



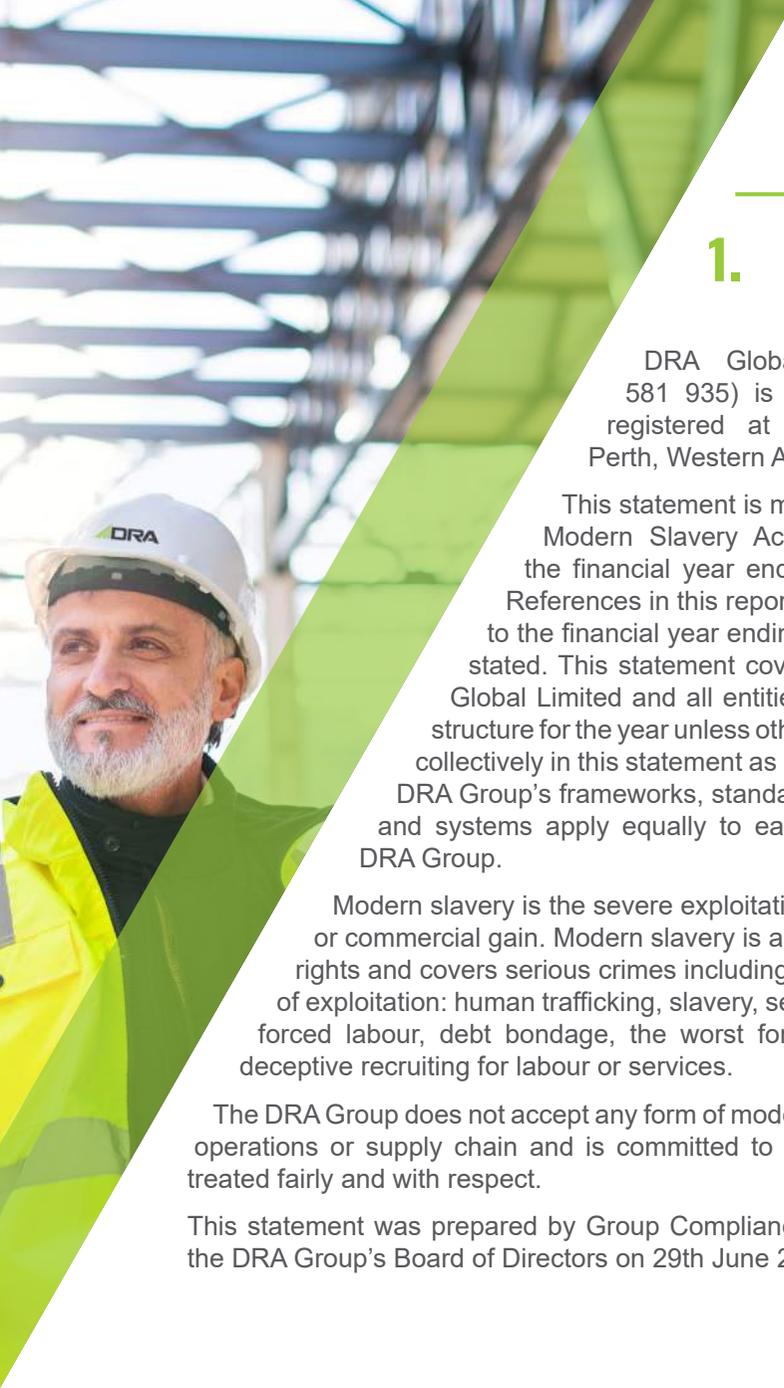
# MODERN SLAVERY STATEMENT 2020





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# 1. INTRODUCTION

DRA Global Limited (ACN 622 581 935) is an Australian company, registered at 256 Adelaide Terrace, Perth, Western Australia, 6000, Australia.

