

# Interflow<sup>®</sup>

Creating the Future of Water

# Modern Slavery Statement 2024



## Acknowledgment of Country

Interflow acknowledges the Australian Aboriginal and Torres Strait Islander peoples as the first inhabitants of the nation and the Traditional Custodians of the lands where we live, learn and work. We pay our respects to Elders past and present.

We are proud that we live in the country with the world's oldest continuous living culture, and we are playing our part to support Aboriginal and Torres Strait Islander peoples to keep these cultures alive and vibrant.



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## Who we are

With the heart of a humble business and the vision of something much greater, we are working to deliver on our purpose: to improve the lives of the people we work with, the communities we serve and the environment we work in, for generations to come.

Everything we do is underpinned by our core values of Honesty, Respect, Reliability, and Competence. Our values are the cornerstones of our success and are embedded in our DNA. They inform the way we do business with ourselves, and others.

Governed by our core values, we are committed to respecting human rights in our operations and supply chain. We take a zero-tolerance approach to forced labour, slavery and human trafficking in any form.

## Our Modern Slavery Act Statement

This Modern Slavery statement is made in accordance with the Australian Modern Slavery Act 2018 (Cth) and is submitted as a joint statement on behalf of the following reporting entities, together "Interflow":

- Interflow Holdings Pty Ltd (64 097 822 592)
- Interflow Pty Ltd (34 000 563 208)
- Interflow Resources Pty Ltd (59 161 842 188)

This Modern Slavery Statement was approved by Interflow's governing body in October 2024.



# A message from our Managing Director

At Interflow, our purpose is to improve the lives of the people we work with, the communities we serve and the environment we work in, for generations to come.

This purpose extends beyond the traditional boundaries of our business to the people and communities touched by our entire supply chain.

In principle, this means doing everything we can to ensure our people and the communities around us are treated fairly and equally. In practice it is having robust systems in place to mitigate the risk of any human rights violations from our operations, including engaging with the insidious practice of modern slavery.

Interflow is a family-owned business that understands its responsibility to leave a lasting and positive legacy. As the fourth-generation Weaver to lead the business, I see we have an important opportunity to deeply understand the downstream impacts of doing business and use this insight to make the world a safer and fairer place.

We know that while it is low, there is risk in our supply chain. Our Modern Slavery Statement sets our intention and describes our approach to mitigating these risks.

This statement represents a journey of continuous improvement and Interflow commits to the ongoing review and development of its sustainable procurement processes.

Daniel Weaver, Managing Director

# Interflow's structure, operations and supply chain

## What we do

Since our inception in 1936, we have carved out our place as a leader in water infrastructure. Today, we are regarded as one of Australia and New Zealand's leading provider of trenchless pipeline solutions, specialising in the water, wastewater, stormwater and culvert sectors.

Our services span across the project management, planning, design, construction and maintenance spaces, where we customise our approach to achieve the most sustainable outcomes for our customers and our communities.

## Interflow's operations

Our workforce comprises of field employees covered by an Enterprise Bargaining Agreement (56%) with the remaining employees (44%) being employed under employment contracts. We ensure that these agreements are compliant with all relevant legislation across Australia and New Zealand with rates of pay and entitlements generally above minimum standards.

Other human rights considerations at Interflow include equality, fair pay, anti-discrimination and safety. While these are not direct modern slavery risks, they can potentially affect labour rights.

Safety is a primary focus at Interflow, where we work to ensure our employees remain safe in a supportive and inclusive environment. This is led by the Safety, Sustainability and Quality (SSQ) team, in conjunction with the company's Business Partners and regional Operations Teams, supported by a Harm 2 Zero (H20) safety strategy.

Employment type	Total
Casual	4
Full time permanent	636
Part time permanent	13
<b>Total</b>	<b>653</b>





## Interflow's supply chain\*

Over 99% of our expenditure in the reporting period was procured from Australian suppliers. The remaining portion was allocated to international suppliers situated in regions with lower instances of modern slavery and moderate vulnerability. The overall percentage of spend from International suppliers is 0.83% of our overall supplier spend and we do not expect any significant deviation in the coming year. The majority of our international spending is on raw materials.

Country	No. of suppliers	Prevalence (/1000)	Vulnerability (/100)	% of spend
Australia	1891	1.6	7	99.1746
China	1	4	46	0.5449
Germany	3	0.6	11	0.0538
Denmark	1	0.6	6	0.0357
Ireland	1	1.1	9	0.0418
Scotland	1	–		0.0357
Poland	1	5.5	19	0.0774
Korea	1	–		0.0076
USA	2	3.3	25	0.0093
Czech Republic	1	–		0.0192
				100

\*Information as at August 2024



# Risks of modern slavery practices

## Internal operations

We have multiple policies in place to ensure the risk remains low in our own operations. These include but are not limited to: remuneration, code of conduct, safety, flexible working, parental leave and Enterprise agreements.

