

**BRIAN
HILTON**

**MODERN SLAVERY
STATEMENT AND
POLICY**



As a business, we maintain relationships with multiple organisations, as well as directly hire over 500 staff across our dealership network. We understand the importance of respecting and improving human rights as fundamental to how we deliver to our guests and communities.

The dealership model can make it challenging to effectively manage sustainability issues because respecting human rights within our supply chain is ultimately often our supplier's responsibility. However, we have adopted various means to clearly communicate our expectations. Furthermore, we seek to identify and do business with organisations that have aligned standards. Our suppliers are required to comply with these laws and we reserve the right to cease our relationship where issues of non-compliance arise or are not promptly addressed.

The purpose of this policy is to outline our approach in relation to respecting human rights and to ensure our business has robust processes in place to minimise the risk of modern slavery within our own operations and associated supply chain. Our key focus areas are to ensure:

- *Modern slavery principles are communicated to our relevant staff and key suppliers;*
- *Our policies and contractual arrangements contain relevant control measures;*
- *We comply with the Australian government reporting requirements, stipulated within the Modern Slavery Act.*

We have a zero tolerance to modern slavery and will make every effort to ensure we always contribute positively to the eradication of slavery, servitude, forced/child labour and human trafficking.

This statement was approved by CEO and Sole Director Josh Hilton on 31 July 2024 in their capacity as principal governing body of Houma Holdings Pty Ltd T/a Brian Hilton Motor Group and its controlled entities:

- *Grafton Motor Group Pty Ltd*
- *Gympie Automotive Pty Ltd*
- *Hunter Valley Motor Group Pty Limited*
- *Manning Valley Motor Holdings Pty Ltd*
- *New England Motor Group Pty Limited*
- *Notlih Investments Pty Ltd*
- *Orana Motor Group Pty Ltd*
- *The Trustee for Brian Hilton Motors (Wyoming) Unit Trust*
- *The Trustee for Pemell Street Unit Trust*
- *The Tyre Specialists Pty Limited*

A handwritten signature in black ink, appearing to read 'Josh Hilton', written over a white rectangular background.

Joshua Hilton
Chief Executive Officer
Director

INTRODUCTION

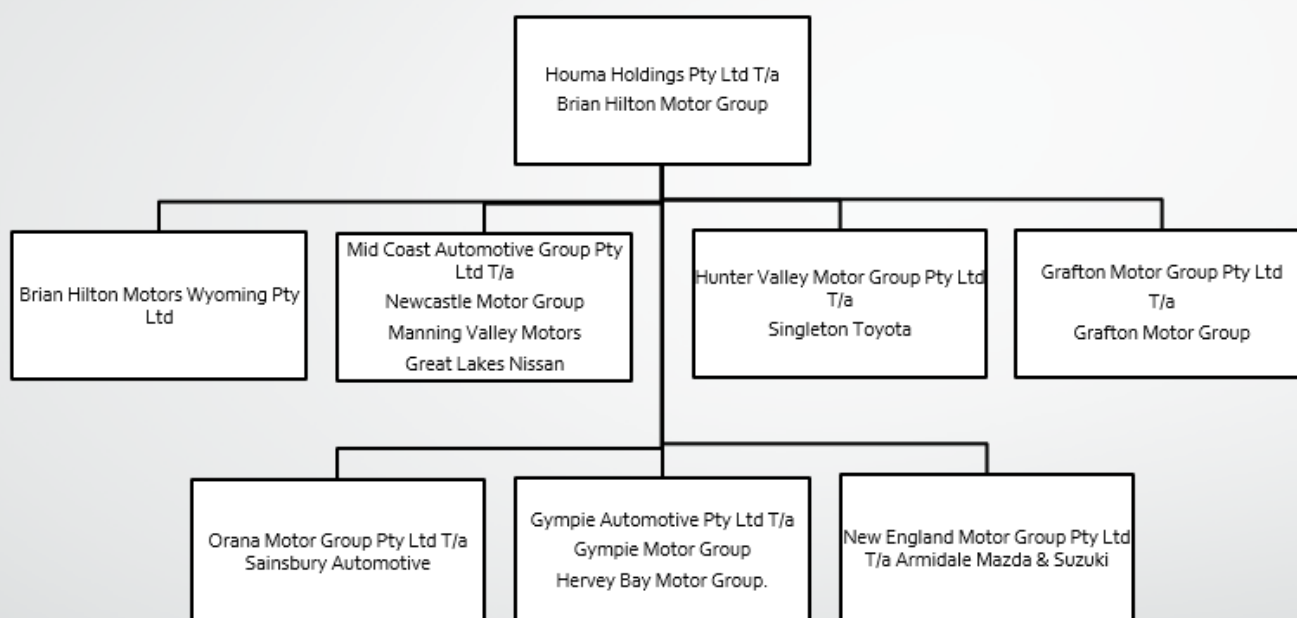
Modern slavery is a criminal offence. We are committed to providing a work environment free from any violation of human rights that exploits a person(s) for personal or commercial gain such as slavery, servitude, forced compulsory labour and human trafficking.

