



Unitywater

Serving you today, investing in tomorrow.

Modern Slavery Statement

1 JULY 2019 – 30 JUNE 2020

Foreword from the Chairman



I am pleased to share Unitywater's first ever annual statement on modern slavery, which complies with the *Australian Modern Slavery Act 2018*.

Like so many others, this statement is an important one in the fight against modern slavery. Unitywater joins business around the nation that are ensuring human rights are protected.

We know that preventing and addressing our own involvement in modern slavery is the first step. We have done so, and we address this in our commitment to running a safe and responsible business, that cares for our people, customers and community.

We set clear expectations that our employees and suppliers (including contractors and agents) should be alert to possible involvement in modern slavery and should work to prevent and address it.

With a diverse supply chain, we expect our suppliers to operate ethically and in accordance with all applicable modern slavery laws. We outline these expectations in our Procurement Guide and through our ongoing engagement with our suppliers to ensure compliance.

We know that adopting high standards is not enough. Knowledge sharing, such as targeted training programmes for our people, and immediate action, including mitigation measures where we see a risk of involvement, are vital to ensure we maintain our commitment.



Michael Arnett
Chairman

This Modern Slavery Statement was approved by the Board of Unitywater on 25 November 2020.

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1. Unitywater overview

1.1 Structure

Unitywater is a Queensland statutory authority that provides water, wastewater and trade waste services to the Moreton Bay, Sunshine Coast and Noosa local government areas. It has two subsidiaries, Headworks Australia Pty Ltd (ACN 637 942 646) and Unitywater Properties Pty Ltd (ACN 616 651 042).

1.2. Operations

Unitywater operates in one of the fastest growing regions of Australia, providing essential sewerage and water supply services for three council regions that are home to 16.4% of Queensland's population.

We operate and maintain more than \$3.6 billion of essential assets, for customers across 5,223 square kilometres. Our service area stretches from Cooroy in the north to Samford in the south and from Bribie Island in the east to Kenilworth in the west.

On behalf of the Moreton Bay, Sunshine Coast and Noosa communities we:

- maintain and supply drinking-quality water to homes, businesses and public areas;
- collect, treat and dispose of sewage produce and provide recycled water to commercial and residential customers and community groups;
- manage trade waste from our business and industrial customers;
- build, manage, operate and maintain our sewerage treatment, water supply infrastructure and recycled water assets;
- provide around-the-clock response to sewerage and water emergencies;
- manage customer and stakeholder enquiries;
- issue and manage sewerage and water accounts; and
- provide returns to our participating councils.

1.3. Supply chains

With the population of the Sunshine Coast, Moreton Bay and Noosa regions projected to grow from approximately 800,000 in 2016 to 1.2 million in 2036, we are planning to meet the future needs of the region in an economically and environmentally sustainable way.

Our investment will cater for population growth and ensure our infrastructure meets strict standards for our unique and delicate environment.

We will continue to upgrade and invest in sewerage and water supply infrastructure in ways that keep us at the forefront of environmental practices and meet the challenges of flood risk, population growth and climate change.

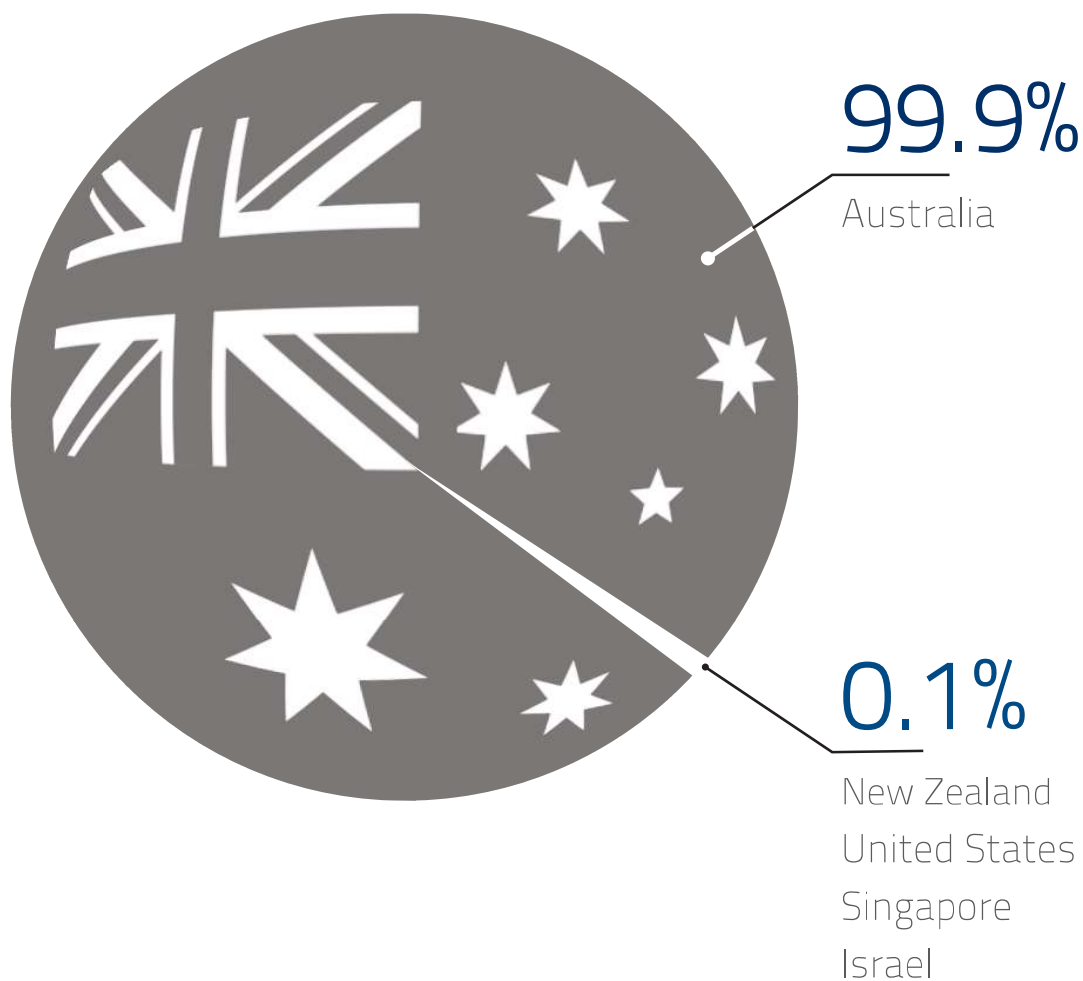
Unitywater had 957 suppliers in 2019-20 who helped to ensure goods and services were provided for approximately:

- 5975km sewerage mains
- 797 sewage pump stations
- 17 sewage treatment plants
- 337,123 water connections
- 6172km water mains
- 70 water pump stations
- 103 water reservoirs
- 12 schemes supplying recycled water
- 682 full-time equivalent employees

Over the course of the 2019/20 financial year Unitywater spent \$548M on goods and services to provide water and sewerage services to the Moreton Bay, Sunshine Coast and Noosa regions. Procured goods included water, electricity, chemicals, gas, machinery, equipment, and fuel. Procured services included construction, business management, machinery and equipment repair, waste management, facilities management, labour hire and recruitment, wet and dry hire, and telecommunications.

The majority of our suppliers are located in Australia (99.91% based on spend) with a small number of suppliers based in New Zealand, Israel, Singapore and the United States of America.

*Figure 1 – Spend by supplier country**



*Some suppliers are Australian subsidiaries of overseas suppliers.

2. Risks of modern slavery

2.1. Supply chain risks

In February 2020, Unitywater engaged a professional services firm that leverages world leading subject matter expertise in modern slavery to identify and examine our supply chain risk. The firm's initial assessment identified that our suppliers with the highest risk of modern slavery are in the following industries:

- › Water and sewerage supply
- › Non-residential building construction and non-building construction
- › Computer and technical services and electronic equipment
- › Industrial machinery repairs
- › Employment placement
- › Sanitary and garbage disposal

2.2. Operations risks

Unitywater recognises its responsibilities to ensure our employees are provided with appropriate remunerations; leave and conditions; our trainees and apprentices are dealt with fairly; and that there is no exploitation of children in our workplace.

Our modern slavery risks and their controls are summarised in the table below. These risks are actively managed through our risk management database.

Table 1 – Modern slavery risks

Risk Event	Controls
Unitywater's contractor engages in modern slavery	<ol style="list-style-type: none"> 1. Contractor selection due diligence 2. Clearly articulating requirements in contracts 3. Develop an understanding of exposure to modern slavery in supply chains 4. Develop a procedure for Unitywater to address modern slavery in its supply chain
Recruitment practices breach modern slavery requirements	<ol style="list-style-type: none"> 1. Review employment contracts against human rights and modern slavery acts 2. Continue to ensure recruitment procedures include checking candidates have suitable working rights and are at an appropriate age 3. Continue to ensure roles are assessed against award standards to ensure fair remuneration
Obligations towards employees are not adequately protected or addressed	<ol style="list-style-type: none"> 1. Review employment contracts against human rights and modern slavery acts 2. Audit fatigue management systems, processes, procedures 3. Review rostering practices

3. Actions taken to address risks

3.1. Supply chain due diligence

We want to do business with ethical suppliers. An ethical supplier offers quality jobs, provides a safe workplace, invests in training workers, demonstrates respect for workers, considers the environment and contributes to positive social outcomes for the communities in which the supplier operates.

To build supportive, transparent and collaborative relationship with our suppliers, we have introduced an Ethical Supplier Questionnaire for our suppliers. In the reporting period, we contacted 20 suppliers prioritised as a result of the supply chain risk assessment, to request further information on their business structure, operations and ethical practices.

To increase awareness of modern slavery, we have also issued correspondence to all 1376 active suppliers advising them of our obligations according to the *Modern Slavery Act*.

Our Procurement Guide has been updated to reflect our commitment to procuring from ethical suppliers. It provides staff with information on what constitutes modern slavery and outlines the application to the sourcing process. Our market approach templates have been updated to include sample questions designed to gain an insight into potential supplier's supply chains and ethical practices.

