

Police & Nurses Limited

Trading as P&N Bank and BCU Bank
ABN 69 087 651 876

Modern Slavery Statement

REPORTING PERIOD

1 July 2024 – 30 June 2025



This Modern Slavery Statement has been approved by the Board of Police & Nurses Limited ABN 69 087 651 876 as the reporting entity's principal governing body on 9th December 2025.

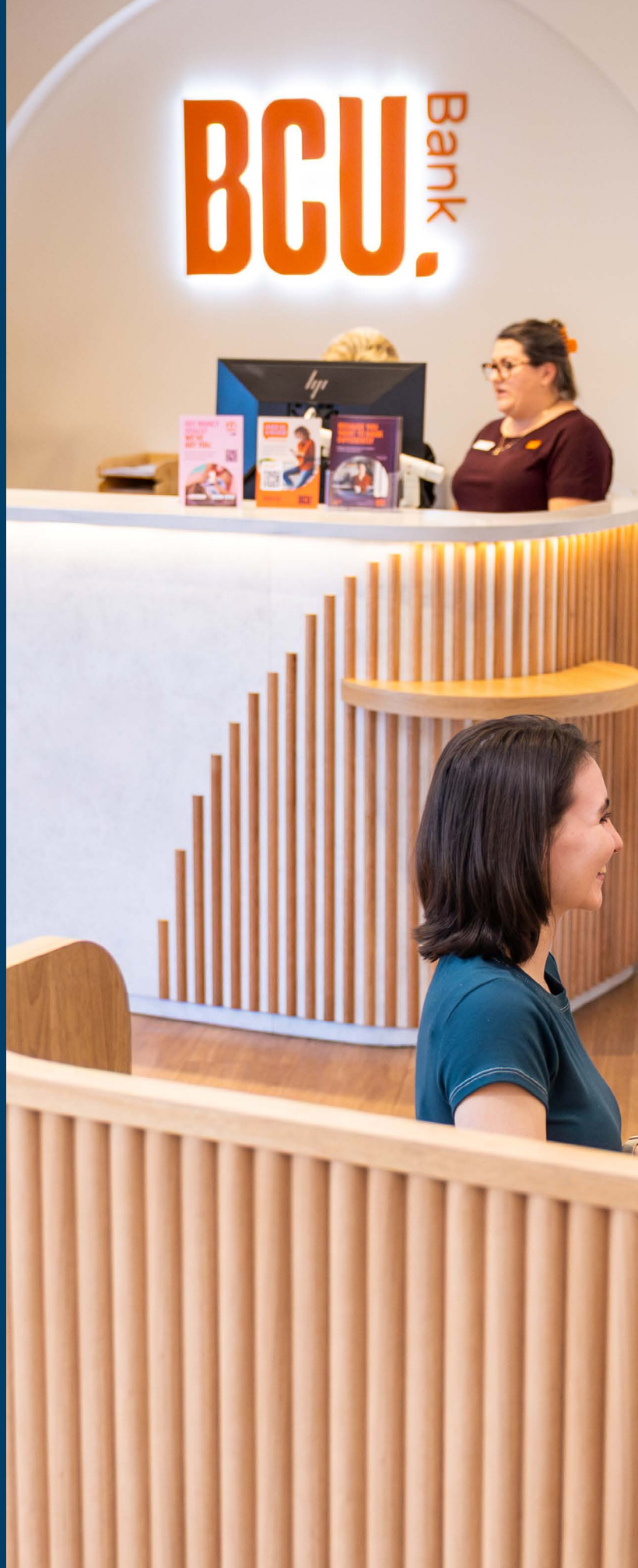
Pursuant to the requirements of the *Modern Slavery Act 2018* (Cth), the contents of this Statement have been reviewed and confirmed as accurate by a duly authorised person.

This Statement is signed by Andrew Hadley as the Managing Director and Chief Executive Officer on 9th December 2025.



Andrew Hadley
Managing Director and CEO P&N Group
9 December 2025

P&N Group respectfully acknowledges the Traditional Custodians of the lands on which we operate and pay respects to Elders past and present. Our registered office is located on the lands of the Whadjuk people of the Noongar nation in Perth, Western Australia.





