

Modern Slavery Statement

November 2023



Introduction

This Modern Slavery Statement (Statement) covers the activities of Youi Pty Ltd (Youi) over the financial year ended 30 June 2023 and has been prepared to comply with the requirements of the Modern Slavery Act 2018.

The purpose of this statement is to outline our approach to ensuring Youi has the appropriate frameworks and processes in place to minimise the risk of Modern Slavery in our business operations and supply chain.

About us

Youi is an Australian registered company and is a wholly owned subsidiary of Youi Holdings Pty Ltd, a subsidiary of OUTsurace International Holdings Pty Ltd, part of the OUTsurace Group.

Youi employs approximately 1,900 employees and is a registered general insurance company which underwrites its own policies. Our products currently include Vehicle (Car, Motorcycle), Home (Buildings and Contents), Personal & Domestic property (Caravan, Trailer & Watercraft), Small Business Insurance and Compulsory Third Party in New South Wales and South Australia.

We are regulated by the Australian Prudential Regulation Authority (APRA) and Australian Securities and Investments Commission (ASIC), a member of the Insurance Council of Australia (ICA), a member of the Australian Financial Complaints Authority (AFCA) and a signatory to the General Insurance Code of Practice.

Our position on Modern Slavery

Youi is opposed to any form of Modern Slavery and is committed to promoting these values through its supply chain and its contractual arrangements. Youi seeks to ensure our suppliers are aligned with these values. We respect the human rights of our employees, customers and those of our suppliers and business partners.

Our workplace

We believe that our people are what makes us unique. Youi is committed to treating people with dignity and respect. We are committed to being both a diverse workforce and an inclusive and safe workplace for all employees. We are committed to ensuring our employment conditions meet at least minimum wage, appropriate hours of work and leave provisions, as well as the ability to sustain the health, safety and wellbeing of our employees, contractors, and visitors. We comply with relevant local and national laws, community expectations and ethical standards related to human rights and Modern Slavery in respect to our employees, our customers, and our business operations.

We are committed to fostering a culture that encourages employees to speak up on matters that concern them which is enabled by an independent external service provider who facilitates our Speak Up program.

Our supply chain

Youi has a diverse supply chain of more than 1,100 suppliers of which 98% are based in Australia. High risk areas in our supply chain include:

- **IT hardware and software** – used for operations including laptops and mobile phones.
- **Facilities management services** – cleaning, utilities and security services.
- **Office supplies** – stationery and printing services.
- **Uniforms and promotional products** – apparel for our people and branded merchandise.
- **Marketing production and media distributors** – above the line advertising and promotion.
- **Claims service providers** – material and labour used in motor, home and contents repairs and claims.

A large proportion of Youi annual supplier expenditure is with claims related providers (e.g., home repairers, car repairers and retailers). Although these suppliers are all based in Australia, they obtain most of their raw materials and goods from overseas. These third-party providers are fundamental to supplying services to Youi and its customers, and are regularly audited for performance against their contractual obligations, including price measurement and comparison against the market and peer service providers in the supply of materials and services.

Potential risks in our operations

We have identified the following categories that would highly influence and impact our Modern Slavery risk and aim to mitigate and reduce these risks with the below actions:

Insurance and claims related providers

Youi engages with a large home and motor repair network, that provide materials, labour and services to repair customers' vehicles, homes and other insured items. These repairers engage with, and source from, jurisdictions and manufacturers that are typically considered at high risk of Modern Slavery activity.

Youi mitigates risk across the claims repair network in the following ways:

- The contracting and onboarding process with suppliers sets out clear expectations in relation to Modern Slavery.
- The Claims Service Provider Code of Conduct specifies that our service providers must understand the risks of Modern Slavery that may arise in their operations or supply chain, taking reasonable steps to mitigate these.
- Modern Slavery risk assessment questionnaires are requested from suppliers that are considered from high-risk industries.

Outsourcing to third-party suppliers

Youi acknowledges that outsourcing functions and services may add Modern Slavery risk to its business model, as the reliance on the outsourced entity adds complexity to the operational process and can reduce visibility of the physical workplace and operations.

Youi mitigates these risks in the following ways:

- Contractual obligations between parties must ensure that no bonded, forced, or involuntary labour, child labour, human trafficking or other forms of slavery is employed in the delivery of their products or services to Youi and our customers.
- In addition to requested Modern Slavery assessment questionnaires, annual risk assessments are completed on the outsourced service providers and operations to ensure services are maintained within Youi's risk appetite and supplier obligations are met.

Labour hire – contractors, subcontractors, consultants and professional services

Youi acknowledges that the use of short-term, adhoc or contingent workers may be considered a high-risk labour model and give rise to heightened Modern Slavery risk as a result of utilising these services.

Youi mitigates these risks in the following ways:

- All contractors, subcontractors, consultants and professional services are required to be on contract, either directly with Youi or through their contracted company.
- Where contracted direct with Youi, their contract terms allow for fair work, remuneration and entitlements as if they were an employee, set out based on the term of their agreement.
- Where contracted through a third-party provider, the third-party must comply with Youi's Supplier Code of Conduct (including Modern Slavery obligations).

