



PORSCHE

2020 Modern Slavery Statement

1. Reporting entities

This is the first joint statement issued by Porsche Cars Australia Pty Ltd, Porsche Retail Group Pty Ltd and Porsche Financial Services Australia Pty Ltd (together "**Porsche AU**") in accordance with sections 14 and 16 of the *Modern Slavery Act 2018* (Cth) (**MSA**).

This statement relates to the 2020 financial year of 1 January 2020 to 31 December 2020, which is the "Reporting Period" in accordance with the MSA. This statement sets out the risks of modern slavery for Porsche AU and highlights the measures implemented during the Reporting Period to identify and begin to counter the occurrence of modern slavery within our business activities.

The next Porsche AU statement will provide updated information on the effectiveness and implementation of such measures.

2. Structure, operations and supply chains of the reporting entity

Dr. Ing. h.c.F. Porsche Aktiengesellschaft (Porsche AG)

Porsche AG is the manufacturer of new Porsche branded cars and Porsche original automotive parts, and the parent company of Porsche Cars Australia Pty Ltd. In the conduct of its business the company sources production materials and non-production materials from a global supply chain comprised of direct and indirect suppliers. Porsche AG distributes new Porsche branded cars and automotive parts to a global marketplace, including Australia.

The Porsche AG corporate headquarters is located in Stuttgart, Germany. Counter measures implemented by Porsche AG to address the occurrence of slavery and human trafficking in its business activities and supply chain can be viewed [here](#).

Porsche Cars Australia Pty Ltd (PCA)

PCA is the authorised importer and distributor of new Porsche branded cars and automotive parts for Australia. PCA does not undertake any manufacturing. Finished Porsche cars and automotive parts are sourced from Porsche AG.

PCA distributes new Porsche sports cars and automotive parts to a network of Official Porsche Centres located in Australia. PCA also undertakes a number of marketing activities and events to promote Porsche products and services and the Porsche brand. With the exception of certain Porsche motorsport products and products and services sold from the Porsche Experience Centre, PCA does not undertake any sales or marketing activities as a retailer. In the conduct of its business the company sources non-production materials and services from what it believes to be responsible suppliers that are mainly located in Australia.

PCA's corporate headquarters is located in Melbourne, Victoria, Australia.

Porsche Retail Group Australia Pty Ltd (PRGA)

PRGA is a wholly-owned subsidiary of PCA. PRGA undertakes the sale and marketing activities, at a retail level, for new and pre-owned Porsche sports cars, new automotive parts, Porsche branded merchandise/products and automotive aftersales services. These retailing activities are undertaken from two (2) Official Porsche Centres in Melbourne and Sydney. PRGA does not undertake any manufacturing. Finished new Porsche sports cars, automotive parts and merchandise are sourced from either PCA or other members of the Porsche selective distribution network. PRGA also undertakes a number of marketing activities and events to promote Porsche products and services and the Porsche brand. In the conduct of its business the company sources non-production materials and services from what it believes to be responsible suppliers that are mainly located in Australia.

PRGA's corporate headquarters are located in Melbourne, Victoria, Australia.

Porsche Financial Services Australia Pty Ltd (PFSA)

PFSA is a wholly owned subsidiary of Porsche Financial Services GmbH. PFSA undertakes marketing activities in relation to Official Porsche Centres offering their customers finance and insurance products.

PFSA does not act as a manufacturer or supplier of goods and therefore has no supply chains in this regard.

PFSA's corporate headquarters are located in Melbourne, Victoria, Australia.

3. Risks of modern slavery practices in the operations and supply chains of the reporting entities In Porsche AU operations

The risks of modern slavery for the different Porsche AU entities vary.

Porsche AU considers the likelihood of modern slavery associated risks occurring in PCA's operations to be low. This is because its operations consist of its direct employees and contractors providing administrative, sales, marketing and support for the sale and servicing of vehicles and parts to its Australian Official Porsche Centres.

Porsche AU has taken into account the nature of PRGA's operations which includes the provision of some services on site by third parties, in that such workers provided by third parties are not directly hired by PRGA.

PFSA has very limited supply chains because it uses central functions also used by the other Porsche AU entities.

In Porsche AU supply chains

Porsche AU engages a variety of suppliers to support its operations. Porsche AU is aware that certain supplier services may include categories associated with modern slavery risks, such as cleaning services, merchandise, events including hospitality and catering, and construction and temporary labour hire. Porsche AU will continue to try and work with our suppliers to mitigate against modern slavery risks.

4. Actions taken by the reporting entities to assess and address these risks, including due diligence and remediation processes

To counter the propensity and occurrence of modern slavery during 2020 Porsche AU has adopted numerous measures, including:

Porsche Values

At Porsche AU employee behaviour and business activities are steered and moderated by reference to positive community based values, such as those published in the Porsche Code of Conduct and other internal company documents steering good governance at Porsche AU. To ensure an understanding of the values all Porsche AU staff were required to complete Code of Conduct Training, and new employees are required to undertake this training within a month of commencing with Porsche AU.

Recruitment Controls

Porsche AU undertakes its responsibility as an employer by maintaining compliance with employment legislation, workplace Environmental and Occupational Health and Safety, and the general wellbeing of its workforce.

Porsche AU operates a range of controls targeting recruitment and employment of labour in conformity with applicable laws and to ensure respect for employee rights. Candidates seeking to become employees are required to establish their right to work, satisfy minimum age requirements and their suitability for available roles.

