

# Joint Modern Slavery Statement Veolia Water Technologies & Solutions FY 2023



## I. ABOUT VEOLIA WATER TECHNOLOGIES & SOLUTIONS

### Structure

The Veolia Group spans dozens of countries on six continents, with nearly 180,000 employees worldwide working across water, waste, energy and other sectors.

In Australia and New Zealand, Veolia Water Technologies & Solutions employs more than 122 employees in more than six (6) locations.

We recognise that modern slavery is a growing global and local issue, and that we have an important role in helping to eradicate it. Identifying and preventing modern slavery and human trafficking are core parts of our responsible business strategy, which we continue to build upon.

Veolia is committed to applying and ensuring compliance with its Modern Slavery policy among its employees, as well as promoting that policy among its other stakeholders, customers, subcontractors and suppliers. Veolia expects all stakeholders to conduct their activities with respect for human rights, in accordance with the *Modern Slavery Act 2018* (“**Modern Slavery Act**”).

This statement sets out the steps that our business is taking to identify modern slavery in our operations and supply chains. It also outlines our plans to continually improve the way in which we work to identify risk and advance initiatives to raise awareness. Veolia will strive for continual improvement across our organisation in Australia, New

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Zealand and across our global footprint.

This statement has been published in accordance with the Modern Slavery Act. During the financial year ended 31 December 2023 (“**FY23**”), Veolia Water Technologies & Solutions Process Australia Pty Ltd (ACN 169 392 876) as detailed in the ‘Reporting Entity’ section of this statement, reported an annual consolidated revenue in excess of \$100m.

This modern slavery statement outlines the steps taken to identify, manage and mitigate the risks of modern slavery in our operations and supply chain.

### **Reporting Entity**

This joint statement applies to Veolia Water Technologies & Solutions Process Australia Pty Ltd (ACN 169 392 876 ) and the entities that it has control over, in particular:

1. Veolia Water Technologies & Solutions Australia Pty Ltd (ACN 001 221 941)
2. Process Group International Ltd (ACN 602 584 823)
3. Process Group Holdings Pty Ltd (ACN 138 041 488)
4. Process Group Pty Ltd (ACN 091 554 960)

(collectively referred to as “**Veolia WTS**”).

Veolia WTS is part of the Water Technologies Zone of the Veolia Group. Its ultimate holding company is Veolia Environnement SA, headquartered in France. Veolia WTS head office in Australia is located at Suite G 01, 18-24 Ricketts Road, Mount Waverley, Victoria, 3149.

All entities included in Veolia WTS work closely together, share policies and processes, including an Executive Committee. Our Executive Committee is responsible for considering, discussing, consulting and implementing Veolia WTS strategic direction.

This joint statement is signed by Martin Hooper of Veolia WTS and was approved on 28 June 2024 by Veolia WTS Australia’s Executive Committee.

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### **Business Operations**

Veolia WTS offers a wide range of leading-edge technologies to create tailor-made solutions and deliver ongoing service support including maintenance, refurbishment, water treatment chemicals and mobile water services. By working closely with our customers, we are committed to ensuring that our technologies meet or exceed requirements, and deliver services to support them throughout the product life cycle.

Veolia WTS works to change patterns of production and consumption by placing ecology at the heart of every process and every assessment. Our aim is to provide meaningful solutions to major problems, with and for our stakeholders. We work with local authorities, industrial and commercial clients to design, build, operate and maintain their water plants and networks.

Our experience is coupled with the latest technological solutions for process water, ultrapure water, water and wastewater treatment, recycling and reclamation, and network solutions. We also offer service-based consulting to help clients manage their capital investment and optimise the management of their plants and networks.

