



Modern Day Slavery Statement

Reporting Period: 01 January 2020 to 31 December 2020

Date of Issue: 30 June 2021

Issued to: Pon Australia Management Team
Callidus Group Management Team
Prochem Group Management Team
Fire Protection Technologies Group Management Team
Pon.Bike Australia Management Team
Australian Border Force

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Introduction

This statement is made pursuant to the Australian Commonwealth Modern Day Slavery Act 2018, and sets out to identify and mitigate any form of modern day slavery that may be present within the Pon Australia Group of companies and our supply chains.

This statement follows the the seven mandatory criteria (MC1 to MC7) as set out in the Guidance for Reporting Entities and draws on the United Nations Guiding Principles on Business and Human Rights.

Reporting entity:

- Pon Holding Australia Pty Ltd (PHA), holding company.

Joint reporting entities:

- Callidus Process Solutions Pty Ltd (CPS), Head Office, 100% owned by PHA.
- Callidus Welding Solutions Pty Ltd (CWS), 100% owned Subsidiary of CPS.
- Callidus New Caledonia SARL (CNC), 100% owned Subsidiary of CPS.
- Callidus Process Solutions Madagascar SARL (CMA), 100% owned Subsidiary of CPS.

(Collectively referred to as **Callidus Group**)

(Prochem Group Holdings Pty Ltd (PGH), Holding Company, 100% owned by PHA)

- Prochem Pipeline Products Pty Ltd (PPP), 100% owned Subsidiary of PGH
- Prochem Group NZ Pty Ltd (PGNZ) 100% owned Subsidiary of PHA
- AVFI Pty Ltd (AVFI), 100% owned Subsidiary of PHA

(Collectively referred to as **Prochem Group**)

(Fire Protection Technologies Pty Ltd (FPT), Holding Company, 100% owned by PHA)

- Fire Protection Technologies Pty Ltd Australia (FPTA), Head Office, 100% owned by FPT
- Fire Protection Technologies Ltd New Zealand (FPTNZ), 100% owned Subsidiary of FPT
- Energy Conservation Technologies Pty Ltd Australia (ECT), 100% owned Subsidiary of FPT

(Collectively referred to as the **Fire Protection Technologies Group**)

- Pon.Bike Australia Pty Ltd (PBA), Head Office, 100% owned by PHA

Our business

Pon Holding Australia (PHA) is the holding company for all Pon's activities in Australia, consisting of Callidus Group, Prochem Group, Fire Protection Technologies Group and Pon.Bike Australia (collectively referred to as **Pon Australia** or the **Pon Australia Group of companies**).

Pon Australia is involved in mobility products, services, and solutions globally. We also offer hundreds of industry solutions.

Callidus Group:

Callidus Group is a West Australian registered company since January 1997. Now consisting of CPS, CWS, CNC and CMA, the primary business centres around providing engineering solutions to the Nickel Industry and Oil & Gas Industry. This includes procurement, servicing, repair and modification of valves and associated equipment within our workshops and on-site work such as shutdown management and recertification of pressure safety valves.

CWS joined the group to expand on the range of welding, fabrication and erosion control services.

CNC and CMA were opened to provide local maintenance support to clients in those countries.

CPS opened a branch office and workshop in the Philippines to provide local maintenance support to clients in the Philippines.

Prochem Group:

Prochem Group consists of three operating entities, PPP, PGNZ and AVFI.

PPP primary business centres around procurement and distribution to provide flow control solutions to the Oil and Gas, Mining and general industry in Australia. This includes procurement, stocking and distribution of flow control products through a network of warehouse and sales support centres across Australia.

PGNZ is a recent start-up based in Hamilton New Zealand stocking and distributing the range of PPP and AVFI product ranges.

AVFI primary business is procurement, stocking and distribution of valves and fittings for the water and waste water industry. AVFI head office is based in Bundoora Victoria.

Fire Protection Group:

Fire Protection Technologies is an Australian, New Zealand & Singaporean registered company since 1 September, 2019. The primary business centres around the design and supply of specialised fire detection and suppression systems to Australia, New Zealand and South East Asia. This includes marketing, sales, design, supply and commissioning of system to the integration market.

Energy Conservation Technologies is an Australian and Singaporean registered company since 1st September, 2019. The primary business centres around the supply of air infiltration equipment for the energy and fire market throughout Australia, New Zealand and South East Asia.

Pon.Bike

Pon.Bike Australia NZ was established in 2021 as a wholly owned subsidiary. The business supplies bicycles into the Australian market via a retail dealer network. The business distributes three of the Pon global owned brands.

