



Modern Slavery Statement

ElectraNet Pty Limited

1 July 2020 – 30 June 2021

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REPORTING CRITERIA 1

Reporting entity


This Modern Slavery Statement is jointly made by:

ElectraNet Pty Limited (ACN 094 482 416) and ElectraNet Transmission Investments Pty Ltd (ACN 119 027 262) pursuant to the Modern Slavery Act 2018 (Cth).

This Statement is approved by the Board of the ElectraNet Group.



Gordon Jardine
Independent Director and Chairman



Steve Masters
Chief Executive ElectraNet

Reporting Entity

This Modern Slavery Statement is submitted by the ElectraNet Group, comprising ElectraNet Pty Limited ACN 094 482 416 and its subsidiary ElectraNet Transmission Investments Pty Limited, ACN 119 027 262.

Street Address

ElectraNet Pty Ltd
52-55 East Terrace
Adelaide, South Australia 5000

Postal Address

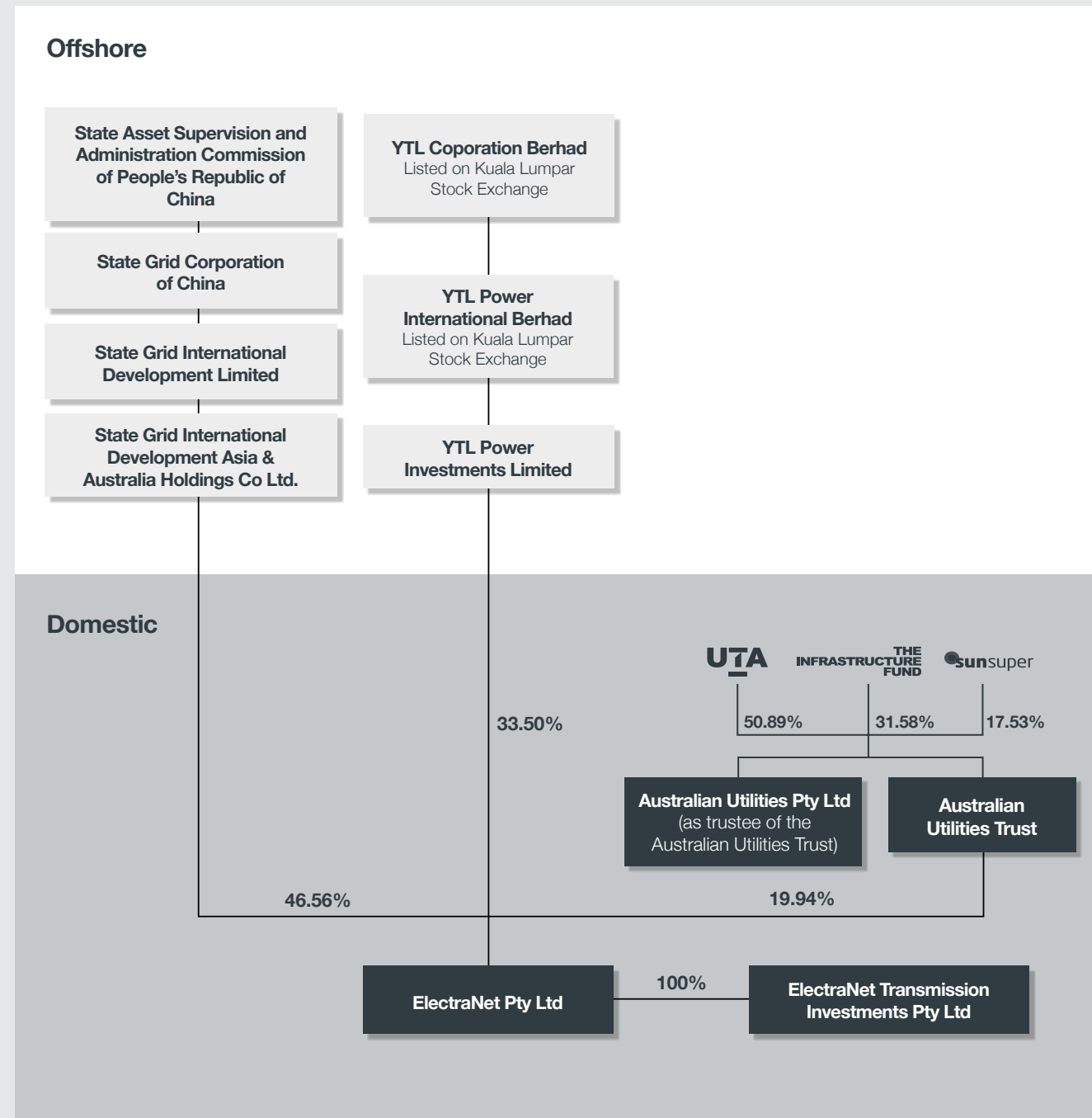
ElectraNet Pty Ltd
PO Box 7096
Hutt Street Post Office
Adelaide, South Australia

