

# Modern Slavery Statement

2020-21



## Introduction

NTI Limited (NTI) ABN 84 000 746 109, AFSL 237246, is the manager of the National Transport Insurance Joint Venture\*, a leading supplier of specialised insurance products to the transport and logistics industry.

NTI aims to uphold high moral, ethical and sustainable business practices, including those related to modern slavery and human rights. NTI rejects any form of modern slavery and respects the human rights of our employees, clients and those of our suppliers and business partners.

This statement covers the activities of NTI to understand and implement actions to minimise the risk of modern slavery and human trafficking in our operations and supply chain.

NTI does not own or control any reporting entity and there are no entities with whom NTI is issuing a joint modern slavery statement.

\* Insurance products are provided by National Transport Insurance, a joint venture of the insurers Insurance Australia Limited trading as CGU Insurance ABN 11 000 016 722 AFSL 227681 and AAI Limited trading as Vero Insurance ABN 48 005 297 807 AFSL 230859 each holding a 50% share. National Transport Insurance is administered on behalf of the insurers by its manager NTI Limited ABN 84 000 746 109 AFSL 237246.

## The Company

NTI provides specialist insurance and roadside assistance solutions primarily to business customers. NTI serves over 30,000 businesses across Australia specialising in transport, construction, marine, logistics and deliveries. NTI's purpose statement is "We make you safe and more sustainable".

NTI proactively participates and contributes to the community. We are focused on understanding our customers, the industries they work in, their issues and pain points and look for new ways to help on emerging issues including wellness and positive mental health through events, sponsorship and education.

We have worked closely with Australia's pre-eminent transport, construction and logistics Associations over several decades to improve road and operator safety and each year we leverage years of detailed data capture to pinpoint opportunities for future improvement with the release of the Annual NTI Accident Investigation Report. We aim to always be a trusted partner within our industry and have deep connections with our suppliers across Manufacturers, Repair and Towing.

NTI is committed to continually improving our company, systems and processes and ensuring our focus and expertise provides outstanding products, services and partnerships that deliver value.

We focus on maintaining an ethical culture that inspires, nurtures talent and positively contributes to the community.



## Our Operations

The majority of NTI's workforce is located in Australia. NTI's Head office is located in Brisbane with a regional office in each state. NTI employs approximately 387 people nationally.

NTI's employees are predominantly covered by Common Law contracts or employed under independent contractor arrangements. NTI contracts a small number (approximately 10) of administration support employees in Manila, the Philippines via a third party provider.

We strive to be an equal opportunity employer in all locations and are committed to ensuring that our employment conditions meet minimum wages, appropriate hours of work and leave provisions. We take the health and wellbeing of our team members seriously and regularly go beyond the requirements of WH&S legislation.

As part of induction all team members are required to undertake Code of Conduct training which details our ethical approach to our business and our people. This extends to include details of our Whistleblowing Policy.

NTI's operations are made up of the core functions of product design, distribution and claims management supported by People and Culture, Finance and Governance and Information Technology functions.

Our combination of tailored products, experienced people, leading repair and recovery networks, and industry advocacy have seen us ranked as Australia's number one specialist insurer.

Our range of products and services goes beyond traditional insurance. We are committed to delivering on our purpose: "We make you safer and more sustainable". We are actively investing in the sustainability of our customers' businesses by providing risk management and leadership solutions that help them actively manage their businesses.

We're partnering with risk management specialists, technology providers, and industry authorities to help customers and partners confront today's challenges. While this initiative originated through work within the transport industry, we are actively pursuing it across all of our specialised industries.

Our market operations include 4 customer brands.



From single vehicles to large fleets, we offer flexible, tailored solutions to cover vehicles with a carrying capacity of 3.5 tonnes and over. With local experts across Australia we understand the challenges our customers face - especially after an accident.

Our claims process has been designed in consultation with the transport industry. Moreover, we have an internal team of dangerous goods incident management experts across the country.



Yellow Cover protects plant and equipment operators across Australia, from owner-operators right through to the biggest names in the industry.

Yellow Cover provides customers with industry-leading products, access to NTI's award-winning claims solution, a lifetime guarantee on authorised repairs and a team of experts and recovery operators all over Australia.



Truck Assist provides roadside assistance 24/7, 365 days a year via a national network of over 4,000 trusted service partners. We have wholesale agreements with a large number of truck manufacturers in Australia and, currently, a Truck Assist roadside program covers every second new truck sold in Australia.

