

Modern Slavery Statement 2021

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Introduction

Mondium Pty Ltd (ABN 14 614 369 023) (“Mondium”, “the Company”, “we”, “our”, “it”) is an incorporated joint venture between Monadelphous Group Limited (“Monadelphous”) and Lycopodium Ltd (“Lycopodium”).

Mondium is an engineering, procurement and construction (EPC) company delivering EPC projects in the minerals processing sector domestically and in selected international markets.

This statement has been developed in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) (the Act) and sets out the actions taken by Mondium to identify, assess and address modern slavery risks in its operations and supply chain.

This statement is for the year ended 30 June 2021. References in this report to ‘year’ or ‘period’ refer to the financial year ended 30 June 2021, unless otherwise stated.

Overview

Modern slavery remains a global issue, affecting approximately 40 million victims around the world (as estimated by the United Nations and Walk Free Foundation). With a global supply chain, we remain vigilant in our objective to not cause or contribute to modern slavery through our operations and business dealings.

We respect the human rights of every person involved in our operations, supply chain and the communities in which we operate. We do not accept any form of modern slavery in the conduct of our operations or in our supply chain and we are committed to ensuring that all workers are treated fairly, ethically and with respect.

Mondium maintains policies, processes and tools to prevent, detect and respond to incidents of modern slavery and human rights abuses within our operations and supply chain. During the year, we undertook a range of actions to strength our modern slavery policies and processes.

Key activities undertaken during the year ended 30 June 2021

- Review and update of existing policies for improved alignment with modern slavery controls
- Maintaining supply chain map identifying high-risk suppliers
- Roll out of updated procurement and subcontract templates which include modern slavery controls
- Undertook employee Code of Conduct training building awareness of modern slavery risks

We recognise that continual improvement is key to reducing the risk of modern slavery. We maintain a roadmap outlining our way forward and the actions required to ensure focus is maintained. We continue to monitor the effectiveness of our processes in preventing, detecting and responding to modern slavery risks and adapt them accordingly.

To date, we have not identified any instances of modern slavery in our operations or supply chain.

Structure, operations and supply chain

Mondium brings together the complementary strengths, resources and experience of Monadelphous in multidisciplinary construction works with Lycopodium’s innovative, fit for purpose, and technical engineering expertise in minerals project delivery. This combined wealth of experience and resources is able to provide full project development and execution services, from conceptual early design through to complete project EPC delivery.

Structure and operations

Mondium operates from its head office in Perth, Western Australia. It provides engineering, procurement and construction contracting services to the minerals sector within Australia and in selected international markets.

Mondium's current projects are based in Western Australia.

The Company employs 62 direct employees located in Australia.

Supply chain

Mondium currently operates within the Australian mining sector with a global supply chain. At 30 June 2021, we maintained a supplier database of over 550 suppliers, with the majority of our annual supplier spend occurring with suppliers and subcontractors located within Australia.

Mondium sources a diverse range of goods and services. The top categories of supply by spend for the year ended 30 June 2021 were:

- Construction services, materials and consumables
- Plant and equipment hire and maintenance
- Professional engineering services

We prefer to undertake business with prequalified suppliers operating under negotiated subcontracts and procurement order terms and conditions. During the period the majority of our supply chain spend was under negotiated subcontract agreements and Company procurement terms and conditions.

Identifying risks of modern slavery

Operations

The majority of Mondium's employees and seconded parent company personnel are employed directly and under permanent, fixed-term, part-time or casual contracts or under enterprise bargaining agreements, which significantly lowers the risk of modern slavery. Mondium employment contracts meet or exceed the applicable employment legislation in the geographies in which we operate.

However, in some parts of its operations, Mondium also utilises labour through third party providers and subcontractors. Mondium may or may not have direct supervision over the workforce and transparency over the terms and conditions of employment. The risk of modern slavery occurring may be greater for labour suppliers that operate in geographies and industries with higher prevalence of modern slavery.

The following areas of the business have been identified as those which have a greater potential to cause or contribute to modern slavery practices due to their use of labour providers and subcontractors in high-risk geographies and industries (by reference to the Global Slavery Index).

