



Joint Modern Slavery Statement

Under the *Modern Slavery Act 2018 (Cth)*

Reporting period
1 July 2023 – 30 June 2024



1. Approval of this Statement

This Joint Modern Slavery Statement has been approved and lodged by the Boards of:

- Royal Automobile Association of South Australia Incorporated - ABN 90 020 001 807
- RAA Insurance Holdings Limited - ABN 52 008 210 062
- RAA Insurance Limited- ABN 14 007 872 602

as the principal governing bodies of these entities.

Pursuant to the requirements of the Modern Slavery Act 2018 (Cth) (the Act), an authorised person has reviewed the contents of this Statement and confirmed its accuracy



Nick Reade

CEO of Royal Automobile Association of South Australia Inc
Director, RAA Insurance Holdings Ltd
Director, RAA Insurance Ltd
Director, RAA Innovation Pty Ltd

2. Our structure, operations and supply chain structure

Reporting entities, owned/controlled entity and consultation

(Mandatory criteria - s.16(1)(a), (b) and (f))

This joint statement covers the following companies in the RAA Group that are each reporting entities under the Act.

- Royal Automobile Association of South Australia Incorporated ABN 90 020 001 807 (“RAA”)
- RAA Insurance Holdings Limited ABN 52 008 210 062 (“RAAIH”)
- RAA Insurance Limited ABN 14 007 872 602 (“RAAI”)

This joint statement also covers the owned and controlled entity - RAA Innovation Pty Ltd ABN 13 655 258 272 (“RAA Innovation”), which is not a mandatory reporting entity under the Act.

All entities in the Group have been involved in appropriate consultation in relation to the preparation and contents of this Statement, including endorsement by the RAA and RAAI Risk & Compliance Committee and the Social Impact Working Group, prior to approval by the Boards.

All references to “the RAA Group”, “we”, “us”, and “our” are collective reference to all the above entities, plus their owned/controlled entities. The above individual entities are specifically referenced where such differentiation is appropriate throughout this Statement to provide more accurate information in relation to a reporting requirement.

All numbers, statistics and facts described in this Statement are as at 30 June 2024, unless otherwise stated. Many of the descriptions in this year’s Statement concerning “static” aspects of the mandatory reporting criteria (corporate structure, operations, core supply chains, etc) remain the same, or substantially similar, to last year’s Statement. This is due to the consistency and continuity in our core business. We remain dedicated in our commitment to provide accurate and meaningful information as part of our reporting obligations under the Act.

RAA

RAA is a mutual service organisation and is governed by the RAA Constitution and by the Associations Incorporation Act 1985 (as amended). It’s governed by a Board of non-executive Directors, the majority of whom are elected by RAA members, and a CEO. The management and control of the funds and other property of the RAA are vested in the Board of Directors. RAA and its Board of Directors must act in accordance with the RAA Constitution and are bound by various statutory, common law and policy constraints in relation to the governance of the RAA.

RAA Insurance Limited (RAAI) and RAA Insurance Holdings Limited (RAAIH)

RAAIH is a wholly owned subsidiary of the parent entity. RAAIH is the sole shareholder of the entity RAAI. RAAI and RAAIH are referred to collectively in this Statement as “RAA Insurance”. RAA Insurance is an authorised insurer that is regulated by Australian Prudential Regulation Authority (APRA) and the Australian Securities and Investments Commission (ASIC) and holds an Australian Financial Services Licence. RAA Insurance has a separate Board to RAA, with most directors serving on both boards. RAA Insurance issues and administers general insurance products including management of claims. RAA provides various shared services to RAA Insurance, including:

- Information Technology
- People and Environment
- Procurement
- Risk and Governance
- Marketing and Communications
- ESG and advocacy support
- Insurance
- Investments, and
- Product Distribution.

RAA Innovation and RAA Solar and Battery Storage

RAA Innovation is a wholly owned subsidiary of RAA. Its core operations involve the construction and management of our expanding electric vehicle (EV) charging network. RAA Innovation also provides retail and commercial sales and installation services in relation to solar and battery products to members.

As described in last year’s Statement, we recognise the important challenges relating to potentially elevated modern slavery risks associated with global solar and other renewable energy supply chains.

We stand by a long-term commitment to continuously improve our approach to modern slavery risk assessment and mitigation relating to renewable energy products. We acknowledge, however, that development and implementation of due diligence measures relating to RAA Innovation’s retail offerings did not advance quite as far as expected during this reporting period. Further details of our progress and continuing resolve to implement effective due diligence measures in this important area are included below in the section on Addressing Modern Slavery Risks.



