

2020 – 21

ADDRESSING MODERN SLAVERY RISKS IN OUR BUSINESS

OUR MODERN SLAVERY STATEMENT



Our commitment

At Icon Water we respect human rights and consider modern slavery in any form to be unacceptable.

We are committed to providing a safe work environment free from modern slavery, and to working with our suppliers to identify and eradicate any modern slavery throughout their operations and supply chains.



Message from our Board Chair and Managing Director

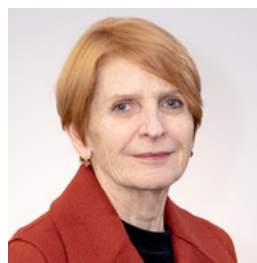
At Icon Water we are committed to being a valued partner in our community and are pleased to present our second Modern Slavery Statement, approved by our Board in December 2021.

Tackling modern slavery is important and requires an ongoing focus and commitment. We recognise our responsibility and the opportunity to eradicate modern slavery should it be detected in our operations and supply chains.

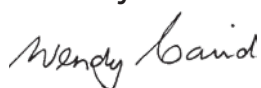
In 2020–21 we continued with our three phased approach: strong policies and publications; training and capacity building; and supply chain due diligence. These form our key controls to manage potential or actual risks of modern slavery, and align with our core values of safety, openness and excellence.

While we have not identified any instances of modern slavery, we have built on the groundwork established in our previous modern slavery statement and will continue to adapt our approach and actions in assessing and addressing modern slavery risks.

Any form of modern slavery is unacceptable and we are proud of our work to assess and address the risk of modern slavery within our operations and supply chains. We are committed to this cause and thank our employees for their ongoing vigilance as we continue on this important path together.



Wendy Caird

A handwritten signature in black ink that reads "Wendy Caird".

Chair
Icon Water



Ray Hezkial

A handwritten signature in black ink that reads "R Hezkial".

Managing Director
Icon Water

CONTENTS

2020–21 snapshot	2
Our business	3
Our structure	4
Consultation with controlled entities	5
Our supply chain	6
Our risks of modern slavery practices in supply chain	7
Apparel	7
Our approach	8
Our actions to address modern slavery risks	9
Policies and publications	9
Training and capacity building	9
Supply chain due diligence	9
Assessment and effectiveness	10
Our COVID-19 response	10
Looking ahead	11

During this period we have...



promoted our commitment to and new policies on modern slavery publicly through our website



developed procurement guidance notes to assess modern slavery risks in end-to-end procurement processes



developed guiding principles for our workers and suppliers



implemented a process to identify a supplier's country of origin for goods.



