



Modern Slavery Statement
2021/2022

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Reporting Entity

Scifleet Group of Companies Pty Ltd ACN 010 079 044, Tsunami Corporation Pty Ltd ACN 052 251 028 (as trustee for the Tsunami Trust) and each of their controlled entities (**we, us, Sci-Fleet Group**) are committed to conducting business with honesty and integrity.

This is our third published Modern Slavery Statement in accordance with section 14 of the Modern Slavery Act 2018 (Cth) and pertains to the financial year ending 30 June 2022. The statement sets out the steps taken, and continue to take, by Sci-Fleet Group to prevent modern slavery in our own operations and supply chains. We recognise that modern slavery is a growing global issue, and we understand our part and responsibility to prevent, mitigate and remediate where necessary, the risks associated. We continue to ensure that all employees and suppliers adhere to Sci-Fleet Group policies and procedures.

Our Structure

The Sci-Fleet Group is one of Australia's largest and most successful motor dealership groups. Founded in 1978, the Sci-Fleet Group has grown from two Brisbane dealerships to a large network of dealership and service locations spanning the east coast of Australia and Western Australia.

Companies covered in this statement:

Aceway Nominees Pty Ltd (13 077 576 802) WA	Northern Trading Pty Ltd (89 009 956 307) QLD
Auto Corner Pty Ltd (45 009 905 079) QLD	Scifleet Group of Companies Pty Ltd (23 010 079 044) QLD
El Nino Pty Ltd (66 056 777 087) QLD	Sci-Fleet Motors Pty Ltd (25 057 783 749) QLD
El Viejo Pty Ltd (72 082 087 983) QLD	South City Automotive Group Pty Ltd (72 098 801 033) QLD
Kaizen Motors Pty Ltd (67 603 805 278) NSW	South Coast Corporation Pty Ltd (41 098 795 763) QLD
La Nina International Pty Ltd (97 082 088 015) QLD	Taipan Corporation Pty Ltd (97 010 410 698) QLD
Maz Fleet Pty Ltd (71 644 881 676) NSW	The Trustee for the Tsunami Trust (15 149 393 182) QLD

Our Operations

The Sci-Fleet Group workforce comprises over 1,500 direct employees operating from locations across Australia, including our Head Office in Brisbane. 66% of our workforce are based in Queensland, 21% in New South Wales, and 13% in Western Australia.

We represent 7 Original Equipment Manufacturers (OEM) brands across the Volume, Prestige, and Luxury Segments-



The Sci-Fleet Group operations include 22 sales locations, 19 service locations, 4 pre-delivery centres and 2 paint shops.

- Parts
 - Sales of parts and accessories for new and used vehicles
 - Provision of parts to Sci-Fleet Group service workshops
 - Provision of parts to third party collision repair and servicing outlets
- Service
 - Ongoing vehicle maintenance
 - OEM warranty repairs
 - Internal reconditioning of used vehicles for sale
 - Preparation of new vehicles for delivery
- Sales

- The sale of new & used vehicles
- Aftermarket sales of non-OEM products
- Finance & Insurance
 - Sales of third-party finance and insurance products (as agents)

As part of this statement, the Sci-Fleet Group reports on its actions to assess and address modern slavery risks associated with its operations, including its employment practices, and providing training for employees.

Our Supply Chains

The Supply Chains of the Sci-Fleet Group are the products and services (including labour) that contribute to each entity's own products and services. This includes products and services sourced in Australia or overseas. We take care in selecting suppliers of goods and services and expect them to operate in compliance with recognised local, national and/or international laws, regulations, standards, and appropriate codes of practice. We are committed to the continuing development of our strong partnerships with suppliers based on mutual trust, understanding and respect, and shared ethical values.

Most of our suppliers are stable, long-term domestic relationships. Less than 1% of our total supplies are sourced directly from an international supplier.

Sci-Fleet Groups' supply chains include suppliers of:

- Motor vehicles, parts, and accessories.
- Equipment and consumables, such as those relevant to our tyre distribution and motor servicing businesses.
- Logistics and transport services.
- Finance and insurance products.
- Professional services.
- Property, cleaning, storage, and waste disposal services.
- Car washing and detailing services.
- Information technology and telecommunication equipment and services.
- Office services and supplies.
- Food and beverage services.
- Personnel and recruitment services.

