



**PSC Insurance Group Limited**

# MODERN SLAVERY STATEMENT 2024

JULY 1 2023 – JUNE 30 2024



**PSC Insurance Group Limited & Controlled  
Entities**

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# CONTENTS

MODERN SLAVERY STATEMENT 2024.....	1
INTRODUCTION.....	1
MAJOR GROUP BRANDS .....	1
STRUCTURE AND OPERATIONS.....	2
PROGRESS MADE TO COMBAT MODERN SLAVERY IN FY24 .....	3
PSC GROUP GOVERNANCE.....	4
RISKS OF MODERN SLAVERY IN OUR SUPPLY CHAIN .....	5
FY 2024 SUPPLIER RISK ASSESSMENT .....	6
PLANNED FOCUS AREAS FOR THE NEXT 12 MONTHS.....	10
CONSULTATION .....	10

## INTRODUCTION

PSC Insurance Group Limited (PSC) is a diversified insurance services group with operations in Australia, the United Kingdom, Ireland, Hong Kong, New Zealand, Vietnam and Bermuda. PSC opposes slavery in all its forms. Our Modern Slavery Statement (Statement) is made in accordance with the Australian Modern Slavery Act 2018 (Cth) (The Act).

It applies to and describes the steps taken by PSC during the financial year ending 30 June 2024 (FY2024) to seek to minimise the risk of modern slavery occurring in the Group's businesses and supply chains.

Since meeting the requirements to report under the Modern Slavery Act in September 2019, PSC has released annual Statements reporting our Group-wide response to the threats of modern slavery practices across all subsidiary entity supply chains worldwide.

This Statement is submitted as a joint statement on behalf of all reporting entities within the PSC Group during the reporting period.

## MAJOR GROUP BRANDS

### Australia / New Zealand



### United Kingdom / Europe



### Hong Kong



## STRUCTURE AND OPERATIONS

PSC is a diversified insurance business with a portfolio of over 200,000 clients, serviced by over 900 employees and over 170 Authorised Representative businesses across 4 continents. Our diverse portfolio of businesses range from startups to mature businesses. The group operates through separately licenced subsidiaries across multiple jurisdictions, with a strong presence in Australia and the United Kingdom, supported by growing businesses in New Zealand, Hong Kong, Vietnam, Ireland and Bermuda.

Key businesses include:

### AUSTRALIA/NEW ZEALAND

- PSC Insurance Brokers, providing commercial insurance broking across Australia, including a workers compensation and a life insurance business.
- PSC Network Insurance Brokers, an Authorised Representative network business across Australia and New Zealand. The Authorised Representatives operate commercial insurance broking businesses in their own right and PSC Network Insurance Brokers provides business support.
- Chase Underwriting, providing underwriting services in the construction, plant and equipment industries, hospitality, accommodation, medical, healthcare and travel.

### UNITED KINGDOM & EUROPE

- Carrolls, a wholesale Lloyd's and London Markets broker.
- Paragon International Insurance Brokers, a specialist insurance broker wholesaler, operating in Lloyd's of London, Bermuda, European and International specialty markets.
- Breeze Underwriting, a Managing General Agent (MGA) specialising in property and liability classes.
- PSC UK Insurance Brokers – providing commercial insurance broking across the UK under multiple brands.
- 538 Underwriting, a construction based MGA operating within the UK.
- PSC Europe, a Dublin based business servicing European clients.

### HONG KONG

- Charter-Gilman Insurance Group comprises of an insurance broking business specialising in personal, corporate and specialty lines as well as an underwriting agency business.
- Trans-Pacific Insurance Brokers operates as an independent insurance broker across a vast range of general and specialty insurance categories.
- Charter Union Insurance Brokers, a Hong Kong based general insurance broking business.
- Cosmos Vietnam, offering motorcycle insurance to Honda dealerships across Vietnam.





