



# MODERN SLAVERY STATEMENT 2024

Finbar Group Limited  
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## IDENTIFYING THE REPORTING ENTITY

Finbar Group Limited (ACN 009 113 473) is an Australian company, publicly listed on the Australian Securities Exchange (ASX: FRI). The address of the Company's registered office is Level 6, 181 Adelaide Terrace, East Perth WA 6004.

This statement is made in respect of Finbar Group Limited and its wholly owned subsidiaries (together referred to as 'Finbar' and individually as 'Finbar entities'). The Group is a for-profit entity and is primarily involved in residential property development and property investment. Please refer to Appendix A for a list of Finbar entities.

This statement has been developed in accordance with the requirements of the *Modern Slavery Act 2018* (Cth) (the Act). The purpose is to identify, assess and address modern slavery risks in its operations and supply chain for the reporting period from 1 July 2023 to 30 June 2024.

Finbar respects the human rights of every person involved in its operations, supply chain and the community in which it operates. It does not accept any form of modern slavery in the conduct of its operations and in its supply chain.

Finbar is committed to ensuring that all stakeholders are treated fairly, ethically and with respect. It is cognisant of its objective of minimising and not contributing to modern slavery risk through its operations, supply chain and business dealings.

## STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Finbar's core business lies in the development of medium to high density residential apartments and commercial property within the state of Western Australia. Finbar carries out its development projects through wholly owned subsidiaries, development agreements with landowners and equity accounted investees.

Finbar operates predominantly within the central suburbs of the Perth metropolitan area. As at 30 June 2024, Finbar employed 28 staff in its corporate offices in East Perth, Western Australia and 1 staff member in the regional Karratha office. All work undertaken is administrative or managerial in nature. All employees are directly employed by Finbar Group Limited.

Finbar completed Civic Heart in South Perth during the reporting year. Focusing on its main principal activity, construction completed at The Point in Rivervale and Aurora in Applecross post year end. Construction continues to progress at Garden Towers East Perth into the next reporting year. Finbar also holds residential property investments in Karratha as well as commercial property investments in Karratha, South Perth and East Perth.

Finbar's project development process includes land acquisition, development, marketing and selling of the real estate properties. Other revenue streams include project management fees, property management fees and sales commission income.



## IDENTIFYING RISKS OF MODERN SLAVERY

All Finbar entities are Australian companies which are solely based and operate in Western Australia. All 29 Finbar employees are skilled professionals and personnel employed to undertake administrative functions, whose roles are primarily office based. The employees are employed directly by Finbar Group Limited under permanent full time or permanent part time contracts which significantly lowers the risk of modern slavery. Finbar has implemented systems, standards and the environment to ensure that terms and conditions of employment engagement meet or exceed legislative requirements in Western Australia.

During the 2024 reporting period, Finbar continued to send Modern Slavery Self-Assessment Questionnaires (SAQ) to its suppliers as part of the onboarding process. Though this process was helpful in assessing our supply chain risk, it was considered inefficient and time consuming due to the manual process. As a result, in July 2024, Finbar introduced iPRO modern slavery software to assess modern slavery risks in our supply chain.

iPRO has fully replaced the SAQ. The software allows Finbar to assess the modern slavery risk of suppliers using its Modern Slavery Assessment Tool (MSAT). The MSAT requires suppliers to complete a self-assessment questionnaire online. After each supplier completed and submitted the questionnaire, their responses were assessed to determine their modern slavery risk scores and associated risk category. This approach allows for a more consistent and standardised analysis of our suppliers.

Based on the completed supplier assessments (for suppliers from July 2023), Finbar's supplier risk scores can be seen in the scatter chart below:

