

**BMD Group**  
Modern Slavery Statement  
2021 - 2022



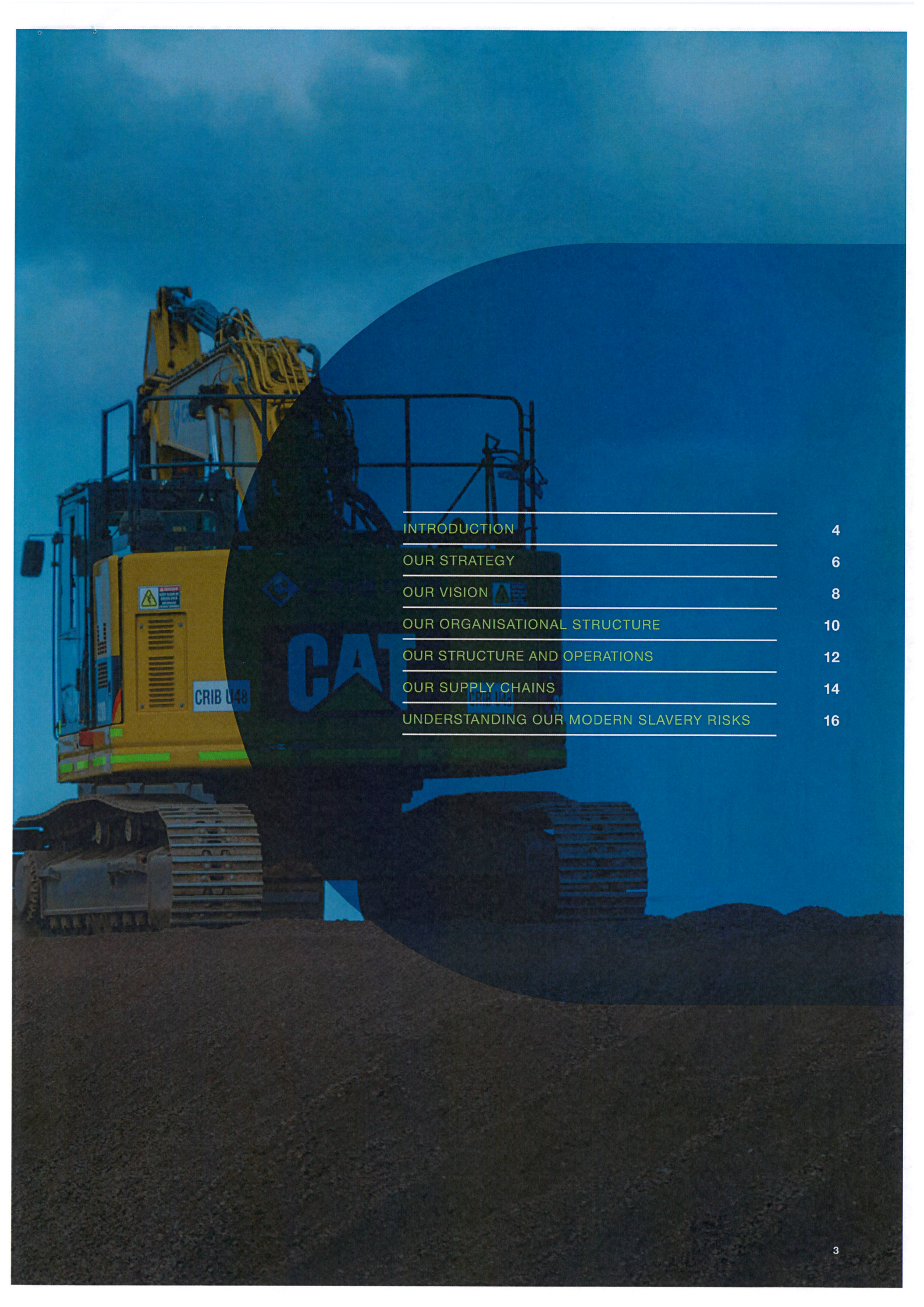
OUR BUSINESS IS OUR PEOPLE



# ACKNOWLEDGEMENT OF COUNTRY

The BMD Group acknowledges the Traditional Custodians of the lands in which we operate and pay respect to Elders past, present and emerging.





