

Modern slavery statement **2023**



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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.

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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. We are owned and backed 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:



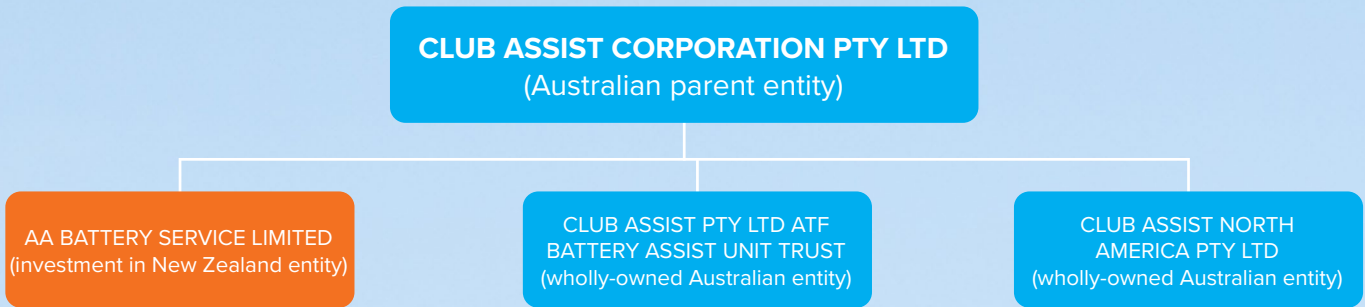
OUR PEOPLE. OUR VALUES.

Club Assist structure and governance

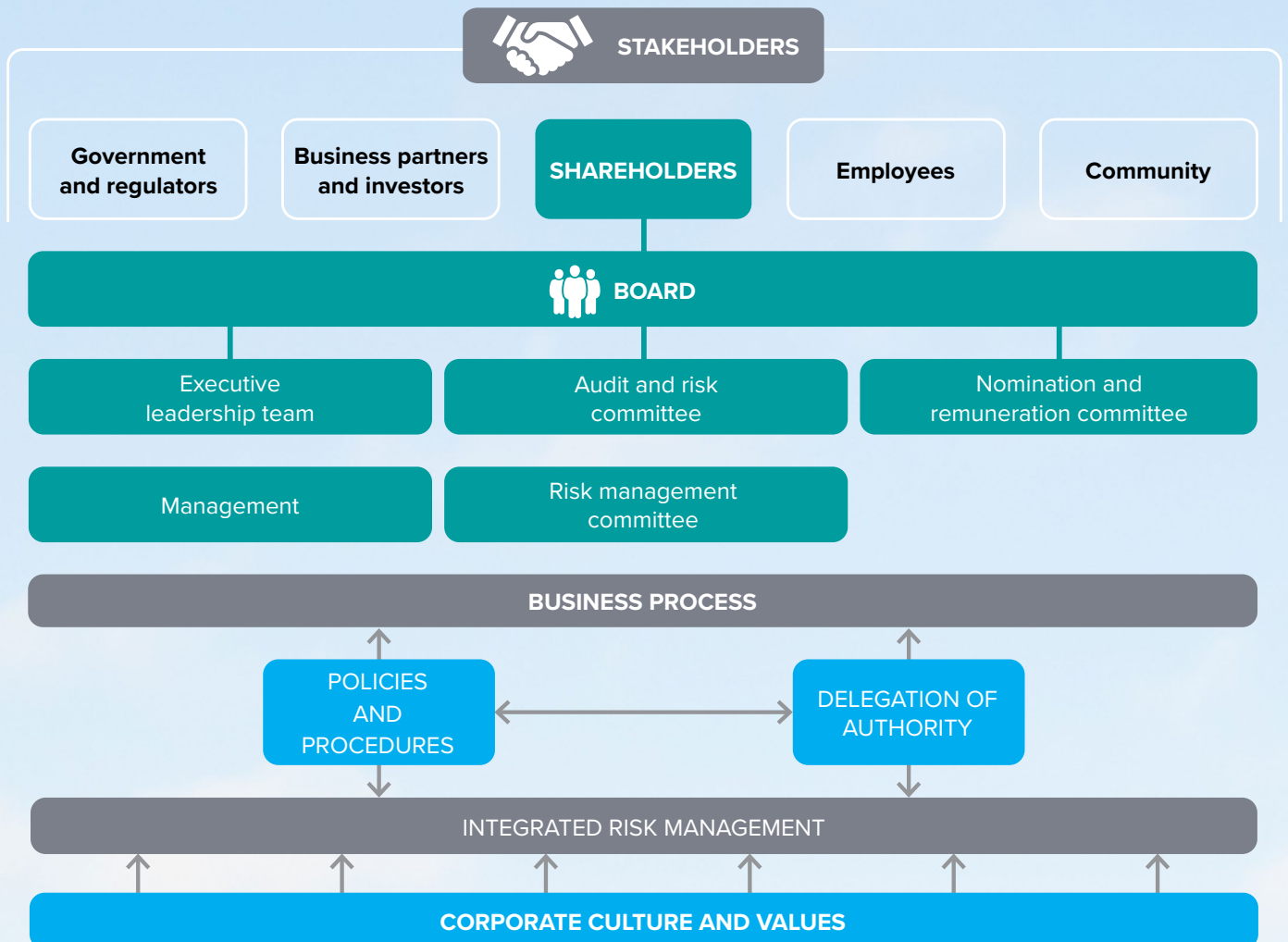
Our organisational structure

Club Assist's shareholding is held by the motoring clubs in Australia and has operations in Australia, the USA, Canada and New Zealand.

