



Modern Slavery Statement

2022–2023

This statement outlines the steps taken by Western Power to mitigate the risk of modern slavery and human rights breaches in our business and supply chain in accordance with the *Modern Slavery Act 2018 (Cth)* for the financial year ending 30 June 2023.

Electricity Networks Corporation trading as Western Power (Western Power) is a Western Australian statutory corporation formed pursuant to the *Electricity Corporations Act 2005 (WA)*. Western Power has a Board predominately comprising of independent directors and is accountable to the Western Australian Minister for Energy.

Western Power does not own or control any other entities.

This Statement was approved by Western Power's Board on 3 October 2023 and is signed by the Board Chair, Denise Goldsworthy.



A message from our CEO



Earlier this year Western Power launched our new strategy, which focuses on working together to power a cleaner energy future to safely provide reliable supply, keep costs low and enable decarbonisation for our community.

The application of our refreshed values: being safe and caring, acting with integrity, working together, being results focused and always improving is typified in our approach to modern slavery. This year we overhauled our modern slavery due diligence procedure, improved the self-assessment questionnaire, and streamlined how we work alongside our suppliers.

Our Modern Slavery Roadmap will continue to guide the business in meeting the challenges of modern slavery while delivering on our commitments to the community.

Sam Barbaro
Chief Executive Officer

About Western Power

Western Power is a Western Australian State Government owned corporation responsible for building, maintaining and operating an electricity network that connects our 2.3 million customers in the southwest corner of WA to deliver an essential service to our community.

Our vast transmission and distribution network, and the people behind it, seamlessly connect our homes, businesses and essential community infrastructure to an increasingly renewable energy mix. We're planning the network of the future that's leading the way to a cleaner, brighter and more resilient energy supply for the next generation.



Our values

 <p>Safe and caring</p>	 <p>Results focused</p>	 <p>Acting with integrity</p>	 <p>Working together</p>	 <p>Always improving</p>
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Our achievements this year

Our 2022 Statement outlined the three-year roadmap to focus our efforts on the areas of governance, communication, and operational and supply chain due diligence. Developing our program, targeted due diligence, and training and awareness were prioritised in the first 12 months of the roadmap.

Enhancing due diligence

This year we rolled out a new supplier due diligence approach with our updated and enhanced risk screening matrix. The risk screening process is set out in our Modern Slavery Procedure which is used to categorise the ongoing risks posed by suppliers and identifies if further due diligence activities are required. Our Risk Based Procurement Tool, used during the planning stage of procurement events, provides a practical method for our procurement team to classify suppliers and provides guidance on the best methods to mitigate identified risks.

The risk screening approach is built around the four key considerations that provide an overall risk rating:

- Vulnerable populations
- High-risk business models
- High-risk sectors
- High-risk geographies.

When determining the appropriate controls to put in place, our approach prioritises suppliers for heightened due diligence activities by considering the way Western Power is linked (directly or indirectly) to potential modern slavery occurrences. That is, whether Western Power may be causing or contributing to (either passively or actively) to modern slavery, the level of influence Western Power may have over our suppliers' practices and the criticality of the supplier.

These steps determine the risk mitigation measures and due diligence activities to be performed during procurement and supplier relationship management processes. All suppliers, irrespective of risk level are required to adhere to Western Power's Supplier Code of Conduct and our contracts include modern slavery clauses. Suppliers and procurement events that are identified to present a medium risk include controls in tender events and contract management practices to appropriately mitigate that risk level including understanding a supplier's risk mitigation measures. Suppliers identified to be "priority high risk" undergo heightened due diligence activities such as desktop or physical audits, enhanced contract management and ongoing monitoring activities throughout the life of the contract.



Modern slavery training

To support the roll out of our enhanced due diligence approach we delivered targeted training to our Category, Sourcing and Supplier Management Specialists to confirm our commitments when conducting procurement and supplier relationship management processes. Modern slavery training, which instils awareness and guidance on identifying modern slavery risks and remediation, continues to be available and is required to be completed by all Western Power team members involved in purchasing goods or services.

Supplier Self-Assessment Questionnaire

Our Supplier Self-Assessment Questionnaire (SAQ) has been a valuable tool to raise awareness of modern slavery with our suppliers and help us gain a better understanding of their supply chains and risk mitigation activities. In the past, our SAQ was hosted by a third party. This year we have brought the SAQ in-house, incorporating it into our new contract lifecycle management software solution. This change brings the SAQ in line with other supplier management practices, providing our supplier and contract management teams better access to data and an additional tool to assess, monitor and improve our suppliers' maturity in their approach to modern slavery.

