



# MODERN SLAVERY STATEMENT 2024



# Contents

2

About Macmahon

3

FY24 Key Achievements

4

Statement from the Chair  
and MD & CEO

5

About this Statement

7

Our Structure, People  
and Operations

10

Map of Operations

11

Our Supply Chain

12

Modern Slavery Risks

15

Actions to Assess and Address  
Modern Slavery Risk

23

Assessing Effectiveness

24

Our Roadmap

26

Consultation and Approval

This Statement was prepared by Macmahon based on information available to it at the time of preparation relating to the reporting period described in the statement. This Statement also contains forward-looking statements and commitments that may involve known and unknown risks, uncertainties, assumptions and other factors that could cause the actual outcomes to be materially different from the events or results

expressed or implied by such statements and commitments, and the outcomes may not all be within Macmahon's control. This Statement should be read in conjunction with Macmahon's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX), including the FY24 Annual Report, FY24 Corporate Governance Statement and FY24 Sustainability Report.

# About Macmahon

Macmahon Holdings Limited (Macmahon) is a diversified contractor with leading capabilities in surface and underground mining, mining support, and civil infrastructure. As an ASX-listed company headquartered in Perth, we provide services to many of the largest resource projects in Australia and Southeast Asia.

## OUR BUSINESS

Founded in 1963, Macmahon services major resource companies across various commodity sectors. Our end-to-end mining services encompass mine development and materials delivery through to engineering, civil construction, on-site mining services, rehabilitation and site remediation.

## OUR VISION

To be the preferred contracting and services company:

**For employees** to work for

**For customers** to use

**For shareholders** to invest in

## OUR STRATEGY

Macmahon is focused on expanding and improving its end-to-end mining service capabilities to achieve sustainable growth and optimise financial returns. Our people are focused on improving efficiencies, investing in future relevance and diversifying and expanding our service offering. Our strategy is built on these four pillars:

- Improve margins and execution.
- Invest in our competitive advantage and future relevance.
- Focused expansion in current markets.
- Position for the next wave of growth.

## OUR VALUES

Our Values to be United, have Courage, Integrity and Pride show our people the actions and behaviours expected of them when representing Macmahon. We endeavour to maintain the highest standards of conduct and behaviour in our operations both in Australia and abroad in managing our supply chains.



### UNITED

Be Inclusive  
Work Together  
Support Each Other



### COURAGE

Be Brave  
Speak Up  
Challenge Yourself



### INTEGRITY

Be Honest  
Respect People  
Be Accountable



### PRIDE

Be Humble  
Work Hard  
Celebrate Wins

# FY24 Key Achievements

## SAQ

Reviewed the risk assessment scoring methodology of our Modern Slavery **Self-Assessment Questionnaire** (“SAQ”)



Provided **targeted training** to our senior personnel



Commenced **phone audits** on our suppliers



Refreshed our internal Macmahon **induction module**

## KPIs

Set metrics around our Modern Slavery **Key Performance Indicators**



Gain and share our learnings in order to **spread awareness** and **strengthen our approach** to Modern Slavery



Expanded the capability of our Modern Slavery **Working Group**



Expanded our Modern Slavery **awareness training**

## yourcall

Continued to make **YourCall** available for our international employees and suppliers, and translated a version of the Whistleblower Policy



# Statement from the Chair and MD & CEO

Assessing and addressing modern slavery risks in our operations and supply chain remains an ongoing commitment that requires continual vigilance. In FY24, we progressed our key modern slavery initiatives and continued to strengthen our modern slavery approach.

As a global business, Macmahon understands the importance of making positive social impacts in the communities in which we operate and applying ethical business practices. We also recognise that delivering mining services in different geographical regions can create modern slavery risks.

This Statement is our fifth Modern Slavery Statement under the *Modern Slavery Act 2018* (Cth) (the “Act”) and outlines the actions we have taken to identify and address modern slavery risks in our operations and supply chain. This remains an ongoing commitment that requires continual vigilance.

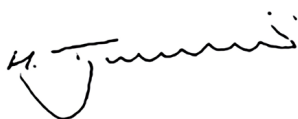
In FY24, we advanced several initiatives including expanding our audit and risk assessment procedures on suppliers and embedding modern slavery Key Performance Indicators (KPIs) into our Corporate Governance processes and evolved Company Values.

Training and education is critical to building modern slavery awareness. In FY24, we rolled out new modern slavery awareness training to our Australian employees, contractors and suppliers through our induction modules. We also provided targeted training to our senior leaders across Australia.

Importantly, we engaged with industry peers and clients to share our learnings, spread awareness and strengthen our modern slavery approach.

We recognise that modern slavery risks are complex, and the identification and elimination of modern slavery is a significant process. Guided by our Company Values of United, Courage, Integrity and Pride, we remain steadfast in our commitment to identify and eliminate any form of modern slavery risk within our operations and supply chain.

We will continue working collaboratively with our suppliers, industry peers, and broader stakeholders to assess their approach to modern slavery and provide support and direction where required.



**HAMISH TYRWHITT**  
Independent Non-Executive Chair



**MICHAEL FINNEGAN**  
Managing Director and Chief Executive Officer

# About this Statement

## THE REPORTING ENTITIES

This Modern Slavery Statement is our fifth statement. It is made pursuant to the Act for the period 1 July 2023 to 30 June 2024. This is a joint Statement submitted by Macmahon Holdings Limited\* (ACN 007 634 406) and the following subsidiaries of Macmahon (each a “Reporting Entity” and collectively “Reporting Entities”):

**Macmahon Contractors Pty Ltd**  
(ACN 007 611 485)

**Macmahon Underground Pty Ltd**  
(ACN 003 696 464)

*\*Macmahon Holdings Limited is the ultimate holding company in the Macmahon Group of companies. A breakdown of the Macmahon corporate group is set out on page 7 of this Statement and can be found on page 106 of our Annual Report for FY24. In this Statement, the terms ‘Macmahon’, ‘Company’, ‘our business’, ‘we’ and ‘our’ refer to each of the Reporting Entities and their owned and controlled entities, except where stated or where the context otherwise requires.*

## OUR APPROACH

At Macmahon, we are acutely aware of the complexities and risks associated with our extensive global supply chain. We recognise that modern slavery remains an ongoing issue that has the potential to affect every country in which we operate. We are committed to going above and beyond to ensure ethical practices are the highest priority throughout our operations and supply network.

