



2024

MODERN SLAVERY STATEMENT

SAUNDERS
INTERNATIONAL

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Acknowledgement of Country

We acknowledge the Traditional Owners and Custodians of Country throughout Australia. We pay our respects to all First Nations peoples and acknowledge Elders past and present.

As a business that works across many locations, we recognise and support their continuing connection to lands, waters, cultures, languages, and traditions.



Managing Director and CEO's Message

At Saunders, we remain steadfast in our commitment to identifying, addressing and mitigating modern slavery risks across every level of our operations and supply chains.

By strengthening our collaboration with suppliers and clients, we strive to enhance transparency, uphold ethical practices and promote responsible procurement.

Together, we are building a business environment that protects human rights, champions ethical standards and supports a sustainable and socially responsible future.

Mark Benson
Managing Director and Chief Executive Officer

About this report

This is the second Modern Slavery Statement ('Statement') of Saunders International Limited ('Saunders') and its subsidiaries for the Financial Year ended 30 June 2024.

This Statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) ('Act'). It was approved by the Saunders Board of Directors under section 13 of the act on the 18th of December 2024.

Saunders supports the recognition of human rights as stated in the UN Guiding Principles on Business and Human Rights. We are committed to abiding by the ten principles of the UN Global Compact and contributing to the UN Sustainable Development Goals.

Markets

We are a trusted partner supporting our clients across all aspects of the asset lifecycle, covering design, build and maintenance, focusing on these key markets.

DEFENCE & GOVERNMENT



ENERGY



WATER



RESOURCES & INDUSTRIALS



Delivery Units

Saunders provides a multidisciplinary, integrated offering across the complete asset lifecycle, specialising in bulk fluid storage and transfer solutions.

01

Bulk Fluid Storage

02

Structural, Mechanical & Piping (SMP)

03

Industrial Automation & Electrical

04

Civil Infrastructure

05

Industrial Asset Services

Operations

A Collaborative Construction Approach

We work together with our clients as 'OneTeam' to provide certainty in a fast-evolving environment.

Saunders has over 70 years of experience in the Australian engineering construction industry. As an ASX-listed company, we take pride in our strong governance and quality project delivery.

Our Team

With a national team of over 500 employees, we are committed to delivering solutions that meet the highest standards of quality and safety, regardless of projects size, complexity, value or location.

Delivering Solutions

Saunders operates as a leading provider of multidisciplinary engineering and infrastructure solutions across New South Wales, Queensland, Victoria, Western Australia, South Australia, Northern Territory, as well as New Zealand and Papua New Guinea.

We continuously explore additional regions to follow key clients and opportunities that align with our strategic direction, expanding into new markets to support the business interests of both national and international clients.

Our Presence

With metropolitan and regional offices strategically located across Australia, and established operations in Papua New Guinea and New Zealand, we are well-positioned to serve our clients' needs.

Saunders is an integrated industrial engineering and construction company, proudly Australian-owned and operated since its founding in 1951 and listed on the Australian Securities Exchange (ASX: SND) since 2007.



Organisational Structure

Saunders consists of Saunders International Limited and its subsidiaries. Details of the Group’s material subsidiaries as at 30 June 2024 are as follows.

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of Ownership	
			2024	2023
Saunders Civilbuild Pty Ltd	Bridge construction and maintenance	Australia	100%	100%
Saunders Property (NSW) Pty Ltd	Real property investments	Australia	100%	100%
Saunders Asset Services Pty Ltd	Maintenance	Australia	100%	100%
Saunders PNG Limited	Tank construction and maintenance	PNG	100%	100%
Saunders PlantWeave Pty Ltd	Industrial automation	Australia	100%	100%
Saunders International (NZ) Ltd	Tank construction and maintenance	New Zealand	100%	100%
Saunders Automation Pty Ltd	Industrial automation	Australia	100%	100%
Saunders Piping Solutions Pty Ltd	Piping construction and installation	Australia	100% ¹	

¹ Saunders acquired Piping Solutions Pty Ltd with effect from 22 Dec 2023.

