



# Modern slavery statement

Financial year 2022/23

**safety first** 

# 22/23

# A zero tolerance approach to modern slavery.

Our Modern Slavery statement covers McNab and all related parties and subsidiaries for the financial year ending 30 June 2023.

Within this document we outline the standards, policies and processes that contribute to our control framework to proactively protect against modern slavery and respect human rights.

We explain how we will assess and mitigate modern slavery risks, track our performance, collaborate with stakeholders and build capacity around these issues.

## Our structure

McNab operates as one unified business, comprised of the following entities:

- McNab Developments (QLD) Pty Ltd
- McNab Employee Holdings Pty Ltd
- McNab Equipment Hire Pty Ltd
- McNab Constructions Pty Ltd
- McNab Enterprises Pty Ltd
- McNab NQ Pty Ltd
- Electrorig Rentals (Australia) Pty Ltd

During the reporting period, we actively engaged and consulted with the stakeholders of all of the above entities in the development of this statement.

We discussed details of the Australian Modern Slavery Act 2018's reporting requirements, the actions we intend to take to address these requirements and provided stakeholders with relevant materials and updates.

## Our approach

This statement describes our actions to strengthen McNab policies and performance in accordance with the Australian Modern Slavery Act 2018.

It outlines our continued efforts to work collaboratively with stakeholders in detecting and mitigating risks of modern slavery in our business and supply chain and ensuring we have appropriate actions in place to ensure compliance.

McNab is focused on awareness of modern slavery risks, understanding our supply chain and associated risks, as well as ensuring our systems and strategies continue to evolve, to ensure we review and manage these risks.

## Our pledge

McNab conducts all business activities with honesty, integrity and the highest ethical standard at all times, in line with our company values.

We have a zero tolerance approach to modern slavery and any action or inaction that contributes to the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

We are fully committed to identifying and preventing all types of modern slavery, being human trafficking, slavery and slavery practices, child labour, unsafe and unlawful work and employment conditions, throughout our operations, subcontractors and supply chain.

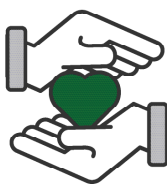
We have implemented systems and controls to combat modern slavery within our business and across our supply chain, which are reviewed annually for continuous improvement.

## Our company values



### Safety First

We plan ahead.  
We never walk past a single safety issue.



### Care

We genuinely care about our people, clients and subbies.  
We build relationships based on respect for ourselves and others.



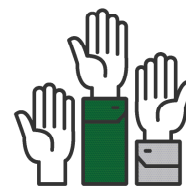
### Passion

We love what we do and have fun doing it.  
We're curious and nimble.



### Growth

We don't do comfort zones.  
We really listen and rely on feedback.



### Response-able

Working together, we make the impossible possible.  
We own our mistakes and our successes.





**We are a people business as much as we are a construction business.**

**mcnab**  
relationship

**Our business**

Since McNab was founded over twenty seven years ago in 1996, we has grown to become one of the largest private construction and development companies in Queensland, working on projects up to \$120m in value with an annual turnover in excess of \$620m.

With more than 480 staff based across South East Queensland and a supply chain spanning Australia and overseas, we've built a reputation for delivering high quality, award winning developments for some of the best brands in Australia.

McNab operates as the head contractor in commercial construction, design and engineering projects, as well as developer and head contractor on a small portfolio of development projects. As such we engage a large subcontractor workforce and work with a vast number of manufacturers and suppliers of natural resources and raw materials.

These relationships are direct – through our own local sourcing and overseas procurement, and indirect – with our subcontractors sourcing their own supplies and materials.

McNab are a people business as much as we are a construction business. Our values are behind everything we do and they're shared to everyone across the business and to all who form part of our supply chain.

