
MODERN 20
SLAVERY 22
STATEMENT





JOHNS LYNG GROUP

OUR BRAND IS OUR PEOPLE AND OUR CULTURE IS OUR SUCCESS





INTRODUCTION

Modern Slavery Statement FY22

Johns Lyng Group Ltd (The Group, Johns Lyng) is opposed to slavery in all its forms, including: human trafficking; slavery; servitude; forced labour; deceptive recruiting for labour or services; debt bondage; forced marriage; and the worst forms of child labour.

This statement has been prepared in accordance with the reporting requirements of Australia's Modern Slavery Act 2018 (Cth) and associated guidelines (see Annexure). It describes the steps taken by Johns Lyng during the financial year ending 30 June 2022 to assess and address the risk of modern slavery occurring in its operations and supply chains.



BUILDING AUSTRALIA

BUILDING AUSTRALIA

JOHNS LYNG GROUP

ScotchGrip

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Market leading integrated building services group delivering building, restoration and disaster management services

Structure

Johns Lyng is a market leading integrated building services group delivering building, restoration and disaster management services nationally and internationally along with strata management services in Australia. The Group's core business is built on its ability to rebuild and restore a variety of properties and contents after damage by insured events including: impact, weather and fire events.

Beginning in 1953 as Johns & Lyng Builders, initially servicing Melbourne and its surrounding areas, the Group has grown into a diversified international business with over 2,000 employees and a subcontractor base in excess of 10,500.

Johns Lyng has a diversified client base comprising: major insurance companies, insurance brokers, loss adjusters, commercial enterprises, local and state governments, body corporates/owners' corporations and retail customers.

Johns Lyng is listed on the Australian Stock Exchange (ASX) and has its head office in Melbourne. It has majority control over all entities within the Group.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Operations

Johns Lyng's operations fall within four pillars:

- Insurance Building & Restoration Services
- Strata Building and Management Services
- Disaster Recovery and Management
- USA Growth and Reconstruction

Johns Lyng's core business is built on its ability to rebuild and restore a variety of properties and contents after damage by insured events and natural disasters including: impact, weather and fire events. The Group's diversified portfolio of insurance building and restoration services businesses deliver comprehensive work programs across a variety of market segments including: insurance, commercial, industrial and government sectors along with strata management. Johns Lyng also operates a portfolio of complementary commercial building services businesses including: residential and commercial flooring, emergency domestic (household) repairs, retail shop-fitting, HVAC mechanical services, pre-sale property staging and a commercial construction business (Johns Lyng Commercial Builders).

Australia & New Zealand

Johns Lyng's head office is located in Melbourne, with a National footprint in Australia of 38 locations. Johns Lyng continues to maintain its footprint in New Zealand through management of the Global Home Response NZ Limited entity and in FY22 expanded physical presence and operations in Auckland, New Zealand. This part of the Group undertakes insurance repair work and provides a foundation for significant growth and opportunity nationwide in New Zealand.

