

Modern Slavery Statement

2022

MESSAGE FROM OUR CHAIR AND CHIEF EXECUTIVE OFFICER

We are very pleased to present ActewAGL's Modern Slavery Statement for 2022. This is our third Statement and is one that builds upon the foundation we have established over the past two years to understand, identify, and mitigate modern slavery risks in our business operations and supply chain.

As a major employer in our region and a longstanding, integral part of the community we serve, we have a responsibility to operate to the highest ethical standard, in line with customer and community expectations. Modern slavery in all its forms is unacceptable and we must take whatever steps we can to prevent it.

Over the past year we have continued to review and strengthen our approach to ensure we have a robust framework for managing the risk and impact of modern slavery in our business and supply chain. Elements to this framework include:

- Building the awareness and capability of our people;
- Continually reviewing and strengthening our internal processes, including whistleblower provisions; and
- Enhancing our engagement and assessment of suppliers.

A key improvement we have made in the past twelve months is to the quality of supply chain risk assessments to ensure we can identify any areas of concern and request improvements where necessary.

While we have made significant progress to date, we remain fully aware that modern slavery continues to impact the lives of millions of people globally and its elimination requires ongoing commitment and vigilance. We will continue to play our part, investing in our people and processes and working with our suppliers to ensure we effectively identify and address modern slavery risks in all aspects of our business.

This Modern Slavery Statement was approved in November 2022 by the ActewAGL Joint Venture Board.



Damien Nicks
Chair
ActewAGL



John Knox
Chief Executive Officer
ActewAGL

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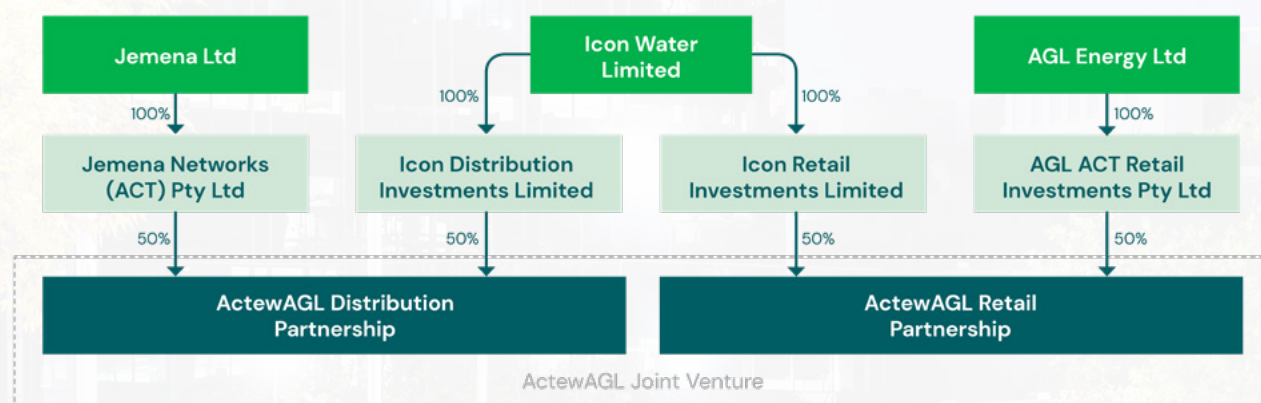
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1 Identifying the reporting entity

ABOUT ACTEWAGL

ActewAGL was formed in October 2000 when the Australian Gas Light Company (AGL) and Icon Water Limited (formerly ACTEW Corporation), an ACT Government owned corporation, entered into Australia's first utility joint venture. Today ActewAGL is made up of two partnerships:

- ActewAGL Retail (ABN 46 221 314 841) is owned 50 percent each by Icon Water Limited and AGL Energy Ltd via subsidiary companies. ActewAGL Retail is an electricity and gas retailer within the ACT and parts of NSW.
- ActewAGL Distribution (ABN 76 670 568 688) is owned 50 percent each by Icon Water Limited and Jemena Ltd via subsidiary companies. On 1 January 2018, the part of ActewAGL Distribution that operates and maintains the ACT electricity and gas network changed its name to Evoenergy.



We employ approximately 700 people in the Canberra region, with our offices located in the ACT. We recognise the decisions we make have a social and environmental impact on our business, customers and suppliers. We are committed to understanding and minimising the social and environmental consequences of our business operations.

