

Modern Slavery Statement

2023/24 reporting period



A message from our Chair and Chief Executive Officer

At Stanwell Corporation Limited ('Stanwell'), we are committed to doing business with integrity, probity and accountability and expect our suppliers to commit to the same standards. As part of this, we are focused on ensuring modern slavery does not occur in our operations and supply chain.

This Modern Slavery Statement ('Statement') is prepared in accordance with the *Modern Slavery Act 2018 (Cth)* ('the Act'). It outlines our approach to ensuring that we have robust frameworks and processes in place to minimise the risks of modern slavery in our business operations and supply chain.

This statement is for Stanwell and TEC Coal Pty Ltd (as reporting entities) and their owned and controlled entities for the 2023/24 financial year (the reporting period). It outlines the steps we have taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain in the reporting period.

Our actions in relation to modern slavery are also underpinned by the development of internal governance to ensure controls, processes, and capabilities exist to support our approach. We remain committed to the highest specifications of conduct and ethical behaviour in all our business activities and promote and support a culture of honest and ethical behaviour and good corporate governance.

Stanwell recognises the importance of its policies and practices being transparent, responsible and held to the highest standards of integrity.

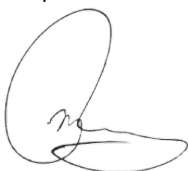
We are committed to operating responsibly and adhering to the highest ethical standards and this is reflected in our values – '*We Care*', '*We Adapt*' and '*We Deliver*'.

We are a values-based organisation. The application of our values not only applies to our internal operations but also extends to the broader community through our procurement practices and community initiatives. We are committed to ensuring that our procurement practices and policies address modern slavery risks.



Paul Binsted

Independent Non-executive Chair and Director



Michael O'Rourke

Chief Executive Officer

Our Business

Corporate structure and operations

Stanwell is a Queensland government owned corporation.

We are a diversified energy business – we generate electricity, and we have an electricity retail business that sells electricity to large commercial and industrial customers. We also deliver operations and maintenance services to the renewable energy market through our wholly owned subsidiary, Stanwell Asset Maintenance Company.

Stanwell has made significant progress since 2020 in increasing the ambition and scale of our transformation strategy and new build renewable energy project pipeline. Our strategy leverages the continued operation of our power stations to provide reliable electricity for Queensland and the National Electricity Market, as we build a new diversified portfolio of renewable assets and energy storage.

