

## Notice of access grant decision

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Dear Yadanar Maung

By email to: [partners@justiceformyanmar.org](mailto:partners@justiceformyanmar.org)

### Freedom of information request no. FOI0801

I refer to your request for access to documents under the *Freedom of Information Act 1982* (FOI Act) dated 22 August 2025.

In accordance with your request, the scope of your FOI Act request that I have processed is:

*1. Copies of current Clean Energy Finance Corporation policy and guidance documents, which deal with any of the following:*

- 1. Australia's sanctions regime;*
- 2. Human rights standards; and*
- 3. Responsible business standards.*

I identified 9 documents listed in Schedule 1 as being within the scope of item 1 of your request. I did this by searching all possible areas where documents may have been located that are within the scope of item 1 of your request.

With regard to the documents identified, I have decided to grant access in full with redactions under section 22 of the FOI Act of matters that I consider to be irrelevant because the redacted material:

- a. does not fall within the scope of your FOI Act request; or
- b. is personal information (as defined in the Privacy Act 1988 (Cth)); or
- c. is information that pertains to email addresses or telephone numbers that may be personal to an individual or otherwise not be a matter of public record.

In accordance with your request, in relation to item 2:

*2. Copies of documents recording human rights or sustainability due diligence conducted in relation to CEFC's \$25.7 million investment in Hysata on or around October 2024*

I advise, the CEFC made no investment in Hysata on or around October 2024 nor did CEFC conduct due diligence in connection with Hysata on or around October 2024. Therefore, there are no documents in CEFC's possession or control within the scope of item 2 of your application.

Should you wish to obtain copies of documentation pertaining to human rights or sustainability due diligence conducted by CEFC associated with CEFC's investment in Hysata or any specifically identified co-investors in Hysata, I ask that you provide detailed particulars regarding the information sought. You may do so by lodging a new FOI request that clearly defines the scope of your inquiry.

## **Charges**

There will not be a charge for completion of processing of your request up to and including the date of this letter.

## **Your review rights**

If you are dissatisfied with my calculation of the charge or the searches we did to locate documents related to your request, you may apply for internal review or Information Commissioner review of the decision. We encourage you to seek internal review as a first step as it may provide a more rapid resolution of your concerns.

### ***Internal review***

Under section 54 of the FOI Act, you may apply in writing to the CEFC for an internal review of my decision. The internal review application must be made within 30 days of the date of this letter.

Where possible please attach reasons why you believe review of the decision is necessary. The internal review will be carried out by another officer within 30 days.

### ***Information Commissioner review***

Under section 54L of the FOI Act, you may apply to the Australian Information Commissioner to review my decision. An application for review by the Information Commissioner must be made in writing within 60 days of the date of this letter, and be lodged in one of the following ways:

online: [www.oaic.gov.au](http://www.oaic.gov.au).

email: [foidr@oaic.gov.au](mailto:foidr@oaic.gov.au)

post: GPO Box 5218 Sydney NSW 2001

More information about Information Commissioner review is available on the Office of the Australian Information Commissioner website. Go to: [www.oaic.gov.au](http://www.oaic.gov.au).

## FOI Complaints

If you are unhappy with the way we have handled your FOI request, please let us know what we could have done better. We may be able to rectify the problem. If you are not satisfied with our response, you can make a complaint to the Australian Information Commissioner. A complaint to the Information Commissioner must be made in writing. Complaints can be lodged in one of the following ways:

online: [www.oaic.gov.au](http://www.oaic.gov.au).

email: [foidr@oaic.gov.au](mailto:foidr@oaic.gov.au)

post: GPO Box 5218 Sydney 2001

More information about complaints is available on the Office of the Australian Information Commissioner at <https://www.oaic.gov.au/freedom-of-information/reviews-and-complaints/make-an-foi-complaint/>.

If you are not sure whether to lodge an Information Commissioner review or an Information Commissioner complaint, the Office of the Australian Information Commissioner has more information at: <https://www.oaic.gov.au/freedom-of-information/reviews-and-complaints/>.

Yours sincerely

A handwritten signature in black ink, appearing to be 'J. D. L.', written in a cursive style.

**Schedule 1 – List of attachments**

1. CEFC ESG Policy.pdf
2. CEFC First Nations Investment Screening approach.pdf
3. CEFC Innovate RAP.pdf
4. CEFC Modern Slavery Policy.pdf
5. CEFC Principles for Suppliers.pdf
6. Reputational Risk – approach.pdf
7. Reputational Risk - process_Redacted.pdf
8. Sanctions screening at the CEFC_Redacted.pdf
9. AML_CTF KYC - Process Documentation - Update_Redacted.pdf



# Environmental, Social and Governance Policy

November 2024





## Acknowledgement of Country

The CEFC acknowledges the Traditional Owners and Custodians of this land, and we pay our respects to all Elders, past and present. We recognise their continuing connections to country, water and culture.

The CEFC is an experienced specialist investor in Australia's green transition to net zero emissions by 2050. **With access to more than \$30 billion from the Australian Government, we work with co-investors, industry and government to drive economy-wide investment in decarbonisation.**

We invest in renewable energy, energy efficiency and low emissions technologies via the CEFC General Portfolio, the Rewiring the Nation Fund and four Specialised Investment Funds: the Household Energy Upgrades Fund, the Powering Australia Technology Fund, the Advancing Hydrogen Fund and the Clean Energy Innovation Fund.

The CEFC has twin objectives under the *Clean Energy Finance Corporation Act 2012 (Cth)* (CEFC Act), to facilitate:

- increased flows of finance into the clean energy sector; and
- the achievement of Australia's greenhouse gas emissions reduction targets.



# ESG approach

The CEFC embeds Environmental, Social and Governance (ESG) considerations across all our activities, including investment and portfolio management, as well as CEFC operations. This approach is outlined in this Policy.

As a specialist investor we play an active role in contributing to the achievement of Australia's greenhouse gas reduction targets. CEFC investments must comply with the CEFC Act, supporting eligible clean energy technologies in renewable energy generation, energy efficiency and low emissions technologies.

The CEFC Investment Mandate Direction 2023 further requires the CEFC to develop policies regarding ESG matters, First Nations investment screening procedures and to take into account environmental and social impact considerations in assessing investment decisions.

The CEFC is committed to a well-governed investment approach that incorporates ESG objectives that enhance sustainable and long-term risk adjusted returns. This is reflected in our integrated approach to ESG, to deliver against our emissions reduction objectives while amplifying our potential market impact.

This is achieved through proactive engagement with counterparties, managers, financiers and other stakeholders on material ESG issues, in parallel with appropriate investment risk mitigation.

**The ESG Policy applies to all CEFC investments including those made through:**

- General Portfolio
- Rewiring the Nation Fund
- Household Energy Upgrades Fund
- Powering Australia Technology Fund
- Advancing Hydrogen Fund
- Clean Energy Innovation Fund



# ESG Policy requirements and framework

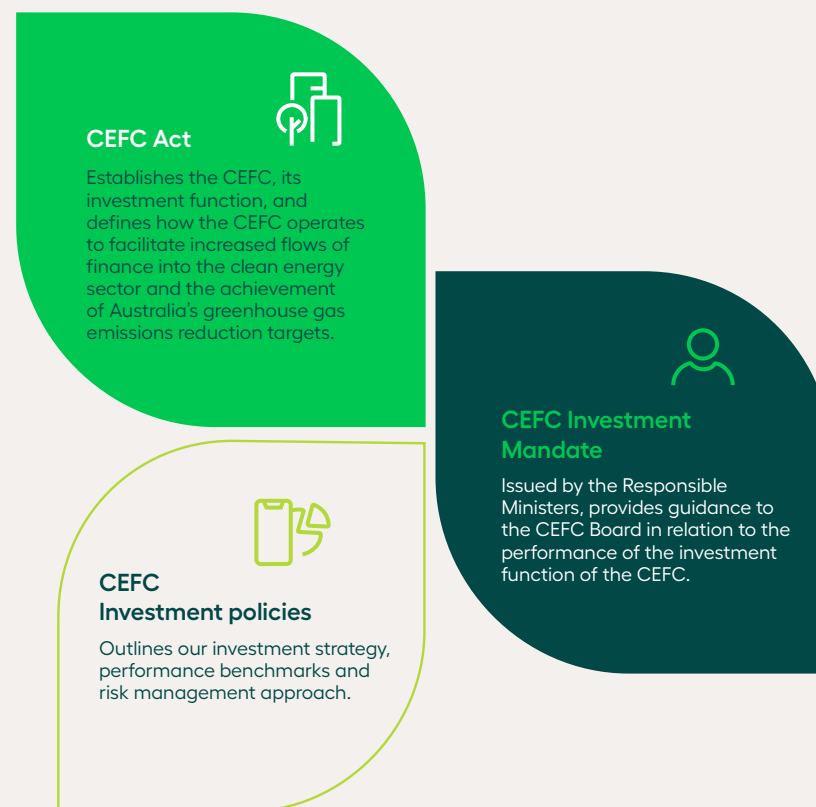
This ESG Policy has been developed in accordance with the CEFC Act, CEFC Investment Mandate and the overarching CEFC investment and governance framework and has benefited from reference to industry bodies, peers and evolving regulatory guidance. Refer Figure 1.

The Policy articulates our approach to ESG, with risks and opportunities considered and managed as part of an integrated approach to the overall CEFC investment process and ongoing corporate activities. It complements existing CEFC policies and guidelines, including:

- Investment policies
- Risk Management Framework and Risk Appetite Statements
- Code of Conduct and Ethics
- Conflicts of Interest Policy
- Work Health and Safety Policy
- Sexual Harassment Policy
- Modern Slavery Policy
- Reconciliation Action Plan
- First Nations investment screening procedure
- Workplace Bullying, Discrimination and Harassment Policy
- Anti-Bribery and Corruption Policy
- Fraud Control Policy.

These documents are all available via:  
[cefc.com.au](https://cefc.com.au).

Figure 1: CEFC investment and governance framework



# Policy responsibility and accountability

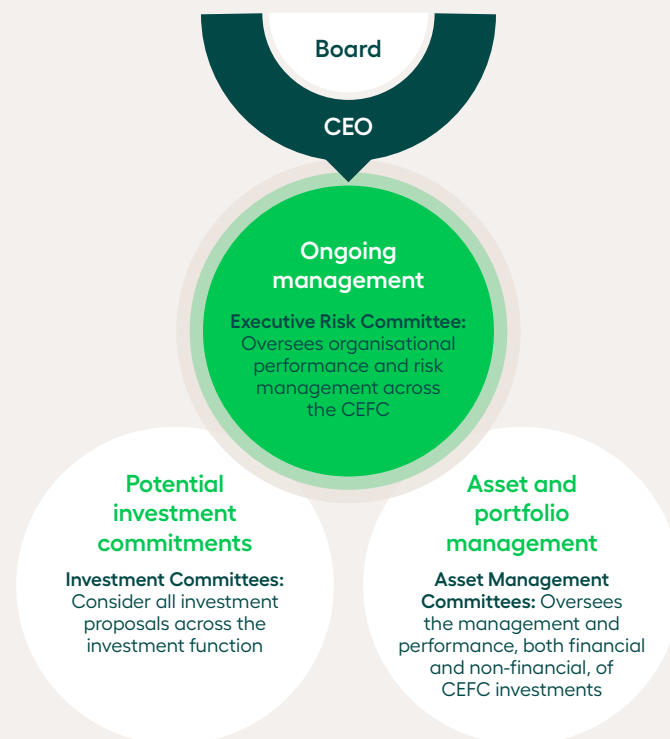
The CEFC Board is responsible for approving this Policy and overseeing the continued integration of ESG risks and opportunities in our established policies and guidelines. ESG performance is reported to the CEFC Board on a quarterly basis to assist in their governance and oversight.

The CEFC Chief Executive Officer has responsibility for the day-to-day management of the CEFC including adherence with the ESG Policy, assisted by the Executive Team and committees. Refer Figure 2.

The CEFC Sustainability team assists the committees in embedding the ESG Policy across CEFC activities, collaborating across the organisation. This includes working with:

- **Investment, Rewiring the Nation, Risk and Compliance teams:** to identify ESG risks and opportunities as part of the transaction origination and execution processes
- **Portfolio Management:** to monitor investments for ESG risks and opportunities, whether previously identified, new or emerging
- **Corporate functions:** to support the delivery of ESG commitments in the organisation's operations.

Figure 2: CEFC committees and responsibilities



# Material ESG Factors covered by this Policy

ESG covers a broad range of factors, not all of which are applicable to the CEFC given its objectives and specific purpose as a Corporate Commonwealth Entity.

Reflecting good corporate governance, the CEFC reviews the policy and identifies the most relevant and material ESG focus areas, at least every two years. These reviews take into account the CEFC strategic investment priorities, updated CEFC Investment Mandate directions as well as best practice and approaches adopted by global and domestic peers. Refer Figures 3 and 4.

## Material ESG Factors

The eight Material ESG factors outlined in this Policy have been identified as material risks and/or opportunities for the CEFC as they relate to our investments and/or corporate activities, and the relevant provisions of the CEFC Investment Mandate Direction 2023. Refer Figure 3 and Appendix A.

These Material ESG Factors are expected to be actively considered across the investment lifecycle and/or in the way the CEFC conducts its diverse corporate activities, via a two-step process:

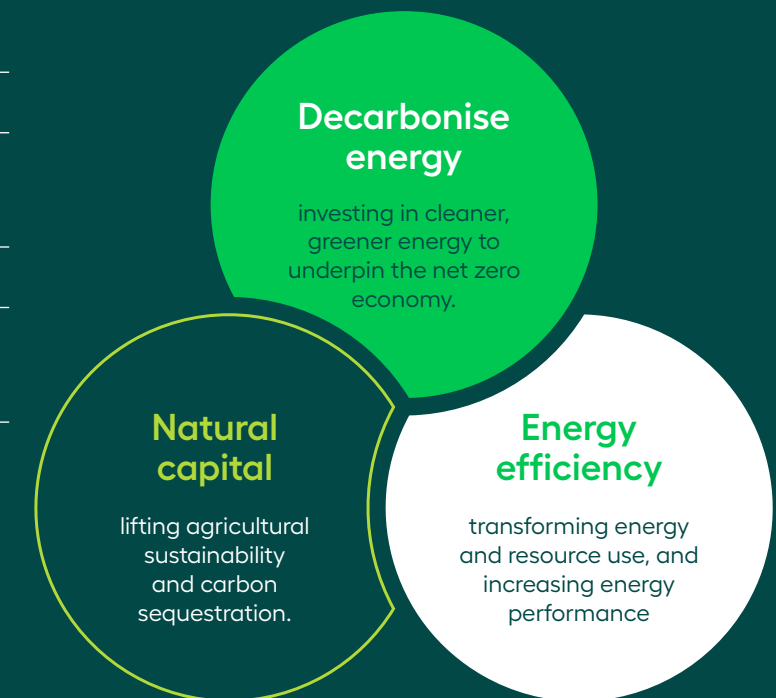
1. Identify activities where we have the most material ESG risk and undertake measures to minimise potential negative impact
2. Identify activities where we can positively impact target ESG outcomes.

The CEFC tracks its performance against the Material ESG factors. This includes metrics in addition to the achievement of specific decarbonisation outcomes referred to in the CEFC Corporate Plan, available at [cefc.com.au](https://cefc.com.au).

Figure 3: Material ESG Factors

	Material ESG Factors	Material ESG risks and opportunities
E	Decarbonisation	
	Climate-related risks and opportunities disclosures	
	Leadership	
	Nature	<ul style="list-style-type: none"> <li>– Ecological impact</li> <li>– Positive impact on nature and biodiversity</li> </ul>
S	Equity, diversity, inclusion and labour practices	<ul style="list-style-type: none"> <li>– Equity and opportunities</li> <li>– Diversity and inclusion</li> <li>– Labour practices and employee health and safety</li> </ul>
	Community	<ul style="list-style-type: none"> <li>– Social licence</li> <li>– First Nations</li> <li>– Local procurement and supply chains</li> <li>– Jobs</li> <li>– Broader economic benefit</li> </ul>
G	Business conduct and ethics	<ul style="list-style-type: none"> <li>– Modern slavery</li> <li>– Anti-corruption and competitive behaviour</li> </ul>
	Investment committees	<ul style="list-style-type: none"> <li>– Suitably skilled with independent decision making</li> </ul>

Figure 4: Strategic investment priorities





# ESG integration into the investment lifecycle

The CEFC applies rigour to its ESG integration and investment processes to manage risk and opportunities to deliver a resilient and sustainable approach throughout the investment lifecycle. Material ESG Factors are assessed throughout the life of our investments.



# 1. Investment Focus

The CEFC investment strategy recognises the urgent nature of the emissions challenge. The strategy is driven by our important role in anticipating and responding to market conditions, developing new markets, building investor confidence and developing tailored and innovative investment products to drive lower emissions.

Equally, we recognise that our investment activities are just the start of what is required – while the size of the investment requirement is seismic, so too are the opportunities.

To comply with the CEFC Act, CEFC investments must be in clean energy technologies, comprised of renewable energy, energy efficient and/or low emissions technologies.

The CEFC Investment Mandate Direction 2023 specifies focus areas associated with these clean energy technologies, including:



## General Portfolio

Includes renewables, storage, property, infrastructure, natural capital, electric vehicles, climate bonds and small-scale asset finance programs



## Rewiring the Nation Fund

Investments expected to include high voltage transmission, long duration grid storage and electricity distribution network infrastructure



## Household Energy Upgrades Fund

Providing discounted consumer finance to increase sustainability across the housing sector



## Powering Australia Technology Fund

Supporting the growth and expansion of climate tech projects, businesses and funds



## Advancing Hydrogen Fund

Backing the growth of a clean, innovative, safe and competitive Australian hydrogen industry



## Clean Energy Innovation Fund

Australia's largest dedicated climate tech venture capital investor



## 2. Investment approach

We maintain an end-to-end process from investment origination selection, to execution, ongoing management and exit, in accordance with the CEFC Investment Policies (Figure 5).

