



Joint Modern Slavery Statement

Under the *Modern Slavery Act 2018 (Cth)*

Reporting period
1 July 2022 – 30 June 2023



1. Approval of this Statement

This Joint Modern Slavery Statement has been approved and lodged by the Boards of:

- Royal Automobile Association of South Australia Incorporated - ABN 90 020 001 807
- RAA Insurance Holdings Limited - ABN 52 008 210 062
- RAA Insurance Limited- ABN 14 007 872 602

as the principal governing bodies of these entities.

Pursuant to the requirements of the Modern Slavery Act 2018 (Cth) (the Act), an authorised person has reviewed the contents of this Statement and confirmed its accuracy

Nick Reade

CEO of Royal Automobile Association of South Australia Inc
 Director, RAA Insurance Holdings Ltd
 Director, RAA Insurance Ltd
 Director, RAA Innovation Pty Ltd



2. Our structure, operations and supply chain structure

This joint statement covers the following companies in the RAA Group that are each reporting entities under the Act. This statement also covers the owned and controlled entity - RAA Innovation Pty Ltd, which is not a mandatory reporting entity under the Act.

RAA reporting structure

Royal Automobile Association of South Australia Incorporated
 ABN 90 020 001 807 (“RAA”)

RAA Insurance Holdings Limited
 ABN 52 008 210 062 (“RAAIH”)

RAA Insurance Limited
 ABN 14 007 872 602 (“RAAI”)

RAA Innovation Pty Ltd
 ABN 13 655 258 272 (“RAA Innovation”)

RAA

RAA is a mutual service organisation and is governed by the RAA Constitution and by the Associations Incorporation Act 1985 (as amended). It’s governed by a Board of non-executive Directors, elected by RAA members, and a CEO.

The management and control of the funds and other property of the RAA are vested in the Board of Directors.

RAA and its Board of Directors must act in accordance with the RAA Constitution and are bound by various statutory, common law and policy constraints in relation to the governance of the RAA.

RAA Insurance Limited (RAAI) and RAA Insurance Holdings Limited (RAAIH)

RAAIH is a wholly owned subsidiary of the parent entity.

RAAIH is the sole shareholder of the entity RAAI.

RAAI and RAAIH are referred to collectively in this Statement as “RAA Insurance”.

RAA Insurance is an authorised insurer that is regulated by Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC) and holds an Australian Financial Services Licence. RAA Insurance has a separate Board to RAA, but most directors serve on both boards.

RAA Insurance issues and administers general insurance products including management of claims. RAA provides various shared services to RAA Insurance, including:

- Information Technology;
- People and Environment;
- Procurement;
- Risk and Governance;
- Marketing;
- Investments; and
- Product Distribution.

All entities in the Group have been involved in appropriate consultation in relation to the preparation and contents of this Statement, including endorsement by the RAA and RAAI Risk & Compliance Committees and the Social Impact Working Group, prior to approval by the Boards.



RAA’s Acknowledgement of Country artwork series was created by Elizabeth Close, a Pitjantjatjara and Yankunytjatjara woman from the APY Lands in Central Australia, now living and working in Kurna Country.

In the spirit of reconciliation RAA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea, and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

RAA Innovation and RAA Solar and Battery Storage

RAA Innovation is a wholly owned subsidiary of RAA. It is constructing and managing an Electric Vehicle (“EV”) charging network. It also provides Solar and battery retail, commercial and installation services to members. RAA Innovation acquired our major solar installation partner to support the growth of our solar-related operations on 1 July 2022.

As described throughout this Statement, we recognise the important challenges relating to potentially elevated modern slavery risks associated with global solar and other renewable energy supply chains. The formation and growth of RAA Innovation is a recent business transition from the Group and one that represents an expansion of RAA’s core activities. However, we candidly acknowledge the reality that, as a retailer of solar products in the Australian market, it is particularly important to actively address associated modern slavery risks.

We understand that such a long-term commitment will require significant additional steps to be taken to continuously improve the depth and breadth of supply chain transparency related to our renewable energy products. We need to further develop and implement appropriate due diligence to ensure that the essential transition to environmental sustainability that we are facilitating through RAA Innovation’s retail offerings does not come at the cost of unmitigated human rights risks. Our journey towards holistically addressing the specific risks in these complex global supply chains remains in its early stages. There is much more to be done to achieve genuine practical impact.

