

Modern Slavery Statement 2019-20

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

Barwon Region Water Corporation trading as Barwon Water (ABN 86 348 316 514) is Victoria's largest regional urban water corporation. A statutory corporation under the *Water Act 1989 (Vic)*, Barwon Water's history can be traced back to the Geelong Municipal Waterworks Trust in 1908.

Barwon Water provides world standard water and sewerage services to more than 312,000 permanent residents over 8,100 square kilometres. Over the holiday period, the serviced population can reach 530,000 people.

Barwon Water's region of responsibility stretches from Little River and the Bellarine Peninsula in the east to Colac in the west, and from Meredith and Cressy in the north to Apollo Bay on the southwest coast (refer Attachment 1).

The service area incorporates local government areas of City of Greater Geelong, Borough of Queenscliffe, Surf Coast Shire, Colac Otway Shire and part of Golden Plains Shire.

As a major employer in the region, Barwon Water currently has over 300 operational, engineering, strategic planning, financial and administrative employees.



Barwon Water's wholly owned subsidiary, Barwon Asset Solutions (ACN 167 911 515), was formed in 2017 and is a 100 per cent locally-based company. Established to provide maintenance services to Barwon Water and the region, Barwon Asset Solutions' profits and efficiency-generated savings are returned to Barwon Water to help it deliver its service and keep customer bills low. Barwon Asset Solutions has approximately 65 employees.



Operations and Supply Chains

Barwon 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. Barwon Water requires our suppliers to operate in accordance with all applicable modern slavery laws.

Barwon Water's operations make a significant positive contribution to our region's economy and livability. During 2019-20, the organisation had a \$249.9 million turnover supported by \$2.8 billion in assets and spent \$77.4 million in capital and related infrastructure works.

Barwon 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:

Table 1 – Key Operations and Supply Chains

Operations	Supply chains	
Asset Maintenance	<ul style="list-style-type: none"> Water treatment services Waterways Operation & 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, Construction & 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

Barwon Water have 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, Public Interest Disclosure (whistleblower) Policy and procurement complaints processes.

Barwon Water is a foundation member of the Social Procurement Working Group (SPWG), a VicWater sponsored group of Victorian water corporations, initially formed in 2017 to address social procurement, then expanded to include modern slavery risk in the supply chain. In 2019 the SPWG engaged Action Sustainability (now incorporated into KPMG Banarra) to uplift knowledge across the sector, provide guidance regarding Modern Slavery Statements and to identify collaborative opportunities to address modern slavery risk in our common supply chains.

The SPWG undertook a risk assessment of the industry's products and services to determine where efforts should be focused; six portfolios, each containing numerous categories, were identified (refer Table 1). A customised heat map, aligned with ISO 20400, was developed which ranked potential risk across the sectors operations and supply chains and can be used

by all Victorian water corporations to assess modern slavery risk. Following a collaborative and cross-functional review process, involving 55 participants across 10 water corporations, the 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; and
- ICT: offshore IT services.

Actions taken to assess and address these risks

Following the aforementioned activities the SPWG embarked on a modern slavery capability building program to develop consistent and scalable fit for purpose solutions for use by metropolitan and regional water corporations. The program was delivered in two parts:

- Part 1: webinar on Human Rights and Modern Slavery, the Modern Slavery Act, business drivers and case studies.
- Part 2: action planning workshop to develop a draft response to the intent of the Modern Slavery Act. This included analysis of human rights, market dynamics, stakeholder issues and cost implications in order to develop a comprehensive view of key factors influencing how to address human rights in specific categories. A shared strategy was developed to collaborate on human rights abuse in high risk categories.

The modern slavery capability building program identified three categories for investigation:

- cleaning services: improve transparency of supply chain;
- provision of off-shore engineering consultancy services (drafting): improve integration of human rights practices; and
- diversity and inclusion in various products and services relating to treatment operations, in particular the supply of chemicals: generate sustainable work experience for disadvantaged communities.

These categories will be addressed by the SPWG during 2020-21 under which contractual clauses, tender templates, supplier evaluation tools and contract management will be reviewed and enhanced or developed to mitigate the risk within each category. The learnings from the SPWG activities will be used as a basis for on-going examination of modern slavery risk in our operations and supply chains.

In addition to the capability building program, Barwon Water incorporated modern slavery awareness into our contract management plans and developed training content for staff in modern slavery requirements (to be implemented during 2020-21).

Assessing the effectiveness of these actions

During 2019-20, Barwon Water's actions have:

- enabled collaboration and sharing of information between water corporations through the SPWG program of work;
- built internal capability and understanding of modern slavery risks in our operations and supply chains;
- identified potential modern slavery risks; and
- established a program of activities to be implemented during 2020-21.

During 2020-21, Barwon Water will establish a program to further measure the effectiveness of our actions.

Looking forward

The actions planned for 2020-21 include:

- conduct due diligence on high risk supply chains;
- implement training for staff in modern slavery requirements; and
- updating contracts and tender documentation to contain modern slavery terms.

Barwon Water will be participating in the following water sector activities in 2020-21:

- developing a tailored procurement toolkit, focusing on the management of human rights and labour issues, including modern slavery;
- piloting the toolkit with four Request for Tenders (RFTs), and adapting the toolkit based on shared learnings; and
- hold a National forum to explore the implementation of an Australian water industry supplier evaluation and engagement initiative.

Consultation with any entities the reporting entity owns or controls

BAS follows the procurement policies and processes of Barwon Water. Accordingly, Barwon Water's actions outlined in this plan cover the supply chain of BAS.

Approval

This Modern Slavery Statement was approved by the Board of Barwon Water on 17 December 2020.



Tracey Slatter
Managing Director
Barwon Region Water Corporation

Date: 17 December 2020

Attachment 1 – Barwon Water Service Area

