



Modern Slavery Statement FY22



Together we're the difference.

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1. Introduction

Decmil is subject to the Modern Slavery Act 2018 (Cth) ('Act') that commenced on 1 January 2019. This is our third annual modern slavery statement as required by the Act. Decmil is committed to protecting human rights within the areas over which it has control and to adhering with the Modern Slavery Act 2018.

The Act defines modern slavery as including eight types of serious exploitation: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, the worst forms of child labour, and deceptive recruiting for labour or services. Traceability and transparency are key focuses for Decmil to ensure sustainable and ethical sourcing within our Supply Chain.

Decmil are committed to ensuring that all Project personnel understand the nature of their obligations under the Act and are sufficiently committed and well informed to be able to play their part in the protection of human and environmental rights.

1.1 About Decmil

Decmil Group Limited deliver integrated construction and engineering solutions across the infrastructure, transport, energy, renewables and resources sectors. And we have been doing it for over 40 years.

Decmil is a public company listed on the Australian Stock Exchange (ASX code DCG). Since our establishment in 1978, Decmil has remained an Australian owned business that is focused on providing full cycle construction and engineering project delivery. Today, we have three offices in Perth, Western Australia; Brisbane, Queensland and Melbourne, Victoria.

Operating across Australia, Decmil offers a combination of national expertise and local knowledge, supported by a team of valued suppliers and subcontractors. Regardless of the size, scope or location, we are renowned for working collaboratively with our clients, delivering successful projects on time and on budget.

For more than 40 years, and often in remote and challenging locations, we have collaborated with our clients to deliver solutions for: Transport, Mining Infrastructure, Non-Process Infrastructure; Building; Defence & Detention; Oil & Gas; Fuel Infrastructure; Health & Education; Wind, Solar & Battery; Accommodation; Structural, Mechanical & Piping; Electrical, Instrumentation & Controls; and Maintenance.

Our clients vary from government sectors in transport, defence, immigration and health to blue chip clients in the resources, commercial and industrial sectors. We work closely with our clients to achieve innovative and cost effective solutions.

We are committed to the sustainable development of our business through effective management of the economic, environmental and social issues and risks encountered by Decmil. Integral to our sustainability is:

- Our commitment to being the preferred contractor to our core markets;
- Continuing to develop our growth strategy and business plans; and
- Maintaining and enhancing the trust and loyalty of our employees, customers, suppliers, communities and shareholders.

Our commitment to a sustainable future is underpinned by principles which shape our approach to our people, our supply chain, our safety practices, our risk assessments, business performance & governance and environment & communities in which we operate.

By following these principles, Decmil will ensure sustainable development and deliver strong returns to our shareholders.

1.2 Organisational Structure

This statement is for Decmil Group Limited (the ultimate parent company in the Decmil Group). Entities within Decmil Group include Decmil Australia Pty Ltd, Decmil Southern Pty Ltd, Decmil Engineering Pty Ltd and Homeground Villages Pty Ltd (together referred to as we, us, our, Decmil within this statement.)

For further information about Decmil, please refer to www.decmil.com.

2. Our Governance Framework

At Decmil, we are committed to excellence in corporate governance and accountability. This is integral to achieving long term sustainability of our business and to protect and enhance the interests of all of our stakeholders.

Decmil's management of modern slavery risks falls within its overall approach to protecting human rights. The foundation documents for human rights protection are the Company's values, our Code of Conduct and our Human Rights Policy.

2.1 Our Values

Our values have been developed to ensure the personality of Decmil has been captured in a meaningful way that can be easily absorbed and applied to day-to-day activities within Decmil.

Solutions

We know there is a way to achieve a positive outcome and don't stop until we find it. Our capabilities are enhanced by empowering our teams in supporting new ways of thinking and valuing the diversity of thought.

Collaboration

We support each other to reach our goals and value effective partnerships both with colleagues and with clients. In every scenario, we seek out opportunities to collaborate. It is the belief that we are better as one, moving together towards common goals and sharing our experiences to improve outcomes.