This statement is made under the Australian Modern Slavery Act 2018 (Cth) (“Act”) for the financial year ending 31 December 2020. References in this report to ‘year’ or ‘period’ refer to the financial year ending 2020 unless otherwise stated. This statement covers the activities of DRA Global Limited and all entities within the DRA Group structure for the year unless otherwise stated (referred to collectively in this statement as ‘DRA Group’ or ‘we’). The DRA Group’s frameworks, standards, policies, procedures and systems apply equally to each entity comprising the DRA Group.

Modern slavery is the severe exploitation of people for personal or commercial gain. Modern slavery is a major violation of human rights and covers serious crimes including the following eight types of exploitation: human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, the worst forms of child labour, and deceptive recruiting for labour or services.

The DRA Group does not accept any form of modern slavery in its business operations or supply chain and is committed to ensuring all workers are treated fairly and with respect.

This statement was prepared by Group Compliance and was approved by the DRA Group’s Board of Directors on 29th June 2021.

## 1.1. OVERVIEW

Modern Slavery and its associated risks are a global issue and is estimated to affect around 40.3 million people<sup>1</sup>.

During the year, the DRA Group reviewed its existing policies and procedures to identify what changes would be required to address the risks of modern slavery. The DRA Group also identified the need to deploy an electronic compliance management system and source a third-party screening tool to ensure appropriate practices are undertaken and tools provided to assist with the prevention, detection and response to human rights and modern slavery abuses.

The DRA Group has developed a plan to partner with a market-leading risk tool analysis provider to undertake a detailed assessment of the DRA Group’s business to identify areas of modern slavery risks with a focus on the DRA Group’s supply chain. The DRA Group has operations in a number of countries and jurisdictions that have an inherent high risk of modern slavery. Developing a robust framework to assess and manage these risks across the DRA Group’s global supply chain is a key objective.

### KEY ACTIVITIES FY 2020

- // Review of existing Human Rights Policy and the development of Human Rights and Modern Slavery Standard, with identified e-learning for application across the DRA Group business;
- // Review and enhancement of the Code of Conduct and the development of the Supplier Code of Conduct; and
- // Identifying electronic systems to undertake risk assessment, due diligence, supply chain assessment and compliance management.

<sup>1</sup> The Walk Free Foundation Global Slavery Index 2018 ([www.globalslaveryindex.org](http://www.globalslaveryindex.org))

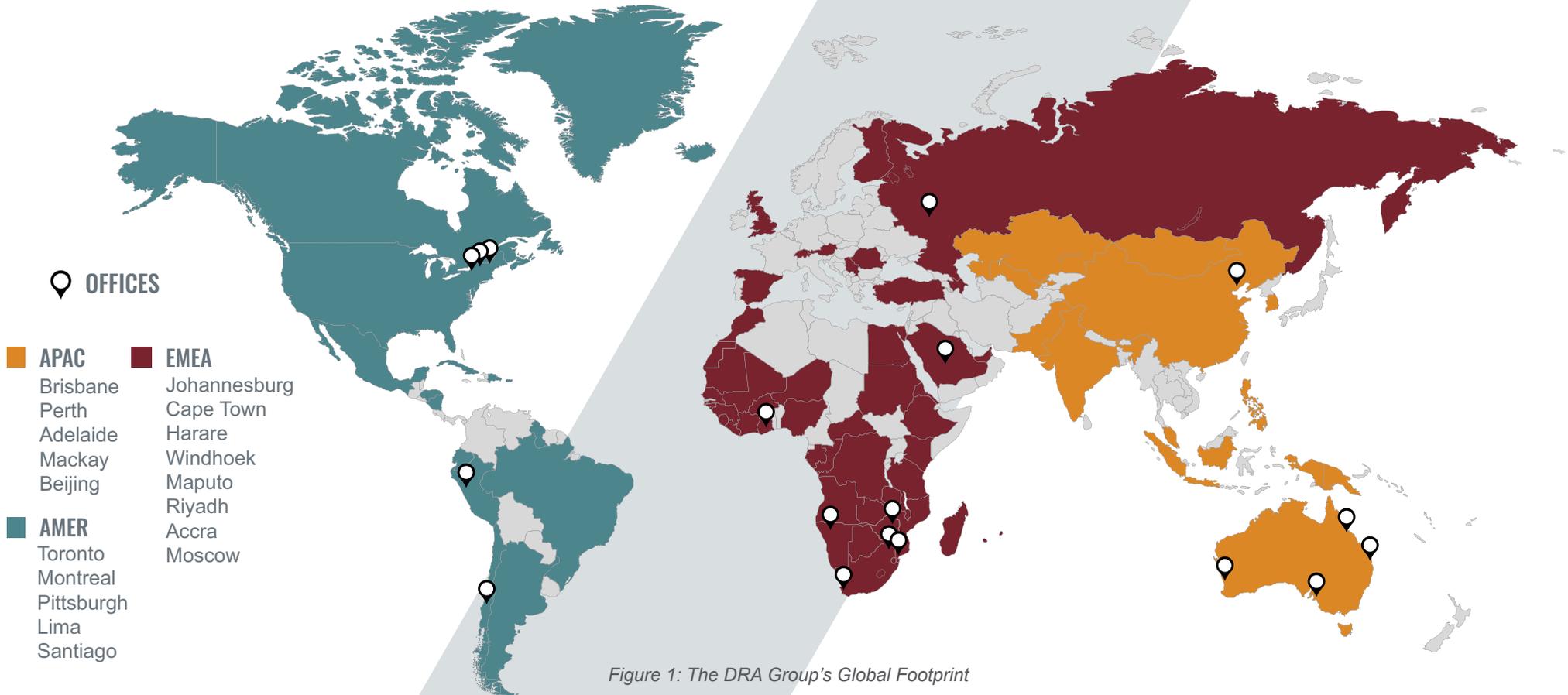
## 2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

