



Boldly backing business.

Modern Slavery Statement 2024

Judo Capital Holdings Limited
ABN 71 612 862 727



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Purpose

This Modern Slavery Statement (**Statement**) is a joint statement made by Judo Capital Holdings Limited (ABN 71 612 862 727) (ASX: JDO) and its wholly-owned subsidiary Judo Bank Pty Ltd (ABN 11 615 995 581) (**together, Judo, we, us, our**) pursuant to the *Modern Slavery Act 2018* (Cth) (**MSA**).

This Statement is in respect of the financial year beginning 1 July 2023 and ending 30 June 2024 (**Reporting Period**) and covers the operations and supply chains of all reporting entities in the Judo group.

The purpose of this Statement is to describe the steps Judo has taken to identify the risks of modern slavery practices in its collective operations and supply chains. The actions taken by Judo during the Reporting Period to identify, assess and address those risks, including due diligence and remediation processes, are set out in this Statement.



1. Introduction

Judo recognises that 'modern slavery' is an umbrella term encompassing abhorrent practices and serious exploitation involving coercion, threats or deception to exploit victims and undermine their freedom and includes:

- human trafficking
- slavery
- servitude
- forced labour
- debt bondage
- the worst forms of child labour

Judo acknowledges that modern slavery can occur in every industry and sector, including the financial services sector, and that it has severe consequences for victims.

Judo holds itself to the highest ethical, compliance and behavioural standards and is committed to helping to eradicate modern slavery in general, and to maintaining a supply chain that meets equivalent standards, as it believes that there is no place for modern slavery in its business, in its supply chain, or in our community.

This Statement may refer to matters or events occurring after 30 June 2024. Where the Statement contains forward-looking statements, these are not statements of fact, and actual events or outcomes may differ materially from the events or outcomes expressed or anticipated in this Statement, some of which may be beyond Judo's control.

2. Who we are

Judo Capital Holdings Limited (ABN 71 612 862 727) is an Australian public company registered in Victoria, headquartered in Melbourne. It is listed on the Australian Securities Exchange (**ASX**).

Built from the ground up by a team of deeply experienced and highly credentialed business banking professionals, Judo is Australia's only bank dedicated to small and medium enterprises (**SMEs**).

Our relationship-based model uniquely positions us against the major banks – particularly in the current uncertain and rapidly evolving environment, where our service proposition to SMEs has never been more important.

Since Judo obtained its banking licence in April 2019, it has experienced rapid growth. We have provided \$10.7 billion of funding into the SME sector (at 30 June 2024) and offer a straightforward range of retail and commercial deposit, debt and lending products to a broad array of retail, SME, self-managed superannuation fund (**SMSF**) and institutional customers.

At 30 June 2024, all of our permanent and casual employees were based in Australia. We are a wholly Australian-domiciled business, and do not have any offshore subsidiaries, branch offices or service centres.

More information about us is available at:

<https://www.judo.bank/about-judo>
and in our [2024 Annual Report](#).



3. Our purpose and values

Our purpose is to be the most trusted SME business bank in Australia and our culture is founded on four fundamental values – *Trust, Teamwork, Accountability and Performance* – which guide and direct Judo behaviours (how we think, talk and act) on a daily basis.

We are strongly committed to avoiding human rights harm and helping to eradicate modern slavery. Our purpose and our values underpin our approach to identifying, assessing and mitigating modern slavery risks in our operations and our supply chain.



Trust

The foundation of our purpose,
the core of our relationships.



Teamwork

We're not a team of champions.
We are a champion team.



