

Revision to EnergyAustralia's Modern Slavery Statement 2020

EnergyAustralia's Modern Slavery Statement 2020 (**Statement**) was revised on 15 June 2023.

The Statement was revised to include the following additional reporting entities:

- EnergyAustralia Holdings Limited (ABN 57 101 876 135);
- EnergyAustralia Investments Pty Ltd (ABN 27 113 121 592); and
- EnergyAustralia AusPower Pty Ltd (ABN 83 073 060 054).

(together known as '**Companies**').

This revision was made on page 3 of the Statement.

The Statement is a joint statement made in accordance with clause 14 of the *Modern Slavery Act 2018* (Cth). This revision is necessary to ensure all the reporting entities in the EnergyAustralia group of companies covered by this statement are correctly identified.

Notwithstanding this amendment, the framework, analysis and approach outlined in the Statement remains relevant across the entire EnergyAustralia group of companies. Therefore, there are no other changes to the Statement and our responses to all the other mandatory reporting criteria remain the same.

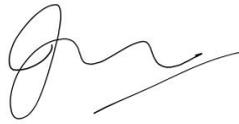
This revision was approved by the EnergyAustralia Holdings Limited Board on 15 June 2023.



Mark Collette

Managing Director, EnergyAustralia

Date: 20/06/2023



Jane McAloon

Chair of the Board, EnergyAustralia

Date: 20/06/2023

Modern Slavery Statement

2020

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EnergyAustralia
LIGHT THE WAY

Message from the Managing Director



At EnergyAustralia, not only are we working towards the transition to cleaner energy for all, but we also believe in a fair, equitable world for all.

Our approach to fairness and equity is reflected in our customer service standards, the people we employ and the suppliers we choose to work with, as well as those who choose to work with us.

Much as we wish otherwise, exploitation, harmful work practices and modern slavery persist as complex problems in our world. Equally, there is growing recognition among companies such as ours that we have a responsibility to address modern slavery risks in our operations and supply chain.

The COVID-19 pandemic has put great pressure on operations and supply chains, which we know may lead to harmful workplace practices and increased worker vulnerability. I am particularly proud of the work our business has done to navigate these issues over the past year.

This Statement covers the work we've done to identify and mitigate modern slavery risks in our operations and supply chains so far, and our plans to continue learning from best practices and shared information.

Working together with our people, suppliers and the industry as a whole, EnergyAustralia is dedicated to ensuring safe, fair and supportive working conditions across our sites, supply chains and in every facet of our operations.

Catherine Tanna
Managing Director, EnergyAustralia

About this Statement

i. Reporting Entity

This Modern Slavery Statement is made under the *Modern Slavery Act 2018 (Cth)* (the Act) by EnergyAustralia Holdings Limited on its own behalf and on behalf of the following controlled subsidiary companies, which meets the reporting entity criteria of the Act:

- EnergyAustralia Pty Ltd (99 086 014 968)
- EnergyAustralia Yallourn Pty Ltd (47 065 325 224)
- EnergyAustralia NSW Pty Ltd (75 163 935 635)
- EnergyAustralia Ecogen Pty Ltd (86 086 589 611)
- EnergyAustralia Investments Pty Ltd (27 113 121 592)
- EnergyAustralia AusPower Pty Ltd (83 073 060 054)

As of 31 December 2020, EnergyAustralia comprised of 41 controlled subsidiaries, of which the six above meet the reporting entity criteria of the Act. Together, EnergyAustralia Holdings Limited and its Group of Companies are referred to as EnergyAustralia. EnergyAustralia is a wholly owned subsidiary of CLP Group Ltd (CLP).

