

Seqwater Modern Slavery Statement FY19-20

1. Company Profile & Structure

This Modern Slavery Statement is submitted to the Commonwealth Government on behalf of the Queensland Bulk Water Supply Authority (trading as Seqwater) (Seqwater) and has been developed in compliance with the requirements of the *Modern Slavery Act 2018 (Cth)* (the Act).

Seqwater is the Queensland Government's statutory authority responsible for providing a safe, secure and cost-effective bulk water supply for over three million people across South East Queensland. On behalf of SEQ communities, Seqwater manages and maintains water supply assets, including dams, weirs, conventional water treatment plants, reservoirs, pumps and pipelines, as well as climate-resilient water sources, such as the Gold Coast Desalination Plant and the Western Corridor Recycled Water Scheme.

Seqwater owns and operates the SEQ Water Grid, a 600 kilometre two-way pipeline network that enables treated drinking water to be moved around the region. Seqwater supplies bulk treated drinking water to five retailer customers, Unitywater, Urban Utilities and the water businesses of the Logan, Redland and Gold Coast councils.

In addition to urban bulk water supply, we provide irrigation water to about 1,200 farmers and growers through seven schemes as well as flood mitigation services, catchment management and recreation facilities. Seqwater also has arrangements in place to supply water to Toowoomba and Gympie regional councils and power stations operated by Stanwell Corporation and CleanCo.

Seqwater offers work through tenders, contracts, and other arrangements to a wide variety of industries and suppliers. Our vision is *Water for Life*. To achieve this, we rely on our employees and partnerships with suppliers and contractors to deliver safe, secure and cost-effective water and catchment services to our customers and communities. We work with industry for goods and services for construction, repair and maintenance of capital infrastructure and the management of climate-resilient sources.

Our responsibility

Modern slavery describes the crimes of human trafficking, slavery and slavery-like practices such as servitude, forced labour, forced or servile marriage, the sale and exploitation of children, and debt bondage.

The United Nations (UN) and Walk Free Foundation estimate there are approximately 40 million victims of modern slavery around the world. Of these, 16 million victims are exploited in the private economy. Australia is not immune to modern slavery. The Commonwealth Government estimates there were 1,567 modern slavery victims in Australia between 2015 and 2017. Modern slavery can occur in every industry and sector. It is also often linked to other crimes and activities that adversely impact human rights, such as corruption and environmental damage.

We have a corporate responsibility to take an active role to address potential modern slavery risks associated with our organisation. This Statement sets out the steps aimed to identify and mitigate modern slavery in our operations and supply chain, in accordance with the criteria in the Act.

Governance

Seqwater is led by a Board of six non-executive directors who are appointed by and responsible to two Queensland Government Ministers (the Minister for Natural Resources, Mines and Energy, and the Queensland Treasurer and Minister for Infrastructure and Planning). The Board is supported by the Chief Executive Officer and seven executive general managers who are responsible for leading their functional business groups.

We have Board and Management approved governance arrangements that reflect our obligations under Queensland legislation and guidelines for government owned corporations and statutory authorities, such as Seqwater. Our workers have access to all governance documents and training and awareness support to ensure we achieve compliance with our legal obligations and corporate responsibility to various stakeholders, customers, community partners, and the public.

2. Modern slavery in our operations and supply chain

Operations overview

Our operations extend from Gympie to the New South Wales border, and west to the base of the Toowoomba ranges. This makes Seqwater one of Australia's largest water businesses with the most geographically spread and diverse asset base of any capital city water authority. Our role is to source, store, treat and supply water from catchments and climate-resilient sources for a high quality and reliable water supply.

Seqwater currently employs more than 600 employees, working across South East Queensland. We engage talent using robust and defensible recruitment practices governed by our Recruitment and Selection Procedure, which is consistent with relevant legislation. Our workers are engaged under the terms of our Enterprise Bargaining Agreement and individual Common Law contracts. Where temporary resources are required, Seqwater sources potential candidates through agencies compliant with the *Labour Hire Licensing Act 2017 (Qld)*.

Supply chain overview

We work with a large number of suppliers to provide goods and services to support the delivery of our business objectives. As a water provider that engages primarily Australian companies who source their own materials to deliver services to us (such as water chemicals), it is important that we consider how our supply chain could potentially be linked to modern slavery.

