

Corporate Sustainability Report

Discover a brighter future



Contents

Introduction	3
Our journey	5
The outcome	5
Netwealth Corporate Sustainability Framework	6
How to read this report	6
Thank you	7
Enhance our core business	9
Our vision	9
What we have done	9
Our plans FY2022	10
Long term goals FY2023 and beyond	11
Be genuine and transparent	13
Our vision	13
What we have done	13
Our plans FY2022	14
Long term goals FY2023 and beyond	15
Foster diversity, talent, and wellbeing	17
Our vision	17
What we have done	17
Our plans FY2022	19
Long term goals FY2023 and beyond	19
Create a positive social and environmental impact	21
Our vision	21
What we have done	21
Our plans FY2022	22
Long term goals FY2023 and beyond	23
Key performance indicators	24

Introduction

Kate Temby, Independent Director

We are delighted to present our first stand alone Corporate Sustainability Report. We recognise corporate sustainability is at the heart of our business. We seek to provide products and services that provide clients with the ability to manage their wealth, to build and grow their investments and to access insights into their wealth through our leading technology. Wealth takes time to accumulate. Being sustainable and here for the long-term custody of our clients' assets is very important to us. Netwealth is committed to its purpose to see wealth differently and discover a brighter future. Since joining the Board in February 2021, it is clear that our purpose is reflected in everything that Netwealth does – across strategy, innovations, managing our people and most recently in developing our corporate sustainability framework.

Given my background in sustainable investing and as Chair of Netwealth's Investment Committee, I am pleased to be able to play a role to help Management articulate our corporate sustainability vision and provide guidance on how we get there. With the pace of change across environmental, social, governance (ESG) and sustainability at both a corporate and investment level, it is important that Netwealth look beyond the obvious and to spot the trends that matter.

Through extensive stakeholder engagement, Management has developed a comprehensive corporate sustainability framework, which reflects our core values of being genuine, agile, collaborative, curious, courageous, and optimistic. This framework sets the foundation for our key areas of focus and provides the roadmap for us to achieve our goals.

In our report we set out our focus areas, why they are important to us and our stakeholders, our FY2021 progress, along with our future ambitions. It is critical that we are transparent and make solid progress across each of the following areas:

1. enhance our core business;
2. be genuine and transparent;
3. foster diversity, talent and wellbeing; and
4. create a positive social and environmental impact.

We understand that Netwealth has a low carbon footprint, in that our products and services do not directly generate negative emissions, and our environmental footprint is made up primarily of our energy use in our head office. As such we are excited to be moving into our new office at 180 Flinders St. Our building developers are working to achieve a target of 5 star Energy and Sustainability rating, and a water rating of 4 stars.

Our people have performed exceptionally during the year, remaining positive despite a long lockdown from July until November 2020 in Melbourne and several snap lockdowns across Australia in 2021. Our focus has been on supporting employees' wellbeing through a variety of activities and care packages. We are proud to have grown the company during the COVID-19 pandemic and have implemented work practices which will enable flexible hybrid working as we move into our new office. Our people are also embracing the new value-based performance which aims to recognise role models across our business.

Setting goals for FY2022, we have been thoughtful about the impact of our own activity and the products and services we provide and their impact on society and the environment. Our business is to empower our clients to make choices with their investments. To this end, we have prioritised a strategic initiative to add sustainability ratings to our investment menu. Over time, we will enhance our reporting so that our clients can visually see the environmental and social impact of their investment choices.

On behalf of the Netwealth team I am pleased to share our FY2021 Corporate Sustainability Report and look forward to updating you on our progress.



Kate Temby
Independent Director

Our journey

In past years, Netwealth Group Limited (**Netwealth**) has reported its social and environmental contribution within our annual report. In FY2021, we altered our approach as we recognised that we were unable to clearly articulate our corporate sustainability vision.

As a result, we created a Management led working group to be curious and explore the question of creating a strategic framework for Netwealth's corporate sustainability goals. The working group collaborated extensively with all our stakeholders (our board, employees, shareholders, partners, wealth professional community and clients).

Based on the feedback of all our stakeholders, we have developed the framework which we will share in this, our first Corporate Sustainability Report.