2 Structure, Operations & Supply Chain

OUR STRUCTURE AND OPERATIONS

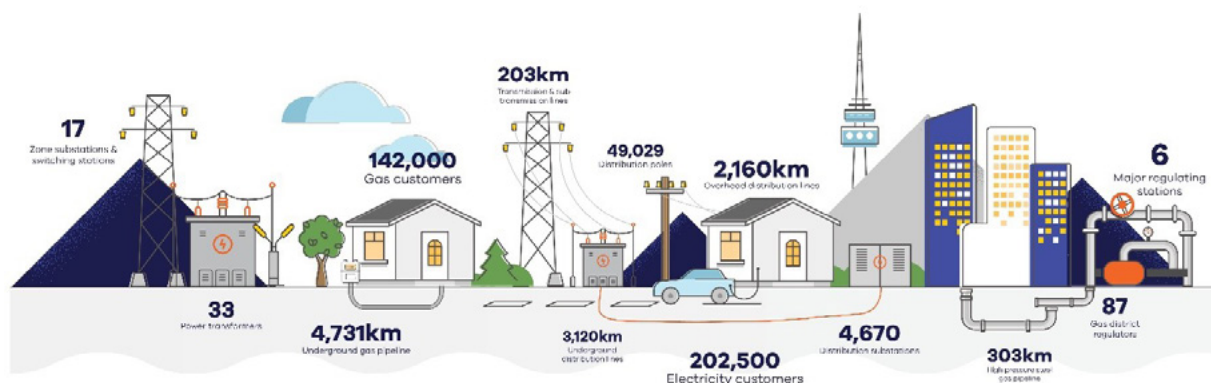
The ActewAGL Joint Venture consists of three main businesses being Evoenergy, ActewAGL Retail and ActewAGL Corporate that includes finance, people, legal, technology and economic regulation.

Evoenergy

Evoenergy is part of the ActewAGL Distribution partnership which owns and operates the electricity network in the ACT and gas networks in the ACT and surrounding regions, distributing energy to local residential and business customers. As the ACT's electricity and gas distributor we have a wealth of knowledge and experience in electricity and gas network infrastructure. In total, we own and operate 2,358 square kilometres of electricity network supplying over 200,000 electricity customers and around 4,500 kilometres of gas mains supplying over 140,000 gas customers.

Evoenergy is a major employer in the Canberra region, we employ over 300 local electricians, engineers, and specialists to operate and manage our energy networks. On the gas side of our business, we work with our contractor Zinfra, to maintain our gas infrastructure across the ACT, Queanbeyan, Jerrabomberra, Bungendore and Nowra.

We're excited about the future of the energy sector in the ACT and we're looking forward to working with the ACT Government, industry, stakeholders and the community to achieve net zero greenhouse gas emissions in the electricity and gas networks. We recognise this journey will require changes to our networks, ensuring we meet customers' changing energy needs and expectations with the impacts to affordability, reliability and safety in mind.



ActewAGL Retail

ActewAGL Retail is a local electricity and gas retailer, providing energy to the Canberra region and nearby centres in the south-east NSW region including Queanbeyan, Goulburn, Nowra and the South Coast.

As a major employer in the ACT, our complete operations are delivered from the heart of Canberra.

ActewAGL Retail has provided energy to the people of Canberra and the region for more than 100 years. We are a local energy retailer and we live in the community we serve. This gives us a unique ability to stay connected to our customers and community. Our history and position also means we have a responsibility to our community and this responsibility is something we take very seriously.

ActewAGL Retail holds a 50% interest in SolarHub Holdings Pty Ltd, who focuses on retailing residential and commercial solar and battery systems in the ACT and surrounding NSW. SolarHub Holdings Pty Ltd is not a subsidiary of ActewAGL Retail and is therefore not covered by this statement.

OUR SUPPLY CHAIN

ActewAGL has a diverse supply chain with suppliers across many industries and services. Our purchased goods and services range from large electrical infrastructure, field services, corporate services, information technology and supporting goods.

An external analysis of ActewAGL's supply chain has been conducted to identify potential modern slavery risks.

The following were considered when undertaking this analysis:

- Geographic – suppliers country of operation and the prevalence of modern slavery
- Sector and industry – categories of goods and services purchased

The analysis found no high risk of modern slavery within our supply chain.

Key facts on our supply chain:

ActewAGL's supply chain comprises 830 suppliers with an annual spend of \$603m. The majority of the spend (99%) was paid to Australian-based suppliers, noting some of these are subsidiaries of foreign owned entities.

The 1% of international spend was in countries that have medium to low rankings in prevalence and vulnerability to modern slavery. Goods purchased by ActewAGL with the highest risk of modern slavery include apparel clothing and accessories (including safety equipment), electronics as well as off-shore labour services.

