



Modern Slavery

Statement

Joint Statement

Hydro Tasmania
Entura
Momentum Energy
AETV

FY2021/22

Chairman's message

Hydro Tasmania has a rich and proud history of providing energy for the Tasmanian people and we have established ourselves as Australia's leading renewable business.

We are a government business enterprise, owned by the Tasmanian Government on behalf of the Tasmanian community. As such, Tasmanians expect us to be accountable and uphold high standard of integrity, fairness and ethical conduct.

We take a leadership position within the energy industry and our community, which include our standards of corporate governance.

Our operations and supply chains are complex and varied. Through our day-to-day operations and major infrastructure projects we, like other major businesses, have a responsibility and opportunity to address the risk of modern slavery in our own operations.

According to the International Labour Organisation (2017) and Walk Free Foundation (2018), modern slavery is a global issue with approximately 40.3 million victims and \$US354 billion at-risk products imported by G20 countries. With respect to our own operations and supply chains, we have made significant progress on the introduction of processes to identify modern slavery risk and continue to further improve our understanding of those issues and take action to address risks.

The board is proud to endorse this statement.

Approval: This statement for Hydro-Electric Corporation was approved by the Board of Hydro- Electric Corporation on 21 September 2022.

This statement for AETV Pty Ltd and Momentum Energy Pty Ltd was approved by the Board of Hydro-Electric Corporation on 21 September 2022, as the parent entity of both of those wholly owned subsidiaries.



Signed by Grant Every-Burns
Chairman - Hydro-Electric Corporation

Date 21 September 2022

Introduction

This document satisfies Hydro Tasmania's reporting requirements under s14 of the *Modern Slavery Act 2018 (Cth)*. It provides an overview of Hydro Tasmania's approach to modern slavery, and the risks associated with its operations and supply chain for the financial year FY2021/22.

Who we are

Hydro-Electric Corporation, trading as Hydro Tasmania, is a corporation established under the *Hydro-Electric Corporation Act 1995 (Tas)*, a government business enterprise under the *Government Business Enterprises Act 1995 (Tas)* and is registered with ASIC as a registered Australian Body (ARBN 072 377 148).

Hydro Tasmania, AETV Pty Ltd (AETV) and Momentum Energy Pty Ltd (Momentum Energy) are each deemed reporting entities under the *Modern Slavery Act 2018 (Cth)* and are included in this joint statement. In addition, Hydro Tasmania's power, water and renewable energy consulting arm, Entura is included in this joint statement.

The reporting entities are referred to collectively in this statement as 'the Hydro Tasmania group'.

As the directors of AETV and Momentum Energy are also senior executives of Hydro Tasmania, a single executive team has ultimate management responsibility for all four entities covered in this statement. Likewise, the Board of Hydro Tasmania has oversight over the entirety of the Hydro Tasmania group.

For the purposes of this statement, the Hydro Tasmania group includes:

- Hydro-Electric Corporation (trading as Hydro Tasmania)
- Entura, a division of Hydro-Electric Corporation
- Momentum Energy Pty Ltd
- AETV Pty Ltd.

Other wholly owned and controlled subsidiaries of Hydro-Electric Corporation not covered by this statement are:

- Bell Bay Power Pty Ltd
- Bell Bay Three Pty Ltd
- Cathedral Rocks Construction and Management Pty Ltd
- Entura Hydro Tasmania India Pvt Ltd
- Heemskirk Holdings Pty Ltd
- Heemskirk Wind Farm Pty Ltd
- HT Wind Developments Pty Ltd
- Hydro Tasmania Retail Pty Ltd
- HT Wind Operations Pty Ltd
- Hydro Tasmania Consulting (Holding) Pty Ltd
- Hydro Tasmania Neusberg Pty Ltd
- Hydro Tasmania South Africa (Pty Ltd)
- Lofty Ranges Power Pty Ltd
- RE Storage Project Holding Pty Ltd
- Woolnorth Bluff Point Holdings Pty Ltd
- Woolnorth Studland Bay Holdings Pty Ltd.