Sustainability

Providing value to our employees and shareholders through sustainable business choices is paramount to our success. In tandem, we care about the world around us and consider the impact of our actions.

Integrity

We do what we say and ensure that our actions instil trust and show respect for others. For us, it acts as the foundation for positive relationships and sets us apart in the way we do business.

Performance

We strive for excellence and deliver results while accepting accountability and aiming to exceed expectations. It is a commitment that we will deliver our best, and approach challenges with grit and a will to succeed.

2.2 Code of Conduct

Our Code of Conduct ('Code') sets a standard of behaviour throughout Decmil which guides how we act when performing our work, how we make decisions and against which we can measure our performance and hold ourselves accountable. All Decmil employees are expected, at all times, to act consistently with the Code.

The Code comprises principles that apply in various aspects of our working environment, including how we interact with colleagues and how we engage third parties to perform work for us or to represent us. Beneath each principle, the Code provides an explanation and then practical

implications for what we must do and what we must not do and provides examples to illustrate how the principles can apply in specific situations.

Our Code outlines where to go for further help, and how to raise concerns through various channels. Our Board, CEO and Executive Leadership Team are deeply committed to our Code.

All Decmil employees are responsible for knowing and following the ethical, legal and policy requirements that apply to their jobs and for reporting any suspected breaches of law or of our Code.

2.3 Supplier & Subcontractor Code of Conduct

Our Supplier & Subcontractor Code of Conduct (“SCOC”) sets out the minimum standards of behaviour that Decmil expects our suppliers and subcontractors to meet in the areas of business integrity, health and safety, environmental, labour and human rights and compliance.

Decmil expects suppliers and subcontractors to read, understand and ensure that their business and supply chain meet the standards outlined in the SCOC. Supplier’s and Subcontractor’s ability to meet the standards in the SCOC will be assessed when making procurement decisions.

2.4 Human Rights Policy

Decmil recognises the importance of protecting human rights and is committed to protecting the rights of all people including its employees and the communities in which we operate in.

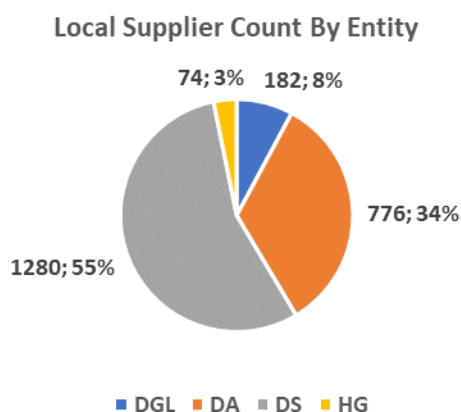
One of the potential major human rights challenges facing Decmil is the risk of modern slavery in Decmil’s supply chain. This reflects the fact that Decmil has a supply chain that procures a range of goods and services from many countries around the world. Modern slavery has the potential to exist in the supply chain through a variety of circumstances including:

- Forced labour
- Child labour
- Debt bondage
- Human trafficking
- Abuse of requirements for a minimum living wage
- Discriminatory employment practices

Our Human Rights Policy sets out our strategy which includes respecting the rights and dignity of all people, complying with all legal requirements.

3. Our Supply Chain

In FY2021:22, Decmil engaged with approximately 2,312 suppliers and subcontractors and all but fifteen (15) of these companies were based in Australia, meaning 99.8% per cent of our total spend was from Australia and 0.2% per cent was with international suppliers or subcontractors.

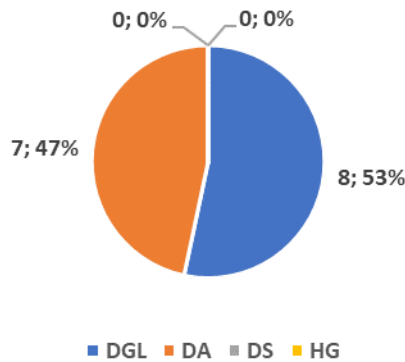


The statistics show that on projects Decmil engaged with suppliers that are local and Australian based. Our works within Western Australia, Queensland and Victoria are largely supported by Suppliers sourced within the relevant states. All project procurement spending this year was within Australia including a considerable proportion within remote regions including Toowoomba and Gladstone in Queensland, Barwon Heads and Gippsland in Victoria and Port Hedland and Albany in Western Australia.

