HYDROFLUX
WATER | SCIENCE | TECHNOLOGY

www.hydroflux.au

HG Modern Slavery Statement FY2025

01

Consultation & Approval

This Modern Slavery Statement ("Statement") was voluntarily prepared in alignment with section 14 of the Modern Slavery Act 2018 (Cth) ("Act"), acting as a joint statement made on behalf of all entities in the Hydroflux group of companies. The Statement has been prepared for the 2024-25 Financial Year (1 July 2024-30 June 2025) ("Reporting Period").

In the development of this Statement, we actively engaged and consulted all companies we own and control. We discussed reporting requirements, shared information on actions to address these requirements, and provided supporting materials and updates throughout the process.

This Statement has been prepared in consultation with all entities owned or controlled by Hydroflux Pty Ltd (as listed in Section 5) and approved by the Board of Hydroflux Pty Ltd, as the principal governing body of the Group, on behalf of Hydroflux Pty Ltd and its controlled entities.

JK

John Koumoukelis
Chair / Chief Executive Officer (CEO) of Hydroflux Pty Ltd

Intro

CEO. Statement

"At Hydroflux, our ongoing commitment to respecting human rights remains central to how we operate and how we work with others. We recognise that addressing modern slavery risk is an ongoing responsibility that requires transparency, diligence, and continuous improvement across our operations and supply chains"

John Koumoukelis
Hydroflux CEO/Chair

In FY25, Hydroflux continued to strengthen its approach to identifying and managing modern slavery risks. While the risk of modern slavery in our direct operations remains low, we recognise that more complex risk exists within the supply chain. This year's Statement reflects a more mature understanding of these risks and how we continue to respond to them.

It highlights not only the controls Hydroflux already has in place, but also the steps we are taking to improve the quality of supplier engagement and deepening our visibility in areas to capture a complete picture of how sector, geographic, workforce, and governance risks intersect. We recognise that meaningful action requires more than just identification, but also requires ongoing engagement, proportionate due diligence, and a willingness to strengthen our approach where opportunities lie. Consistent with this, Hydroflux maintains a zero tolerance for inaction, meaning that where modern slavery risks or concerns are identified, we are committed to responding through review, engagement, and follow-up rather than allowing potential issues to go unaddressed.

We are proud of the systems and culture that support this work, and we remain committed to building them over time. Although our organisation is not yet required to report under the Modern Slavery Act 2018 (Cth), we continue to publish this Statement voluntarily because we believe ethical business conduct should extend beyond minimum legal requirements. Through this Statement, we reaffirm our commitment to acting with integrity, supporting fair and equitable treatment of workers, and taking reasonable steps to reduce the risk of exploitation in connection with our business.

John Koumoukelis

02

Statement

About This Statement

This Statement has been prepared in alignment with the reporting criteria in the Modern Slavery Act 2018 (Cth) ("Act"). The table of contents below highlights where each of the criterion is addressed in the statement.

Requirements of the Act	Section	Page
Identify the reporting entity	3) Our structure, operations, and supply chains	5 - 7
Describe the reporting entity's structure, operations and supply chains		
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	4) Risks of modern slavery in our operations and supply chains	8
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	5) Our actions to address key modern slavery risks	9 - 10
Describe how the reporting entity assesses the effectiveness of these actions	6) Our actions to assess the effectiveness of these actions	11
Describe the process of consultation with any entities that the reporting entity owns or controls	1) Consultation and approval	2
Include any other information that the reporting entity, or the entity giving the statement, considers relevant	N/A	-

Disclaimer

This Statement has been prepared by Hydroflux Pty Ltd for the purposes of reporting in alignment with the Act. All information contained in the report is provided in good faith, however, we make no representation or warranty of any kind, express or implied, regarding the accuracy, adequacy, validity, reliability, availability or completeness of any information.