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**A MESSAGE  
FROM THE CEO AND  
GROUP DIRECTOR**

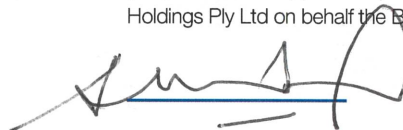
**BMD has grown from a small, Queensland family business to become Australia's largest privately-owned construction, consulting, and urban development organisation. Despite our growth, our unique Australian owned and family heritage has remained, and our business will always truly be about our people.**

Our business model is made a reality by the exceptional people who form part of the BMD family. At BMD, our business is our people. It is our talented people whose daily contribution allows us to deliver for our clients and the communities in which we operate, and to embark on exciting new growth. I am immensely proud of each BMD family member who continue to rise to the challenges with strength, commitment and loyalty.

We are committed to a family-orientated culture where everyone belongs. We pride ourselves on building a culture with high engagement and empowering our people to build long careers with us because they enjoy what they do and are challenged. Our value system, unique culture and commitment to our people guides everything we do. We strive to deliver progressive infrastructure that connects communities. The powerful combination of our capability, vision and values allows our people to deliver city shaping infrastructure, achieve great outcomes for our clients, and consistently grow our business.

It is due to our values, culture, and commitment that we are pleased to support efforts to protect human rights and prevent modern slavery from ever taking place in our operations and supply chains. We are and will continue to remain vigilant to ensure modern slavery never takes a foothold in our business operations.

We welcome the transparency of this annual reporting statement which we provide in accordance with the Modern Slavery Act 2018 (Cth). It has been approved by the Board of Directors of BMD Holdings Pty Ltd on behalf the BMD Group of companies (BMD).



**SCOTT POWER**

Group Director  
Chief Executive Officer

# OUR STRATEGY

GUIDES WHAT WE DO

## PILLARS OF PEOPLE, PROCESS AND PERFORMANCE



**BMD's involvement in some truly nation building projects assisted us in catapulting from a small Queensland family business to become Australia's largest privately owned civil contractor.**

Our point of difference is in our ability to deliver major and minor infrastructure, and urban projects through our integrated business model; together with our financial strength, 43-year track record and self-performing capability.

With investment in infrastructure continuing to boom, there has been enormous pressure on our industry as we compete for materials, equipment and resources.

There has never been a more important opportunity for BMD to focus on not only attracting and retaining new talent but ensuring that as a business we are doing everything possible to support our people towards achieving success.

As we continue to grow to deliver the construction pipeline ahead, our business strategy with the pillars of people, process and performance, will be vital to our continued success.

We are focused on learning and development, ensuring that our policies and practices are such that we can support a more diverse workforce and adapting to change through technology.

Business resilience through the implementation of our strategy will empower our people to contribute to the BMD way of doing things differently by embedding our values into everything that we do.





# OUR VISION

## GUIDES HOW WE DO IT

Our value system, unique culture and commitment to our people is what makes us different and guides everything we do. We strive to deliver progressive infrastructure that connects communities. The powerful combination of our capability, vision and values allows our people to deliver city shaping infrastructure, achieve great outcomes for our clients, and consistently grow our business.

WE SEE THINGS DIFFERENTLY





# OUR VALUES

## FAMILY

We are proud of our family company heritage. This heritage means we value each individual, we respect and encourage diversity, and we create and promote a sense of belonging.

## EMPOWERING

We empower our people to develop the self-belief that will enable them to realise their potential. The resulting flexibility, initiative and responsiveness sustain our business growth and success.

## DETERMINED

We persist despite the obstacles. We celebrate effort as well as achievement and we are tenacious in our pursuit of the objective.

