

MODERN  
SLAVERY  
STATEMENT  
FINANCIAL  
YEAR 2023



ONE TEAM  
(ZERO  
HARM)  
ONE GOAL

**SAUNDERS**  
INTERNATIONAL

**SAUNDERS**  
INTERNATIONAL

# Contents

1. Business and Structure .....	2
2. Operations .....	5
3. Supply Chains .....	8
4. Modern Slavery Risks.....	9
5. Addressing the Risks of Modern Slavery .....	10
6. Assessing our Effectiveness .....	11
7. Consultation .....	12
8. Approval of Statement.....	12

## ABOUT THIS STATEMENT

This is the first Modern Slavery Statement ('Statement') of Saunders International Limited ('Saunders') and its subsidiaries for the Financial Year ended 30 June 2023.

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 14(2) (d)(ii) of the act on the 20th of December 2023.

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.



## 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.



## A MESSAGE FROM OUR MANAGING DIRECTOR AND CEO

At Saunders, we are focused on addressing modern slavery risks within our operations and supply chains. We're making progress by enhancing due diligence processes and driving operational consistency across the organisation.

Together, we aim to create a business environment that upholds human rights and fosters a sustainable, responsible future.

A stylized, handwritten signature in white ink, appearing to be 'Mark Benson'.

**Mark Benson**  
Managing Director and Chief Executive Officer  
Saunders International

**SAUNDERS**  
INTERNATIONAL

# 1. Business and Structure

## OUR BUSINESS

We're an integrated engineering construction and infrastructure company recognised for innovation and expertise in bulk storage terminal construction, piping, civil works, asset services and industrial automation.

Regardless of a project's size, complexity, value or location, our national team are ready to respond to our customers and deliver to the highest quality and safety standards.

We're proud to work with some of the world's largest oil and gas companies, tier-one construction contractors and across all levels of government. Our specialist teams are the greatest contributors to our success, combining deep sector knowledge with strong customer relationships to identify, optimise and deliver the ideal solutions across:

Defence



Oil & Gas



Power & Water



Infrastructure



Mining & Minerals



New Energy



We have metropolitan and regional offices located strategically across Australia, along with established operations in Papua New Guinea and a new presence in New Zealand. Founded in 1951, we've been listed on the Australian Securities Exchange (ASX: SND) since 2007.

Saunders International Limited (ABN 14 050 287 431) is the reporting entity covered in this statement as defined in the Modern Slavery Act 2018 (Cth). The terms 'Group', 'we', 'us' and 'or' refer to the reporting entity and all its subsidiaries.

We're  
helping  
deliver  
a better  
future,  
today.



422  
in our workforce

NINE  
metropolitan &  
regional offices



FOUR operational  
areas

Engineering  
Construction



Asset  
Services



Civil



Automation



## 1. Business and Structure (cont)

### BOARD OF DIRECTORS INFORMATION AND PROFILES



#### **NICHOLAS YATES CHAIRMAN**

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 Chairman 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 Chairman on 1 July 2023.



#### **MARK BENSON MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**

With an executive career spanning 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.



#### **BRETT GREGORY CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY**

Brett is an accomplished financial leader and was permanently appointed Saunders' Chief Financial Officer and Company Secretary in August 2023. This follows his initial interim engagement as interim Chief Financial Officer from 9 January 2023 and his appointment as Company Secretary from 28 February 2023.

Prior to joining Saunders, Brett spent 18 years at Lendlease in various Executive and General Manager roles in Finance, including five years as the Chief Financial Officer for Lendlease's Australian Construction business.



#### **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 Chairman of the Healthshare Audit & Risk Committee. Additionally, he is a member of the NSW Police Force, NSW Electoral Commission, Western Sydney Local Health District and NSW Health Infrastructure Audit & Risk Committees.

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



#### **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 19 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), 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.

### ORGANISATIONAL STRUCTURE

Saunders consists of Saunders International Limited and its subsidiaries. Details of the Group's material subsidiaries as at 30 June 2023 are as follows.

Name of Subsidiary	Principal activity	Place of incorporation and operation	Proportion of Ownership	
			2023	2022
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% <sup>1</sup>	-
Automation IT Pty Ltd	Industrial automation	Australia	100% <sup>2</sup>	-

<sup>1</sup> Saunders International (NZ) Ltd was incorporated on 1 June 2023

<sup>2</sup> Saunders acquired Automation IT Pty Ltd with effect from 1 April 2023.

# 2. Operations

## OPERATING LOCATIONS

Saunders undertakes projects throughout Australia, New Zealand and Papua New Guinea and has nine office locations.



### KEY

- Office locations
- Major projects in delivery

## 2. Operations (cont)



## Engineering Construction

Though Saunders boasts a rich history as one of Australia's premier bulk liquid storage and geodesic dome construction contractors, our business has significantly evolved from its modest origins 73 years ago.

Today, we stand as leaders in executing construction projects for blue-chip and government clients.

We provide our clients with a scalable model and a multidisciplinary integrated team. The Saunders 'one-stop shop' draws from our pool of expert talent and resources to carefully guide the project from initial feasibility through to engineering and construction, commissioning and handover.

Our scalable model provides us with the agility and flexibility to deliver projects of all shapes and sizes across our key disciplines, sectors, and regions.

