





Acknowledgment of Country

RACQ acknowledges the Traditional Custodians of Country throughout Queensland and recognises their continuing connection to lands, waters, and skies. We pay our respects to Aboriginal and Torres Strait Islander cultures; and to Elders past and present.

RACQ is proud to operate in a nation that is home to the oldest continuous culture on Earth, dating back more than 65,000 years.



However, we recognise there is still much work for us to do to achieve meaningful reconciliation. We acknowledge that reconciliation must live in the hearts, minds, and actions of all Australians as we move forward, creating a nation strengthened by respectful relationships. In partnership with Aboriginal and Torres Strait Islander peoples and communities, RACQ has pledged to become part of the solution.

About RACQ: Purpose, Vision, Values and Sustainability

At the Royal Automobile Club of Queensland (RACQ), we do more than meet our members' needs, we provide peace of mind through our roadside assistance, motoring services, insurance, banking, travel and solar products. RACQ is owned by our over 1.7 million members and we've been a force for good in Queensland communities since 1905.

Our purpose 'to drive a positive future for all Queenslanders' is at the core of everything we do. This guides our strategy, operations and product offering, and the way our people show up every day.

Whether that is through the work of our roadside assistance teams who get thousands of our members back on the road, or our teams on the phone in our Queensland-based call centre and in our stores supporting members with their insurance, roadside and banking needs. The support of our members enables us to fund our advocacy, education, community and Foundation work which makes a significant contribution to all Queenslanders.

RACQ's 2032 vision is to be a trusted partner for our members providing solutions to live and move safely, securely and sustainably. This vision is supported by a strategy which focuses on helping our members to navigate the convergence of mobility, energy, home and climate resilience, and is structured around key strategic focus areas.



Members and Community

We have compelling member value propositions and aim to make a positive impact in their communities.



Mobility

We are a leader in personal mobility advice and solutions for our members.



Home

We protect and enhance the sustainability of our members' homes.



Sustainability

We are a force for good, making a positive contribution to the liveability of Queensland.



People

Being an employer of choice by leveraging our purpose, and aligning our culture, values and employee experience with our business and member strategy.

A set of values, behaviours and beliefs guide our culture and enable us to deliver on our purpose, to drive a positive future for all Queenslanders.



Show Care

Prioritise safety and look out for each other.
Listen, empathise, and communicate openly with our members and each other.
Embrace difference and be inclusive.



Own It

Be clear on accountabilities and hold ourselves and each other to account.
Build trust by doing the right thing by members and each other.
Create a safe environment for people to speak up.



Embrace Learning

Learn from our successes and failures to continuously improve.
Constructively challenge the status quo and embrace new ideas.
Seek diverse views and encourage learning and growth.



Deliver Excellence

Ensure the work we do adds value and has a positive impact.
Work together and help each other succeed.
Make informed decisions and act decisively.

Sustainability

For us, being 'A Force for Good' means supporting our members and their communities by protecting the environment, driving positive social impact and strengthening our governance. It is treading lightly on the earth, helping Queenslanders accelerate the shift to decarbonising transport and transitioning to clean energy sources by offering solar panels and batteries, and supporting the expansion of EV charging networks across the State. Further detail regarding our Sustainability Initiatives can be found [here](#).

Our sustainability framework

RACQ's 'A Force for Good' framework is made up of four key pillars which direct the Club's activities, including areas of focus, outcomes, metrics, and our alignment to Sustainability Development Goals (SDGs). The progress made against these pillars will be reported annually in the Club's *For the Greater Good Report*.



Our Commitment

RACQ recognises that modern slavery can take many forms, including trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

We're committed to taking the necessary steps to identify and address modern slavery in our operations and supply chain, and to continuously improve our understanding of, and response to, modern slavery risks.

Whilst RACQ acknowledges that no sector or industry is immune from the risks of modern slavery, we are committed to operating responsibly and taking all reasonable steps to identify and prevent any acts of modern slavery occurring in our operations and supply chain.