Our water capabilities include:

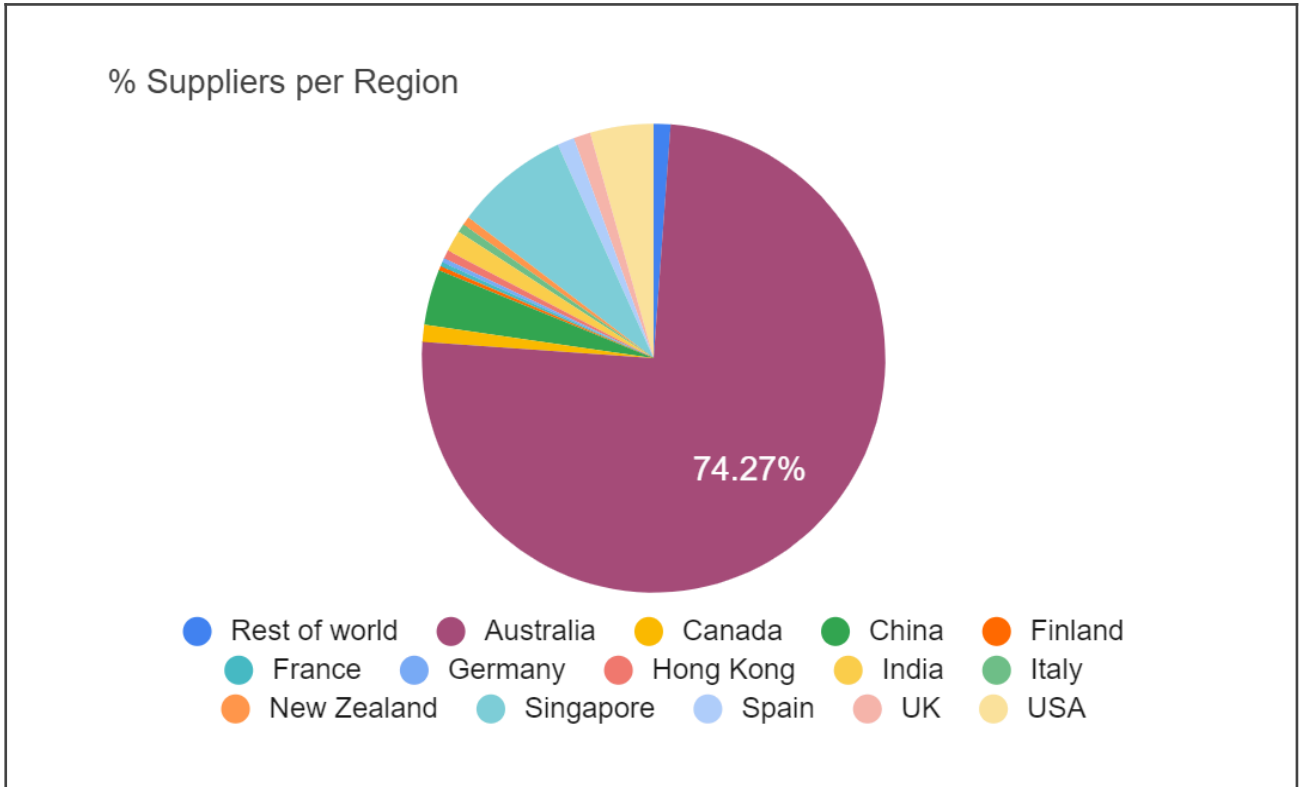
- Water and Wastewater Treatment
- Operation and Maintenance
- Recycled Water for Reuse
- Water for Industry
- Digital Monitoring and Integrated Smart Solutions

