

# Energy Queensland Group Modern Slavery Statement

Energy Queensland Limited  
2021 - 2022



## About this Statement

This Modern Slavery Statement has been prepared in accordance with the requirements of the *Modern Slavery Act 2018* (Cth).

This is the third joint Modern Slavery Statement made by Energy Queensland Limited and its wholly owned subsidiaries Energex Limited, Ergon Energy Corporation Limited, Ergon Energy Queensland Pty Ltd and Yurika Pty Ltd (EQL Group).

As the EQL Group use the same policies and processes, operate in the same sector, and share many suppliers, this Statement provides a consolidated description of the actions taken to assess and address the risk of modern slavery in the operations and supply chains of the EQL Group for the financial year ending 30 June 2022.

This and earlier Modern Slavery Statements can be found on the Modern Slavery Register at <https://modernslaveryregister.gov.au>

Energy Queensland acknowledges the Traditional Custodians of the land on which we live and work, and recognises their continuing connection to land, waters, and community. We pay respect to Elders past and present.

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## Our structure, operations, and supply chain

### Structure and operations

Energy Queensland Limited is Australia's largest, wholly government-owned electricity company. We operate in Queensland and are the parent company of the EQL Group. We provide administrative, corporate and management functions to each of the EQL Group entities shown in **Figure 1** and their subsidiaries.



**Figure 1:** EQL Group of companies

Our 'poles and wires' businesses, Ergon Energy Network and Energex, deliver electricity across Queensland. They energise the lives of more than five million Queenslanders through more than 200,000 kilometres of electricity networks, and 33 stand-alone microgrids. Ergon Energy Network is the distribution network service provider operating in regional Queensland, while Energex is the distribution network service provider operating in southeast Queensland.

Our retailer, Ergon Energy Retail, sells this electricity to its 758,000 customers throughout regional Queensland, with generation, energy trading and retailing capabilities. Ergon Energy Retail's customer numbers make it the fourth largest retailer in the National Electricity Market.

Yurika provides integrated solutions in energy and infrastructure, energy supplies, metering, telecommunications, and digital services to connect its customers to a sustainable energy future. Yurika has two subsidiaries: Yurika Metering, which provides contestable metering services across the National Electricity Market; and Yurika Telecoms, which provides telecommunications services principally in Queensland.

We energise Queensland communities from Tweed River to Torres Strait and from Brisbane across to Birdsville, and through Yurika's services, to a growing national footprint. Our core service area is shown in **Figure 2**.

We have more than 7,670 employees across Queensland, and in the other Australian markets that we're operating in. Approximately half of our employees reside and work in regional areas.

We employ a diverse range of people in operational, technical, and professional roles. The majority are engaged through direct employment contracts on permanent or fixed term contracts.

### Investments

Energy Queensland has a minority shareholding in Redback Technologies Holdings Pty Ltd ACN 634 626 538, a Brisbane based clean-tech company that manufactures smart solar storage and network management solutions.

Energy Queensland also holds a minority investment in Queensland Capacity Network Pty Ltd ACN 633 081 517 (trading as QCN Fibre), a communications company set up for the purpose of enabling faster and more reliable internet services in regional Queensland.

Ergon Energy Retail holds an interest in EnergyOS Pty Ltd (formerly Habidapt Pty Ltd) a software company that delivers energy management and portfolio services.