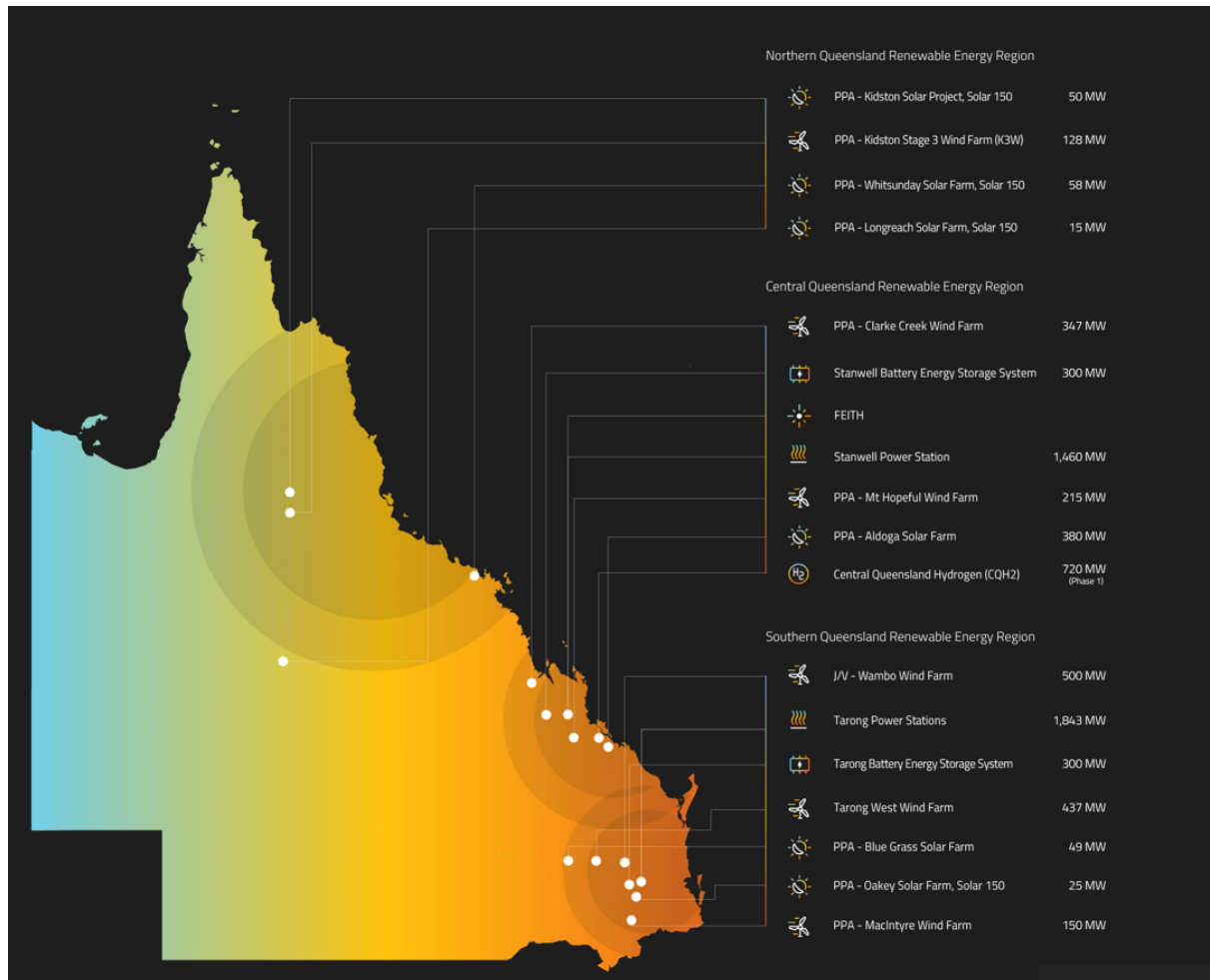
This Modern Slavery Statement applies to Stanwell, TEC Coal Pty Ltd and their subsidiaries (Stanwell Group).

Each year, we produce a consolidated financial report taking into account all of these businesses. Stanwell holds 100% of the equity in 22 of its subsidiaries and shares a common board of directors with its subsidiaries. Five of these subsidiaries are currently dormant.

850 direct, and indirect employees, and contractors support our power stations and renewable energy projects across Queensland.

The majority of our employees live and work locally in the communities where we operate. Stanwell's policies, procedures and procurement function oversee all activities for Stanwell and its subsidiaries.

Stanwell's Portfolio (as of 30 June 2024)





We Adapt



We Care



We Deliver

Our Supply Chain

During the 2023/24 reporting period, Stanwell spent approximately \$1,825 million on direct and indirect costs.

Stanwell had business dealings with approximately 1,800 suppliers with whom Stanwell directly procures goods or services, covering eight product categories: industrials, energy, materials, information technology, professional services, consumer discretionary, real estate and financials.

Stanwell's expenditure is highest in the 'Industrials' and 'Energy' categories, which consist of electricity transmission, distribution costs and retail services.

Of Stanwell's approximately 1,800 suppliers, 96 percent are located in Australia and 4 percent are located overseas. Total overseas expenditure was \$60.3 million in the reporting period with the top 6 locations as described in Table 1.

Table 2 describes the industries in which our suppliers operate in.