Operations

We are headquartered in Mile End, South Australia and also have corporate staff based in the Adelaide CBD and RAA shops and retail services at over 18 different locations throughout South Australia, and in Broken Hill (NSW). Our Broken Hill site closed in September (after this reporting period). RAA’s been around for 120 years, and we take pride in providing quality motor, home, energy and travel services to our members in South Australia and Broken Hill. We’re also committed to delivering educational services for the next generation of drivers, as well as advocating on behalf of our members on matters of road safety, mobility, and fuel pricing. Our core business operations and products include:

- Road Service;
- Personal loans;
- Car and other vehicle Insurance;
- Driver education lessons;
- Home Insurance;

- Community education programs;
- Landlord Insurance;
- Fleet safety training;
- Travel Insurance;
- Solar and battery;
- Vehicle inspection;
- Retail Travel Services; and
- EV Charging Network.

Supply chains

The RAA Group’s direct supply chain included over 1,150 confirmed active direct suppliers. These goods and services support operations across the RAA Group, including:

- Business services
- Financial services
- Computer and technological services
- Motor vehicle repair services
- Postal and telecommunication services;
- Travel Suppliers/Operators;
- Suppliers of EV Chargers; and
- Solar related goods and services.

The vast majority of our first-tier suppliers are located in Australia. The remaining direct suppliers primarily provide business services and computer-related services and are mostly located in the United Kingdom and the United States.

RAA at a glance



1,300+ employees

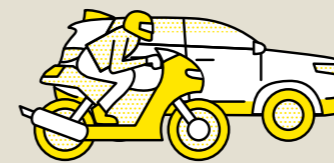
Employment by type

805,000+
members

28
Casual

273
Part time

1,093
Full time



445,000+
vehicles insured



183,000+
homes insured



344,000+
road service
callouts



Comprehensive
retail travel
services, including
over 40,000
bookings



A trusted
network of
**more
than 450**
RAA approved
auto repairers











Helping with
more than
908,000
calls for
assistance















**more than
14,000**
solar panels
installed

3. Initiatives included in our last Statement

The below table summarises RAA's progress on intended deliverables in our last Modern Slavery Statement. The deliverables marked as orange and red have been used to develop our future priorities on Page 14 of this Statement:

Activity	Status	Notes
Internal governance		
Social Impact Working Group		Completed and ongoing. The Social Impact Working Group and the ESG Steering Group receive regular updates on progress of our modern slavery initiatives. The first meeting of the SIWG was in October 2022 and the group now meets quarterly.
Implementing modern slavery risks into internal auditing process		Ongoing. RAA Group has implemented modern slavery specific risks into our risk assurance plan and into our risk registers which includes documented and operational risks, as well as appropriate controls.
Solar and battery risk mitigation		
Broader coverage of modern slavery clauses in relevant supply contracts for the solar business		Not yet completed (delayed). All new contracts will include these clauses and Solar businesses are working to update current contracts promptly. All manufacturers are also required to provide their own Modern Slavery Statements.
Reviewing current solar product range and investigating lower risk alternative products		Completed and ongoing. The Solar business will continue to review product ranges and implement lowest risk ranges over future reporting periods. Product selection is from responsible global manufacturers who sell in other zones that are ethically controlled, i.e. the EU.
Providing training to suppliers and relevant staff in the Solar business		Not yet completed (delayed). This will also form part of new supplier onboarding.
Targeted use of supplier self-assessment questionnaires as an engagement springboard		Completed and ongoing. New suppliers must now complete self-assessments as part of onboarding. Current suppliers are required to complete the questionnaires annually.
Investigating potential solar partnerships for greater leverage and industry impact		Not yet completed (delayed). Ongoing actions and work to align with and leverage from other auto clubs
Education, training and awareness building		
Undertaking a planned review of our current online modern slavery training module and updating the content where necessary. We also intend to look at expanding the scope of employees who complete this training content		Completed and ongoing. Procurement team reviewed and updated the e-learning module and will continue to do this annually at a minimum. RAA has made training a standard part of staff onboarding. Currently, managers and roles that are directly impacted by Modern Slavery complete Modern Slavery Training. This will be rolled out more broadly for the next reporting period. We maintain a list of staff that have completed this training each year and follow up those staff where training is in progress.

