



# BDO Modern Slavery Statement

Financial year ended 30 June 2025

# Contents

Our commitment . . . . .	3
Our structure and operations . . . . .	5
Our governance . . . . .	6
BDO at a glance: Australia . . . . .	8
Modern slavery risk areas . . . . .	10
Modern slavery due diligence . . . . .	12
Our next steps for modern slavery: due diligence . . . . .	23
Assessing the effectiveness of our modern slavery risk management framework. . . . .	24

## Our commitment

I am honoured to assume the role of Chief Executive Partner (CEP) at BDO Australia and I remain committed to our mission to prevent modern slavery in our operations and supply chain. The initiatives and progress outlined in this Modern Slavery Statement were led by our former CEP, Tony Schiffmann, and I look forward to building on his legacy of ethical practice, protecting human rights and upholding the highest standards of integrity in all that we do.

At BDO, we believe that strong relationships with our people, clients and suppliers are the foundation of an ethical and responsible business. This guiding principle, together with our firm's values – One, Bold, Human, Strive and Heart – shapes everything we do. It reinforces that we are committed to creating a culture that prioritises integrity, transparency, and the protection of human rights across all aspects of our firm's operations.

This is why BDO maintains a zero-tolerance stance on all forms of modern slavery, both direct or indirect, and we expect the same commitment from our clients and suppliers.

During the 2025 financial year, we continued to strengthen our commitment to proactive risk management by advancing our modern slavery risk framework with a focus on due diligence. We rolled out updated internal training on anti-bribery and corruption and modern slavery to all our people, enhancing awareness and understanding of the risks and responsibilities across our workforce.

Importantly, we have introduced a new proactive due diligence process for foreign contractors, enabling BDO to better identify and assess potential risks before engagement. This forward-thinking approach ensures that we are not only responding to risks but also actively working to prevent modern slavery and related harms across our business relationships.

Our continued progress on Project Elephant - our firmwide digital transformation initiative - has played a key role in modernising our systems and equipping our people with future-ready tools. These advancements will significantly improve the efficiency, consistency, and accountability of our onboarding and supplier engagement processes, laying the groundwork for a more proactive due diligence model.

In 2025, we launched a new project focused on anti-money laundering (AML) and counter-terrorism financing (CTF) to enhance our ability to identify and mitigate financial crimes that often intersect with modern slavery risks. Our approach is grounded in the belief that an integrated risk framework allows us to respond more effectively to emerging threats across our supply chains and service offerings.

To ensure our people are equipped with the knowledge and skills to operate responsibly and identify malpractice, we have expanded our suite of learning resources in partnership with a leading third-party provider. This now includes specific modules on modern slavery, AML/CTF, fraud awareness, anti-bribery and corruption, and whistleblowing.

In everything we do, we remain accountable through clear governance structures. Our Risk Management Committee, in its capacity as a subcommittee of the Board, continues to oversee the evolution of our modern slavery risk framework and the integration of broader environment, social and governance and compliance-related risks.

Looking ahead, we reaffirm our commitment to:

- ▶ Implement the next-stage actions outlined in this statement to proactively prevent modern slavery and related exploitation
- ▶ Leverage enhanced data and insights to continually strengthen the effectiveness of our risk framework and due diligence processes.

By embedding responsibility at the core of everything we do, BDO will continue to build a workplace – and a world – that is fair, safe, and respectful for all.

*This statement was approved by the Board of the applicable reporting entity, BDO Australia Limited (Formerly BDO Group Holdings Limited), on 8 December 2025.*



A handwritten signature in black ink, appearing to read 'David Garvey'.

**David Garvey**  
Chief Executive Partner  
BDO Australia Limited



A handwritten signature in black ink, appearing to read 'David Fagan'.

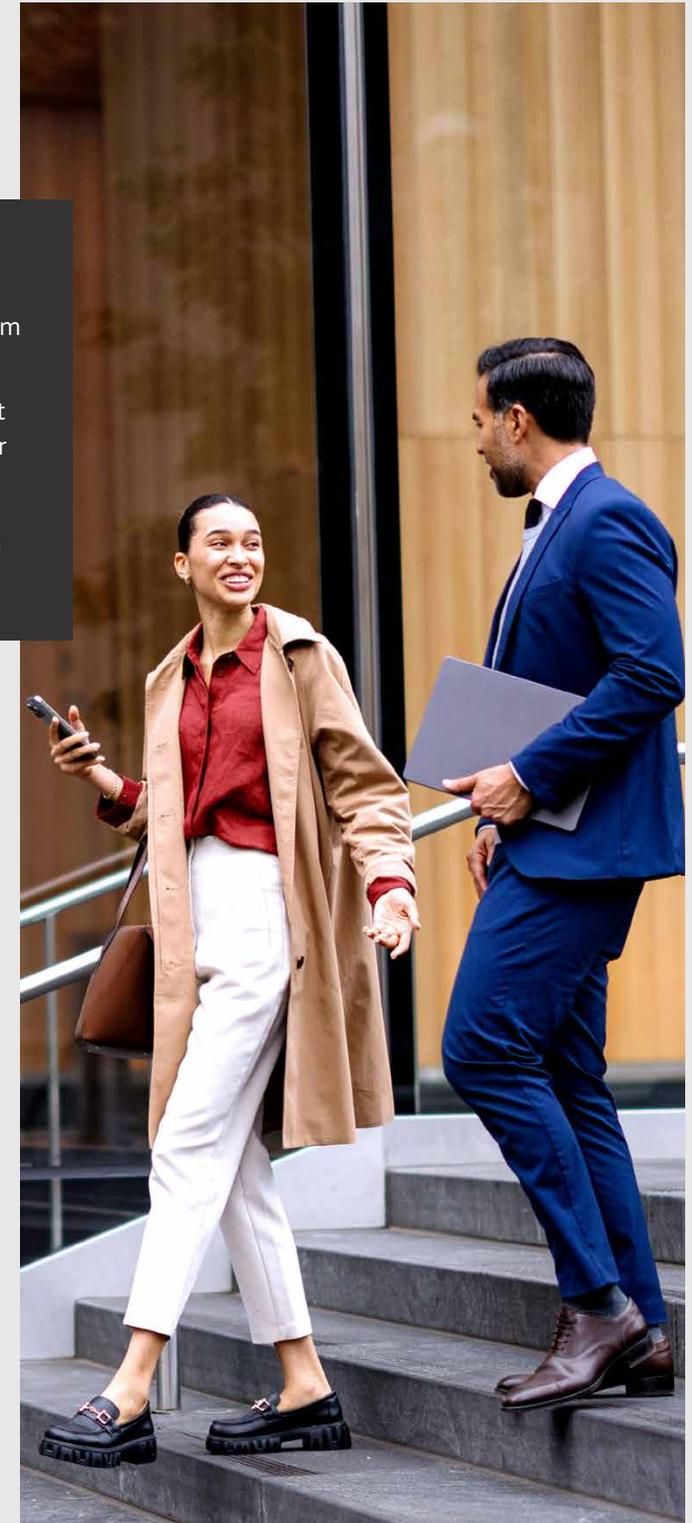
**David Fagan**  
Chairman of the Board  
BDO Australia Limited

Reference to modern slavery in this statement is aligned with the principles set out in the Global Slavery Index, and carries the meaning given to it in the *Criminal Code Act 1995* (Cth). Modern slavery captures several slavery and slavery-like practices under one common term and includes, but is not limited to, instances of exploitation that a person cannot refuse or depart from because of threats, violence, coercion, deception, or abuse of power.

BDO values the development of trust-based relationships with our people, our clients, and our suppliers. We firmly believe that by fostering transparent and cooperative relationships, we can facilitate positive business outcomes and promote ethical rigour in our practices, and in the practices of our clients and suppliers. We strive to ensure that all people – including those in the broader community – are afforded human rights. All actions we undertake as a business are done so with the aim of improving our systems, processes, and overall commitment to the management of modern slavery risk and the eradication of slavery and slavery-like practices.

