

Modern slavery statement 2024



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We acknowledge the traditional owners of the land where we operate and work. We recognise their continuing connection to land, waters, and culture. We pay our respects to their elders past, present and emerging.

Disclosure Note

This statement has been made on behalf of Club Assist Corporation Pty Ltd. This statement covers all entities owned or controlled by Club Assist Corporation Pty Ltd. Each one is covered by Club Assist's policies, procedures and systems, including those relating to contracting, purchasing and human resources.

ACN 054 184 842

About us

Club Assist Corporation Pty Ltd is the Australian parent entity of AA Battery Service Ltd (investment in New Zealand), Club Assist North America (wholly owned by the Australian entity) and Club Assist Pty Ltd (wholly owned by the Australian entity).

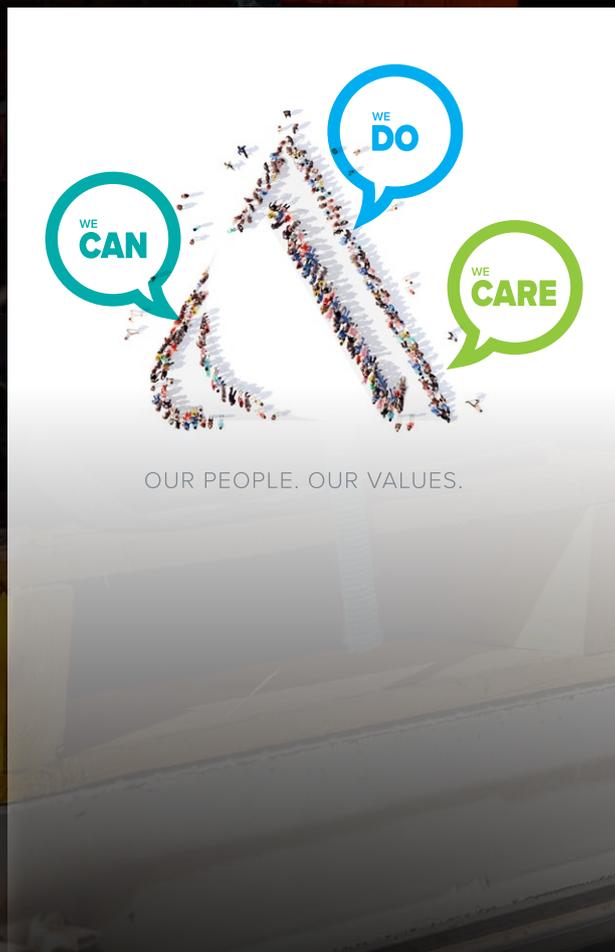
Club Assist Pty Ltd (CAPL) provides lead-acid and lithium (LiFePO4) batteries across several industries in Australia, including the automotive, commercial, and recreational sectors. We source, store, distribute, and install lead-acid batteries, and provide roadside emergency patrol services.

Our head office is in Melbourne, Victoria. Nationally we employ close to 300 staff and manage a strong workforce of contractors. Club Assist continues to be backed by the Australian Motoring Clubs. On 1 July 2024, Club Assist Corporation Pty Ltd was acquired by Australian Motoring Services Pty Ltd, which is wholly owned by the Australian motoring clubs.

Club Assist has been specialising in battery technology for over 30 years, supported by an in-house quality assurance laboratory, a robust national supply chain network and strong global procurement capability.

Company values

Our values underpin our culture and influence the way we interact with each other, our partners, clients, and stakeholders. They represent what is important to us and guide our business success. Everyone across the business is responsible for living and displaying our values.

