



**Modern Slavery Statement  
2023**

## Table of Contents

	<i>Page</i>
1.0 INTRODUCTION	1
2.0 DEFINITION	1
3.0 PURPOSE AND SCOPE	1
4.0 OVERVIEW	2
5.0 STRUCTURE, OPERATIONS AND SUPPLY CHAIN	2
6.0 IDENTIFYING THE RISKS OF MODERN SLAVERY	4
7.0 MITIGATING RISKS OF MODERN SLAVERY	5
8.0 MEASURING EFFECTIVENESS	8
9.0 CONTINUOUS IMPROVEMENT	
10.0 APPROVAL	

## 1.0 INTRODUCTION

Lycopodium Limited (ACN 098 556 159) is an Australian company, publicly listed on the Australian Securities Exchange (ASX: LYL), registered at Level 5, 1 Adelaide Terrace, East Perth WA 6004.

Lycopodium is an innovative and value-driven process, engineering and project delivery organisation working across the Resources, Infrastructure and Industrial Processes sectors, delivering projects across the globe.

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 Lycopodium to identify, assess and address modern slavery risks in its operations and supply chain.

This statement is for the year ended 30 June 2023. References in this report to 'year' or 'period' refer to the financial year ended 30 June 2023, unless otherwise stated.

## 2.0 DEFINITION

In this Statement Modern Slavery refers to the grave abuse of human rights and serious crimes. It includes human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour.

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom.

## 3.0 PURPOSE AND SCOPE

This Statement is a joint modern slavery statement on behalf of all reporting entities within Lycopodium Group as listed below and will outline the steps Lycopodium has taken to identify, monitor, review and mitigate the risk of modern slavery.

Name of Entity	Country of incorporation / principal activity	Equity Holding	
		2023 %	2022 %
Lycopodium Minerals Pty Ltd	Australia (1)	100	100
Lycopodium Process Industries Pty Ltd	Australia (1)	100	100
Orway Mineral Consultants (WA) Pty Ltd	Australia (1)	100	100
Lycopodium Ghana Ltd	Ghana (2)	100	100
Lycopodium Burkina Faso SARL	Burkina Faso (2)	100	100
Lycopodium Cote D'Ivoire SARL	Cote D'Ivoire (2)	100	-
Lycopodium Infrastructure Pty Ltd	Australia (1)	100	100
Lycopodium Minerals Canada Ltd	Canada (1)	100	100
Lycopodium Philippines Pty Ltd	Australia (1)	100	100
Orway Mineral Consultants (Canada) Ltd	Canada (1)	100	100
ADP Holdings (Pty) Limited	South Africa (1)	100	100
Lycopodium Asset Management Pty Ltd	Australia	100	100
Lycopodium Minerals QLD Pty Ltd	Australia	100	100
Lycopodium Rail Pty Ltd	Australia	100	100

Lycopodium Management Consulting Pty Ltd	Australia	100	100
Lycopodium Share Plan Pty Ltd	Australia	100	100
Lycopodium Rail Pty Ltd	Australia	100	100
Lycopodium Americas Pty Ltd	Australia	100	100
Lycopodium (Ghana) Pty Ltd	Australia	100	100
Orway Mineral Consultants Americas Pty Ltd	Australia	100	100

(1) Engineering, procurement, construction management services

(2) Off-shore project support services

## 4.0 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). The Company operates within a number of countries with a higher inherent risk for modern slavery and with a global supply chain Lycopodium remains vigilant in our objective to not cause or contribute to modern slavery through our operations and business dealings.

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

Lycopodium 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 strengthen our modern slavery policies and processes.

Key activities undertaken during the year ended 30 June 2023:

- Review of the company's risk management framework and risk appetite to align business operational activities against the objectives of the strategic plan.
- Maintaining a risk register which includes a detailed list of all key risks faced by the Group.
- Review of the company's Code of Conduct and annual refresher training for all staff to reaffirm their understanding of the compliance requirements.

