

Sequoia Financial Group Limited

Modern Slavery Statement

December 2021

1. Introduction

Under the Modern Slavery Act 2018 (Cth) (“Act”), an Australian entity or foreign entity carrying on business in Australia with a consolidated annual revenue of at least \$100m must prepare and lodge an annual modern slavery statement with the Minister of Home Affairs within 6 months of the end of the financial year, for publication on a central online website.

Based on its FY21 annual report, Sequoia Financial Group Limited (“Sequoia”) is over this threshold and has prepared its inaugural modern slavery statement.

This statement sets out the risks of modern slavery in Sequoia’s operations and supply chains, provides information about the actions taken to address those risks and outlines the measures that the Sequoia will take over the course of subsequent reporting periods to continue to improve its practices to combat modern slavery.

This statement has been approved by the Board of Directors of Sequoia.

Background to Modern Slavery Act

The Act aims to combat modern slavery in global supply chains. The United Nations and Walk Free Foundation estimate there are about 40 million victims of modern slavery around the world. Within Australia, the Act applies to approximately 4,500 entities.

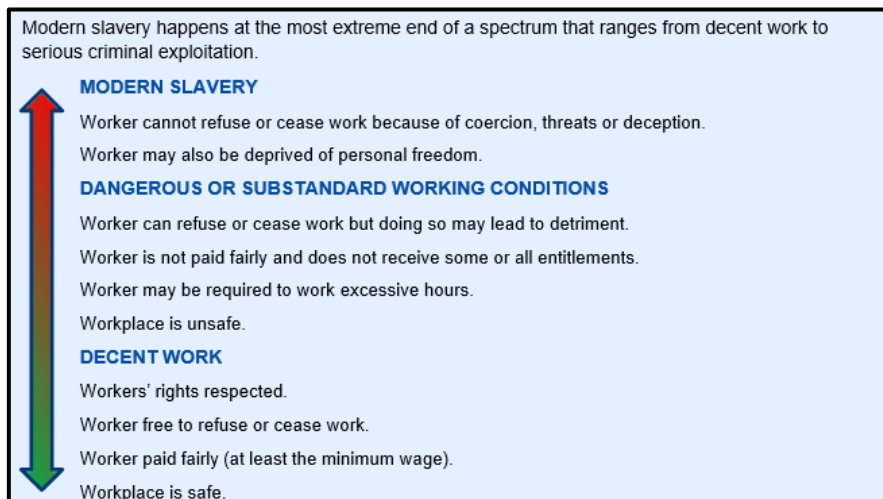
Under the United Nations Guiding Principles on Business and Human Rights an entity is responsible for respecting human rights in your operations and supply chains. This includes taking action to respond to modern slavery risks. Modern slavery risks mean the risk of harm to people rather than the risk to the entity (such as reputational or financial damage).

What is Modern Slavery

Modern Slavery defined by the Act, includes eight types of serious exploitation:

- Trafficking in persons
- Slavery
- Servitude
- Forced marriage
- Forced labour
- Debt bondage
- Deceptive recruiting for labour or services
- The worst forms of child labour - namely when children are subjected to slavery, or similar practices, or engaged in hazardous work.

Where does modern slavery sit in the scale:



2. Reporting Entity

This Modern Slavery Statement is a joint statement made on behalf of all the entities in the Sequoia Financial Group, pursuant to the requirements of the Act. This statement is for the reporting period 1 July 2020 and ended 30 June 2021.

This statement was developed by Sequoia in consultation with each of the wholly owned subsidiaries of the Sequoia. It should be noted that all Sequoia entities are subject to Group policies, procedures, and systems, and are party to group-wide information and resource-sharing arrangements. Accordingly, the information (including supplier information) detailed in this statement is applicable to all Sequoia entities.

3. Our Structure and Business Operations

Sequoia is listed on the Australian Securities Exchange and trades under the ASX stock code SEQ. Sequoia provides investment and superannuation products, wealth management and advisory services, financial planning, corporate advisory and capital markets expertise, retail, wholesale and institutional trading platforms, market data and financial news services.

The operations are wholly based within Australia with offices in Melbourne, Sydney, Perth and Hobart. Sequoia provides products and services to self-directed retail and wholesale clients and those of third-party professional service firms.

Risk and Compliance Committee

Sequoia maintains a Risk and Compliance Committee reporting to the Sequoia Board of Directors, a Credit Risk and Compliance Sub-Committee, both meet under charter regularly to review its risk management framework, compliance reporting and audit arrangements.

Sequoia maintains a compliance and management plan identifying and detailing the responsibilities of supervisory staff and a risk management framework that details risk appetite, roles and responsibilities and risk monitoring and testing. This has been extended to cover modern slavery risks because of an inaugural reporting requirement.

