



 Liberty

Environment, Social and Governance Report

Year Ended 30 June 2024



The story behind the design

Created by Wamba Wamba artist Keagan Mallia, this design depicts Liberty in the centre, helping First Nations business owners and communities to thrive. The solid colours represent Liberty's different types of lending solutions. The outer meeting spots are First Nations people and businesses coming to Liberty for lending support, growing their businesses and being empowered to achieve their goals.

Acknowledgement of Country

Liberty respectfully acknowledges the Traditional Owners of Country throughout Australia and the continuing connections that Aboriginal and Torres Strait Islander peoples have to the lands, waters, cultures and communities. We pay our respects to Elders past and present.

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1. Liberty and ESG

Liberty was founded in 1997 on the premise of fairness and financial inclusion. Since establishment, Liberty has provided solutions to customers underserved by larger institutions.

We remain committed to helping people in Australia and New Zealand gain access to the funds they need to lead better lives. We want to have a positive, ongoing impact on the communities within which we live and work.

Our brand positioning 'Loans for free thinkers' demonstrates that our business is about the people it is here to help.



About this report

This report outlines our approach to environmental, social and governance (ESG) factors. It explores our advancements and achievements over the past year in strengthening positive outcomes within our team, customers, stakeholders and community.

Liberty recognises the need to embed strong corporate governance and ensure we lend responsibly, as these principles are fundamental in achieving our strategy and delivering on our mission of free-thinking finance.

Our approach to governance is underpinned by the ASX Corporate Governance Principles and Recommendations, which promote value creation for our shareholders and support our people, customers and communities in our mission.

Guided by our values

Five core values, known as FLAIR, guide everything we do at Liberty. FLAIR is a special ability or instinctive intention for doing something well, and aptly describes our approach. Each value holds meaning for us:

- F Fair**
Do the right thing by our people, customers and stakeholders.
- L Learning**
Be curious and keep growing so we can realise our potential.
- A Accountable**
Take responsibility and ownership, creating solutions as needed.
- I Invested**
Act like an owner of the business in striving for positive outcomes.
- R Resourceful**
Collaborate and think outside the box to achieve the best results.



Vision

Be the leading finance group that champions free thinking

Mission

Free-thinking finance

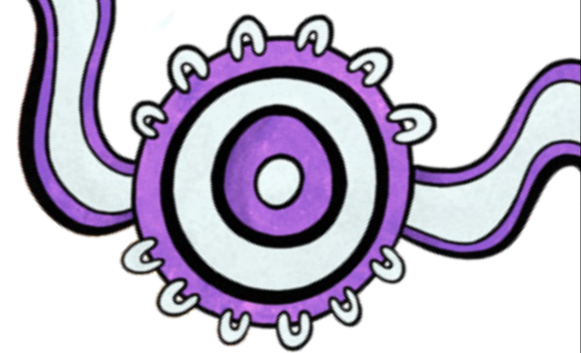
Purpose

To help more people get financial

2. Championing our people

Our employee value proposition is to empower and support team members to achieve maximum personal and career growth. Our people are our most important asset, and our culture is strongest when we are together.

While retaining flexibility, Liberty has proudly maintained an in-office first approach. We recently updated our Working Practices Policy, encouraging team members to embrace the opportunities for learning and connection that come with working in-office.



We believe good leadership is at the heart of fostering this desired culture and being distinctive in what we do. We help leaders to be effective in shaping the culture by supporting and empowering them to make informed and accountable decisions for the welfare of their teams.

Leaders from across the Liberty Group came together for a two-day offsite leadership forum in May 2024. The forum provided an opportunity for new and established leaders to connect, discuss different approaches, workshop new ideas and align their roles towards influencing positive change.

Raising the bar on diversity and inclusion

We know diversity leads to a happier, high-performing team and are committed to establishing and maintaining an inclusive workplace that celebrates diversity. We promote a culture that understands, encourages, and supports equity and belonging through affirming, daily rituals and practices.

Our diversity and inclusion policy helps us with our strategic goals by:

- Ensuring we treat all team members equitably and with respect.
- Attracting, rewarding, and retaining staff with a diverse range of skills and experience.
- Developing flexible workplace practices to recognise and meet the diverse needs of staff.
- Building and maintaining a safe and open workplace.
- Contributing to the community by fostering a culture of acceptance and teamwork.

