

Modern Slavery Statement FY2023

Netwealth Group Limited

ABN 84 620 145 404

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Acknowledgement of Country

In the spirit of reconciliation Netwealth Group Limited acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.

This statement is made by Netwealth Group Limited (NWL) on behalf of its reporting entities for the financial year ending 30 June 2023.

Introduction

At Netwealth¹, our purpose is to enable people to see wealth differently and discover a brighter future. As an industry leader and transparent and genuine supplier of products and services, we believe in staying true to our purpose and values, by being committed to reducing the risk of modern slavery and human trafficking in our operations and supply chain. Our corporate sustainability framework guides us to be transparent and genuine in our business and dealings and is overseen by our strong governance standard with full support from our Board.

This is our third Modern Slavery Statement as a required submission under the Australian *Modern Slavery Act* (2018) (**the Act**) and sets our actions that we have taken across Netwealth during the financial year ending 30 June 2023 to understand and address our modern slavery risks. We continue to reflect on our internal policies, standards and procedures to improve our approach on assessing and addressing modern slavery risks, and have worked with external stakeholders, leveraging our influence to reduce the risk of modern slavery in the following three areas of our operations:

- Internal operations;
- Supply chains; and
- Investment managers.

We are committed to evolving our approach to addressing modern slavery risks and continue to improve our process and oversight. We know there is more work to do and acknowledge the importance of addressing the critical issue of modern slavery. We continue to work with our supply chain and reflect on our own internal operations to comply with relevant laws regarding human rights, including upholding fair and decent working conditions, not using forced or child labour, and not engaging in human trafficking or debt bondage.

On behalf of the Netwealth team, I am pleased to share our FY2023 Modern Slavery Statement. This statement reflects our actions to date, and our ongoing commitment towards reducing the risk of modern slavery. For any questions about this Modern Slavery Statement and wider corporate sustainability commitments, please contact us at CSR@netwealth.com.au.



Grant Boyle
Chief Financial Officer

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

1.0 Our actions and progress during FY2023

In our FY2022 Modern Slavery Statement, we outlined goals for FY2023. Our progress against these goals is as follows:

Action for FY2023	Status	Initiatives undertaken
Internal operations		
Review Netwealth's whistleblowing process.	Complete	<ul style="list-style-type: none">A dedicated whistleblower web form was developed and is available on the corporate website which allows for notification of whistleblower disclosures, including anonymously.The Whistleblower Policy was simplified and updated to reflect regulatory and process changes.
Third party suppliers		
Netwealth office supplies review.	Complete	<ul style="list-style-type: none">Review completed. No risks of modern slavery were identified.
Third party supplier review	Complete	<ul style="list-style-type: none">Internally reviewed all third-party suppliers for modern slavery risks.
Gauge acknowledgement and acceptance of Netwealth's Code of Conduct from our key suppliers.	Complete	<ul style="list-style-type: none">Acknowledgement of our Supplier Code of Conduct was completed as part of the key supplier annual due diligence process.
Conduct internal audit on Netwealth's modern slavery processes.	Complete	<ul style="list-style-type: none">Our internal auditors, RSM Australia Pty Ltd (RSM), conducted an internal audit of our modern slavery risks and provided recommendations to improve processes. Management has responded to all recommendations provided by RSM.

In addition, the following initiatives were also undertaken for addressing modern slavery risks in our internal operations:

Modern slavery awareness training

During FY2023, we developed and launched a training module for Netwealth employees to increase awareness of modern slavery.

This module provides introductory training designed to educate employees about:

- What modern slavery is;
- Identifying modern slavery and managing the risk;
- What modern slavery looks like in Netwealth supply chains;

- What employees can do to address modern slavery risks; and
- How employees can report concerns about modern slavery risks.

All Netwealth employees are required to undertake the modern slavery awareness training and successfully complete the assessment on an annual basis. The completion rate for FY2023 was 100%².

Internal audit of our modern slavery risk procedures

Netwealth is strongly opposed to modern slavery and is committed to continually assessing and improving its approach in dealing with modern slavery risks, both with our internal operations and external supply chains. Netwealth's internal auditor, RSM, conducted an internal audit of our modern slavery risk procedures to assess compliance with the Act. The objective of the review was to assess the following areas:

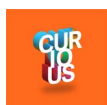
- Ensuring that Netwealth's Modern Slavery Statement is aligned with the requirements of the Act, and is subject to periodic review;
- Verifying the procedures in place for conducting modern slavery risk assessments for existing and potential tier 1 suppliers;
- Verifying that Netwealth has a robust process in place for conducting tier 1 supplier due diligence, including ongoing monitoring due diligence to monitor adherence to modern slavery obligations and expectations;
- Ensuring that appropriate training and awareness has been provided to Netwealth employees; and
- Checking that internal and external reporting channels with robust data assurance for monitoring and reporting on modern slavery risk management had been established.