Board of Directors Information and Profiles



Nicholas Yates
Chair

Nicholas has over 35 years of experience in engineering services and construction. He has held several CEO and Board positions in both listed and private companies, including Chief Executive, Infrastructure ANZ at Transfield Services, followed by Chief Executive Officer and now Chair of ASX-listed BSA Limited.

Nicholas was appointed to the Saunders Board in September 2020 and has since served as a Non-Executive Director and a member of the Remuneration Committee and Audit and Risk Committee. He was appointed Chair on 1 July 2023.



Greg Fletcher
Non-Executive Director

Greg is a company director who retired from the Deloitte partnership in 2009 to pursue board roles. He currently holds the position of Co-Vice Chairman at Yancoal Australia Limited and serves as Chair of the HealthShare Audit & Risk Committee. Additionally, he is a member of the NSW Police Force, Western Sydney Local Health District and the NSW Health Infrastructure Audit & Risk Committees.

Greg has been a Director on the Saunders Board since July 2015 and is Chair of the Audit and Risk Committee and member of the Remuneration Committee.



Mark Benson
Managing Director and
Chief Executive Officer

With an executive career spanning over 30 years, Mark is a seasoned leader in the engineering and construction industry.

Prior to joining Saunders, Mark served as the General Manager of RCR Energy, a division of ASX-listed RCR Tomlinson. He also held senior executive positions with RICO, HIS Engineering, VRBT Group and major utility alliances including AGL, Origin, and NRG.

Mark was appointed as Managing Director and Chief Executive Officer, and a Director of the Saunders Board in 2015.



Brendan York
Non-Executive Director

Brendan is an experienced executive and director. He is currently a Portfolio Manager with NAOS Asset Management Ltd (NAOS), a substantial and significant shareholder in Saunders. Brendan has over 20 years of finance, accounting, and M&A experience.

He currently serves as a Non-Executive Director for the following ASX-listed companies: Big River Industries Limited (BRI), BSA Limited (BSA), BTC Health Limited (BTC), MaxiParts Limited (MXI) and Wingara AG Limited (WNR). Brendan joined the Saunders Board in July 2023.

He is the Chair of Saunders' Remuneration Committee and a member of the Audit and Risk Committee.



Alex Dunne
Chief Financial Officer and
Co-Company Secretary

Alex is an experienced finance executive, having served in CFO roles across various commercial environments in the construction, infrastructure and renewables sectors, joining Saunders in 2024 from The Murrina Group and previously the Titan Group of Companies. He has also worked in accounting and finance focused roles at PwC and Pitcher Partners. Alex is a Chartered Accountant and holds an MBA from UTS.

Alex was appointed as Chief Financial Officer and Co-Company Secretary in August 2024.

Supply Chains

In 2024, we focused on the strategic evolution and targeted growth of our business and operations.

Through the growth of our business, we have strengthened our supply chains by supporting long-term, trusted partners and maintaining a continued focus on developing local supply relationships in regional areas.

By developing these regional partnerships, we can support local jobs in these regions, foster the development of highly-valued skills and add to local economies.

We have developed monitoring tools, such as our supplier self-assessment, to better understand modern slavery risks in our supply chain, and we have complied with the assessments required by our clients.

Saunders has over 800 direct domestic and international suppliers who support the delivery of our services. Our supply chain can be broadly split into two primary categories – ‘Subcontracted Works’ and ‘Goods and Services Supply’.

Subcontracted works refer to the engagement of a subcontractor to deliver a scope of work that includes the supply of the materials, goods and services required to fully deliver the subcontracted scope, e.g., the engagement of a civil contractor to provide a building foundation. The subcontracted works may include elements of both on-site and off-site labour and engagement of goods and services providers with whom we have no direct relationship. Subcontracted works constitute the largest segment of our supply chain and account for approximately 53% of our supply chain spend. Our key areas of expenditure for subcontracted works relate to the following categories:

- Fabrication of steel products
- Subcontracted site works such as civil, electrical and protective coatings contractors.
- Environmental services, including waste management and environmental monitoring.
- Professional services such as engineering, legal and financial services.

Goods and Services Supply involve the procurement of goods and services by Saunders on a supply-only basis, i.e., the goods and services are incorporated directly into the works being undertaken by Saunders, e.g., concrete supply incorporated into bund wall construction. Goods and services supply typically accounts for 47% of our supply chain spend.