China operations

- Parent company subsidiary is a provider of industrial fabrication management services operating with a range of preferred manufacturing subcontractors located within China.

Outsource services in the Philippines

- Parent company subsidiaries provide outsource services such as drafting and document control through partnerships with Filipino outsourcing labour companies located in Manila.

Supply chain

Mondium applies risk assessment criteria to identify suppliers with a high risk of modern slavery. The risk assessment criteria includes: industry, geography and spend.

High risk industries included within the Mondium supply chain include:

- Construction - Building and Facility Construction and Maintenance Services
- Manufacturing - Structures and Building and Construction and Manufacturing Components and Supplies
- Recruitment agencies and Labour Brokers - Human resources services

In addition to high risk industry, suppliers are identified as high risk where operating in geographies with high vulnerability to modern slavery (by reference to the Global Slavery Index). Mondium utilises suppliers located in China and the Philippines, countries recognised by the Global Slavery Index as having a higher vulnerability to the risk of modern slavery.

Mitigating risks of modern slavery

During the year, Mondium undertook a program to refine its policies and processes ensuring that they continue to effectively address the risks of modern slavery.

The Company's Corporate Governance function is responsible for the regular review and maintenance of the modern slavery program, working in collaboration with operational and parent company representatives.

Stakeholder consultation and collaboration

In the initial development of our approach to modern slavery in the prior year, consultation was undertaken with Senior Management, recruitment, procurement and operational stakeholders across Mondium and our parent companies. Consultation activities included stakeholder interviews and self-assessments.

To maintain suitability, our modern slavery approach is reviewed in consultation with stakeholders across the business on an annual basis.

Further, Mondium maintains its connection with several modern slavery focused organisations, periodically validating and aligning our approach to industry best practice.

Policies and Governance

The Mondium Board is responsible for overseeing the Company's governance and risk management practices. Underpinning these are a suite of policies outlining Mondium's commitment and expectations in relation to modern slavery.

During the year, Mondium reviewed its suite of policies as part of its annual policy review and the Code of Conduct was refreshed to align with enhancements to the Company's acceptable workplace behaviour and equal employment opportunity policies. We also improved our Supplier Code of Conduct to further outline our minimum expectations of suppliers in relation to human rights, including compliance with laws on employment practices, zero use of forced or compulsory labour and equal opportunity in employment, in addition to health and safety, environmental impacts, business integrity and ethics.

The policies described below underpin the Mondium approach. These policies are available via the Company's website at www.mondium.com.

Policy	
Code of Conduct	Provides guidance on the expected behaviour of all Mondium employees.
Human Rights Policy	Outlines Mondium's commitment to respecting the human rights of every person involved in its operations, supply chain and communities.
Integrity and Whistleblower Policy	Provides a reporting framework through which Mondium employees, contractors, and members of the public are able to report instances of actual or suspected unethical or unlawful conduct, without fear of detrimental conduct.
Anti-Bribery & Corruption Policy	Outlines Mondium's zero tolerance to any form of bribery or corruption in the conduct of its activities.
Supplier Code of Conduct	Outlines Mondium's minimum expectations of the conduct of its suppliers in the areas of labour, human rights, integrity, ethics, health, safety and environment.

Labour practices

Mondium engage our employees under fair, just and ethical employment contracts and does not partake in high-risk or unethical labour engagement practices. The Company is guided by the following labour engagement principles:

- Not utilising migrant or seasonal labour
- Not charging our employees recruitment fees or imposing fines
- Not retaining employee's original identification documents or restraining employee's ability of free movement
- Not using child labour
- Not undertaking deceptive recruiting practices

Training and awareness

Improving awareness of modern slavery is a critical aspect in identifying and addressing risk. Mondium embraces a learning culture encouraging its employees to engage in risk assessment and control.

The Company's employee induction includes overview of the Mondium Code of Conduct and modern slavery and labour rights awareness content. Periodic updates to our modern slavery related policies and practices are communicated to employees via regular employee engagement activities such as 'lunch & learn' workshops.