[Supply chain overview](#)

Callidus Group procure complete valves, spare parts, associated equipment and consumables from a wide variety of vendors in many countries around the world. This is driven primarily by the need to procure from the Original Equipment Manufacturer (OEM) stipulated by the client.

Prochem Group procure pipe, tube, flanges, fittings and valves and associated equipment from a variety of vendors in several countries around the world. This is driven primarily by the need to procure from the Original Equipment Manufacturer (OEM) Prochem Group is the agent for or through qualified/ISO-9001 approved mills and stockists.

The Fire Protection Technologies Group represents specific manufacturers of these specialised industry fire protection products. The OEM are primarily located in North America and Europe. Main responsibilities include marketing, selling, designing and supplying OEM products in the specific markets. Local assembly is often undertaken to modify the OEM's equipment to suit the specific application it is being supplied for. The equipment sold is also supported with after sales support with periodic service and maintenance.

Energy Conservation Technologies Group represents a specific OEM (Wohler Retrotec) and they primarily market and sell into the Australian, New Zealand and South East Asia market. The produce is procured from the USA and imported to either the Melbourne or Singapore facility.

Pon.bike supplies bikes to the Australian market place manufactured via the parent company owned brands of Focus, Cervelo and Kalkhoff. These brands source products primarily for SE asia and are assembled primarily for Focus and Kalkhoff brands in Germany or Taiwan for the Cervelo brand.

Support services are generally procured local to the facility requiring the service, with corporate contracts in place for services such as I.T.C., Accounting, Banking etc.

Corporate Social Responsibility (CSR)

As part of our CSR strategy and policies, the Pon Australia companies are committed to making a positive ethical, environmental and social contribution to society. Part of this commitment is to ensure all possible risk of any form of modern slavery within our business activities are identified and mitigated. This requires close working relationships with clients and key suppliers which is something Pon Australia strive to achieve.

Addressing modern slavery

The Pon Australia companies are adopting a 3 step approach to addressing modern slavery impacts identified through either direct or indirect activities;

1) Audit and identification

All facilities and supply chains are being audited to identify any potential risk.

2) Resolving and mitigating

Actions are put into place to address the risk and either resolve the issue completely or mitigate the risk as far as possible.

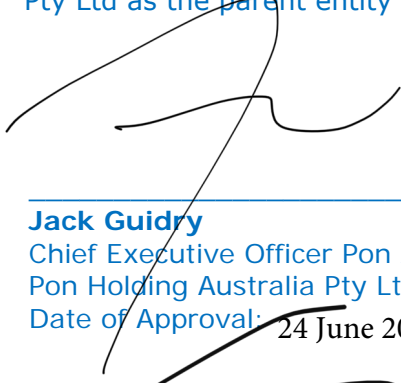
3) Training and communication

Training is being implemented internally to educate management and procurement personnel on the risks around modern slavery. Communication is in place both internally and externally on our expectations and the effectiveness of our actions.

The Pon Australia companies submit this statement as part of our continued efforts to develop and improve our processes and procedures to ensure modern day slavery is eradicated within our business and our business partners.

Approvals:

This statement for Pon Australia consisting of Callidus Group, Prochem Group, Fire Protection Technologies Group and Pon.Bike Australia was approved by the Board of Pon Holding Australia Pty Ltd as the parent entity on 24 June 2021.



Jack Guidry

Chief Executive Officer Pon Australia
Pon Holding Australia Pty Ltd

Date of Approval: 24 June 2021

David Wood

Chief Executive Officer (CPS)
Callidus Process Solutions Pty Ltd.

Date of Approval: 24 June 2021



Gary Lantzke

Chief Executive Officer (CWS)
Callidus Welding Solutions Pty Ltd.

Date of Approval: 28 June 2021



Paul Clarke

General Manager
Callidus Process Solutions Madagascar Sarl (CMA)


Date of Approval: 21 June 2021



Guillaume Bunel

General Manager
Callidus Process Solutions New Caledonia Sarl (CNC)

Date of Approval: 21 June 2021



Guy Standing

Managing Director (PPP)
Prochem Pipeline Products Pty Ltd.
Date of Approval: 24 June 2021



Richard Moulton

General Manager (AVFI)
AVFI Pty Ltd.
Date of Approval: 24 June 2021



Greg Addison

Country Manager (PGNZ)
Prochem Group New Zealand Pty Ltd.
Date of Approval: 28 June 2021



