



RACV Modern Slavery Statement for Financial Year 2020

About this document

This Modern Slavery Statement is made pursuant to the Modern Slavery Act 2018 (Cth) by Royal Automobile Club of Victoria (RACV) Limited in respect of RACV and its related bodies corporate (**RACV Group**) for the financial year ending on 30 June 2020.

RACV does not tolerate any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against modern slavery within our operations and our supply chains.

This is RACV's first Modern Slavery Statement and this document explains the steps RACV has taken to identify, detect and respond to slavery and human trafficking with our operations and through our supply chains during the financial year ending 30 June 2020.

Contents

Our business	2
Our corporate structure	2
Risk of modern slavery practices	4
Our risk management processes	6
How we assess and manage modern slavery risks	11
Key performance indicators	12
Consultation within the RACV Group	13
Looking ahead	13
RACV Group companies	13
Approval	14



Our business

RACV is a Member-owned organisation with a diverse business that operates in the areas of motoring and other transport, the home, leisure and travel, and retail. The RACV Group provides a diverse range of products and services including emergency roadside and home assistance, insurance and finance, resorts, other leisure and travel services, home security, drive school, vehicle inspections, towing, solar power systems, and telematics and connected vehicle services.

RACV exists to improve the lives in the areas of Home, Mobility and Leisure. We are a values-based organisation. While our Members' experience is at the centre of everything we do, our employees and suppliers are critical to ensuring we fulfil this purpose.

Our corporate structure

RACV is a mutual and the parent company that owns and controls other operating companies that together form the RACV Group. RACV-branded businesses, such as RACV's lending, insurance distribution, emergency assistance and leisure businesses, are centrally managed by the RACV executive team. For the FY20 period, the companies responsible for operating those business activities and their operations are set out in Table 1 below.

Table 1:
Related companies operating under the management of RACV's executive management team during FY20

Company	Business operations
RACV Insurance Services Pty Ltd	Distribution of RACV Home and Motor Insurance
R.A.C.V. Finance Limited	Issuing and distributing RACV Personal Loans
RACV Security Pty Ltd	Distribution and installation of home security products
RACV Holdings Pty Ltd (Holding company of Club Tasmania Holdings Pty Ltd and Club Home Response Pty Ltd)	Supporting Members with emergency home assistance repairs Co-management of the RACV Hobart Hotel

Other business operations, such as towing and telematics and connected vehicle services, are managed by their own executive teams governed by their own procurement and people management policies and procedures. The related companies responsible for operating those businesses are described in Table 2 below.

Table 2:
Related companies operating under their own executive management teams during FY20

Company	Business operations
Gippsland Solar Pty Ltd*	Distribution and installation of solar power systems
Gippsland Heating & Cooling Pty Ltd*	Distribution and installation of solar power systems
Intelematics Pty Ltd	Telematics and connected vehicle services
Nationwide Group Pty Ltd	Towing transport and emergency roadside assistance services

* Gippsland Solar Pty Ltd and Gippsland Heating & Cooling Pty Ltd became wholly owned subsidiaries of RACV on 13 December 2019 and during the third and final quarters of FY20 began trading under the 'RACV Solar' brand.



Our operations and supply chains reflect the diversity of our business operations.

A full list of the RACV Group companies covered by this Statement is set out at the end.

Our operations

RACV's core operations are based in Victoria, Australia. The RACV Group head office is in Melbourne, with a dedicated call centre operating from Noble Park, also in Victoria.

We provide our services to more than 2.1 million Members and customers through our diverse business activities, ranging from consumers and small business to large enterprises.

In addition, RACV operates seven resorts across Victoria and Queensland, two RACV Club resort and leisure facilities in Victoria, and co-manages a hotel apartment in Hobart.

Across Victoria, RACV also maintains a network of 31 retail stores and agencies throughout metropolitan and regional Victoria. RACV's 12 agencies are operated by local businesses. Staff working in RACV's retail stores are direct employees of RACV. Staff operating in agencies operated by local regional businesses are also direct employees of the operator. Our emergency assistance services are provided by our contractors numbering approximately 200 across Victoria.

