



**JaybroGroup**

# Annual Modern Slavery Statement

FY 2023/2024

January 2024

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## Introduction

This statement has been developed in accordance with the *Modern Slavery Act* 2018 (the Act), for the reporting entity Jaybro Group Pty Ltd, as a joint statement with entities under its control. The entities included in this joint statement for the reporting period July 2023 to June 2024 include Global Synthetics Pty Ltd, Jaybro NZ Ltd, Cadia Group Pty Ltd, Delnorth Group Pty Ltd, Link Plus Pty Ltd, Safe Direction Pty Ltd, Specialised Force Pty Ltd, and Plastics Solutions Australia Pty Ltd (together, the Jaybro Group). The joint statement describes the risks, actions and plans relating to our strategy against Modern Slavery for the Group as a whole.

Jaybro Group respects the fundamental human rights of all people and opposes modern slavery in all its forms. This includes serious exploitative practices such as human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and the worst forms of child labour. Jaybro Group recognises that all businesses are susceptible to modern slavery risks which can often be hidden in their business operations and supply chains, and are committed to ensuring it has systems in place to actively identify, manage, and review effectiveness of actions taken against modern slavery risks to the business. As part of a collaborative effort against modern slavery, Jaybro Group assists and cooperates with all customers to provide information in surveys and questionnaires to ensure risks to modern slavery are appropriately mitigated.

In this reporting period, Jaybro Group focused on industries which were identified as potentially high risk such as PPE. We formalised our Modern Slavery Management Plan to cover our approach to Modern Slavery risks including definition of roles and responsibilities, how risks are identified and assessed, what actions are taken to address and remediate confirmed instances, and evaluation of effectiveness for ongoing improvement.

Our plans going forward are to strengthen our annual supplier program which is expected to be aided by implementation of a new online modern slavery management platform to allow identification of high risk suppliers as well as highlight any changes to risks over time. This will include the development of procedures and workflows based on different risk scores or attributes, and secondary follow up for any strong indicators of modern slavery that warrant further checks or audits.

Jaybro Group recognises there is no simple solution to ensure its business is completely free of Modern Slavery risks but is committed to evaluation and continuous improvement to strengthen its response against Modern Slavery.

## About Jaybro Group: Structure, Operations and Supply Chain

Jaybro Group Pty Ltd ACN 159 122 488 has its registered office at 29 Penelope Crescent, Arndell Park, New South Wales and includes other entities to form the Jaybro Group. The group core business supplies construction consumables, safety products, geosynthetics, underground civil and plumbing supplies, high performing precast concrete products, specialist industrial tools and equipment, temporary fencing, safety barriers, and road and traffic safety supplies to the Australian and New Zealand civil and construction sector. Servicing the local industry for over 25 years, Jaybro Group has over 506 employees across all its locations and generates over \$500 million in sales annually.

With offices, warehouses and production sites strategically placed across Australia and New Zealand, Jaybro Group strives to provide its customers with industry-leading service, fast delivery, expert advice and quality products. Since its inception, the business has experienced strong organic growth underpinned by its commitment to 'wow customers with service'. It complements this growth through strategic acquisitions that align with the core business model which has allowed Jaybro Group to flourish.

In 2012 Jaybro acquired the first of many companies which now make up the Jaybro Group. With a change in ownership in 2021 under Quadrant Private Equity, Jaybro Group is well positioned to continue its growth and success. The group owns several brands in its portfolio including Hydro Construction Products, Polyfabrics, Sqid, Defender Safety, Superior Safety, ACP and Fortress Fencing which contribute to the extensive and reliable product offerings from Jaybro. A trusted supplier to some of Australia's biggest infrastructure companies, Jaybro is now firmly entrenched as one of the leading names in civil consumables.

### Operations

Jaybro Group is primarily a sales and distribution organisation with 40 distribution sites across Australia and New Zealand encompassing the entire group. This is supported by other operational functions at head office. Manufacturing operation consists of custom banner mesh printing, and printed road and safety signs at selected facilities as well as two dedicated sites for manufacture of various roadside safety products and barriers.

The workforce comprises of warehouse personnel, production operators and sales representatives supported by staff in finance and accounting, HR, marketing, customer service and support, procurement and purchasing, quality, safety, logistics, executives, and other administrative roles.