Over the past year, we took positive steps to deliver on our commitment to invest in building a more diverse and inclusive team. We hosted guest speakers on thought-provoking topics, delivered comprehensive training and introduced cultural immersion activities. We made sure these opportunities were available to everyone in the business.

As an example, in celebration of International Women's Day 2024, we hosted Australian author, journalist and activist, Bri Lee. Bri was an exceptional guest speaker who shared her inspiring story of courage and her powerful views on advancing equity.

We were delighted to have our diversity and inclusion initiatives recognised in the below:

- Named second on the Top 101 Employers for Women list by Work180
- Awarded Employer of Choice in the Australian HR Awards 2024
- Named Employer of the Year at the Women in Finance Awards 2023
- Awarded Gold Small Employer Status in the Australian LGBTQ Inclusion Awards (AWEI) 2024



Evolving workplace policies

Earlier this year, we established our new Early Childhood Support Policy which outlines Liberty's commitment to supporting staff with the challenges and costs of early childhood. The policy includes a Childcare Subsidy payment up to \$10,000 per annum for the first two years for eligible team members upon returning from parental leave. Additionally, it includes School Preparation Support Leave to help staff with children commencing primary school.

We also expanded our Terms of Paid Parental Leave to increase the number of weeks for paid parental leave and reduced the service eligibility requirement to six months. These changes provide further support to the primary caregiver upon their return to work from parental leave, regardless of their gender or gender identity.



Supporting mental health and wellbeing

Integral to our culture is ensuring team members feel safe enough to bring their authentic selves to work. We recognise cost-of-living pressures and other social issues present difficulties for some staff. So, Liberty's mental health support plays a vital role in safeguarding our culture.

Being open to discussing mental health issues is critical. From delivering online webinars through our partnership with Medibank, regularly distributing a mental health and wellness survey and enabling access to specialist events and support via our partnership with EAP provider Converger - we provide a range of resources to benefit the wellbeing of our team.



Run the Tan for Lifeline and Mental Health Charities

Liberty was again the proud principal sponsor of the annual Run the Tan event in 2024, which raises funds and awareness for mental health charities. Liberty was a visibly involved sponsor, supporting Lifeline with donations and fundraising initiatives supported by the 126 Liberty team members who registered to take part. The Liberty community helped to raise over \$7,000 to support the important work of this charity.





Building LGBTQIA+ allyship

Our Pride Network plays a valuable role within the Liberty community. Established in 2019, the network is active in guiding our ongoing education and learning on LGBTQIA+ issues. This includes how to observe and celebrate important events on the Liberty Pride Calendar.

Our Pride Network organised an internal fundraiser for Housing for the Aged Action Group (HAAG), specifically supporting older LGBTQIA+ Australians.

In March 2024, Liberty sponsored the Victorian Pride Awards presented by GLOBE Victoria – a celebration of the many achievements of Victoria's LGBTQIA+ communities. We also presented the Workplace Inclusion Award on the night to a business championing equity in the workplace.

We believe that engaging Working with Pride to deliver LGBTQIA+ ally training continues to be a significant factor in helping us build an even more supportive environment at Liberty. Creating allies to support the LGBTQIA+ community at Liberty has engendered a broader understanding of diversity and inclusion across the group.

Team members often share how the efforts made by our Pride Network have progressed Liberty's commitment to providing a safer and more inclusive environment for all.

Working towards equity

We know supporting diversity within the finance broking industry is crucial to ensuring it remains a trusted channel for customers. Throughout the year, we actively recruited female-identifying advisers and mortgage brokers into our two proprietary distribution businesses, Liberty Network Services (LNS) and National Mortgage Brokers (nMB).

We continue to champion women through our Women in Leadership (WIL) program, which includes a dedicated group supporting professional development and advancement of women at Liberty. To help us monitor and improve opportunities for women at Liberty and benchmark our progress, we work closely with the Workplace Gender Equality Agency (WGEA).