Our Statement

This is the fifth modern slavery statement for The Royal Automobile Club of Queensland (RACQ). It describes the actions taken by RACQ to assess and address modern slavery risk within our operations and supply chain for the financial year ended 30 June 2024. This statement has been prepared to comply with the requirements of the Modern Slavery Act 2018 (Cth) (the Act). For the purposes of the Act, the RACQ Group Procurement function under the Chief Financial Officer developed this joint statement on behalf of all reporting entities within the Group. Further information can be found under "Reporting Entity".

Reporting Entity

The reporting entity for the purposes of the Act is The Royal Automobile Club of Queensland Limited (RACQ). RACQ is the parent company that owns and controls other entities which together form the RACQ Group.

The 2024 RACQ Modern Slavery Statement is a joint statement made on behalf of the following entities:

- The Royal Automobile Club of Queensland Ltd (ABN 72 009 660 575)
- RACQ Operations Pty Ltd (ABN 80 009 663 414)
- Members Banking Group Ltd (ABN 83 087 651 054)
- RACQ Insurance Ltd (ABN 50 009 704 152)



Corporate Structure

The Royal Automobile Club of Queensland Limited (RACQ) is a public company limited by guarantee and governed by its constitution, the Corporations Act 2001 (Cth), common law principles and principles of mutuality. Members Banking Group Limited (RACQ Bank) and RACQ Insurance Limited (RACQ Insurance), key entities in the RACQ Group, are also subject to the governance requirements that satisfy the Australian Prudential Regulatory Authority (APRA) prudential standards. A list of all RACQ’s controlled entities is below:

Entity	Entity Type	Interest Held in FY24 (%)	Country of Tax Residence	Body Corporate % of share capital held FY24
The Royal Automobile Club of Queensland Limited				
RACQ Operations Pty Ltd	Body Corporate	100	Australia	100
RACQ Investments Pty Ltd	Body Corporate	100	Australia	100
RACQ-Queensland Driving Excellence Centre Pty Ltd	Body Corporate	100	Australia	100
Automotive Assistance Services Pty Ltd	Body Corporate	100	Australia	100
Q Garage Pty Ltd	Body Corporate	100	Australia	100
Basecamp No.2 Pty Ltd	Body Corporate	100	Australia	100
Basecamp Innovation Pty Ltd	Body Corporate	100	Australia	100
RACQ Investment No.2 Pty Ltd	Body Corporate	100	Australia	100
Club Insurance Holdings Pty Ltd	Body Corporate	100	Australia	100
RACQ Insurance Limited	Body Corporate	100	Australia	100
Club Finance Holdings Limited	Body Corporate	100	Australia	100
Members Banking Group Limited	Body Corporate	100	Australia	100
RACQ Financial Planning Pty Ltd	Body Corporate	100	Australia	100
Arrow Funding Trust No.1	Trust	100	Australia	N/A
RACQ Foundation Pty Ltd	Body Corporate	100	Australia	100
RACQ Foundation Fund	Trust	100	Australia	N/A
RACQ Foundation Trust	Trust	100	Australia	N/A


RACQ Owned Entities

In addition to RACQ Limited’s controlled entities, RACQ has equity interests in a range of other strategic investments. These entities are not wholly owned or controlled by RACQ or its related entities outlined in the table above. These entities are involved in the distribution of batteries, solar energy, travel insurance and other general insurances.

Operations of Our Business

RACQ’s principal activities include the provision of roadside assistance, motoring services and automobile glass and battery supply, general insurance, banking, and solar products.


Products



RACQ Bank

Accounts (transaction, savings, term deposits)

Loans (home loans, car loans, personal loans, boat loans, debt consolidation loans)



RACQ Insurance


Car Insurance

Home and Contents Insurance

Boat Insurance

Pet Insurance

Caravan & Trailer Insurance



RACQ Assistance

24/7 Roadside Assistance for e-scooters, e-bikes, mobility scooters, wheelchairs, cars, vans, RVs including electric vehicles.