Supplier count
800
Direct suppliers in FY24



2024 Procurement
47%
Goods and Services supply



Procurement from high risk countries
Zero
2018 Global Slavery Index top 10

Our key areas of expenditure for goods and services supply relate to the following categories:

- Raw materials such as plate and reinforcement steel and concrete.
- Fabricated industrial goods such as piping and valves.
- Construction consumables such as fuel, welding rods, and personal protective equipment.
- Plant and equipment such as cranes, diesel generators and welding machines.
- Labour hire.
- Insurance providers.

While our supply chain is primarily in service of the management, design, construction, and maintenance of projects related to our core operations outlined previously, it also includes goods and services related to corporate operations. Corporate services represent 5% of our supply chain spend, with our key areas of expenditure including:

- Property services such as office leasing, utilities, and maintenance services.
- Information and communication technology.
- Professional services such as financial auditing.
- Branded merchandise and attire (including safety attire).
- Hospitality and catering.

Saunders procures the vast majority of our subcontracted services, and goods and services supply from providers within Australia. Saunders does not have operations in or procure from organisations based in any of the 10 high-risk countries identified in the 2018 Global Slavery Index.

Slavery Risks

The technical nature of our operations and the specialist skills required naturally reduce the risk of modern slavery within our supply chain, but we continue to improve our risk identification and mitigation processes.

Each of the risk factors below is considered in the development and implementation of our procurement methodology and supply chain management strategy to ensure that we minimise the risks that we may cause, contribute to, or be directly linked to modern slavery practices.

Domestic spend
99.3%
Invoiced goods and services FY24

Supplier assessment compliance
93%
Completed self assessments in 2024

Identified Risks

Sector & Industry risks

Certain sectors and industries within our supply chain have a greater risk of modern slavery practices due to their industry structure and culture. For example, industries where there is a reliance on a low-skilled, transient workforce due to seasonal variations in workforce requirements.

Geographic risks

Certain countries that supply goods and services may present a higher risk of modern slavery due to poor governance, conflict and socio-economic factors such as low employment. For example, this includes the supply of goods manufactured in countries that have not enforced the International Labour Conventions relevant to modern slavery.

Entity risks

Certain entities from which goods and services and subcontracted works are procured may present a greater risk of modern slavery practices due to poor governance structures and organisational culture.

For example, this includes entities that are non-compliant with accepted human rights and labour standards.



Addressing Risks

At Saunders, our commitment to continuous improvement extends to everything we do. This commitment is shown through our robust processes and procedures

Saunders considers the risk of modern slavery in its immediate supply chain to be low due to the geography of its operations and predominantly domestic supply chain. However, Saunders recognises the need to address the residual risks of modern slavery and does so in four key areas – governance and leadership, policies and frameworks, training and education and processes and procedures.

Governance and leadership – Saunders' leadership is committed to setting a strong example of ethical behaviour for the organisation. The practices expected by the leadership are enshrined in the policies and frameworks, communicated through training and education, and practised via our processes and procedures. In the last 12 months, the executive team has engaged an external environmental, social and corporate governance (ESG) specialist to perform a gap analysis in the context of ESG and develop a strategy for improving our collection and analysis of data relating to our supply chain.

Policies and Frameworks – Saunders utilises several policies to assist in the management of modern slavery risks across the organisation and its related entities, including:

- **Code of Business Conduct** – Promotes ethical behaviour and outlines the standard of behaviour expected of Saunders employees.
- **Modern Slavery Policy** – Sets out how Saunders conducts business in a manner consistent with the International Bill of Human Rights and the International Labour Organisation Declaration of Fundamental Principles and Rights at Work.
- **Ethical Recruitment and Employment Practices Policy** – ensure that all recruiters engaged by the company operate in compliance with the law and uphold the principles of fairness and integrity, compliant with the local labour laws
- **Forced Labour & Human Trafficking Policy**
- **Modern Slavery Risk Compliance Policy** – formalising the requirement for suppliers to make efforts towards continuous improvement in mitigating risks.
- **Health, Safety and Environment Policy** – Affirms our commitment to zero harm and the ongoing management of the systems and processes that underpin our commitment to minimise health, safety, or environmental impacts arising from our activities and services.