Table 1

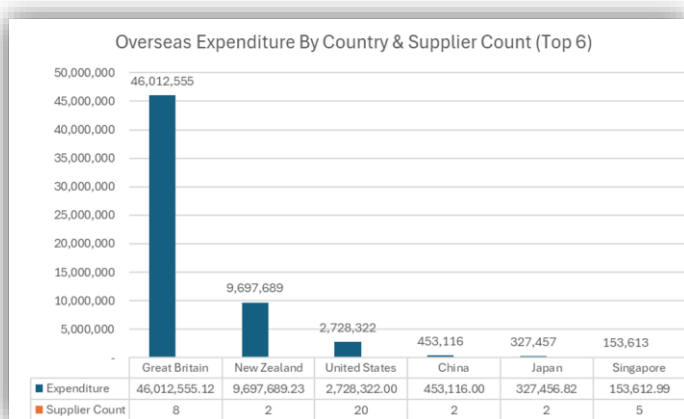
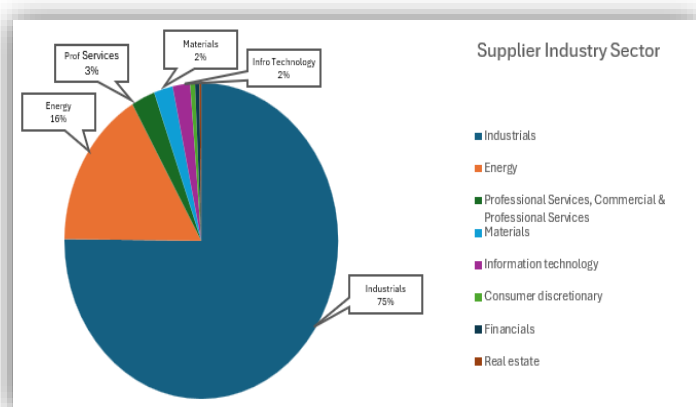


Table 2



Governance, risk and ethics

Stanwell's corporate governance framework ensures accountability and transparency across our business. Governance and compliance policies are in place to support Stanwell's business performance, including with respect to addressing modern slavery risks in Stanwell's operations and supply chain.

Such policies include:

- Modern Slavery Policy;
- Enterprise Risk Management and Business Resilience Policy;
- Compliance and Regulatory Management Policy;
- Stanwell's Code of Conduct; and
- Stanwell's Whistleblower Protection Policy.

Stanwell's Modern Slavery Policy seeks to:

- ensure that the goods and services purchased through our supply and value chains are ethical and minimise or eradicate Modern Slavery risks;
- set out the responsibilities of Stanwell, our people, operations and suppliers in observing and upholding Stanwell's position on Modern Slavery; and
- provide information and guidance to our people on how to recognise and deal with Modern Slavery risks.

Stanwell's Code of Conduct requires employees and contractors to:

- contribute to a safe workplace and strive to achieve Zero Harm Today;
- act ethically always;
- treat others with fairness and respect and value diversity;
- identify conflicts of interest and manage them responsibly;
- respect and maintain privacy and confidentiality;
- comply with the law and Stanwell's policies and procedures; and
- immediately report any breaches of the code, law, or Stanwell policy.

To support Stanwell's Code of Conduct, employees and contractors must undertake induction training prior to attending any of Stanwell's sites. This training covers health and safety, governance, compliance and now includes training on modern slavery.

In addition to supporting our overall business strategy, these governance and compliance policies reinforce Stanwell's commitment to creating a workplace where we maintain fair, just, and ethical standards and one where we treat others with fairness, dignity and respect and value diversity.

Stanwell's Whistleblower Protection Policy is designed to encourage employees, contractors, service providers and suppliers to raise concerns about activities or behaviour that may be unlawful or unethical. The policy formalises Stanwell's commitment to protecting the confidentiality, dignity, and career of anyone who raises serious concerns that affect the integrity of Stanwell's business operations.

Procurement Framework

Our procurement framework consists of:



Our procurement framework, alongside our governance and compliance policies, helps us to assess and address modern slavery risks in our operations and supply chain.

Our Procurement Policy requires us to conduct our procurement practices in a transparent manner to achieve probity and accountability, based on 'best practice' and alignment to the guiding principles contained within the Queensland Procurement Policy.

Stanwell's Supplier Code of Conduct is publicly available on our website. It clearly establishes expectations of our supply chain and of our suppliers that provide goods and services to Stanwell. Stanwell's Supplier Code of Conduct includes specific expectations with respect to modern slavery, which are also supported by Stanwell's Modern Slavery Policy.

Our tender documents contain mandatory questionnaires on modern slavery supply chain risk and modern slavery legislation compliance to ensure supplier due diligence is undertaken prior to entering into any contractual agreement.

Our contractual documents typically include an express obligation on contractors to identify and reduce slavery within their sphere of supply chain control, to ensure that their suppliers bear the same obligation, and to report any actual or suspected instances to Stanwell.