### OUR SERVICES

- Front End Engineering Design (FEED)
- Structural Mechanical & Piping design
- 3D drafting of large fuel terminals
- Control system design and implementation
- Network design and implementation
- High Voltage and Low Voltage electrical design and implementation
- Engineering, Procurement and Construction (EPC) & Engineering, Procurement, Construction and Management (EPCM) services
- New tank builds for bulk fuel and chemical storage terminals
- Water reservoirs and pumping stations
- Tank Jacking technology (top down construction)

## Civil

With over five decades of experience, our Civil team has earned a stellar reputation in the industry for our multidisciplinary approach to bridge design and construction. Beyond bridges, we excel in concrete construction projects, including wharves and jetties, foundation projects, culvert installations, and rail works.

We are trusted by Tier-1 contractors for their complex and precision precast requirements. Our purpose-built precast facility specialises in pre-stressed bridge girders, Super T's, and specialty precast items, with a production capacity of over 200 metres per day at full capacity.

We've earned a reputation for successfully delivering challenging civil projects using innovative design alternatives and construction methods, on time and to budget.

### OUR SERVICES

- Road and rail bridge construction
- Marine structures
- Precast fabrication
- Concrete foundation systems
- Manufacturing of complex Super T and planks for infrastructure projects
- Excavation and installation of support structures
- Road works





## Asset Services

Saunders are at the forefront of providing asset services, with a specialised focus on inspection, repair, modification, and maintenance solutions. Our expertise lies in reviving and revitalising our clients' assets, enhancing their condition and availability, right through the asset's lifecycle to decommission.

We recognise the critical importance of timely rehabilitation and preservation of our clients' assets and infrastructure and ensuring the uninterrupted flow of their business operations.

Our expertise extends beyond the oil and gas, bulk fuels, power generation, mining, and resources sectors; we also excel in remediation projects involving bridges, marine structures, and water infrastructure.

Our Asset Services work provides stable recurring revenues from long-term, blue-chip clients including Ampol, bp, Chevron, Mobil, Quantem, Viva Energy and Vopak.

### OUR SERVICES

- Repair and maintenance of bulk liquid and chemical storage tanks
- Asset management services
- Industrial boiler work
- Plant and facility shutdowns and decommissioning
- Facilities maintenance
- Shutdowns and upgrades
- Structural Mechanical Piping installation
- Pump and valve overhauls or replacements
- Pressure welding
- Electrical and automation upgrades

## Automation

As our clients increasingly embrace technology-driven solutions for their infrastructure and operations, we ensure that their projects and facilities operate at peak efficiency, productivity, reliability, and safety through our specialised industrial automation services.

Our team excels at auditing and streamlining processes, integrating Information Technology (IT) and Operational Technology (OT) systems, boosting output, enhancing efficiency, and ensuring overall process quality, enabling our clients to achieve key production goals.

We provide cutting-edge automation and energy management services to commercial, industrial and data centre clients. Our services include round-the-clock emergency support, cybersecurity, continuous control system enhancements, troubleshooting, maintenance, remote monitoring, as well as intuitive and tailored dashboard and reporting solutions.

The acquisition of Automation IT will accelerate Saunders' market expansion into Industrial Automation and Control Systems, building on our acquisition of PlantWeave in 2021.

### OUR SERVICES

- Operational Technology
- Industrial automation solutions
- Networking and OT cybersecurity solutions - auditing and hardening to ISA/IEC Standards
- Electrical engineering and control system design
- Control system and telemetry upgrades
- Electrical Panel manufacturing, testing and installation
- Machine learning and statistical/physical process modelling
- Functional safety of machinery - design and auditing
- Asset and inventory management
- Energy management systems and automated meter reading systems
- Instrumentation selection, installation and calibration
- Plant commissioning
- Process optimisation
- Preventative maintenance
- Data centre monitoring



## 3. Supply Chains

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:

- Fabricated industrial goods such as piping and valves.
- 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.

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 have operations in or procure from organisations based in any of the 10 high-risk countries identified in the 2018 Global Slavery Index.



## 4. Modern Slavery Risks

Saunders has identified the following risk factors for consideration in the context of supply chain and supply chain management:

**Sector & Industry risks** – Certain sectors and industries within our supply chain will have a greater risk of modern slavery practices due to the 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 from which goods and services may be supplied will have a higher risk of modern slavery due to poor governance, conflict and socio-economic factors such as low employment. For example, 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 the supply of goods and services and subcontracted works are procured will have a greater risk of modern slavery practices due to poor governance structures and organisational culture. For example, entities that are non-compliant with accepted human rights and labour standards.

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



# 5. Addressing the Risks of Modern Slavery

Saunders considers the risk of modern slavery in its immediate supply chain to be low due to the geography of its operations and predominately 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 (including modern slavery) 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 will conduct 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.
- 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.

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.

**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.



## 6. Assessing our Effectiveness

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:

- Improved compliance programs for employee training programs to increase the level of awareness and understanding of the potential for modern slavery within our supply chain.
- Establishment of a central procurement hub to ensure consistent monitoring and management of modern slavery risks in our operations.
- Engagement of an ESG consultant to identify areas for improvement in our supply chain management with scope including improvement of modern slavery risk mitigation program.

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.

# 7. Consultation

Saunders makes a joint 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.

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

# 8. Approval of Statement

The board of Directors of Saunders International, its principal governing body, has unanimously approved this Statement on the 20th of December 2023 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

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