Over the next few years, our framework will mature, and our goals will extend as we work to further advance Netwealth in each area of sustainability. We look forward to engaging further with our stakeholders, making progress across each of our focus areas and reporting on our improvements.

The outcome

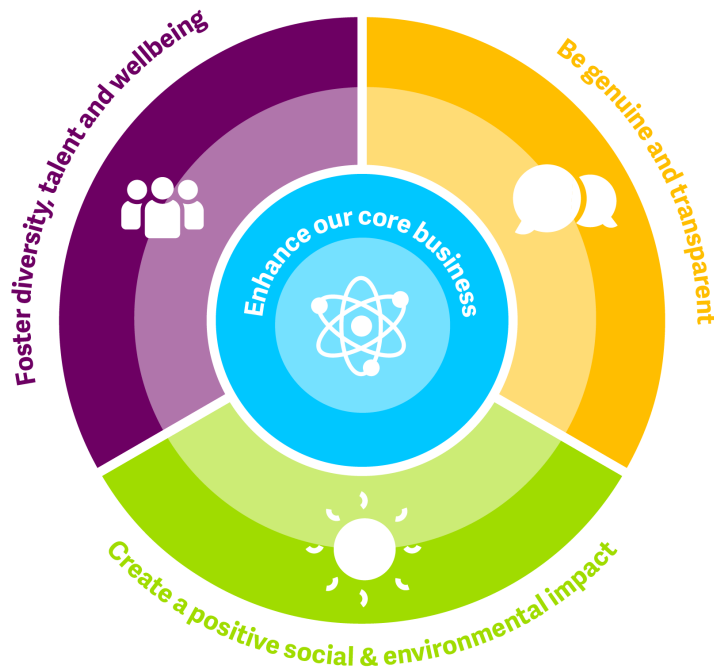
After preliminary investigations, Netwealth issued a survey to our people, shareholders, partners, wealth professional community and clients. We received over 434 responses and while most were very positive on the steps, we were taking to define our sustainability framework, some urged us to continue to focus on our business and delivering strong returns. This feedback was reiterated throughout the focus groups, and it was apparent that our core business and our corporate vision must be central to our corporate sustainability. We must continue to work to ensure our product and services lead the specialised platform business market.

With a strong core that provides scalable leading technology and service, the feedback received from the survey and working groups was that Netwealth should continue to apply rigour and scrutiny to our governance and compliance practices, to continue to operate ethically; to mitigate regulatory and reputation risk and ensuring data security. We should continue to be open and transparent, to speak plainly and to apply this approach to everything we do, including our corporate sustainability goals.

Our stakeholders reinforced our belief that our people are the life of what we do, it is their skills, enterprise and enthusiasm that make Netwealth, the company that it is. Our products and services directly reflect our employees' abilities and therefore their diversity, talent and mental health and wellbeing are critical to our ongoing success.

Our stakeholders agree that with a strong core; a genuine and transparent approach to governance and a talented, diverse, and healthy workforce, Netwealth should seek to create a positive impact in our community by supporting partners where we have skills; raising funds and contributing to not-for-profit organisations we believe in; and through giving back by volunteering our time and resources.

Netwealth Corporate Sustainability Framework



How to read this report

For each of our four focus areas we set out what we have done this year, what we plan to do in FY2022, and our longer-term goals. We have not tried to list a set of projects with targeted timeframes rather the direction we are heading and what we hope to achieve in FY2022 and beyond. Our success to date has relied on our agile spirit, which allows us to pivot when we see opportunities to get the best out of our people, our products, and services. Therefore, we want to apply the same approach to our Corporate Sustainability goals.

We will be accountable to what we set out to achieve and if we do not achieve our goals, we will share the reasons why and how this impacts our longer-term vision.

In addition to each of these key focus areas, there are performance indicators that will support our journey. These are included for FY2021 on pages 24 and 25. Each year as we build our corporate sustainability framework, we will seek to expand these where they make sense and to share feedback on our performance.

Thank you

Thank you to all 434 of our stakeholders who took the time and effort to respond to our survey and the 40 people that volunteered to participate in our focus groups. With your help we have created our first Corporate Sustainability Report. Thank you as well, to those of you who participated in the focus groups that chose to donate your participation reward to the Netwealth Impact Fund. We contributed \$450.00 on your behalf, and every dollar counts.