### 2.1. STRUCTURE AND OPERATIONS

The DRA Group is a diversified multi-disciplinary global engineering group, providing engineering, project delivery and operations management in the mining, metals and minerals processing industry, non-process infrastructure industry, as well as water and energy solutions for projects.

The DRA Group was established in 1984 and has developed into a global business, employing over 4,500 people as of 31 December 2020, with operations extending across two broad regional segments refer Figure 1:

- // Asia-Pacific, North and South America (APAC/AMER); and
- // Europe, the Middle East and Africa (EMEA).



## 2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

The DRA Group has expertise in mining, mineral and metals processing, specifically in respect of project development, engineering, delivery and commissioning, as well as ongoing advisory, operations and maintenance services. The DRA Group also offers the design and implementation of associated non-process infrastructure as well as water and energy solutions for projects. Core activities are described in Figure 2:

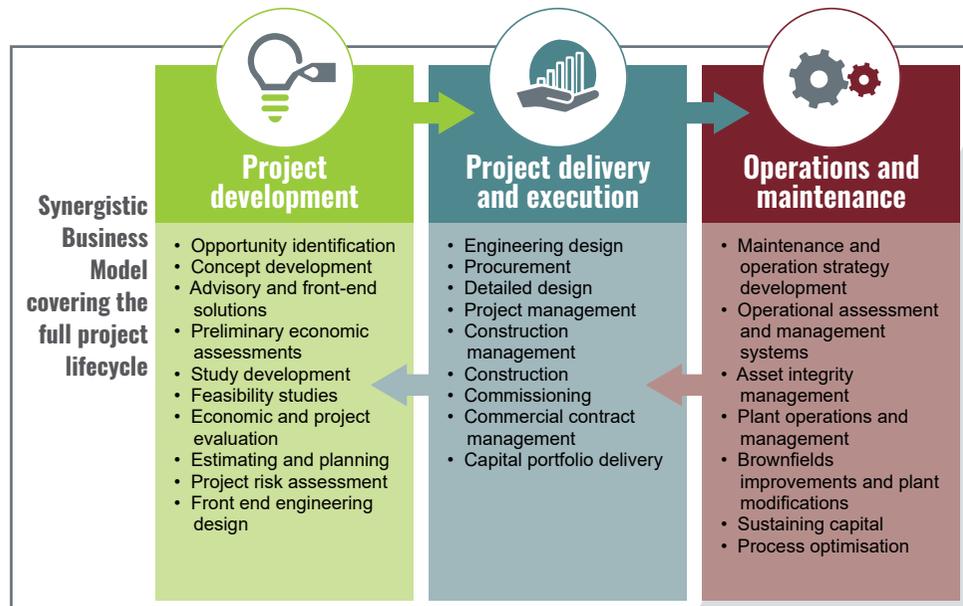


Figure 2: The DRA Group's services across the project lifecycle

### 2.2. SUPPLY CHAIN

The DRA Group recognises that supply chain traceability is rising in importance, driven by new laws and the growing concerns of consumers. Clients, investors and employees are increasingly conscious of the foreign supply chain footprint of their organisation. The DRA Group is committed to