As the first step of our preliminary screening process, the CEFC undertakes negative screening of potential investments against our exclusions list. Refer Appendix B.

We initiate screening to identify reputational risks that may arise from dealing with the proposed counterparties and proposed projects/ investments. Reputational risks may arise due to past behaviours with regard to matters such as work, health and safety, workplace behaviour or governance, environmental offences and the conduct of officers and/or shareholders. Managing reputational risk arising from a counterparty's previous actions requires satisfactory evidence that appropriate steps have been taken to address these issues.

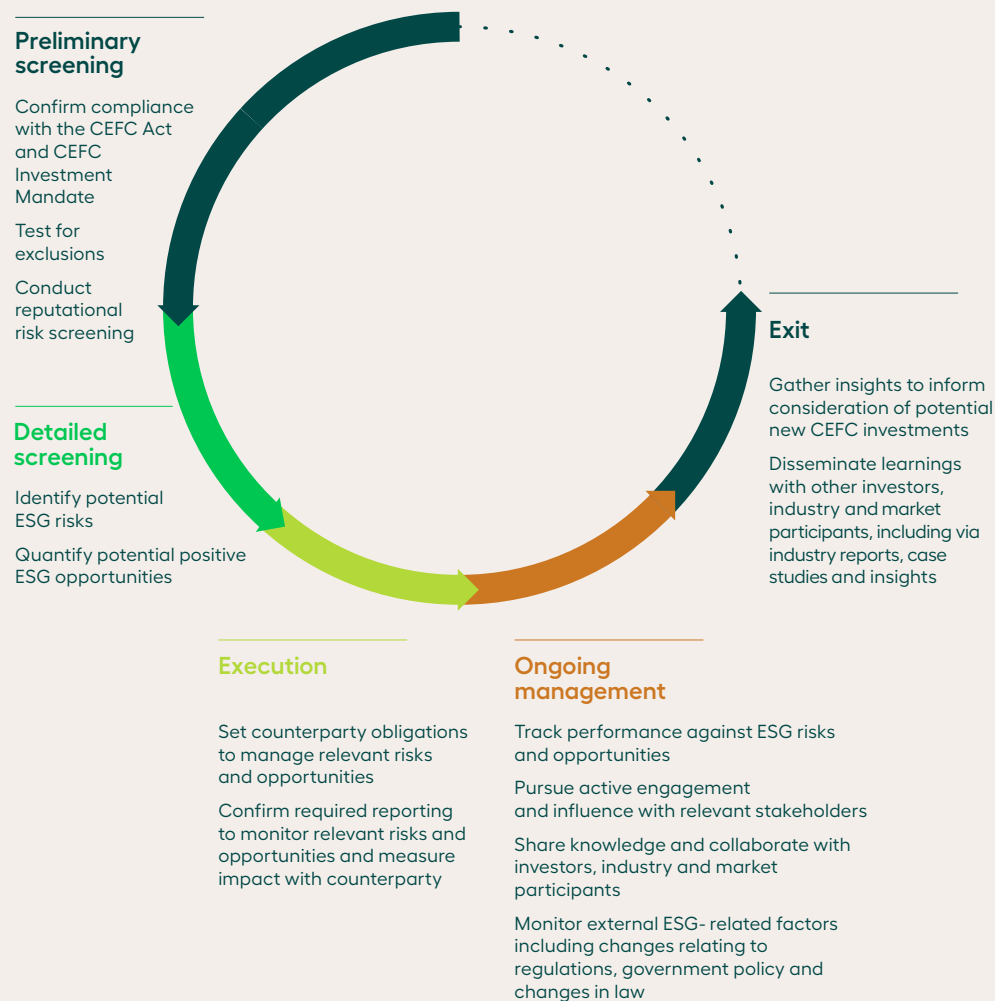
For investments that pass the preliminary screening process, detailed due diligence is conducted against the relevant Material ESG Factors. In some circumstances, investment opportunities may move directly to detailed screening. Where this occurs, negative screening and reputational risk reviews are conducted concurrently with commercial due diligence.

Risks and opportunities are identified and quantified (where possible) as part of the investment screening process. As an active manager of our investment portfolio, we monitor the performance of individual investments and engage with relevant stakeholders to track anticipated risks and opportunities, including the implementation of mitigation measures where appropriate.

We seek to leverage the expertise gained through our investments to inform future investments and their potential to realise positive ESG-related outcomes.

We also seek to demonstrate leadership through the dissemination of learnings and outcomes with stakeholders and the market. This is achieved through active engagement and collaboration with investors, industry and market participants, and the dissemination of information and insights based on our market experience. Refer Section 4.

Figure 5: ESG integration in the investment lifecycle



### 3. External investment parties and co-investment opportunities



The CEFC works with banks, non-bank lenders and external fund managers to efficiently and effectively deploy its finance to market segments beyond its reach to deliver clean energy outcomes for specific assets, technologies and/or sectors.

These third parties are tasked with deploying the funds of the CEFC via externally managed investments and aggregation platforms, pursuant to clear guidance and controls set by the CEFC. Examples include:

- Bank programs to deliver asset finance to SMEs and individual consumers
- Wholesale funds managed by third party fund managers.

CEFC ESG considerations are integrated into investment commitments with co-financiers. The CEFC considers Material ESG Factors during the selection, assessment, appointment, management and review of the performance of co-financiers. This extends from consideration of governance and investment approaches, to performance and outlook. We also consider processes regarding risk management, investment selection, portfolio construction and asset or credit management. This framework aligns our work with co-financiers with the ESG Policy.

## 4. Collaboration, knowledge sharing and influencing

The purpose of the collaboration, knowledge sharing and influencing work of the CEFC is to use the experience gained from our investments to demonstrate outcomes and drive meaningful impact across the broader market.

To accomplish this, the CEFC seeks to:

- Encourage industry, government, investors and investment managers to replicate or build upon our investments. We want to demonstrate the dual outcomes of positive ESG results and sound investment returns, to drive market change
- Raise awareness through knowledge sharing and dissemination activities such as investment insights, presentations, discussion forums and targeted research reports for industry
- Work with our counterparties, industry bodies and government agencies to positively influence sector specific and industry-wide policies and standards
- Influence industry participants in relation to their ESG governance, policies, practices and management through advocacy initiatives and participation on advisory committees and collaborative engagement
- Assist the finance industry to realign investments to facilitate the effective and efficient use of capital to support greater ESG outcomes.

The CEFC supports collaboration with industry across the economy, as well as academia, think tanks, and government, as a vital step to develop the expertise and experience to influence the financial services sector and support greater social, environmental and economic outcomes for Australia.

The CEFC is a certified carbon neutral organisation under the Australian Government Climate Active Carbon Neutral Standard, and is involved in a broad range of industry initiatives.

The CEFC is involved in the following collaborative initiatives:

**GREEN BANK  
NETWORK**



**Climate Bonds** INITIATIVE



## 5. Disclosure and Transparency

The CEFC is committed to transparency and disclosure in monitoring and reporting through internal and external reporting (including as required by the CEFC Act, the Environment Protection And Biodiversity Conservation Act 1999 (Cth) and the Public Governance, Performance and Accountability Act 2013 (Cth)).

The CEFC Annual Report details investment commitments, realised investments, and any exits or cancellations made in the financial year. Further, all new investment commitments are reported quarterly and are available on the CEFC website within one month of the end of the quarter. Refer [cefc.com.au](https://cefc.com.au).

In line with Australian and international best practice, the CEFC is also committed to reporting the performance of its portfolio and approach to investment against its Material ESG Factors. The CEFC includes ESG reporting (of both investments and CEFC operations) in the CEFC Annual Report.



# Appendix A: Material ESG Factors

		Investment	Corporate
Environmental	Decarbonisation	The CEFC is committed to maintaining net zero Scope 1 and 2 emissions, with annual reporting in accordance with the Australian Public Service (APS) net zero. We are also working across our value chain to identify opportunities to reduce Scope 3 emissions.	●
		<ul style="list-style-type: none"><li>– TWh of new renewable energy capacity unlocked</li><li>– Mt estimated emissions reductions</li><li>– Facilitating delivery of additional GW of electricity network capacity</li></ul>	●
	Leadership	The CEFC contributes to industry initiatives including advocacy, policy and standards development, market reports and support for industry bodies.	●
		The CEFC commits to investment initiatives with demonstrable industry influence. These could include demonstration projects, first-of-a-kind operations, research reports, case studies, and other collaboration instruments disseminated to market.	●
	Climate-related risks and opportunities disclosures	The CEFC evaluates, manages and discloses its climate-related financial risks and opportunities.	●
		Investments are screened and evaluated for their climate-related risk and opportunities, management and disclosure.	●
Nature	Ecological impact	Counterparties are screened for: 1. Compliance with relevant environmental law, and unaddressed serial or material offences 2. Ongoing performance.	●
	Positive impact on nature and biodiversity	Investments that actively work to halt or reverse the loss of nature and biodiversity, including the implementation of nature-based solutions.	●

		Investment	Corporate	
Governance	Business Conduct and Ethics	Anti-corruption and competitive behaviour	Counterparties are screened for material systemic/ material offences regarding anti-corruption, anti-bribery and anticompetitive conduct. This will include corporate actions, activities, and employee behaviour.	●
		Modern Slavery	The CEFC implements Modern Slavery Act 2018 (Cth) (Modern Slavery Act) risk assessments of suppliers, due diligence, and the potential requirement for mitigation as a condition to entering into procurement contracts. The CEFC makes an annual Modern Slavery Statement in compliance with the Modern Slavery Act which addresses modern slavery risks in operations and supply chains	●
		The CEFC implements: <ul style="list-style-type: none"><li>– Modern Slavery Act risk assessments of counterparties, due diligence, and the potential requirement for mitigation prior to investing</li><li>– Ongoing monitoring of direct counterparties and material indirect counterparties, where assessed as material or higher risk.</li></ul>	●	
	Investment Committees	Suitably skilled with independent decision making	The CEFC has appropriate investment related committees, with suitably qualified members, ensuring informed, considered and independent decision-making processes.	●

● ESG opportunities

● ESG risk



# Appendix A: Material ESG Factors continued

Social	Equity, diversity, and labour practices		Investment	Corporate
	Diversity equity and inclusion	Counterparties screened for their commitment to diversity and equity principles.	●	
		The CEFC ensures its hiring and promotion practices embrace the building of a diverse and inclusive workforce that reflects the makeup of local talent pools, including equitable access, opportunity, and advancement for all.		●
	Labour practice and employee health and safety	The CEFC aims to: 1. Create and maintain a safe and healthy workplace environment that is free from physical and psychosocial hazards 2. Attract, develop and retain a highly skilled workforce who are fairly remunerated 3. Execute our positive duty to prevent systemic sexual harassment, sex-based harassment and discrimination, hostile work environments and victimisation		●
		Counterparties are screened and monitored for: 1. Serial or material offences in work safety policies 2. Ongoing performance monitoring	●	

Social	Community		Investment	Corporate
	First Nations	The CEFC is committed to progress against its Reconciliation Action Plan.		●
		Investments that avoid activity that undermines the culture and history of First Nations peoples, including impacts on local businesses and the environment. Where considered appropriate, counterparties should be committed to community engagement with First Nations peoples.	●	
		Investments with plans in place to deliver positive economic and/or cultural impacts to First Nations peoples.	●	
	Broader economic benefit	Investments that create an economic benefit to community.	●	
	Social licence	Counterparties are screened to ensure community engagement requirements are being met.	●	
		Investments that actively seek to secure positive outcomes for communities.	●	
	Local procurement and supply chain	Investments that actively work or commit to local procurement of goods and services and sustainability criteria.	●	
	Jobs	Investments committed to create, safeguard existing jobs or training/reskilling opportunities.	●	

● ESG opportunities

● ESG risk

ESG counterparty screening: not all investments are subject to all material ESG risks; assessments focus on relevant material factors specific to each investment.

## Appendix B: Exclusions list



As part of our investment process, the CEFC undertakes negative screening against the following industries and activities:

- Non-clean energy technologies and prohibited technologies<sup>^3</sup>
- Production and/or manufacture of tobacco products (including vaping products)
- Production and/or manufacture of controversial weapons and/or those prohibited under military weapons-related treaties and conventions ratified by Australia
- Criminal activity or reported criminal behaviour, where a counterparty cannot demonstrate with satisfactory evidence that appropriate steps have been taken to prevent these issues arising again. This includes but is not limited to:
  - Workplace health and safety practices
  - Corruption or bribery
  - Modern slavery or other human rights abuse
  - Animal cruelty
  - Environmental offences.

In accordance with the CEFC Investment Mandate, we also screen investments with the aim that the CEFC or its investments do not act in a way that is likely to cause damage to the Australian Government.

<sup>^3</sup> Refer to sections 60 and 62 of the CEFC Act

**Sydney**

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Brisbane QLD 4000

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Melbourne VIC 3000

**Perth**

Level 21, 197 St Georges Terrace  
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Australian Government



# First Nations investment screening approach

CEFC investment considerations

March 2024

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

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*The CEFC acknowledges the Traditional Owners and Custodians of this land, and we pay our respects to all Elders, past and present. We recognise their continuing connections to country, water and culture.*

## Sustainable investing and Australia's First Nations peoples

The CEFC is a responsible investor, with a deep commitment to reconciliation with Australia's First Nations peoples. We recognise the potential benefits our investments can bring to Aboriginal and Torres Strait Islanders. We also recognise the importance of preventing or mitigating any potential negative impacts.

We have developed this approach to First Nations investment screening to better inform our own investment decision-making framework with respect to Aboriginal and Torres Strait Islander people. We also seek to positively influence the investment decisions of those we work with.

In developing this investment screening approach, we have benefited from the advice of First Nations representatives, government agencies, investors and industry participants. We recognise that:

- The relationship to country is of paramount importance to Australia's First Nations peoples
- The relationship to country is also inherent in activities in which the CEFC invests, given the potential impact on Australian land and waters
- The CEFC has a substantial investment footprint that covers urban, regional, rural and remote communities.

## CEFC investment screening goals

### *All proposals*

All CEFC investment proposals are screened for impacts on Aboriginal and Torres Strait Islanders, reflecting commitments we make through our core values, our Reconciliation Action Plan, Investment Policies and Environmental, Social and Governance (ESG) Policy.

### *Proposals relating to land*

In addition, CEFC First Nations investment screening approach prioritises three main goals for proposals with projects specifically relating to land:

1. Identify and assess the impacts of our investments on Aboriginal and Torres Strait Islander people
2. Positively benefit Aboriginal and Torres Strait Islander people through our activities
3. Avoid or mitigate negative impacts that may be associated with our investments.

## Sharing our approach with investors

The CEFC works closely with other investors, businesses and project developers to achieve emissions reduction. In investing to accelerate the decarbonisation of the Australian economy, we seek to address market gaps and financing impediments.

We are pleased to share our approach to First Nations investment screening in the interests of:

- Working with investors to lift expectations and practices around investment decisions impacting First Nations
- Identifying opportunities for First Nations businesses and peoples to participate in the clean energy sector, including identifying hurdles or barriers to participation
- Investigating measures to increase the participation of First Nations businesses and peoples in the clean energy sector and its supply chains.

## About the CEFC: how we operate

The CEFC has a unique mission to accelerate investment in Australia's transition to net zero emissions. We work alongside co-financiers and equity investors to bring our capital investment experience to innovative financing models and new technologies which can accelerate investment in clean energy opportunities.

Investment opportunities are considered on a case-by-case basis, in the context of our long-standing commitment to environmental, social and governance matters.

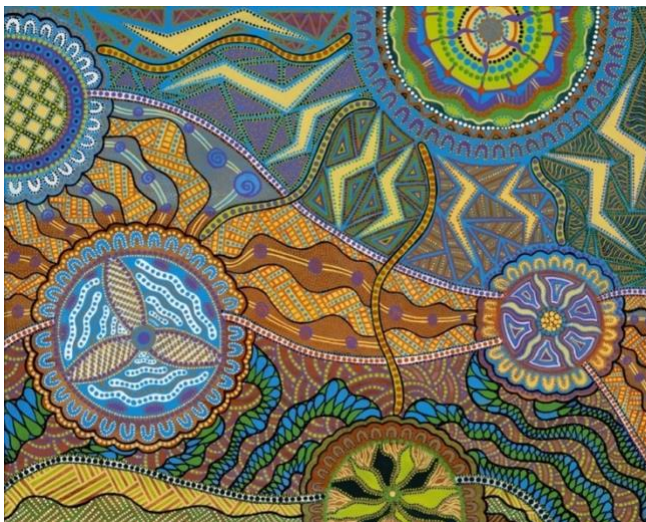
Our approach to our work is founded on:

- **Our values:** to make a positive impact; to collaborate with others to make a difference; to champion integrity by being open and honest; and to embrace innovation by being open to new approaches and solutions
- **The CEFC Code of Conduct and Ethics:** Our commitment to operating with the highest standards and ethical behaviour is reflected in our Code of Conduct and Ethics
- **CEFC policies:** Our commitment to investing and operating sustainably, reflected in our Investment and ESG policies
- **CEFC Reconciliation Action Plan:** Recognition that achieving stronger cultural understandings and relationships with Aboriginal and Torres Strait Islander peoples is central to ensuring we are better informed in the decisions we make as a responsible investor, procurer, employer and industry leader. This is underpinned by our Reconciliation Action Plan.

## CEFC Reconciliation Action Plan

The CEFC continues to progress on its reconciliation journey.

Engaging in our inaugural Reconciliation Action Plan, our Reflect RAP, allowed us to scope and develop relationships with Aboriginal and Torres Strait Islander stakeholders and clarify our vision for reconciliation based on our sphere of influence.



