



**QUANTA SERVICES  
AUSTRALIA**



**MODERN SLAVERY STATEMENT 2024**

# **QUANTA SERVICES AUSTRALIA**

**MEARS GROUP PTY LTD (ABN 92 149 486 500)  
AND OPERATING COMPANIES WITHIN THE  
QUANTA SERVICES AUSTRALIA GROUP**



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# 1. INTRODUCTION

This Modern Slavery Statement ('Statement') is for Mears Group Pty Ltd (ACN 149 486 500) and its wholly owned and controlled entities which together form the Quanta Services Australia Group. There is an organisation structure on [page 6](#) of this Statement for the benefit of readers. This Statement focuses on the policies and processes of the entities that are in active operations including Consolidated Power Projects referred to as CPP, Nacap and Enscope. The Quanta Services Australia Group will be referred to as the 'Group' or 'QSA.'

Under the Australian Modern Slavery Act 2018 (Cth) ('the Act'), modern slavery includes eight types of serious exploitation: human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour and services. Modern slavery is only used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers. However, these practices may also be illegal and harmful and may be present in some situations of modern slavery. These practices may also escalate into modern slavery if not addressed.

Modern slavery represents one of the world's most complex human rights issues that we face, and global events including the pandemic and armed conflict have compounded the issue. The construction industry is a high-risk sector because it has large, diverse and complex supply chains. Walk Free's Global Slavery Index, which represents the world's most comprehensive data set of modern slavery, estimates that there are 27.6 million people globally in situations of forced labour on any given day<sup>1</sup>.

The Group is subject to the Act and this will be the Group's fourth annual Statement, which requires it to outline its structure, operations, supply chains and what is being done to identify, assess and address modern slavery risks. In this Statement, the active operating entities in the Group offer their individual improvements and progression in tackling modern slavery.

This Statement covers the reporting year 1 January 2023 to 31 December 2023.

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*QSA is committed to managing all aspects of its operations and supply chains where we have an ability to assess and address risks of modern slavery.*

Rick Boreham, QSA President

<sup>1</sup> Walk Free's Global Slavery Index, Walk Free, International Human Rights Group ([walkfree.org](https://www.walkfree.org)).

# 2. STRUCTURE AND OPERATIONS

The active operational companies in the Group deliver design, construction, commissioning and/or maintenance in the mining, gas, energy, and water infrastructure sectors.

QSA provides governance over these operational companies as part of a larger global family of entities which are ultimately owned by Quanta Services Inc. ('Quanta Services'), a publicly listed company (NYSE: PWR) incorporated in Delaware, United States of America. Quanta Services employs over 50,000 employees globally and has the largest skilled labour workforce in North America. Quanta Services provides fully integrated infrastructure solutions in the utility, energy, and communications industries. In YE 2023, the Quanta Services Group's revenue was \$US20.9B.

QSA also has an associate company, Mitchell Water, and participates as a minority shareholder. Mitchell Water's operations are not reviewed as part of this Statement.

In YE 2023, the Group employed over 500 people across Australia and had a small workforce in Papua New Guinea ('PNG') via its operations with Nacap.

