

Joint Modern Slavery Statement FY2025

Under the Modern Slavery Act 2018 (Cth)

For the Reporting Period 1 July 2024 to 30 June 2025

The Royal Automobile Club of W.A. (Inc.)
ABN 33 212 133 120

RACWA Holdings Pty Ltd
ABN 60 008 985 877

RAC Insurance Pty Ltd
ABN 59 094 685 882

RAC Motoring Pty Ltd
ABN 33 009 292 228



Acknowledgement of Country

RAC acknowledges the Aboriginal peoples of Western Australia as the Traditional Custodians of the lands on which RAC has been operating for more than 120 years. We are privileged to share their lands, throughout Western Australia. Boorloo (Perth) is where RAC Headquarters is based, the place where we work with and alongside Aboriginal and Torres Strait Islander families and communities. RAC honours and pays respect to Aboriginal Elders, past and present across the lands of Western Australia.



Joint FY2025 Modern Slavery Statement

This is the Joint FY2025 Modern Slavery Statement ("Statement") submitted by The Royal Automobile Club of W.A. (Inc.) (RAC Club). This Statement has been prepared on behalf of and in consultation with RAC Club's reporting entities, RACWA Holdings Pty Ltd, RAC Insurance Pty Ltd and RAC Motoring Pty Ltd (together "RAC") and is made in accordance with the Modern Slavery Act 2018 and the identified mandatory criteria.

The purpose of this statement is to set out:

- » RAC's structure, operations, and supply chains;
- » modern slavery risks in RAC's supply chains; and
- » the steps RAC has taken to identify and minimise these risks.

This Statement covers the activities undertaken by RAC to understand and implement actions to minimise the risk of modern slavery in our operations and supply chains for the period from 1 July 2024 to 30 June 2025.

Each year, we aim to drive continuous improvement and show our progress and maturity in our understanding and response to modern slavery risks.

RAC's Modern Slavery Statement is publicly available on its website: www.rac.com.au/about-rac/purpose/annual-report.

Approval of this Statement

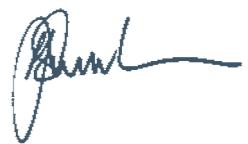
This Joint Modern Slavery Statement has been approved by RAC Council for and on behalf of:

- » The Royal Automobile Club of W.A. (Inc.) (ABN 33 212 133 120)
- » RACWA Holdings Pty Ltd (ABN 60 008 985 877)
- » RAC Insurance Pty Ltd (ABN 59 094 685 882)
- » RAC Motoring Pty Ltd (ABN 33 009 292 228)

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



John Driscoll
Club President



Robert Slocombe
Director of RACWA Holdings
Pty Ltd, RAC Insurance Pty Ltd,
RAC Motoring Pty Ltd.



A message from our Group CEO

As RAC Group CEO, I am committed to ensuring that our organisation upholds the highest standards of ethical conduct and protecting human rights across all areas of our business and supply chains.

As a member-based organisation, we exist to serve our members and reinvest in the wellbeing of our community, and this responsibility underpins our determination to combat modern slavery in all its forms.

This joint Modern Slavery Statement outlines the steps we have taken over the past year to strengthen our governance, enhance our due diligence processes, and build ethical partnerships across our supply chains.

We recognise that meaningful change takes time, and we are committed to continuous improvement, transparency, and collaboration.

Together with our partners, suppliers, and stakeholders, we are working to build a future where fairness, dignity, and respect are embedded in every aspect of business.

We remain committed to driving change for a better WA—one that is free from exploitation and built on ethical foundations.



Robert Slocombe

About RAC

Established in 1905, RAC has proudly served Western Australians for over 120 years. With over 1.3 million members, RAC has evolved into one of the most trusted and recognised organisations in the state. As a purpose-led member organisation, it reinvests its profits to serve its members and the wider WA community.

RAC is committed to continuing to improve its services and experiences for its members and to champion change that will lead to a safer, sustainable and connected future for Western Australians. The principles of social purpose and member value are at the heart of RAC. Its Purpose, Vision and Mission not only guides its social and community impact focus, it also sits at the core of the overall strategy for the organisation.