updated our labour hire contract arrangements to address modern slavery



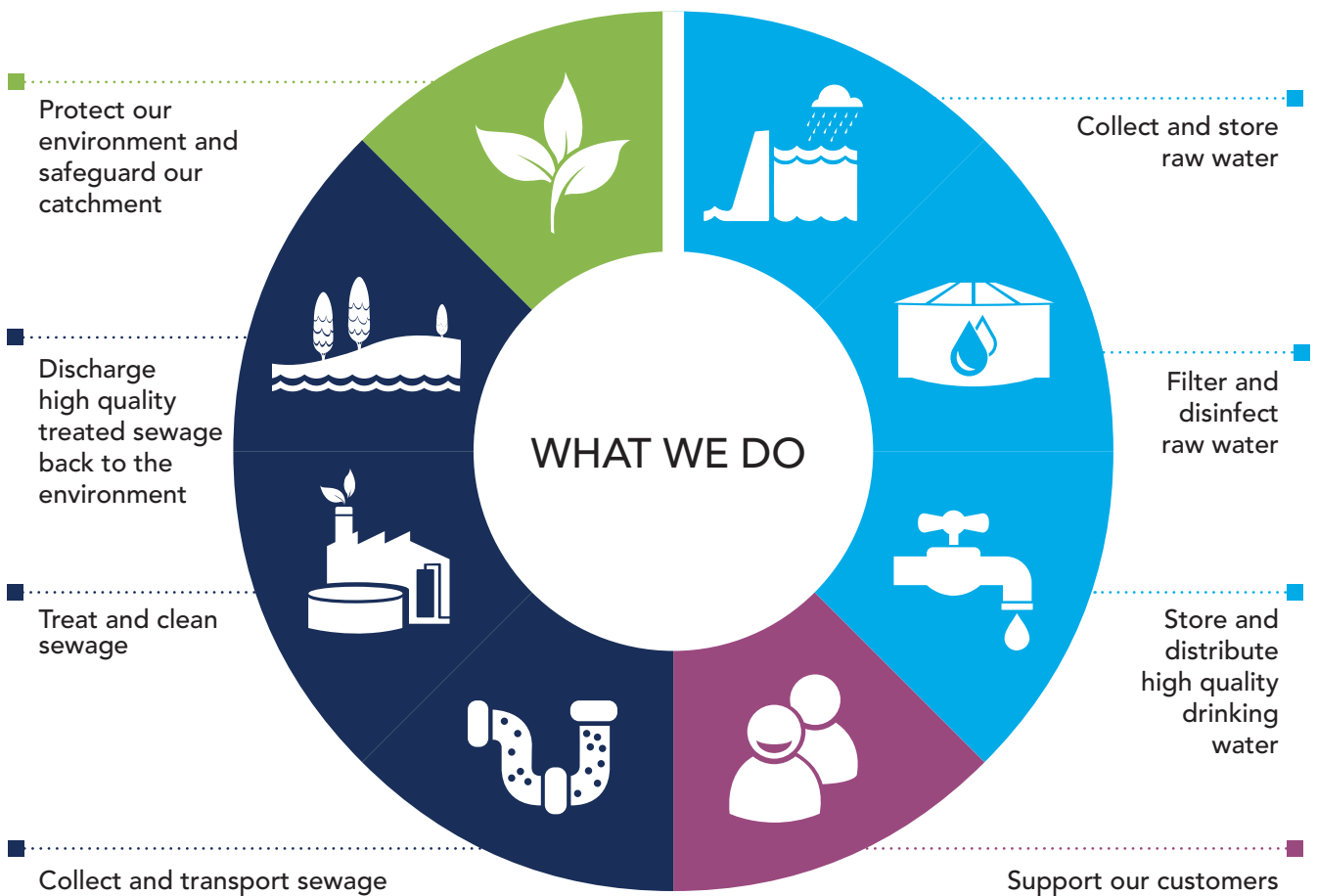
incorporated modern slavery training into our induction process for new employees and office-based contractors

OUR BUSINESS

Icon Water is the ACT's supplier of essential water and wastewater services, and we have been proudly serving the community for over 100 years. We support our region by sourcing, treating and supplying water to approximately 460,000 people in the Canberra and Queanbeyan communities, and managing Canberra's wastewater services.

We manage the region's network of dams, water treatment plants, sewage treatment plants, reservoirs, water and sewage pumping stations, pipes and other related infrastructure – an asset base valued at approximately \$2.6 billion. We also manage an investment, valued at approximately \$1.0 billion, in the ActewAGL Joint Venture, which operates in the energy sector.

We are guided by the principles of reliability, expertise and community focus in providing these essential services, which enhance the quality of life of our community.