## **II. SUPPLY CHAIN**

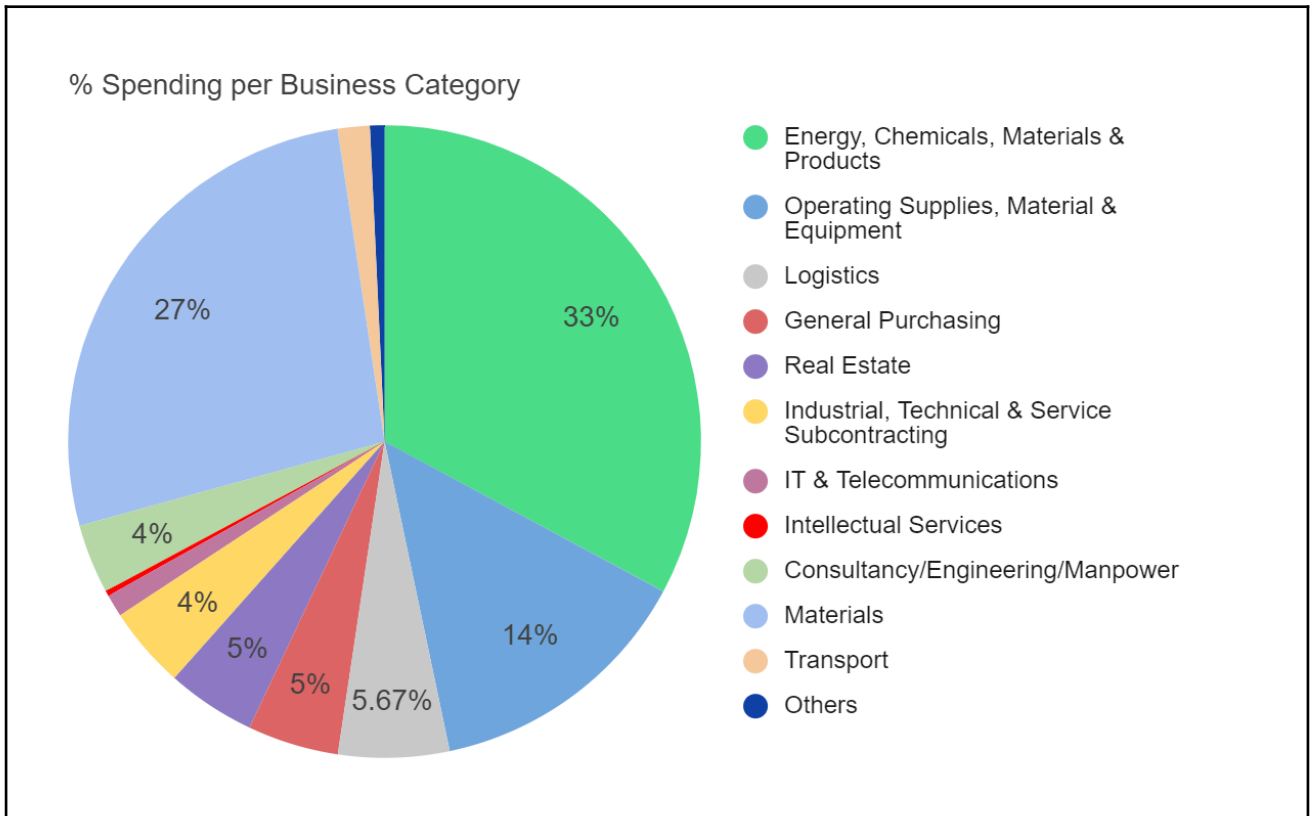
### **Overview of Our Supply Chain**

Veolia WTS operates primarily in the water and wastewater treatment sectors. Our annual supply chain spending is approximately \$25M in Australia and New Zealand. Veolia WTS engaged with a total of 342 suppliers, with the majority of our suppliers being based in Australia.

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The typical business categories of our suppliers include the following:



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### **Our Labour Force**

#### **Direct Labour**

In terms of direct use of labour, Veolia WTS directly employs approximately 122 individuals in accordance with local legislation.

Staff wages are paid electronically into the employee's bank account. Veolia WTS will not onboard a new employee until the individual has provided the correct Right to Work evidence, in line with Federal Government guidance. This evidence is collected as part of the 'new hire' process through an electronic form on the HR and Payroll system.

Veolia WTS is fully compliant with the legislative requirements of both the National Minimum Wage and the National Living Wage.

In our contracts of employment, we reference our policies which include those relating to human rights and anti-bribery. Such policies include, amongst other things, mutual commitments to respect internationally recognised human rights and to comply with applicable laws relating to bribery and corruption.

We provide appropriate training to our employees on Human Rights, Bribery and Corruption and Diversity.

