

PERENTI LIMITED

Modern Slavery Act Statement FY22

This Statement is made under the Australian Modern Slavery Act 2018 (Cth) for the financial year ending 30 June 2022 ("FY22") and is published on behalf of Perenti Limited (ACN 009 211 474) (formerly Perenti Global Limited) (Perenti) and its reporting entities (including Ausdrill Pty Ltd, Barmenco Limited, African Underground Mining Services Limited, African Underground Mining Services Burkina Faso Sarl, AUMS Tanzania, Underground Mining Alliance Ltd and Barmenco Mining Services Botswana Proprietary Ltd), which operate throughout Australia, Africa and North America (collectively referred to as "Perenti" or the "Company").

This Statement is Perenti's third modern slavery statement and details the steps it has taken in the last financial year to assess modern slavery risks within its operations, inclusive of its supply chain, and the actions being taken to help manage these risks. Perenti's previous modern slavery statements containing prior commitments and actions can be found on the Australian Border Force website [here](#).

All dollar values in this modern slavery statement refer to AUD.

Our Company

Perenti is a diversified global mining services group incorporated in Australia and listed on the Australian Securities Exchange (ASX: PRN). Headquartered in Perth, Australia, Perenti is today one of the world’s largest mining service companies providing surface and underground mining at scale. Our portfolio consists of sustainable, inter-related and value-adding mining services and technology focused businesses. The Company has operations and offices in 11 countries, and a workforce of ~9,000 people primarily in Australia and Africa.

In FY22 Perenti announced a strengthened business model that redefines the previous “industry service groups” into three complementary divisions:

- **Contract Mining** – This division is one of the world’s largest mining contractors with demonstrated industry-leading expertise in surface drilling and hard-rock surface and underground mining. The division comprises Ausdrill, Barmenco, African Mining Services and African Underground Mining Services.
- **Mining Services** – This division is a portfolio of specialised, lower capital intensity businesses who predominantly work with clients across the mining sector, to deliver value-add services that meet current and emerging needs.
- **idoba** – This division is technology informed services and products business who provide unique end to end digital, technology and consulting services designed to rethink, transform and disrupt the mining industry and beyond.

The three divisions are supported by Perenti’s corporate centre, which is responsible for supporting and enhancing the long-term success of the Group by ensuring development of current and future Perenti leaders, investing capital to deliver future growth, governance on high-risk areas, promoting our brand and safeguarding our reputation. Further information on Perenti’s organisational structure can be found in the annual report [here](#).

Our Supply Chain

In FY22 Perenti had approximately 3,937 active suppliers and its procurement expenditure was AUD \$1.48 billion, including \$834 million from businesses in Australia, \$603 million from businesses in Africa, and \$38 million from businesses in North America. Factors such as new projects in North America and Africa have resulted in an increase in local procurement spend in these regions in FY22.

While the majority of our suppliers are located in Australia, Perenti recognises that its suppliers likely source products from elsewhere, which presents potential modern slavery risks within the Company’s supply chain.

EMPLOYEES

~9,000

PROJECTS

62

COMMODITIES

9

COUNTRIES

11

CONTINENTS

4

AUSTRALIA



AFRICA & EUROPE



NORTH AMERICA



Our Approach

At Perenti, we believe that considering sustainability in everything we do is critical to deliver our purpose to create enduring value and certainty for all our stakeholders. Respecting human rights is key to our commitment to sustainability.

Perenti seeks to align our business activities and practices with relevant international standards including the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Voluntary Principles on Security and Human Rights. We believe industry collaboration is essential to share learnings and provide consistency in managing modern slavery risks and have continued to play an active role in the Western Australian Human Rights Resource and Energy Collaborative Group across the industry.

Operating in 11 countries, we are committed to establishing and maintaining lasting and positive relationships with the communities we work in. We respect that we are guests in these communities and we actively seek to understand and celebrate local cultures and customs. Perenti strives to purchase local goods and services and employ local people, with AUD \$603 million of goods and services procured from African businesses and almost 90% of the workforce outside of Australia being comprised of local employees in FY22.

An overview of how Perenti operationalises our commitment to identify and manage human rights risks, including modern slavery risks, is provided below.

Identifying and Assessing Modern Slavery Risks

In FY22 Perenti verified outcomes of the FY21 high-level risk assessment to understand where human rights risks, including modern slavery risks, may exist. A key part of this assessment was understanding the existing controls in place and identifying any potential gaps. The assessment was undertaken by an expert independent consultancy and was guided by the UNGPs.

The assessment involved a desktop review of relevant corporate policies and procedures and information relating to the Company's operational footprint, inclusive of its supply chain. In addition, interviews and workshops were conducted with key personnel from across the business to ensure a cross-functional understanding and perspective

of potential risks, existing controls and gaps were captured. Functions involved included: legal, supply/procurement, human resources, security, safety, environment, risk and sustainability.

