

# Eclipx Group Limited

## Modern Slavery Statement 2022

Date: 23 March 2023

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## 1. Introduction

This joint statement is prepared and made pursuant to the *Modern Slavery Act 2018* (Cth) (**Act**) by Eclipx Group Limited and its relevant related companies<sup>1</sup> (together **Group, we, us, our**) in respect of the Group's financial year ended 30 September 2022 (**Reporting Period**).

Eclipx Group Limited has consulted the principal governing bodies of each relevant related company covered by this Statement during the preparation of this Statement.

The Group remains committed to ethical business practices and respecting human rights in our supply chain within our operations.

This Statement has been approved by the Board of Directors of Eclipx Group Limited.

## 2. Our structure, operations and supply chain

### Our structure

Eclipx Group Limited is incorporated in Australia and is listed on the Australian Stock Exchange (ASX:ECX).

The Group's head office is in St Leonards, New South Wales, Australia, and has offices in Richmond, Victoria and Brisbane, Queensland. The Group also operates in Western Australia and New Zealand.

The Group's annual consolidated revenue in the financial year ending 30 September 2022 was \$676,665,000.

### Our operations

We are a provider of vehicle leasing and fleet management services.

During the Reporting Period, the Group operated three primary business units, each of which operated under its own standalone brand: FleetPartners, FleetPlus and Fleet Choice.

We have approximately 470 employees in both Australia and New Zealand. The majority of our employees perform office based functions. We have a small number of employees who perform on site audits and inspections of certain Australian based suppliers.

Our Australian operations provide vehicle leasing and fleet management services throughout Australia, and our service providers are based primarily in Australia.

During this Reporting Period, each business unit has its own dedicated sales and customer relations personnel, who report into shared operational and management teams. Corporate functions such as supplier engagement and procurement, risk, finance, human resources, treasury, legal and compliance are centralised functions, shared across the Group's activities.

We often partner with motor vehicle dealers, repairers, fuel providers, auction houses, insurers, telematics, software and data providers. These entities are primarily based in Australia and New Zealand. Some IT software and services are procured from suppliers located in India and USA.

### Our supply chains

Our business is primarily office based, focussed on the provision of financial services. The Group's main business involves leasing vehicles to our customers. During the lease term we arrange for vehicle in-life services to be provided and at lease end, we arrange for the vehicle to be re-marketed.

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<sup>1</sup> The relevant related companies are listed in paragraph 8.

The main types of suppliers in our supply chain include:

- Funding (banks, financiers);
- Vehicle retailers;
- Acquisition and disposal of motor vehicles, plant and equipment;
- Accident management services;
- In-vehicle monitoring systems, devices and software;
- Vehicle maintenance and repairers;
- Roadside assistance;
- After-market vehicle accessories;
- Insurance;
- Vehicle transport;
- Commercial property owners and managing agents;
- Office related supplies;
- Professional services (financial, legal, advisory); and
- IT services and equipment.

Within these supply chains, we generally have long-term arrangements with suppliers. We do, however, transact with certain suppliers on an adhoc basis from time to time.

The majority of our suppliers are located in Australia and New Zealand.

### **3. Risks of modern slavery in our operations and supply chain**

The risk of whether modern slavery is present in our supply chain is considered by relevant internal cross functional stakeholders. Key risk factors identified for assessment include the location of the supplier, the supplier's industry sector, the supplier's employment and hiring practices and our level of influence or control over the supplier.

As our operations are based in Australia our geographic risk remains low according to the Global Slavery Index<sup>2</sup>. We consider that the risk of modern slavery in our supply chain has remained low as our operations are solely in countries with a low incidence of modern slavery. However, we recognise that the location of our operations does not completely remove the risk of modern slavery from our supply chain.

We are conscious that our suppliers in Australia and New Zealand may have operations and suppliers in countries where modern slavery practices are more prevalent, including those suppliers who manufacture goods with raw materials sourced from high-risk countries (for example, telecommunications equipment and information technology infrastructure manufacturers).

The Group operates our business in accordance with our Code of Conduct. We also have a Whistleblower Policy which applies across our operations in both Australia and New Zealand.

We are transparent in managing remuneration of our employees. To ensure employees are remunerated in a fair and equitable manner, the Group positions remuneration to reflect the demands

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<sup>2</sup> Walk Free Foundation - Global Slavery Index 2018 - <https://www.globalslaveryindex.org/2018/findings/country-studies/australia/>

and responsibilities of each position, aligns remuneration to local market conditions as well as legislative requirements.

## **4. Mitigation of modern slavery risks**

### **Activities**

In the 2020 reporting period, we identified a range of activities needed to assess and manage the risks of modern slavery in its operations and supply chain.

During this Reporting Period we elected to enhance our existing risk mapping and due diligence processes established in the previous reporting periods and identified that we wished to implement a more structured approach to assessing the risk of modern slavery in our supply chain.

As a result the Group acquired the service of a third-party risk management platform that takes into account both historical events and potential future risks of our suppliers, rather than simply pre-categorising our suppliers based on a single point-in-time assessment of perceived risk, which may not provide a complete understanding of the situation.