Response and action guide

The SAQ is only one part of understanding and responding to our suppliers' supply chains and risk mitigation practices. A Response Action Plan has been developed to follow the SAQ and sets out the recommended actions to be taken based on the overall risk the suppliers present. The plan is used in instances where suppliers are not meeting our minimum requirements and provides resources that our teams can use to communicate our expectations to suppliers and actions the supplier should take to rectify the identified issues.



Operational due diligence

Periodic reviews of labour hire and recruitment agencies have continued throughout the year and a project is underway to ensure our new modern slavery contract provisions are added retrospectively to existing contracts for providers of onsite outsourced service arrangements. Several suppliers have highlighted options to use offshore labour and their responses to the SAQ have allowed us to determine and take comfort that these suppliers are taking appropriate steps in mitigating any identified modern slavery risks.

Executive governance

One of our commitments for the 2023 financial year was to formalise oversight of our modern slavery program with the Executive team. Throughout the year we have prepared for this change, developing terms of reference and receiving business buy-in. This group will be chaired by Western Power's Chief Financial Officer and with our approach considering risk to people at its centre, representatives of the newly formed People business unit will ensure the program includes a human-centric approach.



Modern slavery risks facing Western Power

Since our last Statement, we have not been made aware of any actual or suspected human rights breaches, either through our whistle-blower processes, our interactions with suppliers or through any other means.

Our suppliers

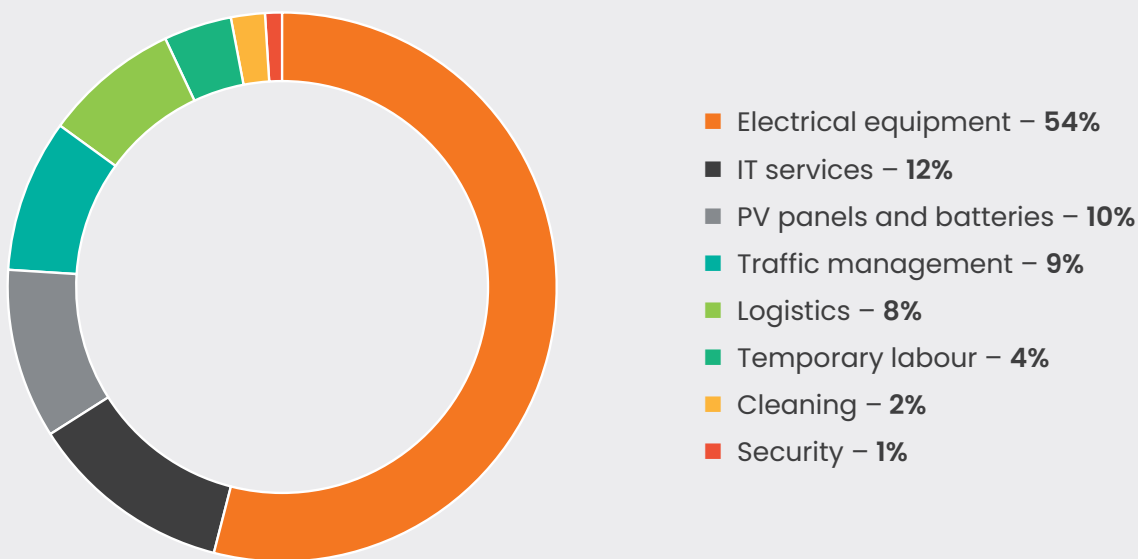
We undertake our procurement activities through a centralised function where we manage approximately 2,270 active suppliers and 398 contracts. Our focus on sourcing locally means 97 percent of our suppliers are Australian businesses and the risk of modern slavery in our direct suppliers is low. However, we recognise that many of our local suppliers have complex operations which may increase the risk further down our supply chain.

Using the new risk screening approach outlined above we have determined that approximately 20% of our spend with direct suppliers has an inherently higher risk of modern slavery in their operations and supply chains. The breakdown of this spend by category can be seen in figure 1 below, with electrical equipment (such as cables, meters and switchgear), IT services, photovoltaic (PV) panels and batteries, and traffic management making up a large proportion.