The assessment found that the risks were largely dependent on location, with higher risks linked to complex operating environments, where there are greater safety and security issues, political unrest, and corruption.

Key modern slavery risks identified through the assessment included:

- Labour** – Modern slavery risks are exacerbated in business models that rely on complex contracting and sub-contracting arrangements and where third parties are extensively used. While the majority of Perenti's workforce is directly employed (approximately 90%), labour hire services are used in some locations to source specific skill sets or local employees. Employees and those employed via a labour hire service receive the same induction, which sets out an expectation that those employed by Perenti adhere to the Company's Code of Conduct and other relevant corporate policies and procedures.
- Procurement** – Perenti procures a range of goods and services from approximately 3,937 suppliers. Key spend categories and services procured include utilities, tyres, professional services, spare parts, light vehicles, labour hire, heavy equipment, ground support, freight and logistics, explosives, consumables and equipment hire. Perenti recognises that it currently has limited visibility with respect to some of its suppliers, particularly those beyond our direct business relationships (Tier 1), and that it is still developing its capacity to systematically identify and respond to modern slavery risks across its supply chain.
- Business Relationships** – The assessment identified that Perenti, due to the nature of its business, may be affected by the actions of its clients. Perenti is typically engaged by mine operators to provide services. Specific consideration was given to ensuring measures are in place to identify these potential risks, and explore ways to leverage the Company's relationship with its clients to manage risks – particularly in relation to water usage, waste disposal, health and safety, and community interactions.



Managing Modern Slavery Risks

Governance

Key achievements FY22:

- Established the Board Sustainability Committee which formalised the roles and responsibilities for overseeing the management of human rights risks at the Board level, inclusive of modern slavery.
- Developed and published a Human Rights Policy, which provides guidance to directors, management, employees, contractors and suppliers on the Company's expectations regarding human rights, inclusive of modern slavery.

Given the global prevalence of modern slavery and the nature of the mining industry, Perenti acknowledges that modern slavery practices may be present in the Company's value chain. This potential risk is recognised throughout the Company, starting with the Board. Human rights risks, inclusive of modern slavery risks, are overseen by our Sustainability Committee; however, ownership of our modern slavery actions and implementation of these actions is the responsibility of the organisation's senior leaders across all our entities.

Perenti's Governance Framework plays a critical role in helping the business deliver on its strategy and objectives. It provides the structure through which business objectives are set, performance is monitored, and risks are managed. It includes a framework for decision making across the business and provides guidance on the standards of behaviour expected of our people across our business.

Published in April 2022, Perenti's Human Rights Policy provides guidance to directors, management, employees, contractors and suppliers on the Company's expectations regarding human rights, inclusive of modern slavery. Our commitment to respect human rights is captured and operationalised by Perenti's Code of Conduct, which sets out employee expectations, and is referenced within the Sustainability Policy. Human Rights is also covered in Code of Conduct training and inductions for every employee.

A Group-level Grievance Management Procedure was developed to assist with standardising the Company's approach to internal grievances across our entities. In FY23 Perenti will review the internal grievance mechanisms for the identification and timely resolution of any grievances, to ensure they are fit for purpose for the revised operating model.

Other initiatives helping to operationalise Perenti's commitment to human rights, include:

- Speak Up (Whistle-blower) Policy** – The policy sets out the expectations that all employees have a responsibility to help detect, prevent and report immediately instances of misconduct. Speak Up is an independently managed service that provides numerous avenues to confidentially report allegations of misconduct.
- Security, Emergency & Crisis Management Group Standard** – Sets the approach to security management, which aligns with the Voluntary Principles on Security and Human Rights.
- Inclusion and Diversity Policy and Strategy** – Sets out commitment and strategy to develop an inclusive, productive and safe workplace by taking action to prevent and stop discrimination and harassment, and promote work life balance.

In FY23 we will:

- Incorporate more comprehensive due diligence for human rights related risks in the new country risk assessment process.
- Commence implementation of the Sustainability Group Standard that will standardise Perenti's requirements relating to human rights and modern slavery.

- Continue to play an active role in the Western Australian Human Rights Resource and Energy Collaborative Group to provide consistency across the industry in managing modern slavery risks.

Labour

Key achievements FY22:

- Developed an accommodation checklist to ensure an adequate standard of living is provided in line with international best practice.

Perenti is committed to ensuring all employees and contractors are treated in a fair, equitable and ethical manner. Across our varied employment jurisdictions, we work closely with the relevant governments, union representatives and employee groups to ensure adherence and compliance to the required labour laws, HR regulations and labour rights policies. In FY22 local employment in our international operations has increased to 89% (from 87%) with an additional 2.4% of employees from within the region.

In addition to maintaining the required minimum labour regulations across the Group, we hold ourselves to a high standard of business policies related to Code of Conduct, Anti-bribery and Anti-corruption and Speak Up. These policies ensure all employees and contractors are aware of, and adhere to, practices that are ethical, fair and help create an environment free from harassment, discrimination, or victimisation.

