



CMV GROUP
**MODERN SLAVERY
STATEMENT**

FY 2019 - 20

INTRODUCTION

This statement is intended to comply with the requirements of the Australian Government's Modern Slavery Act 2018 (Cth) ("Act").

This statement is submitted jointly by:

- Commercial Motor Vehicles Pty Ltd (CMV);
- its controlling entity, Kilbirnie Investments Pty Ltd; and
- CMV's wholly owned subsidiaries, that are 'reporting entities' for the purposes of the Act (detailed in the table below), jointly referred to as the 'CMV Group'.

This statement details the actions taken by the CMV Group during the 12 months ending 30 June 2020, to understand the potential modern slavery risks related to our business and to implement processes preventing modern slavery in our business operations and supply chains.

NAME OF ENTITY	ACN	TRADING NAMES	REPORTING ENTITY?
Kilbirnie Investments Pty Ltd	007 549 331	-	Yes
Commercial Motor Vehicles Pty Ltd	007 874 142	-	Yes
Commercial Motor Industries Pty Ltd	005 526 963	CMI Toyota dealerships, Southside Suzuki, Lexus of Adelaide, CMI Hino Adelaide	Yes
B.E.A Motors Pty Ltd	007 559 757	Mercedes-Benz Adelaide, Mercedes-Benz Unley	Yes
CMV Truck & Bus Pty Ltd	007 658 451	CMV Truck & Bus dealerships, CMI Hino Melbourne, CMV Truck & Bus Fleet Management	Yes
The 4WD Centre Pty Ltd	007 621 294	Barry Maney Group, Barry Maney Ford, Barry Maney Hyundai, Barry Maney Volkswagen, Barry Maney Kenworth/DAF, Barry Maney Hino	No
CMV Farms Pty Ltd	005 880 848	-	No
South Central Trucks Pty Ltd	007 726 043	South Central Truck & Bus	No
Hallam Truck Centre Pty Ltd	007 568 309	Hallam Truck Centre, Bayswater Truck Centre TRP Pakenham	No
CMV Truck Sales & Service Pty Ltd	007 539 399	CMV Truck Centre Watts Transport Spares TRP Adelaide CMV Riverland Parts	No

¹ Mandatory Criteria 1





In line with two of the CMV Group's core values, 'do the right thing' and 'mutual respect', the CMV Group has a zero-tolerance for any form of human rights abuses, including modern slavery, in our operations and supply chains.

This is the CMV Group's first Modern Slavery statement and we recognise that further work is required to ensure that all modern slavery risks in our operations and supply chains are identified, addressed and eliminated.

We are committed to continually improve our processes and practices to eliminate the risk of modern slavery in our businesses and supply chains. We have identified a number of initiatives to improve our approach in FY 2020-21 which are detailed at the end of this statement.

OUR HISTORY & STRUCTURE ²

The CMV Group is one of South Australia's most successful businesses. Founded in 1934 and remaining privately owned, we operate some of the most progressive franchises within the automotive, truck and agricultural industries across predominately South Australia and Victoria.

We have an annual turnover in excess of \$1.3bn, and over 1,500 employees who we consider our greatest assets. We are fiercely supportive of our staff, their diversity and the communities within which we operate and, as demonstrated by our charitable foundations, we are deeply passionate about giving back to the community and to those less fortunate.

Our Head Office is located in Adelaide with current CMV Group Managing Director, Paul Crawford and CMV Farms Managing Director, David Crawford, the third generation of their family, leading the strategic direction of the business.

OUR OPERATIONS ³

CMVAUTOMOTIVE

- **Barry Maney Ford, Barry Maney Hyundai, Barry Maney Volkswagen** – With dealerships located in Mount Gambier, SA, offering sales of Ford, Hyundai and Volkswagen vehicles and parts and servicing.
- **CMI Toyota** – CMI Toyota is the largest Toyota dealer in South Australia. With four locations – Adelaide, Christies Beach, Cheltenham and Stepney – CMI Toyota sells a large range of new and used vehicles, parts and conducts vehicle servicing.
- **Mercedes-Benz Adelaide and Unley** – Mercedes-Benz Adelaide and Mercedes-Benz Unley are Adelaide's destinations for Mercedes-Benz passenger vehicles and vans offering sales, service, parts and accessories.
- **Lexus of Adelaide** – Lexus of Adelaide is the sole South Australian dealer of the Lexus range of luxury vehicles offering sales, service, parts and accessories.
- **Southside Suzuki** – Situated at Christies Beach, Southside Suzuki is a metropolitan dealership responsible for the sale and service of the Suzuki range of new passenger and commercial vehicles.