FY24 Summary



27
stores operating
across Queensland¹



\$706.9m
RACQ Bank
loans funded



2,712
RACQ employees³

~1.7m
members¹



740,303
Roadside Assistance jobs



359
Contract Service Providers
for Assistance used across
Queensland¹

180,909
total insurance claims lodged²



¹As of 30 June 2024
²As of 30 June 2024. General Insurance excluding CTP and travel insurance
³As of 30 June 2024

Investments

RACQ’s external investment managers are signatories to the United Nations-backed Principles for Responsible Investment (PRI). The FY24 portfolio consisted of internally and externally managed investments with over 95% of those investments allocated to Australian fixed interest and money market securities, including cash. Other investment asset classes were infrastructure, direct property, and alternative investments.

Procurement

Group Procurement is part of RACQ’s Group Finance function and provides assistance and advice for sourcing and purchasing, supplier onboarding, outsourcing, governance and category management for the RACQ Group.

In addition, RACQ has a Group Procurement procedure which supports these activities. All RACQ suppliers are assessed and segmented in accordance with the contract value and residual risk level as demonstrated in the quadrant below.

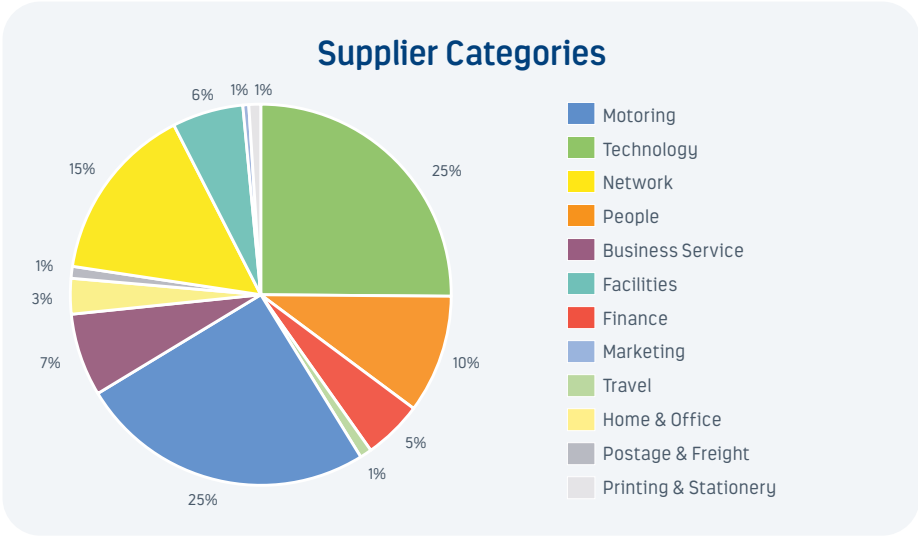


Our Suppliers

RACQ currently procures goods and services from more than 1000 suppliers to support our operations.

RACQ sources the majority of our goods and/or services from Australian-based suppliers. In FY24, RACQ procured from suppliers based in Europe (Estonia, Switzerland, Germany, Netherlands, England and Ireland), North America (USA and Canada), New Zealand and Asia (Singapore, India, China and South Korea).

We classify our contracts with suppliers into the following categories and sub-categories:



Category	Sub-Category	
Motoring	Approved Repairers*	Vehicle Recovery
	Driver Training	Battery Supply
People	Vehicle Inspections	Driver Assist
	Windscreen repairers	Fuel Supply
Finance	Fleet Services	Patrols/Traffic Response Unit
	New Vehicles	Intestate Vehicle Assessing
Travel	Salvage/Auction	Tow-Trucks
Technology	Recruitment	Contractor/Consultant
	Training/Wellbeing	Uniforms
Business services	Financial Accounting	Actuary
	Tax	Corporate Insurance
Home & office	Investment Management	Reinsurance
	Banking	
Postage & freight	Corporate	Leisure
Network	Services	IT Hardware
	IT Software	Telecommunications
Facilities	Legal Services	Audit
	Events	Foundation
Marketing	Partnership**	Investigation Services
	Loss Adjusting Services	Sponsorship
Printing & stationary	Building Services	Managed Services
	Electronics	Flat Glass
	Jewellery	Restoration
	-	
	Contracted Service Providers	Agents/Brokers
	Occupancy	Utilities
	Construction	Cleaning/Waste Management
	Maintenance	Security
	Media/Advertising	Design/Artwork
	Merchandise	
	Commercial Printers	Print Products
	Stationary	

*Approved repairers refer to Roadside Assistance mechanical repairers and Insurance repairers.
**Partnership refers to suppliers engaged to support strategic investments.