Structure, operations and supply chains

Entity Structure

ElectraNet is a private company and operates under the governance of the ElectraNet Board of Directors, and an independent Chairman. ElectraNet Pty Limited has a fully owned subsidiary, ElectraNet Transmission Investments Pty Limited, together referred to as ElectraNet for the purpose of this Statement.

The ownership structure of ElectraNet is depicted in the diagram overleaf.



Corporate Structure



Steve Masters
Chief Executive



Mark Cannadine
Group Executive
Corporate Services

People and Communication
Safety and Sustainability
Business Resilience
Technology



Sam Dighton
General Counsel,
Company Secretary and
Group Executive
Commercial

Legal
Insurance
Board and Shareholder Relations
Supplier Relations
Property Services



John O'Dea
Chief Financial
Officer
Finance

Financial Control
Treasury



Ash Manna
Group Executive
Corporate Development

Corporate Development
Business Development



Rainer Korte
Group Executive
Asset Management

Asset Lifecycle
Network Development
Regulation and Investment Planning



Simon Emms
Group Executive
Network Services

Major Projects
Project Delivery
Network Operations
Project Engineering
Asset Engineering and Maintenance Delivery

Operations

As the owner and operator of South Australia's electricity transmission network, we play a key role in powering the homes, businesses and communities of South Australia.

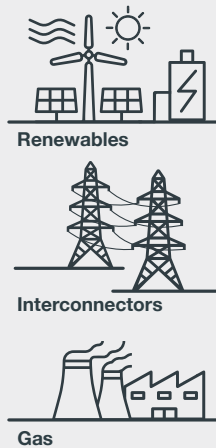
While only a small part of the overall cost of electricity (typically less than 10%), transmission plays an increasing role in a transforming power system to ensure the safe, reliable and affordable supply of electricity.

The National Electricity Objective is to promote efficient investment in, and efficient operation and use of, electricity services for the long-term interests of consumers of electricity with respect to:

- price, quality, safety and reliability and security of supply of electricity
- the reliability, safety, and security of the national electricity system.

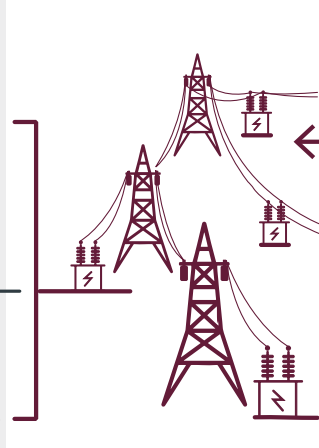
The role of ElectraNet

Generation



Electricity is generated from traditional and renewable energy sources such as wind, solar and gas.

Transmission



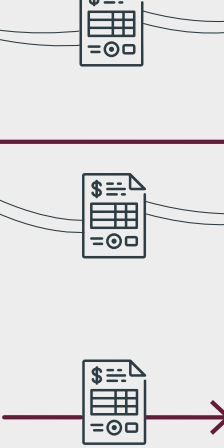
Electricity enters ElectraNet's network where it is converted to higher voltages, for efficient long-distance transport to cities and towns around South Australia. The voltage is then lowered so it can enter the distribution network or be supplied directly to some large industrial customers.

