



Australian Government



# Modern Slavery Policy

March 2024



The CEFC is a corporate Commonwealth entity established by the Australian Government under the *Clean Energy Finance Corporation Act 2012* (CEFC Act).

The Clean Energy Finance Corporation (CEFC) is committed to identifying and mitigating the risk of modern slavery within its operations and supply chains. The CEFC makes an annual Modern Slavery Statement in compliance with the *Modern Slavery Act 2018*.

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## 1. Purpose of this policy

The CEFC Modern Slavery Policy outlines the CEFC approach to modern slavery, including how to identify risks in CEFC operations and supply chains and to raise associated concerns. It enables the CEFC to:

- Comply with the Modern Slavery Act
- Source goods and services in accordance with CEFC legal obligations while working with suppliers and other external parties to help identify, assess, and respond appropriately to modern slavery risks.
- Conduct business in a way that:
  - reduces the likelihood of the CEFC causing or contributing to modern slavery in its operations and supply chains
  - increases the ability of the CEFC to have a positive impact in reducing modern slavery in its operations and supply chains
  - enables the CEFC to raise awareness of risk of modern slavery in operations and supply chains generally.

## 2. What is modern slavery

Modern slavery describes situations where coercion, threats or deception are used to exploit victims, or to undermine or deprive them of their freedom.

Modern slavery is only used to describe serious exploitation, including trafficking in persons, slavery servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour services, and the worst forms of child labour.

While it does not include practices like substandard working conditions or underpayment of workers, these practices are also illegal and harmful and may be present in some situations of modern slavery.

More information about modern slavery is available from the Australian [Attorney General's Department](#).

### 3. Scope of this policy

The CEFC Modern Slavery Policy applies to the following activities of the CEFC and its subsidiaries:

- **Procurement** of goods and services
- **Investments**, including debt and equity
- **Collaboration arrangements**, including contracts, arrangements and understandings entered into by the CEFC in performing its functions, but which do not relate directly to the procurement of goods and services to the CEFC or form part of the CEFC investment function. This may include:
  - Memoranda of understanding
  - Joint venture arrangements, agency relationships and arrangements with third parties, in each case, that are not investments (or relate to the provision of debt finance)
  - Consultancy agreements.

### 4. Procurement of goods and services

Before entering into a contract for the procurement of goods or services, the CEFC assesses the risk of modern slavery arising and satisfies itself that the contractual arrangements are consistent with this Policy and applicable laws. The CEFC is committed to working with our suppliers to establish and maintain ethical, sustainable, and socially responsible operations and supply chains. The [CEFC Principles for Suppliers](#) outlines the behaviour and standards we expect of our suppliers.

The CEFC Principles for Suppliers and the Modern Slavery Policy are shared with all our procurement suppliers.

### 5. Investments

The CEFC assesses the level of modern slavery risks in its investment arrangements and financial lending practices. As far as practicable, the CEFC takes a risk-based approach, having regard to modern slavery risks in its investment analysis and portfolio management processes.

The CEFC seeks to appropriately address modern slavery risks where identified within its investment activities and in performing its functions under the CEFC Act.

## 6. Collaboration arrangements

The CEFC assesses the level of modern slavery risks in relation to its collaboration arrangements. As far as practicable, the CEFC takes a risk-based approach, seeking to mitigate the modern slavery risks within its collaboration arrangements by being satisfied the collaboration arrangements are consistent with this Policy and the [CEFC Principles for Suppliers](#).

## 7. Due diligence and monitoring

The CEFC takes a risk-based approach in accordance with its practices and procedures to determine the level of due diligence required to understand, assess and address potential modern slavery risks in its operations and supply chains.

This assessment may consider risk factors such as the countries involved, industry sectors and business relationships. It may also identify the suppliers and their direct and indirect suppliers and the extent to which it would be prudent to undertake ongoing due diligence and monitoring.

## 8. Reporting concerns and remediation measures

The CEFC encourages all staff, suppliers and external parties to report suspicions or incidents of modern slavery in the CEFC operations or supply chains to the CEFC Chief Risk Officer.

Where the CEFC becomes aware of breaches of the Modern Slavery Policy, or has concerns about potential modern slavery issues in its operations and supply chains, the CEFC takes appropriate action in a timely manner. The CEFC has regard to applicable laws, relevant industry practices and Australian guidance when determining the appropriate remediation steps.

The CEFC applies its modern slavery remediation framework in determining how to respond to incidents of modern slavery in its operations and supply chains. Remediation steps may include notification to regulators or law enforcement agencies or engaging with relevant parties to promote good practice. It may also involve the CEFC potentially avoiding or exiting a business relationship.

## 9. Responsibilities

Responsibilities in relation to this policy are as follows:

<p><b>Board</b></p>	<ul style="list-style-type: none"> <li>• Approves the CEFC Modern Slavery Policy and any material changes to the Policy</li> <li>• Approves the annual Modern Slavery Statement issued by the CEFC</li> </ul>
<p><b>Chief Risk Officer</b></p>	<ul style="list-style-type: none"> <li>• Day-to-day implementation of the Modern Slavery Policy, including monitoring its use and ensuring appropriate processes are in place</li> <li>• Reporting material issues, including any potentially material risk exposures, related to modern slavery matters</li> <li>• Ensuring the annual review of this Policy and any non-material amendments.</li> </ul>
<p><b>Risk and Compliance team</b></p>	<ul style="list-style-type: none"> <li>• Preparing the annual CEFC Modern Slavery Statement</li> <li>• Overseeing the day-to-day implementation of this Policy with respect to CEFC investments, procurement, and collaboration arrangements</li> <li>• Providing CEFC staff with access to appropriate online and face-to-face training</li> <li>• Incorporating mandatory modern slavery training programs and monitoring rates of completion.</li> </ul>
<p><b>Legal team</b></p>	<ul style="list-style-type: none"> <li>• Reviewing and advising on appropriate contractual undertakings and documentation with respect to CEFC investments, procurement, and collaboration arrangements</li> <li>• Developing and providing CEFC staff with access to an appropriate online training module</li> <li>• Providing targeted training to CEFC staff on a periodic basis at intervals determined by the Chief Risk Officer.</li> </ul>

## 10. Further information

Additional resources include:

- Australian [Modern Slavery Act](#)
- [Attorney General's Department](#)
- [CEFC Policies and Procedures](#)
- [CEFC Principles for Suppliers](#)

## 11. Contact information

Please contact the CEFC Chief Risk Officer via:

[modernslavery@cefc.com.au](mailto:modernslavery@cefc.com.au)

### About the CEFC

The CEFC is an experienced specialist investor with a deep sense of purpose: we're Australia's 'green bank', investing in our transition to net zero emissions by 2050. With access to more than \$30 billion from the Australian Government, we're backing economy-wide decarbonisation, from renewable energy and natural capital to energy efficiency, alternative fuels and low carbon materials. In parallel, we're focused on transforming our energy grid, backing sustainable housing and supporting the growth of our climate tech innovators. We collaborate with co-investors, industry and Government, recognising the urgency of the decarbonisation task. We also invest with commercial rigour, aiming to deliver a positive return across our portfolio.