Human Resources

The Human Resources team conducts due diligence on the practices and operations of PRGA. Safety risks involved in using third party workers onsite that have not been through Porsche

AU's recruitment controls have been identified. In order to monitor and implement new measures to reduce such risks during the remainder of 2021 Porsche AU is currently seeking to hire a new employee specifically tasked with reviewing PRGA's procedures and implementing mechanisms to ensure that all workers onsite are subject to appropriate recruitment and on-boarding controls.

Furthermore, during 2021 third party suppliers of workers that come into PRGA's worksites will where possible be required to comply with modern slavery obligations along with enabling Porsche AU to verify compliance.

Compliance Management System

Porsche AU operates a Compliance Management System. The management decision has been taken to include within the scope of the Porsche AU compliance management system the topic of slavery and human trafficking. The Compliance Management System is steered according to agreed targets. The Modern Slavery topic is regularly reviewed by the Procurement and Legal functions that continually report to management as part of the Compliance Management System. Modern slavery will continue to be managed within the regular process of the Compliance Management System.

Whistleblowing

Porsche AU operates an external whistleblowing system that involves independent ombudsmen located in Germany. The whistleblowing system is accessible by employees and non-employees, with further details available [here](#).

Porsche AU also operates an internal reporting system via the company's Compliance Helpdesk.

Procurement

Porsche AU's centralised Procurement function exercises due diligence when on-boarding suppliers by use of a modern slavery questionnaire and where relevant, incorporation of its standard services agreement terms and conditions which include clauses intended to deter modern slavery related practices by the supplier and its sub-contractors.

In 2018, Porsche AU implemented Porsche AG's global Business Partner Checking Tool (BPC Tool) which provides an initial risk assessment and a continuous supplier monitoring system.

Porsche AU is currently considering the need for a Business Partner Code of Conduct that may include additional measures to address modern slavery risks and with which future suppliers would need to comply.

Training

In 2021 training of targeted roles within Porsche AU is to be performed to achieve a greater sensitisation, awareness and use of the company's controls for managing Modern Slavery related topics.

Human Rights

Porsche AU strives to respect the human rights of all persons. We believe in this objective and publish this goal in our Code of Conduct as follows: "We respect, protect and promote all regulations in force to protect human rights and children's rights (hereinafter called human rights) as a fundamental and general requirement throughout the world. We reject all use of child labour and forced or compulsory labour as well as all forms of modern slavery and human trafficking. This applies not only to cooperation within our Company but also as a matter of course to the conduct of and toward business partners." (*Section 1. Our responsibility as a member of society - Human Rights*). All managers and employees at Porsche AU are required to support and to honour this objective.

5. Assessing the effectiveness of our actions

When Porsche AU employees were required to complete the Code of Conduct training and as new starter employees are asked to complete it, each is asked to do so by logging into a software platform and complete a quiz at the end of the training. The platform tracks and records staff that have completed the Code of Conduct training, and any other future training.

Porsche Au conducts audits on the use of the BPC Tool to ensure that third party Porsche suppliers are correctly categorised and the level of risk associated with such suppliers has been correctly identified and approved. This ensures that the effectiveness of the BPC Tool and how employees are using it is assessed. Where the records in the BPC Tool are incorrect the relevant employees are advised and instructed on how to correct the record.

The BPC Tool functionality monitors when mainstream news media reports discussing whether a Porsche AU supplier may have been involved in inappropriate practices. Porsche AU considers the reports and may decide to terminate relations with suppliers that have engaged in inappropriate behaviour. If any modern slavery risks are identified using this function Porsche AU would treat this seriously and is likely to engage with the supplier to rectify any inappropriate practices or end the relationship.

Due to Porsche AU's existing measures, and those implemented during 2020 and beyond, Porsche AU expects increased organisational awareness of modern slavery topics underpinned

by continued roll-out of supplier engagements, including the aforementioned preventative measures.

6. Consultation and Commitment of Porsche AU Management

PCA's Chief Executive Officer and Managing Director, and the Chief Financial Officer, are also the directors of PCA and PRGA. The Chief Financial Officer is also PFSA's Company Secretary. These officers hold regular meetings with PRGA and PFSA management to consult on issues that impact each entity and ensure that each entity consistently apply compliance management procedures.

In addition the central support functions of Legal & Compliance, Human Resources, Procurement and Finance manage and support the Porsche AU group of entities so that each adheres to the same Group Directives, training and management structure. Group Directives are determined by Porsche AG and sent to PCA to localise for PCA, PRGA and PFSA as applicable and include topics such as whistleblowing, code of conduct and confidentiality.

The directors of each of PCA, PRGA and PFSA have been consulted on the preparation of this statement and modern slavery risks and each has approved of this statement as indicated by their signatures appearing at the end of this statement.

Each entity will continue to improve the risk analysis and implementation of the measures raised in this statement to help reduce the risk of modern slavery practices.

This Statement was approved by the Directors of each Porsche AU entity on 24 June 2021:

Signed for and on behalf of Porsche Cars Australia Pty Ltd & Porsche Retail Group Australia Pty Ltd:



CEO and Managing Director Signature



Company Secretary Signature

Signed for and on behalf of Porsche Financial Services Australia Pty Ltd:



Managing Director Signature



Company Secretary Signature

This statement was approved by the boards of each of the three reporting entities covered by this statement on 24 June 2021.

Signature: 

Email: gary.tilley@porsche.com.au

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Signature: 

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