## External operations

We have identified the primary modern slavery risk as third party subcontractor's not complying with our labour standards. However, we have detailed other modern slavery risks that are prevalent in the construction industry and identified as high risk by the Global Slavery Index.

Our modern slavery risk primarily relates to:

### 1. Direct Supply

Categories	Risk Description
Subcontracted Labor	Companies can lose direct oversight over the working conditions of the people hired to subcontract, making it more difficult to monitor and ensure that legal, ethical and fair practices are Implemented.
IT hardware	Includes IT hardware, IT network, and Infrastructure, IT Services and telecommunications. The Global Slavery Index has laptops, computers and mobile phones imported to Australia from China as the highest value at-risk products for modern slavery.
Recruitment	May include exploitation of migrant workers who are particularly at risk during recruitment because they may be unfamiliar with the language, laws, and customs of the destination country.
Cleaning	This category potentially includes a vulnerable workforce including, women, migrants and undocumented workers. These groups may have limited knowledge of their rights, face language barriers, or fear deportation, making them more susceptible to exploitation and abuse.
Corporate Uniforms	Corporate uniforms are often produced in complex, global supply chains that involve multiple layers of subcontractors. These supply chains can stretch across countries with varying labour standards and enforcement, making it difficult to monitor working conditions at every stage of production

### 2. Indirect Supply

There is an increased risk of modern slavery in downstream suppliers, where we have less visibility due to the lack of a direct relationship. We have identified some product/s that carry modern slavery risk in its supply chain, including information technology and peripherals as well as personal protective equipment. The representation of these categories in our supply chain is approximately 1% of total spend supporting our overall modern slavery risk as low.



## Interflow's Governance

The Interflow Executive Team is responsible for managing business risks and opportunities of each of the reporting entities included in this statement.

The identification and management of risk at an enterprise level is performed in accordance with the organisation's enterprise risk management process. Our enterprise risk register is the central document that outlines identified risks and the relevant mitigation strategies, including but not limited to risks related to modern slavery.

## Interflow's Suppliers

We do not own or operate factories, instead we engage third party suppliers to manufacture, produce and/or provide products.

Our procurement strategy focusses on partnering with established local suppliers to support our regional operations, benefiting the local communities we serve.

Our supply chain consists of predominantly locally sourced products with 0.83% of direct international suppliers.

We also integrate the commitment outlined in our RAP into our supply chain and are in the initial phase of developing our Aboriginal Participation Procurement Plan.

## Interflow's due diligence process

We have adopted a risk-based approach to modern slavery, concluding that the overall risk is low. This is due to the majority of suppliers (99.17%) being based in Australia for both manufacturing and services, and the majority of work (98%) being self-performed by our people.

During FY21, we further enhanced our supplier risk assessment processes due to the heightened supply chain risk associated with the global pandemic.



# Actions taken to address key identified modern slavery risks

## Supplier selection

We have incorporated the following actions to mitigate the risk of modern slavery throughout the supply chain:

- modern slavery requirements are embedded into supplier onboarding processes.
- modern slavery standards and expectations are embedded into key supplier agreements, including minimum reporting requirements.

## Supplier evidence

We have taken a risk-based approach whilst also including suppliers with significant spend when obtaining evidence of compliance with modern slavery requirements as set out in this document:

## Actions implemented in FY24

- Mapping of our supply chain to assist us with insights that help us understand and manage our risks.
- Subcontractor onboarding review that generated a centralised portal providing visibility to our delivery teams, minimising risk and rationalising the number of subcontractors.
- Revision of our policies, systems and controls as they relate to modern slavery risks.
- We committed to the needs of future generations by developing our sustainable procurement policy and including minority suppliers.



# Assessing the effectiveness of actions being taken to address modern slavery risks

## Stakeholder engagement and expectations

We are working closely with customers, including government authorities, to understand and align with industry expectations regarding modern slavery risks.

## Industry practices in modern slavery compliance

We benchmark adopted modern slavery actions against organisations in the same or similar industries, to continuously improve the approach taken to modern slavery risks, including mitigation strategies.

## Commitment for the next 12 months

Categories	Objective
Risk Mitigation	Further develop our supplier onboarding process, specifically to include supplier locations, controlling entities, credit worthiness, and legal compliance.
Supplier Audit	Conduct a risk assessment on our top 20 high-risk suppliers.
Reporting	Develop a mechanism to report on our modern slavery commitments.

We are committed to continuing to identify and mitigate modern slavery risks throughout our operations including our supply chain.

Daniel Weaver, Managing Director

Signed date: 9 October 2024  
Review date: October 2025





***Interflow***<sup>®</sup>

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