CORPORATE STRUCTURE



OUR GOVERNANCE FRAMEWORK





A statement from our Chairman

Club Assist Pty Ltd (CAPL) is a service-oriented business that provides automotive batteries and roadside assistance. We source, store, distribute, and install automotive batteries, and offer roadside emergency patrol services for customers and partners in Australia.

We are a well-established market leader and continue to review our governance practices to ensure we maintain this position and credibility.

Our board of directors and executive team take our commitment to reducing our modern slavery risk and improving governance across our operations and supply chain seriously. We have a rigorous program working closely with our providers to ensure they understand, address, and meet the requirements of modern slavery legislation.

Through active supplier engagement, we ensure a clear and thorough understanding of their role and responsibility in assessing and addressing modern slavery risks. The result has been consistent progress over the past few years with an even wider supplier base supplemented by comprehensive training for our own employees on modern slavery.

The financial year ending 30 June 2023 faced its own set of challenges and headwinds with inflationary pressures, supply chain uncertainty and ongoing global conflicts that have impacted economies around the world. Nevertheless, we have built on earlier efforts to achieve the actions set out in our three-year roadmap.

In FY23, we set out to reach and engage with our tier 2 suppliers to better understand modern slavery risks.

Modern slavery risk management and compliance continue to be top priorities at Club Assist. In the next financial year, we will continue to review, address, and improve how we manage modern slavery risks in the automotive aftermarket services sector.

This statement was approved by the board of directors of Club Assist Corporation Pty Ltd at the board meeting on 27 October 2023.

Phil Turnbull
Chairman, Club Assist

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

Operational risks

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:

- working safely and looking out for the safety of our colleagues;
- providing a workplace free from harassment, discrimination and bullying;
- acting ethically and lawfully in all business conduct;
- engaging with our stakeholders respectfully and honestly; and
- building sustainable communities through providing local jobs, developing local skills and providing local business opportunities.

CAPL has programmes in place to address the above matters. CAPL has policies in place that ensure the pursuit of such objectives. Our learning systems also educate the employees on their rights and privileges. While we consider the potential for us to cause or contribute to incidents of modern slavery to be low, areas of vulnerability in our operations include outsourced services such as use of cleaning, security and facilities management and possibly the use of labour hire contractors.

Supply chain risks
















We have identified our highest risk suppliers according to the following indicators:

- Industry sector – specific industry sectors deemed as high risk in international and national guidance documentation.
- Commodity/product – specific products and commodities deemed as high risk by the US Department of Labor's 2018 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI) and other international guidance materials.
- Geographic location – based on estimated prevalence of modern slavery and the government responses as outlined in the 2018 GSI. We are not buying goods that are from high risk (Fig 1), including their country of origin. However, we recognise that our goods and services may come from countries other than those of suppliers' headquarters.
- Workforce profile – in undertaking our supplier analysis we considered the type of labour involved in the production of our goods and services, particularly where low skilled, vulnerable or migrant labour is used, or where the work is deemed as '3D' work (dirty, dull or dangerous).

Recent studies show that the commodity and country that we import from are relatively low risk. While the risk of modern slavery in Australia is lower than many other jurisdictions (according to GSI data), we recognise that our Australian suppliers, who make up 10% of our spend provide us with goods and services across all high-risk categories and thus will require further engagement and assessment. High-risk goods and services are also procured directly from our international suppliers predominantly in South Korea. We have compared our supplier profile with that of the study provided by GSI. From this, we do not see any glaring risk compared to our current supplier profile.

Figure 1:

List of products with identified risk of forced labour by source countries¹⁰

	Cotton: Kazakhstan, Tajikistan, Turkmenistan, Uzbekistan
	Bricks: India, Myanmar, Nepal, Pakistan
	Garments – clothing accessories: Argentina, Brazil, China, India, Malaysia, Thailand, Vietnam
	Cattle: Bolivia, Brazil, Niger, Paraguay
	Sugarcane: Brazil, Dominican Republic
	Gold: Democratic Republic of the Congo, North Korea, Peru
	Carpets: India, Pakistan
	Coal: North Korea, Pakistan
	Fish: Ghana, Indonesia, Thailand, Taiwan, South Korea, China, Japan, Russia ¹⁰
	Rice: India, Myanmar
	Timber: Brazil, North Korea, Peru
	Brazil nuts/chestnuts: Bolivia
	Cocoa: Côte d'Ivoire, Ghana
	Diamonds: Angola
	Electronics – laptops, computers and mobile phones: China, Malaysia

2022 modern slavery statement lodged

Our third modern slavery statement was lodged with the Australian Border Force in December 2022 and was published on the online register on 21 December 2022. The statement can be accessed [here](#).