Risks of Modern Slavery in our Operations and Supply Chains

The manifestations of modern slavery are complex and hidden, so our risk assessment includes the following to enable us to prioritise activity;

- mapping of supply chains and operations;
- desk-based research;
- supplier surveys and engagement; and
- discussions with expert stakeholders.

We have continued to deepen our understanding of the assessment process of the risks of modern slavery within our supply chains during the 2021/2022 financial year with input from in-house experts, suppliers, and external stakeholders. We have reviewed our policies to ensure relevance as part of our continual improvement on minimising risk. These policies include Modern Slavery Policy, Whistleblower Policy, Code of Conduct, COVID-19 Policy, and Supplier Code of Conduct.

The supply chains in the automotive industry are complex with numerous levels of suppliers between Sci-Fleet Group and the source of raw materials that form the basis of our business' supply chains. We acknowledge that the risk of modern slavery may exist deeper in our supply chain in the manufacture of engines, parts, and accessories for motor vehicles but we have little visibility in these areas. Despite this, we are confident that Sci-Fleet Group continues to operate in a relatively low risk business sector as the principal suppliers of goods to Sci-Fleet Group are original equipment manufacturers (OEMs) which have sophisticated anti-slavery policies and procedures in place.

In the financial year 2021/2022 we directly engaged with 2,682 Tier 1 suppliers with a total expenditure of over \$1 billion. The largest category of spend (75%) was the purchase of vehicles through our OEMs. The remaining proportion (25%) consisted of 2459 suppliers who provided less than \$100,000 of goods and services.

Following our initial scoping exercise last year of the group’s supply chains, we focussed on the top 20 suppliers for the group by spend and high-risk sectors suppliers. Following this assessment, we commenced the implementation of our Modern Slavery Questionnaire to a pilot group of 19 suppliers; these were suppliers in high-risk sectors.

Summary of Responses	
Organisations who responded to supplier questionnaire	53%
Organisations required to report under the Modern Slavery Act (Cth) 2018	0%
Organisation visibility over their supply chain	
o High	40%
o Moderate	10%
o Developing	50%
Organisations with a policy or policies in place to deal with modern slavery	30%
Organisations who are doing, or plans to do, activities to manage modern slavery risks.	50%
Organisations with a person or a team responsible for overseeing modern slavery risks that arise in relation to the goods or services that you deliver?	20%
Organisations with COVID-19 policies and procedures in place to protect their workers	90%
Organisations with modern slavery risk training in place	30%
Organisations that plan to introduce modern slavery risk training	30%
Organisations who perform modern slavery risk screening of prospective suppliers	50%
Organisations who plan to introduce modern slavery risk screening of prospective suppliers	10%
Organisations who are aware of low-skilled migrant workers working their organisation’s supply chains	0%
Organisations who engage in other due diligence activities to identify, prevent, and mitigate modern slavery in its operations and supply chains	30%

Despite 0% of the suppliers have no legal obligation to report under the Modern Slavery Act (Cth) 2018, we are encouraged to see how our suppliers have established and developing processes, policies, and activities in place in modern slavery within their operations. 30% of these suppliers provided supporting documentation. The next phase of our Modern Slavery Questionnaire implementation will commence in the following financial year targeting our top 20 suppliers by spend (excluding our OEMs).

During this past year we have proactively engaged with OEMs to open opportunities for collaboration on shared experiences and knowledge. We have learnt from Toyota Motor Corporation Australia Ltd (TMCA) for example, that the tantalum, tin, gold, and tungsten used in products sourced by TMCA are not from high-risk or conflict affected smelters. This was discovered after they conducted their annual conflict minerals survey. A result from their supplier questionnaire and preliminary supplier risk assessment highlighted a potential high-risk supplier of apparel produced in China. TMCA are investigating this supplier’s supply chains to ensure no elements of modern slavery are present. Isuzu Ute Australia (IUA) has identified that the product distributed by them is principally sourced from the Isuzu Motors Co. (Thailand) Limited (IMCT) supply chain. This supply chain has been identified as geographically sourcing components for the product principally from suppliers in Japan and the Kingdom of Thailand. IUA have acknowledged that the Kingdom of Thailand is identified by the Global Survey Index as a high-risk modern slavery country and therefore is an elevated risk of modern slavery practices in this part of their supply chain in the manufacture of engines and motor vehicles, parts, and accessories. IUA have implemented processes and will be liaising with their suppliers to address these risks. Mazda Australia Pty Limited have implemented provisions in all their supplier contracts and conduct a risk identification and assessment of suppliers prior to contracting. Suppliers also agree to Mazda's standard terms and conditions which require minimum standards in ethical business practices, safety, and environmental protection. We will continue to develop relationships and collaboration opportunities with our OEMs in the next financial year.

