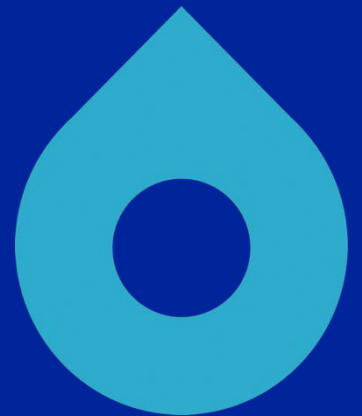


Supplier Code of Conduct



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Introduction

Sydney Water provides high quality, safe drinking water to more than five million customers across Sydney, the Blue Mountains and the Illawarra. We also look after wastewater and some stormwater services to help protect public health and the wellbeing of our rivers and beaches. We operate under the Sydney Water Act 1994 and have three equal principal objectives:

- to protect public health
 - to protect the environment
 - to be a successful business.
-

Our values demonstrate what we stand for. They guide our behaviours and decisions at work:

- We have the customer at the heart
- We work together with integrity
- We own our decisions and make every dollar count
- We create better and simpler ways of doing things
- We care for one another, the environment, and the community.

We strive to follow these behaviours through our [‘The very human story of Sydney Water’](#) document. Sydney Water will not seek to benefit from any procurement practice that may be illegal, dishonest, unethical, unprofessional or unsafe.

Sydney Water is passionate about contributing to the United Nations Sustainable Development Goals (SDG), which is why we signed up to the UN Global Compact. To advance the SDG agenda, the UN Global Compact advises that companies must meet fundamental responsibilities in the areas of human rights, labour, environment, and anti-corruption. This aligns with Sydney Water values, and we are required to report on performance annually.

This Supplier Code of Conduct (hereafter, **Code**) applies to the procurement of goods and services throughout our supply chain. Fundamental to the Code is that all our suppliers operate in full compliance of the law, rules and regulations of the countries in which they operate, and in accordance with the specific requirements of Sydney Water as outlined in this Code.

Sydney Water relies on its contractors, consultants, suppliers, delivery partners and service providers (hereafter, suppliers) to help deliver vital services to our customers and the community in line with these values.

This means we depend on our suppliers to demonstrate the highest environmental, health & safety, social and ethical standards, just as our customers expect the same standards of Sydney Water.

Sydney Water has zero tolerance for fraud, corruption, unethical and unprofessional behaviour. We will not procure from anyone found:

- By the Independent Commission Against Corruption (hereafter, **ICAC**) to have engaged in corrupt conduct
- To have purposely breached the Code.

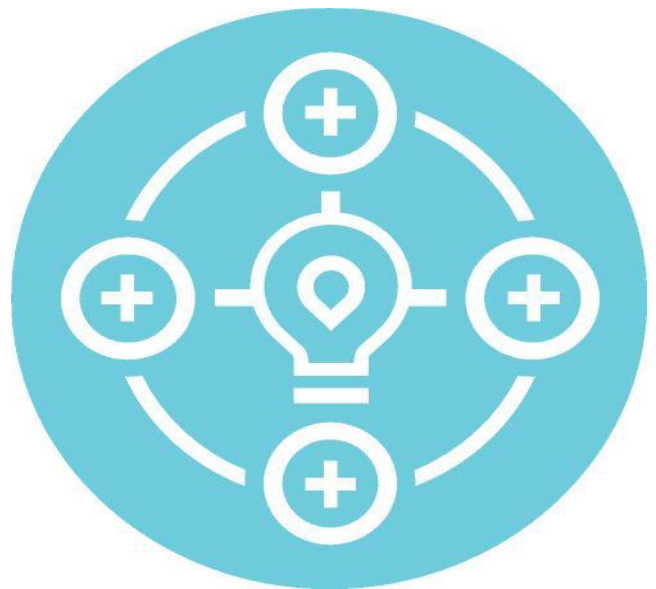
We also recognise the importance of protecting human rights and oppose all forms of slavery and forced labour. Suppliers must not engage in or be complicit in any practices of slavery.

The Code sets out minimal expectations that all suppliers need to satisfy. However, it also encourages suppliers to go beyond minimum compliance, show leadership, continuously improve performance, innovate and develop competencies in delivering best value outcomes for our customers and the community.

Governance

Sydney Water has a responsibility to operate in a transparent and ethical manner for our customers and the community. We are committed to the highest standards of corporate governance in delivering our services. We take accountability seriously and will investigate and address any issues or breaches relating to this Code.

We expect our suppliers to adequately manage risks and opportunities by integrating them into corporate governance policies and risk management frameworks, with appropriate oversight by their Board and/or executive management.