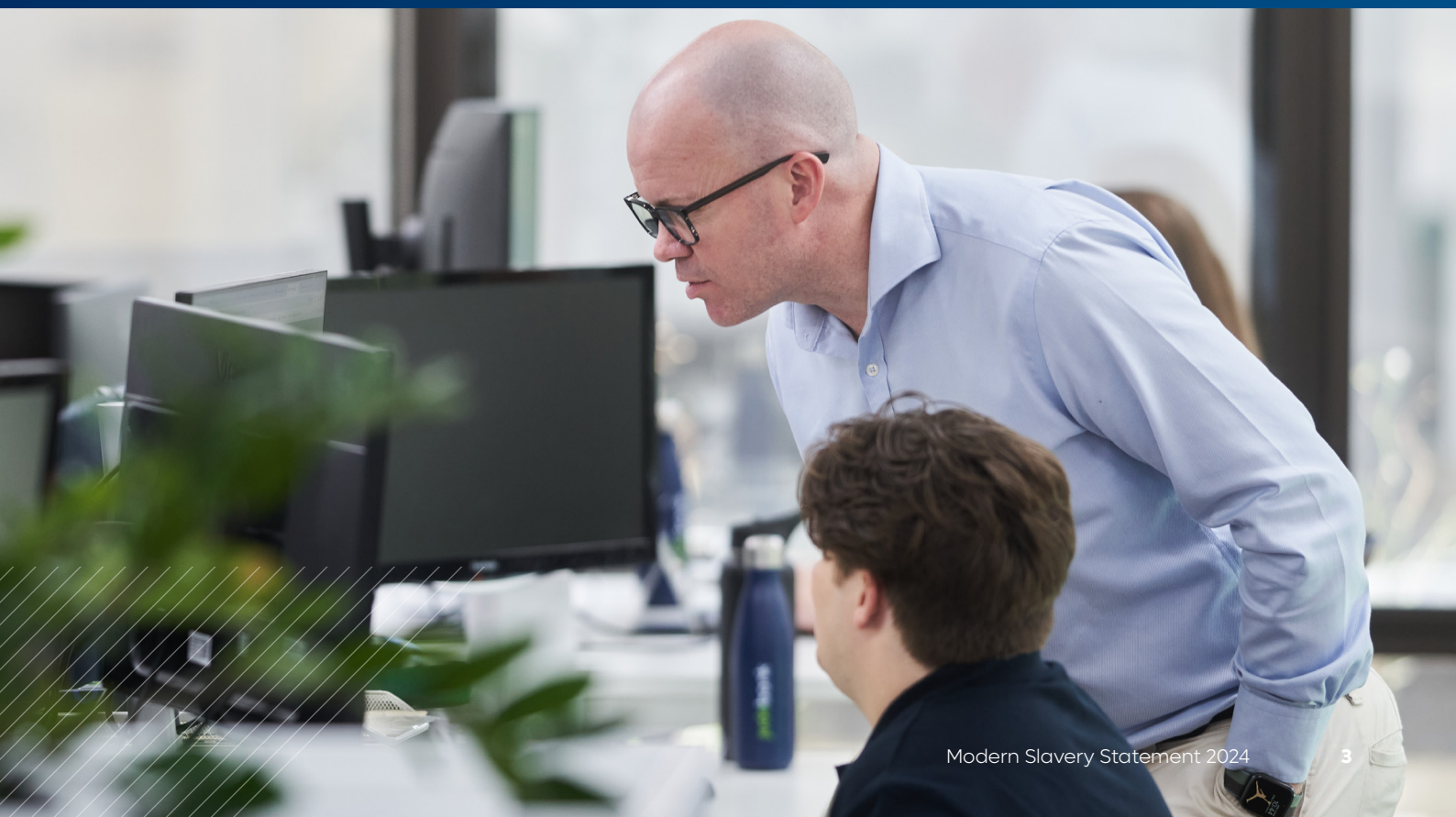
Accountability

Make the decision and own it.
Keep your promises.



Performance

Make today better, stronger
and faster than yesterday.



4. Our structure, operations and supply chains

Judo Capital Holdings Limited, the parent company of Judo Bank Pty Ltd, was founded in 2016 and listed on the ASX on 1 November 2021. At 30 June 2024, Judo had 543 full-time equivalent employees spread across the 19 national locations noted below.