The review was completed in December 2022. Management has responded to all recommendations provided by RSM.

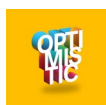
² Training completed at the date of the report for FY2023 schedule.

2.0 Our operations

Netwealth is a financial services company listed on the Australian Securities Exchange (ASX: NWL). Netwealth was founded in 1999 with an entrepreneurial spirit to challenge the conventions of Australia's financial services industry. Netwealth has a clear set of organisational values and behaviours that guide the way employees work together, communicate and live. Netwealth is driven by its purpose, which is to enable people to see wealth differently and discover a brighter future. Our purpose is supported by a set of shared values impacting the way we work, communicate and live:



We are curious and look to challenge assumptions, explore new possibilities and enthusiastically learn.



We are optimistic and look to be positive, drive for solutions and demonstrate passion and pride.



We are courageous and look to act, overcome barriers and stand up for the right outcome.



We are collaborative and look to consider others' priorities, share knowledge and help others and communicate effectively and respectfully.



We are agile and look to adapt to change, focus on agreed priorities and execute quickly and efficiently.



We are genuine and look to be open, honest and transparent, act with integrity and ensure compliance with regulations and demonstrate professionalism consistently.

We are a technology company, a superannuation fund trustee and an administration business. Our financial products include:

- Superannuation, including accumulation and retirement income products;
- Investor directed portfolio services for self-managed superannuation and non-superannuation investments;
- Managed accounts;
- Managed funds;
- Self-managed superannuation funds administration; and
- Non-custodial administration and reporting services.

Netwealth is one of the fastest growing wealth management businesses in Australia. Netwealth's digital platform supports our financial products are delivered to market. Financial intermediaries and clients can invest and manage a wide array of domestic and international products through the platform. The platform is built, developed, and maintained by our technology team. It is continuously enhanced using feedback from the financial intermediaries, clients and other users, and receives industry recognition as having market-leading functionality. Supporting our financial products and technology platform is a significant investment in our people resources to administer support, execute our custodial services, and manage risk and governance. For more information about our business structure and strategy, please refer to our FY2023 Annual Report and our FY2023 Corporate Governance Statement found on our Shareholder Centre webpage³.

³ <https://www.netwealth.com.au/web/about-netwealth/shareholders/>

3.0 Our structure

This Modern Slavery Statement covers the activities of the reporting entity, Netwealth Group Limited and its controlled entities (Netwealth).

Netwealth’s key operating entities and operations and the associated supply chains are set out below. All Netwealth entities are Australian. This statement is a joint Modern Slavery Statement for all our controlled entities.

Company / Structure	Main operations	Tier 1 supply chains
Netwealth Group Limited (NWL) ABN 84 620 145 404	<ul style="list-style-type: none"> Group entity listed on the ASX; and Oversight, governance and controlling entity of Netwealth. 	<ul style="list-style-type: none"> Professional services (including auditors, law firms and consultants).
Netwealth Investments Limited (NIL) ABN 85 090 569 109	<ul style="list-style-type: none"> Operator of Investor Directed Portfolio Service products; Responsible Entity for the managed account, managed funds, global specialist series funds and models and managed / mandate managed investment schemes (MIS); Custodian of domestic assets; Administrator and call centre; and Developer of financial technology products. 	<ul style="list-style-type: none"> Professional services (including consultants, law firms, mail distributors). Investment management. Brokers, banking and custodians. Operational management and support (including IT software). Development support. Marketing and sales (including graphic designers, sponsorship agreements and advertisers).
Netwealth Group Services Pty Ltd (NGS) ABN 89 135 940 840	<ul style="list-style-type: none"> Corporate services for Netwealth including Finance, Legal, Risk, Compliance, Product, Investment Research, People and Culture, Marketing and Sales; and Employing entity of all Netwealth's employees. 	<ul style="list-style-type: none"> Professional services (including recruitment agencies, consultants, IT software and sponsorship agreements). Business support services (cleaning, catering, office supplies). Office premises and services (including building leases, office furniture, hardware, or physical goods). Technology infrastructure (including IT software programs). Employee support services, (including employee gifts, employee assistance provider, employee training and other employee benefits).