Using data on modern slavery prevalence from **'Walk Free's Global Slavery Index'** and the results of our SAQ, the goods and services acquired from the countries with the highest modern slavery prevalence through Western Power's Tier 2 and above suppliers are:

- **Papua New Guinea** – Audit and technology services
- **Philippines** – Outsourced IT services and administration support
- **Mexico** – Electrical components
- **India** – IT services, fabrication, electrical components
- **South Africa** – IT and administration services, apparel and safety equipment
- **Türkiye** – Electrical components
- **Indonesia** – Electrical components and general hardware
- **Ukraine** – Electrical components
- **Thailand** – Electrical components and line hardware
- **China** – Electrical components.

Figure 1 – Category spend by highest risk rating



Case study: Managing risks in the supply of stand-alone power systems

A key strategic project for Western Power, our Standalone Power Systems (SPS), replace costly, unreliable feeder lines with PV panels and batteries for remote and regional customers. Batteries and PV panels present a heightened risk of modern slavery where Western Power has a level of influence and criticality with our suppliers that can drive positive outcomes.

Western Power conducted our first third party desktop audit during 2022/23 through Fair Supply. We have continued to raise awareness with our SPS suppliers, and the results of the desktop audit are influencing the way we procure these systems. Suppliers will be evaluated on their understanding of their supply chain and the policies and procedures they have in place to assess and address modern slavery.

We have also seen very encouraging progress from some of the SPS suppliers who are working towards only utilising suppliers that can demonstrate traceability of components and raw materials in the supply chain of solar panels. Western Power is keen to support these efforts and will be phasing out supply from companies that are unable, or unwilling, to provide this level of disclosure.

Western Power continues to be a member of the Human Rights Resource and Energy Collaborative, a group of resource and energy organisations in Australia working together to face our shared risks. The group is an invaluable source of information and support on managing the risks of modern slavery.



Our operations





Most of Western Power’s employees are engaged through direct employment contracts on a permanent, fixed term or casual basis across a range of technical, operational and professional roles situated at our Wellington Street office, depots, and operational sites in Western Australia. All workplace agreements conform with Australian employment law principles and Federal employment legislation as part of the Fairwork Australia Framework.

We have a contingent workforce of approximately two percent sourced through labour hire agreements. These present a heightened operational risk due to the lack of direct employment contracts between Western Power and the worker.

We regularly review these agreements and conduct spot checks of those workers. We have robust policies around employment screening, conditions and appropriate workplace behaviour that apply to all Western Power employees. Induction and mandatory training for all employees, regardless of their employment type, ensures awareness of our expectations and values and provides guidance on how to raise concerns if something is not right.

Effectiveness

Our Modern Slavery Roadmap sets out the activities we wish to achieve over a three-year time frame. Our achievements to date are marked below.

	<p>Governance</p> <ul style="list-style-type: none"> • Establish a formal governance structure • Establish a cross-functional working group • Establish a schedule of periodic reviews of the existing program to assess effectiveness • Strengthen how modern slavery is considered within the Risk function
	<p>Communication and Awareness</p> <ul style="list-style-type: none"> ✓ Conduct tailored training for relevant personnel • Conduct Board and Executive level training sessions to build awareness of Western Power’s modern slavery risks and Board obligations • Explore supplier engagement and partnership opportunities
	<p>Operational Due Diligence</p> <ul style="list-style-type: none"> • Conduct organisation-wide operational due diligence over employee workforce • Conduct due diligence with a focus on employment arrangements with migrant workers and recruitment/labour hire services • Integrate operational due diligence into the modern slavery framework
	<p>Supply Chain Due Diligence</p> <ul style="list-style-type: none"> ✓ Move beyond inherent risk ✓ Enhance the supplier due diligence approach • Conduct a review of the grievance mechanism

The second 12-month period of our roadmap will prioritise:

- Implementing the proposed governance structure to formalise accountabilities under the Chief Financial Officer, establishment of a cross-functional working group, and a continued focus on strengthening how modern slavery is considered within organisational risk
- Conducting due diligence of Western Power’s existing employment arrangements for high-risk employees (for example, temporary and migrant labour) and integrating this process into the broader modern slavery framework

- Conducting a review of our grievance mechanism
- Delivering Board and Executive level training sessions to build awareness of Western Power’s modern slavery risks and officer obligations.

Western Power’s roadmap supports our continuing commitment to engage, assess and collaborate with stakeholders to provide transparent disclosure of our activities, the potential risks associated with them and our approach to addressing, managing and remedying modern slavery in our operations and supply chain.



For additional information or questions please lodge your query via our website my.westernpower.com.au/contact-us/

If you'd like to let us know about a suspected wrongdoing, please contact Western Power directly on either **13 10 87** (General) or **1300 304 550** (STOPline).

This information is available in alternative formats if requested.



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