



About this report

This is the Modern Slavery Statement of NBN Co Limited for the reporting period 1 July 2022 to 30 June 2023 (FY23).

REPORTING ENTITY

This is the Modern Slavery Statement of NBN Co Limited ABN 86 136 533 741 for the reporting period 1 July 2022 to 30 June 2023. There were no controlled entities during the reporting period.

Throughout this statement, NBN Co Limited is referred to as 'NBN Co' or 'the Company'.

PREPARING THIS STATEMENT AND CONSULTATION

This statement has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) ('the Act') and outlines the potential risks of modern slavery across NBN Co's operations and supply chains, the actions taken to assess and address those risks and how NBN Co evaluates the effectiveness of its response.

FORWARD-LOOKING STATEMENTS

This Modern Slavery Statement includes information about NBN Co's performance for the period 1 July 2022 to 30 June 2023. Any forward-looking statements are based on NBN Co's current expectations, best estimates and assumptions as at the date of preparation, many of which are beyond NBN Co's control. These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, which may cause actual results to differ materially from those expressed in the report. Such forward-looking statements should not be relied on or considered to be a representation of what will happen by any third party. NBN Co does not give any guarantee or assurance that the results, performance or achievements expressed or implied by such forward-looking statements will actually occur.

LEGAL STATEMENT

Copyright subsists in this Modern Slavery Statement. NBN Co owns that copyright. Other than as permitted under the *Copyright Act 1968* (Cth), the Modern Slavery Statement (in part or as a whole) cannot be reproduced, published, communicated or adapted without the prior written consent of NBN Co.

NBN Co Limited has its registered office at Tower 5, Level 14, 727 Collins Street, Docklands VIC 3008.

ABN 86 136 533 741

MODERN SLAVERY ACT 2018 (CTH) - MANDATORY REPORTING CRITERIA

How this Statement addresses the mandatory reporting criteria of the Act is outlined in the table below.

Modern Slavery Act 2018 (Cth) criteria	2023 NBN Co Modern Slavery Statement Reference
Identify the reporting entity	About this report
Describe the reporting entity's structure, operations and supply chains	About NBN Co – structure, supply chain and operations
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Modern slavery risks
Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Approach to assessing and addressing risks of modern slavery
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Approach to assessing and addressing risks of modern slavery Assessing effectiveness
Describe the process of consultation with any entities the reporting entity owns or controls	Future focus, consultation protocol and approval
Any other relevant information	Future focus, consultation protocol and approval About NBN Co – structure, supply chain and operations

Contents

- 03 Chair and Chief Executive Officer's message
- 04 About NBN Co – structure, supply chain and operations
- 07 Modern slavery risks
- 09 Approach to assessing and addressing risks of modern slavery
- 17 Assessing effectiveness
- 20 Future focus, consultation protocol and approval

2023 NBN CO ANNUAL REPORTING SUITE



Annual Report



Corporate Plan



Tax Transparency Report



Modern Slavery Statement

View reporting suite online

at nbn.tm/CorporateReports



In the spirit of reconciliation NBN Co acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

Chair and Chief Executive Officer’s message

This is NBN Co’s fourth Modern Slavery Statement, which addresses risks of modern slavery across the Company’s operations and supply chain. NBN Co’s Modern Slavery Statement 2023 outlines the risks of modern slavery in our operations and supply chain, the actions being taken to assess and address those risks, and how the Company assesses the effectiveness of those actions.

NBN Co is committed to upholding respect for human rights. As the operator of Australia’s digital backbone, NBN Co recognises the complexity of Environmental, Social and Governance (ESG) risks associated with its operations and supply chain. In response, the Company has taken action to address potential modern slavery risks. These actions support NBN Co’s obligation to meet community expectations and those of its stakeholders.

NBN Co’s 2023-24 Human Rights and Modern Slavery Workplan is a key initiative within the Company’s Sustainability Program of Work that addresses the social objective of its Sustainability Approach - as outlined in the Corporate Plan 2024.

This Workplan supports continual improvement in NBN Co’s approach by building on existing processes and is informed by the UN Guiding Principles on Business and Human Rights (UNGPs), to drive action that respects human rights and addresses stakeholder expectations.

Actions to address modern slavery risks in FY23 included:

- Updating NBN Co’s Human Rights and Modern Slavery Workplan

- Updating the Company’s approach to be informed by the UNGPs
- Beginning NBN Co’s salient human rights issues assessment
- Conducting modern slavery due diligence on suppliers of goods and services that may be more susceptible to modern slavery risk
- Developing a new e-learn module in conjunction with Anti-Slavery Australia

NBN Co’s commitment to being a transparent and accountable business supports ethical and sustainable business practices, with a focus on reducing direct and indirect modern slavery risks across the Company’s supply chain.

Despite our progress made in FY23, there is always more work that can be done to strengthen and improve the Company’s response.

Actions within the 2023-24 Human Rights and Modern Slavery Workplan that will be implemented for FY24 and beyond include:

- Updating Modern Slavery procedures and documentation
- Launching an improved human rights and modern slavery screening questionnaire for suppliers



Left:
NBN Co CEO
Stephen Rue and
Chair Kate McKenzie

- Continuing due diligence on suppliers of goods and services that may be more susceptible to modern slavery risk
- Implementation of the modern slavery learning program, including rollout of the new e-learn module and senior leader training
- Continuing to strengthen supplier engagement processes

Kate McKenzie
Chair

Stephen Rue
Chief Executive Officer

15 December 2023

About NBN Co – structure, supply chain and operations

NBN Co's purpose is to lift the digital capability of Australia.

NBN Co's purpose and structure

Established in 2009 as a Government Business Enterprise (GBE), the principal responsibility of NBN Co is to operate and continue to build and upgrade the **nbn**[®] network in accordance with the expectations of the Government.

NBN Co is an unlisted public company incorporated and domiciled in Australia, and wholly-owned by the Commonwealth of Australia. The Company is incorporated under the *Corporations Act 2001* (Cth) and is subject to (inter alia) the *National Broadband Network Companies Act 2011* (Cth) and the *Public Governance, Performance and Accountability Act 2013* (Cth) (PGPA Act).

NBN Co works to fulfil the objectives set out by its Shareholder Ministers in a Statement of Expectations (SoE).¹ On 19 December 2022, the Government issued a revised SoE, which sets out that the Company is expected to continue to deliver improvements to the network while keeping prices affordable.

The revised SoE confirms the Government will retain NBN Co in public ownership for the foreseeable future, and that it expects NBN Co to expand full-fibre access to more homes and businesses, and ensure the **nbn**[®] network delivers for customers and facilitates productivity.

In line with the revised SoE, NBN Co will focus on upgrading and improving the network to help enable the use of emerging and future technologies which meet future demand and promote innovation. The Company will also focus on developing new services to meet and anticipate the needs of Retail Service Providers (RSPs) and customers.

Operating environment

NBN Co was established to deliver wholesale broadband services across the country, while also enabling the provision of reasonably priced services to consumers and businesses via RSPs.