*Creating a sustainable future: CEFC commissioned artwork by Wiradjuri artist Jordana*

In developing and delivering on our current Reconciliation Action Plan, our Innovate RAP, we recognise that our objective of lowering emissions for sustainable communities will benefit from an inclusive society that recognises the rich histories, cultures and contribution of Aboriginal and Torres Strait Islander peoples.

Our *Innovate RAP* recognises the need for increased understanding and recognition of First Nations peoples and the challenges they may face as a result of experiencing the inter-generational trauma of the Stolen Generations. This enhanced awareness and understanding is driving our actions as a responsible investor, procurer, employer and industry leader.

The development and application of our First Nations investment screening approach is an important demonstration of our continued commitment to reconciliation.

## Understanding potential impacts: country, culture, people

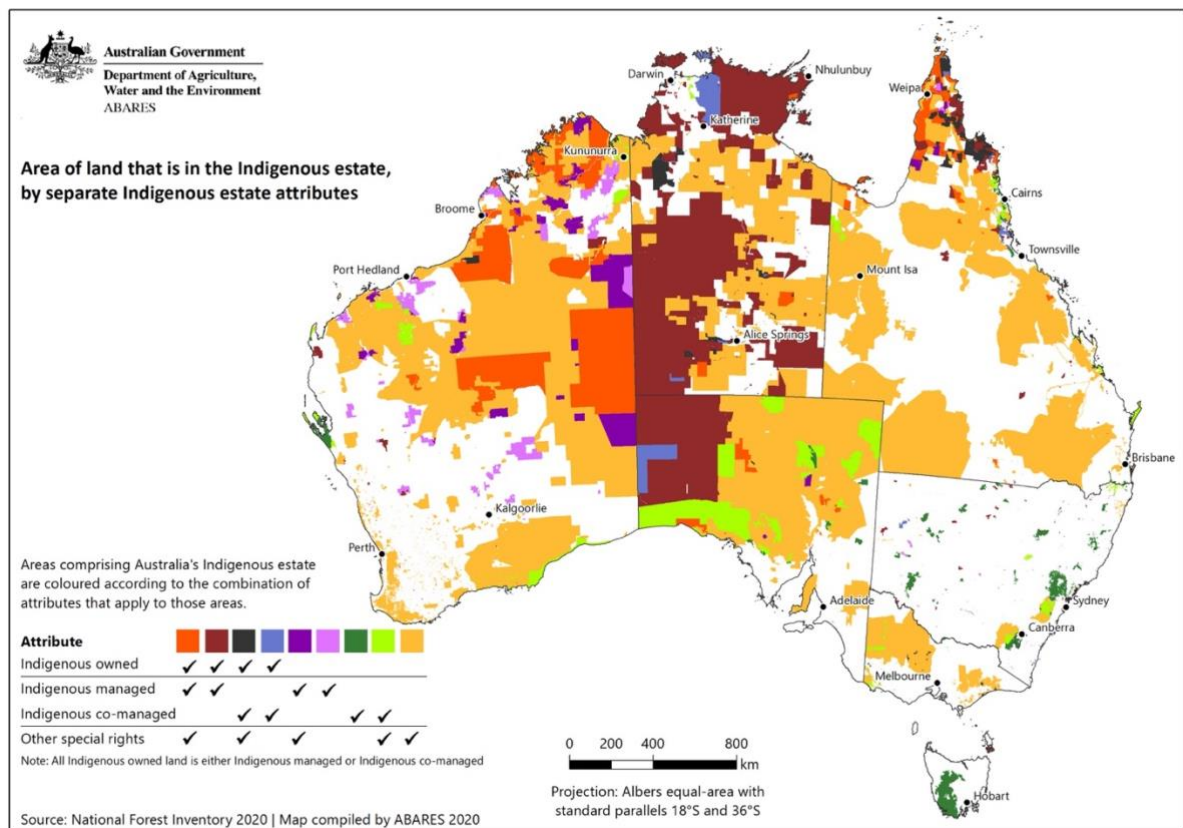
One of the first steps to understanding impacts of investment is overcoming misinformed stereotypes and assumptions about:

- The diversity of tenure held by First Nations, beyond native title
- Where Aboriginal and Torres Strait Islanders live
- The location of cultural heritage.

### The National Indigenous Estate

This map indicates where “indigenous” title (including but not exclusive to native title) or management existed in law at December 2020.

**Figure 1: Australia's National Indigenous Estate: December 2020**

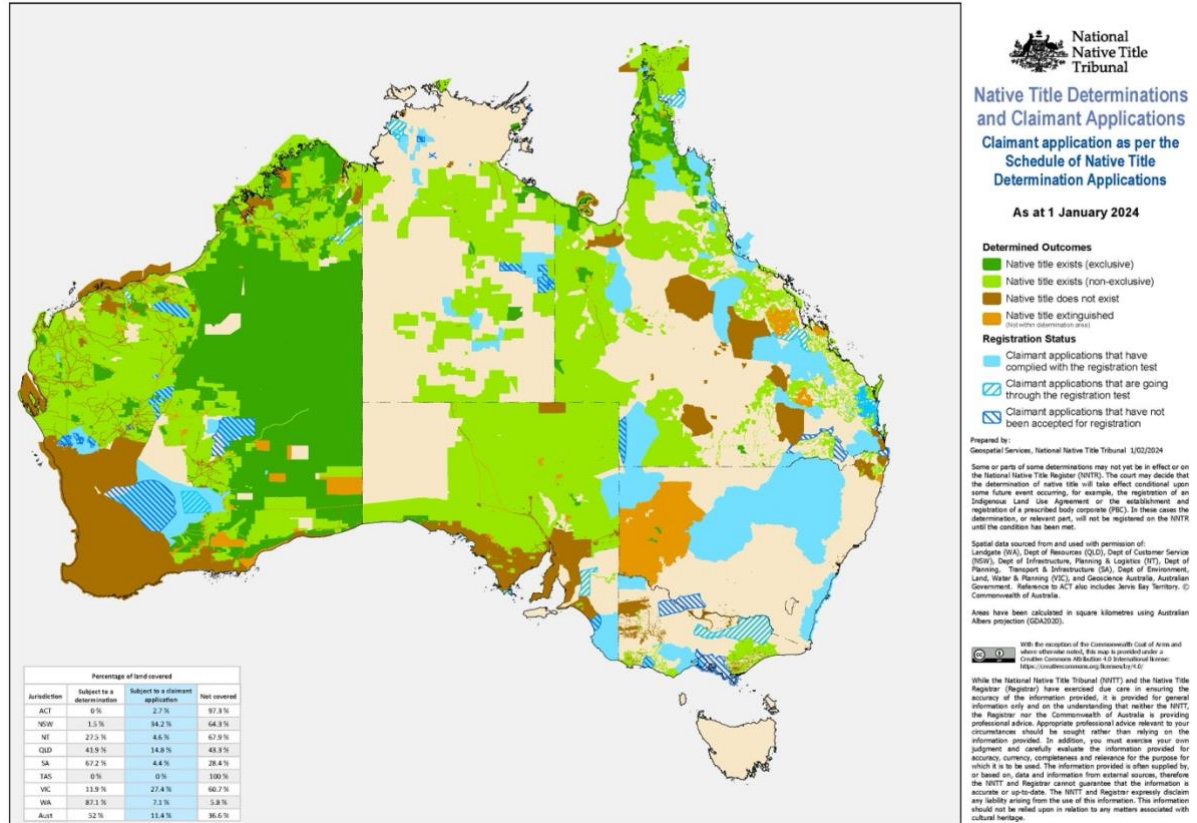


*Map reproduced with the kind permission of the National Native Title Tribunal*



This map shows the status of native title only (claimed, found to exist, found to be extinguished, held not to exist) at January 2024. Map reproduced with the kind permission of the National Native Title Tribunal.

**Figure 2: Native Title Determinations and Claimant Applications: January 2024**



## Indigenous Land Use Agreements

In considering where native title exists, the CEFC also considers any relevant Indigenous Land Use Agreements (ILUA). An ILUA is a voluntary agreement between native title parties and other people or bodies about the use and management of areas of land and/or waters. An ILUA can be made over areas where:

- Native title has been determined to exist in at least part of the area
- A native title claim has been made
- A native title claim has not been made.

Registered ILUAs bind all native title holders to the terms of the agreement. ILUAs also operate as a contract between the parties.

**Additional information:** [National Native Title Tribunal](#)

**Figure 3: Statutory collective title schemes specifically for First Nations peoples**

<b>Commonwealth and Territories</b>	<a href="#">Commonwealth and Territories Aboriginal Land Grant (Jervis Bay Territory) Act 1986</a> <a href="#">Aboriginal Land Rights (Northern Territory) Act 1976</a> <a href="#">Native Title Act 1993</a>
<b>New South Wales</b>	<a href="#">Aboriginal Land Rights Act 1983</a>
<b>Queensland</b>	<a href="#">Aboriginal Land Act 1991</a> <a href="#">Torres Strait Islander Land Act 1991</a>
<b>South Australia</b>	<a href="#">Anangu Pitjantjatjara Yankunytjatjara Land Rights Act 1981</a> <a href="#">Maralinga Tjarutja Land Rights Act 1984</a>
<b>Tasmania</b>	<a href="#">Aboriginal Lands Act 1995</a>
<b>Victoria</b>	<a href="#">Traditional Owner Settlement Act 2010</a>
<b>Western Australia</b>	<a href="#">Aboriginal Affairs Planning Authority Act 1972</a> <a href="#">Aboriginal Communities Act 1979</a>



## Cultural Heritage Protection

Australia's First Nations peoples are the representatives of the oldest continuing cultures in the world with more than 60,000 years of documented existence in this country, maintaining culture on land up to the present day. No matter where a project is located in Australia, cultural heritage protection should be presumed to be in place, including in metropolitan areas.

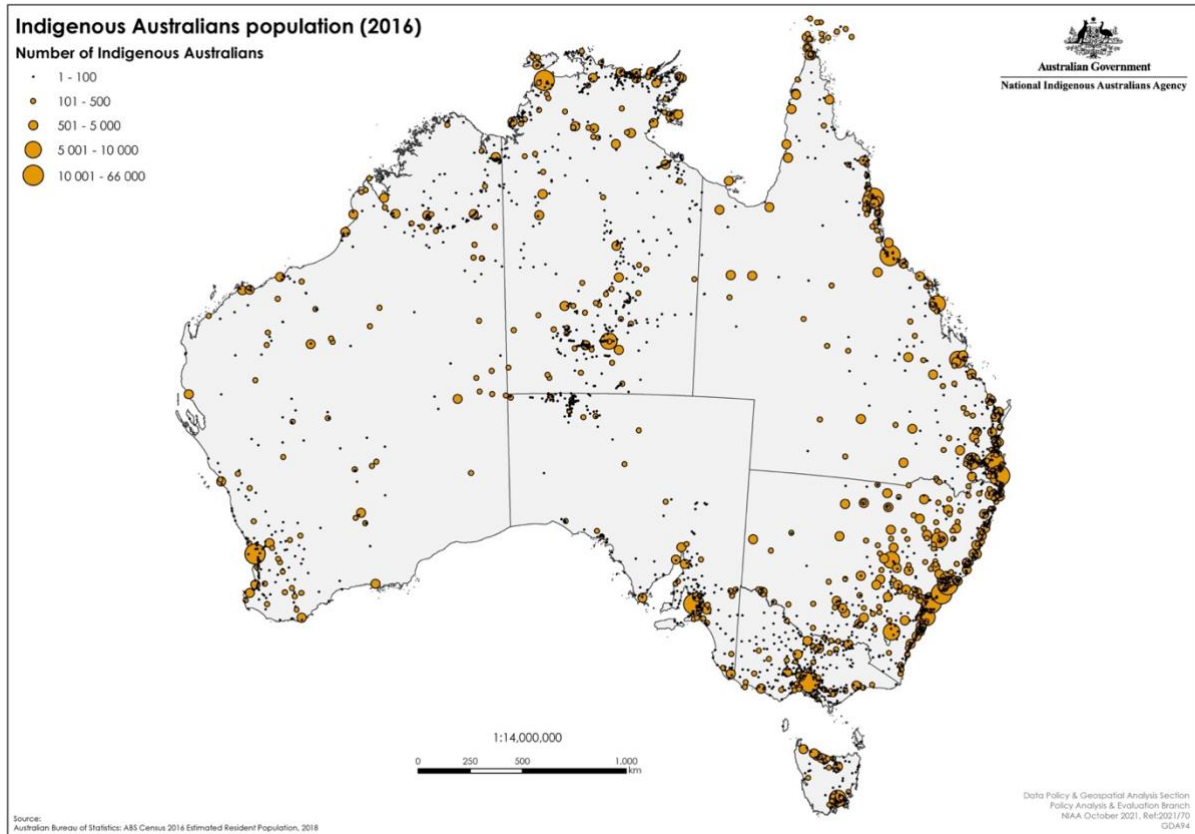
**Figure 4: Australian cultural heritage protection by jurisdiction**

<b>Commonwealth</b>	<a href="#"><i>Aboriginal and Torres Strait Islander Heritage Protection Act 1984</i></a> <a href="#"><i>Environment Protection and Biodiversity Conservation Act 1999</i></a>
<b>Australian Capital Territory</b>	<a href="#"><i>Heritage Act 2004</i></a>
<b>New South Wales</b>	<a href="#"><i>Heritage Act 1977</i></a> <a href="#"><i>National Parks and Wildlife Act 1974</i></a>
<b>Northern Territory</b>	<a href="#"><i>Heritage Act 2011</i></a> <a href="#"><i>Northern Territory Aboriginal Sacred Sites Act 1989</i></a>
<b>Queensland</b>	<a href="#"><i>Aboriginal Cultural Heritage Act 2003</i></a> <a href="#"><i>Queensland Heritage Act 1992</i></a> <a href="#"><i>Torres Strait Islander Cultural Heritage Act 2003</i></a>
<b>South Australia</b>	<a href="#"><i>Aboriginal Heritage Act 1988</i></a>
<b>Tasmania</b>	<a href="#"><i>Aboriginal Heritage Act 1975</i></a> <a href="#"><i>Historic Cultural Heritage Act 1995</i></a>
<b>Victoria</b>	<a href="#"><i>Aboriginal Heritage Act 2006</i></a> <a href="#"><i>Heritage Act 2017</i></a>
<b>Western Australia</b>	<a href="#"><i>Aboriginal Heritage Act 1972</i></a>

## Where Aboriginal and Torres Strait Islanders live

The majority of Aboriginal and Torres Strait Islander peoples live in Australia's cities and towns. Similar to cultural heritage, it should not be assumed – just because an activity is in a large metropolitan area, or is located in some other locations where native title may have been extinguished – that it will not have impact on Aboriginal and Torres Strait Islanders.

Figure 5: Where Aboriginal and Torres Strait Islanders live



### Case Study: EnergyConnect

To accelerate the decarbonisation of the National Electricity Market, the CEFC has committed up to \$295 million to EnergyConnect, which is developing essential grid infrastructure to unlock additional renewable energy generation in New South Wales, Victoria and South Australia. EnergyConnect has committed to spending at least 2.5 per cent of the value of its Engineering, Procurement and Construction contract on Aboriginal and Torres Strait Islander workforce participation and procurement. An Aboriginal Participation Plan will also be developed and implemented detailing how the project will build capacity through encouraging joint ventures and alliances between Aboriginal and Torres Strait Islander suppliers to realise bid opportunities.

Reference:

[https://www.industry.gov.au/sites/default/files/aip/energyconnect\\_aip\\_project\\_phase\\_summary\\_edits\\_21\\_july.pdf](https://www.industry.gov.au/sites/default/files/aip/energyconnect_aip_project_phase_summary_edits_21_july.pdf)

# Practical steps for investment screening

## All proposals

As a responsible investor, the CEFC considers whether any proposed investment may have a significant impact on Aboriginal and Torres Strait Islanders people. The CEFC ESG Policy provides that First Nations and social engagement is a specifically relevant ESG factor in the assessment of desirable investment attributes. If a significant impact is identified, the CEFC considers any engagement that has already occurred or is underway, as well as opportunities for improved engagement and outcomes, including increased participation by Aboriginal and Torres Strait Islander businesses and peoples.

## Proposals relating to land

The CEFC First Nations investment screening approach is structured around three critical areas:

1. *Identify* First Nations considerations
2. Assess the likely impact of identified issues
3. *Engage* with relevant First Nations people to secure positive outcomes.

**Figure 6: Identify, assess, engage**

### 1. Identify

The CEFC searches open-source information to identify native title and cultural heritage matters. We require counterparties to:

- Perform the required checks and searches regarding native title, or title held under the other forms of statutory Aboriginal and Torres Strait Islander title
- Investigate the existence of recognised First Nations heritage values under relevant statutory schemes and registers
- Consider the potential for unregistered cultural heritage to exist on a project site
- Document due diligence actions.

### 2. Assess

Where a title or cultural heritage issue is identified, the CEFC will:

- Undertake additional due diligence to identify relevant information with respect to investment decisions
- Consider whether additional external expertise is required, including direct engagement with First Nations representatives
- These actions are required for all project finance, and for other investment types relating to land – as considered on an investment-by-investment basis.

### 3. Engage

We expect counterparties to have ongoing engagement with First Nations people where native title and cultural heritage issues have been identified. We may require counterparties to undertake the following additional actions:

- Ensure any legally required approvals or agreements are obtained and entered into
- Engage with relevant First Nations peoples to ensure they have given free, prior and informed consent to the development
- Acknowledge First Nations people in announcements, events and ceremonies
- Identify positive economic benefits and opportunities for First Nations peoples, including financial returns, employment opportunities, education and training outcomes and the procurement of goods and services from First Nations businesses
- Ensure First Nations peoples have input into project design and approvals processes to mitigate potential impacts on title and cultural heritage
- Provide ongoing engagement and opportunities for access to the project area, respecting traditional laws, customs and care for Country
- Outline their approach to reconciliation with First Nations peoples.