Summary: FY23 modern slavery risk management initiatives

FY23 modern slavery initiatives can be grouped into five major categories, each with corresponding sub-initiatives. The main categories are as follows:

I. Key tier 1 suppliers

With the help of locally based, external auditors, Verisio, we undertook audits of our major suppliers based in South Korea. Verisio is a global quality and compliance solutions provider offering factory audits, inspection management and quality consulting to retailers and their suppliers.

Verisio undertook a two-day audit with each supplier using their standard ethical audit protocols, as previously agreed with Club Assist. The audit process utilised both document/evidence review and employee interviews. Auditors also followed through the agreed action plans suppliers had previously committed to completing the previous year.

Utilising the recommendations made by Verisio, we developed corrective actions plan to address and close off non-compliances (NCs) and partially compliant (PCs) findings. The action plans were completed by all suppliers before 30 June 2023.

II. Key tier 2 suppliers and other vulnerable tier 1 suppliers

During our supplier self assessment process, each of our direct suppliers recommended key suppliers they use (i.e our Tier 2 suppliers) based on spend and criticality of the raw material. We engaged these suppliers in a one-day webinar on modern slavery in Australia after which, our Tier 1 supplier selected one key supplier to undergo a desk-top audit that identified and addressed potential risks of modern-day slavery in their organisations.

This year, we also assessed other high priority Tier 1 suppliers based on the risk of modern slavery to their operations or supply chains. These included security providers and cleaners. We also investigated our customers in reverse logistics, such as our recycling contractors.

III. Internal supply chain

As we progressed with dedicated training on modern slavery for our employees during the year, we reviewed and assessed the potential exposure to modern slavery within our business. As a result, we have decided to extend our focus and efforts to include our contractors out in the field.

In addition, we continue to provide a modern slavery training program for all employees. The training aims to enhance awareness of modern slavery across all sections of our business and ensure that we continue to effectively assess and address modern slavery risks in our operations and supply chain. Training modules were rolled out throughout the year at 3-4 month intervals. The modules covered the following topics:

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

IV. Governance & policy

Our Human Resources team reviewed our whistleblower policy [here](#) to ensure its suitability for internal and external stakeholders to raise concerns and grievances easily and confidentially. The policy is available on the company's website for easy access. The coverage and access of the policy was expanded to external partners that do business with Club Assist.

V. Governance & consultation

During Year 1, CAPL formed a Steering Committee (Steerco) to initiate the modern slavery risk management program across our organisation. The steerco includes representatives from our North America and New Zealand operations. In 2023, we continued 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, in collaboration with our external advisors SD Strategies Pty Ltd.

The steerco meets at least every quarter for consultation and to advise on the development and progress of the program across our various entities.



FY23 modern slavery risk management initiatives

I. Key Tier 1 suppliers

On-site audit

On-site auditing formed a major part of our Year 3 modern slavery risk management initiatives. On-site audits have become part of CAPL's ongoing supplier due diligence and an important part of our annual modern slavery risk management program. Three supplier audits were undertaken in South Korea. The size of the factories audited ranged from 85,000 square meters to 100,000 square meters, with an average of 430 workers at each site. The factories specialise in manufacturing automotive batteries. The general production processes included injection moulding, pasting, cell assembly, formation, charging and packing.

This year we again appointed Verisio to undertake social impact audits of our South Korean suppliers. Verisio is a global quality and compliance solutions provider offering factory audits, inspection management and quality consulting to retailers and their suppliers, manufacturing in Europe and Asia, with its head office in Cambridge, UK. With expertise in auditing based on the Ethical Trade Initiative (ETI) Base Code, and customer-specific social compliance programs, Verisio auditors hold relevant professional qualifications as lead auditors for social compliance auditing (SA8000) and for quality (ISO9001).

General audit procedures and Verisio's integrity policy were explained and agreed to by factory representatives. Factory management was very supportive and cooperative during the audit and transparently shared their challenges and opportunities with auditors. While based on the SMETA audit protocol, the audit questionnaire and approach were customised to provide a stronger focus on modern slavery and labour rights issues. The company's standard audit protocol was reviewed internally, in consultation with Verisio and our Australian advisors, SD Strategies.

The audit assessed the factories against 13 areas that consist of the four main pillars of our modern slavery risk management approach - Governance/Due Diligence (1), Risk Management (1), Working Conditions (10) and Training/Reporting (1). Corresponding action plans to address the non-compliance (NCs) and partial compliance (PCs) were documented.

