



Peter Warren
Automotive
Holdings

MODERN SLAVERY ACT STATEMENT

2023

Joint Statement
Peter Warren Automotive Holdings Limited

This Joint Modern Slavery Statement, is made pursuant to the Modern Slavery Act 2018 (Cth), and sets out the actions taken by:

- Peter Warren Automotive Holdings Limited
- James Frizelle’s Automotive Group Pty Ltd
- Peter Warren Automotive Pty Ltd
- Penfold Motors Burwood Pty Ltd

(together, “Reporting Entities”, “Peter Warren”, “us”, “we” or “our”) to assess and address modern slavery risks in our operations and supply chain and in our owned or controlled entities for the financial year ended 30 June 2023.

We remain committed to ethical business practices across our operations and our supply chain. As a collective Motor Vehicle Dealership Group employing approximately 2000 staff, we have an important role in fostering ethical business conduct, that help to address modern slavery risks and protect human rights.

Our corporate values are G.I.F.T as set out below, which aligns well with the commitments espoused in this Statement.



Growth

We seek to continually find a better way to set ourselves apart

Integrity

We do what is right, not what is easy, cheap or convenient, We act with honesty, humility, consistency and balance

Focus

We make a difference in the lives of our people, our customers and our community. We see things through their eyes, listening intently and ensuring the little things are done extraordinary well

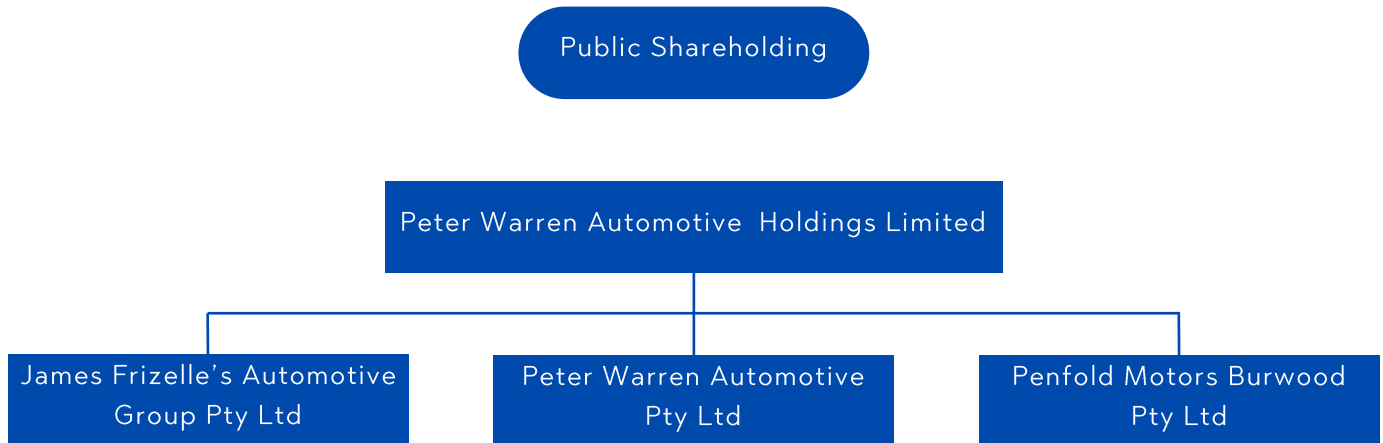
Teamwork

We support and respect one another, talking personal accountability to deliver on common goals. We are a safe and diverse environment for everyone

We have developed our approach to managing the human rights impacts of our business in line with the second pillar of the United Nations Guiding Principles (“UNGPs”): the responsibility of business to respect human rights. We recognise the importance of an ongoing risk management processes by:

- o assessing actual and potential human rights impacts
- o integrating and acting on the findings
- o tracking responses
- o communicating about how impacts are addressed

The entities within our corporate structure that satisfied the consolidated revenue threshold in 2023 are shown in the diagram below:



Peter Warren Automotive Holdings Limited is a holding company that holds the shares in the trading entities and does not trade in its' own right. In addition to the above diagram, PWAHL also wholly owns eight non-trading entities.