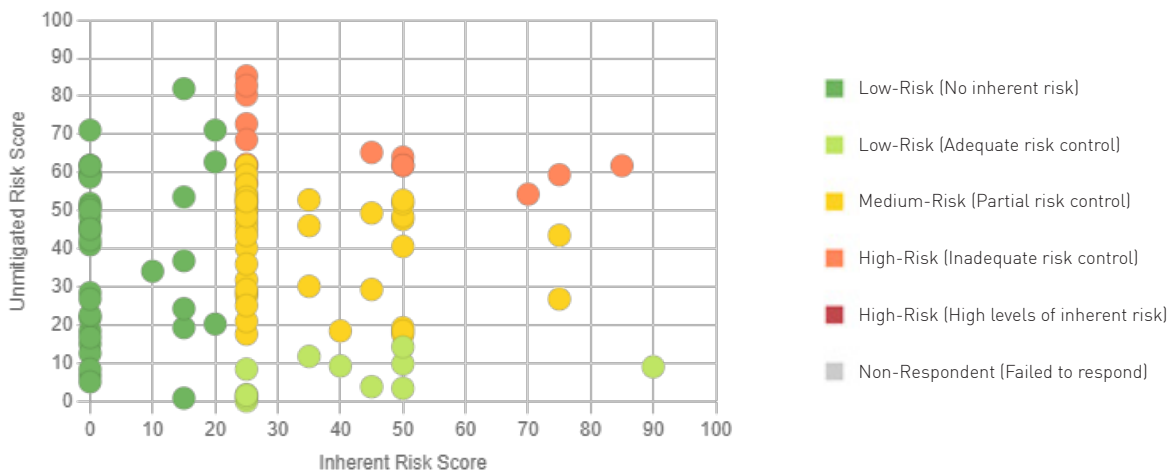


Figure 1 – Scatter chart of supplier risk scores

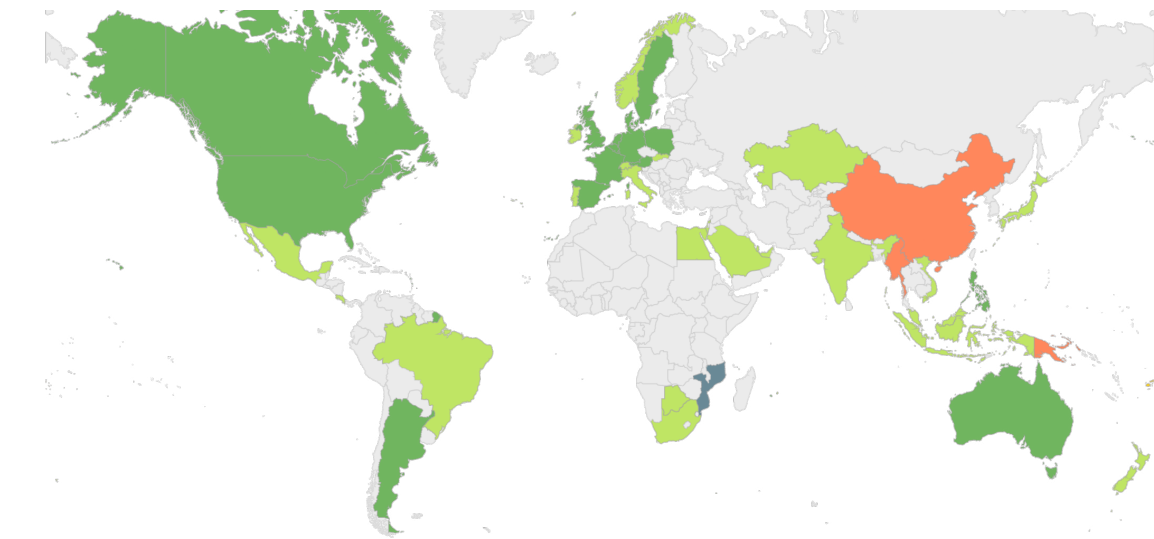
The majority of Finbar's suppliers are within the low to medium risk category (left and green/yellow). Suppliers that had a combined high inherent and unmitigated risk score were reviewed to ensure consistency with our understanding of their operations, and if any further action is required to reduce overall risk.

Lower scores mean that fewer risks have been identified during the assessment. A supplier can have a high inherent risk score but a low unmitigated risk score if they have proper policies, processes, and procedures to mitigate the inherent risk identified in their business.

**Inherent Risk Score** is the risks inherent to a supplier's operations, production, and sourcing. The Inherent Risk Score was calculated based on the geographical, type of goods, industry sector, and workforce parameters that the supplier indicated in the Modern Slavery Assessment Tool (MSAT).

**Unmitigated Risk Score** is based on the policy and procedure responses on the questionnaire. A supplier's Unmitigated Risk Score determined whether they were categorised as having inadequate, partial, or adequate risk control.