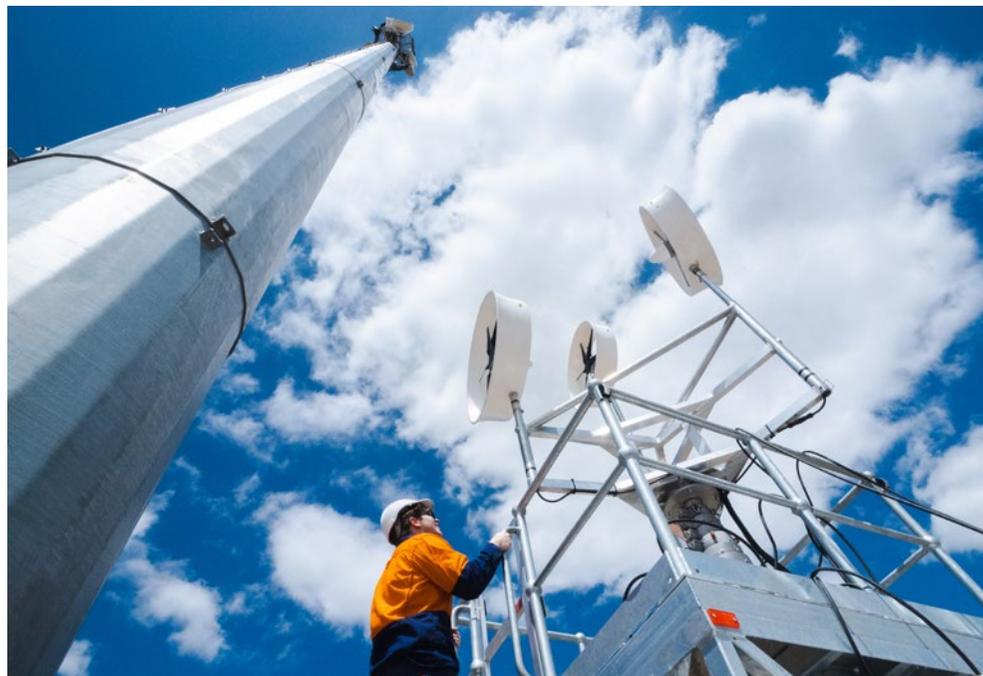
As the network wholesaler, NBN Co provides wholesale broadband services and related activities to access seekers, including RSPs, on a non-discriminatory basis.

This approach seeks to help level the playing field in the Australian telecommunications industry, enhancing competition and innovation and providing greater choice for customers across the country.

It is through RSPs that customers connect to the **nbn**[®] network for access to high-speed internet. NBN Co operates in a competitive market, so the Company must think about how it can best enable customers to make the most of the **nbn**[®] network and appreciate the difference in service provision between the **nbn**[®] network and other options for connectivity such as mobile, low earth orbit satellites, and private fibre and fixed wireless networks.

The Company's network investment plan is taking fibre deeper into communities, extending Fixed Wireless coverage and improving Fixed Wireless and Satellite capabilities, which are designed to deliver faster speeds and greater capacity, while continuing to deliver excellent customer experience.

The Company endeavours to support both RSPs and customers, so that customers connected to the network, and those who connect in the future, can do so at a reasonable price and be assured of receiving high-quality broadband over a fast, secure and reliable network.



1. NBN Co Limited Statement of Expectations 19 December 2022 - <https://www.nbnco.com.au/content/dam/nbn/documents/about-nbn/policies/statement-of-expectations-2022.pdf.coredownload.pdf>

Sustainability Approach

NBN Co’s approach to managing modern slavery risks forms part of the Company’s Sustainability Approach, which supports the Company’s SoE. The SoE outlines the Government’s expectations regarding adherence to the *Modern Slavery Act 2018* (Cth), NBN Co being a model employer and NBN Co seeking to promote similar outcomes from its contractors¹.

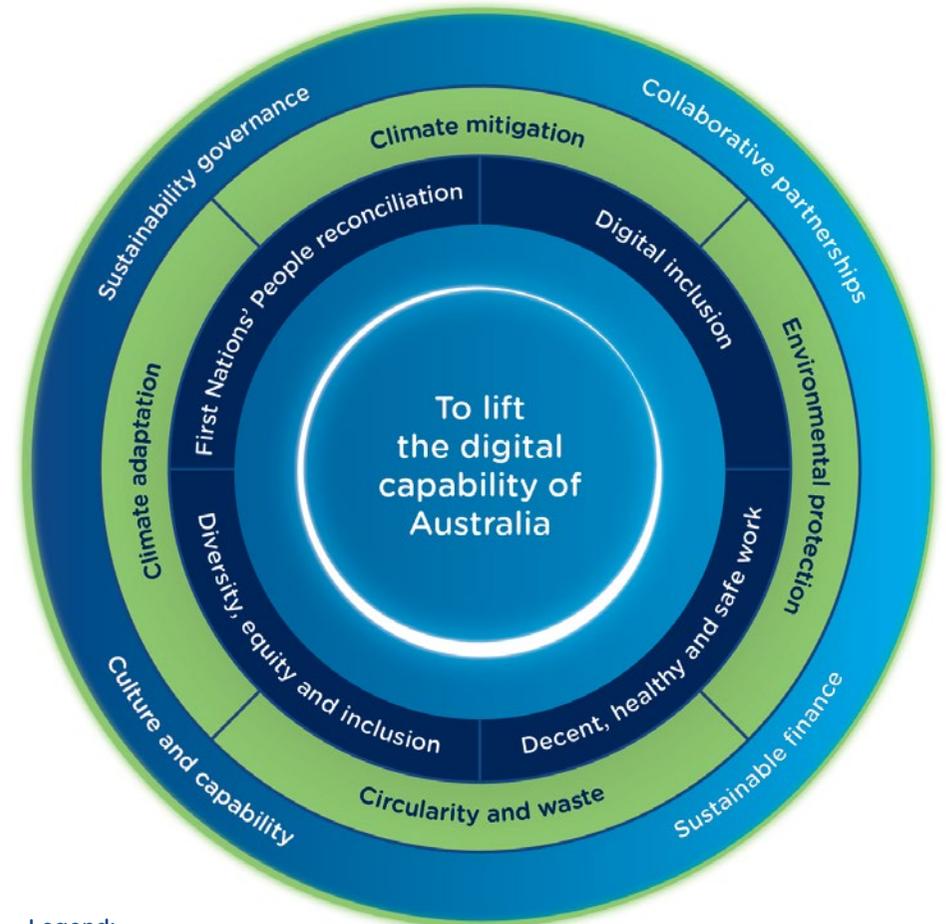
In FY23, NBN Co’s Sustainability Approach and Program of Work focussed on Environmental, Social and Governance (ESG) themes and environmental and social focus areas, including *Decent, healthy and safe work*.

The FY23/24 Program of Work is supported by key initiatives, including, as relevant to addressing modern slavery the continued implementation and evolution of NBN Co’s Human Rights and Modern Slavery Workplan.

