

Modern Slavery Statement 2021-22

This is Gippsland Water's second Modern Slavery Statement in accordance with Modern Slavery Act 2018 (Cth).

Central Gippsland Region Water Corporation trading as Gippsland Water (ABN 75 830 750 413) is one of Victoria's large regional water corporations. A statutory corporation under the Water Act 1989 (Vic), Gippsland Water serves customers across 43 towns drawing supply from 13 different sources.

With 313 operational, engineering, financial, environmental and administrative employees, we are a major local employer for the region serving an estimated population base of 157,200 people.

We deliver water to 74,794 households and businesses, and wastewater services to 67,261 households and businesses across 43 towns. Our customers include major industries, some of which are of state and national significance.

Our operational area spans from Drouin in the west, to Loch Sport in the east, from Briagolong in the north, to Mirboo North in the south. This covers approximately 5,000 square kilometres in the municipalities of Latrobe City, Baw Baw, South Gippsland and Wellington Shires (refer Attachment 1).

In addition to providing water and wastewater services, we have a number of commercial business interests comprising of an agricultural business and an organic waste management facility as outlined in our organisation structure (refer Attachment 2). These business functions operate as divisions of our organisation, we do not own or control any other entities.

These businesses are an integral part of what we do and provide benefit both to us, our customers, the region and the state.

Our agribusiness operations help us to both effectively manage and reuse treated wastewater and treated wastewater by-products. Our agribusiness operations include 12 farming sites producing a combination of beef, fodder crops, grains and plantation timber.

Our largest farm, Dutson Downs, is located 25 kilometres south-east of Sale and spans 8,341 hectares.

This is also where we operate our Organics Recycling Facility.

Primarily founded to process our internal waste streams and offset the costs of disposal, the facility transforms approximately 200,000 tonnes of waste each year into valuable, nutrient-rich composts that are then used by farms and other horticultural enterprises right across Victoria.

Our Operations and Supply Chain

Gippsland Water is committed to operating our business lawfully and ethically, and working with suppliers that are aligned to our values, including corporate social responsibility, environmental and workplace safety protection, and staff inclusion and diversity. Gippsland Water requires our suppliers to operate in accordance with all applicable modern slavery laws.

Gippsland Water's operations make a significant positive contribution to our region's economy and liveability. During 2021-22, the organisation had a \$158 million turnover supported by \$1.5 billion in assets and spent \$43 million in capital and related infrastructure works.

Gippsland Water's supply chain includes the purchase of products and services needed for the businesses day-to-day operations including water and wastewater treatment chemicals, materials, external technical and professional services, office supplies, employment and training of staff, external legal advice, IT infrastructure and support services.

Our key operations and supply chains are as follows:

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

Risks of modern slavery practices

Gippsland Water has formal policies in place that promote ethical and legally compliant business conduct. Our policies contribute to our commitment to prevent violations of human rights such as modern forms of slavery in our business including the Supplier

Code of Conduct, and Public interest Disclosure (whistle-blower) Policy. We continue to educate and inform our employees on modern slavery risks through communication and dissemination of updated purchasing policies and procedures.

Following categories were identified as representing potential human rights risks:

- Asset maintenance: ongoing operations and maintenance of facilities, grass cutting, herbicide application;
- Construction: construction labour and engineering technical 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;
- ICT: offshore IT services.

We acknowledge that the risks of modern slavery may be present as a result of the characteristics of the industry of our suppliers, the products and services produced or provided, the geographical location of some our suppliers, and the complexity of the supply chains used in products and services supplied to us.

Actions being taken to assess and address these risks

Over this reporting period, we have made progress in addressing the modern slavery risks associated with our operations and supply chains. Standard tender templates and supplier evaluation tools, and standard contractual clauses have been incorporated in existing contract management practices.

These include a requirement for the provision of statements and policies specifically related to Modern Slavery in Requests for Tender and engaging more with suppliers on modern slavery issues and qualification procedures based on levels of commitment to assess and address risks of Modern Slavery practices.

Successful tenderers are required to submit written Modern Slavery Performance Reports to the Responsible Officers, outlining their performance against commitments annually.

As part of these processes, we have assessed modern slavery risks for identified higher risk procurement, such as land management and asset maintenance services.

Assessing the effectiveness of these actions

During 2021-22, Gippsland Water's actions have:

- Built internal capability and understanding of modern slavery risks; and
- Addressed modern slavery risk by ensuring our standard contract and tender documentation templates outline our minimum requirements.



Tender responses generally adequately adhere to our requirements but we recognise that the assessment of the effectiveness of our actions will be an ongoing and evolving process. We will continue to assess and continue to work on developing frameworks and processes to ensure we can review the effectiveness of our actions.

The way forward

The actions planned for 2022-23 include:

- Incorporation of modern slavery into the Gippsland Water risk register;
- Continue to address and assess known high risk supply chains, as part of contract negotiations;
- Continue to develop training and providing support to the Contract Responsible Officers in the implementation of contract and tender documentation and further investigate the use and improvements of toolkits, questionnaires and appropriate evaluation methodologies.

Approval

The Modern Slavery Statement was approved by the Board of Gippsland Water on



Therese Ryan
Board Chair
Central Gippsland Regional Water Corporation
Date: 25 November 2022

ATTACHMENT 1 – Gippsland Water Service Area



ATTACHMENT 2 – Gippsland Water organisational structure