Anthony Stagg

Managing Director
Fire Protection Technologies Pty Ltd (Australia).
Energy Conservation Technologies Pty Ltd.
Date of Approval: 28 June 2021



David Boff

General Manager
Fire Protection Technologies Pty Ltd (New Zealand).
Date of Approval: 28 June 2021



Graeme Moffett

Managing Director
Pon.Bike Australia Pty Ltd
Date of Approval: 24 June 2021

MC1: Reporting Entities

Pon Holding Australia Pty Ltd

Australian Company Number: 164 517 104
Registered Office: 18 Ledger Road, BALCATTA WA 6021
Operational Locations: n/a
Status: Private Company

Callidus Process Solutions Pty Ltd (Head Office)

Australian Company Number: 077 149 529
Registered Office: 18-20 Ledger Road, Balcatta, WA, 6021, Australia
Operational Locations: Australia: Perth, Adelaide, Brisbane, Darwin, Karratha
Philippines: Manila (Branch Office)
Status: Private Company

Callidus Welding Solutions Pty Ltd

Australian Company Number: 104 455 165
Registered Office: 18-20 Ledger Road, Balcatta, WA, 6021, Australia
Operational Locations: Australia: Perth
Status: Private Company

Callidus Process Solutions Madagascar SARL

Company Registration Number: 2013 B 00110
Registered Office: Immeuble Wu Chao Ying, Tanandava – RN2,
Toamasina 501 - Madagascar
Operational Locations: Madagascar: Toamasina
Status: Private Company

Callidus New Caledonia SARL

Company Registration Number: 779025.001
Registered Office: 13 Rue Georgette Mourin, Parc des entreprises de la Yahoué,
Normandie, BP 30033, 98895 NOUMEA Cedex, New Caledonia
Operational Locations: New Caledonia: Noumea
Status: Private Company

Prochem Pipeline Products Pty Ltd

Australian Business Number: 74 000 337 824
Registered Office: 6 Forge Street, Welshpool, WA, 6106, Australia
Operational Locations: Australia: Perth, Adelaide, Melbourne, Hobart, Sydney,
Brisbane
Status: Private Company

Prochem Group New Zealand Pty Ltd

NZ Business Number: 9429046835840
Registered Office: 560 Arthur Porter Drive, Te Rapa Gateway, Hamilton, 3200,
NZ
Operational Locations: New Zealand: Hamilton
Status: Private Company

AVFI Pty Ltd

Australian Business Number: 83 159 299 242
Registered Office: 54 Enterprise Drive, Bundoora, Victoria, 3083
Operational Locations: Australia: Melbourne, Brisbane, Perth
Status: Private Company

Fire Protection Technologies Pty Ltd (Head Office)

Australian Company Number: 634 309 461
Registered Office: 1/251 Ferntree Gully Road, Mount Waverley, 3149. Australia
Operational Locations: Australia: Melbourne, Sydney, Perth, Brisbane
Status: Private Company

Fire Protection Technologies Pty Ltd

Australian Company Number: NZCN 7585736
Registered Office: 2-13 Airborne Road, Rosedale, North Shore, 0632
Operational Locations: New Zealand, Auckland
Status: Private Company

Energy Conservation Technologies Pty Ltd

Company Registration Number: 634 309 292
Registered Office: 1/251 Ferntree Gully Road, Mount Waverley. 3149. Victoria
Operational Locations: Australia
Status: Private Company

