

Modern Slavery Statement
MaxiPARTS Limited
(formerly called MaxiTRANS Industries Limited)

1. Introduction

This statement, pursuant to the *Modern Slavery Act 2018* (Cth) (**Act**), sets out the actions taken by the MaxiPARTS Group to address Modern Slavery risks in our business and supply chain for the financial year ending 30 June 2021 (**Reporting Period**). This is MaxiPARTS' second statement under the Act.

We are committed to continuous improvement in our processes to effectively identify and prevent the risk, and remediate any circumstance, of Modern Slavery in our business or supply chain, and this commitment is underpinned by the following Company Values:

- Be honest, forthright and ethical in our dealings.
- Encourage deep seated collaboration and accountability.

2. The Reporting Entity

This statement applies to MaxiPARTS Limited (formerly MaxiTRANS Industries Ltd) ACN 006 797 173 (**MaxiPARTS**) and each wholly owned entity of MaxiPARTS and entities over which MaxiPARTS has control including:

- MaxiPARTS Australia Pty Ltd (formerly called MaxiTRANS Australia Pty Ltd) ACN 081 151 699;
- MaxiPARTS Operations Pty Ltd ACN 110 786 215 (formerly called MaxiPARTS Pty Ltd);
- ACN 073 708 263 Pty Ltd (formerly called Lusty EMS Pty Ltd) ACN 073 708 263; and
- ACN 159 813 733 Pty Ltd (formerly called Transport Connection Pty Ltd) ACN 159 813 733.

3. MaxiPARTS' structure, operations and supply chain

MaxiPARTS is a public company listed on the Australian Stock Exchange (ASX:MXI). During the Reporting Period, it was the largest supplier of locally manufactured, high quality heavy road transport trailer solutions, including trailer repair and service, in Australia and New Zealand (**Trailer Solutions Business**), and one of Australia's largest suppliers of truck and trailer parts to the road transport industry in Australia through the MaxiPARTS wholesale and retail network.

In September 2021, MaxiPARTS sold the Trailer Solutions Business, known as MaxiTRANS, to an unrelated third party and changed its name from MaxiTRANS Industries Limited to MaxiPARTS Limited.

During the Reporting Period, MaxiPARTS manufactured and sold the following brands of semi-trailers and transport equipment through its own dealerships, as well as independent dealers, across Australia and in New Zealand:

- Maxi-CUBE – Dry freight and temperature-controlled vans for the general freight and food/grocery sector;
- Freightier – General freight trailers including curtain-sided, flat top, drop deck semi and skeletal trailers;
- Hamelex White – Aluminium tippers and truck bodies for bulk haulage applications;
- Lusty EMS – Aluminium tippers for the agricultural sector;

- Azmeb – Side tippers for resource and waste management sectors;
- Peki – Temperature controlled and dry freight truck bodies for the general freight and food/grocery sector;
- MaxiPARTS – Truck and trailer parts retailing and wholesaling.

During the Reporting Period, our operations in Australia and New Zealand included:

1. MaxiPARTS – 20 stores in various locations in Australia;
2. A MaxiPARTS warehouse at Truganina, Victoria;
3. MaxiTRANS manufacturing facilities located in Melbourne and Ballarat, Victoria, and Brisbane, Queensland;
4. MaxiTRANS trailer service centres in Derrimut and Dandenong, Victoria, Smeaton Grange, New South Wales, and Adelaide, South Australia and mobile “breakdown” trailer servicing; and
5. New Zealand – manufacturing and servicing and repairs site in Auckland and trailer servicing in Christchurch.

During the Reporting Period, MaxiPARTS had approximately 800 FTE employees in Australia and 54 in New Zealand. Our employees are engaged either by direct contract and/or in Australia, under enterprise agreements; specifically, 5 enterprise agreements which cover about 33% of employees. We had no industrial agreements within New Zealand.

During the Reporting Period, our supply chain consisted of 1594 suppliers located in the following areas:

a.	Australia	1528
b.	Asia	40
c.	Europe	14
d.	The Americas	8
e.	Africa	4

4. The risks of Modern Slavery practices in the operations and supply chains of MaxiPARTS and the entities it owns and controls

MaxiPARTS considers that the risk of directly or indirectly contributing to the following practices:

- Slavery;
- Servitude;
- Unlawful child labour;
- Forced labour;
- Human trafficking;
- Debt bondage;
- Slavery like practices; or
- Deceptive recruiting for labour or services;

(individually or collectively **Modern Slavery**), in its own operations, or the operations of the entities it owns or controls, is low because:

- i. MaxiPARTS’ workers are engaged in direct employment relationships, subject to relevant awards or industrial instruments, and at all times, subject to National Employment Standards under the *Fair Work Act 2009* (Cth);
- ii. our employees have free choice of employment; the use of forced, bonded or involuntary labour does not occur;

- iii. MaxiPARTS complies with the national minimum age of employment;
- iv. our employees are not permitted or encouraged to incur debt through recruitment fees, fines or other debts to their employing entity;
- v. employees are not required lodge deposits or identity papers with MaxiPARTS and are free to seek other employment at any time;
- vi. employees are free to leave their place of employment after their shift;
- vii. wages or benefits for a standard working week meet or exceed all legal requirements;
- viii. deductions from wages as a disciplinary measure do not occur, and any deductions which are not permitted by law do not occur unless the employee has consented;
- ix. employees have the right to join or form trade unions or to collectively bargain;
- x. MaxiPARTS adopts an open attitude towards the activities of trade unions, workers representatives and their organisational activities and does not prevent or interfere with legitimate trade union activity; and
- xi. our operations are located in jurisdictions where adherence to law is the norm and transparent and strong labour systems exist, subject to sound regulatory oversight.

Forced marriage is not considered to be a risk for MaxiPARTS' internal operations.

MaxiPARTS acknowledges that it could be directly linked to Modern Slavery at various tiers of its supply chain through products, services or operations, and that it could contribute to Modern Slavery if we engaged in irresponsible practices, including by putting unreasonable time or cost pressures on suppliers.

5. The actions and due diligence processes implemented by MaxiPARTS and the entities it owns or controls, to assess and address risks of Modern Slavery practices

In this Reporting Period, MaxiPARTS focused on the following measures:

- **Training:** Training on Modern Slavery was completed by executive management and senior employees of MaxiPARTS.
- **Supplier Engagement Campaign** – letters were issued to suppliers and confirmations returned were tracked. These letters commenced a broad supplier engagement on Modern Slavery, initially by educating suppliers about MaxiPARTS' commitment to eliminating Modern Slavery in its supply chain and seeking confirmation of their alignment with our values in this regard.
- **Code of Conduct:** A draft supplier code of conduct was prepared.

Looking forward:

In the FY22 reporting period, it is anticipated that focus areas may involve some or all of the following:

- **Supplier Code of Conduct** – Once formally approved by management, we will determine an effective way to bring the Code to suppliers' attention and seek their commitment to adhering to the principles contained in it;
- **Grievance and Remediation Policy** – a policy will be developed;
- **Supplier Education** – delivery of training on Modern Slavery risks to select suppliers.

6. How MaxiPARTS assesses the effectiveness of its actions and due diligence processes

MaxiPARTS has determined to measure the effectiveness of its actions and due diligence against the following indicators:

- **Training:** Training was completed by 100% of nominated MaxiPARTS' employees;
- **Education and 'value alignment' supplier campaign:** Number of letters issued to suppliers and number returned; and
- **Reports:** Any circumstance of Modern Slavery is identified by MaxiPARTS or reported to us, and it is appropriately remediated.

Based on the following results, we determine our actions in the Reporting Period to be effective:

- **Training:** We achieved completion of Modern Slavery awareness training by 98.3% of nominated employees. We are confident that this training has raised consciousness of our senior staff of Modern Slavery as a risk;
- **Education and 'value alignment' supplier campaign** – We issued letters to 100 key suppliers to raise awareness of Modern Slavery as a risk and to ensure they agreed to advise their staff to notify MaxiPARTS of any instance of Modern Slavery via the FairCall service. As at the date of this Statement, 78 suppliers have provided their acknowledgement and agreement to these matters. We will continue to engage with suppliers with an outstanding response; and
- **Reports:** No circumstance of Modern Slavery has been identified by or reported to MaxiPARTS in this Reporting Period.

7. The process of consultation with (I) entities which MaxiPARTS owns or controls; and (II) in the case of a reporting entity covered by a statement under section 14 — the entity giving the statement

MaxiPARTS' Board, Managing Director and General Counsel / Company Secretary receive regular updates on the activities of the Anti-Slavery Working Group.

Senior management of the MaxiPARTS group are aware of the contents of this statement.

The directors of each reporting entity have approved, by resolution, the issuing of this statement.

8. Other relevant information

On 3 September 2021, MaxiPARTS completed the sale of its trailer solutions business to Australian Trailer Solutions Group Pty Limited, an Australian based privately owned company. Accordingly, priorities for the reporting period ending 30 June 2022 will be determined by the two separate businesses.

THIS STATEMENT WAS APPROVED BY THE MAXIPARTS BOARD.



Mr Rob Wylie
Chair