fire safety inspections, electricity bidding services, noise monitoring, civil maintenance, safety, recruitment, and other services.</p> <p>Such services were typically secured on short-term contractual arrangements.</p>	
<p>6. Facilities management</p> <p>Includes utilities, consumables, office equipment, security, catering, waste and maintenance services engaged by BJCE Australia across its corporate offices and wind farm assets.</p> <p>Facilities management services for BJCE Australia’s corporate offices were provided by the building manager. The O&M Supplier provided facilities management services for BJCE Australia’s wind farm assets. There are no site offices at the Gullen Range solar farm.</p>	<ul style="list-style-type: none"> • Australia

Risks of modern slavery

As part of preparing this Statement, BJCE Australia conducted a high-level analysis of its operations and direct supply chains during the Reporting Period to identify the risks of causing, contributing, or being directly linked to modern slavery practices.

Following this analysis we have identified that:

- our highest modern slavery risks are likely to be in our indirect supply chains rather than in our operations or direct supply chain; and
- BJCE Australia is not aware of causing, contributing to, or being directly linked to any instances of modern slavery in its operations and supply chains during the Reporting Period.

Risks in operations

In the Reporting Period, BJCE Australia directly operated its Gullen Range solar farm asset. This included arranging equipment and environmental inspections, as well as scheduled and unscheduled maintenance.

As mentioned above, BJCE Australia’s operations are managed by the staff of the Asset Manager. All of the Asset Manager’s staff are employed in accordance with relevant labour laws.

We understand that people employed in services such as maintenance services can be exposed to higher risks of modern slavery. These risks are described in more detail below in the “Risks in supply chains” section, in relation to facilities management services.

Risks in supply chains

Factors that we considered as part of our direct supply chain analysis included exposure to geographical risks, industry risks, business model risks, and risks associated with specific products or services.

We identified that the majority of BJCE Australia’s direct suppliers are based in Australia, which the Global Slavery Index 2023 identifies as a country that has relatively low vulnerability to modern slavery risks.¹ We also identified that our highest modern slavery risks are likely to be deeper in our supply chains, which are likely to extend to other countries. We describe these risks in more detail below.

Category	Risk
<p>Equipment and components</p> <p>Includes spare parts and components for wind and solar assets (e.g. wind turbine blades, generators, solar panels, inverters, etc.).</p>	<p>We note recent reports that wind turbine and solar panel equipment and components can be associated with modern slavery risks.²</p> <p>Wind</p> <p>It is reported that the raw materials used for certain wind turbine components (including minerals such as copper) are linked to higher risk geographies.³</p> <p>As part of preparing this Statement, BJCE Australia consulted the modern slavery statement of its O&M Supplier which supplies a vast majority of the spare parts and components for BJCE Australia’s wind assets. We note the O&M Supplier reports that it procures the majority of its wind turbine components from a supplier with manufacturing operations across China, including the Xinjiang Uyghur Autonomous Region (XUAR). We understand that the XUAR is known to be associated with higher modern slavery risks, especially given limited transparency into working practices in this region.⁴</p> <p>Solar</p> <p>In relation to solar components and equipment, we note that Professor James Cockayne (NSW Anti-Slavery Commissioner) reports that 45% of global polysilicon capacity was located in the XUAR in 2022.⁵ As described above, we understand that the XUAR is associated with higher modern slavery risks.</p> <p>In the Reporting Period, BJCE Australia did not procure any solar panels. However, we acknowledge that the Global Slavery Index 2023 identifies solar panels as one of its top five products imported into Australia that is at risk of being produced under conditions of modern slavery.⁶</p>

¹ See Walk Free Foundation, Global Slavery Index, ‘Country Study: Australia’, available at <https://www.walkfree.org/global-slavery-index/country-studies/australia/>.

² See Clean Energy Council, Addressing Modern Slavery in the Clean Energy Sector (November 2022), available at: <https://assets.cleanenergycouncil.org.au/documents/resources/reports/Addressing-Modern-Slavery-in-the-Clean-Energy-Sector.pdf>; Australian Human Rights Commission, Resources, energy and modern slavery: Practical responses to managing risks to people (2021), available at: <https://humanrights.gov.au/our-work/business-and-human-rights/publications/resources-energy-and-modern-slavery-practical>; Walk Free Foundation, Global Slavery Index 2023, available at <https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>.

³ See Clean Energy Council, Addressing Modern Slavery in the Clean Energy Sector (November 2022), available at <https://assets.cleanenergycouncil.org.au/documents/resources/reports/Addressing-Modern-Slavery-in-the-Clean-Energy-Sector.pdf>.

⁴ Walk Free Foundation, Global Slavery Index 2023, page 55, available at <https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>.