The Sci-Fleet Group staff are employed and engaged in Australia under applicable Australian employment and workplace relations laws. During this financial year we implemented a new process, VEVO, to confirm unrestricted working rights of all new employees before a formal letter of employment is issued. We are guided by the two industrial instruments relevant to our industry; Clerks – Private Sector Award 2020 and Vehicle Repair, Services and Retail Award 2020 along with the National Employment Standards (NES). We conduct monthly payroll audits to capture age increases, apprentice or trainee progression and annual award increases. We have a team of dedicated HR and Compliance professionals and sound policies and procedures in place to ensure compliance with relevant employment, workplace relations and workplace health and safety laws. We have had zero disclosure reported cases to us through our Whistleblower Policy during this financial year.

Our workforce includes a small number of workers from outside Australia who have arrived in Australia on working visas. We use recruitment and migration agencies in Australia in the engagement of these employees and we comply with all Department of Home Affairs visa requirements and regulations. We offer additional financial and community support to assist our overseas workers to assimilate in to the workplace and the communities in which they reside.

Actions taken by the Sci-Fleet Group to assess and address risks of modern slavery in its operations and supply chains

Over this reporting period we have focussed on employee modern slavery awareness, training, and communicating what our responsibilities are under the Modern Slavery Act 2018 (Cth) throughout the group. We have developed a deeper understanding of modern slavery and how the Sci-Fleet Group's operations and supply chains may be involved in modern slavery risks. We have made significant progress in implementing policies and actions to assist in addressing the modern slavery risks associated with our operations and supply chains and identified additional activities to assist us in this process.

Operations

- To date, 75% of the Sci-Fleet Group Modern Slavery Risk Management Team successfully completed the requirements for the UTS Short Course - A PRACTICAL GUIDE TO THE MODERN SLAVERY ACT (ON-DEMAND) in November 2021.
- We conducted a virtual Modern Slavery Information Session in May 2022 for the Executive Committee, Dealer Principals, Financial Controllers, and senior managers of the Sci-Fleet Group. This session provided an overview of modern slavery on a global and national level, the supply chain reporting and compliance requirements set out in Australia's Modern Slavery Act, feedback from the government, details on how we are addressing this from a Group perspective, activities scheduled throughout the group, and what we require from the Dealerships. A copy of the presentation, with additional notes, was issued after sessions to enable dealerships to train internally their managers who have a procurement function to their role to ensure they are compliant with the group's new process.
- Implemented an awareness campaign through the placement of modern slavery posters on staff notice boards around our dealerships. These posters were referenced in department meetings and toolbox talks prior to being displayed.
- Implemented modern slavery training in employee inductions across the group from 1 May 2022.
- Implemented new process (VEVO) to confirm unrestricted working rights of all new employees before formal letter of employment is issued.

Supply Chain

- We conducted our Annual Group supplier audit; categorised by spend, geographical location, franchise & finance, business sector & relationships to identify areas that may be causing, contributing, or directly linked to modern slavery practices.
- We piloted our Supplier Questionnaire and issued it to 19 Tier 1 Suppliers who fall under high-risk sectors, relationships, or product/ raw material.
- Issued a Modern Slavery Risk Assessment Toolkit in June 2022. The toolkit is aimed at Managers, Financial Controllers and Dealer Principals who have a procurement function to their role. It has been designed as an initial screening tool for dealerships to help identify the general risk level of suppliers at the beginning of a new procurement, or renewing an existing contract, and details a process to follow.
- We initiated communications with our OEMs, compliance/ legal contacts to open channels for collaboration to share insights and experience.