It is estimated that approximately 50 million people across the globe live in slavery today, with approximately two thirds of this occurring in the Asia Pacific region. Macmahon acknowledges that as our operations are based predominantly in these regions, we have a greater responsibility to take meaningful action to combat exploitative practices.

At Macmahon, our Company Values are the cornerstone of everything we do. Since the introduction of our current Company Values in 2022 (referred to above), we have taken great pride in continuing to weave those values into the fabric of our operations.

More importantly, we extend our values beyond the boundaries of the Company, seeking to ensure that every individual and entity we engage with aligns with our commitment to be united, have courage and act with pride and integrity. Our Values define our approach to business and how we interact with all our stakeholders, including governments, suppliers, customers and business partners.





# Our Structure, People and Operations

## OUR STRUCTURE

Macmahon is headquartered in Perth and supports major resource companies across various commodity sectors in Australia and Southeast Asia. Our subsidiaries can be found in the table below.

Incorporated subsidiaries	Country of incorporation	Ownership interest	
		2024 %	2023 %
Macmahon Contractors Pty Ltd	Australia	100	100
Macmahon Mining Services Pty Ltd	Australia	100	100
Doorn-Dijl Yoordaning Mining and Construction Pty Ltd	Australia	100	100
Macmahon Underground Pty Ltd	Australia	100	100
Macmahon Contracting International Pte Ltd	Singapore	100	100
PT Macmahon Indonesia	Indonesia	100	100
Macmahon Constructors Sdn Bhd	Malaysia	100	100
TMM Group Pty Ltd*	Australia	100	100
TMM Group (Consult) Pty Ltd	Australia	100	100
TMM Group (IP) Pty Ltd*	Australia	100	100
TMM Group (Operations) Pty Ltd	Australia	100	100
Macmahon East Pty Ltd	Australia	100	100
Macmahon Maintenance Masters Pty Ltd	Australia	100	100
Macmahon (Southern) Pty Ltd <sup>1</sup>	Australia	100	100
Macmahon Africa Pty Ltd*	Australia	100	100
Macmahon Malaysia Pty Ltd*	Australia	100	100
Macmahon Sdn Bhd*	Malaysia	100	100
PT Macmahon Contractors Indonesia	Indonesia	100	100
Macmahon Singapore Pte Ltd*	Singapore	100	100
Macmahon Contractors Nigeria Ltd*	Nigeria	100	100
Macmahon Contractors Ghana Limited*	Ghana	100	100
Macmahon Botswana (Pty) Ltd*	Botswana	100	100
Strong Minds Strong Mines Pty Ltd	Australia	100	100
GF Holdings (WA) Pty Ltd	Australia	100	100
GBF Mining and Industrial Services Pty Ltd	Australia	100	100
GBF North Pty Ltd	Australia	100	100
GBF Number 6 Pty Ltd	Australia	100	100
GBF Project Services S.R.O <sup>2</sup>	Australia	0	100
PT Macmahon Mining Services	Indonesia	100	100
MBMS Contractors Pty Ltd	Australia	100	0
<b>Interest in trusts</b>			
Macmahon Holdings Limited Employee Share Ownership Plans Trust	Australia	100	100

\* Entities were dormant for the financial year ended 30 June 2024.

1 Macmahon (Southern) Pty Ltd is incorporated and operates in Australia and has a registered branch in South Africa. The branch operations are dormant.

2 GBF Project Services S.R.O was deregistered in FY24.

Note: Decmil entities acquired by Macmahon Holdings Limited on 15 August 2024 (post the reporting period of this document, but outlined for clarity).



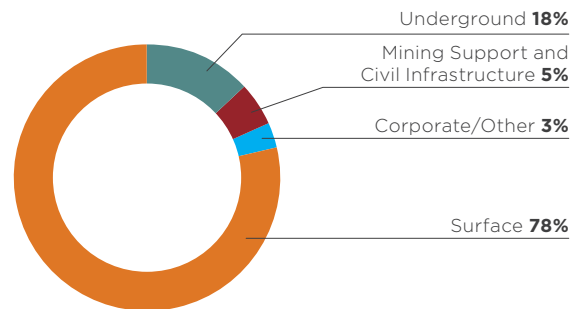
## OUR PEOPLE

In FY24, our workforce consisted of 9,676 employees and contractors, a 15.6% increase from FY23. A summary of our workforce is provided below.

### Macmahon Workforce

Workforce over last 3 years	FY24	FY23	FY22
Employees	8,269	7,017	6,762
Contractors	1,407	1,351	1,086
<b>Total</b>	<b>9,676</b>	<b>8,368</b>	<b>7,848</b>

### Workforce by Business Unit



	Metric	FY24			
Workforce Diversity		F	M	Not Disclosed/ Non-binary/ Gender Diverse	ALL
Total workforce	#	1,255	8,419	2	9,676
Total employees	#	1,152	7,116	1	8,269
Total contractors	#	103	1,303	1	1,407
Total workforce by region					
Employees					
Australia	#	683	3,155	1	3,839
Southeast Asia	#	469	3,961	0	4,430
Other	#	0	0	0	0
Contractors					
Australia	#	84	1,128	1	1,213
Southeast Asia	#	19	175	0	194
Total workforce by age					
<30	#	477	1,816	2	2,295
30-50	#	589	5,110	0	5,699
>50	#	189	1,493	0	1,682

## OUR OPERATIONS

Macmahon provides mining, civil infrastructure and support services to miners throughout Australia and internationally.