building capacity and capability in the community for supply chain resilience and lasting local economic self-sufficiency, in partnership with industry and governments.

The DRA Group is committed to supporting local suppliers that operate businesses in the regions in which we operate. Our procurement teams actively source from local suppliers and include them in sourcing activities where their technical skills, capability and quality control and assurance capabilities are assessed to meet the DRA Group's requirements and standards. Additionally, the DRA Group undertakes business with suppliers in terms of a rigorous and transparent procurement process and negotiates subcontracts utilizing its procurement contract terms and conditions.

The DRA Group sources a diverse range of services, goods, and consumables as detailed in Figure 3 with respective percentages of category spend depicted in Figure 4:

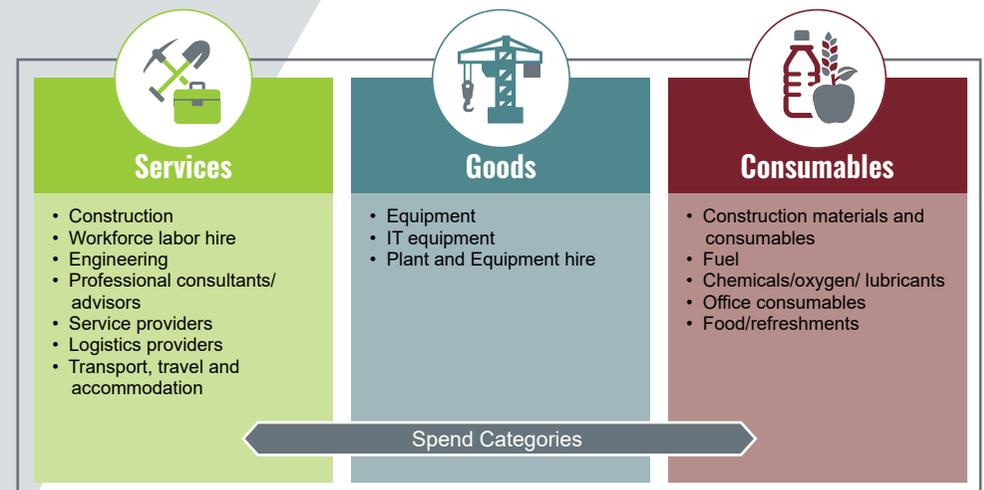


Figure 3: Spend Categories and Examples

## 2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

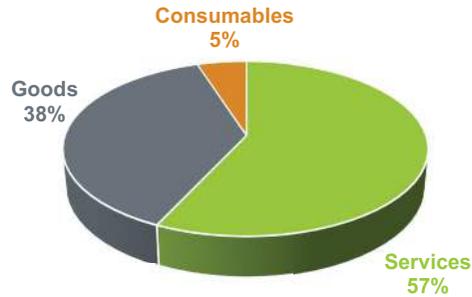


Figure 4: Spend Categories Percentages (%)

The DRA Group operates in diverse markets with a global supply chain. In 2020, the DRA Group maintained a global supplier database of approximately 4,000 suppliers with a total expenditure equivalent to A\$463m.

This included a total expenditure of A\$257m in the EMEA region, a total expenditure of A\$193m in the APAC region, and A\$13m in the AMER region.