Figure 2 below is a map of our suppliers' countries or regions of operation, overlaid with the Trafficking in Persons Report tiers.



**■ Tier 1**

Countries and regions whose governments, at the date of this assessment, fully meet the Trafficking Victims Protection Act's (TVPA) minimum standards.

**■ Tier 2**

Countries and regions whose governments, at the date of this assessment, do not fully meet the TVPA's minimum standards, but are making significant efforts to meet those standards.

**■ Tier 2WL**

Countries and regions whose governments, at the date of this assessment, do not 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**

At the date of this assessment, insufficient information is available about these countries or regions and a tier has not been assigned.

Figure 2 – Supplier countries by risk tier

As observed in the map above, the majority of Finbar's suppliers have operations in countries classified as 'Tier 1 and Tier 2' (green). The majority of suppliers are local which predominantly provide professional consultancy expertise with relatively small teams, personalised and collaborative services. Finbar staff generally have direct interactions with the consultant or labourer via site visits, inspections and face-to-face meetings.

Building, architectural and marketing services are the main services involved in Finbar's business. Finbar outsources these services to qualified and professional long-standing external contractors. This stable affiliation provides greater control, transparency and trust over the engagement of the services provided.

The majority of Finbar's spend (79%) relates to an exclusive builder for construction of apartment buildings. Finbar acknowledges that the builder's supply chain involves imported materials and engages labour through third-party providers and subcontractors. The workforce includes higher rates of migrant and unskilled labour which indirectly increases the risk of modern slavery. The labour arrangement is inevitable due to the cyclical nature of the construction industry. Finbar does not have direct supervision over the third-party workforce or transparency over the terms and conditions of their engagement. Finbar has had discussions with the builder regarding its policies and supply chain. No evidence of modern slavery was identified in their operations and supply chain. This review has mitigated Finbar's risk of operation from its most significant contractor.

We have a small number of suppliers operating in China, Papua New Guinea and Myanmar which are considered high-risk jurisdictions due to minimum government effort in enforcing the Trafficking Victims Protection Act. Accordingly, Finbar has reviewed each of the suppliers operating in these countries to ensure their nature and risk ratings are consistent with our business understanding to minimise modern slavery risks.

The implementation of iPRO software has enabled Finbar to gain more visibility on our suppliers in terms of which sectors they operate in and which locations they produce and source goods from. The software has allowed Finbar to adopt a standardised procedure that can be applied to all our suppliers whilst also improving our ability to identify and address potential risks within our supply chain. It also utilises benchmarking and KPI's to assess the effectiveness of our actions, which assists our aim of continuously improving in future reporting periods.

## TAKING ACTION AGAINST MODERN SLAVERY

To date, the Group has not identified any instances of modern slavery in its operations or supply chain and is committed to addressing risks of modern slavery to which it may be exposed.

Finbar has established an Anti-slavery Committee that is responsible for managing risks of Modern Slavery within the Group. The Committee is comprised of the Company Secretary (reporting to the Board), the Chief Operating Officer, the Development Manager and the General Manager of Project Coordination. The committee reports half yearly to the Board advising progress, particularly of the data gathered from the Group's suppliers and its risk assessment.

Finbar recognises that continuous improvement is key to reducing the risk of modern slavery. During the reporting period 2024, Finbar has undertaken the following actions:

- Implemented the iPRO modern slavery software during the reporting period. Each organisation that completed the assessment questionnaire was given an Inherent Risk Score and Unmitigated Risk Score, with an Aggregate Risk Score calculated and presented to Finbar. We utilise the benchmarking and KPI's in the iPRO Modern Slavery Assessment Tool to assess the effectiveness of our actions;
- Critically reviews and assesses the risk of modern slavery on returned assessment and persistently follows up for a response on higher risk and material suppliers which includes seeking explanation on non-conformance;
- When deemed required, Finbar will proactively discuss and request more information to make its own evaluation based on its internal parameters and understanding;
- If Finbar becomes aware of a supplier engaging in modern slavery, Finbar will cease engagement and association with the supplier immediately; and
- Instil awareness in employees and suppliers in respect of risks of modern slavery, actions that can be taken at the times of procurement to minimise the risks and available reporting mechanisms.