Customer engagement

Customer collaboration continues to provide Mondium with valuable insights into current industry labour and human rights practices and effective approaches in investigating, controlling and responding to modern slavery related risks. Mondium applies these insights to enhance its own policies and procedures.

Additionally, Mondium participates in the disclosure of its own modern slavery practices to customers to assist them in meeting their modern slavery reporting requirements.

Reporting of human rights concerns

Mondium has an integrity hotline service, facilitated by Monadelphous and an independent service provider, where employees, contractors and members of the public can report instances of actual or suspected unethical or unlawful conduct associated with Mondium's operations and its supply chains.

Supplier contractual terms and conditions

In the prior year, Mondium updated its suite of procurement and subcontract terms and conditions templates to include modern slavery requirements and expectations of supplier behaviour.

These templates have now been rolled out, thereby ensuring contractually binding compliance with applicable labour rights laws and practices.

Remediation

Mondium maintains a reporting framework, in which employees and contractors are able to report instances of actual or suspected unethical or unlawful conduct without fear of recrimination or reprisals, to the extent permitted by the law. Mondium is committed to fully investigating all concerns raised, and to rectifying any wrongdoing which may have occurred to the extent practicable in all circumstances, and to the principle of fairness in all investigations.

During the year, no human rights or modern slavery concerns were identified within the Mondium operations or within its supply chain.

Measuring Effectiveness

Mondium's focus during the year has been on the application and refinement of its modern slavery policies and associated processes.

We consult with internal stakeholders and our parent companies on an annual basis to evaluate the effectiveness of our processes in identifying and addressing modern slavery risks. Where appropriate, stakeholder feedback and improvement suggestions are incorporated into our modern slavery related policies and processes. We also evaluate the suitability of our modern slavery program by benchmarking our approach against guidance provided by modern slavery focused organisations and our customers.

An independent review of the Company's modern slavery framework is currently underway, with the outcome of the review to be reported in future modern slavery statements

Continuous Improvement

Mondium is committed to the continuous improvement of its modern slavery journey. A range of committed actions have commenced, or are planned, and will be reported in subsequent statements. These include the following activities:

Planned activities FY22 and beyond

- Assessment of Mondium suppliers' modern slavery and labour rights practices through a detailed supplier Self-Assessment Questionnaire (SAQ)
- Integration of the SAQ and due diligence screening into supplier onboarding and management processes
- Implementation of treatment strategies when engaging suppliers regarding any concerns identified during screening
- Review of the Mondium modern slavery approach, policies and associated processes by Monadelphous' Group Assurance to assess its effectiveness in identifying and addressing risk
- Additional modern slavery awareness training for employees interacting with suppliers and subcontractors
- Further review of internal recruitment practices and labour conditions in high-risk locations and industries as required
- Ongoing review of modern slavery risks and associated policies and procedures

Approval

This statement is prepared in accordance with the Modern Slavery Act and constitutes the modern slavery statement of Mondium Pty Ltd for the year ended 30 June 2021. This statement has been approved by the Mondium Board.



Andrew Carnie

Chief Executive Officer 14th December 2021

Appendix A: Mandatory Reporting Criteria

Appendix A

This statement was prepared to meet the mandatory reporting criteria set out in the Modern Slavery Act 2018 (Cth).

The table below identifies where each criterion is disclosed within the different sections of the statement.

Modern Slavery Act 2018 (Cth) criteria	Mondium Modern Slavery Statement 2021
Identify the reporting entity	Introduction (pg. 3)
Describe the reporting entity's structure, operations and supply chain	Structure, operations and supply chain (pg. 3)
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or control	Identifying risks of modern slavery (pg. 4)
Describe the process of consultation with all entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Stakeholder consultation and collaboration (pg. 5)
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	Mitigating risks of modern slavery (pgs. 5 to 7)
Describe how the reporting entity assess the effectiveness of these actions	Measuring Effectiveness (pg. 7)
Provide any other relevant information	Continuous Improvement (pg. 8)