COVID-19 Impacts & Response

We recognise that the impacts of COVID-19 may still have increased modern slavery risks in supply chains such as; increased global demand due to supply chain shortages, shorter production windows, increased unemployment, and a fear of loss of income, factory closures, and the inability of vulnerable migrant workers to return to home countries. We have remained committed to supporting our employees, our suppliers, and our communities during this year. Where possible, work from home arrangements have been made available for those staff who have contracted COVID-19, and access to employee leave entitlements have been made available during this time.

We have reviewed our COVID-19 Group Policy and amendments have been suggested to reflect the current climate. This revised policy will be issued once sign-off has been issued. We have continued to provide the use masks and hand sanitiser for our

employees and guests and we have regular cleaning and disinfecting of high-touch areas and all vehicles. Sci-Fleet Group will continue to assess and address additional risks within automotive supply chains caused by the COVID-19 pandemic.

Plans for future Action

The Sci-Fleet Group has determined to focus on the following activities in the financial year ending 30 June 2023 in assessing its operations and supply chains:

- Annual audit of Group Suppliers by the Sci-Fleet Group Modern Slavery Risk Management Team at Head Office.
- Issue Modern Slavery Questionnaire targeting our top 20 suppliers by spend (excluding our OEMs).
- Implement employee Modern Slavery Training across the group in the annual compliance training schedule.
- Issue the Sci-Fleet Group Supplier Code of Conduct to all new suppliers and renewing contracts for signature and return.
- Investigate a compliance LMS platform to deliver consistent, flexible, and engaging training content to increase adoption, provide valuable data to monitor compliance statistics, and to easily identify which dealerships, departments, or employees are struggling with a piece of training allowing us to intervene before any negative results are incurred.
- We will continue to identify and use opportunities for collaboration to verify and help resolve risk issues within our operations and supply chains, and strengthen our network of supply chain intelligence through our OEMs and external stakeholders.

How Sci-Fleet Group assess the effectiveness of actions being taken to assess and address modern slavery risks

During this reporting period, the focus was training our employees to raise awareness of our corporate responsibility and how to assess and detect modern slavery risks in our supply chains. All training is monitored and recorded through head office.

We implemented processes to assess modern slavery risks in our procurement process and ongoing supplier contracts through our Modern Slavery Risk Assessment Toolkit. Dealerships are required to forward any supplier risk assessments with a risk score of 5 or above to Head Office immediately for further assessment and guidance. Dealerships are required to save all completed supplier risks assessments for the financial year and report to head office of the total number of risk assessments conducted with a breakdown of the number of low, medium, and high-risk suppliers reviewed at the end of the financial year. The Group Modern Slavery Risk Management Team are responsible for an annual group supplier audit referencing this document for guidance and assessment.

Our Group Modern Slavery Risk Management Team have consulted throughout the year to ensure due diligence in managing, identifying, preventing, and mitigating the risks of modern slavery across the group and to measure the effectiveness of the actions being taken. 75% of this team have currently successfully completed the requirements for the UTS Short Course - A PRACTICAL GUIDE TO THE MODERN SLAVERY ACT (ON-DEMAND) in November 2021 to ensure we are applying the Australian legislation, and other relevant standards and safeguards accordingly.

We recognise that our review and assessment of our actions to identify and address our modern slavery risks in our operations and supply chains will be an evolving and ongoing process which we are committed to developing.

Process of consultation with entities owned or controlled by Sci-Fleet Group

There is one management team, Sci-Fleet Group Modern Slavery Risk Management Team, who are responsible for coordinating Sci-Fleet Group's response to modern slavery risks in our operations and supply chains and preparing this statement. The team report to the Executive Committee, the principal governing body of the Sci-Fleet Group. During the reporting period this statement covers, the Sci-Fleet Group Modern Slavery Risk Management Team engaged, consulted, and provided training for the Executive Committee, entity Dealer Principals, Financial Controllers, and the Group Chief Information Officer and General Manager – Property & Purchasing. We initiated opportunities for collaboration with our OEMs to share experiences and knowledge proactively engaged from May 2022 which we will continue in to the next financial year.

Approval of statement

This statement was approved by

A handwritten signature in black ink, appearing to read 'Andrew Gordon Scifleet', with a period at the end.

Andrew Gordon Scifleet

Sole Director

For and on behalf of Scifleet Group of Companies Pty Ltd ACN 010 079 044 and Tsunami Corporation Pty Ltd ACN 052 251 028 (as trustee for the Tsunami Trust).

Date: 8 December 2022