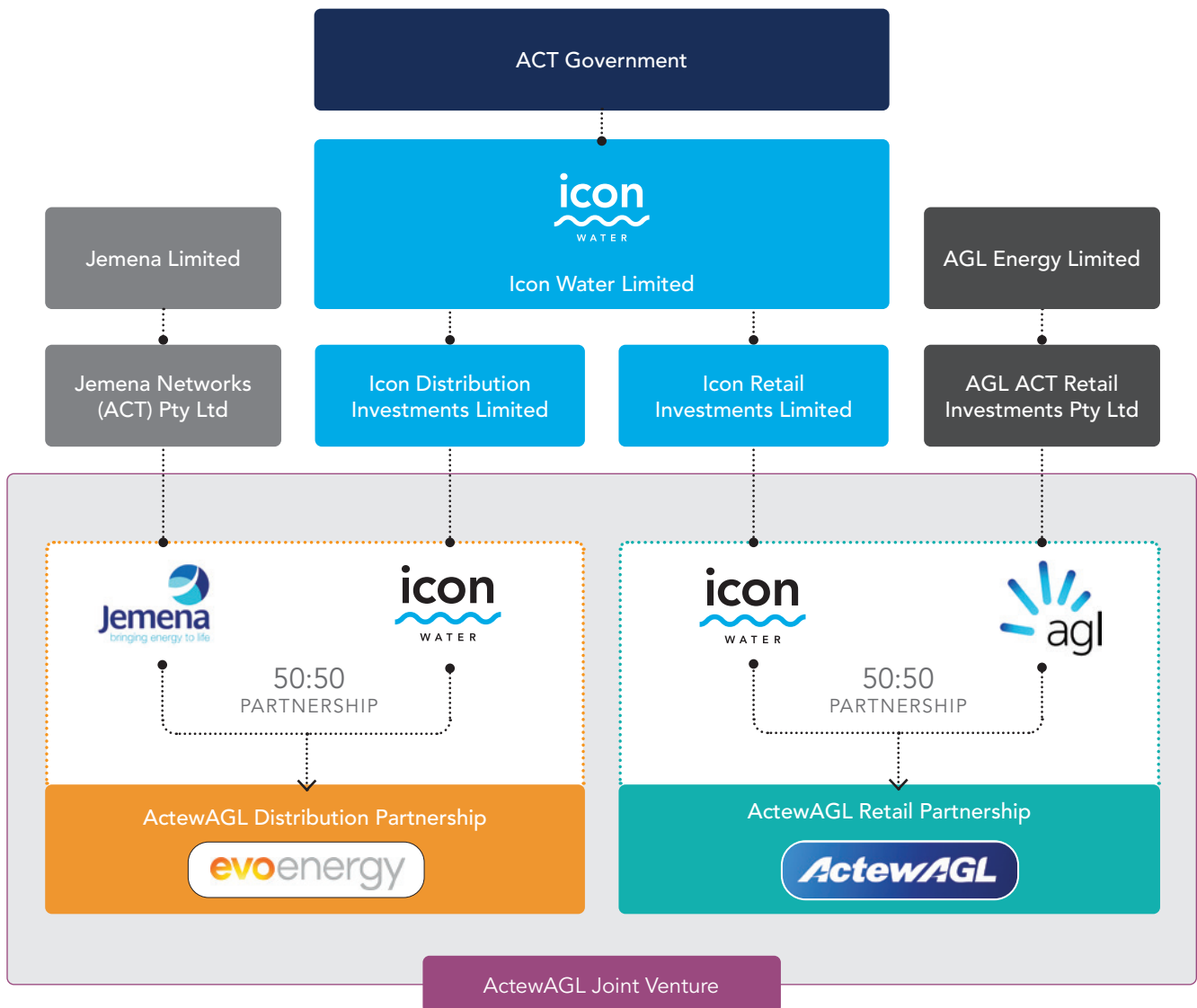


OUR STRUCTURE

Icon Water is owned by the ACT Government and is an unlisted public company under the ACT's *Territory-owned Corporations Act 1990*. We have over 400 employees and are separated from the direct functions of government; instead we are governed by an independent board of directors who promote high standards of corporate governance and provide strategic guidance and effective management oversight. There are two voting shareholders: the ACT Chief Minister and the Minister for Water, Energy and Emissions Reduction.

Icon Water also manages an investment in local energy businesses Evoenergy and ActewAGL Retail, through our participation in the ActewAGL joint venture. The joint venture was formed in October 2000 between Icon Water (previously ACTEW Corporation) and Australian Gas Light Company (AGL). The result was ActewAGL – the first multi-utility operating as a public-private partnership in Australia. The ActewAGL Distribution Partnership (operating under the brand Evoenergy)

owns and operates the electricity network in the ACT and the gas network in the ACT, Queanbeyan region and Shoalhaven in New South Wales. ActewAGL Retail sells electricity and natural gas, and manages customer service and marketing functions in a competitive market. Their service footprint extends to centres such as Queanbeyan, Goulburn, Yass, Young, Nowra and Bega.



Notes: 1) Each of Jemena Networks (ACT) Pty Ltd, Icon Distributions Investments Limited, Icon Retail Investments Limited and AGL ACT Retail Investments Pty Ltd are wholly owned subsidiaries of Jemena Limited, Icon Water Limited and AGL Energy Limited respectively. 2) Jemena Networks (ACT) Pty Ltd and Icon Distribution Investments Limited are equal partners in the ActewAGL Distribution partnership (AAD). AAD includes energy networks (evoenergy) and corporate services. 3) Icon Retail Investments Limited and AGL ACT Retail Investments Pty Ltd are equal partners in the ActewAGL Retail Partnership (AAR).



