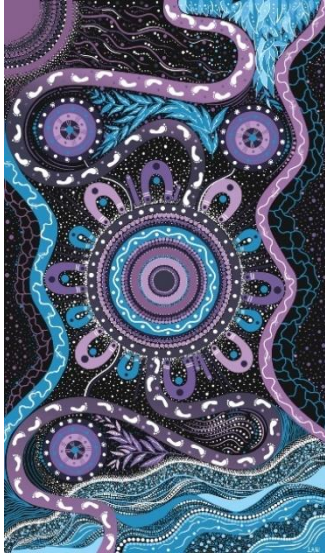


# Modern Slavery Statement

December 2024

AEMO's Modern Slavery Statement for the financial year  
ending 30 June 2024





**We acknowledge the Traditional Custodians of the land, seas and waters across Australia. We honour the wisdom of Aboriginal and Torres Strait Islander Elders past and present and embrace future generations.**

**We acknowledge that, wherever we work, we do so on Aboriginal and Torres Strait Islander lands. We pay respect to the world's oldest continuing culture and First Nations peoples' deep and continuing connection to Country; and hope that our work can benefit both people and Country.**

'Journey of unity: AEMO's Reconciliation Path' by Lani Balzan

AEMO Group is proud to have launched its first [Reconciliation Action Plan](#) in May 2024. 'Journey of unity: AEMO's Reconciliation Path' was created by Wiradjuri artist Lani Balzan to visually narrate our ongoing journey towards reconciliation - a collaborative endeavour that honours First Nations cultures, fosters mutual understanding, and paves the way for a brighter, more inclusive future.

## Important notice

### Purpose

AEMO's Modern Slavery Statement for the financial year ending 30 June 2024 is made in accordance with the Modern Slavery Act. AEMO's Modern Slavery Statement sets out the actions taken by AEMO to assess and address Modern Slavery risks in our business operations and supply chain, including in respect of the broader AEMO Group, for the financial year ending June 2024.

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### Version control

Version	Release date
1.0	Approved by the AEMO Board on 12 December 2024



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# 1 Our structure, operations and supply chain

## AEMO Group's Structure

As Australia's independent system and market operator and NEM system planner, the Australian Energy Market Operator Limited's ABN 94 072 010 327 (**AEMO's**) purpose is to ensure secure, reliable, and affordable energy and enable the energy transition in the long-term interests of consumers. AEMO is a member-based company limited by guarantee. Australian federal, state and territory governments have a 60 per cent membership interest, and industry members have 40 per cent. As a not-for-profit organisation, AEMO's operating costs are recovered through fees paid by market participants, and through other funding mechanisms, such as fee-for-service activities. AEMO is governed by a Board of Directors, which oversees AEMO's activities, supported by a robust and fit-for-purpose governance framework. The AEMO Board delegates day-to-day management of AEMO to the CEO. AEMO is a Reporting Entity for the purposes of the Modern Slavery Act.

As Australia's energy transition has evolved, so have AEMO's roles and functions. While AEMO continues to operate systems and markets, and conduct energy planning, it is increasingly partnering with governments to support the delivery of new investment in energy infrastructure. AEMO established AEMO Services Limited ABN 59 651 198 364 (**ASL**) in 2022 to support the implementation of NSW Electricity Infrastructure Roadmap activities, to help transform Australia's energy system by bringing forward new investment in energy infrastructure. ASL is a not-for-profit company limited by guarantee, with members being AEMO (70 per cent of the voting rights) and the New South Wales Government (30 per cent of voting rights). Transmission Company Victoria Pty Ltd ABN 70 665 119 068 (**TCV**) is 100% owned by AEMO and was incorporated in 2023 for the purpose of undertaking early works for the Victoria – New South Wales Interconnector West (VNI West) transmission project. While ASL and TCV are not Reporting Entities in their own right, their respective operations and supply chains are included in the analysis and discussion of the AEMO Group in AEMO's Modern Slavery Statement.

## AEMO Group's operations

AEMO's functions are prescribed in its constitution and in legislative instruments, such as the National Electricity Law and Rules and National Gas Law and Rules, as well as Western Australian provisions such as the Wholesale Electricity Market Rules. AEMO has the following four primary functions:

### Operate electricity and gas systems

- Real-time operations
- System service and security management, monitoring and review
- Engineering analysis, support and modelling
- Monitoring power system operating reserves, gas supply adequacy and operational forecasting
- Emergency and outage management
- Digital and cyber security (AEMO systems)



#### Operate wholesale energy markets

- Participant registrations and accreditation
- Market operations and procedures
- Metering, settlements, prudentials and payments
- Market monitoring, advice and analysis
- Modernising digital market systems



#### Plan and enable the energy system of the future

- Enable the energy transition through AEMO's planning and forecasting functions
- Energy system forecasting, modelling and planning
- Network connection enablement
- Technical analysis and resource adequacy assessments
- Statutory and government policy support and integration
- Energy system and market reform consultation and project delivery



#### Support new investment

- Design and conduct tenders for generation, storage and firming infrastructure.
- Map development pathways and tender plans in New South Wales (NSW).
- Authorise renewable energy zone network infrastructure in NSW.



