

BOB JANE CORPORATION PTY LTD

ACN 005 870 431



Modern Slavery Statement 2020

Introduction

This statement is made pursuant to section 15 of the *Modern Slavery Act 2018* and constitutes Bob Jane Corporation Pty Ltd's ('**BJC**') statement for the financial year ending 30 June 2020. It sets out the potential modern slavery risks identified in our operations and supply chains and the steps we will take to minimise the risk and measure the effectiveness of our actions.

Our commitment

BJC is committed to ensuring that human rights are respected and upheld throughout our business, not only in Australia, but throughout our international supply chain. We are committed to continuously improving our policies to enhance our risk-management and control systems and expect the same commitment from our suppliers and partners across the globe. Additionally, we are committed to complying with the relevant local and national laws relating to human rights and modern slavery with respect to our employees and business operations. As part of this commitment, we do not tolerate any form of discrimination or harassment and we strive to be an equal opportunity employer across all aspects of our business. We are committed to creating and maintaining a diverse, inclusive and safe environment for all, including employees, contractors and our customers. BJC is committed to working with its suppliers and partners to ensure we operate our business lawfully and ethically at all levels. We expect the same level of commitment from our business partners and suppliers. Our commitment to addressing the potential modern slavery risks can be summarised as follows:

- BJC will provide the relevant training to any new employees of the company during induction and onboarding and will maintain employee awareness of modern slavery risks regularly;

- BJC will regularly, and especially in preparation of submitting an annual statement, assess the potential modern slavery risks in our business in Australia and internationally;
- BJC will maintain awareness of supplier practices, and will work with them to improve those practices where appropriate and required. This includes maintaining a record of modern slavery policies and other documents of suppliers; and
- BJC will review and update its own policies and documents, including the annual Modern Slavery Statement annually, and when required.

Our structure, operations and supply chain

BJC is a company incorporated in Australia. We are an independent, family-owned business, with a national network of franchised and company-owned tyre stores, employing over 350 people Australia wide. The company stocks a broad range of wheels and batteries for passenger vehicles, 4WDs, vans and light trucks, as well as offering wheel alignment, wheel balancing, puncture repair and car battery replacement services in over 140 retail stores across Australia – we do not have retail outlets overseas.

Our supply chain involves the purchase and distribution of tyres and automotive parts which we source from a number of suppliers, mostly located in Australia, Asia and Europe. We are committed to ensuring that our business and the supply chains involved are free from modern slavery.

Our processes and procedures

We have a number of our own processes in place for protecting the human rights of those involved in our business and supply chain to assist us in managing and reducing the potential risks of modern slavery practices. In many instances, we engage suppliers who source their products from third-party manufacturers, in which case we conduct an assessment of the suppliers' relevant policies and guidelines, including their modern slavery policies, before engaging them. A review of such policies is a minimum requirement and important step which we take when assessing and selecting our suppliers. Not only do we consider the quality and cost of the product, but we also consider their social and ethical responsibilities and how each supplier addresses them. We use this due diligence process to gain information about supplier guidelines on human and labour rights and if we are not satisfied with a potential supplier's responses, we will not engage them.

A number of our suppliers conduct third-party manufacturing site audits to verify suppliers' compliance in relation to labour, environment and business ethics as well as local laws and regulations. If during

those audits any non-conformities are found, they may require the third-party supplier to agree to a recovery plan which sets out the actions they must take in order to continue or commence their contractual relationship with our supplier.

In addition to ensuring that our partners and suppliers mitigate potential modern slavery risks, in Australia we also focus on employment conditions, including only employing individuals who are eligible to work in Australia and ensuring that all employee minimum wages and conditions are met in line with National Employment Standards and the relevant Modern Award. Further, we review the Modern Slavery Statements of our partners or suppliers within Australia with annual revenue in excess of \$100 million, as well as those which implement similar policies internationally, such as under the EU's legal framework.

Our modern slavery risks

As BJC has a considerable number of suppliers across our business operations, our supply chain is complex and as a result, there are challenges in efficiently and effectively assessing that modern slavery risks in our supply chain. While many of our suppliers are based outside of Australia, the majority of our operations are domestic. We have direct oversight and care of our domestic operations and we view our direct modern slavery risk as low.