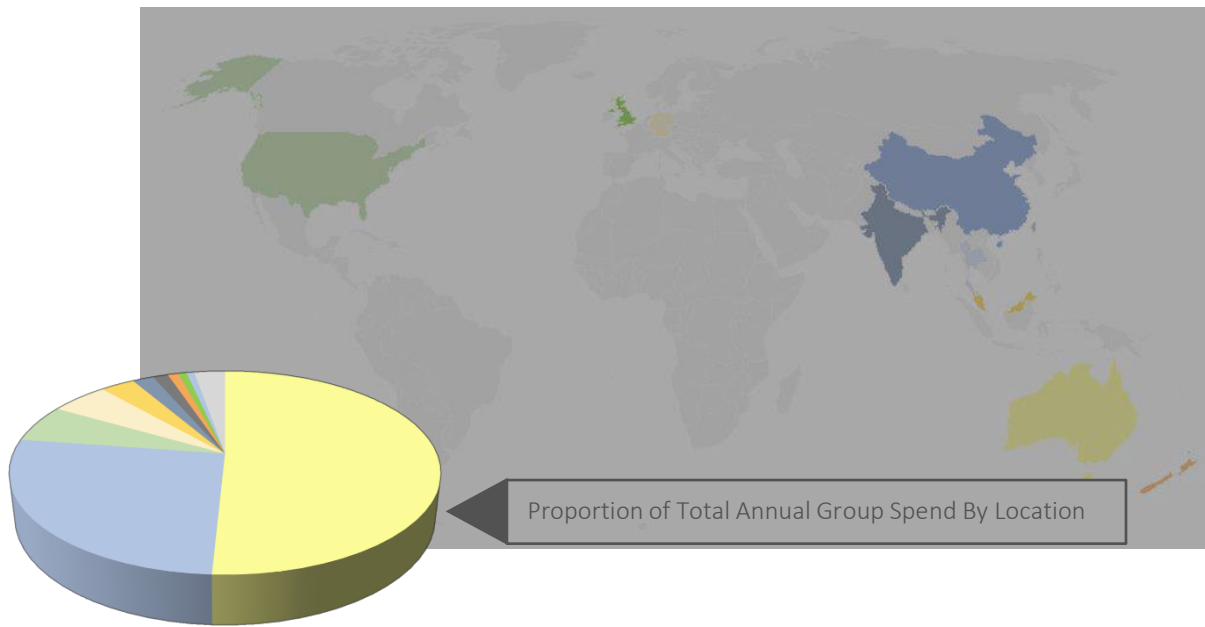
### Supply Chain

The supply chain consists of goods for re-sale, goods for use within the business including materials for manufacturing, freight and logistics, and other professional services or contractors to support the business.

Our suppliers of goods for re-sale are typically long-term supply partners or reputable manufacturers of industry leading brands. Our strategy is to build sustainable partnerships with suppliers with the aim to take advantage of innovation and development opportunities.

Besides local sourcing, our suppliers are mainly based in China, USA, Malaysia, Germany and India as illustrated in the following page.

## Jaybro Group Key Supplier Locations



Country	Typical Goods/Services Procured
<b>AUSTRALIA</b>	Goods Not for Resale: IT Hardware/Computers; Warehouse and Office Fitout Services: Freight/Shipping; Cleaning/Waste Disposal; Maintenance Contractors; Professional Business Services; Labour Hire Intermediate Goods: Printing Inks and Substrates; Steel products; Reflective stickers; Polymers and Powders; Goods for Resale: Traffic Safety Supplies and Equipment
<b>CHINA</b>	Goods for Resale: Geosynthetics; Tools and Hardware; Fencing and Drainage Grates; Cleaning Chemicals; Construction Consumables; Traffic Safety Supplies and Equipment; Plumbing Supplies; Textile Banners; Intermediate Steel Components; Intermediate Rubber Components
<b>USA</b>	Goods for Resale: Safety Barriers
<b>GERMANY</b>	Goods for Resale: Geosynthetics; Polyblok for Fencing
<b>MALAYSIA</b>	Goods for Resale: Construction Consumables; Geosynthetics
<b>INDIA</b>	Goods for Resale: Geosynthetics; Erosion Control Products; PPE; Workwear and Uniforms; Sign Brackets
<b>TAIWAN</b>	Goods for Resale: PPE supplies; Geosynthetics
<b>NEW ZEALAND</b>	Goods for Resale: Timber Stakes; Construction Consumables; Signage Brackets
<b>UK</b>	Goods for Resale: Signage Components
<b>THAILAND</b>	Goods for Resale: Technical Textiles; Barriers; Fixings, Nuts and Bolts
<b>Other</b>	Goods for Resale: Geosynthetics; PPE; Traffic Safety Supplies; Erosion Control; Construction Consumables and Supplies