# Our statistics



**7,679**  
employees



**183,000km**  
overhead powerlines



**3** customer solutions centres



**3** network control centres

**486** graduates and apprentices



**1.7 million**  
power poles



**33** stand-alone power stations



**41** large-scale solar renewables connected



**2.3 million**  
connected customers

**758,000**  
retail customers



**29,000km**  
underground power cables



**737,500**  
small-scale solar energy systems connected

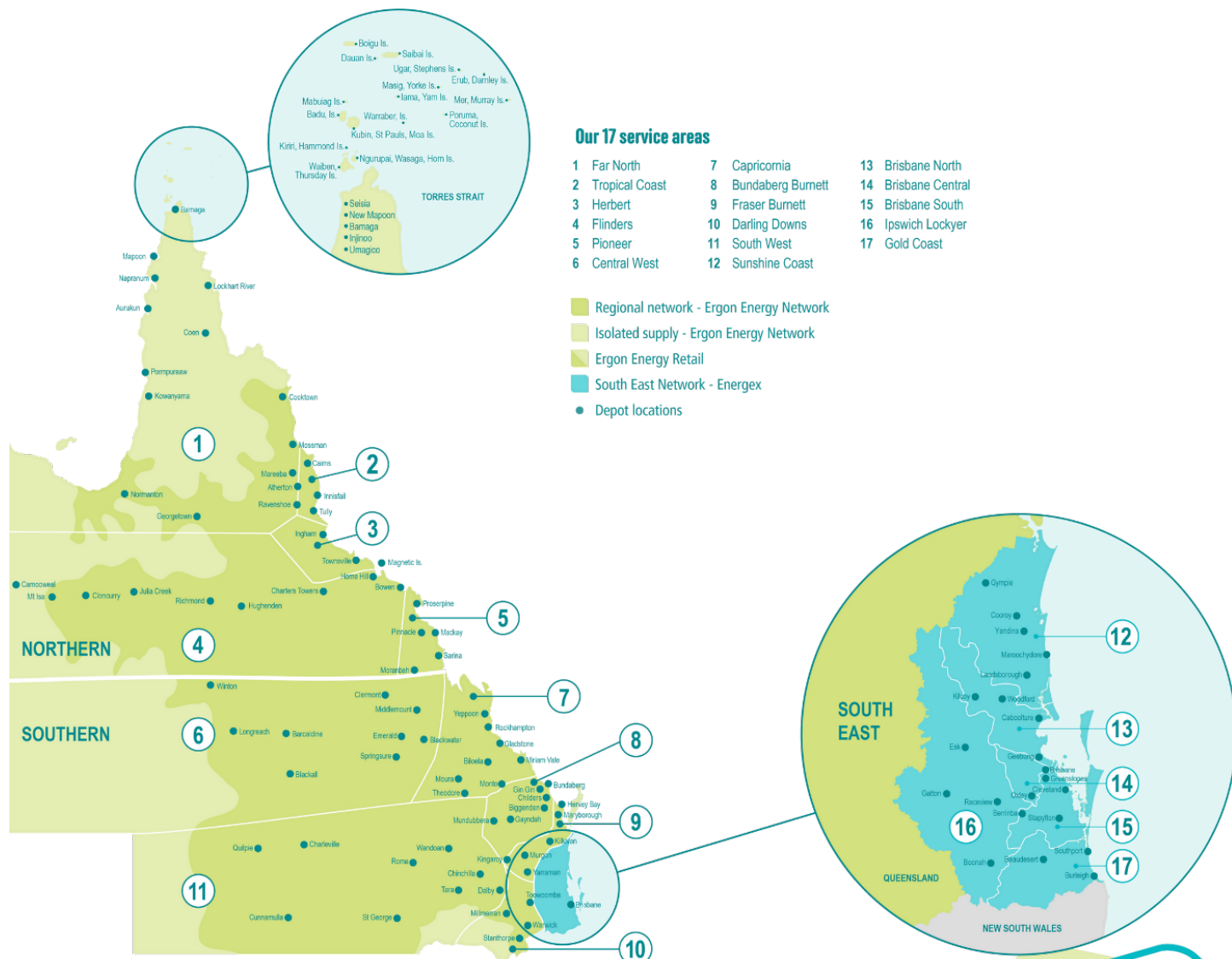


Figure 2: Core service area of the EQL Group

## Supply chain

The EQL Group utilises global and domestic suppliers to procure goods, materials and services.

Our suppliers are based in Europe, the UK, USA, New Zealand, Canada, China and Southeast Asia, as well as across many States within Australia. We encourage procuring from small to medium enterprises within Queensland to support local businesses.