In January 2023, the Sustainability Sub-Committee of the Executive Committee endorsed the 2023-24 Human Rights and Modern Slavery Workplan. This Workplan broadens the focus from modern slavery to other human rights considerations, including looking at ways to strengthen NBN Co’s approach as informed by the UN Guiding Principles on Business and Human Rights (UNGPs).



NBN CO SUSTAINABILITY APPROACH²

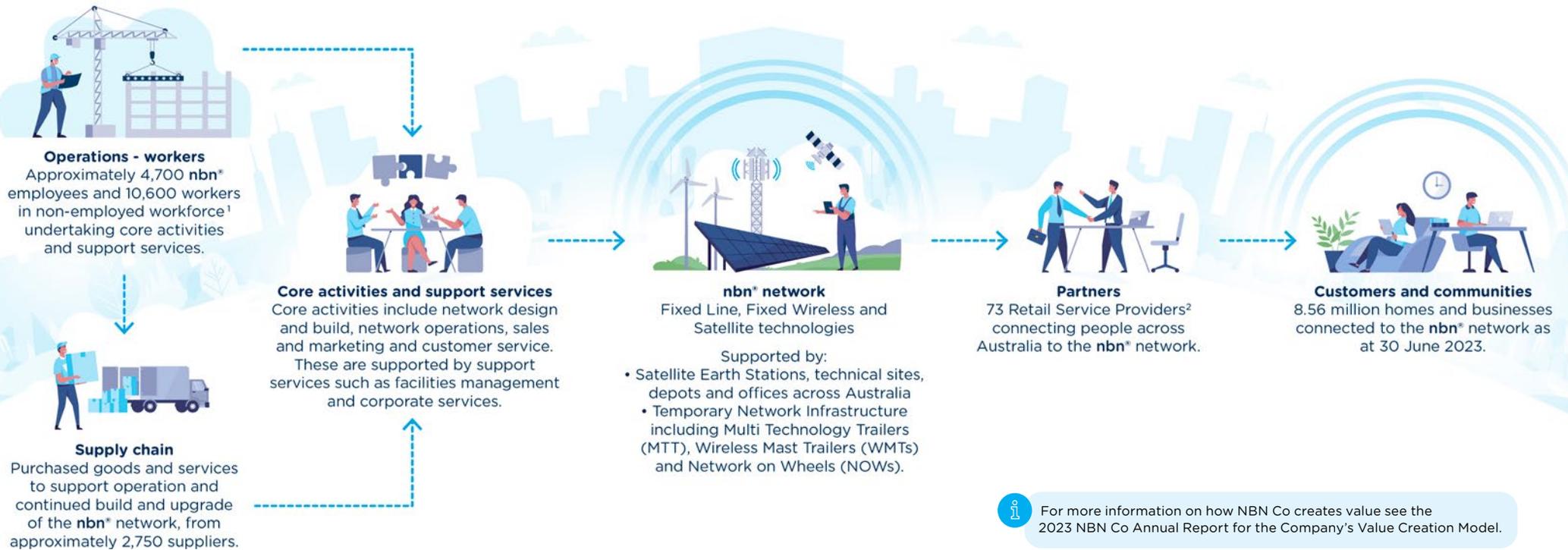


Legend:

- Outer ring - Governance
- Middle ring - Environment
- Inner ring - Social

1. NBN Co Limited Statement of Expectations 19 December 2022 - <https://www.nbnco.com.au/content/dam/nbn/documents/about-nbn/policies/statement-of-expectations-2022.pdf.coredownload.pdf>
 2. See 2023 NBN Co Annual Report for further details on the Company’s Sustainability Approach.

NBN Co's value chain



Operations

NBN Co's operating model consists of employees and a non-employed workforce who deliver core activities and corporate functions.

As at 30 June 2023, NBN Co employed approximately 4,700 employees who work in office, technical facility and field based environments. These workers are engaged directly by NBN Co under an NBN Co contract of employment.

NBN Co's non-employed workforce was approximately 10,600 workers as at 30 June 2023. These workers deliver a range of services to NBN Co such as constructing and maintaining the network, performing business processes, IT support and facilities management services. These services are governed by contractual agreements with service providers.

NBN Co is domiciled solely in Australia. The Company's Australian operations are supported by some overseas-based suppliers and their workers who provide services to NBN Co, including business process and IT support.

1. This includes Temporary Staff Augmentation (TSA - contractors engaged via recruitment agencies), extended workers (contractor engaged via procurement processes for defined outcomes or projects), and workers contracted by procurement processes (e.g., workers engaged by Delivery Partner and outsource partners or for specialist advisory services).
2. RSPs as at 30 June 2023. Not all providers will be available at all locations

Supply chain

NBN Co actively manages its suppliers, including identifying and managing contracts, its supplier database, and the goods and services that suppliers provide.

The Company has focussed on developing strategic, long-term relationships with key suppliers in each of its main spend areas, including network construction, activation and assurance, network equipment, and IT services. These key suppliers have mature corporate policies and business processes. NBN Co has communicated its values and expectations to all suppliers through the nbn* Supplier Code of Conduct. NBN Co's supplier governance forums also support active conversations around operations, and supply chain management.

Modern slavery risks

NBN Co acknowledges the complexity of ESG risks associated with its supply chain and operations and the importance of managing these risks to mitigate potential negative impacts on the Company’s stakeholders, including workers and communities. These risks include the global and systemic challenges of modern slavery.

NBN Co acknowledges that it could potentially be exposed to modern slavery risks and impacts in different ways; for example, being directly linked through the Company’s supply chain, given inherent risk factors such as operations in countries that are more susceptible to risks, or through actions that may influence a direct supplier.

NBN Co operations risks

NBN Co’s employed workforce is considered as being at lower risk of modern slavery due to high skill levels, a mature regulatory environment and largely office-based roles. These workers are employed in Australia through well-regulated industrial arrangements.

The Company’s non-employed workforce includes workers engaged by delivery partners for network construction and maintenance activities and offshore business partners for Business Process Outsourcing (BPO), Managed Service Providers (MSP), and Facilities Management. These are contracted through procurement processes and managed through supplier relationship governance and management processes.

NBN Co supply chain risks

NBN Co’s supply chain presents potential risks of modern slavery, due to the nature of the telecommunications industry and goods and services procured to build, operate, and maintain the nbn® network.