#### **Indirect Labour**

Veolia WTS partners with three (3) Contingent Labour Service Providers ("**CLSP**") to provide our agency and temporary worker requirements. The CLSPs engage staff through national agreements held with an approved list of panel agencies, providing contingent labour for predominantly frontline operational roles.

In 2023 the CLSPs supplied over 15 workers to Veolia WTS. Each has a Service Level Agreement with the agencies they use which obliges them to comply with all regulations and laws applicable to the terms of the agreement, including the Modern Slavery Act.

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Contingent labour plays an important role in ensuring flexibility and agility to meet resource needs. While market forces play a huge part in our contingent labour usage, our goal is always to minimise our utilisation of contingent labour, in favour of direct employment, which is supported by ongoing workforce planning

### **III. RISK IDENTIFICATION**

#### **Risk Mapping Methodology**

Veolia Environnement SA's risk mapping is based on its own methodology developed by the Group's Risk Management Department. The risk analysis methodology includes a combination of exogenous and endogenous factors to define the overall risk mapping.

Based on the internal risk assessment, mitigation action plans are developed and prioritised by geographies. Implementation of action plans is monitored closely. The main risk mapping methods used are:

- Working groups participated in by functional departments;
- Questionnaires to encourage feedback to nurture analysis and reflections during the risk assessment; and
- Discussions between the head office and operations to ensure consistency and feed the sorted results of the mapping process.

In Australia and New Zealand, Veolia WTS uses the Veolia Environnement SA's risk assessment to further detail the local risks based on the exposure to certain countries, the industry we are operating in, and a number of other key risk factors.

In addition to the above methods required to be applied by the Group, Veolia WTS also has the following practices in place to detect modern slavery risks:

#### **Supplier Assessment**

Prior to onboarding, Veolia WTS policy requires that all new goods and service providers (including subcontracted works providers) are required to answer a series of

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questions in order to evaluate their compliance standards across health and safety, environmental impact, human rights, and business ethics.

Where supplier compliance standards are deemed to be insufficient, supplier applications are subject to further review, in consultation with the appropriate Veolia WTS subject matter experts.

Suppliers are also required to sign Veolia's Supplier Charter in order to demonstrate their commitment to operating according to Veolia's vision and values.

A supplier that does not meet the minimum human rights requirements , or who does not sign up to our Supplier Charter, will not be allowed to trade with Veolia WTS until they satisfy, or actively work with us to satisfy, these requirements. Veolia WTS works with those who do not meet Veolia WTS' minimum requirements, to collaboratively agree actions and implement improvement plans.

### **Terms and Conditions**

Veolia WTS uses several sets of standard terms and conditions to trade with suppliers. Our conditions oblige the supplier to comply with applicable human rights and labour regulations, and give Veolia WTS the right to require evidence as to how they take steps to mitigate the risk of unethical labour practices.

While our aim is always to support and work with suppliers to address any compliance concerns including modern slavery issues, we retain the ultimate sanction of contract termination where necessary.

### **Temporary and Agency Workers**

Veolia WTS uses CLSPs to provide our temporary labour requirements. Our CLSPs are contractually required to ensure both they and their suppliers comply with all applicable legislation, including the Modern Slavery Act.

We work with our CLSPs to enhance processes to increase our ability to prevent and detect potential cases of modern slavery.

The compliance safeguards within the supplier's payroll system mean that a worker cannot be supplied to Veolia WTS unless they have the correct Right to Work

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paperwork. Furthermore, ad-hoc documentation audits are performed by Veolia WTS for indirect workers.

### **Identified Modern Slavery Risks**

Veolia WTS purchased services from over 14 countries during 2023, with over 74% of purchases being made locally. Prior to trading with each country, Veolia WTS will ensure potential suppliers complete a vendor form containing questions related to the business and potential scope of services.

A detailed risk assessment known as the Supplier Value & Risk (SVR) Questionnaire is initiated on suppliers that meet the applicability matrix, which considers factors such as country of origin, types of services or products and good labour practices. This SVR Questionnaire is completed to identify the risks associated with our suppliers. Whilst this assessment is not specifically catered to identify modern slavery risks, we use a number of factors to assess the potential risk of modern slavery practices such as labour management that covers questions on freedom of employment, child labour avoidance, humane treatment, living conditions etc.