## Risks in Operations and Supply Chain

Jaybro Group and its subsidiaries operate in very similar sectors where the risks in our operations and supply chain are equally applicable. These will be reported as a single consolidated description.

### Risks in Jaybro Group Operations

Whilst we ensure that risks are actively reviewed and monitored, we believe the risk of modern slavery in our operations remains low due to the various measures in place:

- 🔍 Our HR policy requires right to work credentials to be checked and all prospective employees must undergo police checks which ensure minimum age requirements are met.
- 🔍 Workers' rights are protected by well-enforced workplace legislation in Australia with various widely accessible avenues to seek assistance.
- 🔍 Individual employment contracts are written in compliance with legislation and referencing relevant awards where applicable.
- 🔍 All employees undergo a comprehensive induction and onboarding program which includes introduction to our Modern Slavery Policy and other policies such as code of conduct, and anti-discrimination and harassment ensuring they understand their rights as workers as well as their obligation to respect the rights of fellow employees across the business.
- 🔍 Jaybro Group has a Whistleblower Policy in place which is communicated to staff at induction and available on its website.

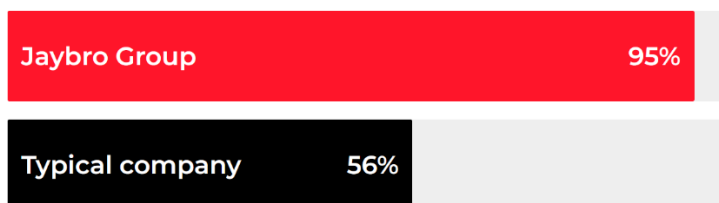
Open communication continues to be actively promoted within the organisation with direct access to management to all employees who may have concerns, grievances or any other issues to raise. The company has maintained flexible working arrangements and programs for the care of employee health and well-being, culminating in Jaybro being recognized as a Great Place to Work for the third year in a row for its efforts in looking after its people.



### Company culture at Jaybro Group

The employee experience at Jaybro Group, compared to a typical Australia-based company

95% of employees at **Jaybro Group** say it is a great place to work compared to 56% of employees at a **typical Australia-based company**



Source: Great Place to Work® 2021 Australia National Employee Engagement Study

## Risks in Jaybro Group Supply Chain

Through various online resources from agencies specialising in modern slavery issues, Jaybro Group identifies the following areas as key risks factors for Modern Slavery and uses this criteria to determine where the risks are highest in its supply chain particularly where there are overlaps of risk factors. These criteria have also been used to develop our supplier self-assessment questionnaire (SAQ) to allow rapid identification of the highest risk suppliers.

	Sector, Industry and Category Risks	Geographic/Population Risks	High Risk Business Models
<b>Risk Factors</b>	<ul style="list-style-type: none"> <li>Poorly regulated industries</li> <li>Seasonal work</li> <li>Intensive manual labour</li> <li>Low paid work</li> <li>Base-skilled work</li> <li>Dangerous work</li> <li>Remote or isolated work</li> </ul> <p>Categories</p> <ul style="list-style-type: none"> <li>Raw Materials</li> <li>Services which are typically low-skilled or low pay</li> <li>Very long or complex supply chain products with poor visibility in lower tiers</li> </ul>	<ul style="list-style-type: none"> <li>Poor governance</li> <li>Weak rule of law and/or absence of labour laws</li> <li>War-torn or conflict regions</li> <li>Strong prevalence of corruption and/or bribery</li> <li>Displaced populations</li> <li>Large migrant worker population</li> <li>Discrimination or persecution of minority groups</li> <li>Poor human rights protections</li> <li>Socio-economic factors such as poverty</li> </ul>	<ul style="list-style-type: none"> <li>Third party labour contracting for all or a large portion of labour force</li> <li>Use of labour recruiters with little transparency of recruiting practices. E.g charging recruitment fees, deceptive practices</li> <li>Third party recruitment of low-skilled workers from overseas with little transparency of practices</li> </ul>
<b>Examples</b>	<p>Industries/Sectors: Mining and extractives, textiles/garments, electronics, fishing and agriculture, bricks, cotton, tea and rubber.</p> <p>Services: Cleaning, Ocean Freight</p>	<p>Countries reported as high risk: Azerbaijan, Afghanistan, Bangladesh, Burkina Faso, Comoros, Gambia, South Sudan, Cambodia, India, China, Pakistan, North Korea, Nigeria, Iran, Indonesia, Democratic Republic of Congo, Myanmar, Vietnam, Yemen, Syria</p>	<p>Construction, agriculture, and various manufacturing</p>