Bright & Duggan

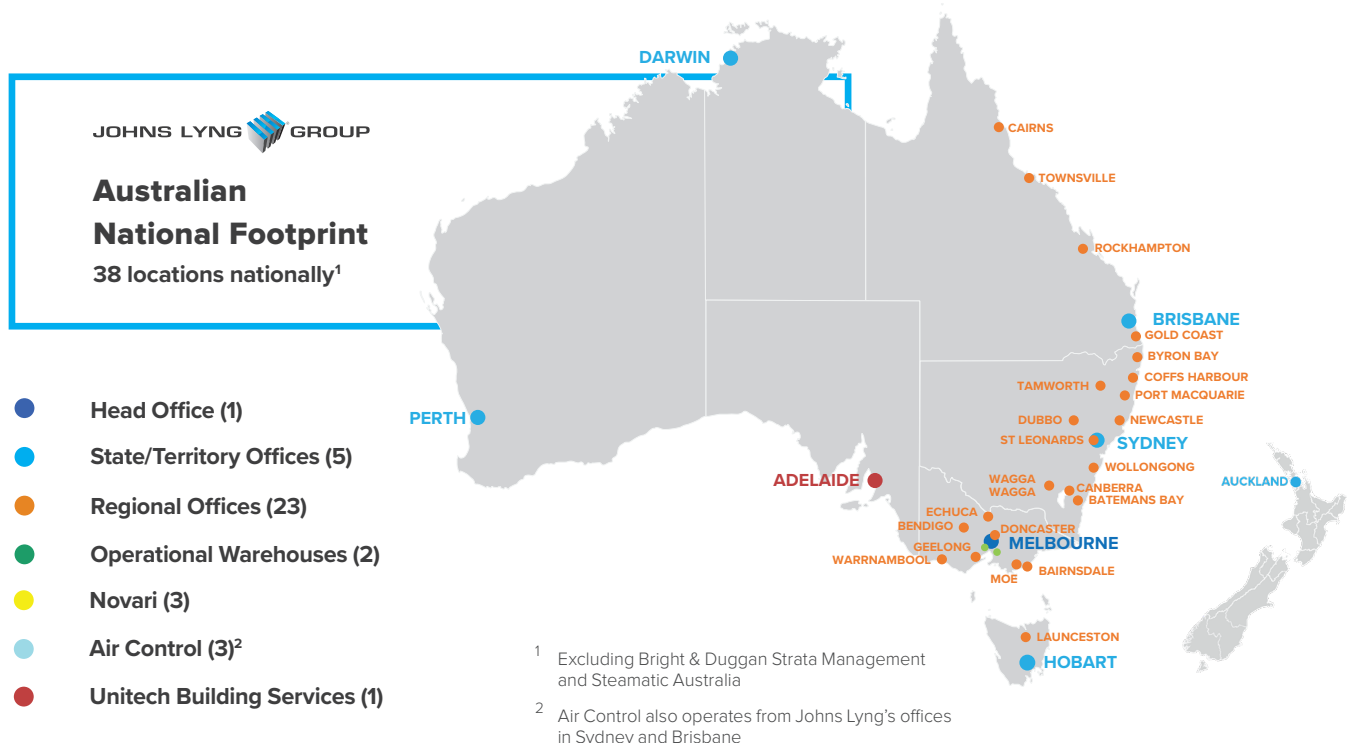
Founded in 1978, Bright & Duggan is a leading strata, facilities and building management business. Following Johns Lyng's initial acquisition of a controlling equity interest in August 2019, Bright & Duggan has made 5 bolt-on acquisitions including:

- Capitol Strata (85% equity interest): 31 January 2020;
- Change Strata Management (100% equity interest): 1 July 2021;
- Structure Building Management (75% equity interest): 1 July 2021
- Shift Facilities Management (75% equity interest): 1 July 2021; and
- BrisBay Strata Management (100% equity interest): 1 September 2021


Bright & Duggan employs more than 320 staff across 17 offices with a portfolio comprising a total of 89,379 lots under strata and/or building management contracts across 3,484 buildings/schemes.

Steamatic Australia

In July 2021, Johns Lyng acquired a 60% controlling equity interest in Steamatic Australia – a leading national restoration services company. Established in 1986 under the Steamatic Inc. master franchise, the business currently employs more than 190 staff and operates a total of 40 locations, including 35 regional franchisees and 5 company-owned metro locations. operates a total of 39 locations including 34 regional franchisees and 5 company-owned metro locations.