Headquartered in Perth, Western Australia, the Group derives revenue from surface and underground mining and mining support and civil infrastructure activities, which include civil design and construction (primarily on mine sites), equipment refurbishment and maintenance, training, design and fabrication of mining infrastructure, and mine site maintenance and rehabilitation services.

Macmahon is focused on developing strong respectful relationships with its clients whereby both parties work in an open, flexible and transparent way to ensure mutually beneficial outcomes whilst also minimising risks for both parties.

Our surface mining division offers the full suite of services including bulk and selective mining, mine planning, drill and blast, crushing and screening, water management, and equipment operation and maintenance.

Macmahon's underground mining division offers underground development and production services, a broad range of ground support services, as well as services to facilitate ventilation and access to underground mines, including shaft sinking, raise drilling and shaft lining.

Consulting, design, procurement, fabrication, construction, equipment sales and hire, equipment refurbishment, maintenance, training services and site rehabilitation services are provided by Macmahon to the resources sector. Macmahon is focussed on building its civil infrastructure and construction business in Australia and Southeast Asia as part of its ongoing strategy to diversify its business.



# Map of Operations

as at 12/2024

## MALAYSIA

Selangor

## INDONESIA

Jakarta  
Batu Hijau  
Martabe  
Poboya  
Tujuh Bukit

## WESTERN AUSTRALIA

Perth (Head Office)  
Perth  
Greenbushes  
King of the Hills  
Telfer  
Tropicana  
Boston Shaker  
Daisy Milano  
Deflector  
Granny Smith  
Gwalia  
King of the Hills  
Perdaman CERES  
McPhee Creek  
Mount Holland  
Telfer

## QUEENSLAND

Brisbane  
Coppabella  
Byerwen  
Dawson South  
Foxleigh  
Borumba Dam  
Peak Downs  
Homeground Gladstone

## NEW SOUTH WALES

Sydney  
Sunraysia

## VICTORIA

Melbourne  
Campbellfield  
Fosterville  
Gippsland Line  
Ison Road

## SOUTH AUSTRALIA

Lonsdale  
Olympic Dam

## SOUTHEAST ASIA



## AUSTRALIA



28

Total Sites

8

Offices

5

Workshops

7

Commodities

1

Accommodation Village

Offices Workshops Surface Underground Civil Infrastructure Accommodation Village

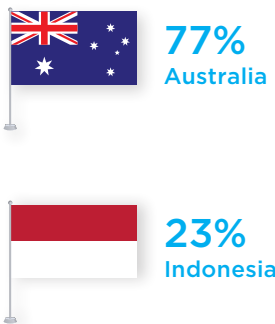


# Our Supply Chain

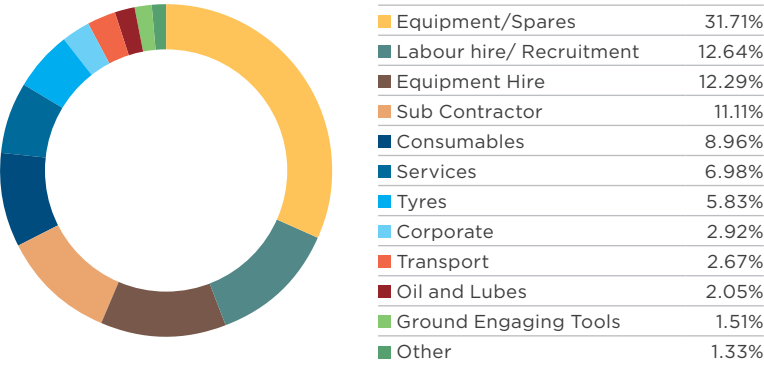
In FY24, our supply chains were within Australia and Indonesia.

Referring to our FY24 breakdown of expenditure below, Macmahon’s primary spend was on equipment and parts, sub-contractors and labour hire.

### SPEND BY COUNTRY



### AUSTRALIA SPEND BY CATEGORY





# Modern Slavery Risks

## OPERATIONAL AND GEOGRAPHICAL RISKS

The following table outlines the countries in which Macmahon has operations and the risks identified with each of those countries based on the Global Slavery Index (GSI)<sup>2</sup>:

Country	Prevalence of people living in modern slavery	Estimated proportion living in modern slavery per 1000	Government response score
Australia	41,000	1.6/1000	67/100
Indonesia	1,800,000	6.7/1000	50/100
Malaysia	202,000	6.3/1000	45/100

## OUR WORKFORCE

Our people are at the core of our business and are our number one priority. Given the sizeable nature of our workforce, we recognise that certain individuals may be more vulnerable to modern slavery within our operations owing to a range of factors, such as the location in which they work, or by the nature of their engagement (for example, migrant workers that are recruited by third party labour agencies).

While it is our preference to engage our workers (locally and internationally) directly, a small proportion of our workforce is engaged through labour hire agencies. Where this is the case, we ensure that the agencies used are Australia-based and approved by management.

For our Australian workforce, which is 50% of our total workforce, 80% are directly employed and approximately 20% are contractors engaged by third party labour agencies.

All our workers are engaged using transparent processes in accordance with internal policies and procedures and the law. All employees are engaged via a contract of employment and a large portion are additionally covered by an enterprise agreement which has been approved by the Fair Work Commission.

