



QUANTEM
BULK LIQUID STORAGE & HANDLING

Modern Slavery Statement

2020



Introduction

Under the *Modern Slavery Act 2018* (Cth), Hyperion Investments Australia Pty Ltd trading as Quantem (**Quantem**), is the reporting entity and required to submit a Modern Slavery Statement for the financial year ended 31 December 2020. It outlines the steps Quantem has taken to identify and address modern slavery risks within its operations and supply chain.

Quantem does not condone any form of modern slavery in its business or supply chain and is committed to working with our customers and suppliers to identify and mitigate modern slavery risks within our operations and supply chains.

This statement was approved by the Quantem Board on 3 March 2021.

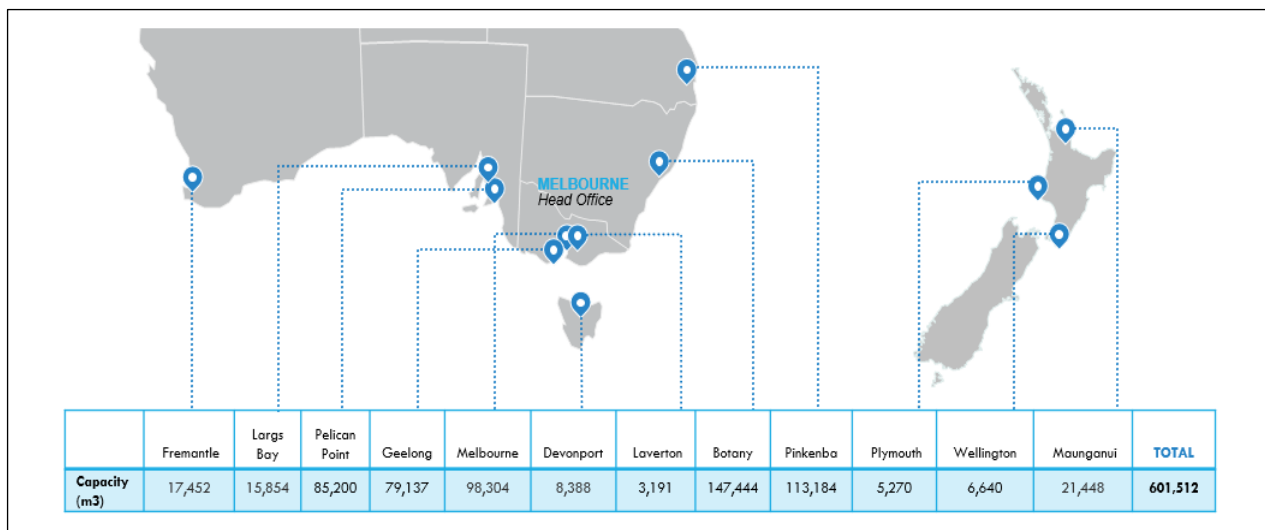


Above: Truck loading gantry at Pelican Point

Front Page: Tanks at Pelican Point

Quantem Structure, Operations and Supply Chains

Quantem is a leading bulk liquid storage and handling business with operations around Australia and New Zealand. Quantem provides services to its customers through several wholly owned subsidiary companies.



Quantem employs approximately 200 people throughout Australia and New Zealand.

Our supply chain predominately comprises of Australian and New Zealand based businesses across a wide range of categories including:

- Chemicals;
- Consumables, including stationery, tools, amenities
- Electrical, Instrumentation, Mechanical and Product handling equipment;
- Energy and utilities;
- Engineering and construction services;
- Information technology services;
- Labour hire;
- Personal protective equipment (PPE) and garments;
- Professional services; and
- Waste collection and disposal.

In the 2020 financial year, approximately 99% of our total procurement spend was paid to entities located in Australia or New Zealand. Both these jurisdictions are considered to be low risk for modern slavery. According to the Global Slavery Index, Australia and New Zealand rank 163 and 164 respectively out of 167 countries on the 2018 Prevalence Index Rank¹.

¹ <https://www.globallslaveryindex.org/2018/data/maps/#prevalence>

Modern Slavery Risks in Quantem's Operations and Supply Chains

Quantem Workforce

Quantem has a number of employment and HSEQ policies, procedures and systems which ensures that all Quantem employees are:

- ✓ Provided with safe and healthy work conditions;
- ✓ Paid in accordance with applicable industrial awards or Enterprise Bargain Agreements (Aust) (where applicable);
- ✓ Paid above the New Zealand minimum wage (where applicable);
- ✓ Not restricted from access to union representation or any worker's right to collective bargaining or wage or employment conditions; and
- ✓ Of a minimum age that is legal for them to be employed.