## QSA'S OPERATING ENTITIES SERVICE THE FOLLOWING SECTORS:

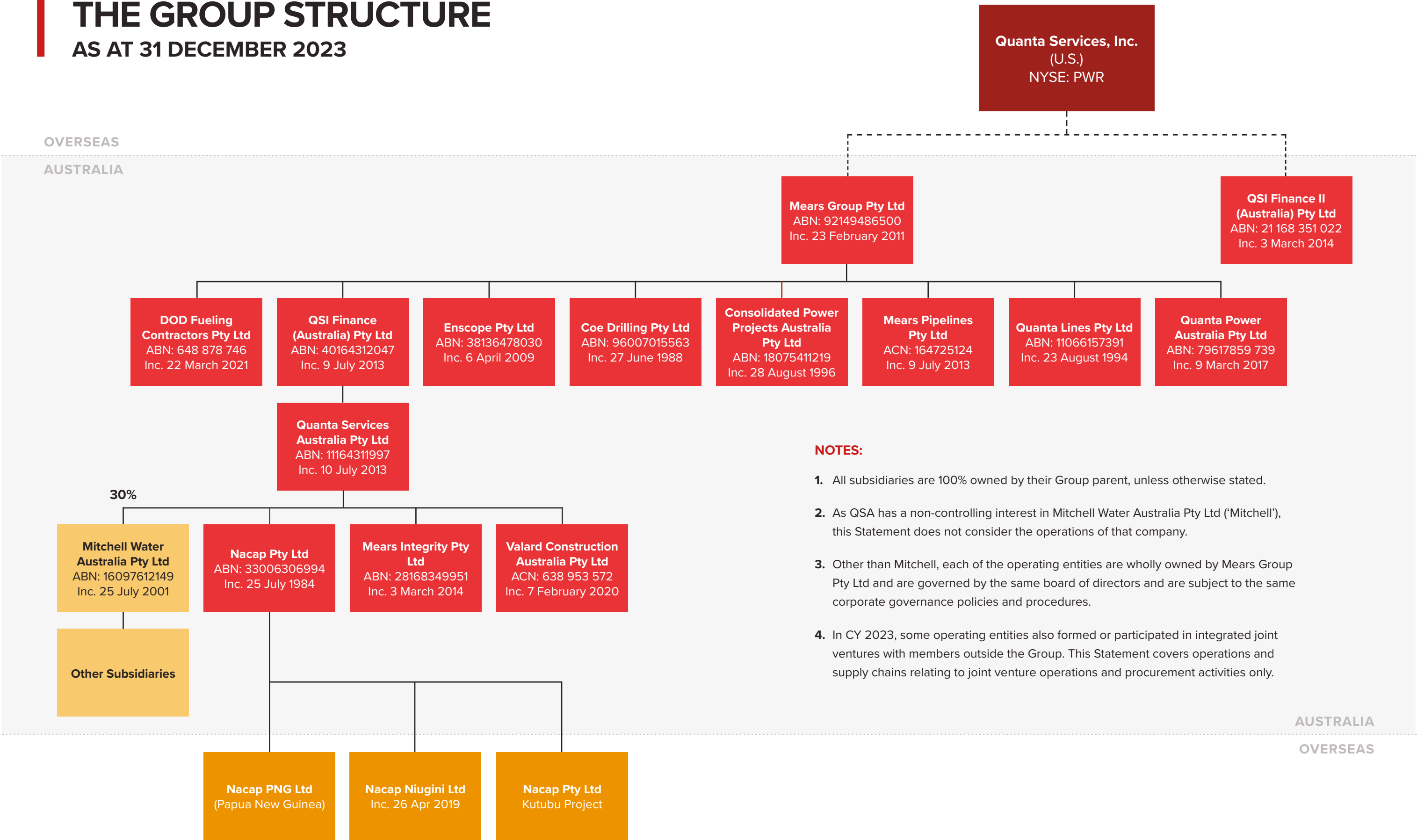
- electric power (renewable energy generation – battery energy storage systems, solar and wind, electrical transmission, substations and distribution and civil works and infrastructure);
- oil, gas and petrochemical (transmission pipelines and their related facilities such as metering stations, compressor stations, pump stations and processing facilities);
- mining (slurry and concentrate transmission pipelines and their related facilities such as metering stations, pump stations and processing facilities);
- water (supply and trunk pipelines and their related facilities such as inlet structures, pump stations, water storage, filtration, and treatment plants); and
- civil and aircraft refueling infrastructure for US defence force at military airfields in Australia.