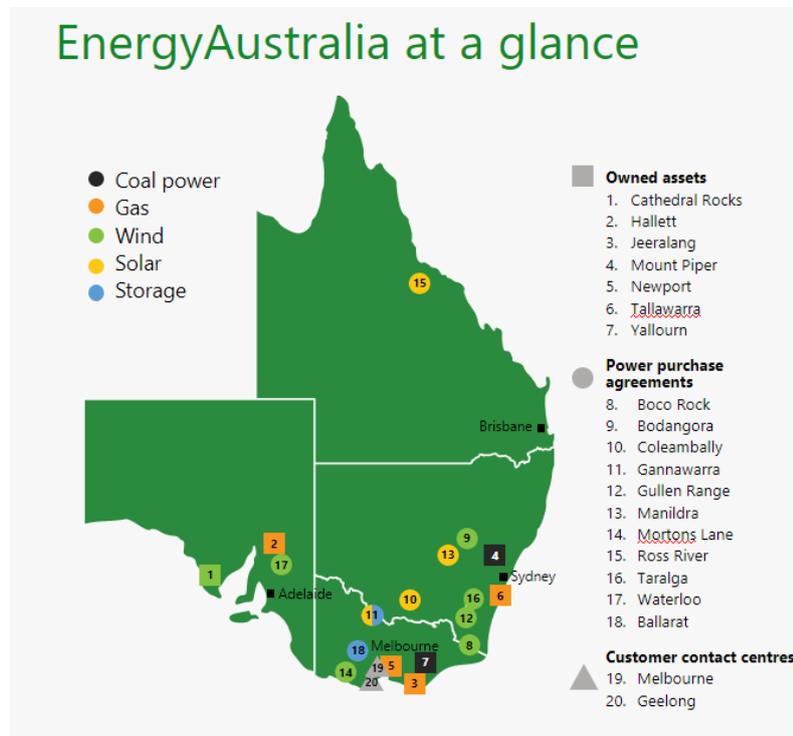
The Boards of EnergyAustralia subsidiary companies and the Board of Directors of EnergyAustralia Holdings have reviewed and approved this Modern Slavery Statement, and it is signed by the Managing Director and Chair. This Statement has been prepared to meet the mandatory reporting criteria set out under the Act.

About EnergyAustralia

i. Our structure

EnergyAustralia supplies gas and electricity and delivers energy services to approximately 2.4 million homes and businesses in Victoria, New South Wales, the Australian Capital Territory, South Australia and Queensland. We own and operate an energy portfolio, underpinned by coal and gas power plants, as well as renewable energy sources like wind, solar and batteries.

As an energy retailer as well as a generator, we buy electricity on behalf of our customers, manage their accounts and make sure they have access to products which help them control their gas and electricity consumption.



ii. Governance

All EnergyAustralia entities operate under a common set of governance policies, including a Modern Slavery Policy which outlines EnergyAustralia’s stance on modern slavery and how risks of modern slavery within our operations and supply chain are to be identified, assessed and addressed. Our Modern Slavery Policy is supported by other policies, processes and systems described in this Statement.

The Board of EnergyAustralia Holdings has oversight of our compliance with legal and regulatory matters.

As part of its governance structure, EnergyAustralia has an Audit and Risk Committee which functions to review the effectiveness of our risk management systems for both financial and non-financial risks and internal controls; and the systems and procedures for compliance with applicable legal and regulatory requirements.

About our operations

i. Overview

EnergyAustralia employs nearly 2,500 people. Most of our workforce are engaged directly via employment contracts and/or enterprise agreements on a permanent, fixed/maximum term or casual basis. Our employment contracts and practices are regularly reviewed to ensure compliance with workplace laws, including the *Fair Work Act 2009 (Cth)* and National Employment Standards.

All forms of modern slavery and related behaviour are forbidden under EnergyAustralia's Code of Conduct and Workplace Behaviour Policy. We also have a comprehensive Work Health and Safety (WHS) policy and site-specific WHS procedures regarding working conditions. All of our direct employees and extended workforce must undertake mandatory annual training in relation to these policies and procedures.

ii. Risks of modern slavery

An internal assessment focusing on EnergyAustralia's hiring policies and practices was completed in 2019. It confirmed that we did not have any significant risks of modern slavery in our operations.

We acknowledge that while no current significant risks were found in that assessment, this does not guarantee that instances of modern slavery cannot occur. As such, we will continually monitor risks and review our internal policies and practices to ensure compliance.

iii. Actions taken to address modern slavery risks

EnergyAustralia has a number of mechanisms in place to capture employee concerns and grievances, including those relating to modern slavery. They are:

- a **Grievance Program**
- a **Whistleblowing Program**
- an anonymous **Employee Engagement Survey**.

A register is kept by the People and Culture team to record any breaches of our policies. It is formally reviewed monthly and shared with CLP quarterly.

No modern slavery breaches have been identified in 2020, however any allegations of modern slavery or substandard working conditions in our operations would be reviewed and comprehensively investigated where appropriate by a senior member of EnergyAustralia's People and Culture team and Group Internal Audit. Any breach of our policies or procedures could result in measures such as individual disciplinary action, corrective operational changes, or a review of compliance controls.

About our supply chain

i. Overview

As of 31 December 2020, EnergyAustralia had 3,491 active suppliers, 2,412 (69 per cent) of which are classified as Australian small businesses. 95 per cent of our suppliers are registered with an Australian address, including a number of multinational suppliers with Australian headquarters, and these suppliers represented 97 per cent of our expenditure in 2020.