Approximately 50% of our total workforce is based in Southeast Asia. Out of this, 96% are directly employed by Macmahon and approximately 4% are contractors.

## SUPPLY CHAIN RISKS

We endeavour wherever possible to support the economies in which we operate by sourcing goods and services locally. We recognise, however, that procurement of goods and services in certain regions may inherently come with elevated risks of modern slavery.

We seek to address this by evaluating a relevant supplier's commitment towards identifying and addressing modern slavery risks and reviewing any policies and procedures of the supplier which give effect to this commitment. We also consider the supplier's assessment of its own supply chain, including where its raw materials, products and services are ultimately sourced, and any training provided to that supplier's workforce.

2. Source: Global Slavery Index: [www.globalslaveryindex.org](http://www.globalslaveryindex.org)

The factors that we evaluate when considering suppliers can be broadly summarised as follows:

Risk Category	Risk Description
Supply chain goods risks	<ul style="list-style-type: none"> <li>Supplier has a facility (or facilities) in locations identified as 'high risk'.</li> <li>Supplier provides goods/materials or services identified as 'high risk'.</li> </ul>
Supply chain management risks	<ul style="list-style-type: none"> <li>Supplier does not have a policy or process that prohibits modern slavery in its operations and in those of its suppliers.</li> <li>Supplier does not have policies and processes to identify, investigate and remedy risk and instances of modern slavery.</li> <li>Supplier cannot demonstrate employee training to manage modern slavery risk.</li> <li>Supplier does not conduct due diligence for modern slavery risks on its suppliers.</li> <li>Supplier does not require suppliers to conduct due diligence for modern slavery on their suppliers.</li> <li>Supplier has not participated in Macmahon's modern slavery SAQ.</li> </ul>
Supply chain labour risks	<ul style="list-style-type: none"> <li>Supplier is in contravention of the United Nations International Labour Organisation (ILO) conventions that prohibit the worst forms of child labour.</li> <li>Supplier does not undertake checks to ensure child labour is not being used within its organisation or suppliers.</li> <li>Supplier cannot demonstrate compliance to decent work principles or the <i>Fair Work Act 2009 (Cth)</i>.</li> <li>Supplier does not have mechanisms available to anonymously raise concerns related to labour conditions or workplace grievances.</li> </ul>





### HIGH RISK GOODS & SERVICES

As noted above, in FY24 we procured AU\$1.85 billion in goods and services from approximately 2,000 suppliers spread across three countries, including Australia.

As measured using the GSI, we have identified that the following goods and services may pose a higher risk for modern slavery based on inherent geographical and sector risks:

- Labour hire
- Personal Protective Equipment and clothing ("PPE")
- Accommodation, cleaning and catering
- Electronics
- Rubber (including tyres)
- Fuels
- Shipping

Our largest expenditure in Australia is equipment. We procure this equipment and the services in support of the equipment both from the OEM and their nominated dealership/agencies. Given that the majority of our Tier 1 supplier engagement is with mining equipment and parts suppliers, we undertake a thorough due diligence process to assess and rate suppliers in accordance with our risk matrix.

Details of this due diligence process are provided on page 15. To date, our due diligence assessments have not identified any of our Tier 1 suppliers as being high risk for modern slavery. We will continue working with our Tier 1 suppliers to gain a deeper understanding of our supply chain beyond Tier 1.

### TIER 2 AND BEYOND

We categorise our suppliers by spend, with Tier 1 suppliers being our largest spend category.

Macmahon is committed to the important next steps in the modern slavery journey. We now have a clear understanding of those risks in our Tier 1 supply chain and will further develop strategies and processes to identify and manage risks in our Tier 2 and beyond supply chain.

We will continue to further develop our audit strategy and broaden our audit footprint, ensuring our high spend, Tier 1 suppliers can identify their own risks in their supply chain. We will further enhance our audit template, to further deep dive into the audit questions, allowing us to have a broader understanding and visibility of where risks might lie beyond our Tier 1 suppliers. We will continue to educate our suppliers on the importance of their awareness and commitment to identifying risks of modern slavery in their own business.



# Actions to Assess, Address and Remediate Modern Slavery Risks

Due diligence is an important aspect of our risk management framework, which includes a myriad of steps, actions and processes as outlined below.

## A OUR POLICIES AND PROCEDURES

A framework of Company policies and procedures underpins our commitment to uphold human rights and assess and manage modern slavery risks in our operations and supply chains. This framework includes the following policies:

- Code of Conduct
- Environmental Policy
- Sustainability Policy
- Diversity and Inclusion Policy
- Human Rights Policy
- Indigenous Peoples Policy
- Procurement Policy
- Safety and Health Policy
- Whistleblower Policy and “whistleblower hotline”
- Sexual Harassment Policy

Our Code of Conduct underscores our commitment to ethical corporate practices and reflects the high standards necessary to uphold Macmahon’s integrity and public trust.

Our Human Rights Policy outlines our dedication to eliminating all forms of modern slavery in our operations and supply chains.

Our Procurement Policy is designed with built-in checks and balances and robust accountability measures to ensure that our purchasing activities are conducted fairly, objectively and transparently.

Emphasis is placed on selecting suppliers and service providers that demonstrate high environmental, sustainability and business integrity standards, including respect for human rights.

We have also incorporated modern slavery clauses into our standard template contracts, including our terms and conditions.

## GOVERNANCE AND MANAGEMENT

Our Modern Slavery Working Group (“Working Group”) coordinates and oversees activities in the human rights and modern slavery areas across the business. Our Working Group includes members from both our Australian and Indonesian Supply teams, as well as representatives from Human Resources, Health, Safety, Environment and Quality (HSEQ), Recruitment, IT and Training, as well as our Legal and Commercial teams.