We welcome feedback and thoughts, on this report, on our framework and our direction. We plan to continue to engage with our stakeholders and if you would like to get involved, please get in touch.

CSR@netwealth.com.au



Rachel Axton
General Manager, Legal, Risk and Compliance



Enhance our core business



Enhance our core business

We protect and enhance our core business

Our vision

- Provide products and services that enable clients to manage their wealth
- Ensure safe custody of our clients' life savings
- Be a leader in technology and innovation
- Provide exceptional customer service
- Enhance insights to see wealth differently
- Protect and enhance shareholder value
- Ensure systems are scalable, secure, and stable

What we have done

- **System scalability** - FY2021 has seen record growth, with annual inflows of \$9.8 billion and FUA that now exceeds \$47 billion. We invested in our core systems and infrastructure, including moving our reporting and analytics features to the cloud. This initiative immediately improved platform performance and stability when processing significant amounts of data. Netwealth also moved its web servers to a cloud platform, which enables us to scale up internal resources to meet increasing user demand.
- **Product** - Netwealth has continued to develop its XWrap non-custodial service to support additional investment options and transaction types on the platform. The development supports the ability to load and report against historical data.
- **Technology** - Netwealth recently was ranked number one for overall satisfaction with our platform by its users for the 9th consecutive year and for the first time we were awarded as delivering best value for money for its offering in the most recent 2020 Investment Trends Adviser Technology Needs Report. We also won four of the six evaluation areas in the most recent Investment Trends 'Best overall platform' award, having the best decision support tools, best reporting tools, best transaction tools and the best product offering and came second overall. We have won the overall award for the five preceding years, and we are committed to reclaiming our leadership position. Netwealth also won the Chant West Advised Product of the Year 2021 for the 4th consecutive year. This year we created a new mobile application which provides wealth professionals and their clients with an elegant, intuitive, and professional experience. It is

designed to appeal to both young and sophisticated clients, with features such as the ability to view portfolio changes and track performance.

- **Service** – Leveraging our successful implementation of Zendesk in FY2020, we extended our customer service capability in FY2021 with live chat and a self-serve knowledge portal, making it easier and more efficient for the wealth professionals using our products to access information. We engaged a new default broker for ASX securities, providing clients with a better trading experience. We also added further automation for superannuation payments, which has improved turnaround times for members seeking to access their retirement benefits.
- **Third party usability** - Our clients identified that they need to be able to share information with third party professionals such as accountants and SMSF administrators without losing security. In response we created a feature that allows online third-party access.
- **Expanded investment options** – The investment universe has been broadened for wholesale clients with options that include unregistered wholesale managed funds, Australian and international bonds, foreign currencies, and small parcel bonds. We have continued to expand our range of managed account models and we have launched our first mandate investment solutions with Magellan, which are available on the Wealth and Super Accelerator Core and Plus menus. The funds are the first in a new series of investment options with competitive pricing.
- **Flexible fee consent** – Regulatory change is a constant in the financial industry and FY2021 was no different, with the introduction of additional requirements on wealth professionals to obtain and provide client fee consents and annual renewal for the deduction of advice fees. We have worked with our wealth professional community to build flexible options to make compliance with this obligation as easy and efficient as possible for both wealth professionals and their clients.
- **Thought leadership** – Netwealth commissioned two pieces of research to assist wealth professionals to see their clients and their business practices differently, with the ultimate goal to enable wealth professionals to grow their business. In August 2020, we released the 4th edition of Netwealth's AdviceTech survey which examined the technology used and anticipated to be used by advice firms. It provided detailed insights on what the best advice firms are doing, in terms of maximising their technology investment, technology stack and digital client experience. In March 2021, Netwealth released its inaugural Advisable Australian research, which was designed to provide wealth professionals with a better understanding of Australian investors in terms of their wealth needs, attitudes, and desires. Netwealth also produces a series of podcasts, engaging wealth professionals and clients in ongoing education and uplifting inspirational business stories.

Our plans FY2022

- **System scalability** – We are forecasting more growth and as such we will consolidate our cloud infrastructure to scale up computing resources, simplify maintenance, and quickly respond to new security threats. The consolidation will provide new diagnostic tools for software development teams to detect and fix issues faster. We are also making changes to the way we manage our workflow, introducing a new system to make tracking and actioning administration tasks easier and more efficient.