Modern Slavery Risks in Our Operations & Supply Chain



Identification of Inherent Risk

Inherent risks in the context of RACQ’s FY24 Modern Slavery Statement refer to the level of risk which exists prior to the assessment of risk which we do via the Third-Party modern slavery questionnaire and/or revision of secondary sources.

An internal review of the Group’s operations and supply chain was undertaken to identify potential modern slavery risks.

Sector Risks:

High-risk industries for the Financial Sector in Australia include cleaning and construction, sub-contracting labour hire, textiles, and IT Hardware⁴.

Imported Risks:

Our imported products also present a high risk for modern slavery as globally, most forced labour occurs at the extraction of raw materials and production stages. The raw materials used to manufacture solar panels are considered a high inherent risk as Solar Panels imported from countries such as China are one of the top 5 imported products at risk of modern slavery practices⁵.

Investments:

Evidence of organisations driving financial value at the cost of human rights abuses exists globally and therefore Investments (direct or managed) carry potential modern slavery risks, based on the investee business sector, geographical location, workforce and business structure⁶.

RACQ considered the known risk indicators for modern slavery and measured these against our supply chain and operations for FY24. The below table outlines the categories and sub-categories which carry inherently high potential for modern slavery risk.

Risk Factor ⁷	Category	Sub-Category
Use of short-term contracts, temporary labour and outsourcing in industries with a high risk of labour exploitation	Technology	IT Software
	Facilities	Construction Cleaning/Waste Management
	Home & Office	Building Services
Product or components of the product are made in countries where there is a high risk of labour exploitation reported by international organisations or non-governmental organisations	Motoring	Approved Repairers
	Business Service	Partnership
	Technology	IT Software, IT Hardware
	Home & Office	Building Services
	People	Contractor, Uniforms
	Motoring	Windscreen repairers, Battery Supply
Product is made from materials or using services reported to involve a high risk of labour exploitation by international organisations or non-governmental organisations	Finance	Investment Management
	Business Service	Partnership
	Technology	IT Software, IT Hardware
	Home & Office	Building Services
	People	Contractor, Uniforms
	Motoring	Windscreen repairers, Battery Supply
Use of foreign workers or temporary or unskilled labour to carry out functions which are not immediately visible because the work is undertaken at nighttime or remotely	Finance	Investment Management
	Facilities	Construction Cleaning/Waste Management
	Home & Office	Building Services
	Motoring	Approved Repairers

⁴KPMG, Modern slavery – are you ready for mandatory due diligence? (2024). Page 7.
⁵Walk Free. Global Slavery Index. (2023). Pages 146-147.
⁶KPMG, Financial services and modern slavery. (2021). Page 10
⁷Anti-Slavery Australia. Modern Slavery Act 2018: Guidance for Reporting Entities. (2019). Pages 81-83.

Assessing Modern Slavery Risks



Assessment of Residual Risk

The review of our supply chain was focused on the factors known to increase the risk of modern slavery practices, including vulnerable populations, high-risk geographies, high-risk sectors, and high-risk business models. To assess the risk level, RACQ Group Procurement requests suppliers in our operations and supply chain to complete an annual questionnaire via a Third-Party provider specialising in modern slavery risk assessments. In FY24, 800 suppliers were assessed and rated for modern slavery risk. Responses to our questionnaire are not mandatory, however, suppliers who choose not to complete the questionnaire are subject to secondary reviews prior to determining their risk rating.

Secondary sources include the existence of a Code of Conduct, details regarding ethical sourcing, evidence of Whistle-blower Policies etc, publicly available responses to Human Exploitation legislation overseas, relevant news and alerts including adverse media, any other information which may be used in risk mitigation. In the absence of a response or alternative information for suppliers in high-risk industries, a residual risk rating is given that is reflective of the research available via the Global Slavery Index.