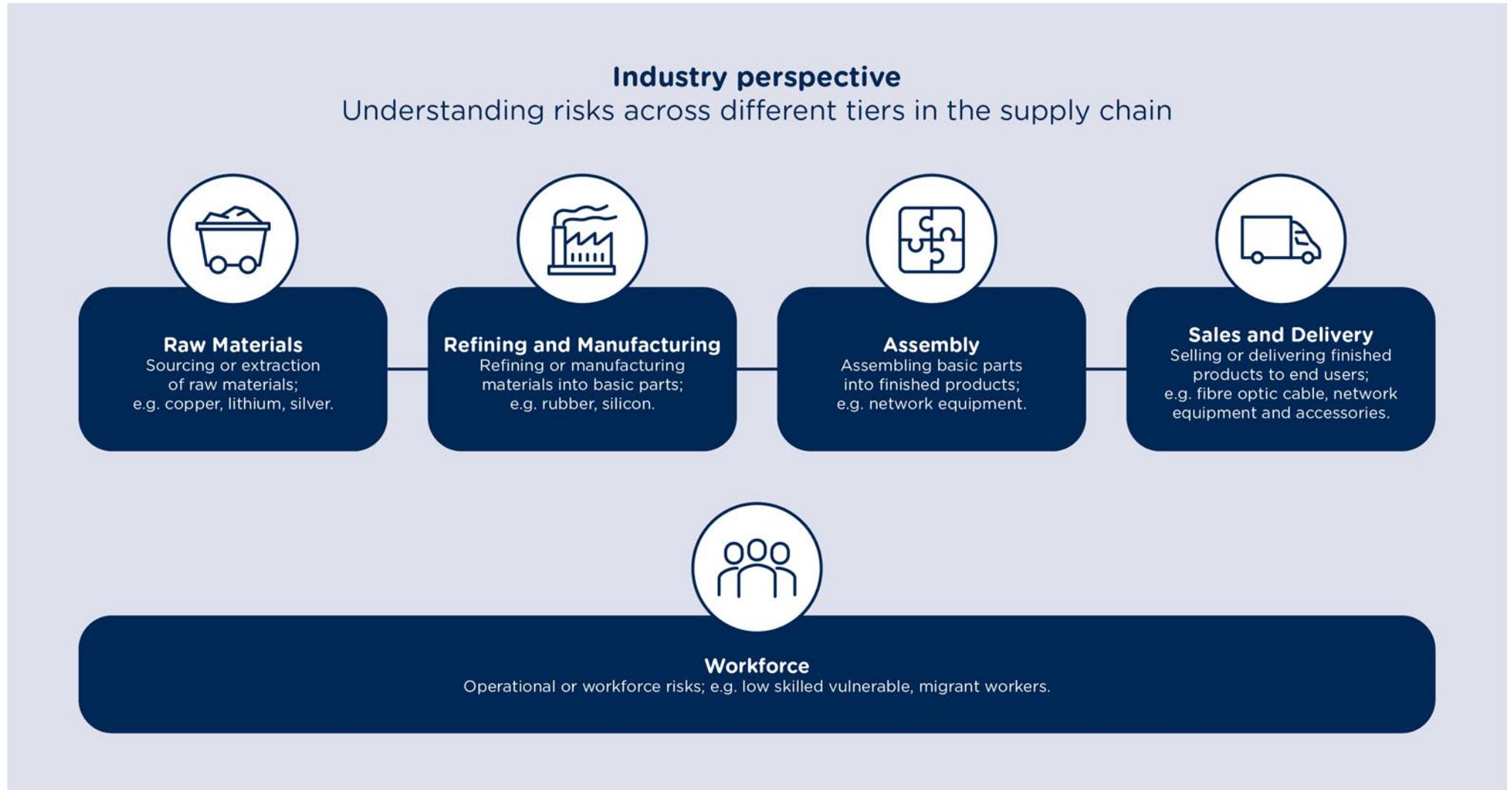
These potential risks exist at different tiers of the Company’s supply chain, with potentially higher risks arising beyond Tier 1 suppliers.

NBN CO’S SUPPLY CHAIN RISKS

	 Network and IT equipment	 Business outsourced services	 Security and cleaning services	 Uniforms and PPE	 Network construction
Description of goods or services provided	Equipment used in the network which manages and distributes data, such as routers and switches in addition to IT equipment that supports NBN Co’s internal core network and back of house operations	Outsourced services primarily for business-related back-office operations	Supply of cleaning services to network infrastructure, buildings, waste management, and security services	Uniforms and personal protective equipment	Construction, connection and maintenance work across Australia
Inherent modern slavery risk factors	<ul style="list-style-type: none"> • Sourcing or extraction of raw materials • Refining or manufacturing materials into basic parts • Assembling components into finished products - (e.g., fibre optic cable, hardware and accessories) • Geographic risks 	<ul style="list-style-type: none"> • Geographic risks 	<ul style="list-style-type: none"> • High prevalence of subcontracting arrangements 	<ul style="list-style-type: none"> • Sourcing or extraction of raw materials • Low skilled and/or migrant workforce 	<ul style="list-style-type: none"> • Operational and workforce risks

Taking a deep dive into the Internet Services and Infrastructure industry, the below figure describes where potential risks may occur in NBN Co’s supply chain.

INTERNET SERVICES AND INFRASTRUCTURE INDUSTRY RISKS



Approach to assessing and addressing risks of modern slavery

NBN Co’s approach to assessing and addressing modern slavery risk focusses on identifying and understanding potential modern slavery risks, maturing and operationalising business processes to support mitigating actions and, where necessary, remediation.

Overall approach

NBN Co’s approach to addressing risks of modern slavery is embedded within the Company’s Sustainability Approach and Program of Work, through implementation of the Human Rights and Modern Slavery Workplan.

Human Rights and Modern Slavery Workplan

In FY23, NBN Co’s Modern Slavery Working Group reviewed and updated its Modern Slavery Workplan, to broaden the scope of actions to address the Company’s overarching approach to human rights.

The updated 2023-24 Human Rights and Modern Slavery Workplan was endorsed by the Sustainability Sub-Committee of the Executive Committee in January 2023.

The updated Workplan runs for 18 months until the end of FY24, and incorporates new actions, as well as those not completed or in progress from the previous 2022 Workplan. It is informed by the UN Guiding Principles on Business and Human Rights (UNGPs).

The Workplan is now split into six areas of focus:

1. Establishing expectations
2. Identifying and assessing risks
3. Integration
4. Tracking effectiveness
5. Remediation
6. Stakeholder engagement and communication

The Workplan is implemented by the Modern Slavery Working Group, a cross-functional team, with progress reported to the governing management body, the Sustainability Sub-Committee of the Executive Committee.

NBN CO HUMAN RIGHTS AND MODERN SLAVERY WORKPLAN PROGRESS AS AT END OF FY23

Area of focus	Workplan action	Status
Establishing expectations	Update Modern Slavery procedures and documentation	
	Identifying and assessing risks	
Identifying and assessing risks	Conduct salient human rights issues assessment	
	Conduct risk assessment and screening of suppliers	
	Conduct modern slavery due diligence on suppliers of goods and services that may be more susceptible to modern slavery risk through desktop audits and questionnaires	
Integration	Develop and launch an enterprise-wide Third-Party Risk Management Framework, including a new human rights and modern slavery screening questionnaire.	
	Develop and implement a learning program for modern slavery ¹	
	Engage with suppliers and business partners on modern slavery ²	
Tracking effectiveness	Develop a plan for leading metrics and targets to monitor effectiveness of modern slavery approach	
Remediation	Review existing policies and processes against UNGPs	
	Test updated grievance response plan	
Stakeholder engagement and communication	Explore options for industry collaboration to strengthen overall approach to modern slavery	

 Completed in FY23  In progress  In progress and ongoing across years

1. Learning program was developed in FY23, inclusive of training needs analysis update and new company-wide awareness e-learning module (2022 Workplan actions). Specialised training to Procurement Team members was also delivered in FY23. The learning program for modern slavery will continue in FY24 and evolve as required.
 2. Engagement with suppliers and business partners is an ongoing activity. In FY23 engagement with Delivery Partners was undertaken. Engagement with Delivery Partners and other strategic suppliers will continue in FY24.

