



Modern Slavery Statement FY2021

Netwealth Group Limited

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Introduction

We are pleased to present our Modern Slavery Statement for FY2021, which demonstrates the progress we have made in our journey to ensure modern slavery is not present in our internal operations and external supply chains.

Netwealth¹ is strongly opposed to modern slavery and is fully supportive of the Modern Slavery Act 2018 (Cth). We aim to be an ethical provider of products and services and believe in the importance of working collaboratively with our internal and external stakeholders to improve working conditions and to remove modern slavery from our supply chains. Netwealth expects all of its suppliers should respect the human rights of their employees and local communities and will comply with all relevant laws relating to human rights, including upholding fair and decent working conditions, not using forced or child labour and not engaging in human trafficking or debt bondage.

This is our second Modern Slavery Statement and shows our commitment to continually assessing and improving our approach to dealing with modern slavery risks. Over the past year we have progressed our partnership with our suppliers and partners to improve working conditions and used our collective influence to reduce modern slavery by exploring the following areas of our operations:

- **Supply Chains:** Development of an extensive risk assessment framework for our current suppliers and improvement to our supplier register to better understand the risk of modern slavery within our third-party supply chains;
- **Investment Managers:** Completion of our modern slavery risk assessment of our Investment Managers, use of our leverage and influence to encourage Investment Managers to consider and address their modern slavery risks and embedment of a modern slavery assessment into Investment Research Due Diligence;
- **Vietnam Development Support Centre:** Ongoing monitoring of our Development Support Centre in Vietnam, including provision of whistleblowing training, running an anonymous survey around working conditions for both management and employees and conducting a wage review; and
- **Internal Operations:** Assessment of our HR management processes and practices by our internal auditor, which showed that Netwealth has a low risk of modern slavery within our internal operations.

Netwealth has six corporate values; to be agile, curious, courageous, genuine, collaborative and optimistic. Netwealth seeks to be curious in its assessment of modern slavery risks within our supply chain and internal operations, courageous in our actions to address these risks, and genuine and transparent in disclosing our approach to modern slavery. When setting goals to achieve in FY2022, we have considered the nature of our business and the areas in which Netwealth has the greatest capacity and influence to make change.

On behalf of the Netwealth team I am pleased to share our FY2021 Modern Slavery Statement and look forward to updating you on our progress.



Rachel Axton
Chief Governance Officer

¹ In this statement, 'Netwealth' means Netwealth Group Limited and/or one or more of its subsidiary companies, as the context requires.

Governance and Oversight

Role	Responsibility
Netwealth Group Limited (the Board)	<ul style="list-style-type: none"> • Oversight and approval of Netwealth’s annual Modern Slavery Statement
Netwealth Group Compliance and Risk Management Committee	<ul style="list-style-type: none"> • Nominated by the Board to oversee Netwealth’s modern slavery program • Review reports from the business around potential and actual modern slavery risks, and steps being taken to address and mitigate these risks • Direct oversight of the success and improvements of Netwealth’s modern slavery program
Corporate Governance	<ul style="list-style-type: none"> • Conduct the modern slavery risk assessment on all suppliers • Oversight of Netwealth’s supplier register • Oversight of the work undertaken to formulate Netwealth’s annual Modern Slavery Statement

FY2021 Progress Report



FY2021 Progress Report

1.0 FY2021 Progress Report

In our FY2020 Modern Slavery Statement, we outlined focus areas for FY2021. Please find below an update on the progress of these initiatives:

Goals identified in FY2020 Modern Slavery Statement	Status	Corresponding section of this Statement	Progress in FY2021
Supply chains: <ul style="list-style-type: none"> Continue to develop and review our supplier (modern slavery) framework Commence a review on our Marketing supply chain 	Partial	Section 6.1	<p>Complete: Developed and implemented modern slavery risk assessment for suppliers</p> <p>Complete: Reviewed and updated Netwealth's supplier register</p> <p>Complete: Conducted a review of our Marketing supply chain</p> <p>Partial: Updating our Supplier Policy to cover modern slavery risk and provide training to the business</p>
Investment Managers: <ul style="list-style-type: none"> Complete the supply chain review for high-risk Investment Managers Embed modern slavery assessments of our Investment Managers into our processes 	Complete	Section 6.2	<p>Complete: Review of high-risk Investment Managers</p> <p>Complete: Review of medium-risk Investment Managers</p> <p>Complete: Used influence to encourage Investment Managers to consider the risk of modern slavery within their own operations and supply chains</p>
Vietnam Development Support Centre: <ul style="list-style-type: none"> Update policies and training to ensure whistleblowing policies cover our Development Support Centre in Vietnam 	Complete	Section 6.3	<p>Complete: Conducted whistleblowing training for staff in Vietnam</p> <p>Complete: Working conditions survey issued to staff and results analysed</p> <p>Complete: Wage review</p>
Internal operations: <ul style="list-style-type: none"> Conduct an audit of our HR Management processes and practices 	Complete	Section 6.4	<p>Complete: Audit of HR Management processes and practices</p>