## PROJECT SERVICES PROVIDED BY QSA'S OPERATING ENTITIES INCLUDE:

- project development, project management, design, engineering, procurement, construction, and commissioning of new infrastructure including civil, mechanical, structural, electrical and process engineering; and
- maintenance, refurbishment, asset management and asset condition assessment of existing infrastructure.

# THE GROUP STRUCTURE

AS AT 31 DECEMBER 2023



## NOTES:

1. All subsidiaries are 100% owned by their Group parent, unless otherwise stated.
2. As QSA has a non-controlling interest in Mitchell Water Australia Pty Ltd ('Mitchell'), this Statement does not consider the operations of that company.
3. Other than Mitchell, each of the operating entities are wholly owned by Mears Group Pty Ltd and are governed by the same board of directors and are subject to the same corporate governance policies and procedures.
4. In CY 2023, some operating entities also formed or participated in integrated joint ventures with members outside the Group. This Statement covers operations and supply chains relating to joint venture operations and procurement activities only.

## 3. SUPPLY CHAINS

Supporting the Group's operations are the following key supply chains:

- a. Subcontracted on-site and off-site services, including trades, skilled, semi-skilled and unskilled labour;
- b. Purchase of major process and high voltage equipment designed and built to specified project requirements;
- c. Purchase of steel pipe, extruded and machined steel fittings and process control equipment for incorporation into gas and water extraction, transportation, and processing infrastructure;
- d. Plant and equipment hire and maintenance;
- e. Transport, travel, and accommodation, including portable camps;
- f. Export logistics to support PNG-based operations; and
- g. Purchase and hire of vehicles, construction equipment and tools, construction materials and consumables, clothing, footwear, branded products, IT and electronic equipment, offices, and furniture.

### LABOUR

Most of the Group's employees are employed under Fair Work Australia-approved enterprise agreements or individual workplace agreements (permanent, fixed term, part-time or casual contracts) that meet or exceed the minimum requirements of an applicable award.

Labour is also provided to projects by subcontractors as part of the services performed. The Group uses standard conditions of subcontract to hold subcontractors accountable for meeting legislative requirements, including the *Fair Work Act 2009* (Cth). The Group's operating entities also use third-party labour providers to provide temporary labour to assist with project delivery.

### MATERIALS / EQUIPMENT

In 2023, the vast majority of QSA's annual procurement spend was with suppliers and subcontractors located in Australia. We recognise that some of these suppliers source the products and materials overseas.

The type of equipment supplied in this supply chain process includes, but is not limited to, high voltage equipment such as synchronous condensers, voltage, current, power and step-up transformers, capacitors, reactors, circuit-breakers, disconnectors, cabling, conductor and other high voltage materials.

The Australian-based companies from where QSA Group purchases these items source assembled equipment from Europe (in particular, Austria, Germany, Sweden, France and Italy), China, India, Canada, USA and South Korea, with complex associated supply chains for the componentry and associated raw materials.





## 4.

# RISKS OF MODERN SLAVERY IN OPERATIONS AND SUPPLY CHAINS

The Group recognises that risks of modern slavery are greater where QSA's operating entities do not have direct knowledge of the terms and conditions between their suppliers and their suppliers' employees and sub-suppliers, particularly in geographies and industries with a higher prevalence of modern slavery.

**In the 2023 reporting year, the Group identified the following areas of its business that may have modern slavery risks in their supply chains:**