Due diligence approach

In FY23, NBN Co began formalising its due diligence framework for modern slavery. This work led to an updated approach informed by the UNGPs, consisting of:

- Identifying and assessing risks
- Integrating actions
- Tracking effectiveness
- Stakeholder engagement and communication

Identifying and assessing risks

There are multiple ways in which modern slavery risks are identified and assessed by NBN Co. The following table provides an overview of the different activities that are undertaken.

RISK IDENTIFICATION AND ASSESSMENT PROCESSES

Process/Activity	Description
Supply chain high-risk category mapping	Procurement categories have been reviewed with NBN Co Procurement Managers and the Sustainability team to identify categories that have a high potential risk of modern slavery. This enables the Company to focus assessment on suppliers providing goods and/or services in these categories as part of NBN Co's engagement process.
Supplier screening	<p>Modern slavery risks are assessed as part of NBN Co's tender process, or before entering into a significant contract with a supplier.</p> <p>The Company's Procurement Team assesses the supplier's human rights risks by issuing a Human Rights Schedule for response. Broader screening of prospective suppliers was an area of focus in FY23, with the review and refresh of the questions asked of suppliers in relation to modern slavery and human rights. Implementation of this process and the revamped questionnaire for high-risk categories is scheduled for FY24.</p>
Supplier due diligence - desktop audits	<p>Desktop audits are conducted on suppliers of goods and services that may be more susceptible to modern slavery risk in relation to their human rights and modern slavery- related policies and practices. Twenty audits were conducted in FY23.</p> <p>NBN Co intends to conduct supplier audits on an annual basis.</p>
Supplier due diligence - self assessment questionnaires	In FY23 NBN Co invited its suppliers of goods and services that may be more susceptible to modern slavery risk (16 per cent of our contracted supplier base) to participate in a self-assessment questionnaire, to support better understanding of supplier controls, policies and practices in relation to modern slavery. The frequency of this activity will be considered as part of the Modern Slavery and Human Rights Workplan.
Operations human rights risk assessment and due diligence	<p>Risk mapping to identify key areas of modern slavery risks in NBN Co's operations was undertaken in FY21. Risks were assessed to be lower in the Company's operations than in the supply chain.</p> <p>Stakeholder engagement and review of grievance channels supports risk identification and assessment in regard to NBN Co's operations.</p>

Salient human rights issues assessment

In FY23 NBN Co began a salient human rights issues assessment, informed by the UNGPs. This identified areas of most severe human rights risks across the Company's value chain and will assist in prioritising identified issues for additional due diligence and action.

Deep dive due diligence on suppliers of goods and services that may be more susceptible to modern slavery risk in FY23

Understanding the Company's suppliers and their approach to modern slavery is key to managing potential risks. In FY23, NBN Co conducted two activities aimed at baselining suppliers of goods and services that may be more susceptible to modern slavery risk in respect of their understanding and management of modern slavery.

By nature of what they provide to NBN Co, the suppliers who were selected to participate in this program were suppliers of goods and services that may be more susceptible to modern slavery risk. This does not mean that the selected suppliers have modern slavery in their supply chains.

A number of inputs were used to enable NBN Co to select suppliers for both desktop audits and a broader group for a supplier self-assessment questionnaire, including:

- analysis of potential risks of modern slavery based on industry and country
- NBN Co's procurement category taxonomy (used to define the goods/ services provided by suppliers)
- spend data

Both activities had a strong focus on controls assessment. This is considered a key indicator of a supplier's ability to identify and/or mitigate modern slavery risk.

Maturity was assessed in relation to:

1. Governance
2. Policies
3. Due diligence
4. Identification and risk assessment
5. Training and education
6. Grievance mechanism
7. Remedy
8. Measuring effectiveness

Additional information was also sought around key human rights issues, including child labour, employment conditions and forced/bonded labour.

The results of this survey showed that generally, suppliers are strong in relation to policy and awareness. However, like NBN Co, they are still developing maturity in regard to risk identification and due diligence.

In FY24, NBN Co intends to meet with a subset of these suppliers to discuss these findings and better understand how the Company and its suppliers can work together to manage and mitigate modern slavery risk.



Integrating actions

NBN Co has integrated Company-wide documents and actions to support the management of modern slavery risks. These include policies, risk management processes, learning and development processes and tools, and stakeholder engagement.

BUSINESS STANDARDS, POLICIES AND PROCESSES FOR MANAGING MODERN SLAVERY RISKS

NBN Co policies and procedures are an essential part of how the Company addresses modern slavery risk and they undergo regular review. Policies are available to employees through the Company's intranet. The Code of Conduct, **nbn**[®] Supplier Code of Conduct and Whistleblower Policy are also available on the NBN Co website.

To strengthen our approach, NBN Co is updating Modern Slavery procedures and documentation.

KEY POLICIES SUPPORTING MANAGEMENT OF MODERN SLAVERY RISKS IN FY23

Policy	Purpose
Resource Engagement Policy	Defines resource engagement types available at NBN Co and when it is appropriate to use each engagement type. These engagement types are intended to provide NBN Co with the flexibility it requires.
Code of Conduct	<p>Contains NBN Co's expected standards of behaviour and applies to all direct employees, Temporary Staff Augmentation (TSAs), Non-Executive Directors, and Extended Workers. The Code states that NBN Co will not tolerate unacceptable or disrespectful behaviour, including engaging in conduct that breaches, or has the potential to breach, relevant modern slavery legislation.</p> <p>In addition to complying with the standards, TSAs and Extended Workers are required to adhere to any other specific requirements provided for in NBN Co supplier contracts.</p>
nbn[®] Supplier Code of Conduct	<p>Articulates NBN Co's expectations of its suppliers in terms of responsible procurement and is formally incorporated into all major contracts. The Supplier Code of Conduct covers:</p> <ul style="list-style-type: none"> • Human rights, modern slavery and workplace relations • Health, safety and environment • Ethical behaviour and good business practices • Management systems <p>Suppliers are expected to ensure their owners, employees, subcontractors, agents and other parties (including Group entities) comply with this code. The nbn[®] Supplier Code of Conduct is updated as required to reflect changes to legislation and NBN Co's evolving expectations.</p>
Whistleblower Policy	Sets out the process for individuals to disclose, either anonymously or otherwise, their concerns regarding potential wrongdoing, or suspected unethical, unlawful or undesirable conduct without fear of reprisal or detrimental conduct, and with the support and protection of NBN Co.
Managing Workplace Grievances Policy	Applying to all direct employees, TSAs and Extended Workers working at NBN Co. This provides clarification on what is recognised as a workplace grievance, the principles and processes that the Company may follow in addressing a grievance, and the possible informal and formal options for resolution.
Health, Safety and Environment (HSE) Policy	This sets out NBN Co's commitment to providing a safe, healthy, and respectful workplace for all, and to protecting human health, public safety, the environment and cultural heritage values from the potential impacts of the Company's activities. This also sets out the minimum requirements to ensure compliance with applicable HSE laws, relevant codes of practice and other, including voluntary, requirements that apply to NBN Co.
Procurement Policy	Describes the key principles to be followed when undertaking a procurement activity on behalf of NBN Co including sourcing, contract management and purchase to pay (P2P) practices. It also states procurement activity must take into consideration the real or potential impacts associated with the production or sale of goods and/or services including, but not limited to health, safety, human rights, and ethical production.