In FY25, we aim to continue to develop our dedicated Modern Slavery Procurement Procedure to serve as a guidance document and to provide confidence to the Macmahon business around modern slavery governance.

The Board and the Audit and Risk Committee (ARC) oversee our corporate risk register and receive bi-annual updates on the register which specifically refers to modern slavery under the ‘Logistics and Supply Chain Risk’ description. Management will rate the risk and update the register bi-annually.

Our centralised procurement function based in Australia governs and drives modern slavery compliance and initiatives and is overseen by the Chief Corporate Development Officer.



## REPORTING CHANNELS

Our Whistleblower Policy, which includes an independently managed reporting channel 'YourCall', is designed to make it easy for our employees, suppliers and others to make disclosures anonymously and without fear of retaliation. We encourage all our employees, suppliers, customers and business partners to report any modern slavery concerns related to our activities or supply chains. This includes situations that have the possibility of giving rise to an enhanced risk of modern slavery or human trafficking.

YourCall is actively promoted via our website, internal webpages and posters in our corporate office and project sites. We also ensure our suppliers are made aware of YourCall through the supplier training we provide to ensure the reporting channel is accessible.

YourCall is available for our international employees and suppliers, a version of the Whistleblower Policy which includes specific information on YourCall has been translated to Bahasa Indonesian language and is available on the country specific Macmahon document library.

## SUPPLY CHAIN DUE DILIGENCE AND RISK ASSESSMENT

### Supplier Onboarding System

Our online supplier onboarding system, which was implemented in FY22, has provided a streamlined database allowing us to assess our Australian supply chain for risks efficiently and accurately.

In FY24, 386 suppliers were approved and onboarded having successfully completed and satisfied the onboarding criteria.

### Self Assessment Questionnaire (SAQ)

Our supplier SAQ, which was first launched in FY21, allows us to identify any suppliers who carry a higher risk of modern slavery occurrences in their own operations and supply chain. This initial risk assessment exercise provides the basis for our subsequent focus for ongoing due diligence and remediation activities.

Our SAQ risk assessment helps us rate our suppliers as high, moderate or low risk for modern slavery occurrences depending on a range of factors, including:

- Whether the suppliers have policies and procedures in place to assess and address modern slavery.
- The availability of training for employees.
- Reporting and grievance mechanisms in place.
- The supplier's understanding of where its raw materials, components or parts are ultimately sourced from.

Our risk assessment is an ongoing process that is regularly reviewed for effectiveness. In FY24, we reassessed the effectiveness of risk rating our suppliers based on their responses to our SAQ. With our evolved understanding of modern slavery, the risk assessment scoring of our SAQ was updated to provide a more meaningful risk assessment of screened suppliers.

Our findings from our SAQs indicate that approximately 60% of all the suppliers who were invited and completed our SAQ were rated as moderate risk for modern slavery occurrences and approximately 40% of the suppliers were assessed as low risk. Only 1% of suppliers were rated as high risk within our Australian supply chain. We recognise that SAQs are only an aspect of our due diligence and risk assessment initiatives. As noted in our third-party due diligence section on page 18, we have also engaged consultants to assist us in risk assessing 291 of our Indonesian suppliers and 21 of our Malaysian suppliers via an industry and spend profile risk assessment platform which will result in us undertaking a further targeted approach in FY25, such as supplier audits.

Low risk suppliers are required to complete our prequalification and SAQ every two years.

Moderate risk rated suppliers will be required to do the same with the addition of them providing us evidence of their policies and procedures that they have in place that support the identification and remediation of any instances of modern slavery.

In FY25, we are focusing on integrating our SAQ into our online onboarding system. This automation will enhance our ability to track and evaluate our supply chain through advanced reporting and drill-down features. It will enable us to identify suppliers with high or moderate risk ratings and determine which ones may need auditing, either through phone or in-field inspections.

By automating this previous manual process, we can continuously refine our risk assessment procedures and implement improvements more efficiently. The new process will allow us to update and redevelop our SAQ seamlessly, eliminating the need for manual administration.







### THIRD PARTY DUE DILIGENCE

We are aware that there are inherent risks in operating in Indonesia and Malaysia. One of the ways that we have acted to further combat this is by engaging an independent ESG Consultant to assess modern slavery risks in these regions.

The ESG Consultant used a risk assessment platform to evaluate our supply chain from Tier 1 to Tier 10 suppliers based on global spend. This analysis provided a theoretical risk profile at the industry and country levels, rather than assessing individual suppliers.

The assessment highlighted that in Indonesia, the highest risk areas are machinery and equipment supply and health and social work services. In Malaysia, the greatest risk is in the construction, cement, lime, and plaster industries. While this analysis did not confirm the presence of slavery with respect to specific suppliers, it served as a foundation for targeted due diligence.

In FY24, we began focused due diligence on our top 10 Indonesian suppliers identified as high risk. Our Indonesian team, including members of the Working Group, engaged directly with these suppliers, explaining our SAQs (translated into Bahasa Indonesian) and raising awareness about modern slavery. This resulted in the top three suppliers, initially rated as high risk, completing the SAQs and being reassessed to low or moderate risk.

In FY25, we will use the findings to establish a targeted approach to educate our Indonesian supply chain and further engage with our Malaysian suppliers using this targeted approach.

### SUPPLIER AUDITS

When our due diligence processes identify a high risk of modern slavery or reveal inadequate measures by a supplier to address such risks, we may conduct independent audits. Our primary approach to supplier audits is based on top spend and category risk. We conduct these audits to gather further information and to determine if remediation steps are required.