Jaybro Group preferences long-term supplier partnerships and ensure supply agreements make allowances for justified price variations during the agreement term to minimise the likelihood of contribution to modern slavery by its business practices. As with many businesses, it is likely that the highest risks lies within lower tiers of the supply chain where it is often not visible to even our Tier 1 suppliers, particularly for complex products that include a multitude of components or materials.

Our assessment of our key risks remains largely unchanged from previous years except where some risks such as contract cleaners are mitigated by increased awareness and checks in place:

- Unknown origin of raw materials or intermediate components used in the manufacture of finished goods purchased particularly in high-risk categories such as IT hardware and clothing/textiles. The International Labour Organization and the Walk Free Foundation consider the manufacturing sector to hold the third highest percentage of forced labour. The modern slavery risks associated with the manufacturing sector includes forced labour, debt bondage, child labour, excessive unpaid overtime and human trafficking. The utilisation of labour hire of base-skilled workers,



particularly in higher risk countries, increases the risk of modern slavery in the manufacturing sector.

- ⦿ Potential outsourcing of certain manufacturing processes by vendors to countries with higher modern slavery risks.
- ⦿ Manufactured goods from high-risk countries such as China, India and certain parts of South East Asia particularly in complex products where lower tier suppliers are not visible.
- ⦿ Services which have been identified as high risk include the shipping industry where potential modern slavery conditions for workers onboard cargo vessels has been raised as an area of concern.



## Actions Taken to Assess, Address and Remediate

Jaybro Group and its subsidiaries use the same policies and processes, and therefore, we have provided a single, consolidated description of actions taken to address modern slavery risks in this Section.

### GOVERNANCE

The responsibility for human rights matters, including modern slavery, remains within the company's overall governance framework. All levels of management have a responsibility to consider the risks of modern slavery in their areas of management in accordance with our Modern Slavery Management Plan which was formally documented this financial year.

The Jaybro Group Board continues to have overall responsibility for the oversight of Modern Slavery risk management, and approval of all company policies which includes the Modern Slavery Policy. Modern Slavery remains one of the key elements of monthly ESG report to the Board.

The Chief Operating Officer is responsible for monitoring and coordinating Jaybro Group's overall response to modern slavery risks and ensuring we meet reporting requirements in compliance with the Act.

Review of our strategy to identify, assess, and address modern slavery risks is done annually as we seek to improve and refine our approach year on year.

### SUPPLIER DUE DILIGENCE

Suppliers are fundamental to the Jaybro Group business and it dedicates many resources to choose the right supply partners to ensure alignment of values, expectations, and performance. As part of supplier due diligence, new suppliers will undergo a suitability assessment based on several key factors including geographical considerations, size of business, reputation in the category or goods or services, supply capability, financial stability, cost of goods or services, business ethics and integrity, company policies and value alignment. As part of the screening process in the current reporting period, new suppliers were requested to complete a modern slavery self-assessment questionnaire (SAQ) to help identify any high risks of modern slavery as well as acknowledge compliance to the Jaybro Group Modern Slavery Policy and Ethical Sourcing Policy which incorporates the Supplier Code of Conduct.