Netwealth Superannuation Services Pty Ltd (NSS) ABN 80 636 951 310	<ul style="list-style-type: none"> Trustee of the Superannuation Master Fund (Netwealth Superannuation Master Fund ABN 94 573 747 704). 	<ul style="list-style-type: none"> Netwealth Investments Limited. Netwealth Holdings Limited. Professional services (including auditors and legal consulting). Advisers and their associated entities as appointed to offer Netwealth products to clients.
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Netwealth also consists of:

- Netwealth Holdings Limited (**NHL**) (ABN 57 133 790 146), currently controls NIL, NGS, Netwealth Fiduciary Services Pty Ltd and NSS entities. NHL also has a minority stake in a joint venture;
- Netwealth Fiduciary Services Pty Ltd (ABN 68 114 802 532) acts as the trustee for the Deed of Cross Guarantee, which only NWL, NHL and NGS are members of, seeking relief for financial reporting purposes while jointly being liable for each other's liabilities; and
- WealthTech Pty Ltd (ABN 92 637 362 460), which was not operational in FY2023.

This Modern Slavery Statement has been drafted on behalf of the reporting entity, Netwealth Group Limited and its controlled entities. All Netwealth entities named in the above table in this section have reviewed and endorsed the publication of this statement.

3.1 Modern slavery risk governance structure

Role	Responsibility
Netwealth Group Limited Board (NWL) (Board)	<ul style="list-style-type: none"> Oversight and approval of Netwealth's annual Modern Slavery Statement.
Netwealth Group Compliance and Risk Management Committee (CRMC) / NSS Audit Risk and Compliance Committee (ARCC)	<ul style="list-style-type: none"> Oversight of the management and monitoring of our suppliers, which includes annual modern slavery risk assessments of suppliers, via quarterly reporting to the CRMC and ARCC.
People and Corporate Sustainability Committee (PCSC)	<ul style="list-style-type: none"> Oversee NWL's progress on modern slavery risk management and recommending the annual Modern Slavery Statement to the Boards for approval. Report modern slavery risks to the CRMC / ARCC, as relevant.
Investment Committee	<ul style="list-style-type: none"> Assist the Board in developing the Investment Governance Framework (including consideration of modern slavery governance).
Remuneration Committee	<ul style="list-style-type: none"> Monitor pay equality for all employees within Netwealth.
Executive Team	<ul style="list-style-type: none"> Oversight of processes and procedures that mitigate modern slavery risk in our operations.

Finance Team	<p>In compliance with company policies, the Finance Team:</p> <ul style="list-style-type: none"> • Conduct the modern slavery risk assessment on suppliers; • Provide oversight of Netwealth's supplier register; and • Business partner with departments to formulate Netwealth's annual Modern Slavery Statement.
People and Culture Team	<p>In compliance with company policies the People and Culture Team:</p> <ul style="list-style-type: none"> • Conduct background checks and right to work checks for prospective employees; • Conduct ongoing background checks on current employees; and • Oversee work, health, safety and wellbeing processes and procedures.
Product Team	<p>In compliance with company policies, the Product Team:</p> <ul style="list-style-type: none"> • Conduct governance and due diligence checks of investment managers and their products that are offered on the Netwealth platform.
Legal, Risk and Compliance Team	<p>In compliance with company policies, the Legal, Risk and Compliance Team:</p> <ul style="list-style-type: none"> • Review and action risks that may arise from modern slavery compliance, including modern slavery disclosure.

4.0 Defining modern slavery risk

Modern slavery is the serious exploitation of a person’s human rights and freedoms. It is defined by a range of practices that include human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour⁴. Modern slavery risk means the potential for Netwealth to cause, contribute to, or be directly linked to modern slavery throughout our operations and supply chain.