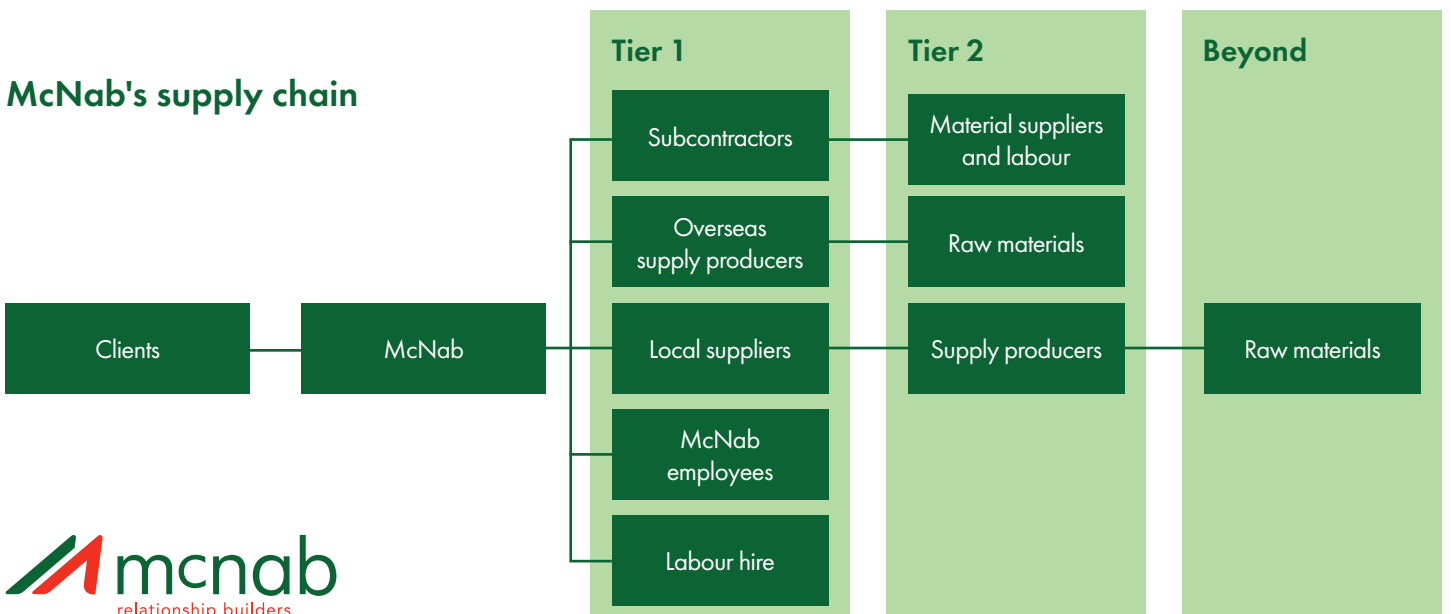
All supplier, subcontractor and consultant selection includes due diligence of each party's reputation and respect for the law.

We take into consideration the location of our supply chain partners, the original supply location and the type of goods and services they are delivering.

**McNab's selection process includes but is not limited to:**

- Compliance with government mandated standards
- Compliance with health and safety standards and requirements
- Compliance with government mandated standards
- Compliance with environmental requirements
- Coordinating industry references

**McNab's supply chain**



# Shifting our focus to McNab's supply chain.

McNab ensures, through our processes that all our contractors and suppliers employees engaged within their businesses are legally entitled to work and that no forms of slavery are evident.

McNab has conducted a risk assessments to identify risks in our supply chain and business operations. These risks can be dynamic and complex to navigate. This assessment has identified the biggest modern slavery risk across our business operations and supply chain.

## Supply chain

Having a supply chain operating in both local and overseas markets, McNab has identified that the two biggest modern slavery risks within our supply chain are:

- 1. Local subcontractors and suppliers** who engage vulnerable workers, such as those on a visa and use a labour hire workforce.
- 2. Overseas suppliers and supply producers** – particularly those whose facilities are based in high risk countries as identified by the Global Slavery index<sup>1</sup>.

### Local subcontractors and suppliers

Many of these workers are immigrants, temporary visa workers, apprentices/trainees or other vulnerable groups, who may be less aware of their rights and more susceptible to exploitation.