James Frizelle's Automotive Group Pty Ltd is a private company, wholly owned by PWAHL. JFAGPL operates in South East Queensland and Northern New South Wales, with the head office also located at 13 Hume Highway, Warwick Farm NSW 2170. JFAGPL wholly owns one non-trading entity.

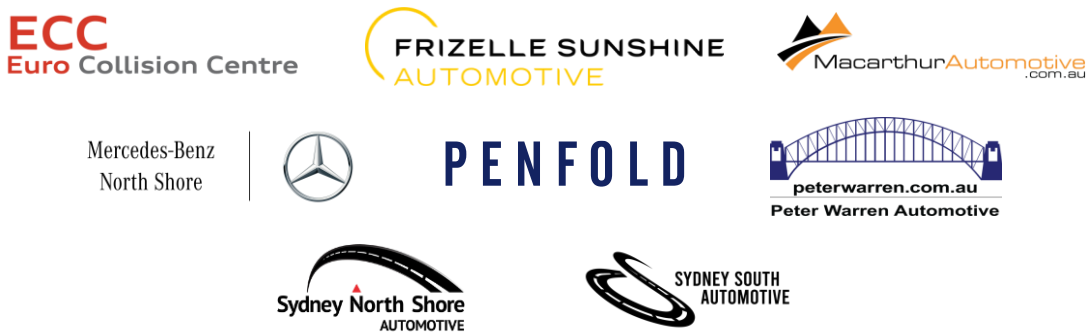
Peter Warren Automotive Pty Ltd is a private company owned by PWAHL. PWAPL wholly owns two non-trading entities and Sydney North Shore Automotive Pty Ltd which is a trading entity. PWAPL is based in South West Sydney with the head office being located at 13 Hume Highway, Warwick Farm NSW 2170.

Penfold Motors Burwood Pty Ltd operates in Melbourne and holds majority interests in Burwood Mazda Pty Ltd and Bayside Mazda Pty Ltd. Its head office is located at 13 Hume Highway, Warwick Farm NSW 2170.

3.1 Primary operations

Our operations are entirely based in Australia, in the Sydney region, South Eastern Queensland, Northern New South Wales and Melbourne region.

The Peter Warren Automotive Holdings network operates 80+ franchise operations and represents more than 27 OEMs across the Volume, Prestige and luxury segments, With operations across the eastern seaboard under various banners including Frizelle Sunshine Automotive, Euro Collision Centre, in Southeast Queensland and Northern NSW, Sydney North Shore Automotive, Mercedes Benz North Shore, MacArthur Automotive and its flagship operation, Peter Warren Automotive at Warwick Farm in South West Sydney, New South Wales along with Penfold Motor Group in Melbourne Victoria.

















Our primary operations are the running of automotive dealerships. We also build and renovate dealerships as part of our operations. We operate integrated new and used Vehicle retailing businesses providing a full range of sales and support including, aftermarket products, parts and accessories, service and finance and insurance, to retail and wholesale customers. Further descriptions are set out below:

Offering	Description
New Vehicle	<ul style="list-style-type: none"> The sale of new vehicles representing 27 OEM Brands across the eastern seaboard
Used Vehicle	<ul style="list-style-type: none"> The sale of used vehicles
Aftermarket	<ul style="list-style-type: none"> Aftermarket products are the non-OEM products for sale by automotive dealers Products include window tinting, tyre and wheel protection, extended warranties, roof racks, tow bars and other accessories generally available at point of sale
Parts and accessories	<ul style="list-style-type: none"> Sale of parts and accessories for new and used vehicles Provision of parts to our service workshops Provision of parts to third party collision repair and servicing outlets Provision of parts to other dealerships
Service	<ul style="list-style-type: none"> Ongoing vehicle maintenance OEM warranty repairs Internal reconditioning of used vehicles for sale
Finance and insurance	<ul style="list-style-type: none"> Sale of third party finance and insurance products to customers

