

Gillen Motors Pty Ltd: Modern Slavery Statement FY2021

Background to Modern Slavery

In 2018 the Australian Government passed the Modern Slavery Act (Cth) (the Act) which requires companies with a revenue of over \$100 million to annually report on the risks of modern slavery within their operations and supply chains. Furthermore, the Act requires these companies to outline the actions they have taken and plan on taking to address these risks.

The Act defines modern slavery as including eight types of serious exploitation:

- trafficking in persons;
- slavery;
- servitude;
- forced marriage;
- forced labour;
- debt bondage;
- deceptive recruiting for labour or services; and
- the worst forms of child labour which means situations where children are subjected to slavery or similar practices, or engaged in hazardous work.

The reporting entity

In accordance with section 13 of the Act, this statement sets out the actions taken to assess and mitigate the risk of modern slavery by Gillen Motors Pty Limited, ABN 31 002 555 811 (Gillen Motors), for the period 1 July 2020 to 30 June 2021. This statement is applicable to Gillen Motors and each of its divisions, business units, affiliates, and subsidiaries

About Gillen Motors

As an established and well respected family business, Gillen Motors acknowledges the importance of recognising and responding to the risks of modern slavery in every aspect of our operations and supply chain. Modern slavery can have a detrimental effect on our industry and business, and we have a duty to each person locally and globally to review our supplier chains. In accordance with our commitments outlined in the Modern Slavery Act 2018 (Cth), we recognise our responsibility in identifying and taking appropriate action when faced with the possibility of modern slavery.

This statement establishes the progress to date on identifying the risks of Modern Slavery in our operations and supply chain. Since our last statement we have:

- Reviewed our key suppliers/creditors in our supply chain to identify high risk suppliers;
- Reviewed our policies and processes to identify and mitigate risks of modern slavery;
- Developed a Modern Slavery Policy which outlines the Minimum Standards expected from both our suppliers and our people as well as our response to key risks and how to mitigate them;
- Developed a Modern Slavery Supplier Questionnaire that allows us to obtain additional information from our suppliers in respect of their policies, processes and operations to ensure that they are aware and are taking action to avoid any form of modern slavery; and

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- Developed introductory Modern Slavery Training to be rolled out to our staff, and where deemed necessary to select suppliers.

Our Dealership is governed by our 'Phil Says Values', which extend to our internal and external stakeholders and in turn includes our suppliers and consideration of the standards of those suppliers.

Our Structure and Operations

Gillen Motors is a privately owned company located in Sydney. We are an automotive retail dealership for the purpose of retailing new and used vehicles, parts and accessories, finance and insurance sales, as well as engaging in automotive servicing and repairs. We employ roughly 180 people in Australia and are based in two key hubs in Sydney, namely in Lidcombe and Croydon.

Our Governance Framework

We have internal documentation available on our Internal Intranet, or core HR platform Flare, which includes:

- Quality Standards and Behavioural Policy
- Modern Slavery Policy
- Externally provided Modern Slavery Training
- Ethical Sourcing Policy
- Work Health and Safety
- Safety Policy
- Modern Slavery Supplier Questionnaire

Risks of Modern Slavery in our Operations and Supply Chain

Gillen Motors is committed to the highest ethical standards and integrity in our operations and supply chain. During the review of our supply chain, we identified all suppliers that supplied goods or services directly to our dealerships over the last financial year. As a franchisee for overseas export manufacturers, our supply chains are spread across the globe as well as locally in Australia. Some countries where our suppliers operate would be identified as high risk countries for modern slavery.

Our major spending categories, which may present heightened risks of modern slavery included, but are not limited to:

Goods – such as vehicles, vehicle parts and vehicle accessories, tyres and merchandise:

We source and trade consumer brands such as Toyota, Hyundai and Kia, as well as retailing tyres, oils, additives and vehicle protection products. Many of these products are sourced and manufactured in off-shore markets with complex supply chains.

Technology – such as hardware, software, cloud based services and digital infrastructure:

The dealership uses several businesses for the supply of computer, printers, mobiles, and other hardware. Many of these products are manufactured and sourced in off-shore markets. The dealership also engages with several suppliers for software and cloud-based services and digital infrastructure which may use off-shore and local staffing and services.

Services – such as professional services, consulting, and contractor's fees:

The dealership solely engages with local and Australia wide services. We contract the local work-force and employ some migrant workers under strict visa conditions. Dealership business also engages third parties for the completion of additional vehicle servicing, repairs, and maintenance during ordinary business.