The majority of the workforce is permanent and all employees are paid above minimum wage. On occasions, labour hire service providers (preferred suppliers) are used to supplement the workforce eg annual leave coverage, who are paid at or above award wage rates.

We are confident there is no slavery or human trafficking in our employment practices.

Supply chains

Given our supply chains are predominately based in Australia and New Zealand, we do not believe we have a high risk of modern slavery in our business. However, we believe we can still have an impact on reducing modern slavery risks by focussing our efforts on our supply chain. In that regard, we have focussed on the following areas of our supply chain:

- Cleaning and security services;
- Construction and maintenance (labour and raw materials);
- Labour hire and short-term contract workers
- PPE and Garments; and
- Manufactured equipment (Electrical and Instrumentation).

Quantem understands that whilst equipment, materials and components are sourced locally these can have complex supply chains which may be located in high risk geographies. Risks beyond tier 1 of Quantem's supply chain will be assessed over the coming years.

Impact of COVID -19

Quantem acknowledges that COVID-19 has potentially increased our risk as our suppliers of goods are unlikely to have been able to conduct in-person overseas supplier audits / due-diligence processes. Quantem was also required to source required COVID-19 safe PPE from new suppliers quickly which may have increased our modern slavery risks.

We managed these risks by prioritising the sourcing of these items from Australian suppliers.

Assessing and Mitigating Modern Slavery Risks

Quantem has adopted a continuous improvement, risk-based approach to modern slavery compliance within its supply chain.

Quantem's financial year runs from 1 January to 31 December. During the 2020 financial year, Quantem undertook a number of initiatives to support and strengthen Quantem's oversight of modern slavery risks within its business, including:

- ✓ Providing modern slavery training to employees to raise the awareness of modern slavery risks in our operations and supply chains, including how to spot "red flags".
- ✓ Identifying and mapping Quantem suppliers.
- ✓ Forming a cross functional working group to conduct modern slavery risk assessments in our supply chain and operations based on our existing risk management framework.
- ✓ Updating our Australian standard supply contracts and standard Purchase Order Terms and Conditions to include commitments from our suppliers to comply with modern slavery law obligations. Quantem has also developed a standard Labour Hire Services Contract (considered higher risk) which requires suppliers to:
 - a. Comply with modern slavery obligations;
 - b. Advise of any historical breaches of modern slavery laws; and
 - c. Advise of any breaches of modern slavery laws as soon as they are aware of any breaches.These agreements are being rolled out to replace existing contracts and as and when new suppliers are engaged, or current contracts expire and are renegotiated. Modern slavery obligations will be incorporated into our NZ standard supplier contracts and terms and conditions which are scheduled for release in the 2021 financial year.
- ✓ Reviewing our policies to include compliance with modern slavery law obligations, including the introduction of a new Modern Slavery Policy and Supplier Code of Conduct which reinforces Quantem's commitment to identifying and addressing modern slavery risks in our business and supply chains and requires immediate reporting of any actual or suspected breaches of modern slavery laws. These policies are also underpinned by our existing Code of Conduct and Whistleblower Policy which encourages a culture of compliance and reporting without fear of reprisal.
- ✓ Incorporating modern slavery assessments into our new supplier prequalification and ongoing management processes.

Assessing the Effectiveness of Quantem's Modern Slavery Compliance Initiatives

During the reporting period, Quantem has been focussed on building the foundations to take meaningful steps to address modern slavery risks by reviewing our governance processes, policies, risk assessments and education. We have also been assessing compliance by requiring suppliers to answer questions on modern slavery as part of our annual review of high risk suppliers.

Quantem is committed to continuous improvement in assessing the effectiveness of our modern slavery compliance program. In the 2021 financial year, we will be developing ways to better assess the effectiveness of our modern slavery compliance initiatives, including developing an audit process and conducting a review of the effectiveness of measures undertaken in the 2020 financial year.

Joint Modern Slavery Statement

This Modern Slavery Statement is prepared on behalf of Quantem and its operating, wholly owned subsidiaries: Terminals Pty Ltd ACN 000 348 407, Liquid Terminals Australia Pty Ltd ACN 001 849 805 and Bulk Storage Terminals Ltd Company Number 24280 (NZ) (**Quantem Subsidiaries**).

Quantem and the Quantem Subsidiaries have the same board of directors and the operations of each Quantem Subsidiary are overseen by the same Quantem Executive Leadership Team. As such, consultation has occurred between the operating Quantem subsidiaries.

Signed by:



Nick Moen
Chief Executive Officer



Above: Tanks at Devonport