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Part one

Who we are

Our customers, team and core services

Police & Nurses Limited is a customer-owned Australian banking services provider and Authorised Deposit Taking Institution operating under a mutual model and represented by two retail bank brands – P&N Bank in Western Australia and BCU Bank in New South Wales and South East Queensland (referred to collectively as “P&N Group”, “PNL”, “we” and “our”). As a reporting entity since the *Modern Slavery Act*’s commencement, this is our sixth modern slavery statement.¹

Our customers are our shareholders. We exist to provide long-term benefits to our customers and their local communities. Our total membership numbers continued to grow (at a rate of a **4.6% increase** from last reporting period) to **201,863** individual customers.

Through P&N Bank and BCU Bank we continue to offer a wide range of retail, broker and business banking services, including:

- Home loans – investment and owner occupied
- Car loans
- Reverse mortgages (P&N Bank)
- Every day and savings accounts
- Children’s accounts
- Home and contents insurance
- Landlord insurance
- Credit cards
- Personal loans
- Agribusiness (BCU Bank)
- Business accounts
- Business and commercial loans
- Term deposits
- Travel insurance
- Motor vehicle insurance
- Caravan and trailer insurance

We offer a range of convenient solutions and services for our customers, including mobile lending, a wide network of physical branches, digital, and our customer service contact centre.

P&N Group’s headquarters are in Perth, Western Australia. Retail branches for our two brands continue to be located across our core service locations of Western Australia (for P&N Bank) and New South Wales/ South East Queensland (for BCU Bank).

P&N Bank branches

Bull Creek	Karrinyup	Ocean Keys
Bunbury	Mandurah	Rockingham
Carousel	Midland	Success
Joondalup	Morley	Whitfords

BCU Bank branches

Ballina	Lismore	Port Macquarie
Bellingen	Macksville	Toormina
Brisbane	Macleay	Tweed Heads
Coffs Harbour	Maroochydore	Urunga
Dorrigo	Nambucca Heads	Woolgoolga
Grafton		Yamba

Our workforce

P&N Group’s growing team of 630 individuals, with a full-time equivalency (FTE) of 591.7, undertake a variety of skilled roles (the number of individual team members working in each business area is also described), including:

Customer Service & Sales	253
Professional Services	222
Administration/Clerical	79
Management	66
Executive	10

508 of our team members are employed on a permanent full-time basis, which represents 80.6% of our total workforce.

¹ All numbers, statistics and facts described in this statement are as at 30 June 2025, unless otherwise stated. The ongoing stability in our core business operations and procurement activities means continuing applicability for descriptions provided in last year’s (and previous) Statement, and the applicable information for this reporting period. Individual descriptions relating to each of our two retail bank brands are provided in this Statement, when doing so provides a more detailed description about an aspect of our supply chains, operations, or risk mitigation approach.



Creating an inclusive employee experience and fostering a diverse workplace based on belonging is central to our values and the culture we strive to maintain and grow. Our people are our best asset, driven by a shared purpose and desire to collectively build a workplace of trust and belonging for all. We are proud of our team and the following workplace characteristics highlight this:

- We are proud to sit within the top-quartile of organisations for employee engagement with a score of 80%, a leader among financial services organisations
- 51% of leadership positions held by women
- 89% of our people feel they belong at work
- 84% of employees feel supported to balance work and personal life.

Supply chains

P&N Group's core supply chains remain highly consistent with previous reporting periods, with the following Australian industry sectors being dominant in our direct (1st tier) procurement:

- Accounting services
- Automotive services
- Computer and technical services
- Health, recreational and social services
- Legal services
- Membership in professional memberships
- Business management services
- Printing and stationery
- Textiles
- Advertising
- Building management services
- Finance and investment services
- Hospitality and Accommodation services
- Telecommunication services
- Market research
- Non-building construction
- Property operations and developer services

Our direct (1st tier) supply chain was comprised of **624 unique suppliers**. This represents a change (increase) by only a single supplier in terms of the total numbers of engaged suppliers for last year (623). As with previous year-on-year trends, we continue to exhibit marked stability in procurement activities or practices such that overall modern slavery risk areas have not varied materially.

P&N Group procures products and services almost exclusively from Australian companies. Our direct international procurement for the reporting period was limited to three (3) computer and technical services providers (two companies located in the United States and one in Ireland).

Corporate structure overview and owned/controlled entities

PNL's Board of Directors is our principal governing body. Our corporate structure remains as described in previous statements.