BDO is committed to:

- ▶ Operating in full alignment with the *Modern Slavery Act 2018* (Cth), including staying ahead of and integrating all legislative developments
- ▶ Empowering our people through education and learning to recognise the risk factors of modern slavery and the potential impact it may have on our business and communities
- ▶ Providing clear, accessible and trusted channels for our people to report concerns or suspected instances of modern slavery, whether within BDO or across our supplier and client networks
- ▶ Embedding robust processes to proactively identify and mitigate modern slavery risks within our operations
- ▶ Taking deliberate and sustained action to remove both potential and actual instances of modern slavery from our business activities and supply chain
- ▶ Using the due diligence completed to date to facilitate effective action plans and next steps in the pursuit of modern slavery risk mitigation and elimination using a proactive approach
- ▶ Ensuring appropriate transparency with our people, clients, suppliers and stakeholders regarding the refinement of our modern slavery due diligence process and the findings arising from this
- ▶ Enhancing our data insights to better measure the effectiveness of our existing modern slavery risk framework.



## Our structure and operations

BDO Australia Limited (ABN 77 133 657 833) is a member of a national association of independent entities that are all members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms.

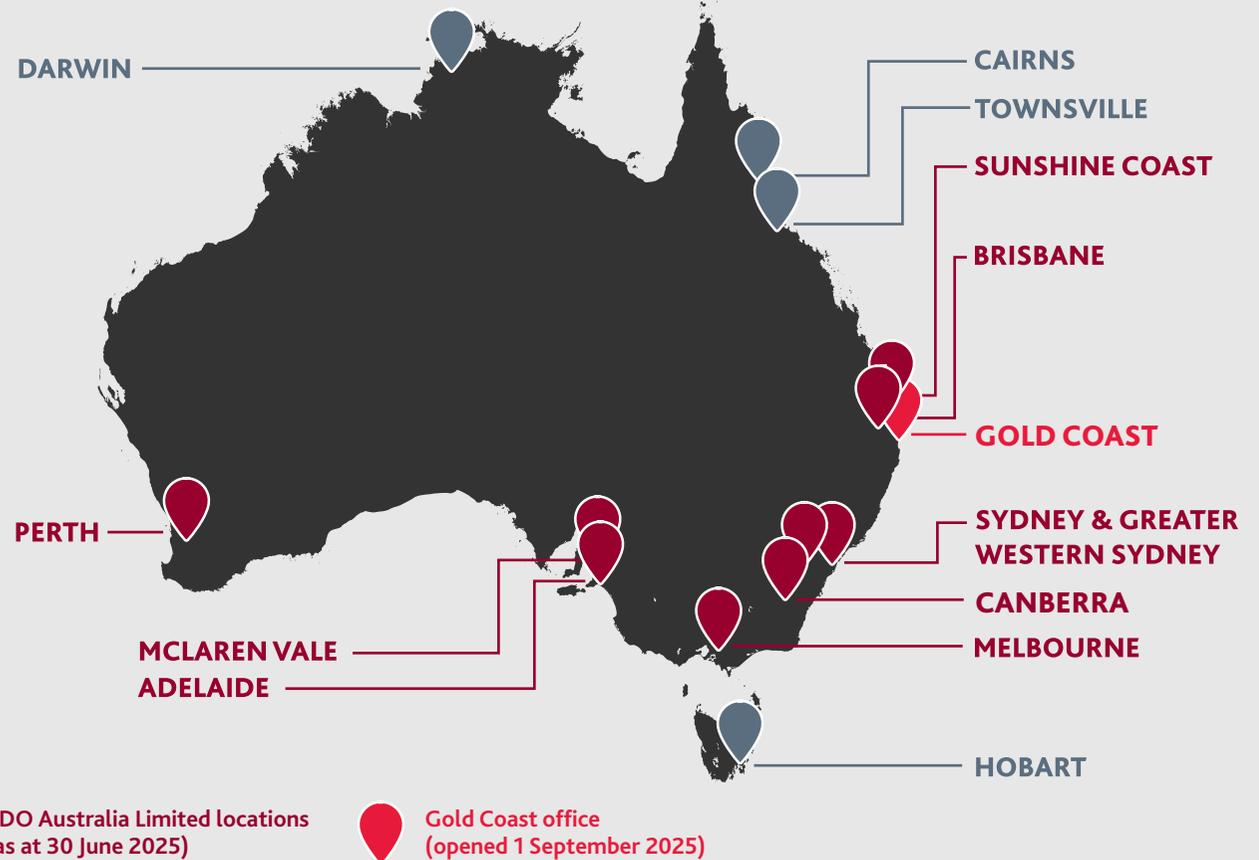
The following firms are included as members of BDO in Australia:

- ▶ BDO Australia Limited
- ▶ BDO Darwin
- ▶ BDO Hobart
- ▶ BDO North Queensland.

These firms operate as an association of independent member firms. BDO Australia Limited is the largest member firm consisting of offices in Brisbane, Sunshine Coast, Canberra (from October 2024), Sydney, Greater Western Sydney, Melbourne, Adelaide, McLaren Vale and Perth. BDO Australia Limited provides services and support to member firms in Darwin, Hobart and North Queensland. As of 1 September 2025, the Gold Coast office opened as an extension of the Brisbane office.

In accordance with the *Modern Slavery Act 2018* (Cth), all entities with a consolidated revenue of more than \$100 million within a given financial period must submit a modern slavery statement. As of 30 June 2025, BDO Australia Limited (BDO herein) is the sole reporting entity for BDO in Australia.

The delivery of the modern slavery statement is a collective effort, considering the collated data and corresponding analysis of all reporting entities and controlled entities.



BDO provides professional services to a diverse range of clients, from corporate organisations and private businesses to entrepreneurs and individuals across an array of industries. Service lines within BDO are categorised as follows:

- ▶ Advisory
- ▶ Audit & Assurance
- ▶ Business Services
- ▶ Tax.

## Our governance

BDO is committed to employing corporate governance practices that support our compliance with modern slavery laws. BDO adheres to applicable standards and legislative instruments, while also aligning with community expectations.

The Board of Directors is the principal governance and oversight body for BDO. The role of the Board is to govern, guide, and direct the firm towards the effective achievement of BDO's goals and objectives in the interests of its shareholders as a collective.

An independent Chair, David Fagan, leads the BDO Board (Board). The Board also comprises a second independent Non-Executive Director (NED), and members elected from the partner group.

The Board is governed by the firm's Constitution, Board Charter, and Shareholders' Agreement, and is supported by four sub-committees – Audit Committee, Board Nominations Committee, Risk Management Committee, and the Partner Equity & Distributions Committee.



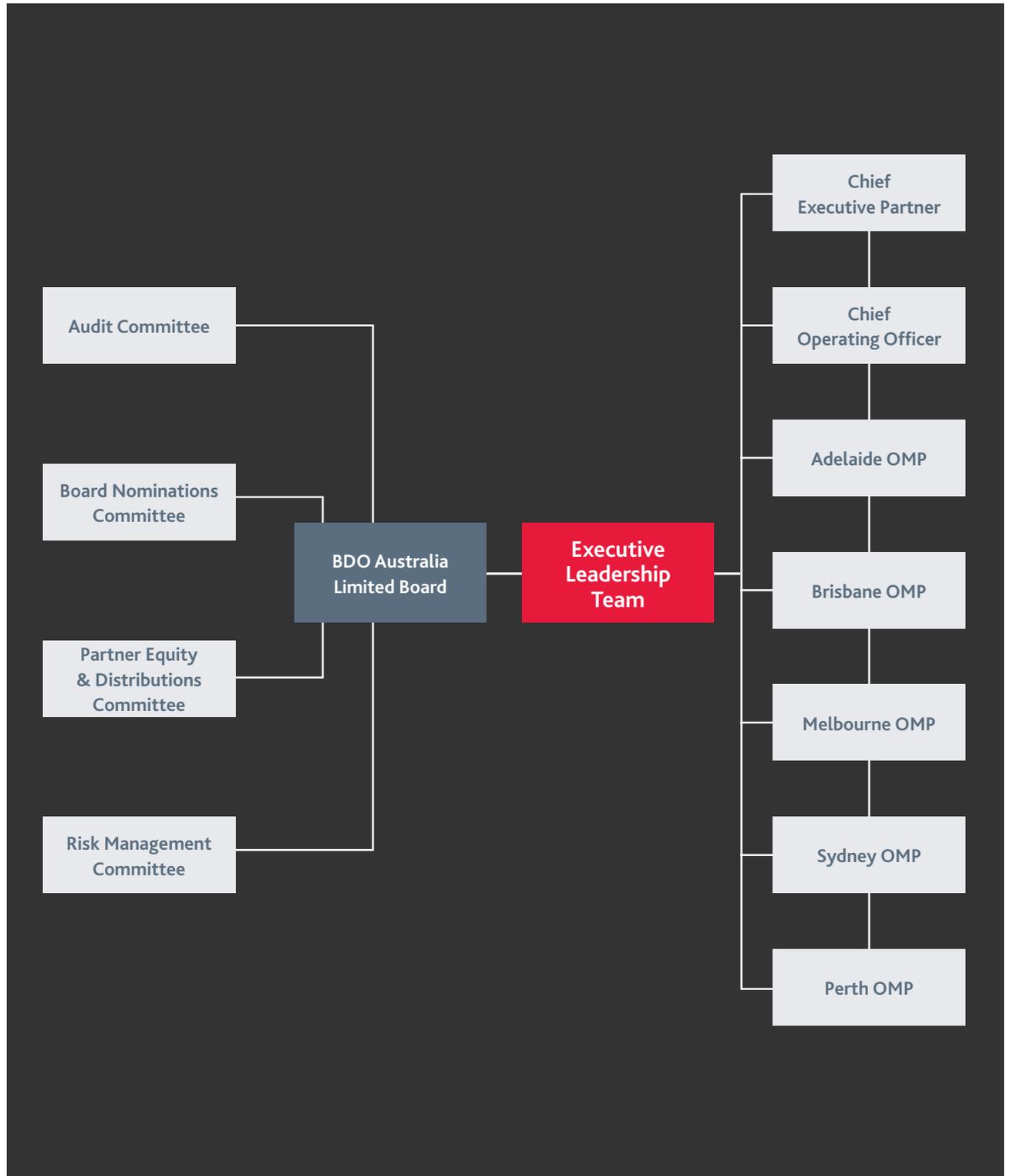
In addition to the independently chaired Board, there is an [Executive Leadership Team](#) (ELT) led by the Chief Executive Partner (CEP). The ELT consists of each region's [Office Managing Partner](#) (OMP) and the Chief Operating Officer and is supported by the [Operational Leadership Team](#). The strategic implementation of the firm's plans for the benefit of the business, its clients and external stakeholders is overseen at each location by the Office Managing Partner. The OMPs report to the CEP who, in turn, reports to the Board.

