

COMPLIANCE POLICY

1. Purpose

To define South East Water's approach to compliance with laws, regulations and policies which impact on the day-to-day activities.

2. Scope of Policy

This policy applies to South East Water and its subsidiary, Iota Services Pty Ltd, and must be observed by all directors, employees, agents and contractors. References in this policy to South East Water are taken to include Iota Services Pty Ltd, unless the context otherwise requires.

3. Policy Statement

South East Water recognises its compliance obligations and is committed to embedding compliance management practices within its organisational values and broader integrated governance, risk and compliance approach.

To facilitate our commitment to complying with all relevant legislation and obligations, South East Water utilises a compliance system aligned to ISO 19600 Compliance Management Systems - Guidelines.

In meeting our compliance objectives:

- We are committed to integrating compliance across all business functions, levels within the organisation, and policies and processes, to drive consistent, effective and accountable decision making.
- We aim to prevent, and where necessary, identify and actively participate in the management and resolution of compliance related breaches, complaints, incidents and issues.
- The controls and compliance processes South East Water sets in place will be proportionate to the level of risk that we face in relation to a particular obligation.
- South East Water will exercise and encourage accountable management by maintaining and continuously improving its compliance system and taking a risk based approach to the creation of business processes that encompass compliance obligations.
- We will regularly monitor, measure and report on components of the compliance system via defined forums.
- Compliance is a shared responsibility between South East Water and our employees. All employees (commensurate with their roles, functions and span of control) have defined compliance responsibilities.
- South East Water encourages the proactive reporting of compliance breaches, issues, incidents and complaints to create effective compliance outcomes.
- We promote a positive compliance culture as well as uphold good corporate governance practices and manage compliance risk.
- Any breach of legislative obligations may result in legal action against South East Water. A person who knowingly and recklessly breaches compliance obligations may be subject to applicable legislative penalties and/or disciplinary action.

4. Related Policies

- Code of Conduct
- Risk Management Policy

5. Enacting Legislation and Related Documents

- Water Act 1989 (Vic)
- Public Administration Act 2004 (Vic)

6. Accountability

The Managing Director is accountable to the Board of Directors for ensuring this Policy is implemented.

7. Approval

Approved by: South East Water's Board of Directors
Approved on: 28 May 2018
Sponsor: General Manager, Legal and Governance
Implementor: Compliance and Quality Manager
Review date: 28 May 2020