This resulted in A\$271m in payments being made to our suppliers globally and A\$192m in direct spend with our local suppliers supporting our Australian operations.





## 2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Total expenditure per region is represented as follows:

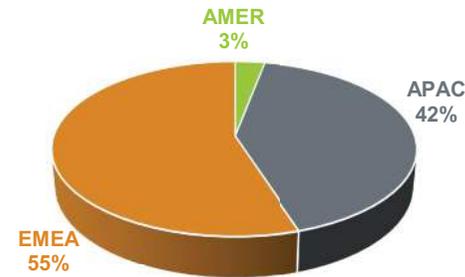


Figure 5: Regional Spend Percentages (%)

Higher-spend countries included (as further represented in Figure 6):

- // The Republic of South Africa (44.5%)
- // Australia (41%)
- // Guinea (3.5%)
- // Saudi Arabia (2%)
- // Democratic Republic of Congo (2%)
- // Mozambique (2%)

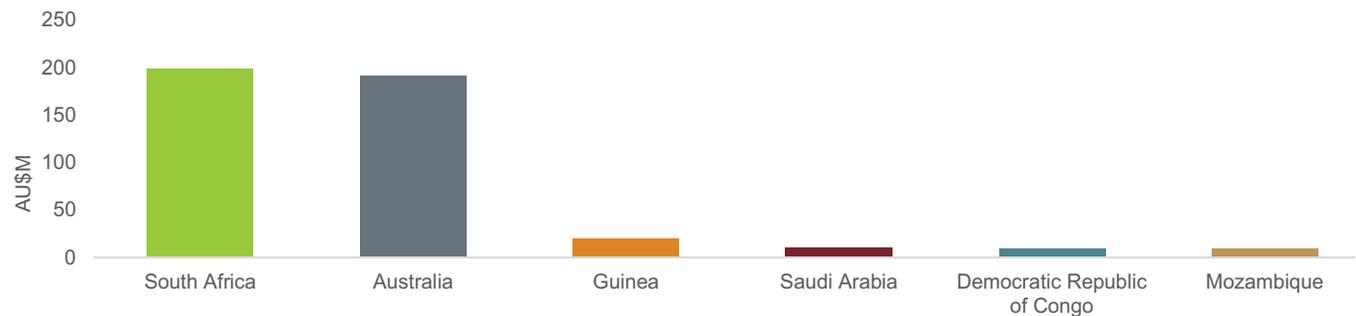


Figure 6: Highest Spend Countries – 95% of Total 2020 Spend

### 3. CONTROLS AND GOVERNANCE MITIGATING MODERN SLAVERY RISKS

Oversight of the risks of modern slavery sits with the DRA Group's Board. Further oversight and guidance is provided by the Audit and Risk Committee which is responsible for overseeing the effectiveness of the system of internal controls.

The operational responsibility for execution of policies and programmes sits with the regional leadership who are responsible for upholding the DRA Group's standards and requirements within their own businesses including within the supply chain. The Group Compliance Officer continues to provide leadership and engagement across key compliance risks, including modern slavery. This includes development of policies and associated procedures, regulatory updates, making an active contribution to the training and development of employees through the sharing of best practice advice, and leveraging the use of eLearning platforms.

As part of our initiative to identify and mitigate risk, we have in place systems and processes to:

- // Identify and assess potential risk areas in our supply chains;
- // Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- // Monitor potential risk areas in our supply chains; and
- // Protect whistle-blowers.

The DRA Group's systems of internal controls (including the frameworks, standards, policies and procedures) reinforce these systems and are designed to manage risk and to ensure compliance with relevant legislation, regulation and best practice including that related to social, environmental and ethical issues.

The majority of the DRA Group's employees are employed directly and under permanent, fixed-term, part-time or casual contracts, or under enterprise or collective bargaining agreement, which significantly lowers the risk of modern slavery. All DRA Group employment contracts meet the applicable employment legislation in the countries in which the DRA Group operates.