## COLLABORATIVE

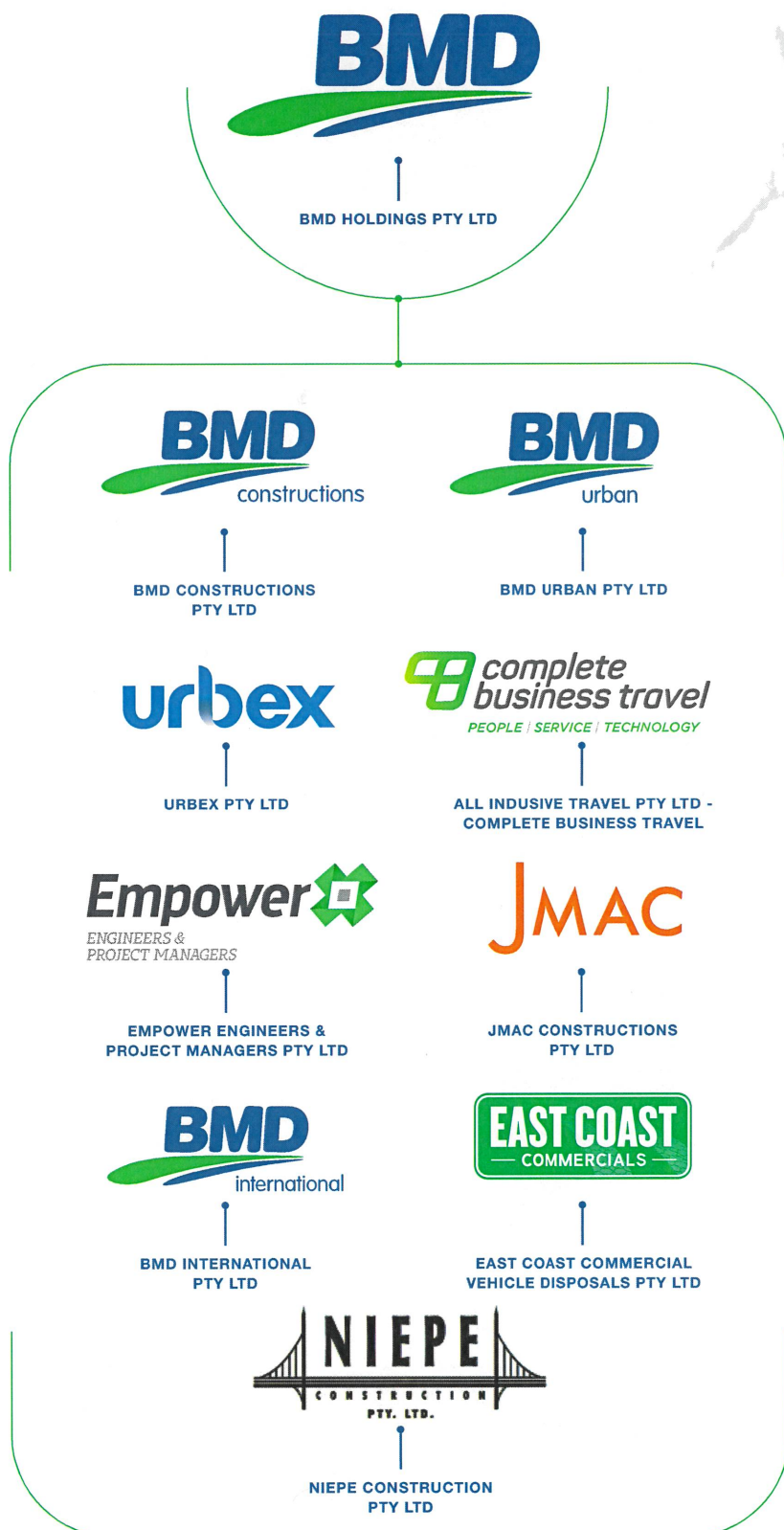
We work as a team in the belief that collaborative achievement results in creative relationships of long-term mutual benefit. Our no-blame culture focuses on finding what works best, sharing success and enjoying the experience.

## STRIVING TO DO BETTER

We aspire to be the best at what we do through fresh thinking, hard work, continual learning and a shared sense of purpose. We take great pride in our achievements.

# OUR ORGANISATIONAL STRUCTURE

 1450



DARWIN  
OFFICE



TOWNSVILLE  
OFFICE

MACKAY  
OFFICE

EMERALD  
OFFICE

GOLD COAST  
OFFICE

BRISBANE  
OFFICE

TOOWOOMBA  
OFFICE

ADELAIDE  
OFFICE

SYDNEY  
OFFICE

CANBERRA  
OFFICE

MELBOURNE  
OFFICE

GEELONG  
OFFICE

SEAFORD  
OFFICE

HOBART  
OFFICE

# OUR STRUCTURE AND OPERATIONS

**BMD employs over 1,800 people in addition to many more who are engaged by our subcontractors, suppliers, consultants, and advisors. Our business is our people and we are proud of the long-standing relationships we have built through our over 40 year history.**

**As people are at the core of everything we do, it is our duty to ensure our employees and those within our supply chain are paid and treated fairly.**

## **BMD HOLDINGS PTY LIMITED (PARENT)**

### *Company*

The parent company of a national group of companies engaged in engineering, design, construction and land development for clients and partners in the urban development, transport infrastructure as well as resources and energy sectors.

