

# Modern Slavery Statement

2023



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# 1. Letter from our Chairman and Chief Executive Officer

*It is a pleasure to present our 2023 Modern Slavery statement. We believe Quantem provides sustainable and responsible solutions within our supply chain and across our company.*

*As a vital part of our customers' supply chains, Quantem does not condone any form of modern slavery in its business or supply chain and believes modern slavery is a grave and serious violation of basic human rights.*

*We are committed to working with our customers and suppliers to identify and mitigate modern slavery risks within our operations and supply chains and to strive for continuous improvement in our goal of eliminating modern slavery within our business in FY2024 and beyond.*

*This statement provides an update on the progress made by Quantem over the course of 2023 to strengthen our approach to the detection and prevention of modern slavery within our business and supply chain.*

**This statement was approved by the Quantem Board on 22 May 2024.**



**Philippe Etienne**  
Chairman



**Nick Moen**  
Managing Director and CEO



## 2. 2023 Highlights



**Published our third Modern Slavery Statement** in March 2023 in accordance with the requirements of the Modern Slavery Act 2018 (Cth).



**Continued to deliver Modern Slavery training** to Quantem employees to raise awareness and maintain vigilance on detecting and preventing modern slavery.



**Continued Modern Slavery risk assessments**, including a deep dive review into 35 high-risk tier one suppliers within the Electrical, Instrumentation, Mechanical and Product Handling equipment category.



**Conducted an in depth audit and risk review of our payroll practices** to ensure that all employees are paid fairly and appropriately.



**Discussed Modern Slavery expectations** with current and potential suppliers during various stages of engagement.



**Conducted desktop audit** of the top 95% of tier one suppliers by spend.





# 3. Vision

*Be a leading, independent bulk commodities storage company in Asia Pacific.*

## Purpose

*A trusted and sustainable partner in our customers' supply chain through strategically advantaged infrastructure.*

## Values



SAFETY



LEADERSHIP



EXCELLENCE



ACCOUNTABILITY



PARTNERSHIP



# 4. Our Operations and Supply Chain

## Our Operations

Quantem has been operating bulk liquid storage facilities in Australia for over 60 years and is a leading bulk liquid storage and handling business operating nine terminals in Australia and three in New Zealand.

Our purpose is to be a trusted and sustainable partner in our customers' supply chain through strategically located infrastructure.

Our customers include major oil and chemicals companies as well as independent chemical and commodity traders. We play a vital role in the ongoing success of Australian manufacturing and transport industries.

We have significant expertise in the provision of specialist storage and handling services for chemicals, tallow, vegetable and edible oils as well as petroleum fuels, base oils and bitumen.

We offer the following services to our customers:



### Storage and Handling of Bulk Liquids

Provision of storage space in Quantem tanks and as well as for the handling of product volumes or throughput at the port terminals over the wharf and road tankers.



### Logistical Services

Receipt or redelivery of products via vessels, tank barges, rail cars, trucks and pipelines.



### Operational Services

Blending, mixing and testing products on behalf of our customers.



### Administrative Services

Order processing and invoicing. Surveying services are offered as an additional service.



### Customs Services

Coordinating obligations related to import duties and VAT.



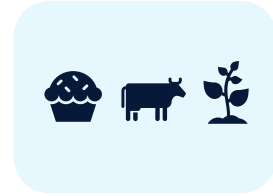
## Current product markets



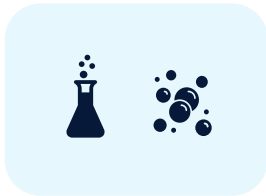
CHEMICALS



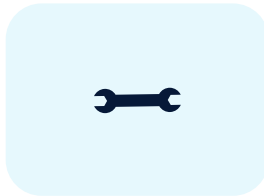
TRANSPORT FUELS



FATS & OILS



ACIDS, ALKALIS  
& ALCOHOLS



BASE OILS &  
GREASES



BITUMEN

## Commitment to our customers

We understand that we are an important part of our customers supply chain solutions and that our customers value partnering with suppliers with a robust approach to identifying and reducing modern slavery risks their supply chains.

