

# Modern Slavery Statement 2022

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## Introduction

Mondium Pty Ltd (ABN 14 614 369 023) (“Mondium”, “the Company”, “we”, “our”, “it”) is an incorporated joint venture between Monadelphous Group Limited (“Monadelphous”) and Lycopodium Ltd (“Lycopodium”).

Mondium is an engineering, procurement and construction (EPC) company delivering EPC projects in the minerals processing sector domestically and in selected international markets.

This statement has been developed in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) (the Act) and sets out the actions taken by Mondium to identify, assess and address modern slavery risks in its operations and supply chain.

This statement is for the year ended 30 June 2022. References in this report to ‘year’ or ‘period’ refer to the financial year ended 30 June 2022, unless otherwise stated.

## Overview

Modern slavery remains a global issue, affecting approximately 50 million victims around the world (2021 Global Estimates of Modern Slavery by the International Labour Organization (ILO), Walk Free and the International Organization for Migration (IOM)). With a global supply chain, we remain vigilant in our objective to not cause or contribute to modern slavery through our operations and business dealings.

We respect the human rights of every person involved in our operations, supply chain and the communities in which we operate. We do not accept any form of modern slavery in the conduct of our operations or in our supply chain and we are committed to ensuring that all workers are treated fairly, ethically and with respect.

Mondium maintains policies, processes and tools to prevent, detect and respond to incidents of modern slavery and human rights abuses within our operations and supply chain. During the year, we further refined our modern slavery policies and processes.

### Key activities undertaken during the year ended 30 June 2022

- Introduction of Supplier Self-Assessment Questionnaire (SAQ) within supplier onboarding process
- Engagement with key suppliers in completion of SAQ’s
- Periodic review and update of modern slavery related policies and processes
- Modern slavery framework and associated processes independently reviewed to assess effectiveness in identifying and addressing risk

We recognise that continual improvement is key to reducing the risk of modern slavery. We maintain a roadmap outlining the actions required to ensure focus is sustained. We continue to monitor the effectiveness of our processes in preventing, detecting and responding to modern slavery risks and adapt them accordingly.

To date, we have not identified any instances of modern slavery in our operations or supply chain.

## Structure, operations and supply chain

Mondium brings together the complementary strengths, resources and experience of Monadelphous in multidisciplinary construction works with Lycopodium's innovative, fit for purpose, and technical engineering expertise in minerals project delivery. This combined wealth of experience and resources is able to provide full project development and execution services, from conceptual early design through to complete project EPC delivery.

### Structure and operations

Mondium operates from its head office in Perth, Western Australia. It provides engineering, procurement and construction contracting services to the minerals processing sector within Australia and in selected international markets.

Mondium's current projects are based in Western Australia.

The Company employs 22 direct employees located in Australia.

### Supply chain

Mondium currently operates within the Australian minerals processing sector with a global supply chain. At 30 June 2022, we maintained a supplier database of over 250 suppliers, with the majority of our annual supplier spend occurring with suppliers and subcontractors located within Australia.

Mondium sources a diverse range of goods and services. The top categories of supply by spend for the year ended 30 June 2022 were:

- Construction services, materials and consumables
- Plant and equipment hire and maintenance
- Professional engineering services

We prefer to undertake business with prequalified suppliers operating under negotiated subcontracts and procurement order terms and conditions. During the period, approximately 94 per cent of our supplier spend was under negotiated subcontract agreements and Company procurement terms and conditions.

## Identifying risks of modern slavery

### Operations

The majority of Mondium's employees and seconded parent company personnel are employed directly and under permanent, fixed-term, part-time or casual contracts or under enterprise bargaining agreements, which significantly lowers the risk of modern slavery. Mondium employment contracts meet or exceed the applicable employment legislation in the geographies in which we operate.

Mondium acknowledges that some parts of our operations utilise labour through third party providers and subcontractors and that we may or may not have direct supervision over the workforce and transparency of their terms and conditions of employment. We have assessed the risk of modern slavery occurring to be greater for labour suppliers that operate in geographies and industries with higher prevalence of modern slavery.

The following areas of the business have been identified as those which have a greater potential to cause or contribute to modern slavery practices due to their use of labour providers and subcontractors in high-risk geographies and industries (by reference to the Global Slavery Index).

#### China operations

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- Parent company subsidiary is a provider of industrial fabrication management services operating with a range of preferred manufacturing subcontractors located within China.

#### Outsource services in the Philippines

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- Parent company subsidiaries provide outsource services such as drafting and document control through partnerships with Filipino outsourcing labour companies located in Manila.

### Supply chain

Mondium applies risk assessment criteria to identify suppliers with a high risk of modern slavery. The risk assessment criteria includes: industry, geography and spend.

High risk industries included within the Mondium supply chain include:

- Construction - Building and Facility Construction and Maintenance Services
- Manufacturing - Structures and Building and Construction and Manufacturing Components and Supplies
- Recruitment agencies and Labour Brokers - Human resources services
- International shipping – Marine transport

In addition to high risk industries, suppliers are identified as high risk where operating in geographies with high vulnerability to modern slavery (by reference to the Global Slavery Index). Mondium utilises suppliers located in China and the Philippines, countries recognised by the Global Slavery Index as having a higher vulnerability to the risk of modern slavery.