* From analysis of Supplier master file which records the location of suppliers Registered office as opposed to the location of manufacture

3 Modern Slavery Risk

OUR EMPLOYMENT PRACTICES

ActewAGL embraces the core areas outlined in the United Nations Global Compact of human rights, labor standards and the environment and anti-corruption.

Our major focus is on human rights, workplace health and safety, environmental management, materiality, supplier management and modern slavery. ActewAGL is committed to building a diverse workforce where employees' individual differences and attributes are respected and valued.

We are committed to our staff and ensuring their physical and mental health. We do not tolerate discrimination, unsafe work practices, fraudulent behaviour, and other inappropriate behaviour. ActewAGL requires employees to align their behaviour and work practices with our Code of Conduct and policies and procedures.

ActewAGL conducted a full review of our policies and procedures, incorporating changes to ensure Modern Slavery was addressed.

Our policies and procedures which assist in managing sustainability and human rights include the following:

Employee Code of Conduct

This Code of Conduct demonstrates ActewAGL's commitment to employees and employees' commitment to ActewAGL. It provides guidelines to assist employees to make the right choices when it comes to our culture, customers, business and reputation. The Code of Conduct also ensures employees adhere to our relevant corporate policies and procedures, follow established protocols and comply with all relevant legislation, codes and standards covering ActewAGL's operations.

People Policy

Our People Policy provides direction and documents ActewAGL's commitment to our employees in establishing a safe, fair, respectful, diverse and flexible environment where people are proud and engaged.

This policy outlines that ActewAGL:

- is committed to the success of all our employees
- treats all people with respect, acts with integrity, honesty and openness
- makes employment decisions fairly
- values diversity, supports flexibility and promotes an inclusive workplace
- rewards in a fair and equitable manner
- investigates workplace complaints

Whistleblower Procedure

This procedure provides ActewAGL employees and non-employees an avenue to report suspected and actual workplace misconduct. It supports the disclosure and investigation of wrongful or illegal behaviour, including fraud and corruption, and modern slavery offences. It also provides protection to whistle blowers to encourage the disclosure of information related to the aforementioned wrongful or illegal behaviour.

A disclosure can be made by phoning **1800 233 285** or emailing [actewagl@deloitte.digital.com](mailto:actewagl@deloitte.digital)

OUR COVID RESPONSE

The COVID-19 pandemic has impacted us all and challenged us to shift and adapt the way we work. This has included adapting to remote work where possible, but also supporting our frontline workers to continue to safely maintain and operate.

We implemented a range of initiatives to support our people and the community, including:

- keeping our frontline workers safe by incorporating safeguards into our practices such as providing appropriate personal protective equipment and maintaining social distancing
- providing employees with access to special leave for the purposes of caring for others, self isolation or vaccination
- providing financial support through our hardship program for customers who may have been financially impacted by COVID-19

KEY SUPPLY CHAIN RISKS

The following table outlines key risk categories in the Supply Chain:

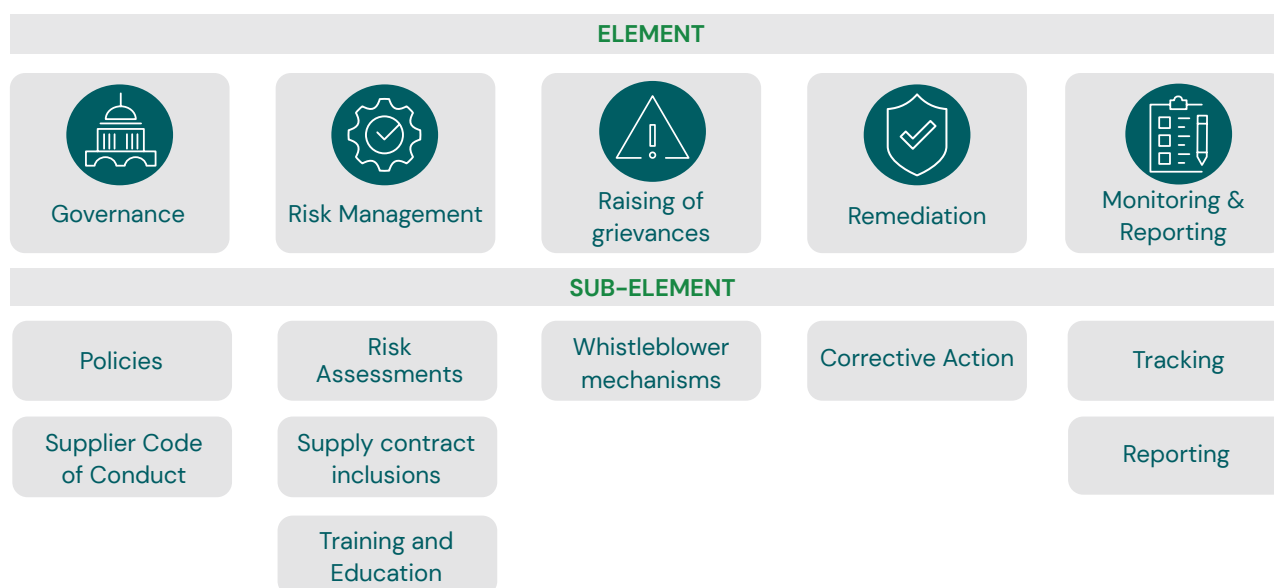
Product or Service	Type of Risk
Cleaning, Maintenance and Security Services	Nature of sub-contract work limits visibility of contractors' practices (wages, working hours, on-demand work, manual labour)
Clothing and Personal Protective Equipment (PPE)	Lack of transparency in manufacturing and labour processes
Information Technology Services	Limited visibility of off-shore labour practices
Electronic Goods	Limited visibility in off-shore labour practices, low cost country sourcing, raw materials sourced from high-risk geographies
Equipment and materials	Visibility of labour practices and raw material sourcing