### AUSTRALIAN PHONE AUDITS

In FY24, following identification of the need for enhanced supplier oversight in our FY23 Modern Slavery Roadmap, we implemented Australian phone auditing for our suppliers. This was undertaken as a proactive measure of obtaining clearer and up to date data from our direct suppliers.

During the latter half of FY24, we maintained a consistent rate of three phone audits per month for a total of 13. This data was carefully recorded and analysed and used in conjunction with other audit and evaluation methods such as in-field audits to assess supplier compliance with ethical trade practices.

As these were the first phone audits rolled out by Macmahon, the results were used as a learning base for both us and the supplier.

In FY25, we intend to have a more targeted approach and tailor our phone audits to drill down into the original SAQ answers supplied by the supplier at the onboarding process.

### INTERNATIONAL AUDITS

Despite only a small percentage of our workers making up our migrant workforce, these individuals are particularly susceptible to exploitative practices, including coercive or deceptive recruitment, forced labour, the withholding of passport or identity documents, and debt bondage.

To address this risk, in FY23 we instructed the ESG Consultant to perform desktop audits on three selected suppliers, including labour hire companies and a migration agency, operating in Australia and Indonesia.

In FY24, we heightened our focus on migrant workers from the Philippines. A senior management team member visited the Philippines to conduct due diligence on several prospective recruitment service providers. For more details, please refer to page 20 on Labour Hire and Migrant Workers. We also initiated our first in-field audit to validate the risk ratings assigned to our suppliers through the SAQ. One of our Tier 1 Australian suppliers (Audited Supplier) was chosen for this audit due to their significant expenditure and the need to confirm their risk assessment through an in-field evaluation.

During the in-field audit, we inspected and assessed the Audited Supplier's:

- Understanding of modern slavery.
- Policies and procedures as they had outlined in the SAQs.
- Availability of its modern slavery training attendance record and content for their own employees.
- Grievance and reporting channels.
- Own supply chain mapping and understanding of where their products/supply chain goods are manufactured/sourced from.

The Audited Supplier demonstrated a robust understanding of modern slavery and the associated risks for their business. Whilst the Audited Supplier is not a reporting entity for the purpose of the Act, it had been educated by Macmahon through completion of the Macmahon SAQs and other modern slavery awareness material issued to it. The Audited Supplier learned the importance of identifying and eliminating modern slavery. This awareness culminated in the Audited Supplier voluntarily publishing a Modern Slavery Statement.

### PROCUREMENT PROCESS

In addition to our streamlined onboarding system and mandatory SAQs mentioned above, our due diligence process for each new supplier involves a thorough evaluation of their responses to the following criteria:

- Our Human Rights Policy relating to modern slavery.
- Financial capability.
- Insurance documentation.
- Human resources and Industrial relations.
- Information relating to claims against the Company.
- HSEQ statistics.
- Accreditations, certifications, and management systems.

This assessment is then reviewed and approved by Macmahon operational management and final approval must then be sought from the Group Supply Manager.

As part of our International Organisation for Standardisation requirements, we also undertake periodic assessments across our existing supplier base every two years through our supplier prequalification process.

### SUPPLY CHAIN MANAGEMENT

Our suppliers are required to adhere to Macmahon's policies and procedures. Our standard supply contracts incorporate specific obligations on our suppliers in relation to modern slavery. These contracts mandate that suppliers and service-providers respond to and demonstrate compliance with the modern slavery legislation and report any breaches of the Act or instances of modern slavery to Macmahon. These contractual arrangements require that agents, suppliers and service providers undertake various determined actions that include:

- Conducting their business in a manner consistent with the Act.
- Investigating their supply chains and labour practices.
- Permitting Macmahon to audit their operations to check their modern slavery actions.
- Notifying Macmahon if they become aware of any actual or suspected slavery, forced labour or human trafficking in a supply chain in connection with our agreements.

### MANAGING RISK IN OUR INDONESIAN OPERATIONS

We are committed to maintaining a positive relationship with our Indonesian workforce while ensuring full compliance with all relevant labour laws. We ensure our Indonesian employees are engaged using written contracts that align with Company Regulations, similar to an Australian Enterprise Agreement, and receive approval from the Indonesian Ministry of Manpower for these contracts every two years.

Select Indonesia-based employees are eligible for production bonuses based on KPIs and adherence to safety standards, which are in addition to their base wages. These bonuses are designed to encourage best practices in the workplace.

Macmahon offers health insurance to all employees and their immediate family (one spouse and up to three children). Our standard roster for Indonesian workers is four weeks on, two weeks off, with 12-hour shifts. Some roles may have five days on, two days off, and eight-hour shift schedule, depending on whether employees live locally or are fly-in-fly-out. We apply the same fatigue management policies to our Indonesian workforce as we do to our Australian team.



During the onboarding process, our Indonesian suppliers are also required to complete the SAQ, which mirrors the Australian SAQ in content and has been translated into Bahasa for clarity. Due to previous low to moderate engagement, we set new expectations for SAQ completion with our Indonesian team in early 2024. As a result, 19 new suppliers completed the SAQ in FY24. In February 2024, we also introduced Modern Slavery Supplier Awareness Training, translated into Bahasa and identical to our Australian training. This training was rolled out to our Indonesian suppliers, with six suppliers completing it in FY24. We plan to launch Version 2 of the Supplier Awareness Training in FY25.

In FY25, we aim to begin auditing a select group of high-spend, high-risk suppliers within the Indonesian supply chain, working closely with our Indonesian team to conduct these audits.

#### MANAGING RISK IN OUR MALAYSIAN OPERATIONS

Malaysian labour laws are regulated by the Ministry of Human Resources.

Our Malaysian employment agreements have been prepared to comply with or exceed the minimum requirements of Malaysian labour laws, including the *Employment Act 1995* (Malaysia) and its subsequent regulations.