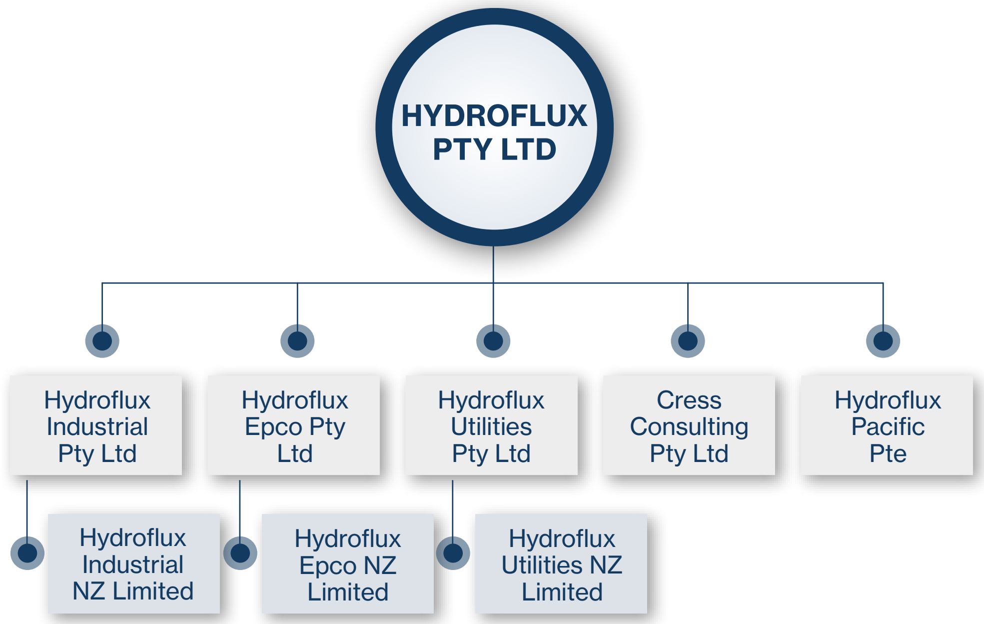
03

About Us

Our Structure

Hydroflux, ABN 19 163 533 186, is a privately owned Australian company in the water industry headquartered at 44 Market St, Sydney NSW 2000. Hydroflux is the parent entity and owns and controls five subsidiary entities, each operating independently while providing complementary products and services across industrial, municipal, and sustainability consulting sectors.

With over 100 employees across the organisation, Hydroflux maintains a shared governance framework where each subsidiary retains operational autonomy but adheres to the Group's overarching policies and ethical standards. This structure supports oversight over our people and supply chains, enabling us to maintain a consistent approach to modern slavery risk management.



Legal Entity Name	Location	ABN / Business Number
Hydroflux Industrial Pty Ltd	Australia	86 163 374 338
Hydroflux Industrial NZ Limited	New Zealand	9429046950734 (NZBN)
Hydroflux Epco Pty Ltd	Australia	93 161 226 606
Hydroflux Epco NZ Limited	New Zealand	9429046927620 (NZBN)
Hydroflux Utilities Pty Ltd	Australia	68 166 065 461
Hydroflux Utilities NZ Limited	New Zealand	9429046950727 (NZBN)
Cress Consulting Pty Ltd	Australia	98 150 137 723
Hydroflux Pacific Pte	Fiji and Pacific Islands	50 56620 06 (TIN)

Our Operations

Hydroflux is an Australian-headquartered group of companies providing specialised products and services in water, wastewater, sludge management, and renewable energy solutions throughout the ANZ-Pacific region. Our subsidiary companies deliver projects and support to industries, municipalities, and communities through the provision of design services, equipment supply, complete design and construction projects, service and operation contracts, high-performance chemicals, and sustainability consulting services. The nature and types of activities undertaken by each specialist entity are distinct but complementary:

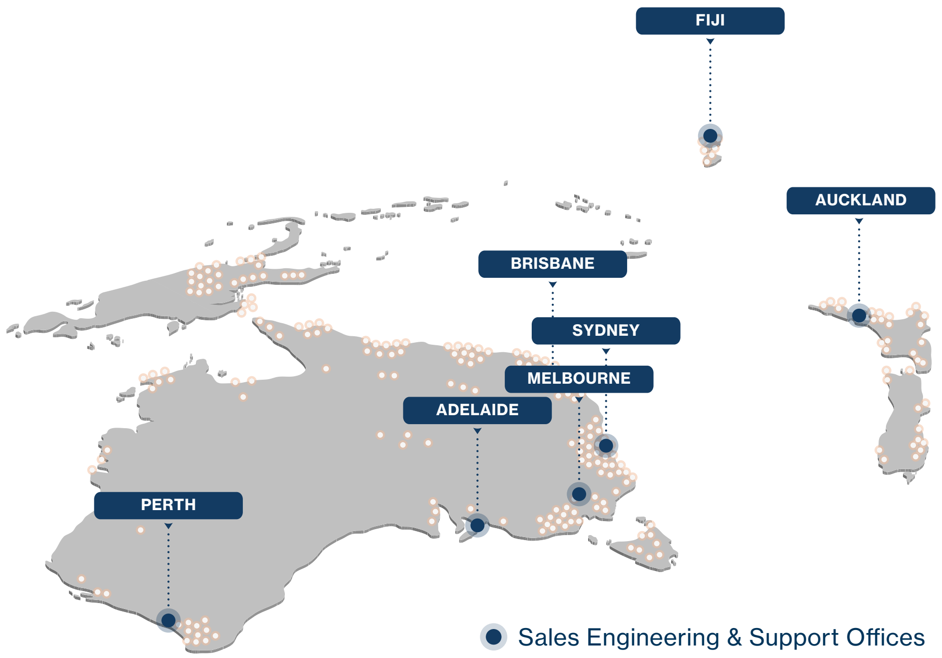
HYDROFLUX industrial – Designs, engineers, & manufactures proprietary wastewater treatment equipment & turnkey solutions

HYDROFLUX epco – Provides municipal clients & contractors a sustainable & diverse range of water & wastewater treatment equipment & solutions

HYDROFLUX UTILITIES – Provides expert support, servicing, original equipment manufacturing (OEM) spare parts, chemicals, & operation contracts to industrial & municipal water & wastewater customers

cress consulting – Provides sustainability consulting services specialising in sustainability strategy, climate risk, carbon accounting, ESG reporting, & modern slavery

Our national footprint spans seven office branches across Australia, New Zealand, and Fiji. We are supported by a skilled and diverse team of engineers, scientists, project designers, and sustainability specialists, amounting to a total of 103 employees as of 30 June 2025, allowing us to deliver projects across the region:



Sales Engineering & Support Offices
Completed Projects

Supplier Arrangements

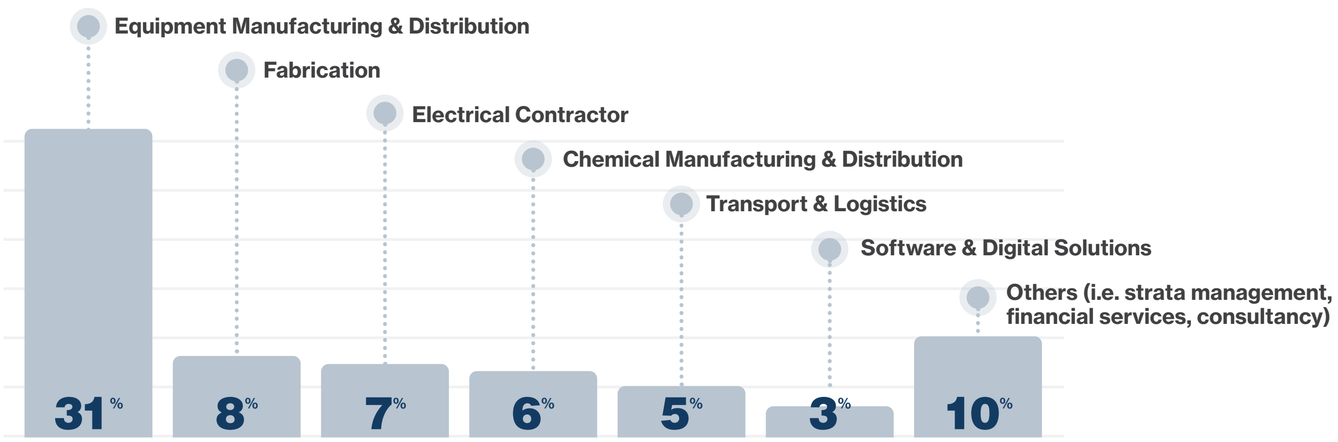
Our supplier arrangements are characterised by stable, long-term partnerships with leading global equipment manufacturers and a wide network of local service providers. We often act as the sole distributor of specialist equipment in the Australia-Pacific region, while also sourcing specialist chemicals and technical services to support the delivery of its water and wastewater solutions.

