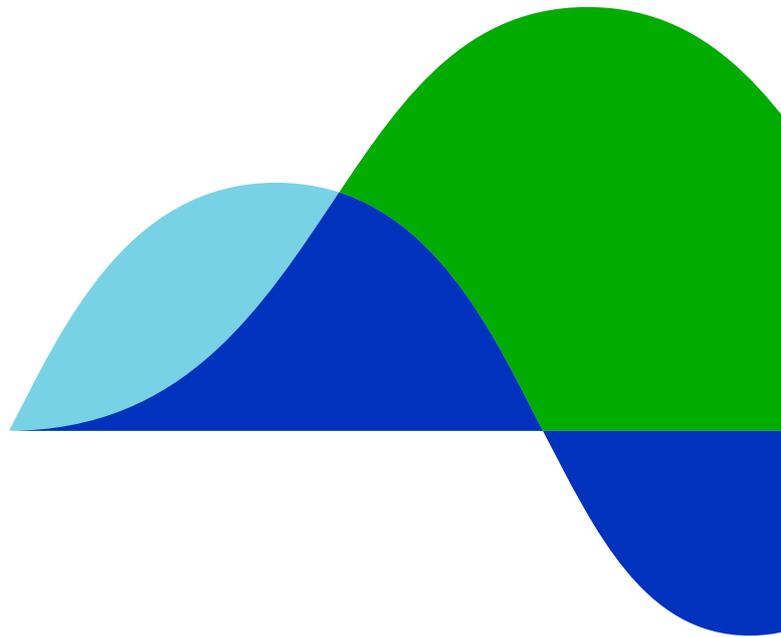




Modern Slavery Statement

FOR THE REPORTING PERIOD 1 JULY
2024– 30 JUNE 2025



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Acknowledgement of Traditional Owners/Custodians

Yarra Valley Water proudly acknowledges the traditional Custodians and owners of the land and water on which we rely and operate. We pay our deepest respects to their Elders past, present and emerging. We acknowledge the continued cultural, social, and spiritual connections that Aboriginal and Torres Strait Islanders peoples have with the lands and waterways and recognise and value their care and protection for thousands of generations.

Context

The Modern Slavery Act 2018 (Commonwealth) came into effect on 1 January 2019. It requires Australian entities with a minimum consolidated revenue of \$100 million to report on the risk of modern slavery in its operations and supply chain and the steps they are taking to respond to the risks identified.

This is the fifth annual statement by Yarra Valley Water (YVW) as required under the Modern Slavery Act. It details the actions we have taken to understand and address modern slavery risks in our business, operations, and supply chain.

We are pleased to report continued progress in mitigating the risk of modern slavery across our business, operations, and supply chain. While no instances of modern slavery have been identified to date, we remain vigilant and proactive in our approach. Our commitment includes ongoing engagement with suppliers, enhancement of due diligence processes, and the development of internal capabilities to strengthen awareness and accountability. We recognise that sustained education and collaboration are critical to upholding our ethical responsibilities and maintaining a resilient, responsible supply chain. YVW's modern slavery statement has been reviewed and approved by the Board and signed by the Chair prior to publication.

Our Stand

Modern slavery covers situations where threats, coercion or deception are used to exploit victims and undermine or deprive them of their freedom through practices including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, serious exploitation of children and child labour.

YVW recognises that modern slavery practices are a serious violation of human rights, and we do not tolerate any form of modern slavery in our business or supply chain. We believe all workers should be treated with dignity and respect and recognise each person's rights to freedom, justice, and fair work conditions.

About Us

YVW is a statutory corporation, incorporated under the *Water Act 1989*, and our activities are overseen by an independent Board of Directors appointed by the Minister for Water in consultation with the Treasurer. Our obligations regarding the performance of our functions and the exercise of our statutory powers are defined in the Statement of Obligations, issued by the Minister for Water in accordance with Section 41(2) of the *Water Industry Act 1994*. We are subject to economic regulation by the Essential Services Commission and make dividend and income tax (National Tax Equivalent Regime) payments to the Victorian Government.

We are the largest of Melbourne's three retail water corporations, covering most of Melbourne's northern and eastern suburbs from Wallan in the north to Warburton in the east. Our service area covers 4,000 square kilometres and our network consists of around 20,400 kilometres of water and sewer mains. We manage over \$6.6 billion of infrastructure and assets.

