



Solvar Limited

ABN: 63 117 296 143

MODERN SLAVERY STATEMENT

2024

Head Office:

Level 1, 40 Graduate Road
Bundoora VIC 3083

Registered Office:

Level 1, 40 Graduate Road
Bundoora VIC 3083

About Solvar Limited

Solvar Limited (ASX: SVR, Solvar) is a leading automotive finance provider with a strong presence in Australia and New Zealand.

The Group specialises in helping customer segments often under-serviced by lenders, offering tailored financial solutions for a wide range of needs. Offerings include loans for purchasing new or used vehicles, financing car repairs, covering medical expenses, and funding special occasions such as holidays and weddings.

For commercial clients, the Group provide loans to sole traders and small to medium enterprises for vehicle or equipment purchases that are essential to their business operations.

Operating through well-established brands—Money3, Automotive Financial Services, and Go Car Finance—the Group maintains offices in Melbourne, Brisbane, and Auckland, employing a dedicated team of over 300 professionals. Their products are accessible through a vast distribution network of brokers, dealers, referral partners, and directly through its websites, facilitating a broad reach and convenience.

Chief Executive's Message

This Modern Slavery Statement ("Statement") is jointly made by Solvar Limited (ABN 63 117 296 143) and its wholly owned subsidiaries ("the Group" or "the Company") listed in note 30 of the 2024 annual report.

This Statement relates to the financial year 1 July 2023 to 30 June 2024 ("FY24"). In accordance with the requirements of the Modern Slavery Act, this statement was approved by the Board of Directors ("Board") of Solvar Limited on 23/10/24. Solvar's core business units; Money3 Loans, Automotive financial services and Go Car Finance were involved and consulted throughout the year to get their inputs towards the modern slavery management process.

This joint statement emphasises that at the Group level, we recognise and acknowledge our role in promoting and ensuring the universal and fundamental human right to maintain dignity and equality of all human beings including our suppliers, customers and the communities impacted by our operations and supply chain.

We have established a culture where health and safety of our employees and our communities is integral to how we operate.

We actively maintain zero tolerance for any form of modern slavery.



Scott Baldwin

Managing Director – Solvar Limited

Our Policies and Governance

The Group has a strong governance framework, overseen by the Board of Directors and through relevant committees such as the Audit, Risk & Compliance Committee and the Remuneration & Nomination Committee.

Formal policies are in place to promote ethical and responsible business practices and several of these policies are relevant to modern slavery including:

- Code of conduct
- Delegation of Authority
- Human rights policy
- Harassment and bullying policy
- Supplier Policy
- Whistle-blower policy

The Group has zero tolerance for any form of slavery practices, human trafficking, forced child labour or child exploitation, including an increased focus when onboarding new suppliers.

We encourage the reporting of unlawful /unethical behaviour and support protection for those who report violations. If any of our staff become aware of suppliers or third parties that have been associated with human rights violations, we ensure that appropriate action will be taken in a timely manner. These actions include engaging with the relevant parties to promote good practice and / or avoiding or exiting the business relationship.

Our website contains more detail on our approach to corporate governance.

Risk Assessment Methodology

For the 2024 period the Group incorporated Industry best practises with external experts working side by side with its internal team to improve its compliance in assessing their modern slavery risks in our supply chain. The risks identified in the next section were all identified utilising this assessment tool. During the reporting period a detailed assessment of the Group's top 52 suppliers was conducted.

Participating suppliers were asked to complete a self-assessment questionnaire online. After each supplier completed and submitted the questionnaire, their responses were assessed to determine their modern slavery risk scores and associated risk category.

Each supplier that completed the assessment was assigned one of the following risk categories:

- High-risk
- Medium-risk
- Low-risk

Approach for final risk assessment

- To determine the appropriate risk category, responses were first evaluated for risks inherent to a supplier's operations, production, and sourcing. This is referred to as the Inherent Risk Score. The Inherent Risk Score was calculated based on the geographical location, type of goods, industry sector, and workforce parameters that the supplier indicated in the Modern Slavery Assessment Tool (MSAT).
- Next, the Unmitigated Risk Score was evaluated. This score was calculated based on the policy and procedure responses on the questionnaire. A supplier's Unmitigated Risk Score determines whether they were categorised as having inadequate, partial, or adequate risk control.
- Then, the risk scores for each assessed supplier were aggregated and averaged, resulting in an Aggregated Inherent Risk Score and an Aggregated Unmitigated Risk Score for the overall supply chain.

- Finally for Suppliers who did not respond to the survey, the team conducted further due diligence by contacting the supplier to confirm organisational modern slavery practises, conduct external research and request supporting documents such as modern slavery policies before running through the first three steps.

Our Supply Chain

\$95M spent on goods and services in FY24.