Preparation

The Hydro Tasmania group is a large employer in Tasmania, and between our reporting entities we have staff working in a broad range of disciplines including; engineering, scientific, project management, strategic planning, IT, financial, human resources, marketing, operational, corporate governance, retail call center and administrative staff.

To prepare this joint statement, Hydro Tasmania's Modern Slavery Working Group engaged with and consulted each of the reporting entities covered by this statement and consulted the entities we own or control, to discuss specific suppliers and supply chain purchasing during the reporting period FY2021/22.

The Modern Slavery Statement is informed by Hydro Tasmania group's Code of Conduct, which recognises our obligation to comply with all legislation. In addition, our Sustainability Principles, Work Health and Safety Policy and Environmental Policy all work together to define the standard of ethical behaviour required across the business. They are supported by other internal procedures related to whistleblowing, fraud, corruption and risk management.



Our operations and supply chains

Hydro Tasmania is Australia's leading clean energy business and largest generator of renewable energy. The Hydro Tasmania group is made up of the four core businesses with 1208 employees.

High-level summaries of business activities undertaken by each of these four entities are as follows. Except as noted, all employee figures are as of 30 June 2022.







- Hydro Tasmania (not including Entura) has 671 employees and is primarily involved in the generation of hydropower in Tasmania, and the trading of electricity and energy-related environmental products (such as renewable energy certificates) in Australia's National Electricity Market. Hydro Tasmania owns and manages 54 major dams and 30 operating hydropower stations, and supplies electricity to two Bass Strait islands via hybrid power plants that combine diesel, solar and wind power generation. Hydro Tasmania is also engaged in a range of projects as part of its *Battery of the Nation* initiative. Most Hydro Tasmania employees work either at power stations across the state or at the head office in Hobart.
- Entura provides consultancy services nationally and internationally for renewable energy development, engineering, hydropower, water infrastructure, water management, project management, environmental management and other relevant disciplines. Entura

employs 203 technical professionals and administrative staff, including 22 employees based in its India office in New Delhi. In 2022 the majority of staff who were based in Cambridge, Tasmania, moved to the Hydro Tasmania office in Hobart. A minority of consultants are situated in the Hydro Tasmania group's Melbourne and Adelaide offices.

- Momentum Energy is principally engaged in marketing and retailing energy and energy-related products and services to residential and business customers on mainland Australia (excluding Western Australia and Northern Territory) and the Bass Strait islands. Staff are mainly based in Tasmania and Victoria (Melbourne). Momentum Energy employs 327 personnel.
- AETV operates a gas generation power station in the Tamar Valley in northern Tasmania. The station was commissioned in 2009. It provides both base load and peaking generation via combined and open-cycle gas turbines. AETV employs 25 personnel.

All four businesses comprising the Hydro Tasmania group follow the same procurement policy and procedures via a single supply chain function called Business Services in Hobart, Tasmania. The Entura Indian office is an exception and conducts its own procurement according to its ISO9001-certified sourcing procedure aligned with the Hydro Tasmania group's processes.

Our operations

Hydro Tasmania AETV	Generation asset maintenance, upgrades and repairs 	<ul style="list-style-type: none"> • Operation and maintenance of generation equipment, including machinery in power stations and water conveyancing infrastructure • Feasibility studies for pumped hydro • Land care, waterway, and flora and fauna conservation • Testing and monitoring equipment • Electrical distribution on the Bass Strait islands • Equipment hire
	Energy generation 	<ul style="list-style-type: none"> • Hydro generation plant and equipment consumables • Diesel (Bass Strait islands) • Industrial consumables • Gas (AETV) • Wholesale energy trading
Hydro Tasmania	Corporate services 	<ul style="list-style-type: none"> • Personal protective clothing and equipment (PPE) • Legal services • Marketing and advertising • Office services and improvements, including cleaners and facility repair work • Office and asset-based labour hire • Travel, fleet purchases and maintenance • Freight and logistics • Security services • Stationery and office consumables
	Information technology 	<ul style="list-style-type: none"> • Hardware • Software and licensing • Consulting services including architecture and security • Telecommunication
Entura	Consulting 	<ul style="list-style-type: none"> • Professional and technical services throughout Australia and overseas
Momentum Energy	Retail customer service 	<ul style="list-style-type: none"> • Customer research services • Debt collection services • Bill printing and issuing • Call center software to manage workflow and customer accounts