The biggest modern slavery risks for this group include:

- Forced labour
- Child Labour
- Debt bondage/bonded labour
- Human trafficking

### Overseas suppliers and supply producers

International supply chains and producers are particularly susceptible to labour rights violations and modern slavery risks. Forced labour, debt bondage/bonded labour and child labour are of particular concern within the construction industry.

The reasons for this can be attributed to a variety of factors, including:

- International supply chain workers may be from countries with poor track records when it comes to human and labour rights and may have cultures of corruption.
- The involvement of multiple parties across international supply chains often gives rise to the risk of inconsistent labour standards within such supply chains and a fragmented system of regulatory

oversight.

- Practical limitations on effective enforcement of basic conditions throughout complex international supply chains, owing to the number of jurisdictions in which supply chain activities may be performed and the number of parties involved.

Within our local and overseas supply chain McNab has put in place the following controls to address these risks:

- Conducting assessments during initial letting and contract award period to identify relevant risk areas, and understand management practices of our subcontractors and suppliers.
- Contract clauses ensuring compliance with the Australian Modern Slavery Act 2018.
- Due diligence conducted with subcontractors on the terms and conditions under which their staff are employed and paid.
- Direct overseas procurement where possible, rather than engaging other suppliers to source materials from overseas. This strategy enables McNab to mitigate risk and strengthens our ethical position in the market by allowing us to have direct access to factories and conduct our own inspections to ensure adequate working conditions and treatment of workers.

Grievance and remediation measures to support our modern slavery statement include:

- Code of Conduct, Whistleblower and grievance policies and procedures.
- Third party investigations where required.
- Training and education through educational resources for our supply chain and our eLearning module for employees.
- Proactive engagement and support to subcontractors on any potential issues.
- Coordinating industry references.

## Operations

McNab's direct workforce is circa 480 company employees; predominantly employed in operational roles including Project Managers and Engineers, Site Managers and Foreman, Contract Administrators, Carpenters, General Labourers, Apprentices and Cadets. McNab also has a workforce dedicated to product supply to the construction industry, as well as shared services to support the whole group.

Our operating employment framework complies with all relevant legislation and complies with or provides better standards against legislated employment conditions including but not limited to minimum wages, hours of work and leave entitlements. Our operating employment framework complies with all local laws and covers core employment conditions including but not limited to minimum wages, hours of work and leave entitlements.





## McNab's biggest modern slavery risks

### Forced labour

Being forced to work against their will under threat of punishment.

### Human trafficking

The use of violence, threats or coercion to transport and recruit people in order to exploit them for forced labour.

### Debt bondage/bonded labour

Being forced to work to pay off debt, or over identity bondage or threat of having visa revoked.

### The worst forms of child labour

Children being forced to do dangerous work, or children working under the legal age.

As part of our operations and business model, McNab work closely with Sub Contractors and Labour Hire firms to provide resourcing and labour during projects. McNab take all relevant steps when engaging third party suppliers to ensure that all workers on our sites and as part of our supply chain are employed under the required terms and conditions of employment and are treated with respect during their employment.

McNab do this through the following:

- Conduct due diligence when engaging with any third party labour providers;
- Have a number of avenues for raising grievances including on site teams and managers, a Human Resources team, Safety team, anonymous whistleblowing hotline, and other key management team who are on site regularly to meet with both internal and third-party employees on site.

While our supply chain locally and internationally does pose a risk of Modern Slavery, McNab is confident in the current measures to mitigate or eliminate Modern Slavery for the Company through building close working relationships with our international suppliers, onsite visits to international factories to conduct risk assessments and other due diligence processes regarding modern slavery when contracting with suppliers. McNab are committed to continue to review and update where applicable.

