

MODERN SLAVERY STATEMENT 2022

Introduction

This Modern Slavery Statement is submitted by Automotive Imports Pty Ltd, ABN trading as CoolDrive Auto Parts. Automotive Imports Pty is the parent company of CoolDrive Auto Parts (Australia); CoolDrive Auto Parts (NZ), Ferntree Gully Radiators and Racer Industries. This Statement is a joint statement submitted on behalf of Automotive Imports PL and its affiliated companies. Each of the reporting entities is a reporting entity for the purpose of the Modern Slavery Act 2018 ("Act").

The purpose of the Statement is to outline CoolDrive Auto Parts (CDAP) approach to ensuring that we have robust frameworks and processes in place to minimise the risk of Modern Slavery in our business operations and supply chain in accordance with the Act.

At CDAP, we recognise that slavery and human trafficking can occur in many forms, as considered in the Act. This can include slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services.

CDAP is fully committed to operating responsibly and establishing and adhering to the highest ethical standards across every section of our business. We will not tolerate any forms of slavery or human trafficking in our business.

Who we are

CDAP is an Australian owned, family run, wholesaler of Automotive Aftermarket parts. It has been operating across Australia and New Zealand for over 40 years. Employing over 600 people, the Company operates in 36 locations, including 2 distribution centres located in Melbourne, Australia, and has a product trading house in Shanghai, China.

For three generations our goal has been to distribute only those products that match the world's best-in-class for quality and performance; to meet or exceed customer expectations; and to give fair value for services provided.

We will continue to invest substantially towards expanding the business, improving relationships with customers and suppliers and providing our staff with secure employment including opportunities for advancement.

Our Operations and Supply Chain

CDAP sources automotive parts & accessories, as well as oils and additives, from a wide range of suppliers globally. Our first-tier suppliers are primarily located in Australia, China, Taiwan, Japan and USA, however, we also have significant suppliers located in Indonesia, Malaysia, New Zealand, United Arab Emirates, Germany and Korea. In this context CDAP supply chains include the overseas factories where the aftermarket parts are sourced or manufactured, and the subsequent sale, distribution and importation of the products into Australia.

CDAPs supply chains also include services that contribute to its operations, such as personal technology and communications equipment sourced for employee use, employment of transport drivers, and cleaning contractors that service CDAPs offices, distribution centres and branch locations.

We recognise our supply chain as our biggest risk area for exposure to Modern Slavery, in particular those suppliers based or with manufacturing facilities in noted high risk areas. Manufacturing and assembly line work are common within our industry and we recognised the heightened risk attached to that type of work.

CDAP reports on its actions to assess and address modern slavery risks associated with its operations, including its employment practices, and it provides training for its workers.

Assessment and Mitigation of Modern Slavery Risk

We acknowledge that the risks of modern slavery may be heightened in our operations and supply chains as a result of the geographical location of some suppliers, our areas of operation, and the source of materials used in products supplied to us. In particular, products sourced from South East Asia have been identified as a product whose manufacturing carries with it particular risks of modern slavery. We also acknowledge that, we lack visibility in certain overseas markets and this carries additional risks of modern slavery, especially in secondary levels of our chain of suppliers and source materials used in our group's goods and services. Accordingly, we have tailored our risk processes to ensure that we are focussing our efforts on those areas that present an elevated risk of exposure.

To this end, CoolDrive has joined with the "Australian Automotive Aftermarket Association" (AAAA) "Informed 365", industry experts, and some of Australia's leading automotive accessory companies to create a platform to manage and engage with our suppliers whilst also complying with regulatory requirements. This platform will provide transparency and visibility throughout our supply chain including multiple tiers.

Initially focusing our attention on 175 of our tier-1 suppliers' positions, each supplier will be required to complete an online questionnaire about the actions they are taking to assess and address human rights issues and modern slavery risks across their operations and their supply chains. Their replies to the questionnaire will be consolidated and assessed to identify any areas of concern. Further suppliers, including new suppliers, will be added to the platform over the next 6 months and any risks of Modern Slavery will be assessed and managed, based on their responses to the questionnaire.