## 4. RISKS OF MODERN SLAVERY

The DRA Group recognises construction activities can pose a significant risk of modern slavery due to the high rates of employment of subcontractors and employment of lower-skilled workers. Within some parts of its operations, the DRA Group may utilise labour through third-party providers and subcontractors. The DRA Group has variable levels of oversight and supervision over the employment and the terms and conditions of employment of third-party providers and subcontractors. The risk of modern slavery occurring is greater for labour suppliers that operate in geographies and industries with a higher prevalence and elevated risks of modern slavery.

The following areas of the business have been identified where operational activities may cause or contribute to modern slavery practices due to its use of labour providers and sub-contractors in high-risk geographies (by reference to the Global Slavery Index). These risks will be further explored in the next reporting period:

Operation	Description of Services
<b>Democratic Republic of Congo (DRC)</b>	Provider of construction management services in the Democratic Republic of Congo, utilising local DRC sub-contractors
<b>Saudi Arabia</b>	Provider of plant operations services in Saudi Arabia utilising local Saudi Arabian subcontractors

In terms of the Global Slavery Index 2018<sup>2</sup>, the DRA Group does not operate in any of the top 10 countries with the highest prevalence of modern slavery. However, the DRA Group does utilise suppliers located in Guinea<sup>3</sup>, Peru<sup>4</sup> and Saudi Arabia<sup>5</sup>; countries recognised by the Global Slavery Index as having a higher risk of modern slavery.

The relevant suppliers and their supply chains in these countries will be addressed further in the next reporting period.

<sup>2</sup> The Walk Free Foundation Global Slavery Index 2018 ([www.globalslaveryindex.org](http://www.globalslaveryindex.org)) (North Korea, Eritrea, Burundi, The Central Africa Republic, Afghanistan, Mauritania, South Sudan, Pakistan, Cambodia, Iran), at pg 29

<sup>3</sup> Regional Findings – Estimated prevalence of modern slavery by country, Africa (Top 15 of 51), at pg 69

<sup>4</sup> Regional Findings – Estimated prevalence of modern slavery by country, Americas (Top 15 of 27), at pg 77

<sup>5</sup> Regional Findings – Estimated prevalence of modern slavery by country, Arab States (Top 10 of 11), at pg 83



## 5. ACTIONS TAKEN TO MITIGATE RISKS OF MODERN SLAVERY

### 5.1. STAKEHOLDER ENGAGEMENT AND COLLABORATION

The DRA Group has uplifted its frameworks, standards, policies and governance in relation to modern slavery in consultation with internal stakeholders. During its development and ongoing implementation, consultation was undertaken with both corporate and operational stakeholders across the DRA Group. Reviews of identified risks were conducted by business and key departmental leads.

### 5.2. STANDARDS, POLICIES AND GOVERNANCE

The DRA Group's Board is responsible for overseeing the DRA Group's governance, compliance and risk management practices, which includes modern slavery considerations and associated documentation. Underpinning the structure are a suite of frameworks, policies and standards outlining the DRA Group's commitment and expectations in relation to modern slavery.

The codes, frameworks, standards and policies described below underpin the DRA Group's approach to managing Modern Slavery. Where applicable, these codes, standards and policies are available via the DRA Group's website at [www.draglobal.com](http://www.draglobal.com).

#### CODE OF CONDUCT

This Code outlines the DRA Group's commitment to a high level of integrity and ethical standards in all business practices. Accordingly, the Board has adopted a Code of Conduct that outlines how the DRA Group expects its employees, management and directors to behave and conduct business in the workplace on a range of issues. The DRA Group's contractors, agents, suppliers, partners, service providers and consultants are expected to adhere to the Code of Conduct when dealing with or acting on behalf of the DRA Group. The DRA Group's Code of Conduct was updated during the year to include modern slavery and human rights content to align with changes to policies. The Code references the United Nations Guiding Principles on

Business and Human Rights and the United Nations' Universal Declaration of Human Rights and reinforces the DRA Group's responsibility to prevent, and report any suspicions of, human rights or modern slavery abuses taking place within the DRA Group's operations and projects or its supply chain.

