



EROAD

Modern Slavery Statement FY24

INTRODUCTION

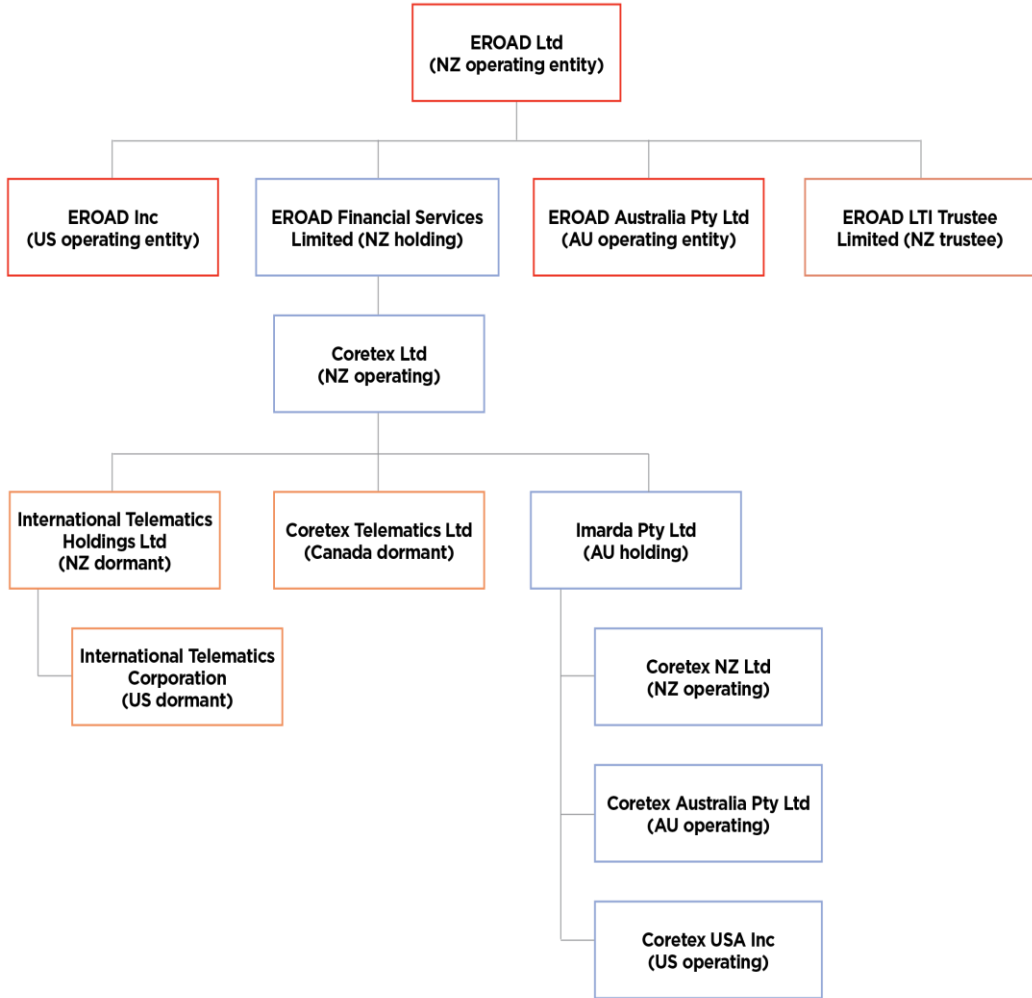
EROAD is committed to upholding human rights practices across all our business-related activities, aligning with the company's core values and purpose. EROAD's commitment is demonstrated through rigorous measures to prevent any form of slavery or human trafficking within our operations, as such practices are strictly prohibited by EROAD's company policies.

EROAD's FY24 Modern Slavery Statement is made on behalf of EROAD Limited ("EROAD") and together with its subsidiaries, (the "EROAD Group") for the financial year ended 31 March 2024. This statement is made in accordance with our obligations under the Modern Slavery Act 2018 (Australia) and with consideration for EROAD's obligations as a responsible listed entity on both the NZX and ASX and with reference to the requirements under the Transparency and Supply Chains Act 2010 (California). EROAD publishes this annual Modern Slavery Statement in accordance with our legal obligations and our moral obligations as a socially responsible entity.