We provide clean water to the people and businesses of Melbourne and take their sewage away. We service two million people, or approximately 30 per cent of the state's population, and more than 62,000 businesses rely on our water and sanitation services. We remove and treat sewage, most of which is transferred to Melbourne Water's treatment plants. The rest is treated at our 9 regional plants, where we also recycle water for use in homes, sports fields, and public spaces.

We have a diverse customer base including more than 10,000 First Nations people and more than 600,000 people who were born overseas. A high proportion of customers speak a language other than English at home, with the top 5 languages being Mandarin, Greek, Arabic, Italian and Cantonese. 895 people were employed at YVW as of 30 June 2025, most at our head office in Mitcham (with hybrid working implemented since March 2020) and a small number working in the field or at our sewage treatment plants.

YVW's ABN is 93 066 902 501 and the head office is located at Lucknow Street, Mitcham, Victoria, 3132. YVW does not control any other businesses.

Organisation Structure

YVW's Board of Directors is responsible for setting the strategic direction, establishing goals for management and monitoring their achievement and the performance of the business.

The Executive Team manage the day-to-day operations of the business in seven groups covering a range of areas including:

Retail Services – meter reading, billing management, debt collection, Customer Contact Centre operations and development services and support programs for customers in financial difficulty.

Asset Services – water, recycled water and sewerage infrastructure, optimisation of existing infrastructure networks, maintenance and renewal of infrastructure and long-term asset planning and provision of water and sewerage services to new customers, partnering with the community to develop urban water futures, new infrastructure to service growth and delivery of major upgrade projects for existing infrastructure.

Strategy and Community – long-term strategy development, water industry strategy, business planning, pricing and economic regulation, corporate sustainability, strategic research, marketing and customer programs, community inclusion and engagement, communication, and stakeholder engagement.

Service Futures – enabling the transformation of our core services for retail and distribution services to improve productivity and customer experience, implementation of modern technologies and innovations and management of information technology systems.

People, Performance and Culture – human resources strategy for the business, including workplace planning, organisational culture, capability development, safety, diversity, recruitment, succession planning and performance management.

Finance and Corporate Services - business management reporting, statutory accounting, financial planning, treasury, taxation, statutory compliance, governance, insurance, risk management, auditing, payroll, procurement, property management, legal and corporate secretarial services.

Supply Chain

Partner companies deliver many of our services through outsourcing arrangements for activities including construction, maintenance, meter installation, meter reading, laboratory services and legal services. We have a mixture of long-term and short-term contracts with all arrangements supported by signed contracts managed through a procure to pay system which ensures strong governance and compliance for all procurement activities.

We have over 560 active contracts with our suppliers, with a value of approximately \$1.45 billion. Our top 10 vendors account for approximately 60% of our total annual procurement spend.

Governance

Our procurement model is a centre-led model, whereby the system, policy, governance, advice, and support, are managed at the centre with more the 500 users across the business who make sourcing decisions based on guidelines and policies that underpin YVW's procurement framework.

Our procurement framework helps identify, manage, and mitigate risk within our supply chains through the establishment of effective end to end processes.

YVW's procurement objective is to acquire goods, works, and services at competitive prices that deliver best value for money to the organisation and our customers. Our purchasing and contracting principles uphold integrity, ethical conduct, and good governance, while addressing modern slavery risks. These principles align with YVW policies covering fraud and corruption, risk management, safety and wellbeing, conflict of interest, gifts and hospitality, and privacy, ensuring delivery of both social and sustainable value.

All team members and contractors undertaking procurement and contract management must comply with our policies and requirements and Victorian Government directions including:

- Occupational Health and Safety Act (2004) and Regulation (2017)

- Quality Standards
- Supplier Code of Conduct
- Social Procurement Strategy
- Reconciliation Action Plan
- Financial Inclusion Action Plan
- Security of Critical Infrastructure Act
- Ministerial Directions for Public Construction Procurement
- Local Jobs First
- Victorian Government Purchasing Board policies
- Building Equality Policy
- Fair Jobs Code

United Nations Global Compact

We are a signatory to the United Nations Global Compact and work to advance the Sustainable Development Goals (SDGs). We have embedded the SDGs in our business strategy to provide a global context for how our activities contribute to a more sustainable and liveable future. We believe the water industry has a vital role in helping to achieve the SDGs and deliver environmental and social value.