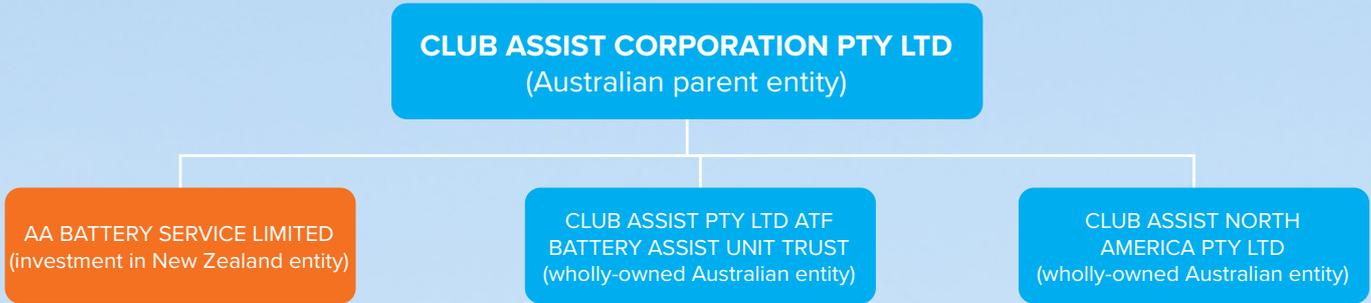


Club Assist structure and governance

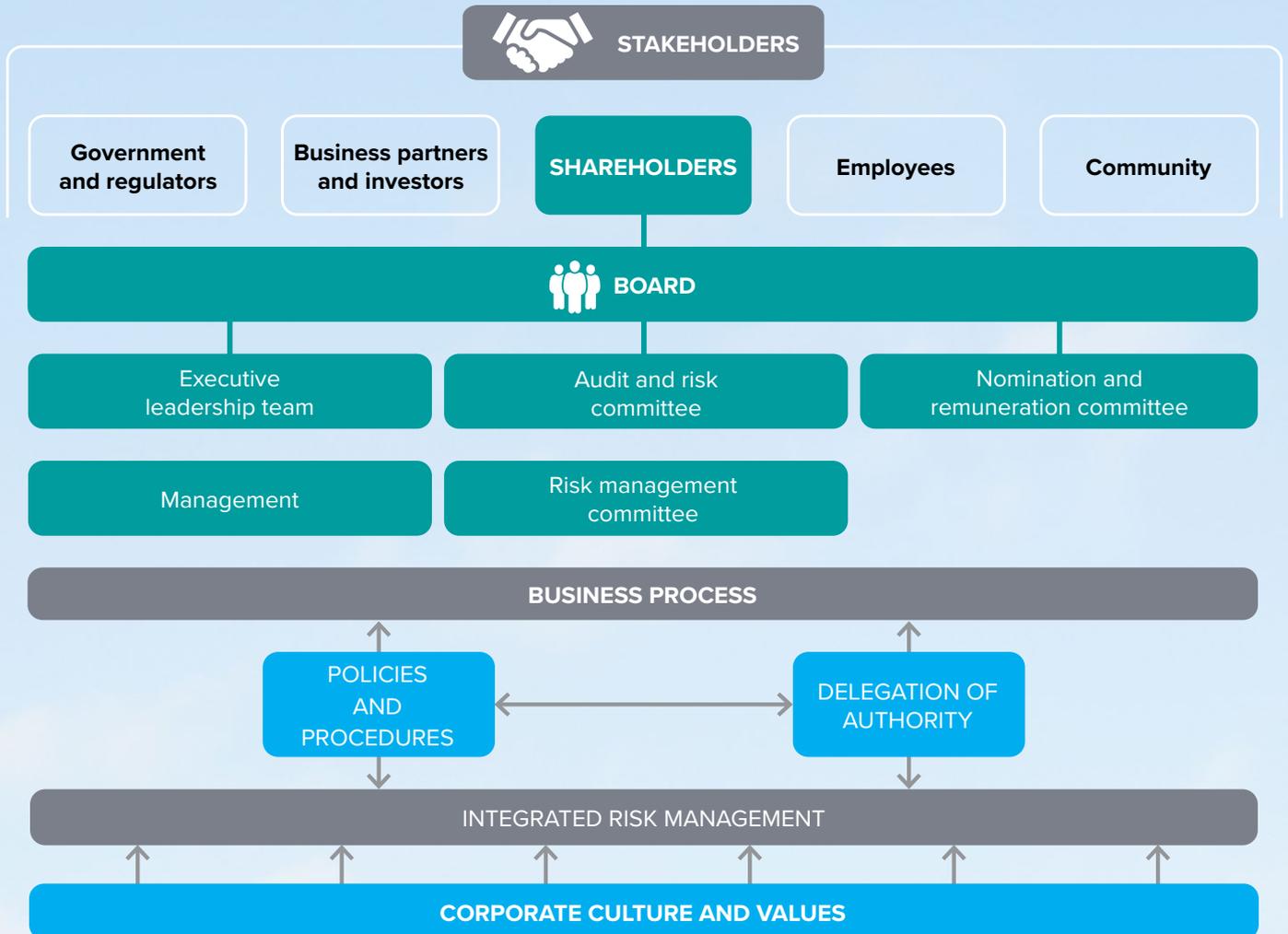
Our organisational structure in FY24

Club Assist's shareholding, during the review period of this statement, was held by the motoring clubs in Australia with operations in Australia, the USA, Canada and New Zealand.

CORPORATE STRUCTURE



OUR GOVERNANCE FRAMEWORK



With effect from 1 July 2024, shareholding and corporate structure of Club Assist has changed following its acquisition by Australian Motoring Services Pty Ltd. This statement reviews Club Assist's modern slavery risk management initiatives and activity up to 30 June 2024, before the change in ownership took effect in the new financial year beginning 1 July 2024.

Statement from the chair of the board

We are pleased to present Club Assist Corporation Pty Ltd's fifth modern slavery statement and pledge our commitment to assessing, addressing and mitigating the risks of modern slavery in our operations and supply chain.

On 1 July 2024, Australian Motoring Services Pty Ltd acquired Club Assist Corporation Pty Ltd. This statement from Club Assist outlines the steps the business has taken in financial year 2024 to mitigate and address modern slavery risks. The previous board of directors of Club Assist Corporation Pty Ltd, together with the business, have taken meaningful steps to continuously improve and refine the approach to identifying, addressing and mitigating modern slavery risks in business operations and across the supply chain.

We respect the human rights of all people involved in our operations. We do not tolerate any form of exploitation or modern slavery and are committed to creating value for all stakeholders. We are also committed to upholding labour and employment laws and regulations in all areas in which we operate.

This statement outlines the actions taken by Club Assist in FY24 to assess modern slavery risks and the practical risk mitigation strategies that have been implemented. It builds upon the modern slavery risk management program reported in previous statements and the ongoing process of continuous improvement.

We are committed to managing modern slavery risks across our Australian and international operations and the communities where we work. We understand the importance of supply chain integrity and are dedicated to conducting business responsibly, sustainably and in a manner that is consistent with the high standards we expect from our suppliers.

This statement was approved by the board of directors of Australian Motoring Services Pty Ltd at the board meeting on 13 November 2024.



Neil Taylor
Chair, Australian Motoring Services

Club Assist's exposure to modern slavery risks facing global operations and supply chains

Operational risk profile

For over 30 years we have been safely and sustainably providing batteries. We comply with all labour, employment, immigration and whistle-blower laws of Australia and its states and territories, including the Fair Work Act and are committed to:

- the safety and wellness of our employees
- a workplace free from harassment, discrimination and bullying
- ensuring diversity, equity and inclusion in our operations and business dealings
- fundamental human rights
- acting ethically and lawfully in all business conduct
- engaging with our stakeholders respectfully and honestly
- building sustainable communities through providing local jobs, developing local skills and providing local business opportunities.

Our governance processes, corporate policies, training courses and dedicated risk management programs ensure we meet the commitments listed above. While we consider the potential for us to cause or contribute to instances of modern slavery to be low, we continue to assess possible areas of vulnerability in our operations, including outsourced services such as cleaning, security and facilities management and the use of labour hire contractors.

