

# Modern Slavery Statement 2022-23

This is Central Highlands Water (CHW) Modern Slavery Statement 2022-23 in accordance with the *Modern Slavery Act 2018 (Cth)*.

## Traditional Owners Acknowledgement

We respectfully acknowledge the Traditional Owners of the region we operate within, including the Dja Dja Wurrung, Wadawurrung, Wurundjeri, Djab Wurrung, Wotjobaluk, Jaadwa, Jadawadjali, Wergaia and Jupagulk Peoples and pay our deepest respect to their Elders past and present.

We acknowledge their role as custodians of land and water for many centuries and their continuing culture, contribution and connection to Country is vital to the life of this region.

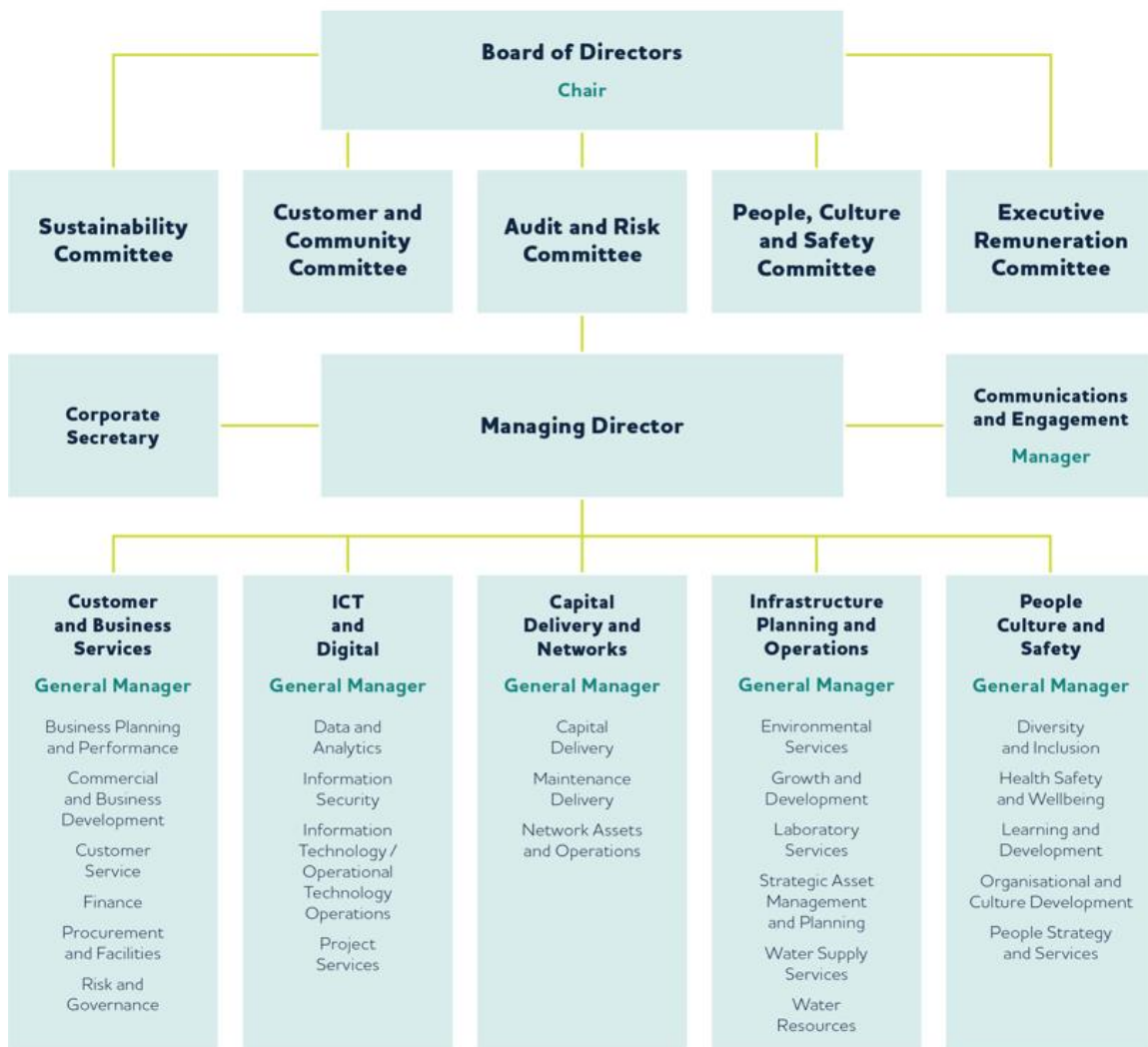
## About CHW

CHW, with its administrative center in Ballarat, is one of eighteen regional urban water corporations formed under the Water Act 1989. CHW is fully owned by the Victorian Government and reports to the Minister for Water via the Department of Energy, Environment and Climate Action (DEECA). CHW provides water supply and sewerage services through 78,173 water supply connections and 68,039 wastewater service connections to 184,087 people.

