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# 2023 Modern Slavery Statement

Decmil Group Limited

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2023 Modern Slavery Statement

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## About Decmil's Modern Slavery Statement 2023

**Our fourth modern slavery statement ('Statement') has been prepared to address the requirements of the Modern Slavery Act.**

**The Modern Slavery Act sets out which entities are reporting entities<sup>1</sup>, and requires that a reporting entity must give an annual modern slavery statement to the Minister<sup>2</sup>.**

**Decmil Group Limited is a reporting entity under the Modern Slavery Act because our consolidated revenue for the financial year ended 30 June 2023 was \$489 million; and we carry on business in Australia.**

The reporting period covered by this Statement is financial year 1 July 2022 to 30 June 2023. Decmil's Statement is a joint statement,<sup>3</sup> and covers the following wholly owned controlled entities of Decmil Group Limited:

- Decmil Australia Pty Ltd;
- Decmil Southern Pty Ltd;
- Decmil Engineering Pty Ltd;
- Decmil Maintenance Pty Ltd;
- Decmil Group Limited Employee Share Plan Trust;
- Decmil PNG Limited;
- Eastcoast Development Engineering Pty Ltd;
- Homeground Villages Pty Ltd;
- Homeground Gladstone Pty Ltd ATF Homeground Gladstone Unit Trust; and
- Homeground Gladstone Unit Trust.

In our Statement, references to 'we', 'our', 'us', 'Decmil', and 'Group', are to Decmil Group Limited and its wholly owned subsidiaries. References to '2023' and '2024' refer to the financial year ended 30 June 2023 and 2024 respectively. Our Statement does not apply to Decmil's non-controlled joint ventures or alliances.

<sup>1</sup> Modern Slavery Act 2018 (Cth) s 5.

<sup>2</sup> Modern Slavery Act 2018 (Cth) s 11.

<sup>3</sup> Modern Slavery Act 2018 (Cth) s 14.



# 1 Executive Summary

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## **This is Decmil Group Limited's fourth modern slavery statement.**

During 2023, we have taken a detailed practical approach to identifying modern slavery risk within our operations and taken actions to assess the risk. Our Modern Slavery Statement for 2023 suggests that the vulnerability of our supply chain to modern slavery is low and estimated prevalence of modern slavery in Decmil's supply chain is also likely to be low. This is because our suppliers are mainly Australian (low vulnerability), and we use very few international suppliers (where estimated prevalence is higher than Australian suppliers). Although our current assessment indicates low vulnerability and prevalence in our supply chain, we intend to make further improvements to our modern slavery risk mitigation practices during 2024.

Our action plan for improvements in 2024 include improving the classification of suppliers to enable deeper dive audits into areas of greater modern slavery risk.

# 2

## About Modern Slavery

## 2 About Modern Slavery

### 2.1 Australian Law

**The Modern Slavery Act 2018 (Cth) ('Modern Slavery Act')** is Australian Government legislation which came into force on 1 January 2019.

The Modern Slavery Act 'requires entities based, or operating, in Australia, which have an annual consolidated revenue of more than \$100 million, to report annually on the risks of modern slavery in their operations and supply chains, and actions to address those risks<sup>4</sup>.

### 2.2 Overview of Modern Slavery

**What is modern slavery?**

**Modern slavery is an umbrella term used to describe situations where offenders use coercion, threats, or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include:**

- human trafficking;
- slavery;
- servitude;
- forced labour;
- debt bondage;
- forced marriage; or
- the worst forms of child labour.<sup>5</sup>

It is important to understand the nature of these practices because understanding what these practices involve may increase awareness of the potential for modern slavery to exist throughout our business. Heightened awareness of modern slavery assists in enabling our employees to identify the occurrence of modern slavery and risks of modern slavery and take appropriate actions.

<sup>4</sup> Modern Slavery Act 2018 (Cth) s 3.

<sup>5</sup> 'Modern Slavery', Attorney-General's Department, (Web Page, 15 December 2023) <<https://www.ag.gov.au/crime/people-smuggling-and-human-trafficking/modern-slavery>>.