Our Expectations

- Suppliers must be fully onboarded, which includes completing Self-Registration, Registration, Prequalification (if required) and Onboarding before Sydney Water can create a Purchase Order
- Prequalification is an addition to the Sydney Water onboarding process. Suppliers working directly with Sydney Water or suppliers subcontracting to Sydney Water may be required to be pre-qualified if they are considered as medium risk or high risk or low risk and they need to perform work at a Sydney Water operated site
- Ability to assess and manage the most significant impacts of operations
- Written policies (or equivalent) and an action plan that includes SMART targets, clear accountabilities and a monitoring framework
- Inclusion of governance targets in senior management performance and remuneration
- Proactive influence on suppliers to address material governance impacts in their supply chains
- Effective and accessible grievance mechanisms in place for staff and stakeholders to raise any negative impact from the supplier's activities
- Keep appropriate records
- Proactive and regular communication between Sydney Water and the supplier on the substance and outcomes of complaints raised through grievance mechanisms by both parties, and steps taken to remedy them.

Business resilience

Business resilience helps Sydney Water to achieve its objectives, and deal with disruptions and uncertainty by enabling us to anticipate, respond, adapt and evolve in response to short term events and incremental changes. Resilience is not just sound risk management, effective emergency management or business continuity management. It is an organisation that embraces asset and resource protection, performance and strategic leadership and organisational development, and has a responsive and adaptive culture.

Sydney Water is designated a critical asset under the Commonwealth Security of Critical Infrastructure Act 2018. Information regarding our suppliers' supply chain, company ownership, information holdings and impact on Sydney Water's assets, operations and processes may be required to be supplied to the Department of Home Affairs.

Our Expectations

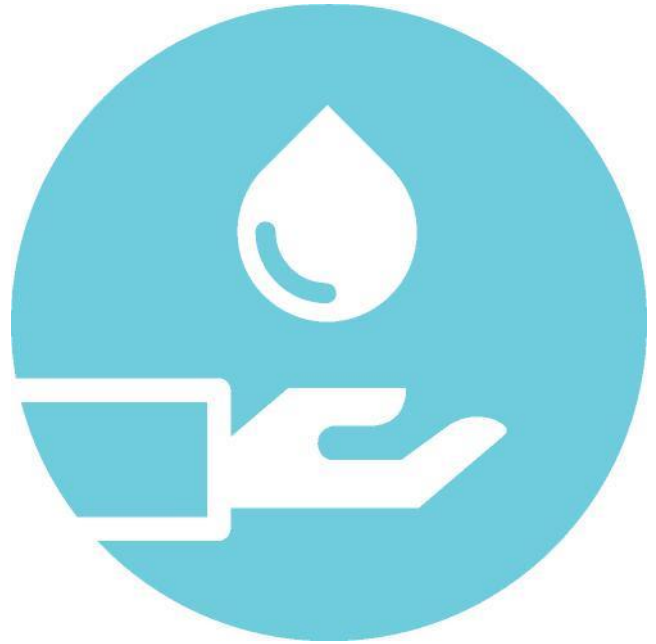
- Have a documented business continuity management framework which includes actions to prevent, prepare, respond and recover from disruptive events that could impact supply to Sydney Water, including appropriate hazard/threat warning and incident notification, communication and escalation protocols
- Use business impact assessment to identify process criticalities and dependencies, such as people, IT systems, assets and equipment, information and suppliers, to document business continuity and IT Disaster Recovery arrangements, and ensure impacts to Sydney Water are mitigated
- Have a documented protective security framework, which includes provision for physical personnel, information and cyber security
- Implement a holistic and coordinated training, testing and exercise program to ensure appropriate capability and capacity to respond to and recover from disruptive events. The program and results should be made available, if requested
- Provide information and implement mitigations in relation to the Security of Critical Infrastructure Act 2018, as requested by Sydney Water or the Department of Home Affairs
- Implementation of Sydney Water's resilience policy and position on climate change adaptation to appropriately manage climate risks and increase resilience to all hazards.



Ethical practices

Sydney Water relies on the services of suppliers to help deliver vital services to our customers and the community. We expect suppliers to understand and align with our [‘The very human story of Sydney Water’](#).

Where a supplier is engaged by Sydney Water, and acts for or on behalf of, or in the place of Sydney Water, the conduct of the supplier falls under the remit of the ICAC, suppliers are therefore expected to act in a manner that enhances public trust and confidence in Sydney Water.