There are four key areas which elevate the risk of modern slavery to consider when screening for potential modern slavery. These areas are outlined in the table below:

Modern slavery risk factor	Description
Geographic risks	Some countries may have higher risks of modern slavery due to poor governance, weak rule of law, conflict, corruption, displacement, state failure to protect human rights, migration flows and socio-economic factors like poverty or widespread discrimination.
Sectors and industry risks	Certain sectors and industries may have higher modern slavery risks because of their characteristics, products, and processes. Typically, if the sector or industry that is informal and unregulated has little visibility over lower tier suppliers, it will be considered a high risk. Further, industries or sectors that involve seasonal, low-paying, low-skilled, or dangerous/hazardous work may also carry a higher risk.
Product and services risks	Certain products and services may have higher modern slavery risks because of the way they are produced, provided or used. For example, services such as cleaning that often involve lower wages and manual labour may have high modern slavery risks.
Vulnerable population risks	Vulnerable populations include children, seasonal workers and low-skilled workers.

Financial services industry

Netwealth operates within the financial services industry and has identified the following industry specific risks relating to modern slavery that may have a direct or indirect impact:

- Holding, offering and investing assets in special economic zones, countries with weak governance levels, or high-risk industries where labour rights are not closely monitored, puts workers at increased risk of exploitation;

⁴ As defined in the Australian *Modern Slavery Act (2018)*.

- Profits generated by modern slavery may be laundered through financial channels, resulting in Netwealth inadvertently facilitating these criminal activities;
- Exposure to risks through using certain goods or services in their operations, for example, overseas data centres and IT equipment, construction, cleaning and catering services; and
- Workers who may have been hired through or are engaged by recruitment agents or third party providers who may lack access to adequate labour protections.

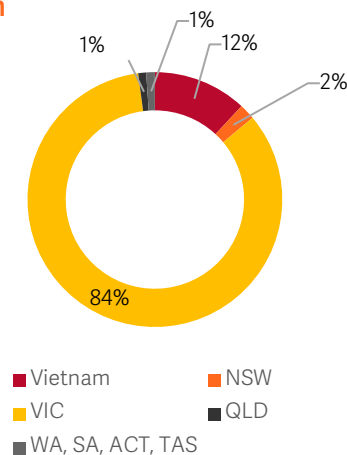
Netwealth monitors the risk in our supply chains, investment managers and internal operations. We are on a continuous improvement journey to address and monitor the risks within these areas to reduce the risk of instances of modern slavery.

4.1 Modern slavery risk in our internal operations

Netwealth has physical office locations across Australia, with our main office based in Melbourne CBD. Australia is a country that is considered a low risk of modern slavery and has a government who takes strong action against it. As a financial services technology company, our workforce predominantly comprises skilled labour. As part of our standard recruitment process, our People and Culture team conduct all necessary right to work and background checks. Netwealth does not employ children in any capacity. We consider modern slavery risks in our directly employed workforce to be low and have appropriate risk management processes in place.

As of 30 June 2023, Netwealth had a team of 553 people across Australia and Vietnam. For more on our Vietnam operations, see Section 5.5.

Percentage of Netwealth's workforce by region



Netwealth utilises short-term contractors during peak business periods. Agencies that have an agreement with Netwealth to provide short-term contractor services go through our supplier onboarding due diligence checks. This includes screening for modern slavery risks, as we have recently improved our process to include this as a due diligence step. Workers who are engaged on a contracting basis are predominately highly skilled professionals, primarily in technology, service administration and support and investment operations, and therefore pose low risk to being affected by modern slavery. Netwealth recognises this risk and looks to reduce this by converting contracted workers to employment contracts where possible. During FY2023, Netwealth contracted a total of 22 short-term contractors across our operations via third party recruitment agencies, with five of these

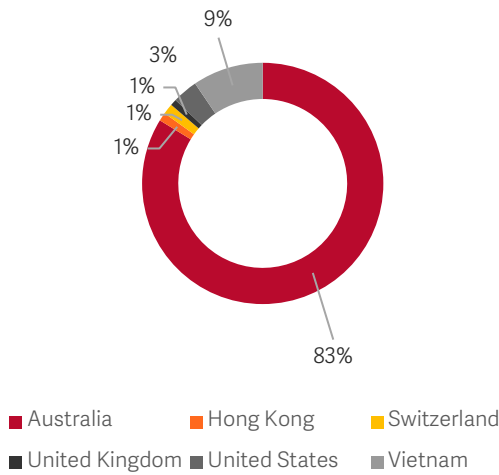
contractors going on to be offered permanent employment at Netwealth. As of 30 June 2023, Netwealth had 11 contractors working in our internal operations accounting for 2% of our workforce. All these contractors are in Victoria, Australia.