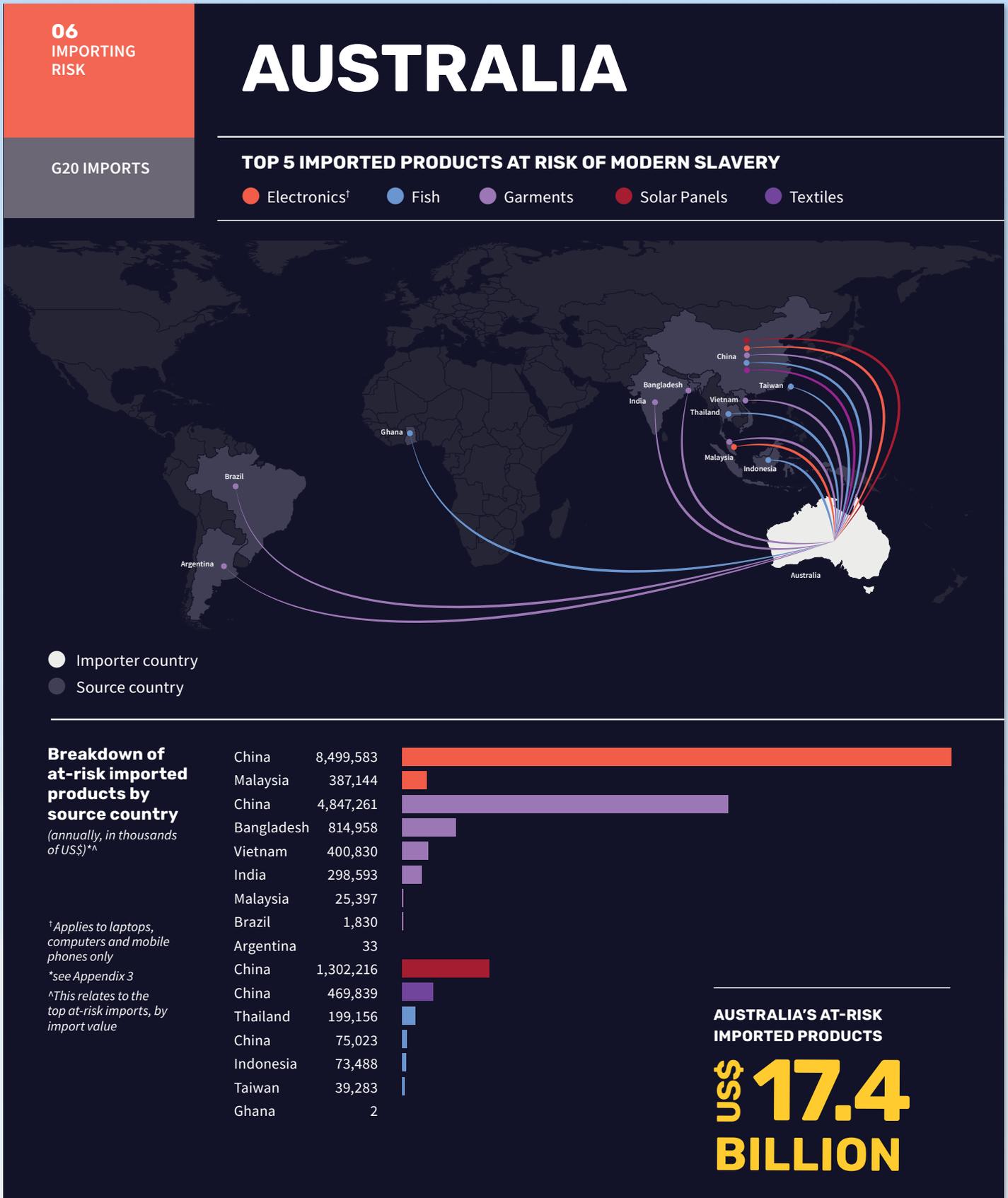
Supply chain risk profile

While the risk of modern slavery in Australia is lower than many other jurisdictions (according to GSI data), we recognise that our international suppliers predominantly in Asia comprise 75% of our spend. As such we continue to be vigilant in assessing and addressing potential supply chain risks.

As an importer of lead-acid and lithium (LiFePO4) batteries, we acknowledge the inherent risk of modern slavery in our extended supply chain. Our supplier due diligence initiatives enable us to obtain a better understanding of our exposure to modern slavery risks and informs the actions we take to address and mitigate this risk. We engaged and educated our direct battery suppliers as well as our highest risk tier 2 suppliers on modern slavery risk management and conducted both desk-top and onsite assessments.

In addition, we recognise that our overseas and local suppliers, making up the remaining 25% of our spend, provide us with goods and services across several potentially higher-risk categories. Further engagement and assessment of these suppliers will be undertaken in future reporting years.

In assessing our supply chain risk profile we leverage the Global Slavery Index 2023 document to identify at-risk products and sourcing regions. An excerpt is captured below:



Source: Global Slavery Index 2023

2023 modern slavery statement lodged

Our fourth modern slavery statement was lodged with the Australian Attorney-General's Department in December 2023 and was published on the online register on 24 January 2024. The statement can be accessed [here](#).

Summary: FY24 modern slavery risk management initiatives

FY24 modern slavery actions can be grouped into five major categories, each with corresponding initiatives as outlined in the table below:

Supplier audits	Corrective action plans	Supplier onboarding	Training, awareness and communication	Governance & due diligence
Conducted social impact/ethical business audits of major suppliers in Asia.	Corrective actions for non-compliance and partial compliance were issued, tracked and reviewed regularly until they were fully addressed by the suppliers.	Enhanced supplier onboarding protocols established in line with business expansion targets.	Formalised online modern slavery training for internal staff and contractors, as well as board directors. Modern slavery survivor presentation for staff.	Quarterly modern slavery steering committee (Steerco) meetings to review and direct modern slavery risk management program.

Summary of actions taken in FY24 to assess and address modern slavery risk

1. Key tier 1 suppliers on-site audits

In collaboration with Verisio, a globally recognized provider of quality and compliance solutions, we conducted audits of our primary suppliers located in South Korea and China. Verisio specializes in factory audits, inspection management, and quality consulting for retailers and their supply chains.

Each supplier underwent a comprehensive two-day audit performed by Verisio, adhering to their established ethical audit protocols, which were pre-approved by Club Assist. The audit process included thorough reviews of documentation and evidence, as well as interviews with employees.

Additionally, auditors verified the implementation of action plans that supplier had committed to from the previous year. Based on Verisio's recommendations, we devised corrective action plans to resolve and rectify non-compliance (NC) and partial compliance (PC) issues. All suppliers successfully completed their action plans by 30 June 2024. Further information is provided on pages 9 - 11.