# Questions to consider in developing investment screening processes

Counterparties seeking CEFC finance may find these questions useful in developing their own investment screening processes. The CEFC takes these issues into account when considering investment opportunities.

**Figure 7: A considered approach**

## 1. Getting started

- If the land is material to an investment proposal, is it on First Nations landholdings, affected by native title, native title claims or other forms of statutory Aboriginal and Torres Strait Islander title?
- Has the project been screened for the existence of significant First Nations heritage value?
- Is there another aspect of the proposal that has significant impact for Aboriginal and Torres Strait Islander peoples?
- Does the counterparty have an adequate engagement plan?
- How will the counterparty ensure reporting obligations are captured and shared with investors?

## 2. Where approvals and agreements are in place

- Has there been adequate engagement with First Nations involving sharing project information, resourcing of negotiations and providing independent advice?
- Have First Nations given free, prior and informed consent to the development?
- Have First Nations been informed of ongoing engagement processes including their rights of complaint?
- Are First Nations being appropriately acknowledged in announcements, events and ceremonies?

## 3. Reporting First Nations investment impacts

Has the counterparty specified and reported publicly on the potential for positive economic impact to Aboriginal and Torres Strait Islander peoples? Key factors include:

- Financial returns to Aboriginal and Torres Strait Islander peoples
- Employment opportunities, training and education outcomes
- Procurement opportunities, procedures and outcomes for goods and services from Aboriginal and Torres Strait Islander owned businesses
- Mitigation of impacts on the title of Aboriginal and Torres Strait Islander peoples and avoidance or mitigation of harm to First Nations cultural heritage
- Opportunities for ongoing First Nations access to the project area
- Corporate governance development on First Nations issues at the counterparty's organisational level.

**Additional information:**

Responsible Investment Association Australasia

- [Dhawura Ngilan \(Remembering Country\): A Vision for Aboriginal and Torres Strait Islander Heritage](#)
- [Investor Toolkit – An Investor Focus on Indigenous Peoples' Rights and Cultural Heritage Protection](#)

Clean Energy Council and KPMG

- [Leading Practice Principles: First Nations and Renewable Energy Projects](#)

First Nations Clean Energy Network

- [Best Practice Principles for Clean Energy Projects](#)

The Energy Charter

- [First Nations Better Practice Community Engagement Toolkit](#)



## 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.

[cefc.com.au](https://cefc.com.au)



# Innovate Reconciliation Action Plan

May 2022 – May 2024





The CEFC acknowledges the Traditional Owners of Country throughout Australia and recognises their continuing connection to land, waters and culture. We pay our respects to their Elders — past, present and emerging.





# Our vision for reconciliation

The CEFC vision for reconciliation is one that ensures Aboriginal and Torres Strait Islander peoples have equal opportunities to participate in our transition to a net zero emissions economy, both as custodians of this land and as beneficiaries of a more sustainable future. As a specialist investor, we have a clear focus on the sustainability impact of our investments, so that they deliver benefits for generations to come. We appreciate that lowering emissions will benefit from an inclusive society that recognises the rich histories, cultures and contributions of Aboriginal and Torres Strait Islander peoples. We recognise that First Nations peoples have successfully cared for this land for many thousands of years.

We also understand that climate change is impacting all Australians, no matter where we live. In respecting and embracing the Traditional Custodians and Elders of Australia, we demonstrate our commitment to the continuation of the cultural, spiritual and educational practices of Aboriginal and Torres Strait Islander peoples.

# Message from the CEO

**On behalf of everyone at the CEFC, I am pleased to provide this update on our reconciliation journey, guided by the processes of the Reconciliation Action Plan (RAP).**

During 2020–21 we completed our inaugural Reflect RAP, which included embracing a number of activities to help strengthen our cultural awareness and engagement with Aboriginal and Torres Strait Islander peoples and stakeholders. We valued the counsel of our external RAP Advisory Committee in these endeavours.

Recognising our role as a specialist investor working on behalf of the Australian community, we were pleased to host the first roundtable between the First Nations Heritage Protection Alliance and the Responsible Investment Association Australasia, to facilitate discussion with institutional investors on the protection of Australia's First Nations heritage. We also developed and began implementing our First Nations Investment Screening Procedure, providing a strong foundation for the way we consider our investment decisions and engage with First Nations peoples on whose land we work.

In terms of our own operations, we maintained our commitment to Acknowledgement of Country recognition and presentations at meetings, complemented by the delivery of our inaugural First Nations Cultural Awareness staff training program, which achieved very strong participation, with in excess of 90 per cent of staff undertaking the training.

Despite the constraints of the pandemic, a highlight of the year was the opportunity to welcome Aboriginal Elder Brendan Kerin to conduct a traditional cleansing ceremony using sound at the opening of our refurbished Sydney premises, where the names of meeting rooms reflect the local language of the First Nations peoples of the Eora Nation, on whose land the building sits. We recognise that stronger cultural understanding and relationships with Aboriginal and Torres Strait Islander peoples is central to ensuring we are better informed in the decisions we make as a responsible investor, procurer, employer and industry leader. Our commitment to the RAP process has strengthened during the year and continues to have the enthusiastic support of our Board, Executive and staff. We welcome the opportunities created through the RAP to deepen our ties with Aboriginal and Torres Strait Islander peoples and make a positive contribution to national reconciliation.



**Ian Learmonth**  
Chief Executive Officer  
CEFC

# Message from Reconciliation Australia

## **Reconciliation Australia commends the CEFC on the formal endorsement of its inaugural Innovate Reconciliation Action Plan.**

Commencing an Innovate RAP is a crucial and rewarding period in an organisation's reconciliation journey. It is a time to build strong foundations and relationships, ensuring sustainable, thoughtful, and impactful RAP outcomes into the future.

Since 2006, RAPs have provided a framework for organisations to leverage their structures and diverse spheres of influence to support the national reconciliation movement.

This Innovate RAP is both an opportunity and an invitation for the CEFC to expand its understanding of its core strengths and deepen its relationship with its community, staff and stakeholders.

By investigating and understanding the integral role it plays across its sphere of influence, the CEFC will create dynamic reconciliation outcomes, supported by and aligned with its business objectives.

An Innovate RAP is the time to strengthen and develop the connections that form the lifeblood of all RAP commitments. The RAP program's framework of relationships, respect, and opportunities emphasises not only the importance of fostering consultation and collaboration with Aboriginal and Torres Strait Islander peoples and communities, but also empowering and enabling staff to contribute to this process, as well.

With over 2.3 million people now either working or studying in an organisation with a RAP, the program's potential for impact is greater than ever. The CEFC is part of a strong network of more than 1,100 corporate, government, and not-for-profit organisations that have taken goodwill and intention, and transformed it into action.

Implementing an Innovate RAP signals the readiness of the CEFC to develop and strengthen relationships, engage staff and stakeholders in reconciliation, and pilot innovative strategies to ensure effective outcomes.

Getting these steps right will ensure the sustainability of future RAPs and reconciliation initiatives and provide meaningful impact toward Australia's reconciliation journey.

Congratulations CEFC on your Innovate RAP and I look forward to following your ongoing reconciliation journey.



**Karen Mundine**  
Chief Executive Officer  
Reconciliation Australia

# About the artwork

## Artwork

Creating a sustainable future

*Jordana Angus*

## Artwork Story

This artwork titled *Creating a sustainable future* by Wiradjuri artist, Jordana Angus, represents the CEFC's commitment to creating a more sustainable future for all Australians, by ensuring all communities have access to reliable, affordable and clean energy.

This is represented by the people symbols within the artwork accessing different sources of clean energy that the CEFC is investing in. These sources of clean energy are represented by four circular designs within the artwork — representing (from left to right) solar generation, wind generation, bioenergy and energy storage.

The artwork background is made up of symbols that represent the land, sky and water that Aboriginal and Torres Strait Islander peoples have successfully cared for, for many thousands of years.

This element of the artwork acknowledges the contribution of Aboriginal and Torres Strait Islander peoples and recognises the need for an inclusive society to lower emissions for sustainable communities. By using symbols depicting the Indigenous landscape, the artwork represents the CEFC's support of the continuation of culture, and spiritual and educational practices of Aboriginal and Torres Strait Islander people.

The CEFC is represented by a circular design in the top right corner of the artwork, representing the CEFC as drivers of innovation, forward thinking and a catalyst for change. The people symbols surrounding this circular design are facing outwards to show their commitment to the community and their role as educators and leaders in facing the climate change challenge.

Size: 60cm x 70cm

Medium: Acrylic on canvas

Date: June 2020



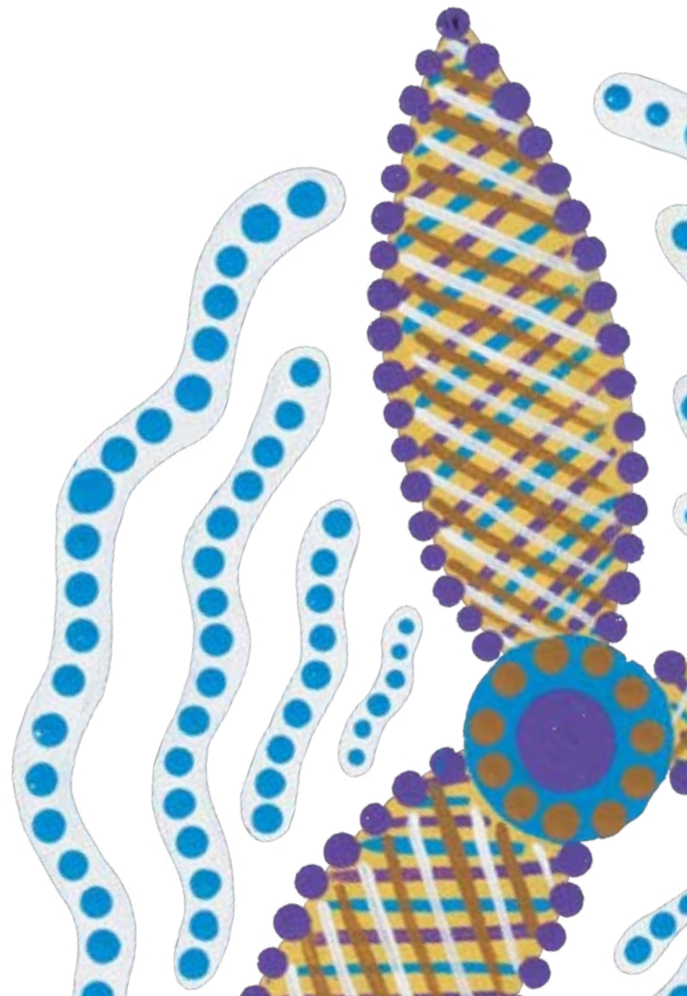




# Our business

The CEFC has a clear mission to accelerate investment in Australia's transition to net zero emissions. We invest to lead the market, operating with commercial rigour to address some of Australia's toughest emissions challenges. We're working with our co-investors across renewable energy generation and energy storage, as well as agriculture, infrastructure, property, transport, and waste.

Through the Advancing Hydrogen Fund, we're supporting the growth of a clean, innovative, safe, and competitive hydrogen industry. And as Australia's largest dedicated cleantech investor, we continue to back cleantech entrepreneurs through the Clean Energy Innovation Fund. With \$10 billion to invest on behalf of the Australian Government, we work to deliver a positive return for taxpayers across our portfolio.





## What we do

The CEFC works with businesses, institutional investors and innovative entrepreneurs to accelerate investment in Australia's transition to net zero emissions. In operating within the parameters of the CEFC Act and Investment Mandate directions, we must also anticipate and respond to the environment and market conditions in which we operate.

This means retreating where the private sector is operating effectively and stepping up our investment activity to fill market gaps where the private sector is absent. Through our investment origination activities, framed around four decarbonisation pathways, we prioritise emissions challenges across the wider Australian economy.

# Where we invest

## Decarbonisation pathways



### Low carbon electricity

CEFC finance is accelerating the delivery of cleaner, lower cost energy Australia-wide. We invest in critical large-scale grid transmission projects, landmark battery storage, substantial renewable energy developments and innovative bioenergy opportunities.



### Ambitious energy efficiency

Investing in renewable energy, energy efficiency and low emissions solutions for the infrastructure, manufacturing and property sectors can deliver benefits right across the economy, from lower energy costs to increased efficiency, reducing demand on the energy network.



### Electrification and fuel switching

We are working to electrify key sectors of our economy, from backing clean hydrogen as a new fuel source to investing in fuel switching technologies to decarbonise agriculture, industry, resources and transport.



### Reducing non-energy emissions

We are pursuing diverse opportunities to reduce non-energy emissions, from lowering embodied carbon in buildings to bio-sequestration and soil carbon initiatives in agriculture.

# Our performance

Our impact: As a specialist investor, investing on behalf of the Australian community, we have a clear focus on the impact of our activities. Since we began investing, to 31 December 2021, we reported:

## Economic impact

Lifetime investment commitments of more than \$10.31 billion Australia-wide, including \$5.78 billion powering renewable energy, \$3.77 billion delivering energy efficiency and \$764 million supporting low emissions technologies.

## Clean energy impact

We continue to extend our reach into innovative investment models and technologies, capturing new investor capital and supporting new investment opportunities. We also delivered careful management of our large portfolio, where maturing investments continue to make their mark on the emissions challenge.

## Investment impact

Each dollar of CEFC commitments has been matched by \$2.50 in private sector finance, demonstrating our ability to attract additional private sector finance into lower emissions.

## Innovation impact

The specialist Clean Energy Innovation Fund strengthened its position as the largest dedicated cleantech investor in Australia, with lifetime investments to 31 December 2021 of \$147.9 million. Together with its co-financiers, the Innovation Fund has played a key role in delivering more than \$579.9 million to the cleantech sector in its first five years of operation, reaching almost 100 individual cleantech pioneers.

# Our geographical reach



The CEFC operates with a national focus, with our investment commitments stretching across Australia, including national and state-based projects and programs. We do not have any permanent staff who identify as Aboriginal and/or Torres Strait Islander people. At the end of the 2020–21 year, the CEFC had 124 employees, based in five locations:

1	Brisbane – on the lands of the Turrbul and Jagera peoples
2	Canberra – on the lands of the Ngunnawal peoples
3	Melbourne – on the lands of the Boon Wurrung and Wurundjeri peoples of the Kulin Nation
4	Perth – on the lands of the Whadjuk Noongar peoples
5	Sydney – on the lands of the Gadigal peoples of the Eora Nation

# Our sphere of influence

The CEFC works closely with other investors, businesses and project developers to achieve emissions reduction, investing to accelerate the decarbonisation of the Australian economy and achieve the goal of net zero emissions by 2050. We operate in a rapidly changing market environment, with policy, technology and changing capital markets offering challenges and opportunities.

Our sphere of influence is broad and diverse within the clean energy and financial sectors. It extends to the Traditional Custodians of the land on which our offices are based, and the First Nation peoples on whose land we work.

Internally, our stakeholders include our Board, Executive and staff, who are closely involved in the vision of our RAP. Externally, our stakeholders include our clients, co-investors, and suppliers, as well as the Australian Government Department of Industry, Science, Energy and Resources.

Our purpose in accelerating investment in emissions reduction cannot be achieved by the CEFC working in isolation. Since we began investing, we have built close relationships with all levels of Government, leading investors and asset owners, industry associations and market analysts to broaden and deepen the impact of our investment activity.



## Our RAP

The CEFC is committed to advancing reconciliation in Australia. In developing our Innovate RAP, we recognise that our objective of lowering emissions for sustainable communities will benefit from an inclusive society that recognises the rich histories, cultures and contribution of Aboriginal and Torres Strait Islander peoples.

The CEFC formed a RAP Working Group in 2018 in response to interest from staff and the recognition that as an organisation we can do more to encourage and build relationships with Aboriginal and Torres Strait Islander peoples, communities and organisations. In May 2020, we launched our first Reflect RAP which provided a framework for the organisation as we embarked on our reconciliation journey.

Our RAP is championed by our CEO, Ian Learmonth with the strong support from our Executive team, to help drive engagement, enthusiasm and awareness among staff. Our RAP Working Group includes staff from all offices and business units, including a member of the Executive team. We believe that having representation from across the business and the endorsement of senior leadership is vital to embedding the RAP across our organisation.

Most importantly, we have ensured that our working group includes First Nations voices with the formation of an external Advisory Committee, bringing First Nations experiences and perspectives to our RAP Working Group and guiding us as we build relationships and shape initiatives that can lead to positive outcomes for First Nations people. The RAP Advisory Committee joins the RAP Working Group in quarterly meetings, underpinning an important and ongoing dialogue. We sincerely thank the members of the Advisory Committee for their guidance and support.

## The CEFC RAP Working Group members

- Chief People and Culture Officer
- Executive Director – Clean Futures Team
- Head of Government and Stakeholder Relations
- Director – Legal
- Director – Marketing and Communications
- Risk and Compliance Manager
- Associate Director – Clean Futures Team
- Associate Director – Sustainability
- Senior Associate – Investment Team
- Senior Associate – Investment Team
- Senior Associate – Sustainability
- Senior Associate – Sustainability
- Event and Marketing Manager
- Team Administrator – People and Culture
- Associate – Portfolio Management

## Advisory Committee members

### Erica Smits

Compliance Officer,  
Office of the Registrar *Aboriginal Lands Rights Act 1983*

### Phil Ahmat

Director,  
Mura Connect

# CEFC reconciliation journey

## Key developments

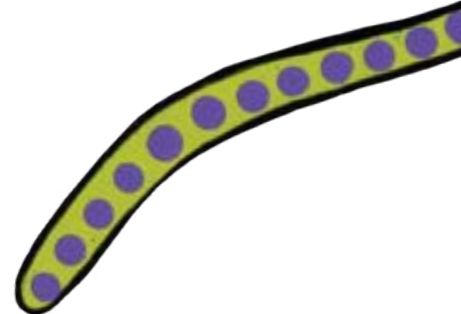
Engaging in our Reflect RAP allowed us to scope and develop relationships with Aboriginal and Torres Strait Islander stakeholders and clarify our vision for reconciliation based on our sphere of influence. We have also increased our understanding and recognition of First Nations peoples and the challenges they may face as a result of experiencing the inter-generational trauma of the Stolen Generations. This enhanced awareness and understanding is driving our actions as a responsible investor, procurer, employer and industry leader.