Facilities – such as cleaning, maintenance, capital improvements and utilities:

For dealership facilities and offices, we rely on support services for cleaning, security, maintenance and construction from external suppliers and contractors.

Procurement for Gillen Motors is managed by the Administration and Finance Team, working collaboratively with departments within the dealership and overseen by the Senior Management team. We continue to explore better methods for uniformity in procurement and engagement of services with our suppliers.

Actions taken by Gillen Motors to assess and address Modern Slavery Risks

To ensure Gillen Motors provides services in a responsible manner, we have implemented Minimum Standards within our Modern Slavery Policy which we require all suppliers to comply with. Our Minimum Standards requires all suppliers to ensure they do the following:

- Identify the risks of modern slavery practices in their operations and supply chains.
- Take actions to assess and address the risks identified, including due diligence and remediation processes.
- Allow employees or contract workers to freely lawfully resign their employment without restriction or penalty.
- Provide employees and contract workers with a pay slip that clearly shows how wages have been calculated and any details of deductions.
- Comply with legislation and any applicable industrial awards when paying staff, including overtime compensation and legally mandated benefits.
- Ensure all employees and contract workers have the right to work in the country they are undertaking work.
- Not restrict the movement of employees or contract workers at any time by withholding original identification and personal documents such as Visa's, passports etc.
- Provide all employees and contract workers with a contract of employment/contractor agreement that outlines pay rates and other entitlements.
- Not use any type of forced labour, bonded labour or indentured labour.
- Ensure they comply with the minimum legal working age in the country in question or in the absence of such law, by the International Labour Organisation (ILO) Convention 138. Suppliers must verify the age of all employees to ensure compliance.

Alongside an understanding and compliance with these Minimum Standards, a Modern Slavery Supplier Questionnaire has been developed for new suppliers as well as existing suppliers we determine to be at a medium or high risk of modern slavery. This ensures that our values and commitment to eradicating modern slavery align with who we do business with.

We also acknowledge that some of our larger suppliers may not have the capacity to align as closely with our standards, in this situation we will strive to ensure that such suppliers are transparent with their supply chains and processes, including having solid modern slavery policies, procedures and/or the provision of a modern slavery statement.

Alongside the development of our Modern Slavery Policy we conducted a Supply Chain Risk Assessment which involved a desk top review of 50 of our top spend suppliers including an additional 9 that were selected by Senior Management who we believed operate in high risk industries or products and services, to modern slavery. This review involved:

1. An identification of these suppliers including an independent validation of their business details;
2. Categorising suppliers into a risk matrix in accordance with the *Global Slavery Index 2018* including:
 - Product and Service risk;
 - Sector and Industry risk;
 - Geographic risk;
3. Investigating the use of subcontractors;
4. Determining whether suppliers have submitted a valid modern slavery statement; and
5. Based on the above criteria, rating the supplier as either low risk, medium risk or high risk to modern slavery.

The results of our desk top review identified that all but 1 one of the 59 suppliers were determined at a low risk to modern slavery. The single outlier was determined to be a moderate risk due to the supplier operating in a high risk industry to modern slavery and the absence of a modern slavery policy.

Where a supplier is determined to be of a medium or high risk to modern slavery, we engage with them in the following manner:

1. The supplier is contacted and consulted with to ensure they understand the reasons why we are required to ensure our suppliers are not at risk of modern slavery or taking appropriate steps to reduce the risks;
2. The supplier is provided with a copy of our Modern Slavery Questionnaire which contains specific probing questions and provides for the provision of required supporting documents where applicable;
3. We engage with the supplier to collaboratively address the risk of modern slavery and establish remediation practices to mitigate the risks of modern slavery, where deemed necessary;
4. We may require suppliers to verify the source of their goods and services, provide Gillen Motors access and records, co-operate with Gillen Motors and report to Gillen Motors any actual or suspected instances of modern slavery.

Assessing the effectiveness of our Actions

We have described our actions taken in the immediate assessment of modern slavery risks within our operations and supply chain. This includes policy review, drafting of new policies, development of introductory modern slavery training and a risk assessment for our high spend suppliers.

In doing so, Gillen has mapped out key parts of our operations and supply chain to improve understanding of potential modern slavery risks.

All high risk, medium risk, and new suppliers will be vetted for modern slavery risks through the completion of our Modern Slavery Supplier Questionnaire, where deemed necessary. This questionnaire incorporates modern slavery requirements and the provision of supporting documents where applicable. Gillen Motors aims to use the information obtained from this to build transparent and collaborate relationships with suppliers and to ensure that

our expectations of the reporting of modern slavery risks are clearly communicated. The continual assessment of our supply chain is vital to ensure that we are meeting our obligations in regard to modern slavery.