In the spirit of reconciliation RAA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea, and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

RAA’s Acknowledgement of Country artwork series was created by Elizabeth Close, a Pitjantjatjara and Yankunytjatjara woman from the APY Lands in Central Australia, now living and working in Kurna Country.

Our operations

Our headquarters are located in Mile End, South Australia. We also have approximately 200 staff working from RAA Place in Adelaide's CBD.¹ Our Solar and Battery warehouse is located at Adelaide Airport and our RAA shops provide retail and travel services from more than 18 different locations throughout South Australia. RAA has been around for 120 years, and we take pride in providing quality motor, home, energy and travel services to our members in South Australia.² We're also committed to delivering educational services for the current and next generation of drivers, as well as advocating on behalf of our members on matters of road safety, mobility, and fuel pricing. Our core products and services include:

- Road Service
- Car and other vehicle Insurance
- Home, contents and landlord insurance
- Driver education lessons;
- Fleet safety training
- Vehicle Inspections
- Solar and battery products, including installation
- EV Charging Network
- Community education programs
- Retail travel services.

Our supply chains

The RAA Group's direct supply chain included over 1,158 active suppliers. This represents no material change from the last reporting period. These goods and services support our operations with prominent industry categories including:

- Business services
- Computer and technological services
- Postal and telecommunication services
- EV charger suppliers
- Financial services
- Insurance claim fulfilment suppliers i.e. motor and home
- Travel suppliers/operators
- Solar-related goods and services.

Almost all our first-tier suppliers are Australian-based. The small number of foreign suppliers that we directly engage include business and computer-related service providers in the United Kingdom and United States.

Building upon the level of detail provided in last year's Statement, we have also quantified our insurance claim fulfilment services as involving engagement with 1,845 unique suppliers throughout the reporting period.

We consider the most significant procurement variation for the RAA Group in 2024 compared to the last reporting period is the fit-out (redesign and construction works) of our CBD corporate office at 91 King William Street (RAA Place) in Adelaide. This is reflected in increased expenditure on design consultants, and construction firms.

Over the next two reporting periods, RAA plans to carry out similar fit-out projects for two new leased sites. Consequently, we anticipate ongoing expenditure on design consultants, construction firms, and building materials.

We recognise the potentially elevated modern slavery risks associated with building and construction works in Australia. These upcoming office fit-outs are being and will continue to be specifically considered by RAA's ESG and Social Impact Working Group, including in relation to modern slavery risk considerations.

RAA at a glance



1,288 employees

Employment by type

823,000+

members

31

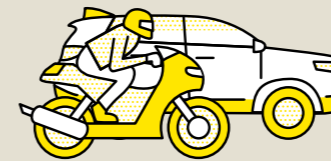
Casual

211

Part time

1,046

Full time



468,000+

vehicles insured



182,000+

homes insured



354,000+

road service callouts



Comprehensive retail travel services, including **over 45,000 bookings**



A trusted network of **more than 400** RAA approved auto repairers



Helping with more than **911,000** calls for assistance



more than 13,000 solar panels totalling 5.7MW installed

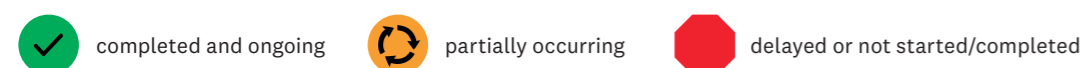
¹ as of September 2023

² Our Broken Hill retail shop closed in September 2023

3. Initiatives included in our last Statement

(Mandatory criteria - s.16(1)(e))

To maintain consistency and increase transparency across reporting periods, the below table summarises RAA’s progress on intended deliverables earmarked in our last Modern Slavery Statement for action during this reporting period. We have reflected frankly on the feasibility of achieving the deliverables that are again marked as orange and red in the upcoming reporting period. This is because, despite the progress we have made across several key pillars of our response framework, we recognise that it is not ideal to have multiple reporting periods where foreshadowed actions remain incomplete.



Activity	Activity or commitment described in Previous Statement	Status	Update from FY24
Internal governance and policy	Social Impact Working Group.	Completed and ongoing	The Social Impact Working Group and the ESG Steering Group continued to meet regularly and received regular updates on modern slavery. Our Risk and Compliance Committee also received progress updates on our modern slavery response actions.
	Implementing modern slavery risks into internal auditing process.	Ongoing	As described in our last Statement, we have implemented modern slavery-specific risks into our general risk assurance plan and risk registers.
	Develop a Sustainable Procurement Strategy to improve focus on key ESG areas (including Modern Slavery) for our corporate supply chains.	Completed and ongoing	An ESG Procurement Strategy has been developed. At the time of submitting this Statement, it was being circulated for review and endorsement by key RAA stakeholders before being circulated for formal approval, in line with our governance processes.
Solar and battery risk mitigation	Broader coverage of modern slavery clauses in relevant supply contracts for the Solar business.	Not yet completed	No significant progress was made on this specific action. RAA Group remains committed to an approach where all new solar and battery supply contracts will include these clauses. Any Purchase Order issued to a solar supplier for a product order also includes our standard modern slavery clause. Renegotiation is in progress with existing suppliers and a tender will be issued in FY25 for a sole supplier or panel arrangement for solar panels, batteries, inverters and consumables.