Lycopodium recognises that continual improvement is key to reducing the risk of modern slavery. The Company is preparing a roadmap outlining its way forward and the actions required to ensure focus is maintained.

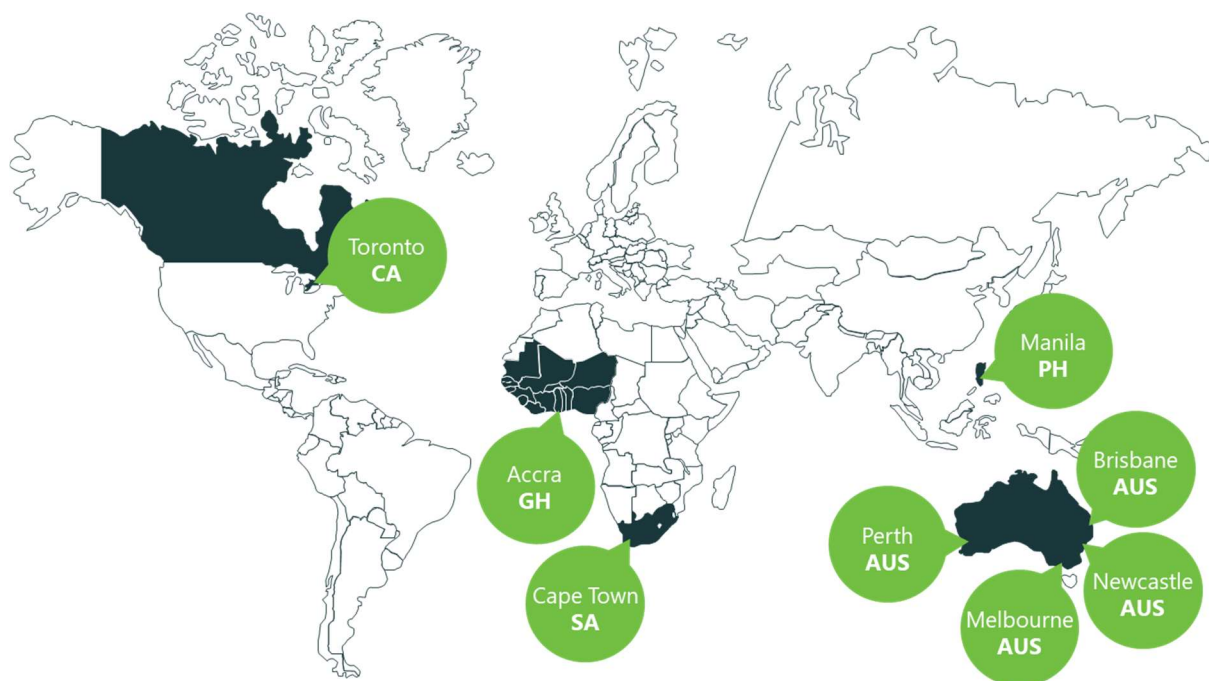
## 5.0 STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Lycopodium is a leader in its field, working with clients to provide integrated engineering, construction and asset management solutions. We have the expertise to deliver complex, multidisciplinary projects, through to the provision of feasibility studies and advisory services.

Operating across the Resources, Infrastructure and Industrial Processes sectors, we offer a diverse team of industry experts to deliver bespoke and innovative solutions across all commodity types.

## Structure and Operations

Lycopodium operates from major offices in Perth, Brisbane, Melbourne, Newcastle, Manila (Philippines), Cape Town (South Africa), Toronto (Canada) and Accra (Ghana) in addition to many remote project sites in Western Australia and West Africa.



Our capabilities and service offering are outlined in the diagram below:



As at 30 June 2023, Lycopodium directly employed across the Company 1,130 people across various locations.

## Supply Chain

Lycopodium operates in diverse markets with a global supply chain. As at 30 June 2023, the Company maintained a supplier database of over 1,500 suppliers with the majority of the spend occurring in with

suppliers and subcontractors located in Australia (over 66%). Additional spend in countries include Canada (10%), the Philippines (2%), South Africa (14%) and Others (8%).