Purpose

The driving force for a better WA.

Vision

2030: A safer, sustainable and connected future for Western Australians.

Mission

Delivering great member services and experiences, while inspiring positive community change, that makes life better in WA.



FY2025 summary

35

locations across WA

1.3m⁺

members

389k

Roadside Assistance callouts

2.5m

phone calls handled

\$2.6b

total risks insured

\$931m

paid in claims

2300+

employees within Western Australia

3000⁺

active suppliers



Our structure, operations and supply chain structure

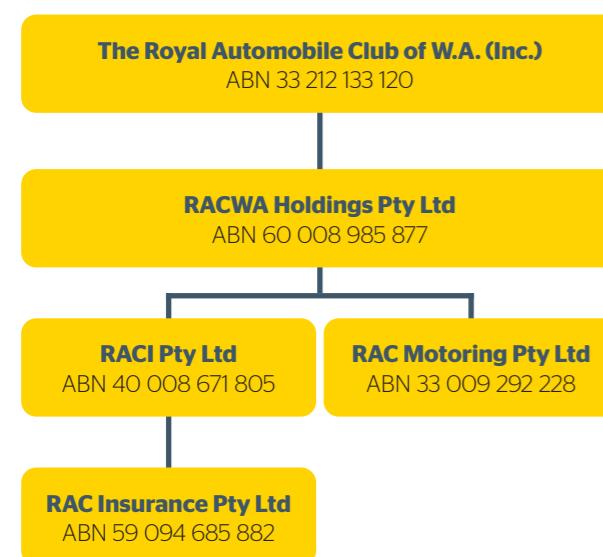
RAC's structure

The Royal Automobile Club of W.A. (Inc.) is an Incorporated Association and as such is governed by the Associations Incorporation Act 2015 (WA). RACWA Holdings Pty Ltd is wholly owned by The Royal Automobile Club of W.A. (Inc.). RACWA Holdings Pty Ltd ("RACWA") is the holding company of a number of wholly-owned subsidiary companies, including the reporting entities of RAC Insurance Pty Ltd and RAC Motoring Pty Ltd. RACWA also holds a number of investments in the form of equity and holdings in other Australian and New Zealand companies. All wholly-owned subsidiary companies are incorporated in Australia.

All reporting entities in RACWA have been involved in appropriate consultation in relation to the preparation and contents of this Statement, including endorsement by the Modern Slavery Working Group, Group Risk and Compliance Committee and the Insurance Board Risk Committee, prior to approval by the Boards.

All references to "RAC", "we", "us" and "our" are collective reference to all the above entities, plus their owned/controlled entities.

All numbers, statistics and facts described in this Statement are as at 30 June 2025.



RAC's operations

RAC is a purpose-led organisation with its headquarters in Perth, Western Australia.

Our operations are entirely based within Western Australia, where we operate from over 35 different locations.

As a member-focused organisation without shareholders, RAC provides a range of important services to members including Roadside Assistance, Insurance, Travel, Tourism, Finance, Auto Services, Batteries, Tyres and Security.

Our operations centre upon delivering diverse member services and experiences while inspiring positive community change, that makes life better in WA.

The core products and services provided by RAC include:

- » roadside assistance;
- » retail general insurance product;
- » automotive repair and maintenance services;
- » travel and tourism services;
- » holiday parks and resorts;
- » home security services;
- » small consumer loan services;
- » social and community impact initiatives;
- » retirement living services; and
- » new business incubation and prototyping.

RAC employs approximately 2,300 people, which comprises a blend of direct employees and contractors, the majority of which are within Western Australia.

Our supply chain

RAC's operations continue to mainly utilise the provision of goods and services from suppliers located within Western Australia.

The RAC supply chain includes over 3,000 active suppliers.

Almost all our suppliers are Australian based. The small number of foreign suppliers that we directly engage include business and computer-related services providers who operate in the United Kingdom, Ireland, India, Israel, Poland and the United States.