EROAD'S BUSINESS STRUCTURE, OPERATIONS AND SUPPLY CHAIN

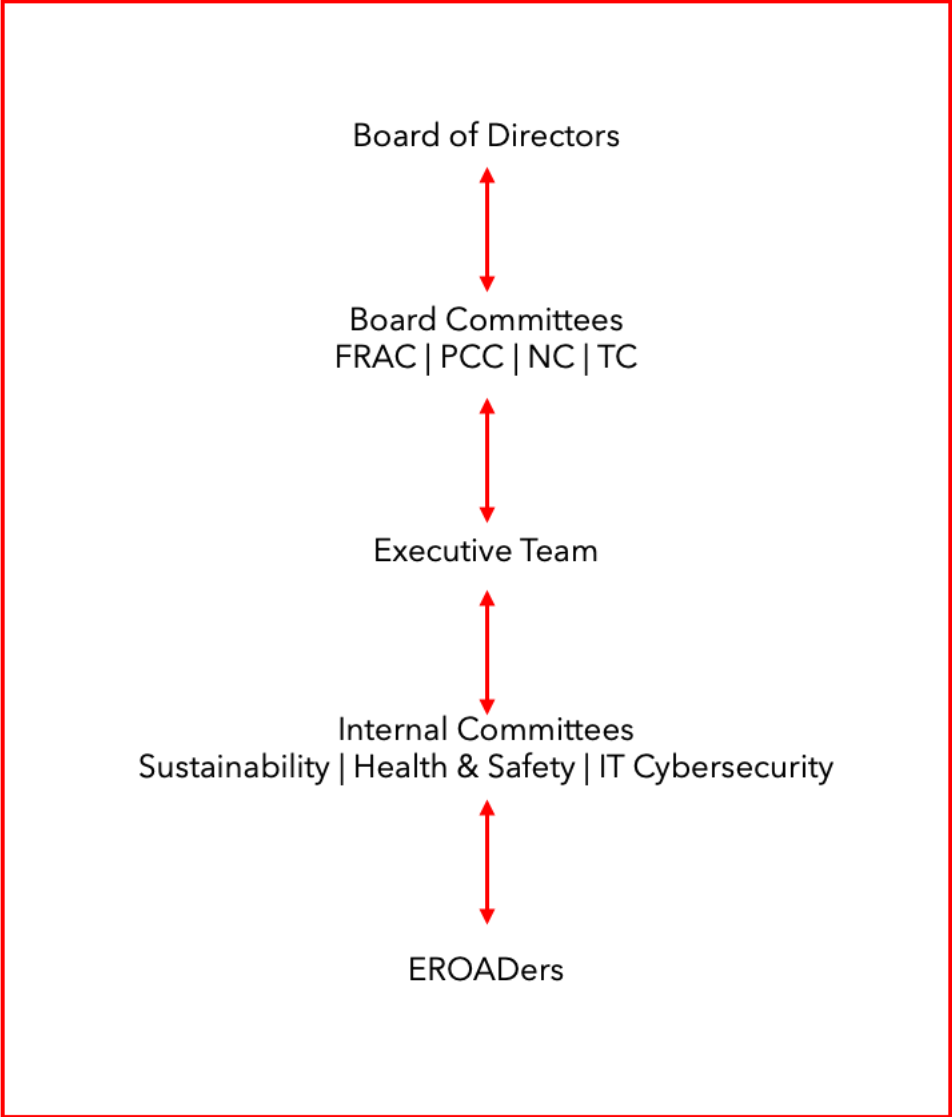
EROAD's Business Structure

EROAD's business includes EROAD Limited and all subsidiary entities. EROAD is headquartered in Auckland, New Zealand and operates in New Zealand, Australia, and North America.



EROAD’s Governance Structure

EROAD’s Board of Directors undertakes to perform its duties and exercise its powers in the best interests of the company. The Board is assisted in its role by the Finance, Risk and Audit Committee, People and Culture Committee, Nominations Committee and Technology Committee. EROAD’s Executive Team is responsible for the day-to-day management of the Company and is supported by the Senior Leadership Team and internal committees including the Sustainability Committee, Health and Safety Committee and IT Cybersecurity Committee.



EROAD's Business Operations

EROAD is a fully integrated technology, tolling and services provider, headquartered in Auckland, New Zealand. EROAD serves customers in New Zealand, Australia and North America and was the first company in the world to implement a GNSS/cellular-based road charging solution across an entire country. EROAD designs and manufactures in-vehicle and trailer tracking hardware, operates secure payment and merchant gateways and offers web-based value-added services.

EROAD's product offerings include products that:

- support regulatory compliance including transportation taxes, road user charging, fuel, and vehicle registration. For example, in New Zealand, EROAD modernizes road charging and compliance for road transport by replacing paper-based systems with easy-to-use electronic system;
- improve record keeping of both mobile assets (vehicles) and drivers (including fatigue related products);
- help reduce vehicle operating costs and carbon emissions by improving fleet efficiency;
- help improve and promote driver safety;
- monitor refrigerated fleets and provide services to construction and waste fleets; and
- track micro assets.