Partners-in-Charge (PICs) of individual service lines report to OMPs and their national service line leader. PICs manage all board approved budgets and plans while complying with the firm's policies and procedures.

The Risk Management Committee (RMC) operates as a sub-committee of the Board. The committee is not a decision-making body but provides recommendations to the Board for consideration and approval. The committee:

- ▶ Assists the Board by providing objective oversight of the firm's risk management framework to ensure all financial and non-financial risks are identified and well-managed
- ▶ Oversees and facilitates governance of risk management throughout the firm, including modern slavery risk
- ▶ Oversees senior management's management of risk, including risk strategy and risk management framework
- ▶ Promotes a culture of quality, risk awareness and consultation across the firm
- ▶ Ensures the firm complies with the BDO Global quality and risk frameworks.

The RMC plays a key role in reviewing the approach taken by the Modern Slavery Task Group (Task Group) to address modern slavery risk. The Task Group comprises of representatives from Quality Management, client service lines, and the Legal, Finance, People & Culture and Clients & Markets teams, and aims to address modern slavery risk.



# BDO at a glance: Australia

as at 30 June 2025



BDO was established as an association of firms in Australia in 1975. Today, we are one of Australia's largest accounting and advisory practices, with offices in New South Wales, Northern Territory, Queensland, South Australia, Tasmania, Victoria and Western Australia. From start-ups and family businesses to large complex organisations and government departments and agencies, our heritage is in helping organisations grow and transform. Our future will continue to build strong, successful relationships based on exceptional client service.



## Revenue

Revenue by service line – 12 months to 30 June 2025.



## Clients

In the 2025 financial year, BDO performed professional services for approximately:

**30,650 CLIENTS**

## Suppliers

In the 2025 financial year, BDO was actively contracted with approximately 1,200 suppliers.

The main supplier spend categories were:

- ▶ Property
- ▶ Operational
- ▶ IT & Technology
- ▶ Professional Services
- ▶ Insurance
- ▶ Travel.

**1,200 SUPPLIERS**



### **BDO member firms**

Other BDO member firms within the broader BDO global network also form part of BDO in Australia's supply chain. However, in relation to the *Modern Slavery Act 2018* (Cth), the relationships we have with these firms differ from those we have with external third-party suppliers. All BDO member firms, regardless of jurisdiction, are required to comply with the same ethical principles, as well as global policies. For this reason, we have excluded BDO member firms from the definition of 'suppliers' in our Modern Slavery Statement as their risk profile is broadly consistent with ours.

### **Outsourced service providers**

BDO engages with outsourced service providers to improve efficiencies and address resourcing requirements when providing services to our clients. We engaged with several onshore and offshore Outsourced Service Providers (OSPs) in the 2025 financial year. These OSPs are assessed in line with the supplier due diligence processes outlined herein.



## Modern slavery risk areas

BDO's modern slavery risk can be broadly classified into three distinct areas:

- ▶ Our suppliers
- ▶ Our clients
- ▶ Our people.

We attribute a risk level to each of these areas based on how likely they are to expose the firm to risk, guiding our response to modern slavery.



### Highest risk

#### Our suppliers

BDO engages with a broad and diverse network of suppliers who play an important role in supporting both our internal operations and the delivery of services to our clients. Each supplier is assessed against a range of risk factors that inform their overall risk profile. These factors include, but are not limited to, the jurisdictions and industries in which they operate, the level of potential workforce vulnerability, and the strength of their internal controls such as policies, procedures, and governance systems.

We are committed to identifying, understanding and monitoring these risk factors, as well as any others that contribute to the overall risk profile of our suppliers. Our third-party due diligence platform, Ethixbase, allows us to consider and assess these risk factors to better safeguard our supply chain against modern slavery.

#### Preliminary risk level

Our analysis indicates that suppliers – across both internal support functions and external service delivery – present the highest level of inherent risk in relation to modern slavery exposure. This classification reflects the unique characteristics of supplier operations, including sectoral vulnerabilities, regional risks, and varying maturity of compliance frameworks.

By recognising these factors early, BDO is better positioned to engage constructively with suppliers, apply proportionate risk mitigation strategies, and continuously strengthen resilience across our supply chain.



## Moderate risk

### Our clients

BDO is proud to serve a broad and diverse client base, delivering professional services that are built on trust, integrity, and strong relationships. Given the scale and range of organisations and individuals we work with, we are aware there is a potential risk of inadvertently engaging with clients who do not share our commitment to preventing modern slavery.

### Preliminary risk level

In line with our client engagement and continuance procedures, BDO does not frequently work with entities primarily domiciled outside Australia. However, some clients may have related entities or operations located in higher-risk jurisdictions, geographies, or industries. Direct engagement with clients based in high-risk regions is uncommon. For these reasons, we have classified the overall risk of modern slavery within our client base as moderate.