Perenti has developed a Human Rights Training Module in consultation with senior leaders and key individuals from across our entities. The aim of the module is to increase knowledge and understanding of human rights, inclusive of modern slavery, within the Company, and ensure there is clarity in how human rights risks are managed. The module will continue to be rolled out in FY23, and on an as needed basis.

In FY23 we will:

- Continue to ensure personnel in relevant roles complete the Human Rights Training Module. A training record will be maintained and monitored to ensure successful roll-out of the training.
- Embed the accommodation checklist into existing business processes.

Procurement and Business Relationships

Key achievements FY22:

- Developed a tool to review the Company's Tier 1 suppliers to further understand potential risks and opportunities. The tool allows Perenti to categorise suppliers based on a range of factors, including the type of goods and/or service provided, the sector risk, the value of spend, and the country of operation.
- Finalised our internal supplier audit tool which enables us to verify supplier conformance with Perenti's policies and procedures, and international good practice.
- Identified priority-high risk suppliers to be audited going forward.

Under Perenti's new operating model, the Corporate finance function provides minimum requirements for procurement of goods and services by Divisions. The day-to-day management of supply and procurement is managed by the Divisional procurement teams.

Due for release in FY23, Perenti is developing a Contracting Group Standard which will ensure procurement of goods and services across the Group is conducted in accordance with relevant legal requirements, Perenti Group policies and appropriate industry practice to achieve compliant, reliable and competitive procurement of goods and services. Divisions will review and, if necessary, update Divisional Procurement Standards to ensure alignment with the Contracting Group Standard.

The Contract Mining Division has anti-slavery clauses in contracts with suppliers and standard purchase order terms. The Contract Mining Division also requires suppliers to complete self-assessment questionnaires for modern slavery when completing engagement with, and onboarding suppliers.

In FY22 Perenti developed a supplier human rights risk profile tool which will be used to assess Perenti's Tier 1 suppliers and their potential risk profile based on their geographic location, value of spend and nature of the activities being undertaken. The focus is on identifying potential high-risk suppliers to ensure appropriate controls are in place to mitigate risks. It is designed to be updated as new suppliers are contracted to trigger additional controls. The tool was used to identify high-risk supplier categories in which to focus future audits. In FY23, the tool will be further used to identify priority suppliers within the high-risk supplier categories with a minimum of one supplier to be audited.

In FY22 we also finalised a supplier audit tool to verify supplier conformance with Perenti's policies and procedures, and international good practice. The tool contains a general set of questions for all suppliers, as well as a more detailed set of questions for those considered high-risk. The audit tool will be used during human rights and modern slavery audits throughout the Group.

Perenti is in the process of formalising a program to enable us to take responsive and corrective actions if modern slavery practices are suspected to exist or identified in our supply chain.

In FY23 we will:

- Implement the Contracting Group Standard, inclusive of modern slavery requirements, and if necessary update Divisional procurement standards to align with the Contracting Group Standard.
- Expand the scope of the supplier human rights risk profile tool to categorise and manage additional suppliers.
- Undertake a human rights audit of a high-risk category supplier.
- Continue to align the documents that govern procurement practices to ensure they comply with Perenti's human rights commitments.

Assessing Effectiveness of Modern Slavery Management at Perenti

In 2019 Perenti updated its standards, procedures, and supplier governance documents to align with the requirements of the Commonwealth Modern Slavery Act. Since then, Perenti has further progressed its approach to human rights and modern slavery with the overall objective of identifying, mitigating and preventing human rights infringements and risks.

Central to ensuring effective implementation of these governance systems is Perenti's assurance and compliance functions. The effectiveness of risk management and the system of internal control is verified through an assurance framework designed to target key risk areas. Looking forward, Perenti will continue to develop its approach to monitoring and assessing the effectiveness of actions taken to better manage modern slavery risks.

Consultation

Perenti acknowledges its responsibility to ensure that relevant personnel and entities are consulted in the preparation of the Statement. Perenti has consulted with its subsidiaries by meeting with relevant functional units within the businesses, including representatives from Perenti, Contract Mining and the Mining Services Division. Discussions included progress on human rights and modern slavery management in the last financial year, the occurrence of any potential or identified human rights issues, and commitments going forward.

Approval

Perenti is committed to respecting human rights and managing modern slavery risks in accordance with this Statement. The Company recognises that the risks of modern slavery are complex and evolving, and will continue to work to address these risks. This will involve actively engaging with stakeholders to assess the effectiveness of the identified actions to continually enhance the approach to management.

The Perenti Board of Directors authorised and approved the publication of this Statement on 8 December 2022.

Mark Norwell

Managing Director and Chief Executive Officer
Perenti



MODERN SLAVERY ACT STATEMENT FY22

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**Expect
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