# 2024 Modern Slavery Statement





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2024 Modern Slavery Statement

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## **About Decmil's Modern Slavery Statement 2024**

Our fifth modern slavery statement ('Statement') has been prepared to address the requirements of the Modern Slavery Act 2018 (Cth) ('Act').

This Statement outlines Decmil's approach to ensuring that it has processes in place to minimise the risk of modern slavery within its business operations and supply chain.

The reporting period covered by this Statement is financial year 1 July 2023 to 30 June 2024. Decmil's Statement is a joint statement, and covers the following wholly owned controlled entities of Decmil Group Limited:

- Decmil Australia Pty Ltd
- Decmil Southern Pty Ltd.

In our Statement, references to 'we,' 'our,' 'us,' 'Decmil,' and 'Group', are to Decmil Group Limited and its wholly owned subsidiaries. References to '2024' and '2025' refer to the financial year ended 30 June 2024 and 2025 respectively.



# **Executive Summary**

This is Decmil Group Limited's fifth modern slavery statement. During 2024, we have continued a practical approach to identifying modern slavery risk within our operations and taken actions to assess the risk. Our Modern Slavery Statement 2024 suggests that the vulnerability of our supply chain to modern slavery is low and estimated prevalence of modern slavery in Decmil's supply chain is also likely to be low. This is because our suppliers are mainly Australian (low vulnerability), and we use very few international suppliers (where estimated prevalence is higher than Australian suppliers). Although our current assessment indicates low vulnerability and prevalence in our supply chain, we intend to continue making improvements to our modern slavery risk mitigation practices during 2025.

Our action plan for improvements in 2025 includes creating a FY25 and ongoing roadmap with measurable objectives across the areas of risk assessment objectives; corporate governance; training and education; peer collaboration; and reporting channels.

**Executive Summary** 



Our structure, operations, and supply chain

## 2 Our structure, operations, and supply chain

### 3.1 Corporate Structure

Decmil's headquarters are in Perth, Western Australia. Details about Decmil's subsidiaries can be found in the table below.

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

## 3.2 **Operations**

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

#### Infrastructure

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

#### Resources

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

#### Renewables

 Early Contractor Involvement (ECI), project management and construction services for the renewable energy sector focussing on wind farm civil balance of plant projects.

Decmil Group Limited

#### 3.3 **Supply Chain**

During 2024, we spent \$398 million across approximately 1,897 suppliers from 4 countries (including Australia). Our suppliers were almost exclusively Australian (99.8%): only a small percentage were international (0.2%). Additionally, our suppliers will have their own set of suppliers.

We use a range of suppliers across the entire life cycle of our projects - from design phase through to construction delivery and commissioning and handover. We also use suppliers for transportation, catering, and equipment used when running our operations. Our expenditure for 2024 was 67% to sub-contractors and 33% to direct suppliers. During 2024, our largest expenditure areas in the supply chain were for:

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

#### **Australian suppliers**

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

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

#### International suppliers

Our exposure to risk of modern slavery from international suppliers is low, for two main reasons. Firstly, our expenditure with international suppliers is minimal (\$0.9 million out of \$398 million, or 0.2%). Our international suppliers are from Indonesia (\$0.04m), China (\$0.88m), and USA (\$0.02m). We acknowledge that Indonesia and China has moderate vulnerability to modern slavery. Our spend in Indonesia relating to software and technology, and spend in China related to cabinetry for a mixed-use residential apartment building.

Secondly, we attempt to limit using suppliers from countries with ongoing conflict, political instability, and forced displacement, or from countries with significant transformations in the world of work, climate change, and migration.

#### **Indigenous businesses**

We use Indigenous businesses to support our project delivery where possible. We are a member of Supply Nation and Kinaway Chamber of Commerce. Our commitment to Indigenous procurement is highlighted through the spend of approximately \$10.7 million (2.7% of total spend) to Indigenous suppliers during 2024.

#### Supply chain relationships

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

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

projects

22 \$467

During 2024, we had 22 projects completed or in construction across 3 major sectors in Australia, with an annual revenue of \$467m.

398 1,897 suppliers

During 2024, we spent \$398 million across approximately 1,897 suppliers from 4 countries (including Australia). Our suppliers were mainly Australian (99.8%).

level of vulnerability to modern slavery. Decmil Group Limited 2024 Modern Slavery Report

<sup>&</sup>lt;sup>1</sup> Walk Free 2023, The Global Slavery Index 2023, Minderoo Foundation, 120. Indonesia has a 49% level of vulnerability to modern slavery, China has a 46% level of vulnerability to modern slavery, and the USA has a 25%



Identifying the risks of modern slavery practices in our operations

# Identifying the risks of modern slavery practices in our operations

We acknowledge that operating within the construction sector may expose our operations to a range of modern slavery risks.