4.2 Modern slavery risk in our supply chains

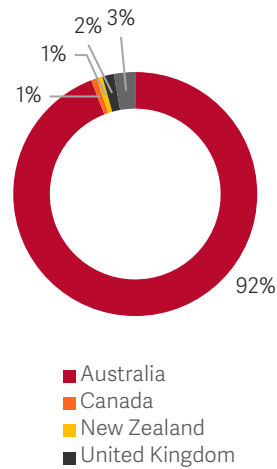
In FY2023, Netwealth spent approximately \$49 million on goods and services from over 390 suppliers. We have analysed the geographical spread of these suppliers by country:

- Australia
- United States
- United Kingdom
- Germany
- Luxembourg
- Netherlands
- Switzerland
- Sweden
- Vietnam
- Hong Kong
- New Zealand
- Canada

Percentage of Netwealth supplier spend by country



Percentage of Netwealth supplier count by country



Note that the above graphs do not show countries that have a supplier spend or count that is less than 1% representation.

This table highlights the location of spend on products and services across five explicit categories:

Technology	Professional Memberships & Sponsorship	Professional Services	Office Space	Workplace Services
<ul style="list-style-type: none"> • Australia • Canada • Germany • Hong Kong • Luxembourg • Netherlands 	<ul style="list-style-type: none"> • New Zealand • Switzerland • United Kingdom • United States of America 	<ul style="list-style-type: none"> • Australia • New Zealand • United States of America 	<ul style="list-style-type: none"> • Australia • United Kingdom • United States of America • Vietnam 	<ul style="list-style-type: none"> • Australia • New Zealand • United States of America

92% of our suppliers are located within Australia, equating to 83% of total supplier spend for FY2023. By maintaining domestic supply chains, we're better able to reduce modern slavery risk and improve on business sustainability.

Less than 1% of our supplier count were based in Asia, which was our second largest supplier spend by region. 9% of supplier spend was attributable to significant investment in our ongoing relationship with the Vietnam Development Centre. Vietnam is considered a high-risk country; however, Netwealth is confident that our due diligence and continuous monitoring procedures are in place to reduce the risk of modern slavery, as outlined in our case study in Section 5.5.

Understanding the location of our suppliers allows us to better identify whether we are at risk of contributing to modern slavery, and if so, the countries/regions the risk is most likely to stem from. Walk Free⁵ provides a list of the top 15 products imported by G20 countries that have a high risk of modern slavery. From this list, Netwealth identified the following products that are closely associated with Netwealth's business and internal operations but not material in supplier spend:

- Apparel and clothing accessories: Merchandise and clothing that is produced for marketing purposes can be considered a potential vulnerability of modern slavery risk to Netwealth; and
- Laptops, computers, and mobile phones: Hardware procured for business used at Netwealth is considered a potential vulnerability to modern slavery risk to Netwealth.

The spend across these products is minimal at 1.5% of our supplier spend for FY2023.

4.3 Modern slavery risk and investment managers

To provide a wide range of investment opportunities through its platform, Netwealth works with over 500 investment managers located both domestically and internationally. Investments, directly or through investment managers, can present modern slavery risks, depending on the investee business sector, geographical location, business model or workforce profile. Each investment manager offer a portfolio of investment products which span a range of industries and jurisdictions. In many cases, the investment managers employ employees overseas, who are predominantly well-paid investment professionals and deemed high skilled labour. The investments offered through our platform are not

⁵ <https://www.walkfree.org/global-slavery-index/>

covered by the modern slavery supplier risk assessment procedure but rather through separate due diligence procedures which consider modern slavery risk (refer section 5.2 below).

5.0 How we address modern slavery risks

Netwealth is committed to being ethical, transparent and accountable. We believe this is essential for the long-term performance and sustainability of Netwealth and supports the interests of our shareholders, clients and other stakeholders. Our Board is responsible for ensuring that we have an appropriate corporate governance framework⁶.

The PCSC is responsible for overseeing Netwealth’s progress on addressing modern slavery. Our governance structure includes several policies, standards and procedures that assist in addressing modern slavery risks, including due diligence and remediation processes.

5.1 Policies and procedures

To address modern slavery risks, Netwealth has several policies, standards and procedures as outlined below.