These risks are monitored and mitigated by the Modern Slavery Framework.

4 Assessing & addressing Modern Slavery including due diligence & remediation

MANAGING MODERN SLAVERY RISKS

ActewAGL has introduced initiatives to reduce the likelihood of modern slavery occurring in our supply chain. We have established a framework and work practices that enable us to monitor and reduce modern slavery risk within our business and supply chains. This year, we continued to enhance these practices and further risk assess our supply chain.



Our Modern Slavery Framework:

Policies and Procedures:

- Corporate policies and procedures updated to address modern slavery, including our People Policy and Whistleblower procedures.

Training and Education:

- Modern slavery training provided to all employees. This training is mandatory and is refreshed bi-annually. It is also incorporated as part of the new employee induction process.
- The training provides a clear understanding of what modern slavery is and what to do if concerns are identified.

Supply Contracts:

- Inclusion of anti-slavery clauses in all new or varied Supplier Contracts. This includes ActewAGL direct labour hire arrangements.

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Supplier Code of Conduct:

- Supplier Code of Conduct developed and agreed by new and existing suppliers of ActewAGL. Through this code, ActewAGL reserves the right to verify supplier's compliance with the Code. If it is found that a supplier does not comply, ActewAGL reserves the right to demand corrective measures or to terminate the business relationship.
- All vendors with annual spend greater than \$50,000 have signed the ActewAGL Supplier Code of Conduct.

Modern Slavery Risk Assessment:

- A Risk Assessment tool was developed in collaboration with members of the Energy Procurement and Supply Association (EPSA). This ensures a consistent industry approach to assessment and best practice through collective development and enhancement.
- Existing suppliers with an annual spend greater than \$200,000 have undertaken a Modern Slavery Risk Assessment. We will continue to undertake risk assessments of additional vendors into the future.
- New suppliers now undertake a Risk Assessment as part of the new supplier onboarding process.
- Vendors are now required to submit a Risk Assessment as part of any Request for Proposal process. The Risk Assessment considers:
 - geographic location
 - category of product or service
 - supplier's internal policies
- Where a Risk Assessment identifies improvement opportunities, these are communicated to the supplier for action.
- Risk Assessments will be reviewed annually.

Actions completed in 2021/22:

Risk Assessment:

- All vendors with annual spend greater than \$200,000 have undertaken a Risk Assessment.

Process Enhancement:

- Risk Assessments have been incorporated as mandatory evaluation criteria in the ActewAGL Request for Proposal process.
- Risk Assessments now added to the Supplier Code of Conduct as mandatory requirements when onboarding new vendors.

Training and Education:

- New employees undertook Modern Slavery and Whistleblower training, as well as Bullying and Harassment training as part of their induction program.
- Existing employees scheduled to undertake refresher training in Modern Slavery and Whistleblower as well as Bullying and Harassment.

Contractual Engagement:

- All new or varied supply contracts included Modern Slavery clauses.

Product Category:

- Worked with our Personal, Protective Equipment (PPE) vendors to ensure modern slavery clauses are introduced with their suppliers.

Supplier Payment Times Reporting:

- Implemented systems and processes to effectively identify small businesses within the supply chain and report on payment times as part of our commitment to good practice in procuring goods and services. This helps small business enhance their cash liquidity, ability to operate, pay employees and invest in their business.
- Our payment performance is reported to the Payment Times Reporting Scheme.