The Group introduced a Supplier Code of Conduct which defines the minimum expectations the Group has of its suppliers including in the areas of human rights and modern slavery, and diversity and workplace culture.

### **Training**

We provide training regarding modern slavery risks to our employees.

All employees are required to complete comprehensive compliance training in relation to, among other regulatory obligations, identifying modern slavery and human trafficking risks. Existing employees are required to renew their compliance training biennially. If an employee fails to complete or renew their mandatory compliance training, a notification is sent to the employee's line manager to ensure that the training is completed.

Employee compliance training completion rates are monitored by the Group's Human Resources Team.

These compliance procedures have been successful in procuring a modern slavery compliance training completion rate of over 93% of eligible employees.

### **Modern Slavery Policy**

The Group's Modern Slavery Policy, developed during the 2020 reporting period, has a formal governance structure to address modern slavery risks which includes a requirement for all employees, contractors and personnel to identify and report modern slavery risks to the Modern Slavery Policy Officer. The Modern Slavery Policy Officer is responsible for the further investigation of potential, or actual, incidents of modern slavery within the Group's operations and supply chains, including whether referral is required to an external investigator.

We make it clear to our employees and contractors that we will not subject them to any repercussions for reporting such risks.

### **Whistleblowers Policy**

Concerns about modern slavery can also be raised under the protections provided by the Group's Whistleblowers Policy which allows disclosures to be made anonymously, at the discloser's option.

During the Reporting Period the Group updated its Whistleblower Policy (which applies to its operations in Australia and New Zealand) to specifically reference that conduct or activities relating to human rights or modern slavery issues are matters that could be reported under this policy.

Disclosures may be made by a broad range of people including current and former employees, as well as suppliers. The policy includes protections for whistleblowers' confidentiality and protection from detriment arising from a report made under the policy.

There were no disclosures concerning modern slavery reported via the whistleblower channels during the Reporting Period.

## 5. Effectiveness

Our focus in this Reporting Period has been to assess and enhance the processes and procedures we have implemented to address the potential for modern slavery risks arising from our business operations and supply chains.

The effectiveness of the Group's management of its modern slavery risk has been evaluated through the number of actual or potential modern slavery issues identified by employees, management or the public in the Group's operations and supply chain, as well as in the Group's industry peers.

The Group did not identify any such issues in its operations or supply chain in the Reporting Period, nor has it received any notification of such issues within its own business or those of its industry peers. Consistent with the Group's assessment of its own modern slavery risk, the risk mapping and due diligence procedures employed by the Group identified its key suppliers as having a low risk of modern slavery within their operations.

We acknowledge, however, that the Group's operations, and those of its primary suppliers, take place within Australia and New Zealand, which have a low incidence of modern slavery generally.

We are committed to continually evaluating the effectiveness of our actions and adapting and strengthening our approach as necessary to ensure a robust response to modern slavery risks.

## 6. Further steps

Our plan for the next reporting period, is to:

- Expand the risk assessment of our suppliers through the implementation of the third party cloud-based risk management platform (ethiXbase360) to help identify and assess the risk of modern slavery in our supply chain in an automated and streamlined manner;
- Issue the Supplier Code of Conduct to our suppliers and require suppliers to adhere to it in our standard supplier agreements;
- continue to deliver the current Modern Slavery training provided to the Group's employees and improve the completion rate; and
- review and update our standard supplier agreements to include undertakings to adhere to the Group's Supplier Code of Conduct.

## 7. Other information

The Group operates shared services for certain functions, and has centralised HR, procurement, finance, risk and legal functions within the Group's Australian related companies.

Accordingly, there is one management team responsible for coordinating the Groups approach to ascertaining the modern slavery risks within the Group and for preparing this statement.

## 8. Approval

This Statement is made pursuant to section 14(1) of the Act and constitutes the Modern Slavery Statement for the reporting period ending 30 September 2022 for Eclipx Group Limited, as a Joint Statement, inclusive of the relevant related companies of Eclipx Group Limited to which the Act applies. In Australia, these related companies are Fleet Partners Pty Ltd, Pacific Leasing Solutions (Australia) Pty Ltd, Leasing Finance (Australia) Pty Ltd and Fleet Holding (Australia) Pty Ltd.

Eclipx Group Limited, as the ultimate holding company of the relevant related companies, is in a position to control each reporting entity covered by this Statement, and

This Statement has been approved by the Board of Eclipx Group Limited, the higher entity, on 23 March 2023 and signed by Gail Pemberton AO, Chair.

A handwritten signature in black ink, appearing to read 'Gail Pemberton', with a large, stylized flourish below the name.

**Gail Pemberton AO, Chair**

Date: 23 March 2023

## Attachment: Mandatory Reporting Criteria

Reporting Criteria summary	Reference
Identify the reporting entity	Section 1
Describe the structure operations and supply chains of the reporting entity	Section 2
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Section 3
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Section 4
Describe how the reporting entity assesses the effectiveness of such actions	Section 5
Describe the process of consultation with any entities that the reporting entity owns or controls	Section 7
Include any other information that the reporting entity considers relevant	Section 6 and 7