We recognise that many of our suppliers operate internationally and whilst getting full visibility of all our supplier operations and our second-tier supply chain is difficult, we do have a robust framework to assess the risk and formal systems in place to reduce the risk of modern slavery occurring (see below).

ii. Risks of modern slavery

Our Risk Assessment Framework considers risk factors based on registered supplier location and the commodity they provide. These factors enable us to determine a risk rating. We use independent data from the US Bureau of International Labour Affairs' List of Goods Produced with Child Labour or Forced Labour, and from Walk Free, an initiative of the Minderoo Foundation.

In 2020, we had suppliers who are registered in three potential high-risk locations; India, China and the Philippines.

The commodities we consume that are potentially high risk based on these sources are:

- paper products
- battery packs
- hand tools
- computers and communication devices
- electronic hardware and equipment
- office machines
- domestic appliances
- clothing and footwear
- solar collection devices
- security and cleaning services

Existing suppliers are required to complete our Modern Slavery Survey and their responses are reviewed in accordance with our Risk Assessment Framework (see below). New suppliers are assessed in line with our revised onboarding process (see page 8).

iii. Assessing modern slavery risks

We have established formal systems to assess and monitor our suppliers and their compliance with our policies. Since 2015, we have been collating information on suppliers' compliance with the CLP Group's [Responsible Procurement Policy Statement](#) (RePPS) through the completion of a voluntary questionnaire which includes questions relevant to modern slavery. RePPS questionnaires are requested of suppliers who currently or will hold a contract, with a total value of \$1 million or more; or have an actual spend of

more than \$1 million in a 12-month period. The completed questionnaires are valid for a three-year period. As a wholly-owned subsidiary of CLP, this information is reported in CLP's annual [Sustainability Report](#).

In addition, we have a Risk Assessment Framework informed by a Modern Slavery Survey which, amongst other questions, asks suppliers if they have written policies and/or procedures relating to modern slavery, human rights, whistleblowing and/or ethical trading. In 2020 we identified 105 suppliers as potentially high-risk (3.6 per cent of our 2020 spend). We have surveyed these organisations to understand the origin of the goods and services they provide to EnergyAustralia, and the policies and practices in their organisation that would mitigate the risk of modern slavery.

Whilst the majority of our suppliers were able to provide satisfactory responses, 14 of these suppliers did not have any formal policies in place specifically relating to modern slavery risk. We have provided those suppliers with information, including a copy of our Modern Slavery Policy, to support the development of their own policies, and will assess their progress in the second half of 2021.

As of 31 December 2020, 21 suppliers had not responded to our requests for information and we have escalation plans which we will pursue in 2021.

iv. Policies and contractual terms

EnergyAustralia has developed a [Supplier Code of Conduct](#) which details the behaviours we expect from our suppliers. These include paying wages and benefits in accordance with the law; workers not exceeding local work hour limits or 60 hours per week; and prohibiting the use of forced labour or child and underage labour.

We have also strengthened our Purchase Order terms and contract precedents to require suppliers to confirm that they consider the risks of modern slavery in their operations and supply chain and will notify us of any suspected or actual instances of modern slavery within their operations and supply chain.

v. Working with EnergyAustralia for the first time

New suppliers of EnergyAustralia are required to complete our onboarding questionnaire which includes questions relating to modern slavery, including whether they have their own working practices and safeguards in place to evaluate and select their own suppliers and subcontractors relating to these same issues.

Where suppliers indicate that they do not have their own similar policies or working practices, we ask them to confirm that they commit to EnergyAustralia's Supplier Code of Conduct, and request that they develop relevant policies within the next 12 months. These suppliers will be asked to complete our Modern Slavery Survey towards the end of this 12-month period so that we can monitor progress.

Assessing effectiveness

Understanding and tracking the effectiveness of our performance is an ongoing process and in this first reporting year, EnergyAustralia has assessed the effectiveness of our actions against the following activities.

Activity	Measurement
Governance	<ul style="list-style-type: none"> • Requirements of the <i>Modern Slavery Act 2018 (Cth)</i> outlined to the EnergyAustralia Subsidiaries Board and EnergyAustralia Holdings Board • EnergyAustralia Board has oversight of relevant policies • Reviewed and revised policy and procedures • Training of key staff • Standard contract templates updated
Participation	<ul style="list-style-type: none"> • Executive Owner and senior leadership engaged • Engagement with industry peers to confirm modern slavery approach
Risk Management	<ul style="list-style-type: none"> • Annual risk review and assessment to identify and validate risks • Risk profiling and rating matrix refined • Surveyed high-risk suppliers
Monitoring	<ul style="list-style-type: none"> • Supplier survey responses assessed and tracked
Training	<ul style="list-style-type: none"> • Code of Conduct training mandatory for all employees and contractors
Grievance Program and Whistleblowing	<ul style="list-style-type: none"> • Accessible by staff, suppliers and other third parties as necessary

The impact of COVID-19

In January 2020 EnergyAustralia assembled a cross-functional team to ensure our systems and processes could respond quickly to COVID-19. Our approach was guided by three priorities:

- Keeping our people safe;
- Keeping the lights on; and
- Supporting our customers.