Activity	Activity or Commitment described in Previous Statement	Status	Update from FY24
Solar and battery risk mitigation	Reviewing current solar product range and investigating lower risk alternative products. Undertake more comprehensive modern slavery risk assessment of key products being on-sold by RAA Innovation, with a particular focus on achieving effective supply chain visibility well beyond first tier (direct) solar product suppliers.	In progress and ongoing	The progress mainly occurred as part of broader operational reviews of RAA Innovation, which led to a specific mapping of all manufacturers used by Tier One suppliers (who are wholesalers and distributors) and, where possible, mapping of component parts. We have informally reviewed Australian and European suppliers as potential lower-risk alternatives. See below discussion – “The status of additional modern slavery due diligence for our solar products.”
	Providing training to suppliers and relevant staff in the Solar business.	Partially completed	All RAA Solar staff have completed the RAA modern slavery e-learning module. An external facilitator-led training session for solar staff will occur in FY25. Offering training to solar suppliers through an external facilitator is also now planned for the next reporting period and will also form part of new supplier onboarding. Proposals from a specialised training provider are pending receipt. See below discussion – “The status of additional modern slavery due diligence for our solar products..”
	Targeted use of supplier self-assessment questionnaires as an engagement springboard.	Completed and ongoing	RAA Solar has continued to require new suppliers to complete self-assessment questionnaires (SAQ) as part of the onboarding process. Further detail about how RAA used self-assessments questionnaire for all other suppliers is set out below.
	Investigating potential solar partnerships for greater leverage and industry impact.	Not yet completed	See below discussion – “The status of additional modern slavery due diligence for our solar products.”
	Undertake updated supplier-specific due diligence, with a particular focus on ensuring that our direct suppliers are maintaining appropriate levels of vigilance in assessing and addressing risk at the manufacturing phase of solar panels.	Partially occurred	The major outcome was better aligning RAA Innovation with the wider RAA Procurement protocols, including issuing SAQs to solar suppliers. Further due diligence is in progress for FY25. See below discussion – “The status of additional modern slavery due diligence for our solar products.”
	Develop and implement tailored risk mitigation strategies for identified areas of elevated modern slavery risk in RAA Innovation’s product range, particularly in relation to solar panels with global supply chains.	Not completed	See below discussion – “The status of additional modern slavery due diligence for our solar products”).

Activity	Activity or Commitment described in Previous Statement	Status	Update from FY24
Education, training and awareness building	Undertaking a planned review of our current online modern slavery training module and updating the content where necessary. We also intend to look at expanding the scope of employees who complete this training content.	Completed and ongoing	Procurement team undertook a further review of the e-learning module in May 2024. RAA plans to review the module and update in FY25 following the approval of the Draft ESG Procurement Framework (described below). Further discussion of training outcomes in the section below on addressing modern slavery risk.
	Establish a central, regularly updated repository for modern slavery.	Completed.	RAA created a modern slavery knowledge bank on the Procurement intranet (Procurement Guide), which will continue to be regularly populated with updated content.
	Provision of more regular modern slavery targeted communication to staff across the RAA Group, including publishing regular articles relating to modern slavery in our internal newsletter over the next 6-12 months.	Completed and ongoing	Our Procurement team provided regular posts via our internal news platform, <i>Viva Engage</i> from February 2024 onwards. Annual articles on modern slavery risk awareness are also published in the Approved Repairer newsletter. Our Procurement team also facilitated a tailored modern slavery lunch and learn session for all staff.
	Members of our Procurement team and Social Impact team also enrolled in a training programme facilitated by the UN Global Compact Network: the Business & Human Rights Accelerator Course which commenced in February 2023.	Completed	Representatives from Procurement and Environment & Social Impact completed the Business and Human Rights accelerator program, and then used this knowledge to develop an action plan for RAA, focusing on solar risk which informed FY24 and FY25 deliverables. Continued engagement with the UN Global Compact Network will occur. Our Procurement Strategy Manager joined the Compact's Modern Slavery Community of Practice in May 2024.
Industry collaboration	Continued participation in the Modern Slavery Working Group facilitated by the Business Council of Co-operatives and Mutuals.	Completed and ongoing	Continued participation during FY24.
	Continued participation in the United Nations Global Compact Network Australia, including adherence to any reporting and disclosure requirements.	Completed and ongoing	RAA has continued to participate in this forum during FY24, and we have reported implementation of the UN SDGs through our annual communication on progress. RAA has also engaged in regular meetings (from February 2024) with the UN Global Compact covering good practice updates to support our modern slavery initiatives.
	Engagement with external stakeholders to improve our supplier onboarding due diligence model.	Completed and ongoing	In addition to RAA's participation with industry groups and the UN Global Compact, RAA has continued to engage with our long-term market consultant.
Supplier engagement	Incorporation of modern slavery considerations into the planned Computer Hardware tender process.	Not completed (Delayed)	This planned tender was delayed due to a service and scope review (moving from a purchase to a lease model). The planned tender release has been rescheduled and will occur before the end of 2024.