- **Product** – XWrap as a product will continue to be built out over the next financial year to enhance outcomes for clients and wealth professionals who wish to include assets that sit outside of the platform structure in their wealth portfolio. Netwealth is also investigating how it can provide solutions to facilitate better reporting and portfolio management to meet the needs of Managed Discretionary Account operators and institutional investors.
- **Technology** – We will continue to build out our mobile application including provision of more information and data and commencing the build of transactional capability. We are also expanding our whole of wealth reporting to enable clients to view more of their wealth in the one place, including introducing property feeds.
- **Service** – We are building more options for selecting the frequency and the timing of pension payments, so they better suit our clients' individual needs and circumstances and we are looking to introduce the ability to process W8 Ben forms, enabling clients to access reduced tax rates on income from US-listed securities, and to improve the process for managing foreign exchange transactions, which will make it easier for clients to buy and sell international equities.
- **Reporting enhancements** – We listened to client feedback and are constantly improving our system reports to deliver greater and more useful insights. This year we will add time weighted returns to our performance report and launch the ability to include benchmark data in client reporting against CPI, RBA cash target rate and the Morningstar Multi Sector Market indices.
- **Sustainable investing offerings and reporting** – We have increased the sustainable investment options on our investment menu and added a mandate fund in FY2022 which although not an ESG fund, contains an assessment of ESG risks. This year we will add the ability to identify these options more clearly across the spectrum of sustainable investments to identify ESG and impact suitability and provide additional ratings within our Compare Funds functionality. This will enhance the investment information available to clients so they can understand the authenticity of the sustainability position of the investments they choose.
- **Foundation layers for leveraging data** – During FY2022 we plan to build the foundation layer to enable better use of data analytics into the future, this includes improving the storage of our data, designing our data governance framework, and migrating reports to utilise stored data.

Long term goals FY2023 and beyond

- **Data insights** – Ability to enhance wealth management reporting and analyse data at scale to create actionable insights for clients and wealth professionals, as well as our back-office staff so they can better and more effectively service our clients.
- **Whole of wealth** – Leverage external and internal data, including annuities, property, banking, and non-custodial data sets to provide a whole of wealth experience for our clients.
- **Sustainable investment overlay** – Ability to promote awareness and understanding of a client's investment portfolio, in terms of how it may contribute positively to the environment and society.
- **Mobile application** – Build out the features of our mobile application to ensure it is the preferred wealth management technology for our clients and wealth professionals.



Be genuine and transparent



Be genuine and transparent

We are ethical, genuine, and transparent in our dealings

Our vision

- Ensure compliant practices and strong governance
- Act in our clients' and wealth professionals' interests
- Set goals, benchmarks, and be transparent in tracking our progress
- Communicate clearly and consistently
- Seek feedback and continuously improve

What we have done

- **Trustee structure project** – Following the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, Commissioner Hayne recommended that the trustee of a superannuation fund should hold no other office. This recommendation removes the conflict where a superannuation trustee board may be working in multiple capacities. For the past 18 months Netwealth has been working to give effect to this requirement, appointing two new independent directors in 2018 who have shadowed the Netwealth Investments Limited trustee board, learning about Netwealth and our superannuation product. The new independent director, Rita Harris, holds the role as Chair of the Netwealth Superannuation Services Pty Ltd¹ Board and the other new independent director, Jack Diamond, holds the role of Chair of the Trustee Investment Committee. To support the new Trustee Board, the Office of the Trustee has been established. This team also has no other role in Netwealth other than to support the interests of the members of the Netwealth Superannuation Master Fund.
- **Reduction of fees** – We have taken action to ensure that from January 2021 all clients are on our most up to date fee structure. Across the product most clients received a reduction in fees, made possible by efficiencies of scale resulting from growth and more efficient technology and processes.

¹ Netwealth Superannuation Services Pty Ltd (ABN 80 636 951 310, ASFL 528032, RSE Licence L0003483) is the trustee of the Netwealth Superannuation Master Fund (ABN 94 573 747 704).