Our three main battery suppliers were audited on 13-14 February, 15-17 February and 20-21 February 2023. The auditors spent at least two full days with each supplier to review documentation, interview management and employees and undertake site inspections.

The tables below summarise the findings for the past three years of audits.

It is worth noting that in the past three years, there has been no critical issue found that would require a more significant response from our company. There was a slight increase in major/minor issues found with the three suppliers from FY22 to FY23. Despite this, audit findings indicate that general working conditions and labour management systems were found to be satisfactory in all factories because of legislation that protects the workforce. The suppliers had updated certifications from ISO 9001, ISO 14001 and ISO 45001. This is a good indication that processes in relation to people management are in a healthy condition. The factories had strong HR processes and a system to control and oversee working hours. Working hours were monitored by HR daily and overtime did not exceed legal limits.

Supplier	Grade			Legend	Non-compliances			Minor			Major			Critical		
FY	FY21	FY22	FY23	A = Factory fully compliant B = Minor issues found C = Major issues found D = Critical issues found	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23
Supplier A	C	C	C		10	6	9	5	0	5	5	6	4	0	0	0
Supplier B	C	C	C		9	6	6	1	4	2	8	2	4	0	0	0
Supplier C	C	C	C		9	5	7	4	3	2	5	2	5	0	0	0
Total					28	17	22	10	7	9	18	10	13	0	0	0

Supplier	Governance & due diligence (2)			Risk Management (3)			Labour & employment (4.1 up to 4.10)			Training (5)			Total		
FY	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23	FY21	FY22	FY23
Supplier A	1	1	1	6	3	4	1	2	2	2	0	2	10	6	9
Supplier B	0	0	0	7	4	4	2	2	2	0	0	0	9	6	6
Supplier C	0	0	1	4	2	4	2	2	2	3	1	0	9	5	7
Total	1	1	2	17	9	12	5	6	6	5	1	2	28	17	22

The audits identified three main areas of concern:

Risk management

- Documented mapping of suppliers and supplier risk was non-satisfactory. Based on the audit recommendations, the factories need to undertake improved supplier identification and mapping and introduce effective systems to evaluate the modern slavery risks posed. High risk suppliers and source location of raw commodities including lead and sulfuric acid were not fully identified.

Labour & employment

- Issues raised during the audits were associated with working conditions in the factory, particularly in relation to safety and hygiene:
 - Fire hoses, emergency exits and others.
 - Physical site issues that compromise people's safety.

Governance & due diligence

- The boards lack of awareness of human rights. There was no evidence that modern slavery/people exploitation was part of the agenda of the Board of Directors meeting at all three main suppliers.

Closure of corrective action plans

All three suppliers completed 100% of the required corrective actions by 30 June 2023.

A post-audit workshop was conducted with each supplier, supported by relevant steerco members. The objective of the workshops was to prioritise findings and agree on corrective actions and timeframes for implementation.

Site audits captured non-compliances relating more specifically to worker health and safety. Our focus in the latter half of this reporting period was on closing off non-compliances and documenting areas for improvement.

North American Supplier Audit

In August 2022, the North American battery manufacturing plant that supplies the majority of our volume to that region was audited by Club Assist. The plant was inspected, and the team met with Procurement and Human Resources personnel. The supplier has strong processes in place with 24-hour HR, safety and medical teams available and posters outlining legal requirements in shared areas. Supplier contract clauses include requirements to achieve ethical standards. The supplier completed an audit with an external legal team and addressed several concerns that were raised in their supply chain.

Desktop audit by Verisio on AABS tier 1 suppliers

While AABS shared the same battery suppliers with CAPL, the entity conducted a desktop audit with one of their third party logistics providers (3PL). Based on the results of the audit, additional collaboration and due diligence efforts were required. Three sections were included in the desktop survey and control/effectiveness ratings assigned based on supplier responses and supporting documentation provided.

Section	Control effectiveness rating
Operations, workforce & remedy	Ineffective / incomplete
Risk management	Ineffective / incomplete
Governance & due diligence	Ineffective / incomplete

The results of the audit undertaken in May 2023 were shared with AABS (New Zealand) who is now working with CAPL and the supplier to document and implement corrective actions. Results of the corrective action process will be reported on in our FY24 statement.



II. Tier 2 suppliers and other suppliers

Tier 2 desktop audit

Our supply chain team worked closely with our direct battery suppliers to engage and educate 10 of our Tier 2 suppliers (i.e. suppliers to our battery suppliers). With the support of our external consultant, SD Strategies, we undertook desk-top audits of three Tier 2 suppliers. Risk-based reports with improvement recommendations were provided to all three suppliers.