This policy sets out our commitment to mitigating the risk of this taking place within our own business or supply chain. We see this commitment as a critical way of demonstrating respect for others, as well as supporting the welfare of our employees.

This statement/policy is made pursuant to the Australian Modern Slavery Act.

OUR STRUCTURE

Our Australian business resides on the eastern seaboard, within the states of NSW and QLD, relating to the sale and service of vehicles as well as related products as well as services. Our operating entities include the following trading businesses:



Our entities are generally comprised of the following departments:

- Fixed Operations: Service, Workshop and Parts
- Vehicle Sales: New and Used
- Administration and Finance

RISKS IN OUR SUPPLY CHAIN

Our primary suppliers are global vehicle manufacturers who provide us with vehicles and parts for sale to our guests.

We also have arrangements with vehicle finance/insurance providers, so that we can provide financial products.

In addition, we engage with numerous other providers for vehicle, guest and employee related goods, services and consumables. One example use the use of Microsoft software in company resources. We understand the Australian Strategic Policy Institute report identified Microsoft as a company that could have directly or indirectly benefited from forced labour in China. We call on large multi-national corporations, such as Microsoft, Google and Apple (who denied using suppliers that rely on the forced labour of Uyghurs) to take stringent steps to ensure their operations to not support human rights abuses.

We identify the greatest risks occurring upstream in our supply chain, notably where suppliers may operate in countries with a poor human rights record. This may manifest in the form of forced labour, child labour, or other forms of exploitation.

Key Risks	
Industry	<p>Australia operates with a high level of regulation over employment and the retail and servicing of vehicles. We are compliant with relevant labour and safety laws to ensure our internal business operations have zero modern slavery practices. However, there is low visibility over lower tier suppliers. We understand that even where our Tier One Suppliers have indicated they do not have goods coming from high risk locations, modern slavery risks may still be present.</p> <p>Due to shortages of skilled labour in Australia, it is common for foreign workers to be hired to fill these roles. We have workers on sponsored visas and are aware foreign workers are vulnerable to exploitation. We comply with all requirements for workers under the Fair Work Act, and ensure employment terms and conditions meet Department of Home Affairs obligations for visa sponsors.</p>
Products and Services	<p>Materials commonly used in vehicle manufacturing include but are not limited to:</p> <ul style="list-style-type: none"> • Metals • Steel • Rubber • Plastics • Glass • Fibreglass • Electronics • Oil and petroleum <p>Thailand and South East Asia is a source of rubber for some of our Tier One Suppliers. This is an area vulnerable to modern slavery, and with an estimated 610,000 people living in modern slavery (Global Slavery Index), it increases the risks of this occurring with our lower level supply chains. To address this risk our Tier One Supplier has introduced a number of measures around transparency, compliance, quality and innovation, and sustainable procurement practices. In addition, our Tier One Supplier as conducted a risk assessments across its whole supply chain using the Conflict Minerals Reporting Template.</p> <p>The increased electrification of vehicles is leading to countries, including Australia, to search for new mining operations for higher demands of materials such as lithium and nickel. Overall, there is limited data on the source country for manufacturing materials connected with our supply chain.</p> <p>We are aware of a report by Sheffield Hallam University that links vehicle manufacturers to suspected Uyghur forced labour. Several brands not associated with our group were found to breach U.S. laws through their use of banned suppliers. We encourage government and business to continue to act together to legislate on the sourcing of products from the Xinjiang region, where there are reports of forced labour conditions.</p>
Geographic	<p>The Global Slavery Index (GSI) provides information on high-risk countries. These include countries with:</p> <ul style="list-style-type: none"> • Poor governance • Weak rule of law