In recent years, we have added modern slavery provisions into our standard terms of engagement with our customers in Australia and in 2023, we extended those terms to our customer contracts in New Zealand. This standard customer contracts will be progressively rolled out as our existing customer contracts are renegotiated and renewed.

We also actively respond to all customer requests for audit and information relating to our Modern Slavery compliance program.





## Our Supply Chain

Our supply chain primarily relates to the operation and maintenance of our bulk liquid storage facilities which include procurement of goods and services in the following categories:

- **Electrical, Mechanical and construction works;**
- **Energy and utilities;**
- **Waste collection and disposal;**
- **Labour hire;**
- **Professional Services including engineering, project management, environmental, financial, and legal;**
- **Electrical, Instrumentation Mechanical and Product handling equipment;**
- **Chemicals;**
- **Information technology services;**
- **Supplies and Consumables inc. tools; and personal protective equipment.**

The procurement of goods and services by the Quantem Group is managed through a centralised business function with specialist procurement capability. All suppliers to the Quantem Group are approved by the centralised procurement function in accordance with Quantem's Procurement policies and procedures.

In 2023, approximately 99% of Quantem's total procurement spend was with business located within Australia and New Zealand and approximately 21% of Quantem's total procurement spend in Australia was with small business suppliers.

During 2023, Quantem also commenced a 90,000m3 expansion of its diesel storage capacity at Pelican Point supported by the Australia Government's Boosting Australia's Diesel Storage Program.



# 5. Modern Slavery Risks in Quantem's Operations and Supply Chains

## Quantem Workforce Risks

Quantem employs approximately 190 employees and independent contractors at our locations throughout Australia and New Zealand.

Quantem has centralised HR and HSE functions with policies and systems in place to ensure that all Quantem employees are:

- ✓ **Provided with safe and healthy work conditions;**
- ✓ **Paid in accordance with Australian industrial awards or Enterprise Agreements** (where applicable);
- ✓ **Paid above the New Zealand minimum wage;**
- ✓ **Not restricted from access to union representation or any worker's right to collective bargaining or wage or employment conditions; and**
- ✓ **Of a minimum age that is legal for them to be employed.**

As part of our quality assurance, we audit our payroll processes on an annual basis to ensure our employees are correctly paid and all Enterprise Agreements are reviewed when they are renegotiated with our employees to ensure compliance with the relevant legislation.

Depending on operational requirements, our business will require contract labour from time to time.

In 2020, contingent labour was identified as a potential high risk area for modern slavery. Consequently, Quantem implemented a program where all contract labour companies engaged by Quantem were subject to our standard Labour Hire Services Contract which requires suppliers to:

- ✓ **Comply with modern slavery obligations;**
- ✓ **Advise of any historical breaches of modern slavery laws; and**
- ✓ **Advise of any breaches of modern slavery laws as soon as they are aware of any breaches.**

In addition, audits were performed of all contract labour companies engaged by Quantem to ensure that, amongst other things, all contract labour engaged by Quantem are paid at or above award wage rates.

*We are confident there is no slavery or human trafficking in our employment practices.*





## Supply Chain Risks

In the 2023 financial year, approximately 99% of our total procurement spend was paid to entities located in Australia or New Zealand. Both these jurisdictions are considered low risk for modern slavery. According to the Global Slavery Index, Australia and New Zealand rank 152 and 153 respectively out of 160 countries on the 2023 Walk Free Global Slavery Index<sup>1</sup>.

Nevertheless, we consider the following areas of our supply chain to be of higher modern slavery risk and continue to refine our understanding of suppliers within these industries:

-  **Cleaning and security services;**
-  **Construction and maintenance (labour and raw materials);**
-  **Labour hire and short-term contract workers;**
-  **Manufactured equipment (Electrical and Instrumentation);**
-  **PPE and Garments;**
-  **Professional Services; and**
-  **Supplies and Consumables.**

We also acknowledge that there may be risks further down our supply chain, particularly in the manufacture of goods outside Australia and New Zealand.



