

# ior

## SMRM Holdings Pty Ltd Modern Slavery Statement 2024

- Year ended 30 June 2024 (FY24')

# Objective

***The Modern Slavery Report 2024 is for the financial year ended 30 June 2024 (FY2024) made pursuant to the Modern Slavery Act 2018 (Act) by SMRM Holdings Pty Ltd and its subsidiaries (collectively the 'IOR Group', 'IOR' or 'the Group') which are reporting entities under the Act as detailed below***

Entity	ABN
IOR Pty Ltd	36 009 653 070
IOR Aviation Pty Ltd	60 056 487 453
IOR Transport Pty Ltd	66 162 200 099
Fuelcharge Pty Ltd	32 616 990 339
HyBlue Pty Ltd	25 065 395 244
IOR Energy Pty Ltd	60 010 504 444
IOR Terminals Pty Ltd	14 057 379 067
Lytton Terminals Pty Ltd	52 633 000 781
IOR Services Pty Ltd	46 151 774 159
IOR Transport Services Pty Ltd	15 605 338 396
IOR Sales & Rentals Pty Ltd	49 137 156 097
IOR Rural Pty Ltd	76 641 451 630
IOR Rural Assets Pty Ltd	83 641 450 473
IOR Rural Services Pty Ltd	11 641 449 809
Strike Fuels Pty Ltd	90 167 909 195
Strike Fuels Assets Pty Ltd	81 621 590 010
IOR Marine Pty Ltd	93 159 791 330
Hydip Pty Ltd	29 603 926 192
IOR Oilfield Services Pty Ltd	78 066 878 662
AF Townsville Pty Ltd	54 638 510 059
Lytton Terminal Holdings Pty Ltd	44 635 215 744

***Table 1 : SMRM Holdings Pty Ltd and Group of Companies***

# Our Commitment

- 1** *To oppose to all forms of modern slavery, servitude, compulsory labour, trafficking and related acts of exploitation against any person*
- 2** *To respect ethical labour practices and is committed to taking appropriate action to address modern slavery risks, within its operations and supply chain as required under the Act*
- 3** *To comply with all local, state and federal legislation and regulations and conducts its business activities in alignment with its core values of integrity, teamwork, community, innovation and safety*
- 4** *To work collaboratively with its employees, suppliers, contractors and customers that are aligned with its core values and have a similar like – mindset*





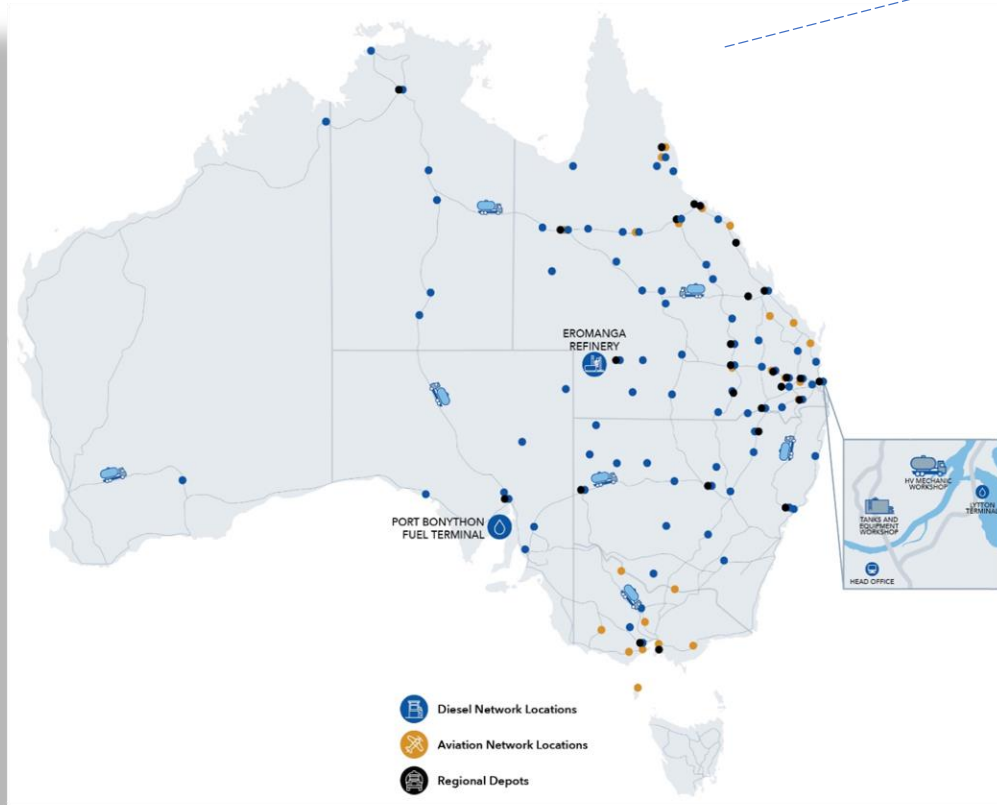
# Our Business

*We are passionate about making sure our customers across Australia can fuel up, keep going and keep growing...*