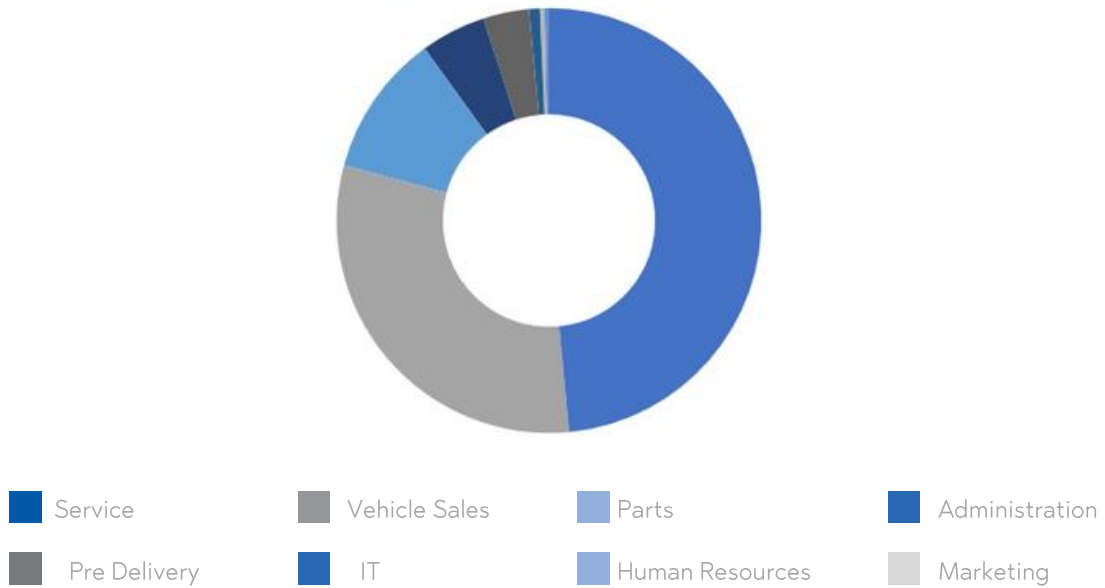
3.1 Primary operations

We represent Original Equipment Manufacturers (OEM) brands across the Volume, Prestige and Luxury Segments as shown below.

Volume	Prestige	Luxury	Other
 	 	 	 
 	 	 	 
	     	 	

3.2 Workforce

Our workforce comprises approximately 2,000 employees performing roles across 8 broad sections of our business as shown below:

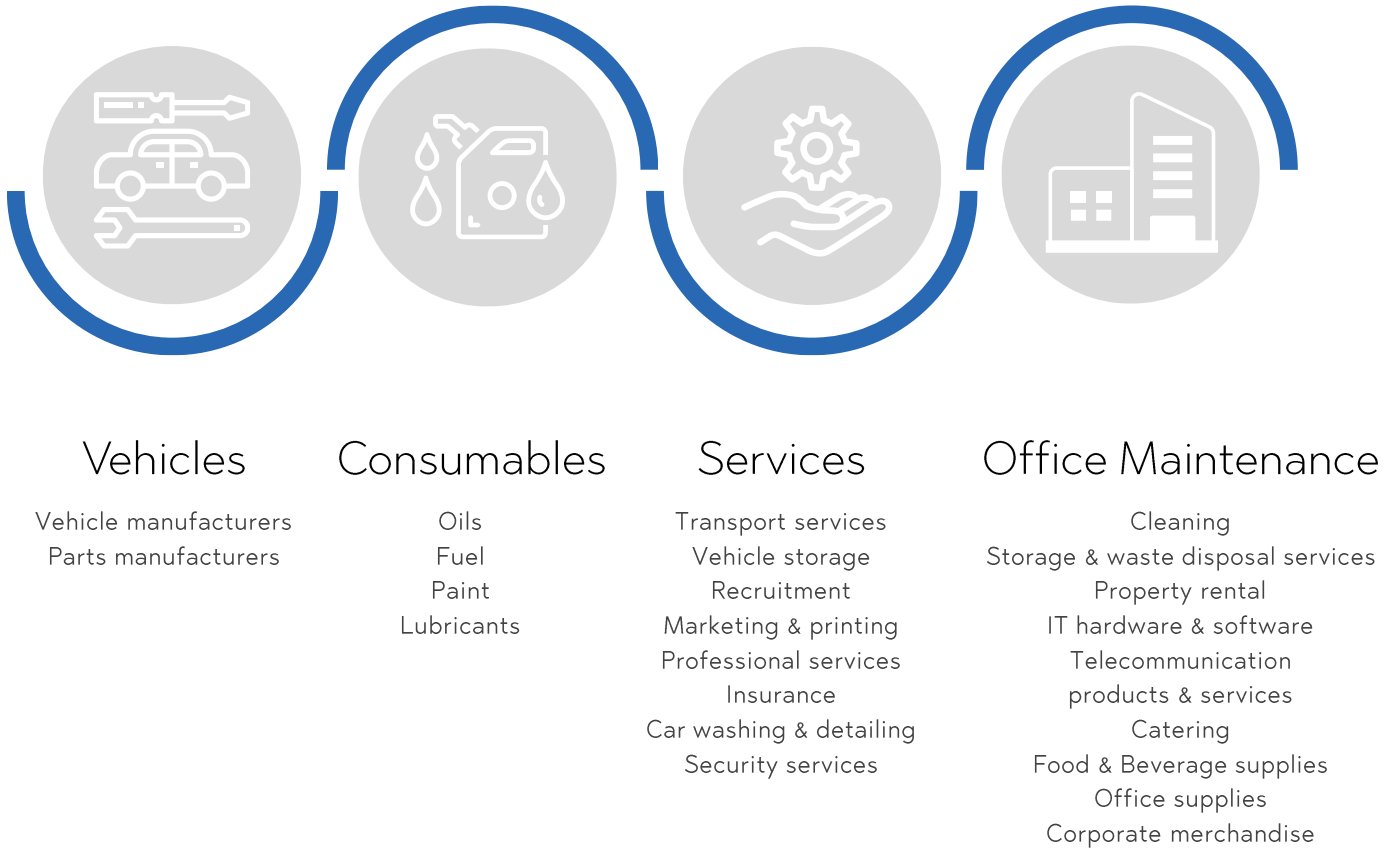


Peter Warren continues to invest in its growing employee base and in recognition of its training focus, our NSW operation was named an Australian Apprenticeship Employer Award Finalist in 2023 along with being a NSW Training Awards 2023 'Large Employer of the Year' finalist.

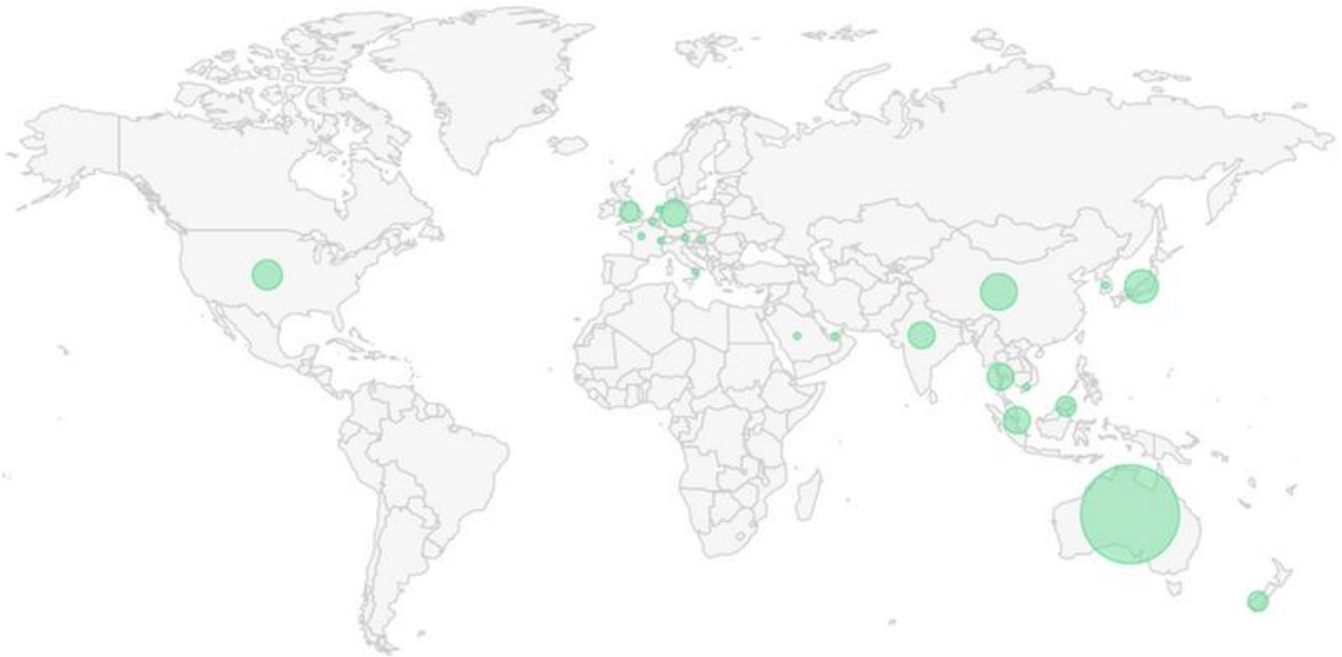
At the end of June 2023, we had over 400 apprentices and trainees across the business. All apprentices are employed directly except for 6 who were hired through a reputable national agency backed by the Australian Business Chamber.