We directly employ approximately 3000 staff members across our offices, resorts, retail stores and other member service operations either by contract or under award agreements. Most of our staff are permanent employees engaged on a full or part-time basis, with just over 20% engaged on a casual basis. Of the total workforce employed, 2.5% were contingent workers during FY20. While some of our operations experience seasonal peaks around school holidays and public holidays and we experience greater demand at those times at our resorts and for our roadside assistance services, our business is open and our services generally available throughout the year. Most of our employees work regularly on a weekly basis throughout the year.

Our suppliers

With diverse operations and business interests, we source significant quantities of goods and services from suppliers. In FY20, the RACV Group worked with approximately 4,500 suppliers, with most of our goods and services sourced directly from local Australian suppliers. Some suppliers, predominantly in the nature of marketing and IT support services, were in FY20 sourced from suppliers located offshore in the European Economic Area, Hong Kong, India, New Zealand, North America, the Philippines, Singapore, South Korea, and the United Kingdom. We generally source goods either directly from local producers or through distributors and service providers operating in Australia. We are aware that some of the goods supplied to us are manufactured in countries in Europe, North America and South East Asia from primary resources grown or supplied from many regions of the world.

Most of our procurement activity occurs in our resorts and clubs, and the home and roadside assistance services we provide to our Members. The goods and services procured by RACV Group include: marketing and media services; food and beverages; building and maintenance services including construction, cleaning, grounds maintenance, security and waste services; fleet services including maintenance of our fleet; hospitality services; hospitality and office equipment supplies, IT hardware and services; mail and print services; professional services (including legal, audit and financial advisors), recruitment and HR Services; uniforms for staff and apparel for resale; and home hardware and motor vehicle parts.

We are pleased that most of our suppliers have been working with us for periods of greater than two years and are proud of the relationships that our sourcing managers have established and maintain with local suppliers, often small businesses, in the communities in which we operate.

Risk of modern slavery practices

We have assessed the RACV Group's operations and supply chains to identify potential vulnerabilities to modern slavery. RACV considers there is only a low, if any, risk of modern slavery practices in the RACV Group's operations. As an enterprise that is heavily dependent on suppliers of a broad range of goods and services to support its business operations, RACV considers there is some risk of modern slavery in our supply chains of goods originating from jurisdictions with a prevalence for modern slavery. In addition, some of the services provided by the RACV Group are typically performed by members of the community that may be more vulnerable to unfair work practices such as migrants and unskilled workers.

Operational risks

Our assessment of RACV Group operations identified the following for the FY20 period:

- All members of the RACV Group's workforce are free to leave their employment on reasonable notice. RACV does not require people to lodge deposits of money or identity papers as a condition of their employment.
- The RACV Group's commitment to providing a fair and safe workplace is articulated in policies and procedures that ensure compliance with fair work and employment laws.
- The RACV Group has a risk management framework in place to assure compliance with fair work and employment laws.
- The workforce of each Group company has access to a means to voice their concerns about their working conditions, environment or rights.
- Enquiries were made and no incidents or circumstances were identified to suggest that modern slavery may exist in the RACV Group's operations.
- Training was made available to the workforce of each Group company raising awareness and understanding of the standards of conduct and behavior expected of our people to ensure a safe and fair workplace.
- Steps were generally taken to raise workforce awareness of the ability of our people to make disclosures about serious misconduct in relation to the RACV Group.

While the policies and procedures between RACV's Group companies varied, each had mechanisms in place to support people to voice their concerns about their working conditions, environment or rights. This was accompanied by a process for exploring remediation of those concerns. In addition, each company had a policy statement outlining their commitment to workplace health and safety standards and compliance with all relevant workplace health and safety laws and most took steps to make their workforce aware of their ability to make disclosures about serious misconduct within the RACV Group under RACV's Whistleblower Policy.

We provide additional information later in this Statement about the policies and procedures in place to ensure a safe and fair workplace.

The COVID-19 health emergency

RACV's operations were directly affected by the COVID-19 pandemic, resulting in leisure and resort activities being closed for extended periods from March to June of FY20, while other parts of our business continued to operate adjusting for health restrictions. For some of our staff, such as those providing emergency roadside or home assistance to Victorians, this meant performing their roles in uncertain and unusual circumstances with greater than usual exposure to health risk. Our People & Culture and Health, Safety and Wellbeing teams worked closely with our operations teams to provide support, resources and risk mitigation strategies to keep our workforce safe during this time.