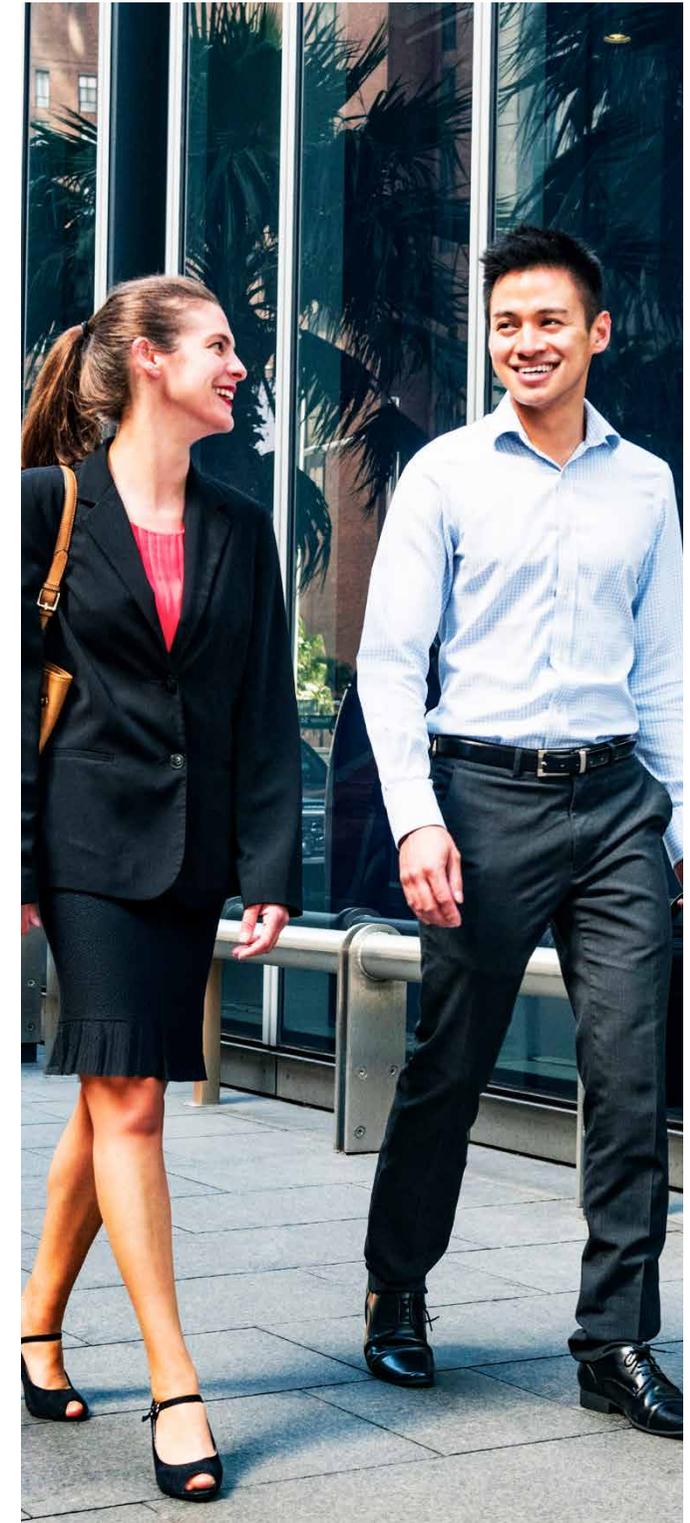
## Lowest risk

### Our people

The expertise, professionalism, and integrity of our people are fundamental to BDO's ongoing success. When assessing the potential risk of modern slavery within our direct workforce, we have considered factors such as recruitment and onboarding practices, retention and remuneration structures, employment policies, and the overall composition and nature of our workforce.

### Preliminary risk level

Given our comprehensive policy framework, strong governance arrangements, and a workforce comprised primarily of highly skilled professionals based locally, BDO has assessed the risk of modern slavery within our people as low.



# Modern slavery due diligence

## Our suppliers

### Actions taken

- ▶ BDO continues to reinforce its commitment to ongoing risk assessment and management, undertaking biennial due diligence on all active and material BDO suppliers where they have satisfied pre-due diligence thresholds.
  - ▶ Throughout the 2025 financial year, BDO applied both proactive and reactive approaches to supplier due diligence. Reactive checks involved collating supplier data from the reporting period and issuing BDO's modern slavery questionnaire to material suppliers. Proactive checks were conducted during onboarding for People & Culture and IT suppliers using the modern slavery questionnaire.
  - ▶ During the 2025 financial year, BDO developed a new contractor onboarding process, which extended proactive due diligence to all contractors early in the 2026 financial year via completion of the modern slavery questionnaire at the time of onboarding (contractors who are individuals or BDO member firms in low-risk jurisdictions are not within scope).
  - ▶ As part of our large-scale systems modernisation initiative, Project Elephant, BDO is also developing a new client onboarding process. It will be implemented in the 2026 financial year and will further enhance our risk framework and strengthen our approach to due diligence.
- ▶ Work commenced on an Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program, which will be delivered during the 2026 financial year. The program includes a case management platform and will support the mitigation of financial crime-related activity by giving us greater insight into our client base.

### Supplier due diligence

#### Pre-due diligence phase

This phase involved:

- ▶ Collating all supplier data within the 2024-25 reporting period
- ▶ Filtering supplier data against a pre-defined monetary spend threshold to identify suppliers who may pose an inherent risk to BDO, due to the level of involvement they have in our supply chain and operations
- ▶ Including any supplier that did not exceed the monetary threshold but was primarily domiciled within a country deemed inherently high risk in the aggregated list.



### Due diligence phase

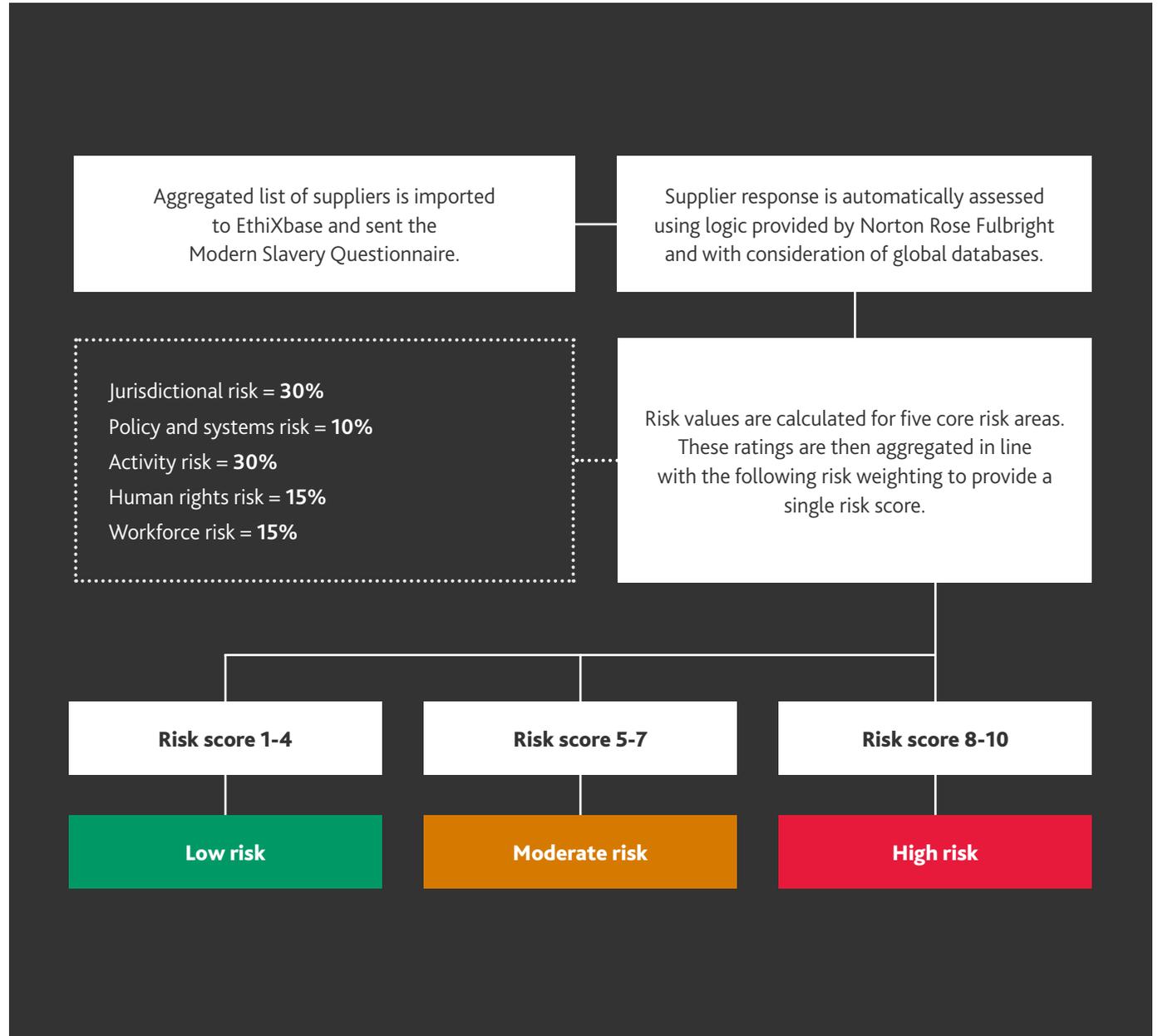
BDO undertakes supplier due diligence on modern slavery using Ethixbase, an independent third-party risk management platform.

Ethixbase provides an intuitive, automated risk assessment of suppliers who are escalated to this stage following pre-due diligence by applying a unique risk methodology, as set out in the diagram (right). This includes a modern slavery questionnaire created in collaboration with Norton Rose Fulbright and drawing on leading industry insights and global databases.

Ethixbase consistently considers in its risk assessment methodology the ever-evolving state of high-risk jurisdictions around the world. Since the 2020-21 reporting period – when BDO first launched Ethixbase – the platform has been revised and developed to ensure it is constantly improving and remains up to date in an increasingly volatile geopolitical climate.