2. Closure of corrective actions

A crucial component of our audit process is addressing and resolving the recommendations provided by the auditors. Following the issuance of the audit report, our internal procurement team engaged in a sustained effort over several months to ensure that all audit findings were satisfactorily addressed by 30 June 2024. We prioritized transparency and accountability, requiring suppliers to provide regular updates and documentation that demonstrated their progress in implementing corrective measures.

To ensure the thorough closure of all audit findings, we conducted follow-up reviews and assessments to verify the completion of the agreed-upon action plans. By the conclusion of this initiative, all outstanding non-compliances had been successfully addressed, marking a significant achievement in our ongoing efforts to uphold the highest standards of labour rights and human rights for workers in our supply chain.



3. Onboarding of new suppliers

To ensure modern slavery risks continue to be effectively assessed and addressed with expanding business operations, we continue to implement a more stringent supplier onboarding process. This includes a detailed desk-top supplier analysis, deep dive assessments (SAQs), risk-based reporting and onsite audits where required.

During FY24 we fully validated this new supplier assessment and onboarding process with several new suppliers in China. This resulted in one supplier “PASS” result and one supplier “FAIL” result. A case study detailing the effectiveness of this progress is included on page 13.

4. Training and awareness

Having reviewed and assessed our potential exposure to modern slavery risks within our operations (using the cause-contribute-directly linked continuum), engagement of our contractors was deemed critical. As such, we extended our modern slavery training programs beyond our office-based staff to include independent contractors working in the field. Training modules were rolled out throughout the year at 3–4-month intervals and covered the following topics:

1. What is modern slavery?
2. Modern slavery in the workplace
3. Business relevance

We also take advantage of other available forums to discuss modern slavery, including webinars sponsored third party providers. We also invite guest speakers to educate and inform our staff and managers (e.g. representatives from the Attorney-General’s Department and Commonwealth Modern Slavery Expert Advisory Group (MSEAG).)

Putting a face to a modern slavery survivor

We invited modern slavery survivor Moe Turaga to share his incredible story.

a. Global Steerco (7 December 2023)

In addition to all the ongoing work, there is nothing more powerful than hearing a first-hand experience of the human impact of modern slavery. The global Steerco invited modern slavery survivor advocate Moe Turaga to share his experience of leaving Fiji and coming to work in Australian horticulture at the age of 17 after being deceptively recruited by a relative. Moe has been an active participant in advocating for the Modern Slavery Act 2018 and has been presented with a 2023 Anti-Slavery Australia Freedom Award.

b. Townhall (8 February 2024)

Hearing Moe’s moving story and its deep impact, the global Steerco unanimously agreed on the value of sharing Moe’s story across the organisation. Club Assist invited Moe to its half-year town hall in February, which brings together employees across the country to discuss business performance and initiatives.

5. Governance, due diligence and consultation

As part of our Modern Slavery Compliance and Risk Committee (Steerco) charter, we continue to evaluate the membership of the team and reconvened the Steerco to reengage both AABS (AA Battery Service) and CANA (Club Assist North America) on our ongoing modern slavery risk management plans. The Steerco meets quarterly for consultation and to advise on the development and progress of the program across our various entities.

Modern slavery remains a standing agenda item in Club Assist’s monthly compliance committee meetings. Any updates to modern slavery legislative requirements are discussed and minuted. Updates are also received via Lexis Nexis compliance update emails to which Club Assist subscribes. These are subsequently reported back to the risk management committee and actions implemented as deemed necessary.



Moe Turaga with our Qld team

FY24 modern slavery risk management initiatives: a detailed overview

I. Key Tier 1 supplier audits

On-site auditing was a pivotal element of our modern slavery risk management initiatives during this reporting year, underscoring our commitment to rigorous supplier evaluation and compliance monitoring. These audits are now an integral component of CAPL's ongoing supplier due diligence program and a cornerstone of our annual modern slavery risk management program. This year, we conducted four comprehensive supplier audits; three in South Korea, and one in China, focusing on factories specializing in the manufacture of automotive batteries. These facilities spanned between 85,000 and 100,000 square meters, with an average workforce of 430 employees per site. The production processes encompassed injection moulding, pasting, cell assembly, formation, charging, and packing.

We enlisted Verisio to conduct on site social impact / ethical audits of our South Korean and Chinese suppliers. Verisio is a renowned global quality and compliance solutions provider, offering extensive expertise in factory audits, inspection management, and quality consulting. With operations in Europe and Asia and a headquarters in Cambridge, UK, Verisio is well-versed in auditing protocols grounded in the Ethical Trade Initiative (ETI) base code and customized social compliance programs. Their auditors are highly qualified, holding professional certifications as lead auditors for social compliance auditing (SA8000) and quality assurance (ISO9001).

Prior to the audits, we communicated and agreed upon the audit procedures and Verisio's integrity policy with factory representatives. The management teams at these factories were highly cooperative, providing transparent insights into both their challenges and opportunities. While based on the Sedex Members Ethical Trade Audits (SMETA) audit protocol, the audit tools and methods were customized to focus on modern slavery and labour rights issues. Our standard audit protocol was refined through consultation with Verisio and our Australian advisors, SD Strategies.