Activity	Activity or Commitment described in Previous Statement	Status	Update from FY24
Supplier engagement	Finalise the uplift of modern slavery clauses for inclusion in all outstanding insurance contracts, including the contracts with our Approved Repairers and Insurance claims providers.	Completed	RAA has continued to include modern slavery clauses in our insurance contracts.
	Continued embedding of modern slavery into supplier contracts, at the point of renewal or where required. Develop a modern slavery checklist for onboarding new suppliers for Contract Managers.	Completed and ongoing	Our Legal team has continued to implement modern slavery provisions for all applicable new and renewed agreements as standard practice. Our Procurement team has also developed a modern slavery checklist for onboarding suppliers, which will be rolled out in the next reporting period.
	Investigate the merits of updating the contract register to record a risk rating for key suppliers.	Not completed	This was determined not to be feasible as there are limitations with our current contract register. We will consider this as we look to transition our contract register to a different platform over the next two reporting periods.
	Look to incorporate a requirement in the Contract Procedure that requires a modern slavery risk assessment for all new material contracts.	In progress	At the time of submitting this Statement, our Legal team was in the process of finalising an updated contract procedure and supplier terms checklist, incorporating modern slavery considerations. This is anticipated to be finalised in the first quarter of 2025.
	Increase the number of suppliers screened through the Preferred Supplier Framework, starting with our printing suppliers.	Completed and ongoing	A Print Panel was appointed in the reporting period. Stationery and janitorial consumables will also be tendered in the next reporting period. Procurement now has a 24-month Forward Procurement Plan where tendering and panel opportunities are identified. Modern slavery is also included as a specific factor to consider in the Finance Risk Register.
	Conduct updated modern slavery questionnaires with our highest risk suppliers by industry to identify where to focus our risk mitigation. Review tender templates, including our modern slavery and human rights questions.	Completed	In addition to the questionnaires used by RAA Solar, we continued to issued questionnaires to suppliers identified as higher risk via our risk assessment. We also issue these with all tenders facilitated by Procurement. During FY24, Procurement updated the questionnaire to include further questions about the supply chains of suppliers. We also integrated the questionnaire into the standard tender package. Insurance ensure their suppliers complete the SAQ process as well
Contractor onboarding	Pilot a "listen and learn" with uniform suppliers to gain practical insights into the operationalisation of our sourcing policies.	Completed	RAA considered this a valuable exercise in understanding modern slavery risk mitigation from our suppliers' perspective. Strong value alignment to RAA was demonstrated by the supplier, indicating significant potential for future collaborative partnership.
	Enhance due diligence processes for engaging new contractors by undertaking checks consistent with onboarding RAA employees.	Completed and ongoing	RAA commenced working on a formal process to define employee types, including classifications of contractors. As part of this work, RAA (People and Capability) have standardised the onboarding due diligence process required for contractors. This work will be finalised in the next reporting period.

The status of additional modern slavery due diligence for our solar products

Additional due diligence to address elevated risk associated with renewable energy supply chains was not progressed as expected, due to major and unanticipated organisational factors.

On a positive note, foundational steps have been taken, including enquiries by our solar team members to determine which solar brands are being used by our direct suppliers (RAA engages with warehousing and distributing suppliers, rather than directly with the solar manufacturers). This has included mapping all manufacturers and parts manufacturers for solar products used by RAA Innovation, pushing for greater visibility beyond tier one, as part of a broader evaluation of RAA Innovation's operations.

RAA plans to engage our long-term external subject matter experts to undertake comprehensive due diligence audits on all solar manufacturers both up for tender and currently engaged by RAA's solar warehousing and distributing suppliers.

RAA Innovation will also be exploring potential product offerings by Australian solar manufacturer(s), which could result in substantial onshoring of key manufacturing activities and significantly reduce supply chain risk.