We are proud to have made progress in reducing the gender pay gap. Our efforts in past years are evidenced in the 2022-2023 results shown in the WGEA Industry Benchmark Report, where we reported a median total remuneration gender pay gap of 15.3% which was far below the industry average of 28.6%. We remain committed to leading our industry to continue this work. Recognising the importance of transparency in progress, our latest report is published on our website.

Measuring outcomes

Our 2023-24 gender equality reporting to the Workplace Gender Equality Agency (WGEA) as of 31 March 2024 demonstrated the proportions of women employed by the Group as below.

	31 March 2024	31 March 2023
Board of Directors	33%	33%
Leadership roles	46%	44%
All staff	56%	54%

The Board Remuneration and Nomination Committee has approved the Group's measurable objectives for achieving gender diversity for FY25 as follows:

Board of Directors	33%
Leadership roles	>40%
All staff	>50%

Our June 2024 staff survey, which measures staff sentiment and engagement, shows that 94% of staff are proud to work at Liberty.

We continued to recruit and challenge people with new roles and responsibilities throughout the year, supporting the growth of Liberty and extending the skills and business operations knowledge of team members.

3. Supporting our customers

We are passionate about helping borrowers of all backgrounds to gain access to the funds they need to realise their dreams. Financial inclusion is at the centre of our business, and our approach has always been to understand the unique circumstances of each customer. By doing this we can develop a responsible financial solution that allows us to say 'yes' to more people.

The way we engage customers is a unique combination of our risk management methodology, technology, distribution practices and the way we fund the business and service customers. A key value of fairness means we think about our business and community impact holistically.

As the first non-bank lender to become accredited under the Consumer Data Right (CDR), customers can direct financial institutions to share their information with Liberty. We also remain the only non-bank accredited as a data recipient.



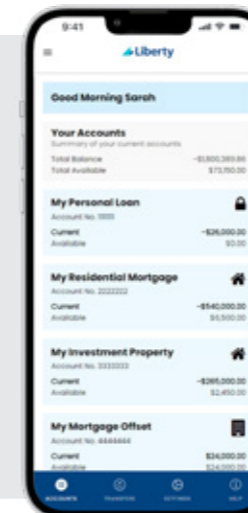
Liberty was the first non-ADI to finalise a Financial Inclusion Action Plan (FIAP). FIAP is an agreed set of actions to improve financial inclusion, wellbeing and resilience. These include:

- Developing an outreach program for customers experiencing hardship.
- Providing affordable lending products to assist customers buying late model vehicles.
- Developing skills to support customers experiencing mental health issues.
- Providing customers with access to Liberty's outsourced Employee Assistance Program.
- Training our teams to help customers experiencing domestic and family violence.
- Improving user experience for customers with disabilities.

We are transparent about our rates and fees and provide all relevant information on our website for customers. This information includes our Target Market Determinations, which explains for whom each of our products are designed.

On-the-go access

With the release of the Liberty Online app in early 2024, we now offer a convenient and secure financial experience for customers on the go. Benefitting from on-demand access to their Liberty accounts, customers can see real-time information, use personalisation features, and manage their loans anywhere, anytime.



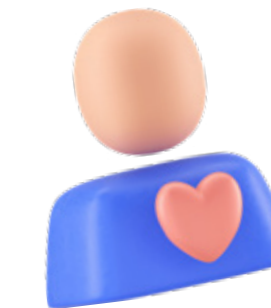
Excellent ★★★★★ 5.0 out of 5
6,592 reviews on ★ Trustpilot

Lending responsibly

As a lender, we comply with all relevant Australian laws including the National Consumer Credit Protection Act 2009.

We are a member of the Australian Financial Complaints Authority (AFCA) and take all customer complaints seriously. We respond to all complaints quickly and responsibly to minimise the need for AFCA intervention. We aim to be an advocate and find solutions for every customer who may have a complaint about our products or service.

Caring for vulnerable customers



People's circumstances can change quickly, and we are prepared for that eventuality. Recognising the economic challenges faced in the last 24 months, we strengthened our ability to support customers who find themselves in a vulnerable situation. Training is provided for new Liberty team members to ensure they are effective and prepared to act quickly in our work with customers.

In supporting vulnerable customers, we measure their satisfaction of our support. That's because we're not afraid to ask how we can improve. The feedback we have received has been positive and motivating for our team and has made a difference to customers.