Pon.Bike Australia Pty Ltd

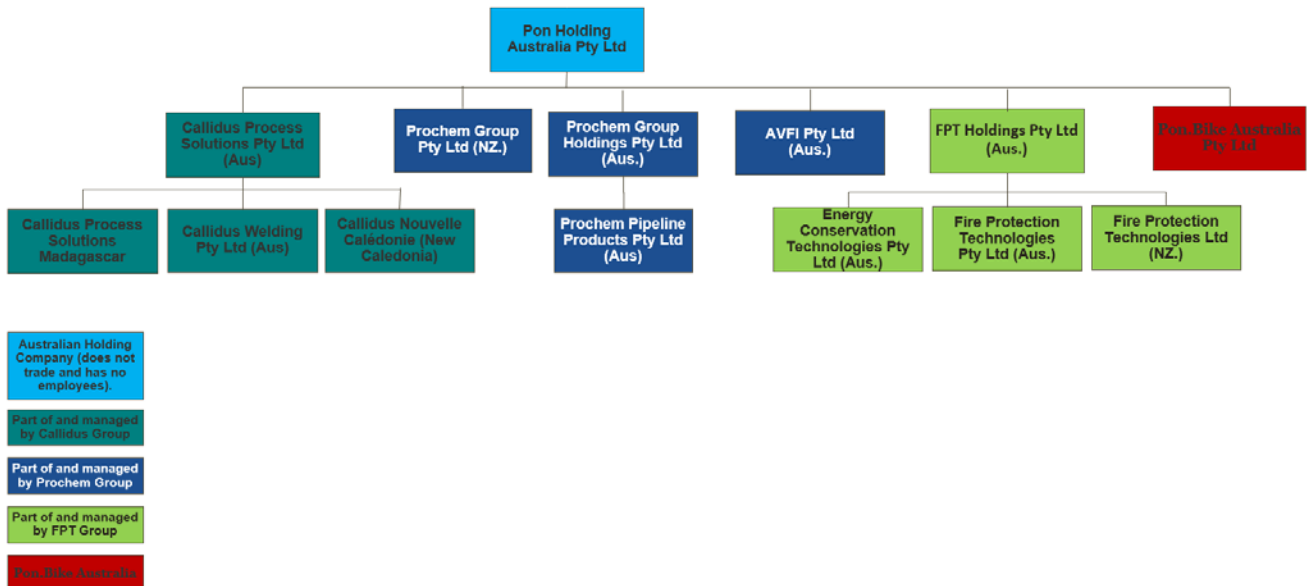
Australian Company Number: 150 559 925
Registered Office: 58 David Terrace, Kilkenny, SA, 5009
Operational Locations: Australia: Adelaide
Status: Private Company

MC1 actions for 2021:

Update with any new entities established during 2021.

MC2: Structure, Operations and Supply Chains.

Structure:



Workforce Composition:

	Direct	Contractor	Agency	Temporary	Seasonal
CPS	210	0	0	0	0
CWS	52	5	0	0	0
CMA	4	28	0	0	0
CNC	31	0	0	0	0
PPP	67	0	0	0	0
PGNZ	4	0	0	0	0
AVFI	18	0	0	0	0
FPT-Aus	37	0	0	0	0
FPT-NZ	3	0	0	0	0
ECT-Aus	2	0	0	0	0
PBA	9	2	0	0	0

Union membership is confidential between the employees and the Union. Individual membership is not reported to the Company so actual numbers are unknown. The Australian Metal Workers Union (AMWU) has members at CPS and CWS. The Union des Syndicats des Ouvriers et Employés de Nouvelle-Calédonie (USOENC) has members at CNC. There are no known union members at any other entity.

Operations:

Main Products Supplied:

Callidus Group

Valves, Actuators, Spare Parts, Pipes, Elbows, Vessels and Ancillary Equipment.

Products can be sourced from Original Equipment Manufacturers and/or agents and distributors anywhere in the world.

Some products are manufactured by Callidus using raw material (e.g. titanium plate) being sourced primarily from China.

Prochem Group

Pipe, Tube, Flanges, Fittings, Valves and associated products.

Products can be sourced from approved Original Equipment Manufacturers and/or agents, distributors and mills globally.

FPT Group

Cylinder & Valve Assemblies, Actuators, Valves, Fire Panels, Thermal Detectors, Flame Detectors, Smoke Detectors, tanks, fire fighting foams, nozzles, pumps, pressure relief vents.

Products can be sourced from Original Equipment Manufacturers in North America and Europe.

Pon.Bike Australia

Complete Bicycles assembled in either German or Taiwan. Components for bicycles sourced from factories globally including Taiwan, China, Malaysia, Vietnam and Japan.

Main Services Offered:

SERVICE	LOCATION
Supply	CPS, CNC, CWS, PPP, PGNZ, AVFI, FPT & ECT, Pon.Bike
Overhaul and Repair	CPS, CNC, CWS, CMA, CMOG, FPT(AUS), FPT(NZ)
Engineering Support	CPS, CNC, CWS, FPT(AUS), FPT(NZ)
Pressure Testing	CPS, CNC, CWS, CMA, CMOG, FPT(AUS), FPT(NZ)
Erosion and Corrosion Control	CPS, CWS, CMA
Calibration	CPS
Valve Recertification	CPS, CNC, CMA, CMOG
Welding / Fabrication	CWS
On-Site Labour	CPS, CNC, CWS, CMA
Recharging	FPT(AUS), FPT(NZ)
Commissioning	FPT(AUS)
Training	FPT(AUS), FPT(NZ) & ECT

Supply Chains:

Main categories of products/services/parts/raw material that is procured, and sourcing country.