## PROGRESS MADE TO COMBAT MODERN SLAVERY IN FY24

Focus Areas	Actions	How did we measure our effectiveness?	Outcome
<b>Governance and collaboration</b>	1. Board and management oversight.	1. Emerging issues identified and where necessary, action plans established by the ESG Steering Committee and Risk and Audit Committee.	1. Ongoing monitoring of risks in supply chains completed. No emerging issues identified during reporting period.
	2. Monitor the effectiveness of the group procurement standards to govern supplier selection.	2. Application of procurement standards and enhanced due diligence resources to filter responsible suppliers.	2. Compliance with PSC procurement standards observed during reporting period.
	3. Review success of key performance indicators to monitor effectiveness of modern slavery actions.	3. Continual monitoring of modern slavery data.	3. No breaches identified during reporting period.
<b>Policy and procedure</b>	1. Modern Slavery contract provisions in Primary Supplier agreements.	1. Inclusion of PSC approved Modern Slavery contract terms (where applicable) by staff responsible for executing supplier agreements.	1. PSC approved Modern Slavery contract terms included in new supplier contracts where applicable.
	2. Refresher training provided to managerial staff involved in supplier procurement.	2. Key managerial staff completing training and learning assessment.	2. Refresher training planned for early 2025. Training to be accompanied by mandatory learning assessment.
	3. Annual review of Modern Slavery Policy and related procedures and practices.	3. Policies, procedures and practices reviewed during the reporting period for accuracy and effectiveness. Changes communicated to employees and suppliers.	3. Annual review of policies completed.
<b>Due diligence and remediation</b>	1. Supplier engagement on Modern Slavery risks.	1. Number of risk assessments conducted in FY24.	1. 1. 309 suppliers were issued with a PSC risk assessments during the reporting period, nearly double the number of FY23.
	2. Completion of 2024 supplier questionnaire.	2. Completion rate of 2024 supplier questionnaire.	2. 22% of the invited suppliers completed PSC's assessment at the time this Statement was produced.
	3. Notify breaches to the Group Board of Directors each quarter.	3. By breaches reported to the Group Board of Directors.	3. Nil modern slavery breaches identified during the reporting period.
<b>Supplier engagement</b>	1. Reinforce to suppliers the PSC grievance channels through the PSC Whistle-blower Policy by re-circulating to current and new direct suppliers.	1. Number of supplier grievances raised via the PSC Whistle-blower Policy.	1. Nil supplier grievances raised via PSC Whistle-blower Policy in FY24. Grievance channels communicated to new suppliers through PSC procurement process during reporting period.
	2. Responding to third party requests from corporate partners and clients requesting information about PSC's modern slavery policies and procedures.	2. Response rate to due diligence requests by PSC Group Governance and Compliance team.	2. In FY24, PSC responded to a number of requests for information from entities that PSC supplies services to, acknowledging our role in supporting the due diligence efforts of our corporate partners and clients.

## PSC GROUP GOVERNANCE

PSC is dedicated to conducting its business with integrity, adhering to legal and ethical standards across all operations. To uphold this commitment, PSC enforces an Employee Code of Conduct, applicable to all Directors, officers, employees, contractors, and consultants within the group.

The PSC Modern Slavery Policy outlines the minimum standards expected of suppliers including:

<b>Legal wages</b>	<b>No bribery</b>
<b>No forced labour</b>	<b>No discrimination</b>
<b>Adequate safety &amp; hygiene</b>	<b>No child labour</b>

These standards are detailed in the Policy, which is accessible on the PSC Group website.

Each Group subsidiary's management team is accountable for identifying and addressing material risks in line with the Group's Procurement Policy and Delegated Authority Matrices.

PSC maintains the following policies to assist in identifying and managing material risks:

<b>Group Procurement Policy</b>	<b>Whistleblowing Policy;</b>
<b>Group Code of Conduct</b>	<b>Workplace Health and Safety Policy;</b>
<b>Anti-bribery and Anti-corruption Policy</b>	<b>Diversity and Inclusion Policy.</b>

New supplier agreements include mandatory clauses affirming each party's commitment to combating modern slavery and corruption. Suppliers are required to maintain policies, procedures and systems that ensure compliance with Anti-Corruption Rules and Sanctions Requirements. They must also promptly notify PSC of any actual or suspected breaches of Modern Slavery laws by themselves, subcontractors, or suppliers.

PSC adopts a risk-based approach to modern slavery due diligence, embedding ethical behaviour, sustainability and social responsibility into procurement decisions, as outlined in the Procurement Policies. Standard due-diligence considerations when assessing suppliers who provide services to Group entities include:



The PSC Group Audit and Risk Committee oversees the Group's approach to managing modern slavery risks. Additionally, the PSC Group ESG Committee convenes quarterly to support the implementation of planned actions outlined in the Annual Modern Slavery Statement and provides progress updates to the Group Audit and Risk Management Committee. The Group Board also reviews and approves the annual Statement.