Distribution



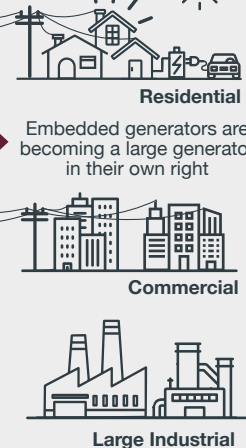
The distribution network, operated in South Australia by SA Power Networks, transports low-voltage electricity to residential and commercial customers.

Retail



Retailers are the primary point of contact for residential and commercial customers. They coordinate connections and manage billing and payments.

Consumers



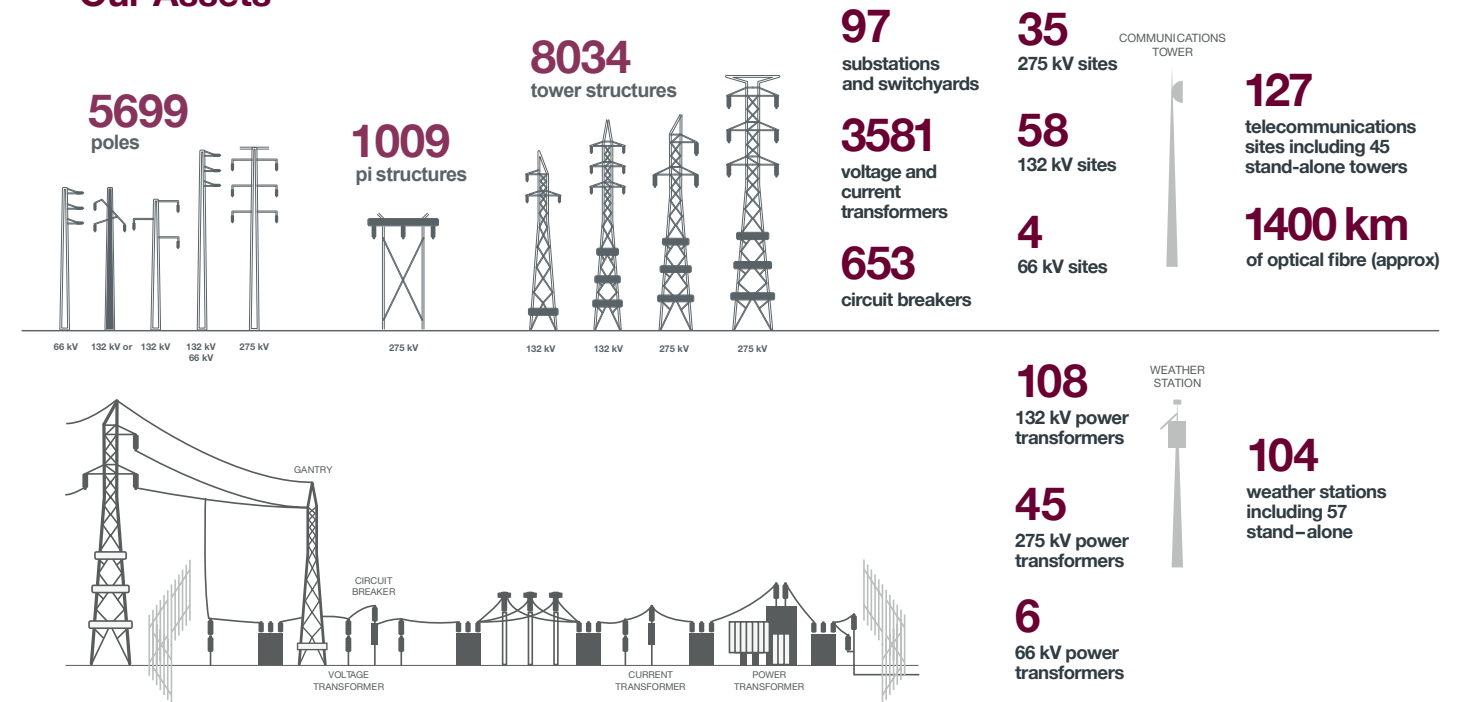
The traditional flow of electricity supply is changing. Over one in three South Australian homes now combines the electricity they draw from the network with power generated by rooftop solar panels, and also contributes surplus electricity back to the network.