In our domestic operations we have both company-owned stores with staff hired directly by BJC, as well as franchise-owned and operated stores. We have policies in place to protect the human rights of the individual staff members, including a Code of Conduct, in addition to their legal rights under the Fair Work Act. For franchisees, we conduct regular audits of their retail outlets to ensure compliance with relevant legislative standards in Australia. BJC also engages suppliers for goods and services within Australia which we view as low risk for modern slavery, such as Australian providers of professional services, including legal and accounting services.

Whilst we view our domestic operations as low-risk, we understand and recognise that the risks of modern slavery can occur anywhere along the supply chain, including in Australia and overseas. During the reporting period, we undertook a review to consider the modern slavery risks that may be present anywhere in our operations and supply chains. We considered immediate areas of risk as well as areas of risk that may be linked to our business further down the supply chain. We also considered operations which we may not necessarily have visibility over, but which we are still loosely linked with, such as those in other sectors, industries or geographical locations. We are committed to the continuous assessment and monitoring of risks that may be linked to our operations.

We have initiated the process of reviewing and monitoring our systems and processes and have dedicated resources to manage the risks of modern slavery in our business. As part of the review process, we consulted with our international suppliers and identified the below areas of risk which are present in our supply chain due to the geographical location from which products and raw materials are sourced:

1. Forced labour;
2. Child labour; and
3. Excessive working hours or deceptive recruiting.

The above risks are identified as a result of the nature of the products BJC acquires from international suppliers. For example, we source tyres from a number of international manufacturers and as with all tyre manufacturers, some of the key raw materials used are natural rubber, synthetic rubber and fillers. The cultivation of natural rubber can be labour-intensive and the risk of modern slavery heightened in countries where forced labour, child labour or other modern slavery risks are elevated. To ensure that we are mitigating such risks, we regularly seek assurance and written confirmation from our suppliers each year, including obtaining and keeping records of their modern slavery policies and guidelines.

Impact of COVID-19 on modern slavery risks

We recognise that COVID-19 has impacted modern slavery risks and our ability to assess and address them. As a result of the pandemic and the restriction of movement, specifically internationally, we have been limited in our ability to consult with the relevant suppliers and our Compliance Officer has not been able to visit sites and factories abroad.

Actions to assess and address risk

BJC's approach to mitigating risk is embedded in each stage of the relationship with our suppliers, beginning at the qualification stage and continuing throughout the entire relationship through third-party audits. We intend to assess and address the identified risks within our business and supply chain in the following ways:

- Maintain a senior manager to oversee BJC's management of its modern slavery risks, reporting to the Board at least once annually;
- Reviewing, modifying and improving our existing processes and procedures;
- Reviewing supplier policies and assessing suppliers' awareness of risks;
- Developing an internal staff training and development program to build awareness of staff and key partner, such as franchisees, of modern slavery risks in our business and supply chain;

- Consulting with relevant management and developing key performance indicators to measure the effectiveness of our policies in preventing modern slavery in our business;
- Requesting audit feedback and information from suppliers about third-party or sub-suppliers;
- Collaborating and engaging with key suppliers across various countries to understand how they are addressing their modern slavery risks and potentially carrying out a joint assessment of high risk areas of the supply chain;
- Developing a specific action plan for how we will improve our response to modern slavery risks in the next reporting period, including measurable outcomes.

Assessing the effectiveness of our actions

The effectiveness of our actions to assess and address modern slavery risks will be measured in the following ways:

- Through annual Board meetings to review and assess the actions taken and next steps;
- Partnering with direct suppliers who conduct audits of their own suppliers to stay informed of risks identified and the ways they may be resolved;
- Establishing key performance indicators, including the number of internal policies updated implemented which address modern slavery risks, the number of supplier contracts which include modern slavery clauses or policies and the number relevant staff who have completed the internal modern slavery awareness program following its development and implementation.

Remediation

Where a genuine issue is identified following an audit, feedback or complaint to BJC, our senior management will assess the concern and take the appropriate action. We are committed to working with relevant suppliers, organisations and government bodies to ensure that the appropriate action is taken to remedy or correct any legitimate issue that may arise in order to minimise modern slavery risks.

Future commitments

A process of consultation within the BJC business, including Directors and senior management, relevant staff and external advisers, aided in the drafting of this statement. We will continue to monitor, assess, address and measure our modern slavery risks and policies, in consultation with the relevant BJC staff, to minimise the risk of modern slavery in connection with our business.

Approved by the Board of Directors on 23 March 2021.



Alex Chung

Director

Bob Jane Corporation Pty Ltd