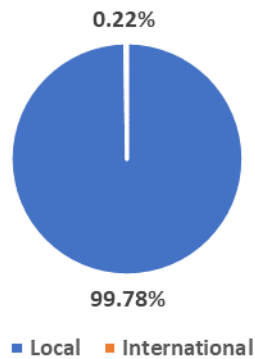
When looking at supplier spend at an entity level, the largest spend occurs within Decmil Southern Pty Ltd. Decmil Southern has engaged with 1280 suppliers during FY21.

Decmil are really proud to confirm that all the businesses utilised by our Decmil Southern projects were Australian businesses. This not only assists our local communities but de-risks the possibility of having modern slavery practices introduced to our Supply Chain.

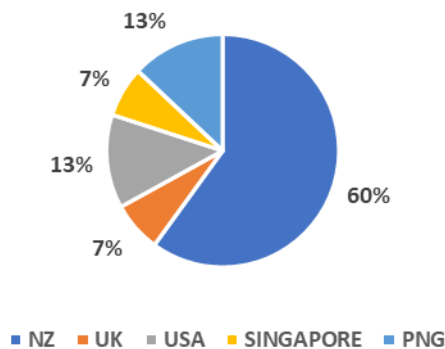
International Supplier Count By Entity



International vs Local Spend



International Spend Breakdown



Decmil are proud to have spent 99.78% within Australia across the full Decmil Group of companies. The 0.22% international spend was attributed to suppliers for our corporate offices and not project related.

At Decmil, we strive to buy local products and engage local services. In areas where the skills, goods and standards we need are unavailable, we look at opportunities for developing that capacity, and in doing so, support local economic development. Decmil are working with our local and aboriginal procurement supply chain, where needed, to provide prospective companies with support to help them meet our standards.

Decmil use a range of Subcontractors and Suppliers across the entire life cycle of our projects - from design phase through to construction delivery and commissioning and handover. Our suppliers include electrical, drainage, fuel, transportation and plant and equipment hire for running our operations.

Along with labour hire spend, our largest spend categories are design consultancy, quarry products, precast elements, steel supply and fabrication along with a combination of consumables (which include construction and operating supplies).

If our suppliers are required to perform works on our Projects, as part of our mobilisation process, we require them to provide us with proof of ID and proof of right to work within Australia. With this check in place, we can safeguard that workers' rights are respected.

At Decmil we also have a strong focus on using Aboriginal and Torres Strait Island businesses to support our Projects. This year we have increased our Aboriginal and Torres Strait Island supply chain and now have 198 Aboriginal and Torres Strait Island businesses to support our projects and corporate offices. Decmil have also set up nationwide agreements with 4 key Aboriginal companies for sustainable use of their services across our projects in the future.

Exceptional outcomes were achieved on our Albany Ring Road project by way of local business expenditure and engagement of Aboriginal employees as specified in the table below.

Aboriginal Participation = 24 % of Project hours	Local Business Expenditure vs Contract Value = 26%
Total Aboriginal Employment = 50 Employees	Trainees, Apprentices and Cadets = 4 local trainees

3.1 Supplier Governance Framework

Decmil rely on the services and expertise of our Supply Chain to assist in the successful delivery of Projects throughout our sectors. To assist us in effective decision making, we assess suppliers against the following categories:

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

Decmil work with our supply chain to assess whether they are meeting our standards and those of our Clients. Where we identify concerns about supplier performance, we engage with the supplier, seeking constructive dialogue and remediation of noncompliance with our standards.

A representative from each project completes a Contractor Company Review post completion of their supply or Works on site. The categories for completion are:

- Health and Safety
- Commercial / Contractual
- Quality Management
- Environment and Sustainability
- Administration / Mobilisation
- Plant and Equipment

There is also a section for further comments and recommendations.