Category of Product/Service	Country of Purchase	Origin of Service/Material
Callidus Group:		
Valves and Spare Parts	Australia, Malaysia, USA, Canada, Japan	USA, Mexico, Canada, UK, Italy, Spain, Netherlands, Austria, Germany, Belgium, France, China, Malaysia, Singapore, Japan, Hungary
Pipes, Elbows, Raw Material, Fittings	Australia, China	Australia, Austria, Germany, China, India, Malaysia, Taiwan, Europe.
Services	Australia, New Caledonia Philippines, Madagascar	Worldwide
Prochem Group:		
Pipe, Tube, Flanges, Fittings, Valves	Australia, USA, Canada, UK, Spain, France, Netherlands, Belgium, Italy, Germany, China, Taiwan, South Korea, Singapore, Japan, India, Turkey, Israel, New Zealand	Australia, USA, Canada, UK, Spain, France, Netherlands, Belgium, Italy, Germany, China, Taiwan, South Korea, Singapore, Japan, India, Turkey, Israel, New Zealand, Thailand
Actuators, Cylinder & Valve Assemblies	USA, UK.	USA, UK, China
Fire Protection Group:		
Fire Panels	USA, UK	USA, UK
Fire Detection	USA, UK, Germany	USA, UK, Germany
Tanks	Australia	China
Fire Fighting Foams	Sweden	Sweden
Pumps	Germany, UK	Germany, UK
PRV's	UK	China, UK
Pon.Bike:		
Bicycles	Germany, Taiwan	Taiwan, China, Malaysia, Vietnam, Japan

Vendors are either:

Original Equipment Manufacturers (OEM).

- In this case they are usually dictated by the Client, either by way of being an approved vendor of the client, or by way of providing spare parts to repair previously supplied OEM equipment.

Agents / Distributors:

- Acting on behalf of the OEM in a specific region. We may be directed to deal with agents/distributors by the OEM.

Operational Third Parties:

- Parts manufacturer, machine shops, freight forwarders, calibration services etc. Selected by way of Callidus Group approved vendors based on performance, cost, ability to meet deadlines.

Commercial Third Parties:

- I.T. Support, Insurance Brokers, Realtors, Cleaners, etc Selected by location, ability to meet the scope of work.

Goods and services are provided by these vendors all year round, i.e. not seasonal.

MC2 actions for 2021:

Continuing review of products and services to identify anything new in 2021.

MC3: Risk Assessment

Operations : Risk Review

There are three main ways the Pon Australia companies can have an impact on Human Rights:

- Cause
- Contribution
- Linkage

Cause:

A review of the eight types of exploitation defined by The Act was completed to identify any risk within our own operations caused by our own actions.

Trafficking in persons
• No Risk Identified
Slavery
• No Risk Identified
Servitude
• Local workers in third world countries employed through a sub-contractor.
Forced labour
• No Risk Identified
Forced marriage
• No Risk Identified
Debt Bondage
• No Risk Identified
The worst forms of child labour
• No Risk Identified
Deceptive recruiting for labour or services
• No Risk Identified

Contribution:

Contribution can be made in two ways;

- Contribution through a business relationship
- Contribution in parallel (multiple entities contributing to a greater impact).

Contribution through a business relationship
• Undue pressure on Vendors to meet deadlines/budgets may result in a breach of labour standards in order to deliver.
Contribution in parallel
• No Risk Identified

Linkage:

Pon Australia could be linked to Modern Day Slavery breaches through its relationship with its vendors.

To identify potential high risk areas in our supply chain we have used the following references;

- Country Risk: Walk Free Foundation Global Slavery Index 2018, Appendix 2, Part C, Table 6 and Table 7.
- Product Risk: Walk Free Foundation Global Slavery Index 2018, Appendix 3, Table 2.
- Service Risk: Walk Free Foundation/International Labour Office, Global Estimates of Modern Slavery, Part 1, Section 1.2.1, Figure 9.

Country Risk
<ul style="list-style-type: none">• Products, services and raw materials originating from high risk countries. China, Malaysia, Singapore, India, Taiwan, Madagascar, Papua New Guinea, Thailand, Turkey, Vietnam, Japan.
Product Risk
<ul style="list-style-type: none">• Clothing (Uniforms, PPE)• Electronics
Service Risk
<ul style="list-style-type: none">• Cleaners• Manufacturing

MC3 actions for 2021:
Continuing review of our operations to identify anything new in 2021.