Our supply chain includes industries, goods and services identified as high risk, such as cleaning, security, labour-hire, textiles and electronics. Procurement of goods and services is performed through one-off and ongoing arrangements with suppliers.

Our goal is to work with our suppliers to increase our understanding of our supply chain and support informed decision making within procurement. This will include working with our suppliers (where required) to educate and support them in understanding the new requirements in regards to the Act.

Risk assessment and mitigation

We recognise the importance of sourcing goods and services responsibly. As such, we make a conscious effort to source suppliers based within Australia as part of our procurement practices. This is in line with the Queensland Procurement Policy that places an emphasis on sourcing locally and on ethical suppliers.

Through an initial assessment of our operations and supply chain, we have identified that transparency and visibility beyond tier 1 suppliers (i.e. point of direct purchase) is our key risk. We are aiming to progressively develop a more comprehensive understanding of our supply chain to provide improved visibility as to the geographic location and nature of goods and services sourced to inform our supply chain risk assessments.

3. Actions taken and due diligence

Building an ethical supply chain is a key priority for Seqwater. There are multiple initiatives underway across business areas within the organisation to support compliance with the Act. The identification and prioritisation of these initiatives have been supported through the engagement of an external third party. This has included identification of compliance obligations, creation and performance of a high-level risk assessment of our supply chain for goods and services, documentation of actions taken, and the development of a compliance management plan to monitor and track actions during the 2020-2021 financial year (FY2020-21).

The following tables outlines some of the key actions taken (refer Table 1) and those planned for completion (refer Table 2).

Table 1

Actions Taken (up until 30 June 2020)
<ul style="list-style-type: none"> • Engaged external support to assist in identifying obligations and requirements and developed a compliance management plan to address the identified requirements • Engaged external legal advice to update Seqwater contract clauses to incorporate the Act requirements • Updated the supplier registration process to incorporate new ethical supplier requirements per Queensland Government procurement practices • Engaged with other organisations within the industry to discuss their approach to combatting modern slavery • Updated the Seqwater supplier webpage (seqwater.com.au/supplier-information) as an avenue for engaging and delivering information to suppliers

Table 2

Actions Planned for 2020-2021 financial year
<ul style="list-style-type: none"> • Development of a Seqwater-specific Supplier Code of Conduct • Creation of templates and supporting guidance to assist suppliers in responding to the new requirements as stated within the Seqwater modern slavery contract clause • Collection of additional information from new and existing suppliers to facilitate an increased understanding of their specific operations and supply chains • Integration of modern slavery requirements / commitments into existing policies within Seqwater • Implementation of a targeted education and awareness training plan for impacted stakeholders (internal / external)

4. Measuring effectiveness

We have a number of new processes and actions being implemented that are designed to address the modern slavery risks associated with our supply chain and operations. These actions are outlined in section '3. Actions Taken and Due Diligence' of this Statement and will be implemented as part of a broader plan for implementation in FY2020-21;. Progress will be reported in our next annual Modern Slavery Statement.

The following measures will be performed and monitored to assess the effectiveness of our actions taken:

- The compliance management plan will be monitored and tracked throughout FY2020-21
- Annual review of compliance management plan to integrate and reflect any changes made to the Act
- Regular engagement between our Legal Counsel, Commercial Services (procurement), and People, Culture and Safety teams on work performed against the compliance management plan
- Review any reports of modern slavery through our grievance / public interest disclosure (whistleblower) processes, and the actions taken to assess the effectiveness of the reporting mechanisms
- The percentage of current Seqwater contracts with modern slavery clauses to communicate expectations and mitigate modern slavery risks in our supply chain.

5. Our commitment to improve

We recognise that addressing modern slavery is not a set and forget activity. As such, we will review the actions identified on a periodic basis to make sure they remain effective and appropriate to our goals. Seqwater commits to act with integrity in all of our dealings with stakeholders, customers, community partners, and the public, and to actively implement due diligence processes and mitigation actions described within this Statement so that the risk of modern slavery is minimised within our supply chain and operations. This commitment is aligned to our values of integrity, respect, care and courage.

This statement constitutes Seqwater's Modern Slavery Statement for the financial year ending 30 June 2020 and has been approved by the Board at its meeting on 26 November 2020. The Board has authorised the Chairman to sign this Statement on its behalf.

Signed By:



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Hon. Dr. David Hamill AM
Chairman

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