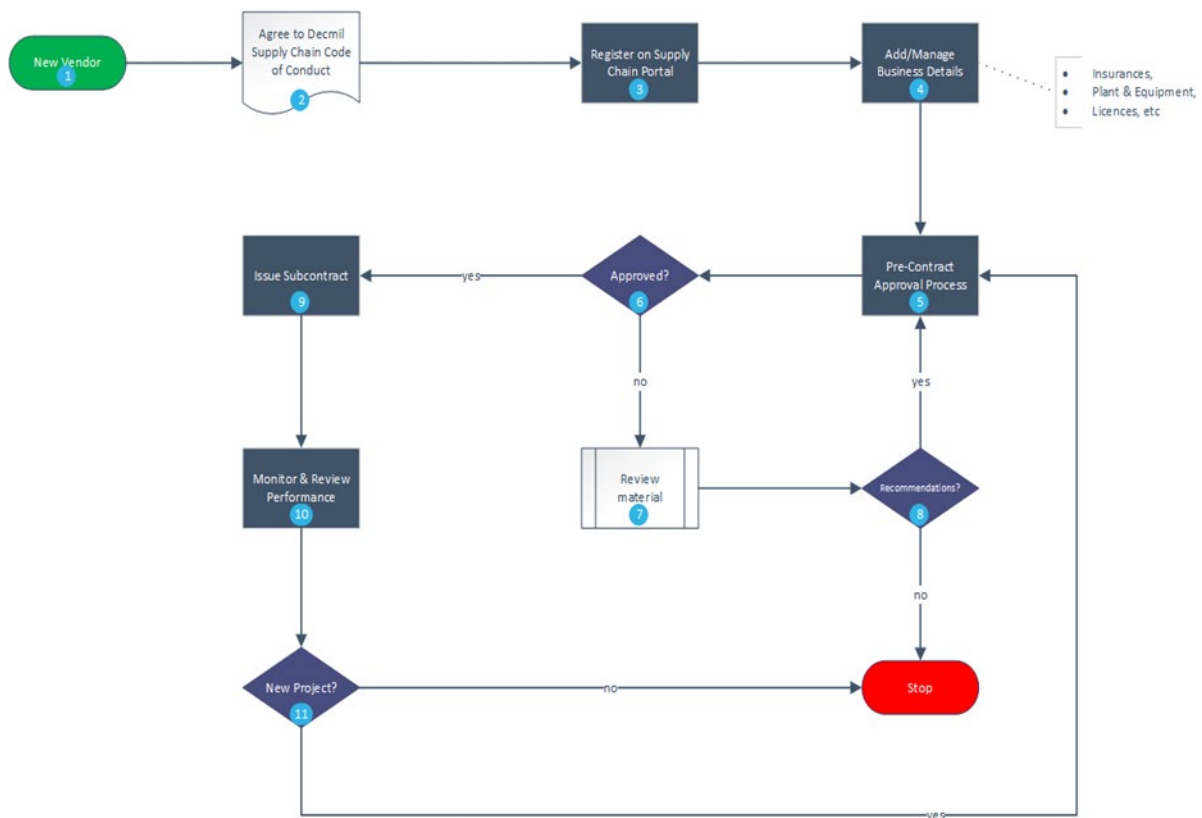
Once a supplier meets expectations, which is auto calculated using criteria based on the answers to the checklist, they remain active in the Supply Chain. If any suppliers do not meet expectations based on the review, they become inactive on our supply chain and cannot be utilised again until they pass a new pre-qualification.

Contractor Company Review Checklist		
✓ Contractor Performance Review - Goods and Services		Meets Expectations 63%
✓ 1	Health and Safety	Meets Expectations 64%
✓ 2	Commercial / Contractual	Meets Expectations 70%
✓ 3	Quality Management	Meets Expectations 60%
✓ 4	Environment and Sustainability	Meets Expectations 65%
✓ 5	Administration / Mobilisation	Meets Expectations 60%
✓ 6	Plant and Equipment	Meets Expectations 60%
Result		
Meets Expectations		Score 78
Final Comments and Recommendations		

