

MODERN SLAVERY STATEMENT 2022



YellowBrickRoad
Home Loans

1. MODERN SLAVERY STATEMENT

- 1.1 This Modern Slavery Statement (this Statement) is made by Yellow Brick Road Holdings Ltd (YBR) under section 14(1) of the Modern Slavery Act 2018 (Cth) (the Modern Slavery Act).
- 1.2 YBR is a reporting entity under the Modern Slavery Act. This Statement sets out the measures we are taking to ensure that modern slavery practices are not taking place within our organisation or our supply chain.

2. STRUCTURE OF YBR GROUP

- 2.1 YBR is a company incorporated in Australia and is listed on the Australian Securities Exchange (ASX). All the YBR related entities are wholly owned entities except Resi Wholesale Funding Pty Ltd (RWF) which is a 50% joint venture with Magnetar Financial LLC.
- 2.2 The following companies form part of the corporate structure of YBR:

| Company Name | Country of Incorporation | Ownership Interest |
|--|--------------------------|--------------------|
| Yellow Brick Road Holdings Ltd | Australia | 100% |
| Exchange IQ Advisory Group Pty Ltd | Australia | 100% |
| ACN 128 650 037 Pty Ltd | Australia | 100% |
| Yellow Brick Road Finance Pty Ltd | Australia | 100% |
| Vow Financial Group Pty Ltd | Australia | 100% |
| Vow Financial Pty Ltd | Australia | 100% |
| RESI Mortgage Corporation Pty Ltd | Australia | 100% |
| YBR Administration Services Pty Ltd | Australia | 100% |
| Loan Avenue Holdings Pty Ltd | Australia | 100% |
| YBR Services Pty Ltd | Australia | 100% |
| Yellow Brick Road Group Pty Ltd | Australia | 100% |
| ACN 125 664 593 Pty Ltd | Australia | 100% |
| ACN 124 480 084 Pty Ltd | Australia | 100% |
| Boreanaz Pty Ltd | Australia | 100% |
| Carithas Pty Ltd | Australia | 100% |
| Skasgard Pty Ltd | Australia | 100% |
| ACN 124 553 206 Pty Ltd | Australia | 100% |
| ACN 126 061 569 Pty Ltd | Australia | 100% |
| Finance Analysis Services of Australia Pty Ltd | Australia | 100% |
| Vow Financial Holding Pty Ltd | Australia | 100% |
| Vow Financial Planning Pty Ltd | Australia | 100% |
| National Brokers Group Pty Ltd | Australia | 100% |
| The Money Factory Pty Ltd | Australia | 100% |
| The Mortgage Professionals Pty Ltd | Australia | 100% |
| Select Mortgage Finance Pty Ltd | Australia | 100% |
| Australian Property Finance Pty Ltd | Australia | 100% |
| Vow Wealth Management Pty Ltd | Australia | 100% |
| Ironbark Mortgage Solutions Pty Ltd | Australia | 100% |
| National Brokers Group Holdings Pty Ltd | Australia | 100% |
| National Brokers Group Leasing Pty Ltd | Australia | 100% |
| Loan Avenue Pty Ltd | Australia | 100% |
| Resi Wholesale Funding Pty Ltd | Australia | 50% |

Each of these companies is incorporated in Australia. In this Statement, YBR Holdings, together with its wholly owned subsidiaries and joint venture are referred to as 'YBR'. A reference in this Statement to 'we' or 'our' is a reference to the YBR Group.

3. YBR BUSINESS OPERATION

- 3.1 YBR's operations span across Australia and its employees are based throughout Australia. YBR's head office is in Sydney, New South Wales (NSW). YBR has 90 employees, with 79 employees in NSW and the rest based in other Australian states. It also has another office in Newcastle, NSW. YBR does not have any operations, staff or offices located in jurisdictions outside of Australia. YBR staff work across the YBR Group from its offices and remotely from home. The staff located in other states outside NSW work remotely from home.
- 3.2 YBR is a mortgage aggregator acting in an intermediary capacity between lenders and brokers. YBR facilitates mortgage/finance brokers accessing loans and financial products (residential mortgages, commercial loans, asset finance products and personal loans) from a range of lenders for their customer. YBR also provides business and learning support; compliance support and platforms to its brokers to assist with the running of their businesses. YBR also makes available to its brokers a range of insurance products for distribution to customers through a referrer arrangement with insurers. Insurance offerings include life insurance and general insurance.
- 3.3 RWF is a securitisation funding business with its primary role being the funding of home loans to Resi Home Loans through the process of securitisation.