From the above, we recognize that given the SVR Questionnaire is only conducted on potential suppliers that meet the applicability matrix, there is a possibility that we lose some visibility over modern slavery risks for the remainder of suppliers that do not fall within the SVR applicability matrix.

In addition, we acknowledge that whilst our business employs a large and diverse operational workforce to which we ensure onboarding processes includes a comprehensive risk assessment, we also employ temporary labour and agency labour which carries inherent risk due to the limitations presented by Veolia WTS not having direct oversight of such labour hire.

Further, acquisitions may present risk where the mass onboarding of new suppliers is necessary to maintain the continued performance and contractual obligations of the acquired business. For acquired business, all new suppliers are in scope for rationalisation, as referenced above. Temporary and agency labour requirements are transferred to our CLSPs and we continue to work with our CLSPs to enhance processes to increase our ability to detect potential cases of modern slavery as



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previously outlined.

### **IV. RISK ASSESSMENT, MITIGATION & REMEDIATION**

#### **Specific Risk Mitigations & Remediation in Place**

As we have identified that our main area of vulnerability lies in the onboarding processes of our suppliers and the hiring of temporary labour and agency labour, Veolia WTS have since continued to mitigate potential modern slavery risks in our labour hire supply chain through a preferred panel of labour suppliers selected to manage contingent labour needs in line with Veolia's Corporate and Social Responsibility requirements. This panel arrangement was implemented in 2018 and consists of selected suppliers with a commitment to endorse, monitor and manage the intent and purpose of the Modern Slavery Act. Veolia WTS continually works with these suppliers to further refine and develop commitments to identifying and rectifying any indications of modern slavery in our supply chain.

While we appreciate modern slavery risks exist in our extended supply chain, our current focus is on our tier one (i.e. direct) suppliers. For an organisation with as many and varied suppliers as Veolia WTS, we believe this is the best use of our resources when issues such as access to information and ability to drive tangible improvements are considered.

Where risk is identified, we perform internal and external audits to drive the identification and rectification of potential issues. If a breach is identified, it can be directly and confidentially referred to the Group Ethics Committee via Whispli.

During this reporting period where specific risks have been identified, Veolia WTS have since conducted the following actions to address these risks in the next reporting period:

- Commenced discussions with our Supply Chain business unit on closing the gaps identified in our supplier onboarding processes;
- Formed a cross-functional committee with employees from different business

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units to assist in disseminating our Modern Slavery obligations;

- Commenced a review of procurement contracts to gauge our sub-tier suppliers (i.e. subcontractors) compliance with good labour practices.

Our standard approach and strategy to risk mitigation and remediation is elaborated in detail below.

### Global Approach

As Veolia WTS is part of a global group, we also adhere to the global approach implemented by our ultimate parent company Veolia Environnement SA, an entity that is committed to supporting and advocating for human rights. Veolia Environnement SA, headquartered in Paris (France) is subject to the French Corporate Duty of Vigilance Law (French law no. 2017-399).

The French Corporate Duty of Vigilance Law requires to develop a plan based on “reasonable due diligence measures to identify risks and prevent severe impacts on human rights and fundamental freedoms, on people’s health and safety and on the environment”. Under this law, the developed [Vigilance Plan](#) must include the following items:

- A risk map;
- An assessment of subsidiaries, suppliers and subcontractors;
- A whistleblowing system;
- Action plans; and
- A monitoring and assessment system.

This commitment is demonstrated in Veolia Environnement SA’s [9 Sustainable Development Commitments](#) as well as in our fundamental values and principles as set forth in our [Ethics Guide](#). Such values include solidarity, respect, innovation, customer focus and responsibility.