Supply chain risks

RACV has reviewed RACV Group suppliers for FY20 to assess those areas of its supply chains that may be vulnerable to modern slavery risks. Following that review, while RACV is not aware of any actual instances of modern slavery in the Group's supply chains, areas have been identified as appropriate to conduct more targeted and in depth inquiries due to the risks presented by the nature of the services, the goods consumed and the countries from which goods are typically sourced.

During FY20 RACV engaged many suppliers who provide building, facilities and maintenance services (including construction, cleaning, grounds maintenance and security), fleet management, hospitality and IT support and management services that usually use sub-contractors, and possibly labour hire firms, for their workforce capability. In the case of IT support and management services, workers may also be based overseas in jurisdictions where labour is more cost-effective and laws are less mature offering fewer protections to workers.

In addition, cleaning, hospitality, maintenance and security services tend to attract more vulnerable members of the community who may have cultural or language barriers. Demand for these services can also be subject to seasonal variations.

As part of the hospitality and dining experiences available at RACV's clubs and resorts, RACV relies on a network of food distributors both at a regional and national level. Those suppliers provide RACV with both local and imported food and produce, including food items that, depending on the country of origin, may present a higher risk of modern slavery to RACV's supply chain. RACV has identified the following with regard to those supply chains:

- RACV procures fresh produce in its resorts and clubs, including fish, rice and products derived from cocoa (e.g. chocolate). RACV is aware that some countries who export these items have a high prevalence for modern slavery and these products therefore present a modern slavery risk to RACV's supply chain.
- To the extent fresh produce is procured from local Australian growers, RACV is aware that the agricultural industry relies on seasonal workers to assist with fruit picking and that a small minority of growers have been reported in recent times as falling short of fair work practices.

More broadly, RACV procures electronic hardware and garments (uniforms for staff and apparel for resale through RACV golf stores) which RACV is aware may be manufactured in countries with a high prevalence for modern slavery.

During FY20, RACV's related companies procured services and goods from suppliers operating in industries or categories presenting a higher risk of modern slavery or poor fair work practices. These categories are similar to those identified by RACV, namely contractors providing construction and building services (including facilities and security management) and cleaning services. In addition, RACV's related companies procured IT hardware (laptops, computers, mobile phones) that are likely to have been sourced from countries with a high prevalence for modern slavery.

Our risk management practices

RACV has a robust corporate governance framework, overseen by the RACV Board supported by its subcommittees the Governance & Risk Management Committee, and the Audit & Compliance Committee. This framework includes a suite of organisational policies, some of which are relevant to managing modern slavery risks.

Our operations

RACV has a robust risk management framework and various policies which assist in maintaining a fair and equitable workplace that complies with all relevant workplace-related laws. Our Ways of Working are built on the four values pillars, supported by organisational policies and procedures.



The key components of this framework are the RACV Code of Conduct, Fair Treatment, and Disciplinary Policies which set out RACV's expectations of its employees, acceptable standards of conduct and treatment of co-workers, and RACV's process for handling breaches of those policies.

In addition, RACV has a comprehensive Health and Safety Management system through which RACV is committed to providing a safe and healthy working environment for all individuals during their interactions with RACV, including employees, contractors and associates.

Our commitment

The RACV Group does not tolerate unwelcome or unfair treatment, including any form of bullying, harassment (including sexual harassment), discrimination, victimisation and vilification by any person.

- RACV's **Code of Conduct Policy** sets out the principles that support, guide and direct RACV people on the expected standards of behaviour at work every day. It requires RACV people to treat everyone at work with dignity and respect, to comply with the letter and spirit of laws, policies, procedures and other requirements that apply at work, and to behave in a way that preserves the health, safety and wellbeing of self and others. RACV supports and encourages its people, under the Code of Conduct Policy, to call out unacceptable behaviour and stand up for what's right. We support our people to immediately report any illegal, dishonest or unethical behaviour, including any breach of the Code of Conduct, that they may observe. We encourage people to speak up and don't victimise anyone who does.
- Under our **Fair Treatment Policy**, we are committed to providing a workplace that is free from discrimination, harassment and bullying. We firmly believe everyone has the right to a safe, fair and inclusive environment