Embedded generators are becoming a large generator in their own right

Direct Connection

South Australia's transmission network has 5914 circuit kilometres of transmission lines, supported by 14,742 structures, including 27 circuit kilometres of underground transmission cable.

Our Assets



The operation of this network is managed by ElectraNet's workforce of approximately 400 employees. This workforce is located in South Australia working from one of our corporate offices or working at one of our asset locations throughout the State.

With the continuing impact of COVID-19 during 2020/21 ElectraNet staff have had flexibility in their working location to ensure the ongoing work health and safety of our team and the wider community, together with the ability to receive COVID-19 vaccinations and testing during work hours.

ElectraNet's safety culture includes proactive identification of work health and safety risks and staff are encouraged to report any observation, regardless of the level of risk it poses.

To support the management of the transmission network ElectraNet has a significant supplier base that provide a range of goods and services to support the efficient and reliable transmission of electricity.

This supplier base is underpinned by our construction and maintenance service suppliers who perform the majority of services undertaken by ElectraNet suppliers.

ElectraNet has strict Work Health and Safety procedures and policies that must be followed. This includes audits and observations of work being undertaken to ensure that safety risks to any person are minimised. The safety of ElectraNet's staff, suppliers and community is our number one priority.



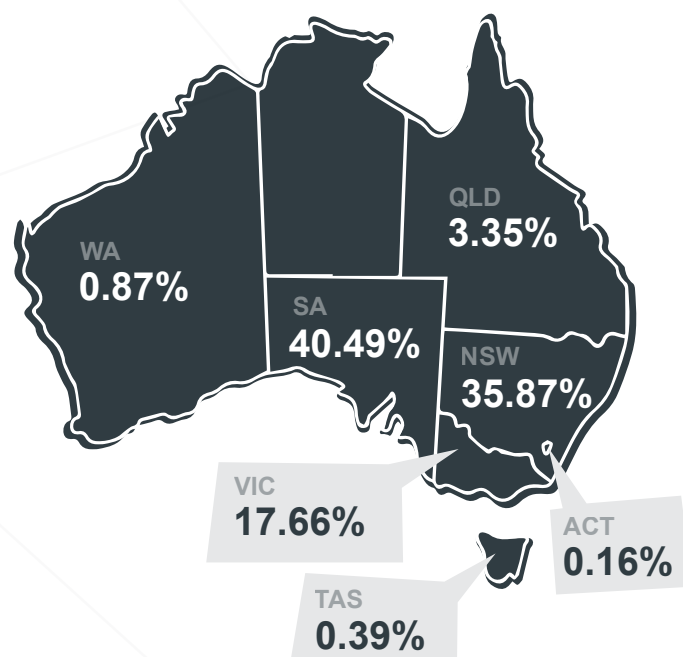
REPORTING CRITERIA 3

Risks of modern slavery in operations and supply chain

ElectraNet has considered the following factors when assessing the risk of modern slavery in operations and supply chain.

FACTOR 1: Location of suppliers

In 2020/21, 98.79% of ElectraNet's expenditure was with Australian based organisations. This is broken down as follows:



The remaining 1.21% of ElectraNet's expenditure in the reporting period was with organisations based in Canada, China, Hong Kong, Malaysia, the Netherlands, New Zealand, Singapore, South Africa, South Korea, United Kingdom and the United States of America.

Risk statement

ElectraNet maintains a level of assurance that the risk of modern slavery in our supply chain is minimised. This is based on:

- the very high use of Australian based suppliers
- the nature of ElectraNet's operations requiring specialist skills which are less vulnerable to modern slavery
- the number of suppliers, accounting for 77% of ElectraNet's supply chain, who submitted a Modern Slavery Statement.

FACTOR 2: Nature of purchases

In the 2020/21 financial year, ElectraNet's expenditure was categorized as follows:

1. direct goods including plant and equipment, consumables and IT hardware – 14%.
2. services including construction and maintenance services, professional services, legal services, facilities services and supplementary labour – 86%.