EROAD employs a team of professionals, referred to as "EROADers" who are responsible for creating, managing, and developing our software and hardware, as well as providing customer service, ensuring corporate compliance, and leading our teams. These employees are mainly located in New Zealand, Australia, and North America. EROAD's US business is based in San Diego, California and serves customers with vehicles operating in every US mainland state and Canada. In FY24, EROAD reported a global workforce of 471 employees.

EROAD is listed on the New Zealand Stock Exchange (NZX) and Australian Stock Exchange (ASX) under the stock symbol of ERD.

EROAD's Supply Chain

EROAD Limited engages in the production of its hardware across several nations. The manufacturing of hardware takes place in China, The Philippines, Singapore, Malaysia, Indonesia, and New Zealand. EROAD operates distribution centers in New Zealand, Australia, and North America. EROAD opts for diverse freight methods, including road, sea, rail, and air, predominantly utilising air travel for the majority of its freight. EROAD is dedicated to managing its supply chain sustainably, hence, refurbishing products is a standard practice wherever feasible.

RISK OF MODERN SLAVERY PRACTICES

Risk Identification

EROAD recognizes that practices akin to slavery, such as wage underpayment, excessive work hours, debt bondage, and confiscation of personal documents, are often linked with other human rights violations including insufficient grievance

mechanisms, discrimination, bullying/harassment, and unsafe or unsanitary working conditions. These practices are not confined to a particular business area but can occur throughout the supply chain, within core operations involving employees and third parties, and even among customers.

The governance framework and remuneration policies of EROAD ensure equitable wages and benefits for all EROADers. EROAD has implemented several mechanisms, including the Code of Conduct, Code of Ethics, Risk Management Policy, Diversity and Inclusion Policy and Whistleblower Policy, to ensure fair and proper conduct within the company. Any individual with concerns is encouraged to discuss them with their manager or to utilize EROAD's independent whistleblower service, which is managed by Deloitte.

EROAD has identified its supply chain as the area with the highest relative risk of such practices. Although modern slavery risks are present in every country, the Global Slavery Index particularly highlights Asia as a region with high vulnerability and prevalence of modern slavery. The Index also points out similar risks in the electronics sector, which includes components and equipment manufacturing, and in the freight industry, especially shipping.

To date, EROAD has not identified or become aware of any instances of human trafficking or slavery within our operations or supply chain.

ACTIONS TAKEN BY EROAD TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

Risk Assessment and Evaluation

Focusing on our supply chain, EROAD has implemented a comprehensive approach to risk assessment. Assessment encompasses initial supplier due diligence during pre-qualification, self-assessment through EROAD's Sustainable Supplier Questionnaire, and includes direct on-site evaluations and audits to verify the information provided in supplier governance documents for key suppliers. The intensity of any audit and any follow-up investigations is determined on an as needed basis, contingent on the supplier's Tier status and whether there are suspicions of altered circumstances.

EROAD's Sustainable Supplier Questionnaire is distributed to all principal suppliers the company collaborates with. Within the questionnaire, the section dedicated to social responsibility obliges suppliers to declare if they have any human rights and/or labour policies, and to submit these documents if available. The same requirement applies to any safety and wellbeing policies. EROAD is steadfast in its commitment to maintaining human rights practices in all business-related activities.

EROAD seeks statements from suppliers affirming their commitment to fair labour practices and compliance with labour laws within their operational territories. In instances where potential concerns are flagged, EROAD prioritises engagement with suppliers to address these issues and, if necessary, establish corrective actions. No corrective actions were sought in FY24.

EROAD will not engage with a potential supplier if serious concerns are raised as part of the EROAD's pre-engagement audit process. Recognising that abrupt termination of

supplier relationships may adversely affect vulnerable individuals in the supply chain, EROAD views the cessation of supplier contracts as the option of last resort, preferring to work towards improving conditions and compliance.

Integration across our business

EROAD has a strong stance against any form of slavery and human trafficking within its business scope. As such, we expect every aspect of EROAD, including our supply chain, contractors, customers, and third parties, to uphold this commitment.

Our various policies, including the Code of Ethics, Code of Conduct, Diversity and Inclusion Policy, Whistleblower Policy, Sustainability Policy, and Risk Management Policy, all underscore our dedication to ethical conduct and integrity in all business dealings, particularly in addressing modern slavery risks.

A multidisciplinary team, with members from People & Capability, Global Operations, Supply Chain, Product, and Legal departments, is tasked with overseeing the enforcement and assurance of these policies, ensuring that EROAD's values are reflected in every facet of our operations.