Truck Assist has also grown to offer an online insurance product specifically designed to meet the needs of truck owners and operators in Australia. The Drive Pack product provides comprehensive Motor Cover, Downtime Cover, and an inclusive truck breakdown service.



Marine Protect is one of Australia's leading marine insurance specialists. Our suite of products offers tailored and customisable coverage for owners and transporters of cargo, as well as vessel and marine business operators.

## Our Supply Chain

Our core supply chain includes brokers, transport associations, other strategic distribution partners, truck manufacturers and dealerships, parts suppliers, repairers, and specialist tow operators for trucks.

In addition to the analysis below, developed with the support of specialist consultants, NTI has always been aware of the inherent risk in the motor parts and repair sectors.

We have developed specific roles within the organisation to manage relationships with both our Repair network, nonauthorised repairers and Original Equipment Manufacturers (OEM). We work closely with our repairer networks to ensure that they meet relevant industry codes and respective state licencing requirements, particularly in respect to the safe and environmentally safe disposal of waste and by-products. We stay close to OEMs to ensure we fully understand their purchase and importing arrangements and any challenges they face.

We remain close to Transport Associations by way of sitting on Boards and a variety of working groups. This ensures we have an intimate understanding of industry challenges and issues.

Further detail on our supply chain is included in the table included in the below section, "Identifying risks in our operations and supply chain".

## Understanding our Modern Slavery Risk

In 2019-20 NTI engaged specialist external consultants to better understand how our business is identifying and managing modern slavery risks. The consultants completed a modern slavery readiness assessment and developed a modern slavery issue identification process for use across our operations and supply chain.

### Identifying Risks in Our Operations and Supply Chain

NTI's issue identification process has identified four potential modern slavery "hotspots" and inherent risks in both our operations and supply chain:

Operations	Supply Chain
Insurance Support Services	Claims Services Repair & Assistance
Business Relationships	Procurement of Goods not for Resale (GNFR) and Corporate Services

The issues identified continue to provide NTI with a basis for modern slavery risk assessment of both operations and supply chain and helps to prioritise our focus across our operations and supply chain.

## Risk Assessments for All Modern Slavery Hotspots

Potential Hotspot	Issues Descriptions	Potential Risks
Insurance Support Services	<ul style="list-style-type: none"> <li>• Service Centre</li> <li>• Overseas administration (circa 10 team members)</li> <li>• Local surveyors and ad hoc labour needs</li> </ul>	<p>NTI's presence in the Asia-Pacific region potentially exposes the company to a heightened modern slavery risk. This is a potential hotspot due to:</p> <ul style="list-style-type: none"> <li>• The need for enhanced proactivity in respect of visibility over procedures to ensure compliance with local laws and international human rights frameworks and standards.</li> <li>• The need for enhanced proactivity in respect of recruitment, workforce/ contractor management and remuneration practices.</li> </ul> <p><b>Offshore:</b></p> <p>Work is provided to NTI via a specialist Australian based agency. NTI has significant transparency over arrangements, which includes direct contact with employees, employee feedback and pay reviews and transparency over employee remuneration.</p> <p>Employment practices include age checks, reasonable working hours 9:00am to 5:00pm, Monday - Friday and award rate for their role and location with the same benefits and rewards offered to Australian NTI employees extended to offshore employee.</p> <p>Employees have access to all policies that onshore employees have including the NTI Whistle-blower policy and all Employee Assistance Program (EAP) services.</p> <p><b>Onshore:</b></p> <p>NTI's has a dedicated Service Centre team based in-house in Australia.</p> <p>Due diligence Contracts, age checks, salary reviews, Australian Citizen/right to work in Australia checks are completed across all Service Centre employees.</p>
Business Relationships	<ul style="list-style-type: none"> <li>• Partnerships with big brands</li> <li>• Due diligences on large insurance clients</li> </ul>	<p><b>High risk categories:</b></p> <p>Sourcing of goods and materials (e.g. batteries, tyres, windshields) through partners requires enhanced proactivity over the recruitment, workforce/ contractor management, visa management and remuneration practices of the goods manufacturer.</p> <p>Modern Slavery clauses are being included in new contracts and existing contracts upon renewal.</p> <p>For large business partners a review of Modern Slavery statements is completed as well as online review of the company to determine for any red flags. If found, this is further investigated and action determined by senior management.</p> <p>For businesses that do not have an available Modern Slavery Statement, NTI issue a self-assessor questionnaire for the business to complete.</p>