MC4: Due Diligence and Remediation

Due Diligence:

Identifying and assessing:

Cause Risk

- Local workers in Madagascar are employed through a sub-contractor.

To address this risk the Sub-contractor must submit monthly payroll information to CPS for review and approval. Interviews with contractor employees are carried out to confirm payments are made correctly. Regular discussions around working conditions are carried out between employees and General Manager for Madagascar. The sub-contractor is a natural person who resides in Madagascar and also provides other services for the Company.

Contribution Risk

- Breach of Labour conditions by vendor.

To address this risk only reputable vendors are used. The vendor is requested to quote lead times allowing them time to complete the work. Vendor assessments are carried out to confirm ability to perform work safely and ethically.

Linkage Risk

Pon Australia use a wide range of vendors, for a wide range of products and services, sourced from a wide range of countries. To identify potential high risk areas in our supply chain we map products and services against the following;

Country Risk: Walk Free Foundation Global Slavery Index 2018, Appendix 2, Part C, Table 6 and Table 7.

Product Risk: Walk Free Foundation Global Slavery Index 2018, Appendix 3, Table 2.

Service Risk: Walk Free Foundation/International Labour Office, Global Estimates of Modern Slavery, Part 1, Section 1.2.1, Figure 9

In addition, vendors are asked to confirm the following;

- 1) Are they currently reporting on Modern Day Slavery.
- 2) Do they have a Modern Day Slavery / Human Rights Policy.
- 3) Do they address Modern Day Slavery Risk within their Terms and Conditions of Purchase.
- 4) Will they sign to confirm acceptance of Pon Group of Companies Supplier Statement on Modern Day Slavery.

Finally a Google search is carried out to identify any existing news stories relating to any kind of breach.

Based on the vendors response, they are scored against each of the assessment points above and given an overall Risk Category.

Total Score	Risk Category	Definition
1 – 5	A	Negligible Risk
6 – 99	B	Minor Risk
100 - 9,999	C	Low Risk
10,000 - 39,999	D	High Risk
40,000 +	E	Major Risk

A Risk Category of 'C' – is an acceptable starting point for vendors complying with minimum requirements.

Vendors that are proactively taking steps to mitigate their risk and can demonstrate this can potentially score an 'A' or 'B'.

Vendors with higher risk scores 'D' or 'E' will be subject to further review to confirm the accuracy of the rating. A decision is then made on future use of this vendor and any other action that should be taken.

Current status EOY 2020.

Total number of assessments sent out : 50

Total number of assessments returned : 20

Total number of assessments outstanding : 30

Breakdown of assessments returned : Risk Category
A = 0
B = 0
C = 20
D = 0
E = 0

High Level Risks identified:

None

Integrating the findings:

Training : Modern Day Slavery training has been developed and distributed across all Opcos to raise awareness. This is a requirement for all employees to complete.

Reporting : This report is published publically and made available to all employees.

Communication : Direct reporting channels for identified impacts or concerns are being established in each Opco.

Tracking Performance:

No performance tracking carried out for 2020.

Internal Audits to be established in 2021.

Public Communication:

This report will be published publicly as per reporting guidelines.

Remediation:

For the year 2020 there were zero impacts identified. As such, no remediation activity has occurred.

MC4 actions for 2021:

Continue to send out assessments for Australian direct supply : Target = 50.

Chase outstanding assessments from 2020 : Target = 30

Focus on assessing direct supply to overseas entities : Target = 30 assessments

Review Vendor Scorecard and Risk Category to ensure sufficient accuracy to identify potential risks.

Continue and further develop training.

Develop and implement Audit schedule.

MC5: Effectiveness

Performance Indicators for 2020	Target	Result
Number of vendor assessments sent out	50	50
Number of vendor assessments completed and returned by EOY	40	20
Training sessions completed	90%	94%
Number of internal audits completed	0	0

Corrective Action Plan for identified Impacts	Status
None identified	

Corrective Action Plan for identified high risk vendors	Status
None identified	

These KPI's and Action Plans form part of the Senior Management Annual Risk Meeting.

MC5 actions for 2021:
Monitor performance and develop KPI's

MC6: Consultation

All reporting entities were consulted at the highest level regarding the Guidance for Reporting and actual report contents.

Each entity is responsible for the roll out of training within their own employees.

Feedback from consultation with each entity is collected and collated at the Reporting Entity level to ensure consistency across all areas of the business.

Results are reviewed at Senior Management level and any high risk areas identified are to become a focus for the next report.

MC7: Other Relevant Information

No further information to report.