## Mitigating risks of modern slavery

Mondium has in place a set of modern slavery policies and processes which articulate our commitment to respecting human rights and outlining its approach to preventing, detecting and responding to the risks of modern slavery in our operations and supply chain. Implemented in 2020, the framework continues to be enhanced to ensure the ongoing assessment of modern slavery risks and their impact on the Company, with policies and procedures routinely updated accordingly to address any changes.

The Company's Corporate Governance function is responsible for the regular review and maintenance of the modern slavery program, working in collaboration with operational and parent company representatives.

### Stakeholder consultation and collaboration

In developing our approach to modern slavery two years ago, consultation was undertaken with Senior Management, recruitment, procurement and operational stakeholders across Mondium and our parent companies. Consultation activities included stakeholder interviews and self-assessments and were undertaken to ensure pertinent risks were identified and appropriately considered.

To maintain ongoing suitability, our modern slavery approach is reviewed in consultation with stakeholders across the business on an annual basis. During the year, the framework was also independently reviewed by our parent company's Internal Assurance function (refer below for further details).

Further, Mondium maintains its connection with human rights advocacy groups, periodically validating and aligning our approach.

### Policies and Governance

The Mondium Board is responsible for overseeing the Company's governance and risk management practices. Underpinning these are a suite of policies outlining Mondium's commitment and expectations in relation to modern slavery.

During the year, Mondium reviewed its suite of policies as part of its annual policy review and the Code of Conduct was further enhanced to align with the Company's acceptable workplace behaviour policy. We also refined our Supplier Code of Conduct to further outline our minimum expectations of suppliers in relation to human rights, including compliance with laws on employment practices, zero use of forced or compulsory labour and equal opportunity in employment, in addition to health and safety, environmental impacts, business integrity and ethics.

The policies described below underpin the Mondium approach. These policies are available via the Company's website at [www.mondium.com](http://www.mondium.com).

Policy	
Code of Conduct	Provides guidance on the expected behaviour of all Mondium employees.
Acceptable Workplace Behavior Policy	Outlines Mondium's commitment to ensuring that the working environment is free from all forms of unacceptable behaviour, including bullying, harassment, sexual harassment, intimidation, abuse or any acts or threats of violence or assault.
Human Rights Policy	Outlines Mondium's commitment to respecting the human rights of every person involved in its operations, supply chain and communities.
Whistleblower Policy	Provides a reporting framework through which Mondium employees, contractors and members of the public are able to report instances of actual or suspected unethical or unlawful conduct, without fear of detrimental conduct.
Anti-Bribery and Corruption Policy	Outlines Mondium's zero tolerance to any form of bribery or corruption in the conduct of its activities.
Supplier Code of Conduct	Outlines Mondium's minimum expectations of the conduct of its suppliers in the areas of labour, human rights, integrity, ethics, health, safety and environment.

## Labour practices

Mondium engage our employees under fair, just and ethical employment contracts and does not partake in high-risk or unethical labour engagement practices. The Company is guided by the following labour engagement principles:

- Not utilising migrant or seasonal labour
- Not charging our employees recruitment fees or imposing fines
- Not retaining employee's original identification documents or restraining employee's ability of free movement
- Not using child labour
- Not undertaking deceptive recruiting practices
- Respecting the freedoms of workers to associate and to bargain collectively

## Training and awareness

Improving awareness of modern slavery remains a critical aspect of our approach in identifying and addressing risk. Mondium embraces a learning culture encouraging its employees to engage in risk assessment and control.

The Company's employee induction includes overview of the Mondium Code of Conduct and modern slavery and labour rights awareness content. This training continues to assist employees in identifying the signs of modern slavery, and the actions required to be taken if a suspected or actual case of modern slavery is identified.

Periodic updates to our modern slavery related policies and practices continue to be communicated to employees via regular employee engagement activities such as 'lunch & learn' workshops.

## Customer engagement

Mondium works selectively with customers who share our values in respecting the human rights of every person involved in its operations, supply chain and the communities in which it operates. Many of our customers have demonstrated their committed action to eradicating modern slavery via publicly available modern slavery related policies, communications and statements.

Customer collaboration continues to provide Mondium with valuable insights into current industry labour and human rights practices and effective approaches to investigating, controlling and responding to modern slavery related risks. Mondium applies these insights to enhance its own policies and procedures.

Additionally, Mondium participates in the disclosure of its own modern slavery practices to customers to assist them in meeting their modern slavery commitments and reporting requirements.

## Reporting of human rights concerns

Mondium has an integrity hotline service, facilitated by Monadelphous and an independent service provider, where employees, contractors and members of the public can report instances of actual or suspected unethical or unlawful conduct associated with Mondium's operations and its supply chains.