4. How we identify and assess risk

(Mandatory criteria - s.16(1)(c) and (d))

RAA Group has continued our longstanding partnership with external consultants, Fair Supply, to undertake an annual and updated risk assessment of our supply chains for:

- The top 450 suppliers of RAA Group
- Our investment portfolio, and
- Supply chains relating to RAA Insurance claims.

The modern slavery risk assessment utilises proprietary technology to trace the economic inputs required to produce products and services sourced from Tier 1 suppliers all the way to Tier 10 suppliers. Fair Supply uses a balanced, global Multi-Regional Input-Output (MRIO) table to perform supply chain mapping, which links supply chain data from 208 countries, and 37,318 unique industry/country combinations. Fair Supply's data comprises over 35,000 local industry categories, which represent more than 98% of global GDP. The MRIO is regularly updated and draws from the most comprehensive and credible global data inputs available, including the United Nations' (UN) System of National Accounts, UN COMTRADE databases, Eurostat databases, the Institute of Developing Economies, Japan External Trade Organisation (IDE/JETRO), and official statistical data from many national agencies worldwide, including the Australian Bureau of Statistics.

The synthesis of global economic supply chain data is overlaid via a proprietary algorithm, with the best available research and estimates of modern slavery incidences at the national and industry levels. This includes the Walk Free Foundation's Global Slavery Index (last updated in May 2023), the International Labour Organisation's Global Estimates of Modern Slavery, official reports published by the United States on International Child Labour, Forced Labour and Human Trafficking, and Fair Supply's internally developed database of modern slavery risk factors by country and sector.

Fair Supply's initial risk assessment provides both a baseline numerical expression and a "rating" on a 5-point spectrum for each supplier's calculated modern slavery risk.

This analysis was performed for the purposes of risk identification under the Act. It does not purport to confirm the actual existence (or non-existence) of slavery in any supply chain. Analysis was undertaken at the industry and country level. It does not account for variances at the entity, region or product level.





5. Identified areas of potentially elevated risk

(Mandatory criteria - s.16(1)(c) and (d))

The annual risk assessment identified **business services** (graphics services, professional services), **construction work** (including labour and construction materials), and **maintenance and repair of motor vehicles, motor vehicle parts and motorcycle parts** (including a range of automotive related suppliers and service providers) as areas of potentially elevated risk. As the latter two categories have not been addressed in our earlier Statements, we have included the following brief descriptions of potential contributing risk factors.

The potentially elevated risks associated with **construction work in Australia** includes operational risks associated with the higher industry-wide use of temporary, low skilled and migrant labour. It also includes risks associated with tools and building materials, especially when these are imported from foreign countries with a far higher incidence of forced labour.

The risks with maintenance and **repair of vehicles/ motorcycles** includes the manufacturing and key raw material inputs for tools and machinery used by repairers, which typically have complex and opaque supply chains, using high risk metals, minerals and electronic products. There is also increasing recognition of the risks associated with vehicle supply chain inputs, with a concentration of assembly and manufacturing processes in China and other Southeast Asian countries. Recognised high-risk spare parts (and associated material inputs) include:

- Rubber for tyres
- Electronic componentry and conflict minerals, including for high-tech EV batteries and onboard computer systems, and
- Copper, aluminum and steel, typically sourced and refined in high-risk locations

Modern slavery risks associated with solar power

We have previously acknowledged and described the significantly elevated modern slavery risks associated with solar supply chains. These risk factors remain largely unchanged between reporting periods and are summarised as follows:

- The core component input within the solar supply chain is polysilicon. China continues to hold a near complete market share (with estimates as high as 93%) of global polysilicon supplies. 35% of the global share of this polysilicon is reportedly situated with the Xinjiang Uyghur Autonomous Region. This region in China has been recognised worldwide as a major hotspot for forced labour, particularly in relation to the exploitation of the Uyghur cultural groups and other Turkic minorities.
- Other significantly elevated risks throughout the solar energy supply chains include forced and child labour in cobalt artisanal mines in the Democratic Republic of Congo.
- The Walk Free Foundation’s 2023 Global Slavery Index’s description of this issue includes the following analysis: *“Solar panels are within the top five at-risk products for 11 G20 countries: Argentina, Australia, Brazil, France, Germany, India, Japan, Mexico, South Africa, South Korea, and Türkiye... Forced labour permeates all businesses operating in the Uyghur region, including those that are part of the solar panel supply chain, from the collection of raw quartz and its purification into solar grade polysilicon to its transformation into ingots, wafers, cells, and eventually solar panel modules. In June 2021, the US issued a Withhold Release Order (WRO) to prevent the import of silica-based products made by specific companies operating within the Uyghur region.”*



The RAA Group continues to maintain a responsible investing framework for ongoing review of our fund managers. No issues of major or critical concern were identified through this process during the reporting period.