Our customer service centres are based at our head offices in Melbourne and Auckland. Our team manages all aspects of our customer care program. We do not outsource any aspect of this program, and we do not sell any customer obligation to other organisations.



4. Engaging in reconciliation

In FY22, we published a Reflect Reconciliation Action Plan (RAP) to support and guide us to build stronger relationships with First Nations people. Endorsed by Reconciliation Australia, it stated our commitment to reconciliation, with a focus on cultural awareness and education.

In FY24, our Innovate RAP, (the second stage of the framework) was endorsed by Reconciliation Australia. Our Innovate RAP is actioned through our RAP Working Group, supported by First Nations consultants. This outlines the actions we will take to further our vision for reconciliation as a business.

Established in 2021, our staff-led RAP Working Group is dedicated to promoting First Nations key dates and resources, supporting events and communicating relevant information with the Liberty community.

Amplifying voices

Liberty proudly embraced and supported the 'Yes' campaign for a First Nations Voice to Parliament in 2023. We believe this was an opportunity for First Nations voices to be heard, shared and amplified – that ultimately would have created better outcomes for all. We consider it a great privilege to learn from and engage with the world's oldest living cultures and communities.

To help us become better informed on the referendum, we engaged Biripi woman Duan White to deliver educational presentations in July 2023.



Growing awareness

To bring First Nations culture and cuisine to the Liberty community, we partnered with Jarrah Catering to provide team lunches. We also heard from guest speakers Thungutti man Jimmy Kyle on Day of Mourning, Eddie Betts during Reconciliation Week 2024 and Kevin Sheedy to celebrate the AFL Dreamtime game in May 2024.

Team members attended The Long Lunch in 2024 – a corporate charity luncheon leading up to Dreamtime at the G and the Sir Doug Nicholls AFL Indigenous Round. The lunch commemorates the iconic journey to Canberra by Michael Long, who walked 650 kilometres to meet then Prime Minister John Howard, putting Indigenous issues at the forefront of national conversation. The event was an important opportunity to support the cultural and educational initiatives of The Long Walk.





Storytelling through art

We continued our working relationship with Wamba Wamba artist Keagan Mallia through the Kinaway Chamber of Commerce. The talented graphic designer from Swan Hill has created custom graphics for Liberty's First Nations-centric key dates. Each design is carefully considered and accompanied by a clear description of the meaning behind each piece.



Victorian Aboriginal Business Awards

Liberty was proud to support the 2023 Victorian Aboriginal Business Awards through the sponsorship of the Up-and-Coming Business Award. We believe this award best reflected the innovative nature of the work we do and was an important way to be more involved and visible with the Victorian Aboriginal business community.



Strengthening partnerships

As a Platinum Partner of the Kinaway Chamber of Commerce, we have increased our work with certified First Nations businesses to explore how our lending team can provide further assistance. Where this is not possible, we use our free-thinking ethos to find other ways to offer support.

We encourage First Nations business owners and individuals seeking finance to reach out to Liberty's First Nations Lending Specialist. This specialist is a lending professional dedicated to helping First Nations people obtain funding for their business.

In collaboration with Kinaway, we also created four short-form educational videos to explore topics relevant to applying for a loan, the loan process and what happens if a loan doesn't get approved. The videos live on the Kinaway YouTube channel and were shared to both Kinaway and Liberty social media platforms in 2023.



As a visible display of our support and to create connections between Liberty Advisers and First Nations business owners, Liberty attended the Kinaway Deadly in Melbourne First Nations Business Expo. The event was held at Melbourne Town Hall in July 2023 to promote First Nations owned businesses that operate within or around Melbourne CBD.

Reflecting our efforts in strengthening this partnership, Liberty received the Kinaway Business Acceleration Award. The recipient of this award demonstrates dedication to the growth and transformation of Aboriginal businesses.



“(Liberty's) commitment has exceeded traditional partnerships, evolving into a catalyst for meaningful change within the sector. Through collaborative efforts, they have not only supported indigenous businesses but have actively advanced them to exceptional heights, leaving a lasting mark of empowerment and progress.