The Sustainable Development Commitments guide our relations with internal and external stakeholders. Veolia Environnement SA is committed to respecting employees’ human rights but also those of the individuals and communities where Veolia operates. Veolia Environnement SA has been a member of the United Nations

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Global Compact since 2003. This membership commits the Group, globally, to promoting 10 fundamental principles of human rights, labour rights, and protection of the environment. Since 2014, Veolia Environnement SA has had its place at the “advanced” level of the United Nations Global Compact differentiation program which uses 21 specific criteria to set the highest standard of voluntary performance reporting on responsible development.

To clearly identify our contribution to the Sustainable Development Goals (“**SDGs**”), Veolia Group-Wide is a major player in sustainable cities (SDG 11) through its management of essential services like water, sanitation (SDG 6), energy (SDG 7) and waste (SDG 11). And with its growth activities, Veolia encourages innovative industrial production methods (SDG 9) and more responsible consumption through the circular economy (SDG 12).

Our capacity for innovation (SDG 9) and our relations with them (SDG 17) were identified as key to helping to achieve the SDG, particularly in terms of combating climate change (SDG 13).

Veolia Environnement SA globally implemented a Human Rights framework, applied across the Group, as well as in Australia and New Zealand. This framework defines in particular:

- A governance and steering device;
- A Human Rights Policy;
- An Annual Risk Analysis;
- Performance Assessment tool;
- Dialogue with local and international stakeholders;
- Transparency of non-confidential data and actions.

In June 2019, Veolia Environnement SA organised, with the World Business Council for Sustainable Development (WBCSD) and the “Entreprises pour les droits de l’homme” (EDH) association, a morning of discussions on “Human rights and sustainable development objectives: involvement of CEOs, responsibility of companies and opportunities”.

As Veolia Group-Wide is resolutely committed to these issues, the Chairman and

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Chief Executive Officer at the time, Antoine Frérot, co-signatory of the WBCSD's "CEO Guide to Human Rights", took advantage of this meeting to invite his peers to take action on these issues.

### Local Approach

Veolia WTS's approach to modern slavery is centred around pillars underpinned by continuous improvement:

- Internal Awareness: Embed modern slavery awareness and due diligence within business as usual activities and employees' knowledge;
- Supply chain awareness and due diligence: Increase supply chain vigilance;
- Grievance Process/Victim Support: Ensure a victim centred approach with an established support mechanism; and
- Collaboration: Improve engagement with stakeholders and build partnerships with peak bodies, NGOs and industry.

This approach enables Veolia WTS a clear yet flexible approach to tackle modern slavery issues with specific actions underpinned by a robust reporting and governance framework.

Veolia WTS is strongly committed to:

- **Minimise the risk of discrimination.** Employee diversity is an asset which allows the company to innovate and perform better. Veolia WTS strives to be a socially responsible employer, everywhere it operates, to guarantee the respect of every individual, while encouraging a greater diversity of profiles and developing inclusion within teams;
- **Promote equal opportunities**, recognising the talents of every individual and avoiding all discrimination on the grounds of origin, gender, disability, age, etc; through fair and non-discriminatory Human Resources processes ensuring the development of diversity and gender equality;
- **Promote the development of social dialog and freedom of expression of employees;**

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- **Promote the right to work in a healthy, safe environment.**

These commitments, along with the mechanisms and processes in place to achieve these, are developed in detail in Veolia's policy framework. Veolia WTS' commitment to the prevention and detection of modern slavery is outlined in our Modern Slavery and Human Trafficking Policy, our Supplier Charter and Veolia's Whistleblowing Policy which ensures that it covers, among other elements, any unlawful activity relating to modern slavery.

### **Policy & Process**

Veolia WTS have dedicated policies relating to human rights and anti-bribery. These policies include, amongst other things, mutual commitments to respect internationally recognised human rights and to comply with applicable laws relating to bribery and corruption.

We provide mandatory trainings to our employees on Human Rights, Bribery and Corruption as well as Diversity.

Our policies and processes are regularly reviewed to ensure that our actions meet the standards required and appropriate agreed action plans are prepared and implemented to improve the due diligence of our supply chain and the understanding of our employees to ensure any breaches are reported.