- **Ending conflicted remuneration** – Another of Commissioner Hayne’s recommendations was to remove all forms of conflicted remuneration. Conflicted remuneration are payments to the wealth professionals who utilise our products and services for their clients, where that payment is not a direct fee charged by the wealth professional to the client. Netwealth had a small amount of conflicted remuneration, as our primary wealth professional remuneration mechanism has always been based on fees agreed by clients rather than commissions and this form of remuneration has not been allowed for new clients since 2014. The removal of this remuneration structure contributed to our ability to reduce our fees, which ensured that clients received the benefit of the removal of commissions.
- **Modern Slavery Statement** – During FY2021 we produced our first Modern Slavery Statement focusing on the work performed in FY2020. This year we continued our work on modern slavery, working with Investment Managers to encourage them to consider modern slavery risk and with our development partners in Vietnam to get a better understanding of their business. We will shortly produce our second statement which will be published to our website by 30 September 2021.
- **Tax Transparency Report** – In June 2021 we produced and issued Netwealth’s first Tax Transparency Report for the FY2020 year. This report provides further transparency to our shareholders about the approach Netwealth takes to taxation. Netwealth will continue to produce this report annually.

Our plans FY2022

- **Compliance projects** – In October 2021 new rules come into place to implement design and distribution obligations (DDO), which will help ensure products are used by clients for whom the products have been designed. As a platform that is effectively an interface between product issuers (e.g., fund managers) and wealth professionals and their clients, Netwealth has taken an active role as a thought leader in how to effectively implement DDO for the benefit of our clients. FY2022 also brings several other regulatory changes, such as creating new processes to manage increased breach and complaints reporting to the regulators.
- **Corporate sustainability** – We will continue to work on our corporate sustainability framework and expand this report as we learn and develop. We are committed to investigating whether to become certified and what sort of certification would best reflect Netwealth’s responsibilities. We expect shortly to commence our review of B-Corporation. If selected, we would like to achieve that certification within the next 12-18 months.
- **Financial accountability** – The Financial Accountability Regime draft legislation has been released and will require many financial organisations to review and amend their governance structures. These include defining a clear matrix of responsibility for all functions across the business and to make changes to the way accountable persons are remunerated. We are looking forward to the challenge of improving our governance structure and will work to compliance in accordance with the legislated implementation dates.

- **Enhance our communications** – This year we will be focusing on the communication to our employees and how we ensure that our corporate sustainability goals are known and shared across our business. We want to improve practices relating to complaints and give clients a better understanding of our complaint handling process by releasing a Complaints Process Summary to our website.

Long term goals FY2023 and beyond

- **Better communication with all stakeholders** – Creation and maintenance of a corporate sustainability communication portal which allows more frequent communication and tracking of our sustainability objectives as well as multi-directional communication and feedback.
- **B-Corporation certification** – Complete our evaluation of B-Corp Certification and if chosen as the appropriate certification for Netwealth, aim to be certified in FY2023.



Foster diversity, talent and wellbeing



Foster diversity, talent, and wellbeing

We promote diversity and talent and believe all people have a right to wellbeing

Our vision

- Celebrate diversity in gender, age, ethnicity and thought
- Invest in our people and their development
- Maintain a workplace culture which supports mental health and wellbeing
- Promote individuality and inclusion

What we have done

- **COVID-19 support** – The majority of Netwealth's workforce is in Melbourne, Victoria. Following the first nation-wide lockdown in May 2020, Melbourne was plunged into a heavy lockdown in late June, with restrictions escalating until our people were only allowed to leave their homes once per day for maximum 1 hour to exercise, and one person per household to shop once per day. The lockdown continued for four months. During this period we focused on employee mental health and wellbeing, including introducing pandemic leave (for our people who for reasons associated with the pandemic, needed to access an additional 2 weeks of leave if they did not have enough personal leave), mental health days so our people could recharge, a series of mental health wellbeing sessions to help strengthen our resolve, virtual personal training for those who wanted to sweat it out, weekly challenges and a company-wide trivia night to keep a social connection, a care package of goodies, support for managers to ensure they were checking in on staff, particularly those in vulnerable positions and the release of our 'Stay Apart – Stand Together' hoodies to recognise the unusual circumstances we found ourselves in. We are proud that we were able to support our employees through FY2021 and that no jobs were lost because of the pandemic, in fact we continued to grow during the period, hiring 63 new staff, who were all invited to a special function when we were finally allowed to reconvene, so that they had the opportunity to meet each other and our Executive team.
- **Improved performance measurement** – We believe that our values are what define us and make our company unique; and that if we all live the values then both individually and collectively, we will be successful. Our intention is to encourage open communication between manager and employee and our peers, and to develop high performance through displayed behaviours. All staff

are also encouraged to provide feedback based on our values to each other through CultureAmp and to nominate staff who role model our values for awards presented at our Company Town Hall.