Where a supplier is a reporting entity under the *Modern Slavery Act 2018* (Cth) and chooses to provide self-evidence through Ethixbase instead of completing the modern slavery questionnaire, BDO undertakes an independent assessment of the supplier's modern slavery statement. This assessment considers a range of risk factors, including:

- ▶ Systems, policies, and processes in place
- ▶ Commitments made
- ▶ History of modern slavery and related risks
- ▶ The industry in which the supplier operates
- ▶ The jurisdiction in which the supplier is domiciled
- ▶ The jurisdictions of the supplier's own supply chain
- ▶ The findings of the supplier's modern slavery due diligence.



### Proactive due diligence phase

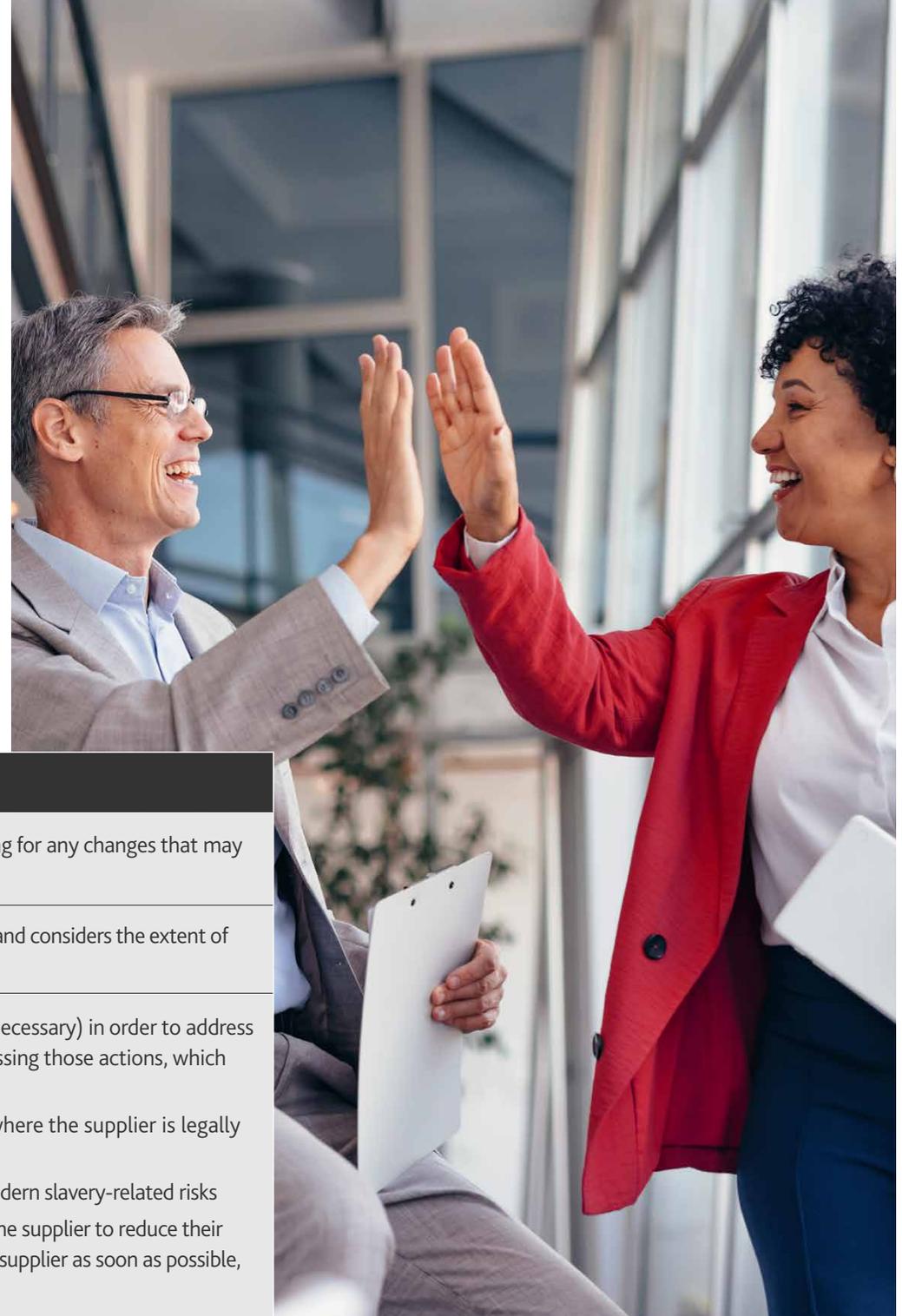
BDO has continued to strengthen and expand our approach to proactive supplier due diligence, making substantial progress during the past year. Since the beginning of 2025, all material suppliers have been onboarded through Ethixbase, embedding proactive modern slavery risk assessment into our standard onboarding process. In the 2025 financial year, we successfully extended this proactive onboarding approach to cover all contractors engaged for our business through our People & Culture team as well as IT suppliers.

Our next step is to move beyond materiality thresholds so that all suppliers are assessed at the point of onboarding. This is facilitated through our new contractor onboarding process which was developed during the 2025 financial year and rolled out early in the 2026 financial year.

### Risk assessment phase

Based on the risk rating provided by the Ethixbase platform, the following methodology is applied:

Supplier's risk rating	Methodology applied
Low	No further action is taken and the supplier is subject to ongoing monitoring for any changes that may impact the risk rating.
Moderate	BDO reviews the factors that have contributed to the moderate risk rating, and considers the extent of further actions that may be required in response to those factors.
High	<p>BDO facilitates a discussion with the supplier to agree on actions (where necessary) in order to address the risk. BDO will evaluate feedback from the supplier in relation to addressing those actions, which may include:</p> <ul style="list-style-type: none"> <li>▶ The regular and appropriate release of a modern slavery statement, where the supplier is legally required to comply with relevant legislation</li> <li>▶ The implementation of appropriate policies or procedures addressing modern slavery-related risks</li> <li>▶ In the event that we are unable to come to an amicable resolution with the supplier to reduce their modern slavery risk profile, BDO will terminate the relationship with the supplier as soon as possible, after any contractual obligations have been met.</li> </ul>



## Policies and procedures related to our suppliers

### Supplier Code of Conduct

Our [Supplier Code of Conduct](#) sets clear expectations for our suppliers, who must always demonstrate a commitment to the principles of integrity, confidentiality, objectivity, professional competence, and professional behaviour in every aspect of their business dealings.

The Code reinforces our expectation that all suppliers align with international standards for human rights and applicable modern slavery laws. Importantly, if a supplier becomes aware of any circumstances that may indicate a breach of these laws or regulations, they must notify BDO promptly so that appropriate action can be taken.

### Evaluation of Supplier Proposals Policy

This policy sets out the mandatory requirements for procuring goods and services where the total commitment of a new contract is deemed material, based on a pre-defined threshold.

Before approving a proposal from a supplier that is subject to the outlined assessment criteria, BDO assesses the supplier's compliance with the *Modern Slavery Act 2018* (Cth) and considers other relevant modern slavery risk factors. This assessment follows the modern slavery risk methodology described above and is facilitated by the Ethixbase platform.

### Contractor onboarding process

During the 2025 financial year, BDO developed a new contractor onboarding process, whereby relevant due diligence is completed at the time of onboarding all prospective contractors who are intended to support a client engagement or internal initiative. This process helps confirm contractors meet BDO's requirements around privacy, insurance, and outsourced service provider obligations. Contractor approvals

are then coordinated across BDO's Enterprise Risk, Legal, People & Culture, Quality Management, and IT teams.

All contractors engaged in the 2026 financial year are required to complete the modern slavery questionnaire, except if the contractor has a maximum of two staff (e.g. sole trader), or is a BDO member firm in a low-risk jurisdiction. This updated process marks a notable shift away from reactive due diligence to a more permanent proactive solution.

BDO is also developing an accompanying foreign contractor onboarding process. This will modify the contractor onboarding process to account for the unique complexities and compliance requirements of foreign contractors. For example, where a prospective contractor is based in a foreign jurisdiction, they will be asked to complete our new anti-bribery and corruption questionnaire. The foreign contractor onboarding process will also be implemented in the 2026 financial year.