Judo operates in a highly regulated industry and is overseen by regulators including the Australian Prudential Regulation Authority (APRA), the Reserve Bank of Australia, the Australian Securities and Investments Commission, the Australian Competition and Consumer Commission, the Australian Transaction Reports and Analysis Centre, the Office of the Australian Information Commissioner and the Australian Taxation Office.

At 30 June 2024, Judo maintained five warehouse facilities (revolving facilities under which Judo periodically assigns loan receivables to a special purpose vehicle warehouse funding trust) and one public markets term securitisation structure. Our funders include a range of Australian-regulated and international financiers.

Judo does not maintain physical bank branches and focuses on SME lending (bank guarantees, business loans, lines of credit, asset finance), associated home lending to new or existing SME customers or Judo employees, consumer and commercial term deposits, and negotiable certificates of deposit (NCDs) or other debt issuances. Judo does this via its specialist frontline bankers and analysts and other staff, and distributes through a network of approved or accredited Australian:

- lending and term deposit brokers;
- aggregator networks;
- comparison websites;
- financial services licence holders; and
- professional services referrers,

and a digital online term deposits channel maintained by Judo.

At 30 June 2024:

- Judo did not provide transactional banking, non-cash payment products or foreign exchange services and had no correspondent banking relationships.
- Judo's products and services are delivered by its circa 543 employees through a combination of face-to-face interactions at its 19 offices around the country, at a customer's premises and/or via Judo's IT and communications systems.

Our call centre function remains wholly based onshore in Melbourne, Australia.

Our customers are primarily Australian citizens, Australian permanent residents or Australian tax resident entities. Judo does not maintain any operations in foreign jurisdictions.

Building and maintaining strong, strategic, mutually productive and lasting relationships founded on respect, trust and ethical dealing, remain key to our procurement and supply chain strategy.

19 locations throughout Australia



At 30 June 2024, our supply chain comprised circa 210 first-tier (**Tier 1**) direct suppliers, with 170 of these headquartered or based in Australia (representing approximately 81% of all our Tier 1 suppliers) and the remaining 40 suppliers (representing circa 19% of all our Tier 1 suppliers) headquartered or based in:

- Ireland;
- the United States of America;
- the United Kingdom;
- Germany;
- Switzerland;
- Canada; and
- Singapore,

noting that Australia, Ireland, Canada, Germany, the United Kingdom and Switzerland have each ratified the International Labour Organization's legally binding Protocol of 2014 to the *Forced Labour Convention, 1930 (Convention)* requiring ratifying States to take measures regarding prevention, protection and remedy in giving effect to the Convention's obligation to suppress forced or compulsory labour.

Broadly, Judo's Tier 1 suppliers provide products, goods and/or services in the following sectors:

• **IT and technology**

Including services, infrastructure, applications, software, data analytics and equipment to support Judo's digital distribution channels and platforms, its banking products and services, identity verification of customers and business partners, flexible working arrangements, payment processing and Judo's customer support staff

• **Recruitment**

Including recruitment, training and temporary and permanent workforce management

• **Facilities management**

Including security, logistics and property management services (such as furnishings, cleaning and servicing)

• **Legal and settlement**

Including legal and settlement services supporting our deposit, debt and lending products and Treasury function

• **Funding**

Our financiers and distributors or referrers

• **Marketing and digital services**

Including customer and employee engagement, data analytics, publications, advertising, disclosure documents, merchandise and events

• **Administration**

Including travel, courier/delivery, office supplies, catering and consumables

Judo considers that its 'Tier 2' and below suppliers (ie indirect suppliers who supply our Tier 1 suppliers) would provide similar products and services to its Tier 1 suppliers including products, goods and/or services related to:

- IT and technology;
- Legal, funding and other professional services;
- Marketing and digital services; and
- Facilities management and administration services.



5. Risks of modern slavery practices in Judo's operations and supply chains

5.1 Our operations

Judo considers that the risks of modern slavery practices are low in its operations. At 30 June 2024, all circa 543 Australian-domiciled employees held skilled and/or professional roles and were remunerated and employed in accordance with Australian labour and modern slavery laws and our Remuneration Policy and Inclusion, Equity and Diversity Policy (IE&D Policy).