These policies are supported by the following:

- The **Health, Safety and Wellbeing Policy**, which sets out clear lines of management and employee accountabilities for health and safety matters, mandates compliance with all legislative and statutory health and safety requirements and documented safety processes, and describes how safety performance is measured while promoting a culture of continuous improvement.
- A commitment to creating and maintaining an environment that recognises and embraces diversity across our organisation with our **Workplace Diversity Policy**.
- Due to the nature of our business activities with many of our facilities and services operating 24/7, 365 days a year, from time to time our employees need to be on standby ready to perform work outside their ordinary working hours to ensure quality service delivery to Members and customers. In addition, there are times when our employees need to work significant additional hours to carry out specific projects or work during busy times. We acknowledge it's our duty to protect the health and safety of our staff by ensuring they do not work excessive hours and that additional hours are monitored appropriately. These risks are managed under our **Standby and Hours of Work Policy**.
- We also encourage managers to discuss and construct ways of promoting flexibility, so employees can work their hours in a way that suits them whilst also meeting business needs. We have provided our managers and employees with a process for formalising their flexible working arrangements under our **Flexible Working Arrangements Policy**.
- Our **Employee Assistance Policy**, under which our employees have access to free professional assistance to deal with any life issues that may be affecting their wellbeing, commitment or focus. This free assistance is also available to the family members of our employees.

An important component of RACV's health, safety and wellbeing policy is regular safety walks and inspections of RACV properties by senior management. Managers eligible for RACV's incentive scheme are required to complete one safety walk in each quarter of a performance year to qualify for an incentive payment for that year. During safety walks, RACV workplaces are assessed for health and safety issues. The safety walk, which can be conducted virtually, includes employee interviews during which employees are invited to provide their feedback on how safety can be improved. Safety walks were performed during FY20.

Raising concerns

There are several means available to our people to raise concerns regarding their working conditions, environment or if they feel their legal rights have been compromised. Concerns may be raised directly with managers, line managers and RACV's People & Culture partners under the **Complaints, Disputes and Grievances Policy**, or under the **Fair Treatment Policy** with People & Culture partners and designated support people nominated and trained to provide information regarding the management of complaints of discrimination, harassment or bullying.

Employees may also report health and safety incidents under RACV's Health, Safety & Wellbeing System. Reported incidents will be treated in accordance with the incident management procedure which sets out roles and accountabilities for reporting, responding to, escalating and reviewing workplace health and safety issues.

In addition, where our people do not feel safe or comfortable to raise their concerns to their manager or their line manager, disclosures or complaints regarding serious misconduct or breaches of laws or RACV policies may be made anonymously under RACV's Whistleblower Program. This includes the ability to raise concerns anonymously with FairCall, RACV's externally managed whistleblower reporting service. RACV encourages its employees and suppliers to speak up if they have concerns about wrongdoing at RACV.

Redress

The Complaints, Disputes and Grievances Policy describes RACV's process for resolving work-related complaints, disputes or grievances if they occur, including escalation of complaints that cannot be resolved to senior management.

The RACV Disciplinary Policy and supporting procedures have been designed to ensure consistency and fairness in addressing behaviour and misconduct issues across RACV. The procedures include a process for managing serious misconduct which includes conduct that causes serious and imminent risk to the health or safety of a person, or to the reputation, viability or profitability of RACV and Members. Serious misconduct for the purposes of the policy includes conduct constituting modern slavery. Disciplinary action will be taken against a person found to have engaged in serious misconduct, up to and including the immediate dismissal of the person from their employment. Possible outcomes include coaching, written warnings culminating in termination if the offending behaviour persists.

RACV takes legitimate concerns raised by employees seriously and has procedures in place to ensure the confidential and impartial assessment and investigation of disclosures made under the **RACV Whistleblower Policy** administered and overseen by RACV's Risk & Legal function. What course of action is taken, including whether an investigation is initiated, will depend on the nature of the issue raised.

Awareness

Throughout FY20 RACV's workforce policies were readily available to our people, including on RACV's intranet, and appropriate awareness activities were conducted throughout the period to ensure timely and relevant awareness of RACV policies.