Our operations

RAA Group assesses our operations as being very low risk for modern slavery. RAA’s workforce is overwhelmingly comprised of educated and experienced professionals, along with administrative support staff who all operate in a very low-risk sector. We abide strictly by all applicable workplace laws and employee protections. Our business operations are solely conducted in Australia.

Our investments

The RAA Group has continued to undertake a separate risk assessment of our investment portfolio. This assessment identified the following general assets as having a potentially elevated modern slavery risk:

- Financial intermediation services.

6. How we are addressing modern slavery risks

(Mandatory criteria - s.16(1)(d))

In Our Supply Chains

Snapshot of actions and highlights

We are pleased to report significant progress across all of the key pillars of our modern slavery response framework. Here is a snapshot of some highlights, with more detailed descriptions of these actions included below:

- Direct and ongoing engagement with our staff uniform providers including candid dialogue about modern slavery risk mitigation measures.
- Updating our procurement framework for deeper integration of modern slavery risk considerations including:
 - The rollout of a new and updated Supplier Self-Assessment Questionnaire (SAQ).
 - Development of a practical, modern slavery issues checklist for day-to-day use by our Procurement team and relevant staff.
 - Development of our ESG Procurement Strategy, with specific focus on modern slavery issues.
 - Development of solar price guiding principles that integrate modern slavery risk considerations (these will be reviewed again in FY25).
- Targeted external engagement and collaboration, including with the UN Global Compact, Business Council of Co-operatives, Mutuals Modern Slavery Working Group and Smart Energy Council.
- Roll out of internal training initiatives, including the existing general training module for staff and new practical procurement guidance materials.
- Creation of new forums for better internal coordination on modern slavery risk issues between RAA Innovation (our solar energy business) and the rest of the RAA Group. This will better utilise shared learnings, practices and oversight of risk monitoring in solar-related business activities.
- Continuing operation of RAA's Supplier Code of Conduct and other previously described aspects of our policy and governance framework.
- Continuing to factor modern slavery risk considerations into all tender processes, with specific provisions incorporated into applicable contracts.
- New solar suppliers must complete self-assessments as part of onboarding. Current solar suppliers are required to complete the self-assessment questionnaires annually.

Direct supplier engagement with our Uniform Providers

In last year's Statement, we described our plans to pilot a "listen and learn" initiative with our staff uniform suppliers to gain practical insights into the operational effect of our sourcing policies. RAA selected one of its major uniform suppliers for this pilot program. Our Procurement Strategy Manager met with the uniform supplier's Head of Production and Ethical Sourcing, and Customer Success Manager.

Key outcomes included:

- RAA requesting information about the supply chain and locations of tier 1 and 2 manufacturers (our supplier is a distributor only). The supplier confirmed that its manufacturers are primarily based in Indonesia and China, and one of their cotton suppliers is based in India. There is also an Australian manufacturer.
- The supplier stating they have very long-term contracted relationships with these suppliers and conduct onsite inspections on an annual basis.
- The supplier providing details of their comprehensive risk mitigation approach including:
 - Its supplier contracts (2-tier suppliers to RAA) all have clauses that address modern slavery issues.
 - Suppliers are audited annually in line with SEDEX principles.
 - They are currently investigating supply chain traceability technology to more effectively map material input origins. Current process traceability is part of supplier onboarding, including disclosure of raw material origin and certifications.

It was clear that the supplier and RAA were aligned in terms of values and a shared commitment to implementing ESG principles, including effectively addressing modern slavery risk. The foundation has been laid for a potential long-term anti-slavery partnership. RAA and the supplier have agreed to continue a dialogue as new initiatives occur, to share training materials and have future meetings. Further information is anticipated in relation to the supplier's relevant tier 1 and 2 suppliers.

Update of Procurement framework

During the reporting period, we further updated our procurement framework to further embed modern slavery considerations into day-to-day decision making in this area of our business. This included developing **a modern slavery risk onboarding checklist to be launched in FY25, updating our in-house supplier self-assessment questionnaire, and developing our ESG Procurement Policy.**

Modern Slavery Risk - Supplier Onboarding Checklist

RAA has developed an onboarding checklist, which is not yet in operation, and is scheduled to be rolled out in the next reporting period.

The checklist is designed to help RAA staff responsible for procurement and contract management to plan and implement modern slavery risk management strategies for each new supplier they onboard.

