

ANGLE AUTO FINANCE MODERN SLAVERY STATEMENT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2023

INTRODUCTION

The term 'Modern Slavery' encompasses various forms of coerced labour or exploitation, including as a result of threats, violence, human trafficking, forced marriage, debt bondage, deceptive recruitment, coercion, abuse of power or deception. Where Modern Slavery occurs, it can have severe consequences for victims and involve grave abuses of human rights and criminal liability. The nature and extent of Modern Slavery in a complex and interconnected world economy, means there is a high risk that it may be present in any entity's operations and supply chains across every industry, sector and geographic location. Modern Slavery is often linked to other crimes and activities that adversely impact human rights, such as corruption and environmental damage.

Additionally, Modern Slavery distorts global markets and undercuts responsible business. If not addressed, Modern Slavery can pose substantial legal and regulatory and reputational risks to an organisation and to its broad network of internal and external stakeholders.

Angle Auto Finance (AAF) recognises the fundamental importance of protecting human rights and understands and appreciates the significant adverse impact that Modern Slavery can have on people, communities, businesses and economies. AAF does not tolerate any forms of slavery and human trafficking under any circumstances, regardless of the industry, sector or location and remain committed to ensuring Modern Slavery is not evident or accepted within our business operations or supply chain. AAF is committed to a continuous improvement approach to the effective identification, review and management of the risk of Modern Slavery within our business operations and supply chain, which will inform reporting in future Modern Slavery Statements.

ABOUT ANGLE AUTO FINANCE

AAF is a financier based in Australia which provides wholesale, personal and commercial loans for motor vehicles, trucks and caravans via a network of dealers and novated lease introducers. AAF is 80% owned and controlled by Cerberus and 20% owned by Deutsche Bank.

AAF acquired Westpac's Auto Finance business and commenced trading in December 2021 by providing wholesale finance facilities and novated leases. Retail consumer and commercial loans were provided at scale from March 2022. AAF did not trade for the full 2021-2022 financial year and did not meet the revenue threshold of \$100M for Modern Slavery reporting purposes. As such, AAF did not submit a Modern Slavery Statement for the 2021-2022 financial year.

AAFs current product offerings include:

- RETAIL
 - o Consumer Loans
 - o Commercial Loans (individual & company)
 - o Novated Leases
- WHOLESALE
 - o Bailment Loans
 - o Capital Loans

HOW AAF MANAGES MODERN SLAVERY RISKS

AAF has a strong focus on building, implementing and continuously improving robust risk management processes and controls to ensure the ongoing success of our business, and protection of our people, partners, customers and community.

RISK MANAGEMENT FRAMEWORK

A key component of AAF's evolving Risk Management Framework will be the identification and management of Environment, Social and Governance (ESG) risks, including those related to Modern Slavery. AAF is in the process of building out its ESG Risk Framework and there is a strong commitment from the Board and Senior Management to ensure this component of our overall Risk Management Framework evolves and matures at pace with the business in the medium term.

To support this commitment, AAF has commenced a program of work involving key stakeholders which is aimed at identifying key ESG risks, including those which relate to Modern Slavery. As part of this program, a review of AAF's internal business operations and those of its supply chains will be completed and actions to address any identified material risks will be agreed. These actions will subsequently be progressed and supported through appropriate investment and resourcing, to ensure any material risks are mitigated to an acceptable level.

At the time of submission, this program of work was not yet complete but well under way with a strong enterprise commitment in place to finalise the program by the end of the 2024 financial year. As such, AAF will be able to provide further information on the actions we have taken to address any identified Modern Slavery risks upon submission of our next Modern Slavery Statement.

In addition to the abovementioned program of work, AAF has already implemented a number of processes and controls to minimise the risks of Modern Slavery within our internal business operations and supply chain.

INTERNAL BUSINESS OPERATIONS

EMPLOYEE WELFARE

As a financial services provider, AAF is not considered to operate within a high-risk industry with respect to Modern Slavery, nor do we produce goods or provide services that are considered to be at high risk of Modern Slavery. Furthermore, as an organisation which operates solely in Australia, AAF's internal business operations must comply with Australia's strict labour and employment laws. For this reason, the risk of Modern Slavery existing within the business operations is considered extremely low, however will be continuously assessed over time.

AAF provides a safe and secure work environment for all our employees and contractors in line with the requirements set out within the Work Health and Safety Act 2011 and ensures all employment contracts meet the minimum requirements set out within the Fair Work Act 2009 and Superannuation Guarantee.

Additionally, AAF provides a number of employee benefits and support services including Wellbeing & Lifestyle Leave, Employee Assistance Program and Whistleblower service. AAF also offers flexible ways of working to ensure a suitable work life balance can be maintained for all employees. Furthermore, AAF is committed to assisting employees experiencing discrimination, harassment or abuse sustained within or external to the workplace.

