

Modern Slavery Statement

1. Details of the Reporting Entity

This Modern Slavery Statement covers the activities of Pepper Money Limited (ACN 094 317 665), for the financial year ending 31 December 2020 (**reporting period**) and has been prepared to comply with section 14 of the *Modern Slavery Act 2018* (Cth) (**the Act**).

In this Statement, all references to 'Pepper Money' are references to the reporting entity and its controlled entities.

2. Introduction

At Pepper Money we recognise the responsibility that we have as an organisation to manage the risks associated with modern slavery in our business and within our supply chain. We are committed to eliminating the risks of modern slavery in our supply chains or in any part of our business. We aim to achieve this by operating in a manner that is sustainable, ethical, transparent and fair and we have designed policies and procedures to drive this behaviour within our business.

Our supply chain includes recruitment, technology providers and office supplies providers.

This statement explains the actions taken during the reporting period and the measures implemented to manage the risks of modern slavery across our various businesses and controlled entities.

3. Pepper Money's Structure, Operations and Supply Chain

Pepper Money operates globally, with various loan servicing, consumer and commercial lending businesses and has over 1,800 employees worldwide. Our businesses are located in Australia, New Zealand, the United Kingdom, Ireland, Spain, Greece, Cyprus, South Korea, the People's Republic of China, Hong Kong and India, with a support office based in The Philippines.

On 31 March 2021, Pepper Money and its controlled entities undertook a global restructure, such that Pepper Money will continue to own and control only the Australia and New Zealand businesses (including our shared service operations located in the Philippines). Interests in all other offshore businesses are no longer held by Pepper Money. The impact of this restructure on Pepper Money's operations and supply chain will be reflected in our modern slavery statement for subsequent reporting periods.

4. Modern slavery risks in Pepper Money's operations and supply chain

We deal with many suppliers for a broad range of products and services. Our primary third-party suppliers are technology providers, professional services/ consultants and providers of office supplies.

In relation to the management of modern slavery, we are particularly focused on those suppliers with a higher degree of sub-contracting and outsourcing to developing countries, and so we pay particular attention to our technology providers (software, hardware and data centre providers) and providers of branded merchandise and office cleaning services.

5. Actions taken by Pepper Money to assess and address the risks

i. Policies

We are committed to eliminating the risks of modern slavery in our supply chains or in any part of our business. The following policies have been reviewed to address modern slavery requirements including:

- Code of Conduct;
- Procurement and Know Your Supplier Policy;
- Sanctions Policy;
- Whistleblowing Policy;
- Anti-Bribery and Corruption;
- Anti-Money Laundering and Counter Terrorism Finance (AML/CTF) Programs and Procedures;
- and
- Supplier Management Framework, as further discussed below.

These policies and procedures (as further discussed below) are implemented to varying degrees by our controlled entities, depending on their business activities.

ii. Supplier management framework

Assessment of modern slavery risk forms part of our assessment of all potential supplier engagements. We request our suppliers to complete our standard 'Know Your Supplier' (KYS) questionnaire, which includes questions to assist us to determine whether a supplier is 'high risk' (based on various factors) before engaging with that business. KYS processes are being implemented with varying levels of maturity across our overseas offices.

We will enter into a contract with a supplier which requires them to also comply with the Act, including to notify us as soon as they become aware of any actual or suspected breach of the Act in the conduct of their business.

There is ongoing monitoring of our suppliers which is guided by the Supplier framework.

The relevant Procurement team for each office coordinate and manage the 'Know Your Supplier' process. Support is also provided by the legal, risk and compliance teams within our various offices.

iii. Receiving and responding to concerns

Employees have access to a Risk and Compliance System, to report any incidents or non-compliance in accordance with local escalation procedures.

Employees also have access to an anonymous reporting service to report or raise concerns of any suspected illegal, unethical or improper behaviour within our business, including in relation to the conduct of any supplier engagements.

To ensure an understanding of the risks of modern slavery in our supply chains and our business, we will also provide training to relevant staff who manage our suppliers.

Executives are required to provide a regular attestation attesting to their business' compliance with the Procurement Policy.

6. Assessing the effectiveness of our actions

This is Pepper Money's first statement. We will assess the effectiveness of our plans in modern slavery statements for subsequent reporting periods.

We are, however, committed to taking all appropriate steps to mitigate the risk of modern slavery taking place in our supply chain. We are committed to undertaking regular reviews of our procurement and supply chain management procedures to ensure that we are doing everything we can to identify, mitigate and eliminate the risk.

Over the coming reporting periods, we will further expend and enhance our procurement and supplier management processes, and implement further training for staff involved in the engagement of suppliers, with a view to further minimising the risks of modern slavery within our business.

7. Process for consultation with controlled entities

In preparing this statement, Pepper Money has acted in consultation with, and obtained information from our various businesses in the United Kingdom, Ireland, Spain, Greece, Cyprus, South Korea, the People's Republic of China, Hong Kong, India and The Philippines.

We note that a separate modern slavery statement has also been prepared by our UK subsidiary, Pepper Money Limited and its related bodies corporate, pursuant to section 54(1) of the *Modern Slavery Act 2015* (UK).

8. Details of approval given by relevant governing body

This statement was approved on behalf of the Board of Directors of Pepper Money Limited on 6 May 2021.

A handwritten signature in black ink, appearing to read "Mario Rehayem".

Mario Rehayem, Director
For and on behalf Pepper Money Limited
Date: 6 May 2021