

# Modern Slavery Policy

Board Approved Policy

## Purpose

This policy sets out how the Australian Energy Market Operator Limited (**AEMO**) gives effect to our obligations under the *Modern Slavery Act 2018 (Cth)* (**Act**) to manage the risks of modern slavery in AEMO's operations and supply chains. It also affirms our commitment to contributing to ending all forms of modern slavery, both in Australia and overseas, in support of the intent of international conventions, treaties and protocols, aligned with our corporate values.

## Application

This policy applies to AEMO and its subsidiaries (**AEMO Group**), and all directors, officers, employees, contractors, consultants and suppliers working for, or on behalf of, AEMO or a subsidiary (**Personnel**).

## Policy Requirements

### Context

1. Modern slavery describes situations where coercion, threats, or deception are used to exploit individuals and deprive them of their freedom. The Act requires entities which carry on business in Australia with annual consolidated revenue of at least \$100 million to report annually on the risks of modern slavery in their operations and supply chains, and the actions taken to address those risks.
2. The *Modern Slavery Amendment (Australian Anti-Slavery Commissioner) Act 2024 (Cth)* established an independent Australian Anti-Slavery Commissioner, whose role is to promote best practice, support reporting entities, and engage with business and government. AEMO will align its practices with guidance issued by the Commissioner and the Attorney-General's Department under the Commonwealth scheme.

### Modern Slavery Definitions and Obligations

3. Modern slavery is defined by the conduct identified in offences under Divisions 270 and 271 of the *Criminal Code Act 1995 (Cth)* and includes eight types of serious exploitation which can be understood as:
  - trafficking in persons, which is the recruitment, harbouring and movement of a person for the purposes of exploitation through modern slavery;
  - slavery, which is where the offender exercises powers of ownership over the victim;
  - servitude which is where the victim's personal freedom is significantly restricted, and they are not free to stop working or leave their place of work;
  - forced labour, which is where the victim is either not free to stop working or not free to leave their place of work;
  - forced marriage, which is where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony;
  - debt bondage, which is where the victim's services are pledged as security for a debt and the debt is manifestly excessive or the victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined;
  - the worst forms of child labour, which involves situations where children are exploited through slavery or similar practices, including for sexual exploitation; or engaged in hazardous work which may harm their health or safety, or used to produce or traffic drugs; and

- deceptive recruiting for labour or services which is where the victim is deceived about whether they will be exploited through a type of modern slavery.
4. All persons to whom this Policy applies must not engage in, cause, contribute to, or otherwise facilitate any conduct that would constitute modern slavery, and must take all reasonable steps within their role to prevent, identify and report any actual or suspected modern slavery practices.
  5. AEMO's suppliers are required to comply with the obligations in this Policy and the obligations in the [AEMO's Supplier's Code of Conduct](#). A supplier is any organisation or person who provides us with goods or services, including their subcontractors, agents, related entities and consultants.
  6. Supply chains are the products and services (including labour) that contribute to AEMO and its services, which are sourced in Australia or overseas, and extends beyond direct suppliers.
1. Details on reporting instances of actual or suspected modern slavery are set out in sections 8 and 3 below.

## Limiting the Risk of Modern Slavery

2. AEMO is committed to the following requirements to comply the Act:
  - Governance and accountability: Have clear accountability and nominate a role for co-ordination of the risks involved in modern slavery (see section 11);
  - Training: All Personnel with relevant roles in relation to this Policy will receive adequate training on this Policy and any other supporting processes applicable to their roles;
  - Complaints Mechanism: We will have an accessible and publicised reporting mechanism in place for raising concerns or making disclosures related to modern slavery, including through our whistleblower arrangements. These mechanisms, as outlined in section 5 of AEMO's Whistleblower Protection Policy, allow for confidential and anonymous reporting and provide protection from reprisal (see sections 5 and 5 below);
  - Remediation: We will be committed to working with our suppliers to take action to make right any harm caused or contributed to by AEMO or its suppliers in breach of this Policy; and
  - Continuous improvement: We are committed to applying a continuous improvement approach to how we reduce the risk of modern slavery practices within our supply chains and operations. We will seek feedback from our staff, suppliers and other parties in regard to the success or otherwise of the actions we have taken to reduce the risk of modern slavery.
3. AEMO will also:
  - Maintain a Modern Slavery Risk and Incident Register documenting identified and substantiated risks, incidents, remediation actions, and outcomes;
  - Record internal and external consultation activities relevant to modern slavery;
  - Require suppliers to have accessible and responsive grievance mechanisms which allow workers or stakeholders in their supply chain to raise concerns or complaints confidentially and without reprisals; and
  - Continue to improve our supplier due diligence and pre-qualification processes, particularly for new suppliers and renewals of existing suppliers.

## Minimum standards expected of Suppliers

4. The following minimum standards apply to all suppliers providing goods or services to the AEMO Group, including subcontractors and labour-hire providers. Suppliers are expected to cascade these standards throughout their own supply chains.
- 10.1 **General Supplier Obligations:** Suppliers must
    - implement and communicate an effective grievance mechanism for workers that is accessible, confidential and free from reprisal;
    - promptly report to AEMO any identified or suspected modern-slavery risks or incidents;

- ensure recruitment fees are paid by the employer, not by the worker;
- disclose and obtain AEMO approval for any subcontracting arrangements and ensure subcontractors meet equivalent standards; and
- co-operate fully with AEMO's investigations and corrective-action plans where risks or incidents are identified.