Additionally, we have partnered with Informed 365 (a third-party modern slavery compliance solution provider) to provide us specific modern slavery risk assessment services.

Our Modern Slavery Risks and Actions to Assess and Address

Modern Slavery Risks

During the 2023/24 reporting period, Stanwell gained momentum in our Modern Slavery Statement declaration and related activities supported by three key metrics:

- *Supply Chain Mapping* - adopting an enhanced approach to gathering and analysing data to support identification of modern slavery risks in our supply chain;
- *Modern Slavery Tier 2 Risk Assessments* - addressing our commitment to further interrogate our supply chain and that of key suppliers to Stanwell by undertaking more targeted risk assessment activities; and
- *Education & Training* - implementing a program to educate and empower our staff to recognize and respond to modern slavery.

Supply Chain Mapping

Stanwell continued to understand its Modern Slavery Tier 1 suppliers, and map their supply chains, screening for any modern slavery risks at the time of onboarding.

In 2022/23 there were 1,388 suppliers screened, with an additional 281 completed in this reporting period (total 1,669).

Of the 1,669 suppliers that have been mapped, it includes 1,024 active suppliers and 645 who have the potential to supply to Stanwell in the future. Amongst other things, our mapping includes a comprehensive screening and risk assessment of suppliers with the objectives of ensuring awareness of the Act and gaining an understanding of their level of compliance with modern slavery practices and processes.

This screening assessment also provided Stanwell with further insight into how many of our Modern Slavery Tier 1 suppliers have undertaken supply chain and operational risk assessments on their own suppliers (Stanwell's Modern Slavery Tier 2 suppliers) and what areas required further attention and improvement. This was utilised as a tool to continue to assess the modern slavery risks in our supply chains.

As a government owned energy corporation based wholly in Australia, we consider the risk of modern slavery in our direct business operations to be relatively low. We act in accordance with commonly accepted government owned corporation guidelines with alignment to the Queensland Procurement Policy, which is a best practice, industry leading policy that puts Queenslanders first when securing value for money. While we procure goods and services from some high-risk supplier categories, as discussed further below, we consider that any modern slavery risks existing in our direct supply chains (Modern Slavery Tier 1) are addressed by the high standard of our procurement and supply chain procedures.

With respect to our supply chain risk assessment, key takeaways based on our analysis of the 1,669 suppliers (which also informed our assessment of risk) include:

- Stanwell received goods and services predominantly from suppliers present in Australia, who exhibited a high degree of compliance and conformity in relation to modern slavery issues;
- 94% of our suppliers are aware of the Act;
- 15% stated that they were reporting entities under the Act;
- 65% stated their company representatives are trained to identify, assess, and respond to modern slavery risk;
- 66% stated that have policies in place to mitigate modern slavery risk;
- 66% screen their suppliers to assess modern slavery risks or other human rights harm that may occur within its operations and supply chains; and
- none of our suppliers reported instances of modern slavery concerns being raised within its operations and/or supply chains in the reporting period.

Modern Slavery Tier 2 Supplier Risk Assessment

17 Modern Slavery Tier 2 supplier risk assessments took place this year which was an increase from 11 in the previous reporting period. These suppliers were sent an in-depth survey to enable Stanwell to further understand their modern slavery response and compliance position with respect to their suppliers. The findings have been used to assist us to assess the relevant level of modern slavery risk in each of the suppliers' operations and concentrate our efforts on areas of future improvement.

The key themes emerging from the 17 Modern Slavery Tier 2 supplier risk assessments included:

- Stanwell receives goods from known high-risk categories (for example, construction and engineering, materials (PPE wear), IT & software and speciality chemicals); however, these are procured from Australian-based suppliers and are, therefore, categorised as overall medium risk based on country risk index;
- Stanwell has progressively shifted away from direct sourcing from countries considered a high risk, with key suppliers now attracting a 'very low' country risk rating;
- considering the supply industry and geographical risk profiling during the reporting period, our Informed 365 Slavery Risk Index (ISRI) profile did not exceed an overall medium risk rating with respect to risks present in our suppliers' supply chains;
- 70% of respondents had major suppliers operating out of or have had operations in countries identified as high risk for modern slavery including Bangladesh, China, Democratic Republic of Congo, Ethiopia, India, Myanmar, Nigeria, Pakistan, Russia or Thailand. None of our key suppliers reported any instances of known or suspected modern slavery within their supply chains or claims of adverse media attention in relation to human rights practices within their supply chains; and
- no areas of concerns were identified in the responses received from key suppliers.