The audits evaluated the factories against 13 key areas, aligned with the four pillars of our modern slavery risk management framework:

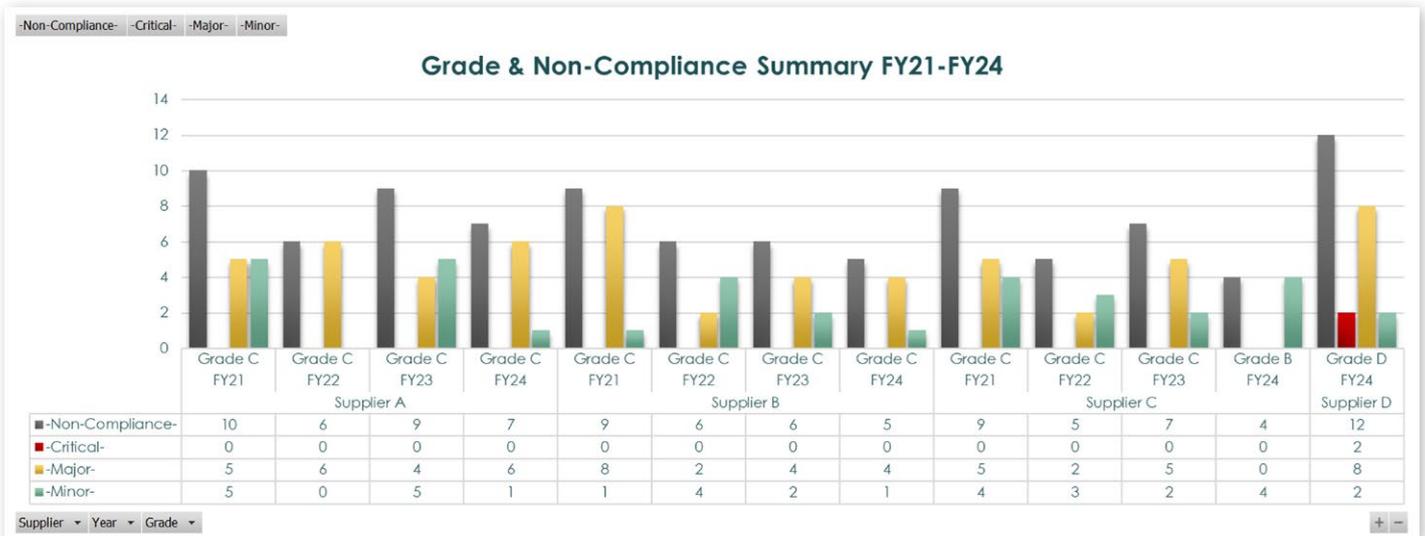
1. Governance/due diligence
2. Risk management
3. Working conditions
4. Training/reporting

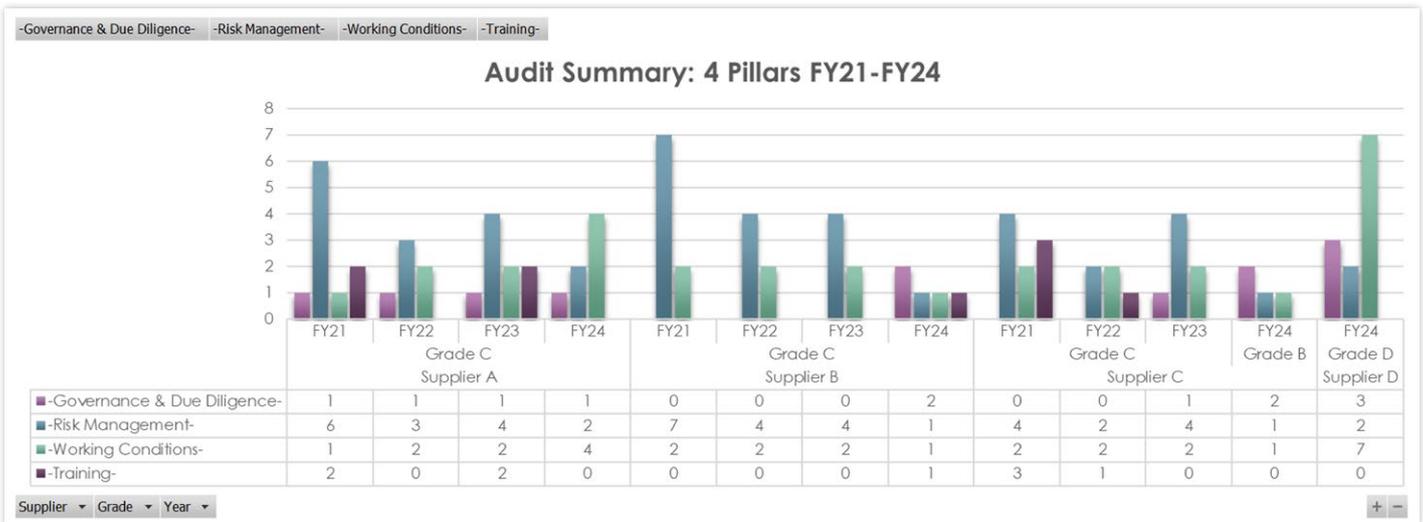
We documented specific action plans to address findings of non-compliance (NC) and partial compliance (PC).

Three primary battery suppliers and one newly onboarded supplier underwent audits on 11-12 July, 2023; 30-31 January, 2024; 5-6 February, 2024; and 26-27 February, 2024. During each audit, the auditors dedicated at least two full days to reviewing documentation, interviewing management and employees, and conducting site inspections.

The audit criteria and questions were continuously refined and improved through the period of FY21-24 which effectively "raised the bar" for the compliance standard. This had an impact on the overall number of NC's identified. The chart below provides a summary of findings from FY21 to FY24 with the exception of supplier D who was onboarded in late FY23.

In the past three years, our three primary suppliers have maintained a stable compliance record, with no critical issues necessitating significant interventions from our company. While there was a slight uptick in major and minor issues between FY22 and FY23, these findings did not undermine the overall satisfactory status of working conditions and labour management systems, largely due to protective legislation. The suppliers' certifications, including ISO 9001 for quality management, ISO 14001 for environmental management, and ISO 45001 for occupational health and safety, signify a robust framework for managing workforce-related processes.





Legend	
Grade A	Factory fully compliant.
Grade B	Minor issues found.
Grade C	Major issues found.
Grade D	Critical issues found.

These certifications underscore the presence of strong Human Resources (HR) processes and systems that effectively monitor working hours and ensure legal compliance regarding overtime.

The FY24 audit data provides a critical snapshot of the compliance performance of suppliers A, B, C, and the newly onboarded supplier D. This year, the data reveals a complex landscape where most suppliers showed a mix of improvement and ongoing challenges.

Supplier A

Supplier A, consistently rated as grade C, recorded 7 non-compliances in FY24, comprising 1 minor and 6 major issues. This represents a slight improvement from the 9 non-compliances recorded in FY23 but highlights ongoing challenges, particularly in Working Conditions, where 4 out of the 7 non-compliances were identified. Over the four years, supplier A has shown some progress, but the persistence of major issues, especially in the extensive 91-criteria Working Conditions pillar, underscores the need for continued focus on enhancing their compliance practices.