Our Whistleblowing Policy and Procedure is available to all employees. We offer a confidential whistleblowing telephone line to all employees, along with a confidential online whistleblowing solution which is available to all employees and third parties or any persons conducting business with Veolia WTS to report concerns or suspicions of wrongdoing. We also have a dedicated Ombudsperson and Ethics Officer in Australia, as well as a network of regional and global Ombudspersons to ensure that employees are encouraged, and have various channels, to raise any compliance concerns.

Our Employee Assistance Programme also provides a confidential telephone support service where advice and information can be sought by employees across a wide range of topics.

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**V. MEASURING OUR EFFECTIVENESS**

**Multi-Faceted Performance Framework**

Veolia’s globally applied multi-faceted performance framework focuses on 18 audited indicators that are derived from the UN sustainable development goals and linked to Veolia’s strategic objectives. These indicators include measuring the impact of our contribution to society and ethics standards. All indicators are directly linked to Veolia’s purpose, mission and values.



Key performance indicators are implemented to drive and track training delivery and completion, drive awareness campaigns, and record supplier audits and resulting actions. These are shared with the Executive Committee.

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### **Management**

The Executive Committee hosts regular meetings on our ethics and social responsibilities. Employees across Veolia WTS are invited and encouraged to attend these town halls that serve as reminders of our compliance obligations and to provide important updates to the compliance framework in the region.

Veolia WTS have also been willing participants in our customer Sedex Members Ethical Trade Audit (“**SMETA**”) audit, so far as it relates to modern slavery risks. SMETA is an audit method used across 150 countries to evaluate all aspects of responsible business practice in global supply chains. Specifically, the 4-pillar SMETA encompasses labour standards, health and safety, the environment, and business ethics.

As part of the SMETA audit, Veolia WTS made commitments to ensure compliance with applicable legislation.

### **Office Based Staff**

Our eLearning platform was initially launched to all staff in 2019. The eLearning module provides an overview of ethics and compliance risks, statistics, and guidance on how to spot the signs and report concerns safely. The training module contains a scored test in order to support the level of understanding following completion. The training module is part of the induction process for all new staff joining Veolia, and is actively promoted to all staff annually as part of the annual ethics and compliance awareness campaign.

## **VI. CONSULTATION WITH OUR ENTITIES**

### **Joint Approach**

The entities within Veolia WTS operate with a centralised Procurement process, and shared support services such as Human Resources, Legal and Compliance, Ethics

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Officers and Ombudspersons to enforce the compliance measures taken as a collective group.

As part of the development of this Joint Modern Slavery Statement, we consulted with the directors, shared support services and heads of certain business units across Veolia WTS to discuss our modern slavery reporting obligations including the mandatory criterias. We have also jointly identified gaps in our common processes and considered steps we aim to take to minimise these.

The directors of each entity part of this Joint Statement, have reviewed and approved this Joint Statement, by way of board resolution. They have also authorised the signatory to be Martin Hooper, director.

## **VII. OUR CONTINUOUS IMPROVEMENT**

### **Our Strategy**

Veolia WTS 's main focus in FY24 is to continue to address and monitor all risks identified in FY23, namely by:

- **Top-Down Approach:** By setting up a dedicated cross-functional Modern Slavery Committee with directors and key personnel from shared support services, we are able to disseminate the importance of modern slavery awareness across Veolia WTS.
- **Internal Training:** By delivering internal training to all employees this can assist in enhancing our employee's knowledge on unethical labour and modern slavery practices.
- **Workshops -** The cross-functional Modern Slavery Committee to meet at quarterly internals, with set agenda and minutes implemented for each workshop, ensuring that any risks are identified in a timely fashion with the appropriate action taken to address and resolve the same.
- **Supply Chain Vigilance:** By reviewing our supply chain processes, we are able to increase visibility over supply chain compliance with labour regulations, specifically modern slavery practices.

As the Veolia group believes that a continuous improvement approach to tackle



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modern slavery is necessary, Veolia WTS is committed to ensuring we continue to appropriately map out risks and attend to them effectively.

**As authorised by the directors of each of the entities jointly submitting this  
Modern Slavery Statement:**



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**Martin Hooper**

28 June 2024