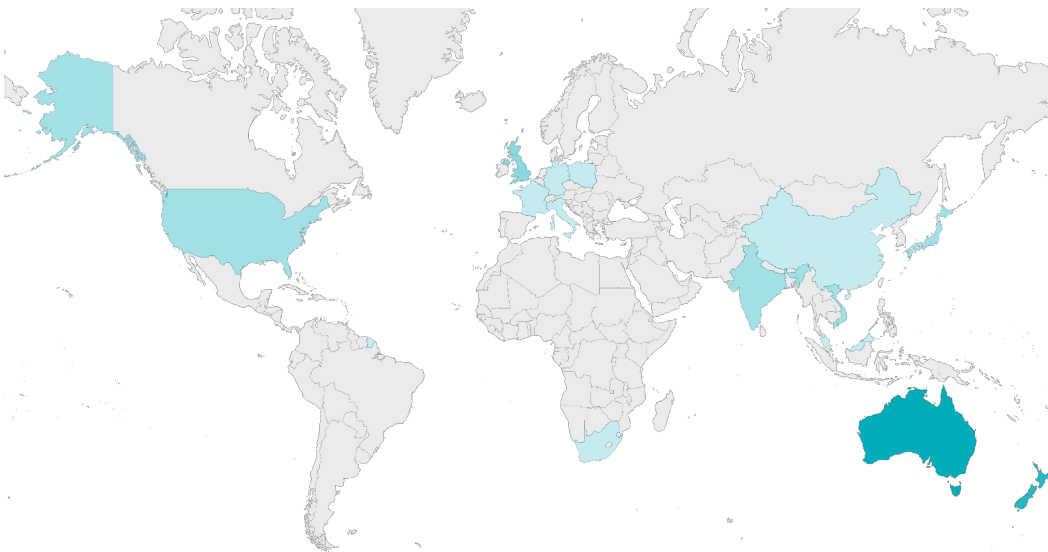
Solvar Limited has a simple supply chain. For the financial year ending 30 June 2024, the Group had circa 1,400 suppliers including one off purchases, with only 48 of these suppliers incurring a spend of over \$100,000 for the 2024 financial year. The supply chain activities can be categorised across 7 key supply categories as below:

- Corporate Services – transactional banking, debt financiers, stock exchange, stockbrokers, legal services, insurance providers including brokers and facility leases.
- Technology Services – computer hardware, software, telecommunication, data hosting and related services.
- Credit Support Services – credit bureau, car valuation, bank statements, ID verification, and collections services.
- Office Supplies – groceries, stationery, first aid products.
- Marketing Services – digital and print advertising, industry reports, corporate promotions.
- Facility Services – utilities, rental agent, copier, document destruction, hygiene and cleaning services, building services like plumbing, electrical, fire services, and pest services.
- Staff Services – recruitment services, job ads, workers compensation, employee assistance program.

The Group operates in a low-risk sector (being financial services industry) and most organisations reviewed maintain presence within Australia and or New Zealand. However, many suppliers also have a footprint in countries that can be described as high-risk due to the possibility of a link to modern slavery practices such as Forced Labour, Human Trafficking, Child Labour, Domestic Servitude, Exploitation of Migrant Workers and Debt Bondage.

The Group's suppliers operate in many locations across the world, including:

- Australia
- China
- France
- Germany
- Hong Kong
- India
- Italy
- Japan
- Malaysia
- New Zealand
- Poland
- Singapore
- South Africa
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Vietnam



Due Diligence

The Group utilised the benchmarking platform to conduct assessments and due diligence for modern slavery risk. With the use of current methodology and platform, the Group will be able to objectively measure the risk and effect of corrective actions on ongoing basis.

The top 52 current ongoing suppliers were surveyed with a response rate of 50.0%.

For all suppliers not responding to the survey, the internal team conducted its own due diligence. The due diligence included, assessment of modern slavery risk based on geographical location, review of supplier's modern slavery policy, and other relevant internal policies and modern slavery clauses in the contract with interim review for important suppliers.

The main KPI's used to benchmark its efforts are the risk scores that are generated as part of the assessment process.

