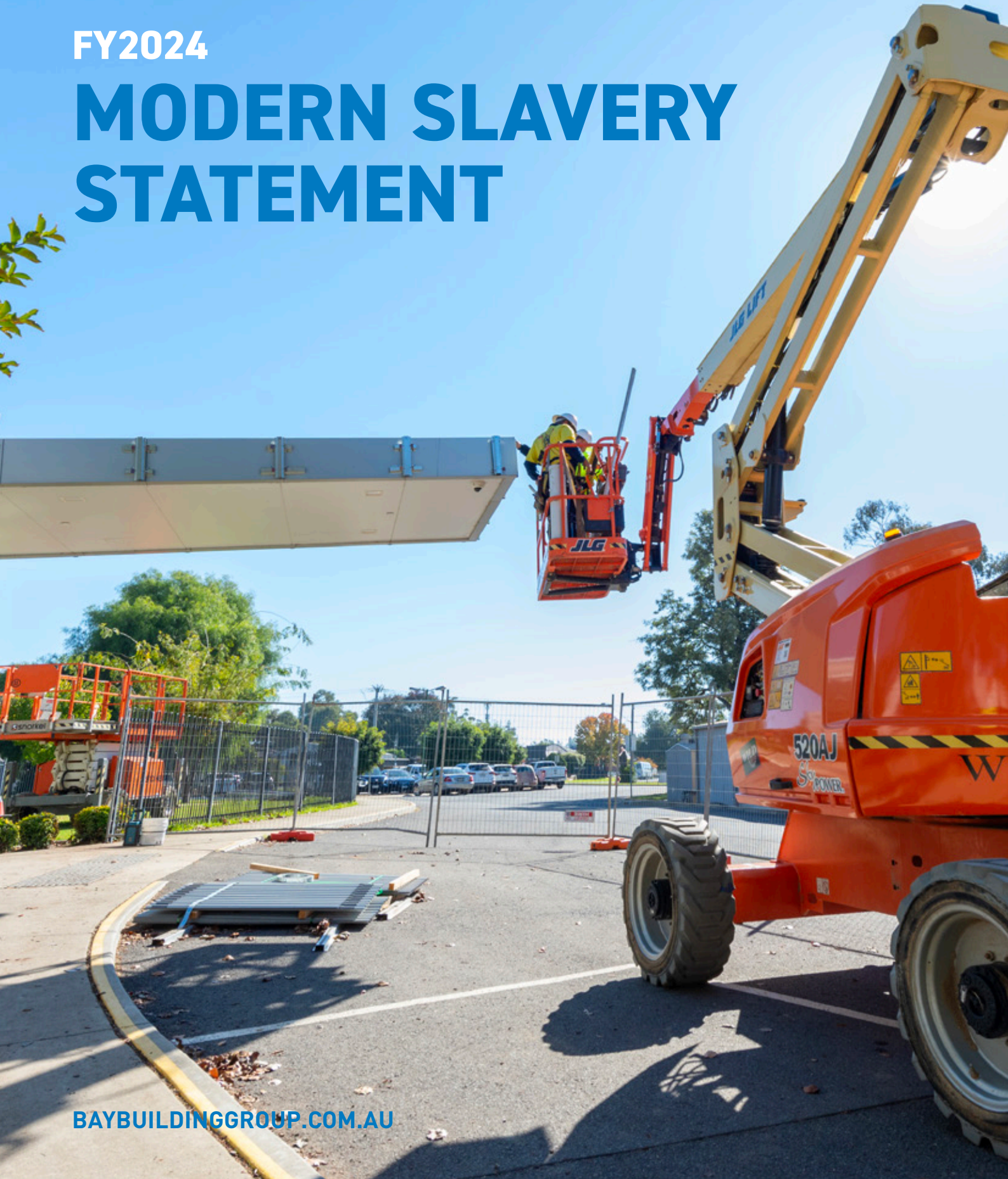


**FY2024**

# **MODERN SLAVERY STATEMENT**



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# OUR COMMITMENT

**Respect for people is at the core of what we do. It underpins our values and our commitment to Environmental, Social and Corporate Governance.**



Our view on ESG is that it is a continuous process of aligning our operations and controls with our culture and how we do things “The Bay Way”.