Policy/Standard	Description	Review date	Approval process
Supplier and Purchasing Policy	The Supplier and Purchasing Policy outlines the onboarding and ongoing monitoring requirements of Netwealth’s third-party suppliers. Modern slavery screening and reviews are included as part of this due diligence.	Reviewed annually. Last approved August 2023. Next review due September 2024.	Approved and adopted by NWL, NIL, NHL, NGS and NSS Boards. Ongoing approval delegated to the CRMC and ARCC.
Supplier Code of Conduct	Our Supplier Code of Conduct sets out minimum standards on human rights and modern slavery that we expect our suppliers to comply with.	Reviewed biennially. Last approved March 2022. Next review due February 2024.	Approved and adopted by NWL Board. Ongoing approval delegated to the PCSC.
Whistleblower Policy	The Whistleblowing Policy is to help Netwealth identify wrongdoing that may not be uncovered unless there is a safe and	Reviewed annually. Last approved September 2023.	Audit Committee review and endorse to Boards for approval. Approved and

⁶ For more detail on Netwealth corporate governance standard, see the FY2023 Corporate Governance Statement found on our Shareholders Centre webpage: <https://www.netwealth.com.au/web/about-netwealth/shareholders/>

Policy/Standard	Description	Review date	Approval process
	secure way to disclose it, including suspected cases of modern slavery.	Next review due September 2024.	adopted by NWL, NIL, NGS, NSS Boards.
The Way We Work Together Code of Conduct	The Code of Conduct outlines Netwealth's expectations of our employees and representatives to behave and conduct business in the workplace.	Reviewed annually. Last approved by NWL, NIL, NGS March 2023 and NSS April 2023. Next review due March 2024.	PCSC review and endorse to Boards for approval. Approved and adopted by NWL, NIL, NGS, NSS Boards.
MIS Managed Funds Policy	Policy set out how considerations of governance factors is integrated into our investment analysis and due diligence process, including consideration of modern slavery risk.	Reviewed biennially. Last approved October 2023. Next review due October 2025.	Approved and adopted by NIL Board. Ongoing approval delegated to the NIL Investment Committee.
Modern Slavery Risk Management Guide	This management guide outlines the programs, process and tools that we have in place to ensure compliance with the Act.	Reviewed annually. Last approved September 2023. Next review due September 2024.	Reviewed and approved by the Chief Financial Officer or their delegate.

5.2 Due diligence processes

Internal operations and recruitment

Netwealth's policies and governance processes, combined with our size, regulated industry and geographic location, make it unlikely that modern slavery exists within our operations.

Netwealth has a robust recruitment process that includes right to work checks and background checks for prospective employees. At onboarding, all new employees are required to review and acknowledge Netwealth's the Way We Work Together Code of Conduct. Netwealth employees are required to review and acknowledge this annually. Our employees are required by our Code of Conduct to be aware of, and comply with, their duties and obligations under all laws and regulations relating to their work, including the Act.⁷

⁷This acknowledgement is included as an effectiveness measure in section 6.3 of this statement.

We contribute to and use market data from the Finance Institutions Remuneration Group and industry information (salary reports) to understand trends and remunerate our employees accordingly to ensure pay equity⁸.

We are committed to providing a safe, diverse and inclusive workplace and have in place several people policies:

Policy	Employee Obligations
The Way We Work Together Code of Conduct	<ul style="list-style-type: none"> Review and acknowledge at the time of employee onboarding; and Annual re-acknowledgement required.
Inclusion and Diversity Policy	<ul style="list-style-type: none"> Completion of training required at onboarding; and Regular training on core inclusion required.
Work Health and Safety Policy	<ul style="list-style-type: none"> Completion of training required at onboarding; and Annual completion of training required.
Working From Home Policy	<ul style="list-style-type: none"> Completion of Policy acknowledgement and training required at onboarding.

Internal standards that outline flexible leave management, parental leave, employee benefits and services, and carers management for managers and employees to access, are all available on our intranet and are easily accessible.

Annually, we require all our employees to complete modern slavery awareness training, which covers how to identify modern slavery in our organisation and supply chains, and how to report any suspected modern slavery through the appropriate channels. We also require all our managers to complete Supplier and Purchasing Agreement Policy training annually. These mandatory compliance courses educate our people on the policies and processes we have in place to help reduce modern slavery risk. Completion rates of these training modules are used as a key effectiveness measure (see section 5.4).