Key observations include:

1. Whether the companies used labour hire, agency or permanent employees, none were in the potentially vulnerable worker categories, students (international or domestic) or children younger than 18.
2. When asked how they manage worker exploitation and/or modern slavery risks associated with the use of these recruitment agencies or migration agents, the companies stated that its risks are managed through the 'preparation of labour contracts' and 'immigration reports by the Ministry of Employment and Labor'. The companies stated as well that they adhere to strict compliance to the "Labor Standards Act of the Republic of Korea".
3. One company indicated that it employs 89 workers in its operations, with 4.5% of its workforce consisting of women mostly employed in middle management or supervisor roles. No women hold senior management or executive roles.
4. One company stated that none of its workers are international or in-country migrant workers.
5. The table below details the actions that the tier 2 suppliers continue to work on.

Cleaners

We surveyed all our cleaning contractors for the main distribution centres nationally. Our transactions are done directly with cleaning companies. We have back-up suppliers during possible service disruptions. The appointed suppliers are all commercial cleaning companies. They assign 1-2 people to clean the distribution centres. These cleaners come after office hours when most of the employees have gone home. Services rendered range from warehouse machine sweep and clean to additional cleaning activities on an ad-hoc basis when required.

The following observations and commentaries were made during the survey:

- There were complaints to CAPL regarding additional work during renovations. There was a period during the year where a number of warehouses were undergoing a transformation to Distribution Centres of Excellence and resulted in more "cleaning work."
- All workers are above 18 years of age, and they all permanent residents of Australia.
- Generally, it is believed that the risk of modern slavery with the cleaning companies is extremely low, and the companies remain compliant.
- The employers do not hold any identity-related documents of their workforce that may inhibit the freedom of their team members to leave the organisation anytime they choose to.
- Workers receive their net pay and superannuation in compliance with Fair Work regulations, with clear details on their respective pay slips.
- All employees receive employment contracts in their own language, when required.
- An area of improvement is a formal mechanism to raise concerns anonymously.

Action	Implementation	Action	Implementation
Ensure all workers have the legal right to work for your organisation	Fully implemented	Ensure effective procedures are in place to record working hours for all workers	Fully implemented
Ensure migrant workers are given a written employment contract translated into their local language	Fully implemented	Ensure effective procedures are in place to ensure workers can take legally recognised holidays and leave	Fully implemented
Ensure minimum age requirements for workers are met	Fully implemented	Ensure workers can resign at any time without penalty, giving reasonable notice	Fully implemented
Ensure worker documents are validated upon employment (ie. birth certificates, working visas, etc.)	Fully implemented	Ensure workers are free to join a trade union or other representative body	Fully implemented



Security

An internal assessment was undertaken of our security providers by our Head of Health & Safety. The review determined the current risk of modern slavery practices to be low to medium.

Research has shown the security sector has a history of under payment and employment of migrant workers which is further exacerbated by a lack of training. In the security sector the main precursors to modern slavery risk are unpaid overtime and a lack of understanding by companies of modern slavery. A desktop audit review of security companies used by Club Assist and their website did not identify any statements or policies on modern slavery, the websites focus on services offered.

We will work with our security providers to identify improvement opportunities to better assess, address and mitigate modern slavery practices or risks of poor working conditions.

Recyclers

We surveyed our recyclers in October 2022 and probed their modern slavery policies. Headquartered in New Zealand, our recycler is a publicly-listed company that complies with the legislative requirements in Australia. Their comprehensive policy demonstrates the organisation's commitment to the advocacy. The work started with recyclers will continue into the next financial year. The company's policy expresses a commitment to managing and mitigating modern slavery and human trafficking risks, as well as other labour rights violations across their operations and supply chain. It contains the following:

- Statement of commitment
- Coverage of the compliance
- The process of raising concerns or suspicious violation
- Consequences of the violation
- Ownership of the policy

They also have online portals to query and extract information from their partners regarding their compliance.

III. Internal supply chain

A big focus this year was to investigate Club Assist's internal supply chain. This consisted of contractors and internal team members of the company. There are two main methodologies used to ensure that internal supply chain risk of modern slavery is mitigated.

Internal assessment of contracts

An internal assessment was undertaken by our senior legal counsel on our major stakeholders, and specifically, their obligations regarding their employees, contractors and labour hire workers.

Our contracts contain rigorous obligations for our major stakeholders to meet minimum requirements under law with regards to worker entitlements, such as under the Fair Work Act.

While not all our contracts contain express modern slavery obligations, all contracts do contain obligations to meet all relevant laws and standards with regards to its employees, contractors and workers.