The most significant aspect of our supply chain is the purchase of new vehicles inventory from our OEMs. We finance these purchases through the use of floorplan arrangements with finance companies. Floorplan arrangements are short term loan arrangements used to purchase items of inventory which are repaid when the inventory is sold.

An overview of our supply chain is depicted in the diagram below:



Our supplier categories remain largely unchanged from year to year, so the geographic representation of our supply chain as depicted in our previous modern slavery statement is reflective of FY23. The majority of our non-OEM direct suppliers are based in Australia. The green dots denote the countries where our suppliers have business operations:



5 Modern Slavery Risks in Operations and Supply Chains

In seeking to identify the modern slavery risks in our operations and supply chain, we considered the potential for our business to cause, contribute to, or be directly linked to modern slavery³ in accordance with the UN Guiding Principles on Business and Human Rights. In doing so, we looked at:

- the risk that our operations may directly result in modern slavery practices;
- the risk that our operations and/or actions in our supply chains contribute to modern slavery; and
- the risk that our operations, products or services are connected to modern slavery through the activities of another entity, including business partners.

Given the fact 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. However, the 2023 Global Slavery Index estimates that on any given day in 2021, there were 41,000 individuals living in modern slavery in Australia. This equates to a prevalence of 1.6 people in modern slavery for every thousand people in the country.¹In this context, we recognise that Australia is not immune to modern slavery.

Having regard to our ongoing compliance with the legal framework regulating employment practices in Australia and our policies and controls in place, the risk that we have caused or contributed to modern slavery in our operations remains low.

Our most salient risks remain in our supply chain and in the supply chains of our owned or controlled entities which include a broad range of direct suppliers from various locations and industries, including those generally considered a higher risk for modern slavery by virtue of their sector risk.

For example, it is widely reported practically every major traditional automotive and electric vehicle manufacturer has significant exposure to forced labor in the Uyghur Region.² Furthermore, a 2023 study by New York University and the Geneva Center for Business and Human Rights found that not enough action is being taken by major auto, battery and electronics manufacturers to ensure the cobalt they're using does not involve child labour at Congo's numerous unsafe "artisanal" mines.³

In addition to the automotive sector, our supply chain also includes suppliers operating in sectors generally considered higher risk for modern slavery, irrespective of geographic location, such as car washing and detailing, office cleaning, security and transport services. The risk profile of these sectors are heightened by the utilisation of unskilled workers on temporary visas with limited ability to negotiate their wages and rights in the workplace.

There continues to be modern slavery risks inherent in the supply chain behind the uniforms and corporate merchandise and furniture that we purchase, the lithium in our laptops and smartphones, construction materials used in our dealership renovations, the food and beverages we serve on our premises and hospitality services we purchase. The risks in these goods stem from the later tiers of our supply chain, over which we have limited visibility or control. However, through our supplier due diligence process, we have been able to get a better understanding of the risks beyond the first tier of our supply chain.