- a. Engagement of local labour for PNG operations, given PNG has a higher modern slavery risk than Australia;
- b. Cleaning of its leased offices and site compounds, as cleaning services have been identified as a key risk area for modern slavery in Australia<sup>2</sup>;
- c. Procurement of the following products<sup>3</sup> :
  - i. Steel-containing product:
    - may be procured as formed product (e.g. pipe, structural steel, reinforcing steel) or be incorporated in plant, tools, and equipment; and
    - steel could have been produced using raw materials (e.g. iron or coal) extracted or refined under modern slavery conditions.
  - ii. Copper-containing product, which may be procured as cabling or wire, or incorporated into manufactured goods including electronics, IT equipment, construction equipment or tools and copper could have been extracted or refined under modern slavery conditions.
  - iii. IT equipment, which is procured from local wholesalers / retailers which have been assessed by the Group as having low modern slavery risk but may have been assembled overseas in conditions where modern slavery may be prevalent.
  - iv. Clothing, footwear and branded products that may have been manufactured or may include raw materials that have been produced under modern slavery conditions (e.g. cotton, fabrics, yarn or rubber).
  - v. Structural timber, which could have originated from a country with modern slavery risk for timber production.
  - vi. Other rare earth minerals such as gold, tin, zinc, silver, cobalt etc that have been mined to go into manufacturing of equipment.

<sup>1</sup> Australian Human Rights Commission, 'Tackling modern slavery and labour exploitation with the Cleaning Accountability Framework', 25 March 2021 (<https://humanrights.gov.au/our-work/business-and-human-rights/projects/tackling-modern-slavery-and-labour-exploitation>).

<sup>2</sup> US Department of Labor, Bureau of International Labor Affairs (ILAB), 2022 List of Goods Produced by Child Labor or Forced Labor, September 2022 (<https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods-print>).

# ACTIONS, COMMITMENTS AND EFFECTIVENESS

In 2023, we initiated a series of actions and have been successful in delivering on the Group's modern slavery actions and commitments. Operating entities within the Group standardised modern slavery language in subcontractor pre-qualification forms, provided training for new staff and refresher courses to current staff and shared and disseminated information about our modern slavery obligations.

The Group's Modern Slavery Committee ('Committee') convened to discuss and track our modern slavery actions and commitments and will continue to do so in 2024. The Committee comprises of at least one member from each of the active operating units CPP, Nacap and Ensco. The Committee meets quarterly and encompasses a member from either or both of the procurement and legal disciplines. As part of this Group-wide Committee, the active operating units share their ongoing commitments. These include:

- ✓ **Communicating non-compliant suppliers across the Group;**
- ✓ **Sharing the learnings across the Group as each operating unit continuously reviews and re-assesses their processes for relevance and effectiveness;**
- ✓ **Discussing legislative updates; and**
- ✓ **Reviewing Group policies for updates and current and ongoing needs.**

We note that each of the active operating entities face different modern slavery challenges within their businesses due to the differences in business sectors and, therefore, materials and equipment required.

For example, CPP procures most of the equipment for the power sector outlined on [page 14](#), whereas Ensco as primarily a consultancy business, has a limited requirement for big equipment purchases (see [page 16](#)). Nacap's high risk is mainly borne out of the purchasing of steel-related products and its operations in Papua New Guinea (see [page 18](#)).

The Committee provides a platform to discuss these differences and the dialogue they each have with key clients and suppliers. As such, and in acknowledgement of these differences, each Group operating entity presents their own 2023 achievements, commitments and effectiveness on the following pages.



# CONSOLIDATED POWER PROJECTS (CPP) MODERN SLAVERY ACTIONS AND COMMITMENTS

## FY2023



### Actions Completed

- ✓ Implemented a new supplier and subcontractor pre-qualification and re-evaluation process, which requests specific modern slavery and QSA Code of Conduct response criteria, commensurate with the supplier or subcontractors supply, service or works provisions
- ✓ Expanded supply chain mapping from focusing on Tier 1 high-risk suppliers (supply of goods) to include Tier 2 suppliers and Tier 1 subcontractors (services or works)
- ✓ Implemented a supply chain mapping register, readily available for viewing by the business, to identify risk ratings commensurate with pre-qualified and re-evaluated response to modern slavery criteria
- ✓ Implemented appropriate timelines for supplier and subcontractor reviews commensurate with risk ratings
- ✓ Identified and bench marked high-risk and value suppliers for immediate modern slavery re-evaluation
- ✓ Implemented and communicated updated QSA Modern Slavery Policy
- ✓ Implemented and communicated new Modern Slavery – Supply Chain Mapping Guidelines (assessment processes)
- ✓ Re-evaluated and updated CPP's relevant Standard Operating Procedure (SOP) in line with the development of modern slavery processes