# 6. Assessing and Mitigating Modern Slavery Risks

## Quantem Workforce Risks Modern Slavery Governance Framework

Quantem's approach to the identification and mitigation of Modern Slavery risks is underpinned by our core values of Safety, Leadership, Excellence, Accountability and Partnership which are supported by its Employee Code of Conduct. We believe in partnering with our suppliers and customers to ensure the safety of workers supporting and maintaining work environments which are free of modern slavery.

In addition, there are a number of specific policies that directly address Modern Slavery risks within our operations and supply chains.

All Quantem employees are required to read and comply with our Modern Slavery and Whistleblower Policies. These policies require employees to report any known or suspected cases of modern slavery with the knowledge that retaliation against anyone who raises a concern will not be tolerated.

Our Suppliers must also comply with our Supplier Code of Conduct which requires adherence to ethical conduct and modern slavery laws. Suppliers must ensure that all work is freely chosen, workers are of legal age and suppliers must comply with all applicable laws, including those providing for minimum wages and fair working conditions. Quantem reserves the right to terminate any supplier contract for breach of modern slavery laws.

Copies of these policies are available on Quantem's website [www.quantem.com.au](http://www.quantem.com.au)

Together these policies empower our people to speak up without fear of reprisal and establish an environment where people have confidence that any issues raised, including modern slavery concerns, will be appropriately managed.

## Supplier Mapping

We are committed to continue refining and improving our processes and understanding of modern slavery risks within our supply chains.

We prioritise our supplier's based on risk and spend to ensure we focus our efforts on those that present the highest exposure to Quantem.

As the composition of our suppliers changes from year to year, during each reporting period, we continue to refresh of the top suppliers by value to the Quantem Group. In 2023 in particular, the commencement of the Pelican Point Diesel Expansion project has led to change in the composition of the top suppliers to our business.

In 2021, Quantem mapped the top 85% of procurement spend in Australia. This has now increased to refreshing and mapping the top 95% of tier one suppliers by spend in 2023.

We are also developing a process to improve our understanding of the modern slavery risks of our tier two suppliers (ie those suppliers of our tier one suppliers). Given the complexity of this task and confidentiality of supplier terms, we are closely engaging with selected tier one suppliers as part of developing this process.

## Supplier Due Diligence

As Quantem sources the majority of its goods and services within Australia and New Zealand, we are able to work closely with our suppliers and understand their operations.

Our Procurement processes require that all suppliers are evaluated for their compliance with modern slavery laws prior to being engaged by Quantem and are undergo evaluation, including for Modern Slavery risks, safety risks and ethical business practices.



We continued our desktop risk assessment of our suppliers and in 2023 completed a desktop risk assessment of 95% of our tier one suppliers by spend.

In addition to our risk assessment process, Quantem assesses suppliers in high-risk industries during each reporting period. In 2023, we selected the category of Electrical, Instrumentation, Mechanical and Product Handling equipment to perform detailed audits through questionnaires sent to 35 suppliers.

### Supplier Management

Over the last 3 years, Quantem developed standard purchase order terms and conditions and various forms of agreement which include obligations to address modern slavery risks for our Australian and New Zealand supply and service contracts. Throughout 2023, we have continued to roll these out these standard terms as more than 25 contracts are executed or renewed and replaced with the new standard forms.

All suppliers on standard Quantem terms in Australia and New Zealand are required to comply with modern slavery laws and use reasonable endeavours to ensure their supply chains are free of modern slavery.

As a number of our suppliers are small business with no requirement to comply with the Modern Slavery Act 2018 (Cth) we believe we have an important role to play in assisting small business understand the risks of Modern Slavery and provide information and discussions to elevate their understanding of those risks.

### Remediation processes

During 2023, Quantem did not receive any Modern Slavery complaints or become aware of any instances of actual or suspected modern slavery within its operations or supply chain.

In the event of any report or discovery of actual or suspected modern slavery practices, our Modern Slavery Policy requires that:

- ▶ **We prioritise the protection of the rights of any person suspected of being enslaved.**
- ▶ **Where appropriate or necessary, we shall report the matter to relevant authorities, including law enforcement.**
- ▶ **We will work with our suppliers to identify and mitigate against modern slavery risks, but we reserve the right to terminate any supply contract for breaches of modern slavery laws.**

### Investment in HR business systems and training

Quantem continues to invest in the training and development of understanding of Modern Slavery within its workforce and suppliers.