- ✓ 100% Australian owned and operated energy and infrastructure provider
- ✓ Eight (8) core business segments fuel distribution fuel networks, fuel storage, and fuel management services
- ✓ Operates 100+ diesel stops in strategic locations along major transport routes and >30 aviation refuelling facilities at regional airports and airfields
- ✓ Driving technology and innovation with HyDip<sup>®</sup>, IOR's proprietary fuel management system that offers automated real time fuel management solution

# Our Group Operations



Areas of Operations



- The core business is distribution of Diesel throughout mainland Australia
- Fuels distributed are purchased onshore from related IOR entity or major fuel companies and distributed across IOR's fuel networks in Australia



- The Lytton Terminal is a 110ML diesel import and storage facility located at the Port of Brisbane



- Domestic transport of fuel and related products by road to meet IOR requirements and for third party customers



- The Eromanga mini refinery refines domestic Australian crude oil into diesel fuel and solvents









- Proprietary fuel management software and fuel tanks supplied to IOR customers and installation
- HyDip® units are from Europe and Australia, pre-manufactured bulk fuel tanks, imported from China



- IOR's Group shared services based at the Group's head office at Cannon Hill, Brisbane with another fifteen (15) offshore contractors based in the Philippines and Malaysia

# IOR Group's Modern Slavery Risk Assessment

## Qualitative

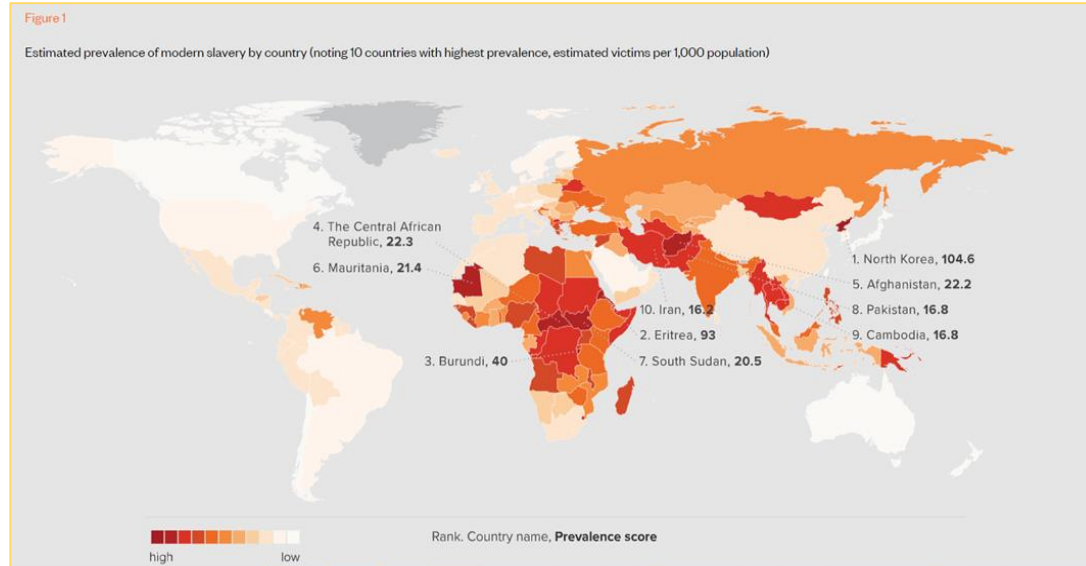
Areas of Operations	Areas of Spend	Assessment	Risk Rating
 <p><b>Fuel Distribution</b></p>	<ul style="list-style-type: none"> <li>• Procurement of fuel (onshore)</li> <li>• Fuel equipment</li> <li>• Fuel infrastructure and development of site networks</li> <li>• Rent</li> <li>• Building maintenance</li> </ul>	<p>Fuel purchased from well-respected reputable fuel majors</p> <p>Construction of network sites for fuel distribution is outsourced to Australian companies subject to Australian laws, regulations</p> <p>Construction of new terminal facilities in Port of Brisbane was contracted predominantly (98%) with well –known &amp; reputable Australian companies and one (1) reputable international contractor from the USA</p>	<p>Low</p> <p>Low</p> <p>Low</p>
 <p><b>Fuel Terminals</b></p>	<ul style="list-style-type: none"> <li>• Procurement of fuel equipment</li> <li>• Building maintenance and fuel infrastructure</li> </ul>	<p>Fuel imported from well-respected reputable fuel majors</p> <p>Construction of new terminal facilities in Port of Brisbane was contracted predominantly (98%) with well –known &amp; reputable Australian companies and one (1) reputable international contractor from the USA</p>	<p>Low</p> <p>Low</p>
 <p><b>Fuel Transport</b></p>	<ul style="list-style-type: none"> <li>• Vehicle acquisition and maintenance</li> <li>• Fuel</li> <li>• Insurance</li> </ul>	<p>Transport trucks, tyres and spare parts are sourced within Australia from internationally recognised and reputable brands</p> <p>Transport Workers – engaged by the IOR Group Risk is party contractor provides transport services to IOR there is a heightened risk of modern slavery, notwithstanding that the services are carried out in Australia and are subject to Australian law</p>	<p>Low</p> <p>Low</p>
 <p><b>Refining</b></p>	<ul style="list-style-type: none"> <li>• Crude oil and product supply</li> </ul>	<p>Refining of crude oil is conducted in Australia in entirety and refined products are distributed in Australia</p> <p>Supply of crude oil are predominantly from onshore well know &amp; established major suppliers</p> <p>Other procurement for refining are low value and typically procured from established reputable Australian suppliers</p>	<p>Low</p> <p>Low</p> <p>Low</p>
 <p><b>HyDip®</b></p> <p><i>Fuel Management System</i></p>	<ul style="list-style-type: none"> <li>• Supply of bulk fuel tanks, including installation</li> <li>• Fuel equipment and installation</li> <li>• Technology e.g., hardware</li> </ul>	<p>Proprietary software management system developed by inhouse and installed by IOR staff</p> <p>Equipment and parts are purchased with well known products of the shelf software system</p>	<p>Low</p> <p>Moderate</p>
 <p><b>Shared Services</b></p>	<ul style="list-style-type: none"> <li>• Business administration services</li> <li>• IT equipment and services</li> </ul>	<p>Shared services are in a high-risk area based on the Global Slavery Index – however site visits have been made, and regular interaction with site office(s) have been undertaken including training on Modern Slavery</p> <p>IT equipment being purchased from well known suppliers all operating in low-risk modern slavery jurisdictions</p>	<p>Moderate</p> <p>Moderate</p>