## FY2024



### Commitments

- ✓ Expand and invite additional CPP personnel to actively participate in Modern Slavery Committees
- ✓ Expand supply chain mapping to include Tier 3 suppliers and subcontractors
- ✓ Re-evaluate mandatory modern slavery training to cover a broader reach of employees
- ✓ Continue to re-assess the modern slavery training to ensure reflective of modern slavery legislation and reporting requirements and risks identified as specific to CPP supply chains
- ✓ Review FY2025 forecast spend to identify new high-risk Tier 1 suppliers and subcontractors

## FY2025

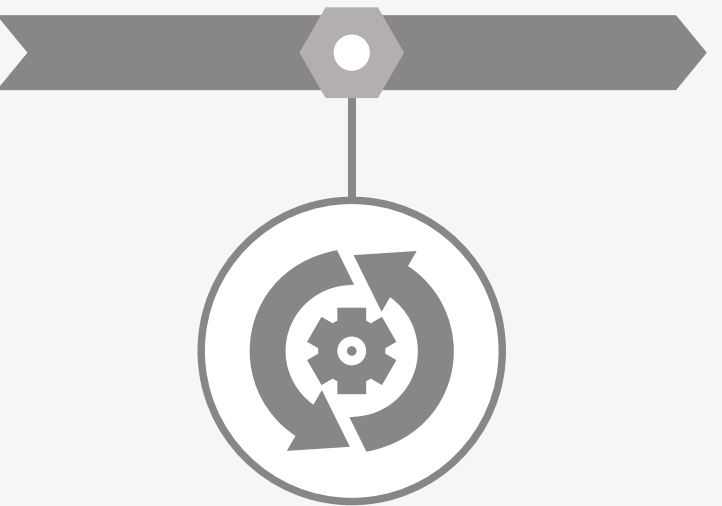


### Future Actions

- Expand high risk Tier 1 supplier supply chain mapping to include supply contributory components and materials
- Re-evaluate Supply Chain Mapping Guidelines to ensure reflection of industry best practice
- Benchmark modern slavery training against industry proponents
- Benchmark modern slavery supply chain mapping against industry peer groups

**NOTE:**

"Tier 1" refers to suppliers and subcontractors with high CPP procurement spend and modern slavery risk profiles;  
"Tier 2" refers to suppliers and subcontractors with medium CPP procurement spend and modern slavery risk profiles; and  
"Tier 3" refers to suppliers and subcontractors with a low CPP Procurement spend and low modern slavery risk profiles



### Ongoing Commitments

- ✓ Regularly review modern slavery training and mandatory participants for improvements
- ✓ Communicate high-risk identified subcontractors and suppliers to CPP and QSA
- ✓ Continuously review and re-assess all process, policies and guidelines for relevance
- ✓ Continue to monitor modern slavery clauses in subcontracts to ensure they are reflective of customer requirements in respect of modern slavery and risks identified as specific to CPP supply chains
- ✓ Liaise with QSA and CPP Legal Counsel for legislative updates
- ✓ Connect with high-risk suppliers or subcontractors to support their management, mitigation and the prevention of modern slavery risks
- ✓ Conduct supplier and subcontractor pre-qualification and re-evaluation reviews
- ✓ Continue active participation and business use of CPP's and QSA's Modern Slavery Committees
- ✓ Provide a supportive culture that encourages commitment to reporting modern slavery risks

