

Modern Slavery Statement

December 2021





This statement is given by ECL Solutions Pty Ltd ACN 122 823 241 in its own capacity and in its capacity as the holding company of the RedZed group of companies¹ (collectively "RedZed").

This statement relates to the financial year 1 July 2020 to 30 June 2021.

RedZed prides itself on our key values and rejects any form of slavery, human trafficking, forced or child labour or child exploitation. Accordingly, RedZed aims to identify and mitigate the risk of modern slavery within its business operations and its supply chain.

RedZed Lending Solutions Pty Ltd ABN 31 123 588 527 is the main operating entity in the RedZed group of companies and is incorporated in Australia – it undertakes financial and credit services (Australian Credit Licence #311128 and Australian Financial Services Licence #311128) and is a wholly owned subsidiary of ECL Solutions Pty Ltd ACN 122 823 241.

RedZed's head office is located at level 26, 385 Bourke Street Melbourne and its registered office is Level 9, 99 Queen Street, Melbourne. RedZed employ 117 employees as at 14 December 2021, the majority of which work at the head office location with a small number of employees located in States other than Victoria.

RedZed's principal business is to facilitate secured lending to self-employed Australian borrowers and the servicing of those loans. RedZed lends monies to borrowers secured by property in all of Australia. RedZed obtains funding from institutional funders such as banks, and wholesale investors in order to undertake that lending activity. RedZed has an agreement with a third-party Australian corporate entity as the lender of record. RedZed originates lending directly and via accredited brokers.

RedZed has included the risk of Modern Slavery in its operational risk register and has an established set of risk management practices that govern the way we assess, mitigate and review this risk, including the following:

- Risk Management Framework
- Operational Risk Policy
- Anti-Money Laundering / Counter Terrorism Finance policies
- Human Resource Policies (including but not limited to recruitment and employee screening, remuneration, code of conduct, work-place health and safety)
- Outsourcing Policy
- Whistleblower Policy

RedZed's assessment is that the risk of modern slavery within our business operations is low, as:

- we operate in a highly regulated, lower risk industry;
- we operate with robust internal policies and governance structures; and
- we have minimal exposure to higher risk geographic areas either directly or indirectly through our supply chain.

Internally, we aim to employ an appropriately skilled and recruited workforce. We have robust recruitment processes which include undertaking police checks on candidates prior to

¹ RedZed Lending Solutions Pty Ltd ABN 31 123 588 527
RedZed RR1 Pty Ltd ACN 648 733 975
RedZed RR2 Pty Ltd ACN 648 733 984



employment, performing appropriate reference checks and ensuring that staff are paid at or above government award rates and meet (or exceed market) employee benefits.

RedZed recognises that through its supply chain and customers, it can be indirectly exposed to the risk of modern slavery and forced labour.

In relation to our supply chains, RedZed procures a number of goods and services from external suppliers. We have identified potential exposure to the risks of slavery and forced labour through our third-party supply chain, via: -

- purchase of professional services;
- purchase of technology software and hardware;
- purchase of marketing goods, such as promotional clothing and other household goods;
- purchase of general office supplies and catering; and
- through funding via private investors or from institutional funders.

When engaging with external vendors we complete procurement and due diligence actions. Under our Outsourcing Policy, for all Material Outsourcing Arrangements, RedZed generally undertakes a selection process and a due diligence assessment of the service provider. Currently this process does not extend specifically to identifying risks of modern slavery, nor do we request an ongoing compliance attestation specifically in relation to adherence to modern slavery, however our contracts do require suppliers to comply with all local laws.

Our institutional funders are all subject to the Modern Slavery Act 2018 and associated regulations in other regions and have each submitted Modern Slavery statements.

Actions completed to minimise the risk of modern slavery include a risk based review of current suppliers based on country, service and industry. We have completed a modern slavery questionnaire-based assessment and/or a risk-based review of publicly available modern slavery statements for all higher risk and material supply chain providers. RedZed will not support or engage suppliers where it is aware of slavery or human trafficking in such suppliers' business.

In the 2021 financial year, RedZed has not identified any instances of modern slavery practices associated directly with its operations or through its supply chains.

In the coming financial year, RedZed is committed to maintaining and identifying opportunities for improvement in its risk mitigation of modern slavery. RedZed has identified a number of areas for improvement including:

- provision of targeted training to key employees responsible for procurement and supplier engagement; and
- reviewing our existing supplier contracts and due diligence processes to enhance agreements to better capture our commitment to managing modern slavery risks.

RedZed will measure the effectiveness of our actions by:

- monitoring the successful completion rates of internal modern slavery awareness training;
- successful implementation of regular due diligence checks of supply chain providers; and
- uplift of supplier agreements to contain anti-modern slavery provisions.

The process of consultation with the legal entities within the RedZed group is undertaken by all staff being employed by RedZed Lending Solutions Pty Ltd (being the main operational entity) who have reviewed to the extent relevant all of the operations of the legal entities within the group.



This Modern Slavery Statement was approved by the Board of Directors of ECL Solutions Pty Ltd and will be updated annually.

Tony Nunan

Chairman

21 December 2021