



PROTECH ENERGY GROUP

**Voluntary Statement under the Modern
Slavery Act (Cth) 2018.**

Submitted to Australian Border Force, 26 March, 2021.

Protech Power International Pty Ltd
ABN 52 088 971 242
Trading as Protech Energy Group.

Overview - Protech Power International Pty Ltd

Protech Power International Pty Ltd ABN 52 088 971 242, trading as Protech Energy Group (**PEG**) is an Australian private company first registered on 5 August 1999.

PEG is a full-service electrical design, installation and maintenance company focused on Government, commercial and industrial clients. PEG's areas of practice include:

- High voltage electrical equipment (e.g., transformers)
- Electrical engineering services
- Renewable energy, especially photovoltaic (**PV**) solar energy systems with or without Battery

We have seventy employees and offices in Brisbane, Townsville, Newcastle and Sydney.

This statement, pursuant to the Modern Slavery Act 2018 (Cth), sets out the actions taken by PEG to address modern slavery risks in our business and supply chain over the financial year ending 30 June 2022.

PEG's annual turnover is under \$100 million and so, this statement is being made voluntarily under the Act and submitted today to the Australian Border Force.

Our Structure, Operations and Supply Chains

PEG is structured as a single operational entity, with divisions along operational lines:

- Management and administration
- Sales
- Engineering and design
- Project Management (commercial and government)
- Installation Management (residential)
- Construction and installation
- Maintenance and after sales service

Subcontractors

PEG has teams of installers, led by qualified electrical technicians. We also rely on a roster of independent installers – mostly small businesses with five to fifteen employees.

Our Materials Supply Chain can be segmented as:

- 65%: Overseas manufacturers (all with an Australian office). We do not undertake any direct importation
- 25%: Products manufactured overseas, sourced through an independent Australian distributor
- 10%: Generic supplies (hardware, stationery etc)

The Risks of Modern Slavery Practices in the Operations and Supply Chains of PEG

Most of PEG's purchases are electrical equipment, most of which are manufactured overseas. As a small company, PEG accounts for less than 0.1% of the manufacturing capacity of our most important suppliers. That should mean that we have little or no buyer power or influence over manufacturers and their policies, and so our only option would be to cease to purchase from that brand, should we object to their treatment of workers.

In practice, the choices are not so limited.

The culture within the electrical industry is one where high corporate responsibility is valued. We see already that many of our key suppliers have published their own, credible, ethical manufacturing policies in the form of a Corporate Social Responsibility (**CSR**) report under Directive 2014/95 of the European Union.

While the CSR report format focuses on Sustainable Manufacturing, most reports include a statement on employee conditions.

Further, as the implementation of the Modern Slavery Act in Australia progresses, all of our key suppliers have undertaken their own Modern Slavery Statement, which we rely upon. For these reasons, we hold that the risks of modern slavery practices in our key supply chains are low. It is in the area of minor components where modern slavery is more likely to be of concern.

Low value, low tech components that compete in commodity markets and where the price is the key driver of sales, are the components that are more at risk of containing an element of substandard working conditions and modern slavery conditions.

For PEG we have isolated this to be, for example, the bolts and generic hardware.

The Actions Taken to Assess and Address Those Risks, Including Due Diligence and Remediation Processes

Supply Chain

PEG has approached the task of minimizing the risks of modern slavery according to the level of supply.

LEVEL A – Major Suppliers (65% of our supply chain)

- Reviewed existing company policies and statements of our major suppliers (e.g., Modern Slavery (UK), CSR Report (EU), Modern Slavery Act (Cth) and Company Annual Reports).
- Factory Inspections: In anticipation of the Act, and as part of our ethical purchasing drive, our management inspected factories and met with manufacturers. In 2018/19 this included facilities in China. Once international travel is again possible, we plan to resume and expand this program.

LEVEL B – Australian Wholesalers (25% of our supply chain)

Reviewed existing company policies and statements of originating manufacturers where they exist (e.g., Modern Slavery (UK), CSR Report (EU) and Modern Slavery Act (Cth) Company Annual Reports).

LEVEL C – Minor Suppliers (10% of our supply chain)

- Reviewed existing company policies and statements (e.g. Modern Slavery (UK), CSR Report (EU) and Modern Slavery Act (Cth) Company Annual Reports).
- Buy from larger companies with a turnover of more than \$100m so that, by 2021/22, they will have made a Modern Slavery Statement (e.g. Officeworks, Bunnings etc).

Additional Steps

Staff Training and Education

Our senior management and all involved in purchasing have been educated on the risks of Modern Slavery. This will be repeated in the staff training calendar in future years.

Policy Development

Modern Slavery is to be folded into our broader Ethical Purchasing Standards. As such, it comes under the PEG continual improvement program.

As we mentioned above, we try to conduct factory visits to the overseas facilities of our major suppliers. Our post-trip report now formally includes a section on Modern Slavery.

How PEG assesses the effectiveness of our actions

To date, we have found no incidents of modern slavery in our supply chain, and so neither have we acted.

At this early stage, there is a range of ways in which PEG will demonstrate the effectiveness of our actions, including:

- The senior management will annually review and report on PEG's response to modern slavery.
- Track the number of actions that have been implemented to a deadline, the number of high-risk suppliers engaged, and levels of awareness among staff. This to be included in the annual review.
- Pre-qualification checks for suppliers to be expanded to include a Modern Slavery Assessment. This process is to be audited annually and to include a determination if mitigation measures have been consistently actioned.
- Factory Visits: All factory visit reports will be required to include observations and the result of any discussions relevant to Modern Slavery. Pre-trip briefings will include a section on Modern Slavery: what to look for and what to ask.
- Annually review with suppliers, how they are progressing any actions they have put in place to address modern slavery risks.

The process of consultation with entities that PEG owns or controls

As explained above, PEG is a small buyer in the world market, with relatively little influence.

However, by making this Statement, and inviting key suppliers to make a similar voluntary statement we have already, through such consultation, inspired four major world producers to make a voluntary statement.

At the time of writing, one of the four has already produced their statement and has asked PEG to review their draft.

Goals for 2021/22

- Conduct training for all staff on Modern Slavery, what their company is doing and their role.
- Continue to encourage all suppliers to make their own on Modern Slavery commitment.
- By 2022, move most of our purchases to suppliers who have made a Modern Slavery Statement.
- Look for continual improvement opportunities.



Rick Brinkman

Chair of the Board

Protech Renewable Partners Pty Ltd

26 March 2021