# Supporting First Nations employment opportunities

We have established **an annual CEFC CareerTrackers internship program**, working with CareerTrackers, a national non-profit organisation creating pathways and support systems for Aboriginal and Torres Strait Islander young adults to attend and graduate from university, with industry experience and bright professional futures. We have welcomed two Aboriginal and/or Torres Strait Islander interns since November 2019.

We **participated in the Australian Government 2022 Indigenous Graduate Pathway program**, which aims to recruit First Nations graduates into the Australian public service. Some 45 Commonwealth agencies participated in the program, with almost 50 candidates shortlisted from an estimated 100 applicants. Unfortunately, the Pathway program did not attract candidates with the requisite

background in finance, business, commerce, or an equivalent analytical degree for recruitment by the CEFC and we were unable to offer a graduate position for 2022. We remain committed to First Nations recruitment, but with just four candidates identifying the CEFC as a career option through the Graduate Pathway Program, we recognise there is an awareness gap about our organisation and the potential for career growth. This is perhaps not surprising, given the prominent participation of large departments and agencies, who have well-established First Nations employment programs. We are working with our RAP Advisory Committee with a view to explore alternative sourcing strategies to attract First Nations candidates, drawing on their experience and networks.



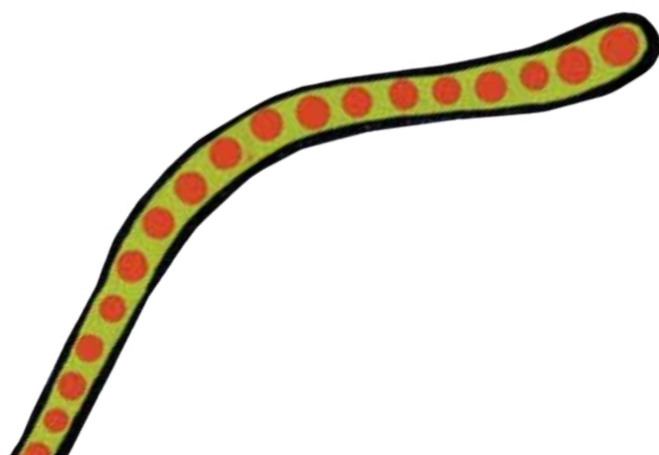
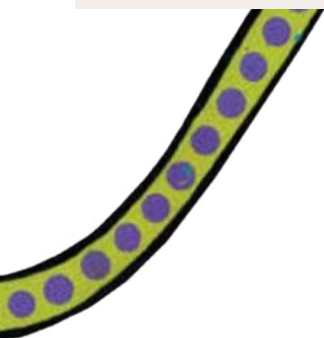
“Thanks to the CEFC for the partnership with CareerTrackers. It’s an investment not only in myself but in the broader First Nations community. Over the 12 weeks, I was committed to making the most of the opportunity in front of me. Previously I had no insight into investment banking and was aware that First Nations people were underrepresented in major professional services. We simply don’t have awareness that these opportunities are out there.

The breadth of exposure and project work I had across several teams at the CEFC developed my understanding of complicated topics and helped me learn new skills, both technical and personal. I gained extreme value hearing from the perspectives of the teams I worked with. The people at the CEFC are a great combination of brilliance and compassion: they have a genuine desire to improve

reconciliation and First Nations awareness. I really appreciated CEFC’s culture of excellence and the support and encouragement that people willingly provided, which built my self-confidence.

However, the most significant outcome was that this experience showed me where my passions lie and gave me the chance to grow in ways I didn’t anticipate. As a result of my deeper awareness of investment banking and professional services, I now have greater clarity of where I want to go. I feel more prepared for the future with new career goals. I am proud of the growth I have been able to achieve as part of this CareerTrackers Internship at the CEFC.”

CEFC CareerTrackers Intern 2021

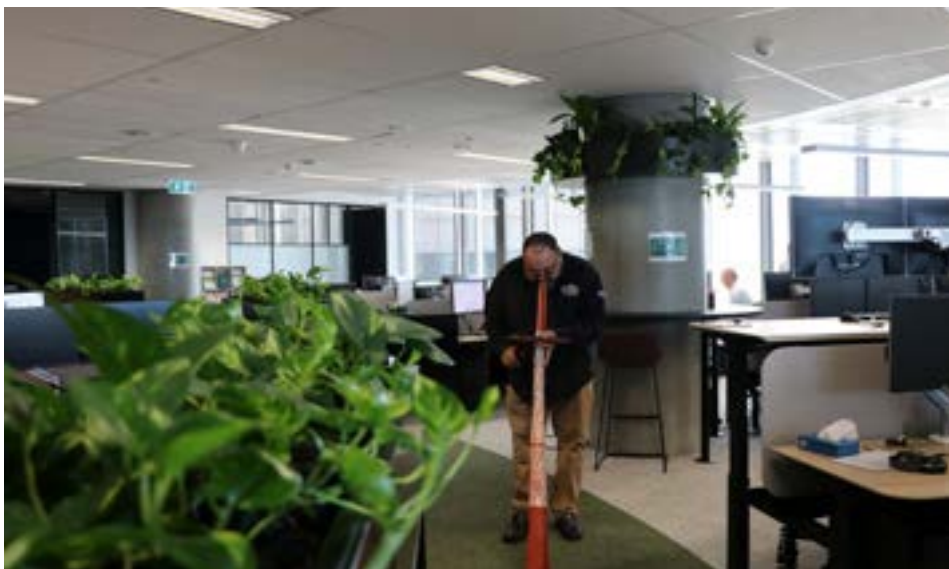


# Influencing investment decisions

The CEFC developed a **First Nations Investment Screening Procedure** to proactively engage with counterparties with respect to First Nations engagement, native title and cultural heritage. The screening procedure assists in building understanding about how First Nations peoples can participate in the low emissions transition, while also identifying existing hurdles or barriers to entry.

The CEFC **joined the RIAA First Nations Working Group**. As an active member of the Responsible Investment Association Australasia (RIAA), we joined the RIAA Human Rights working group for First Nations Peoples and hosted two CEO roundtable events with the RIAA and the First Nations Heritage Protection Alliance. The goal is to facilitate dialogue and engagement around the protection of Australia's Indigenous heritage, bringing together First Nations representatives, academics and institutional investors.

The inaugural CEFC **ESG Policy** was approved by our Board in the 2020–21 year, and identified First Nations considerations as one of the material ESG factors to be addressed as part of CEFC investment and risk management decisions.



Brendan Kerin cleansing with the Yidaki



# Strengthening staff understanding

The CEFC participated in the **Reconciliation Australia Workplace RAP Barometer Survey**, confirming strong interest from CEFC staff in learning more about Aboriginal and Torres Strait Islander histories and cultures, supported by the RAP process.

The CEFC marked the completion of our Sydney office refurbishment with a **cleansing ceremony and Welcome to Country** from Aboriginal Elder Brendan Kerin. Brendan used sound to cleanse our space through his Yidaki, an instrument of the Yolngu people of Northeast Arnhem Land. To finish the ceremony, Brendan played a cleansing sound on the Yidaki to ward off any bad spirits within the office space.

With the strong support of staff, we named our Sydney meeting rooms by drawing on words from the Gadigal language group.

During 2021, the CEFC was pleased to work with MuraConnect to introduce **First Nations Cultural Awareness Training** to all staff. With an excellent participation rate of more than 90 per cent, the training initiative aimed to increase our knowledge and understanding of Aboriginal and Torres Strait Islander cultures. The training was well received, and we will continue to work with MuraConnect for ongoing learning. One of our key insights from this important initiative, demonstrated by our staff's enthusiasm for the training and knowledge, was the need as an organisation to ensure we are providing continual opportunities to access this type of learning. This will ensure ongoing avenues to increase our knowledge and understanding of Aboriginal and Torres Strait Islander cultures, while also fostering opportunities for the important conversations that follow.



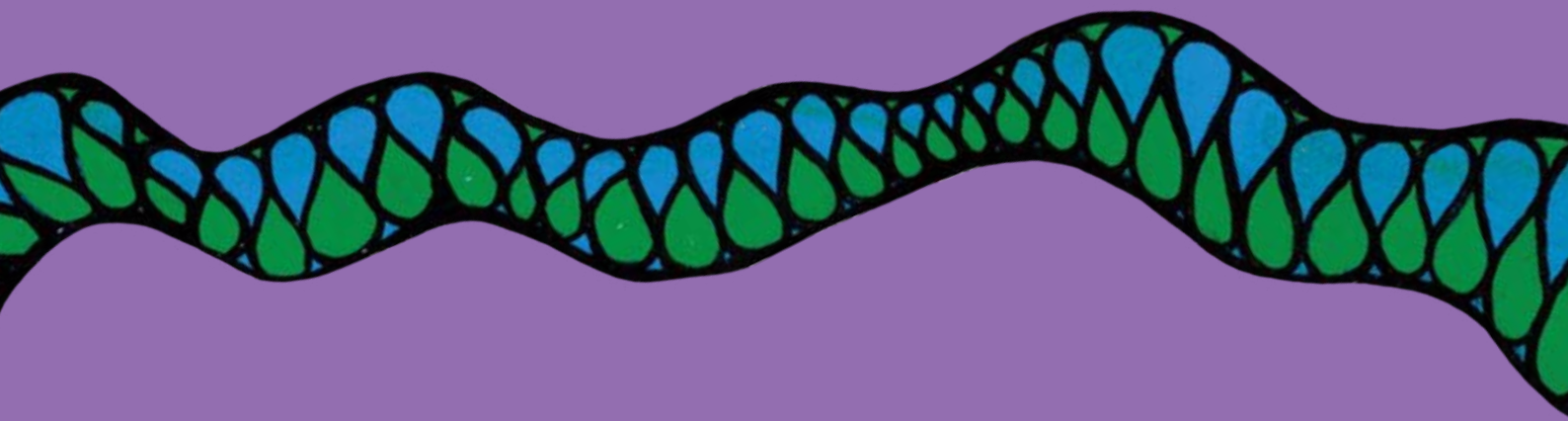
CEFC Executive and RAP Advisory Committee members

(from left to right) Ludovic Theau, Sara Leong, Jay Tolson, Paul McCartney, Ian Learmonth, Phil Ahmat, Andrew Powell, Leanne McDonald



# Relationships

The CEFC recognises that, as an organisation and investor representing the Australian community, we have a unique and important role to play in helping to develop strong and lasting relationships between the wider Australian community and Aboriginal and Torres Strait Islander peoples, and in leading and supporting partnership and engagement across the clean energy sector.



## Relationships

Action	Deliverable	Timeline	Responsibility
<b>1. Establish and maintain mutually beneficial relationships with Aboriginal and Torres Strait Islander stakeholders and organisations.</b>	– Meet with Aboriginal and Torres Strait Islander stakeholders and organisations to continue to develop guiding principles for future engagement.	August 2022 and 2023	Head of Government and Stakeholder Relations
	– Develop and implement an updated engagement plan to work with Aboriginal and Torres Strait Islander stakeholders and organisations.	May 2023	Head of Government and Stakeholder Relations
<b>2. Build relationships through celebrating National Reconciliation Week (NRW).</b>	– Circulate Reconciliation Australia's NRW resources and reconciliation materials to our staff across the organisation.	May 2022 and 2023 and 2024	Event and Marketing Manager
	– RAP Working Group members will participate in an external NRW event and will share their learnings with staff through intranet articles.	27 May – 3 June, 2022 and 2023	Event and Marketing Manager
	– Encourage and support staff and senior leaders to participate in at least one external event to recognise and celebrate NRW, in their respective locations.	27 May – 3 June, 2022 and 2023	Event and Marketing Manager
	– Organise at least one NRW event each year at each of our main offices.	27 May – 3 June, 2022 and 2023	Event and Marketing Manager
	– Register all our NRW events on Reconciliation Australia's <a href="#">NRW website</a> .	May 2022 and 2023 and 2024	Event and Marketing Manager

## Relationships

Action	Deliverable	Timeline	Responsibility
<b>3. Promote reconciliation through our sphere of influence.</b>	– Develop and implement a staff engagement strategy to raise awareness of reconciliation across our workforce.	August 2022 and 2023	Chief People and Culture Officer
	– Continue to communicate our commitment to reconciliation publicly, via our website and social media platforms, as well as in our annual report.	April 2023 and 2024 and October 2022 and 2023	Event and Marketing Manager
	– Continue to raise internal awareness of our RAP to promote reconciliation across the business by publishing regular stories and RAP progress updates on our intranet.	March 2023 and 2024 and October 2022 and 2023	Event and Marketing Manager
	– Continue to explore opportunities to positively influence our external stakeholders to drive reconciliation outcomes.	August 2022 and 2023	Head of Government and Stakeholder Relations
	– Continue to collaborate with other organisations committed to RAPs and other like-minded organisations to develop ways to advance reconciliation.	August 2022 and 2023	Head of Government and Stakeholder Relations
	– Explore new avenues to promote and collaborate on our RAP commitments with external stakeholders or partners.	August 2022 and 2023	Head of Government and Stakeholder Relations
<b>4. Promote positive race relations through anti-discrimination strategies.</b>	– Continue our participation in the Responsible Investment Association Australasia (RIAA) Human Rights working group for First Nations Peoples to demonstrate our organisation's commitment towards action, and to share our learnings and developments (e.g. the First Nations Investment Screening Procedure) with other relevant organisations.	December 2022 and 2023	Head of Government and Stakeholder Relations
	– Update our current human resources policies and procedures to include any additional anti-discrimination provisions that were identified as part of the annual review of human resources policies and procedures undertaken	July 2022	Chief People and Culture Officer
	– Annually review and communicate the anti-discrimination policy for our organisation.	November 2022 and 2023	Chief People and Culture Officer
	– Engage with Aboriginal and Torres Strait Islander staff and/or Aboriginal and Torres Strait Islander advisors to consult on our anti-discrimination policy.	July 2022	Chief People and Culture Officer
	– Educate our senior leaders on the effects of racism.	November 2022	Chief People and Culture Officer





# Respect

We are committed to continually developing cultural understanding across the organisation that will imbed appreciation of Aboriginal and Torres Strait Islander communities, cultures and histories, support respectful and meaningful relationships, and improve awareness across our major project locations and with the stakeholders we work with.



## Respect

Action	Deliverable	Timeline	Responsibility
<b>5. Increase understanding, value and recognition of Aboriginal and Torres Strait Islander cultures, histories, knowledge, and rights through cultural learning.</b>	– Conduct an annual review of cultural learning needs within our organisation.	July 2022 and 2023	Risk and Compliance Manager
	– Compile and analyse results of the annual review of cultural learning needs to inform the cultural learning strategy and training plan.	August 2022 and 2023	Risk and Compliance Manager
	– Consult local Traditional Owners and/or Aboriginal and Torres Strait Islander advisors on the development and implementation of a cultural learning strategy.	August 2022	Risk and Compliance Manager
	– Assess the impact of the inaugural cultural learning program for staff, and use the results to inform the cultural learning strategy and training plan.	July 2022	Risk and Compliance Manager
	– Develop, implement and communicate the cultural learning strategy for our staff.	July 2022 and 2023	Risk and Compliance Manager
	– Embed cultural awareness training into the onboarding processes for all new staff who join the organisation.	August 2022	Chief People and Culture Officer
	– Work with Aboriginal and Torres Strait Islander learning consultants to provide opportunities for RAP Working Group members, HR managers and other leadership staff to participate in further cultural learning initiatives.	July 2022 and 2023	Risk and Compliance Manager and Chief People and Culture Officer
	– Investigate and offer local cultural immersion opportunities to all interested staff in their respective office locations.	December 2022	Risk and Compliance Manager and Chief People and Culture Officer