Review and update of nbn® Supplier Code of Conduct

With a focus in FY23 on further maturing NBN Co's overarching approach to human rights, an opportunity to uplift the **nbn®** Supplier Code of Conduct was identified. Independent review of the **nbn®** Supplier Code of Conduct proposed revised wording to better reflect NBN Co's position and the expectations on suppliers in respect to human rights as guided by the UNGPs. Circulation of this revised document to **nbn®** suppliers is intended to take place in early FY24.

OPERATIONS (INTERNAL WORKFORCE) RISK MANAGEMENT

Modern slavery risks in the Company's operations, while potentially lower than in the supply chain, are mitigated through mature employment policies and practices, clear communication of NBN Co's values, standards and expectations and engagement with employee representative bodies.

NBN Co recruits and manages employees through processes and procedures which comply with relevant Australian employment legislation. NBN Co has robust processes for recruitment and employment contract management and procedures for direct employees. This helps ensure the Company operates and recruits talent in a fair, open, and transparent process. NBN Co has negotiated two Enterprise Agreements with relevant unions and the Company fulfils its contractual and legal obligations under these Agreements.



BUILDING AWARENESS AND CAPABILITY

Training NBN Co’s employees is aimed at supporting internal awareness and capability building on how to manage modern slavery risks and potential impacts. In FY23, NBN Co developed a Sustainability Learning Plan to support the implementation of its Sustainability Approach and Program of Work. The Plan includes modern slavery as a priority focus topic, with planned learning activities across three tiers; awareness, targeted and technical training. Specialised targeted training for key teams such as Procurement, senior leaders, such as the Executive Committee and the Board, is included in this plan, which has informed a learning pathway for key NBN Co employees in modern slavery.

In FY23 a new modern slavery e-learn module was developed in partnership with Anti-Slavery Australia. This will replace the current learning module and has been designed to improve employee awareness of modern slavery and ways to respond to the risks it poses, in an NBN Co context. This course is intended to be rolled out in FY24 to specific teams and made available to all employees on the Company’s learning and development platform.

To support enterprise-wide processes which are part of NBN Co’s approach to managing modern slavery risks, the Company conducts mandatory annual training on the key policy suite, known as NBN Co Business Standards. This includes training on fraud, corruption and Whistleblower; Code of Conduct; and risk management. Direct NBN Co employees and TSAs are expected to complete this mandatory training annually. Extended Workers complete this training during their onboarding orientation.

MODERN SLAVERY EMPLOYEE LEARNING PATHWAY

Tier 3: Technical training	Tier 2: Targeted training	Tier 1: Awareness
<p>Audience - Procurement and selected Procurement subject matter experts</p>	<p>Audience - Business Units managing suppliers of goods and services that may be more susceptible to modern slavery risk; senior leaders</p>	<p>Audience - People Leaders and all Employees</p>
<p>Learning Outcomes</p> <ol style="list-style-type: none"> 1. Improved understanding of the depth and breadth of modern slavery 2. Understanding of specific NBN Co policies and how they can be used 3. Changed mindset - what to look for to support risk identification 4. Obtain skills to start a conversation with a supplier on modern slavery 5. Know processes for screening, qualifying and reporting modern slavery risks 6. Obtain industry insight and understand leading practices 7. Understand where to go for assistance within NBN Co 	<p>Learning Outcomes</p> <ol style="list-style-type: none"> 1. Awareness of potential modern slavery risks in NBN Co supply chain 2. Understanding of specific NBN Co policies and how they can be used 3. Changed mindset - what to look for to support risk identification 4. Understand where to go for assistance within NBN Co 	<p>Learning Outcomes</p> <ol style="list-style-type: none"> 1. Understanding what modern slavery is 2. Awareness of where potential modern slavery risks may exist in NBN Co supply chain 3. High level awareness of NBN Co’s processes and policies

Anti-Slavery Australia raises awareness of Modern Slavery in Australia

In March 2023, NBN Co engaged with Anti-Slavery Australia to lead an information and awareness session on modern slavery for the Procurement team, the Modern Slavery Working Group, and risk and supply chain professionals. The session described what modern slavery is and also provided real-life case studies for discussion. It also allowed dialogue amongst the teams to discuss potential issues in NBN Co’s supply chain. Team members were surveyed after the session to assess learning outcomes and obtain feedback on improvement opportunities for future learning. All expressed a desire to hold further sessions and deep dive into the specific risks for NBN Co.

Tracking effectiveness of responses

The following processes support monitoring the effectiveness of, and inform improvements to, NBN Co’s approach to managing modern slavery risks and potential impacts:

- Implementation of NBN Co’s risk management framework, inclusive of risk and assurance activities
- Engagement with, and performance reviews or audits of suppliers
- Review of grievances received
- Consideration of publicly available information and other company and industry practices
- Engagement with external experts and advisors on modern slavery such as Anti-Slavery Australia
- Discussion and reflections on existing processes and action implementation status and effectiveness through the Modern Slavery Working Group

In FY23, NBN Co developed a plan for improving key performance indicators to track the implementation and operating effectiveness of processes that support the Company’s response to modern slavery.

For further details on these processes see this Statment’s section on

Assessing Effectiveness.

Stakeholder engagement and communication

ENGAGEMENT

NBN Co recognises the importance of stakeholder engagement in supporting the Company’s response to modern slavery risks and potential impacts. The leverage NBN Co has as a significant purchaser of goods and services, can be used to address potential impacts related to modern slavery, in line with the UNGPs continuum of involvement.

NBN Co aims to actively engage with stakeholders internally and externally, to inform, educate and listen in relation to modern slavery risk management. Through engagement with suppliers, NBN Co aims to improve practices relating to the management of human rights risks and impacts, including those relating to modern slavery.

Key stakeholders and engagement mechanisms are summarised in the following table.

Stakeholder	Engagement mechanisms
NBN Co employees	<ul style="list-style-type: none"> • Business Unit and Function Town Halls and team meetings • Procurement leadership forums • Internal events, training, and communications
Unions	<ul style="list-style-type: none"> • Direct engagement with unions and representatives
Delivery partners and strategic suppliers	<ul style="list-style-type: none"> • Governance forums with strategic suppliers (e.g. Executive Steering Committees with Delivery Partners) • Direct engagement with suppliers through supplier relationship management forums and ongoing contract management activities • Direct engagement through peer-to-peer conversations with other sustainability teams

COMMUNICATION

NBN Co reports on how human rights risks, and actual and potential impacts, including those related to modern slavery, through corporate reports disclosed publicly on the Company’s website.