- Kinaway Chamber of Commerce

5. Delivering social impact

We recognise the importance of supporting the communities within which we operate. In an economic environment that presents challenges for many consumers, businesses and charity organisations, this becomes increasingly important.



Supporting local and ethical suppliers

During the year we continued to support local businesses. This was actioned through couriers, stationery suppliers, office furniture providers and staff gift boxes and catering procurement.

In selecting any new service providers or supplier, we are committed to supporting, wherever possible, ethical and sustainable businesses owned and operated by First Nations people, women, and people with disability. Each area of the business is encouraged to investigate aligned suppliers and prioritise them if the needed services and standards are met.

Empowering future generations

Liberty is again sponsoring the Women 4 STEM Grad Girls program in 2024. Grad Girls is a free 8-month program to support and empower feminine-identifying tertiary students by bridging the gap between studies and the first step in their tech career.

The yearly program is open to any feminine-identifying University and TAFE student undertaking a STEM (Environment, Science, Technology, Engineering, Arts, and Mathematics) degree who is interested in a career in tech. The program runs on the academic year, with monthly sessions from February to October. In 2023, 18 students landed internships or grad roles either with program sponsors or through skills they gained from Grad Girls.

Volunteering and giving back

We continued actively supporting various registered charities over the past year through our Lend-A-Hand program. These charities closely align with our purpose of helping the disadvantaged or vulnerable in our community. Lend-A-Hand provides significant financial support to our community partners. We also volunteer to take part in or assist with organisation activities. All staff donations are matched by Liberty, and all monies raised go to our Lend-A-Hand partners.

Our Volunteer Policy helps encourage staff involvement with these organisations and their benefactors, including paid volunteering leave. A total of 144 hours of volunteer leave was used by team members in the last financial year. This volunteer work has ranged from high-impact program participation with Beacon Foundation to supervision duties at Mirabel's Big Day Out events.



Royal Brisbane and Women's Hospital (RBWH), Queensland

Liberty prides itself on supporting people from all walks of life and being an RBWH Giving Partner is a way for us to help advance healthcare for everyone. Sales team member Christine Green proudly attended Giving Day 2024 on 12 June to deliver our \$10,000 donation in person. This year's Giving Day was the most successful yet and raised over \$750,000, which was well above the \$600,000 target. The funds raised go towards patient care and life-saving medical research via the RBWH Foundation Grant Rounds.

Playing our part

In addition to building an inclusive internal team, we have extended our advocacy for gender equality in the broader community. We actioned this with intention through our significant and high-profile sponsorships across several sporting codes:

- Liberty A-League: First naming rights partner of the women's professional football, A-League, major sponsor of the men's A-League, and principal partner of the first ever A-League All Stars Women's team.
- Essendon FC: Official financial services partner of the AFL, VFLW, AFLW and VWFL teams.
- Melbourne Renegades: Principal sponsor of the Twenty20 WBBL and BBL cricket teams.

We actively promote our support of these codes and their athletes across our social media platforms and television advertising. Always looking for synergies in our partnerships, we were also able to marry our charity support of Minus18 Foundation with an activation during the Essendon Football Club's AFLW Pride Round match to raise funds and awareness of the important work they do with rainbow youth.



Liberty A-League Pass

The Liberty A-League Pass, offering free entry to women's games for fans under the age of 16, welcomed 27,348 registrants in the 2023/24 season. Some 39% of these were new fans to the league. And, in a season that saw an historic new record for attendance at any women's sport in Australian women's sporting history, pass registrants and their companion ticket purchases accounted for an estimated 21% of overall attendance.

“Visibility and accessibility matter and giving young fans the chance to see female professional footballers in action gives them a vision of what their future could be if they are passionate about the sport.”

- James Boyle, Liberty Group CEO



Driving B Corp standards

A certified B Corporation (B Corp) is a business that achieves a high standard of environmental, social, and corporate governance performance while creating value for stakeholders and shareholders.



Our Code of Conduct reflects our B Corp commitment to create broader social impact:

- a. **Customer Benefit** – Products and services should deliver an identifiable benefit to customers.
- b. **Staff Opportunity** – Team members are supported to grow, learn, contribute and achieve.
- c. **Community** – We will be a responsible corporate citizen and enhance the broader community.
- d. **Investors** – We will maximise returns while balancing the interests of stakeholders.