Supplier B

Supplier B, also maintained a grade C, with 5 non-compliances in FY24, including 1 minor and 4 major issues, representing an improvement from 6 non-compliances in FY23 and a significant reduction from 9 in FY21. While the number of issues has decreased, the major issues identified in risk management and working conditions in FY24 indicate that supplier B still faces considerable challenges in these areas. Notably, supplier B has reduced non-compliances in risk management from 7 in FY21 to just 1 in FY24, which is a positive development. However, the remaining major issues in working conditions suggest that while progress has been made, there is still work to be done to achieve full compliance.

Supplier C

Supplier C made significant progress in FY24, earning a grade B with only 4 minor non-compliances, down from 7 in FY23. This marks a notable improvement, particularly in risk management and governance & due diligence, where the supplier demonstrated strong adherence to standards. Supplier C's reduction in non-compliances from 9 in FY21 to 4 in FY24 is a testament to their concerted efforts to improve risk management and labour rights

systems. The complete absence of major or critical issues in FY24 further underscores supplier C's successful implementation of corrective actions. This progress highlights supplier C's commitment to upholding high standards, particularly in the more demanding audit areas of working conditions and training.

Supplier D

Supplier D, as a newly onboarded supplier in FY24, presented the most significant challenge, recording 12 non-compliances, including 2 critical, 8 major, and 2 minor issues. The critical non-compliances were concentrated in risk management and working conditions, with 7 major issues also identified in these areas. Governance & due diligence also posed challenges for supplier D, with 3 non-compliances, indicating a need for immediate and sustained intervention. The critical and major issues identified reflect the initial hurdles that new suppliers often face in aligning with stringent compliance standards.

Looking ahead to FY25, we will leverage Verisio's expertise as our third-party auditor to enhance our supplier auditing processes based on the four pillars. From FY21 to FY23, Verisio completed the audits and recommended corrective actions, while our company took on the responsibility of following up with suppliers to ensure these actions were closed and documented appropriately.

However, we observed that the progress in implementing these actions was slower than anticipated. In FY25, we have tasked Verisio with the responsibility of ensuring that corrective actions are closed out according to industry standards. As such Verisio will conduct audits and oversee the implementation of corrective actions, ensuring compliance with requirements, while Club Assist will moderate the entire process. This refined approach aims to accelerate positive progress, reinforce our commitment to ethical business practices, and align our supply chain operations with global standards. By entrusting Verisio with this critical role, we aim to foster a more efficient and effective compliance process, reinforcing our leadership in promoting human rights and ethical business practices.

II. Closure of corrective actions

The closure of all recommended corrective actions by 30 June 2024 marks a significant milestone in our supplier compliance efforts, reflecting the collective dedication to resolving identified gaps and enhancing operational standards. Supplier A, with 7 non-compliances in FY24, demonstrated a strong commitment to improving safety and compliance by addressing issues such as blocked emergency exits and inadequate risk assessments. Working closely with our team, supplier A implemented regular safety checks and expanded their risk assessment processes to ensure a safer working environment and more thorough oversight of potential risks.

Suppliers B and C also made notable progress in FY24, each addressing critical areas in their operations. Supplier B, with 5 non-compliances, successfully expanded its Code of Ethics training to include production workers, and improved the communication of modern slavery requirements across its supply chain. These actions were crucial in strengthening its governance and risk management practices. Meanwhile, supplier C achieved a grade B with only 4 minor non-compliances, ensured the availability of adequate first-aid supplies, reflecting their commitment to worker safety. The reduction in non-compliances from 9 in FY21 to 4 in FY24 for supplier C underscores the effectiveness of these corrective actions and highlights both suppliers' dedication to continuous improvement.

Although supplier D successfully closed out all 12 non-compliances identified in its first audit, including critical issues in occupational health and social insurance coverage, there may be a need to revisit some of these corrective actions in the FY25 audits. This will ensure that the measures taken are fully sustained and effective, reaffirming compliance based on the latest data.

Despite the 100% closure rate, the audit process revealed areas for ongoing improvement, particularly in the commitment to modern slavery risk management practices and ensuring the sustainability of health and safety measures. As we move forward, our focus will be on deepening engagement with all suppliers, particularly new entrants like supplier D, to ensure that the progress achieved is maintained and further enhanced. This will involve fostering a culture of continuous improvement, regular monitoring, targeted support, and ongoing dialogue to ensure all suppliers are fully aligned with our commitment to upholding the highest ethical standards.

III. Onboarding new suppliers

We started our due diligence journey of new suppliers with SGS in February 2023. SGS audited four shortlisted suppliers. The selected supplier received an SGS rating of 77.5%, being "conditional acceptable". Areas of improvement were identified and needed to be further addressed.

Modules	Registered Employees	Completed	Completion Rate
Modern slavery module 1: What is modern slavery?	69	68	99%
Modern slavery module 2: Modern slavery in the workplace	57	51	89%
Modern slavery module 3: Business relevance	49	49	100%
Total	175	168	96%

Our next level of due diligence included a site visit by our engineers. Two Club Assist engineers conducted an on-site visit to the factory of supplier D in late April 2024. The visit included witnessing the production methods and quality assurance processes, as well as in-depth discussion on product design and development. Observations were also done on health and safety practices and staff engagement. The trip validated the SGS audit that the company is a viable supplier that Club Assist can potentially partner with.

The entity has been operating for four years and thus posed a potential risk due to a lack of maturity in its approach to human rights. However, the potential risk levels were mitigated by the fact that it is part of a Group of companies that has been operating for more than 20 years. We sought feedback about supplier D from other companies, including from one of Australia's leading suppliers of industrial batteries, who confirmed that they have not experienced any issues with the supplier and continue to trade with them.

A full ethical audit was undertaken by Verisio with supplier D on 11 and 12 July 2024. The auditor used the same audit protocols used for our battery suppliers in South Korea. Two critical issues, eight major issues and two minor issues were identified during the audit and a corrective action plan has been implemented.