# Our structure, operations, and supply chain

## 3 Our structure, operations, and supply chain

### 3.1 Corporate Structure

Entity	Country of Incorporation	% Owned
<b>Ultimate parent entity:</b>		
Decmil Group Limited	Australia	
<b>Controlled entities of Decmil Group Limited:</b>		
Decmil Australia Pty Ltd	Australia	100%
Eastcoast Development Engineering Pty Ltd	Australia	100%
Homeground Villages Pty Ltd	Australia	100%
Decmil Maintenance Pty Ltd	Australia	100%
Decmil Group Limited Employee Share Plan Trust	Australia	100%
<b>Controlled entities of Homeground Villages Pty Ltd:</b>		
Homeground Gladstone Pty Ltd ATF Homeground Gladstone Unit Trust	Australia	100%
Homeground Gladstone Unit Trust	Australia	100%
<b>Controlled entities of Homeground Villages Pty Ltd:</b>		
Decmil Southern Pty Ltd	Australia	100%
Decmil Engineering Pty Ltd	Australia	100%
Decmil PNG Limited	Papa New Guinea	100%

### 3.2 Operations

**We provide design, engineering, construction and maintenance engineering construction services to the Infrastructure, Resources, and Renewables sectors across Australia:**

#### Infrastructure

- Government infrastructure projects including major road and bridge civil engineering projects.
- Integrated transport solutions including railway infrastructure and airports.
- Construction of schools, medical centres, facilities, airports and accommodation units for government and local councils.
- Construction of industrial and commercial buildings.

#### Resources

- Non-process infrastructure, including industrial buildings, workshop, storage facilities, control rooms, substations, workshops, and accommodation facilities.
- Construction of workforce accommodation and associated facilities.
- Civil works including site preparation, excavation, bulk earthworks and construction of roads and bridges.

#### Renewables

- Feasibility, engineering, project management and construction services for the renewable energy sector focusing on civil balance for wind farm plant projects.

During 2023, our operations continued to reflect the diversity of the Group, with the delivery of complex multi-disciplinary projects across the infrastructure, resources, and renewables sectors in Australia.

<sup>6</sup> On 30 June 2023.

### 3.3 Supply Chain

During 2023, we spent \$491 million across approximately 2,347 suppliers from 5 countries (including Australia). Our suppliers were almost exclusively Australian (99.97%); only a small percentage were international (0.03%). Additionally, our suppliers will have their own set of suppliers.

We use a range of suppliers across the entire life cycle of our projects - from design phase through to construction delivery and commissioning and handover. We also use suppliers for transportation, catering, and equipment used when running our operations. Our expenditure for 2023 was 64% to sub-contractors and 36% to direct suppliers. During 2023, our largest expenditure areas in the supply chain were for:

- labour hire;
- design consultancy;
- transportation and logistics; and
- consumables (which include construction and operating supplies).

#### Australian suppliers

We generally engage suppliers that are Australian based and local to each project. Our projects within Western Australia, Queensland and Victoria are largely supported by suppliers sourced within the project's relevant state (and locality, where possible). As such, our project expenditure utilises suppliers in regional Western Australia, Stuart Basin in Queensland, and regional Victoria.

Australian suppliers are required to provide their Australian business number ('ABN') during the onboarding process and the ABN is checked to identify the supplier.

Walk Free, an international human rights group focussed on the eradication of modern slavery<sup>7</sup>, in their 2023 study of the number of people living in modern slavery around the world<sup>8</sup>, found that Asia and the Pacific region is the third most vulnerable region in the world to modern slavery<sup>9</sup>. However, within that region, Australia had the lowest level of vulnerability<sup>10</sup>. The prevalence of modern slavery in Australia (per 1,000 of population) is also low. Appendix 2 shows the Walk Free estimated prevalence and number of people in modern slavery, by country (Asia and the Pacific).

#### International suppliers

Our exposure to risk of modern slavery from international suppliers is low, for two main reasons. Firstly, our expenditure with international suppliers is minimal (\$156,000 out of \$491 million, being 0.03%). Our international suppliers are from New Zealand, United Kingdom, USA, and Papua New Guinea. We acknowledge that Papua New Guinea has an extremely high vulnerability to modern slavery. Our spend in Papua New Guinea comprised two professional services firms for corporate legal and taxations services, totalling \$2,947 (0.001% of Decmil's total spend in 2023), and concerned the deregistration of Decmil PNG Limited.

Secondly, we attempt to limit using suppliers from countries with ongoing conflict, political instability, and forced displacement, or from countries with significant transformations in the world of work, climate change, and migration. Walk Free suggest that these factors increase the vulnerability of many people to exploitation.

#### Indigenous businesses

We use Indigenous businesses to support our project delivery where possible. We are a member of Supply Nation and Kinaway Chamber of Commerce. Our commitment to indigenous procurement is highlighted through the spend of approximately \$36 million to Indigenous suppliers during 2023.

#### Supply chain relationships

We aim to procure local products and services. In geographical areas where the skills, goods, and standards needed are unavailable, we look for opportunities to develop that capacity, which supports local economic development. As part of our commitment to local procurement, we provide prospective suppliers with technical support to help them meet our supply chain's standards.