Our area of operations takes in 9,275 square kilometers. Straddling the western fringes of the Great Dividing Range, our service area incorporates the local government areas of Ballarat City Council, Central Goldfields Shire Council, Golden Plains Shire, Hepburn Shire Council, Pyrenees Shire Council, Northern Grampians Shire Council and Moorabool Shire Council (refer to Attachment A).

CHW do not own or control any other entities.

## Operational structure



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## Our Operations and Supply Chain

CHW current strategic priorities are represented by the following strategic framework.

Progress against each strategic outcome is regularly reviewed by each relevant Board sub-committee. CHW supports the progression of the UN's Sustainable Development Goals, which is a national commitment by the Australian Federal Government.

<b>OUR 2040 STRATEGY</b>	
<b>OUR VISION</b>	Fostering sustainable living, thriving communities and a healthy environment.
<b>OUR PURPOSE</b>	We care for our community and environment, ensuring essential water services are safe, reliable and affordable now and in the future.
<b>OUR VALUES</b>	<ul style="list-style-type: none"> <li>Care</li> <li>Integrity</li> <li>Leadership</li> <li>Teamwork</li> </ul>
<b>OUR 2040 STRATEGIC OUTCOMES</b>	<ul style="list-style-type: none"> <li>Exceptional customer and community value</li> <li>Trusted and reliable provider</li> <li>A valued partner in advancing our region</li> <li>Thriving, innovative workforce and culture</li> <li>Healthy environment and caring for Country</li> </ul>
<b>OUR STRATEGIC ACTION AREAS</b>	<ul style="list-style-type: none"> <li>Shape growth, drive resilience and water security</li> <li>Engage community partner</li> <li>Build strategic capabilities</li> <li>Proactively embrace technology and innovation</li> <li>Rapidly reduce our environmental impact</li> <li>Explore strategically aligned growth opportunities</li> </ul>
<b>SUPPORTING</b>	

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CHW's is committed to the procurement of goods and services that achieve sustainable value for money, whilst enabling and facilitating the delivery of services to our customers that demonstrates transparent and accountable expenditure of public funds.

CHW seeks to achieve this commitment by complying with the following principles:

- provision of a safe workplace
- sustainable business practices
- value for money
- open and fair competition
- accountability and responsibility
- risk management
- probity and transparency.

Our key operations and supply chains are:

Operations	Supply Chains	
Asset Maintenance	<ul style="list-style-type: none"> <li>• Water treatment services</li> <li>• Waterways</li> <li>• Operations &amp; maintenance of assets</li> </ul>	<ul style="list-style-type: none"> <li>• Operation &amp; maintenance of facilities</li> <li>• Land care services &amp; conservation management</li> </ul>
Construction	<ul style="list-style-type: none"> <li>• Engineering, Constructions &amp; Major Projects</li> </ul>	<ul style="list-style-type: none"> <li>• Engineering consulting / technical services</li> </ul>
Corporate	<ul style="list-style-type: none"> <li>• Purchase &amp; lease of properties</li> <li>• Electricity, gas, utilities</li> <li>• Commercial travel</li> <li>• Freight, couriers &amp; mail</li> <li>• Temporary labour hire</li> <li>• Professional services</li> <li>• Marketing &amp; advertising</li> </ul>	<ul style="list-style-type: none"> <li>• Staff training services</li> <li>• Fleet purchase, maintenance &amp; operation</li> <li>• Stationery &amp; office equipment</li> <li>• Security services</li> <li>• Research</li> <li>• Insurance services</li> </ul>
Customer	<ul style="list-style-type: none"> <li>• Call centre services</li> <li>• Customer research services</li> </ul>	<ul style="list-style-type: none"> <li>• Debt collection services</li> <li>• Printing of bills &amp; notices</li> </ul>
Equipment & Materials	<ul style="list-style-type: none"> <li>• Supply &amp; Storage of chemicals</li> <li>• Hire of construction equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Service &amp; maintenance of equipment</li> <li>• Consumable supplies</li> </ul>
Information Technology	<ul style="list-style-type: none"> <li>• Supply of IT hardware</li> <li>• Telecommunication expenses</li> </ul>	<ul style="list-style-type: none"> <li>• IT Software &amp; licensing</li> <li>• IT Services</li> </ul>

## Risk of Modern Slavery Practices

CHW is a foundation member of the Social Procurement Working Group (SPWG), a VicWater led initiative with representation from various Victorian Water Corporations, with a focus on sharing information, promoting consistency in policy and processes, and supporting strategic approaches in supply chains including modern slavery risks.