IV. Training and awareness

One key action for the current reporting period was to ensure all our leaders and their teams received modern slavery risk management training to better understand what modern slavery is and where the risks may lie in our operations and supply chain. Our Learning & Development (L&D) department, in collaboration with the Supply Chain team, launched three modern slavery modules within our Learning Management System (LMS). Each module takes approximately 15 minutes to complete and includes a short quiz at the end.

The three modules launched during this reporting period were:

- Modern slavery module 1: What is modern slavery?
- Modern slavery module 2: Modern slavery in the workplace
- Modern slavery module 3: Business relevance

There was a 96% completion rate across the three modules offered, reflecting a strong commitment to modern slavery risk management across our wider company (beyond our supply chain team and modern slavery Steerco).

In addition, we also enhanced the training undertaken by the Steerco, ELT and AABS Board.

Role	Members	Module 1	Module 2	Module 3	Module 4	Module 5	Module 6	Module 11 (Board)
MS global Steerco	9	100%	100%	100%	100%	100%	100%	NA
New MS global Steerco	4	100%	100%	100%	100%	100%	100%	NA
CAPL ELT	6	100%	100%	100%	100%	100%	100%	NA
AABS board	4	NA	NA	NA	NA	NA	NA	100%

The following additional training will be rolled out to board members and employees in FY25.

- CAPL board members will complete module 11 (Board Accountability and Responsibility)
- CAPL will introduce a refresher course for employees who have completed modules 1, 2 and 3.

Learning through lived experience

In addition to more formal and structured training for employees on modern slavery, understanding the real-world experience of modern slavery survivors has been instrumental in lifting awareness, understanding and purpose of Club Assist’s initiatives.

Club Assist invited anti-slavery advocate Moe Turaga to share his personal story as a victim of modern slavery. The first was with Steerco members and the second invitation was to share his story with all Club Assist employees. Moe was open and frank about his journey – the challenges, struggles and remarkable journey out of slavery with the help of farmers he met at a local church.

Moe also visited Club Assist’s Brisbane office as a guest speaker at our half-year employee town hall event. While in front of our Brisbane team, Moe’s presentation was live streamed to our workforce located across Australia.

His personal account and determination to survive had a moving and profound impact on our team members. By sharing his story, Moe has highlighted the realities and existence of modern-day slavery and its devastating impact on vulnerable individuals.

The benefit to our employees from hearing the personal story of Moe Turaga has been invaluable. The speaking events reignited and reaffirmed our shared purpose and intent of anti-slavery actions – to protect fundamental human rights and vulnerable people across our industry sector from the many different forms of exploitation.

V. Governance, Due Diligence and Consultation

Global steering committee

During the first three reporting years, our Modern Slavery Compliance and Risk Committee (Steerco) met on average every eight weeks or so to support the development and implementation of our modern slavery risk management program. Members of the committee were instrumental in ensuring information flow between various sections of the business and engaging employees and managers across the organisation on our modern slavery risk management efforts. This has been key to embedding modern slavery risk management in our core operating processes and procedures.

The members of the committee represent the following entities: Club Assist (Australia); CANA (North America); and AABS (New Zealand).

During the reporting period, we reviewed potential modern slavery risks and actively engaged with these representatives to ensure that significant milestones set are fulfilled as agreed in Steerco meetings. The global Steerco includes senior representatives from our Australian, New Zealand and North American operations. Our highly experienced Steerco will ensure the risks associated with modern slavery continue to be assessed and addressed and that the effectiveness of our actions is reviewed at least quarterly. The modern slavery Steerco is part of Club Assist’s Compliance Committee which meets monthly. In addition, we regularly update and seek approval from the audit and risk committee as well as our board.

During the course of the year, we also updated the membership of the global Steerco due to internal role changes. FY24 Steerco members are:

1. Luke Maunsell, EGM Operations & Supply Chain
2. John Murphy, Director – Risk, Safety & Fleet (Club Assist North America)
3. Marcie Lushen, Vice President – Human Resources (Club Assist North America)
4. Mandy Mellar, General Manager (AA Battery Service NZ)
5. Fiona Grandage, Senior Legal Counsel
6. Vijay Vajiaratnam, Strategic Procurement Manager and CI lead
7. Michael Vogt - EGM HR, Safety, Legal
8. Monique Mathieu, Corporate Communications Manager
9. Dojo Esquivel, GM – Procurement & Supply Chain

The Steerco and consultation meetings were held on the following dates:

- Q1 – 27 September 2023
- Q2 – 7 December 2023
- Q3 – 27 March 2024
- Q4 – 26 June 2024

Consultation

The development of this statement was led by our GM Supply Chain and Corporate Communications Manager, with input from a range of functions throughout the organisation represented by our modern slavery compliance and risk committee (global Steerco). Inputs in the formulation of the statement was also sought from our external modern slavery advisor, SD Strategies.

The draft statement was reviewed by members of our Audit and Risk Committee before final review and approval by the Board of Directors of Australian Motoring Services Pty Ltd in November 2024. Once approved by the Board, the statement will be lodged on 2 December 2024 (International Day of Slave Trade and its abolition, declared by the UN.)

Case Study

New Club Assist supplier – modern slavery compliance concerns

In early 2024, Club Assist entered into a contract with a subsidiary of a China-based supplier of lead acid car batteries. The contract includes modern slavery clauses to ensure compliance with our modern slavery requirements as well as to protect Club Assist in the instance of a possible breach. As part of the onboarding process an on-site ethical / social compliance audit was scheduled of the supplier’s manufacturing plant (located in an alternate country of origin) from which the products were sourced. The initial order was placed, and the manufacturing process was initiated.

Club Assist was subsequently made aware of the supplier’s inclusion on the US Department of Homeland Security’s (DHS) ‘Uyghur Forced Labor Prevention Act Entity List’ (under the Uyghur Forced Labor Prevention Act 2021, or UFLPA). According to the DHS website, the supplier is listed as an entity “working with the government of Xinjiang to recruit, transport, transfer, harbor or receive forced labour or Uyghurs, Kazakhs, Kyrgyz, or members of other persecuted groups out of Xinjiang”. Club Assist immediately raised its concerns with the supplier who denied the allegations, stating that they were “based on false reports and complex international political reasons.”