RAC also works with approximately 47 contracted suppliers that RAC engage with directly to support insurance claim fulfilment services. This figure excludes third parties who may receive payments through claims processing but are not directly contracted by RAC.

According to the Global Slavery Index of 2023, Australia is generally considered to have a low overall risk of modern slavery, however certain industries—such as electronics (laptops, computers, mobile phones), fish, garments and textiles and solar panels—have been identified as higher risk.

RAC assess its modern slavery risks in our supply chains on a case-by-case basis, using a risk-based approach. All new suppliers with annual spend of over \$100k, who (i) provide solar panels, apparel, or electrical equipment; or (ii) those operating solely overseas, are required to complete a due diligence checklist. This forms part of RAC's broader commitment to vigilance and continuous improvement, in line with best practice standards.

During the past financial year, RAC Tourism Assets Pty Ltd, an entity within the RACWA Group, has continued its engagement with an international supplier for modular building components for its development at Ningaloo Reef Resort. As part of our commitment to ethical sourcing, RAC continues to conduct onsite assessments of its primary supplier and its sub-suppliers. These assessments confirmed that there were no indicators of modern slavery practices.

Category	Percentage
Construction work	15%
Other business services	10%
Hotel and restaurant services	5%
Insurance and pension funding services, except compulsory social security services	5%
Retail trade services, except of motor vehicles and motorcycles; repair services of personal and household goods	5%
Textiles	3%
Wholesale trade and commission trade services, except of motor vehicles and motorcycles	3%
Crude petroleum and services related to crude oil extraction, excluding surveying	2%
Sale, maintenance, repair of motor vehicles, motor vehicles parts, motorcycles, motor cycles parts and accessories	2%
Supporting and auxiliary transport services; travel agency services	1%
Computer and related services	1%
Other	1%

% of estimated people in forced labour

Source: Fair Supply Annual Risk FY25 Modern Slavery Risk Assessment

RAC's investment portfolios

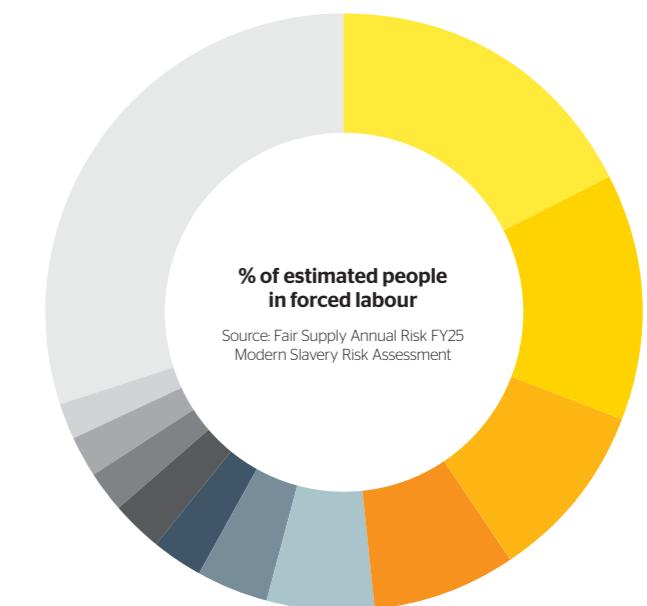
RAC acknowledges that modern slavery risks may arise in the RAC's two investment portfolios. Each of RACWA Holdings Pty Ltd and RAC Insurance Pty Ltd has an externally managed investment portfolio.