Our Supply Chains

620+	36+	71%
Suppliers Transacted With	Suppliers Outside Of ANZ Transacted With	Spent On Suppliers In Anz

Hydroflux identified 132 priority suppliers based on top spend and invoice volume per entity, as well as sector and location. These priority suppliers accounted for 72% of total spend and 66% of total invoice volume. Based on our assessment of our priority suppliers, our most significant spend categories were:

» Based on our assessment of our priority suppliers, our most significant spend categories were:



While we strive to procure domestically where possible, some of our goods and services are procured from trusted overseas suppliers and partners located across the globe, including Germany, United States, Austria, The Netherlands, China, and Türkiye.

» Our FY24-25 expenditure came from the following regions:

ANZ	Europe	North America	Asia & Middle East
64%	22%	6%	1%

04

Risks

Risks Of Modern Slavery In Our Operations & Supply Chains

Hydroflux recognises that modern slavery risks may occur in our operations and supply chains. Consistent with the UN Guiding Principles on Business and Human Rights (UNGPs), we consider whether we cause, contribute to or are directly linked to modern slavery through our business activities.

Hydroflux takes a risk-based approach to identify and assess modern slavery risks by considering indicators and drivers across:

Sector & Industry Risks	**Product & Services Risks**	**Geographic Risks**	**Entity Risks**

Risks In Our Operations

As an employer, Hydroflux recognises that modern slavery risk can arise where employment practices do not meet legal or ethical standards, particularly in relation to vulnerable workers, recruitment practices, underpayment, insecure work, or barriers to raising concerns.

However, consistent with FY24, the overall risk of modern slavery in our operations is assessed to be low because of our skilled workforce, formal employment controls, and compliance with applicable workplace laws.

Risks In Our Supply Chains

In accordance with the UN Guiding Principles on Business and Human Rights, Hydroflux may be directly linked to modern slavery through the activities of suppliers or may contribute to risk where procurement decisions indirectly enable exploitative practices. In FY25, Hydroflux assessed priority suppliers through a questionnaire issued to 60 suppliers and supplementary desktop research, covering 67% of total priority spend. Supplier risks were assessed to be generally low to medium.

Geographic and sector risk exposure remained an important driver of inherent risk. While most priority overseas suppliers operated in lower- or medium-risk jurisdictions, some suppliers had operations or key suppliers in higher-risk countries including Türkiye, UAE, Hungary, India, Vietnam, Malaysia and China. These jurisdictions may present heightened risk due to structural factors such as discrimination and weaker enforcement of labour protections, according to the Walk Free Global Slavery Index (2023). Sector-based inherent risks may also arise where supply chains involve vulnerable worker groups, complex subcontracting, or labour-intensive production, according to the Guidance on Reasonable Steps Inherent Risk Tool (2025).