Continuous learning

A 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 10 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

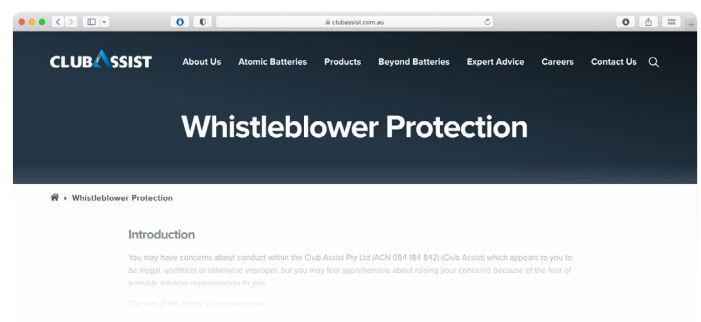
There was a 91% uptake on the 3 modules offered. Just over 300 employees have been invited to complete the training modules. To date 280 employees have completed all three modules. The modern slavery training modules will continue to be offered as part of our employee on-boarding process.

IV. Governance & policy

Whistleblower policy

Our Human Resources team reviewed our whistleblower policy to ensure it is suitable for internal and external stakeholders to raise concerns and grievances (including those related to human rights and modern slavery) easily and confidentially. The policy is available on the Club Assist website. This ensures that anyone who does business with Club Assist has an opportunity to flag potential issues with regard to exploitation and abuse.

Further to this, calls from internal and external "whistle-blowers" are managed by a 3rd party appointed by Club Assist.



V. Governance & consultation

Global steerco

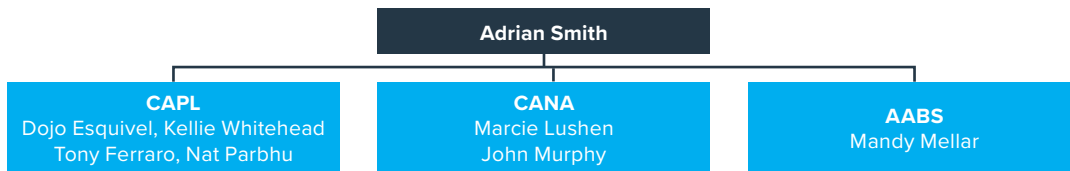
During the first three reporting years, our People Exploitation Risk Committee (Steerco) met on average every other month to support the development and implementation of our modern slavery risk management program. Members of the committee were instrumental in ensuring information flow between various 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 consulted and actively engaged with these representatives to ensure that significant milestones set are fulfilled as agreed in Steerco meetings.

In fact, some actions for the year are assigned to a Steerco member. As an example, the representative from North America championed the audit of the supplier in North America. A supplier audit in New Zealand was in conjunction with our entity AABS. We will be working with the New Zealand team to close off action plans for next FY.

The latter part of this paper will demonstrate the other consultation activities we have together as a Steerco such as Gap Analysis and 3-year action planning. The finalisation of the statement was in conjunction with the entities as well before it was presented to the Board of Directors for Approval to lodge.

The global steerco includes senior key stakeholders from our Australian, New Zealand and North American operations:



Our highly experienced steering committee 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.



Executive sponsor
Adrian Smith
Chief Executive Officer (APAC)

I feel great privilege and responsibility to be part of the People Exploitation Risk steering committee at Club Assist. We have the ability and the need to understand the people risks within our supply chain. As the purchaser of the end product or service, we need to identify and monitor the risk profile of our upstream supply chain and do everything we can to reduce or remove people exploitation risks.



Australia & New Zealand supply chain
Tony Ferraro
Planning & Procurement Manager (APAC)

My membership on this steering committee has given me an additional avenue to share in helping a global effort to abolish, as best we can, this modern scourge. I'm proud that Club Assist is determined to ensure that any person or organisation within its sphere of influence engages in practices that protect an individual's right to be treated with equality, respect and dignity, and I am grateful for the opportunity to help them in achieving those goals.



Australian lead representative
Dojo Esquivel
General Manager Supply Chain (APAC)

It is such an opportunity to work on an initiative that directly impacts safe and fair working conditions of the workforce within one's sphere of influence. This is more than just compliance... it's making a difference.



North American supply chain
John Murphy
Director – Risk, Safety & Fleet (North America)

I am humbled by the opportunity to work collaboratively with partners from around the world to bring awareness to and mitigate modern-day slavery and human trafficking.



New Zealand lead representative
Mandy Mellar
General Manager AABS (Joint Venture)

Being part of the People Exploitation Risk Steering Committee at Club Assist is important to me as it is a base humanitarian requirement that we look after each other in this modern world. We are investing in our people across the board to understand and prioritise their personal responsibility to create a safe and respectful workplace. Whilst New Zealand has no laws prohibiting modern slavery, there is drive asking our government to keep up with the rest of the developing world and implement these. We are proud to be part of Club Assist and embrace their guidelines.



Legal
Nat Parbhu
Legal Counsel (APAC)

As a responsible business Club Assist has an obligation to address all forms of worker exploitation in its supply chain and to use its influence to encourage all of its business partners to do the same. I'm proud to work for a company that regards this obligation as necessary to not only eliminate this widespread affliction, but to also promote a positive business reputation which can lead to other benefits for businesses with higher ethical standards such as customer attraction, and a greater ability to attract talent and retain staff.