# The Group's Modern Slavery Risk Assessment



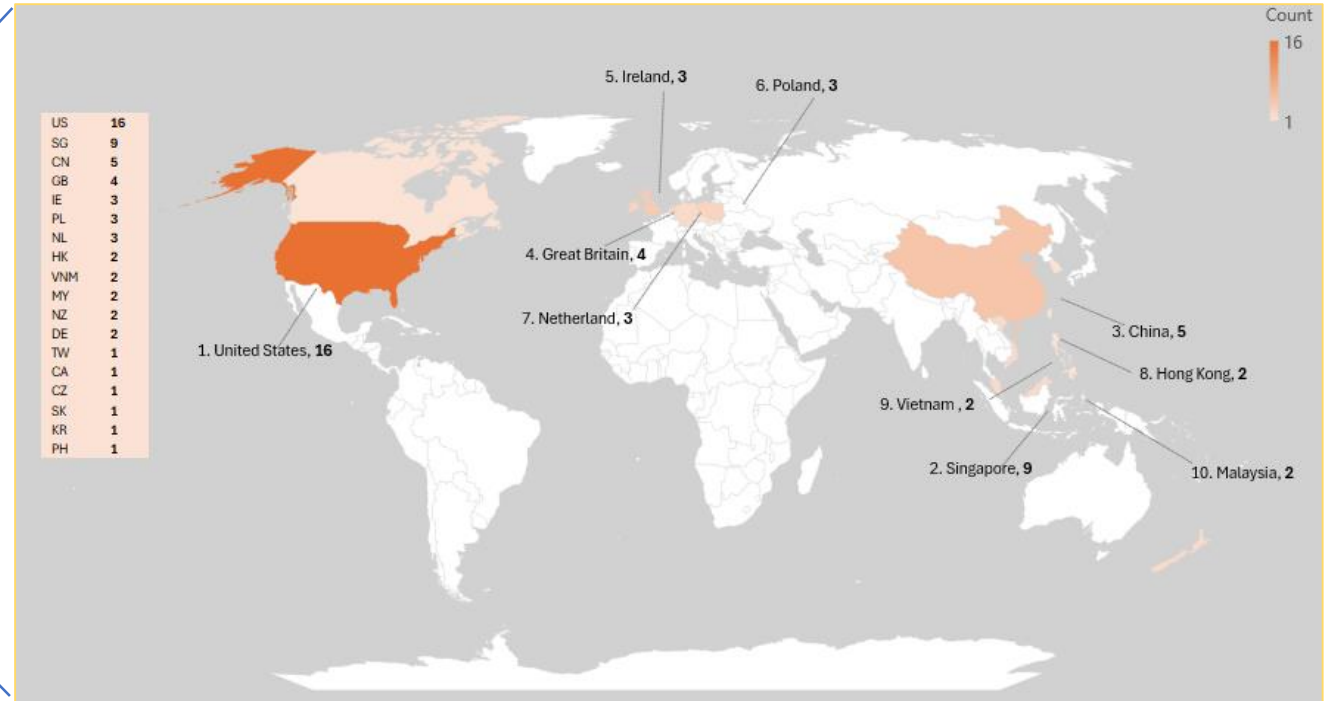
*Modern slavery risks have been assessed via the Prevalence Index and IOR's Risk Assessment Index<sup>(a)</sup>, along with a comprehensive list of all foreign suppliers within the Group's supply chain*