CONSULTATION WITH CONTROLLED ENTITIES

In addition to work in our own operations and supply chain, we consulted with organisational representatives from our joint venture entities, Evoenergy and ActewAGL Retail. We framed our expectations and mutually agreed to produce separate modern slavery statements. Given the similarities in our supply chains, we collaborated on our approach to the forensic analysis of our risk profiles and undertook a joint risk assessment on our tier one suppliers to identify our modern slavery risks.

We worked together to review employment conditions that focus on the rights and wellbeing of our employees, including the labour standards articulated through our respective enterprise agreements. We shared our proposed approaches to include modern slavery clauses in our procurement and contractual documentation to provide a consistent message to our supply chains. We also reviewed and updated our labour hire contract arrangements to ensure they embed modern slavery considerations.

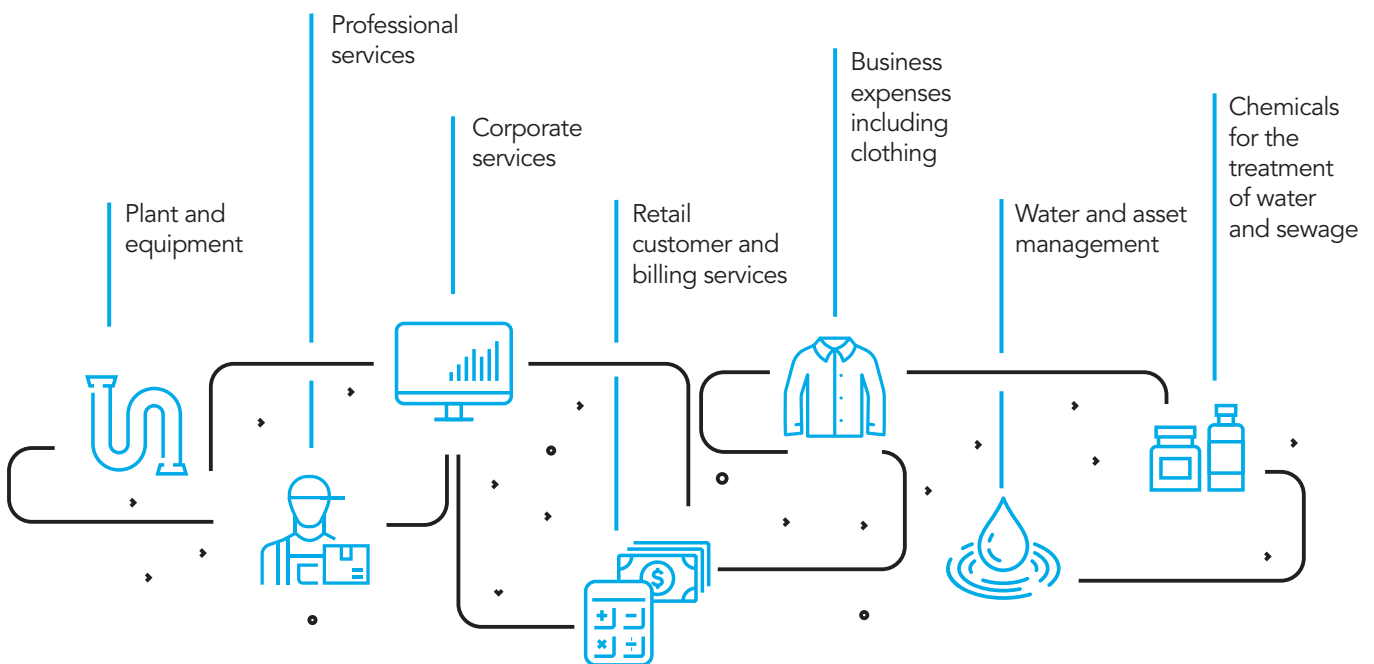
OUR SUPPLY CHAINS

Icon Water procures a large variety of goods and services as part of providing a reliable supply of high quality drinking water and efficient sewerage services. As a territory-owned corporation, we are committed to the following procurement principles:



Our supply chain consists of approximately 2,500 suppliers, of which more than 99 per cent are based in Australia. Our limited international spend is in countries that have a low ranking in the prevalence of and vulnerability to modern slavery.