ElectraNet purchases a range of specialist plant and equipment to expand and maintain our transmission network. This plant and equipment has precise technical requirements that can only be sourced from a number of expert suppliers who manufacture the equipment required. These expert suppliers generally require staff with specialist skills rather than unskilled staff.

All factories that are used for the manufacture of this plant and equipment are subject to a factory pre-qualification which includes observations on technical procedures as well as worker health and safety.

For our construction suppliers, ElectraNet monitors and has corporate performance targets for safety of workers on projects.

FACTOR 3: Number of suppliers who have submitted a Modern Slavery Statement

Using the Modern Slavery Register ElectraNet reviewed the number of suppliers that had submitted a Statement. Of the suppliers engaged in this period, 70 have submitted a Modern Slavery Statement. These suppliers account for 77% of ElectraNet's supply chain expenditure during the period.

REPORTING CRITERIA 4

Actions taken to address risks, including due diligence and remediation

In ElectraNet's Statement for 2019/20 the following actions were identified:

1 Continue assessment of suppliers through the modern slavery pre-qualification questionnaire.

To address this action ElectraNet continued pre-qualification of suppliers with 65 suppliers undertaking the assessment during the reporting period.

3 Review of the factory pre-qualification observation questionnaire.

To address this action ElectraNet reviewed the factory pre-qualification checklist and has not taken further action at this time.

The current observations include:

- Occupational Health and Safety certification
- worker outlook
- management process for non-original parts/components from suppliers
- promotion of Respectful workplace behaviours/Formalised Code of Conduct.

In addition to the above planned actions, ElectraNet:

- introduced a Whistleblower Policy which applies to ElectraNet staff, contractors, consultants and suppliers
- introduced a materiality assessment on sustainability issues, including modern slavery
- continued rollout of new contract templates containing Modern Slavery clauses with specific focus on suppliers of plant and equipment
- was subject to an audit on compliance to ISO45001 Occupational Health and Safety Management systems. ElectraNet passed this audit, with one of the areas of improvement being re-evaluation of suppliers of plant and equipment.

2 Consider investment in a tool to support automation of assessment and monitoring of supply chain practices.

To address this action ElectraNet subscribed to the Informed 365 Modern Slavery Platform as part of a consortium with other members of the Energy Procurement and Supply Association.

This tool:

- allows suppliers to answer just one supplier questionnaire with responses being available to nominated consortium members
- provides a risk level based on geography and industry for each supplier
- provides a risk level based on responses provided to the supplier questionnaire.

4 Improve knowledge and awareness of modern slavery risks across ElectraNet's business.

To address this action ElectraNet:

- published the Modern Slavery Statement for 2019/20 with an accompanying article on our staff internet site
- delivered contract training to approximately 120 staff including those who are responsible for the day-to-day management of construction contracts. This training included a section on Work Health and Safety which incorporated the modern slavery provision in ElectraNet's contracts
- delivered modern slavery training to ElectraNet's Commercial Division.

REPORTING CRITERIA 5

How the reporting entity assesses the effectiveness of these actions

ElectraNet's actions have resulted in:



Increased awareness across our internal stakeholders, including staff, the Executive Management Team and ElectraNet Board.

This has occurred through:

- The consultation and approval process of the first Statement
- Internal communications and training, including the introduction of the Whistleblower Policy
- ElectraNet staff participation in procurement processes.



Assessing compliance by suppliers with the legislation.

This has occurred through:

- 70 suppliers submitting their Modern Slavery Statements.