The ambition behind the creation of the SPWG was for the representing Water Corporations to take an industry lead position in managing sustainability issues and opportunities, namely environmental, social, and economic issues, and opportunities within their supply chains.

With sustainability issues including modern slavery risks recognised as particularly important, and common across Victorian water corporations, a collaborative approach to their management has been adopted.

The Modern Slavery Act 2018 (Cth) and the Victorian Social Procurement Framework confirmed the appropriateness of this approach to expedite and inform effective actions.

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The SPWG established and published their Terms of Reference on the VicWater website to ensure consistency in understanding and set a solid foundation for the development and progression of their program of work.

## Understanding outcomes of the risk assessment

The SPWG Group jointly funded a third-party specialist Action Sustainability (now incorporated into KPMG Banarra) to design a supply chain risk assessment tool to assist its members to evaluate the degree modern slavery existed in their supply chains.

It was designed with the purpose of assessing the categories of procurement spend of Victorian water corporations for sustainability risks and opportunities, including human rights. Forty-one categories of product and services covering typical procurement spend of water corporations were assessed and structured into six portfolios: Asset Maintenance, Construction, Information Technology Consulting (ITC), Equipment and Material, Corporate, and Customer.

The risk scores and commentary produced by the completion of this supply chain risk assessment identified human rights risks, including modern slavery risks, across all six portfolios of typical water corporation procurement spend. The categories of spend within each of these portfolios that presented human rights risks are outlined below:

- **Asset Maintenance portfolio:** Ongoing operations and maintenance of facilities (including cleaning), grass cutting, herbicide application/edge treatment.
- **Construction:** Construction labour (minor and major projects) and offshore engineering services
- **Corporate:** Temporary staff, labour hire and traineeship programs, security
- **Customer:** Debt collection services, customer research services
- **Equipment and Materials:** Mechanical and electrical equipment, chemical products
- **Information Technology:** Offshore IT Services

## Our actions

CHW continue to support the Victorian State Government commitment to ethical, sustainable, and socially responsible procurement through the inclusion of the Supplier Code of Conduct (Code) in all tender processes. To be considered, Tenderers must declare their adherence to this code.

The code describes the minimum expectations of the conduct of its suppliers in relation to:

- integrity
- ethics and conduct
- conflicts of interest
- gifts, benefits, and hospitality
- corporate governance
- labour and human rights
- health and safety
- environmental management

In 2021–22 CHW developed and refined a new Diversity, Inclusion and Accessibility Plan 2021–2025. In addition, as a requirement of the Gender Equality Act 2020, CHW created an inaugural Gender Equality Action Plan (GEAP) 2021–2025. Both the Diversity, Inclusion and Accessibility Plan and the GEAP continue to support CHW's commitment to diversity, inclusion, equity, and accessibility.

## Looking Forward

A Procurement Toolkit has been developed to:

- identify labour rights risk, including modern slavery.
- engage with suppliers to understand their residual labour rights risk; and
- manage the supplier relationship to ensure that labour rights are respected.

CHW will continue to strengthen our stance against modern slavery by further imbedding this toolkit into our tendering processes particularly in those supply chains identified as being of substantial risk.

The Victorian State Government's Supplier Code of Conduct (Code) will continue to be mandated in all tender processes with failure to complete or non-conformances resulting in tenderers being excluded from the tender evaluation. Any breaches occurred during the previous year will be documented in the annual supplier contract performance report.

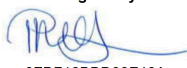
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Where a supplier has been awarded a contract, annually they will be requested to resubmit their Supplier Code of Conduct declaring compliance to the requirements of it.

Our Procurement Policy, Framework and practices will continue to support with the objectives and actions from our GEAP 2021-25.

## Approval

This Modern Slavery Statement was approved by the Board of Central Highlands Water on 12<sup>th</sup> December 2023.

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Philippa O'Sullivan

A/Managing Director

Central Highlands Water

18<sup>th</sup> December 2023