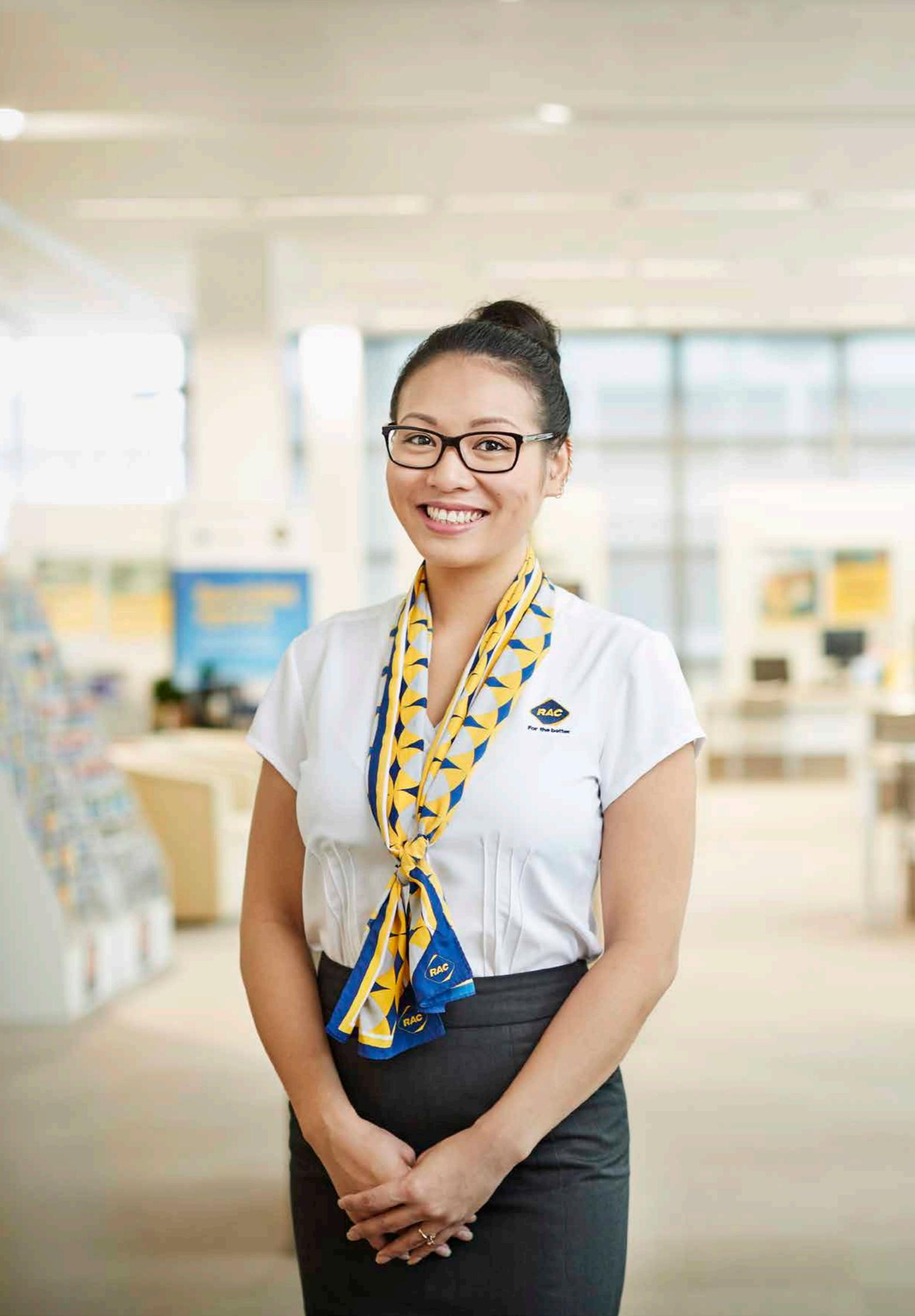
RACWA Holdings' portfolio is predominantly invested in wholesale unit trusts with the balance in cash. The trusts include investments in Australian and international equities, global property, alternatives and interest bearing securities, and utilise external investment managers.

RACWA Holdings' investment advisers have integrated approaches and processes in place to assess the modern slavery risks of all the investment managers that their clients are invested with. This is both in relation to the managers' own supply chains and day to day operations, and as to how each manager integrates modern slavery risk into its investment process.

RAC Insurance's portfolios are invested in interest bearing securities and cash. Its investment manager considers modern slavery risks as part of the investment process and as such the risks are considered for all issuers in the portfolio and on the investment manager's coverage list.