Modern slavery risk overview

The Hydro Tasmania group's supply chain is broad. Consequently, the business's exposure to modern slavery risks is diverse. Modern slavery has the potential to be present in:

- Entura's subcontractor supply chains delivering goods and services overseas, particularly in countries considered high-risk in the Global Slavery Index;
- the procurement of corporate clothing and personal protection clothing and equipment;
- the sourcing of equipment, machinery, consumables and materials from overseas, particularly for energy

generation where European suppliers may procure supplies from high-risk countries;

- labour-hire sourcing within Australia (no labour hire occurs overseas); and
- IT hardware and software procurement.

Entura has a consulting office based in New Delhi. Apart from some smaller IT procurement, PPE, office consumables and office cleaning services, most suppliers to Entura's India office are technical and professional service providers, who present a lower modern slavery risk compared to other occupational and industry categories.

Identifying and responding to modern slavery

During the reporting period, Hydro Tasmania continued to focus on improving our approach to identifying and responding to modern slavery risks. Key areas of work were:

Hydro Tasmania Modern Slavery Working Group

To support identifying and responding to modern slavery risks, Hydro Tasmania has an internal Modern Slavery Working Group. This group has been operating for two years and meets regularly to improve process, keep abreast of industry modern slavery risks, report to management on risks and progress, and prepare the Modern Slavery Statement.

Identification and review of suppliers

Hydro Tasmania has engaged with sustainability and supply chain consultants 'Informed 365' since 2019 to assist in preliminary risk assessment, and to conduct future surveys and investigations of the Hydro Tasmania group's supply chains. Informed 365's IT platform is used by other prominent members of the international energy industry through the Energy Procurement Supply Association (EPSA Consortium). The Informed 365 platform continues to be used by Business Services to manage supplier surveys and risk identification.

To identify modern slavery risks Hydro Tasmania initially identified a range of suppliers of goods and services for a targeted review.

Suppliers included were:

- all Australian-based suppliers or providers of goods and services of AU\$1 million or more;
- all overseas suppliers with which the Hydro Tasmania group spent AU\$1 million or more, excluding sole-trading professional consultants; and
- any overseas supplier located in or that delivered services or goods from countries that have a high rating on the Global Slavery Index.

Informed 365 provided a summary risk indicator (SRI) for all 74 suppliers identified by Hydro Tasmania, based on a combination of both their country and industry. The results returned no 'Very High' SRI suppliers and two 'High' SRI suppliers. The two suppliers are located in the Asian Pacific region and South Africa, with both suppliers completing the survey with no identified risk and had finalised contracts within the statement period. Both suppliers have no ongoing contract arrangements with Hydro Tasmania group.

Should additional survey results from new suppliers identify a high modern slavery risk, the Hydro Tasmania group will consider all available and appropriate steps to respond to the risk.

Responding to modern slavery

If modern slavery is identified as part of supplier investigations or other means such as public interest disclosure, the Hydro Tasmania group will respond by taking all appropriate actions in accordance with the

guidance provided by the Australian Government's *Guidance for Reporting Entities*. This guidance includes not trying to resolve the situation independently to the potential detriment of victims, and to consider ending a supplier relationship only if the supplier refuses to address modern slavery and there is no real prospect of change. In most instances, we will collaborate with reputable international and local organisations that can provide pragmatic assistance appropriate to each location and cultural context.

Policy Development

A review is underway of all Hydro Tasmania's policies with the appropriate policy documents to include modern slavery. This work is expected to be finalised and updated in the next reporting period.

Contract clauses

The Hydro Tasmania group includes modern slavery clauses in its procurement contract templates to ensure suppliers do not engage in modern slavery and that modern slavery laws are complied with.

Supplier Code of Conduct

In the previous reporting period, Hydro Tasmania committed to commence developing a Supplier Code of Conduct. Initial work commenced in 2022 to determine scope and approach. Further work will be conducted during the next reporting period.