Our Business

Structure, Operations and Supply Chains



Our Business

2.0 Our business

Netwealth is a financial services company listed on the Australian Stock Exchange (ASX:NWL). Netwealth was created in 1999 with an entrepreneurial spirit to challenge the conventions of Australia’s financial services industry.

We are a technology company, a superannuation fund trustee and an administration business. Above all we exist to inspire people to see wealth differently and discover a brighter future. Netwealth is one of the fastest growing wealth management businesses in Australia and is rated No.1 by our clients for providing exceptional service. Independent researchers continue to rate our technology as best in class.

Our financial products are:

- Superannuation fund products including accumulation and retirement income options;
- Investor directed portfolio services (IDPS) for self-managed superannuation and non-superannuation investments;
- Managed accounts; and
- Managed funds.

For more information about our business structure and strategy, please refer to our 2021 Annual Report.

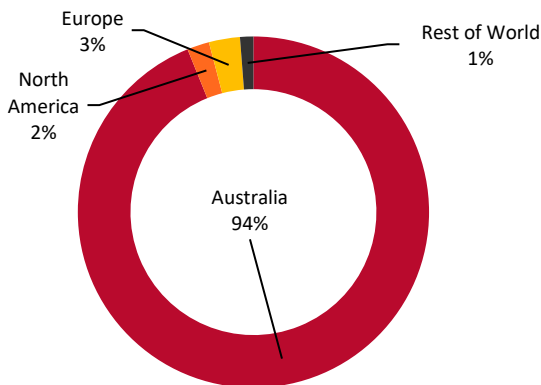
2.1 Our structure, operations and supply chains

This statement covers the activities of Netwealth Group Limited and its controlled entities. As a technology provider and regulated provider of financial products and services, Netwealth’s expenses are predominantly our employee benefits, taxes and other operating and occupancy expenses.

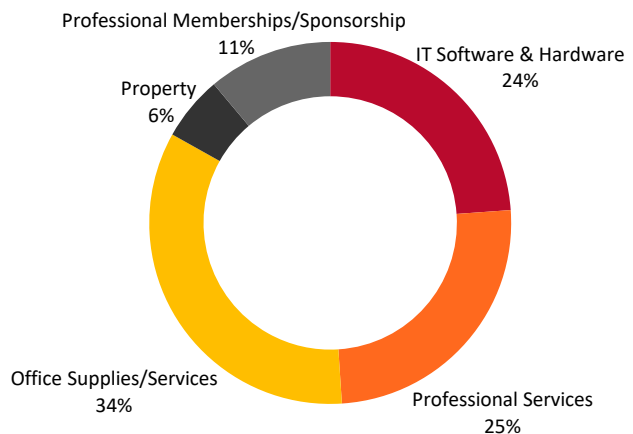
Netwealth’s key operating entities and operations and the associated supply chains are set out below. All Netwealth entities are Australian, and all direct employees are residents of Australia in FY2021. This statement is a joint Modern Slavery Statement for all our entities.

In FY2021, Netwealth spent approximately \$23mil on goods and services from over 240 suppliers. The majority of our suppliers were based in Australia, and our largest areas of expenditure were office supplies/services and professional services/consulting.