### Supplier due diligence summary

BDO recognises that modern slavery-related risk is most prominent within our supply chain, and we have continued to strengthen our due diligence processes to ensure that modern slavery risks are effectively identified, assessed and managed. We are modernising our systems – including through Project Elephant, our large-scale transformation initiative – allowing us to leverage new tools to better understand and combat modern slavery-related risk. In the 2024 and 2025 financial years, we implemented a new finance platform which strengthen supplier due diligence, including better data insights to help us gain a deeper understanding of our suppliers.



The new contractor onboarding process applies proactive due diligence at the time of onboarding all material contractors, including outsourced service providers and foreign contractors. Engaging with these contractors is approved or declined based on predetermined risk factors, such as modern slavery and data privacy.

These developments demonstrate the increasing maturity of BDO's modern slavery risk management framework and our progress towards a fully proactive due diligence process for suppliers, with modern slavery as a core consideration.

To date, no instances of modern slavery have been identified in our supply chain, and we are confident that through enhanced processes and strong supplier relationships, we can maintain a supply chain that is both ethical and resilient.

### Outsourced service provider due diligence

Our outsourced service providers undergo the same due diligence processes described herein to ensure modern slavery-related risk is identified and addressed. Our outsourced service providers located in the Philippines, South Africa and Vietnam predominantly assist with administrative support, bookkeeping and tax services.

## Our clients

### Actions taken

- ▶ BDO has commenced development of our Anti-Money Laundering and Counter-Terrorism Financing Program, a large-scale initiative designed to ensure we are compliant with the Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill 2024 and associated regulatory requirements.
- ▶ We fulfilled our mandatory reporting obligations to the Australian Financial Complaints Authority (AFCA) under the revised National Complaints Framework, launched in 2023. During the reporting periods (August 2024 and February 2025), BDO received no reportable complaints. We continue to actively monitor and manage our established channels for regulated complaints, including those relating to modern slavery.
- ▶ We continued progressing Project Elephant, our multi-year systems transformation initiative. A core component of this project is new client relationship management and document management systems, designed to strengthen data insights, enhance onboarding and continuance processes, and improve the overall rigour of our client and supplier risk management framework.

### Client relationship management including client onboarding

With an anticipated implementation in FY26, our client relationship management (CRM) system will be our single source of truth for managing our client relationships. It will lay the foundation for an even smoother and professional client experience by streamlining processes so our people can more efficiently make appropriate judgments about accepting or continuing a client relationship or specific engagement.

The upcoming changes are focused on enhancing data insights, strengthening acceptance and continuance procedures by improving efficiency and compliance, and increasing transparency across risk management, with built-in integration to conflict and independence systems. Key features include:

- ▶ Distinct acceptance and continuance considerations across client relationships and engagements
- ▶ Centralised information with one source for all client and engagement details, ensuring accuracy and up-to-date data
- ▶ Concurrent processing resulting from the simultaneous handling of client and engagement processes
- ▶ System-driven prompts and checks for conflict identification, compliance with continuance procedures, and risk ratings for all client relationships and engagements
- ▶ Adaptable questionnaires to capture all required information, tailored to different client and engagement types
- ▶ Enhanced visibility and reporting through automated notifications and audit trails for all onboarding steps
- ▶ Seamless integration with conflict and independence systems and processes.

### Client due diligence

BDO undertakes due diligence on our clients prior to onboarding – and regularly thereafter – to assess the level of modern slavery-related risk within their business operations. We focus on the industries and jurisdictions in which our key clients operate, applying closer scrutiny to higher-risk areas. A comprehensive framework of policies, procedures, and due diligence processes helps us mitigate risks across diverse industries, ensuring we partner with clients who share our commitment to minimising risks of all kinds, including those related to modern slavery.

### Client due diligence findings

- ▶ The financial services, manufacturing & wholesale, international business, technology, media & telecommunications, and government & public sector industries generated the largest share of revenue for BDO in the 2025 financial year.
- ▶ Considering the risk profile of these key sectors, we determined that the majority of our clients in these sectors are primarily domiciled in Australia.



### Client acceptance and continuance policies and procedures

Our client acceptance and continuance policies and procedures facilitate a comprehensive understanding of the risk profile of all new clients. This understanding is also reconfirmed prior to continuing an existing client relationship, and before accepting additional engagements. These policies and procedures guide our people through the following important questions in relation to modern slavery risk factors:

- ▶ Have we assessed the industry in which the client operates?
- ▶ Have we considered the jurisdictions in which the client operates?
- ▶ Are we satisfied with the integrity of the client?
- ▶ Are we satisfied that the client is compliant with relevant laws and regulations?
- ▶ Are there any other matters that indicate association with the client could impact the firm's professional reputation, including modern slavery risks?

### Complaints policies

We maintain an extensive National Complaints Framework, which includes internal and [external policies](#), a complaints form, a centralised complaints register, a complaints guide and accompanying content web pages.

This framework ensures our compliance with regulatory requirements, including but not limited to ASIC RG 271, where a complaint concerns services provided in line with a BDO Australian Financial Services Licence (AFSL) or Australian Credit Licence (ACL). A revised register with automated notifications for reportable timeframes and improved data insights for mandatory reporting allows us to identify and address instances of modern slavery that may be reported through this channel. This framework helps reduce modern slavery risk for our clients, people and suppliers.

As of the date of this report, BDO has not received a regulated complaint or any complaint regarding modern slavery-related conduct. This has been reported as such to the AFCA as part of our mandatory reporting obligations in February and August 2025.

### Whistleblowing Policy

BDO's [Whistleblowing Policy](#) ensures compliance with regulatory requirements while supporting the rigour and efficiency of our reporting processes. The policy provides clear protections for eligible disclosures, sets out investigative timeframes, and outlines rights and remedies available to those who speak up. We encourage our people, clients, and suppliers to use our formal whistleblowing channels to raise concerns, including those relating to slavery or slavery-like behaviour.

To further strengthen awareness and confidence in these processes, BDO will provide whistleblowing learning modules to all staff during the upcoming financial year, embedding a culture of transparency and accountability across the firm.

### Anti-Money Laundering and Counter-Terrorism Financing Program

In line with the publication of the *Anti-Money Laundering and Counter-Terrorism Financing Amendment Bill (2024)*, BDO has started developing our Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program. This is being designed to ensure that BDO meets upcoming legislative and regulatory expectations.

The program includes a policy and procedure (the AML policy), and a new AML/CTF platform will be implemented to support Know Your Client (KYC) processes and broader client due diligence requirements. This platform will allow us to take a more structured and technology-enabled approach to assessing client risks, ensuring that we have greater transparency and more consistent oversight of our client

base. In practice, this will mean we are better equipped to identify indicators of improper fund use, including instances where such use could be linked to slavery-like activity, human trafficking, or broader modern slavery risks. Strengthening this connection between our AML/CTF obligations and our modern slavery framework ensures that we are addressing financial crime and human rights risks in a cohesive and proactive manner.

### Terms of Trade

BDO's Terms of Trade (TOT) are executed by the majority of our clients and are contractually binding. We regularly review and update our TOT to strengthen confidence in our client relationships. Minor updates were made during the reporting period to further reinforce our expectations around ethical conduct and modern slavery risk management. The TOT set out reciprocal commitments, including:

- ▶ Compliance with all modern slavery laws
- ▶ Taking reasonable steps to ensure there is no modern slavery in either party's supply chain or business operations
- ▶ Prompt notification to the other party of any contravention of modern slavery laws
- ▶ Implementing appropriate due diligence procedures (including policies, investigations, and systems) in relation to each party's suppliers and subcontractors, to ensure modern slavery risks are identified and addressed.

Where clients request contracting under their own terms, BDO ensures that modern slavery provisions remain consistent with the standards established in our terms of trade.

## Monitoring program

<b>Engagement Inspection Program (EIP)</b>	<p>The EIP is focused on assessing the quality of completed engagements performed by the firm. It assists in determining whether engagement partners have managed and achieved quality on their engagements by:</p> <ul style="list-style-type: none"><li>▶ Fulfilling their responsibilities in accordance with professional standards, applicable legal and regulatory requirements and BDO policies, and conducting engagements in accordance with such standards, requirements and policies</li><li>▶ Issuing engagement reports/deliverables that were appropriate in the circumstances.</li></ul>
<b>Ongoing compliance monitoring</b>	<p>For certain areas where compliance with policies and procedures is integral to achieving quality outcomes, testing is performed on a regular basis to determine the level of compliance. This currently includes monitoring compliance for key steps in the acceptance and continuance processes.</p>

Both monitoring programs evaluate client acceptance and continuance procedures to determine whether any reasonably foreseeable and material modern slavery risk factors or practices have been identified and assessed.