Activity	Status	Notes
Education, training and awareness building (cont)		
Provision of more regular "modern slavery" targeted communication to staff across the RAA Group.		Ongoing. Procurement have developed draft articles on modern slavery-related topics to be published in our internal newsletters over the next 6-12 months. We will also create a knowledge bank on the Procurement intranet. Annual articles are also published in the Approved Repairer newsletter.
Members of our Procurement Team and Social Impact Team have also enrolled in a training programme facilitated by the UN Global Compact Network, the 'Business & Human Rights Accelerator Course', which commences in February 2023.		Completed. Representatives from Procurement, and Environment & Social Impact completed the 6-month Business and Human Rights accelerator program, and then used this knowledge to develop an action plan for RAA, focusing on solar risk.
Investment monitoring		
Review feasibility of developing a Responsible Investment Policy.		Completed. The Responsible Investment Policy has been approved and is now operational.
Industry collaboration		
Continued participation in the Modern Slavery Working Group facilitated by the Business Council of Co-operatives and Mutuals.		Completed and ongoing.
Continued participation in the United Nations Global Compact Network Australia, including adherence to any reporting and disclosure requirements.		Completed and ongoing. RAA representatives attended a 6-month program coordinated by the United Nations Global Compact network. RAA also reports on implementation of the UNSDGs through the communication on progress reporting process.
Supplier engagement		
Incorporation of modern slavery considerations into the planned Computer Hardware tender process		Not yet completed (delayed). The tender process has been delayed but it will be released next reporting period. In the meantime, our sole computer hardware provider has appropriate modern slavery provisions in their existing contract.
Finalise the uplift of modern slavery clauses for inclusion in all outstanding insurance contracts, including the contracts with our approved repairers and insurance claims providers.		Completed. Insurance contracts have been uplifted to include Modern Slavery clauses (existing and new). The overall RAA Approved Repairer agreement template has been updated to include Modern slavery provisions.
Continued embedding of modern slavery into supplier contracts, at the point of renewal or where required.		Completed and ongoing. Modern slavery provisions are captured in all agreements (or renewed agreements) as part of RAA's standard terms for its suppliers and service providers for applicable contracts. This is ongoing.
Increase the number of suppliers screened through the Preferred Supplier Framework, starting with our printing suppliers.		Ongoing. We appointed a print panel in May. Other preferred supplier panel opportunities are currently being explored. Modern slavery is also included as a specific factor to consider in the new Finance Risk Register.
 completed  completed and ongoing  delayed or not started		



4. How we identify and assess risk

RAA Group has continued our longstanding partnership with external consultants to undertake a risk assessment using proprietary technology to analyse the cumulative modern slavery risk through to the tenth tier of our supply chains for the top 450 suppliers of RAA Group, our investment portfolio and RAA Insurance claims. We conduct this assessment annually.

This proprietary technology traces economic inputs that are used to produce products and services sourced from Tier 1 suppliers, all the way to Tier 10. The process links supply chain data from 190 countries in 15,909 industry sectors and includes data from leading sources such as the UN System of National Accounts, UN COMTRADE databases, Eurostat databases, and numerous national agencies (including the Australian Bureau of Statistics). The data is then examined against key international standards, such as the UN Guiding Principle on Business and Human Rights and the ILO Global Estimates of Modern Slavery.

Notably, this year’s proprietary risk assessment includes new data from the Global Slavery Index (“GSI”) released in mid-2023. The GSI figures on the incidence of slavery worldwide increased from an estimated 40 million in 2016 to 50 million in 2021. This means the figures relating to RAA Group’s exposure have also increased.

As well as third-party risk assessments, we also incorporate the below procurement and contract management processes:

- We assess modern slavery as part of all tender processes and incorporate into applicable contracts; and
- New solar suppliers must complete self-assessments as part of onboarding. Current solar suppliers are required to complete the self-assessment questionnaires annually.

RAA address the issue of modern slavery risk in relation to our direct operations by:

- Standard employee protections such as complete (or near complete) workforce coverage with written employment contracts setting out employee rights and employer obligations;
- Grievance mechanisms, such as our RAA Whistleblower Policy for RAA Group’s direct workforce;
- RAA Supplier Code of Conduct; and
- Well recognised domestic modern slavery risks for common service industries that are essential to RAA’s day-to-day operations, such as cleaning services for RAA’s office facilities and retail outlets, are being identified, assessed and addressed as applicable (e.g. our contracted cleaning provider has appropriate modern slavery contractual provisions in place following tender assessment and are certified under ISO9001, 14001 and ISO45001.