PSC's Governance and Compliance Teams are responsible for managing external inquiries regarding PSC's policies, procedures, and reporting on modern slavery. During the reporting period, PSC addressed several information requests from entities to which it provides services.

## RISKS OF MODERN SLAVERY IN OUR SUPPLY CHAIN

PSC remains focused on mapping the supply chain of its suppliers, referred to as “Primary Suppliers,” who provide products and services to PSC and its subsidiaries. The group’s global supply chain includes over 1,000 Primary Suppliers, mainly based in Australia and the United Kingdom. Both countries are governed by robust legislation, including Australia’s Modern Slavery Act (2018) and the UK’s Modern Slavery Act (2015), which provide a regulatory framework for addressing modern slavery risks.

However, heightened risks of modern slavery may exist among suppliers with whom PSC does not have a direct relationship, such as sub-contractors and those further along the supply chain. PSC’s supplier risk assessment procedures prioritise higher risk direct suppliers, aiming to understand their supply chains and the measures they implement to mitigate modern slavery and human rights violations.

### IN PSC’S OPERATIONS

PSC operates predominantly in the regulated financial services sectors of Australia and the United Kingdom. These jurisdictions enforce strong labour and award protections for employees, as well as safeguards for safe working environments. PSC conducts annual assessments of modern slavery risks in its human resource operations, and in FY2024, the risk level remained low. The office-based nature of PSC’s work, the high level of skill required, and the limited presence of vulnerable workers groups contribute to the low inherent risk of forced labour, child labour, or other areas of modern slavery in its operations.

Employee remuneration is reviewed annually in alignment with PSC’s Remuneration Policy, with starting salaries determined through market benchmarking. These reviews promote fair pay and compliance with workplace laws, reducing the risk of modern slavery. In May 2024, PSC submitted its third report to the Australian Workplace Gender Equality Authority, providing detailed data on employee remuneration and role types.

PSC also assesses the risk of modern slavery within our major insurer partners’ operations as low. This assessment is based on the highly regulated environments and markets in which these partners operate, alongside their publicly stated commitments to environmental, social and governance (ESG) responsibilities.

PSC maintains a partnership with one supplier of contracted administrative staff in the Philippines. The supplier is owned by an Australian parent company that must comply with the Modern Slavery Act. The Philippines, as highlighted in the 2023 WalkFree Report, is recognised as a leading nation in government-led efforts to combat slavery. To ensure continued compliance with PSC’s Modern Slavery Policy and applicable laws, PSC conducts annual enhanced due diligence on our supplier in the Philippines.



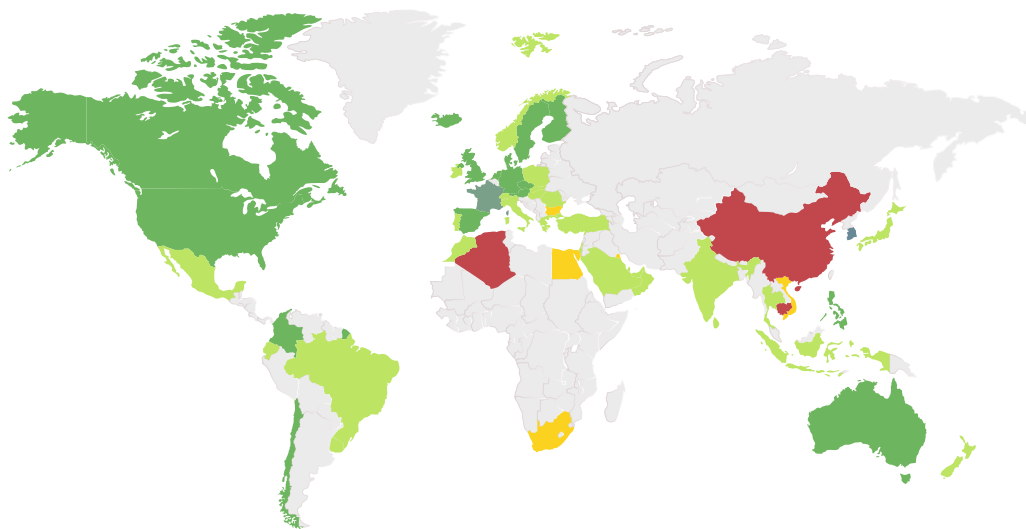
## FY 2024 SUPPLIER RISK ASSESSMENT

In FY24, PSC continued our partnership with iPRO, a specialist supply chain risk assessment provider to expand upon our group-wide supplier enhanced due-diligence program. Through the use of iPRO's Modern Slavery Assessment Tool (MSAT), PSC has been able to gain enhanced insights into our supply chain by capturing significantly more data than previous reporting periods from a wider scope of suppliers.