RACV took steps to make its workforce aware of their ability to make disclosures about serious misconduct in relation to RACV and its related companies under RACV's Whistleblower Policy as part of RACV's annual awareness initiatives which involved at least biannual awareness communications. Information was published on RACV's intranet, digitally displayed on message boards and all-staff email communications.

RACV also maintains an annual training program for new and existing employees on workplace-related risks including bullying and harassment, equal opportunity, health, safety & wellbeing and RACV's Code of Conduct Policy. We also continually train our managers and people leaders in our policies.

Our related companies

RACV's related companies maintain policies and management procedures to ensure compliance with workplace health and safety laws, in addition to ensuring that they provide equal employment opportunities and a safe working environment. These policies and procedures are consistent with RACV's Code of Conduct Policy. Each of the related companies also have protocols and practices for their employees to voice their concerns about working conditions, environment or employment or legal rights. The related companies also took steps to make their workforce aware of their ability to make disclosures about serious misconduct in relation to RACV and its related companies under RACV's Whistleblower Policy.

Our investment activities

The overarching aims of RACV's strategy include delivering more products and services to more Members, and to make Membership more meaningful and relevant for all Members. This means expanding our interests in the services we make available to Members to assist them in maintaining their homes, non-car mobility products and services, investing in self-sustaining community initiatives, and investments that we believe will deliver long-term value to our Members.

In pursuing these aims through investment in other businesses, we take a risk-based approach in assessing and selecting suitable investment opportunities. Our assessment process includes robust due diligence enquiries in a number of risk areas. In FY20 we expanded those due diligence activities to include enquiries aimed at assessing whether and what modern slavery risks may be present in the operations and supply chains of businesses in which we are considering making an investment. These enquiries include the completion of questionnaires regarding operations and supply chains, and, where relevant and feasible, site visits. Our decision to invest in a business will take into account the outcomes of those due diligence activities.

Our supply chains

With a diverse range of goods and services we apply a risk-based approach to our procurement processes, practices and dealings with suppliers and our procurement activities are managed in accordance with RACV's Risk Management Framework.

Standards

We expect our suppliers to comply with the RACV Code of Conduct Policy. It applies to companies and individuals who provide services or products to RACV under the terms on which we engage those suppliers. This includes our contractors, sub-contractors, labour hire workers, consultants and delivery partners. The Code of Conduct obliges those bound by it to:

- Be ethical and behave with integrity and professionalism. To never act illegally or dishonestly, nor help others to do so.
- Treat people with dignity and respect. Never harass, bully or unlawfully discriminate, or treat anyone less favourably because they have raised a concern about harassment, bullying or discrimination.
- Comply with the Code, the law and policies & procedures. Make sure those bound by the Code understand and comply with the letter and spirit of laws, policies, procedures and other requirements that apply to them. To seek guidance if unsure about those requirements. Behave in a way that preserves the health, safety and wellbeing of self and others.
- To call out unacceptable behaviour and stand up for what's right. Immediately report any illegal, dishonest or unethical behaviour, including any breach of this Code. RACV encourages people to speak up and doesn't victimise anyone who does.

Due diligence and commitment

In FY20, we updated our procurement procedure by enhancing the due diligence we perform prior to onboarding new suppliers. We required all new suppliers to complete a due diligence questionnaire and we assessed responses against a range of factors, including modern slavery, workplace safety and human rights risks.

Under our standard contract terms, we require our suppliers to comply with applicable laws including labour laws. Those terms were also amended during FY20 to require compliance with laws that prohibit conduct constituting modern slavery. We also worked to include broader contractual commitments from key suppliers regarding the management of modern slavery risks. As our contracts come up for expiry or renewal, we are working to strengthen our management of modern slavery by including those same commitments in new terms that we agree with our existing suppliers.

Where these commitments are required by RACV and given by the supplier, we have reserved the right to terminate the engagement at any time should we become aware of any instances of modern slavery.

Review

Taking a risk-based approach and guided by relevant global insights into the prevalence of modern slavery and vulnerable workforces in particular industries and jurisdictions, RACV intends to conduct at least one review of its supply chains each financial year. Where these reviews identify increased risks of modern slavery in relation to a supplier, RACV intends to conduct further in depth and targeted inquiries to understand whether the risk is real and, if so, determine what actions should or can be taken to address those risks.