Reporting on the outcomes of the monitoring programs is provided to engagement partners, service line leaders and, ultimately, to the Risk Management Committee and the Board. The report describes the results of the reviews and any remedial actions required. No matters relating to modern slavery were identified in the most recent monitoring cycle.

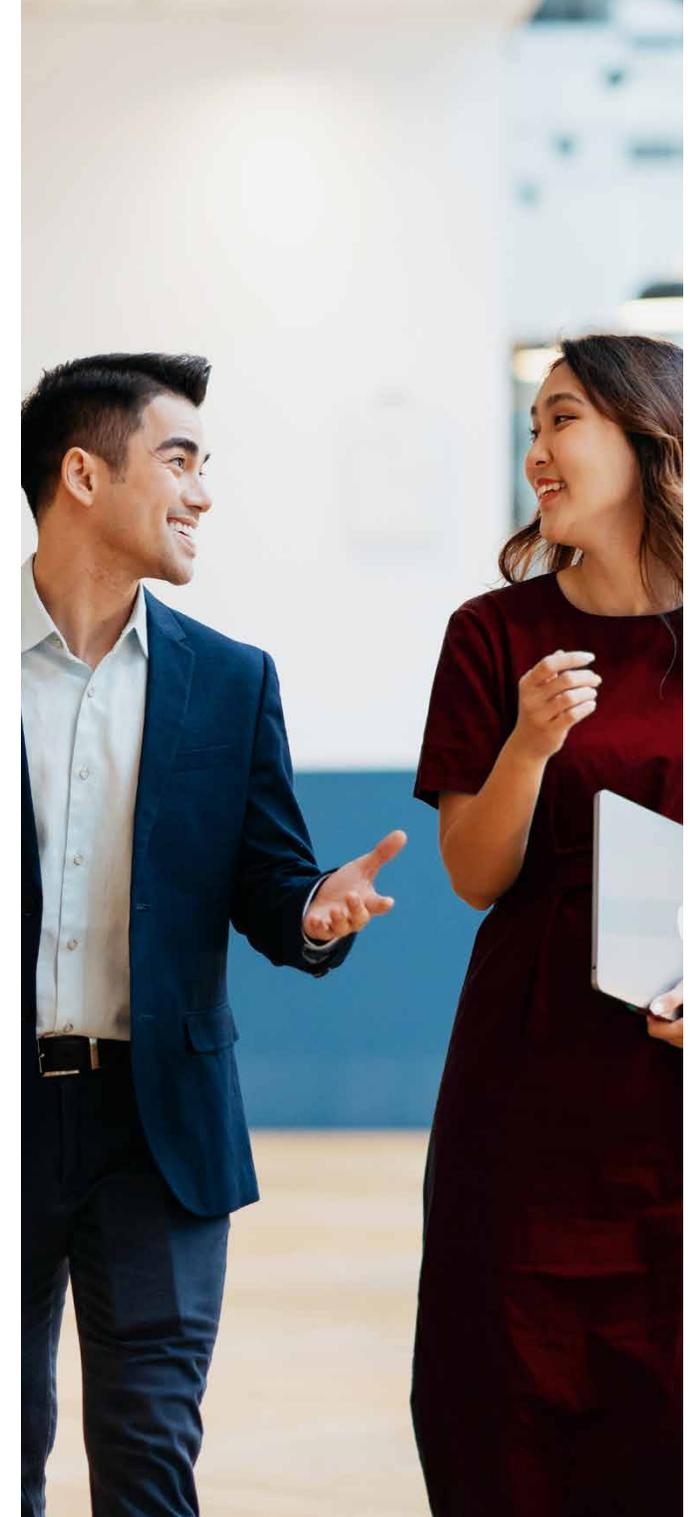
### Firm expansion

BDO continues to grow its operations, including through mergers and acquisitions and the recruitment of additional consulting skills and expertise. BDO's global policies and procedures require us to assess the suitability of external firms we merge with and the suitability of incoming partners and clients.

Partners and clients must undergo appropriate due diligence to mitigate the risk of us engaging in a relationship that does not align with our firm's values. These processes primarily focus on addressing conflicts or independence issues and rely upon client and engagement acceptance procedures that are conducted prior to client acceptance.

### Other BDO firms

All BDO firms within the global network must adhere to the BDO Global policy framework. The policies and procedures of every firm, regardless of its size, nature of services or maturity of business operations, must adhere to fundamental principles in the International Ethics Standards Board for Accountants Code of Ethics. This includes local laws, professional standards, and other requirements of their local jurisdiction such as local labour laws to prevent exploitation and abuse of workers.



### Client due diligence summary

During the reporting period, due diligence was conducted on a per-engagement basis to assess modern slavery risks within our client base, with particular attention given to the industries in which clients operate. It was determined that the majority of our key clients who operate within the financial services, manufacturing & wholesale, technology, media & telecommunications, and government & public sector industries were primarily domiciled in Australia (a low-risk jurisdiction).

Additional safeguards are provided through BDO's client onboarding mechanisms and our suite of supporting policies and procedures, which together form the basis of our due diligence process.

A key development is our Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Program, which will facilitate new policies, procedures and systems to support compliance with emerging legislation. This will uplift the processes currently employed during client onboarding, allowing us to better understand our clients and track suspicious activity. Combating financial crime plays a critical role in preventing modern slavery and human rights abuses.

During the 2026 financial year, BDO plans to implement a new client relationship management and onboarding process, which will enhance visibility and control at the point of client acceptance. This integrated system will include modules for practice management, client relationship management, human resources, finance, and document management.

Together, these initiatives will further strengthen BDO's modern slavery risk management framework, expanding its scope and rigour to better identify and mitigate client-related modern slavery risks.



## Our people

### Actions taken

- ▶ We updated People & Culture policies – including those for Grievance Resolution, Study Support, Close Personal Relationships, Flexible Working Arrangements, and Volunteer Leave – and introduced a National Employee Code of Conduct.
- ▶ We have scheduled a number of policies for review in the 2026 financial year.
- ▶ We launched new learning modules for all firm personnel on modern slavery and anti-bribery and corruption, and plan to introduce additional learning modules, including whistleblowing, in the 2026 financial year.
- ▶ We progressed our systems modernisation initiative, Project Elephant, implementing a new human resources information system to strengthen talent acquisition, onboarding, and talent management and improve workforce data insights.

### People due diligence

Our People & Culture team seeks to ensure that we not only have the right people to deliver high-quality services to our clients but also that our people enjoy a safe working environment free of any undue duress. This sets a cultural tone that aligns with BDO's core value of 'One' and encourages relationships built on mutual trust.

Our rigorous recruitment and employment practices uphold our values-focused culture, and as a result, the risk of BDO actively participating in or contributing to modern slavery through our people is low.

In the 2025 financial year, considerations addressed through our due diligence process included, but were not limited to:

- ▶ Standard conditions of employment
- ▶ Remuneration scheme (including benefits)
- ▶ Recruitment process
- ▶ Transfers and secondments
- ▶ Performance management framework
- ▶ Talent management framework
- ▶ Policies, procedures and programs
- ▶ People due diligence findings.

### People due diligence findings

The following are the core findings from this year's people due diligence process and contextualise BDO's people risk profile.

- ▶ 98 per cent of BDO's workforce is comprised of permanent employees.
- ▶ 2 per cent of BDO's workforce is under fixed-term contract arrangements. All contracts are in line with regulatory requirements and industry standards for worker rights.
- ▶ 0.74 per cent of BDO's workforce is seconded from other international BDO network firms to buffer our workforce. All BDO network firms comply with the standards promoted by BDO Global.
- ▶ Approximately 15.5 per cent of the total BDO workforce holds a work visa, or other type of temporary residency, with the remaining staff holding Australian permanent residency or citizenship.



## Policies and procedures related to our people

We maintain comprehensive policies and procedures aimed at mitigating the risks associated with employing, managing, and retaining a diverse workforce. This framework fosters confidence in the professionalism and expertise of our people, and supports the view that they present minimal modern slavery-related risk. Compliance with this policy framework is mandatory for all BDO people, as stipulated in standard BDO employment contracts.