In compliance with the *Employees' Social Security Act 1969* (Malaysia), Macmahon makes contributions to the Social Security Organisation for employee protections as well as contributions in accordance with the *Employment Insurance System Act 2017* (Malaysia) to protect employees who have lost employment. Levy payments are made towards the Human Resources Development Fund for the purposes of training and developing employees. Macmahon performs statutory contributions towards a scheme of saving for our employees.

Malaysia has enacted the *Employment (Amendment Act) 2022* (Malaysia) which took effect from 1 January 2023. Macmahon is actively working to ensure its labour practices in Malaysia remain compliant with current labour laws.

In FY25, we will review the findings of the FY23 ESG Consultant's audit and apply what is relevant to the Malaysian Supply Chain.

#### LABOUR HIRE AND MIGRANT WORKERS

In order to undertake an assessment of international recruitment practices, a member of our senior management team travelled to the Philippines in FY24 to follow up on similar work done in a FY23 trip. They were able to qualify the methods and procedures of the service provider and ensure compliance with the Australian legislative requirements, as well as Macmahon's policies and procedures. Both FY23 and FY24 trips highlighted that there has been a considerable increase in awareness of modern slavery risks by prospective candidates and the recruitment service provider as well as within the Philippines recruitment industry more generally. This recruitment service provider (the Audited Agency) was also audited by our Supply team in April 2024 with a risk compliance score of 100%.

The Audited Agency engaged in both FY23 and FY24 for the recruitment services for the Philippines, presented no indicators of modern slavery within their organisations. As part of the Audited Agency's risk mitigation methods, regular follow ups by the supplier are carried out and if there are any concerns, the host company which a supplier engages is reported and, if warranted, blacklisted.

Macmahon continues to engage a migration agent to coordinate ongoing monitoring and to ensure compliance with migration laws, as well as to ensure that the terms and conditions for people we employ for the same roles are equal, irrespective of nationality.

In addition to the Philippines recruitment for migrant employees, we engaged two separate service providers to engage with the African workforce in FY24. These two new recruitment service providers have recently commenced engagement of suitable migrant workers and are required to fulfill all of the above requirements, legislation and expectations as outlined above.

## TRAINING AND EDUCATION

It is incumbent on Macmahon to ensure its workforce and suppliers are trained and educated in modern slavery risks - they are the best line of defence in addressing and reporting risks, should they arise.

In FY24, we increased our focus on raising modern slavery awareness within our own workforce and supply chain. To this end, we continued to develop our Modern Slavery Supplier Awareness training program for all our Australian suppliers via our supplier onboarding system. We also issued a second version of the awareness training module to all active suppliers. The new training included new content such as case studies, identifying the signs of modern slavery, as well as what to do if you suspect any instances of modern slavery.

This training presentation has also been translated and rolled out, in Bahasa Indonesian language for our Indonesian suppliers. The training included information such as:

- Defining modern slavery and outlining its impacts.
- The GS Index 2023 relevant data and information for our suppliers.
- Types of modern slavery.
- Risks for business.
- Macmahon's commitment to modern slavery.
- Other external information and resources for Business.

We have continued to seek feedback from our suppliers who have received the training through issuing tailored surveys, in order to gauge the effectiveness of our Modern Slavery Supplier Awareness training. A total of 411 responses have been received since the Supplier Awareness Training was issued to our Suppliers at the end of the FY23 reporting period. The data from the survey attached to this awareness training indicates that approximately 98% of the suppliers found the training to be effective in helping them gain a better understanding of modern slavery and how it might impact their business and supply chains. Approximately 85% of suppliers stated they would seek further information on modern slavery from the public resources we had provided in the training material.

In FY23, our internal Macmahon induction module that incorporates our modern slavery awareness training for employees and contractors was refreshed. In FY24, 1,540 employees and contractors completed the modern slavery module that is embedded as part of our induction training for all staff and contractors. In FY24, a further 57 employees completed the more targeted modern slavery awareness training for recruitment, procurement and leaders/managers, and since 2020 over 400 employees have completed this awareness module.

For our Indonesian and Malaysian staff, modern slavery training is mandatory for all new starters. In FY24, we continued to roll out modern slavery training to all new Indonesian and Malaysian employees.

## MACMAHON LEADERSHIP TRAINING

In FY24, our Macmahon in-house legal team developed and rolled out a comprehensive training pack for Macmahon senior personnel, leadership and managers, across sites and offices to ensure continued learning and understanding of modern slavery. This training included case study examples of occurrences of modern slavery, high risk procurement categories of focus, Macmahon's reporting and other obligations under the Act as well as our risk initiatives and what employees and leadership can do to be more vigilant about modern slavery.







# Assessing Effectiveness

Given the inherent complexity in identifying, assessing and addressing modern slavery risks, we recognise that it is important to continually evaluate the effectiveness of the actions we take.

In FY24, our Working Group established the following three core KPIs for FY24, against which our performance could be evaluated.

1. Percentage of new suppliers issued with SAQs and number of suppliers that have completed SAQs.
2. Targeted audits for suppliers.
3. Percentage of new employees that have completed the induction training, which includes training on modern slavery.

Although no instances of modern slavery have been identified, we remain committed to continuously enhancing our processes and evaluating the effectiveness of our actions based on our roadmap and commitments. Our goal is to maintain complete visibility and awareness of any modern slavery occurrences.

Our governance principles, policies, and procedures are regularly updated to reflect changes in corporate governance. Our Human Rights Policy has been in place for over two years, and our Risk Management policies and supply chain systems are reviewed annually to address market changes.