Supplier due diligence

For all new supplier and purchasing agreements that Netwealth enters, a Supplier Management Checklist must be completed. This checklist is reviewed before any agreement is signed and the supplier is onboarded. We have included a modern slavery risk assessment tool within this checklist to ensure that employees have considered the implications of modern slavery before entering into any agreement. The checklist captures the following information regarding modern slavery risk:

- Assessing the Supplier's location of business operations;
- Determining whether the Supplier has evidence of a Modern Slavery Statement, Human Rights and Modern Slavery Policy, or genuine and transparent procurement policies available on their website or provided directly to the business;
- Determining whether the Supplier provides goods or services that are deemed high risk for modern slavery;

⁸ For more information on how Netwealth addresses pay equity, see Netwealth's FY2023 Corporate Sustainability Report found on our Corporate Sustainability webpage: <https://www.netwealth.com.au/web/about-netwealth/corporate-sustainability/>

- Determining whether the Supplier has an operating business model that is deemed high risk for modern slavery; and
- Determining whether the Supplier engages with vulnerable populations.

Applying this risk screening to all suppliers allows Netwealth to understand the general scope of modern slavery risks that the supplier may carry. The process for a supplier that is rated medium or high risk then progresses to a more detailed risk review. This review is undertaken by the Finance Team and reported to the CRMC and ARCC as part of supplier risk quarterly reporting.

Investment manager onboarding due diligence

As part of onboarding and periodic reviews of new investment managers, a modern slavery statement/policy is requested as part of the wider due diligence process. Many of the larger managers and particular managers with corporate sustainability strategies already have modern slavery risk considerations in place. Several of our investment managers do not meet the threshold required to report under the Act. We do not prevent investment managers from being on our platform if they do not have any evidence of assessing their modern slavery risks, as we aim to influence by example and through outreach.

5.3 Remediation and disclosures of instances of suspected modern slavery

The purpose of remediation is to ensure Netwealth takes reasonable steps to address the underlying root causes driving modern slavery where possible and prevent the impact of modern slavery from re-occurring by collaborating, supporting remediation and monitoring the implementation of any remedial measures that are taken.

Netwealth has not become aware of any historical or current instances of modern slavery in our operations, investment managers or supply chains since the Act was enacted.

We have mechanisms that are available to our employees to report concerns about suspected, or actual improper conduct including modern slavery. Netwealth has a whistleblowing program where disclosures can be made confidentially. Netwealth's Group Whistleblowing Policy is designed to help Netwealth identify wrongdoing that may not be uncovered unless there is a safe and secure way to disclose it. The Group Whistleblowing Policy can be found on the Whistleblowing page of Netwealth's website⁹ and on the 'For shareholders' webpage. Any instances of suspected modern slavery reported to Netwealth by eligible whistleblowers will undergo the review process outlined in the Group Whistleblowing Policy. Netwealth takes allegations of misconduct seriously and is committed to acting quickly in relation to any wrongdoing. Netwealth will review and investigate disclosures about potential modern slavery, even if they are not eligible disclosures under the Group Whistleblowing Policy. Netwealth employees may also report any modern slavery suspicions through to their manager, Risk and Compliance, People & Culture, directly to the CEO & Managing Director or directly to a Board Director.

5.4 Assessing the effectiveness measures of our actions

Netwealth has several key performance indicators (KPIs) to manage and report on the quantitative impact of our actions in response to modern slavery risks. Netwealth seeks to continuously improve

⁹ <https://www.netwealth.com.au/web/about-netwealth/whistleblower/>

the quality of reporting and effectiveness measures of modern slavery risks in our internal operations, investment managers and supply chains.

Effectiveness measure	FY2023 completion ¹⁰
Internal operations	
Remediation of suspected modern slavery grievances.	n/a ¹¹
100% of Netwealth employees completed Modern Slavery Awareness module.	100%
100% of Netwealth managers completed Supplier and Purchasing Agreement Policy module.	100%
100% of Netwealth employees completed Whistleblower Policy module.	100%
100% of Netwealth employees completed annual The Way We Work Together Code of Conduct acknowledgement.	100%
Third-party suppliers	
All new suppliers have a modern slavery risk screening assessment completed at onboarding.	100%

¹⁰ Training and acknowledgments completed at the date of the report for FY2023 schedule.

¹¹ No instances of suspected modern slavery were submitted directly or through our whistleblowing program in FY2023.