⁵ See James Cockayne, *Making Xinjiang Sanctions Work: Addressing forced labour through coercive trade and finance measures*] (2022), available at <https://www.xinjiangsanctions.info/wp-content/uploads/2022/07/Policy-Brief-No-9-Solar.pdf>.

⁶ See Walk Free Foundation, *Global Slavery Index*, ‘Country Study: Australia’ (Web page, accessed June 2023) available at <https://www.walkfree.org/global-slavery-index/country-studies/australia/>.

Category	Risk
<p>Facilities management services</p> <p>Includes utilities, consumables, office equipment, security, catering, waste, maintenance services across corporate offices, and wind farm assets.</p>	<p>We understand that people employed in services such as security, catering, waste and maintenance services can be exposed to higher risks of modern slavery and associated exploitation. Specifically, these sectors are largely unregulated and more likely to rely on base-skill, casual and migrant labour. Sub-contracting is also common in these service industries, which can reduce transparency into employee working conditions.</p>
<p>Procurement of other goods</p>	<p>The electronics sector is known to be associated with high risks of modern slavery. Electronics have been identified as the highest value at risk import for the majority G20 countries, including Australia, with electronics from China and Malaysia being identified as particularly high risk.⁷</p>

Actions taken by BJCE Australia to assess and address modern slavery risks

As outlined above, actions taken by BJCE Australia to assess and address its modern slavery risks in the Reporting Period, and in the preparation of this Statement, included:

- monitoring whether BJCE Australia would become a reporting entity under the Act;
- taking steps to understand BJCE Australia's obligations as a reporting entity under the Act.
- developing a template modern slavery clause to incorporate into contracts with our suppliers and service providers;
- conducting a high-level mapping exercise of our direct tier 1 suppliers;
- training staff that manages BJCE Australia's operations and assets on modern slavery risks and BJCE Australia's obligations under the Act, with the assistance of external experts; and
- developing a modern slavery supplier questionnaire for use with BJCE Australia's suppliers.

Our actions over the Reporting period and in preparing this Statement have focused on better understanding what risks arise in our operations and direct supply chain. We are continuing to develop our understanding of these risks and our processes to address those risks, including in respect of due diligence and remediation. As part of this, actions that BJCE Australia may take include:

- Conducting a workshop across our relevant teams to identify priority areas of modern slavery risk and a plan to address them;

⁷ Walk Free Foundation, Global Slavery Index 2023, page 147, available at <https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>.

- Reviewing our policy framework to ensure that it adequately addresses modern slavery detection and prevention;
- Taking steps to raise awareness of BJCE Australia's approach to modern slavery across the organisation;
- Using our supplier questionnaire to help us better understand how our direct suppliers are managing their modern slavery risks;
- Incorporating our template modern slavery clauses in relevant contracts;
- Periodically holding a senior management meeting by the Asset Manager to review the status of modern slavery risks in our operations and supply chains; and
- Securing the assistance of external consultants to support us in identifying gaps and prioritising commitments to strengthen our approach over time.

Assessment of effectiveness

BJCE Australia acknowledges that it is in the early stages of a journey of continuously improving its approach to assessing and addressing modern slavery risks, including its approach to assessing effectiveness.

The Legal and Compliance department of the Asset Manager was established during the Reporting Period. One of the main duties of that department is to continue monitoring and reviewing the modern slavery risks across BJCE Australia's operations and supply chains. That department will also have oversight of assessing whether our actions taken to assess and address modern slavery risks are effective. This exercise will be conducted by identifying priorities and goals for the year ahead, and then assessing our progress against those goals over the course of the year. BJCE Australia is in the process of setting those goals, which may include the actions outlined in the section above. We anticipate that over the course of several reporting cycles we will be able to record metrics and use these metrics to assess the effectiveness of our actions over time.

Process of consultation

This Statement was prepared through consultation between BJCE Australia as the reporting entity, and its subsidiaries, GS, NGRWF and Newtricity.

Particularly, this Statement was developed by a team of Asset Manager staff that manage BJCE Australia, GS, NGRWF and Newtricity.

A copy of this Statement was circulated to, and approved by, the Board of Directors of BJCE Australia, who also serve as the Board of Directors of GS, NGRWF and Newtricity.

Approval and signatures

This statement was approved on 29 June 2023 by the Board of BJCE Australia, being the principal governing body of BJCE Australia as defined in the *Modern Slavery Act 2018* (Cth).

Signed:



Weiwei Shi, Director

Date: 29 June 2023

Disclaimer

The purpose of the statement is to provide general information only and is current as at the date of publication.

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This Statement addresses the mandatory reporting criteria under the Act. The below table indicates where each criterion is addressed in this Statement.

Mandatory criterion	Page number
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Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	4
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.	6
Describe how the reporting entity assesses the effectiveness of these actions.	7
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls.	7
Any other information that the reporting entity considers relevant.	8