10.2 **No forced or bonded labour:** Employment must be freely chosen. Suppliers shall:

- not use any form of forced, bonded or indentured labour;
- respect workers' freedom of movement and not restrict it through control of identity papers, deposits or other coercive means; and
- ensure workers are free to leave employment after reasonable notice.

10.3 **No child labour:** Suppliers shall comply with the minimum legal working age in the relevant jurisdiction, or where none exists, with [ILO Convention 138](#). Suppliers must verify worker ages and remediate any cases of under-age employment, establishing systems to prevent recurrence.

10.4 **Wages, benefits, and transparent record keeping:** Suppliers must at least meet all laws governing wages, overtime, and benefits. Records must be accurate and transparent. Workers are to receive clear written information on employment conditions and pay, and no unauthorised deductions may be made.

10.5 **Working hours:** Working hours must comply with applicable laws or, in their absence, the relevant ILO Convention. Overtime must be voluntary, not excessive or habitual, and compensated according to law.

10.6 **No discrimination:** Employment decisions must be based solely on ability to perform the job, not on personal characteristics such as gender, ethnicity, religion, age, disability, beliefs, marital status, sexual orientation, union membership or political affiliation. Suppliers must maintain a workplace free from harassment or discriminatory behaviour.

10.7 **No harassment or abuse:** Workers must be treated with dignity and respect. Suppliers must provide a workplace free from physical, sexual, verbal or visual harassment or abuse that could create a hostile or intimidating environment.

10.8 **Freedom of Association and Grievance mechanisms:** Suppliers must respect workers' rights to lawfully associate, form or join trade unions and to bargain collectively. Worker representatives must have regular access to management and be free from discrimination. A confidential process must exist for workers to raise concerns directly or through representatives.

10.9 **Sub-contracting:** Where subcontracting is permitted, suppliers must implement controls to ensure subcontractors operate in accordance with this Policy and contractual requirements, including compliance verification and record-keeping.

10.10 **Migrant workers:** Migrant workers must receive the same entitlements as local workers under law. All recruitment-related fees and commissions must be borne by the employer. Suppliers must not require workers to surrender identification documents and remain responsible for the conduct of any third-party labour agents they engage.

## Reporting Breaches of this Policy

5. Any person covered by this Policy who is concerned about, becomes aware of, or reasonably suspects, conduct that may breach this Policy or involve modern slavery must promptly report the matter using one of the available reporting channels. Reports may be made to AEMO's Sustainability Lead at [sustainability@aemo.com.au](mailto:sustainability@aemo.com.au).
6. Alternatively, a disclosure could be made under AEMO's Whistleblower Protection Policy via the channels set out in the Policy. These include AEMO's confidential whistleblower service, [Stopleveline](#), by phone to 1300 30 45 50 or by email to [aemo@stopleveline.com.au](mailto:aemo@stopleveline.com.au). AEMO prohibits retaliation against any person who raises a concern in good faith and will handle all reports in accordance with applicable whistleblower protections and investigation procedures.

Disclosures that meet the requirements of the whistleblower protection regime under the *Corporations Act 2001 (Cth)* are entitled to statutory protections, including confidentiality and protection from detriment.

## Annual Modern Slavery Statement

7. The Act requires annual reporting by entities carrying on business in Australia with revenue above \$100 million. Reports must address prescribed criteria and be approved by the AEMO Board.
8. AEMO will prepare and submit its Modern Slavery Statement within six months of the end of each financial year, in accordance with the Act, guidance and advice from the Australian Anti-Slavery Commissioner and Attorney-General's Department and relevant guidance issued by the NSW Anti-Slavery Commissioner.
9. Each Statement will:
  - Describe the structure, operations, and supply chains of the AEMO Group;
  - Identify modern slavery risks in operations and supply chains (including those of subsidiaries);
  - Detail actions taken (including by subsidiary) to assess and address those modern slavery risks, including due diligence and remediation;
  - Explain how AEMO assesses the effectiveness of actions taken; and
  - Summarise the process of consultation undertaken in preparation of the statement (including with subsidiaries).
10. The Statement will also describe any additional criteria prescribed by delegated legislation, such as accessible and confidential grievance mechanisms, incidents/risks and consultations, identified during the reporting period.
11. The *Policy Owner*, reporting to the *Executive General Manager, Finance & Governance* is responsible for overseeing the coordination, consultation and preparation of AEMO's Modern Slavery Statement each year, including ensuring appropriate internal consultation with relevant business units and entities within AEMO Group.

## Compliance

Compliance with this Policy is mandatory. Non-compliance with this Policy could have serious consequences for AEMO and may result in disciplinary action for individuals, including termination of employment, and/ or termination or suspension of supplier engagements or contracts. Such non-compliance may also attract civil and/or criminal penalties for the individual, the supplier and/or AEMO.

## Glossary

| Term                  | Meaning  |
|-----------------------|--|
| <b>Act</b>            | <i>Modern Slavery Act 2018 (Cth)</i>   |
| <b>AEMO</b>           | Australian Energy Market Operator Limited  |
| <b>AEMO Group</b>     | AEMO and its subsidiaries  |
| <b>Modern slavery</b> | includes the eight types of serious exploitation as outlined in Section 3  |
| <b>Personnel</b>      | directors, officers, employees, contractors, consultants and suppliers working for, or on behalf of, AEMO or a subsidiary  |
| <b>Supplier</b>       | any organisation or person who provides AEMO with goods or services, including their subcontractors, agents, related entities and consultants, as outlined in Section 5                          |
| <b>Supply chains</b>  | the products and services (including labour) that contribute to AEMO and its services, which are sourced in Australia or overseas, and extends beyond direct suppliers, as outlined in Section 6 |