² Mandatory Criteria 2

³ Mandatory Criteria 2

CMV TRUCKS

- **Barry Maney Kenworth/DAF** – Barry Maney Kenworth / DAF is a Kenworth and DAF dealership offering sales, parts and service to the Southeast region of South Australia and the Western Victoria region.
- **Barry Maney Hino** – Located in Mount Gambier, Barry Maney Hino services the South East of South Australia and Western Victoria, offering expert Hino sales, parts and service.
- **CMI Hino** – With dealerships in Adelaide and Melbourne, CMI Hino specialises in new and used light, medium and heavy-duty trucks and buses offering sales, service, parts and accessories.
- **CMV Truck & Bus** – CMV Truck & Bus is the Victorian franchisee for Volvo Group Australia brands; Mack, UD Trucks and Volvo Trucks and Buses. CMV Truck & Bus dealerships are located in Clayton, Dandenong, Derrimut, Traralgon and Albury/Wodonga with the Technical Training Centre located at Derrimut.

CMV Truck & Bus also operates CMV Truck & Bus Fleet Management which provides major fleet and corporate customers an innovative and efficient way of maintaining vehicle fleets. Fleet Management teams are located across South Australia, Victoria, New South Wales, Queensland, Western Australia and Tasmania.

- **CMV Truck Centre** – CMV Truck Centre is a specialist dealer for the full range of Kenworth and DAF trucks in South Australia. Also located at CMV Truck Centre is Watts Transport Spares, the Australian distributor for a range of parts and accessories for trucks and trailers. CMV Truck Centre also has parts outlets located at Berri and Burton.
- **Hallam Truck Centre** – Hallam Truck Centre is a Kenworth and DAF dealership catering for Melbourne's south-eastern region. The dealership also operates a satellite parts and service operation, Bayswater Truck Centre and a parts outlet, TRP Pakenham.
- **South Central Truck & Bus** – South Central Truck & Bus is the South Australian dealer for Volvo, UD and Mack trucks and operates a purpose built dealership which truck sales, parts, finance and workshop.

CMV FARMS

CMV Farms operates farming enterprises in South Australia and Victoria. The operations produce pistachios and almonds which are sold within Australia and selected export markets, and wine grapes which are contracted to major wineries.

CMV Farms is also involved with a number of strategically important businesses, including Riverland Almonds, Australian Pioneer Pistachio Company and Nut Producers Australia which play key roles in the processing and marketing of the pistachio and almond product from our farms.

Further information about each of these businesses is available on our website, cmv.com.au.





OUR SUPPLY CHAINS ⁴

Vehicles and parts

CMV Automotive and CMV Truck businesses source the large majority of vehicles and parts from our market leading OEM franchise partners, including:

- Ford Motor Company of Australia Limited;
- Hino Motor Sales Australia Pty Ltd;
- Hyundai Motor Company Australia Pty Ltd;
- Lexus Australia;
- Mercedes-Benz Australia/Pacific Pty Ltd;
- PACCAR Australia Pty Ltd;
- Suzuki Australia Pty Ltd;
- Toyota Motor Corporation Australia Limited;
- Volkswagen Group Australia Pty Ltd; and
- Volvo Group Australia Pty Ltd.

Other parts and accessories that are on-sold to customers are sourced directly from a range of suppliers.

Other suppliers

CMV Automotive and CMV Truck businesses each have a range of other direct suppliers that provide services and supplies that contribute to their operations, including:

- workshop and office supplies;
- cleaning services;
- waste management services; and
- uniform suppliers.

IDENTIFYING MODERN SLAVERY RISKS ⁵

Steps taken to identify its Modern Slavery Risks

- **Working group** - Formed a working group of senior management, including Operations, Legal, and Finance representatives. The Modern Slavery Working Group (“MSWG”) reports to the Audit and Risk Committee, who in turn reports to the CMV Group board.
- **Risk mapping** - Conducted high level risk mapping to identify modern slavery risks within its operations and supply chains.
- **Key suppliers** - Contacted key suppliers/franchisors to understand their approach to modern slavery risks within their operations and supply chains.

⁴ Mandatory Criteria 2

⁵ Mandatory Criteria 3

Summary of Key Risks

Set out below is a summary of the key risks identified in our risk identification process which relate to modern slavery:

- **Purchase and resale of after-market parts** – CMV Group Automotive and CMV Trucks businesses purchase and resell after-market parts which may be sourced from a number of suppliers both in Australia and internationally.
- **Facilities management** – CMV Group businesses operate a number of large dealerships each requiring management services including cleaning contractors, waste management and uniform suppliers and laundry services.
- **Contract labour/labour hire** - CMV Farms use two contract labour suppliers during periods of high workloads, for example during harvest periods.
- **Promotional materials** – CMV Group businesses purchase a small volume of promotional materials for customer and marketing purposes. These products would normally be sourced from local Australian companies, however it is possible that the goods may be manufactured in high risk jurisdictions (as listed on the Global Slavery Index).

Implications of COVID-19

While the COVID-19 pandemic has had a huge impact on our employees and our businesses, we do not believe that it has materially increased the likelihood of modern slavery risks within our operations.