Our main categories of procurement include:

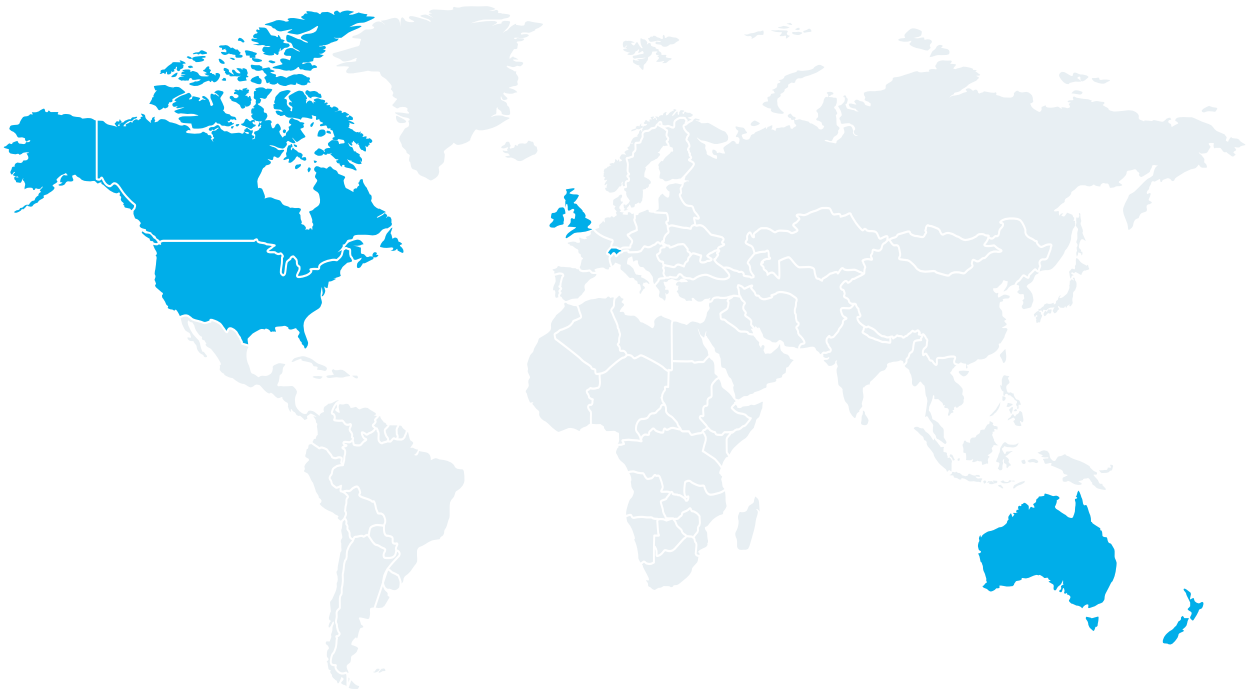


RISKS OF MODERN SLAVERY PRACTICES

Modern slavery has the potential to exist in our operations and supply chains through a variety of circumstances, including forced labour, child labour, debt bondage and human trafficking.

With 99 per cent of our procurement sourced within Australia¹, which has a low prevalence of modern slavery (*2018 Global Modern Slavery Index*),

we have assessed the risk of modern slavery in our operations and supply chains as low.



■ Country of origin of goods supplied to Icon Water in 2020–21

However, we have identified a number of categories where there is an elevated risk of Icon Water causing, contributing or being directly linked to modern slavery. The level of risk is influenced by factors such as vulnerable populations, product and service category, industry, and geographical location. The products most at risk of modern slavery in Icon Water’s supply chain include:

Apparel

Apparel (gloves, vests, overalls, personal protective equipment (PPE) and corporate clothing) is often produced in countries where government oversight is less stringent than in Australia and which therefore have a higher risk of modern slavery. There is also a risk that products are manufactured using raw materials where workers have been subjected to modern slavery.