Supplier Spend by Location



Supplier Spend by Commodity



Our Business

Company / Structure	Main operations	Supply chains
Netwealth Group Limited ABN 84 620 145 404	<ul style="list-style-type: none"> Group entity listed on the ASX Oversight, governance and controlling entity of the Group entities 	<ul style="list-style-type: none"> Professional services, such as auditors, law firms and consultants
Netwealth Investments Limited ABN 85 090 569 109	<ul style="list-style-type: none"> Operator of IDPS products Responsible Entity for a managed account, managed funds and managed / mandate managed investment schemes (MIS) Custodian of domestic assets Administrator and call centre Developer of financial technology products 	<ul style="list-style-type: none"> Professional services, such as consultants, law firms, mail distributors and Investment management Brokers, banking and custodians Operational management and support, such as IT software Development support Marketing and sales, such as graphic designers, sponsorship agreements and advertisers. Advisers and their associated entities as appointed to offer Netwealth products to clients
Netwealth Superannuation Services Pty Limited ABN 80 636 951 310	<ul style="list-style-type: none"> Trustee of a Superannuation Master Fund (Netwealth Superannuation Master Fund ABN 94 573 747 704.) 	<ul style="list-style-type: none"> Professional services Operational management and support
Netwealth Group Services Pty Ltd ABN 89 135 940 840	<ul style="list-style-type: none"> Corporate services for Netwealth Group including Finance, Risk, Compliance, Product, Investment Research, Human Resources, Marketing and Sales Employing entity of all Netwealth's employees 	<ul style="list-style-type: none"> Professional services, such as recruitment agencies, consultants, IT software and sponsorship agreements Business support services, such as cleaning, catering Office premises and services, such as building leases, office furniture, hardware, or physical goods Technology infrastructure, such as IT software programs Staff support services, such as staff gifts, employee assistance provider, staff training and other staff benefits

Netwealth Group Services Pty Ltd also consists of:

- Netwealth Holdings Limited (ABN 57 133 790 146) which supplies operational reserves to the Group and controls the entities Netwealth Investments Limited, Netwealth Group Services, Netwealth Fiduciary Services and Netwealth Superannuation Services Pty Limited;

Our Business

- Netwealth Fiduciary Services Pty Ltd (ABN 68 114 802 532) which acts in an administration capacity to the Group; and
- WealthTech Pty Ltd ABN 92 637 362 460 which was not operational in FY2021.

Netwealth employs 369 staff members, with most being based in Netwealth's head office in Melbourne. Only 6 employees are contractors. We contribute to and use market data from the Finance institutions Remuneration Group and industry information (salary reports) to understand trends and remunerate our staff accordingly.

All Netwealth entities currently share the same Executive Management team, and this Statement has been drafted on behalf of all entities. All Netwealth entities who have a supply chain (as shown on page 9 and 10) have reviewed and endorsed the publication of this statement.

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021



3.0 Identifying, assessing and addressing modern slavery risks in FY2021

During FY2021, the Corporate Governance team have worked alongside different areas of the business to identify, assess and address modern slavery risks throughout Netwealth’s internal and external operations using our modern slavery risk mitigation cycle:



The key areas that were identified as part of the risk mitigation cycle, and the areas that Netwealth subsequently focused on in FY2021, were:

Key areas	Assessed risk of modern slavery
Supply Chains	Low
Investment Managers	Very Low
Vietnam Development Support Centre	Low
Internal Operations	Very Low

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

3.1 Supply Chains

3.1.1 Modern Slavery Risk Assessment Framework

As a supplier of financial services, the risk of contributing to or being linked to modern slavery through our supply chains is low. However, we also realise that it is important to fully understand any potential risks of modern slavery within our external supply chains. During FY2021 we consulted with audit firms and attended industry seminars to better understand how to assess modern slavery, and then developed and implemented an extensive risk assessment framework for our suppliers. The risk assessment categories include:

Area of risk	Explanation
1. Geographic location of the Supplier	In line with the Global Slavery Index, certain countries were deemed high risk and medium risk for modern slavery
2. The nature of goods or services being provided by the supplier	Certain industries, such as hospitality, textiles, cleaning, manufacturing and labouring businesses are more at risk of modern slavery due to the nature of the goods and services being offered
3. The business model of the supplier	Suppliers involved in labour hire, outsourcing, offshoring and franchising are more at risk of modern slavery
4. The engagement of the supplier with vulnerable populations	Suppliers are at higher risk of engaging in modern slavery if they routinely engage with vulnerable populations, such as migrant workers or base-skill workers, and could include industries such as hospitality, cleaning, textiles and farming

The above represents Netwealth's framework for managing risk within our external supply chains and was used to assess all of our existing contracted suppliers as following:

- A numerical score was given for each of the categories based upon Netwealth's risk tolerance, and an overall score determined the inherent modern slavery risk rating of the supplier; and
- Where it was determined that a supplier is based overseas, the specific location of the supplier was analysed for modern slavery risks according to the Global Slavery Index, and no high or mid-risk countries were identified.