If a supplier is required to perform project works, the supplier is required to provide us with proof of ID and proof of their right to work within Australia as part of our mobilisation process. In this way, we safeguard workers' rights.

**21**  
projects

**\$489**  
million

During 2023, we had 21 projects completed or in construction across 3 major sectors in Australia, with an annual revenue of \$498m.

**\$491**  
million

**2,347**  
suppliers

During 2023, we spent \$491 million across approximately 2,347 suppliers from 5 countries (including Australia). Our suppliers were mainly Australian (99.97%)

<sup>7</sup> 'Our Story', Walk Free (Web Page, 18 December 2023) <<https://www.walkfree.org/who-we-are/>>.

<sup>8</sup> 'Our Story', Walk Free (Web Page, 18 December 2023) <<https://www.walkfree.org/who-we-are/>>.

<sup>9</sup> Walk Free 2023, The Global Slavery Index 2023, Minderoo Foundation, 119.

<sup>10</sup> Walk Free 2023, The Global Slavery Index 2023, Minderoo Foundation, 119.

<sup>11</sup> Walk Free 2023, The Global Slavery Index 2023, Minderoo Foundation, 120.

# 4

## Identifying the risks of modern slavery practices in our operations

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### 4 Identifying the risks of modern slavery practices in our operations

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**We acknowledge that operating within the construction sector may expose our operations to a range of modern slavery risks. During 2023, we continued to enhance our employees' knowledge of modern slavery risk by ongoing training of staff.**

**The growing awareness and understanding of modern slavery have empowered our employees to enhance their ability to identify risks of modern slavery in our supply chain.**

**This increased knowledge has paved the way for improvements in our practices and strengthened our commitment toward eliminating modern slavery.**

We have taken a detailed practical approach in our supplier governance framework to identify modern slavery practices in our supply chain. We mitigate modern slavery risk through our supplier prequalification and risk assessment onboarding process. This process includes comprehensive prequalification questionnaires and checks which are thoroughly reviewed and vetted by our appropriately trained personnel. After being approved the supplier is then onboarded to our supply chain. Where a risk of modern slavery has been identified during the onboarding process, suppliers are requested to provide information concerning the risk to enable evaluation of an appropriate course of action. An unsatisfactory response from the supplier concerning modern slavery risk will prevent the supplier being onboarded.

We affirm our commitment to consistently monitor, prevent, and mitigate any potential risk areas of modern slavery practices within our supply chain. This commitment underscores our dedication to ethical practices and responsible business operations.

## Actions to assess and address modern slavery risks



## 5 Our Actions to assess and address modern slavery risks

**Our objective is to conduct our business with a strong commitment to ethical practices and operational efficiency, and we strive to maintain a reputation as a responsible corporate entity with a high level of governance.**

Our supplier governance framework enables us to successfully deliver projects. To enable effective decision making, we assess suppliers against standards in the following categories:

- Modern Slavery
- Code of Conduct
- Anti-bribery & Corruption
- Code of Ethics
- Corporate Governance
- Finance
- Human Rights & Industrial Relations
- Health & Safety
- Quality
- Environment & Sustainability.

We work with our suppliers to assess whether they are meeting the required standard of the governance framework. Where concerns are identified about a supplier's compliance with the governance framework, the supplier is engaged by us for constructive dialogue and remediation of noncompliance with our standards.

We also have recruitment processes in place to minimise the risk of labour exploitation in our workforce. This includes identification checks and visa checks where relevant. Our salary packages are externally benchmarked, and all our workers are paid their legal entitlements on time with payslips that include their pay information.

We also have a Whistleblowing Policy which acts as a grievance mechanism and avenue for remediation because we take concerns about our activities seriously and we encourage all key stakeholders to communicate about misconduct, including those relating to modern slavery.



# 6

## Assessing Decmil's effectiveness for addressing modern slavery risk

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## 6 Assessing Decmil's effectiveness for addressing modern slavery risk

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**We acknowledge that assessing the effectiveness of our modern slavery risk actions will ensure continuous improvement to our modern slavery risk practices.**

Our management tracks effectiveness of addressing modern slavery risk by:

- annual critical evaluation of process;
- audits of the supply chain;
- follow up with suppliers that concerns raised by Decmil have been appropriately addressed;
- tracking of Decmil's whistleblowing mechanism; and
- seeking feedback from stakeholders.



## Action Plan for 2024

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## 7 Action Plan for 2024

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**During 2024 Decmil's management aims to improve effectiveness of Decmil's modern slavery risk practices by:**

- establishing a modern slavery management working group
- further increasing employee awareness of modern slavery practices
- improving the classification of our suppliers to enable deeper dive audits
- reviewing our existing suppliers for risk of modern slavery.