Our last statement referred to an earlier version of a "checklist for supplier engagement that allows both the business unit and the legal team to ascertain the suitability of the agreement and any risks". The checklist we have now developed reflects a continuous improvement approach – it is more detailed, and will have a broader scope of operation, including:

- Being used earlier in the procurement process, compared to the previous checklist for new suppliers
- Being used more broadly by contract managers for renewing existing suppliers, and
- Filling a significant procurement gap.

In house Supplier Self-Assessment Questionnaire

RAA has developed its own modern slavery focused supplier self-assessment questionnaire (**SAQ**), which covers a range of key issues in supplier due diligence including its existing level of visibility over supply chains, policy and governance framework, supplier engagement and remedial processes.

The questionnaire is designed to be user-friendly. It provides relevant RAA staff with a detailed glossary and overview of modern slavery. It also provides practical guidance such as what to do if a supplier's answers to specific questions do not seem satisfactory. RAA staff are encouraged to work with that supplier throughout the duration of the contract to support their modern slavery risk management approach and provide guidance where necessary.

The new SAQ was issued to RAA Innovation's solar suppliers. The overall substantive response rate was 66.7%.

We plan to issue SAQs to all solar suppliers in the next reporting period. This will occur in conjunction with our creation of a new Solar Product Support Coordinator, which is an internal position that will be tasked with overseeing the continued roll out of SAQs for all solar wholesalers and manufacturers.

Draft ESG Procurement Policy

RAA developed an Environmental, Social and Governance Procurement Policy (ESG Policy). At the time of drafting this Statement, this ESG Policy is currently being circulated for review, endorsement and approval by key RAA Stakeholders.

The ESG Policy will apply to all RAA staff involved in activities relating to procurement and contract management. It provides guidance to these staff members to assist them in making decisions that assist RAA in realising its sustainability, reconciliation and modern slavery goals.



Senior Leaders

One of the ESG Policy’s overall aims is managing and mitigating modern slavery risk through supplier selection, contract management, staff and supplier awareness, education and training. It is highly likely that rather than a separate ESG procurement policy, that ESG updates will be made to our existing Procurement Policy, with supporting guidelines, tools and templates available for Staff. We will report further on the outcome of our internal review and approval process in the next Statement.

Internal education and training

The Procurement Strategy Manager developed and delivered a company-wide lunch and learn session in April 2024, where the recording was then also shared and made available in the Procurement Guide. The training involved raising general awareness about modern slavery and its prevalence. It also included steps that RAA staff can take to address modern slavery risk, and provided details of further resources staff can access. A recording of the session and reference materials were circulated to all staff, including RAA Solar employees.

All members of the solar team were also enrolled in our pre-existing e-learning module for further in house training.

In addition to our solar team, a total of 215 RAA Group staff completed our e-learning module on modern slavery during the reporting period. The aim is to work with People and Capability to make this a mandatory e-learning module for all staff to complete, as most staff are involved in making purchasing decisions.

Targeted external collaboration

During reporting period, RAA continued to participate and engage with the following industry groups:

UN Global Compact

In the last reporting period, RAA completed the six-month accelerator business and human rights program. RAA Procurement also joined the UN Global Compact Modern Slavery Community of Practice in May 2024. RAA reports annually to the UNGC through the Communication on Progress process, which includes updates on its activities relating to addressing modern slavery issues.

RAA Procurement met informally with UN Global Compact staff during the reporting period and continued to receive updates and guidance about how to engage in modern slavery risk mitigation, particularly in relation to our solar business activities. RAA also joined the UN Global Compact Modern Slavery Communities of Practice stream. This provides us with a regular information sharing forum so we can meet with other like-mined businesses to share learnings and approaches to modern slavery risk management and ESG strategy.

Modern Slavery Working Group facilitated by the Business Council of Co-operatives and Mutuals

RAA Procurement continued to regularly attend meetings and participate in this forum throughout the reporting period.

RAA Solar is also a platinum member of the Smart Energy Council. The Council is committed to working with members and suppliers to establish and maintain ethical, sustainable, and socially responsible operations and supply chains. They are also offering new e-learning in FY25, which will be shared with the Solar Team.

Our Operations

RAA continues to ensure that there is not unmitigated potential modern slavery risk in our direct operations by:

- Applying standard Australian employee protections such as comprehensive workforce coverage with written employment contracts setting out employee rights and employer obligations
- Taking steps to more clearly define employee sub-types, including those working in contracted positions. This internal initiative was aimed at ensuring that there is appropriate onboarding, training and payroll systems established for all types of employees, and
- Applying grievance mechanisms, such as our RAA Whistleblower Policy for RAA Group’s direct workforce.

Well recognised domestic modern slavery risks for common service industries that are essential to RAA’s day-to-day operations, such as professional cleaning services for RAA’s office facilities and retail outlets, are being identified, assessed and addressed as applicable. For example, our contracted cleaning provider has appropriate modern slavery contractual provisions in place following tender assessment and are certified under ISO9001, 14001 and ISO45001. This will also be further considered as part of our future workplace program of works.

