

Modern Slavery Statement 2020

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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 2020. References in this report to ‘year’ or ‘period’ refer to the financial year ended 30 June 2020, unless otherwise stated.

Overview

Modern slavery continues to remain a global issue, affecting approximately 40 million victims around the world (as estimated by the United Nations and Walk Free Foundation). As our global supply chain continues to grow, 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 and in our supply, chain and we are committed to ensuring that all workers are treated fairly, ethically and with respect.

During the year, we undertook a review of our existing policies and procedures to identify what needed to be done to ensure they effectively address the risk of modern slavery.

Key activities undertaken during the year ended 30 June 2020

- Review of existing policies and procedures
- Updated existing policies to address modern slavery and human rights and developed a new Human Rights Policy
- Completed supply chain mapping and identification of high-risk suppliers
- Updated procurement and subcontract templates for modern slavery controls
- Reviewed supplier onboarding process
- Code of Conduct updated for awareness of modern slavery risks
- Developed roadmap for continuous improvement

We recognise that continual improvement is key to reducing the risk of modern slavery. We have developed a roadmap outlining our way forward and the actions required over the next few years. We will regularly 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 sector within Australia and in selected international markets.

Mondium's current projects are based in Western Australia.

The Company employs 58 direct employees located in Australia.

Supply chain

Mondium currently operates within the Australian mining sector with a global supply chain. At 30 June 2020, we maintained a supplier database of over 350 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 2020 were:

- Plant and equipment hire and maintenance
- Professional engineering services
- Construction materials and consumables
- Subcontract construction services
- Travel and accommodation

Mondium prefers to undertake business with prequalified suppliers operating under negotiated subcontracts and procurement order terms and conditions. During the period 97% of our supply chain 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 employees 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.

However, in some parts of its operations, Mondium also utilises labour through third party providers and subcontractors. Mondium may or may not have direct supervision over the workforce and transparency over the terms and conditions of employment. The risk is greater for labour suppliers that operate in geographies and industries with higher prevalence and elevated risks of modern slavery.

The following areas of the business have been identified as operational activities that may 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

- 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

- 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 has undertaken a review of its direct supplier list, applying risk assessment criteria, including industry, geography and spend to identify those suppliers that may be classified as higher risk and requiring additional review. Suppliers were identified as high risk when operating in industries and geographies with greater prevalence of modern slavery by reference to the Global Slavery Index.

Further assessment of these suppliers and analysis of their approach to mitigating modern slavery risk will be conducted in the 2020-21 financial year.



Mitigating risks of modern slavery

During the year, Mondium undertook a program to update its policies and processes to ensure they effectively address the risks of modern slavery. This included a gap analysis against the requirements of the Act.

Stakeholder engagement and collaboration

During the development and ongoing implementation of our approach to modern slavery, consultation was undertaken with Senior Management, recruitment, procurement and operational stakeholders across Mondium and our parent companies.

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, the Code of Conduct was reviewed and enhanced for updates associated with the implementation of the modern slavery program. Mondium also formalised its policy on human rights articulating its commitment to operating in accordance with the United Nations (UN) Universal Declaration of Human Rights and UN Guiding Principles on Business and Human Rights.

The policies described below underpin the Mondium approach. These policies are available via the Company's website at www.mondium.com.

Policy	Procedure
Code of Conduct	Provides guidance on the expected behaviour of all Mondium employees.
Human Rights Policy	Outlines Mondium's commitment to respecting the human rights of every person involved in its operations, supply chain and communities.
Integrity and 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 & Corruption Policy	Outlines Mondium's zero tolerance to any form of bribery or corruption in the conduct of its activities.



Labour practices

Mondium engage our employees under fair, just or ethical employment contracts and does not partake in high-risk or unethical labour engagement practices:

- We do not utilise migrant or seasonal labour
- We do not charge our employees recruitment fees or impose fines to gain employment
- We do not retain employee's original identification documents or restrain employee's ability of free movement
- We do not undertake childhood labour practices in their worst forms*
- We do not undertake deceptive recruiting practices

*OHCHR Worst Forms of Child Labour Convention, 1999 (No. 182)

Training and awareness

Improving awareness of modern slavery is a critical aspect in identifying and addressing risk. The Company's Code of Conduct training was updated during the year to include modern slavery and labour rights in line with changes to policies. Employees are required to undertake Code of Conduct training.