## Supplier contractual terms and conditions

The Mondium suite of procurement and subcontract terms and conditions templates include contractually binding requirements for the supplier to comply with all applicable labour rights laws, practices and modern slavery requirements. The templates also require suppliers to comply with the Mondium Supplier Code of Conduct, which outlines our expectations of supplier behaviour.

Purchase Order terms and conditions are available via the Company's website at [www.mondium.com](http://www.mondium.com).

## Supplier assessment

Mondium undertakes supplier assessment activities to identify areas for further focus and applies scalable treatment strategies to identify and address any concerns. During the year, we continued our focus on identifying and addressing potential modern slavery risks within our direct supply chain.

### Supplier self-assessment questionnaire

To improve transparency of supplier labour practices and modern slavery risks, Mondium has implemented a Supplier Self-Assessment Questionnaire (SAQ) process designed to capture information and support the identification of potential issues.

During the period, the SAQ was built into our supplier onboarding process, thereby requiring all new suppliers to complete the SAQ at the time of completing an application to trade with us. Existing Mondium suppliers were also requested to complete and return this SAQ, with supplier responses received during the period indicating varying ranges of supplier modern slavery awareness, appreciation and maturity of controlling processes.

### Treatment strategies

Mondium applies treatment strategies to address concerns identified during supplier SAQ assessments. During the year, the nature of identified concerns largely necessitated the clarification of supplier SAQ responses and labour practices, which also provided an opportunity to engage with suppliers to validate their understanding of modern slavery risks, and in some instances improve their approaches by suggesting improvements to controls and practices.

Mondium applies the following treatment strategies to address modern slavery concerns identified during the assessment process:

Clarification – *where additional visibility or context is required.* Throughout the year, a range of suppliers were contacted to seek clarity and confirmation in relation to their SAQ responses.

Education – *raising supplier understanding and awareness of modern slavery risks.* Engaging with suppliers regarding the SAQ or Supplier Code of Conduct requirements also included elements of educating the supplier regarding modern slavery risks and importance of mitigation strategies.

Enhanced assessment – *additional supplier assessment activities such as onsite focused audits of labour rights and hiring practices.* No enhanced assessments were undertaken during the period.

Relationship termination – *where zero-tolerance concerns are identified.* There have been no instances of supplier termination resulting from modern slavery concerns.

### Remediation

Mondium maintains a reporting framework in which employees and contractors are able to report instances of actual or suspected unethical or unlawful conduct without fear of recrimination or reprisals, to the extent permitted by the law. Mondium is committed to fully investigating all concerns raised, and to rectifying any wrongdoing which may have occurred to the extent practicable in all circumstances, and to the principle of fairness in all investigations.

During the year, no human rights or modern slavery concerns were identified within the Mondium operations or within its supply chain.



## Measuring Effectiveness

Mondium remains focused on the application and refinement of its modern slavery policies and associated processes.

During the year, an independent review was undertaken by Monadelphous' Group Assurance function to assess the effectiveness of the modern slavery framework and associated processes in identifying and mitigating the risk of modern slavery, and to identify any opportunities for improvement. The review indicated that the Company's processes and controls were operating effectively and no adverse findings were identified.

In addition to the independent review conducted during the year, we continue to consult with internal stakeholders and our parent companies to evaluate the effectiveness of our modern slavery processes, and where appropriate, stakeholder feedback and improvement suggestions are incorporated into our modern slavery related policies and processes. We also continue to evaluate the suitability of our modern slavery program by benchmarking our approach against guidance provided by environmental, social, governance (ESG) and human rights advocacy groups and our customers.

## Continuous Improvement

Mondium remains committed to the continuous improvement of its modern slavery journey. A range of committed actions have commenced, or are planned, and will be reported in subsequent statements. These include the following activities:

### Planned activities FY23 and beyond

- Continued emphasis of treatment strategies when engaging suppliers regarding any concerns identified during screening
- Third party assessment of high-risk suppliers
- Additional employee modern slavery awareness training
- Ongoing review of modern slavery risks and associated policies and procedures

## Approval

This statement is prepared in accordance with the Modern Slavery Act and constitutes the modern slavery statement of Mondium Pty Ltd for the year ended 30 June 2022. This statement has been approved by the Mondium Board.



**Andrew Carnie**

Chief Executive Officer ## December 2022

**Appendix A: Mandatory Reporting Criteria**

## Appendix A

This statement was prepared to meet the mandatory reporting criteria set out in the Modern Slavery Act 2018 (Cth).

The table below identifies where each criterion is disclosed within the different sections of the statement.

Modern Slavery Act 2018 (Cth) criteria	Mondium Modern Slavery Statement 2022
Identify the reporting entity	Introduction (pg. 3)
Describe the reporting entity's structure, operations and supply chain	Structure, operations and supply chain (pg. 4)
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or control	Identifying risks of modern slavery (pg. 5)
Describe the process of consultation with all entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Stakeholder consultation and collaboration (pg. 6)
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	Mitigating risks of modern slavery (pgs. 6 to 8)
Describe how the reporting entity assess the effectiveness of these actions	Measuring Effectiveness (pg. 9)
Provide any other relevant information	Continuous Improvement (pg. 9)