

# ior

## SMRM Holdings Pty Ltd Modern Slavery Statement 2023

- Year ended 30 June 2023 (FY23')

# Objective



***The Modern Slavery Report 2023 is for the financial year ended 30 June 2023 (FY2023) 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***

<b>Entity</b>	<b>ABN</b>
SMRM Holdings Pty Ltd	85 168 760 861
AF Townsville Pty Ltd	54 638 510 059
Fuelcharge Pty Ltd	32 616 990 339
Hyblue Pty Ltd	25 065 395 244
IOR Pty Ltd	36 009 653 070
IOR Aviation Pty Ltd	60 056 487 453
IOR Energy Pty Ltd	60 010 504 444
IOR Terminals Pty Ltd	14 057 379 067
IOR Transport Pty Ltd	66 162 200 099
IOR Transport Services Pty Ltd	15 605 338 396
IOR Services Pty Ltd	46 151 774 159
IOR Sales & Rentals Pty Ltd	49 137 156 097
IOR Marine Pty Ltd	93 159 791 330
IOR Rural Holdings Pty Ltd	33 641 448 277
IOR Rural Assets Pty Ltd	83 641 450 473
IOR Rural Pty Ltd	76 641 451 630
IOR Rural Services Pty Ltd	11 641 449 809
Lytton Terminals Pty Ltd	52 633 000 781
Strike Fuels Pty Ltd	90 167 909 195
Strike Fuels Assets Pty Ltd	81 621 590 010
Strike Fuels Holdings Pty Ltd	50 621 590 761
Strike Fuels Employment Pty Ltd	42 621 591 535

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

# Our Commitment

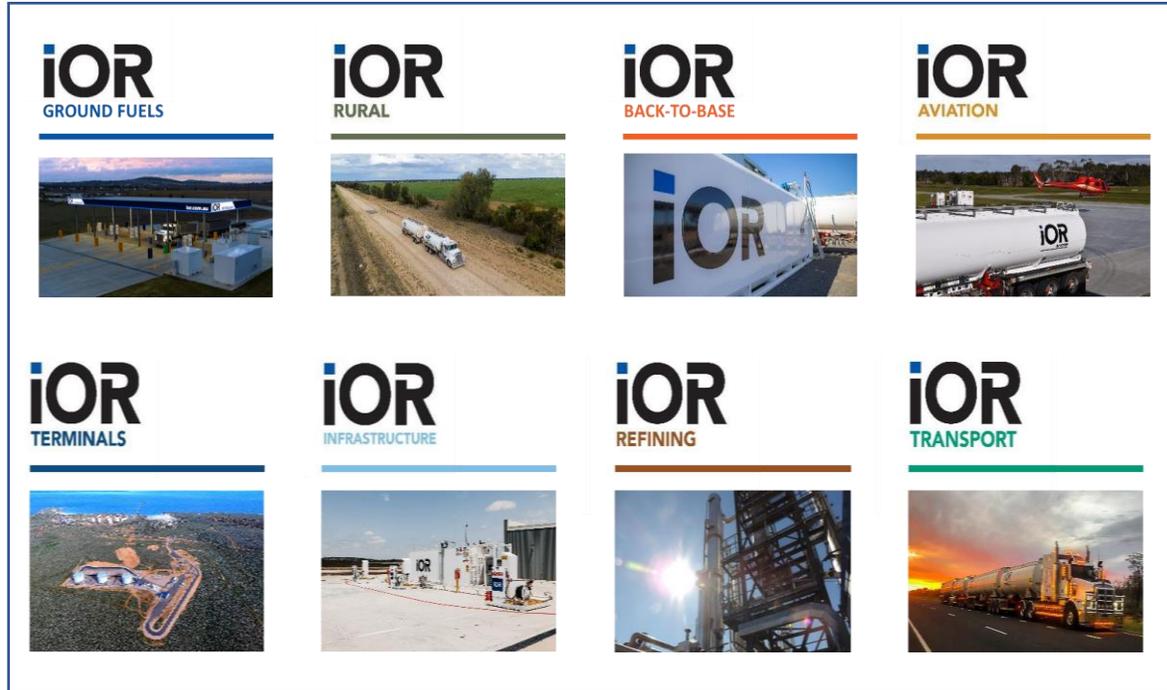


- 1** *To oppose to all forms of modern slavery, servitude, compulsory labour, trafficking and related acts of exploitation against any person*
- 2** *To respect ethical labour practices and is committed to taking appropriate action to address modern slavery risks, within its operations and supply chain 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