In 2023, we provided face to face training on the legal requirements under the Modern Slavery Act to the Procurement team. We also investigated options for a new provider for on-line Modern Slavery training, which has been engaged to deliver online Modern Slavery training to all Quantem employees in 2024.

In addition to its annual audit of payroll services, in 2023, Quantem conducted a detailed audit and risk review of its payroll systems & associated processes. As a result of that review, Quantem will be implementing a new payroll system in 2024 which will provide additional assurance that all employees are paid in accordance with their legal entitlements.





# 7. Assessing the Effectiveness of Quantem's Modern Slavery Compliance Initiatives

*Quantem continues to mature and build on our understanding and assessment of the effectiveness of identifying and managing modern slavery risks within our business and supply chains.*

## Continuous Improvement of our processes

As part of our commitment to continuous improvement, Quantem will continue to review the most suitable internet based based solutions that efficiently manage and engage with our suppliers whilst also complying with regulatory requirements. Key outcomes for this solution include:

- **adopting an integrated, consistent industry approach;**
- **manage, monitor and automate engagement with Quantem's supply chain;**
- **ensure compliance with current and future regulations; and**
- **provide transparency and visibility throughout the supply chain including multiple tiers.**

## Assessing Effectiveness

In 2023, Quantem continued to review and assess the effectiveness of our policies, processes and procedures by:



**Monitoring grievances** related to modern lavery and report of issues received through our mechanisms such as the Whistleblower Policy;



**Tracking progress** against our priorities to remain accountable for our initiatives; and

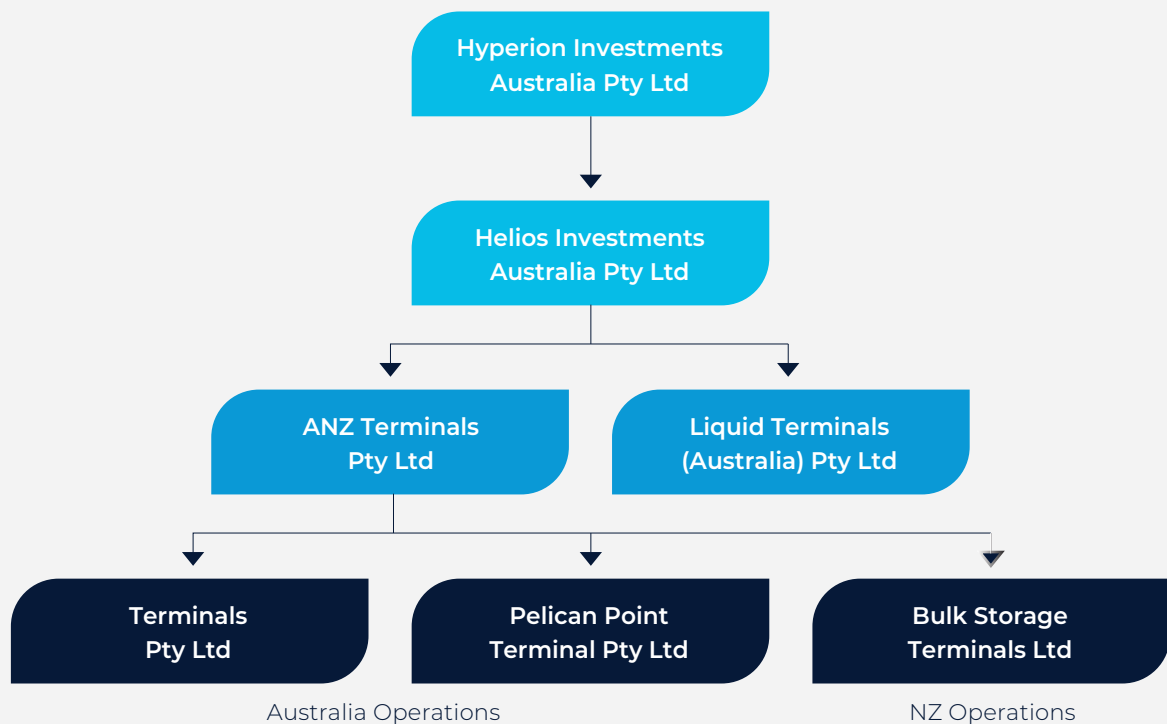


**Continued to deliver** and track completion rates of Modern Slavery Training to Quantem employees to raise awareness and maintain vigilance on detecting and preventing modern slavery.