Hydroflux recognises that workforce and governance characteristics are also critical in determining how those risks are managed in practice. Suppliers operating in inherently higher-risk sectors or geographies may nonetheless present lower overall risk where they have strong workforce and governance characteristics. In FY25, our questionnaire findings support that our supply chain has relatively strong controls to manage risks:

- **85%** **have conducted supply chain mapping to improve visibility**
- **85%** **have a grievance mechanism to anonymously raise concerns related to labour conditions**
- **67%** **have relevant policies such as a Modern Slavery Policy, Code of Conduct, or Whistleblower Policy**
- **52%** **perform ongoing onboarding checks or screening to assess prospective suppliers for risks**

However, visibility remains more limited where suppliers are assessed through desktop research only, as workforce and governance controls cannot be verified directly. Hydroflux will therefore continue to strengthen targeted supplier engagement to build a more robust understanding of how sector, geographic, workforce and governance risks intersect.

05

Our Actions

Our Actions To Address Key Modern Slavery Risks

Our People

The risk of modern slavery within our own operations remained low, as we continued to implement and strengthen measures that uphold fair and ethical employment practices in FY25. This includes maintaining robust employment procedures in alignment with legislation, onboarding training for all new employees, and employment screening. In FY25, Hydroflux:

- Discontinued casual roles and maintained preference for more secure employment arrangements (i.e. full-time and part-time).
- Delivered a modern slavery Lunch & Learn session to maintain staff awareness of human rights risks and responsibilities.
- Undertook the annual management review of HR policies and procedures to ensure alignment with changes in any relevant legislation.
- Continued tracking migrant worker status, including visa expiry, to improve visibility over potential vulnerabilities.
- Continued providing grievance access for employees through a confidential staff email channel to raise workplace or modern slavery concerns.
- Continued promoting access to the Employee Assistance Program (EAP), providing confidential, external advice and counselling support to all staff.

The way we manage modern slavery risks is supported by our key policies and procedures:

Modern Slavery Policy, which outlines Hydroflux's commitment to prevent, detect, and address modern slavery risks across our operations and supply chains, defines governance and reporting responsibilities, and reinforces our zero tolerance for inaction.

Industrial Relations Management Policy, which sets expectations for fair, lawful and transparent workplace relations, including equal opportunity, freedom of association and grievance resolution.

Discrimination, Bullying and Sexual Harassment Policy, setting the direction on how we will behave, interact and work together to live and work free of fear, discrimination, bullying and sexual harassment.

Leave Policy, supporting equitable and flexible work arrangements.

Risk Management policy, to ensure that environmental aspects and health and safety hazards are systematically identified, assessed, and controlled to eliminate or mitigate potential impacts.

Workers Compensation Policy, for the compensation and management of work-related injuries.

Working Alone Policy and Working from Home Policy, to remove or reduce risks to the health, safety and welfare of all employees who work alone or from Home.

Corrective Action Request Procedure, ensuring all non-conformities of the Hydroflux Integrated Management System (IMS) including unsafe work practices are identified, documented, and analysed.

Employment Lifecycle Procedure, ensuring employees are trained and competent to undertake their role and are aware of Hydroflux policies, processes and procedures.

Our Actions

How We Resolve Grievances

Hydroflux's grievance process is set out in its Industrial Relations Management Policy and supported by the Corrective Action Request (CAR) Procedure. Workers can raise concerns through management or via the confidential staff email. Issues are documented and reviewed promptly, with a meeting to seek resolution held, and if not resolved, may be escalated to mediation. Where concerns indicate a non-conformance or broader systems issue relating to the IMS, a CAR may be raised to investigate the root cause, assign corrective actions, track progress, and review effectiveness through an Annual Review meeting. This provides a clearer pathway for concerns to be raised, investigated, escalated and addressed.