Finding 1 – Supplier A

Supplier A was identified as a provider of IT infrastructure hardware, where a potential for modern slavery exists within the building and manufacturing of the hardware components. Supplier A was further analysed and the relationship with Supplier A was discussed with the relevant Netwealth business owner. It was determined that Supplier A has shown a commitment to ending modern slavery by producing their own Modern Slavery Statement, and therefore the risk of modern slavery associated with this supplier was very low.

Finding 2 – Supplier B

Supplier B was identified as a supplier of recruitment services who engage in outsourcing, which is a higher-risk business model for modern slavery as per our modern slavery risk assessment framework. An assessment was undertaken of Supplier B, which showed that they have a Modern Slavery Act Transparency Statement under UK legislation. Coupled with the fact that Supplier B does not recruit base-skill workers, but engages with skilled workers within professional services, we deemed the risk of modern slavery within this supply chain to be very low.

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

The development of this risk assessment framework has allowed Netwealth to:

- Appropriately identify risks associated with our supply chains on an ongoing basis;
- Take appropriate action to mitigate any potential or actual risks of modern slavery that are found, such as working with the Supplier to understand and influence what actions they are taking to address modern slavery; and
- Embed modern slavery risk-assessments into considerations when choosing to engage a new supplier, or re-contracting with an existing supplier. Appropriate training on the risk assessment framework is scheduled to occur for employees during FY2022.

3.1.2 Supplier Register

Netwealth's Supplier Register was reviewed and updated in FY2021 to include the above risk assessment framework. The Supplier Register was also reviewed and updated to ensure that any terminated or finished agreements have been moved into a separate register to reflect their non-active status. Ensuring that the Supplier Register is up-to-date and accurately reflects Netwealth's current Suppliers means that Netwealth has a better overview of any potential modern slavery risks in our supply chains.

3.1.3 Review of Marketing Supply Chain

In our FY2020 Modern Slavery Statement, we identified that single purchases from retailers such as eBay were likely our largest risk of modern slavery, and as such a review into the marketing supply chain was appropriate. This review was undertaken in FY2021 by utilising the modern slavery risk assessment framework. The following actions were undertaken:



It was identified that many marketing suppliers were currently engaged on a retainer style basis with no formal contract in place, and as such the marketing and legal teams have worked and are continuing to work together to set up appropriate contracts and agreements with suppliers as required.



Education for the marketing team around potential risks of modern slavery when engaging suppliers. This has involved:

1. Discussions around the categories identified in the modern slavery risk assessment framework; and
2. Embedment of a culture of awareness for modern slavery risks within the marketing team.

3.1.4 Supplier Policy

We have identified that our current Outsourcing and Supplier Policy does not adequately cover modern slavery risks. The current Supplier Policy is heavily influenced by particular regulations, but could be expanded to cover broader risks. We want the Policy to act as a guide to the business when engaging a new supplier, and as such are re-drafting the policy to cover the areas of modern slavery, information security, due diligence processes and privacy obligations.

The goal to update our current Supplier Policy was identified in our FY2020 Modern Slavery Statement, and although this goal was not achieved in FY2021, it is part of an ongoing process which will result in a Policy that provides a comprehensive and efficient framework for employees to follow when entering into agreements with suppliers.