At all times we balanced these priorities to ensure we could continue to provide an essential service in the safest way possible.

i. Operations

To ensure we could keep our people safe, in early March, we were one of the first major companies in Australia to transition to working from home where possible, prior to government direction.

We quickly implemented new systems and technologies which enabled 80 per cent of our employees to work remotely. For electricity generation site-based team members responsible for ensuring reliable power supply (vital given the stay-at-home orders) we implemented COVID-safe plans and working practices. This allowed the major maintenance outage at the Yallourn power station to continue, delivering a significant contribution to the local economy through an additional 600 jobs and spending over \$65 million.

ii. Supply chain

There were extra challenges to our supply chain throughout 2020 as the result of the pandemic, including shortages of hygiene products such as hand sanitiser and anti-bacterial wipes, delays in delivery of key components for maintenance of our generators, impacts to offshore call centre and back office operations and limitations on employees and contractors moving between EnergyAustralia sites due to national and international border restrictions. Despite this, we maintained our focus on assessing the modern slavery risk in our supply chains.

Procuring essential hygiene supplies to maintain a safe working environment for those that couldn't perform their work from home was a priority. We purchased bulk supplies from two new suppliers, both of whom completed EnergyAustralia's Modern Slavery Survey and had policies in place to ensure that any modern slavery risk in their supply chain was mitigated.

We also recognised the impacts of the pandemic on small businesses across the country. To support our small business suppliers, we reduced our payment terms from 30 days to 14 days to ensure they maintained capacity to trade with us.

Looking ahead

Our work to identify and mitigate modern slavery risks in our business is an ongoing process. Our efforts to date have laid a strong foundation for continued improvement. Building on what we've learned so far, EnergyAustralia will continue to refine its approach with best practice advice.

Our priorities for 2021 are:

- continued improvements to our internal processes such as reviewing our supplier surveys and policies in line with best practice
- ensuring our Procurement and People and Culture teams maintain their current training and awareness of modern slavery risks and practices, both globally and within our business
- integrating our Modern Slavery Survey into our supplier management system to ensure effective tracking
- working with our suppliers to support those who have not yet developed their own modern slavery risk management practices
- continuing to monitor high and medium-risk supply chains and assessing risk
- continuing collaboration with other organisations to share knowledge and improve processes, including how to tackle issues of modern slavery if identified.

Consultation

All EnergyAustralia entities share a common set of governance policies. Work undertaken by our Procurement, People and Culture and Risk Assessment teams outlined in this Statement included engagement with our senior leadership and Executive Leadership Team, many of whom sit on the Boards of our subsidiary companies.

The Executive Leadership Team has also been involved in the endorsement of this Statement for the approval of our Subsidiaries Boards and the EnergyAustralia Holdings Board.

This statement was approved by the board of EnergyAustralia Holdings Limited in their capacity as principal governing body of EnergyAustralia on 15 June 2023.

Mark Collette
Managing Director, EnergyAustralia

Jane McAloon AM
Chair of the Board, EnergyAustralia

At EnergyAustralia, we recognise the Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the land on which we operate and the communities we serve. Our goal is to build working relationships with Aboriginal and Torres Strait Islander peoples, communities and businesses. Through reconciliation we live our values of doing the right thing and leading change.

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EnergyAustralia Whistleblowing information

You can submit a report in a number of ways:

1. In writing or verbally to Head of Group Internal Audit on (03) 8628-1000 at Level 19/697 Collins St
2. Contacting the anonymous externally hosted channel 'Fair Call' via
 - **Phone:** 1800 500 965. This free call number is available 24 hours, 7 days a week.
 - **Email:** faircall@kpmg.com.au
 - **Web:** <http://faircall.kpmg.com.au>. Whistleblowers may complete and submit a form online. This method does not permit two-way communication unless the whistleblower provides contact details.
 - **Post:** FairCall Manager, PO Box H67, Australia Square 1213, Sydney
 - **Fax:** (02) 9335 7466