Education and Training

Stanwell continues to take proactive steps to address modern slavery and promote ethical procurement practices. Last year, we added Modern Slavery eLearning modules to our Learning Management System for all relevant Procurement & Supply staff. We expanded this program to key contract managers within the business this year and made available this training on demand to any employee interested.

Furthermore, our Directors and Executive Leadership Team completed a tailored Modern Slavery training session in May 2024, demonstrating a serious commitment to raising awareness of modern slavery risks among our most senior staff.

Our Modern Slavery Completed Actions

During the 2023/24 reporting period, we completed a number of key items identified for completion in our 2022/23 Modern Slavery Statement. We further strengthened our approach to preventing modern slavery, protecting human rights and contributing to responsible business practices through initiatives including:

- introduction of a standalone Stanwell Modern Slavery Policy, which is also published on our external website;
- ongoing mapping of Stanwell's supply chain in a staged manner to better understand our Modern Slavery Tier 1 and Modern Slavery Tier 2 suppliers for modern slavery risks with 1,669 Modern Slavery Tier 1 suppliers and 17 Modern Slavery Tier 2 suppliers mapped in the reporting period;
- Directors and Executive Leadership Team completed a tailored Modern Slavery training session;
- continuing to monitor and strengthen key performance indicators and compliance through our third-party risk assessment platform; and
- monitoring of reporting obligations and metrics related to modern slavery.

Future Actions

Stanwell will continue to monitor its modern slavery response through the application of its governance and compliance policies and procedures and by reviewing training requirements, supplier awareness and targeted key areas of high modern slavery risk across Stanwell's operations and supply chain.

During the 2024/25 reporting period, Stanwell proposes to:

- further develop internal capability by engaging sustainability expertise within the business, specifically around modern slavery. This will help to ensure that Stanwell employees are kept up to date on the latest developments in modern slavery and that they are equipped with the skills and knowledge they need to effectively manage modern slavery risks;

- utilise internal capability to develop and implement an action plan that increase understanding modern slavery across our broader business (current and emerging) and with our supplier base;
- finalising a Modern Slavery Tier 3 'deep dive' with senior executives from the Stanwell Executive Leadership Team;
- ensure the remaining active legacy suppliers are mapped into and have completed the Modern Slavery Tier 1 risk assessment;
- expand the current Modern Slavery Tier 2 risk assessment process, with a focus on increasing submission rates; and
- continue to explore strategies to address the risk of modern slavery in Stanwell's renewables portfolio, including undertaking risk assessment surveys for certain key strategic suppliers in the portfolio.

Consultation

This 2023/24 statement was developed through active engagement and consultation with Stanwell, TEC Coal Pty Ltd and the companies we each own and control.

The Directors of each reporting entity and their subsidiaries have been made aware of the reporting requirements under the Act and the information relevant to the actions we intend to take to address these requirements. The Directors have also been provided with relevant materials and updates by way of this Statement and were given an opportunity to review and comment on its content prior to submission.

Internal business units within Stanwell (including Procurement, Legal, People and Culture, and Company Secretariat) were also consulted and worked to incorporate modern slavery awareness into training and their ongoing organisational processes. We are also working collaboratively with other energy companies and attending various relevant learning opportunities (for example, industry seminars, etc.) to facilitate our continuous improvement journey.

Modern Slavery Statement Approval

The Stanwell Board is the principal governing body of Stanwell Corporation Limited.

The Board of Directors approved this Statement on 5 December 2024 on behalf of Stanwell Corporation Limited, TEC Coal Pty Ltd and their subsidiaries pursuant to the Modern Slavery Act 2018.

This Statement is signed by Paul Binsted in his role as Independent Non-executive Chair and Director of Stanwell Corporation on 5 December 2024.



Paul Binsted