B Corporations are reassessed every three years and we're proud to have been recertified in FY23, achieving a B Impact Score of 107.2, an increase of 24.6 points since 2019.

We are committed to continuous improvement in all aspects of our business, and we will continue to aim to improve our B Impact Score in FY25.

Our commitment to ESG principles and behaviours is reflected in a direct link to the long-term incentive remuneration of our senior executive team.

6. Protecting our environment

We are acutely aware of the need to take care of our environment and contribute to reducing global carbon emissions. This is reflected in our 2030 carbon neutral target and the development of an Emissions Management Plan to reduce our emissions.



Reaching for the stars

Our internal environmental group known as the Green Thinking Stars help us think more creatively about the ways in which we can reduce our environmental footprint. The group comprises team members from across the business, who work with leaders to identify and implement changes to help us reach carbon neutrality. The team also encourage our community to take part in broader initiatives including Earth Hour and Clean Up Australia Day.



Putting ideas into action

We continue making a conscious effort to create more sustainable business and community events. By minimising travel where possible and purchasing carbon offset credits, we have reduced the environmental impact of our large-scale events.

We also introduced a new policy mandating the purchase of carbon offsets on business flights when available. As a result, over 890,000 kilometres flown by team members were carbon neutral. In addition, we moved our company fleet to hybrid vehicles that deliver lower exhaust emissions and a reduced environmental impact.

Reduced our use
of paper and
stationery by over
▼ 60%



Through our partnership with Waste Ninja, we continue to divert office food and organics waste to EPA licenced recovery partners for conversion into organic fertiliser and renewable energy sources. We also promote mobile phone, battery and e-waste recycling with collection boxes throughout our offices.

Digital efforts on an operational and customer front reduced our use of paper and stationery by over 60% from last year.

As we completed renovations across our Melbourne office, we ensured to maintain high energy efficiency. Wherever possible, we made purchases with B Corp or Supply Nation certified organisations including Muru Supplies who remain our main office stationery supplier.

7. Executing good governance

As an ASX-listed entity (ASX:LFG), Liberty meets all requirements of the ASX Listing Rules and the Corporations Act regarding governance.

Liberty's governance statements can be found at the LFG Shareholder Centre¹. Detailed financial performance for FY24 can be found in the Annual Report.

¹LFG Investor Centre www.lfgroup.com.au

Focusing on performance

The Board recognises the importance of ESG performance and embraces the B Corp framework to benchmark and measure performance in this regard.

The Board will continue to include in their consideration social and environmental performance. As a certified B Corp, Liberty aims to deliver returns to securityholders while having an overall positive impact on society and the environment.

Governance structure

The governance structure involves two boards: The Board of Liberty Financial Group Limited (Company) and the Board of Liberty Fiduciary Ltd (as the responsible entity of the Liberty Financial Group Trust and holder of the AFSL), collectively the "Liberty Group".



The Company Board is responsible for the operations of the Liberty Group while the Responsible Entity Board is responsible for providing oversight of the financial and commercial arrangements entered into by the Trust and to retain ultimate responsibility for the actions of the Trust.

As at the date of this report, the board of directors of the Company comprises seven directors:

- A Non-Executive Independent Chair
- Four Non-Executive Independent Directors
- The Chief Executive Officer
- An Executive Director.

As at the date of this report, the board of directors of the Responsible Entity comprises four directors:

- A Non-Executive Independent Chair
- Two Non-Executive Independent Directors
- An Executive Director.

The management function is conducted by, or under the supervision of, the Executive Managers as directed by the Company Board (and by officers to whom the management function is properly delegated by the Executive Managers).



Key policies and statements

The Liberty Group's Boards oversee our approach to non-financial risks associated with environment, social and governance issues.

This is aligned with our B Corporation certification, internal training programs and associated policies including, but not limited to:

- a. Diversity Policy
- b. Code of Conduct
- c. Whistleblower Policy
- d. Modern Slavery Statement
- e. Anti-bribery and Corruption Policy
- f. Anti-money Laundering and Counter Terrorism Finance Policy.





 Liberty