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

3.1.5 Effectiveness Measures

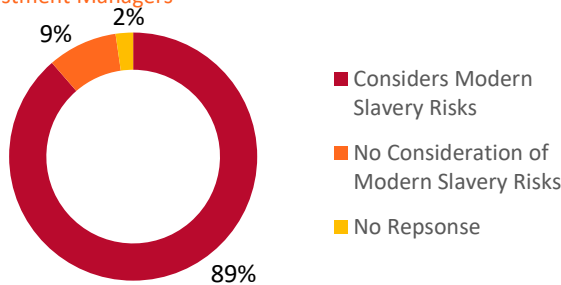
What to Assess	Key Performance Indicators	Who is Responsible?	How Often to Review?
Whether modern slavery risk assessment is embedded into the risk assessment framework for suppliers	<ul style="list-style-type: none"> A Supplier Policy that encompasses modern slavery risk A robust risk assessment framework that is applied to all new suppliers 	<ul style="list-style-type: none"> Corporate Governance Team: drafting the risk assessment framework for Suppliers and the Supplier Policy Compliance and Risk Management Committee and the Board: approval of the Supplier Policy 	Yearly
Areas of medium or high-risk that are identified through the modern slavery risk assessment are mitigated and addressed appropriately	<ul style="list-style-type: none"> Successfully identifying medium and high-risk suppliers Devising a remediation process for medium and high-risk suppliers 	<ul style="list-style-type: none"> Corporate Governance Team: Conducting the risk assessment on suppliers Compliance and Risk Management Committee and the Board: oversight of medium and high-risk suppliers as appropriate 	Ongoing with each new supplier
Fit for purpose training is conducted on modern slavery risks for all employees involved in the procurement process	<ul style="list-style-type: none"> Appropriate training is rolled out to the business in FY2022 	<ul style="list-style-type: none"> Corporate Governance Team: devising and undertaking the training for the business 	In line with other Regulatory Awareness Training on an annual basis

3.2 Investment Managers

To provide a wide range of investment opportunities through its platform, Netwealth Investments Limited works with over 500 investment and fund managers located both domestically and internationally. Clients and their advisers may then choose to invest in these products through the Netwealth platform products. Each investment and fund manager offers a portfolio of investment products. These products span a range of industries and jurisdictions. In many cases, the investment managers employ staff overseas, but these are generally well-paid investment professionals. Investment management generally involves highly skilled labour and not manual or low-skilled work. Netwealth considers Investment Managers to be separate from other third-party suppliers due to the nature of our business, and as such they are not assessed through the modern slavery risk assessment framework.

3.2.1 Supply Chain Review of High-Risk Investment Managers

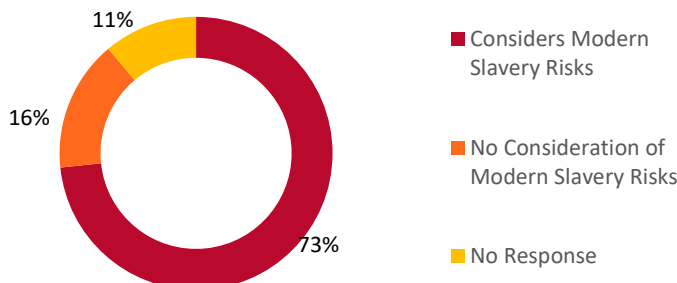
High-Risk Investment Managers



In FY2020, Netwealth commenced a review of our Investment Managers, which classified each investment product based on the modern slavery risk presented by reviewing the industry and jurisdiction of their product. We pledged a commitment to complete the review of our high-risk Investment Managers, as there were 14 who had not yet provided an adequate response to our request around their approach to modern slavery. Out of those 14, 8 provided evidence of their Modern Slavery Statement or ethical procurement policies, 1 had been bought out, 1 did not respond and 4 stated that they were not preparing a Modern Slavery Statement or reviewing the risks of modern slavery within their own supply chains.

3.2.2 Supply Chain Review of Medium-Risk Investment Managers

Medium-Risk Investment Managers



Netwealth decided in FY2021 that it was also appropriate to conduct a further review on our Investment Managers who we had deemed to be medium risk, to ensure that we are adequately identifying and addressing the areas where risks could be present. This involved contacting a further 45 Investment Managers. Out of

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

those 45, 33 identified that they had either produced a Modern Slavery Statement or were currently working towards it, 7 stated that they were not preparing a Modern Slavery Statement or reviewing the risk of modern slavery within their own supply chains, and 5 did not respond.

Case Study: Medium-Risk Investment Manager

One medium-risk investment manager identified that they did not yet have a modern slavery statement but, thanks to Netwealth’s influence and the growing importance of assessing modern slavery risks within the financial services industry, they are working towards preparing one for the next financial year.

In order to help address the risk of modern slavery associated with those Investment Managers who had either not responded or were not assessing their own risks of modern slavery, we decided to use our collective influence to encourage them to start considering modern slavery within their own supply chains. In June 2021, we released communications that provided Investment Managers with insight into Netwealth’s position with regard to modern slavery. In particular it set out that Netwealth understands making ethical investment choices is important to some of our clients, and that over the next 12-24 months we plan on building out our reporting capabilities around investment options and providing this information to clients. While initially the reporting will allow filtering on ethical ratings, it will over time be enhanced to include an Investment Managers’ approach to modern slavery. Our intention was that this would allow us to use our commercial influence to facilitate a discussion around modern slavery. We have also offered to provide guidance and assistance where requested.