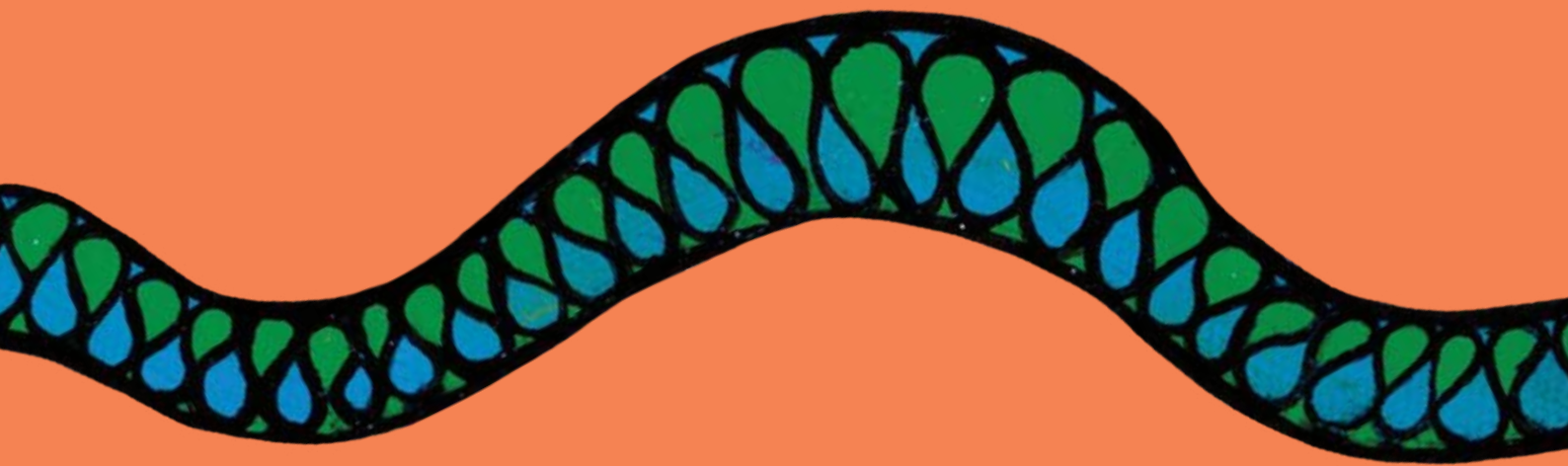
## Respect

Action	Deliverable	Timeline	Responsibility
<b>6. Demonstrate respect to Aboriginal and Torres Strait Islander peoples by observing cultural protocols.</b>	– Further embed our staff's understanding of the purpose and significance behind cultural protocols, including Acknowledgement of Country and Welcome to Country protocols.	October 2022 and 2023	Associate Director, Clean Futures Team
	– Annually review and re-communicate a cultural protocol document, including protocols for Welcome to Country and Acknowledgement of Country.	December 2022 and 2023	Associate Director, Clean Futures Team
	– Invite a local Traditional Owner or Custodian to provide a Welcome to Country or other appropriate cultural protocol at significant events each year.	October 2022 and 2023	Associate Director, Clean Futures Team
	– Continue to include an Acknowledgement of Country or other appropriate protocols at the commencement of staff townhalls and other important internal and external meetings and events.	May 2023 and 2024	Associate Director, Clean Futures Team
	– Continue to include an email signature banner on all external emails acknowledging Aboriginal and Torres Strait Islander peoples and our commitment to reconciliation.	May 2023 and 2024	Associate Director, Clean Futures Team and Event and Marketing Manager
<b>7. Build respect for Aboriginal and Torres Strait Islander cultures and histories by celebrating NAIDOC Week.</b>	– RAP Working Group to participate in an external NAIDOC Week event.	First week in July, 2022 and 2023	Event and Marketing Manager
	– Review HR policies and procedures to remove barriers to staff participating in NAIDOC Week.	June 2022 and 2023	Chief People and Culture Officer
	– Promote and encourage participation in external NAIDOC events to all staff, by raising awareness of events.	First week in July, 2022 and 2023	Event and Marketing Manager
<b>8. Build understanding and awareness of Aboriginal and Torres Strait Islander cultural heritage across our major project locations.</b>	– Continue to build awareness of and respect for Aboriginal and Torres Strait Islander communities, cultures and heritage across major project locations through the imbedding of our First Nations Investment Screening Procedure across the organisation.	December 2022 and 2023	Head of Government and Stakeholder Relations
	– Further embed our staff's understanding of the purpose and significance behind the First Nations Investment Screening Procedure through annual training.	December 2022 and 2023	Head of Government and Stakeholder Relations



# Opportunities

The CEFC has a unique opportunity to improve both employment outcomes and economic and social outcomes for Aboriginal and Torres Strait Islander peoples, both within our organisation, as well as across our major project locations. We will lead by example and influence in the clean energy sector to support Aboriginal and Torres Strait Islander businesses and communities, and will create opportunities that contribute to better outcomes.



## Opportunities

Action	Deliverable	Timeline	Responsibility
<b>9. Improve employment outcomes by increasing Aboriginal and Torres Strait Islander recruitment, retention and professional development.</b>	– Continue to build understanding of current Aboriginal and Torres Strait Islander staffing to inform future employment and professional development opportunities.	December 2022 and 2023	Chief People and Culture Officer
	– Engage with Aboriginal and Torres Strait Islander staff and/or Aboriginal and Torres Strait Islander advisers to consult on our recruitment, retention and professional development strategies.	December 2022 and 2023	Chief People and Culture Officer
	– Develop and implement an Aboriginal and Torres Strait Islander recruitment, retention and professional development strategy.	December 2022 and 2023	Chief People and Culture Officer
	– Continue to advertise employment opportunities to effectively reach Aboriginal and Torres Strait Islander stakeholders.	December 2022 and 2023	Chief People and Culture Officer
	– Review HR and recruitment procedures and policies to ensure there are no barriers to Aboriginal and Torres Strait Islander participation in our workplace.	July 2023	Chief People and Culture Officer
	– Increase the percentage of Aboriginal and Torres Strait Islander staff employed in our workforce.	December 2023	Chief People and Culture Officer
	– Investigate the provision of workplace mentors for Aboriginal and Torres Strait Islander employees.	June 2023	Chief People and Culture Officer
<b>10. Increase employment opportunities for Aboriginal and Torres Strait Islander peoples through graduate and internship pathways.</b>	– Continue to work with CareerTrackers (or other, similar providers) to offer internship or cadetship opportunities for Aboriginal and Torres Strait Islander students.	July 2023	Chief People and Culture Officer
	– Develop or participate in a First Nations graduate program, to diversify our opportunities and pathways to recruit Aboriginal and Torres Strait Islander staff.	July 2023	Chief People and Culture Officer

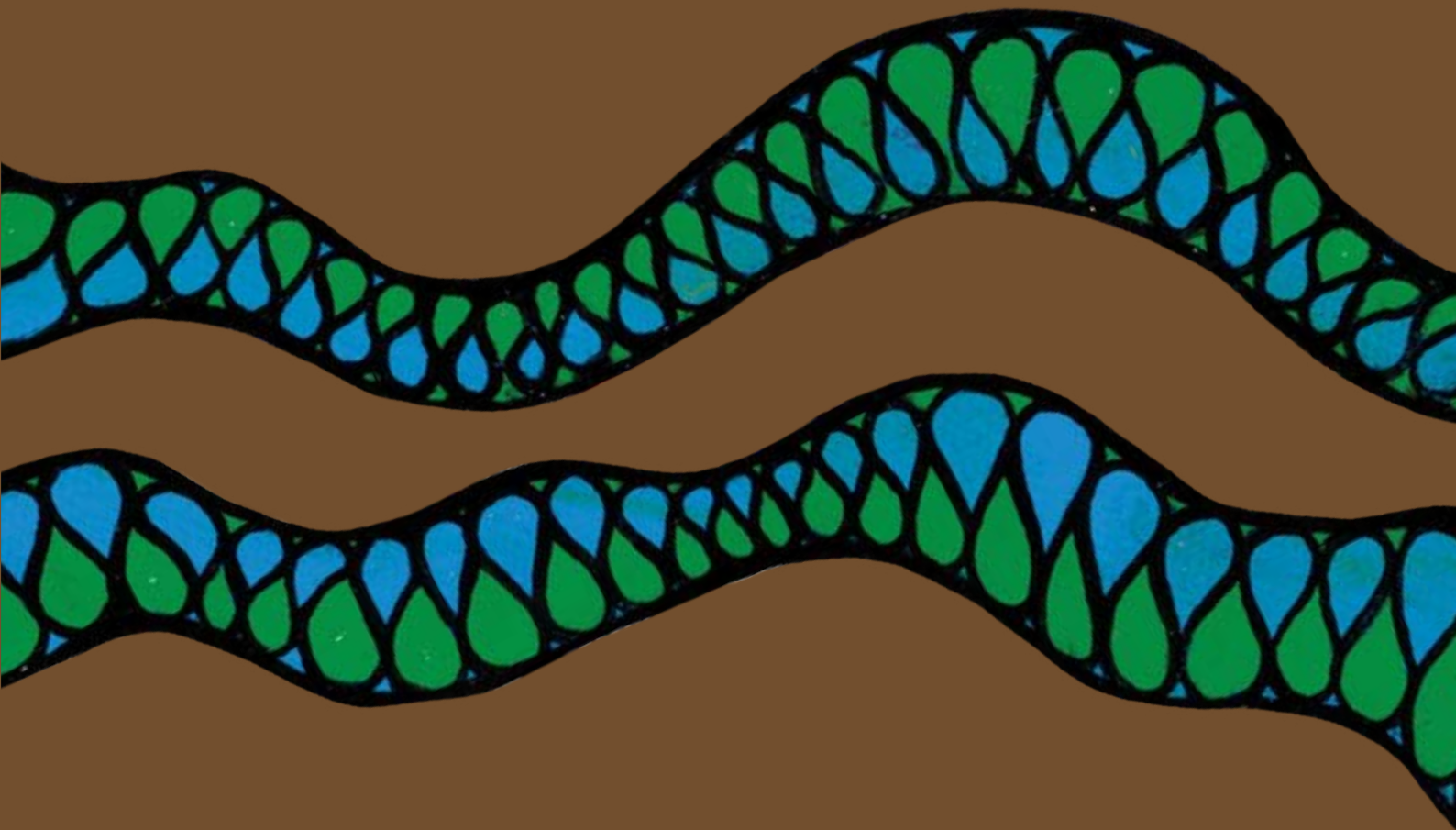


## Opportunities

Action	Deliverable	Timeline	Responsibility
<b>11. Increase Aboriginal and Torres Strait Islander supplier diversity to support improved economic and social outcomes.</b>	– Develop and implement an Aboriginal and Torres Strait Islander procurement strategy.	August 2023	Senior Associate, Investment Team
	– Investigate Supply Nation membership for potential membership opportunities annually.	June 2022 and 2023 and May 2024	Senior Associate, Investment Team
	– Develop and communicate opportunities for procurement of goods and services from Aboriginal and Torres Strait Islander businesses to staff across offices.	November 2022	Senior Associate, Investment Team
	– Develop a location-based internal directory of Aboriginal and Torres Strait Islander businesses for procurement opportunities in their respective locations, and communicate to staff across offices.	November 2022	Senior Associate, Investment Team
	– Review and update procurement practices to remove barriers to procuring goods and services from Aboriginal and Torres Strait Islander businesses.	August 2022	Senior Associate, Investment Team
	– Develop commercial relationships with Aboriginal and/or Torres Strait Islander businesses.	November 2022	Senior Associate, Investment Team
	– Develop a system to track the amount and impact of procurement for goods and services sourced from Aboriginal and Torres Strait Islander businesses.	October 2022	Senior Associate, Investment Team
<b>12. Increase representation and contribute to better outcomes for Aboriginal and Torres Strait Islander businesses in the clean energy sector.</b>	– Investigate potential partnerships for CEFC to contribute to increasing participation of Aboriginal and Torres Strait Islander businesses and communities in the clean energy sector by working with other relevant businesses and stakeholders.	May 2023	Chief People and Culture Officer and Head of Government and Stakeholder Relations
	– Create at least one partnership project focused on increasing participation of Aboriginal and Torres Strait Islander businesses and communities in the clean energy sector.	May 2023	Chief People and Culture Officer and Head of Government and Stakeholder Relations
	– Liaise with not-for-profit organisation Jawun (who places skilled people from Australian companies and government agencies into Indigenous organisations, where these secondees share their expertise and support Indigenous leaders to achieve their own development goals) to assess and determine whether there are any clean energy sector-related Aboriginal and Torres Strait Islander businesses (or initiatives) which would benefit from a CEFC secondee.	December 2022	Chief People and Culture Officer



# Governance



## Governance

Action	Deliverable	Timeline	Responsibility
<b>13. Establish and maintain an effective RAP Working Group (RWG) and RAP Advisory Committee to drive governance of the RAP.</b>	– Maintain Aboriginal and Torres Strait Islander representation on the RAP Working Group.	August 2022 and 2023	Associate Director, Clean Futures Team
	– Annually review the Terms of Reference and other governance documents for the RAP Working Group and RAP Advisory Committee.	July 2022 and 2023	Associate Director, Clean Futures Team
	– The RAP Working Group and RAP Advisory Committee will meet quarterly to drive and monitor RAP implementation.	August 2022 and 2023	Associate Director, Clean Futures Team
<b>14. Provide appropriate support for effective implementation of RAP commitments.</b>	– Define resource needs for RAP development and continued implementation.	June 2022 and 2023	Associate Director, Clean Futures Team and Chief People and Culture Officer
	– Continue to engage our senior leaders and other staff in the delivery of RAP commitments.	May 2023	Associate Director, Clean Futures Team and Chief People and Culture Officer
	– Define and maintain appropriate systems to track, measure and report on RAP commitments.	July 2022	Associate Director, Clean Futures Team and Associate Director, Sustainability
	– Appoint and maintain an internal RAP Champion from senior management.	June 2022 and 2023	Associate Director, Clean Futures Team

## Governance

Action	Deliverable	Timeline	Responsibility
<b>15. Build accountability and transparency through reporting RAP achievements, challenges and learnings both internally and externally.</b>	– Contact Reconciliation Australia to request our unique link, to access the online RAP Impact Measurement Questionnaire.	1 August, 2022 and 2023	Associate Director, Clean Futures Team
	– Complete and submit the annual RAP Impact Measurement Questionnaire to Reconciliation Australia.	30 September, 2022 and 2023	Associate Director, Clean Futures Team
	– RAP progress will be reported to all staff and senior leaders quarterly via leadership updates, staff townhalls and intranet articles.	June, September, December 2022 and March, June, September, December 2023 and March 2024	Associate Director, Clean Futures Team
	– Publicly report our RAP achievements, challenges and learnings, annually.	October 2022 and 2023	Associate Director, Sustainability and Event and Marketing Manager
	– Contact Reconciliation Australia to verify that our primary and secondary contact details are up to date, to ensure we do not miss out on important RAP correspondence.	June 2022 and 2023	Associate Director, Clean Futures Team
	– Submit a traffic light report to Reconciliation Australia at the conclusion of this RAP.	November 2023	Associate Director, Clean Futures Team
	– Participate in Reconciliation Australia's biennial Workplace RAP Barometer.	May 2022	Associate Director, Clean Futures Team
<b>16. Continue our reconciliation journey by developing our next RAP.</b>	– Register via <a href="#">Reconciliation Australia's website</a> to begin developing our next RAP.	November 2023	Associate Director, Clean Futures Team





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Australian Government



# Modern Slavery Policy

March 2025

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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- 2. What is modern slavery ..... 2
- 3. Scope of this policy ..... 3
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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 its 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 our suppliers as part of the procurement process.

### 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 identify, assess, address and mitigate potential modern slavery risks in its operations and supply chains.

The CEFC due diligence process considers various risk factors such as countries with a higher prevalence of modern slavery, sector specific risks and business model risks. The CEFC may conduct due diligence on 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:

<b>Board</b>	<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>
<b>Chief Risk Officer</b>	<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>
<b>Risk and Compliance team</b>	<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>
<b>Legal team</b>	<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>• 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 a specialist investor in Australia's transition to net zero emissions by 2050. With access to more than \$30 billion from the Australian Government, we work with co-investors, industry and government to drive economy-wide investment in decarbonisation. We invest in renewable energy, energy efficiency and low emissions technologies via the CEFC General Portfolio, the Rewiring the Nation Fund and four Specialised Investment Funds: the Household Energy Upgrades Fund, the Powering Australia Technology Fund, the Advancing Hydrogen Fund and the Clean Energy Innovation Fund. We are governed by an Independent Board, which provides prudent oversight and governance of CEFC culture, investment decisions and risk management. Our Executive and staff bring considerable experience and expertise to our investment and decarbonisation task. In adopting a national approach to the emissions challenge, we invest with commercial rigour, aiming to deliver a positive return across our portfolio.





Australian Government



# CEFC Principles for suppliers

March 2025



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

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## 1. Introduction

The CEFC is committed to working with its suppliers to establish and maintain ethical, sustainable and socially responsible operations and supply chains. The CEFC Principles for Suppliers outlines the behaviour and standards the CEFC expects of its suppliers.

The CEFC Principles for Suppliers is driven by the same principles that support the CEFC [Code of Conduct and Ethics](#). This Code outlines the guiding principles to help our staff make decisions in their daily work and sets expectations that staff demonstrate behaviour consistent with the CEFC Values of Impact, Collaboration, Integrity, and Innovation.

## 2. Conduct of business

The CEFC expects lawful and ethical behaviour from its staff and seeks to engage with suppliers that also operate in a lawful and ethical manner. In particular, the CEFC expects that suppliers will:

- conduct business in a manner that is fair, honest, respectful and compliant with all legal requirements of the jurisdictions in which they operate including all applicable laws relating to sanctions, export or import and trade controls
- operate transparently by maintaining and retaining appropriate records
- not engage in any forms of corruption including bribery, fraud, extortion, money laundering and the gaining of improper advantage
- maintain confidentiality and privacy of information, except where disclosure is authorised or required by law.

### 3. Labour and workplace

The CEFC values the contributions made by its staff and seeks to ensure staff are treated with dignity and respect. The CEFC expects the same standards of its suppliers, including that they:

- provide a safe working environment
- provide a workplace that is free from unlawful harassment, discrimination and bullying
- not under any circumstances use child labour<sup>1</sup> or any form of forced, bonded, indentured, involuntary or illegal labour
- provide fair and appropriate pay, benefits and working conditions, including hours of work, consistent with the laws of the relevant jurisdiction
- respect the right for freedom of association and freedom of movement consistent with the laws of the relevant jurisdiction.

### 4. Sustainability

The CEFC is committed to operating sustainably and seeks out opportunities to improve environmental outcomes, including through the increased use of recycled materials and products, consistent with the 2018 National Waste Policy. The CEFC encourages its suppliers to operate in a manner consistent with this approach including by:

- reducing the use of energy, water or other resources through efficiency measures
- implementing renewable energy technologies such as solar, where possible
- reducing waste, recycling and using recycled products
- reducing carbon emissions which may include adopting low emissions technologies
- reducing the use of hazardous and toxic substances and ensuring their correct disposal.
- Mitigating physical climate risk through adaptive design and creating an emergency weather event plan where applicable

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<sup>1</sup>In accordance with the International Labour Organisation Convention No. 138 relating to the Minimum Age for Admission to Employment.