¹ <https://www.walkfree.org/global-slavery-index/country-studies/australia/#:~:text=The%202023%20Global%20Slavery%20Index,in%20modern%20slavery%20in%20Australia.>

² <https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/driving->

³ <https://qcbhr.org/backoffice/resources/cobalt-mining-drcroot-causes.pdf>

6 Actions taken to assess and address modern slavery risks

Because the Reporting Entities use the same policies and processes, operate in the same sector and have many shared suppliers, we have provided a single, consolidated description of the actions taken to assess and address modern slavery risks.

Summary of key actions undertaken

- continued the implementation of our workplace relations legal compliance framework
- review of modern slavery statement for apprentice agency.
- continued to have in place our Supplier Code of Conduct and modern slavery contract clauses as part of our supplier agreement templates.
- considered modern slavery risks as part of our acquisition due diligence processes, including the recent acquisition of Toyota and Volkswagen dealerships in New South Wales.
- continued to offer a whistleblower service to our contractors, consultants, service providers, suppliers, business partners. We did not receive any reports of actual or suspected instances of modern slavery via our reporting channels during the reporting period.
- undertook a review of modern slavery statements published by OEMs.

Description of actions taken

During the reporting period, we continued the implementation of our workplace relations legal compliance framework, which in turn, mitigates the risks of modern slavery occurring in our direct workforce. According to the ILO, child labour refers to work that deprives children (anyone under 18) of their childhood, their potential and dignity, and that is harmful to their physical or mental development. It refers to work that is dangerous such as hazardous tasks and night shifts. Our apprentices are young workers, with some under 18, so we seek to ensure that their working conditions are monitored to prevent excessive hours, dangerous work and night shifts. The employee agreements also articulate the protections for young workers.

Earlier in this statement, we referred to the utilisation of one agency in relation to 6 apprentices. We reviewed the 2022 modern slavery statement of the agency found on the government's modern slavery register to assess the mitigation measures they have in place. According to the statement, the agency has a modern slavery policy approved by their board and they provide modern slavery awareness training to employees. Their enterprise risk and compliance function completed an audit of the agency's compliance with the requirements of the modern slavery policy and reported to the results to their board's audit risk and compliance committee. Having reviewed the statement, we were satisfied that the agency had adequate measures in place to mitigate the risks of modern slavery in their management of apprentices.

We continued to have in place our Supplier Code of Conduct and modern slavery contract clauses as part of our supplier agreement templates during the reporting period. Our Human Rights Policy also remained in place during the reporting period and we monitored our grievance channels for any reports of any reportable conduct, including breaches of our Human Rights Policy.

We have continued to consider modern slavery risks as part of our acquisition due diligence processes, including the recent acquisition of Toyota and Volkswagen dealerships in New South Wales.

6 Actions taken to assess and address modern slavery risks

6.1 Remediation

Our Whistleblower Policy specifically includes human rights impacts, including modern slavery in our operations or supply chains as examples of reportable matters. The Policy permits confidential reporting via Deloitte Halo:

- website www.PWAHWhistleblower.deloitte.com.au
- email PWAHWhistleblower@deloitte.com.au

Importantly, our Policy and reporting channels are open to our contractors, consultants, service providers, suppliers, business partners.

We did not receive any reports of actual or suspected instances of modern slavery via our reporting channels during the reporting period.

If we found that our business had caused or contributed to modern slavery, we would follow the UNGPs, which provides that businesses in this situation need to remediate the impact by taking a person-centered approach protecting the safety, privacy and wellbeing of the affected person. We would undertake a full investigation of the situation to ensure that an appropriate corrective action plan is implemented and assess how similar impacts could be avoided in the future. The ILO-IOE Child Labour Guidance Tool for Business helpfully sets out the how remediation should be approach depending on a company's connection to the adverse human rights impact:

IF A COMPANY...	THEN IT SHOULD...	AND...	AND...
Has caused or may cause an impact	Prevent or mitigate the impact		Remediate the harm if the impact has occurred
Has contributed or may contribute to an impact	Prevent or mitigate its contribution to the impact	Use or increase its leverage with other responsible parties to prevent or mitigate the impact	Contribute to remediating the harm if the impact has occurred, to the extent of its contribution
Has or may have its operations, products or services linked to an impact through a business relationship		Use or increase its leverage with other responsible parties to seek to prevent or mitigate the impact	No responsibility to remedy but company may choose to do so