Current portfolio under management:

 **89,379**
Lots/Units

 **3,484**
Buildings/Strata Schemes



National Footprint
17 locations nationally



- Bright & Duggan (14)
- Capitol (3)

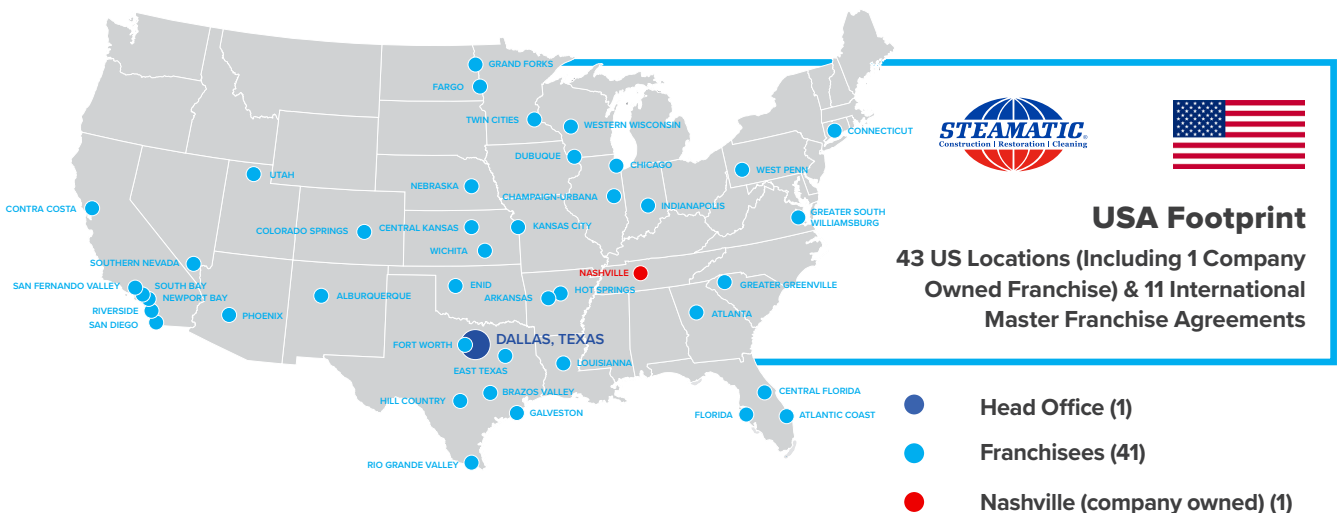
United States

In April 2019, Johns Lyng acquired the trade and business assets of Steamatic Inc. (Steamatic), a US-based fire and flood restoration services company. Established in 1948, Steamatic is a household name in the US market with 42 current US Franchisees (including 1 company owned franchise) and 11 International Master Franchise Agreements. The acquisition provides the Group additional opportunities to introduce existing Johns Lyng core services into the US market through Steamatic, in particular the Group’s insurance building and general contracting businesses.

Reconstruction Experts

On 1 January 2022, Johns Lyng acquired US-based Reconstruction Experts. Established in Colorado in 2001, Reconstruction Experts is a leading provider of insurance focused repair services to residential, commercial and industrial properties in the United States.

Reconstruction Experts currently employs more than 300 people across offices in four states, Colorado, Texas, Florida and California, and is currently authorised to undertake work in a total of 17 states nationally.



Supply Chains

In FY22, the Group had a total supply chain spend of approximately AUD\$611 million with total suppliers numbering 12,226. Of the suppliers active in FY22, just over 7,100 were Australian based contractors providing a range of contractor-based services supporting operations across Johns Lyng’s business divisions. The remaining suppliers totalled over 5,000, which supplied to Johns Lyng a diverse range of goods and services sourced from Australia and internationally.



MODERN SLAVERY RISKS

With the assistance of an independent human rights specialist, Johns Lyng assesses its modern slavery risks on an annual basis with reference to a number of modern slavery risk indices, including the Walk Free Foundation [Global Slavery Index](#), and information supplied to us through our extensive stakeholder networks (e.g. customers, contractors, industry associations and governments).

Operations

In FY22, Johns Lyng has assessed the risk of modern slavery within the Group's operations to be low. The Group has a robust system of HR policies and procedures that ensure compliance with legally mandated employment entitlements and awards across the entire Johns Lyng workforce. The policies apply to all controlled Johns Lyng entities within Australia, New Zealand and the United States.

