



Joint Modern Slavery Statement

Ray White and Loan Market Group (2020/2021)

This is the second modern slavery statement (Statement) for the group of entities controlled by Group Administration Australia Pty Limited (GAA) ABN 30 010 374 731. The Statement describes the actions GAA has taken for the 2020/2021 financial year to prevent and address modern slavery issues in its operations and supply chains in accordance with the Modern Slavery Act 2018 (Cth) (Act).

Slavery is a crime and violates fundamental human rights. GAA is committed to ethical business practices and legal compliance and expects its staff, franchisees, members and suppliers to embrace that commitment. A snapshot of our work in this reporting period to combat modern slavery issues shows that we have:

- updated and expanded our supply chain mapping exercise and that we did not identify any material direct exposure to modern slavery issues;
- reviewed our human rights policy for staff, franchisees, members and suppliers to reinforce that GAA does not tolerate any form of modern slavery;
- included template modern slavery clauses in various contracts with suppliers, members and franchisees; and
- further refined and developed our modern slavery action plan to provide enhanced due diligence when on-boarding future suppliers.

1 . Structure

The entities in the GAA group operate in a diverse range of industries and sectors, including:

- real estate agents (largely operating as independently owned franchisees) in the residential, commercial and rural property markets as well as hospitality, boats and property management – Ray White;
- property funds investment and advisory – White & Partners;
- mortgage broking and aggregation – Loan Market Group;
- financial advisory services – Wealth Market Group;
- home utility connection services – Home Now;
- services to assist with moving house, including arranging insurance, removalists and home improvement services – Concierge; and
- software development and licensing services – NurtureCloud.

GAA has determined that the following group entities satisfy the requirements for reporting contained in the Act (and this Statement is a joint statement under the Act on behalf these reporting entities):

- The Ray White (Real Estate) Partnership (**Ray White**) ABN 21 464 496 649; and
- Loan Market Group Pty Ltd (**Loan Market Group**) ABN 83 105 221 967.

Ray White

Ray White is a household name in Australasia, a name synonymous with the property and real estate industry. Established in 1902 in the small Queensland country town of Crows Nest, Ray White has evolved into Australasia's most successful residential real estate business, with over 1,000 individual franchised offices across Australia, New Zealand, Indonesia and various other countries. Ray White today is still a family-owned business, now spanning residential, commercial and rural property as well as hospitality, boats and property management.

Loan Market Group

Loan Market was founded in 1994 by GAA and is the largest and fastest-growing mortgage aggregator in Australasia. Proudly family-owned and led, the Loan Market Group supported a network of over 5,500 brokers across Australia and New Zealand across four brands – Loan Market, Plan, Choice and FAST, all of which are committed to helping people achieve their financial and lifestyle goals.

2. Operations

The entities in the GAA group operate from business premises in most mainland States of Australia and across New Zealand. GAA entities employed more than 650 people during the current reporting period and the workforce is comprised primarily of office-based professionals and other skilled labour.

GAA operates in various industries and sectors. Its most significant business operations involve entities in Ray White and Loan Market Group.

Ray White is a franchisor and its network of businesses are granted franchises entitling them to operate in the real estate industry under the Ray White brand. Ray White provides professional, administrative, management, training, bookkeeping and technology services to its franchisees.

Loan Market Group grants its network of brokers rights entitling them to operate in the mortgage broking industry either under the Loan Market brand (on a franchise basis) or their own existing brand. Loan Market Group provides professional, administrative, management, compliance, training and technology services to its brokers.

Having regard to industries in which the entities in the group operate and the nature of its workforce, GAA considers the risk of modern slavery issues in its operations to be very low.

Although the franchisees and brokers in the Ray White and Loan Market Group networks are independently owned and operated businesses, and so fall outside the scope of this Statement, because of the close connection between these entities, GAA proposes expanding its modern slavery action plan in future reporting periods to monitor more closely the operations of its franchisees and brokers.

3. Supply Chain

For the 2020/2021 financial year, GAA mapped its supply chain and identified the largest suppliers by dollar value to Ray White and Loan Market Group. GAA also identified within this group of suppliers those that might be expected to pose the greatest modern slavery risk having regard to the industries in which those suppliers operate, their primary place of operation and the goods and services supplied.

The scope of GAA's modern slavery review focused on suppliers that accounted for approximately 66.6% and 78% of the total supplier spend by Ray White and Loan Market Group respectively. Reflecting GAA's commitment to its modern slavery action plan, this group expanded upon the suppliers reviewed in the previous year. These suppliers operate in the following industries, none of which are flagged as high risk from a modern slavery perspective:

- banking and financial services (including credit cards);
- legal, accounting and other professional services;
- real estate and leasing;
- internet, software and technology services;
- conferences and events; and
- media, advertising and recruitment services.

All but 3 of these suppliers were identified as being based predominantly in Australia, New Zealand or the United States. Two of the 3 offshore businesses have previously been reviewed by Loan Market Group prior to being engaged as suppliers. As no slavery-related issues have been raised, GAA remains of the view that it is not necessary to conduct a more detailed modern slavery review of these suppliers. However, it plans to do so in the next stage of its modern slavery action plan (subject to any continuing COVID-19 travel restrictions).