## 8. About this Statement

*This Modern Slavery Statement is made in accordance with the Modern Slavery Act 2018 (Cth) (the Act). Under the Act, Hyperion Investments Australia Pty Ltd trading as Quantem and Helios Investments Australia Pty Ltd are the reporting entities within the Quantem Group required to submit a Modern Slavery Statement for the financial year ended 31 December 2023.*

### Abridged Corporate Structure Diagram



### Quantem Ownership Structure

Hyperion Investments Australia Pty Ltd is the holding company for the following subsidiaries:

- **Helios Investments Australia Pty Ltd**  
ACN 600 077 352 (reporting entity);
- **Terminals Pty Ltd**  
ACN 000 348 407 (operating entity);
- **Liquid Terminals Australia Pty Ltd**  
ACN 001 849 805 (operating entity);
- **Pelican Point Terminal Pty Ltd**  
ACN 144 651 132 (operating entity); and
- **Bulk Storage Terminals Ltd**  
Company Number 24280 (NZ)  
(operating entity).



## Consultation and Joint Statement

*This Modern Slavery Statement is prepared as a joint statement submitted on behalf of the reporting entities within the Quantem Group (Hyperion Investments Australia Pty Ltd and Helios Investments Australia Pty Ltd).*

*Each of Quantem and the Quantem Subsidiaries have been consulted in the development of this Modern Slavery Statement.*

*From a structural perspective, each of the Quantem directors are also directors of the Quantem Subsidiaries and the operations of each Quantem Subsidiary are overseen by the same Quantem Executive Leadership*

*Team. All Quantem Subsidiaries operate in accordance with centralised Procurement, Finance and Human Resources functions.*

*The governance policies underpinning Quantem's Modern Slavery work applies and has been rolled out throughout Quantem and the Quantem Subsidiaries. All employees within the Quantem group of companies are required to complete the same training and comply with the same modern slavery processes and procedures as set out in this Modern Slavery Statement.*



# 9. Appendix

## Modern Slavery Act 2018 (Cth)

### – Mandatory Criteria

*This Statement has been prepared to meet the mandatory reporting criteria set out in the Modern Slavery Act. The table below identifies where each of the criteria has been addressed within this Statement.*

Mandatory Criteria	2023 Modern Slavery Statement Reference
<ul style="list-style-type: none"> <li>Identify the reporting entity</li> </ul>	Page 12 – About this Statement
<ul style="list-style-type: none"> <li>Describe the structure, operations and supply chain of the reporting entity</li> </ul>	Pages 4,5 & 6 – Our Operations and Supply Chain Page 12 – Quantem Ownership Structure
<ul style="list-style-type: none"> <li>Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity, and any entities that the reporting entity owns or controls</li> </ul>	Page 7 & 8 – Modern Slavery Risks in Quantem's Operations and Supply Chains
<ul style="list-style-type: none"> <li>Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes</li> </ul>	Page 9 & 10 – Assessing and Mitigation Modern Slavery Risks
<ul style="list-style-type: none"> <li>Describe how the reporting entity assesses the effectiveness of such actions</li> </ul>	Page 11 – Assessing the Effectiveness of Quantem's Modern Slavery Compliance Initiatives
<ul style="list-style-type: none"> <li>Describe the process of consultation with any entities that the reporting entity owns or controls</li> </ul>	Page 13 – Consultation and Joint Statement
<ul style="list-style-type: none"> <li>Any other information that the reporting entity considers relevant</li> </ul>	Page 3 – Quantem Vision, Purpose and Values Page 5 – Commitment to our Customers