## **BMD CONSTRUCTIONS PTY LIMITED**

### *Company*

Involved in the provision of major civil construction services for the delivery of infrastructure projects across the transport, defence, rail, port, resources and oil and gas industries.

### **BMD URBAN**

#### *Company*

Our urban division delivers civil infrastructure for clients nationally across a range of sectors, with capabilities including earthworks, pavements and pipeworks.

### **EMPOWER ENGINEERS & PROJECT MANAGERS PTY LTD**

#### *Company*

Design and project management consultancy utilised by external and internal BMD clients.

### **JMAC CONSTRUCTIONS PTY LTD**

#### *Company*

JMac specialises in all aspects of landscape and building construction including residential, commercial, industrial, public infrastructure, environmental rehabilitation and long term care and maintenance.

### **URBEX PTY LTD**

#### *Company*

Property development arm of BMD and creator of innovative living environments and communities.

### **BMD INTERNATIONAL PTY LTD**

#### *Company*

Shareholding entity for overseas activities, if and when applicable.

### **PRIME BMD**

#### *Company*

Operating in the Philippines, Prime BMD is 60% owned by Prime Metroline Holdings Inc and 40% owned by BMD.

### **ALL INCLUSIVE TRAVEL PTY LTD**

#### *Company*

Corporate travel agency.

### **EAST COAST COMMERCIALS**

#### *Company*

Vehicle dealer and retailer.

### **NIEPE CONSTRUCTION**

#### *Company*

A civil structures subcontractor.

# OUR SUPPLY CHAINS



**BMD seeks to do business with suppliers who have similar values, ethics, and sustainable business practices, including in relation to human rights, and understands that the risks relating to suppliers will vary depending on industry, geographic location, and company size.**

BMD seeks compliance with modern slavery legislation from suppliers through acceptance of the terms and conditions included within supplier, contractor, and/or consultancy agreements, and via the raising of purchase orders.

The procurement of suppliers and materials is common to all of our operations. However, BMD is mainly focused on its engineering and construction business which has a complex supply chain structure to support the differing purposes of each entity. Regardless, all our operations need to act in accordance with our corporate values. All our employees have a responsibility to prevent, identify, and report on concerns they may have in relation to modern slavery within BMD's operations and supply chains.

In the 2022 financial year, BMD (excluding Urbex and Empower Engineers & Project Managers which have minimal procurement spend apart from staffing), spent approximately \$1.14 billion on purchasing products and services from in excess of 6000 subcontractors, suppliers and consultants.

Goods and services purchased included construction materials, uniforms, personal protective equipment, stationery, machinery, equipment hire, car and fleet leasing, design and architecture, communications, traffic management, security, waste, recycling, information technologies, insurance, legal and environmental products.

The vast majority of BMD's direct suppliers are located in Australia, with nominal overseas procurement. The main product sourced internationally by BMD is steel, which accounted for 0.5% of total procurement.

**The main types of goods and services procured by BMD include:**

- 1. Labour – including contractors and labour hire in accordance with all Commonwealth and State/Territory laws and requirements**
- 2. Materials – such as quarry products, concrete, and asphalt**
- 3. Plant and equipment.**



# UNDERSTANDING OUR MODERN SLAVERY RISKS

**As the key business operations of BMD involve engineering, construction, and use of natural resources, BMD acknowledges the risk of modern slavery within its supply chains, which although low, need to be monitored and managed.**

The overwhelming majority of BMD's workforce is located in Australia and protected by Federal and State/Territory laws pertaining to industrial relations, work health and safety, and human rights. Compliance with such laws is also complemented by BMD's own policies and procedures in areas such as human resources, workplace inclusion and diversity and industrial relations management which often exceed minimum lawful standards.

BMD's procurement of goods and services from direct suppliers, as a percentage of total expenditure, is approximately 99.8% sourced from the Australian market and such suppliers are subject to compliance with Australian laws which do not invoke modern slavery practices.