The goods and services provided by these suppliers do not fall within the list of products that the 2018 Global Slavery Index (**2018 GSI**) published by the Walk Free Foundation has identified as being most at risk of modern slavery, Nor are the suppliers located in any of the 10 countries listed as having the highest prevalence of modern slavery.

4. Modern Slavery Risks

GAA recognises that modern slavery is a significant problem and that it can be difficult to identify in global supply chains. However, it has not identified any modern slavery risks that require immediate attention or action, and nor has it identified any high-risk suppliers in its supply chain.

The GAA group operates in lower risk industries and, predominantly, in countries that are not categorised as high risk from a modern slavery perspective. GAA's risk assessment has been based upon the geographic, industry and sector profiles published in the 2018 GSI and having regard to information and resources published by other organisations.

GAA has also had regard to its existing Fair Work and Whistleblowing policies. These policies provide staff and franchisees in the Ray White and Loan Market Group networks with the opportunity to inform us if they have any concerns about contraventions of the Fair Work Act and other legislation guiding the operation of its businesses.

GAA is not aware of any modern slavery issues and did not identify any issues during its investigation of suppliers. GAA recognises that, whilst the processes and policies it has adopted and the steps it has taken to date are a good first step in addressing the risks of modern slavery in its operations and supply chain, more will need to be done in the future.

GAA has also not identified any issues that would suggest modern slavery risks exist within its network of franchised businesses or within any entity in the GAA group. Nor has GAA received any reports from staff or the the network about modern slavery issues.

5. Action Plan

Template Clauses

GAA reviewed its template clauses to address modern slavery issues and incorporated them into contracts and policies that apply to various suppliers and franchisees. These clauses include representations from the supplier or franchisee that they will not engage in any modern slavery practices, if they discover such practices they will notify GAA, and they will investigate and remediate such conduct, and GAA can require them to produce evidence of compliance with these representations.

Human Rights Policy

GAA reviewed its human rights policy and code of conduct (Policy) and requires staff and franchisees to comply with it. The Policy makes clear that GAA does not tolerate any form of modern slavery and expects its supply chain to have in place systems, processes and controls to prevent any form of modern slavery from happening in our business and their own. GAA intends to continue focusing on incorporating an obligation on suppliers with which it contracts to comply with the Policy.

Supply Chain Mapped

For the 2020/2021 financial year, GAA reviewed its supply chain and expanded the suppliers reviewed (by reducing the dollar value threshold for supplies made to Ray White and Loan Market Group). GAA also identified within this group of suppliers those that might be expected to pose the greatest modern slavery risk having regard to the industries in which those suppliers operate, their place of operation and the goods and services supplied.

GAA plans to expand its audit process during the 2021/2022 year, including to focus more closely on suppliers in the higher risk categories. GAA expects that it will conduct on-site inspections for some of these suppliers, while others will be asked to complete a supplier questionnaire to help GAA identify if any modern slavery risks exists and how best they can be addressed. If GAA determines that a supplier presents a significant modern slavery risk, it plans to conduct further screening and analysis before determining if it can join the GAA supply chain.

Training Module

GAA plans to develop a modern slavery training module to roll out to corporate staff during 2022. This module will explain the modern slavery practices that exist and raise awareness of this issue. It will also help staff to identify when such risks might arise during the procurement process, both when on-boarding new suppliers and renegotiating arrangements with existingsuppliers.

6. Effectiveness

GAA is pleased to confirm that it received no reports of modern slavery practices from staff, suppliers or franchisees during 2020/21. Nor has GAA identified any modern slavery practices during this period. This suggests that the introduction of our Human Rights Policy and modern slavery template clauses has been effective to date.

However, GAA recognises that the process of assessing and addressing modern slavery risks is a complex and ongoing task. It will continue to review, develop and refine its policies and processes during 2022 and beyond. This includes proposing to conduct a more detailed risk review process for some of our suppliers, including on-site inspections (subject to COVID-19 travel restrictions) and questionnaires for those suppliers either based in higher-risk countries or that supply products identified as being most at risk of having slavery issues.

GAA intends focusing on the suppliers that present the greatest modern slavery risks to identify how it can improve the effectiveness of its modern slavery policies and processes. If GAA identifies any non-compliance by a supplier with its modern slavery obligations, GAA will require that supplier to determine the cause of the problem, establish an action plan to correct the problem and report on the outcome of those actions.

The effectiveness of GAA's modern slavery risk mitigation measures continued to be impacted by the COVID-19 pandemic. This included preventing GAA from conducting inspections on its foreign-based suppliers. This remains an action item to be followed up as soon as reasonably possible.

7. Consultation

GAA is fully beneficially owned and controlled by members of the White family. Senior members of the White family are responsible for the key operation of the major entities in GAA group and are also directors of Ray White and Loan Market Group. They were consulted and informed of Australia's modern slavery reporting obligations.

This modern slavery statement was approved and endorsed by the boards of directors of GAA, Ray White and Loan Market Group on 22 December 2021, and is signed by Andrew Jamson in his capacity as a director of the respective boards.

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Andrew Peter Jamson

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