In FY24, 309 key PSC suppliers were invited to complete our self-assessment questionnaire online, marking a substantial increase from the 180 suppliers that were contacted to undergo enhanced due-diligence in FY23. While only 67 suppliers (22%) had completed the assessment by the time of this statement's publication, we anticipate a higher participation rate in the FY25 reporting period as suppliers continue to submit their responses through the MSAT and become more familiar with the process. Pleasingly, 49 suppliers completed the MSAT for the first time in FY24. Among suppliers who updated their responses after first completing the MSAT in FY23, all returning respondents had at least maintained their inherent risk scores. Moreover, the majority of these returning respondents have successfully lowered their unmitigated risk scores by implementing the recommended risk mitigation actions. This demonstrates encouraging progress in risk management practices across our supplier base and highlights the effectiveness of our ongoing due diligence and engagement efforts.

### PSC SUPPLY CHAIN – COUNTRIES OF OPERATION

As part of the FY24 risk assessment, suppliers were asked in which countries or regions their organisation had operations. The map below highlights countries or regions of operation for all assessed suppliers, overlaid with the tiers applied in the U.S. Government's latest Trafficking in Persons Report, published in June, 2024.



- Tier 1 Countries and regions whose governments fully meet the Trafficking Victims Protection Act's (TVPA) minimum standards.
- Tier 2 Countries and regions whose governments do not, at the date of this assessment, fully meet the TVPA's minimum standards, but are making significant efforts to meet those standards.
- Tier 2WL Countries and regions whose governments do not, at the date of this assessment, fully meet the TVPA's minimum standards, and as the (increasing) number of victims is significant without proportional action, and/or no evidence of increased efforts to combat trafficking has been provided.
- Tier 3 Countries and regions whose governments do not, at the date of this assessment, fully meet the minimum standards and are not yet making significant efforts to do so.
- Uncategorised Insufficient information is available about these countries or regions and a tier has not been assigned.



## PSC SUPPLY CHAIN RISK PROFILE

Suppliers who have completed PSC's MSAT have been categorised into one of the colour-coded risk categories in the table below. The classification process begins with an evaluation of risks inherent to the supplier's operations, production, and sourcing, resulting in an Inherent Risk Score. This score is calculated based on key factors such as the supplier's geographical location, type of goods/services, industry sector, and workforce parameters that the supplier indicated in the MSAT.

Next, the Unmitigated Risk Score is assessed. This score evaluates the extent to which suppliers have implemented policies, processes, and procedures to mitigate against modern slavery risks. A supplier's Unmitigated Risk Score determines whether their risk controls are classified as adequate or inadequate, ultimately influencing their assigned risk category.

		Inherent risk		
		Very high	High to Moderate	Low-risk
Risk control	Adequate	High-risk (High levels of inherent risk)	Low-risk (Adequate risk control)	Low-risk (Low levels of inherent risk)
	Partial		Medium-risk (Partial risk control)	
	Inadequate		High-risk (Inadequate risk control)	

Below is a breakdown of PSC's assessed suppliers' overall risk scores for the FY24 reporting period:

Risk categories	% of suppliers per risk category	Change to FY23
● Low-Risk (No inherent risk)	47%	No change
● Low-Risk (Adequate risk control)	11%	+6%
● Medium-Risk (Partial risk control)	32%	-6%
● High-Risk (Inadequate risk control)	10%	No change
● High-Risk (High levels of inherent risk)	0%	No change

## KEY ASSESSMENT INSIGHTS OVERVIEW

The risk assessment further highlighted supplier insights in relation to the following key statements.

PSC suppliers that operate in at least 1 high risk sector.



● Unable to answer: 8%

PSC suppliers that issue a policy prohibiting all forms of discrimination.



● Unable to answer:

PSC suppliers that issue a policy explicitly ensuring wages meet applicable host country legal requirements.