## High Modern Slavery Countries



Source : Prevalence Index (Global Slavery Index 2023)

## Location of IOR Group Top 10 Foreign Suppliers



- Majority of our foreign suppliers are in the very low and low risk countries in accordance with the Prevalence Index
- Based on an internal risk assessment, 78% of our foreign suppliers are identified as low risk and the remaining 22% are medium risk, compared to last year, this is a 31% reduction in medium risk suppliers

Note : (a) Internal Risk Assessment Index is assessed based on various factors including company reputation, industry risk, country risk, supply chain risk and subcontracting risks

# 2024 Initiatives

## Implemented in FY2024

### Supply Chain

- Supplier due diligence and vendor risk assessments as part of the vendor selection process
- Inclusion of modern slavery clauses in buy-sell contracts, new supplier forms and purchase orders
- Conducted site specific visits for our tank manufacturing in China by our Senior Engineer and outsourcing office by our Commercial Officer in Philippines to understand work practices and environment and staff welfare assessment

### Operations

- The establishment of a new central procurement function with the employment of a Procurement Manager which provides independent purchasing, improved vendor assessments and procurement governance
- Continuous monitoring activities, which includes site visits, avenues of grievance mechanisms and whistleblower access, as well as implementation of procurement audits via an independent 3rd party to identify non-compliance
- The establishment of Group Contracting Policy that outlines responsibilities from contract owner to Director and the guiding principles in contracting excellence

### Training

- Training and awareness for new employees and specific staff responsible for procurement activities within the business
- There are plans for extending such trainings to the wider part of the Group and selective suppliers within the system