As a consequence, BMD has determined its operations and supply chains are at low risk of causing or contributing to modern slavery.

However, although minimal there is the potential risk of modern slavery through exposure to international supply chains. Modern slavery practices may occur in the activities of BMD's overseas suppliers or alternatively through local suppliers who may source components of their supply from overseas.

**BMD has identified the following goods and services as representing a heightened risk of modern slavery:**

- ▼ certain information and communication technologies (ICT) equipment
- ▼ uniforms and personal protective equipment
- ▼ stationery supplies
- ▼ casual labour-hire undertaken on a project-specific basis.







# ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

**BMD has risk management processes to assist in identifying areas of concern to allow mitigating action to be taken to lessen these risks, including:**

1. BMD's Modern Slavery Policy outlining BMD's commitment to preventing, detecting, and reporting the risk of slavery or human trafficking within BMD's operations and supply chains;
2. The provision of mandatory modern slavery clauses in all procurement contracts such as purchase orders, labour hire contracts and subcontractor/supplier agreements. These provisions are extensive and provide for significant warranties from suppliers and subcontractors that they are not just complying with modern slavery laws but placing a positive obligation upon them to advise BMD of any breaches or potential breaches of the law and authorising BMD to undertake audits and checks to ensure they are complying with their contractual and legal obligations in relation to modern slavery practices;
3. Due diligence processes when taking on new suppliers, including verification and audit checks;
4. Highlighting its Code of Conduct for suppliers, which details the expectations on all suppliers in relation to preventing modern slavery;
5. The existence of its Serious Misconduct Disclosure Policy, which enables all employees to comfortably and confidentially report any concerns they have relating to modern slavery in BMD's operations and supply chains;
6. A supplier questionnaire which is sent to high-risk suppliers to ensure compliance with BMD's and the supplier's contractual and lawful obligations;
7. Modern slavery training for all employees highlighting the practices which may constitute modern slavery and how to manage the risks faced by BMD; and
8. Additional modern slavery workshops with relevant staff in finance, legal, and procurement roles on due diligence processes to ensure compliance.

BMD also has a Legislative and Regulatory Compliance Committee ("the Committee") that meets quarterly. The Committee members include:

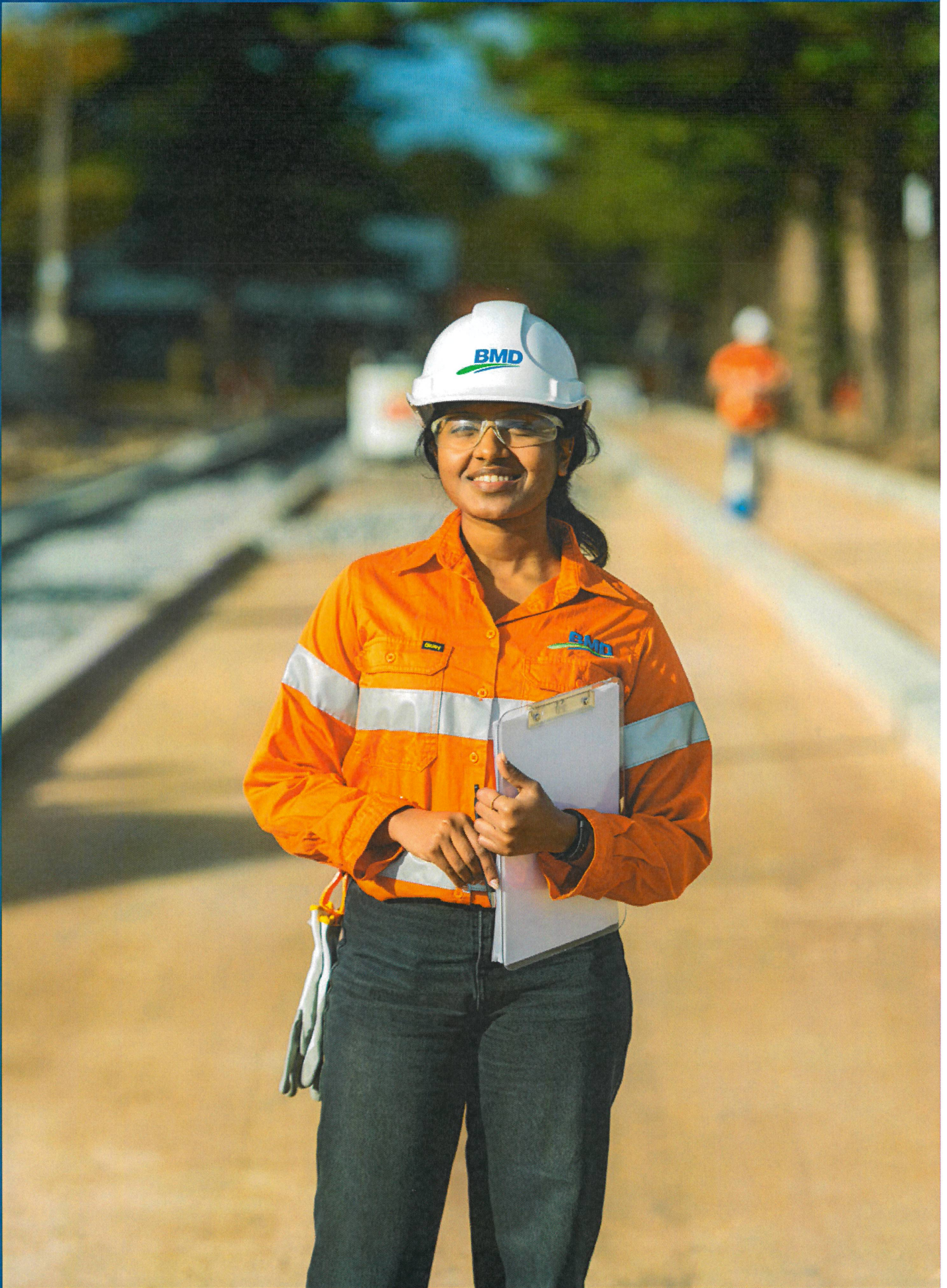
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- ▼ National General Manager Commercial and Risk (Chair)
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- ▼ General Counsel
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- ▼ General Managers (or delegates) from BMD Constructions, BMD Urban, Urbex, JMac, Procurement and Finance.
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The Committee tracks and considers Modern Slavery legislation and related issues that impact across all of BMD.

## REMEDICATION

After receiving any report of a modern slavery incident, the Committee will meet to prepare a report to the BMD Group Board including potential remediation strategies. The main form of action may include reviewing and improving existing policies and procedures; additional employee and supplier education programs; more detailed surveys and auditing; and ceasing relevant activities including terminating contracts with non-complying suppliers.





# ASSESSING THE EFFECTIVENESS OF ACTIONS TAKEN

In the 2022 financial year, the BMD Group continued to foster its relationships with its suppliers to gain a better knowledge and understanding of their businesses to ensure that any potential risks of modern slavery occurring within a supplier's operations could be addressed and dealt with as quickly as possible. It continued the momentum commenced with its survey of its suppliers in FY21 to build its oversight of its supply chain compliance.

For the foreseeable future, it will conduct an annual compulsory survey of suppliers of differing goods and services on a rotational basis as a component of risk assessment of modern slavery.

BMD will continue to review the effectiveness of its actions and process to address modern slavery concerns and risks through the auspices of its Legal and Regulatory Compliance Committee.

The Legal and Regulatory Compliance Committee formally reports to the BMD Group Board on an on-going basis and will include, as appropriate, in each report to the Board an update on modern slavery risks and compliance.

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# CONSULTATION PROCESS

BMD have implemented a Modern Slavery Policy which outlines BMD's commitment to prevent, detect, and report the risk of slavery or human trafficking within its operations and supply chains. This Policy also articulates the fundamental elements of BMD's approach to human rights, and how BMD demonstrates its commitment to respect human rights in line with international frameworks.

This Policy applies to all directors, senior management and employees, full-time, part-time, and casual, at every level of BMD, while engaged with any member of BMD, and is applied in addition to BMD's existing Employee Handbook, which is limited to the conduct of employees in relation to dealings with clients, colleagues and other stakeholders.





**As BMD continues to grow,  
so does our commitment  
to continuous improvement  
and playing our part in the  
prevention of modern slavery  
in the foreseeable future.**

WE SEE THINGS  
DIFFERENTLY

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