

Sunwater Limited ACN 131 034 985

Modern Slavery Statement for the period 1 July 2019 to 30 June 2020

This statement, made pursuant to section 13 of the *Modern Slavery Act 2018* (Cth), sets out the actions taken by Sunwater Limited to address modern slavery risks in its business and supply chain for the period 1 July 2019 to 30 June 2020.

Overview

Sunwater is a Queensland Government-Owned Corporation, which provides 40 per cent of all water used commercially in Queensland. Providing water solutions and supplying bulk water for irrigation, industrial and urban customers, Sunwater plays an essential role in delivering water to support regional growth and prosperity.

Sunwater was established on 1 October 2000 under the *Government Owned Corporations Act 1993* (Qld), and has two Shareholding Ministers, being the Queensland Treasurer and the Minister for Natural Resources, Mines and Energy (now Minister for Regional Development and Manufacturing and Minister for Water). Sunwater is governed by an independent board.

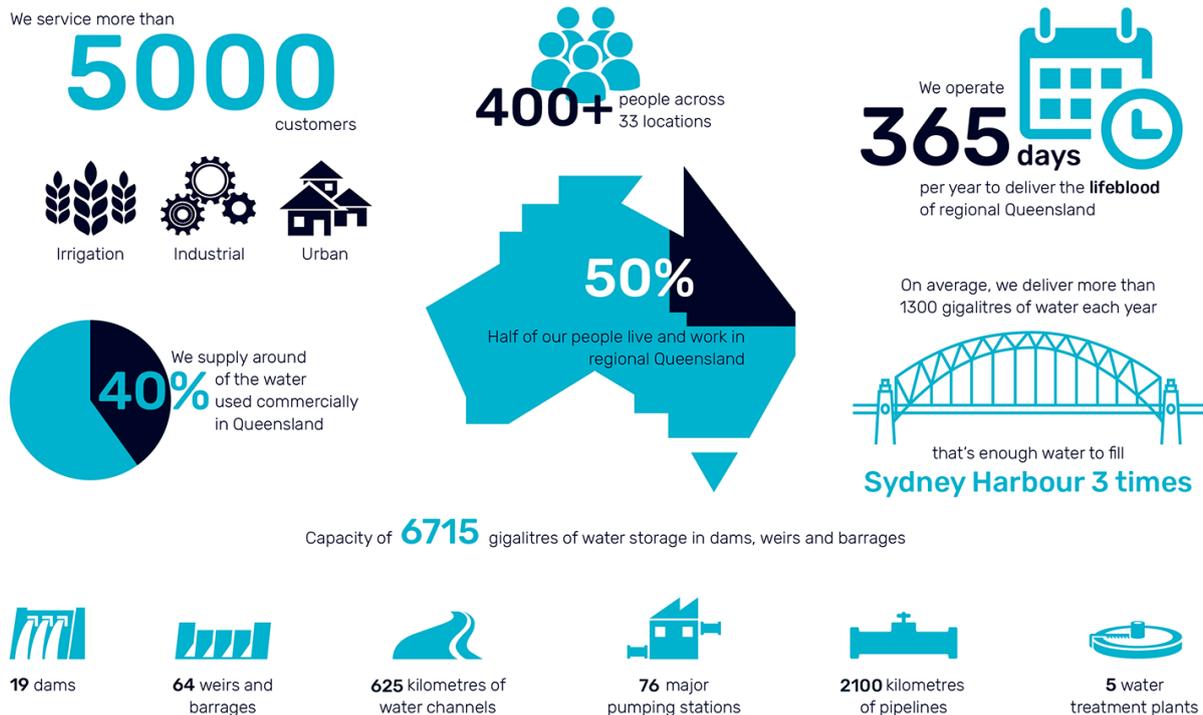
Sunwater wholly-owns three subsidiaries: Burnett Water Pty Ltd, Eungella Water Pipeline Pty Ltd and North West Queensland Water Pipeline Pty Ltd. These subsidiaries are operated as a part of the Sunwater business and do not have separate employees or supply chains.