3.2.3 Investment Manager Due Diligence

Netwealth has also worked in FY2021 to embed a modern slavery assessment into the Investment Research due diligence process. When onboarding a new Investment Manager or renewing an agreement, the due diligence template has been updated to ask for evidence that their company is considering modern slavery risks.

Netwealth does not stop Investment Managers from being on our platform if they do not have any evidence of assessing their modern slavery risks as, ultimately, we are a platform that promotes choice for our clients. However, it is our hope that by demonstrating our commitment to ending modern slavery, we can use our influence to show Investment Managers that we take modern slavery very seriously, and that the rest of the financial services industry should do so also. This will be further demonstrated when we release our functionality to allow investors to select those providers who have a modern slavery statement when choosing their investments. We hope to release this functionality in FY2023, which gives Investment Managers time to consider how they want to position their products and brand.

3.2.4 Effectiveness Measures

What to Assess	Key Performance Indicators	Who is Responsible?	How Often to Review?
Use of influence to encourage Investment Managers to explore modern slavery risks within their own supply chains	<ul style="list-style-type: none"> How many Investment Managers assess modern slavery risks in FY2022 compared to FY2021 How many Investment Managers ask Netwealth for assistance in assessing their modern slavery risks 	<ul style="list-style-type: none"> Corporate Governance Team – oversight Investment Management & Research Team – creating ongoing relationships with Investment Managers and driving the due diligence process 	Yearly



Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

3.3 Vietnam Development Support Centre

As a leader in financial technology solutions, Netwealth is continually developing the technical functionality of our platform. In FY2019, Netwealth identified an opportunity to work with a technology partner in Vietnam to provide additional IT development support to our business. Netwealth closely monitors the activities of the IT staff employed by its partner in Vietnam and those staff are generally part of 'scrum' teams with Netwealth's Australian staff. This high level of engagement means that the risk of exploitation or coercion of staff is significantly reduced.

In FY2021, Netwealth continued to develop and assess our understanding of modern slavery risks associated with our Development Support Centre in Vietnam. This included the following actions:



Whistleblowing training for staff in Vietnam conducted by our Technology Risk team.



Anonymous working conditions surveys issued to staff and management of the Development Support Centre



Wage review conducted by the Netwealth Corporate Governance team.

3.3.1 Whistleblowing Training

We undertook work to ensure that our Whistleblowing Policy adequately covered our Development Support Centre team in Vietnam. Netwealth are committed to promoting and supporting a culture of honest and ethical conduct and corporate compliance, and this extends to our operations based in Vietnam. Virtual training was conducted by the Technology Risk Team with employees based in Vietnam ensure that they understood the channels available to them for disclosing information relating to a possible wrongdoing.

Making sure that employees in Vietnam have channels available to them to report any potential wrongdoing helps to mitigate the risk that modern slavery is present, as open communication will allow any potential risk factors to be exposed and dealt with accordingly. Any disclosures made are to be dealt with in accordance with the Whistleblowing Policy, which is available on our website. We are looking at embedding this training into our training framework moving forward. We will look to perform this training face-to-face once COVID-19 permits us to travel to Vietnam again.

3.3.2 Working Conditions Survey

To better identify, assess and address the risks associated with our Development Support Centre in Vietnam, a survey was used to conduct a review of the current working conditions from the perspectives of both employees and management. Due to COVID-19, a site-visit was not possible in FY2020, and therefore an anonymous survey was used as a way to identify any potential modern slavery risks since the initial site visit occurred in FY2019. Overall the results of the survey were insightful and highlighted that the risks of modern slavery associated with our Development Support Centre in Vietnam are low. Some key findings include:

- 94% of respondents answered that they believed the conditions they work in are safe, and that they have access to clean water and bathroom facilities;
- When respondents were asked what they would change at work, the results focused mostly on larger working spaces, better equipment, flexible working and increased salary;

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

- Whilst only 13% of respondents answered that they believe they are currently paid in line with the average in Vietnam, when corroborated with the results of the wage review, it was determined that the wages paid to employees are well above average for Vietnam and above average for technology workers.