Global Slavery Index

Estimated incidence of slavery worldwide





5. The risks of modern slavery in our operations and supply chain

Overall risks in RAA Group

During the reporting period, we did not identify or receive any reports of any incidents of modern slavery in our operations or supply chain. However, we know that it is important to continue to be vigilant, particularly now that the RAA Group's operations are directly engaged in core business activities in the renewable energy sector.

Based on RAA Group's relative procurement spend, the industry-category risk assessment for the past year identified the three potential areas of highest risk in our operations and supply chains as being:

- Wholesale trade and commission trade services (including electrical wholesalers);
- Business services (e.g. graphics services, professional services); and
- Retail trade services (except motor vehicles and motorcycles).

Wholesale trade and commission trade services is a new area of elevated risk for RAA Group. This industry category includes electrical wholesalers. This is the first reporting period that includes RAA Innovation's procurement data for the purchase of solar and battery products from electrical wholesalers.

Our direct wholesalers and distributors in this category are almost all Australian based, but they source solar, battery and other high-risk electrical products from countries, such as China and Malaysia.

We are aware that there are numerous and well-known risks associated with the overall supply chain of solar panels and batteries. The primary modern slavery risks that arise within the supply chain of a solar panel module are the possibility that certain inputs have been tainted by Uyghur forced labour, prior to reaching the distributor/supplier. The core component input within the solar supply chain is polysilicon.

China holds a significant market share (75%- 80%) of global polysilicon supplies. 35% of the global share of this polysilicon is reportedly produced in the Xinjiang Uyghur Autonomous Region, with the remaining 55% produced in other regions in China. This is a new area of risk exposure for RAA Group and one which we are only just beginning to address.

Last reporting period, business services were also a key area of risk, but the other two categories were computer-related services and Australian printing/media services. The risks associated with business services are at lower tiers in the supply chain and are created by our suppliers' reliance on high-risk inputs such as computers and hardware. The suppliers that we engaged in this sector are based in the UK, US, Singapore, and Australia.

Likewise, the retail trade services suppliers we've engaged are almost all Australian based. The reason that they are identified as relatively higher risk suppliers is not due to their direct actions but because suppliers in this category tend to have a high reliance on electronics and hardware that is sourced from countries, such as China and Malaysia. These countries have a high prevalence of forced labour overall.

Risks in insurance claims

As in previous years, we have separately assessed our modern slavery risks in relation to RAA's insurance claim categories. Overall, the supply chain risk profile of our insurance claims remains low. The risk assessment has identified that the areas of most elevated modern slavery risk exposure are:

- Australian construction work;
- Sale, repair and maintenance of motor vehicles and parts; and
- Insurance and pension funding services.

This is consistent with previous years' assessment findings.

Risks in Investment

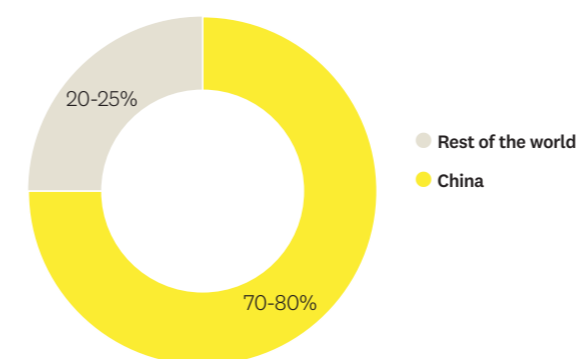
The RAA Group has continued to undertake a separate risk assessment of our investment portfolio. This assessment did not reveal any significant changes in overall areas of potentially elevated risk in our investment portfolio from those previously identified and described in prior Statements. It identified the following general assets as having a potentially elevated modern slavery risk:

- Financial intermediation services; and
- Food related retailers.

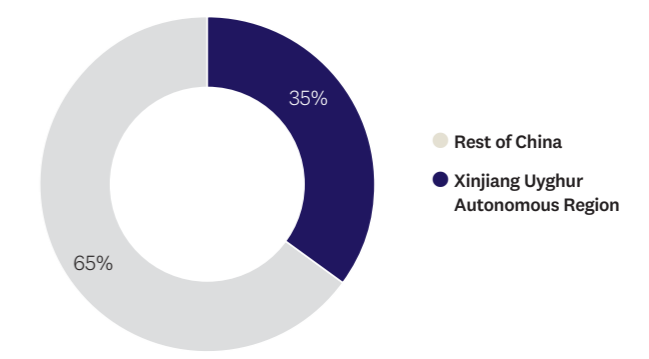
The RAA Group maintains a framework to review our fund managers, as part of our overall response to modern slavery risks. This review process has continued throughout the reporting period, with no issues of major or critical concern identified.