As noted in **Section 4**, Judo does not maintain any operations or branches, or utilise any support centres, outside Australia. As our investments would be considered part of our operations for the purposes of this Statement, Judo considers our investments to have low or negligible modern slavery risks as Judo predominantly invests in externally rated Australian Treasury, government, semi-government, authorised deposit-taking institution and asset-backed securities or instruments. Judo does not consider that it operates an 'investment business'.

5.2 Our customers and distributors

Judo considers that the risks of modern slavery within its financial products and services, including lending operations, are low because:

- its lending activities largely involve Australian SMEs or Judo employees with loans secured by Australian real estate or assets.
- Judo's lending activities must be consistent with its current 'Environmental, Social and Governance' (ESG) appetite and ESG Policy, which have a focus on avoiding human rights harm.
- Judo's NCDs are available only to 'wholesale clients' within the meaning of the *Corporations Act 2001* (Cth) (**Corporations Act**) and Judo's debt issuances are also predominantly only available to wholesale clients.
- as noted in **Section 4** above, our term deposits relate to retail, SME, SMSF or institutional investors domiciled or tax resident in Australia.

5.3 Our supply chain

Judo considers a lower degree of modern slavery risk may arise in relation to its Australian-based suppliers because of Australia's strong labour and modern slavery protections, and because many of our domestic suppliers provide professional services (including legal, financial, data analytics, data security and IT services) and employ qualified personnel, primarily under Australian labour laws.

Judo's Tier 1 supply chain does not include high risk industries including:

- agriculture;
- electronics manufacture;
- offshore-based fashion/textiles manufacture;
- construction; or
- extractive mining/resources.

Our third-party supply chain is relatively simple, and largely supports our provision of banking-related products and services.

Additionally, of our suppliers that are headquartered or based offshore (see **Section 4**), it is reasonable to consider these to be lower risk for modern slavery as the goods, products or services they supply are largely office-based or professional activities. Additionally, none of our offshore suppliers are based in any of the 10 countries identified as having the highest prevalence of modern slavery (as noted in the 2023 Global Slavery Index).

5.4 Our policies

Judo has an established framework of policies that set the expected standard of conduct for the Board, and all Judo employees, to act ethically, and with integrity, in our business relationships.

This framework includes Judo's:

- Supplier Management Policy;
- Code of Conduct;
- Whistleblower Policy;
- Anti-Bribery and Corruption Policy;
- Conflicts of Interest Policy;
- Securities Trading Policy;

- Remuneration Policy;
- IE&D Policy;
- Fraud Policy;
- Vulnerable Customers Policy; and
- ESG Policy.

5.5 Judo's progress in FY24

In this Reporting Period, Judo:

- undertook a detailed program of work, including reviewing and updating its Supplier Management Policy and procurement policies and processes to reduce the risks of slavery or other human rights abuses being present within our operations or our supply chain. Any supplier located, or known by Judo to have operations or subcontractors, in any high-risk or medium-risk countries as defined by the United Nations Environment Programme Finance Initiative, must be pre-vetted before Judo executes the relevant agreement. Depending on the nature of the service and the supplier, enhanced due diligence (including in relation to privacy, data security and modern slavery) is required prior to entering supply agreements.
- as far as reasonably practicable, updated its new and existing standard supplier contracts with anti-modern slavery provisions, to mitigate modern slavery risks arising in our arrangements with the relevant supplier on, or before, onboarding or prior to renewal (as applicable).
- implemented its annual review framework for annual monitoring of its most business-critical and material suppliers via annual modern slavery and ESG questionnaires. In FY25, Judo intends to continue our program of work in relation to the preparation and introduction of a supplier code of conduct.
- further refined its credit guidelines to reduce potential modern slavery risks in its loan book.

