



MODERN SLAVERY STATEMENT 2022

Reporting Entity

Auto Parts Group Pty Ltd (“APG”) ABN 32 065 899 176 has its registered office at 72 Pritchard Road Virginia in Queensland. APG is a privately owned Australian Company. For the 2021 Financial Year APG had consolidated revenue of \$104,651,446 and 230 employees. APG does not have any subsidiaries.

This is the first statement that Auto Parts Group have prepared to meet the reporting requirements that became law in the Modern Slavery Act 2018 (Cth) (‘Act’ or ‘MSA’) on 1 January 2019. APG first qualified to be a reporting entity for the reporting period for this Modern Slavery Statement, which is for the financial year starting 1 July 2021 and ending 30 June 2022.

Our Approach

We rely on the definition of modern slavery in the Act, which covers eight types of serious exploitation: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services.

APG recognises Not for Profit sources such as the Walk Free Foundation, the United Nations as well as the Commonwealth Government’s 2017 ‘Hidden in Plain Sight’ Report indicate that modern slavery is occurring and that APG may have exposure in our supply chain. APG is committed to developing its understanding of the modern slavery risks in its operations and supply chain.

We intend to work in partnership with our suppliers and other stakeholders to promote ethical practices which minimise the risks of modern slavery in our supply chain. We recognise that our practices can be continually developed and improved as we move forward.

Our operations and supply chain

APG’s core business is the import and resale of automotive parts to the Australian market. APG customers can be grouped into the following categories, Smash/Panel repairs, Automotive Wholesale, Mechanical Workshops and direct to consumer (eCommerce). APG operates five sites nationally in Brisbane, Sydney, Melbourne, Adelaide, and Perth. Each site includes local and national management teams as well as distribution centres that service local customers and export markets. Our Export markets are in the pacific region with two primary export markets being New Zealand and Papua New Guinea.

APG domestic transport logistics is currently a mix of external suppliers (international and domestic) as well as our own team of vehicles and drivers. For the import of auto parts APG utilises multiple shipping lines based on availability, organised by an Australian freight forwarder. We manage internal freight transport via an Australian transport provider and deliver to our customers domestically utilising our own fleet.

Auto Parts and Modern Slavery Risk.

When researching the topic as a part of building our *Roadmap to minimising Modern Slavery* policy it has become understood that automotive parts manufacturing can be perceived as an at-risk industry in some parts of the world. The auto industry has a complex, global supply chain. At APG we believe that we do not knowingly cause, or are not directly involved in, perpetrating modern slavery practices. However, by simple nature of the parts/manufacturing supply chain – which involves such things as: raw

materials (that can be sourced from higher-risk countries), parts production and shipping industry practices that lack oversight we cannot be fully satisfied in this space and must continue to pursue a minimisation roadmap. We are cognisant that APG's risk to modern slavery practices is not just about the suppliers we engage with directly (first tier), it is about risks further down the supply chain (2nd tier and beyond) and the suppliers/supply chain practices that are involved.

Minimisation and Discovery Approach

As our business increases in size and complexity APG has committed to a corporate ESG approach that will look to building our knowledge of and drive action based on the risks presented in our supply chain. To do this APG has worked with a 3rd party procurement consultancy to develop a road map forward to implement actions that will assist with minimising the risk of modern slavery across our operations and supply chain practices. Included within the roadmap are reviews of our practices including 1st tier supplier self-assessment, 2nd tier supplier exploration and identification, a review of and enhancement of supplier code of conduct and engagement platforms as well as ongoing monitoring and reporting approaches. Internally APG will be exploring the introduction of training for procurement and broader supply orientated staff in modern slavery risk identification.

Assessing the Effectiveness of our Actions

The effectiveness of the actions taken by APG to assess and address the risks of modern slavery in the APG supply chain will be communicated in our future statements. Senior management have committed to the following on-going actions

- Tracking deployed actions and identifying key performance indicators
- Quarterly review of Modern Slavery Roadmap progress
- Regular reviews of our actions and their appropriateness

This statement has been compiled by the Chief Operating Officer in consultation with senior management in procurement, product management and operations. A third-party consultancy was engaged to assist in the development of our roadmap framework. APG is committed to the ongoing development of and actions that minimise the risk of modern slavery within our supply chain.

Signed by Stephen George Campbell (Sole Director Auto Parts Group Pty Ltd) on 22.12.22

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