The following risk areas are scored to produce residual ratings:

- **Modern Slavery Practice Risk:** any current, recent or past allegations of modern slavery practices
- **Employment Practices:** any employment or workplace issues that may be indicators of modern slavery practices
- **High Geographical Risk:** goods and services sourced from any one of the top 10 countries generally identified as having the highest risk of modern slavery practices
- **Program Governance:** components of the supplier’s modern slavery compliance and governance program
- **Training and Awareness:** modern slavery training and awareness within the supplier organisation
- **Industry Risk:** risks associated with certain industries where modern slavery practices may be more prevalent
- **Future Policy Plans:** supplier’s plans to put in place modern slavery compliance and governance program
- **Migrant Workers Risk:** use of migrant workers in supplier operations
- **Supply Chain Management:** supplier’s policies and programs in managing modern slavery risks within their own supply chains

Residual risks in the context of RACQ’s FY24 Modern Slavery Statement refer to the level of risk remaining after the assessment of risk via the Third-Party modern slavery questionnaire and/or revision of secondary sources as outlined above.

RACQ reviews the residual risk ratings for high-risk suppliers and acts to further investigate with the contract manager of the supplier to mitigate and monitor the risk. RACQ has identified and analysed the modern slavery risks present in our supply chain based off internal and external assessments and allocated a risk rating to each category as detailed below.

Risk Rating	Description
High	High risk of modern slavery practices within supply chain due to one or more risk factors.
Medium	Medium risk of modern slavery practices within supply chain due to one or more risk factors.
Low	Low risk of modern slavery practices within supply chain due to one or more risk factors.

Category	Inherent Risk	Residual Risk
Motoring	High	Medium
People	Low	Low
Finance	High	Medium
Travel	Low	Low
Technology	High	Medium
Business Services	High	Medium
Home & Office	High	Medium
Postage & Freight	Low	Low
Network	Low	Low
Facilities	High	Medium
Marketing	Low	Low
Printing & Stationary	Low	Low

Offshore Modern Slavery Risks

RACQ acknowledges that our offshore arrangements with suppliers exist in geographic locations with higher risk of modern slavery⁵. During the reporting period, only one contractual engagement existed in a high-risk location and industry (labour-hire in technology development). For this contract, anti-slavery clauses were included to satisfy risk considerations prior to contract sign-off.



⁵Walk Free. Global Slavery Index. (2023). Pages 146-147.

Addressing Modern Slavery Risks



The Third-Party risk assessment returned one high-risk supplier within our Technology category. RACQ undertook additional steps to review the result and sourced further information and clarification from the RACQ contract manager and supplier. Group Procurement reduced the residual risk rating to medium only after obtaining sufficient mitigating evidence.

After RACQ’s review of the Third-Party results, in FY24, 96% of our third-party assessed suppliers were assigned a residual risk rating of low, and 4% assigned a residual risk rating of medium.

Addressing Risk

RACQ has a suite of internal policies and procedures which inform the way we work and aim to ensure that we operate in an ethical and responsible manner. These include:

- RACQ Code of Conduct
- Group Risk Appetite Statement
- Discrimination, Harassment and Workplace Bullying Policy
- Diversity and Inclusion Policy
- Group Outsourcing Policy
- Group Whistleblower Policy
- Group Procurement Procedures
- Conflict of Interest Procedure
- Group Remuneration Policy
- Sustainability Framework
- Responsible Investment Policy
- RACQ Vulnerable Consumer Policy

RACQ also provides access to an external reporting service (Stopline) which is an independent and confidential service that operates 24 hours a day, 365 days a year to receive whistleblower reports from our employees and third parties regarding illegal or unethical conduct, including modern slavery. Reporting of information can be made anonymously.

In FY24, no instances of suspected modern slavery were reported through Stopline.



Assessing effectiveness

E-learning for Awareness

RACQ has invested in a mandatory electronic learning course to educate selected individuals with direct links to RACQ supply chains in our organisation on the risks of modern slavery and how to escalate concerns about or potential occurrences of modern slavery. This training is refreshed annually.

RACQ perform attestation procedures on training content quality and relevance on an annual basis.

Implementation of Modern Slavery Working Group

In FY24, RACQ’s newly formed Modern Slavery Working Group (MSWG) have met to discuss modern slavery risk in RACQ’s operations and supply chain. The purpose of the MSWG is to connect with our operational managers that have direct links to our supply chain, operations and governance to continually seek out initiatives that improve the way we assess effectiveness and manage risk.