### Flexible Working Arrangements Policy

This policy provides all our people with appropriate autonomy and flexibility to balance personal priorities while maintaining a healthy and positive mindset. It sets out the flexible work options available at BDO, helping individuals and their managers identify the arrangements that best support their roles and enable them to thrive as productive, flexible workers. All BDO firm employees are eligible to apply for a flexible working arrangement. The policy also includes guidance on contacting colleagues outside of ordinary working hours, reflecting new legislative requirements around the 'right to disconnect' and reinforcing our commitment to personal wellbeing and respectful work practices.

### Grievance Resolution Policy

The Grievance Resolution Policy reflects our commitment to maintaining a healthy, safe, and positive work environment. It provides clear and confidential processes for raising grievances in a sensitive, timely, and fair manner, including matters relating to bullying, harassment, and discrimination.

### Family and Domestic Violence Policy

The policy outlines our commitment to providing a safe and flexible work environment to support our people who are experiencing family and domestic violence.

### Permanent Residency Financial Support Policy

The policy provides guidelines relating to Australian Permanent Residency (PR) Visa support, ensuring the employee's situation and other factors, such as firm performance, individual performance, market conditions, and tenure, are considered. Those who would like BDO to provide financial support for their PR Visa application via the Employer Nomination Scheme (subclass 186) are required to complete a Permanent Residency Support application form.

### International Remote Work Policy

This policy outlines the terms and conditions of BDO's support for international remote working. It sets out who is eligible to work remotely, the circumstances in which remote work may be approved, and the steps required to establish safe and effective arrangements. Additionally, this policy provides guidance on tax, workplace health and safety, and insurance requirements, and reflects the introduction of 'right to disconnect' legislation.

### Domestic Internal Transfer and Secondment Policy

The policy supports the movement of employees across BDO, recognising that such movements:

- ▶ Enable people to be deployed in a way that best matches our internal capabilities
- ▶ Provide our people with opportunities for personal and career growth and development
- ▶ Strengthen our firm by broadening our people's skills, knowledge, experience and networks
- ▶ Assist in knowledge and skills transfer
- ▶ Enhance networks and relationships within the firm.

### Study Support Policy

The Study Support Policy outlines our commitment to providing comprehensive assistance for our people pursuing further education and professional development. This includes financial support and leave provisions for recognised study programs. The policy was updated in February 2025 to enhance the Chartered Accountants Program study support available and clearer guidance on eligibility for the program. By supporting our employees' professional development in this way, we reinforce our commitment to continuous learning and career progression. The policy will next be reviewed in the 2027 financial year.

### Close Personal Relationship Policy

The Close Personal Relationship Policy underscores our dedication to fostering a professional, respectful, and inclusive workplace. Introduced in February 2025, this policy provides clear guidance regarding the management and disclosure of close personal relationships in the workplace. It aims to ensure that any actual or perceived conflicts of interest or breach of other ethical professional obligations that might arise from close personal relationships within BDO are appropriately disclosed and managed.

### Employee Code of Conduct and Consequence Framework

A national Employee Code of Conduct was introduced in May 2025. This policy details professional and ethical expectations, providing clear guidance on integrity, accountability, and responsible decision-making to ensure our values are upheld. It aims to foster a workplace of respect, trust, and inclusion, and is reviewed regularly to remain aligned with community and regulatory standards. We also introduced a Code of Conduct Consequence Framework to help leaders address and manage conduct issues effectively.

### Performance and Misconduct Policy

This policy sets out our approach to managing situations where an employee is underperforming or has engaged in misconduct. It provides clear guidance for partners, managers, and People & Culture team members on how to address these matters. We aim to manage issues of unsatisfactory performance and misconduct in a way that is:

- ▶ Objective
- ▶ Fair to all parties
- ▶ In line with the firm's values
- ▶ In accordance with principles of natural justice and all relevant legal requirements.

### Anti-Bribery and Corruption Policy

We are committed to conducting our business activities ethically and with integrity, and to preventing bribery and corruption across all areas of our work, whether by our partners, our people, or any party acting on behalf of BDO.

This policy defines the responsibilities and procedures in place to minimise bribery and corruption risks and provides guidance on recognising, managing, and reporting any concerns.

The policy was updated in 2023 to align with the BDO Global Anti-Bribery & Corruption Policy and now includes a formal escalation process to BDO Global when an incident is identified. The policy is scheduled for review in the 2026 financial year.

### People due diligence summary

We employ well-educated and professionally trained individuals, which helps maintain a low risk of modern slavery within our direct workforce. This low risk is further supported by a strong policy and procedure framework designed to attract the right people, foster high performance, and retain and develop our people in a way that promotes a safe and respectful workplace.

Our people-focused suite of policies is not static. It is continually reviewed and strengthened to ensure we nurture our culture and that our modern slavery risk framework evolves in line with emerging risks and best practice.

A key element of this framework is ensuring effective and accessible reporting mechanisms, which allow partners, our people, and external stakeholders to raise concerns about suspected modern slavery issues safely and without fear of victimisation. During the reporting period, no reports of modern slavery or related risks were received through our whistleblowing channels.



# Our next steps for modern slavery: due diligence

## Next steps for our SUPPLIERS

We are committed to continuous improvement, including:

- ▶ Embedding our new contractor onboarding processes, which mark a noticeable shift from reactive to proactive due diligence. BDO is proud of the progress we have made in this space, and we will continue to enhance these processes during the 2026 financial year to ensure they are functioning effectively
- ▶ Continually improving systems to support interactions with our suppliers, our clients and our people.



## Next steps for our CLIENTS

We remain focused on continuously improving the quality of due diligence on our clients. This includes:

- ▶ Strengthening client onboarding and continuance processes by implementing of our new client relationship management and document management system, embedding automated risk checks and earlier identification of modern slavery risks
- ▶ Implementing formal and compliant anti-money laundering and counter-terrorism financing (AML/CTF) processes to proactively detect financial crime during client onboarding and on an ongoing basis thereafter
- ▶ Extending monitoring and compliance programs to ensure client acceptance and continuance procedures consistently address modern slavery risks
- ▶ Refreshing key client-related policies, including terms of trade, client acceptance, and whistleblowing, to maintain alignment with best practice and regulatory guidance
- ▶ Expanding due diligence coverage of higher-risk industries and jurisdictions, with enhanced pre-engagement assessments and ongoing monitoring.

## Next steps for our PEOPLE

We are committed to ongoing, proactive improvement, including:

- ▶ Continuing to conduct annual reviews and update policies and procedures as needed to strengthen our modern slavery risk management framework
- ▶ Releasing new learning modules to build awareness of modern slavery-related risks and compliance obligations
- ▶ Rolling out BDO's Project Elephant and our AML – CTF program, due for completion by 31 March 2026. This includes implementing a new platform to strengthen supplier due diligence, integrate modern slavery risk monitoring, and prepare for upcoming legislative requirements
- ▶ Providing ongoing communication to our people to ensure awareness and clarity around modern slavery-related considerations and responsibilities.



# Assessing the effectiveness of our modern slavery risk management framework

At BDO, we are committed to the continuous improvement of our modern slavery risk management framework. By adding rigour to this framework, we can mitigate modern slavery-related risk where it concerns our suppliers, our clients and our people. We collate data insights from our various due diligence undertakings to better conceptualise the effectiveness of our existing framework.

In 2026, we endeavour to improve the quality and breadth of these data insights through a range of initiatives detailed above. In turn, this data will promote further rigour in our framework and identify points of focus for the future.

BDO will always communicate transparently regarding the risk of modern slavery in our operations and supply chain. Clients, vendors and other stakeholders who approach us directly for information about our Modern Slavery Statements, outside of what is disclosed in this Modern Slavery Statement, will be directed to BDO's Quality Management team for further information.

## Modern slavery requirements

Modern Slavery Act requirement	BDO Modern Slavery statement
Identify the reporting entity.	<a href="#">Our governance</a>
Describe the structure, operations and supply chains of the reporting entity.	<a href="#">Our structure and operations</a> <a href="#">BDO at a glance</a>
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	<a href="#">Modern slavery risk areas</a>
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to address those risks, including due diligence and remediation processes.	<a href="#">Modern slavery due diligence</a>
Describe how the reporting entity assesses the effectiveness of such actions.	<a href="#">Assessing the effectiveness of our modern slavery risk management framework</a>
Describe the process of consultation with any entities that the reporting entity owns or controls.	<a href="#">Our structure and operations</a>
Provide any other information that the reporting entity or the entity giving the statement considers relevant.	<a href="#">Our commitment</a>

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