## 5. Communication

The CEFC encourages its suppliers to communicate these Principles (or their own equivalent policy) to their related entities and staff as appropriate, and to implement and maintain processes that will encourage their direct and indirect suppliers and subcontractors to observe and exceed these Principles.

## 6. Reporting

The CEFC expects that its suppliers will:

- take steps to understand the risks of modern slavery in its operations and supply chains
- take steps to assess and address those risks
- provide accessible mechanisms for reporting any concerns associated with modern slavery in their operations and supply chains, including in relation to any identified material failure to adhere with these Principles
- establish and implement clear and responsible processes for their resolution.
- Upon request, provide emission reporting data for Scope 1, Scope 2, and, where reasonable, Scope 3 emissions.

The CEFC expects its suppliers will notify the CEFC of any material failure to comply with these Principles.

The CEFC reserves the right to review compliance with these Principles and expects that its suppliers will co-operate and provide such information as the CEFC may reasonably require to perform such a review.

The CEFC is committed to working with its suppliers to help them to implement remediation plans designed to achieve alignment with these Principles. In the event that remedial action is not taken with respect to any material breach by a supplier of these Principles within reasonable timeframes, the CEFC reserves its rights to reconsider its business relationship with the supplier.

## About the CEFC

The CEFC is a specialist investor in Australia's transition to net zero emissions by 2050. With access to more than \$30 billion from the Australian Government, we work with co-investors, industry and government to drive economy-wide investment in decarbonisation. We invest in renewable energy, energy efficiency and low emissions technologies via the CEFC General Portfolio, the Rewiring the Nation Fund and four Specialised Investment Funds: the Household Energy Upgrades Fund, the Powering Australia Technology Fund, the Advancing Hydrogen Fund and the Clean Energy Innovation Fund. We are governed by an Independent Board, which provides prudent oversight and governance of CEFC culture, investment decisions and risk management. Our Executive and staff bring considerable experience and expertise to our investment and decarbonisation task. In adopting a national approach to the emissions challenge, we invest with commercial rigour, aiming to deliver a positive return across our portfolio.



# Reputational Risk – approach

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## Introduction

Reputational risk is the risk of damage to the CEFC brand and reputation as viewed by key stakeholders for reasons including acting inconsistently with the values and beliefs of the CEFC, or that the client or other key parties do not meet the requisite environmental, reputational, social or governance standards.

Investment risks includes the potential for reputational damage to arise through investing in or being involved with parties, projects or transactions that have some negative aspects.

The Chief Risk Officer (**CRO**), supported by the Risk and Compliance team, is responsible for providing independent review and challenge to ensure reputational risks are in line with the Risk Profile and appetite of the CEFC.

## Reputational Due Diligence

Reputational Due Diligence reports (**RDD**) are prepared by the Risk and Compliance team to assess the reputational risk associated with the CEFC investments at a counterparty and project level.

The below table provides a high-level overview of the process to identify and assess reputational risks.

Scope of Due Diligence		Type of Due Diligence	
		Method	Approach
Counterparty Level	Performed on counterparty's including borrower, sponsor, O&M, EPC, key suppliers at the following sublevel: – entity level. – key executives' level (i.e. Board of Directors) – shareholders level (5% and more).	Company Searches	ASIC company searches via InfoTrack (or equivalent) A summary of the business activities undertaken by the counterparty based on open-source information and a summary of the key Executive profiles (e.g. company website)
		Adverse Media Searches	Negative media searches using Google and FACTIVA (incl. reference to ESG indicators)
		WorldCheck Screening	WorldCheck searches (for potential Politically Exposed Persons (PEPs), Sanctions, Financial Crime, Regulatory breaches, State owned entities, adverse media and Embargo association)
		ESG screening (Policies/Reports etc)	- DE&I (equity only) - First Nations considerations - Modern slavery risk management practices
Project Level	Performed on all project opportunities where there is a specific asset that CEFC will finance.	ESG screening	Desktop review and potential collaboration with the Investment teams for further information. Includes open-source searches using Google and FACTIVA and investigating company website/public submissions for the project, and requesting/reviewing relevant due diligence reports obtained by the Investment teams
		Social Licence considerations	
		Corruption considerations	
		Labour practices, including employee health & safety	
		Political considerations	

## Counterparty Level Due Diligence

Reputational risk due diligence at a customer level is completed through the following:

- Company searches
- Adverse media searches
- WorldCheck Screening
- ESG screening

The Process guide for customer level due diligence describes the process of information collection for each of the above points.

## Company searches

These searches are performed to help us understand the counterparty's corporate profile, list of directors, key decision makers and ownership structures, alongside understanding the main activities undertaken by the counterparty, operating sites and any potential exposure to activities on the CEFC ESG Policy - exclusion list.

The company searches also form the initial stages of our KYC collection process.

## Adverse media searches

These searches are performed to provide the Investment teams and CRO with the counterparty's open-source history and any negative findings which may be inconsistent with the CEFC risk tolerances.

Adverse media searches provide insight into risks which may require further due diligence and help identify potential risks associated with the project or counterparties involved, thereby facilitating well-informed decision making by the CRO and the Investment teams.

## WorldCheck screening

These searches:

- identify any individuals who are holding or have held prominent public positions, have family members or close associates in these roles (i.e. identifying politically exposed persons (PEPs)). The identification of PEPs is required under the AML/CTF Act and Rules
- include screening against sanctions lists and regulatory and law enforcement lists (i.e. identifying sanctioned or blacklisted entities, regulatory breaches and financial crimes)
- identify state owned entities (i.e. identifying entities that are state owned or controlled by the state).

*For further information on PEPs, see the ML/TF Risk Assessment Methodology.*

## ESG screening

As described in the ESG Policy, the Risk and Compliance team screen investment project counterparties heading to the detailed screening stage for any serious or material transgressions, as appropriate.

Any identified ESG risks are included in the detailed screen papers, including articulating any further due diligence requirements or ongoing monitoring.

## Purpose Bureau screening

Purpose Bureau is an ESG data analytics provider, who provide counterparty reports which include a risk rating (Low/Med/High) that reflects the relationship between a company's global slavery exposure and its labour & human rights actions. The data is sourced from:

- Public registers
- Data partnerships
- Data from customers & reciprocal enrichment

## Project Level Due Diligence

Reputational risk due diligence at the project level is managed through the following:

- ESG screening
- Social licence considerations
- Political considerations

- Corruption considerations
- Labour practices & employee health & safety

## ESG screening

All investment opportunities progressing to the detailed screening stage need to be assessed from an ESG perspective, which the Risk and Compliance team perform via negative screening and a review of the information available to the Risk and Compliance team, including the First Nations Questionnaire and consultation with the Investment teams.

## Social licence considerations

Social licence is a term that lacks precise definition but generally refers to the amount of community acceptance necessary to host and develop a project. In particular, social licence is:

- not a simple reliance on planning, environmental and regulatory approvals although it is obviously linked to those processes;
- tied to the notion of collective / majority consent and not about the total elimination of project objections by individuals;
- not simply a matter of negative vetting, in that project proponents can influence the amount of social acceptance through structured engagement, and the making available of positive externalities and public policy outcomes directly to affected communities; and
- as the matter relates to consent, it requires ongoing effort and engagement to maintain (for example if the project parameters substantially change so may the amount of community licence).

Social licence due diligence will be undertaken by the CEFC for projects where relevant, and specifically in relation to the Rewiring the Nation (RTN) projects. The due diligence responsibility is shared between the Investment teams, Risk and Compliance team, Sustainability team and the Public Affairs team.

See The Energy Charter Better Practice Social Licence Guideline and Better Practice Social Licence Guideline Summary.

The Risk and Compliance team will complete adverse media screening, search the company and project websites for relevant social licence considerations. Relevant community or other complaints identified via open source searches are described in the RDD and are shared with the CRO and Investment teams. If available at the time of the RDD, the Risk and Compliance team will review the Environmental Impact statement (EIS) consultation and Community Social Licence Initiatives and include a high-level reference of the findings in the RDD. The Sustainability team complete further due diligence and consult with the Public Affairs team as required.

## Political considerations

Any significant political considerations identified via open source searches relating to the project and counterparties are communicated to the CRO and Investment teams, including political donations in support of the project/borrower, or objections to the project by individuals in political positions. Depending on the findings, the Risk and Compliance team may request a review of the project from the Public Affairs team, which will further inform the CRO and the Investment teams of any political risks required to be considered.

## Approval

Recommendations are provided to the CRO and Investment team by the Risk and Compliance team which may vary on a case-by-case basis. In most cases the recommendation is to approve the project from a reputation risk perspective based on open source information, however the recommendation may also include a request for additional due diligence, or additional information relating to certain aspects of the project and reputational due diligence findings.

The CRO will review the information in the RDD and communicate their approval with the Investment and Risk and Compliance team.

The CRO must review the reputational due diligence report and sign off on the reputational risk relating to the project.

## Additional due diligence requirements

If the CRO is supportive of the additional due diligence requirements, all requirements must be closed out prior to Document Execution at the latest, or where possible prior to the project being presented to the relevant Investment Committee.

## Document execution checklist

At Document Execution stage, the Investment team assign the Reputational Risk task to the Risk and Compliance team who confirm that the CRO has reviewed and approved the RDD. The CRO sign-off email is uploaded to the Checklist as confirmation that the required has been completed.

## Ongoing monitoring

The ongoing monitoring of customers, beneficial owners and authorised officers is carried out by the Risk and Compliance team via WorldCheck for the duration of the business relationship and for seven years after the business relationship has ceased.

*Refer to AML/CTF – KYC Process Documentation for further details on this process.*

Ongoing monitoring of the Project, and any counterparty or specific risk identified by the Risk and Compliance team and detailed in the ESG Risk & Opportunities Plan (**Plan**), is carried out by the Portfolio Management team.

*Refer to the Portfolio Management – Implementing ESG Policy for further details on ESG R&O Plan.*



## Appendix

### Consequence Assessment Criteria – Reputational

<b>Catastrophic</b> <b>5</b>	Irreparable damage that leads to Parliament withdrawing support for the CEFC
<b>Major</b> <b>4</b>	Significant damage that leads to the resignation or termination of a Board member or Executive Team member
<b>Moderate</b> <b>3</b>	Accusations of wrongdoing that are serious enough to lead to a review by a Parliamentary Committee or the ANAO
<b>Minor</b> <b>2</b>	Minor damage with scrutiny from a variety of stakeholders
<b>Insignificant</b> <b>1</b>	Some potential limited damage with scrutiny only from stakeholders who are negative towards the CEFC in the first instance

# Reputational Due Diligence – process

## Counterparty information

1. The Investment team populates the information in Section 1 and sends through a Reputational Risk DD Request.

Project Counterparties:	Role in transaction:	Entity Name & ACN/Entity Registration
	1. Counterparty [borrower/sponsor]	Entity name [REDACTED] ACN/Entity registration number 123 456 789

2. The Risk & Compliance team copy the entities identified in Project Counterparties down to Section 3 – Counterparty 1 (2,3,4 etc.)

Section 3 – reputational due diligence on counterparties (R&C team to complete)			
Counterparty 1	[REDACTED]		
Entity Type:	Choose an Item.	Role in Transaction:	Choose an Item.
Brief Description of the Entity:			
Entity Registration Status: (i.e. For ASIC Extract)	ACN: [REDACTED] Registration:		

## Entity type

1. Use InfoTrack to pull the ASIC Company Extract.
2. Change entity type based on extract findings (Australia Proprietary Company, Australian Public Company, Trust – either registered or not registered)

*Note: Company Extracts will only be available for certain Australian companies.*

- For a charity, you can use the ACNC [register](#).
- Foreign proprietary and public companies can be identified via the company website (or information provided by the Investment team)
  - o Availability of open-source information for foreign companies will depend on the jurisdiction. Some countries provide public company registers, including:
    - [UK Company Register](#)
    - [NZ Company Register](#)
    - [HK Company Register](#)
- Government entities can be identified via the company website, Australian Government Body [Organisation Register](#) or the relevant state government department and agency register(s).

## Role in transaction

Change based on information provided in Section 1

## Brief Description of the Entity

Include the following

- Link to the company website
- Specific information about the counterparty (i.e., founding information including year founded and founders / ownership of the company / what the company does / where it is located / list manufacturing sites if applicable)

## Entity Registration

- ACN (not ABN)
- Registration date from ASIC extract

- Stock exchange registration (if applicable)

*(Note re importance - this allows better insight into the company. For example, if there is no company website or reference to the entity via open-source and they have only recently been registered. OR, if they have been registered for a while and have limited open-source information, this could be an initial red flag and require further investigating)*

## List of Directors/Execs and Shareholders

- List Directors/Executives from ASIC Extract and always check website (or if a foreign company use Annual Reports, MarketScreener, company website or foreign registration directory)
- List Shareholders from 5%. Can be found on ASIC document, annual report, MarketScreener as per the above point.

List of Directors/Executives (i.e. Per ASIC Extract)		List of Shareholders (i.e. Per ASIC Extract)	
Name	Role/Title	Name	% of Ownership

Other websites we use to search for company/individual information:

- Always start with the company website
- Google searches
- [ASX](#) – Australian Stock Exchange
- [ASIC](#) – Breach reports, enforceable undertaking, banned or disqualified individuals
- [MarketScreener](#) – managers and director information, company information
- [PitchBook](#) -
- Australian Competition & Consumer Commission ([ACCC](#))
- Independent Commission Against Corruption ([ICAC](#))
- [Sydney Insolvency News](#)

## WorldCheck

[World-Check](#) is a database of Politically Exposed Persons (PEPs), sanctioned and heightened risk individuals and organisations, used around the world to help to identify and manage financial, regulatory, and reputational risk.

We require searches for the following:

- Company
- Executives/Directors
- Shareholders

Required fields are marked with \*. Use the CEFC Project name for the required field in WorldCheck. (Tip: use 'include name transposition')

**SINGLE SCREENING**

Name: Macquarie

☐ Include name transposition

Case ID: Enter ID

Role in Transaction:

Project Name: MSA

Registered Country:

**SCREENING SETTINGS**

Enable Ongoing Screening: ☐ World-Check

**Screen** **Save**

When you have identified a positive match, you will need to record the information in the Reputational DD Report. (Note: the following is an example of identifying a positive match)

1. Register will show potential matches based on name data

Showing 6 of 6 matches for **ian learmonth**

Name	Matched Alias	Match Strength	Type	Gender	Date(s) of Birth
Ian LEARMONTH		100%	PEP	Male	
Ian LEA		100%	OB	Male	1989 1990
Johann MacDougall LAMONT	LAMONT, Johann Alias	100%	PEP	Female	11-Jul-1957
John LAMONT		100%	PEP S	Male	15-Apr-1976
Shawn LEAMON		100%	PEP	Male	
John F LAMOND		100%	OB	Male	

2. Click on the potential match and go to 'Further Information' to verify the match.

**FURTHER INFORMATION**

Language: Original Language

Show all Updated Dates: ☐ off World-Check ID: 35942

**BIOGRAPHY**  
Chief Executive Officer of Clean Energy Finance Corporation (IOS) (May 2017 - ), Executive Director (Impact Investing) of Social Ventures Australia (May 2011 - Apr 2017).

**IDENTIFICATION**  
To be determined.

**REPORTS**  
Jan 2021 - no further information reported.

3. Once verified, record the information in the Reputational DD Report

WorldCheck results (i.e., PEPs, Sanctions, Breaches)	
Date Uploaded:	15/04/2024
Results	Positive
<b>Ian Learmonth</b> <i>Biography</i> Chief Executive Officer of Clean Energy Finance Corporation (IOS) (May 2017 - ), Executive Director (Impact Investing) of Social Ventures Australia (May 2011 - Apr 2017). <i>Reports</i> Jan 2021 – no further information reported	

4. If there are no matches, select "No positive matches."

## 5. Resolve report by confirming match (or as appropriate)

Positive	High	Full match
Possible	Medium	
False	Low	
Unspecified	Unknown	
		Resolve

If you are unable to verify the match – copy the information over to the Reputational DD Report and highlight “Confirm with R&C”.

## Diversity, equity and inclusion search for each counterparty

Check the website for DE&I reports – use these keywords to search the website if not easily identifiable. Provide a summary of findings including links to relevant findings.

Diversity, equity & inclusion:	To be completed for the borrowing entity, sponsor and overall project.
	[DE&I Reports, Workplace Gender equality Compliance]
	Choose an item.

## First Nations search for each counterparty

Check the website for an Reconciliation Action Plan (RAP), and any other initiatives found on the website relating to First Nations people. Review the First Nations Screening Questionnaire completed by the Investment teams. Request additional due diligence if required.

First Nations:	[Counterparty information/First Nations Questionnaire responses]
	Choose an item.

## Modern Slavery search for each counterparty

Check the Modern Slavery Register for a Modern Slavery Statement. Link the most current Company Statement and provide a summary, according to the following key points:

- Summary of the company structure
- Top findings
- Risks identified
- Actions taken
- Forward MS Commitments/goals included

Modern Slavery:	[Statement link]
	Choose an item.



## **Sanctions screening at the CEFC**

Sanction screening commences at the initial stages of a proposed project. It is part of the reputational risk screening of the relevant project counterparties. Further screening takes place at the financial close of a project, where ongoing monitoring is also activated for the project counterparties. The project counterparties include the company name, directors of the company, shareholders and ultimate beneficial owners of the company.

As part of the CEFC reputational risk screening, the Manager of Risk & Compliance completes a Refinitiv WorldCheck search for all relevant counterparties in a project, this includes the borrowing entity, project sponsors and key suppliers.

As part of the AML/CTF KYC process, the Manager of Risk & Compliance completes a verification check using GreenID for all authorised signatories to a project. The GreenID verification search includes a screen for Sanctions.