Updating contracts

During the Reporting Period, Judo continued incorporating its anti-modern slavery compliance clause into new, and certain renewed, contracts with suppliers and distributors. The clause requires that suppliers or distributors (as applicable) at a minimum:

- comply with all applicable modern slavery laws, statutes, regulations and codes; and
- take reasonable steps to identify, assess and address risks of modern slavery practices, and ensure that there is no modern slavery or human trafficking, in its or its subcontractors' or agents' supply chains or business operations.

The clause also requires that if at any time the supplier or distributor becomes aware of any modern slavery or human trafficking practices, the supplier or distributor must inform Judo as soon as reasonably possible.

Risk assessment

Judo continues to identify the potential for modern slavery risks in the following three categories of suppliers:

• IT and technology

Hardware that is likely to be manufactured in foreign jurisdictions, or Tier 1 supplier support staff in foreign jurisdictions, over which Judo has little or no oversight or control

• Facilities management

Labour, logistics, furnishings and services, such as cleaning and security services, provided by facilities management companies over which Judo has little or no oversight or control

• Marketing

Merchandise that has a fashion/textile component that is sourced or manufactured in foreign jurisdictions over which Judo has little or no oversight or control

Supplier Management Policy

During this Reporting Period, Judo further enhanced its procurement processes across its operations and supply chains, and updated its Supplier Management Policy, to seek to ensure better visibility across our supply chain and the identification of suppliers providing goods or services in higher-risk categories. The policy focuses on Judo conducting its procurement activities in a fair and equitable way, with competition between potential suppliers where possible, but also seeks to reduce the risk of human rights and other abuses in our supply chain.

As noted in **Section 5.5** above, Judo's Supplier Management Policy provides, among other things, that depending on the nature of the service and the supplier, including whether it is considered high risk for modern slavery or criticality to the business, we will pre-vet for matters including privacy, data security and modern slavery prior to entering into the relevant supply agreement.

5.6 Judo's actions for the next reporting period

In the next reporting period following this Reporting Period, Judo intends to:

- continue to identify potential modern slavery risks that may arise in regard to new or potential suppliers, or their downstream supply chains.
- continue adding its anti-modern slavery clause to any new contracts, where relevant or practicable, and to identify and mitigate any modern slavery risks arising in our arrangements with the relevant supplier during the onboarding process.
- further embed our annual review framework for annual monitoring of its most business-critical and material suppliers.
- continue to review existing material contracts (within the meaning of APRA prudential standards), at renewal, in order to seek to amend them to include our standard anti-modern slavery clause (if not already present).
- continue its program of work in relation to the preparation and introduction of a supplier code of conduct.

6. Assessing the effectiveness of our actions

Judo continues to embed the identification, review, reporting and mitigation of modern slavery risks in our Risk Management Framework. Our Code of Conduct, Fraud Policy and Whistleblower Policy (as applicable) enable our people, suppliers and customers, among others, to raise modern slavery concerns. These policies are regularly reviewed to determine their effectiveness in assessing and mitigating modern slavery risks.

Judo continues to be committed to:

- undertaking regular reviews of its procurement and supply chain management procedures to ensure that it is doing everything it can to identify, assess, mitigate and address modern slavery risks. This commitment will be reflected in successive Judo MSA statements.
- assessing, mitigating and addressing any modern slavery issues raised through complaints or whistleblower reports (noting no modern slavery issues have been reported to date).
- refining the format and content of our modern slavery questionnaire to seek to ensure more responsiveness from potentially higher to medium risk suppliers/distributors or proposed suppliers/distributors and better integrating the questionnaire into our due diligence processes.



7. Consultative process

At 30 June 2024, all entities in the Judo group shared the same board and key members of senior management and the preparation and approval process for this Statement was joint and consultative.

This Statement was approved by the Boards of Judo Capital Holdings Limited and Judo Bank Pty Ltd on 25 November 2024.

Signed by:



Peter Hodgson, Chair, for and on behalf of Judo Capital Holdings Limited and Judo Bank Pty Ltd





Judo Bank

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