4. SUPPLY CHAIN

- 4.1 The categories of goods and services procured are:
- technology services;
 - insurance;
 - residential property valuation;
 - banking and finance;
 - office space;
 - other professional services (including research and analysis, accounting, legal and consulting);
 - human resources;
 - credit bureaus;
 - travel;
 - cleaning;
 - office consumables;
 - hospitality; and
 - catering services.

4.2 YBR has contracts with outsource service providers who provide us with technology services and these contractors are based within and outside of Australian jurisdiction. Before entering into any contract, we conduct due diligence on contractors and the contracts includes a provision regarding the local labour legislation and regulations; and compliance with relevant modern slavery laws. Due to the locations of some of these operations, there could be a higher risk of modern slavery practices occurring on the basis of their geography.

5. POLICIES AND PROCEDURES TO ADDRESS MODERN SLAVERY RISKS

5.1 YBR has an established set of policies and procedures that governs the way it operates. Some of the policies outlined below are relevant to how YBR manages potential modern slavery related issues regarding its business operations and supply chain:

- (a) Risk Management Policy;
- (b) Code of Conduct;
- (c) Whistleblower Policy;
- (d) Conflict of Interest Policy;
- (e) Outsourcing Policy; and
- (f) Compliance Manual.

Our policies and procedures collectively assist in identifying areas of concern so that mitigating action can be taken to lessen modern slavery risks in our supply chain.

5.2 YBR also has adequate monitoring systems in place to monitor potential risks of modern slavery. As a part of our control system to mitigate against modern slavery and associated risks in our supply chain we negotiate with our suppliers to include contractual provisions which require compliance with the Modern Slavery Act. YBR will take reasonable steps to ensure that its suppliers are aware that they are expected to adhere to the standards expected by YBR in accordance with YBR Supplier Code of Conduct.

6. RISK IDENTIFICATION, MANAGEMENT AND MITIGATION IN OPERATIONS AND SUPPLY CHAINS

- 6.1 YBR has undertaken a risk assessment of our operations and supply chain. Based on our assessment we consider the risk of modern slavery in our organisation and supply chain to be very low.
- 6.2 YBR mainly deals with individuals, trusts, corporations, and partnerships whose offices and employees are located in Australia which is a low-risk location. We also ensure that goods and services we procure are predominantly from countries that have been identified as low-risk locations. If we procure any goods and services from overseas jurisdictions, we take into consideration the values and reputation of the supplier rather than focusing on price alone as part of our due diligence exercise.

7. EFFECTIVENESS OF OUR ARRANGEMENTS

- 7.1 As part of our compliance framework, we assess the effectiveness of our system by conducting regular assessments of our suppliers' contractual arrangements with us. The YBR Legal and Compliance team also conducts reviews of the due diligence conducted by YBR staff to ensure that the necessary standards are being observed.

8. FUTURE COMMITMENTS

- 8.1 YBR Group will focus on reviewing and updating its policies with the aim of embedding the spirit of the Modern Slavery Act for new and existing supply arrangements. We will also be enhancing the training to relevant employees involved in the procurement of products and services in our supply chain.
- 8.2 This Modern Slavery Statement is made by YBR for the financial year ending 30 June 2022. This Statement was approved by the Board of Directors of YBR.



Mark Bouris
Executive Chairman
Yellow Brick Road Holdings Ltd

APPENDIX 1

The table below outlines the mandatory Modern Slavery criteria (as set out in the Modern Slavery Act) and reference to the page within the YBR Modern Slavery Statement which addresses the requirements:

| MODERN SLAVERY ACT REQUIREMENT | YBR MODERN SLAVERY STATEMENT |
|---|---|
| Identify the reporting entity | 2. Structure of YBR Group |
| Describe the structure, operations and supply chains of the reporting entity | 3. YBR Business Operation 4. Supply Chain |
| Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls | 5. Policies and Procedures to Address Modern Slavery Risks |
| Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to address those risks, including due diligence and remediation processes | 6. Risk identification, Management and Mitigation in Operations and Supply Chains |
| Describe how the reporting entity assess the effectiveness of such actions | 7. Effectiveness of our Arrangements |
| Describe the process of consultation with any entities that the reporting entity owns or controls | 2. Structure of YBR Group |
| Provide any other information that the reporting entity or the entity giving the statement considers relevant | 8. Future Commitments |