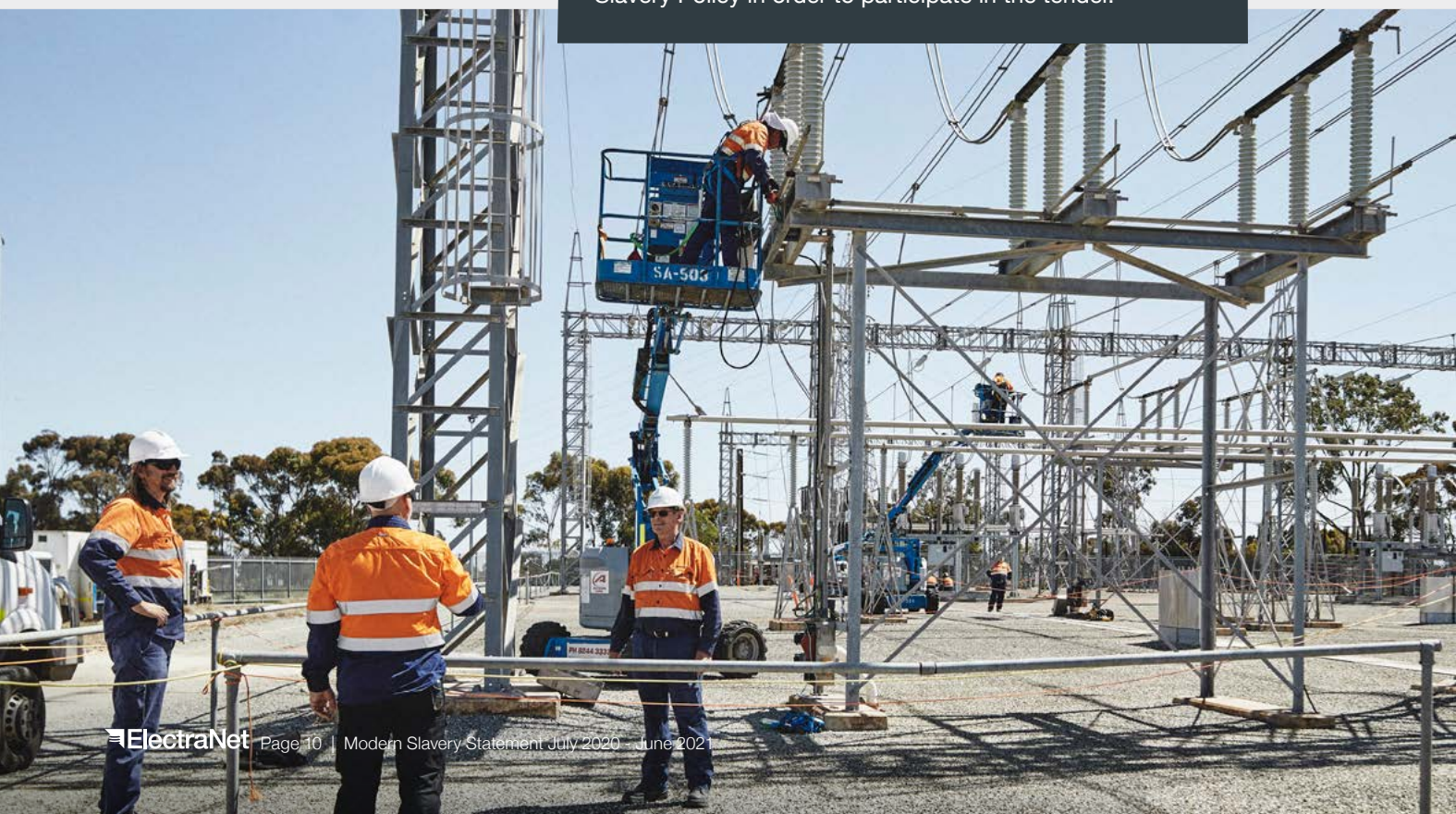


Increased awareness of suppliers, not only our high-spend suppliers through:

- Modern Slavery provisions in contracts, including Purchase Orders
- Modern Slavery questions in tender documents
- Modern Slavery questionnaire in pre-qualification procedure.