- **Transformed our workplace strategy** – As part of our office relocation we took the opportunity to optimise the way we work. We have reimagined how we work and use our environment to enhance existing capabilities and strengths, and the outcome is outstanding. We have created a space that inspires collaboration, supports our agile approach, and meets the needs of our people. In addition, during FY2021 we have enhanced leader aptitude for managing remote and hybrid teams, recognising and acting on their wellbeing, and maintaining productivity and cohesiveness. This change provides increased flexibility for our people to work in and outside of the office and to assist employees, we provided the opportunity to pick a backpack from Bellroy, a B Corp certified business that seeks to make durable products with recycled materials where possible. Staff love the quality of these backpacks.
- **Improved systems and tools** – The roll out of a new human resource management system was a welcome replacement for the preceding systems and processes. We now house employee related information and management in the one place for events like improved development plans, learning management system, record keeping, compliance activities, payroll, and leave planning.
- **Gender pay analysis** – We have continued to monitor gender balance at all levels of the organisation and to ensure there are no gaps in pay resulting from gender. For the *Workplace Gender Equality Act 2012* reporting period (to 31 March 2021) our gender balance across the full business remained at 44%, while our manager balance increased by 1% to 37%.
- **Enhanced employee value proposition (EVP)** – To achieve the task of offering benefits that are meaningful to our people we introduced Work Perks, a Netwealth hub for benefits, rewards, and wellbeing. This has been very successful with 87% activation and engagement. We reengaged KidsCo to provide fun and interactive programs for primary aged school children during the school holidays. Netwealth covered the full cost of KidsCo in FY2021 and we cannot wait to be able to reoffer the program in our new office as it represents a great opportunity for children and their parents to interact.
- **Training and development** – We continued to invest in the training and development of our people. Numbers and courses were fewer than prior years as the pandemic hampered our ability to run this face to face. Of those who participated in the 'Influencer Program' in FY21 (25 employees), 6 have been promoted and 5 have joined new teams or taken on new roles/secondments around the business.

Our plans FY2022

- **Graduate program** – Part of our recruitment strategy are plans to launch our first graduate program later this year. This will provide the opportunity to gain comprehensive Netwealth knowledge from cross skilling in different departments.
- **Building talent through development** – Execute on a learning and development strategy to upskill for scalability, expand our leaders' capability and show a clear career path by building on the formal Leadership Series, and through informal manager forums, toolkits, and new manager inductions.
- **Retention** – The changing landscape requires us to focus foremost on our culture and employee safety (psychological and physical) in achieving our wellbeing outcomes. In FY2022 we will launch a new employee assistance program that will provide a greater range of support to our people, including a wellbeing diagnostic assessment. We will continue to support and celebrate our people who are role models and to ensure training and development programs are targeted. KidsCo in the office will be reintroduced to make school holiday periods easier for staff with families.
- **Effective hybrid work practices** – We will continue to embed work done so far on accomplishing effective work practices that supports business goals and employee needs. Additional questions will be added to our Staff Survey to gauge how Netwealth's flexible work arrangements are viewed by our people. Training will be provided on our new office features such as use of the hybrid work technology.
- **Inclusion and diversity initiatives** – Our goal is to promote and encourage a diverse workforce by creating an environment that is psychologically safe, supports continuous learning, respect, and appreciation of differences. This year we will look at our gender pay gap for managers and what opportunities we must do to narrow the gap. We are going to review our interview techniques and processes to ensure they provide all candidates with equal opportunity to access a role at Netwealth. Being a family friendly organisation is also important to us and we seek to become a certified Family Friendly Workplace.
- **Social and wellbeing initiatives** – We will continue to centre our efforts on employee wellbeing, offering virtual personal training while in lock down and other activities and initiatives that support mental health.