Our Expectations

- Compliance with all relevant local and international laws and regulations, including acting consistently with the intent of the Independent Commission Against Corruption Act 1988 and the Public Interest Disclosures Act 2022, as it relates to encouraging reporting and investigation of alleged wrongdoing and protection of whistle blowers
- Alignment with Sydney Water’s [‘The very human story of Sydney Water’](#), including conflicts of interest, confidentiality, gifts and benefits, and other key corruption risks
- Reporting suspected corruption and wrongdoing by Sydney Water staff, suppliers and others to either:
 - The Head of Risk & Assurance
(02 8849 4029); or
 - Sydney Water’s independent FairCall Hotline (Ph 1800 500 965); or
 - NSW regulators such as ICAC, NSW Audit Office or NSW Ombudsman
- Collaboration and dialogue with Sydney Water to find solutions to identified issues
- Development and implementation of ethical frameworks and supporting mechanisms.

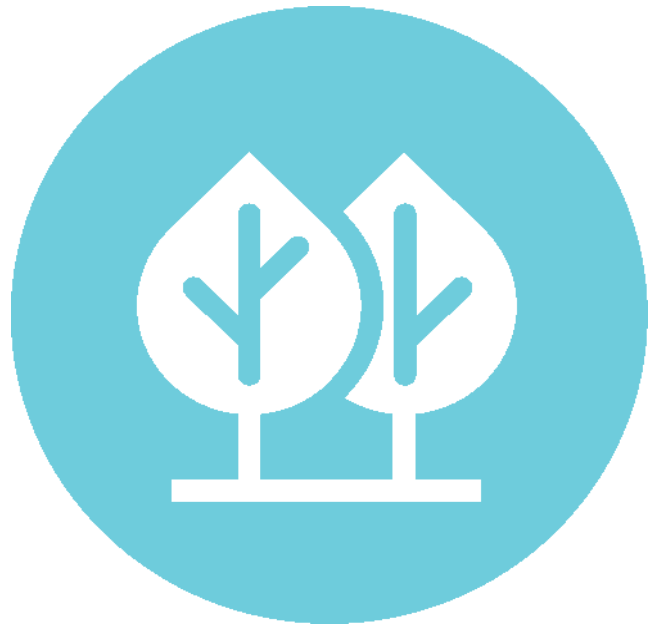
Environmental management

Sydney Water plays a significant role in contributing to healthy waterways. We consider the environment when planning, designing and managing sustainable water solutions in our liveable city. We are committed to preserving our natural environment and resources for generations to come by upholding the highest standard of environmental care.

Our [Strategy 2025-2035](#) ensures we strive for environmental excellence including:

- preventing pollution of waterways and controlling pollution at source
- maximising the recovery of beneficial resources (including water, energy, nutrients and recoverable wastes)
- ensuring our water, wastewater and stormwater systems are resilient to future disruptions, including climate change
- conserving, restoring and connecting biodiversity, waterways, landscapes and natural systems
- achieving Net Zero carbon emissions in our operations by 2030 and supply chain by 2040.

We are committed to building and maintaining meaningful and respectful relationships with Local Aboriginal Land Councils, Indigenous Land Use Agreement holders and other recognised knowledge holders to ensure Aboriginal cultural sites and places within our operating area are protected for future generations, wherever possible. We are also committed to acknowledging the physical and cultural connections of First Nations people to land and waters.



Our Expectations

- To uphold Sydney Water's environmental values and assist us to achieve our key environmental objectives
- Compliance with all relevant local and international laws and regulations regarding environmental management, as well as with Sydney Water's requirements, policies and procedures
- Compliance with supplier's environmental management policy or equivalent that employees are aware of and understand
- Development of best practice and innovative solutions to reduce environmental impacts
- Support Sydney Water in our ambition to achieve Net Zero carbon emissions targets in our operations by 2030 and supply chain by 2040
- Active consideration towards the waste hierarchy, carbon abatement hierarchy and circular economy principles in the design and delivery of products, and services that assist Sydney Water to achieve its environmental protection outcome
- Monitoring and reporting of resource use and environmental performance to drive continuous improvement and minimise adverse environmental impacts
- Implemented environmental management system appropriate for the supplier's operations.

Healthy and safe workforce

Our vision is to provide a safe and efficient workplace with zero injuries to staff, contractors and the general public. We expect our suppliers to take accountability and responsibility for managing health and safety risk.

Our Expectations

- Compliance with all relevant local and international laws and regulations with regard to health and safety
- Compliance with Sydney Water's specific requirements, policies and procedures, including the Safety Minimum Requirements ([SMRs](#))
- Prequalification to the appropriate Sydney Water Tier level, based on the nature and risk of the service being delivered
- Written health and safety policy or equivalent document that employees are aware of and understand
- Implemented health and safety management system appropriate for the supplier's operations
- Monitoring of leading and lagging performance targets to manage the health and safety risks of the supplier's operations
- Development of best practice, innovative and leading-edge solutions to eliminate health and safety risks
- Continuously improve the health and safety management system.