In addition to the above, RAC requires its investment advisers and managers to consider environment, social and governance (ESG) matters as part of their investment processes when selecting, retaining or realising investments. Further, the ESG policy and processes of the manager is one of the items that is closely assessed as part of the due diligence process when appointing an investment manager. The manager is then monitored in relation to their ESG practices and compliance on an ongoing basis.



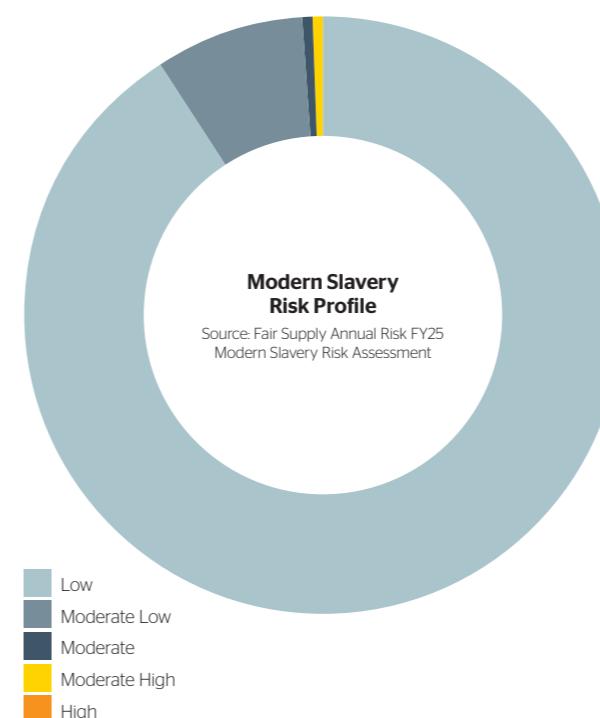


Assessment of risks of modern slavery in our operations and supply chain

RAC engages an external consultant, Fair Supply Analytics Pty Ltd ("Fair Supply"), to provide specialist services in supporting the identification, management and mitigation of modern slavery risks across all RAC's operations. Through this partnership, RAC assess supplier risk profiles across our operations, supporting our commitment to evidence-based risk management and continuous improvement in our modern slavery response.

Fair Supply's Modern Slavery Risk Assessment service includes a "Supplier Risk Profile" tool. Both RAC and Fair Supply independently apply a consistent five level risk rating, ensuring alignment in risk categorisation. This Supplier Risk Profile tool has provided the RAC Modern Slavery Working Group with greater clarity into potential modern slavery risks within RAC's supply chain, and helps prioritise areas for remediation based on the risk exposure.

RAC intends to continue to work with Fair Supply to strengthen its modern slavery response, and remains committed to ongoing vigilance, continuous improvement, and alignment with best practice standards.



Consistent with previous years, the RAC's modern slavery risks profile remains low as:

- the majority of its suppliers are located in Australia or otherwise in regions considered as relatively low geographical risk;
- whilst RAC's products and services span a number of industries, for the most part these are not high modern slavery risk industries; and
- due to the above factors, the risk of engaging a disadvantaged supplier workforce is low.

Our people

At RAC, our people are at the heart of everything we do. As a purpose-led organisation, we recognise that our workforce is not only critical to delivering services to members but also central to upholding our values and ethical standards.

RAC is committed to full compliance with all applicable Industrial Relations and Employment Laws. We ensure that all employees and contractors are engaged under appropriate awards, agreements, and conditions, and that their rights are respected and protected.

As part of our governance framework, RAC monitors employment practices across its operations to mitigate the risk of exploitation, promote fair and safe working conditions, and uphold ethical labour standards. This includes regular reviews of employment arrangements, contractor engagement processes, and workplace practices to ensure alignment with our modern slavery risk management approach.

We also recognise the importance of fostering a culture of awareness and accountability. RAC provides training and resources to support leaders and employees in identifying and responding to potential risks of modern slavery or unethical labour practices within our operations and supply chain.