Entities under EROAD's Ownership/Control

For entities under EROAD's ownership or control, noted under the EROAD's Business Structure section of this Statement, EROAD applies the same rigorous standards. All subsidiaries and divisions within the EROAD group are governed by our modern slavery policies. We conduct supplier questionnaires and audits for any entities we control, as appropriate. Any issues identified are addressed and escalated following the same procedures previously outlined.

Assessing the Effectiveness of our Actions

EROAD diligently evaluates the effectiveness of our measures to ensure they are suitable for their intended purpose. We operate on a foundation of trust, requiring honest responses from our suppliers. However, we are aware that without on-site verification, it's challenging to confirm the accuracy of the information provided by suppliers. As a result, during FY24, EROAD's Supply Team had the opportunity to visit all Tier 1¹ supplier locations, allowing us to directly assess working conditions and verify the accuracy of supplier self-assessments. Additionally, the Supply Team visited various Tier 2 supplier sites to conduct in-person evaluations. These visits are crucial for verifying the truthfulness of questionnaire responses and supplier declarations. If discrepancies are found, we seek further clarification. To date, no modern slavery issues have been identified. Should we discover any unsafe or unhealthy treatment of workers, we would take immediate and serious action.

EROAD is resolute in our commitment to identifying, mitigating, and managing any modern slavery risks, in line with our zero-tolerance policy.

¹ Tier 1 suppliers are defined as those supplying flagship finished product hardware over a value over USD\$130 per unit.

Recruitment and Employment Practices

The EROAD People & Capability Team is responsible for ensuring that EROAD's internal operations are free from modern slavery. We have established strong procedures for pre-employment screening, employment conditions, and workplace behavior. All EROADers receive clear guidelines on expected workplace behavior and employee safety at the start of their employment with EROAD, reinforcing our commitment to a safe and ethical work environment.

Procurement Practices

EROAD's procurement policies and practices are designed to foster partnerships with other socially responsible and reputable organizations throughout our supply chain and in support of our core operations, such as business support services, recruitment providers, and professional employer organizations. To ensure consistent application of our policies, the key procurement requirements are largely centralized within the business. Additionally, our well-established relationships with key suppliers, contractors, and third-party providers enhance our understanding of their business practices and contribute to stronger partnerships.

Awareness and Training

EROAD is proactive in raising awareness about modern slavery by ensuring that the Modern Slavery Statement is easily accessible to all pertinent stakeholders. This begins with the directors and Executive Team members, who are briefed on the importance of ESG matters, including modern slavery risks and the requirements of the Australian Modern Slavery Act 2018.

To further mitigate risks, EROAD provides training to employees across the company on EROAD's Code of Ethics, including periodic campaigns focused on various important aspects of the Code. Initiatives are aimed at equipping staff with the knowledge to identify risks of unethical practice within our business and supply chains.

Additionally, EROAD has established a reporting mechanism to address suspected serious misconduct, including slavery-related practices. Concerns can be reported to EROAD's General Counsel, the Chair of the Finance, Risk, and Audit Committee, or anonymously through our Whistleblower facility. This service, managed independently by Deloitte on behalf of EROAD, offers various reporting channels, including email, webform, or phone, ensuring confidentiality and integrity in the reporting process.

Monitoring and reviewing the effectiveness of EROAD's actions

Modern slavery is encompassed within the broader scope of Environmental, Social, and Governance (ESG) concerns. As such, the continuous monitoring and

evaluation of EROAD's ESG initiatives offers valuable insights into the effectiveness of our modern slavery risk management strategies. These insights help us refine and enhance our approaches to ensure they are well-aligned and more impactful. EROAD is committed to supporting the UN Sustainable Development Goals and makes annual disclosures against the Global Reporting Initiative ("GRI") framework.

EROAD's Consultation Process

In FY22, EROAD's consultation efforts were primarily directed at informing key internal stakeholders and priority suppliers about the compliance requirements. The following year, FY23, saw a deeper level of engagement both internally and externally. EROAD adopted a cross-functional approach to modern slavery, with the supply team regularly interacting with other teams within EROAD. Engagement was further extended in FY24 through increased travel opportunities and robust reporting of non-financial risks at Board level. A comprehensive and inclusive approach is taken to addressing modern slavery.

Approval

This statement is made in accordance with the Australian Modern Slavery Act 2018 and constitutes our Group slavery and human trafficking statement for the financial year ending 31 March 2024. It was approved by the Board on 22 May 2024 and will undergo an annual review to ensure continued compliance and relevance.



Susan Paterson
Chair