We will continue to review our policies, including our Modern Slavery Policy, and ensure that Gillen Motors staff and suppliers, where applicable, have the opportunity to access and be kept informed of our relevant modern slavery policies. The continual review of our policies allows us to monitor the effectiveness of our modern slavery controls and procedures and make improvements where necessary.

Over the next year we will assess our effectiveness by:

- Maintaining Senior Management oversight on new supplier/procurement engagement to address modern slavery;
- Continuing to review all existing supplier arrangements as well as supplier responses to the Modern Slavery Questionnaire;
- Act on any deficiencies in accordance with our Modern Slavery Policy and make changes as necessary as our business evolves;
- If required, investigate and where necessary consider terminating any supplier relationships which fall below minimum standards.

The Process of Consultation with any entities Gillen Motors owns or controls

During the reporting period this statement covers, namely 1 July 2020 to 30 June 2021, we actively engaged and consulted with all entities that has an interest in Gillen Motors. Please note, the below entities are not 'owned or controlled' by Gillen Motors, however we believe in the importance of sharing the modern slavery requirements as well as our modern slavery procedures and policies with all entities to which we have a fiduciary responsibility.

These entities include:

- Gillen Holdings Pty Ltd ATF The Gilbert Family Trust
- JenTash Pty Limited ATF The Phil and Natasha Family Trust
- Jenny and Simone Pty Limited ATF The Phil and Simone Family Trust
- Jenwin Pty Limited ATF The Phil and Edwina Family Trust
- Jarooka Pty Limited
- Doderry Investments Pty Limited
- Doderry Pty Limited
- Gillen Land Co Pty Limited

None of the above entities engage in outward facing operations or any external procurement but are regularly consulted and provided updates to ensure they are fully aware of the requirements to address modern slavery and the need to submit this statement. This involves discussing details of the Modern Slavery Act 2018's reporting requirements; information regarding the actions taken to date; information regarding future actions and the provision of relevant materials such as the Modern Slavery Policy and training. This ensures a level of consistency in our values and responsibilities in terms of modern slavery across any entities that have an interest in Gillen Motors.



The Senior Management collective of Gillen Motors has the responsibility to review and implement the steps taken and to be taken, as recorded in this statement whilst ensuring a business wide consensus on our approach to modern slavery and reducing the risks in our supply chain and operations.

The way forward

Over the next year Gillen Motors will continue to work proactively to reduce modern slavery within our supply chain and operations and we will make it clear to our suppliers that they must do the same. In order to build on the modern slavery framework that we have thus far developed, we will be focusing on the following areas and the extent to which these are achievable:

- Continue with our risk assessment of new suppliers and the completion of the modern slavery questionnaire for new, moderate and high risk suppliers. - Consideration will be given to providing modern slavery literature to selected suppliers. This may be dependent on the results achieved in the completion of our required modern slavery questionnaire.
- Introduce set modern slavery training to our staff which may entail online courses, in-person meetings with management and/written resources. This is in addition to our modern slavery training pack that provides an introductory background in modern slavery.
- More intensive training for Senior Management and employees who are directly involved in supply chain management, to understand in more detail what slavery and human trafficking entails and how to mitigate the risk of these in their respective supply chain.
- Enabling a whistle-blower program that will provide greater grass roots insights into Modern Slavery issues and allow employees to anonymously report concerns as they happen.
- Performing social accountability audits on our building and cleaning suppliers, within reason, by conducting random on-site inspections to evaluate their practices with respect to the treatment of their workers and identifying and determining any potential modern slavery risks.
- Monitor and review the effectiveness of our Modern Slavery Policy and our procedures, taking into account its suitability, adequacy and effectiveness in reducing the risks of modern slavery as our business evolves and develops.
- Alongside our Modern Slavery Policy, further developing internal accountability standards and procedures, to hold our employees and contractors accountable for non-compliance with our Minimum Standards on modern slavery, including establishing:
 - consequences for non-compliance; and
 - a process to remediate such breaches.

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Gillen Motors Pty Limited Modern Slavery Statement 2021

Signed by:

EDWINA GILBERT

Full Name

**Director Gillen Motors Pty Limited
13 April 2022**

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Signature

Simone Gilbert

Full Name

**Director Gillen Motors Pty Limited
13 April 2022**

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The Board of Gillen Motors Pty Limited ABN: 31 002 555 811 has approved this Statement on 13 April 2022.

The above signatories signed off on this Statement on 13 April 2022.