Our ESG commitments are structured around three key areas:

1. **Our Environment**
2. **Our People and the Community**
3. **Our Corporate Governance**

Incorporating ESG factors into the company’s sourcing and purchasing practices is central to our continuous improvement efforts.

In FY23/24 we have remained steadfast in our commitment to drive ESG and Modern Slavery policies into all aspects of our business, with a focus on real change, rather than satisfying minimum requirements.

Strengthening our audits and awareness across the business is our focus, in order to further close any areas of exposure.

# COMPANY OVERVIEW



Bay Building Group (BBG) commenced in 1985 and retains its head office in Melbourne from which it has expanded its footprint and now operates in all states and territories within Australia, with the exception of the Northern Territory. The company does not operate outside of Australia thereby providing greater control and oversight of the company's exposure and risk of modern slavery. Bay Building Group's main business stream is within the insurance sector, providing building and restoration services in response to an insurance event.

Underpinning who we are and the work we do are our guiding principles. These values or sets of behaviours assists us to embed our social and environmental standards throughout our national business.

## The Bay Way – Guiding Principles

- Acting with Integrity
- Connecting with Customers
- Being Your Best
- Looking Ahead



# STRUCTURE & GOVERNANCE

**Bay Building Group is privately owned, and led by our CEO, Board of Directors, and Executive Management Team.**

## Structure & Governance

Bay Building Group is a privately owned company, led by our CEO, Board of Directors, and Executive Management Team. The Board is responsible for the corporate governance of the Group and is composed of experienced and qualified members with expertise in both the building and financial services industries.

Bay Building Group operates through two controlled entities: Bay Building Services Pty Ltd and Linx Restoration Services Pty Ltd. Both entities are incorporated and operate solely within Australia. In January 2023, PSC Insurance Group Limited (ASX: PSI) acquired a stake in Bay Building Group Pty Ltd, though we retain majority control over all entities within the group.

## Ownership

- Bay Building Group Pty Ltd
- PSC Insurance Group Limited

During the reporting period covered by this statement, we engaged and consulted with all entities we own or control. These entities share the same management and operational structure, ensuring the consistent sharing of materials, information, and updates.

Our Executive Team, comprising six members, leads the business nationwide. Bay Building Group currently employs 220 full-time equivalents (FTE) across seven offices.

