

Supply chain: tackling Modern Slavery in renewable supply chains



Human rights and modern slavery issues are endemic across many industries and regions of the world today. Solar and battery procurement are major areas of concern and Quinbrook has worked alongside our Investees to create more robust, aligned and centralised processes to use our influence and capital allocation to advocate for and drive change, and to seek to avoid human rights breaches across our Investee supply chains.

TYPICAL PORTFOLIO COMPANY HUMAN RIGHTS ASSESSMENT AND DUE DILIGENCE PROCESS

PROCESS	CENTRALISED PORTFOLIO-WIDE APPROACH	INITIAL RISK ASSESSMENT	DETAILED SUPPLIER DUE DILIGENCE	TRACEABILITY, CONTRACTS AND ASSURANCES	SITE VISITS AND INDEPENDENT AUDITS	GOVERNANCE AND ALIGNED DECISION MAKING
DETAILS	<ul style="list-style-type: none"> Red/Amber list of assessed suppliers Information sharing across portfolios Suite of modern slavery due diligence and contractual tools Quinbrook and Investee training Centralised controls being implemented by Quinbrook-led Procurement Committee 	<ul style="list-style-type: none"> Initial human rights, health, safety and environmental track record due diligence Identifies medium and high-risk suppliers and contractors Modern slavery/ESG in tender processes 	<ul style="list-style-type: none"> Detailed Modern Slavery, Health and Safety and Environmental questionnaire Direct questioning of potential suppliers Major sub-contractor assessment 	<ul style="list-style-type: none"> Purchase orders and contracts guaranteeing alignment with Supplier Code of Conduct, Human Rights Documented provenance of origin Termination rights if processes found in breach 	<ul style="list-style-type: none"> Site visits and/or audits by Third Party Experts, Investee and/or Quinbrook for major procurement Third party expert audit companies may also be engaged Includes physical inventory, payment record, purchase orders and invoice reviews 	<ul style="list-style-type: none"> Deal team has direct line of contact with Boards to alert to major areas of concern Suppliers may be rejected on human rights or ESG issue. Head of Sustainability on Procurement and Investment Committees to influence key decisions
EXTERNAL OR EXPERT ADVICE	EXTERNAL OR EXPERT ADVICE	INVESTEE COMPANY PROCUREMENT TEAMS	TECHNICAL ADVISERS / PROCUREMENT TEAMS	LEGAL COUNSEL	THIRD PARTY AUDITORS	INVESTEE BOARDS / COMMITTEES INCLUDING SUSTAINABILITY TEAM

Sources: (1) Uyghurs for Sale, ASPI, Mar 2020, <https://www.aspi.org.au/report/uyghurs-sale>; In Broad Daylight Uyghur Forced Labour and Global Solar Supply Chains, Helena Kennedy Centre for International Justice, Feb 2021, <https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/in-broad-daylight>. Note: the above process is being implemented by Quinbrook within majority controlled portfolio companies and is a continuously evolving process. Some portfolio companies may be at various stages of implementation of the above described process and implementation has been prioritised based on factors such as scale and assessed risk.