This platform will enable CDAP to access, track and provide analytics on the data and then develop remediation strategies with the suppliers including helping them to strengthen their internal policies and procedures focussing, but not limited, to worker's labour and payroll conditions and reworking our supplier contracts to ensure a Modern Slavery clause is present.

Due Diligence and Assurance

All new suppliers as well as renewing suppliers are now subjected to our due diligence process that we are embedding into all supplier agreements. We are working to integrate the risk assessment of Modern Slavery as part of our review process from our Product Department especially when conducting site visits to our suppliers.

We favour working with suppliers to resolve or substantially mitigate issues instead of ending the relationship with the supplier because of the potential adverse effects on the livelihoods of the supplier’s employees. Achieving this takes time and CDAP is committed to working with its suppliers to eradicate Modern Slavery from its supply chain. Additionally, CDAP shares its expertise to support suppliers to build their capability to meet international standards.

Consultation

We are committed to the protection and respect of Human Rights across our business and supply chain. Where we identify impacts that we may have caused, or to which we may have contributed to be directly linked, we will seek to address this in line with the guidance provided under the Act.

We have established reporting procedures and mechanisms where employees and third parties can report any concerns regarding unethical or illegal conduct, including in relation to Modern Slavery and Human Trafficking. Where issues are investigated and substantiated, we take appropriate action.

CDAP has established internal grievance resolution guidelines which outline procedures and resolution options for our employees. The introduction of new Australian legislation designed to protect vulnerable workers under the Fair Work Act, the Modern Slavery Act and Whistle-blower Protection Act, has been communicated throughout CDAP and awareness of what to look for has been raised.

Measuring Effectiveness

Being our first Modern Slavery Statement, our level of understanding of the nature of and risks pertaining to Modern Slavery have been elevated through the process of completing the policy and risk assessments that have culminated in this statement. A summary of our actions are listed below:

What we are doing:		Target:
Policy Implementation	Include Modern Slavery due diligence and obligations in all new and renewed supplier agreements moving forward.	Ongoing as agreements completed.
Risk Management and Due Diligence	Commence communication about Modern Slavery and Human Trafficking with our supplier network. This has been done through a questionnaire to our 50 Tier 1 suppliers. We will expand this to Tier 2 and potential high-risk Tier 3 suppliers as well as non-product suppliers in the coming years. We will also aim to complete an onsite risk assessment of suppliers focussing on suppliers identified as high risk every 5 years.	80% Questionnaire completion rate. Audit 10 Suppliers per year.
Whistle-blowing	Anyone may submit a complaint or tip off via email to HR@cooldrive.com.au Employees should in the first instance approach their manager or email HR via the email above. The course of action will depend on the nature of the complaint but all reports of suspicious activity are kept in the strictest	All reports to be responded to within 5 business days.

	<p>confidence as outlined in the Grievances and Remediation Process outlined in this Statement.</p> <p>CDAP encourages members of the public or people not employed by us to email us, in confidence to HR@cooldrive.com.au regarding any suspicions or concerns relating to Modern Slavery in anyway linked to CDAP.</p>	
Training	<p>We have provided training on Modern Slavery and Human Trafficking to all employees in the Product Department, Human Resources, Purchasing, Senior Management and Directors. This is to help them identify any issues that may appear within our business or supply chain.</p>	<p>All employees outlined to have completed training.</p>
Stakeholder Engagement	<p>Our zero-tolerance approach to Modern Slavery will be communicated to all suppliers and employees at the outset of our business relationship with them and reinforced as appropriate thereafter. We expect all our people to have read and be aware of this statement.</p>	<p>Distribution of statement to all suppliers and staff.</p>

This statement will be available via the Intranet for internal use and will be made available upon request by any business partners as required.

This statement for CoolDrive Auto Parts (Australia); CoolDrive Auto Parts (NZ), Ferntree Gully Radiators and Racer Industries was approved by the Board of Automotive Imports Pty Ltd, as the parent entity on 22 July 2022.

Signed



John Blanchard

CEO & Managing Director