Case Study / Risk Identified:

During the year our Modern Slavery processes flagged a potential risk in relation to some imported personal protective equipment (PPE) products. Together with our suppliers, we acted swiftly to ensure ongoing protection and safety of our staff by securing alternative products.

Actions taken to assess & address risks:

Remediation

- All new or varied Supply contracts include Modern Slavery remediation and termination clauses.
- Should any examples of modern slavery be identified or reported, our priority is to support those in need by working to remediate the issue.
- As a preventative measure, Risk Assessments are now incorporated as part of the new supplier on-boarding process while also included in our Request for Proposal evaluation processes.

Due Diligence

- As a result of COVID-19 and potential increase of modern slavery risk in the personal protective equipment (PPE) supply chain, we regularly monitor risk.
- In collaboration with the Energy Procurement and Supply Association (EPSA), risk assessments of major suppliers were conducted requiring vendors to provide details of their:
 - Workforce composition
 - Supply chain
 - Business controls
 - Procurement processes
 - Employment processes
 - Whistle-blower program
- We will continue to work through our supply base to review additional vendors.
 - To date, vendors with an annual spend greater than \$200,000 have been risk assessed with improvement opportunities identified and communicated where appropriate.
 - Risk Assessments will be revisited annually.

5 Assessing effectiveness

To ensure our continued satisfaction of mitigating Modern Slavery risks, we:



Maintain a Modern Slavery working group



Continuously review and improve



Take action



Report

It is important to reflect on the work that has been done and regularly review our progress. We demonstrate the effectiveness of our actions by:

- maintaining a modern slavery working group with representatives from across the business and externally with industry peers to enable regular engagement and feedback between key areas
- continually reviewing and improving our approach and response to modern slavery risks ensuring we add from our learning and experience
- tracking the actions taken to address modern slavery risks and measuring their impact
- providing updates to members of our Board through the Safety, Audit and Risk Committee.

6 Consultation and Collaboration

CONSULTATION WITH OTHER ENTITIES

We consult with representatives across the ActewAGL Joint Venture, collaborating on our approach to the analysis of our risk profiles and undertook joint risk assessments of large suppliers to identify our modern slavery risks.

We worked together to review employment conditions that focus on the rights and wellbeing of our employees, including the labour standards articulated through our respective enterprise agreements.

We agreed our proposed approaches to including modern slavery clauses in our procurement and contractual documentation to provide a consistent message to our supply chains. We also reviewed and updated our labour hire contract arrangements to ensure they embed modern slavery considerations.

INDUSTRY COLLABORATION

Energy Procurement and Supply Association (EPSA)

We collaborate with our industry peers through the Energy Procurement and Supply Association to facilitate a joint industry approach to assessing our supply chains. This leads to a best practice approach to supply chain risk management and creates an alignment of values to which vendors must adhere.

INFORMING THE COMMUNITY

Through our corporate website we publicly detail the standards of conduct and principles our staff are required to uphold. These set out the minimum requirements we expect in areas such as workplace policies and practices, health and safety, human rights, environmental protection and business integrity. We also encourage suppliers within our supply chain to embrace similar values by adhering to our Supplier Code of Conduct.

Our Modern Slavery Commitment is also promoted through the ActewAGL Joint Venture website together with Whistle-blower details.

7 Plans for future action

TAKING ACTION

ActewAGL encourages anyone (including employees, agents, consultants, contractors or representatives) to report in good faith any concerns about potential violation of legal or regulatory requirements involving ActewAGL or any of its suppliers in its supply chain, especially in relation to the risks of modern slavery.

ActewAGL employees should feel confident that any reports of alleged violations or identification of modern slavery risks, will be dealt with on a confidential basis and in accordance with ActewAGL's Code of Conduct, People Policy and Whistleblower Procedure.

OUR FUTURE COMMITMENT

ActewAGL recognises that eliminating modern slavery within our business and supply chain requires an ongoing commitment. Identifying and addressing modern slavery risks in our operations and supply chains requires sustained effort through continuous improvement. We expect our approach to continually evolve as we refine our processes and build capability within our business.

We will:

- continue our education program and providing bi-annual refresher training to all employees.
- continue to work through our vendor base by undertaking risk assessments of smaller suppliers.
- continue to incorporate modern slavery clauses in all new or varied contracts.
- continue our collaboration with owned entities and the Energy Procurement and Supply Association.
- undertake annual review of those supplier Risk assessments completed to date.
- enhance modern slavery risk assessment as part of our procurement processes.
- enhance our remediation processes as a result of any poor experiences.
- embed modern slavery risk assessment as part of the new supplier onboarding process.

ActewAGL