5.5 Case Study: Vietnam Development Centre

As a leader in financial technology solutions, Netwealth is continually developing the technical functionality of our platform. Since 2019 we have been working with our technology partner in Vietnam, to gain access to a diverse and talented pool of technology developers. The due diligence and appointment process was conducted in accordance with the Netwealth Supplier and Purchasing Agreement Policy and relevant Australian Prudential Regulatory Authority (APRA) Standards. Using hybrid scrum teams and agile methodologies, we have a mix of Australian based and Vietnam based scrum team members that collaborate on innovative technology enhancements. This model has been successful and has enabled Netwealth to deliver innovative solutions faster and more efficiently.

Our technology partner, a third-party supplier to Netwealth, runs the Development Centre in Vietnam. Netwealth acknowledges that geographically, Vietnam is considered a high-risk region for modern slavery, and has restricted freedoms for its people¹².

Recognising the heightened risk in Vietnam, Netwealth addresses this concern through sustained engagement with the Development Centre, to promote a substantial reduction in the potential exploitation or coercion of the third-party supplier employees as outlined below.

- All the third-party employees engaged to undertake work on behalf of Netwealth in the Vietnam Development Centre are tertiary educated and deemed skilled employees, who play a crucial role in Netwealth's technology organisational structure.
- We seamlessly integrate them into Netwealth, by integrating them into scrum teams alongside Australian employees, fostering diverse blended teams.
- In August 2022 Vietnam Development Team members visited the Melbourne office. This visit was to increase collaboration and engagement in the mixed scrums.
- We actively engage in the wellbeing and consistently monitor the activities of those employed by the third-party.
- Employees of the third-party have access to Netwealth's People and Culture Technology Business Partner.

Netwealth follows a procedure for ongoing reviews of the Vietnam Development Centre, as outlined below.

Engagement and due diligence measure	Description	Completion	Oversight process
Whistleblowing training	Our Netwealth Learning and Development Team present appropriate whistleblowing training to employees at the Vietnam Development Centre annually.	May 2023	Completion of regulatory training reported to the Executive.

¹² Freedom House have given Vietnam a Global Freedom Score of 19/100, May 2023. This score means Vietnam is not a Free State as per Freedom House's methodology of measuring global civil liberties. <https://freedomhouse.org/country/vietnam/freedom-net/2023>

Annual risk assurance report	Netwealth conducts an annual onsite review of the working conditions of employees at the Vietnam Development Centre. This report includes a work-place assessment, review of controls in place, third party employee interviews and contractual obligations review.	May 2023	Managed and reported as per procedure. Report outcome: Very Good
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The ongoing collaboration between Netwealth and the Development Centre is a source of pride, underscoring the positive relationship that has been cultivated.

6.0 Looking forward

To continue to improve our approach to identifying, assessing and addressing modern slavery risks, we have identified the following focus areas for FY2024 and beyond:

Action	Deliverables
Internal operations	
Review Modern Slavery Awareness Training.	<ul style="list-style-type: none">• Review modern slavery awareness employee annual training modules to identify areas of improvement.• Explore third-party modern slavery awareness training for our Board and Procurement Team.
Third party suppliers	
Uplift modern slavery tracking register within the planned uplift of third-party risk review software.	<ul style="list-style-type: none">• Screen every supplier that is onboarded for modern slavery risk.• Establish consistent review cycles for revisiting and reviewing the progress of third-party modern slavery risk mitigation.• Uplift of onboarding due diligence checks for screening modern slavery risks of contractors used by Netwealth.
Review Supplier Code of Conduct to align with United Nations Guiding Principles.	<ul style="list-style-type: none">• Gap analysis conducted on Supplier Code of Conduct to identify opportunities of uplift as part of regular review.• The updated Supplier Code of Conduct will be made available to suppliers once approved.
Investment managers	
Identify opportunities of improvement in the due diligence process and ongoing monitoring for Netwealth investment managers.	<ul style="list-style-type: none">• Review register and risk rating system of investment managers onboarding and ongoing monitoring.

7.0 Approval

This Statement was endorsed by the Netwealth Group Limited People and Corporate Sustainability Board Committee, noted by the NSS, NGS, and NIL Boards and approved by the Board of Netwealth Group Limited.



Tim Antonie
Chairman of the Board: Netwealth Group Limited

20 December 2023

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:

Act requirement	Location
16(1)(a) Identify the reporting entity	Section 3
16(1)(b) Describe the structure, operations, and supply chains of the reporting entity	Sections 2 and 3
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 4
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	Sections 1,3 and 5
16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	Section 5
16(1)(f) Describe the process of consultation with: i) any entities that the reporting entity owns or controls	Sections 3 and 7
16(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Throughout the Statement