PNL continues to control the following entities², which are fully integrated into our operations and have individual annual revenues that fall below the Act's statutory threshold:

- Members Holding Company Pty Ltd ABN 79 009 011 769
- P&N Landreach Pty Ltd ABN 89 082 440 702
- P&N Management Pty Ltd ABN 24 009 198 681
- National Home Loans Pty Ltd ABN 87 008 913 817

These entities continue to fall under PNL's anti-slavery response and have been subject to all described steps to identify, assess and address potential areas of modern slavery risk. These entities were subject to consultation in relation to the preparation and contents of this Statement.

Our investments

Our investment portfolios continue to be exclusively with Australian diversified banks and local branches of international banking institutions. Externally managed funds continue to be through long-term engagement with approximately 50 Australian-based investment providers.

² A previously reported controlled entity – P&N Recruitment Pty Ltd ABN 85 637 912 488 – was voluntarily deregistered towards the end of the reporting period (ABN cancelled from 11 June 2025).

Part two

Our approach to modern slavery risk identification, assessment and response

P&N Group remains committed to maintaining consistent good practice risk identification methods. Once again, all direct suppliers were assessed for potentially elevated areas of modern slavery risk based on industry sector and geographical classification. Ensuring our risk identification and assessment analysis remains fully up to date (and informs our key focus areas and overall response), P&N Group maintains a long-term engagement with external consultants who provide proprietary technology to identify and assess risk down to the tenth tier of our supply chain.

Key Australian industry sectors in our direct supply chains that continue to be identified for potentially elevated risk include **Australian business, financial and computer services**. The direct operations of these Australian sectors are universally low risk. Instead, it continues to be the prevalence of high-risk supply chain inputs relating to computers and advanced electronic products that is of most significance.

In last year's Statement, we also described **Australian construction services**, as a newly assessed category with potential risks, stemming from our increased engagement of essential suppliers for undertaking multiple new branch fit outs. Although new branch openings were not a feature of this reporting period, P&N Group remains actively engaged with suppliers that provide various non-building construction, property maintenance and related services, with the result that this category continues to be relatively significant in terms of our overall risk assessment.

We also continue to vigilantly monitor our commercial arrangements with office cleaning, facilities management and security services. At an industry-level, these activities all tend to be characterised by potentially risky practices such as opaque sub-contracting arrangements and the use of third-party labour hire agencies, along with a far higher prevalence of more vulnerable workforces.

Investments

The overall modern slavery risk profile of P&N Group's portfolios continues to be, in relative terms, very low. This is due to our exclusive investment in Australian-based financial institutions or Australian branches of leading global institutions.

Operations

Whilst we recognise the broader reality of modern slavery practices occurring in various sectors within Australia, we consider our direct operations remain, in relative terms, very low risk for modern slavery. This is due to the following core characteristics:

- Workforce primarily comprised of tertiary-educated and experienced professionals.
- Direct employment under written employment contracts and fully subject to Australia's comprehensive statutory workplace protections.
- 100% of business operations occur within Australia.

No actual or suspected incidences of modern slavery practices were reported in P&N Group's supply chains, operations, or investments during the reporting period.

An overview of key features of P&N Group's Anti-Slavery Framework

Day-to-day responsibility for P&N Group's anti-slavery response is entrusted to our Procurement division. The Corporate Assets team, a subdivision of the Procurement division, manages the operational requirements of the procurement process, including prospective supplier modern slavery risk assessments and internal supplier-specific due diligence initiatives (e.g. adverse media screening).

In addition to the statutory responsibility for approving our annual Statement under the Act, PNL's Board are also the approving authority for the updates to our Whistleblower Protection Policy, described below.

Our Procurement Policy and Procedure sets a \$50,000 contract value threshold whereby new and renewed vendors are subject to further specific assessment procedures relating to modern slavery issues. This includes a requirement to complete a Vendor Impact Assessment. Information collected on proposed new or renewed suppliers is used both internally to conduct in-house adverse media screening, and for performing individual risk assessments using our long-term external partner's screening platform.



Individual risk assessment results are used to assign a modern slavery risk rating to each supplier proposed. These risk ratings are then used to take appropriate follow up actions, including (at various levels) benchmarking the supplier's Modern Slavery Statement, desktop auditing, issuing targeted Supplier Self-Assessment Questionnaires, and/or directly engaging with the supplier.