Based upon the initial screening, the procurement team determines the level of assessment required to validate the supplier's ability to meet required standards and includes evaluation of evidence of financial crime or fraud, WHS performance, insurance and licensing, and ethical business conduct. Where deemed necessary and as part of routine supplier management, supplier site audits are arranged and conducted by either a Jaybro Group employee or third-party representative. As part of our Modern Slavery Management Plan, we also developed a site audit checklist to help the auditor identify potential red flag indicators of modern slavery and was implemented for several site audits during the year though no issues of concern were raised as a result. It is expected that with Covid-19 travel restrictions continuing to ease worldwide, increased audits and site visits will become more practical and an important aspect of assessing modern slavery risks particularly for new suppliers.

At the end of the current reporting period, we continued partnership with Informed365 platform to help manage our Modern Slavery Risks. This will include further refinement of our SAQ and allow automatic risk ratings based on location, industry and a combined risk score. These will be analyzed in addition to our custom survey score to allow identification and focus of activities based on our highest risk. Full implementation is expected in the following reporting period and specific action plans to be developed based on survey responses.

## PROCUREMENT MANAGEMENT

The Procurement team manages suppliers in key spend categories and takes a risk-based approach in assessing and monitoring all suppliers. The types of supply arrangements can vary depending on the nature of the good or service provided. This ranges from formal procurement agreements for long- and short-term supply contracts to less formal arrangements such as purchase order terms and conditions.

In subsequent reporting periods, implementation of the new management system platform previously described will allow our annual supplier review program to be implemented for all suppliers across the business requiring yearly assessment and comparison in changes to risks as well as any improvement. Our SAQ will include acknowledgment of compliance to the Jaybro Group Modern Slavery Policy and Ethical Sourcing Policy which encompasses the minimum expectations of supplier conduct. Regardless of what supply arrangement is in place, all suppliers will be required to acknowledge compliance to these policies of which modern slavery is a core consideration.

This year we engaged with suppliers in one of our higher risk areas including PPE. Responses were widely varied with some believing many questions to be confidential, many not knowing where their supplier's source from, and differences in understanding of modern slavery depending on the country. No indicators of serious concern were flagged and work is ongoing to develop a follow-up response to collaborate with suppliers on improved awareness and understanding of risks.

## POLICIES AND STANDARDS

Jaybro Group's core values requires respect and the collective respect of fundamental human rights. Our policies are regularly reviewed to ensure that they reflect our core values and that any company with whom we have business dealings are expected to align with the same values.












We continued to monitor for any reports made via our Whistleblower Policy to identify any concerns regarding modern slavery. As noted in our first modern slavery statement, our Whistleblower Policy is publicly available on our website.<sup>1</sup> The Policy outlines mechanisms to report instances of modern slavery confidentially and without fear of negative repercussions to the person reporting, and our suppliers of goods or services are eligible disclosers. No reports relating to Modern Slavery were received during the reporting period.

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<sup>1</sup> <https://www.jaybro.com.au/pub/media/aboutus/Whistleblower-Policy-V1.0-June-2020.pdf>

## Summary of Activities and Plans

The table below summarises the actions and activities which took place in the current reporting period as well as future plans. Any completed activities from the prior year's statement has been removed.

		ONGOING	IN PROGRESS	COMPLETED	Future Planned Activities
Governance	Develop and implement Ethical Sourcing Policy.			<input checked="" type="checkbox"/>	
	Incorporate modern slavery risks into internal audit program.				
	Monthly reports to Board.				
	Development of risk mitigation strategies to minimize risk to the overall business based on susceptibility to risk factors.				
Risk Identification and Due Diligence	Raise awareness on issues surrounding modern slavery and its risk factors to all levels of the business.				
	Identify Tier 2 and below suppliers based on risks assessed.				
	Provide further training on specific employee roles and responsibilities with respect to modern slavery policy and associated processes.				
	Expand due diligence for new suppliers to determine risk level and control measures.			<input checked="" type="checkbox"/>	
	Implement acknowledgement process for Ethical Sourcing Policy (encompassing Supplier Code of Conduct) for all suppliers.				
	Minimum standards for ethical sourcing issued to new and existing suppliers as part of compliance program.				
	Issue modern slavery survey to all tier 1 suppliers to assist prioritisation of risks.				
	Follow up survey to Tier 1 suppliers.				
	Develop supplier awareness module targeting overseas suppliers				
	Expand existing site audit program to cover supplier			<input checked="" type="checkbox"/>	