North American lead representative
Marcie Lushen
Vice President Human Resources (North America)

Being part of the People Exploitation Risk Team is critical to ensuring our employees work in an environment that allows them to thrive and grow.



Training
Kellie Whitehead
Head of Organisational Development & Design (APAC)

It's great to be part of the movement, locally and globally, where we recognise the impact and reality of modern slavery and as a business are committed to making a conscious effort to proactively defend the rights of all individuals, rights which should be for all humanity!

Overview of modern slavery gap analysis and action planning process 2022/23

Building on work we initiated in 2019, in late 2022 we undertook a modern slavery gap analysis facilitated by SD Strategies. The analysis assessed our modern slavery governance maturity across five key categories: management systems, human resources and recruitment, procurement and supply chain, risk management, and customers and stakeholders. CAPL's people exploitation risk steerco members from across Australia, New Zealand and North America participated in the gap analysis sessions, which highlights that modern slavery continues to be a key risk and priority for our business.

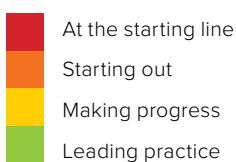
While there are significant differences in the operating environments, needs and implementation of modern slavery risk management actions between CAPL's three markets, the gap analysis highlighted the significant progress made on identifying and managing our supply chain modern slavery risks, and enabled us to identify gaps and opportunities for continuous improvement in our overall approach to modern slavery, and broader human rights risk management.

Despite the improvements made, steerco members identified that further action is needed to better integrate modern slavery risk management into business systems, further develop organisational capability to manage risk and ensure ongoing engagement of internal and external stakeholders.

Below are the results of the gap analyses undertaken in 2019, 2020 and again in late 2022. We have improved in 20 of the 22 areas assessed since 2019, and over the past two years have demonstrated substantial progress in our supply chain risk management practices as well as across our own recruitment and HR initiatives. Senior management commitment to addressing modern slavery risks continues to be very strong as demonstrated by the gap analysis results below.

Results of SD Strategies Modern Slavery Gap Analysis 2019 to 2022

Category	Topic	Result 2019	Result 2020	Result 2022	Change
Management Systems	Governance	Starting out	Making progress	Making progress	-
	Commitment	Starting out	Making progress	Leading practice	↑
	Business systems	Starting out	Starting out	Making progress	↑
	Action	Starting out	Making progress	Making progress	-
	Monitor/report	At the starting line	Making progress	Making progress	-
Risk Management	Risk Framework	At the starting line	Making progress	Making progress	-
	Operational risk	Starting out	Making progress	Making progress	-
	Identifying external risks	Starting out	Starting out	Making progress	↑
	Monitoring and reporting risk	At the starting line	Making progress	Making progress	-
Procurement & Supply Chain	Policy and procedures	At the starting line	Making progress	Making progress	-
	Contract management	Starting out	Starting out	Leading practice	↑
	Screening and traceability	At the starting line	Making progress	Making progress	-
	Supplier engagement	Starting out	Starting out	Making progress	↑
	Monitoring and corrective action	At the starting line	Making progress	Leading practice	↑
Human Resources & Recruitment	Awareness	At the starting line	Making progress	Making progress	-
	Policies and systems	At the starting line	At the starting line	Starting out	↑
	Training	At the starting line	At the starting line	Making progress	↑
	Labour hire/outsourcing	Starting out	Starting out	Making progress	↑
Customers & Stakeholders	Customer attitude	At the starting line	Starting out	Starting out	-
	Information provision	At the starting line	At the starting line	Starting out	↑
	Feedback mechanisms	At the starting line	At the starting line	At the starting line	-
	Worker voice	At the starting line	At the starting line	At the starting line	-





Modern slavery action plan and road map

The outcome of our 2022 modern slavery gap analysis informed our modern slavery action planning process for 2023 and 2024. Our cross-disciplinary team worked collaboratively to develop a focused 12-month action plan and has identified several actions for 2024. Our 2024 actions will be reviewed and modified where necessary, pending the outcomes of the legislative review process in Australia and proposed introduction of legislation in NZ.

The key actions identified for 2023 included ensuring board and ARC education and engagement; undertaking a review of audit approaches and outcomes across our Australian and North American operations and identifying ways to share audit findings more broadly across our industry sector; participating in modern slavery legislation consultation processes in NZ; and reviewing and updating our whistleblower and grievance mechanisms across all jurisdictions in which we operate.

Identifying & mitigating increased supply chain risk

Supplier collaboration and sharing of best practice

The Club Assist supply chain teams in both Asia Pacific and North America continued to respond quickly to the challenges by ensuring our regular supplier meetings became more detailed, more open, and more risk focused. This included agreeing swift notification of any manufacturing impacts (for example raw material supply, workforce shortages, and local restrictions) and pro-active communication of any local changes to employee requirements (for example personal protective equipment, shift patterns, working time requirements, accommodation changes). The intention was for Club Assist to maintain confidence and due diligence over any impacts to the workforce that would have been implemented as part of the supplier's risk response. Club Assist teams across the USA, Canada, Australia, and New Zealand regularly shared their experiences and learning to anticipate and plan for previously unseen risks.