How we assess and address further risks including assessing the effectiveness of these actions

All of Youi's supplier agreements require that our suppliers adhere to all applicable laws, including those related to slavery and human trafficking. Our suppliers are expected to ensure that all employees and contractors are legally entitled to work, and that they are engaged in accordance with relevant legislation, awards, and conditions. They are to ensure that no bonded, forced, or involuntary labour, child labour, human trafficking or other forms of slavery is employed in the delivery of their products or services to Youi and our customers.

During the reporting period, Youi continued to develop the third-party assessment and due diligence tools within its Modern Slavery Risk assessment portal, Ethixbase360. As supplier responses continue to mature, Youi will review the effectiveness of these assessments on our key suppliers and more effectively measure the Modern Slavery risk across our supply chain.

Governance

Youi has a Third-Party Management Framework in place which reflects our strong commitment to improving the selection and management of our supply chain. This includes risk-based approach criteria for suppliers ensuring that we have considered the sensitivity and criticality of each engagement and due diligence processes for the appointment of new suppliers.

Specifically, Youi's Third-Party Management Framework outlines Youi's process for Modern Slavery Risk identification and escalation, in the event that a supplier is considered high risk and for appropriate action to be taken.

This process is governed by Youi's Executive led, Third-Party Governance Forum.

Youi's Modern Slavery Statement is reviewed by a number of committees, ensuring awareness and accountability at all levels.

Corporate policies

Youi's Board and its Executive team promote the values of the business and strong corporate governance so that our decisions and actions are based on transparency, integrity, responsibility, and performance, which promotes the long-term sustainability and ongoing success of our business.

Youi has policies in key areas which include:

- Anti-discrimination and Harassment.
- Code of Conduct.
- Conflict of Interest.
- Domestic and Family Violence.
- Material Outsourcing.
- Privacy.
- Service Provider Code of Conduct.
- Whistle-blower.
- Work, Health and Safety.

All are published and available to all employees via our Intranet. Training on these policies is a requirement when joining Youi and repeated on a periodic basis by all employees to maintain their risk and compliance obligations.

In addition, Youi maintains Procurement and Remuneration policies to be adhered to within its operations.

Maturing our approach and future actions

The following progress has been made on the commitments in our Financial Year 2022 Modern Slavery Statement.

Commitment

Update

- Maintenance and ongoing review of the Modern Slavery assessments, working with suppliers that identify as moderate (or higher) Modern Slavery risk to understand the nature of that risk and developing action plans to reduce this risk if required;

- Suppliers continue to be assessed as part of Youi's Third-Party Management Framework.
- Process to assess and escalate identified Modern Slavery risks has been refined and included in Youi's Third-Party Management Framework.

- Continued discussion and engagement via a cross-functional working group, including Procurement, Partnering, Operations and Risk areas, to maintain awareness across our supply chain and ensure supplier engagement and understanding of Modern Slavery Risk and exposure;

- Active discussions internally focused on supplier due diligence and across all third parties in the supply chain to assist in identifying risks early.

- Continuing to identify any due diligence gaps or areas of risk and developing action items and programs to improve controls if required;

- This commitment continues to develop as more assessment data (in response to the Modern Slavery questionnaire) across suppliers and industries is captured.

- Strengthening our employees' ability to identify and mitigate Modern Slavery related issues by continuing to provide ongoing awareness, education and targeted training;

- Youi's Modern Slavery training module is mandatory for all employees when commencing with Youi and refreshed on an annual basis.

- Continuing to take part in industry forums and collaborating with industry stakeholders to support initiatives that aim to educate and address Modern Slavery related issues.

- Youi attends quarterly collaboration sessions with industry leaders and their discussion panels (via Ethixbase).

Our future commitments

Youi's approach to Modern Slavery is maturing as we continue to develop our practices and understand the risks associated with our suppliers.

In the following year, we commit to improve our approach to Modern Slavery and human rights issues by:

- Undertaking biennial reviews of Modern Slavery assessments with existing third-party suppliers to measure any changes to potential risks;
- Closely working with our suppliers to progress any remaining Modern Slavery questionnaires, with a particular focus on those identified as high risk;
- Continuing to identify any due diligence gaps or areas of risk and developing action plans and opportunities for improvement;
- Joining the ICA, Industry level, Modern Slavery working group to complement Youi's existing Modern Slavery stakeholder discussions and for our internal teams focused on Modern Slavery risk.

Consultation and approval

Youi consults the relevant companies we own or control in the development of this statement.

This Modern Slavery Statement was approved by the Board of Youi Pty Ltd on 16 November 2023. This Modern Slavery Statement is signed by Nathaniel Simpson in his role as Chief Executive Officer of Youi Pty Ltd on 16 November 2023.



Nathaniel Simpson

Chief Executive Officer
Youi Pty Ltd