

The BGW Group of companies (The Group) opposes slavery in all its forms. This Modern Slavery Statement is made in accordance with the Australian Modern Slavery Act 2018 (Cth). It describes the steps taken by the Reporting Entities within the Group during the financial year ended 30 June 2022 to understand and implement actions to minimise the risk of modern slavery occurring in their businesses or their supply chains.

This Statement is submitted as a joint statement on behalf of the Reporting Entities within the BGW Group consisting of **CNW Pty Ltd (A.C.N. 009 669 836)**, **Samios Plumbing Pty Ltd (A.C.N. 010 360 899)** and **Sherriff Electrical Pty Ltd (A.C.N. 010 059 837)** (“The Reporting Entities”).

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include:

- human trafficking
- slavery
- servitude
- forced labour
- debt bondage
- forced marriage, and
- the worst forms of child labour.

The Reporting Entities are fully committed to operating responsibly and acting to minimise modern slavery risk within its operations and supply chains.

Reporting Entity Structure, Operations and Supply Chains

The Reporting Entities are commonly owned private companies, operating in Australia, sourcing and supplying electrical and plumbing products to customers through its network of wholesale branches. The Reporting Entities source products both locally and from overseas and employ approximately 1,085 staff in 115 locations across Australia.

Governance

The director and executive management have responsibility for overseeing the Reporting Entities’ response to modern slavery risks.

The policies and frameworks that support the Reporting Entities’ day-to-day operations require that we respect and safeguard universally recognised human rights. The Reporting Entities are committed to complying with relevant laws and regulations, and acting in a manner consistent with the principles of honesty, integrity, fairness and respect. The Reporting Entities’ policies prohibit any activities involving modern slavery and commit to safe and healthy working conditions, including the right to freedom of association and collective bargaining.

The Reporting Entities have developed a modern slavery policy which is included in the Reporting Entities’ policies and is accessible to all employees. The leadership teams of each Reporting Entity company have responsibility for identifying and managing any material modern slavery risks within their business. These activities are supported by the Risk and Compliance Committee.

Suppliers

The Reporting Entities' businesses directly source products for resale (e.g. electrical and plumbing products), products not for resale (e.g. IT equipment and store fit out materials) and services (e.g. professional services, freight and transport services, cleaning, and maintenance).

The Reporting Entities source from a range of locations and suppliers, primarily from within Australia.

The Reporting Entities do not manufacture their own products, but instead source products from third party suppliers. By purchasing from Australian businesses, the Reporting Entities' businesses support economic development and employment in the regions where they source from. The different businesses within the Reporting Entities are responsible for choosing the appropriate suppliers to engage with. There are diverse factors that are considered when deciding which suppliers the Reporting Entities choose to partner with. These may include quantitative factors such as price, quantity, quality, innovation, exclusivity and lead times and qualitative factors such as values alignment, ethical sourcing, labour practices and capacity for us to be a meaningful customer.

Modern Slavery Risks in the Reporting Entities' Operations and Supply Chains and Actions Taken to Assess and Address Modern Slavery Risks

Employees

The Reporting Entities have assessed the risk of modern slavery within their own operations as low. The majority of the Reporting Entities' employees are covered by collective agreements with the remainder employed via individual agreements. The Reporting Entities are committed to safe and healthy working conditions, including the right to freedom of association and collective bargaining.

Modern slavery is only used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers. However, The Reporting Entities recognise that these practices are also illegal and harmful and may be present in some situations of modern slavery. These practices may also escalate into modern slavery if not addressed.

Regular reviews are undertaken by the Employee Services Team to ensure all employees are remunerated in accordance with applicable awards and are not subject to unacceptable working conditions.

Employees are able to raise concerns over unacceptable working conditions with their manager. If their concerns are not appropriately addressed they are able to contact the next level of management directly to voice any concerns.

Suppliers

All products and services carry the risk of modern slavery in their supply chains. The key identified modern slavery risk for all the Reporting Entities' businesses is significant suppliers not complying with the Reporting Entities' minimum labour standards, including health and safety, excessive working hours, unpaid work, below legal minimum wages, forced labour, child labour and limited or no freedom of association. These risks are mitigated wherever possible by sourcing products and services from reputable and established suppliers.

Each business uses a risk-based approach when deciding whether to engage with a supplier, based on factors including the nature of the goods or services, country of origin and nature of the supplier. A selection of new account suppliers is subject to review via a Supplier Evaluation Questionnaire to

ensure the relationship is appropriate for the Reporting Entity. Supplier information collected includes specific questions designed to identify and mitigate the risk of modern slavery in the Reporting Entities' supply chains. This includes asking suppliers if they assess these risks within their own supply chains.

Reporting Entity branches must, where possible, purchase from approved suppliers. Where this is not practical, for example due to supply limitations or customer requirements, alternate suppliers may be subject to review across a number of areas including product compliance with Australian standards, insurance cover, quality of product and ethical behaviour, including modern slavery risks. Such suppliers will be selected for review based on risk factors such as the nature of products supplied and supplier location.

Supplier Evaluation Questionnaires are managed by the Risk and Compliance Department including developing and monitoring the questionnaires, evaluating and collating supplier responses and recommending remedial actions to management.

How the Reporting Entities Assess the Effectiveness of Actions Taken

The director and executive management have responsibility for overseeing the Reporting Entities' response to modern slavery risks, including the effectiveness of policies developed and actions taken to implement across the Reporting Entities.

Activities to assess the effectiveness of actions taken include:

- Regular reporting from Employee Services regarding compliance with employee awards and conditions.
- Supplier Evaluation Questionnaires managed by the Compliance and Risk Department including developing and monitoring the questionnaires, evaluating and collating supplier responses and recommending remedial actions to management.

Reporting Entity activities over the next 12 months to improve our identification, assessment and mitigation of Modern Slavery risks include:

- Ensure purchasing behaviour and associated risks is a permanent agenda item in leadership group meetings for the Reporting Entities' businesses.
- Review workplace procedures to embed awareness and the prohibition of all forms of Modern Slavery within Reporting Entity operations, including update and distribution of Modern Slavery policies.
- Continue to expand and refine the Reporting Entities' supplier review program, including a more rigorous approach to statistical analysis of responses, documenting remedial action taken and regular reporting to executive management.
- Consider forms of supplier engagement to better understand their modern slavery risks and how they may be encouraged to address those risks.

This statement was prepared in consultation with the director and executive management of each Reporting Entity. This statement has been approved by the principal governing body, being the sole director of CNW Pty Ltd, Samios Plumbing Pty Ltd and Sherriff Electrical Pty Ltd.



Brian Webb
Director