



**millennium**

**Modern Slavery  
Statement - FY 2020.**

23 March 2021



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## 1. Purpose of statement

This Modern Slavery Statement (Statement) is made on behalf of Millennium Services Group (ASX:MIL) (ABN 11 607 926 787), and its subsidiaries pursuant to the Modern Slavery Act 2018 (Cth) (the Act). This Statement sets out the actions taken by Millennium to identify, assess, and address modern slavery risks across our operations and supply chains in the twelve months ending 30 June 2020.

Millennium is a reporting entity for the purposes of the Act as it is a company that carries on business in Australia (see section 21 of the *Corporations Act 2001* (Cth)) with a consolidated revenue of over \$A100 million, during the reporting period.

## 2. Overview of Millennium Structure & Operations

Millennium Services Group Ltd (Millennium) is a public company that listed on the ASX in November 2015.

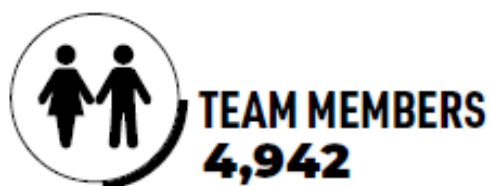
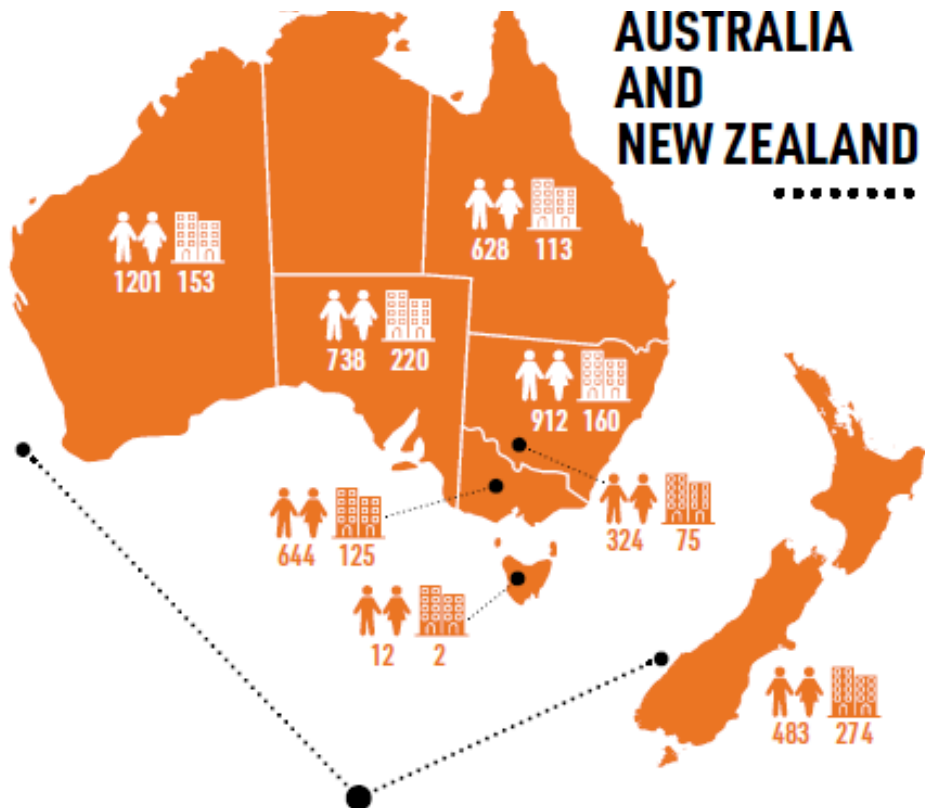
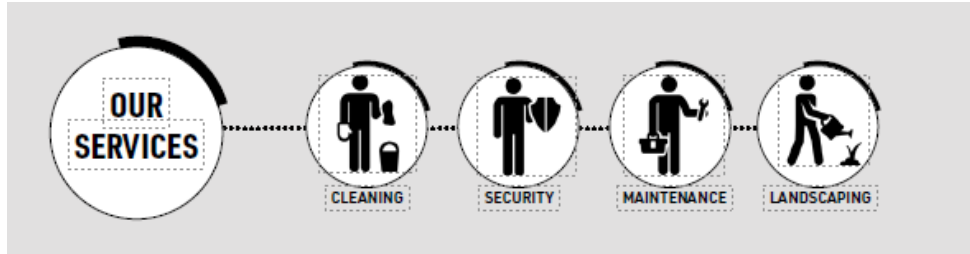
Millennium provides integrated cleaning, security and facilities management services in Australia and New Zealand.

This statement has been prepared on a consolidated basis for Millennium together with its wholly owned subsidiaries.