Contractor Company Review Checklist		
✓ Contractor Performance Review - Goods and Services		Meets Expectations
✓ 1 Health and Safety Meets Expectations		
1	For the work completed for the Project, how do you rate their overall service offering in relation to Health and Safety?	Meets Expectations
2	Rate the company's risk management implementation i.e. SWMS satisfactorily prepared, implemented and updated regularly?	Meets Expectations
3	Rate the company's performance in relation to incident reporting and injury management during the contract.	Meets Expectations
4	Rate the company's compliance with the Project's Health and Safety Management Plan?	Meets Expectations
5	Rate the company's on-site supervisors and their ability to maintain a safe work environment throughout the works.	Meets Expectations
6	Did the contractor contribute / cause safety incidents on site?	<input type="radio"/> Yes <input checked="" type="radio"/> No
7	Was any incident reported "Notifiable"?	<input type="radio"/> Yes <input checked="" type="radio"/> No
8	Was the subcontractor issued with an infringement notice or prosecution?	<input type="radio"/> Yes <input checked="" type="radio"/> No

4. Supplier Due Diligence

Decmil implemented software [SAI360] to facilitate a supply chain management process. Our supply chain management process is set out in the below workflow and Decmil have recently completed the upgrade of the functionality which has seen our Supply Chain directly commence utilisation of the software. This has improved accuracy and efficiency of live information.



As per the Decmil Procurement Procedure an Invitation to Tender (ITT) is required to be issued as a part of any tender process for a potential supplier to work with Decmil. As part of the ITT questionnaire, suppliers are required to respond to the question “Are you prepared to provide details in accordance with Decmil’s Modern Slavery Questionnaire should you be invited to tender?”

If suppliers are successful in the ITT, they are then required to complete the Modern Slavery Questionnaire which consists of 12 questions based on the requirements of the Act.

Remediation

For suppliers who are unable to satisfy the requirements for demonstrating that they have appropriate risk management processes in place, or are unwilling to share this information, Decmil may take further action, such as engaging with senior management of the supplier or subcontractor, implementing a remediation plan or not utilising their services and deactivating them from our supply chain.

5. Assessing Effectiveness of our Governance Framework

Potential suppliers who have completed the supply chain questionnaire and have met all requirements, enter into a contract with Decmil if their services are required. Our supply chain management process continuously monitors the supplier over the term of their contract to identify any new risks or issues that may arise in the period. At a minimum, every year, current suppliers are required to update their information within our supplier portal. Suppliers are required to review the information provided under the Modern Slavery Act section. If suppliers update their information with anything that would be deemed as high risk or breach to the Act, Decmil will review their service requirements and may take appropriate action to deactivate them.

Decmil did not identify any instances of modern slavery in our supply chain audit program. However, findings in audits of suppliers suggest some practices (e.g. excessive working hours and rates of pay) were not consistent with legislative requirements. Whilst not constituting modern slavery, these are not consistent with our expectations as set out in our Code and we closed these matters throughout the year.

5.1 Future Commitments

Training

Decmil will continue to provide ongoing modern slavery training and information to all relevant Decmil employees involved in the hiring of employees, within our people and culture teams and those who have a direct engagement with the procurement of suppliers to increase capability and awareness.

Systems

Decmil will continue with the Implementation of our supply chain management process and software across our Website and SAI360.

Our Supply Chain will have access to raise any Modern Slavery concerns with Decmil via the system.

Audits

Decmil will continue to assess the potential modern slavery risks in our operations and supply chain with an emphasis on high-risk geographical locations.

Decmil will ensure all supply chains engaged or approved to submit tenders have read and understood their individual requirements to adhere to the Modern Slavery Act.

Policy Review

Decmil will continue to review current policies and practices to ensure that it meets best practice.

Decmil will continue to review supplier contracts to ensure they contain terms that are consistent with the Act will continue.

This statement is prepared in pursuant to section 16 of the Modern Slavery Act and constitutes the modern slavery statement of Decmil Group Limited for the year ended 30 June 2022. This statement for Decmil Group Limited was approved by the board of Decmil Group Limited as the parent entity on 24-January-2023.



Mr Rod Heale

Chief Executive Officer

21 December 2022