Procurement of any goods, materials or services is governed by robust policies, procedures and processes that apply to all employees and contractors working for or on behalf of the EQL Group.

## Action taken to assess our risk of modern slavery in our operations and supply chain

### Operational risk assessment

As with previous years, we assessed the risk of modern slavery in our operations by considering:

- Sector and industry risks - Certain sectors and industries may have high modern slavery risks because of their characteristics, products, and processes.
- Product and services risks - Certain products and services may have high modern slavery risks because of the way they are produced, provided, or used.
- Geographic risks - Some countries may have higher risks of modern slavery, due to poor governance, weak rule of law, conflict, migration flows and socio-economic factors like poverty.
- Entity risks - Some entities may have modern slavery risks because they have poor governance structures, a record of treating workers poorly or a track record of human rights violations.

We have assessed the risk of modern slavery practices in our operations as low. As detailed in our previous statements, the EQL Group operate in a highly regulated electricity industry. Being Government Owned, we are subject to additional regulations, scrutiny, and community expectations.

We are committed to ethical and responsible decision making and have in place a Governance Framework that supports this via policies and guidelines, as well as internal networks and support.

Our recruitment, resourcing and governance framework continues to mitigate the risk of modern slavery for our employees.

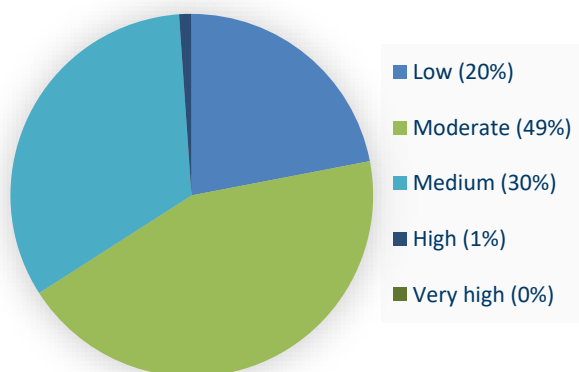
We do use labour hire arrangements and have identified that this may give rise to the risk of us causing, contributing, or being directly linked to modern slavery.

### Supply chain risk assessment

We utilise the Informed 365 platform to assess the risk of modern slavery in our supply chain. Our suppliers are invited to complete the Modern Slavery Self-Assessment Questionnaire on the platform. Once completed, a supplier's response is analysed against pre-determined question weightings to provide an overall modern slavery risk score.

We prioritised inviting our suppliers with high spend and those sourcing materials from countries identified as having a higher risk of modern slavery.

To date, 165 suppliers have been invited to complete the modern slavery questionnaire on the platform, with a 70% participation rate. The risk assessment of the supplier responses received are shown in **Figure 3** on the following page.



**Figure 3:** EQL Group Supplier risk profile from Informed 365

During the reporting period, Informed 365 assessed one of our suppliers as being a high risk. Upon investigation, we learnt that the supplier was a small services business in regional Queensland employing fewer than 4 people and did not have formal modern slavery policies or processes in place, which triggered the high-risk assessment by Informed 365. We considered this particular supplier to be a low risk.

Like many organisations, we have identified there is higher risk of modern slavery in areas such as labour hire, suppliers using labour hire contractors and the production and supply of work-wear.

## Actions taken to address the risks

We mitigate the risks identified through our procurement and contract management policies, procedures, and processes. For example, in relation to labour hire arrangements and the supply of workwear, the EQL Group:

- only use licensed agencies on either the Queensland Government Contingent Resource Panel or our own panel of vetted contractors and suppliers;
- utilise robust engagement and contract terms;
- conduct regular reviews of labour hire rates and wages to ensure they meet or exceed legislative requirements; and
- use Informed 365 to assess individual suppliers.

Further details in relation to the actions we have taken to mitigate the risk of modern slavery are outlined below.