- Millennium Hi-Tech Group Pty Ltd
- Millennium Cleaning (Qld) Pty Ltd
- Millennium Cleaning (Vic) Pty Ltd
- Millennium Cleaning (NSW) Pty Ltd
- Millennium Cleaning (TAS) Pty Ltd
- Airlite Cleaning Pty Ltd
- Millennium Cleaning Specialist Services Pty Ltd
- Millennium Hi-Tech Holdings Pty Ltd
- Millennium Hi-Tech (SA) Pty Ltd
- Millennium Services Group Operations Pty Ltd
- Millennium Management Services (Aust) Pty Ltd
- Airlite Management Services Pty Ltd
- Millennium Security Specialist Services Pty Ltd
- Millennium Group (NZ) Pty Ltd

The team of 5,000 employees provide critical cleaning, security and integrated services at over 1100 sites. The head office is in Melbourne and there are also offices in Sydney, Brisbane, Adelaide, Perth, Auckland, Wellington and Christchurch.

Millennium's integrated management system is triple accredited to Work Health and Safety AS4801, Quality ISO9001:2015 and Environmental ISO14001:2015 standards with ongoing annual external audits. We seek and value continuous improvement in all aspects of our business.





### 3. Millennium's Commitment & Policy Framework

Millennium is committed to identifying and addressing risks and any potential instances of modern slavery in our operations and supply chains. We support the intent and goals of the Modern Slavery Act 2018 and understand our role in protecting the basic human rights of our people, suppliers and customers. In addition, Millennium is committed to the principles under the United Nations Global Compact of corporate sustainability relating to human rights, labour, the environment and anti-corruption.

We work with our employees, contractors, partners and suppliers to further enhance our systems and controls to effectively identify and manage modern slavery risks within our business operations and supply chains.

#### Policy Framework

Millennium manages a range of risks through its policy framework as part of everyday business operations. This includes ensuring Millennium operates in an ethical and responsible manner to identify and reduce the risk of modern slavery in our business operations and supply chains. Millennium currently has in place the following policies and controls:

- Millennium Modern Slavery Policy
- Employee Code of Conduct
- Corporate Social Responsibility Policy
- Whistle Blower Program
- Supplier Code of Conduct and
- Approved Supplier Prequalification Program including an annual review process, ongoing training and supplier site visits to ensure operations and supply chains do not contain indicators of modern slavery practices.

Millennium continues to review and improve our processes in relation to supply chain governance.





## 4. Overview of Millennium supply chains

Millennium procures goods and services from more than 200 suppliers. These suppliers are mostly large, established suppliers, based in Australia or New Zealand.

Some do have overseas suppliers or divisions, from which goods and/or services are provided to Millennium including operations based in New Zealand, USA, UK, Canada, Netherlands, France, Germany, Turkey, India, Malaysia and China.

In these instances, Millennium contracts with the Australian or New Zealand entity of the supplier.

The table below sets out examples of the types of products and services Millennium procures.

<b>Procurement Category</b>	<b>Example products and services</b>
Cleaning products	Commercial cleaning consumables and supplies
Information Technology	Hardware, software, cloud services, IT consultancy services
Corporate Services	Consultancy, insurance, accounting, property lease & audit services
Security services	Licensed security services for major events
Capital equipment	Vehicles, commercial cleaning equipment
Clothing	Staff uniforms, footwear
Safety Consumables	General and Specialist PPE, First Aid & Spill kits



## 5. Risks of Modern Slavery

Millennium recognises that the Cleaning and Security service industries are susceptible to Modern Slavery risks due to the nature of the industries themselves, their workforce and through the complex supply chains that support them.

The process of risk assessment is an ongoing and continual one.

In FY2020 Millennium conducted initial reviews of both internal and external risks considering Industry Sector, Product and Service Type, Geographic Risks and Supplier Entity type.

### **INTERNAL**

#### **Direct Work Force**

##### **Identified Risks**

Our team is large and diverse - highly multi-cultural and includes a significant number of workers born overseas.

Our operations are spread across Australia and NZ and vary significantly in scale and environment.

##### **Existing Controls**

Millennium operates under a direct employment model and complies with all relevant Industry Award employment terms.

Our recruitment and employment policies, processes and procedures are all designed to ensure that legislative requirements are met.

Our Code of Conduct, CSR and Whistle Blower Policies provide clear behavioural expectations at all levels and empower our employees to play an active role in the elimination of improper conduct in the workplace.

We use ENTO Workforce Management Software to manage rostering and attendance – this provides secure high compliance data to our payroll system.

Our operations whilst widespread are all in areas with low local risk of Modern Slavery.