Customer engagement

A range of customer engagement activities occurred during the period, including the disclosure of Mondium's modern slavery risks and practices to assist customers in meeting their modern slavery reporting requirements. This collaboration will ensure greater overall transparency relating to industry labour and human rights practices.

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.

Supplier contractual terms and conditions

As the majority of our supplier spend occurs under our terms and conditions, we are able to implement consistent expectations through the update of Mondium's procurement and subcontract terms and conditions templates to include modern slavery requirements and expectations.

These templates commenced roll out during the year and will continue to replace existing contractual agreements over subsequent periods.

Remediation

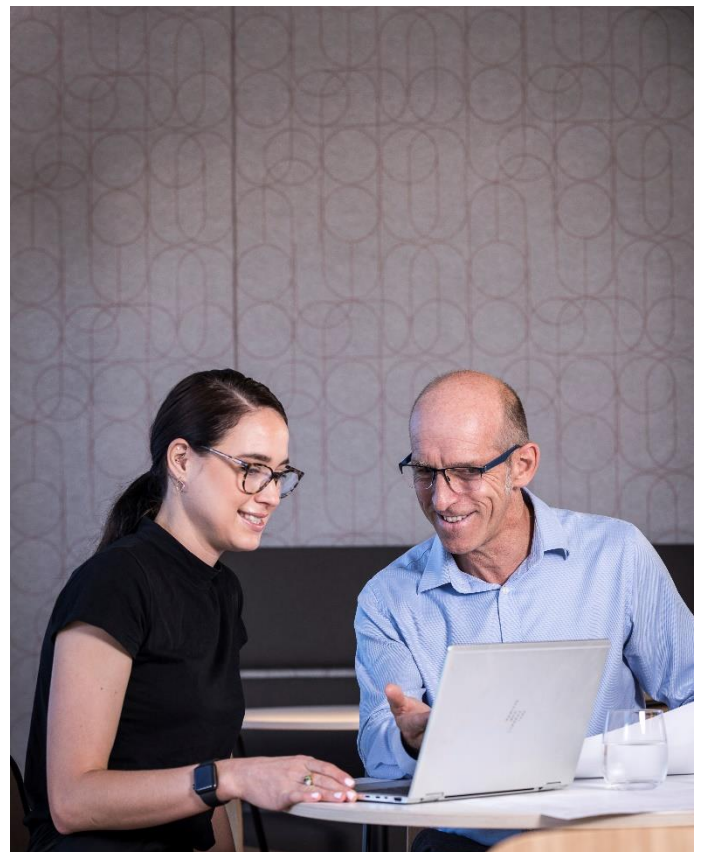
Mondium has in place a reporting framework, in which employees and contractors are able to report instances of actual or suspected unethical or unlawful conduct without fear of recrimination or reprisals, to the extent permitted by the law. Mondium is committed to fully investigating all concerns raised, 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

Focus during the period has been on the development of policy and implementation of associated processes. Mondium has not yet implemented a structured approach for measuring the effectiveness of its actions in addressing modern slavery risks.

The objective in the next 12 months is to continue to implement improvements to our processes and to develop a program that will track actions and outcomes. Mondium will report the outcomes of these reviews and enhancement actions taken to improve the overall effectiveness of our modern slavery program, in future statements.



Continuous Improvement

Mondium is committed to the continuous improvement of its modern slavery journey. A range of committed actions are in place and will be reported in subsequent statements. These include the following activities:

Planned activities FY21 and beyond

- Continued roll out of procurement and subcontract conditions templates inclusive of clauses addressing modern slavery and human rights
- Introduction of additional treatment strategies to address concerns
- Review of the Mondium modern slavery policy framework and associated processes by Monadelphous' Group Assurance to assess its effectiveness in identifying and addressing risk
- Further review of internal recruitment practices and labour conditions in high-risk locations and industries as required
- Ongoing review of modern slavery risks and associated policies and procedures

In addition, Mondium intends to strengthen its approach and contribution to eliminating modern slavery through:

- Continued customer engagement relating to Modern Slavery practices thereby improving overall transparency relating to labour and human rights practices
- Further collaboration with industry bodies such as Supply Chain Sustainability School

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 2020. This statement has been approved by the Mondium Board.

Andrew Carnie

Managing Director

31st March 2021



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 2020
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 engagement 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 (pg. 6)
Describe how the reporting entity assess the effectiveness of these actions	Measuring Effectiveness (pg. 7)
Provide any other relevant information	Continuous Improvement (pg. 8)