The RAA Group's Investment Policy includes a requirement for responsible investing. We have a framework that we use to regularly review our fund managers as part of our overall response to modern slavery risks.

Global polysilicon supplies



Production within China



6. Overview of how we are addressing modern slavery risks

The RAA Group seeks to address modern slavery risks throughout our operations and supply chains, including through a focus on:

- Company policies and structure;
- Training and awareness-raising;
- Supplier engagement; and
- Collaboration.

Company policies and structure

The RAA Group has policies and structures in place to tackle modern slavery, including a Whistleblower Policy, Insurance Supply Chain Governance Policy and a Checklist for Supplier Contracts.

The Modern Slavery Working Group met throughout the reporting period. It was established as part of our Social Impact Cross Functional Team (“Social Impact Working Group”). The Social Impact Working Group meets quarterly and receives regular updates on the progress of our modern slavery initiatives. The Social Impact Working Group is sponsored by the General Manager of Community & Corporate Affairs and our CFO, with representatives from across the organisation. The Social Impact Working Group reports to our ESG Steering Group.

The Investment Policy has now been formally approved and contains obligations that managers and direct investments must meet the United Nations Responsible Investing protocols and consider the ASX Corporate

Governance Council’s framework. All managers appointed by the Group Investment Committee must consider climate change implications in their decision-making process and adhere to best practices regards modern slavery.

Training and awareness-raising

We seek to improve staff awareness of modern slavery through both training initiatives and ongoing awareness-raising activities. The Procurement Team review our e-learning training module each year. Modern slavery training is a standard part of onboarding managers (level 2 and above) and employees whose roles directly impact our modern slavery work. We are working on rolling this out more broadly across RAA and we maintain a list of staff who have completed this training each year. The solar team is currently reviewing the training module content to determine the best approach and timeline for embedding this in RAA Innovation.

In order to improve overall staff awareness of modern slavery, we have developed draft article topics on modern slavery to be published internally over the next 6-12 months.

Representatives from Procurement, and Environment & Social Impact also completed the 6-month Business and Human Rights accelerator program and have been using this knowledge to guide RAA Group’s actions, including developing an action plan for RAA, focusing on solar risk. We now intend to use this action plan to better manage solar risk.

Supplier engagement

We have been working to address risk by improving our procurement processes and supplier engagement. Some key initiatives include:

- All new agreements and renewed agreements now include modern slavery provisions as part of RAA’s standard terms for its suppliers and service providers where applicable.
- The overall RAA Approved Repairer agreement template has been updated to include modern slavery provisions.
- Insurance claims supplier contracts have been uplifted to include modern slavery clauses (existing and new). We note that construction is one of the greatest risk areas and we’ll tender for a new builders panel during this reporting period for home claims and repairs.
- We have a checklist for supplier engagement that allows both the business unit and the legal team to ascertain the suitability of the agreement and any risks.

We recognise that our solar and advanced technology battery product range involves elevated levels of potential modern slavery risk. Moving forward, we have made it an internal priority to continue to undertake more comprehensive risk assessment and develop and implement tailored risk mitigation strategies for these

identified areas of RAA Innovation’s product range in the next reporting period, as further identified in Part 8 of this statement below. This will include offering more solar packages where the quartz / polysilicon wafers / other key components are positively confirmed as not being sourced from China

When we create preferred supplier panels, we conduct a modern slavery assessment and include modern slavery clauses in all contracts. In the reporting period, we added two new preferred supplier panels (signage and print) and added a new supplier to our recruitment services panel. These additional suppliers were not identified as being high-risk.

Collaboration

We continue to participate in the Modern Slavery Working Group facilitated by the Business Council of Co-operatives and Mutuals. Over the coming year, we plan to engage more broadly with external stakeholders, including NGOs, academic bodies and market consultants. We believe that we will be able to use knowledge from these collaborations to help us improve our supplier onboarding due diligence model used to perform our modern slavery assessments.