## MEASURING EFFECTIVENESS

As Finbar implements the abovementioned framework for identifying, assessing and addressing risks of modern slavery, it is committed to continuously reviewing and enhancing its approach in monitoring the outcome of its actions and its effectiveness.

Finbar measures the effectiveness of its action via:

- The supplier participation and completion rate of the Modern Slavery assessment questionnaire;
- Industry benchmarking of KPI's (Inherent Risk Score, Unmitigated Risk Score and Aggregate Risk Score) via iPRO (refer to Figure 1). We aim to continuously improve on these KPI's;
- Regular risk management review and supplier response assessment by the Anti-Slavery Committee;
- Educating employees and suppliers on the importance and understanding of anti-slavery reporting mechanisms;
- Identification and collaboration with industry groups or communities of interest who are engaged in identifying risks of modern slavery; and
- Continuously reviewing and identifying areas for improvement in our processes and controls of modern slavery.

## GROUP CONSULTATION

The Group is managed by common office holders with shared functions, resources, systems and policies across the Group. This has facilitated the assessment process ensuring that actions taken to identify and address modern slavery risks are consistent across the Finbar entities.

## APPROVAL

This statement was approved by the Board of Finbar Group Limited on 29 November 2024.



Darren John Pateman

*Managing Director of Finbar Group Limited*

## APPENDIX A

This statement applies to Finbar Group Limited (Parent company) and its wholly owned subsidiaries. The Finbar entities for the reporting period ended 30 June 2024 are listed below. The address of the registered office for all entities is Level 6, 181 Adelaide Terrace, East Perth WA 6004.

Company	Ownership Percentage	Country of Incorporation	ACN
Finbar Group Limited	N/A (Parent)	Australia	009 113 473
1 Mends Street Pty Ltd	100	Australia	600 082 111
2 Homelea Court Springs Pty Ltd	100	Australia	166 992 123
31 Rowe Avenue Pty Ltd	100	Australia	162 808 951
32 Riversdale Road Pty Ltd	100	Australia	608 160 354
36 Chester Avenue Pty Ltd	100	Australia	147 167 084
43 McGregor Road Pty Ltd	100	Australia	167 107 075
5-7 Harper Terrace Pty Ltd	100	Australia	600 071 056
63 Adelaide Terrace Pty Ltd	100	Australia	600 029 070
88 Terrace Road Pty Ltd	100	Australia	123 678 491
175 Adelaide Terrace Pty Ltd	100	Australia	120 144 934
239 Great Eastern Highway Pty Ltd	100	Australia	166 919 508
241 Railway Parade Pty Ltd	100	Australia	165 413 016
Finbar Applecross Pty Ltd	100	Australia	613 769 734
Finbar Commercial Pty Ltd	100	Australia	637 052 861
Finbar Finance Pty Ltd	100	Australia	124 752 647
Finbar Fund Pty Ltd	100	Australia	600 378 783
Finbar Karratha Pty Ltd	100	Australia	142 784 192
Finbar Port Hedland Pty Ltd	100	Australia	159 884 652
Finbar Project Management Pty Ltd	100	Australia	111 730 208
Finbar To Rent Pty Ltd	100	Australia	629 248 282
Finbar Sales Pty Ltd	100	Australia	640 562 778
Finbar Sub 104 Pty Ltd	100	Australia	608 161 057
Finbar Executive Rentals Pty Ltd	100	Australia	630 981 225
Lot 1 to 10 Whatley Crescent Pty Ltd (Deregistered on 29 November 2023)	100	Australia	112 308 933

# STATEMENT ANNEXURE

## Principal Governing Body Approval

This statement was approved by the Board of Finbar Group Limited in their capacity as principal governing body of Finbar Group Limited on 29 November 2024.

## Mandatory Criteria

The following criteria indicates the page number of this statement that addresses each of the mandatory criteria in Section 16 of the Act:

Mandatory Criteria	Page
Identify the reporting entity.	2
Describe the structure, operations, and supply chain of the reporting entity.	2
Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity, and any entities that the reporting entity owns or controls.	3-5
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	5
Describe how the reporting entity assesses the effectiveness of such actions.	6
Describe the process of consultation with any entities that the reporting entity owns or controls.	6
Any other information that the reporting entity considers relevant.	7