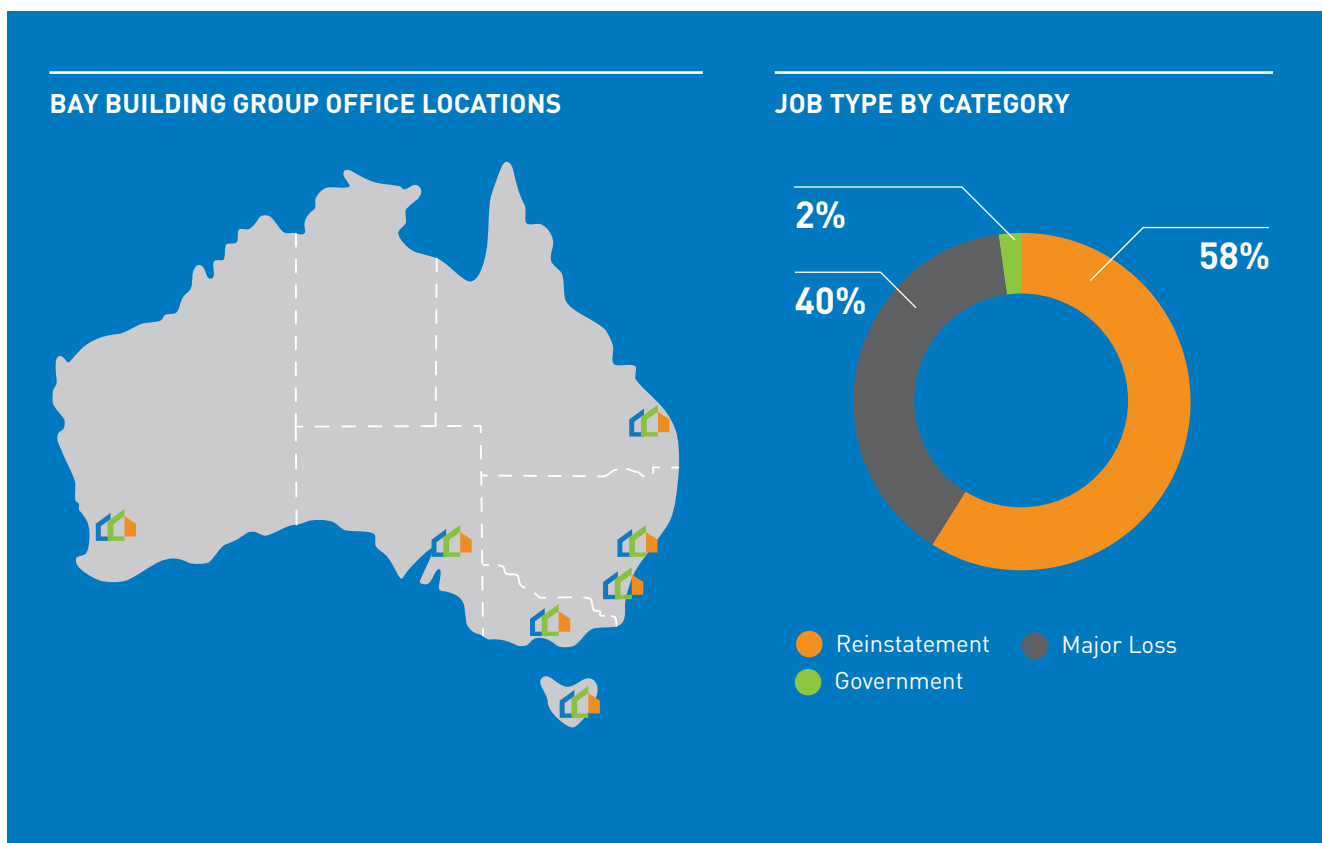
We are committed to robust policies and practices essential to the continued success and prosperity of the organization. Our Modern Slavery risk mitigation efforts are overseen by our dedicated Modern Slavery Working Group (MSWG), which includes:

- Company Director & Executive General Manager, Corporate Services
- Company Secretary & Executive Manager, Legal & Compliance
- Procurement Manager
- People & HR Operations Manager

Our MSWG is overseen by the Risk & Compliance Committee to ensure comprehensive governance. Progress on the Modern Slavery risk mitigation strategy is regularly reported to the MSWG and reviewed at the Board level.

# OUR OPERATIONS

As a nominated insurance builder, BBG's main operations consist of assessing, quoting and coordinating the repair and/or restoration of insured premises, primarily residential, through our sub-contractor network of trades and partner suppliers. Bay Building Group has operations in 7 States and Territories throughout Australia.



In conjunction to this, BBG also operates in the Major Loss & Specialty category, including responding to 'catastrophe events', Government tenders and engaging in large commercial / specialist works.



# FOCUS AREAS



## Health & Safety

At Bay Building Group we remain committed to high standards of health and safety for our people, customers and partners. We have again been credited with ISO 45001 Health and Safety Certification in 2024.



## Financial

Our finance team's processes, third party research, and job systems ensure that we are keeping our supply chain paid on time and paid at fair market rates for the work they are undertaking.



## Our Clients

We are collaborating with our clients to ensure that progress is shared, and that we are learning from their experiences and sharing the lessons we've learned with them.



## Our People

We understand that our people are our greatest assets. And with a focus on bringing people together from various backgrounds and experiences, we embrace our diverse workforce, and commit to continuously developing our people to position the business to face the ever-changing world head-on.



## Sustainability

Mother Nature has a key role in the work that comes through our doors. We recognize the impacts that the environment has on our clients and our customers, and also the effects that we have on our environment. Our sight is set on our environmental responsibility and the changes we can make for a better world.



## Our Trades

We are proud of the businesses that partner with us and what we are able to accomplish together. We seek to learn from them also, as well as helping them improve on our innovations and insights.