Redress

On becoming aware of a modern slavery risk with a supplier, RACV's preference is to work with the supplier to address those risks. After notifying the supplier of our concerns, we expect a response from the supplier setting out steps that will be taken to address those risks. If after being given an opportunity to address the risk, no or inadequate steps are taken to address the risk such that the issue persists, RACV would consider exercising its contractual right to terminate the engagement, or ensure steps are taken to ensure that no further goods or services are procured from the supplier until the risks have been addressed or the supplier has demonstrated a commitment to addressing those risks. In the case where the risks are addressed, RACV may itself, or require the supplier to, engage an independent third party to audit the supplier and certify to the remediation of the identified risks.

Related companies

Our related companies have practices to assure that modern slavery does not exist in their supply chains. While these practices vary between those companies, they include a combination of the following measures:

- Enquiries that are made as part of the supplier selection and onboarding process; and
- Relevant commitments under their standard engagement terms as appropriate to the nature of the goods or services procured, including accepting obligations to follow workplace health and safety standards and compliance with all relevant workplace health and safety laws.

Where those commitments are breached, responses may include:

- An audit of a supplier's operational compliance may be performed, with or without reason; and
- In the event of a continuation of the breach, or inability to stop, termination of the engagement.

The approach that related companies would take on becoming aware of a modern slavery risk included:

- Auditing the supplier's operational compliance, with or without cause;
- Suspending procurement activity pending full investigation with alternative supply chains initiated if allegations are upheld;
- Providing the supplier with an opportunity to address the issue and terminating the relationship if the modern slavery practices continued; and
- Depending on the nature of the issue, termination of the arrangement.

How we assess and manage modern slavery risks

At RACV we are continually monitoring our risk profile and aim to have appropriate controls in place. We consider a number of factors increase the risk of modern slavery, for example geographic location, the types of goods or services being provided, types of transactions, and type of work performed by our staff. We predominantly use the Global Slavery Index to assess modern slavery risks.

We aim to continue to identify our key areas of risk and develop programs which resolve or mitigate such risks to the best of our abilities. This involves at least annually reviewing our suppliers and our key risk indicators in light of global and local research and insights and improving our capability to collect and analyse data to improve our understanding of our suppliers and how they operate their businesses and their own supply chains. At the same time, we will continue to conduct internal assurance and maturing our risk management framework.

Our assessment process

Earlier in this Statement we explained that RACV's due diligence procedures have identified some potential modern slavery risks that could be present within our business operations and supply chain. We assessed the conduct of our operations and supply chain during FY20 having regard to the following considerations to understand where there may be vulnerabilities in how we manage and support our workforce and our suppliers:

- Restraints on leaving employment with reasonable notice
- Standards on matters concerning modern slavery in workforce practices
- Existence of frameworks or practices to assure that modern slavery does not exist
- The approach for managing a supplier discovered to be affected by modern slavery
- The availability and accessibility of means for the workforce to voice concerns, including about serious misconduct
- Performance of due diligence to assess whether modern slavery exists in operations or supply chains
- The availability of training to ensure employees are aware of rights and ways to access support
- The availability of training for contract and procurement managers

We also conducted a review of suppliers to the RACV Group focusing on:

- The place from which the services are provided to identify if the source country has a higher prevalence of modern slavery;
- The types of services provided, and whether they are typically provided through a reliance on sub-contractors and labour hire firms, or performed by vulnerable or disadvantaged workers;
- In the case of locally-based suppliers, the length of the engagement on the basis that the more familiar we are with the supplier and the longer we have been working with them, the less likely it is that modern slavery risks will be introduced into our supply chain;
- The type of goods supplied under the arrangement with the supplier; and
- The country of origin of supplied goods and whether they originate from countries with a higher prevalence of modern slavery practices.

Following these due diligence enquiries, as mentioned earlier in this Statement, RACV has identified that parts of the Group's supply chains may be more vulnerable to modern slavery based on the goods consumed or the services procured. With these insights, we intend to manage those risks as described below.