At a glance, implementation of these features of our anti-slavery response in the reporting period include:

- All prospective/renewing suppliers with predicted spend exceeding \$50,000 were specifically assessed for modern slavery risk prior to entering into new or renewed agreements.
- Supplier contract provisions that expressly address modern slavery issues incorporated into approximately 28 new or renewed supplier agreements.

Supplier-specific due diligence

P&N Group has continued our established practice of undertaking desktop audits on suppliers with potential connections to higher risk sectors and/or locations. This reporting period, the Group's long-term external consultants undertook desktop audits on two (2) commercial property service providers that we engage.

While we will not publish detailed results of this due diligence given the overriding priority of maintaining commercial confidentiality and supplier confidence for future potential collaboration and engagement, the following is a general overview of some relevant insights:

- Both companies were assessed as having overall moderate risk exposure, which was primarily attributable to inherent sector and location-based risk factors.
- Both companies were, however, evaluated by our external consultants as demonstrating a modern slavery response that was mature, sophisticated and appropriately commensurate to provide a practical response in all key areas of inherently elevated risk.

Related obligations connected to monitoring of money transfers

As part of our ongoing commitment in the fight against covert exploitation of financial services for illegal money transfers relating to modern slavery practices (and other forms of organized criminal activity), P&N Group continues to:

- implement robust Anti-Money Laundering procedures,
- strictly adhere to AUSTRAC reporting responsibilities, and
- consistently implementing our 'Know Your Customer' processes (addressing multiple modern-slavery-related red flags).

Education and training

P&N Group undertook the following training and education initiatives in this reporting period, which have direct relevance to modern slavery risk issues:

- Annual fraud and financial crime e-training for all employees.
- Annual whistleblower compliance e-training for all employees.
- One-on-one modern slavery education for employees engaged in procurement-related activities over our designated annual contract threshold (\$50,000). This information is provided by members of the Corporate Assets subdivision of P&N Group's Procurement division.

During the reporting period, key team members also attended a webinar hosted by our long-term external consultants on '*Understanding the Australian Government's Response to the Modern Slavery Act Review*'.

Part three

Measuring effectiveness and looking forward

In measuring the effectiveness of key pillars of our modern slavery response, we have tracked a range of key performance indicators (KPIs) across successive reporting periods, as summarised in the following table.

KPI	Progress update
Risk threshold for probable modern slavery instances in our supply chain based on spend value	Achieved. In FY25, P&N Group reviewed the suitability of its risk threshold for probable modern slavery based on spend value. It was determined the existing threshold continues to remain suitable.
Number of modern slavery risk assessments carried out in relation to our new and existing suppliers	624 direct suppliers subject to annual proprietary risk assessment.
Number of desktop audits undertaken for high-risk suppliers or suppliers operating in high-risk industries	Two (2) desktop audits undertaken on suppliers operating in higher risk industries.
Number of self-assessment questionnaires issued to high-risk suppliers or suppliers operating in high-risk industries	Three (3)
Modern slavery contract provisions	Twenty-eight (28)
Training and education	Specialist Modern Slavery education provided to 10 employees sourcing procurement in excess of \$50,000. Fraud and financial crime training assigned to 529 employees with a 100% completion rate. Whistleblower compliance training assigned to 551 employees and the Board of Directors with a 99.64% completion rate (two (2) employees not completed due to extended leave).
Supplier due diligence	All prospective/renewing suppliers with predicted spend exceeding \$50,000 were specifically assessed for modern slavery risk prior to entering into new or renewed agreements. P&N Group also undertook two supplier-specific due diligence reports on pre-existing suppliers.

P&N Group's Whistleblower Protection Policy, being our current Human Rights Grievance mechanism, is due for review during the next reporting period. This scheduled review will include a considered approach to expanding on Human Rights grievance procedures to provide clarity specific to how we action human rights disclosures.

In our approach to continued improvement, P&N Group has identified the following potential new focus area to further expand and refine our maturing anti-slavery response in the next and future reporting periods:

- Providing modern slavery information packs (addressing what modern slavery is, how it can be identified and appropriately responded to) to key suppliers, with assistance from our long-term external consultants and subject matter experts.





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