Long term goals FY2023 and beyond

- **Career development** - To make sure our greatest assets are achieving their potential through stretch goals, challenges, internal secondments, and learning. To do this we hope to explore how formal succession planning can benefit our people and to refine our role design and definition.
- **Celebrating our people** – We have many amazing people at Netwealth, and we look to recognise and celebrate them in the public arena. We hope to create a movement that seeks to take our internal award nominations to the industry, by celebrating our people in external forums.



Create a positive social and environmental impact



Create a positive social and environmental impact

We partner with and financially support organisations that create lasting positive social and environmental impacts

Our vision

- Support workplace giving through the Netwealth Impact Fund
- Encourage employee involvement in the distribution of financial support
- Celebrate and support employee volunteering
- Improve financial literacy and education opportunities in our community
- Seek opportunities to create a positive social and environmental impact

What we have done

- **Netwealth Impact Group** – We established a companywide voluntary group to run and promote our agenda to provide a positive impact to our community. This group operates across three pillars, the first supports the Netwealth Impact Fund and workplace giving, the second supports employee volunteering and engagement and the third is focused on provision of educational opportunities in our community.
- **Netwealth Impact Fund** – Is a dedicated sub-fund established within the Australian Communities Foundation Public Ancillary Fund (ACF). The Fund offers a tax effective structure for our people to donate, combined with a robust governance overlay for granting to not for profit organisations. ACF bring their expertise and awareness of not-for-profit organisations to ensure that Netwealth grant to grass roots organisations that fit our brief. We have established a framework which will seamlessly allow both our existing and future employees to opt into Workplace Giving which will benefit the growth of the Fund.
- **Employee engagement** – A survey was conducted to identify the key areas of interest and preferred not for profit causes that resonate for our people. For FY2021, two themes were selected, these included that Netwealth should look to financially support organisations that

positively impact the environment and those that promote community and economic development, and similar themes were selected for volunteering.

- **New office – 180 Flinders Street** – In preparation for our move to a new ‘greener’ premises in Melbourne in July 2021 and as part of our commitment to the environment, we offered our people the opportunity to acquire many pre-loved items via a staff auction. All the funds raised from the auction, which was \$20,410, was contributed to the Netwealth Impact Fund in the FY2022 year. Netwealth’s current office achieves a NABERS² energy rating of 4.5 stars and a water rating of 3 stars. Our builders are targeting a 5 star NABERS energy rating, Green Star rating and Sustainability rating and a 4 star NABERS water rating. Ratings data requires 12 months of operation, so we expect our first set of data in June 2022.
- **Environmental activities** – When in the office, staff have engaged in recycling, including coffee cup recycling. Netwealth introduced a reduction of paper initiative at the start of the financial year to remove physical signing of contracts where possible which has reduced the amount of printing required, saving both paper and ink usage. Netwealth also supports healthy modes of transport to the office providing bike parking, lockers, and showers for our people.
- **Financial literacy** – Our financial contribution to support Banqer continued in FY2021 for the 5th consecutive year and through our funding, Banqer, which aims to improve financial literacy in school children, engaged 8,586 students across 179 schools in Australia for calendar year 2020. Quizzing of the children before and after the program in the first two quarters of calendar year 2021 shows that financial literacy improved by an average of 39% between the two periods. By fostering financial literacy in the wider community, together, Netwealth and Banqer are on a shared mission of enabling, educating and inspiring young Australians to see wealth differently and to discover a brighter future.
- **Netwealth Social Committee** – In May 2021, the company supported the Mother’s Day Classic with several employees attending. The Social Committee relies on the collaboration and input from our people and will be re-energised in FY2022 when we can again gather in the office.

Our plans FY2022

- **Netwealth Impact Group** – In FY2022 the Impact Group will launch each of the three focus areas, promoting the Impact Fund and workplace giving, employee volunteering and provide more awareness on our educational stream. To do this the Group will build a brand and communication strategy to clearly articulate to our people the social impact that our company can achieve when we work together.
- **Netwealth Impact Fund** – Partnering with ACF we will select four not for profit organisations to whom we will grant funds in FY2022. This year we aim to grant a minimum of \$20,000, allowing us to grow the Fund, while also giving back. We plan to raise awareness around the chosen not for profit organisations with an employee event which will champion the organisations’ mission and impact. If successful, we plan to host this showcase of our not-for-profit partners in our new premises on an annual basis to encourage formal and informal engagement with our people. Netwealth will also match employee contributions to the Fund.