Managing the identified risk areas

RACV intends to do further enhanced due diligence to be better informed as to whether the risk areas that have been identified in the RACV Group's supply chains present real risks of modern slavery. RACV expects this will involve:

- Enhanced due diligence on service providers to understand the nature of the workforce used by those suppliers to:
 - perform solar power system installations;
 - provide home maintenance and emergency assistance services;
 - provide building and facilities services comprising cleaning and security;
 - provide hospitality services;
 - provide IT support and management services; and
 - harvest fresh produce within Australia; and
- Enhanced due diligence to understand the country of origin of the following goods procured and consumed, or sold as the case may be, in the course of the Group's operations:
 - solar panels and inverters used in the installation of solar power systems;
 - garments and apparel;
 - food items: rice, fish, and products derived from cocoa; and
 - other fresh produce.

Where real risks are identified, RACV will evaluate next steps based on the circumstances presented by each category and the supplier in that supply chain.

In addition to these specific due diligence measures, RACV is working to mature its modern slavery governance framework with the following actions:

- Taking steps to improve and maintain awareness of the RACV Whistleblower Policy across the RACV Group.
- Developing and applying a risk-based approach for assessing suppliers for modern slavery risks focusing on relationships where RACV is more likely to influence change.
- Developing a training program to raise awareness among relevant employees regarding modern slavery risks.
- Adopting and deploying a single standard for dealing with suppliers identified as introducing a modern slavery risk into the RACV Group's supply chains.

Key performance indicators

RACV will assess the effectiveness of these actions by assessing whether and to what extent the following have been achieved:

- Training and capacity building of our people about modern slavery issues, measuring changes in awareness of risk;
- Comprehensive awareness of grievance procedures and whistleblowing procedures for workers;
- Visibility, leverage and oversight of suppliers in relevant goods and services supply chains;
- Accuracy and reliability of the data we retain and collect about new and existing suppliers.

Consultation within the RACV Group

RACV consulted separately with those related companies that operate under the direction and governance of their own dedicated executive and senior management teams. RACV consulted with these related companies to assess the risks of modern slavery that may be present in their operations and supply chains. RACV used the same assessment process, articulated in this Statement, to form views of those risks. Responses to RACV's enquiries were approved by a representative of each company's senior management team. RACV also engaged with the senior management teams of those companies in preparing and finalising this Statement.

Looking ahead

We recognise that tackling modern slavery requires a continuing year-on-year commitment. In FY21, we continue to collaborate with internal and external stakeholders to address our own modern slavery risks, focusing on maturing our internal governance arrangements, enhancing the quality of the information we collect about our suppliers, and supporting our people so they are aware of modern slavery risks and have effective tools available to them to make informed decisions about our supply chains.

RACV Group companies

Royal Automobile Club of Victoria (RACV) Limited ABN 44 004 060 833 is the sole reporting entity in the RACV Group for the purposes of the Modern Slavery Act. This Statement has been prepared having regard to the operations and supply chains of the following RACV Group companies:

- RACV Holdings Pty Ltd
- RACV Insurance Services Pty. Ltd
- R.A.C.V. Finance Limited
- RACV Holdings Pty Ltd
- RACV Security Pty Ltd
- Intelematics Australia Pty Limited
- Club Tasmania Holdings Pty Ltd
- Club Home Response Pty Ltd
- Gippsland Solar Pty Ltd-
- Gippsland Heating & Cooling Pty Ltd
- Nationwide Group Pty Ltd
- Property Safe Investments Pty Limited

At the end of FY20, RACV held non-controlling interests in the following companies, however the operations and supply chains of these companies are not covered by this statement.

- Insurance Manufacturers of Australia Pty Limited
- Australian Motoring Services Pty Ltd
- Club Assets Pty Ltd
- Vehicle Repairhub Pty Limited
- iBuildNew Australia Pty Ltd
- Deep Blue Company Pty Ltd
- Tripfuser Pty Ltd
- Real Estate Agent Select Limited



- Property Safe Holdings Pty Ltd
- Euclidic Systems Pty Ltd

Approval

This statement was approved by the RACV Board of Directors on 25 February 2021.

A handwritten signature in black ink, appearing to read 'Geoffrey O Cosgriff', written over a light blue horizontal line.

Geoffrey O Cosgriff
President & Chairman
Royal Automobile Club of Victoria (RACV) Limited

19 March 2021