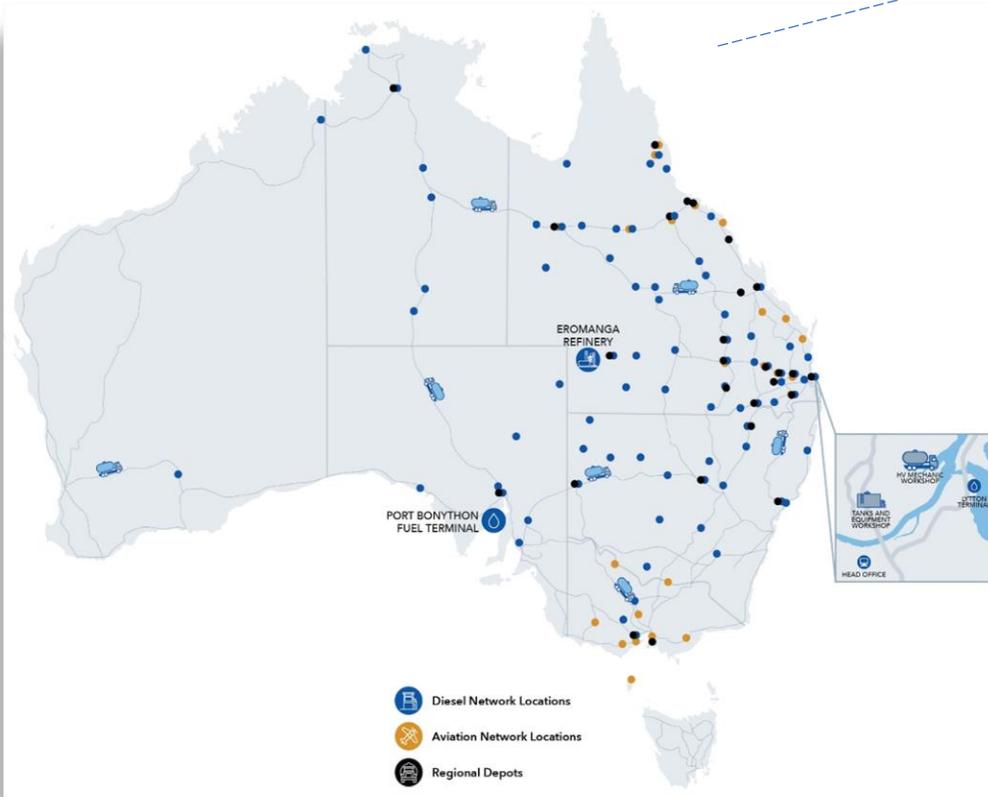


*We are passionate about making sure our hard-working customers across Australia can fuel up, keep going and keep growing...*