In FY2022, we plan to conduct a workshop with the management of the Development Support Centre to discuss the results of the survey and to determine certain areas where improvements could be made. COVID-19 permitting, a physical site visit of the Development Support Centre is planned for FY2022 to further assess any risks of modern slavery. There is also an opportunity to conduct face-to-face training on modern slavery and other important aspects of our business.

3.3.3 Wage Review

A wage review was undertaken to better understand the potential risks of modern slavery within the Development Support Centre in Vietnam, by comparing the wages of employees to the average wages of people performing the same roles in Vietnam. The findings indicate that the Development Support Centre pay above or significantly above market salaries to its employees. It is therefore very unlikely that employees are being exploited as they are paid fairly for their work and above national industry averages.

In order to continue monitoring modern slavery risks associated with our Development Centre, Netwealth will conduct a wage review every two-three years to ensure employees continue to receive a fair wage. This is particularly important in light of the demand for developers and subsequent wage escalation in Vietnam that is currently occurring.

3.3.4 Ongoing Support

We are committed to providing ongoing support to our Development Support Centre in Vietnam, and in FY2021 we:

- Included Development Support Centre staff in our annual Staff Survey to better understand their opinions and suggestions for improvements at Netwealth;
- Ensured that Development Support Centre staff have adequate hardware provided to them to be able to work from home during lockdown in Vietnam;
- Included Development Support Centre staff in firm-wide activities, such as our virtual trivia night and provision of Netwealth hoodies; and
- Provided hampers of fresh fruit and other goods, given the severity of the lockdown in Vietnam.

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

3.3.5 Effectiveness Measures

What to Assess	Key Performance Indicators	Who is Responsible?	How Often to Review?
Adequate wages and working conditions	<ul style="list-style-type: none"> Wages paid are comparable to the Vietnamese average Working conditions remain safe and stable Satisfactory site visit when restrictions allow 	<ul style="list-style-type: none"> IT Team – supporting the ongoing management of the Vietnamese staff Corporate Governance team – undertaking wage reviews and oversight of working conditions 	<ul style="list-style-type: none"> Monitor working conditions on an ongoing basis Wage review every 2-3 years Site visit every 2-3 years as permitted by COVID-19
Ability to make whistleblowing disclosures	<ul style="list-style-type: none"> Staff in the Development Centre undertake training to understand how they can raise a whistleblowing disclosure Any whistleblowing disclosure is treated in accordance with the Whistleblowing Policy 	<ul style="list-style-type: none"> The Board – oversight of any whistleblowing disclosures made Corporate Governance team – ensuring appropriate remediation 	<ul style="list-style-type: none"> Whistleblowing training – Annually Whenever a whistleblowing disclosure is made

Identifying, Assessing and Addressing Modern Slavery Risks in FY2021

3.4 Internal Operations

Netwealth's extensive policies and governance processes, combined with its size, regulated industry and geographic location make it highly unlikely that modern slavery exists within our operations. Netwealth has in place policies covering expectations for conduct, working arrangements, leave, work health and safety, whistleblowing and diversity. Together these policies set out our values and how we work together. In addition, processes set out how to manage succession, performance, under performance, flexible working arrangements, recruitment and access to overtime. As a result, we assess that there is very low risk in this area.

3.4.1 Internal Audit

A review was undertaken by our internal auditor, RSM, into our HR management processes and practices in November 2020. This included a review of

- Management of HR policy/procedure manuals;
- Recruitment process including selection, identity/reference checks and contracts of employment;
- Employee on-boarding and off-boarding processes;
- Performance management; and
- Ongoing employee development and succession planning.

The findings indicate that all relevant policies and procedures that are in place are in line with contemporary acceptable practices of similar organisations, and the risk of modern slavery within our internal operations is very low. This is supported by the fact that all new starters must complete mandatory regulatory awareness training upon commencement with Netwealth, including Code of Conduct, and Fraud, Bribery & Corruption training.

In FY2021 Netwealth also updated our risk registers to include modern slavery, recognising that this is a risk area for our business.