- **Whistle-blowing Policy** – Outlines how we support whistle-blowers if they need to report breaches of the law or suspected improper, unethical, or unlawful conduct relating to the Saunders group of companies.
- **Antibribery and Corruption Policy** – Outlines our commitment to operating in accordance with all applicable laws and regulations and with the highest standards of ethical behaviour at all times.
- **Sustainable Procurement policy** – Requires that procurement activities are conducted transparently and that the effects our procurement decisions have on the environment and society are considered.
- **Policy on the Use of Foreign and Domestic Migrant Workers** – outlines Saunders' approach to hiring migrant workers and their rights on occasions where these workers are used directly or through subcontractors.

In the last 12 months all policies have been reviewed for currency, and if appropriate, updated in our Integrated Management System (IMS).

Training and Education – We have mandatory Code of Conduct training for all employees of Saunders Group businesses, which addresses the identification and management of modern slavery risks. In the last 12 months, the training records were reviewed to ensure all Saunders employees had completed all mandatory training.

After working with an ESG consultant we are working through a roadmap for ESG in line with mandatory requirements.

Processes and Procedures – Saunders has a procurement framework that includes a subcontractor selection, engagement, monitoring and review procedure (SND-OPS-PRO-002) to ensure subcontractors are evaluated consistently based on their commitment to health, safety, environment, quality and security in the services they are engaged to deliver.

Our framework also features a set of standard subcontract and goods supply contracts that require compliance with applicable laws. In the last 12 months, efforts have been made to centralise procurement activities to ensure better compliance and the procurement framework is in the process of being reviewed and updated to better manage our modern slavery risks.

Assessing Effect

Our assessment of the effectiveness of our actions is conducted through evaluation of our modern slavery residual risks using the Saunders Group Risk management framework and through annual review of compliance with mandatory training requirements and adherence to relevant policies and procedures.

Our risk management framework assigns each risk a risk level (high to low) which is based on the consequence of the event (e.g., catastrophic through to insignificant) and the probability of the event occurring (e.g., repeating occurrence through to practically impossible). Where risks are at a level higher than low, a mitigation strategy is developed using the hierarchy of controls (eliminate through to administrative).

Assessment of our modern slavery risks has led to the creation of a number of initiatives over the last 12 months to further reduce our residual risk, including:

- Supplier assessment questionnaire developed and sent to our largest suppliers in an initial rollout with a 93% compliance rate.
- Updates to company policies to improve transparency, specifically calling out issues around workers' rights, migrant workers, child slavery and recruitment practices
- Progress on ESG roadmap developed with an ESG consultant as a part of FY24 improvement initiatives.

We are dedicated to the continuous improvement of our assessment and effectiveness of modern slavery risk management and will continue to invest in improving our supply chain monitoring and management tools.

2025 FOCUS AREAS

Looking ahead to 2025, we are dedicated to improved compliance in modern slavery risk mitigation. Our goal is to be a trusted partner within the industry, with transparency and a data-driven approach as core to our success.

Key focus areas

Client partnership: We will continue to improve the supply chain of our clients through compliance with their commitments

Supplier involvement: We will continue to choose our suppliers based on ethical business practices and will expand our supplier assessments to cover a greater number of new and existing suppliers.

Integration of modern slavery information into procurement tools: We will take the information gained through supplier assessments and include it in supplier profiles within our established enterprise systems.

Consultation

All entities in the Saunders Group are subject to the policies, procedures and frameworks outlined in this statement.

Saunders makes this statement on behalf of its entities as described in Section 2. Through its centralised support function and joint Senior Leadership Team, Saunders has engaged with its entities to identify, assess and address modern slavery risks in the supply chains of its operations.

Approval of Statement

The Board of Directors of Saunders International, its principal governing body, has unanimously approved this Statement on the 18th of December 2024 and authorised Mark Benson as the responsible executive of Saunders International to sign this statement in accordance with the Act.



Mark Benson


Managing Director and Chief Executive Officer



Saunders International Limited

For the Financial Year ended 30 June 2024
ABN 14 050 287 431

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