## Government's Supplier Code of Conduct

When registering to become a supplier to the EQL Group, businesses must complete a supplier registration form where they are required to acknowledge that they will comply with the Queensland Government's Supplier Code of Conduct when supplying us goods or services.

Under the Queensland Government's Supplier Code of Conduct, all suppliers must endeavour to ensure businesses in their supply chains are not engaged in, nor will they be complicit in, human rights abuses.

## Tender questions

All tenderers for our procurement activities are required to answer modern slavery questions that allow us to assess the risk of modern slavery in their operations and supply chain. Those tendering on goods and materials contracts are required to provide details about their supply chain, including the primary and secondary locations of where they will obtain the materials they propose to supply to us. This information is collated into a mapping database to provide an overall view of the supply chain to enable better informed tendering decisions.

## Contract clauses

Our contracts reflect our commitment to identifying and remediating modern slavery in our supply chain through specific clauses in our contracts.

The nature of the clause depends on the risk profile of the contract. For example, the contract may require the supplier to have adequate and reasonable policies, controls, procedures, and training in place designed to detect, assess, manage, and remedy modern slavery in its operations and supply chains.

The contract may also enable us to request information about a supplier's compliance with the modern slavery contract clauses and to undertake due diligence on their supply chain.

### **Informed 365 assessments**

We continued to drive usage of the Informed 365 platform and prioritised inviting our suppliers with high spend and those sourcing materials from countries identified as having a higher risk of modern slavery to complete the Modern Slavery Self-Assessment Questionnaire.

Responses indicate our suppliers are becoming more aware of modern slavery and they are taking steps to understand how they can improve their own identification and remediation processes. Positively, 93% of respondents said they understood the basic facts regarding the issue of modern slavery, with a general awareness of where modern slavery may exist in their supply chain. Steps being taken by suppliers to reduce the risk of modern slavery include embedding contractual obligations in supplier agreements, seeking alternative supply sources and audits of their suppliers' approach to addressing modern slavery.

Next period we will take further steps to understand the modern slavery risk of our suppliers which were assessed as having moderate to medium risk ratings.

### **Collaboration and engagement with industry**

During the reporting period we continued our participation with the Energy Procurement Supply Association (EPSA) and the Queensland Government Entities' Modern Slavery Community of Practice, through sharing knowledge and learnings, and collaborating on activities to support the eradication of modern slavery.

Through EPSA, we periodically meet with Informed 365 to develop improvements to the functionality of the platform, to both ensure

suppliers can easily register and complete self-assessment questionnaires, and to improve its reporting capability. Moving forward, we will continue to work with the other EPSA members and Informed 365 on making improvements to the assessment tool, which could assist in the assessment of Tier 2 suppliers and beyond.

### **Training and awareness**

We have been collaborating with other utility providers with the view to designing and implementing a detailed modern slavery training package. This package is still under development.

During the reporting period, periodic internal communication channels were utilised to promote awareness of modern slavery practices and support our people to identify signs of modern slavery and know how to respond.

Tailored training is provided to our procurement team, given the nature of their role requires a greater understanding of modern slavery practices and risk indicators.

We are exploring the feasibility of adapting the training materials offered by the Australian Border Force, with the view to implementing the training in the next reporting period.

### **Integrity line monitoring**

Our externally administered Integrity Line enables employees and third parties to report, in addition to any whistle-blower issues, any concerns that the EQL Group may be involved in modern slavery practices. The Integrity Line is promoted through internal communication channels. No reports related to instances of modern slavery were received via the Integrity Line during the reporting period. We will review the reporting process next period to ensure the lack of reports was not due to a lack of awareness of the mechanism, or any deficiencies associated with the reporting process itself.