To support this commitment, AAF has put in place the following policies which govern its approach to employee conduct and support:

- Code of Conduct
- Anti-Discrimination & Harassment Policy
- Consequence Management Policy
- Diversity & Inclusion Policy
- Domestic Violence Policy
- Employee Assistance Program
- Whistleblower Policy
- Learning Policy
- Study Support Policy
- Remuneration Policies
- Ways of Working Policy

- Safety & Wellbeing Policy
- Leave Policies

FINANCIAL CRIMES

AAF is committed to protecting vulnerable people and communities which may become victims of Modern Slavery as a result of acts of financial crime.

As a financial services provider, AAF is exposed to financial crime risks with the potential to unknowingly fund criminal activity. As such, strong controls have been put in place with respect to Anti-Money Laundering and Counter Terrorism Financing (AML & CTF), including automated screening at the point of application and ongoing, regular training programs for staff, directors and partners, policies, procedures and an external audit program.

SUPPLY CHAIN

AAF is committed to ensuring that it does not engage suppliers that breach Modern Slavery legislation and is dedicated to holding suppliers accountable to their commitment of eradicating Modern Slavery. AAF will not knowingly engage suppliers that do not align with its position on enforcing basic human rights and reserves the right to terminate any contractual arrangement if it believes an actual or potential breach has/may occur.

AAF's supply chain is relatively small and is made up of suppliers and outsourced service providers from industries across professional services, communications, financial, credit & insurance services, recruitment, technology, and travel.

These suppliers are generally Australian based, or large multinational organisations which are required to comply with Australian and/or international employment and labour laws as well as international human rights standards. Additionally, with the exception of the procurement of electronic goods for staff and office use (such as laptops and mobile phones), AAF does not deal with any suppliers that manufacture goods or provide services considered to be at high risk of Modern Slavery. A small number of AAF's overseas suppliers operate out of India and the Philippines, where Modern Slavery is known to be prevalent. However, these are reputable global organisations who provide services that are not considered to be at high risk for Modern Slavery. For this reason, AAF considers the risk of Modern Slavery existing within the supply chain as low, however acknowledges that further work is required to properly assess the risks associated with each supplier to ensure they can be appropriately managed and addressed where required.

AAF continues to invest in and mature its Procurement function. This program of work incorporates the following completed and in progress actions:

- Procurement function has been created and resourced. This includes the creation of a centralised contracts repository for all third-party contracts executed by AAF.
- Procurement Policy has been developed, approved and published and the majority of requirements within it have been operationalised.
- Standard Contract Terms are in place which mandate that all suppliers must comply with applicable laws & regulations.
- New Standard Contract Terms for all supplier contracts have been developed and will apply to the majority of all new contracts from Q4 2023 onwards. The Standard Contract Terms include a clause pertaining to Modern Slavery requiring the supplier to:
 - Attest that it has not been convicted of a Modern Slavery offence;
 - Have completed its own due diligence on its internal business operations and supply chain; and

- Provide commitments to eradicating Modern Slavery within its own supply chains.
- All existing contracts will be reviewed (including at end of term or any other available contract renewal times) and where relevant contracts do not include relevant Modern Slavery clauses, we will endeavour to include these clauses.
- Supplier Risk Assessments: A key component of the Procurement Policy is the requirement to complete a Supplier Risk Assessment (SRA) on all new engagements (to be repeated on an annual basis). The SRA covers a number of risks, including Modern Slavery which are addressed by requesting thorough due diligence (covering anti-bribery and corruption, modern slavery and other business ethical checks) for all outsourced arrangements, as well as regularly reviewing supply agreements. The SRA process has been implemented and is currently in review phase ahead of a formal launch and operationalisation in Q4 2023. The SRA process will apply to all new and renewed material engagements thereafter.
- Additionally, all new and renewed suppliers are required to complete a Modern Slavery questionnaire as part of the SRA process. AAF reserves the right to refuse or terminate any contractual arrangement if it is believed there may be an actual or potential breach of human rights laws. This process was operationalised for new and renewed contracts in Q3 2023.

COMMITMENT TO CONTINUOUS IMPROVEMENT / NEXT STEPS

AAF recognises that significant work to date has gone into the development of the Risk Management Framework to establish AAF and to set-up and scale as an independent business. AAF is committed to continuously evolving and improving in all aspects of its operations, with considerable focus given to risk management and governance at all levels of the organisation.

Throughout 2023 and beyond, AAF is committed to maturing its risk framework and processes. This includes continued understanding and mitigation of the Modern Slavery risks that apply to AAF.

AAF will continue to work closely with its staff, partners and suppliers to promote a zero-tolerance approach to unfair, unjust and inhumane employment practices. AAF will closely monitor emerging risks to ensure it remains vigilant in its commitment being a responsible business that operates in a way which demonstrates the utmost respect for human rights.

This Statement has been developed in consultation with key stakeholders across AAF, including the Executive Team. This Statement has been endorsed by the Enterprise Risk Management Committee and the Board Audit & Risk Committee and was approved by the Angle Auto Finance Board of Directors on 30 November 2023.

Signed:



Aaron Baxter
Chief Executive Officer

Date:

7.12.23