While Club Assist’s contract was with a China-based subsidiary of the supplier named on the US DHS Entity List and the batteries were manufactured by a subsidiary outside of China, it was felt that the risk of supply chain forced labour remained.

In line with its standard approach to supplier due diligence, Club Assist immediately commissioned a deep dive desktop assessment of the supplier (via an online self-assessment questionnaire)

to identify gaps and risks in the company’s approach to labour rights and broader human rights issues. The desktop assessment questionnaire was developed by our external modern slavery advisor, SD Strategies, and included 70 questions covering risk areas including employment conditions, pay rates and employee welfare and support schemes. All questions required supporting evidence to be supplied by the business to validate their responses.

The results of the desk-top assessment identified a number of red flags including :

- the provision of conflicting information.
- limited evidence of policies and risk management systems.
- the use of intra-company suppliers (including subsidiaries located in the Xinjiang Province of China).
- a lack of external verification of alleged alignment with international standards.
- a lack of documented grievance or remedy processes.

Given the supplier could not demonstrate an acceptable commitment to modern slavery risk management and was unable meet Club Assist’s expectations related to labour rights and worker protections, a decision was made to terminate the contract before goods were procured, despite the risk of business disruptions to Club Assist.

At the time of writing, the supplier had formally applied to be removed from the Entities list however this removal had not been granted by the US DHS. This case study demonstrates Club Assist’s commitment to maintaining strong human and labour rights across its supply chain, regardless of business impacts and supply chain disruptions. Important lessons were learned and additional controls have been implemented as part of our supplier onboarding process to further strengthen our due diligence and validation process to ensure our tiered Supply Chain is compliant with our modern slavery compliance principles.

Plans beyond 2024

Club Assist is committed to continually reviewing and building on our modern slavery compliance protocols. Our plans for FY25 and beyond are captured below.

Supplier audits	Corrective action plans	Supplier onboarding	Training, awareness and communication	Governance & due diligence
On-site audits of highest priority suppliers will continue with our independent third party auditor.	Closure of corrective actions facilitated externally with Club Assist serving as a moderator to ensure that actions implemented reflect our expectations and requirements.	High-level company searches to be undertaken prior to contract negotiations for any new suppliers.	Online training will include <ul style="list-style-type: none"> • Modern slavery refresher course. • Board training rolled out to the new CAPL board. • Modern slavery training modules 1, 2 and 3 will continue to be rolled out to employees and contractors. • Training modules will be rolled out to representatives of the merged company. 	Expansion of reporting entity and enhanced due diligence following a company merger.
Where goods are deemed to be from a high-risk country of origin, both desktop assessments and on-site audits will apply (such as undertaken for supplier D).	Opportunities for leveraging technology and modern slavery software to maintain data will be explored.	Documented supplier onboarding process to be developed and communicated across the business.	Modern slavery training and awareness to be rolled out to the new merged company.	Global Steerco and risk committee will continue to be held quarterly (or as needed) and membership to Steerco to expand to Australian Motoring Services representatives.
Third party social compliance and labour rights audit to be conducted of cleaning contractors.		Modern slavery contract provisions to be incorporated into all major supplier contracts.	Ongoing engagement with customers in responding to modern slavery queries and audit.	Modern slavery risk management program to be integrated into CAPL’s broader environment social and governance program.
New supplier base (of merged company) to be risk assessed and priority suppliers integrated into existing supplier due diligence program.				Tier 2 and tier 3 battery suppliers will be mapped and country / region of origin for component parts identified

Effectiveness of actions taken

Reflecting on the past five years, we will continue to review the effectiveness of actions taken to identify, assess and address modern slavery risks and incorporate outcomes-focused performance indicators into our management review processes. As a company we have learned a great deal about modern slavery risk and its impact on the automobile and battery manufacturing sectors. While developing and implementing our modern slavery risk management program has not always been easy, we have had the support of our leadership team and staff throughout. We have come a long way from our first workshop on modern slavery, with all employees and our highest priority suppliers having now undertaken modern slavery training and actively implementing actions to mitigate risk.

At Club Assist, we consider an effective response to modern slavery risk management to include:

- Strong modern slavery governance;
- Effective supplier partnerships; and
- Ongoing training and education.

How we measure effectiveness	What we have in place
Strong modern slavery governance	Board and ELT support and engagement Documented policies and procedures Modern slavery integrated into risk management and broader ESG decision-making processes
Effective supplier partnerships	Supplier onboarding protocols Engagement of Tier 1 and Tier 2 suppliers through supplier webinars and training programs Clear communication of our expectations Deep dive assessments and onsite audits Corrective action planning process that is inclusive and fair
Ongoing training and education	Targeted modern slavery eLearning courses rolled out across organisation Guest speakers including hearing from survivor advocates Board and executive training and engagement New training programs provided to keep staff and contractors up-to-date and engaged

We acknowledge the importance of assessing the effectiveness of our actions to manage and mitigate risk of modern slavery in our operations and supply chain and continue to work on the best approach to measuring the effectiveness of our actions. We will also continue to monitor the number of complaints received through our grievance and whistleblower processes, and ensure systems are in place to respond to and remedy any instances of modern slavery that we may cause or contribute to.



Annexure

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of

Club Assist Corporation Pty Ltd

as defined by the *Modern Slavery Act 2018 (Cth)*¹ ("the Act") on 13-Nov-2024

Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of

Board of Directors of Club Assist Corporation Pty Ltd

as defined by the Act²:



Neil Taylor, Chairman

Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	3
b) Describe the reporting entity's structure, operations and supply chains.	4
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	5-6
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	7-13
e) Describe how the reporting entity assesses the effectiveness of these actions.	14
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	12
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	13

* If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement 'Do not own or control any other entities' instead of a page number.

** You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

1. Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed body within the entity, or a prescribed member or members of the entity.
2. Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorised to sign modern slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee—that trustee; or (c) if the entity is a corporation sole—the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the *Corporations Act 2001*—the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed member of the entity.



Company Directory

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