Supply Chains

The Group's risk assessment found that Johns Lyng may have exposure to modern slavery supply chain risks in two areas:

Contractors

The Group uses contractors in the construction and cleaning sectors. These two sectors are among the sectors identified at risk of forced labour in the Global Slavery Index country profile for Australia on account of the prevalent use of migrant labour. The same sector supply chain risks would also apply to our US and New Zealand operations; and

Procurement of goods and materials

Johns Lyng procures goods and materials directly, through corporate procurement, and Indirectly when Johns Lyng contractors procure materials under works agreements. The Global Slavery Index has identified a [shortlist](#) of 15 imported products common in G20 countries, such as Australia and the United States, which present a risk of forced labour. The Group potentially has exposure to five products on the short list as set out in the table below.

Global Slavery Index: Products at Risk of Forced Labour	Direct Johns Lyng Group Exposure
Cotton	Raw material used in manufacturing of uniforms, workwear, PPE
Apparel	Uniforms, workwear, PPE
Electronics	IT, computers, tablets, phones
	Indirect Procurement Exposure (via Johns Lyng Contractors)
Bricks	Construction and building materials
Timber	Construction and building materials

RISK MITIGATION ACTIONS

In the previous financial year (FY21), Johns Lyng commenced implementation of a roadmap to mitigate the risk of modern slavery within the Group's operations and supply chains. This included the adoption of a new Supplier Code of Conduct setting out minimum standards for Johns Lyng suppliers in the area of modern slavery, as well as other social and environmental issues. [See here](#). The Code is applicable to all suppliers of the goods Johns Lyng use in its operations, service providers and the contractors engaged to undertake work for and on behalf of the Group.

In addition, the Group identified modern slavery risk criteria which were integrated into due diligence processes prior to all new acquisitions.

In FY 22, Johns Lyng Group took a number of actions to strengthen modern slavery risk mitigation, including:

- **New acquisition due diligence:** In accordance with due diligence processes developed under the modern slavery road map, modern slavery risk was considered in all new acquisitions commencing 1 July 2021. During this financial year, seven key acquisitions were conducted.
- **Contractor management:** Increased focus on contractor compliance and qualification in conjunction with the release of the Group's Supplier Code of Conduct.
- **Contractor education & training:** System enhancements were undertaken to the Johns Lyng QIN Codesafe training platform and Easybuild contractor onboarding platform to better manage compliance. This includes annual flags to ensure up to date and compliant training for staff and contractors, including content pertaining to Modern Slavery and broader CSR initiatives.

ASSESSING EFFECTIVENESS

Responsibility for assessing and addressing modern slavery risks has been assigned to Johns Lyng's National, HSE Risk and Compliance Manager under the oversight of the CEO Johns Lyng Group Australia and the Board's Risk and Compliance Committee.

The Group's modern slavery risk management approach is reviewed annually and reported to the Board's Risk and Compliance Committee.

In FY23, an update of the Group's modern slavery risk assessment and roadmap will be undertaken to take account of operational and supply chain changes arising from the Group's growth strategy and USA expansion. This will include an assessment of the effectiveness of the Group's modern slavery risk mitigation processes.

CONSULTATION WITH ENTITIES OWNED OR CONTROLLED

Johns Lyng consulted with the relevant companies it owns or controls in the development of this statement.

This statement was approved by the Johns Lyng Group Board on 8 December 2022 .



Peter Nash
Chairman



Scott Didier AM
Managing Director

MODERN SLAVERY ACT 2018 (CTH) STATEMENT ANNEXURE

Mandatory reporting criteria required by Modern Slavery Act 2018

Johns Lyng Group Ltd Modern Slavery Statement

Identify the reporting entity

Section 1

Describe the reporting entity's structure, operations and supply chains

Section 2

Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls

Section 3

Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

Section 4

Describe how the reporting entity assesses the effectiveness of these actions

Section 5

Describe the process of consultation with any entities the reporting entity owns or controls

Section 6

Any other information that the reporting entity, or the entity giving the statement, considers relevant.

N/A

JOHNS LYNG  GROUP

MODERN SLAVERY STATEMENT

JOHNS LYNG GROUP LIMITED