Remedial action

As no actual or suspected instances of modern slavery were identified in our supply chains or operations during the reporting period, RAA Group did not implement any remedial measures or investigations relating to our grievance procedure and whistleblower policy.

7. How we measure the effectiveness of our actions

(Mandatory criteria - s.16(1)(e))

As we described in our previous statement, our Procurement team has continued to hold responsibility for monitoring KPIs in our modern slavery statements. Procurement continued to liaise with key internal stakeholders throughout the reporting period to obtain regular progress updates on key deliverables. Procurement then provided updates to the Social Impact Working Group and the Environment, Social and Governance (ESG) Steering Group. During FY24, our procurement team also played a particular role in supporting RAA Innovation in taking the foundational steps described above.

RAA has continued to increase the roles of both groups and to embed them as a significant driver within the business to progress continuous improvement in our overall modern slavery response.

Another feature of RAA’s approach to measuring effectiveness is tracking the continuity between commitments made in prior statements and executed action during the current reporting period. This helps RAA to take stock and candidly reflect on our progress and areas requiring continued improvement in the next reporting period.

We have provided an in-depth update above at Part 3 of this Statement, tracking our FY24 progress against commitments made in last year’s Statement (p.6-7 and p.14).

8. Planned activities for the next reporting period³

(Mandatory criteria - s.16(1)(g))

In addition to the planned and continuing focus areas referred to throughout this Statement, RAA has identified the following actions as present priorities that we will seek to implement in the next reporting period:

- Building upon the “listen and learn” pilot with RAA’s uniform supplier, our Procurement team is planning similar initiatives for external collaboration with our stationery, merchandise, signage and print panels suppliers
- Investigating the merits of updating RAA’s Board of Directors’ skills matrix to include modern slavery risk mitigation (the RAA Board of Directors Skills Matrix has just been uplifted and will be presented to the Governance and Remuneration Committee in November for approval. Both Risk Management and ESG are key skills areas in the matrix)
- Incorporating modern slavery supplier assessments, as part of key procurement activity undertaken in connection with the upgrading of RAA’s future workplaces as part of our new 24-month rolling Forward Procurement Plan

- In addition to our existing external collaboration activities, investigating the merits of:
 - RAA becoming a member of the Responsible Business Alliance (RBA). The RBA is the world’s largest industry coalition dedicated to responsible business conduct in global supply chains
 - Inclusion on the CIPS (Chartered Institute of Procurement and Supply) Corporate Ethics Register. Suppliers on this register ensure their staff who select and manage suppliers are trained in ethical sourcing and supplier management and adopt ethical values in how they source and manage suppliers. All members also sign a Statement of Commitment to Ethical Sourcing and the management of their suppliers and are entitled to display the CIPS Corporate Ethics Mark
- Undertaking a review of the Whistleblower Policy (and associated e-learning modules) to ensure it is fit-for-purpose and continues to adequately cover the reporting of suspected modern slavery practices (or related concerns), and
- Reviewing the feasibility of developing a Sustainable Insurance Policy.

³ **Disclaimer:** This Modern Slavery Statement contains forward looking statements, plans and actions for the next reporting period, which reflect RAA’s expectations as at the date of preparing this Statement. These forward looking statements are subject to risks, uncertainties and other factors that that could cause actual action to differ from planned activities. Any forward looking statements are not to be taken as guarantees of RAA’s future performance or certainty that planned actions will be executed.

9. Appendix – Mandatory reporting requirements quick reference guide

Reporting criteria	Main descriptions in Statement (Page numbers)
Identify the reporting entity (s.16(1)(a))	Pages 2,3
Describe the structure, operations and supply chains of the reporting entity (s.16(1)(b))	Pages 3,4
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 (s.16(1)(c))	Pages 6, 7, 15, 16
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks (s.16(1)(d))	Pages 8-14, 17-22
Describe how the reporting entity assesses the effectiveness of such actions (s.16(1)(e))	Pages 22, 23
Describe the process of consultation with any entities that the reporting entity owns or controls and joint entities covered by the Statement (s.16(1)(f)).	Pages 2,3
Any other information that the reporting entity, or the entity giving the statement, considers relevant (s.16(1)(g))	Entirety of Statement



RAA Group

**Royal Automobile Association
of South Australia Incorporated**

ABN 90 020 001 807

RAA Insurance Limited

ABN 14 007 872 602

RAA Insurance Holdings Limited

ABN 52 008 210 062

RAA Innovation Pty Ltd

ABN 13 655 258 272