Corporate reports that include disclosures on modern slavery include the:

- NBN Co Annual Report – providing a brief update on the Company’s approach and key financial year progress
- NBN Co Corporate Plan – providing an overview of proposed future strategy actions related to the Company’s Sustainability Approach and Program of Work, inclusive of the Human Rights and Modern Slavery Workplan

NBN Co also communicates expectations regarding human rights, including management of modern slavery risks and potential impacts, to suppliers through the **nbn®** Supplier Code of Conduct. This code is shared directly with suppliers and is available on the Company’s website.



Grievance and remediation processes

GRIEVANCE MECHANISMS

NBN Co has several mechanisms where grievances potentially related to adverse human rights impacts including modern slavery can be reported by internal or external parties. These channels are monitored by responsible parties, as per their relevant procedure.

As part of NBN Co's whistleblower process, NBN Co uses KPMG FairCall to assist in handling whistleblower disclosures – a reporting hotline administered by an external and independent third-party (KPMG Australia).

All grievances (other than whistleblower disclosures) from direct NBN Co employees, plus TSA and Extended Workers, are managed according to the internal Managing Workplace Grievances Policy. Grievances can be reported to an NBN Co employee's manager, senior leader or internal case management reporting system (People Central).

These mechanisms are communicated internally through the Company's intranet and externally on the NBN Co website.

Engagement with external stakeholders (e.g. suppliers and unions) also act as mechanisms for reporting and identifying grievances.

GRIEVANCE HANDLING AND REMEDIATION

During FY23, the Company received grievances through various channels including direct from employees and other grievance processes such as consultations with representative unions.

NBN Co takes appropriate action regarding grievances, including investigation, resolution, and remediation where necessary.

The Modern Slavery Allegation Handling and Non-conformance Investigation Checklist defines the process for assessing and addressing any complaints or allegations of modern slavery practices.

This checklist was reviewed against the UNGPs effectiveness criteria for non-judicial grievance mechanisms in FY23. As a result, a new process was drafted and tested by members of the Modern Slavery Working Group using scenarios to consider different levels of possible involvement from NBN Co including causing, contributing to, or being directly linked to an impact. NBN Co intends to document the updated process in a new procedure in FY24.



Assessing effectiveness

NBN Co has several processes to support assessing the effectiveness of the Company’s approach to managing modern slavery risks.

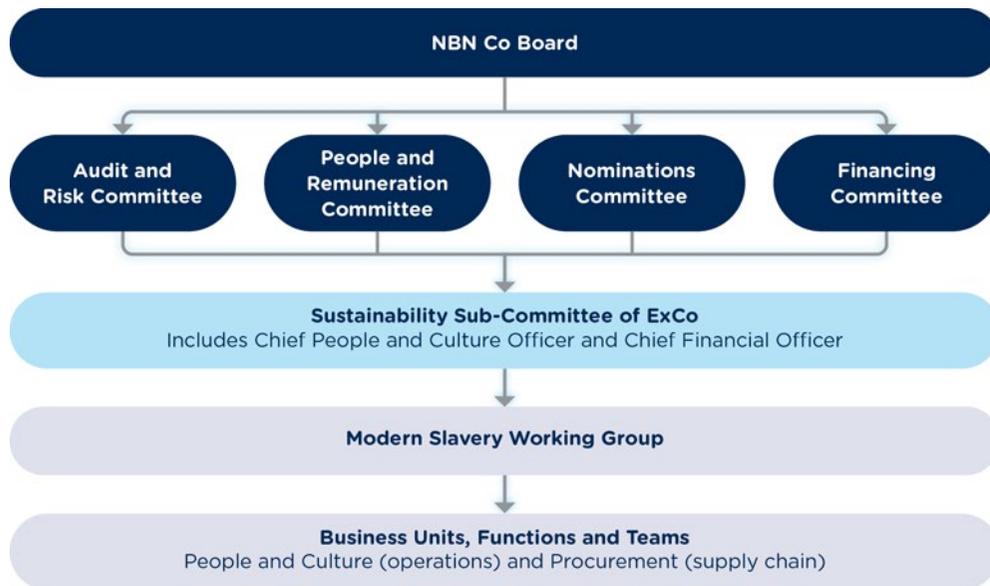
Governance structure

NBN Co’s modern slavery governance structure is designed to ensure the effectiveness of NBN Co’s approach to managing modern slavery risks is assessed on an ongoing basis. It is led by NBN Co’s Sustainability Sub-Committee of its Executive Committee, consisting of six members, which oversees the implementation of the Sustainability Program of Work.

In FY23, the Committee met quarterly and monitored implementation of the Human Rights and Modern Slavery Workplan.

In conjunction with the Sustainability team, the Committee provides regular updates on the Company’s Sustainability Program to the Board.

NBN CO MODERN SLAVERY GOVERNANCE



Roles and responsibilities

Roles and responsibilities have been clearly defined across business units to manage modern slavery risks for both operations and the supply chain.

The responsibilities of key roles and groups within NBN Co for implementing the Company’s approach is outlined in the following table.

KEY ROLES AND RESPONSIBILITIES

Entity	Details
Board	Oversees and monitors the effectiveness of management of material social and environmental risks, issues and opportunities and associated non-financial (sustainability) reporting and disclosure requirements, including those related to modern slavery. The Board endorses the Modern Slavery Statement annually.
Sustainability Sub-Committee of the Executive Committee (ExCo)	Leads, endorses, and monitors the Sustainability Approach and Program of Work’s Human Rights and Modern Slavery Workplan on behalf of ExCo and the Board. The Sub-Committee reviews and endorses the Modern Slavery Statement annually. The Sub-Committee meets quarterly.
Chief People and Culture Officer and Chief Financial Officer	Accountable Executive Committee and Sustainability Sub-Committee of the Executive Committee members responsible for governance and modern slavery risk management for their respective business units.
Modern Slavery Working Group	Implements and monitors actions within the Human Rights and Modern Slavery Workplan. The Working Group meets monthly. Updates on Workplan progress are provided to the Sustainability Sub-Committee of ExCo, at minimum bi-annually.
Business Units and Functions - People and Culture	Management of modern slavery risks for operations. This includes implementing Human Rights and Modern Slavery Workplan actions.
Business Units and Functions - Procurement	Management of modern slavery risks for the supply chain. This includes implementing Human Rights and Modern Slavery Workplan actions.



The role of the Modern Slavery Working Group in assessing effectiveness

The Modern Slavery Working Group monitors the progress and appropriateness of actions within the Human Rights and Modern Slavery Workplan on a monthly basis. This includes discussing, amending, and re-prioritising actions where appropriate, to ensure the effectiveness of NBN Co’s response to human rights risks and impacts related to modern slavery.