During 2024, we introduced a modern slavery training module as part of the new employee induction process. We also continued to enhance knowledge of modern slavery risk by ongoing modern slavery training of existing employees.

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

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

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

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

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# Actions to assess and address modern slavery risks

# 4 Our Actions to assess and address modern slavery risks

Our objective is to conduct our business with a strong commitment to ethical practices and operational efficiency, and we strive to maintain a reputation as a responsible corporate entity with a high level of governance. Our supplier governance framework enables us to successfully deliver projects. To enable effective decision making, we assess suppliers against standards in the following categories:

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

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

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

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



Assessing Decmil's effectiveness for addressing modern slavery risk

# Assessing Decmil's effectiveness for addressing modern slavery risk

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

Our management tracks effectiveness of addressing modern slavery risk by:

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

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**Action Plan for 2025** 

## 6 Action Plan for 2025

During 2025 our objective is to further improve the effectiveness of our modern slavery risk practices across our business by creating a FY25 and ongoing roadmap with measurable objectives as follows:

- Develop our risk assessment initiatives and our audit processes and strategies.
- Assess our onboarding system and make changes if required.
- Continue to conduct due diligence on medium to highrisk suppliers.
- Assess our modern slavery procedures, and if necessary, redraft them.
- Continue to monitor our modern slavery training for our supply chain and opportunities for targeted training particularly to any at risk workers, such as the migrant workforce.
- Report, assess, and monitor our KPIs for effectiveness.
- Collaborate with industry peers.



## **Consultation with Group entities**

## 7 **Consultation with Group entities**

Our Statement has been reviewed in detail by relevant employees of the Group, and then approved by the Board of Directors of Decmil Group Limited, the ultimate parent entity of the Group. The Statement is current as of 20 December 2024 and is provided to the Minister on or around that date. The Statement complies with the mandatory criteria for modern slavery statements which is set out in the *Act.*<sup>2</sup> Appendix A provides a checklist for meeting mandatory criteria addressed in the Statement.

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

Mr Rod Heale

Managing Director

20 December 2024

Decmil Group Limited

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Decmil Group Limited

<sup>&</sup>lt;sup>2</sup> Modern Slavery Act 2018 (Cth) s 16(1).

# Appendix 1

# Checklist for meeting mandatory criteria

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

| Section      | Requirement   | Statement Reference   |
|--------------|---|---|
| 14(2)(c)     | Is prepared in consultation with each reporting entity covered by the statement.  | 7. Consultation with Group entities.                                    |
| 14(2)(d)(ii) | Is approved by the principal governing body of an entity (the higher entity) which is in a position, directly or indirectly, to influence or control each reporting entity covered by the statement, whether or not the higher entity is itself covered by the statement. | 7. Consultation with Group entities.                                    |
| 14(2)(e)(ii) | Is signed by a responsible member of: if subparagraph (d)(ii) applies—the higher entity.  | 7. Consultation with Group entities.                                    |
| 14(2)(f)     | Is given to the Minister within 6 months after the end of the reporting period for the entities covered by the statement, in a manner approved by the Minister.   | 7. Consultation with Group entities.                                    |
| 16(1)(a)     | Identify the reporting entity.  | About Decmil's Modern<br>Slavery Statement 2024.                        |
| 16(1)(b)     | Describe the structure, operations, and supply chains of the reporting entity.  | 2. Decmil's structure, operations, and supply chain.                    |
| 16(1)(c)     | Describe the risks of modern slavery practices in the operations and supply<br>chains of the reporting entity, and any entities that the reporting entity owns<br>or controls.  | 3. Identifying the risks of modern slavery practices in our operations. |
| 16(1)(d)     | Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.   | 4. Actions to assess and address modern slavery risks.                  |
| 16(1)(e)     | Describe how the reporting entity assesses the effectiveness of such actions.   | 5. Assessing Decmil's effectiveness for addressing modern slavery risk  |
| 16(1)(f)     | Describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a joint statement, the entity giving the statement  | 7. Consultation with Group entities.                                    |
| 16(1)(g)     | Include any other information that the reporting entity, or the entity giving the statement, considers relevant.  | 6. Action plan for 2025.  |