		ONGOING	IN PROGRESS	COMPLETED	Future Planned Activities
	risk factors and red flags for modern slavery.				
Risk Management	Develop and implement reporting system for identified cases and/or extreme risk factors or concerns in the supply chain.			☑	
	Ensure awareness, accessibility and assurance of confidentiality for reporting mechanism is communicated to suppliers.	🔄			
	Develop risk analysis procedure for reported incidences.			☑	
	Procure management system platform and automate SAQ scoring to better manage supplier risk assessments			☑	
Remediation	Work with suppliers to remediate any reported incidences	🔄			
	Develop remediation procedure for reported incidences.			☑	
Review of Effectiveness	Develop and implement procedure to review effectiveness of risk management activities.		⌚		
	Annual review of effectiveness of actions with respect to risk minimization.	🔄			
	Develop measurable outcomes or KPI targets to aid review activities				➤➤➤
Improvements	Examine other entity's approaches to aid continuous improvement activities.	🔄			
	Collaborate with suppliers to help identify where the greatest impacts can be made.				➤➤➤
	Develop improvements to system raised from reviews of effectiveness.	🔄			
	Expand Modern Slavery awareness training to induction/onboarding module.		⌚		
	Provide awareness training to suppliers with a commitment to collaborate if cases are found				➤➤➤

## Remediation

The general approach in instances where it was found that the business had caused or contributed to modern slavery, would be to take guidance from the United Nations Guiding Principles on Business and Human Rights, which provides that businesses in this situation need to remediate the impact by taking a person-centred approach protecting the safety, privacy and wellbeing of the affected person. As each situation of Modern Slavery is likely to vary and require different remediation actions, we would undertake a full investigation and develop actions on a case-by-case basis to ensure that actions were appropriate, properly implemented and with measures to prevent recurrence.

As part of the remediation procedure, we have established a list of referral numbers both for Jaybro Group to seek advice as well as to provide victims a support avenue for which further advice and assistance can be sought for locally identified cases including:

To report a crime or suspicion of modern slavery contact the Australian Federal Police (AFP) at <https://www.afp.gov.au/contact-us> or 131 444 who will determine whether criminal conduct has occurred and refer any victims to a government support program

For advice and additional resources:

(UTS) Anti-Slavery Australia +61 2 9514 9660

(UTS) Anti-Slavery Legal Practice +61 2 9514 8115

Domus 8.7: +61 (2) 9307 8464 or [antislavery@sydneycatholic.org](mailto:antislavery@sydneycatholic.org)

Translating and Interpreting Service 131 450

Red Cross Support for Trafficked People Program 03 9345 1800

## Effectiveness of Actions Taken

The processes to review effectiveness of actions were formalized and in the process of implementation during the reporting period. These include audits, establishment of KPI's and review of reported cases if any. During an informal compliance review process, it was recognized that to efficiently classify and handle a large number of supplier questionnaires was not readily achievable via the systems we had in place and hence resulted in engagement of Informed 365 to provide a software management platform to improve our assessment and management of modern slavery risks with both new and existing suppliers. KPI's are in the process of being revised due to the new platform and plans for supplier awareness training modules to be developed which will allow improved tracking of effectiveness.

Challenges identified over the first 2 reporting periods are likely to affect how effectiveness some of the actions are. However, these are being taken into consideration to help shape ongoing strategy to ensure that actions are effective in achieving their outcomes. Some of the key challenges include:

- ❏ Leverage is not equal across all our suppliers and our smaller suppliers often don't necessarily have leverage with their suppliers.
- ❏ Questionnaires are not being answered truthfully or in a manner to avoid any potential issues being flagged.
- ❏ Suppliers apprehensive about impact to their business depending on the way they answer
- ❏ Concern of confidentiality about supplier sources.

The way we assess effectiveness will continue to develop over time particularly as we develop and embed human rights considerations in the way we conduct our day-to-day business.

## Consultation

This Statement has been prepared in consultation with key staff covering areas of Strategic Sourcing, Procurement, Legal, Human Resources, Risk Management and Compliance. This collaboration included the senior executive team representing the reporting entity and each of the entities under its control, thereby ensuring that each of the entities in the Jaybro Group were consulted in relation to this statement.

This Statement was approved by the Board of Jaybro Group Pty Ltd on 30<sup>th</sup> January 2024.

Signed,



Adrian Palumbo  
Chief Executive Officer  
Date: 30<sup>th</sup> January 2024