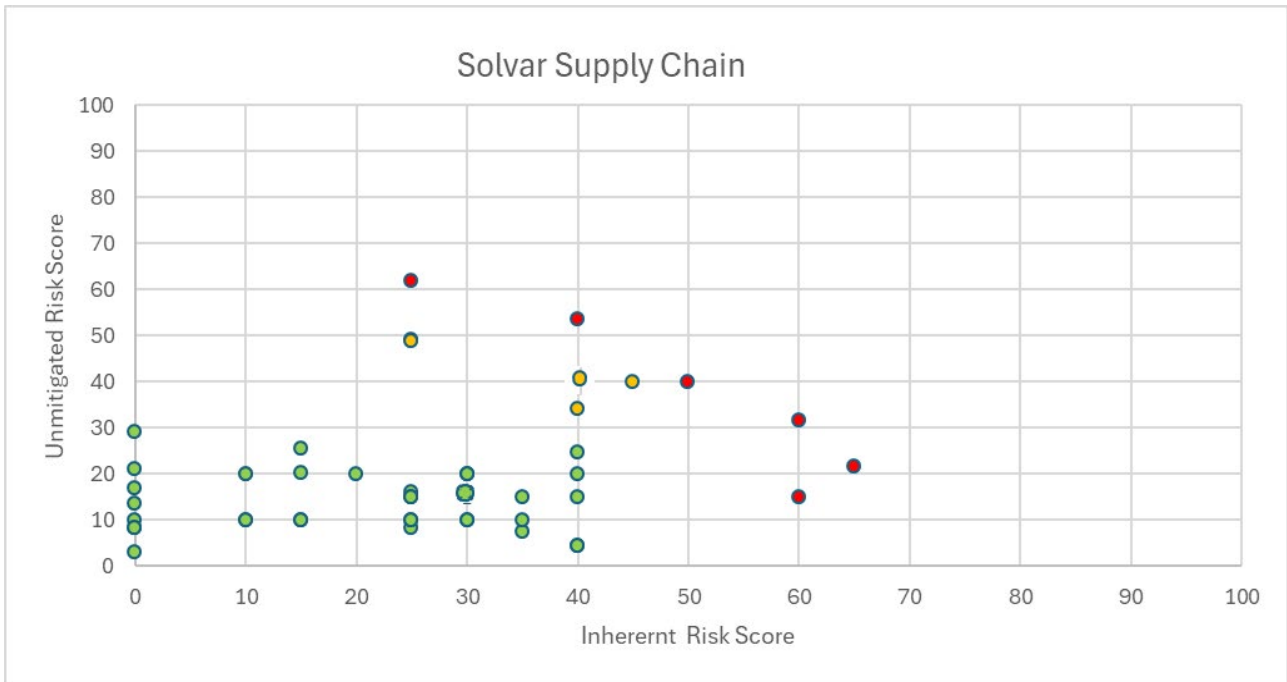
Each organisation assessed were given 2 risk scores. These scores were then aggregated to provide risk scores for the Group's supply chain.

- Inherent Risk Score
- Unmitigated Risk Score

As part of the process suppliers within the chain were grouped into three different categories based on their Inherent and Unmitigated risk scores.

- High - Red
- Medium - Orange
- Low - Green

Further due diligence was conducted on the high and medium risk suppliers.



High Risk – Red

Medium Risk – Yellow

Low Risk – Green

For all the suppliers categorised as High Risk, the main reasons behind this categorization are

- Supply chain for suppliers located outside AU / NZ
 - Global presence
- One of usage
- Type and nature of Industry of the supplier

Considering these reasons, the residual risk with these suppliers is minimal. The group accepts the risk with ongoing escalated supplier monitoring.

Risk Mitigation

As the Group continues to take actions internally within our organisation, and externally with our suppliers, it will be able to reduce the Unmitigated Risk Score by introducing relevant policies and procedures.

To do this the Group assists its suppliers to reduce and improve their modern slavery risk with continued monitoring available within the third-party tool. Suppliers can obtain information, tips and access standard policy templates. Once these suppliers within the chain have made changes, they can conduct a new assessment to see improvements in their scores.

Other risk mitigation undertaken by the Group includes its procurement procedures. The Group avoids, eliminates or mitigates the potential risk of Modern Slavery using process controls at on-boarding of a new supplier or when extending an existing relationship, including its supplier on-boarding checklist which is used to ascertain the modern slavery risk involved.

New engagements and re-contracting above a specified threshold and/or timeframe require Board approval prior to entering any supplier relationship.

Each supplier is evaluated on a periodic basis and for major and / or critical suppliers, periodic discussions are conducted with the suppliers on their service level performance, changes in their business practices and any key issues affecting the business arrangement.

Training

The Group continues to maintain an ongoing focus on modern slavery training and capacity building for all relevant team members.

The Group's training program has been rolled out and completed by existing staff members. All onboarding staff members complete this as part of their onboarding curriculum. Training modules include human rights, modern slavery and code of conduct. Staff are also required to re-certify every 36 months.

Looking Ahead

In the next reporting period, the Group will work with its industry leading third party to reduce its and supplier chains unmitigated risk, the group will bring its focus to the key areas below:

- Providing ongoing support to suppliers to improve their modern slavery position by allowing suppliers continued access to tips and resources provided by a Modern Slavery expert and allowing for re-assessment throughout the period.
- Re-engagement of external provider to assess modern slavery risks in our supply chain and measure the KPI as an ongoing process to review our suppliers to confirm they are making progress in mitigating the risks.
- An expansion of the proactive review of suppliers, by expanding the annual survey to encompass a greater range of our supply chain.