The Company sources a diverse range of goods and services. The top categories of supply by spend for the year ended 30 June 2023 were:

- Construction materials and consumables
- Workforce labour hire
- Professional engineering services
- Transportation and freight

The following table identifies the primary overseas countries from which Lycopodium sources goods and services.

Country	Potential Modern Slavery Issues	Example of Products/Services Sourced
Canada	<ul style="list-style-type: none"> <li>• Migrant labour exploitation</li> <li>• Underpayment</li> </ul>	<ul style="list-style-type: none"> <li>• Engineering consultancy and design</li> <li>• Construction materials and consumables</li> <li>• Cleaning services</li> <li>• Travel and accommodation</li> </ul>
Philippines	<ul style="list-style-type: none"> <li>• Forced labour</li> <li>• Migrant labour exploitation</li> <li>• Underpayment/non-payment of wages</li> </ul>	<ul style="list-style-type: none"> <li>• Professional /Administrative services</li> </ul>
Africa	<ul style="list-style-type: none"> <li>• Excessive overtime</li> <li>• Forced labour</li> <li>• Underpayment/non-payment of wages</li> </ul>	<ul style="list-style-type: none"> <li>• Workforce labour hire</li> <li>• Engineering consultancy and design</li> <li>• Freight</li> <li>• Plant equipment hire</li> <li>• Construction materials and consumables</li> </ul>

Lycopodium prefers to undertake business with pre-qualified suppliers operating under negotiated subcontracts and procurement terms and conditions.

## 6.0 IDENTIFYING THE RISKS OF MODERN SLAVERY

### Operations

The majority of Lycopodium's employees are employed directly under permanent, fixed-term, part-time or casual contracts which significantly lowers the risk of modern slavery within the Company's operations. Company employment contracts meet or exceed the applicable employment legislation in the countries in which the Company operates.

However, some parts of Lycopodium's operations utilise labour through third party providers and subcontractors. The Company conducts a due diligence process on these third party providers to ensure

that we are satisfied with their business practices. The Company may or may not have direct supervision over these third party workforces 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 a higher occurrence of modern slavery.

## **Supply Chain**

Lycopodium applies a 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 in the Lycopodium supply chain include:

- Construction
- Manufacturing
- Recruitment agencies and labour hire brokers

All subcontractors and suppliers are required to undergo a pre-qualification assessment and vendor application assessment that includes questionnaires and declaration addressing modern slavery. Upon award of any subcontract the modern slavery undertakings provided by the suppliers and subcontractors form part of its contractual obligations. There may be a slightly higher risk of modern slavery among lower tier suppliers and subcontractors further down the supply chain, where the Company does not have clear visibility.

## **7.0 MITIGATING RISKS OF MODERN SLAVERY**

Lycopodium has a Risk Management Policy and Risk Management and Compliance Framework that align business operational activities against the objectives of the strategic plan to calculate the level of risk that it is willing to assume in accordance with the ASX's Corporate Governance Principals.

The Company's Corporate Governance function via the Risk Committee is responsible for the regular review and maintenance of the modern slavery program working in collaboration with the Senior Leadership team throughout the Company.

### **Stakeholder consultation and collaboration**

The management of modern slavery risks requires all relevant stakeholders (both internal and external) to work together, and the process of communication and consultation will ensure all stakeholders are provided with timely, accurate and detailed information in relation to modern slavery so that the Company's operations and supply chains can be managed effectively and also minimises the risk of exposure to modern slavery.

The Company's commitment and expectations in regard to mitigating modern slavery risk is communicated across the business to its owned and controlled entities through a number of channels outlined in this statement including the risk management framework, policies and procedures as well as education and training.

## Policies and Governance

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

During the year, Lycopodium reviewed its suite of policies as part of the annual policy review including the Code of Conduct which has been aligned to the Company's acceptable workforce behaviour and equal employment opportunity policies.

The policies described below underpin the Lycopodium approach. These policies are available on the Company's website at [www.lycopodium.com](http://www.lycopodium.com).