Managing Risk

This year, RACQ continued to advance its multi-year initiative aimed at enhancing our risk management, governance, systems, and culture. The Risk Transformation Program is structured around four key themes:

- Risk Culture
- Risk Governance
- Accountability and Capability
- People, Systems, Policies and Processes

The design phase is nearing completion across key work streams that included an uplift in board and management oversight, enhancements to the Three Lines of Accountability model, capability and capacity assessments, as well as improving risk culture.

The redesigned Risk Management Framework represents an industry-standard model that addresses deficiencies and issues identified in our historic frameworks. Improvements to our risk committee structures and practices have also been reviewed, redesigned and implemented to build ethical and robust risk management processes.

As a result, an early shift in risk maturity is starting to emerge which can be observed through the launch of The Tone from the Top which sets the expectations of the board and senior leaders and is cascaded to employees.

The recent relaunch of the Code of Conduct is an example of our desired Risk Culture which will improve awareness and understanding of risk across the organisation.

We recognise that our decisions and actions can impact our members, employees, and communities both positively and negatively. We will keep investing in the structures, processes, and systems necessary to deliver the best outcomes for our stakeholders.

Accountability

RACQ Group adopts a three lines of accountability model to support effective risk governance through clarity of responsibilities and independent oversight. The three lines are:

- 1st Line of Accountability: The business owns, identifies, understands, assesses and manages their risk and compliance, in line with policy and procedures that reflect the Board’s risk appetite.
- 2nd Line of Accountability: Risk and Compliance functions own and maintain effective Group risk and compliance frameworks, systems and policies.
- 3rd Line of Accountability: Internal Audit provides independent and objective assurance over the adequacy and effectiveness of governance, risk management and internal control frameworks.

Risk management policies have been established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risk and adherence to limits.



Consultation and Approval

Consultation Process

For the purposes of the Act, RACQ has consulted with representatives from the following entities in preparation for this statement:

- The Royal Automobile Club of Queensland Ltd (ABN 72 009 660 575)
- RACQ Operations Pty Ltd (ABN 80 009 663 414)
- Members Banking Group Ltd (ABN 83 087 651 054)
- RACQ Insurance Ltd (ABN 50 009 704 152)

Consultation for the purpose of meeting modern slavery statement reporting requirements for controlled entities involved engaging with RACQ operational managers within our Assistance, Bank, Insurance, Investments and Corporate Operations via the RACQ Modern Slavery Working Group (MSWG).

Statement Approval

RACQ's Modern Slavery Statement covering the 2024 Financial Year was approved by the principal governing body of RACQ Group as defined by the Act on 26 November 2024.

This statement is signed by a responsible member of RACQ Group as defined by the Act.



David Carter
Managing Director and
Group Chief Executive Officer

Modern Slavery Act 2018 Reporting Requirements

Mandatory criteria for modern slavery statements:

A modern slavery statement must, in relation to each reporting entity covered by the statement:

- (a) identify the reporting entity; and
- (b) describe the structure, operations and supply chains of the reporting entity; and
- (c) describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls; and
- (d) describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes; and
- (e) describe how the reporting entity assesses the effectiveness of such actions; and
- (f) describe the process of consultation with:
 - (i) any entities that the reporting entity owns or controls; and
 - (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement; and
- (g) include any other information that the reporting entity, or the entity giving the statement, considers relevant.

In addition to the above requirements, a modern-day slavery statement, other than a statement to be given under section 15 (Commonwealth modern slavery statements), must include: details of approval by the relevant principal governing body or bodies).

Reference to Modern Slavery Act 2018 Requirements

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Corporate Structure	6	16. (1) (b)
Operations of our Business	7	16. (1) (b), 16. (1) (g)
Our Supply Chain	10	16. (1) (b)
Modern Slavery Risks in our Operations & Supply Chains	11	16. (1) (c)
Assessing and Addressing Modern Slavery Risks	12	16. (1) (d)
Assessing Effectiveness	15	16. (1) (e)
Consultation and Approval	16	16. (1) (f) (i) & (ii), 16. (2) (i)