Actions taken to assess and address modern slavery risks in our supply chain

RAC has implemented a range of measures to assess and address modern slavery risks across its operations and supply chain:

Risk Assessment and External Expertise

RAC regularly reviews the modern slavery risk assessment results provided by Fair Supply. RAC maintains active engagement with Fair Supply to ensure RAC undertakes comprehensive risk assessments at least annually, supporting a consistent and informed approach to identifying and managing modern slavery risks.

Governance and oversight

The Modern Slavery Working Group meets regularly to review risk assessment outcomes, monitor RAC's risk profile, and, if required, identify opportunities to strengthen our practices. The Working Group ensures that response plans to identified risks are developed in alignment with RAC's broader Risk Management Framework.

RAC applies a tiered due diligence approach based on supplier risk ratings:

- » **High or Moderate-High Risk:** Additional due diligence on suppliers is required and Fair Supply may be engaged for deeper assessments. To date no suppliers have met this threshold

- » **Moderate to Low Risk:** Suppliers are monitored annually or when there is a material change in goods or services provided.
- » **Sector-Specific Risks:** Enhanced due diligence is undertaken for suppliers operating in sectors identified as high risk in the Global Slavery Index (e.g. textiles, garments, solar panels, electronics)

Supplier Engagement and Onboarding

RAC provides a Modern Slavery Supplier Checklist to new suppliers where the annual spend is expected to exceed \$100,000, and the supplier (i) provides solar panels, apparel, or electrical equipment (including IT); or (ii) is based solely overseas.

Training and Awareness

RAC continues to deliver modern slavery training to relevant staff, with targeted sessions designed to build awareness and support informed decision-making across procurement and contract management functions.

Contractual Controls

RAC's suite of agreements is regularly reviewed to ensure appropriate compliance obligations and protections are in place.

Ningaloo Reef Resort

As part of RAC's commitment to mitigating modern slavery risks in high-risk procurement activities, enhanced due diligence has been undertaken in relation to the redevelopment of the Ningaloo Reef Resort, where the principal supplier is based overseas.

In addition to requiring key suppliers to complete RAC's Modern Slavery Supplier Checklist, the General Manager - Tourism Asset Development has conducted regular site visits to supplier facilities located in Thailand. These visits have included:

- » Review of all head contract arrangements and two tiers of subcontractors for major supply items;
- » Interviews with key supplier representatives, including verification of supporting documentation referenced in the Modern Slavery Checklist; and
- » On-site inspections of working conditions and staff welfare.

These proactive measures form part of RAC's broader due diligence framework and reflect our commitment to identifying and addressing modern slavery risks in complex supply chains.

Desk top due diligence of key suppliers

RAC has undertaken additional desktop due diligence to further assess modern slavery risks within its supply chain. This review focused on those suppliers identified by Fair Supply as representing the highest estimated share of people in forced labour within RAC's supply chain.

The purpose of this targeted assessment was to gain deeper insight into the modern slavery risks associated with a sample of key suppliers and to either validate or challenge the findings of the broader annual risk assessment.

These steps aim to ensure that all entities within RAC are aligned with our unified approach to combating modern slavery.

Assessing the effectiveness of our actions

We continue to track and monitor our performance and seek to identify further ways we can address and minimise Modern Slavery risk going forward.

The Modern Slavery Working Group reports into the Group Audit and Risk Committee of RAC, so as to introduce greater oversight by executives and leaders on modern slavery issues present in the business.

We assess the effectiveness of our actions taken by:

- » regularly checking our risk assessment processes to ensure they remain relevant and up to date;
- » having regular engagement and feedback between key areas of the organisation (including Commercial, Human Resources, Risk & Compliance and Legal), to highlight potential areas of improvement;
- » considering trends in cases reported through grievance mechanisms and how these cases were handled; and
- » monitoring global trends and best practice to ensure RAC's actions align with these standards.

We continue to ensure RAC's modern slavery initiatives are embedded, respected and upheld throughout the organisation.





rac.com.au