Electronics

The electronics industry has a high prevalence of forced labour and can exist at all stages of the supply chain. Icon Water could contribute to modern slavery practices through the purchase of laptops, desktops, mobile phones and other computer accessories.

Processes have been put in place to mitigate risks, such as incorporating modern slavery clauses into contracts and, in some cases, ensuring suppliers agree to the Supplier Code of Conduct.

¹The analysis utilised the Icon Water Supplier master file which records the location of the supplier’s registered office as opposed to the location of the manufacturing goods.

OUR APPROACH

Our three-phased approach to modern slavery, developed in 2019, has continued to guide our modern slavery risk management actions. We will continue to evolve our approach based on our increasing awareness of modern slavery risks within our business operations and supply chains.



PHASE 1

PHASE 2

PHASE 3

ESTABLISH THE FOUNDATIONS

Develop three year modern slavery action plan.

Assess and embed modern slavery provisions within existing policies, code of conduct and procedures.

Develop new enablers to address human rights and ethical procurement.

Review recruitment processes to ensure they reflect modern slavery requirements.

Prepare and publish annual modern slavery statement.

PROMOTE OUR COMMITMENT

Review and monitor action plan.

Promote new policies and commitment publicly through website and other means.

Advise labour hire providers to prevent and report forced labour and other labour exploitation.

Prepare and publish annual modern slavery statement.

HOLD OURSELVES TO ACCOUNT

Review and monitor action plan.

Audit Icon Water's operations to highlight issues relating to modern slavery.

Measure risk of internal modern slavery issues.

Prepare and publish annual modern slavery statement.

Policies and publications

SELECTED TRAINING

Provide tailored modern slavery training to executive, senior management and key internal teams.

Communicate new legal requirements to all staff.

ALL STAFF

Provide tailored modern slavery training to all staff.

Develop induction training package.

ONGOING AWARENESS

Increasing supplier awareness of modern slavery risks.

Provide refresher training to key teams.

Training and capacity building

INFORM & COMMUNICATE

Map supply chain of a selection of Icon Water's high value/high risk suppliers to identify modern slavery risks.

Reference new legislation in procurement and contract templates and documentation.

Develop processes to respond to modern slavery cases and investigate any potential for exploitation of which we become aware.

MEET & ENGAGE

Develop correction action and risk mitigation plans for high value/high risk suppliers as required.

Commence conversations with all suppliers of the risks of modern slavery and communicate Icon Water's expectations.

Engage with contractors and suppliers to address high modern slavery risks.

EMBED & ENFORCE

Map remaining suppliers to identify modern slavery risks.

Request medium to high risk suppliers to record and report cases of modern slavery within their organisation through questionnaire, audit or interview.

Evaluate suppliers through tendering and contractual process to preference suppliers with low modern slavery risks.

Supply chain due diligence

OUR ACTIONS TO ADDRESS MODERN SLAVERY RISKS

In 2020–21, our focus was on further integrating our modern slavery risk management processes into company policies, procedures and operations. The initiatives we implemented to strengthen our oversight and understanding of the risks of modern slavery are outlined below.

Policies and publications

Strong internal policies and publications are an essential first step to informing the way we manage the risk of modern slavery in our business. Our commitment to modern slavery was strengthened by:

- updating our website and detailing the standards of conduct (or principles) our workers are required to uphold. These set out the minimum requirements we expect in areas such as workplace policies and practices, health and safety, human rights, environmental protection and business integrity. We also encourage suppliers within our supply chain to embrace similar values
- reviewing and updating our labour hire contract arrangements to ensure compliance with anti-slavery and human trafficking laws and our policies and guidelines relating to modern slavery
- maintaining a confidential environment for individuals to speak up about illegal and improper conduct through our Whistleblower policy, and for any suspected case to be investigated through our modern slavery incident work instruction.

Training and capacity building

To effectively tackle modern slavery we must raise awareness through our workforce and supply chain. It is vital that all employees are trained to identify issues and have the skills and confidence to deal with modern slavery risks in an appropriate way. Following on from training being conducted for all employees last year, in 2020–21 we incorporated modern slavery training into our online induction training package for new employees and office-based contractors. The training provides a clear understanding of what modern slavery is and what to do if concerns are identified.