ASL is an evolving segment for AEMO. ASL's support of the implementation of NSW Electricity Infrastructure Roadmap activities include coordinating planning of long-term investment in generation and storage in NSW, designing and conducting competitive tenders to facilitate this investment, and undertaking authorisation of Renewable Energy Zone transmission infrastructure. These functions are carried out in accordance with the obligations of the NSW Consumer Trustee role conferred on ASL by the NSW Government. This includes a duty to protect the long-term financial interests of NSW electricity consumers.

AEMO has more recently been engaged by the Australian Government to support the roll out of the Australian Government's Capacity Investment Scheme (CIS). The CIS is designed to attract and accelerate investment in renewable energy infrastructure across Australia to deliver the energy transition. AEMO supports the roll-out of the CIS as an advisor and tender delivery partner, leveraging the capabilities across the AEMO Group in energy market design, financial risk management and tender governance and probity.

### Our approach and progress

AEMO's Modern Slavery Statement incorporates consideration of the operations and supply chains of the AEMO Group. It describes the actions taken during the financial year ended 30 June 2024 to strengthen our approach, policies, and procedures across the AEMO Group, in line with the requirements of the Modern Slavery Act. It outlines our continued efforts to broaden the scope of our existing operational and supply chain programs to detect the risk of Modern Slavery across AEMO Group's business and supply chains; and ensure we have in place evolving and appropriate responses to those risks.

As part of our broader operations and supply chain programs for the AEMO Group, we continue to develop our approach and focus on preventing and addressing Modern Slavery related risk, consistent with our guiding



corporate values and behaviours. The ways by which we act to meet these values are described in greater detail on AEMO’s Corporate website.

Over the past 12 months, we have continued to focus on further embedding a wide range of previously implemented initiatives to support AEMO Group’s contribution towards mitigating and reducing the risk of Modern Slavery.

Table 1 Key focus in 2023/24	
	AEMO’s Purchasing Policy and associated Procedures are being revised to apply generally to the AEMO Group and updated to ensure that all suppliers participating in formal selection processes adhere to current statutory obligations under Occupational Health and Safety, Environment Management, Employment and Equality Legislation, and Modern Slavery.
	We evolved our approach to address Modern Slavery risk further down our supply chain by implementing a Supplier Code of Conduct. The Code will progressively be applied to all suppliers to the AEMO Group, regardless of the value of the goods or services they provide and will form the basis for supplier selection and contracting as well as ongoing compliance activities.
	We consistently educate AEMO Group staff through the ongoing delivery of Modern Slavery awareness training, developed in collaboration with Border Force. This training aims to maintain and enhance awareness of the risks AEMO faces in its operations and supply chains, with all Supply Chain staff regularly completing this training.
	Our People and Culture team has implemented ongoing automated reminders to relevant managers and HR representatives about upcoming employee visa end dates, ensuring timely action.
	Applicable AEMO Group mandatory Code of Conduct training is routinely updated and delivered to all employees to ensure continued compliance and understanding of our ethical standards.
	Our Whistleblower Policy is regularly reviewed and updated to reflect the latest legislative requirements.
	We introduced our Workplace Adjustments Policy, described further below.

AEMO has a robust corporate governance framework in place, with the AEMO Board overseeing our broader human rights program through the AEMO Finance, Risk and Audit Committee. Underpinning this framework are AEMO’s suite of policies, several of which are relevant to Modern Slavery.

We know that setting clear expectations is particularly important. Summarised below are AEMO’s existing policies, which collectively set the standards we require, encompassing the prevention of Modern Slavery in the workplace and in our supply chains. Our policies are supported by our risk and compliance management systems (policies and frameworks), that outline what we do and how we should do it. We regularly monitor our risks and compliance with our obligations and policies, and report on progress to the AEMO Finance, Risk and Audit Committee. These policies have been adopted by TCV. ASL has adopted a combination of AEMO and customised policies. We are progressively consolidating and updating our policies for general application to the AEMO Group and their adoption by the applicable AEMO Group Board.