	<ul style="list-style-type: none"> • Conflict • Corruption • Displacement • State failure to protect human rights • Migration flows • Socio-economic factors such as poverty or widespread discrimination <p>The low visibility of supplier operations limits the ability to assess risks in the source country for manufacturing materials. We identify the greatest risk of modern slavery occurs where supplier may source materials or labour from countries with a low rating in the GSI.</p> <p>We have Tier One Suppliers that have manufactured products in China or Russia. According to the GSI, both China and Russia are among the highest 10 countries with 'the largest estimated absolute numbers of people in modern slavery.' A number of Tier One Suppliers have recently moved manufacturing operations out of Russia on a permanent basis, while some operations remain for the servicing of vehicles in the local population. This lowers the modern slavery risk in our supply chain.</p>
<p>Supply Chain Model</p>	<p>The global vehicle manufacturing industry is large, complex and difficult to monitor. One of our Tier One Suppliers indicated more than 1500 Tier One Suppliers, without little data on the specific risks further upstream. The annual Modern Slavery Statement of our suppliers provides additional data on the risks and actions across the supply chain, as one manufacturer reported over 11,000 direct suppliers.</p>

OUR BUSINESS APPROACH

Role Responsibilities

Our Board of Directors and Senior Management Team have overall responsibility for ensuring this policy is implemented and complied with. This cross-functional working group are responsible for:

1. Identifying, assessing and mitigating potential risk areas within the dealership network/supply chain;
2. Focussing on the highest risk areas and mitigating any identified risks;
3. Identifying and implementing process/policy improvements to drive compliance;
4. Communicating with and training the required employees as well as suppliers.

More detailed information on these four key points is outlined below.

Identifying, Assessing and Mitigating Risks

We undertook a review of the potential risks associated with modern slavery practices across our business and supply chain via the following key actions:

Key Action	Overview
<p>Determine</p>	<p>People and Culture Manager drafted this policy and ensured the Board of Directors as well as Senior Management Team were aware of the act/policy requirements.</p>

Identify	The above working group identified key risks that may require communication and/or process/policy review.
Assess	The working group those potential risks against current controls to identify opportunities for improvements or new action.
Develop and Execute	<ul style="list-style-type: none"> • Modified policies and processes; • Updated supplier agreements; • Engaged key suppliers based on risk; and • Built relevant staff awareness.
Reporting	People and Culture Manager submits the government mandated reports in line with the Modern Slavery Act requirements.

OUR ACTIONS

During this process our business identified areas of no or low risk, being operational activities that are directly undertaken by our employees and covered by our internal processes.

We also identified areas of potential risk, where a supplier may source a product (e.g.: car battery, uniform or technology product) from an overseas source, who may have modern slavery practices still in place. The following actions will be implemented:

Policies, Processes & Agreements

We have formal policies already in place that are intended to promote ethical and legally compliant business conduct. Our policies that contribute to this commitment to preventing the violations of human rights include:

Code of Conduct - our business respects fundamental human rights and is committed to the principals set out within the legal regulations.

Whistle Blower – We protect whistle blowers by encouraging openness and support for anyone who raises a genuine concern in good faith. We are committed to ensuring no one suffers from detrimental treatment as a result of reporting their suspicions related to modern slavery.

Additional policies in place to promote governance and compliance in our business include:

- Equal Employment Opportunity Policy
- Credit Card Handling Policy
- Employee Benefits Policy
- IT Policy
- Travel and Entertainment Policy

We review these policies annually to ensure that they have robust processes in place to minimise the risk of modern slavery within our business and supply chain.

Training

We focus on ensuring our management team, at all levels, is not only responsible for abiding by this policy but also know how to address any relevant concerns raised by an employee(s).

We train our staff on how to treat others with respect and courtesy, as well as ensure they adhere to our policies and procedures. This is an ongoing due diligence process.

We have created specific training for Modern Slavery for all staff and commencing staff. The training covers:

- The definition of Modern Slavery
- Its consequences
- The structure of our operations and how our supply chains may create a risk of modern slavery
- Our responsibilities and actions to address modern slavery risks

Supply Chain Communications and Control Measures

We acknowledge that we do not have control over the conduct of individuals and organisation within our supply chain. However, we expect the same standard of conduct from all people with whom we have business dealings or act on our behalf, for example but not limited to our vehicle manufacturers, suppliers and contractors.

We are continuously working on improving our processes and agreements, such as revising our supplier and contractor agreements to communicate our zero tolerance for modern slavery.

We now also use these potential risk scenarios to prioritise our future supplier engagements.