## Assessing the effectiveness of our actions

The effectiveness of our actions is assessed through the following:

Activity	Objective	Measure of Effectiveness
Supplier engagement	<ul style="list-style-type: none"> <li>• Increase supplier awareness of modern slavery practices</li> <li>• Encourage suppliers to review their operations and supply chain for human rights and modern slavery practices</li> </ul>	<ul style="list-style-type: none"> <li>• Number of suppliers completing modern slavery self-assessment questionnaire</li> </ul>
Training and awareness	Promote awareness of modern slavery practices and support our people to identify signs of modern slavery and how to respond	<ul style="list-style-type: none"> <li>• Delivery of training to new procurement team members and refresher training where relevant</li> <li>• Periodic review of training materials and resources</li> </ul>
Collaboration	<ul style="list-style-type: none"> <li>• Sharing of knowledge and learnings with energy and other utility organisations</li> <li>• Collaborating on activities to support the eradication of modern slavery</li> </ul>	<ul style="list-style-type: none"> <li>• Engagement levels at monthly EPSA Modern Slavery meetings and Queensland Government Entities' Modern Slavery Community of Practice Improvements to Informed 365</li> </ul>
Procurement and purchasing processes	Support the identification, assessment, and actions to address modern slavery risks	<ul style="list-style-type: none"> <li>• Suppliers registering with Informed 365 and completing the modern slavery self-assessment questionnaire</li> <li>• Modern slavery risks are identified and risks mitigated</li> </ul>
Reporting of instances of modern slavery	Provide employees and third parties with a process to report actual or suspected instances of modern slavery practices in our operations or supply chain	<ul style="list-style-type: none"> <li>• Reports relating to modern slavery made to our 24/7 Integrity Line</li> <li>• Employee awareness of reporting process</li> <li>• Periodic review of the Modern Slavery Investigation Process</li> </ul>

## Impact of Covid-19

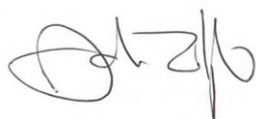
Overall, Covid-19 impacts do not appear to have affected our capacity to assess and address the risk of modern slavery practices within our operations or supply chains. We continue to review and liaise with our suppliers to understand on-going impacts of Covid-19 on their supply chain, particularly where suppliers change aspects of their operations or supply chain to adapt to on-going Covid-19 related impacts.

## Consultation and Approval

Energy Queensland and its wholly owned subsidiaries Energex Limited, Ergon Energy Corporation Limited, Ergon Energy Queensland Pty Ltd and Yurika Pty Ltd Limited are each reporting entities under the *Modern Slavery Act 2018* (Cth).

To prepare this joint statement, we actively engaged and consulted with each reporting entity in the EQL Group. The Executive Leadership Team that is shared across the EQL Group was involved in the review and the endorsement of this Statement for approval by the Energy Queensland Board of Directors.

This statement was approved pursuant to the *Modern Slavery Act 2018* (Cth) by the Board of Energy Queensland Limited as the parent entity on 17 November 2022.

A handwritten signature in black ink, appearing to read "S. Zeljko".

**Sarah Zeljko**  
Chair

## Corporate Directory

### **Energy Queensland Limited**

ABN 96 612 535 583  
420 Flinders Street  
Townsville Queensland 4810

### **Energex Limited**

ABN 40 078 849 055  
26 Reddacliff Street  
Newstead Queensland 4006

### **Ergon Energy Corporation Limited**

Trading as Ergon Energy Network  
ABN 50 087 646 062  
420 Flinders Street  
Townsville Queensland 4810

### **Ergon Energy Queensland Pty Ltd**

Trading as Ergon Energy Retail  
ABN 11 121 177 802  
420 Flinders Street  
Townsville Queensland 4810

### **Yurika Pty Limited**

ABN 19 100 214 131  
26 Reddacliff Street  
Newstead Queensland 4006

### **Metering Dynamics Pty Ltd**

Trading as Yurika Metering  
ABN 58 087 082 764  
26 Reddacliff Street  
Newstead Queensland 4006

### **Ergon Energy Telecommunications Pty Ltd**

Trading as Yurika Telecoms  
ABN 34 106 459 465  
420 Flinders Street  
Townsville Queensland 4810