At 30 June 2020, Sunwater had 420.76 full-time-equivalent employees, 52 per cent of which work in 33 offices and depots across regional Queensland. The remainder work in the Brisbane office, providing support and services to our regional operations. When tendering for subcontractors and suppliers in the regions, we use local labour and materials wherever possible.

Sunwater is committed to working with its employees and business partners to ensure that it has a positive impact on eliminating modern slavery practices in all forms within the local and global community.

Sunwater operations

Sunwater's operations can be summarised as presented in the following diagram.



The majority of Sunwater's assets and operations are within the borders of Queensland. However, Sunwater operated some assets in northern New South Wales and the Australian Capital Territory (Scrivener Dam) during the reporting period.

Sunwater's operations can be broadly described as:

- designing, developing, managing and operating bulk water infrastructure
- managing and operating water supply schemes, pump stations and pipelines to deliver water to our irrigation, industrial and urban customers
- customer support
- inhouse corporate services.

Sunwater's supply chains include items such as:

- materials used in the construction of our major projects, such as cement, pipe, steel and other related components
- professional services including engineering design and corporate support
- construction labour for our major projects and maintenance works
- equipment and materials used to operate and maintain our assets, such as chemicals and electrical and mechanical components
- uniforms and specialist safety equipment
- services that contribute to operations, such as cleaning and maintenance services at our various sites and IT support services.

Sunwater engages with over 2000 different suppliers, through different types of contracts ranging from short term to long term contracts, standing offer arrangements and alliances.

Modern slavery risks

A desktop analysis was undertaken of Sunwater's suppliers to assess their locality and goods and services types. The analysis identified the potential for modern slavery practices in the following supply chains:

- manufacturers of tools, hardware, building materials or office equipment that adopt certain strategies to reduce labour costs or are based in jurisdictions with potentially relaxed labour and safety regulations, or limited enforcement capabilities
- producers of raw materials that adopt certain strategies to reduce labour costs
- suppliers of uniforms, safety equipment and office supplies source materials and inputs from companies based in jurisdictions with potentially relaxed labour and safety regulations, or limited enforcement capabilities
- providers of low value high volume support services that adopt certain strategies to be competitive in highly price competitive sectors (for example cleaning services and offshore IT support).

Actions on modern slavery risks

During the reporting period Sunwater:

- developed and commenced implementation of a Modern Slavery Policy
- introduced new standard form clauses into supply contracts
- undertook a desktop review of suppliers to understand the potential risk profile in relation to modern slavery
- developed a questionnaire for new and existing suppliers to understand their risk profile and management of modern slavery
- engaged with other Government-Owned Corporations, commercial businesses and government agencies to identify best practices for assessing and resolving modern slavery practices within supply chains
- Maintained our Whistleblower 'hotline' to provide the general public, employees and vendors an avenue for making enquiries and report breaches. Details for the hotline are available on the Sunwater website. No reports regarding modern slavery have been made to the hotline to date
- included a modern slavery update in the monthly report to the Sunwater Audit, Finance and Risk Committee.

Future commitments

Sunwater's ongoing commitment will include:

- surveying selected suppliers to better understand supply chain risks including identifying our high-risk suppliers and developing suitable approaches to manage these suppliers. As high-risk profiles are uncovered we will seek external expert advice as necessary to work with these suppliers on reducing their modern slavery risk profile.
- introducing a modern slavery questionnaire to the vendor creation process to understand the risks associated with new suppliers
- developing and rolling out information and training sessions to allow relevant staff across the business identify and report modern slavery risks and breaches
- establishing a working group to understand and identify modern slavery risks that might exist within Sunwater operations and supply chains
- reviewing and updating procurement procedures to ensure the modern slavery risk is fully integrated into our procurement processes and is at the forefront of the minds of employees, contractors, and suppliers.

This statement was approved by the Sunwater Board of Directors on 29 January 2021.



Leith Bouilly
Chairman