# SUPPLY CHAIN

Bay Building Group has approximately 2500 direct contractors and suppliers across the following categories.

1143

Subcontractor – construction & restoration

498

Suppliers – materials, manufacture, import, transport sectors

371

Ancillary Products – items required for cost of sales, operations, office supplies

While the majority of the supply chain is in our Subcontractor category, BBG also has direct off-shore contracts in the Supplier category and via third parties in the Ancillary Products category.

Our current focus on consolidating our supply chain has aligned us with the following companies, and we are working with them to ensure their structure and downline follow our joint goals in improved ESG sourcing.

We have audited the Modern Slavery statements of the following companies:

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Harvey Norman – Modern Slavery statement 23 reviewed

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Kennards Hire – Modern Slavery statement 23 reviewed

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Metroll Roofing – Modern Slavery statement 23 reviewed

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Wattyl Hempel – Modern Slavery Statement 22 reviewed (23 not available)

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JJ's Waste and Recycling – Modern Slavery Statement 23 reviewed

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Cleanaway – Modern Slavery Statement 23 reviewed

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Wesfarmer (Bunnings and Officeworks) – MS statement 23 reviewed

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PSC Insurance Group (Partners) – statement 23 reviewed



# OPERATIONAL RISK

## Forced Labour

Subcontractors in Construction and/or Restoration/Labour Hire

Consideration – Under minimum wage/Debt bondage

## Imported Products

Ancillary Products  
e.g. Laptops, computers, phones, uniforms

Consideration – Country of Origin

## Offshore Services

Overseas companies providing IT or Administrative services

Consideration – employment conditions and remuneration complying with international standards

## Vulnerability

Subcontractors in Construction and/or Restoration/Labour Hire

Migrant Workers/Language Barriers/Under Payment Superannuation

Further work has been done to highlight operational risks within the business as well as working to identify new risks. In a changing world with rising demands for materials, and uncertainly in supply chains, particularly from overseas imports, it is a key focus for us to ensure that we're purchasing through suppliers that exercise diligence around modern slavery risks.

While the vulnerability of our customers in their time of need may not directly link to modern slavery in the traditional sense, ensuring that these individuals are not exploited by third parties or within our supply chain is a crucial component of our commitment to ethical business practices and responsible supply chain management.

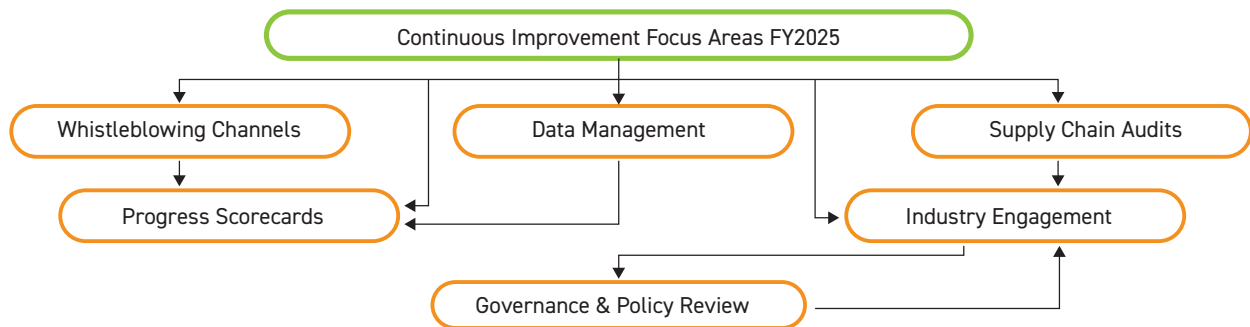
# ACTIONS & CONSULTATION – FY24

During the reporting period, our efforts were focussed on reviewing and auditing our supply chain, as well as continuing to develop risk mitigation processes and ensuring their implementation.