## Risk Assessments for All Modern Slavery Hotspots

Potential Hotspot	Issues Descriptions	Potential Risks
<b>Claims Services Repair &amp; Assistance</b>	Independent contractors for smash repairs, roadside assistance and towing	<p><b>High risk business models</b></p> <p><i>Contracting and sub-contracting:</i></p> <p>These practices create multiple layers between NTI and the workforce.</p> <p>NTI have a repairer network and predominately use this network of trusted repairers.</p> <p>As part of the repairer's network, Modern Slavery is initiated into new contracts and existing contracts upon renewal.</p> <p>The use of contractors and subcontractors may also overlap with vulnerable populations including base-skill workers. Vulnerable populations could be from migrant, low socio-economic or culturally or linguistically diverse backgrounds, and are particularly vulnerable to systemic issues such as underpayment, withholding of wages, and excessive working hours.</p> <p><b>High risk geographies</b></p> <p>Whilst it is a common assumption that modern slavery is inherently low-risk in a developed nation such as Australia, the location of NTI suppliers in regional/rural domestic locations potentially exposes the company to heightened modern slavery risk due to reduced visibility of these workforces and labour practices. Regional/rural populations may experience increased vulnerability to modern slavery due to several factors including:</p> <ul style="list-style-type: none"> <li>• Reduced ability to leave their situation</li> <li>• Lack of alternative employment opportunities or employment at a small/ family-run business, which reduces agency to negotiate employment conditions such as working hours, remuneration and other entitlements.</li> </ul> <p>Contractors are high-skilled workers and considered a minimal risk of Modern Slavery.</p>
<b>GNFR &amp; Corporate Services</b>	Procurement of goods and services integral to NTI's operations.	<p><b>High risk categories</b></p> <p>Base-skill roles such as cleaning, maintenance and security require closer monitoring to help ensure workers are not underpaid or exploited.</p>

## Actions Taken to Assess and Address Risks 2020-21

- Advice from specialist consultants produced hotspot and risk analysis which forms the basis of NTI's action plan.
- A working group has been established including senior leaders from impacted functional areas including People and Capability, Claims Services, Procurement and Compliance.
- Workshops for key business areas has been completed involving an initial session and in some cases follow up sessions where required. Workshops had the following aims:
  - Understand the Modern Slavery layout for each individual business area
  - Determine key hotspots within those areas
  - Determine key business partners and suppliers for each business area
  - Review of controls in place, in need of improvement or needing to be created
- This group is responsible for managing modern slavery risk in their functional areas.
- Supplier contracts continue to be updated to include clauses that require partners to take all reasonable steps to ensure that there is no modern slavery in the service provider's operations or supply chains.
- Limited work in Manila (circa 10 FTE) is provided to NTI via an Australian-based agency. NTI has significant transparency over arrangements, which includes direct contact with employees, employee feedback and pay reviews and transparency over employee remuneration.
- Information and Technology primarily source software and hardware needs from large suppliers. Due diligence checks involving checks on Modern Slavery Statements has identified that the vast majority of large business partners having existing Modern Slavery Statements.
- The vast majority of general parts are sourced from Original Equipment Manufacturers. Due diligence checks are completed including review of recently published Modern Slavery Statements.

- Repairs are undertaken via NTI's Authorised Repairer Network and to be a part of the network the repairer is subjected to due diligence checks (including modern slavery). Modern Slavery & Human Rights clauses are also included on all new contracts as well as in any renewals on existing older contracts
- Due diligence procedures have been established for new contracts.
- NTI's Human Rights policy is reviewed annually.

## Assessing the Effectiveness of Our Actions

NTI has a Risk Management Framework and Risk Appetite Statement which governs the management of risks across the business. The actions and risks identified above have been integrated into NTI's Risk Management Framework and appropriate mitigating actions developed.

Accountability and capability building will be important for NTI and will provide a solid foundation for enhancing existing systems and controls to incorporate explicit consideration of modern slavery risks.

Overall, extending NTI's existing policies, systems and processes will support the implementation of a number of steps to increase maturity in subsequent years.

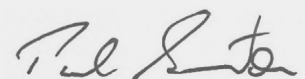
## Looking Forward

NTI is committed to continuously improve its approach to managing modern slavery risk and we will continue to evolve our approach in 2021-22.

We will continue to develop the risk "hotspot" framework to assess, prioritise and remediate risk.

## Approvals

This statement is made pursuant to section 13(1) of the Modern Slavery Act (Commonwealth) 2018. This statement has been approved by the Board of Directors of NTI Limited on 23 November 2021.



**Paul Smeaton**  
Chairman