#### SUPPLIER CODE OF CONDUCT

This Code outlines the minimum expectations of the DRA Group's suppliers in relation to human rights, including compliance with laws on employment practices, zero use of forced or compulsory labour and equal opportunity in employment, in addition to health and safety, environmental impacts, business integrity and ethics.

A copy of the Supplier Code of Conduct will be made available to new clients, contractors, and suppliers during the onboarding period. Contracts entered into between the DRA Group and suppliers and contractors will require undertakings by suppliers and contractors to adhere to the requirements of this Code.



## 5. ACTIONS TAKEN TO MITIGATE RISKS OF MODERN SLAVERY

### SPEAK-UP FRAMEWORK AND SPEAK-UP POLICY

This framework and policy outline the DRA Group’s commitment to encouraging its directors, management, employees and third-parties to ‘speak up’ if they become aware of potential misconduct, including suspected issues of modern slavery, and does not permit retaliation of any kind against those who have reasonable grounds to speak up about a violation of a policy or standard. Dedicated, independent third-party services are available to receive confidential reports on any potential, suspected or actual modern slavery abuses in writing and by telephone.

These reports are confidential and can be made on an anonymous basis.

### HUMAN RIGHTS AND MODERN SLAVERY STANDARD AND POLICY

Respect for human rights is fundamental to the sustainability of the DRA Group and the communities where it operates. In accordance with the Code of Conduct and company values, the DRA Group is committed to ensuring that people are treated with dignity and respect. This standard and policy are guided by international human rights principles encompassed in the Constitution of the Republic of South Africa, the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

The documented approach to addressing modern slavery risks aligns with the Group’s Modern Slavery Policy, the Human Rights and Modern Slavery Standard, and the overarching Risk Management Framework and Compliance Management Framework and consists of the following operations and supply chain management elements:



Figure 7: The DRA Group’s documented approach to address Modern Slavery Risks

### 5.3. TRAINING AND AWARENESS

Increasing awareness of modern slavery is a critical aspect in identifying and addressing modern slavery risks. The DRA Group has developed bespoke e-learning training on human rights and modern slavery that will be provided to all employees that by virtue of their position have a greater exposure to modern slavery risks. This will be determined by Group Compliance on a risk-rated basis.

Training on the Code of Conduct is also by way of e-learning. Employees are required to undertake this training on an annual basis with increased frequency for those employees determined by Group Compliance to have greater exposure to modern slavery risks.

## 5. ACTIONS TAKEN TO MITIGATE RISKS OF MODERN SLAVERY

### 5.4. REPORTING OF HUMAN RIGHTS AND MODERN SLAVERY CONCERNS

In addition to the managed Speak-Up Service (whistle-blower) telephone and email service, the DRA Group's Human Rights and Modern Slavery Framework also provides for avenues of reporting and redress in relation to perceived or actual human rights or modern slavery violations and ensures a mix of senior management and independent control functions to receive and investigate such reports including escalation protocols for reporting internally and externally.

### 5.5. SUPPLIER CONTRACTUAL TERMS AND CONDITIONS

The DRA Group has reviewed its contracting arrangements, including terms and conditions. Through that review, we have identified the need to update our processes to further protect against modern slavery risk. We have reviewed our contractual terms and our Supplier Code of Conduct. We have begun to use these revised arrangements during the reporting year and will continue to implement these changes, in the next reporting period, by replacing existing contractual arrangements.

### 5.6. OVERVIEW OF SUPPLIER SCREENING AND DUE DILIGENCE

The DRA Group identified and developed modern slavery risk assessment criteria to apply to the current supply chain database, based on industry, geography, category of risk and spend criteria.

The same risk assessment process and application of the same criteria will apply to future suppliers as part of the onboarding process with identified high-risk suppliers subject to enhanced supplier due diligence screening. A proposed method to collect supply chain information directly from suppliers in the form of a Supplier Questionnaire, will be designed to capture supplier information and assist in identifying potential or actual modern slavery violations. The screening of the existing supplier database will be undertaken by a third-party provider.