● Unable to answer:

PSC suppliers that have made some type of undertaking to address Modern Slavery supply chain risk.



PSC suppliers that conduct a vulnerability assessment of their workers to slavery and human trafficking.



● Unable to answer:

PSC suppliers that issue a policy prohibiting the procurement of commercial sex acts.



● Unable to answer:

PSC suppliers that issued a policy explicitly prohibiting all forms of forced labour and human trafficking.



● Unable to answer: 6%

PSC suppliers that issued a policy prohibiting charging recruitment fees.



● Unable to answer:

## SUPPLY CHAIN RISKS AND RISK DRIVERS

### High-risk Sectors of Operation

Suppliers were asked in which high-risk sector/s their organisation had operations. 13.6 of respondents advised they operate in at least one of the following sectors, which are identified in the Global Estimates of Modern Slavery\* as high risk for forced labour exploitation:



Accommodation and Food Service Activities

2



Domestic Work

1



Manufacturing

3



Transportation and Storage

1



Construction

1



Labour Hire

3



Retail

1



Wholesale

1

### Supply Chain - Production of Goods in High-risk Sectors

Suppliers were also asked in which high-risk sector/s their organisation produced goods. 9.1% of assessed suppliers advised they supplied goods in at least one sector identified in the Global Estimates of Modern Slavery\* as high risk for forced labour exploitation:



Building services contractor

1



Transportation and Storage

1



Labour Hire

4



Wholesale

1

### Supply Chain - Sourcing Goods in High-risk Sectors

Suppliers were asked from which high-risk sector/s their organisation sourced goods. 25.8% of assessed suppliers advised they supplied goods from one at least one sectors identified in the Global Estimates of Modern Slavery\* as high risk for forced labour exploitation:



Accommodation and Food Service Activities

9



Cleaning

1



Domestic Work

1



Personal Services

2



Transportation and Storage

4



Building services contractor

1



Construction

4



Labour Hire

4



Retail

3



Wholesale

2

### RISK MITIGATION ACTIONS UNDERTAKEN BY PSC SUPPLIERS IN FY24

PSC's assessed suppliers most commonly undertook the following actions to mitigate their risk of modern slavery.

#### Risk Mitigation Action

1. Enroll workers in annual modern slavery, human trafficking and child labour risk awareness training.
6. Publically disclose information on steps taken to prevent slavery, human trafficking, and child labour within their operations.
7. Engage an independent third party to conduct due diligence activities.
8. Maintain a policy explicitly prohibiting workers and agents from charging workers or potential workers recruitment fees.
9. Mandate the review of identity and immigration documents for all new workers.

Suppliers who are yet to complete the assessment were not assessed or assigned a risk category but PSC now has the capability of completing supplier risk due-diligence throughout the course of any given reporting period. Suppliers who did not complete PSC's questionnaire by the reporting deadline will continue to be contacted by PSC and their responses included in our FY25 Statement.

## PLANNED FOCUS AREAS FOR THE NEXT 12 MONTHS

- **Training and education:** In 2025, PSC will deliver refresher training to staff on recognising and addressing modern slavery risks within the group's supply chains.
- **Ongoing Supplier Due Diligence:** Throughout the FY25 reporting period, PSC will continue conducting supplier risk assessments and follow up with suppliers who have not yet completed PSC's modern slavery risk assessment. Suppliers identified as medium or high risk will undergo regular reviews to monitor their progress against PSC-issued modern slavery action plans.
- **Corporate partner and client engagement:** PSC recognises our responsibility to support the due diligence efforts of entities that PSC supplies services to. The group will continue to share information on policies, processes and procedures designed to prevent modern slavery from within our supply chain.

## CONSULTATION

PSC recognises the importance of gathering meaningful data and feedback from suppliers to enhance our understanding of modern slavery risks and evaluate the effectiveness of our strategies for managing these risks across our operations and supply chain.

The group's overarching policies, systems and processes have been developed in collaboration with key departments, including procurement, operations, legal, risk, and compliance, ensuring a comprehensive and informed approach.

This Statement was reviewed by PSC's Group Legal, Governance and Compliance Manager, who oversees risk management in this area, and was approved by PSC's Board of Directors, reinforcing the group's commitment to addressing modern slavery risks effectively.



**Tony Robinson**  
Managing Director