Management of Modern Slavery Risks

Managing risk supports the creation and protection of value. It improves performance, encourages innovation, and supports the achievement of objectives.

Yarra Valley Water maintains a risk management framework consistent with the principles and guidelines of ISO 31000 – Risk Management.

The risk management process involves the systematic application of policies, procedures, and practices to the activities of communicating and consulting, establishing the context and assessing, treating, monitoring, reviewing, recording, and reporting risk.

Management of modern slavery risk is supported by key mitigating controls in the form of Procurement policies (made clear as part of tender requirements), Social Procurement Framework, Supplier Code of Conduct and Risk Management framework.

Identifying modern slavery risk in our operations and supply chains

In 2024–25, Yarra Valley Water undertook a strategic enhancement of its modern slavery risk management framework. We identified that our existing 26-question supplier questionnaire, used during the tender process, could be refined to deliver more targeted and actionable insights. To improve consistency, transparency, and defensibility in supplier assessments, we transitioned to an external platform—Informed365.

Informed365 is a cloud-based solution that enables organisations to identify, assess, and monitor modern slavery risks across their supply chains. It collects supplier data through tailored self-assessment questionnaires (SAQs) and applies contextual analysis, such as geographic location and industry sector to generate risk profiles and flag areas of concern. To date, nearly 3,000 suppliers have been onboarded to the platform.

The platform also facilitates collaboration through industry consortia, allowing organisations to share insights, apply consistent assessment standards across shared suppliers, and reduce supplier fatigue. This collective approach enhances water sector transparency, strengthens due diligence, and fosters more meaningful engagement with suppliers to mitigate modern slavery risks.

YVW has leveraged this capability to conduct an inherent risk assessment of its top 40 suppliers, representing over 80% of total procurement spend. This assessment incorporates risk ratings provided by Bureau Veritas, which conducts annual qualitative and quantitative analysis to evaluate inherent modern slavery risk by country and industry. None of our top 40 suppliers are classified as high or very high risk. Half are assessed as low inherent risk, and the remaining half as medium risk. Overall, the inherent risk of modern slavery across the top 80% of our procurement spend is considered low.

While no sector specific risks have been identified through this review, we remain committed to strengthening our oversight and adapting to emerging risk factors. This includes monitoring global developments, regulatory changes, and shifts in supply chain dynamics that may introduce new vulnerabilities. We will continue to refine our assessment tools, engage with suppliers to build capability, and collaborate across the industry to ensure our practices remain robust, responsive, and aligned with evolving expectations. Our proactive approach ensures that modern slavery risk remains a key consideration in our procurement strategy.

Actions Taken to Address Modern Slavery Risks

Tendering

Yarra Valley Water has been progressing toward understanding the residual risk in its supply chain by asking those same top 40 suppliers to complete a modern slavery risk assessment via the platform, using a detailed and lengthy self-assessment questionnaire (SAQ) developed by and for the WSAA consortia in Informed365 made up of Sydney Water, Melbourne Water, Greater Western Water, Barwon Water and another 8 Australian water utilities.

None of the 13 YVW suppliers who completed this detailed questionnaire present a high residual risk. 10 are attributed a low residual risk and 3 a medium residual risk.

The completion of this Informed365 detailed questionnaire, based on over 80 questions, has been included as a mandatory selection criterion in all YVW Requests for Tenders.

Internal Audit

Modern Slavery Framework and controls will be included as part of three-year internal audit cycle Supplier Code of Conduct.

Supplier Code of conduct

Yarra Valley Water adopts the Victorian Government's Supplier Code of Conduct (SCoC) to ensure suppliers meet minimum expectations across key areas including integrity, ethics, conflict of interest, corporate governance, labour and human rights, health and safety, and environmental management. The SCoC clause is embedded in all YVW standard contract templates, requiring contractors to align with the State's ethical and operational standards.

The Code mandates suppliers to uphold high human rights standards, implement appropriate labour practices, and foster fair, inclusive workplaces free from discrimination, harassment, and abuse. It also requires suppliers to actively identify and mitigate modern slavery risks within their operations and supply chains, reinforcing our commitment to ethical procurement and responsible business conduct.