### **Refinitiv WorldCheck searches screen for Sanctions.**

Per the Refinitiv [website](#):

- Major sanctions list (OFAC, EU, UN) are monitored and covered on a 24/7/365 basis.
- They monitor 10,000+ global information resource lists, 800+ sanction, regulatory, law enforcement lists and 5,900+ official/government sites.
- NOTE: I do not have a copy of the WorldCheck Sanctions list. I can request one from Refinitiv if required?

### **GreenID watchlist screening for Sanctions:**

All individuals are checked against the Standard watchlists:

- INTERPOL - Wanted Persons List
- US, System for Award Management - Exclusions List
- US, Immigration and Customs Enforcement - Most Wanted Fugitives List
- Russia - Deputies of the State Duma
- Cyprus - Members of Parliament
- New Zealand - Members of Parliament
- UK - Members of Parliament
- UK, HM Treasury - Consolidated List of Financial Sanctions Targets in the UK
- Consolidated list of persons subject to EU financial sanctions
- UN - Consolidated United Nations Security Council Sanctions List
- US, Dept of Treasury, Office of Foreign Assets Control - Palestinian Legislative Council (PLC) List
- US, Dept of Treasury, Office of Foreign Assets Control - Specially Designated Nationals List
- Department of Foreign Affairs and Trade Watchlist
- Politically Exposed Persons Watchlist

## Media screening and open source searches

Part of the reputational risk screening includes the media screen via Factiva and Google searches, sanctions can also be identified via these searches.

[illegible]

# AML KYC – Process Documentation

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## Introduction

[Risk Team](#) – Documents – [Compliance](#) – [AML](#) – [0.4 KYC](#) – [Customers](#) – Individual Projects

If the CEFC is providing a [designated service \(AML, Part B 1.1 Proposed customers\)](#), the form [templates](#) should be sent to the CEFC contact, requesting KYC information, along with the [Standard Email Template](#) at the time of approval to Execution of Investment Documents\* by the Investment team. The Investment team know to copy both [REDACTED] to the counterparty email request.

✓		KYC Company Form.docx
✓		KYC Government Form.docx
✓		KYC Individual Form.docx
✓		KYC Trust Form.docx

Once aware of a Project commencing KYC, the Risk and Compliance team create a folder in the [Customers](#) folder using the Project name. The folder should contain four sub-folders:

Borrower; Authorised Signatories; Ultimate Beneficial Owner (UBO); Verification Certificate (VC). All these folders house information which the counterparty must provide to satisfy CEFC's KYC requirements.

- 
- 1. Borrower
  - 2. Authorised Signatory
  - 3. UBO
  - 4. VC

*\*The preference is that KYC requirements are satisfied prior to Execution of Investment Documents. However, the AML/CTF Compliance Officer will consider requests for the satisfaction of KYC requirements as a Condition Precedent to Financial Close and may approve the CP on a case-by-case basis.*

## KYC Collection

### Borrower

The borrower will be sent the KYC Company, Trust and/or Government form for them to complete based on the entity type.

#### Australian companies

**Collection:** Australian companies must complete Section 1a of the *Company Identification Form*, and Section 1b for verification options.

**Simplified Verification Procedure** can be used for Australian listed companies, a majority owned subsidiary of an Australian listed company, or a regulated company.

The Risk and Compliance team will verify the company by obtaining one or a combination of the following:

- a search of the relevant domestic stock exchange
- a public document issued by the relevant company
- a search of the relevant ASIC database
- a search of the licence or other records of the relevant regulator.

#### Foreign companies

**Collection:** Foreign companies must complete Section 2a of the *Company Identification Form*, and Section 2b for verification options.

The following minimum information must be verified for a foreign company:

1. the full name of the company as registered by ASIC
2. whether the company is registered by the relevant foreign registration body and, if so, whether it is registered as a private or public company
3. the ARBN issued to the company and
4. the beneficial ownership information in accordance with the procedure set out in section 2.1 of the AML/CTF Compliance Program.

**Verification:** The Company should be verified in accordance with the [AML/CTF Compliance Program](#), outlined in **Part B, 2.3**.

**AML/CTF sign off table:** Example of what to include in the AML/CTF sign off table for companies:

	Entity Name	KYC Form Status	Verification Document
Borrower	EXAMPLE: [REDACTED]	Complete	Verified- ASIC Company Extract

**WorldCheck – PEPs and Sanctions** - search the company name, directors and shareholders in WorldCheck, record any matches for PEPs and/or Sanctions. Enable ongoing screening in WorldCheck.

## Trust

If the borrowing entity is a trust, they must complete the *Trust Identification Form* in respect of the trust and the trustee. Sections 1a and 2b must be completed.

A certified copy of the trust deed must be provided alongside the identification form.

If the trust is a Unit trust, a list of the unitholders must be provided to satisfy the UBO requirement.

The trust should be verified in accordance with the [AML/CTF Compliance Program](#), outlined in **Part B, 2.6**.

**WorldCheck – PEPs and Sanctions** – search the Trust and Trustee name in WorldCheck, record any matches for PEPs and/or Sanctions. Enable ongoing screening in WorldCheck.

**AML/CTF sign off table:** Example of what to include in the AML/CTF sign off table for trusts:

	Entity Name	KYC Form Status	Verification Document
Borrower	[REDACTED]	Complete	Verified – Certified Trust deed. ASIC Company Extract <b>Full name of trust:</b> [REDACTED] Trust <b>Country where trust established:</b> <a href="#">Australia</a> <b>Purpose of trust:</b> Investment in commercial property <b>Settlor:</b> N/A <b>Other type trust:</b> Fixed -unit trust <b>Beneficiaries:</b> Unitholders <b>Trustee:</b> [REDACTED] (ACN: 111 111 110)

## Government

**Collection:** Government bodies must complete Section 1a and 1b of the *Government Identification Form*.

Australian Government Entity is defined as: a Commonwealth, or a State or Territory; an agency or authority of the Commonwealth, a State, or a local governing body established under a law of the Commonwealth/State/Territory.

**Verification:** Verification should be ascertained by confirming the government body's existence by searching a government website, reviewing government register, and reviewing any relevant enabling legislation.

**WorldCheck – PEPs and Sanctions** – search the Government agency in WorldCheck, record any matches for PEPs and/or Sanctions. Enable ongoing screening in WorldCheck.

**AML/CTF sign off table:** Example of what to include in the AML/CTF sign off table for government bodies:



	Entity name	KYC status	Identification and verification
Borrower	[REDACTED]	Complete	Verified: [REDACTED] Verification of the legislation to [REDACTED]

## Authorised Signatory

KYC needs to be collected and verified for anyone who could be asked to sign a drawdown request on behalf of the Borrower (authorised signatory), as they will be acting as an agent on the Borrower's behalf. To complete the verification process for an authorised signatory:

The CEFC uses a third-party provider for collection and verification of individual identification documents. The third-party provider is GBG. The Risk and Compliance team have login access to the GBG administration panel called [GreenID Admin Panel](#), where they can view all KYC individual information and verification results, and they can also complete the verification process if they have access to the identification information. The KYC email template includes a link to the CEFC [AML/CTF KYC Online Verification Portal](#), which enables individuals to complete the collection and verification process of their identification documents themselves via the link. This collection and verification process can be used by individuals who have a current Australian driver's licence/passport or hold an Australian visa and foreign passport. *Note:* An Australian passport that has expired within the preceding 2 years is acceptable.

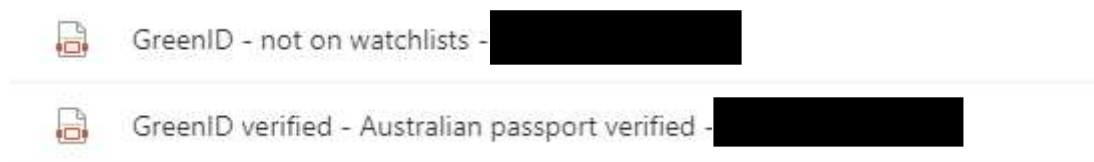
## KYC Individual Collection and Verification procedure

### GreenID

#### CEFC online portal – self – verification

Once the ID documents have been uploaded into GreenID using the online portal, create a folder for each of the authorised signatories and:

- Save Watchlist and Verification from GreenID to the folder (example below):



### **Note: Green ID Platform**

There are no notifications from GreenID – you will need to manually check this platform to collect an individual's KYC verification result. The KYC email request sent by the Investment team is a trigger to commence checking the online portal every few days for the KYC information and verification record.

#### Manual verification via the GreenID admin panel

Some individuals may choose to send the KYC Individual form and a certified copy of their ID to the requestor (CEFC) directly, and not use the CEFC online verification portal. To verify this ID, you will need to:

- Confirm the ID document is a certified copy.
  - If it is not a certified copy, email the respondent requesting a certified copy.
- Upload the documents to Green ID admin panel and complete verification process.
- Save the results as above.

**Note: Record keeping**

Per the AML/CTF Act record keeping requirements, the CEFC must retain all identification documents provided to the CEFC for 7 years after the business relationship ends. Therefore, you must save the ID documents provided in the relevant project folder under the individual's name.

**Note: Delete emails containing ID documents**

Once the ID documents are saved in the secure AML folder, request the deletion of all emails containing the ID documents, to reduce personal information security risk. This includes sending an email reminder to the Investment team members that may have been copied on the email with ID documents attached, requesting that they delete the emails.

**Note: Who can certify a KYC ID document?**

Refer to [Certification of identification documentation guideline](#).

**"Not verified" procedure**

If a document is "Not Verified" seek an additional document from the customer (i.e. if they've provided a Passport, request a current Driver's License"). **Do not notify** the customer that the ID document was not verified, instead state that the Risk and Compliance team requires additional ID documentation to complete the KYC process. Be mindful of tipping off provisions.

It is possible to query the "Not verified" result with GreenID. GreenID may be able to provide a high level reason for that result, however, the DVS system will need to be contacted directly for a more detailed response. In order for the DVS to review the record they require permission from the customer, hence there is the element of notification that would be required to the customer at this point. Discuss the implications of taking this option with the AML/CTF Compliance Officer.

**Foreign Passports****WorldCheck passport verification**

WorldCheck provides the option to verify foreign passports.

Add all mandatory information to the Passport verification settings. Verification results will include the key passport number details. Check the highlighted passport number details to that on the certified foreign passport. Confirm the details match. Save the WorldCheck verification record to the AML KYC project folder.

**ID3Global**

ID3Global can be used for verification of foreign passports from the following countries.

ID3Global country coverage

<b>Austria</b>	<b>Belgium</b>	Czech Republic	<b>Denmark</b>	Finland
<b>France</b>	<b>Germany</b>	Italy	<b>Netherlands</b>	<b>Norway</b>
Poland	Romania	<b>Spain</b>	Sweden	Switzerland
<b>UK</b>	<b>Australia</b>	<b>China</b>	Hong Kong	<b>India</b>
<b>Malaysia</b>	Singapore	<b>New Zealand</b>	Argentina	<b>Brazil</b>
Canada	Mexico	<b>USA</b>	Jordan	Kuwait
Oman	Saudi Arabia	United Arab Emirates	<b>South Africa</b>	

Search requirements: Name, DOB, Address and Passport number

Result will match against relevant available country verification information and the verification result is Pass, Refer or Alert. The result is based on the number of variables matches and the overall match score.

## WorldCheck

Confirm WorldCheck (PEP & Sanctions) report & activate ongoing monitoring:

- Conduct single screening for all the authorised signatories and enable ongoing screening in WorldCheck.

- Save results to the individual authorised signatory folder.



WorldCheck - no positive matches - [REDACTED]

Example of what to include in the AML/CTF sign off table for companies:

	Entity Name	KYC Form Status	Verification Document
<b>Borrower</b>	EXAMPLE:		
<b>Authorised Signatories</b>	EXAMPLE: [REDACTED]	Complete	Green ID Verified – Australian Passport WorldCheck confirmed
<b>Ultimate Beneficial Owners</b>	EXAMPLE:		
	EXAMPLE:		
	EXAMPLE:		

## Ultimate Beneficiary

The beneficial owner(s) must be identified before the provision of a designated service and verified per the above. Beneficial owners are natural persons (individuals) who ultimately own 25% or more shares in the borrowing entity. Natural persons beneficial owners must complete the KYC Individual Verification process per above.

If it's confirmed that there are NO natural persons described above, then the borrower must nominate one or more natural persons with significant responsibility to control, manage, or direct the customer (for example, CEO, CFO who is involved in making decisions that affect the whole or a substantial part of the borrowers' business or has the capacity to significantly affect its financial standing). Natural persons with significant control must complete the KYC Individual Verification process per above.

## Government

If the customer is an Australian Government entity, identification of the beneficial owner is not required. The customer should be verified using the same procedure as outlined in the Borrower – Government section.

## Obligors

It is not a requirement to KYC obligors for projects; however, you may wish to pull ASIC extracts for each obligor and file in the KYC folders.

## Verification certificate

The Investment team must provide the Risk and Compliance team with the Verification Certificate (VC) as soon as it is available. The VC must list the name of the authorised signatories and include their specimen signatures.

Save results to the VC folder.

## KYC AML/CTF sign off

Once you have collected and confirmed KYC for the borrower, authorised signatories and UBOs, populate the summary table with the information. The information should be sent via email to the AML/CTF Compliance Officer for review and sign-off. Include the relevant Investment team lead/analyst in the email. The email summary must contain a link to the folder containing the KYC information and the verification records.

**Note:** Summarise the verification process in the summary email to allow the AML/CTF Compliance Officer to understand how the KYC requirements were met by the borrowing entity and allowing for sign-off for the designated service.

For layered or more complex ownership structures attach a summary of the ownership structure chart and summarise how each layer was verified.

	Entity name	KYC status	Identification and verification
Borrower	Example company Ltd	Complete	ASIC Company extract
Authorised Signatories	[REDACTED]	Complete	GreenID verified – NSW DL WorldCheck confirmed.
Ultimate Beneficial Owners	[REDACTED]	Complete	[REDACTED] is owned by Example listed company. Example listed company is listed on the [REDACTED] Stock Exchange (Code: [REDACTED]) with no shareholder who owns > 25%. Corporate Website - Investor Relations page: <a href="https://www.examplewebsite">https://www.examplewebsite</a>

The AML/CTF Compliance Officer response must be filed in the AML KYC Customer Project folder.

## Document Execution Checklist – AML task

At Document Execution stage, the Investment team assign the AML task to the Associate Director, Risk and Compliance. The Associate Director, Risk and Compliance adds the comment confirming the AML/CTF KYC requirement has been satisfied and attaches a pdf version of the AML/CTF sign off email with the AML/CTF Compliance Officer confirmation that the requirement was satisfied. The Associate Director, Risk and Compliance, then completes the task.

## Financial Close Checklist – AML task

At the Financial Close stage, the Investment team assign the AML task to the Associate Director, Risk and Compliance. The Associate Director, Risk and Compliance adds the comment confirming the AML/CTF KYC requirement has been satisfied and attaches a pdf version of the AML/CTF sign off email with the AML/CTF Compliance Officer confirmation that the requirement was satisfied.

The Associate Director, Risk and Compliance also checks and confirms that the Utilisation Notice/Drawdown Notice has been signed by Authorised Signatories and that they have completed the KYC requirement.

The Associate Director, Risk and Compliance, then completes the task.

## 5 Year Update

Both customers and beneficial owners are subject to periodic reviews every 5 years, or more frequently if the AML risk is considered medium or high risk and the re-verification process having additional KYC requirements.

- Ongoing Customer Due Diligence requirements is covered in [Part A 4.4 – 4.5 of the AML/CTF Program](#), with the verification process covered in Part B.

The periodic review KYC process is the same as the original KYC process.

- Note: notification should be sent to the Portfolio Manager to reach out to the customer 3 months prior to the five-year mark with the KYC renew request using the 5 year update KYC email request.
- The Risk and Compliance team must liaise with the PM to collect the updated information.
- The AML/CTF Compliance Officer must be notified via email with the summary of the information collected and verified as part of the update.

## 7-year information retention

The CEFC AML/CTF Compliance Program stipulates in accordance with the AML/CTF Act, the KYC information and verification records must be retained by the CEFC for 7 years after the business relationship has ceased.

There is a 7-year alert IT initiative being built out which will notify the Risk and Compliance team once a project reaches the 7 year mark post the end of the business relationship between the CEFC and the customer. The Risk and Compliance team must check the accuracy of the alert, if it is valid, they must request the approval of the permanent deletion of the KYC information from the AML/CTF Compliance Officer. Once they receive the approval, they must permanently delete the information. The correspondence leading up to the deletion must be saved in the relevant project folder:



 Name ▾

 Deleted KYC

## AUSTRAC Compliance report

### Record keeping

The AML/CTF customer information must be saved in a secure folder in SharePoint. Access to the information is restricted to key users. Access to the information in the folder is audited and reviewed every 6 months by the Associate Director, Risk and Compliance.

### Additional comments

#### Changes to borrowers, authorised signatories and/or UBOs

It is the responsibility of the PM to notify the Risk and Compliance team should the borrower or UBO change during the business relationship. KYC information must be collected for new entities following the above processes.

The PM team will similarly notify the Risk and Compliance team of authorised signatory changes. The addition or removal of authorised signatories must be communicated to the Risk and Compliance team, who will update the AML KYC Customer Project folders, and request the completion of the KYC Individual Verification process for new authorised signatories. The Risk and Compliance team must also request an updated Verification Certificate.

Once KYC has been verified, go back to the borrower and request an updated Verification Certificate.

#### Equity investments

Equity investments are not designated services under the AML/CTF Act, hence the AML/CTF KYC requirements do not apply.

#### *Exception: Convertible loans / notes*

The following transactions will likely involve the provision of a designated service by the CEFC under the AML/CTF Act, requiring CEFC to complete KYC requirements in accordance with its AML/CTF Program:

- providing a shareholder loan (where CEFC is minority shareholder);
- providing a convertible loan (agreement signed by both lender and borrower); and
- note holder under a convertible note (notes constituted under a deed poll).