# Communicating our progress and commitments.

## Our Progress

McNab has and will continue to take steps to assess and reduce modern slavery risks. Education and awareness to the broader organisation and our third-party suppliers has increased and will continue to be a key priority in the future. We continue to:

- Actively monitor and raise any potential concerns of Modern Slavery through an internal representative group tasked with the audit, risk mitigation and resolution.
- Continue to gather information throughout the tender process for subcontractors and suppliers to collect information and practices on their understanding of modern slavery and the modern slavery risks that exist in their operations and supply chains.
- Collate all information for review by the project team upon receipt, and also undertake regular reviews through an audit process to identify areas where support or intervention is required, as well as any trends across our supply chain.
- Strengthened supplier and subcontractor contracts with additional clauses on compliance with Modern Slavery legislation;
- International onsite visits with factories and manufacturers of McNab products to assess risk of Modern Slavery.
- Incorporated educational resources about modern slavery into our subcontractor start-up packs to develop their awareness
- of modern slavery, and continue to have open and supportive conversations during the award meeting to ensure they understand how to identify risks and implement initiatives to address these; and
- Mandatory eLearning module for all employees to educate them on what modern slavery is, how it may show up in our operations and supply chain, and their role on combatting it.

## Impacts of the last 3 years on Modern Slavery

The impact of the pandemic and other global issues has increased the risk of Modern Slavery for developing countries through economic downturns and increase in unemployment.

- In response to the increased risk of modern slavery within our operations and supply chain, we have embedded additional measures to mitigate heightened modern slavery risks. These include:
- Early payment arrangements to help ensure ongoing cash-flow for the smaller businesses we engage;
- Increasing our focus on educating our staff and subcontractors on the risks associated with modern slavery to heighten awareness during times of increased pressure on the supply of materials and the demand on labour within the industry.
- Provide additional health and wellbeing support and offerings to both McNab employees and third parties to ensure that staff are able to raise concerns and seek the help that they may need.



### Inside APEX, our online Learning Management System (LMS)

Our tailored Modern Slavery eLearning module aims to educate on what modern slavery is, how it may show up in our operations and supply chain, and what their role is in helping us to combat it, including training on the new initiatives implemented.



# Our commitment

McNab is committed to continuous review and improvement of our practices and policies to reduce and eliminate modern slavery across the globe. McNab will work closely with all suppliers to build relationships of trust and assurance that Modern Slavery does not exist within McNab operations and our supply chain has no connection with modern slavery.

Our commitment and ongoing improvement over the past 12 months has included:

- Continuing to assess the effectiveness of the education and awareness that is being provided to subcontractors and suppliers through tenders and contracts.
- Through reporting and data of completion rates of our online learning module, educating our employees both upon commencement and through annual refreshers. This ensures that our broader workforce is aware of modern slavery risks within the construction industry and can be the eyes and ears of McNab at all stages of a project.
- Promoting and encouraging reporting via a whistleblower hotline or directly to the executive of McNab if anyone suspects that Modern Slavery practices are being used within the supply chain, so that immediate action can be taken.
- Documenting minutes of meetings, audits and assessment results for key learnings and improvement and to ensure accountability on actions to be taken.
- The McNab Management Group will review this modern slavery statement and our overall strategy annually and conduct a biannual review of all data and activity, implementing further actions as and when required.
- Frequent international visits and regular meetings with all suppliers to continue to assess the risk of Modern Slavery across multiple countries who directly supply McNab products.

Our commitment to educating, building awareness and significantly reducing risks, we trust will support a global united approach to the eradication of modern slavery. We are committed to any measure that we can reasonably implement throughout our review process. We all have a moral and ethical obligation to ensure modern slavery does not exist in today's society and this statement represents the dedication that both I personally, and we as the entire McNab team, have to ensuring we play our part in this.

This statement was approved by Michael McNab as the Sole Director of the McNab group of entities.



**Michael McNab**  
Managing Director

21 December 2023

# Our continued focus

**Throughout 2024 and 2025 we will continue to embed, improve and update any relevant initiatives. We are also committed to continued education for our third-party suppliers both locally, nationally and internationally on the importance of eliminating modern slavery.**

**We will continually review**

- **Our risk assessment and risk register to be used on all our supplier facilities inspections for all overseas procurement.**
- **Continued engagement of key workgroup members and stakeholders to champion initiatives and strategies to combat modern slavery**
- **Embedding our new and existing processes into the business and identifying future opportunities to further demonstrate our commitment to addressing modern slavery risks.**





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Sunshine Coast  
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