Fair Jobs Code

The Victorian Fair Jobs Code was introduced by the Victorian Government in August 2022 to use our purchasing power to:

- promote secure employment and fair labour standards, and
- ensure compliance with employment, workplace, and industrial laws.

The Fair Jobs Code was applicable from 1 December 2022 and applies to the procurement of goods, works and services, to supplier bids for procurement worth \$1 million or more and to subcontractors who deliver works and services worth \$1 million or more.

All procurement activities over \$1 million, require suppliers to complete a pre-assessment certificate prior to tendering which demonstrates the supplier/business has a history of compliance with existing industrial relations and workplace health safety laws, as specified under the Code, making them eligible to be considered for the tender.

All procurement activities over \$20 million require a Fair Jobs Code plan outlining how the requirements of the code will be met and agree to relevant terms and conditions, including, but not limited to, regular reporting on implementation of Code commitments.

Capability Building

Our capability uplift strategy is focused on embedding the skills, frameworks and tools needed to strengthen procurement and contract management across the organisation. This includes enhancing commercial capability, reinforcing governance and compliance standards, embedding purpose-driven procurement that advances social and community outcomes, and building stronger partnering and advisory support for business units. Modern slavery awareness is a key element of this strategy, ensuring our people are equipped to identify risks and opportunities, apply consistent governance, and uphold ethical practices across the supply chain. This structured approach to

capability building reflects our proactive commitment to responsible procurement and strengthens our safeguards against modern slavery.

Media monitoring

YVW has implemented daily media monitoring of its strategic suppliers to proactively identify emerging risks across the supply chain. This oversight supports early intervention and ensures our procurement practices remain aligned with broader social responsibility objectives. Consistent with our inherent risk assessment findings, no instances of modern slavery have been reported in the media in relation to our strategic suppliers.

Stoptline

Stoptline supports our efforts to address modern slavery by providing a confidential platform for employees, contractors, and other stakeholders to report issues (including modern slavery-associated risks), that may adversely impact YVW, its people, or its reputation. This anonymous reporting avenue enhances our commitment to ethical operations. With translation services available, Stoptline ensures accessibility for all stakeholders, reinforcing transparency and accountability across our organisation.

Effectiveness of Actions

During the financial year, YVW did not identify any instances or suspect instances of modern slavery.

In the 2025-2026 financial year, we will monitor the effectiveness of our actions by:

- expending our Supply Chain Inherent and Residual Modern Slavery Risk Assessment with the aim to cover our top 60 suppliers that make up 90% of our procurement spend.
- require all our tenderers across all our Request for Tenders to submit their Informed365 detailed risk questionnaire for us to assess their residual modern slavery risk.

In addition, YVW and the WSAA consortia are working towards implementing Continuous Improvement Pathways for suppliers with high-risk responses. These pathways will outline specific actions for improvement and will be monitored through the commitments made by suppliers during the improvement process. This approach is designed to encourage ongoing progress, accountability, and measurable outcomes in addressing modern slavery risks.

Summary

Yarra Valley Water continues to make meaningful progress in mitigating modern slavery risks across our business, operations, and supply chain. Our approach is anchored in strong foundations, with key initiatives including independent risk assessments via Informed365, integration of the WSAA modern slavery questionnaire into tender documentation, enforcement of the Victorian Government's Supplier Code of Conduct (SCoC) and increased organisational awareness and commitment.

We remain focused on ensuring supplier compliance, deepening our internal capability through training, and actively engaging with the Social Procurement Working Group and our supplier network. These efforts are aligned with our 2030 Strategy, which prioritises community inclusion, health, and wellbeing.

We recognise that embedding a modern slavery lens across the supply chain is complex and requires sustained effort. Transparency, continuous improvement, and clear communication of expectations remain central to our journey. We will continue to assess and respond to emerging risks, ensuring our procurement practices uphold ethical standards and contribute to broader social outcomes.

Approval

As the representative of Yarra Valley Water, I confirm that the Yarra Valley Water Board has reviewed the Yarra Valley Water Modern Slavery Statement for the reporting period of 1 July 2024 to 30 June 2025.

As set out in the Statement, Yarra Valley Water has responded to and to the best of our knowledge, has met the mandatory reporting criteria and commits to continual improvement in keeping with the Modern Slavery Act 2018.

Approved by Yarra Valley Water Board of Directors in December 2025.

Signed



Gabrielle Bell
Chair
Yarra Valley Water