7. How we measure the effectiveness of our actions

Within our organisation, Procurement has day-to-day responsibility for monitoring KPIs in our modern slavery statements. Procurement liaises with key internal stakeholders throughout the reporting period to obtain regular progress updates on key deliverables, as well as to develop the next statements KPIs. Procurement then provides updates to the Social Impact Working Group and Environment, Social and Governance (ESG) Steering Group. We are working to increase the roles of both groups and to

embed them as a significant driver within the business to progress continuous improvement in our overall modern slavery response.

In the next reporting period, we plan to focus on our integration of modern slavery risks into the benchmarking and metrics for reviewing the first-year progress of our Sustainable Procurement Strategy. We intend for any internal auditing/benchmarking process to occur on a 3 to 5 yearly cycle.

8. Looking forward – priorities for the next year onwards

In this next reporting period, we will prioritise actions from our previous statement highlighted as orange and red on pages 6 and 7, as well as further improving our tender processes and supplier onboarding and modern slavery training and awareness through the below initiatives:

Focus area	Action	Notes
Solar and Battery Risk Mitigation	<ul style="list-style-type: none"> Undertake more comprehensive modern slavery risk assessment of key products being on-sold by RAA Innovation, with a particular focus on achieving effective supply chain visibility well beyond first tier (direct) solar product suppliers. Undertake updated supplier-specific due diligence, with a particular focus on ensuring that our direct suppliers are maintaining appropriate levels of vigilance in assessing and addressing risk at the manufacturing phase of solar panels. Develop and implement tailored risk mitigation strategies for identified areas of elevated modern slavery risk in RAA Innovation's product range, particularly in relation to solar panels with global supply chains. 	Next reporting period and ongoing
Risk Analysis	<ul style="list-style-type: none"> Conduct updated Modern Slavery Questionnaires with our highest risk suppliers by industry to identify where to focus our risk mitigation. 	Next reporting period and ongoing
External Stakeholder Engagement	<ul style="list-style-type: none"> Pilot a “listen and learn” with uniform suppliers to gain practical insights into the operationalisation of our sourcing policies. Engage with external stakeholders (including NGOs, academic bodies and market consultants) to improve our supplier onboarding due diligence model. 	Next reporting period and following
Procurement	<ul style="list-style-type: none"> Review tender templates, including our modern slavery and human rights questions. Develop a modern slavery checklist for onboarding new suppliers for Contract Managers. Incorporate modern slavery considerations into the planned Computer Hardware tender process. 	Next reporting period
Contractor Onboarding	<ul style="list-style-type: none"> Enhance due diligence processes for engaging new contractors by undertaking checks consistent with onboarding RAA employees. 	Next reporting period
Policy Development	<ul style="list-style-type: none"> Develop a Sustainable Procurement Strategy to improve focus on key ESG areas (including Modern Slavery) for our corporate supply chains. 	Next reporting period
Contract Governance	<ul style="list-style-type: none"> Investigate the merits of updating the contract register to record a risk rating for key suppliers. Look to incorporate a requirement in the Contract Procedure that requires a modern slavery risk assessment for all new material contracts. 	Next reporting period and following
Education, training and awareness-raising	<ul style="list-style-type: none"> Publish regular articles for modern slavery in our internal newsletter over the next 6-12 months. Quarterly news articles will also include a focus on risks in the Australian labour force and risks relating to products in our supply chain and countries from which we import goods. Establish a central regularly updated repository for modern slavery 	Next reporting period and ongoing

9. Appendix – Mandatory reporting requirements - quick reference guide

The following table provides a reference guide to the sections of this statement that contain each individual mandatory reporting requirement:

Mandatory criteria	Relevant section
Identify the reporting entities	1 – Approval of this Statement
Describe the reporting entity's structure, operations, and supply chains	2 – Our structure, operations and supply chain
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entity it owns and controls	5 – The Risks of modern slavery in our operations and supply chain
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	3 – Initiatives included in our last Statement 4 – How we identify and assess risk 6- Overview of how we are addressing modern slavery risks 7 – How we are addressing our modern slavery risks
Describe how the reporting entity assesses the effectiveness of these actions	3 – Initiatives in our last Statement 7 – How we measure the effectiveness of our actions
Describe the process of consultation with any entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	2 – Our structure, operations and supply chain
Provide any other relevant information	8 – Looking forward (priorities for the next year onwards)

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