Focus Area	Action	Objective	Outcome
Trades	Review Trade network for areas of risk	To identify further auditing options to identify modern slavery risks	Identified and implemented an audit of key trades to identify which works they are subcontracting out, and limit them to only works they can complete inhouse
Governance	Review the Modern Slavery Committee	Identify areas of improvement within the committee	Have added an additional member to the committee to ensure a wider scope of experience. Committee manager has been appointed to ensure continuous improvement
Supplier onboarding	Onboarding process review and change	Monitor a high risk area more closely	All international companies must be audited by the Modern Slavery committee prior to onboarding
Governance	Quarterly Committee Meetings	Identify areas of improvement in relation to Modern Slavery	A shift in focus to driving meaningful change in our approach to modern slavery as a business
Clients	Driving more conversation about Modern Slavery with clients	Increase our understanding and collaboration opportunities with a wider range of companies	Further opportunities to collaborate and learn from clients. Understanding of areas we can improve
Action	Whistleblower Policy awareness	Make it easier for people to access our anonymous whistleblower line	Increased visibility, including embedding a link in our modern slavery statement
Trades/ Suppliers	Develop Modern Slavery Questionnaire	To further our visibility on risks within our supply chain	Draft stage, not yet implemented

# EFFECTIVE ACTION – FY25

**Our commitment to eliminating Modern Slavery Risks from our operations and supply chain hinges on continuous improvement.**



## FY25 STRATEGIC ACTIONS

**We will enhance supply chain transparency by focusing on the following key initiatives:**

- **Targeted Supply Chain Audits:** Implement audits to foster collaborative two-way engagement with our major suppliers.
- **Consultative Engagement:** Expand our efforts to collaborate with leading industry bodies, key clients, and subject matter experts across various sectors.
- **In-Depth Analysis:** Conduct comprehensive studies and analyses of primary work types and building projects.
- **Whistleblowing Channels:** Enhance reporting mechanisms to ensure customers, trades, and the general public can easily access whistleblowing resources.
- **BBG Progress Scorecard:** Continuously improve the metrics and assessments within our scorecard to monitor our progress effectively.
- **Data Management:** Enhance our processes for data capture, reporting, and analysis to ensure accuracy and reliability.
- **Modern Slavery Questionnaire:** Introduce a questionnaire for high-risk entities within our supply chain to assess and mitigate risks effectively.
- **Open Dialogue:** Foster communication among internal stakeholders to promote sharing and discussions that raise awareness about Modern Slavery risks.
- **Governance & Policy Review:** Reassess and rewrite policies associated with risk mitigation and controls around Modern Slavery factors like; Whistleblowing Policy; Code of Conduct, Workplace Health and Safety Policy; Anti-bribery and Anti-corruption Policy, Diversity and Inclusion Policy.



# DIRECTORS APPROVAL



A handwritten signature in black ink, appearing to be 'MD' with a flourish.

**Michelle Denison**  
Executive Director  
24 October 2024



A handwritten signature in black ink, appearing to be 'MB' with a flourish.

**Miranda Batur**  
Company Secretary  
24 October 2024

At Bay Building Group (BBG), we uphold a zero-tolerance approach to modern slavery and are unwavering in our commitment to:

- **Staying Informed:** Keeping abreast of relevant legislation and evolving regulations surrounding modern slavery.
- **Risk Assessment & Mitigation:** Continuously assessing and mitigating business risks associated with modern slavery, particularly within the building and construction industry.
- **Learning & Awareness:** Engaging with key stakeholders to learn and promote awareness of modern slavery risks.
- **Open Communication:** Ensuring transparent, open, and safe communication channels throughout our business and across our supply chain.

We recognise the significance of Modern Slavery Statements and are dedicated to continually improving our systems and controls to uphold ethical business practices. Integrity and ethical conduct are at the heart of **The Bay Way**, reinforced by our guiding principles.

BBG is committed to playing an active role in combating modern slavery in the building and construction industry, contributing to a fairer and more equitable society.

This Statement for the financial year 2024 is made in accordance with Section 14 of the *Modern Slavery Act (Cth)* and constitutes BBG's Modern Slavery Statement. It has been approved by BBG's Risk & Compliance Committee, represented by Executive Director Michelle Denison and Company Secretary Miranda Batur, on behalf of the Board of Directors.