In terms of our supply chain, we were required to purchase appropriate PPE (face masks, disposable gloves etc.) to keep our employees and customers safe during the pandemic. These products were mainly sourced from local Australian companies known to the CMV Group (eg. Detmold) however it is possible that some of these products may have been manufactured in countries listed in the Global Slavery Index. The urgent need and global shortages of these products did not allow any supplier vetting.

ACTIONS TAKEN TO ADDRESS THE RISKS ⁶

In FY20 the CMV Group undertook the following actions to assess and address the modern slavery risks that had been identified by the Modern Slavery Working Group. The CMV Group is aware that this is only the beginning of our modern slavery journey, and the Group intends to build on these initial actions in the next financial year.

FY20 - ACTIONS TAKEN

Reporting to the Board

In June 2020, a member of the MSWG briefed the Board on the Group's progress in relation to modern slavery reporting. This included a brief discussion of the key risk areas and our plans for FY21.

Modern Slavery Working Group

The MSWG has met to draft a high-level risk analysis and to discuss future action items.

Policies and Governance

The CMV Group has recently updated its Core Values. In line with two of the CMV Group's core values, 'do the right thing' and 'mutual respect', the CMV Group has a zero-tolerance for any form of human rights abuses, including modern slavery, in our operations and supply chains.

⁶ Mandatory Criteria 4





In line with these values are the CMV Group's policies and standards, which also confirm our attitude towards modern slavery. Relevant policies include our Code of Conduct, Whistleblower Policy and Equal Opportunity Policy.

Review of Operations and Supply Chains

We have contacted each of our key suppliers (including our OEM franchisors) to understand their approach to modern slavery risks within their operations and supply chains. Each of these suppliers has provided us with a copy of their modern slavery policy or information setting out the systems that they have in place to address modern slavery risks.

From a review of the information provided by our key suppliers we are satisfied that the majority of these have a sophisticated approach to modern slavery risks within their global supply chains.

Our review and collection of information from all of our suppliers will continue throughout FY21, with a particular focus on our smaller suppliers.

Training

We provided high-level training to CMV Group senior management on modern slavery awareness, concepts and identification of risks.

FY21 - FUTURE ACTIONS

We aim to continually improve our approach to identify, assess and manage modern slavery risks in our operations and supply chain. We have identified several focus areas that will help us improve in FY21 including:

Modern Slavery Policy

Implementing a CMV Group Modern Slavery/Anti-Slavery Policy and ensuring that it links into the CMV Group's Whistleblower Policy, allowing protection for employees who speak-up.

Updating Contractual Clauses

The CMV Group expects that all of its employees, franchisors and suppliers will operate in compliance with the Act. Going forward, we intend to implement contractual obligations in our employment contracts and supplier agreements that mandate this requirement.

Training

We are currently preparing more detailed training for our senior management and accountants at each of our businesses to provide an understanding of what modern slavery is, how they can minimise their risk and how to fulfil their obligations.

Review of Operations and Supply Chains

As noted above, the review and collection of information regarding our key suppliers will continue throughout FY21 with an extended focus on CMV Group's smaller suppliers. This will include developing a supplier questionnaire seeking information on the supplier's approach to modern slavery risks.

Manufacture of products overseas

We intend to implement a supplier questionnaire for suppliers of products manufactured in high-risk jurisdictions.

ASSESSMENT & EFFECTIVENESS OF OUR ACTIONS ⁷

We intend to communicate with employees, suppliers and other stakeholders involved in our businesses to encourage open communication regarding potential modern slavery risks within our businesses and what can be done to address these risks.

We intend to nominate senior management within each of our businesses who will be trained to identify and escalate modern slavery risks within their businesses to the MSWG. Modern Slavery will be added as a regular agenda item for our Risk, Audit & Compliance Committee.

JOINT REPORT & CONSULTATION ⁸

As the operations of all entities owned and controlled by the CMV Group are closely aligned and fall under the same senior management and board composition, policies and processes, we have been able to develop one working group to identify and manage modern slavery risks across the CMV Group with appropriate consultation with all CMV Group businesses. For these reasons, we also consider it is appropriate for a joint report to be submitted in respect of the wholly owned subsidiaries that are reporting entities under the Act.

OTHER INFORMATION ⁹

The CMV Group does not consider that there is any other information that should be included in this report.

APPROVAL

This modern slavery statement is made by Commercial Motor Vehicles Pty Ltd and its holding company, Kilbirnie Investments Pty Ltd, and its wholly owned subsidiaries who are reporting entities for the financial year ending 30 June 2020.

This statement was approved by the boards of Commercial Motor Vehicles Pty Ltd, Kilbirnie Investments Pty Ltd, Commercial Motor Industries Pty Ltd, B.E.A Motors Pty Ltd, CMV Truck & Bus Pty Ltd on 25th February 2021.



Paul Crawford

Managing Director
Commercial Motor Vehicles Pty Ltd

25th February 2021

⁷ Mandatory Criteria 5

⁸ Mandatory Criteria 6

⁹ Mandatory Criteria 7





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