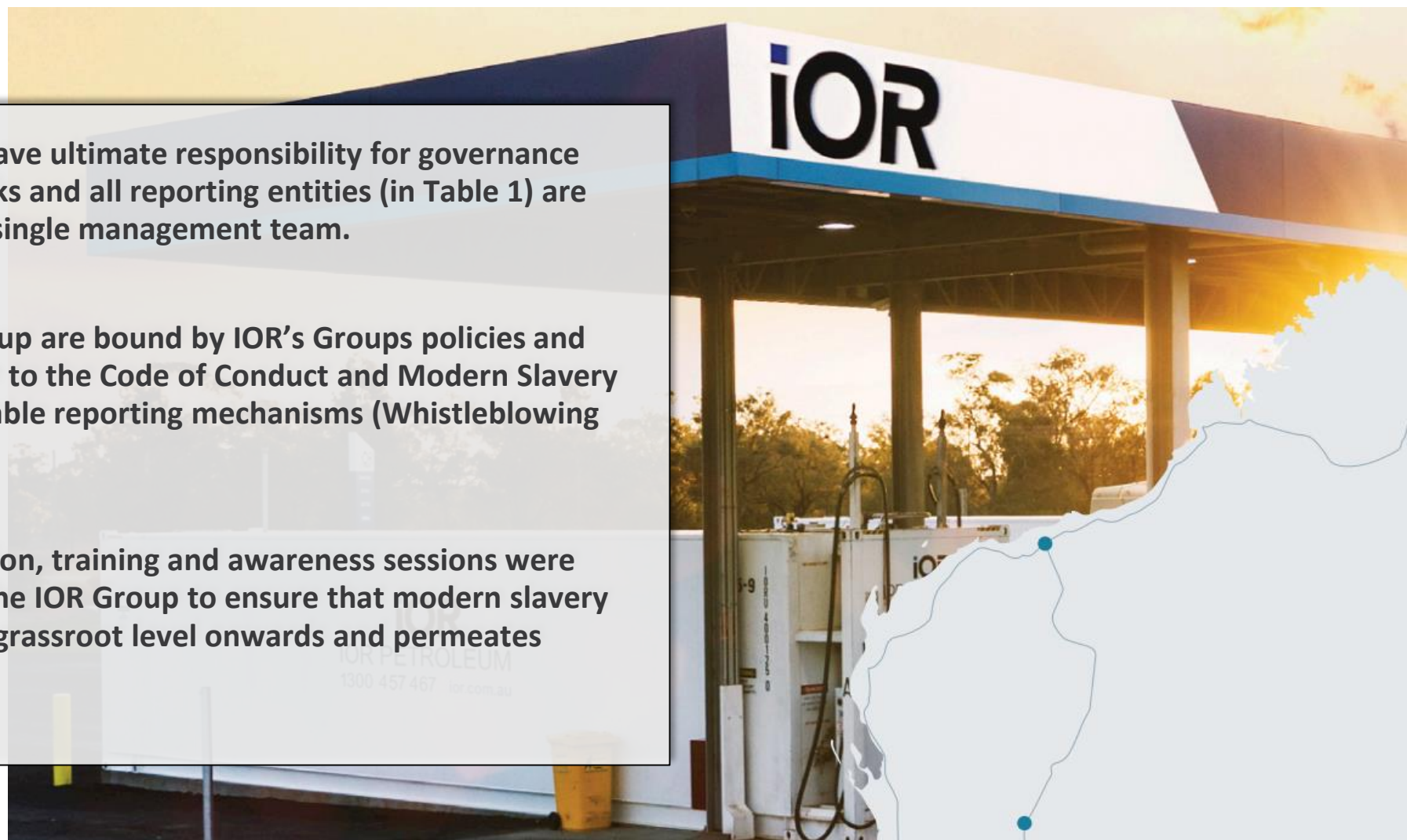
# Effectiveness of Initiatives

- During this reporting period, our focus was to continue to establish the relevant groundwork and foundations to ensure the organization has a better understanding and appreciation of modern slavery risks within our operations and supply chain
- As we progress with this journey, we plan to evaluate these initiatives in a manner aligned with recognized industry standards and benchmarks
- In establishing relevant controls in our operations, IOR believes it will be able to develop relevant performance indicators incorporating feedback from relevant suppliers to ensure a holistic approach in managing modern slavery risks
- IOR ensures that all new employees undergo modern slavery training during employee inductions. In line with continual improvement, we will continue to rollout awareness sharing sessions within the organization on modern slavery risks



# Consultation with reporting entities

- The IOR Group Board of Directors have ultimate responsibility for governance and oversight of modern slavery risks and all reporting entities (in Table 1) are controlled and operated through a single management team.
- All reporting entities within the Group are bound by IOR's Groups policies and procedures including the adherence to the Code of Conduct and Modern Slavery Policy and made aware of the available reporting mechanisms (Whistleblowing Hotline, Line Manager / +1).
- As mentioned in our initiatives section, training and awareness sessions were held for all new employees within the IOR Group to ensure that modern slavery awareness are developed from the grassroot level onwards and permeates throughout the organization.



# Summary



- **The IOR Group operates in a predominantly Australian centric business environment with low Modern Slavery risks**
- **Based on risk assessments on (i) location & geography and (ii) modern slavery assessment criterias, the Group operates in a predominantly low risk modern slavery environment**
- **The IOR Group recognises these modern slavery risks exists, and accordingly continues to address any modern slavery risks with several existing and future initiatives**






# Approval



*The IOR Group Board of Directors have ultimate responsibility for governance and oversight of modern slavery risks and all reporting entities are controlled and operated through a single management team.*

*This statement was approved for and behalf of SMRM Holdings Pty Ltd and each of the subsidiaries identified in Table 1 above by the Board of Directors of SMRM Holdings Pty Ltd for the 30 June 2024 reporting period.*


Signed by:

  
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Drew Clinton Morland

**Chief Executive Office/ Director**

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Ross Gordon Mackenzie

**Executive Director**

Date: [ 1 ] September 2024