Example

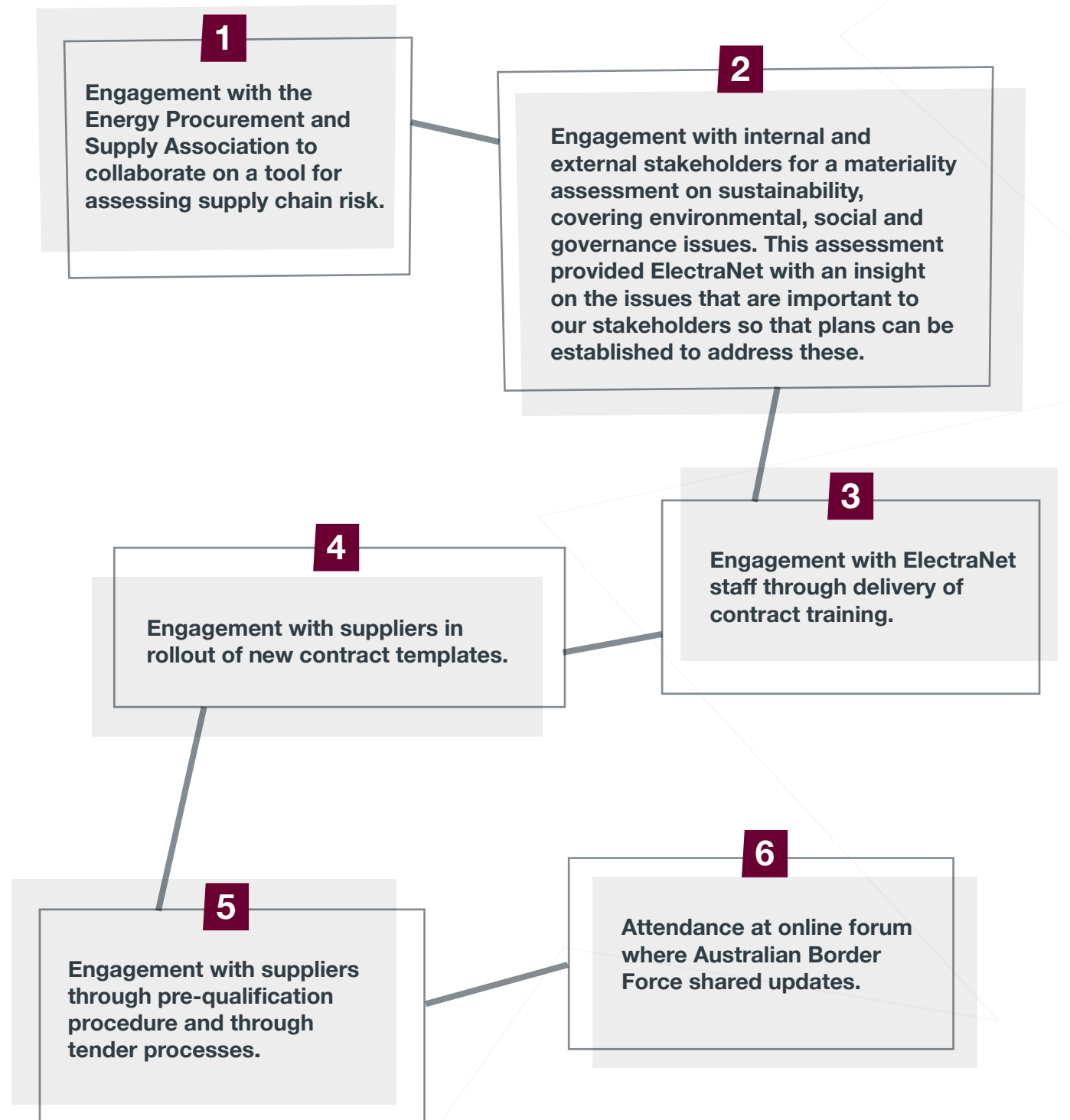
During the reporting period, ElectraNet undertook a tender process for Maintenance Services. ElectraNet's tender resulted in the potential supplier establishing a Modern Slavery Policy in order to participate in the tender.



REPORTING CRITERIA 6

Process of consultation

ElectraNet has engaged with internal and external stakeholders throughout the Reporting Period on the topic of Modern Slavery.





REPORTING CRITERIA 7

Other information

ElectraNet will continually improve the understanding and certainty of risk in our supply chain through:

1

Continuation of our pre-qualification programme

2

Continuation of establishing contemporary contracts that contain Modern Slavery clauses

3

Engagement with peers and industry to continue to develop understanding of risks

4

Continual review of relevant policies and procedures to identify areas for improvement

5

Commencement of ongoing evaluation process for plant and equipment suppliers

6

Ongoing discussions and identification of training opportunities with internal and external stakeholders

