

Modern Slavery Statement 2022

Gillen Motors Pty Ltd: Modern Slavery Statement FY2022

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:

1. trafficking in persons.
2. slavery.
3. servitude.
4. forced marriage.
5. forced labour.
6. debt bondage.
7. deceptive recruiting for labour or services; and
8. 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 2021 to 30 June 2022. 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:

1. Continued to monitor our key suppliers/creditors in our supply chain to identify high risk suppliers.
2. Review any new suppliers/creditors in our supply chain to identify high risk suppliers/creditors.
3. Reviewed our policies and processes to identify and mitigate risks of Modern Slavery.
4. Continued education of key decision-making staff for purchasing/supplier decisions with the context of Modern Slavery risks.
5. Maintained our 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.

6. Maintained our 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
7. Engaged external support for broader Modern Slavery Training to be rolled out to our staff and where deemed necessary, to select suppliers.

Our People

During the reporting period we employed approximately 187 people in Sydney, Australia. The majority of our employment engagement at a Dealership level are direct engagements. The Dealership sources temporary labour on an as needs basis, and outsourced recruitment agencies can provide ongoing assistance with sourcing talent for placements. 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.

In FY2022 we also refreshed our Phil Says Values, originally launched in 2014 for a 2022 audience and workplace. We've also updated our vision statement a mission statement, the 'how to for achieving our vision'. We implemented a new Value, 'Our People, our power, our Promise', our newest value focuses on Gillen Motors most important asset – our People. Our People come from diverse backgrounds and bring skills, attitude and passion to Gillen Motors. We make promises to each other to make us, together, the best team we can be. Our aim is to multiply what our staff provide in productivity and ensure we give back to our staff. During the FY2022 financial year we announced 3 bonus payments payable to staff in the course FY2023 based on tenure and loyalty during the COVID period.

Our Structure and Operations

Gillen Motors is a privately owned company located in Sydney. We are an automotive retail dealership established 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 approximately 187 people in Australia and are based in two key hubs in Sydney, namely in Lidcombe and Croydon. We are a franchisee of Toyota Motor Corporation Australia, Kia Motors Australia and Hyundai Motor Corporation Australia.

Our Governance Framework

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

1. Quality Standards and Behavioural Policy
2. Modern Slavery Policy & Ethical Sourcing Policy
3. Externally provided Modern Slavery Training by Safetrac
4. Work Health and Safety training and support
5. Safety Policy
6. 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 continue to identify 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.

Given that our operations, and the operations of our owned or controlled entities, are all based in Australia, our geographic risk remains low according to the Global Slavery Index. Furthermore, the risk of modern slavery occurring in our direct employment of workers remains low regarding our ongoing compliance with the legal framework regulating employment practices in Australia. For these reasons, we believe that there are low risks that our operations or those of our owned or controlled entities have caused or contributed to modern slavery risks during the reporting period.

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 offshore 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 offshore 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 workforce 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:

1. Identify the risks of Modern Slavery practices in their operations and supply chains.
2. Take actions to assess and address the risks identified, including due diligence and remediation processes.
3. Allow employees or contract workers to resign their employment freely lawfully without restriction or penalty.
4. Provide employees and contract workers with a pay slip that clearly shows how wages have been calculated and any details of deductions. We employ a digital Time and Attendance system for accurate calculation of hours worked and any overtime due and payable.
5. Comply with legislation and any applicable industrial awards when paying staff, including overtime compensation and legally mandated benefits.

6. Ensure all employees and contract workers have the right to work in the country they are undertaking work.
7. Not restrict the movement of employees or contract workers at any time by withholding original identification and personal documents such as Visas, passports etc.
8. Provide all employees and contract workers with a contract of employment/contractor agreement that outlines pay rates and other entitlements. We employ a digital Human Resources solution called Flare which enables 24/7 access to all staff to their employment contracts and any Dealership policies and procedures.
9. Not use any type of forced labour, bonded labour or indentured labour.
10. 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.

Our Finance Team conduct a Supply Chain Risk Assessment of any new suppliers/creditors whom Senior Management believe to operate in high-risk industries or products and services, to modern slavery.

This review would involve:

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:
 - a. Product and Service risk.
 - b. Sector and Industry risk.
 - c. Geographic risk.
3. Investigating the use of subcontractors.
4. Determining if 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.

If a supplier is determined to be of a medium or high risk to modern slavery, we would 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.

We will continue to review our policies, including our Modern Slavery Policy, and ensure that Gillen Motors staff and suppliers, where applicable, can 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:

1. Maintaining Senior Management oversight on new supplier/procurement engagement to address Modern Slavery.
2. Continuing to review all existing supplier arrangements as well as supplier responses to the Modern Slavery Questionnaire.
3. Act on any deficiencies in accordance with our Modern Slavery Policy and make changes as necessary as our business evolves.
4. 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 2021 to 30 June 2022, 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:

1. Gillen Holdings Pty Ltd ATF The Gilbert Family Trust
2. JenTash Pty Limited ATF The Phil and Natasha Family Trust
3. Jenny and Simone Pty Limited ATF The Phil and Simone Family Trust
4. Jenwin Pty Limited ATF The Phil and Edwina Family Trust
5. Jarooka Pty Limited
6. Doderry Investments Pty Limited
7. Doderry Pty Limited
8. 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 FY2023 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. 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:

1. 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.
2. Introduce set Modern Slavery training to all our staff which may entail online courses, in-person meetings with management and/written resources.
3. Investigate 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.
4. Regularly engaging with 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.
5. Monitor and review the effectiveness of our Modern Slavery Policy and our procedures, considering its suitability, adequacy and effectiveness in reducing the risks of Modern Slavery as our business evolves and develops.
6. 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.

Gillen Motors Pty Limited Modern Slavery Statement 2021

Signed by:
DocuSigned by:
EDWINA GILBERT
E4AF508B61D247A...
EDWINA GILBERT
Director Gillen Motors Pty Limited

11 September 2023

DocuSigned by:
Simone Gilbert
6A8F1F0D78214CB...
SIMONE GILBERT
Director Gillen Motors Pty Limited

11 September 2023

The Board of Gillen Motors Pty Limited ABN: 31 002 555 811 has approved this Statement on 4 September 2023.

The above signatories signed off on this Statement on 11 September 2023.