# 8

## Consultation with Group entities

## 8 Consultation with Group entities

**Our Statement has been reviewed in detail by relevant employees of the Group, and then approved by the Board of Directors of Decmil Group Limited, the ultimate parent entity of the Group.**

The Statement is current as of [27 December 2023] and is provided to the Minister on or around that date. The Statement complies with the mandatory criteria for modern slavery statements which is set out in the *Modern Slavery Act*.<sup>12</sup> Appendix A provides a checklist for meeting mandatory criteria addressed in the Statement.

To prepare our joint Statement, each entity of the Group has been consulted. The consultation process included engagement between employees in areas of environment, sustainability, and governance, legal, people and culture, and accounting and finance.



**Mr Rod Heale**

Chief Executive Officer  
Decmil Group Limited  
27 December 2023

<sup>12</sup> Modern Slavery Act 2018 (Cth) s 16(1).



# Appendix 1

## Checklist for meeting mandatory criteria

The table below outlines where the mandatory criteria of the Modern Slavery Act are referenced in this Statement.

Section	Requirement	Statement Reference
14(2)(c)	Is prepared in consultation with each reporting entity covered by the statement.	8. Consultation with Group entities.
14(2)(d)(ii)	Is approved by the principal governing body of an entity (the higher entity) which is in a position, directly or indirectly, to influence or control each reporting entity covered by the statement, whether or not the higher entity is itself covered by the statement.	8. Consultation with Group entities.
14(2)(e)(ii)	Is signed by a responsible member of: if subparagraph (d)(ii) applies—the higher entity.	8. Consultation with Group entities.
14(2)(f)	Is given to the Minister within 6 months after the end of the reporting period for the entities covered by the statement, in a manner approved by the Minister.	8. Consultation with Group entities.
16(1)(a)	Identify the reporting entity.	About Decmil's Modern Slavery Statement 2023.
16(1)(b)	Describe the structure, operations, and supply chains of the reporting entity.	3. Decmil's structure, operations, and supply chain.
16(1)(c)	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	4. Identifying the risks of modern slavery practices in our operations.
16(1)(d)	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	5. Actions to assess and address modern slavery risks.
16(1)(e)	Describe how the reporting entity assesses the effectiveness of such actions.	6. Assessing Decmil's effectiveness for addressing modern slavery risk
16(1)(f)	Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a joint statement, the entity giving the statement	8. Consultation with Group entities.
16(1)(g)	Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	7. Action plan for 2024.

# Appendix 2

## Estimated prevalence in Asia and the Pacific

The table below shows the estimated prevalence and number of people in modern slavery, by country.<sup>13</sup>

Regional rank	Country	Estimated prevalence of modern slavery (per 1,000 of population)	Estimated number of people in modern slavery	Population
1	North Korea	104.6	2,696,000	25,779,000
2	Afghanistan	13.0	505,000	38,928,000
3	Myanmar	12.1	657,000	54,410,000
4	Pakistan	10.6	2,349,000	220,892,000
5	Papua New Guinea	10.3	93,000	8,947,000
6	India	8.0	11,050,000	1,380,004,000
7	Philippines	7.8	859,000	109,581,000
8	Iran	7.1	597,000	83,993,000
9	Bangladesh	7.1	1,162,000	164,689,000
10	Indonesia	6.7	1,833,000	273,524,000
11	Sri Lanka	6.5	139,000	21,413,000
12	Malaysia	6.3	202,000	32,366,000
13	Timor-Leste	6.1	8,000	1,318,000
14	Thailand	5.7	401,000	69,800,000
15	Lao PDR	5.2	38,000	7,276,000
16	Cambodia	5.0	83,000	16,719,000
17	Viet Nam	4.1	396,000	97,339,000
18	Mongolia	4.0	13,000	3,278,000
19	China	4.0	5,771,000	1,439,324,000
20	South Korea	3.5	180,000	51,269,000
21	Nepal	3.3	97,000	29,137,000
22	Hong Kong	2.8	21,000	7,497,000
23	Singapore	2.1	12,000	5,850,000
24	Taiwan	1.7	40,000	23,817,000
25	New Zealand	1.6	8,000	4,822,000
26	Australia	1.6	41,000	25,500,000
27	Japan	1.1	144,000	126,476,000

<sup>13</sup> Walk Free 2023, The Global Slavery Index 2023, Minderoo Foundation, 118.





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A photograph of two men in profile, facing right. They are wearing white hard hats and high-visibility yellow and navy blue work shirts. The man on the left is wearing safety glasses and has a name tag that says 'RHY'. The man on the right is also wearing safety glasses and has a beard. They are standing in front of a blue sky and some greenery in the background. The overall tone is professional and collaborative.

**Together, we're the difference.**