Continuous learning through industry webinars sponsored by private sector and ABF

Both the chairman and a member of the steerco continue to educate ourselves in the following areas through attending webinars led by the private sector and Australia Border Force (ABF).

- Review of changes to the legislation
- Other companies' journey in modern slavery
- Benchmarking of practices and learnings
- Feedback provided by ABF on previous statements.

Safeguarding our teams in the 'new normal'

The current COVID infection rates in Australia have dropped from a seven-day average of 110,000 in January 2022 to less than a thousand in July 2023. Currently across Australia there are no state imposed restrictions due to the COVID threat, there are also no requirements in any state or territory for people to isolate due to COVID infection. The requirements for reporting a positive result to the state health authorities or in the case of workplace exposure the state based safe work regulatory bodies have all been lifted. There is no travel restriction within Australia, however Smart Travel still recommends that for overseas travel their website should be checked regularly as requirements by other countries change at short notice.

Motoring clubs have removed the requirement for roadside responders to be vaccinated and the questions asked of members of possible COVID infection from the call centre script when members call in for roadside assistance are no longer in use. Club Assist's state/territory COVID Safe plans have been archived and are able to be reissued at any time in the future should the need arise. Although not documented we encourage our team members to remain at home when COVID positive, this is a consistent message with any infectious illness, for example influenza. Sites continue to provide hand sanitising facilities.

We continued to be highly sensitive to the impact of the pandemic on our supply chain, particularly the less visible indirect impact. Utilising our Product Supply Business Continuity Plan and our State based COVID-Safe plans, we have actively identified, assessed, and mitigated the risks presented to people (including our own employees, our suppliers, and our customers) and the ongoing availability of our products.

Required PPE, utilisation of "Toolbox Talks" and monthly release of "Safety Pulse" digital write-ups served as incremental safety nets to enhance communication in relation to COVID management in case we need to put them back to place.



Our plans beyond 2023

On-site audits

Following the desk top risk assessment of our tier 2 suppliers, we will ground truth the results with onsite audits undertaken by qualified in-country auditors. The results of the onsite assessments will feed into the supplier corrective action plans.

Continuous learning and awareness campaign

We will continue to deliver modern slavery risk management training to staff, contractors and suppliers. We will continue to promote awareness across the organisation of modern slavery fundamentals.

Our ongoing modern slavery roadmap

High level actions are included in our 2023-2024 roadmap below.

Plan to June 2023	Plan to December 2023	Plan to December 2024
Board and ARC engagement across NZ and North American operations	Add modern slavery risk management to board skills matrix and to relevant staff PDs	Review modern slavery/human rights policy and ensure it is applicable to our global operations
Review and benchmarking of supplier audit outcomes	Further engage and educate our global board(s) and ARCs/executive on modern slavery risk management	Integrate modern slavery risk management into regular management review meetings across all jurisdictions
Internal review of sub-contracting arrangements	Engage with NZ government and our NZ team on the proposed NZ modern slavery legislation	Develop supplier auditing (and review) schedule that is acceptable to suppliers
Engage potentially high-risk tier 2 suppliers in a supplier risk assessment process	Identify opportunities for sharing audit outcomes and other learnings across our industry sector	Implement modern slavery refresher training for Australian operations and consider developing bespoke training for NZ and CANA operations
	Review and update grievance / whistleblowing systems across all jurisdictions for alignment	Develop a crisis response and remedy framework to ensure instances of modern slavery are responded to appropriately and effective remedy is provided



Effectiveness of actions taken

– Reflecting on the past three 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 risks 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.

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

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

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, if any.



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 27-Oct-2023

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:



Phil Turnbull, 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.	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.	7-15
e) Describe how the reporting entity assesses the effectiveness of these actions.	16
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.**	18

* 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.

Case studies

Modern slavery eLearning modules

We rolled out three modern slavery eLearning modules to 308 staff across 8 locations in 2021. The first module provides a broad overview of modern slavery, including the different forms of slavery and its relevance to business in Australia and globally.

The second module explores the potential risk of modern slavery in different industries and workplaces. It discusses the continuum of worker exploitation, factors that lead to vulnerability and the types of high-risk jobs and workplaces.

The third module on Business Relevance provides an overview of the intersection between business, human rights, and modern slavery. It discusses the importance of identifying, managing, and mitigating modern slavery and other human rights impacts to ensure corporate accountability, the protection of workers and a viable bottom line.

Additional eLearning modules on grievance and remedy and board accountability are proposed. All modules will be made available to a wider range of staff across the Club Assist network, supplemented with additional training or education resources where required.





Company Directory

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