3.4.2 Effectiveness Measures

What to Assess	Key Performance Indicators	Who is Responsible?	How Often to Review?
Monitoring of whistleblowing disclosures as per the Whistleblowing Policy	<ul style="list-style-type: none"> • Staff undertake training to understand how they can raise a whistleblowing disclosure • Any whistleblowing disclosure is treated in accordance with the Whistleblowing Policy 	<ul style="list-style-type: none"> • The Board – oversight of any whistleblowing disclosures made • Corporate Governance team – ensuring appropriate remediation 	<ul style="list-style-type: none"> • Whistleblowing training – Annually • Whenever a whistleblowing disclosure is made
Regulatory awareness training for Netwealth staff	<ul style="list-style-type: none"> • Fit for purpose training is provided to all staff • Staff are aware of their regulatory requirements and company processes 	<ul style="list-style-type: none"> • Corporate Governance Team – devises and rolls our training to the business 	Annually

Actions for FY2022



Actions for FY2022

4.0 Actions for FY2022

In order to continue to improve our approach to identifying, assessing and addressing modern slavery risks, we have identified the following focus areas for FY2022:

Action for FY2022	Rationale behind choice of action	Effectiveness measures
Finalise the Supplier Policy and provide training to all staff	<ul style="list-style-type: none"> Finalising the Policy will embed the modern slavery risk assessment within the broader framework of supplier risk assessment Training to be conducted so employees can identify and address potential modern slavery risks when engaging with suppliers Embedment of a culture of modern slavery awareness within Netwealth 	<ul style="list-style-type: none"> Ensure modern slavery risk assessment is embedded into the broad risk assessment framework for suppliers Areas of medium or high-risk that are identified through the modern slavery risk assessment are mitigated and addressed appropriately Training is conducted on modern slavery risks for all employees involved in the procurement process Whether a culture of awareness of modern slavery is embedded throughout the business
Conduct a deep dive into all Netwealth suppliers located outside of Australia	<ul style="list-style-type: none"> Gain a better understanding of our modern slavery risks associated with overseas suppliers Continue to analyse, assess and address modern slavery risks within our supply chains 	<ul style="list-style-type: none"> Understand where Netwealth's suppliers are located, and the risk of modern slavery associated with overseas suppliers
Conduct a review of the successfulness of embedding modern slavery assessment of risks into the due diligence process for Investment Research	<ul style="list-style-type: none"> Analyse and assess how effective embedding modern slavery risks has been, and adapt and change the approach if needed 	<ul style="list-style-type: none"> Assess how the Investment Research team has conducted due diligence whilst onboarding a new Investment Manager
Assess how many Investment Managers consider their modern slavery risks in FY2022 compared to FY2021	<ul style="list-style-type: none"> Provide an indication of how successful our influence has been over Investment Managers in encouraging them to assess their modern slavery risks 	<ul style="list-style-type: none"> Measure the number of Investment Managers who have conducted an assessment of their own modern slavery risks as a result of influence exerted by Netwealth
Create a Corporate Sustainability Committee	<ul style="list-style-type: none"> Creation of a Committee to have direct oversight over Netwealth's corporate social responsibility initiatives, including Netwealth's modern slavery response 	<ul style="list-style-type: none"> The extent to which the new Corporate Sustainability Committee has accountability and oversight of Netwealth's response to modern slavery

Beyond FY2022, Netwealth aims to establish an Environmental, Social and Governance (ESG) rating functionality for funds offered on our platform as well as an indication of the fund's approach to modern slavery. This will be in the form of data feeds and will help to demonstrate what approach each investment fund has taken towards modern slavery, enabling our customers to make an informed choice about where they wish to invest their money.

Actions for FY2022

5.0 Approval

This Statement was approved by the Board of Netwealth Group Limited.

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Tim Antonie
Chairman of the Board: Netwealth Group Limited
27 October 2021

Actions for FY2022

Appendix 1 – Modern Slavery Act 2018 (Cth) Reporting Requirements

The requirements under the [Modern Slavery Act 2018 \(Cth\)](#) have been listed in the body of the Modern Slavery Statement as follows:

ASX Recommendation	Location
16(1)(a) Identify the reporting entity	Section 4.0
16(1)(b) Describe the structure, operations, and supply chains of the reporting entity	Section 4.0
16(1)(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any other entity that the reporting entity owns or controls	Section 5.0
16(1)(d) Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Section 6.0
16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	Sections 3.0 & 7.0
16(1)(f) Describe the process of consultation with: i) any entities that the reporting entity owns or controls	Section 5.0
16(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Throughout the Statement