CONSULTATION

All workers at the entities under the control of the reporting entity were emailed this statement on 20 September 2024 requesting feedback and opening a consultation period for comments on the level of awareness of modern slavery, how effectively the entities were managing the risks of modern slavery, and what strategies the entities may do to further reduce the risks. The policy was made available in English and Filipino, to support our segment of workers with English as a second language. Workshop talks were arranged for each entity to increase awareness, communicate how each entity can contribute to the reduction of Modern Slavery, and ensure the entity are aligned with the modern slavery risk strategy of the reporting entity.

All workers at the reporting entity were emailed this statement on 20 September 2024 requesting feedback and opening a consultation period for comments on the level of awareness of modern slavery, how effectively the reporting entity was managing the risks of modern slavery, and what strategies the reporting entity may do to further reduce the risks. The policy was made available in English and Filipino, to support our segment of workers with English as a second language. Workshop talks were arranged for the reporting entity to increase awareness, communicate how the reporting entity can contribute to the reduction of Modern Slavery, and ensure the reporting entity is meeting best practice targets to eliminate modern slavery.

All workers at the reporting and controlled entities complete a Modern Slavery induction when commencing employment that includes feedback channels on Modern Slavery risks. The staff intranet for the reporting entity includes information on Modern Slavery and a “Report Modern Slavery Concern” icon that generates a feedback form. The Modern Slavery Risk Strategy is presented at executive meetings with the Dealer Principal/General Manager of each controlled entity, and CEO and Director as the principal governing body of the reporting entity and its controlled entities. At executive meetings amendments to operational strategy are reviewed in response to:

- Outcomes from Modern Slavery Risk Assessments
- Updates to the legislation, reporting requirement and Modern Slavery Statement
- Feedback from the abovementioned consultation strategies
- Supplier surveys regarding modern slavery practices and service level requirements

EFFECTIVENESS

We measure the effectiveness of our modern slavery framework via the following mechanisms:

Awareness: Our employees and key business partners are aware of and understand our modern slavery standards.

Hazard Identification: We have the capacity to identify new and emerging modern slavery hazards, and can respond with appropriate controls.

Review: Our systems are flexible to allow for continuous improvement as we receive feedback from internal and external stakeholders/audits.

We have developed risk assessment tools to further embed modern slavery auditing into our business activities.

We identify areas of improvement required in the oversight of the supply chain. Many of our suppliers operate from via Australian-based headquarters, and there is a lack of available information regarding the overseas activities of suppliers.

Further consideration needs to be given to activities downstream, where our products are used for business purposes and may become involved in modern slavery practices.

POLICY BREACH

If any employee is found to be in breach of this policy, their misconduct will be managed accordingly, up to and including termination of employment.

In the event of a supplier or contractor, where modern slavery is substantiated, the business will assess whether it is appropriate for the business relationship to continue and reserves the right to terminate the agreement without notice.

SOURCES

Australian Government Department of Global Affairs
<https://www.homeaffairs.gov.au/criminal-justice/Pages/modern-slavery.aspx>

Global Slavery Index
www.globalsslaveryindex.org

POLICY ISSUE

This policy was reviewed on 20 September 2024 and will be reviewed annually.

DEFINITIONS

Child Labour	<p>Child labour, in accordance with the definition used by the International Labour Organisation, is work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that:</p> <ul style="list-style-type: none">• is mentally, physically, socially or morally dangerous and harmful to children; and/or• interferes with their schooling by:<ul style="list-style-type: none">○ depriving them of the opportunity to attend school;○ obliging them to leave school prematurely; or○ requiring them to attempt to combine school attendance with excessively long and heavy work.
	<p>A child is defined as a person below the age of 18.</p>
	<p>Child labour has three categories:</p> <ol style="list-style-type: none">1. The unconditional worst forms of child labour, which are internationally defined as slavery, trafficking, debt bondage and other forms of forced labour, forced recruitment of children for use in armed conflict, prostitution or pornography, and illicit activities.2. Labour performed by a child who is under the minimum age specified for that kind of work (as defined by national legislation, in accordance with accepted international standards), and that is this likely to impede the child's education and full development.3. Labour that jeopardises the physical, mental or moral well-being of a child, either because of its nature or because of its nature or because of the conditions in which it is carried out, known as "hazardous work".
Debt Bondage	<p>Debt bondage describes situations where the victim's services are pledged as security for a debt and the debt is manifestly excessive or the victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined.</p>
Servitude	<p>Describes situations where the victim's personal freedom is significantly restricted and they are not free to stop working or leave their place of work.</p>
Tier One Supplier	<p>A manufacturer who provides products directly to a company without dealing with a middleman or other manufacturers.</p>
Human Trafficking	<p>Human Trafficking describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.</p>