Our purchasing contracts have been updated to include obligations for suppliers to assess, control and notify us of modern slavery. Doing business with ethical suppliers enhances our vision to be a sustainable water and sewerage service provider that creates value for its customers and returns value to stakeholders.

We intend to work towards large suppliers in the high risk industries providing Unitywater with an attestation regarding their modern slavery compliance, including identifying whether they are the Australian subsidiary of a foreign entity.

3.2 Operations due diligence

Unitywater respects ethical labour practices and values and promotes diversity. Consistent with these principles, we have a zero tolerance approach to any form of modern slavery in its operations including servitude, forced labour, debt bondage and human trafficking. We recognise our responsibilities to:

- represent the organisation accurately
- accurately describe the type of work and work conditions
- ensure that employees are given work that they are lawfully able to do
- ensure that employees are not harmed or exploited in connection with employment
- provide fair remuneration
- provide a safe and appropriate work environment and work conditions

Our recruitment policy helps to ensure all recruitment decisions are consistent with Unitywater values. The recruitment process is consistently and fairly applied and we act in accordance with the principles from our policy, and we have formal recruitment process for both our permanent and contingent workforce that our recruitment team are required to follow. When agencies are engaged, they are required to follow these recruitment processes. To enable our leaders to build a more diverse and inclusive workplace, we can identify and support diverse candidates throughout the recruitment process.

Our online recruitment management system includes stop gates to ensure our policies and procedures are correctly followed. This includes verifying a candidate's identity and evidence to confirm their right-to-work status and generating contracts that comply with these policies and procedures.

To mitigate the risk of modern slavery, we use a range of engagement methods to source applicants depending on the needs of the business, in all cases individuals are free to apply for work, free to turn down an offer and free to opt out of the process at any point.

Each position advertised internally or externally has been assessed to ensure there is no misleading information and to establish it is a genuine vacancy, a position description is provided to candidates on request.

Candidates are provided with a written contract of employment prior to commencement that confirms position title, salary information, work location, conditions and entitlements.

We have comprehensive policies, procedures and systems in place to ensure that employees are paid on time and in the correct amounts, according to their entitlements and that leave entitlements are granted consistently with the requirements of the *Fair Work Act 2009* (Cth). We also have processes to regularly assess and address the potential risk of underpayments and not providing for the correct leave accruals.

We review total compensation annually to ensure employees are paid appropriately at or above award. In the event of any shortfall, this is corrected each year. This process is reviewed periodically to ensure effectiveness.

Our payroll system is configured to automatically calculate leave accruals in accordance with required entitlements. Reporting on accruals occurs fortnightly. Reconciliations are conducted throughout the year to validate that leave adjustments, that relate to leave reversals or changes to conditions of employment, have been applied correctly.

We are developing a modern slavery training program for all new staff to undertake as part of their induction. Training will address acceptable working conditions and the risks pertaining to modern slavery, including guidelines on how to remedy a situation. Modern slavery training will include assessment to ensure the appropriate level of awareness of modern slavery practice is attained. Refresher training for applicable staff will be provided every two years. Additionally, all current staff involved in procurement, health and safety, people operations and recruitment will be trained in acceptable modern slavery practices and potential risks during 2020/21.

4. Effectiveness of actions

We utilise a compliance system developed by a global content provider to monitor and assess obligations related to modern slavery legislation. Managers across our organisation have been delegated responsibility for maintaining and periodically reviewing our modern slavery obligations as they apply to their functions. If a non-compliance occurs it is reported, investigated and monitored through a tailored software system. Trends and material noncompliances are reported to the Audit and Risk Committee quarterly.

We also have a robust risk management framework which enables the organisation to respond to risk in an active and live manner. Critical to the effectiveness of this framework is the use of a database to allow for live tracking of risks and the actions assigned to each. The risks identified in this document have been incorporated into the database and both actions and controls are assessed for effectiveness in regular reviews.

We engage a consultant to conduct internal audits of different aspects of our business each year. In coming years, modern slavery will be incorporated into internal audits to ensure effectiveness of our systems is maintained.

5. Consultation with subsidiaries

Neither of Unitywater's subsidiaries had any operations or supply chains during the statement period.



Unitywater

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investing in tomorrow.

-
-  unitywater.com
 -  1300 086 489
Emergencies and Faults 24 hours
Customer Service: 8am – 5pm,
Mon – Fri (except public holidays)
 -  Unitywater, PO Box 953, Caboolture QLD 4510
 -  Customer Service Counters 8.30am – 4.30pm,
Mon – Fri (except public holidays)
8–10 Maud Street, Maroochydore QLD 4558
33 King Street, Caboolture QLD 4510

Unitywater has certification to
OH&S AS/NZS 4801: 2001 Reg No 500000079
Environmental ISO 14001: 2015 Reg No 500000079
Quality ISO 9001: 2015 Reg No 500000079
Food Safety ISO 22000: 2018 Reg No 500000079