As a consequence of these existing controls, our risk of Modern Slavery within our direct workforce was assessed to be low.



## **EXTERNAL**

### **Supply Chain**

#### **Identified Risks**

As outlined in section 4 our supply chain is built around long-term valued partnerships with highly reputable industry suppliers.

Their Tier 2 level suppliers are predominantly spread across lower risk areas such as North America, Europe, and to a lesser extent Asia Pacific where there is an increased potential risk for Modern Slavery.

Millennium also engages with registered service providers to complete specific specialist tasks and to provide additional licensed security manpower for larger public events.

Whilst the nature of the workforce involved is similar to our own direct team, the Modern Slavery Risks associated with these activities are recognised to be higher given third-party involvement.

#### **Existing Controls**

All suppliers are required to complete our existing Due Diligence Procedure and verify that they have appropriate levels of workers compensation and liability insurance.

Whilst awareness of Modern Slavery risks was found to be high amongst many larger suppliers, a lower level of awareness and a consequent need for education was identified within smaller organisations.

Millennium recognises the need to continue to review and address any gaps it identifies in its supply chain. We are also continuously working to educate and improve our procurement and operational teams understanding of the need to be vigilant in our approach to engaging 3<sup>rd</sup> party suppliers across our supply chain, in particular Tier 2 suppliers that procure from higher risk regions.

The current residual risk of Modern Slavery under existing controls was assessed to be moderate and requiring further action





## 6. Actions to reduce Modern Slavery risks

As a longstanding provider of cleaning, security and integrated services to many of the largest clients in the Commercial and Retail Industry, Millennium is an active and engaged participant in Best Practice programs focused on employment conditions and Modern Slavery prevention

These include:

- CAF3 certified cleaning teams,
- Informed 365 Property Council of Australia program,
- 3rd party Modern Slavery external audits and
- Full compliance with the latest requirements of all major Australian and NZ prequalification systems.
- We also hold Victorian and Queensland labour hire licences and
- ACT Govt Secure Local Jobs Code Certification

In FY2020, having completed our initial Risk Assessment, focussed on Internal Awareness of Modern Slavery risks and supply chain assessment and education.

Internally we have introduced a new Corporate Social Responsibility policy and commenced Modern Slavery awareness training. This program was put on hold when COVID affected normal operations.

Externally we have communicated with our Top100 suppliers that represent over 80% of our service and supplies expenditure. All have been supplied with Modern Slavery overview paper and Millennium's approach and expectations together with a copy of our newly published Supplier Code of Conduct.

Each of the Top100 suppliers has completed our new Approved Supplier Application that includes key points from the Modern Slavery Act

The data acquired through this process has led to targeted follow up training as required and helped Millennium to build a database of responses to assist in planning future activity.

### **Impact of COVID 19**

*Millennium has continued to provide essential services throughout the pandemic, many of the Millennium team have worked on the front line every day under extraordinary circumstances supported by others working from home for the first time. Millennium's systems have adapted and risen to these unique challenges.*

*The safety of our team, clients and customers has been, and continues to be, paramount in everything we do. New processes and protocols were developed and implemented in a rapidly changing environment. Our supply chain partners have been similarly challenged.*

*Consequently, our planned activity around Modern Slavery was reprioritised.*

*Internal training and the progressive reviews into both Tier 1 and Tier 2 suppliers were delayed.*

*Both are expected to recommence in FY2021*



## 7. Assessment of effectiveness & Next Steps

No specific examples of Modern Slavery were identified in our operations and supply chain in FY2020.

Millennium is currently evaluating 3<sup>rd</sup> party options to provide validation of our controls – we are also aware of the many demands being put on our supply chain for similar information by their other clients.

The adoption of the PCA Informed 365 platform is under review for supply chain assessment. It offers a common source of data with efficiencies of scale and potentially reduced impact on Tier 1 suppliers through information sharing. As a syndicated platform it is expected to evolve with future learning providing ongoing industry standardised and recognised metrics.

Millennium is also reviewing options for a 3<sup>rd</sup> party review of broader employment conditions within the supply chain beyond the requirements of the Modern Slavery Act.

Internally we are building interactive Modern Slavery training modules for initial induction and ongoing refresher training within our HR Information System. This will provide us with assurance of training delivery and quantitative confirmation of training outcomes.

## 8. Process of Consultation

The purpose of the Statement is to provide general information only as required by the Act and is correct as at the date of publication.

In preparing this Statement, Millennium consulted with and received input from representatives across the company, the company compliance group and the Senior Executive Team.

This Statement has been approved by Millennium's Board of Directors, the company's principal governing body on 23 March 2021.

Darren Boyd

CEO, Millennium Services Group Ltd

23 March 2021.