- ✓ 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



Fuel Management System

- 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



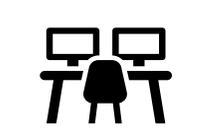
Shared Services

- 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



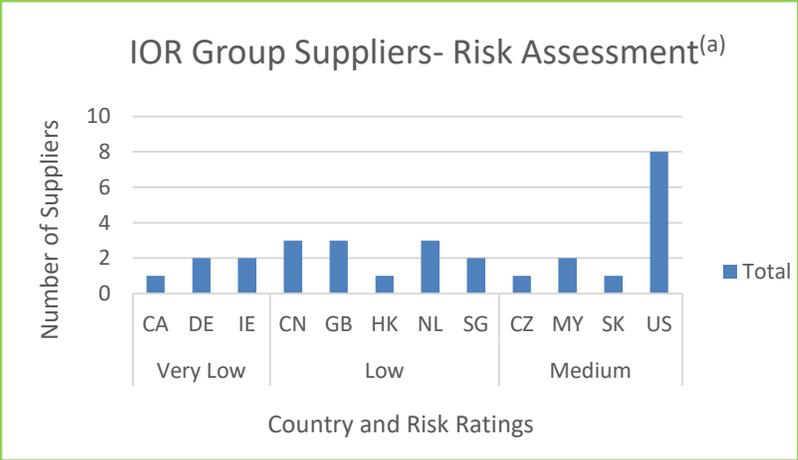
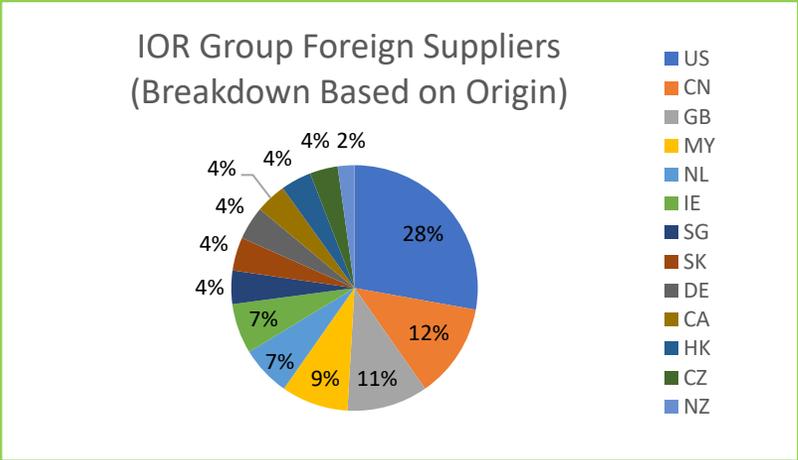
## Qualitative

Areas of Operations	Areas of Spend	Assessment	Risk Rating
	<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>
	<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>
	<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>
	<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>Moderate</p> <p>Low</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>
	<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



## Quantitative



- The IOR Group's consists predominantly domestic / Australian suppliers
- The majority suppliers (approx. 52%) are from the US followed by China and Great Britain
- There are zero suppliers that are in the high-risk countries based on the Prevalence Index
- More than 60% of our foreign suppliers are in the very low and low risk countries
- Based on an internal risk assessment, 68% of our foreign suppliers are identified as low risk and the remaining 32% are medium risk <sup>(b)</sup>

Note :

1. Risk Assessment is based on :-
  - a. Prevalence Index (Global Slavery Index 2023)
  - b. Internal Risk Assessment Index is assessed based on various factors including company reputation, industry risk, country risk, supply chain risk and subcontracting risks

# 2023 Initiatives

## Implemented in FY2023

### Supply Chain

- Established supplier due diligence and vendor risk assessments as part of the vendor selection process
- Inclusion of modern slavery clauses in contracts



### Operations

- Established a Groupwide modern slavery policy
- Enhanced reporting mechanisms via whistleblower hotline to improve communication managed by an independent third party
- Enhanced the decision-making process in procurement and investment decisions considering modern slavery factors



### Training

- Developed and rolled-out inhouse training modules on modern slavery for new hires
- Increased awareness and understanding on modern slavery via email blast and ad-hoc training(s) in relation to the importance of identifying and recognizing modern slavery(s)



# Planned Initiatives (2024-2025)

## Supply Chain

- Implement modern slavery questionnaires for suppliers that operate in high-risk geographies
- Implement annual supplier declarations on modern slavery and request for modern slavery statements from suppliers
- Undertake supply chain mapping to help understand key risk areas in supply chain



## Operations

- Implement periodic audit / site-visit(s) to Supplier's premises to better understand Supplier supply chains
- Undertake periodic reviews with internal Business Managers on Modern Slavery risks within the supply chain system



## Training

- Implement trainings for Suppliers that are sourcing materials from high-risk geographies
- Continue internal training for new hirers and refresher courses on a periodic basis



- ❖ *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 joint 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 2023 reporting period.*



Stewart Morland  
**Managing Director**



Ross Mackenzie  
**Executive Director**

Date: 28 July 2023