Entura's Integrity Framework and sustainability screening process

Entura's approach to modern slavery is defined by Entura's Integrity Framework and is guided by the Hydro Tasmania group's Code of Conduct, Sustainability Principles, Work Health and Safety Policy, and Environmental Policy. Entura's commitment to these policies is outlined in its publicly available Integrity Commitment Statement.

The Integrity Framework is part of Entura's ISO9001-certified quality management system. This framework supports sustainable and ethical decisions when considering the countries and contexts where Entura works, what projects Entura works on and with whom they choose to partner. Modern slavery commitments are incorporated into the Integrity Framework and are guided by the *United Nation's Guiding Principles on Business and Human Rights*.

The Integrity Framework requires the following when working with suppliers, partners and sub-consultants:

- considering the supply chains of partners, subcontractors and suppliers, and the likelihood of whether supply chains may involve human rights issues associated with forced, compulsory, trafficked or child labour
- undertaking sustainability screening prior to the

engagement of all new partners, subcontractors and suppliers with more than 10 employees

- providing clients, suppliers and subcontractors access to the Integrity Commitment Statement to ensure they understand and comply with commitments
- proactively raising concerns about issues that Entura employees see in the behaviour of suppliers, partners and sub-consultants
- where issues are identified and validated, updating and re-evaluating the relevant sustainability screening.

During the reporting period, 147 sustainability screenings were conducted of potential clients and/or projects. For more details of Entura's Integrity Framework see www.entura.com.au/about/enturas-integrity-management.

Modern Slavery training for employees

To help employees understand what modern slavery is and their role in identifying potential modern slavery risks, Hydro Tasmania developed an online modern slavery training course during the reporting period. All employees will be required to complete this course during the next reporting period.

Within Entura, Integrity Framework training, which includes modern slavery aspects, was completed for new starters and intensive sustainability risk workshops, including modern slavery risks, was delivered to Entura employees involved in bid and project management decision-making.

Collaboration with industry

During the reporting period, the working group continued to collaborate with other members of the EPSA Consortium across the energy industry and also identified the opportunity to work with the Clean Energy Council and their committee on modern slavery risks. We will continue to be involved in group forums to support review of legislation, share knowledge and improve business practice.

Reporting to management

During the reporting period, improvements were made to management reporting, including updates to management on progress against the continuous improvement milestones.

COVID-19

The COVID-19 pandemic has continued to see global delays in supply chains through the FY2021/22 reporting period. These delays have resulted in longer supply periods experienced in comparison to pre COVID-19 business as usual. On a positive note, the easing of travel restrictions has allowed Hydro Tasmania employees to engage with stakeholders to improve supply chain relationships.

Assessing the effectiveness of modern slavery actions and future improvements

The Hydro Tasmania group is committed to identifying and responding to modern slavery risks as an exercise of continual improvement. Our risk assessment of suppliers, based on location, industry and expenditure, provides a solid footing for further investigation, review and improvement.

Hydro Tasmania will continue to work on management approaches to combat modern slavery in our supply chains. This involves the following:

- Finalise policies undergoing review to ensure modern slavery risks are considered;
- Finalise the roll out of modern slavery training to all Hydro Tasmania employees;
- Collaborate with key industry groups, including the Clean Energy Council, to support a collaborative approach to reduce modern slavery risks;
- Continue to partner with EPSA consortium and Informed 365 to build the risk capability of modern slavery reporting and effective monitoring practices;
- We intend on participating in the review of the *Modern Slavery Act 2018* (Cth);
- Integrate Modern Slavery risk frameworks into large scale projects in FY2022/23 through procurement practices on major projects including Battery of the Nation and site upgrade program of works;
- Integrate Modern Slavery risk into corporate sustainability strategies;
- Continue to develop a supplier code of conduct;
- Continuously improve Entura's Integrity Framework and sustainability screening process, including continual assessment of modern slavery risks associated with the renewable energy industry; and
- The Modern Slavery Working Group will continue to focus on modern slavery risk effectiveness through its reporting on milestone achievements to the Executive during FY2022/23.