Table 2 Key documents	
Document	Relevance to Modern Slavery
Modern Slavery Policy	This policy establishes the framework for managing Modern Slavery risks and affirms our commitment to contribute to ending all forms of Modern Slavery, both in Australia and overseas. It outlines our approach to reduce the risk of Modern Slavery practices within our

Table 2 Key documents	
	supply chains and operations. This Policy also supports the intent of international conventions, treaties, and protocols relevant to the Modern Slavery Act 2018.
<b>Bullying, Discrimination &amp; Harassment Policy</b>	This preventative policy outlines employee standards and AEMO's responsibilities in line with national legislation, detailing appropriate remedial actions for breaches.
<b>Code of Conduct</b>	The Codes of Conduct apply a range of AEMO group Policies and Procedures, in accordance with relevant State and Commonwealth laws. AEMO extends the policy to laws and customs beyond Australian borders, when undertaking business in host countries.
<b>Remuneration Policy</b>	The Policy outlines the appropriate remuneration frameworks that govern employee conditions (to be read in conjunction with the AEMO Enterprise Agreement 2022).
<b>AEMO Enterprise Agreement</b>	The AEMO Enterprise Agreement is voted and agreed upon by employees. It provides protection for employees as it sets out wage guarantees and employment conditions in line with national employment standards.
<b>Talent Acquisition Policy</b>	The Policy and related guidelines outline the sourcing processes and expectations of AEMO management throughout the recruitment process. This ensures anti-discrimination policies are adhered to and allows new employees to be contracted, employed, and onboarded within the appropriate governance frameworks.
<b>Grievance Resolution Policy</b>	These are broad ranging Policies, outlining responsibilities and commitment to adequately resolve workplace grievances and disputes in the interests of all concerned.
<b>Diversity, Equity &amp; Inclusion Policy</b>	This policy outlines AEMO's commitment to a diverse and inclusive workplace and culture, where all employees are treated equally.
<b>Procurement Policy</b>	AEMO's procurement policy provides guidance to employees and contractors involved in purchasing activities. This ensures Modern Slavery risks are mitigated in a way that is simple, transparent, and efficient.
<b>Risk Management Policy</b>	The Policy provides direction to all staff to mitigate risk and support the achievement of AEMO's strategic and operational objectives. It covers the way we identify, assess, manage, and mitigate risks, using the most cost-effective controls within our operating environment and area of influence with external stakeholders.
<b>Whistleblower Policy</b>	The Policy states that misconduct can be reported without fear of reprisal. Misconduct includes practices that could be a direct non-compliance of the requirements under the Modern Slavery Act 2018.
<b>Workplace Adjustment Policy</b>	This Policy supports the engagement, development and retention of existing employees with disability and facilitates the employment of skilled and talented candidates with disability

AEMO's [Corporate website](#) contains more detail on our approach to corporate governance. We continue to articulate our expectations to suppliers through our Policies, Codes, Procedures and Guidelines.

## 2 Risk assessment & mitigation

Our management of Modern Slavery risk across the AEMO Group's operations and supply chains aligns with AEMO's broader approach to human rights risk, which is assessed and managed consistently with AEMO's established enterprise-wide risk policy and framework (aligned to ISO31000: 2018 – Risk Management). AEMO's Finance, Risk and Audit Committee is responsible for providing oversight on behalf of the AEMO Board. Further information relating to AEMO's risk management framework can be found in the Governance section of AEMO's [Corporate website](#).

We know that the level of risk is influenced by factors such as vulnerable populations, product and service categories, industry, and geographic locations. Accordingly, we have tailored our risk processes to ensure that we are focusing our efforts on those areas that may present an elevated exposure risk. Those within the categories of labour, property, and corporate services, may present an elevated risk of Modern Slavery.

## 3 Supplier due diligence

AEMO takes a risk-based due diligence process, that has been constructed with reference to the United Nations 'Protect, Respect and Remedy' framework. It is underpinned by the United Nations 'Guiding Principles on Business and Human Rights'. References to the United Nations forms part of our broader risk and compliance program that is designed to identify and assess a range of potential risks in the supply chain, including human rights.

### Due Diligence:

We have developed a process where all new and renewing suppliers within high-risk categories, are subject to a review process prior to onboarding or contract award. Suppliers are now required to answer a brief prequalification questionnaire that is administered in the procurement contract management system. This process helps us to identify potential areas of risk, and if evaluated above a medium residual risk rating, the supplier is referred to our Risk and Legal team for further due diligence checks. This may include requiring the supplier to attest and/or demonstrate their compliance with requirements under the Modern Slavery Act.