### 5.7. REMEDIATION

During FY20, no human rights or modern slavery concerns were identified within the DRA Group's supply chain, or its operations.

The DRA Group engages with our suppliers both formally and informally by various means, including onsite visits by our project, operations and management teams, structured meetings, documentation submission and audits.

These engagements provide valuable insight into the experience of our suppliers, and their employees, and aims to authenticate the information supplied. We set corrective actions from these engagements and findings will be used to inform and improve our future due diligence assessments. The future introduction of Supplier Questionnaires for current and potential suppliers will further support modern slavery risk identification and application of corrective measures.

The DRA Group will continue to build relationships with our suppliers and work with various organisations to prevent modern slavery risks within our supply chain. These efforts will be directly supported by the provision of the Supplier Code of Conduct and explanatory awareness material on modern slavery to accompany Supplier Questionnaires.

We recognise the importance of building greater understanding of modern slavery risks and the requirements of DRA Group's employees who are responsible for supplier relationships and oversight so that they are equipped to provide guidance to our clients, partners and suppliers to comply with our expectations.



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## 6. MEASURING EFFECTIVENESS

The DRA Group, for this period, was primarily focussed on identifying what measures and procedures were required to meet the requirements of the Act. Certain measures and procedures were developed and others are in the process of being developed with implementation to be on a staged basis over the next 12 months. In addition, the DRA Group will be implementing a structured approach to measure the effectiveness of the acts undertaken to address modern slavery risks in the supply chain.

## 7. CONTINUOUS IMPROVEMENT – PLANNED ACTIVITIES FY21

The DRA Group is committed to the continuous improvement of its modern slavery processes. A range of additional actions have commenced, or are planned, and will be reported in subsequent statements that will improve the identification and treatment of modern slavery risks across the DRA Group's business. These include the below activities:

- // Modern Slavery risk identification commenced through supplier high-risk mapping and enhancement of due diligence;
- // The screening of current supplier database will be undertaken by a third-party service provider specialising in supply chain risk and will involve detailed review of publicly available information to identify any social, environmental or governance issues with enhanced screening of suppliers' modern slavery and labour rights policies, where required. Screening of new suppliers will be undertaken by internal control functions within the DRA Group;
- // The objective in the next 12 months is to continue to implement improvements to the DRA Group's processes and procedures and to develop a program that will track the DRA Group's actions and outcomes, including an internal review by Group Compliance of the modern slavery framework;
- // Continued roll out of procurement and subcontract terms and conditions templates inclusive of clauses addressing modern slavery and human rights;
- // Rollout our modern slavery awareness training for employees operating in high-risk locations and those interacting with high-risk suppliers;
- // Introduction of Supplier Questionnaire process into supplier management practices for tiered suppliers and periodic submission by existing supplier database; and
- // Ongoing review and enhancement of modern slavery framework and associated policies and procedures.





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## 8. CONTINUOUS IMPROVEMENT – PLANNED ACTIVITIES BEYOND FY21

- // Inclusion of Supplier Questionnaire process into supplier management practices for additional tiers of Suppliers and periodic re-submission of the Supplier Questionnaire by existing supplier database;
- // Review of the modern slavery documentation suite and associated processes by Group Compliance to assess its effectiveness in identifying and addressing risk;
- // Further review of internal recruitment practices and labour conditions in high-risk locations and industries;
- // Introduction of modern slavery assessment criteria into supplier compliance assurance processes;
- // Completion of onsite supplier assessments for high risk / high spend suppliers; and
- // Ongoing review and enhancement of modern slavery framework and associated policies and procedures.

## 9. APPROVAL

The Board members of DRA Global Limited ACN 622 581 935 have authorised and approved the publication of this Statement.



**Andrew Naude**

A handwritten signature in black ink, appearing to read "Andrew Naude".

Chief Executive Officer  
DRA Global Limited





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