Our Suppliers

Hydroflux continued to address modern slavery risks in its supply chains through supplier onboarding, due diligence and ongoing review processes. At onboarding, all new contractors, fabricators and consultants are required to complete a qualification and review process in alignment with the Approved Supplier Procedure and CFC Procedure. Suppliers are asked to provide company and insurance information, confirm whether they have modern slavery statements or policies, and to demonstrate their compliance with ISO standards by submitting supporting documentation. In FY25, 41 new

FY25

41+ New CFC forms were collected

8% Modern slavery evidence in CFCs

CFC forms were collected, of which modern slavery evidence was received for ~8% of these CFCs.

Hydroflux also continued to assess priority Tier 1 suppliers through a questionnaire and desktop review process, which provides visibility over sector, geographic, and workforce risk exposure, as well as governance characteristics. Findings from our annual assessment support Hydroflux's continued focus on engaging suppliers in higher-risk categories and improving the quality of information gathered over time.

Supplier management continues to be supported by Hydroflux's broader procurement and governance framework, including the Approved Supplier Procedure, CFC Procedure, Sustainable Procurement Policy. Additional measures, including safety audits and timely payment practices, have been maintained to reinforce our expectations of ethical conduct and fair treatment of workers in its supply chains.

06

Assessing Effectiveness

Our Actions To Assess The Effectiveness Of These Actions

Hydroflux continues to integrate modern slavery oversight into its broader risk management framework. Our IMS, aligned with ISO 31000:2018, together with oversight by the IMS Manager and the Hazards and Aspects Management Procedure, provides the foundation for identifying, assessing and managing risks.

In FY25, Hydroflux maintained several mechanisms to assess the effectiveness of its actions to address modern slavery risks. These included:

Internal Grievance Mechanism

Hydroflux maintains a confidential staff email to report grievances to track and assess whether issues are being raised, escalated, and resolved appropriately. In FY25, there were no grievances reported.

IMS Internal Audit

The IMS manager conducts internal audits under the IMS, evaluating compliance across Hydroflux's operations, including health, safety, environmental, and quality management. These focus on direct activities and on-site contractors, helping to monitor supply chain compliance.

Conducting Annual Reviews Of The Modern Slavery Response

Hydroflux reviews its Modern Slavery Statement and associated policies annually to ensure risk assessments remain current and reflective of changes in operations, supply chains, and regulation.

Embedding Due Diligence In Supplier Management

Hydroflux continued to collect and review supplier information through the CFC process as part of onboarding and supplier management.

Baseline Metrics & Benchmarking

Hydroflux began tracking baseline indicators, including grievances, internal audit findings and supplier modern slavery information collected through the CFC Form. A peer benchmarking exercise was also completed to identify opportunities for improvement.

Governance & Review

Responsibility for day-to-day oversight of modern slavery risk sits with the IMS Manager as part of Hydroflux's broader compliance framework. Each year, Hydroflux reviews its modern slavery risks, actions and priorities through its annual risk assessment and internal review processes.

Continuous Improvement

The mechanisms in place indicate that Hydroflux has established a strong basis for monitoring the effectiveness of its actions over time. However, addressing the risk of modern slavery is complex, we are committed to continuous improvement and aim to continually enhance our approach to addressing modern slavery risks:

Focus Area	FY26 Continuous Improvement Initiatives
Our People	Strengthen cross-functional communication and feedback by embedding modern slavery updates into existing communication channels to all staff and key functions
	Establish a Whistleblower Policy
	Expand on metrics to assess the effectiveness of actions taken and track year-on-year improvements
Our Suppliers	Establish Supplier Code of Conduct
	Conduct a supplier engagement session with key suppliers to share progress and gather actions in the supply chain
	Complete the scheduled review and update of the CFC Form to strengthen due diligence questions

We believe every organisation has a role to play in ending modern slavery. At Hydroflux, we hold ourselves accountable for ongoing due diligence and continuous improvement across our operations, supply chains, and partnerships.

Thank You

Feedback & Contact

For questions, feedback, or concerns related to this Modern Slavery Statement, please contact:

Head Office
Hydroflux Pty Ltd
Level 26, 44 Market Street
Sydney NSW

info@hydroflux.au

hydroflux.com.au