In FY23, we engaged with a leading Tier 1 supplier known for its proactive approach to combatting modern slavery practices to gain insights into their focus areas and ensure our approach aligns with industry standards. As mentioned in the Supplier Audit section on page 18, our first in-field audit revealed that this supplier had voluntarily created a Modern Slavery Statement, prompted by our awareness and education initiatives.

In FY24, we increased our emphasis on training and awareness by implementing targeted sessions for both suppliers and corporate personnel. Feedback from suppliers indicated that the training was well received, as detailed in our Training and Education section. The internal corporate training also proved valuable; it provided our team with essential context and guidance for due diligence on prospective recruitment agents in the Philippines, helping them ask more relevant questions about recruitment practices.

## PEER COLLABORATION

In FY24, we remained deeply engaged in enhancing our understanding and education on modern slavery, both within our industry and the broader business community. We participated in several webinars led by top experts in the field, gaining valuable insights and practical guidance on proactive measures and progress.

In May 2024, we hosted a half-day collaboration session with one of our clients at our offices. During this time, we worked together on SAQ questions, risk assessment notes, and audits. Looking ahead to FY25, we are committed to visiting the client's site to continue this collaborative effort and build on the progress made since May 2024.

# Our Roadmap

As part of our FY25 and ongoing roadmap, we will:

- Redevelop our risk assessment initiatives and further develop our audit processes and strategies.
- Embed our SAQ into our onboarding system.
- Continue a targeted due diligence on high risk suppliers.
- Continue drafting our Modern Slavery Procedure.
- Continue to monitor our modern slavery training for our supply chain and opportunities for targeted training particularly to any at risk workers, such as our migrant workforce.
- Continue to report, assess and monitor our KPIs for effectiveness.

- Continue to collaborate with industry and business peers to further develop in our modern slavery journey.
- As we integrate Decmil Group Limited into our broader business following the acquisition of that entity in FY25, we will expand our efforts and focus on modern slavery compliance.

We are proud of the steps we have taken to date to identify, assess and address modern slavery risks but appreciate that there are additional actions we can take to enhance our compliance in this space. We are committed to continually work towards those enhancements and to be a market leader in the industry.



## Our FY24 Roadmap

## FY24 Key Achievements

**Risk Assessment Initiatives**

- Continue to monitor our risk assessment initiatives and further develop our audit processes and strategies.
- Adopt a more targeted due diligence on high-risk suppliers.

- Reviewed the risk assessment scoring approach of our Modern Slavery Self-Assessment Questionnaire (SAQ) to ensure appropriateness to critical questions.
- Commenced phone audits on our high-risk suppliers.

**Corporate Governance**

- Finalise the assessment metrics of our KPIs.

- Set metrics around our modern slavery KPIs.
- Revised our Modern Slavery Working Group with new members across key business units.

**Training and Education**

- Develop further modern slavery training for suppliers (translated where required) and consider opportunities for targeted training particularly to any at risk workers, such as our migrant workforce.

- Expanded our modern slavery awareness training for our Australian suppliers to create awareness in our supply chain. This training includes case studies and outlines how to proceed if an instance of modern slavery is identified.
- Provided targeted training to our senior personnel in our corporate and project teams in Australia.
- Refreshed our internal Macmahon induction module that incorporated our modern slavery awareness training for employees and contractors.

**Peer Collaboration**

- Continue to collaborate with industry and business peers to further develop our modern slavery journey.

- Engaged with industry peers and clients to gain and share our learnings in order to spread awareness and strengthen our modern slavery approach.

**Reporting Channels**

- Continue to implement and promote our grievance procedures and reporting channels to our suppliers and offshore workforce.

- YourCall is available for our international employees and suppliers, a version of the Whistleblower Policy which includes specific information on YourCall has been translated to Bahasa Indonesian language.




# Consultation and Approval

Macmahon has prepared this joint Statement in consultation with each Reporting Entity listed on page 5. Macmahon has set up a Modern Slavery Working Group to facilitate ongoing consultation and engagement across the various Macmahon entities. The Working Group is responsible for, and has oversight of, modern slavery initiatives and actions across the business as well as drafting and preparing this Statement. The members of the Working Group consist of representatives from the Macmahon Procurement, Human Resources, Health, Safety, Environment and Quality (HSEQ), Legal, and Commercial teams from across our Australian and Indonesian offices.

The Macmahon Executive Leadership Team meets regularly to review performance of all our operations. Select members of the Executive Leadership Team are also members of the Board of Directors of each of the reporting entities, with one member also a director of Macmahon Holdings Limited. The directors of all Macmahon owned and controlled subsidiaries ultimately report to the Board of Directors of Macmahon Holdings Limited. By virtue of these positions across the Reporting Entities, these officeholders have a considerable understanding of the supply chains and operations across the Macmahon's entities.

This Statement was approved by the Macmahon Holdings Limited Board of Directors on 5 December 2024 on behalf of all Reporting Entities covered by this Statement.

Signed,

A handwritten signature in black ink, appearing to read 'Michael Finnegan', is written over a faint, circular, light blue watermark or background graphic.

**MICHAEL FINNEGAN**

Managing Director and Chief Executive Director  
*Macmahon Holdings Limited*



**Macmahon Holdings Limited**

ACN 007 634 406

15 Hudswell Road  
Perth Airport WA 6105  
Australia

(+61) 08 9232 1000  
info@macmahon.com.au

[macmahon.com.au](http://macmahon.com.au)



[linkedin.com/company/macmahon](https://www.linkedin.com/company/macmahon)



[facebook.com/macmahonmining](https://facebook.com/macmahonmining)



[instagram.com/macmahonmining/](https://instagram.com/macmahonmining/)



[@macmahon\\_mining](https://twitter.com/macmahon_mining)



[youtube.com/@macmahon9047](https://youtube.com/@macmahon9047)