Policy / Procedure	Purpose
Code of Conduct	Provides guidance on the expected behaviour of all Lycopodium employees.
Whistleblower Policy	Provides a reporting framework through which Lycopodium employees, contractors and members of the public are able to report instances of actual or suspected unethical or unlawful conduct, without the fear of harmful conduct.
Anti-Bribery and Corruption Policy	Outlines Lycopodium's zero tolerance to any form of bribery or corruption in the conduct of its activities.

## Labour Practices

Lycopodium engages its 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 principals:

- 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 on identifying and addressing risk.

The Company's Code of Conduct training includes modern slavery and labour right awareness content and is required to be completed by all Company employees during onboarding and on an annual basis during employment tenure.

## **Customer Engagement**

Customer/client collaboration continues to provide the Company with valuable insights in current industry labour and human rights practices and effective approaches in investigating, controlling and managing modern slavery risks. The Company applies these insights to enhance its own policies and procedures.

Additionally Lycopodium 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**

The Company has a Whistleblower Policy which outlines the reporting process for all reportable matters and the response which will be undertaken by the Company in the event a report is made.

All reported matters will warrant an independent investigation and appropriate follow up actions. All whistle-blowing reports will be addressed to the Risk Committee whenever there is a whistle-blowing issue. Lycopodium personnel are regularly informed of the existence of the whistleblowing mechanism and encouraged to report relevant matters.

## **Supplier Contractual Terms and Conditions**

Lycopodium has updated its suite of procurement and subcontract terms and conditions templates to include modern slavery requirements.

These templates continue to be implemented replacing existing supplier and subcontractor contractual agreements to ensure contractually binding compliance with applicable labour rights laws and practices.

## **Supplier Due Diligence**

Lycopodium undertakes a range of supplier due diligence and assessment activities to identify risk areas for further focus and applies scalable strategies to address any identified concerns.

Focus to date has been on the Company's direct supply chain Lycopodium acknowledges the potential for modern slavery risks to reside within its indirect supply chains.

## Remediation

Lycopodium has in place a reporting framework, through which employees, contractors, suppliers, subcontractors and members of the public are able to report instances of actual or suspected unethical or unlawful conduct without the fear of recrimination or reprisals, to the extent permitted by the law.

The Company is committed to fully investigating all concerns raised, and to rectify any wrongdoing which may have occurred to the extent practicable in all circumstances, and to the principal of fairness in all investigations.

During the year, no human rights or modern slavery concerns were identified within Lycopodium's operations or supply chain.

## 8.0 MEASURING EFFECTIVENESS

The Company's focus during the year has been on the development and review of policies and procedures for assessing and responding to risks of modern slavery.

Over the next period the Company intends to develop a Modern Slavery framework.

## 9.0 CONTINUOUS IMPROVEMENT

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

### Planned activities for FY24 and beyond

- Develop a modern slavery framework
- Further review and update procurement policies and procedures
- Audit a supplier and sub-contractor for compliance with modern slavery legislation
- Finalise Human Rights Policy

## 10.0 APPROVAL

This statement has been prepared in accordance with the Modern Slavery Act and constitutes the modern slavery statement for Lycopodium Limited for the year ended 30 June 2023. This statement has been approved by the Lycopodium Limited Board.



**Mick Caratti**

**Chairman**

**Date: 30 June 2023**

## APPENDIX A MANDATORY REPORTING CRITERIA

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	Lycopodium Modern Slavery Statement 2023
Identify the reporting entity	Introduction (page 1)
Describe the reporting entity's structure, operations and supply chain	Structure, operations and supply chain (page 3-4)
Describe the risks of modern slavery practices in operations and supply chains of the reporting entity and any entity it owns or control	Identifying the risks of modern slavery (page 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 (page 5-6)
Describe how the reporting entity assesses the effectiveness of these actions	Measuring effectiveness (page 8)
Describe the process of consultation with an entities that the reporting entities owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Introduction (page 1) Stakeholder consultation and collaboration (page 5)
Provide any other relevant information	Continuous improvement (page 8)