## ENSCOPE MODERN SLAVERY ACTIONS AND COMMITMENTS



## NACAP MODERN SLAVERY ACTIONS AND COMMITMENTS

FY2023



### Actions Completed

- ✓ Set foundation for supply chain mapping of all project suppliers and subcontractors.
- ✓ Vendor Assessment Questionnaire ('VAQ') updated to enable meaningful data capture for risk-based evaluation of suppliers and subcontractors.
- ✓ VAQ Response has been linked to PowerBI to automate data capture and summarise modern slavery data graphically for future evaluation.
- ✓ Commenced data capture from all new suppliers and subcontractors based on VAQ Responses.
- ✓ Introduced weighting for pre-qualifying suppliers and subcontractors based on answers to modern slavery questions within VAQ Responses.
- ✓ Emphasised modern slavery compliance as a verifiable pre-condition to selection by Nacap.
- ✓ Introduced modern slavery compliance, risks and challenges within Management team meeting agenda.

FY2024



### Commitments

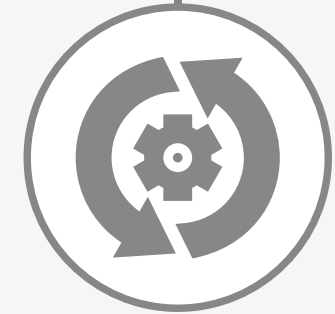
- ✓ Introduce process for evaluating and reporting data once sufficient data is obtained.
- ✓ Implement supplier register with risk rating to identify modern slavery compliance status.
- ✓ Regularly communicate the process within Nacap, including fortnightly 'whole of company' meetings.
- ✓ Modern slavery to be a regular agenda item at Management team meetings, where current practices are to be reviewed and challenged on a risk-based approach.
- ✓ Re-evaluate personnel for targeted modern slavery training and ensure QSA's modern slavery training is provided, recorded and readily available for personnel
- ✓ Attend and actively contribute to QSA's Modern Slavery Committee and initiatives.

FY2025



### Future Actions

- Commence supply chain mapping based on data capture (spend analysis, product and manufacturing origin) with captured data to be reported in future Modern Slavery Statements.
- Align Nacap's procurement functions (corporate and projects) with a risk-based approach.
- Update Nacap's procurement and supplier management procedures in line with the development of modern slavery processes.



### Ongoing Commitments

- ✓ Communicate non-compliant suppliers to Nacap and QSA.
- ✓ Continuously review and re-assess the process for relevance and effectiveness.
- ✓ Liaise with QSA's Legal Counsel for legislative updates.
- ✓ Connect with non-compliant suppliers to support their management, mitigation and resolution of breaches.
- ✓ Continue to attend and actively participate in QSA's Modern Slavery Committee.
- ✓ Conduct supplier reviews.
- ✓ Review forecast spend annually to identify further high risks.



## 6. SUMMARY

QSA continues to recognise the importance of human rights and will continually improve its processes both as a Group and as individual entities. The individual active operating entities within the Group have identified both their future actions and ongoing commitments on pages [14](#), [16](#) and [18](#) of this Statement.

As a Group, we will continue to share information through our Group Modern Slavery Committee and beyond as the disruption and speed of the transition from fossil fuel energy generation to clean and renewable energy generation in Australia puts more strain on already limited supply chains and workforces. We will also develop and implement a Group-wide Modern Slavery Policy to have a common platform of our principles. Lastly, we will ensure that our people are informed and that we create a safe workspace where workers feel empowered to speak up in accordance with the values of the Group.



This Statement has been prepared by the Group in consultation with each of its active operating entities and has been approved by the Board of Directors for Mears Group Pty Ltd as the principal governing body of the Quanta Services Australia group of companies.

**RICK BOREHAM**  
**DIRECTOR & PRESIDENT**  
**QUANTA SERVICES AUSTRALIA**

Signed on behalf of the Directors of  
Mears Group Pty Ltd

# **#WE ARE QUANTA**

**QUANTASERVICES.COM/AUSTRALIA**

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