⁴ https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/instructionalmaterial/wcms_ipec_pub_27555.pdf

6 Actions taken to assess and address modern slavery risks

6.2 Review of modern slavery statements published by OEM

During the period, management reviewed publicly available modern slavery statements published by OEMs including:

Global statements	Published at
Audi AG Slavery and Human Trafficking statement (fiscal year 2022); published in July 2023	https://www.audi.com/en/sustainability/people-society/human-rights.html
Ford Motor company Global Modern Slavery and Human Trafficking transparency statement for the financial year ending on December 31, 2022; published in March 2023	https://corporate.ford.com/content/dam/corporate/us/en-us/documents/legal/global-modern-slavery-and-human-trafficking-transparency-statement.pdf
Australian statements	Published at
Hyundai Australia Modern Slavery statement (June 2022)	www.hyundai.com/au/en/modern-slavery-statement
Mercedes Benz Australia / Pacific Modern Slavery Statement 30 June 2022	https://modernslaveryregister.gov.au/statements/file/174d47c1-586d-48e5-b612-83fbe1bc3ff5/
Toyota Anti-Modern Slavery Statement 2023 – approved by Toyota Motor Corporation Australia (TMCA) in September 2023	https://www.toyota.com.au/-/media/toyota/main-site/home-page/files/tmca-anti-modern-slavery-statement-2023.pdf
Mazda Australia – review of general terms and conditions and modern slavery statement	www.mazda.com.au/vendor/

This review highlighted several matters including

- the commitment from our OEM partners to meet their human rights obligations and conform with the general objectives of the Modern Slavery Act; and
- the need to continue to be diligent.

6.3 Due Diligence

In previous years, we issued the modern slavery questionnaires (MSQ) to selected suppliers that provided goods or services. The average risk rating based on the completed questionnaires has been 4 (low) over a three year period. This reflects the stable nature of our supplier categories. As a result, the MSQ was not issued to suppliers during the reporting period. We will resume the processing of issuing the MSQ and reviewing results during the next reporting period.

We seek to assess the effectiveness of our actions by reference to goals that we set for ourselves in our 2022 Modern Slavery statement. During the course of the next reporting period, we will seek to progress these goals, by focusing in the following areas:

Supply Chain

- Identify a smaller cohort of higher risk suppliers to receive the MSQ.
- Engage with the suppliers identified as warranting further due diligence based on the MSQ results.
- Engage with OEMs regarding modern slavery

Procurement

- Undertake a review of the procurement processes across the business to identify improvements in the way that modern slavery risks are considered at supplier selection.
- Select key supplier agreements that included the modern slavery clause and ascertain the level of compliance with the clause by the supplier

Operations

- Roll out group-wide training on modern slavery with a view to raising awareness among the employees that came on board from Penfold Motor Group.
- Conduct modern slavery risk assessments of acquisition targets as part of the due diligence process.
- Continue to review reported cases via internal grievance mechanisms

In order to prepare this joint statement, the Reporting Entities covered by this statement adopted a collaborative approach and consulted the entities they each own or control. Members of senior management were kept abreast of the framework established to assess and address these risks as well as in the preparation of this statement.

This statement was approved by the Board of Peter Warren Automotive Holdings Limited, the higher entity, on behalf of the Reporting Entities on 22 November 2023 and signed by Mark Weaver, a responsible member of the higher entity.

Signed,



Mark Weaver
Chief Executive Officer
22 November 2023

Modern Slavery Act 2018 (Cth) – Statement Annexure

Reporting Criteria	Heading and page number/s
Identify the reporting entity.	Introduction, [2]
Describe the reporting entity’s structure, operations and supply chains	Structure, [3] Operations, [4,5,6] Supply Chain, [7]
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Modern slavery risks in our operations and supply chains, [9]
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	Actions taken to assess and address modern slavery risks, [10,11,12] Remediation, [11] Due Diligence, [12]
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Assessing the effectiveness of our actions, [13]
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	Consultation and approval, [13]
Any other information that the reporting entity, or the entity giving the statement, considers relevant.	N/A