Supply chain due diligence

Icon Water continues to integrate modern slavery avoidance elements through our procurement processes. Modern slavery is considered at the planning phase, through risk assessment, development of statement of requirements, tender documentation and the evaluation process to find the preferred tenderer. Clauses for addressing modern slavery are also included in goods and services contracts. We are considering how to address issues through contract management to encourage and work with our suppliers to tackle modern slavery throughout their operations and supply chains.

We developed comprehensive procurement guidance notes to assess modern slavery risks in our end-to-end procurement processes and identify what constitutes value for money. We also improved our contract register to ensure information relating to the origin of goods is accurately recorded.

ASSESSMENT AND EFFECTIVENESS

It is important to reflect on the work that has been done and regularly review our progress.

We demonstrate the effectiveness of our actions by:

- maintaining a modern slavery working group with representatives from across the business to enable regular engagement and feedback between key areas
- conducting an annual review of our approach and response to modern slavery risks
- tracking the actions taken to address modern slavery risks and measuring their impact
- providing regular reports to members of our Board through the Risk and Assurance Committee.

Our COVID-19 response

The COVID-19 pandemic has impacted us all and challenged us to shift and adapt the way we work. This has included adapting to remote work where possible, but also supporting our frontline workers to continue to safely maintain and operate our water and sewerage networks and supporting our suppliers through this time. We implemented a range of initiatives to support our people and the community, including:

- supporting suppliers by understanding delays and disruptions in supply chains and ensuring suppliers were paid in a timely manner
- keeping our frontline workers safe by incorporating safeguards into our practices such as providing appropriate personal protective equipment and maintaining social distancing
- providing employees with access to special leave for the purposes of caring for others, self isolation or vaccination
- providing financial support through our Staying Connected hardship program for customers who may have been financially impacted by COVID-19
- not applying the approved price increase for the 2020–21 financial year, and instead freezing the combined water and sewerage prices for 12 months given the high degree of uncertainty and concern about how the community may be financially impacted by COVID-19.



A man with short brown hair, wearing a blue quilted jacket, is looking down at a yellow and blue industrial device with a gauge. The device has a circular gauge with a needle and some text. The background is slightly blurred, showing what appears to be an industrial or construction setting.

LOOKING AHEAD

Identifying and addressing modern slavery risks in our operations and supply chains requires sustained effort through continuous improvement. We expect our approach will continue to evolve as we refine our processes and build capacity within our business.

In 2021–22 we will focus on:

- reviewing and monitoring our action plan
- providing refresher training to all employees on a two-yearly basis
- setting expectations and better influencing how our suppliers interact with their tier one suppliers to increase transparency in supply chains
- updating documentation to further improve consideration of sustainability, social and governance factors in the procurement process
- introducing steps to identify modern slavery risks through our tier two supply chain
- developing a contract management manual so contract managers can better engage with contractors and suppliers to build supportive and collaborative partnerships and address high modern slavery risks.

Principal Registered Office

Level 5, ActewAGL House
40 Bunda Street
Canberra ACT 2600

Mitchell Office

12 Hoskins Street
Mitchell ACT 2911

Postal address

Icon Water
GPO Box 366
Canberra ACT 2601

ACN: 069 381 960

ABN: 86 069 381 960

Talk to us

E talktous@iconwater.com.au

T (02) 6248 3111

 @iconwater

 @iconwater

iconwater.com.au

TTY for Hearing Impaired

133 677

Language assistance

13 14 50, 24 hours

للحصول على مساعدة لغوية، اتصل بالرقم أعلاه
如需语言方面的协助，请打上述号码
برای کمک زبانی به شماره بالا تلفن بزیند
மொழிபெயர்ப்பாளர் உதவிக்கு மேலே உள்ள இலக்கத்தை அழையுங்கள்
Nếu cần thông dịch viên, hãy gọi đến số trên đây

© Icon Water Limited (Icon Water) 2021

This work is copyright. Excluding any use as permitted under the Copyright Act 1968, no part may be reproduced by any process without prior permission from Icon Water or its successors.

Requests and inquiries concerning reproduction rights should be directed to the Company Secretary, Icon Water Limited, GPO Box 366, Canberra ACT 2601.

Information about Icon Water and an electronic version of this report can be found at iconwater.com.au.