### Grievance and Remediation Processes:

AEMO is committed to the protection and respect of human rights across the AEMO Group's operations and supply chain. We have established reporting procedures and mechanisms where employees and third parties can report any concerns regarding unethical or illegal conduct, including Modern Slavery concerns. Employees and third parties can report to their manager, or if they wish to remain anonymous, report through our independently operated Whistleblower hotline. Where issues are investigated and substantiated, we take appropriate action. Further information regarding the investigation process is available in the Whistleblower Protection Policy, and on our corporate website.



## 4 Stakeholder engagement & collaboration

In preparing AEMO’s Modern Slavery Statement for the financial year ending 2024, AEMO has consulted with and incorporated content from the applicable procurement, risk and legal teams, including in ASL and TCV. We discussed details of the Modern Slavery Act’s reporting requirements; the implementation of measures to address Modern Slavery risk, and information regarding the actions we intend to take to address Modern Slavery risks across the AEMO Group.

Cooperation with AEMO Group suppliers, AEMO’s members and relevant government agencies to effect change is a key feature in our strategy to eradicate Modern Slavery risk. While we are committed to collaborating with government and other businesses, we recognise that we are in the initial stages of our journey but understand the need to support a coordinated approach to addressing human rights issues, including the risk of Modern Slavery, across the AEMO Group.

Throughout the Financial year ended 30 June 2024, AEMO continued to participate in multi-stakeholder forums and collaborate on diversity and inclusion and human rights issues with groups like Power of Engineering.

## 5 Looking forward

The AEMO Board and our business leaders are committed to and recognise their role in creating a culture to address the risk of Modern Slavery occurring within the AEMO Group’s operations or supply chains. We shall continue to promote awareness of our responsibilities through the application of our policies and processes across the AEMO Group and the provision of relevant training and guidance to our AEMO Group employees.

Table 3 Proposed key areas of focus for 2024 and beyond	
Term	Action
1 – 2 Years	Continue to further strengthen our management of Modern Slavery as part of our contracting process. Our templates across the AEMO Group incorporate Modern Slavery obligations and we continue to include Modern Slavery obligations in our existing contracts as these are renewed.
	AEMO’s pre-qualification process will be expanded to all AEMO Group suppliers via various annual supply chain governance programs.
	Continue to evolve our Modern Slavery reporting capability across the AEMO Group through our Contract Management tools and frameworks.
	Explore other indicators of Modern Slavery risk across the AEMO Group to enhance our processes and continuously improve.

Table 3 Proposed key areas of focus for 2024 and beyond	
	The Talent Acquisition Policy will be further reviewed to include additions to strengthen advertising and communication obligations across the AEMO Group.
	The Work Experience Policy will be further reviewed across the AEMO Group to meet obligations to contacting parents or carers when required.
	The termination process updated to include notification to Department of Home Affairs of termination of visa employees across the AEMO Group.
	To share detail relating to non-conformances and other findings through the risk assessment and due diligence processes with our members and AEMO Group suppliers.

## 6 Glossary

Term	Definition
AEMO Group	AEMO, ASL, and TCV.
Energy Legislation	<p>As the context requires, some or all of the following:</p> <ul style="list-style-type: none"><li>(a) the National Electricity Law, National Electricity Regulations and National Electricity Rules;</li><li>(b) the National Gas Law, National Gas Regulations and National Gas Rules;</li><li>(c) the National Energy Retail Law, National Energy Retail Regulations and National Energy Retail Rules;</li><li>(d) any legislation applying any of the foregoing in a jurisdiction;</li><li>(e) the <i>Electricity Industry Act 2004</i> (WA), <i>Electricity Industry (Wholesale Electricity Market) Regulations 2004</i> (WA) and WEM Rules;</li><li>(f) the <i>Gas Services Information Act 2012</i> (WA), <i>Gas Services Information Regulations 2012</i> (WA) and Gas Services Information Rules (WA);</li><li>(g) the <i>Electricity Infrastructure Investment Act 2020</i> (NSW);</li><li>(h) any other statute or legislative instrument of the Commonwealth or a State or Territory of Australia conferring one or more functions on AEMO, ASL or TCV; and</li><li>(i) any instrument or procedure made under any of the foregoing.</li></ul>

Term	Definition
Modern Slavery	Situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom as defined in the Modern Slavery Act.
Modern Slavery Act	Modern Slavery Act 2018 (Cth).
Reporting Entity	Has the meaning set out in the Modern Slavery Act. AEMO is a Reporting Entity for the purposes of the Modern Slavery Act as it had a consolidated revenue of at least AU\$100 million over its twelve month reporting period and was an Australian entity during the financial year ending 30 June 2024.
The Board	Means, as the context requires, the AEMO Board, the ASL Board or the TCV Board.