The Modern Slavery Working Group also considers and discusses external research and reports to inform reflection on current actions and whether improvements are required to the Company’s approach. In FY23, this included the *Modern Slavery Act 2018 (Cth)* review recommendations, due diligence desktop audit reports, engagement with external experts, and other research and articles that provided external insight into improved management of modern slavery risks and potential impacts.

Risk management and assurance

The NBN Co risk management framework supports assessing the effectiveness of the Company's approach to modern slavery and includes quarterly risk reviews with business unit risk owners and the Company's Enterprise Risk, Resilience and Compliance teams. This framework requires that any incidents are reported to the Board's Audit and Risk Committee.

The management of modern slavery risks are supported by NBN Co's three lines model for managing risk and by assessing performance through audits, reviews and inspections of the supply chain and operations. This includes:

- **Supply chain audits** - On occasions when it is appropriate and applicable NBN Co may exercise its right in contracts with suppliers to conduct audits within its operations and supply chains to assess whether legal obligations are being met
- **Review of grievances** - Complaints, grievances and allegations received directly from employees, and contracted workers are reviewed, and consultation with representative unions and suppliers, is undertaken as appropriate, to assess the risk of modern slavery across the Company's operations and supply chain

Internal reporting

Internal reporting on the status of the Human Rights and Modern Slavery Workplan is provided to the Sustainability Sub-Committee of the Executive Committee. The Sustainability Sub-Committee receives information on the outcomes of specific Workplan actions, including in FY23, the results of suppliers of goods and services that may be more susceptible to modern slavery risk due diligence activities, and a broader quarterly material ESG risk update.

The Board receives bi-annual updates on the Company's Sustainability Approach, inclusive of modern slavery.

External reporting

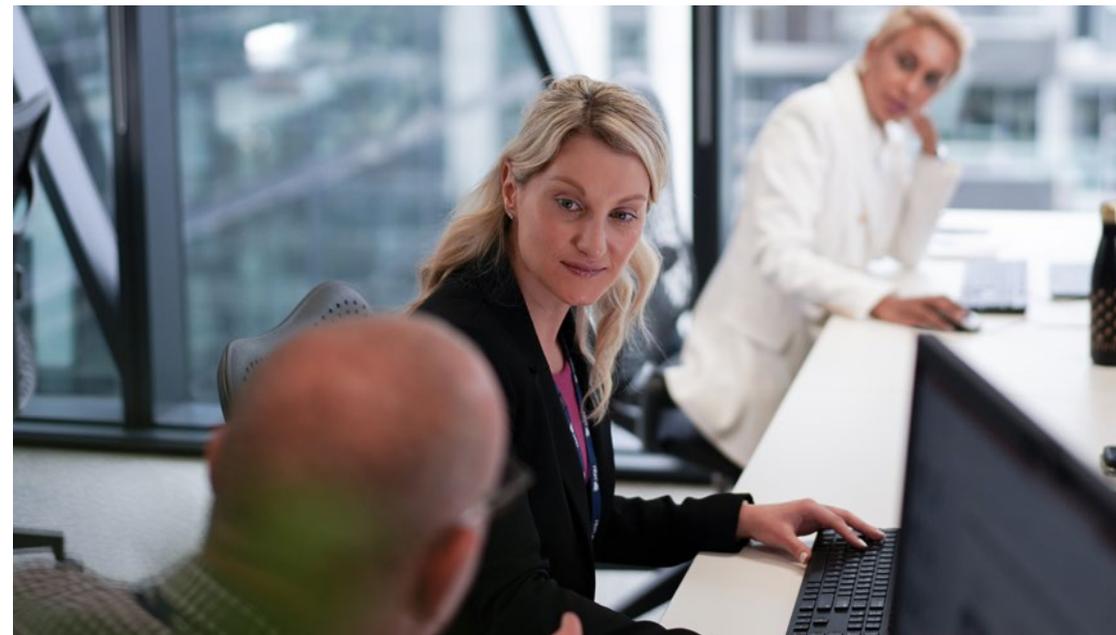
The annual Modern Slavery Statement is reviewed and authorised by the NBN Co Board. The Company's Modern Slavery Statements are publicly available on the NBN Co website.

Key indicators to track performance

In FY23, NBN Co developed a plan for improving key performance indicators to track the implementation and operating effectiveness of processes that support the Company's response to modern slavery, including due diligence activities. Output and outcome indicators are included. These may evolve over time as NBN Co's approach further matures. This includes possible metrics on training completion and effectiveness, suppliers of goods and services that may be more susceptible to modern slavery risk due diligence activities, and strategic supplier engagement.

Key performance indicators and results measured in FY23 included:

- Number of Human Rights and Modern Slavery Workplan actions specifically related to modern slavery completed in financial year - 4 out of 6 actions (2 still in progress)
- Supplier Self-Assessment Questionnaire - Response rate of 60 per cent
- Desktop audits on suppliers of goods and services that may be more susceptible to modern slavery risk - 100 per cent of audits completed against plan
- Strategic supplier engagement - 100 per cent of delivery partners engaged through supplier relationship management forums



Future focus, consultation protocol and approval

NBN Co plan for FY24 and beyond

To continually improve and strengthen the Company's response to managing modern slavery risks and potential impacts, NBN Co intends to implement the actions within its 2023-24 Human Rights and Modern Slavery Workplan.

These include:

- Updating Modern Slavery procedures and documentation
- Launching an improved human rights and modern slavery screening questionnaire for suppliers, to support ongoing risk assessment and screening processes
- Continuing due diligence on suppliers of goods and services that may be more susceptible to modern slavery risk, and investigating ways to strengthen due diligence over operations
- Continuing implementation of the modern slavery learning program, including roll-out of the new e-learn module and undertaking senior leader training
- Continuing to strengthen engagement processes, including with strategic suppliers, expanding focus beyond Delivery Partners in FY24

Consultation

As NBN Co is the sole reporting entity for the purposes of the Act, and there were no controlled entities during the reporting period, it was not required to consult with other entities. The Modern Slavery Statement was, however, extensively consulted on internally, with input received from the Employee Relations, Procurement, Risk, Legal and Sustainability teams before being circulated to the Executive team and the Board of NBN Co.

Approval from Board and CEO

This statement was approved by the Chief Executive Officer and Board of NBN Co on 15 December 2023.



SYDNEY

Level 13, 100 Mount Street
North Sydney NSW 2060

MELBOURNE

Tower 5, Level 14
727 Collins Street
Docklands Victoria 3008

BRISBANE

44 Southgate Avenue
Cannon Hill Queensland 4170

HOBART

Level 1-2, 54 Victoria Street
Hobart Tasmania 7000

CANBERRA

Unit 2, 16 National Circuit
Barton ACT 2600

PERTH

Level 4, 202 Pier Street
Perth WA 6000

ADELAIDE

Level 1, 84 Greenhill Road
Wayville SA 5034

DARWIN

Unit 6, Terminal 1 Building
396 Stuart Highway
Winnellie NT 0820