² National Australian Built Environment Rating System

- **Employee volunteering** – FY2021 volunteering plans were heavily impacted by COVID-19 with most of our Melbourne workforce being in lockdown for a large portion of the year. This year we hope to explore activities and options for COVID-19 friendly volunteering, including a clothing drive where we will encourage our people to donate professional and casual clothing. Further opportunities will be explored throughout the year, and we hope to achieve 1,000 hours of volunteer work across the business during the Financial Year.
- **Financial literacy** – Netwealth has committed to continue to support Banquer for the 2021 calendar year with a combined goal to continue to improve financial literacy. We are hoping to see a 25% uplift in schools and students who use the Banquer program in 2021, which will see the program rolled out in 225 schools with 10,700 students participating.
- **Support businesses that are ethical** – Staff loved our Netwealth Stay Apart – Stand Together 2020 hoodies. This year we wanted to celebrate our sustainability framework and ran a competition for staff to create a design and with the design chosen we have decided that we want to wear a brand that supports sustainability, so have engaged Etiko who focus on using organic cotton, natural products and are B Corp certified. Our employees can choose colour, size, and type of garment to ensure we only purchase product that our people want and will love.

Long term goals FY2023 and beyond

- **Employee engagement** – Continue to build engagement in the Impact Group and other activities to enable the improvement of our statistical measures (increased donations, increased volunteer hours and increased impact of our engagement in the community).
- **Financial literacy** – We would like to continue to support improvement in the level of financial literacy in our community. We are commencing research of the types of organisations that support financial literacy particularly in migrant or disadvantaged communities to explore whether there is an opportunity for our business and people to provide a positive impact.
- **Carbon neutral** – Explore and implement how Netwealth can become carbon neutral.

Key performance indicators

	FY2021 Actual	FY2021 Target ³	FY2022 Target
Enhance our core			
Investment Trends			
Best overall platform (voted by advisers)	#2	#1	#1
Overall Satisfaction with Platform (voted by advisers)	#1	#1	#1
Transparent and genuine			
<i>To be added in FY2022</i>			
Diversity, talent and wellbeing			
Gender diversity⁴			
Board	33%	>30%	>30%
Senior Executive (excluding Executive Directors)	33%	>30%	>30%
Managers	37%	>40%	>40%
All employees	44%	>45%	>45%
Gender pay equity gap – Managers	16.1%	N/A	<14%
Gender pay equity gap – Employees	2.1%	N/A	<5%
Ethnic diversity			
<i>To be added in FY2022</i>			
Staff satisfaction			
Employee satisfaction (Annual engagement survey)	79%	N/A	80%+
3 Year retention rate	51.0%	N/A	50%+
<i>Wellbeing target to be added in FY2022</i>			
Training and development			
<i>Training and development target to be added in FY2022</i>			

³ All items noted 'N/A' in the below column reference that a rating was not set for FY2021.

⁴ All gender indicators are for the year 1 April 2020 to 31 March 2021 (in accordance with the *Workplace Gender Equality Act 2012* reporting requirements).

Create a positive impact			
Building energy ratings			
NABER energy rating	4.5 stars	N/A	5.0 stars
NABER water rating	3.0 stars	N/A	4.0 stars
Green Star rating	Unavailable	N/A	5.0 stars
Sustainability rating	Unavailable	N/A	5.0 stars
Netwealth Impact Fund			
Workplace giving / fundraising	\$1,190.46	N/A	\$25,000
Netwealth contribution	\$20,000.00	N/A	\$25,000
Our people involved in workplace giving	0	N/A	30%
Banqer ⁵			
Number of students	8,586	N/A	10,700 (25% growth)
Number of schools	179	N/A	225 (25% growth)
Other			
Amount disbursed to not for profits (from the Netwealth Impact Fund or through direct fundraising)	\$142.00	Set up fund	\$20,000
Employee volunteering hours	21 hours	N/A	1,000 hours

⁵ All Banqer indicators are for the year 1 January 2020 to 31 December 2020 (in accordance with the school year).



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