Modern slavery, labour and human rights

Sydney Water relies on a capable and committed workforce to deliver our day-to-day services. We recognise the importance of establishing and maintaining an ethical culture and protecting internationally recognised labour and human rights of our suppliers. We are committed to implementing a robust strategy to understand and address the risks of modern slavery in our supply chains, and meet our obligations under Australian legislation.

Sydney Water is opposed to and will oppose all forms of modern slavery, including trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services. Sydney Water expects its suppliers to respect human rights and ensure that they do not engage in or are complicit with human rights abuses, including modern slavery. We may seek to terminate a supplier relationship as a result.



Our Expectations

- Respect and support for internationally recognised human rights as outlined in the [UN Universal Declaration of Human Rights](#), the [International Covenant on Economic, Social and Cultural Rights](#), [International Covenant on Civil and Political Rights](#), International Labour Organisation's Declaration on Fundamental Principles and Rights at Work
- Take all reasonable steps to ensure that businesses within their supply-chains are not supplying products of modern slavery
- Provide a fair and ethical workplace free from workplace bullying, harassment, victimisation and abuse
- Ensure that businesses within their supply chain are not engaged in, or complicit with other human rights abuses. Open and honest dialogue on modern slavery cases is expected between parties, including training and support, risk assessment and reporting
- Shared responsibility to assess, reduce and address modern slavery risks, clearly communicating expectations and encouraging two-way engagement.

Diversity and inclusion

Sydney Water believes in diversity and valuing the people that are at the heart of our services. We are committed to ensuring that our workforce is as diverse as the communities we serve.

We also aim to promote 'diverse businesses', including Aboriginal and Torres Strait Islanders businesses, disability and social enterprises and women-owned businesses.

We seek to work with suppliers who support and contribute to our diversity and inclusion objectives.



Our Expectations

- Commitment to employing and developing a diverse and inclusive workforce
- Collaboration with Sydney Water to increase the diversity of the supply chain workforce through the supplier's recruitment processes or by using diverse businesses.

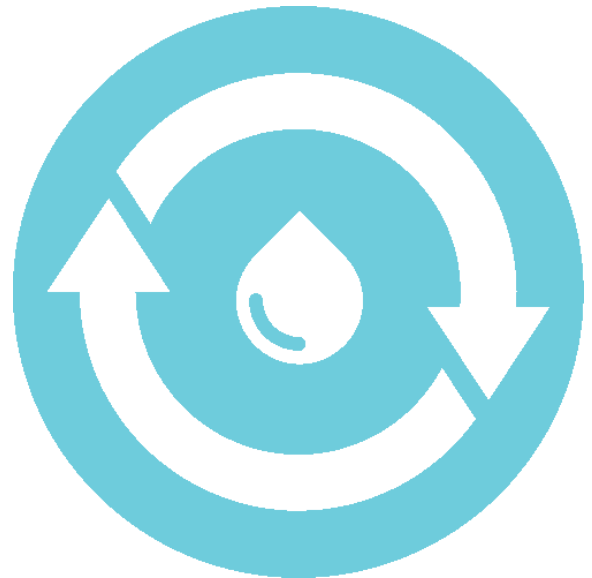


Community and stakeholder engagement

Sydney Water is committed to developing effective working relationships with the community and stakeholders across all stages of a project lifecycle, from planning through to construction, maintenance and operations.

We seek to work with suppliers who align with our values and behaviours, which include:

- being open and honest
- providing accurate and timely information
- listening to and responding to the opinions of community and stakeholder representatives
- providing feedback to the community and stakeholders on how their input was addressed in the decision-making process
- learning from past community and stakeholder engagement experiences, and continuing to improve performance.



Our Expectations

- Supplier compliance with all relevant Sydney Water policies and procedures for community and stakeholder engagement and reputation management
- Community and stakeholder engagement plans, appropriate for the project, that include leading and lagging community, stakeholder and reputation KPIs
- Appropriate systems to monitor community and stakeholder engagement, and evaluate their success against KPIs
- Availability of appropriately experienced communications and engagement resources, including senior oversight
- An effective training and competency program that ensures supplier personnel have expertise to deliver effective community and stakeholder engagement, and are aware of their responsibilities to Sydney Water and its stakeholders.

Get in touch



Website:

sydneywater.com.au



Email:

businessconnect@sydneywater.com.au



Facebook:

facebook.com/SydneyWater



Twitter:

twitter.com/sydneywaternews



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Search 'Sydney Water' at linkedin.com