Entities/ subsidiaries

The entities in the group as at June 2021 are shown in the table below:

Parent company	
Sequoia Financial Group Limited	
Operating subsidiaries	Head office subsidiaries
Bourse Data Pty Ltd	Sequoia Group Holdings Pty Ltd
Docscentre Pty Ltd	Sequoia Financial Australia Ltd
Finance TV Pty Ltd	The Cube Financial Group Pty Ltd
InterPrac Corporate Insurance Pty Ltd	Trader Dealer Online Pty Ltd
InterPrac Financial Planning Pty Ltd	Sequoia Lending Pty Ltd
InterPrac General Insurance Pty Ltd	Acacia Administrative Services Pty Ltd
InterPrac Securities Pty Ltd	
Libertas Financial Planning Pty Ltd	Other non-operating subsidiaries
Morrison Securities Pty Ltd	Sequoia Wealth Group Pty Ltd
My Own Super Fund Pty Ltd	MDSnews.com Pty Ltd
PantherCorp CST Pty Ltd	Sequoia Nominees No.1 Pty Ltd
Sage Capital Group Pty Ltd	Centreboard Super Pty Ltd
Sequoia Asset Management Pty Ltd	Australian Practical Superannuation Fund Pty Ltd
Sequoia Corporate Finance Pty Ltd	Tax Engine Pty Ltd
Sequoia Direct Pty Ltd	Yieldreport Pty Ltd
Sequoia Family Office Pty Ltd	Morsec Nominees Pty Ltd
Sequoia Specialist Investments Pty Ltd	
Sequoia Superannuation Pty Ltd	Joint venture - 50% non-controlling interest
Sequoia Wealth Management Pty Ltd	Taking Control Pty Ltd
SMSF Engine Pty Ltd	

4. Our Supply Chain

Sequoia's supply chains are limited as it does not produce, manufacture retail goods but rather focuses on providing financial services and other professional services.

In the operation of its business Sequoia employs or engages several vendors and suppliers for the provision of goods and services, including the provision of market execution clearing and settlement services by market operators and clearing and settlement facilities, and the provision of various

systems and applications to facilitate Sequoia's day-to-day business operations. Sequoia has identified and regularly reviews service providers that it considers critical to its business operations as part of its business continuity and disaster recovery planning and third-party outsourcing contracts review.

Sequoia's supply chain is comprised of key **direct suppliers** operating in the industries of data infrastructure, consulting, technology (primarily financial services technology and information technology), financial services, telecommunications, recruitment, insurance, energy (electricity and gas), property management, electrical installation services, and postal services. Our supply chain also includes the suppliers of the various goods and services that contribute to our general operation – these include external consultants, the companies that provide our kitchen supplies and stationery, and our security providers, catering, and other general office administration.

Our supply chain also comprises the **indirect suppliers** that provide inputs and services to the direct suppliers of various vendor systems, the plantations that produce the tea bags and coffee purchased for our kitchen supplies.

5. Our Policy and Approach

Sequoia has adopted a zero-tolerance approach to modern slavery and human trafficking in our business and supply chains.

We are committed to ensuring that our business and supply chains are free of modern slavery and human trafficking.

Sequoia has implemented a series of policies, guidelines, processes, and procedures to identify, manage, mitigate or avoid the risk of modern slavery and/or human trafficking in its business operations or supply chains.

In accordance with our employment framework, we have a range of guidelines on the required standard of ethical conduct in various situations and specific corporate policies, including:

- Sequoia Code of Conduct
- Whistleblowing Policy

For example, these aim to ensure recruitment is aimed at ensuring employees are adequately screened for eligibility to work purposes and background checks where required depending on the function and location while ensuring all applicable employment laws, including any minimum wage requirements, are met. Whistleblowing aims to encourage employees to raise concerns, including about how they are treated or practices within our business or supply chains, without fear of reprisal.

Further, in accordance with our risk and compliance management framework, Sequoia maintains a range of risk and supervision documents, including:

- Management and Supervision Plan
- Risk Management Framework
- AML/CTF Program
- Anti-Bribery and Corruption Policy
- Cyber Crime Policy

These aim to ensure anti-bribery and corruption guidelines reinforce the standards of behaviour expected of our employees in their dealings with third parties. The anti-money laundering and counter terrorism financing measures ensure that we assist in combatting money laundering and counter terrorist financing activity.

In response to further strengthening our risk and procurement framework for fighting modern slavery we are developing:

- Suppliers Code of Conduct

We have conducted an internal review of operations and supply-chain documents within the Sequoia group of related entities.

In relation to our procurement framework to deal with supply chains risks for our various products/services, we have a range of documents, looking at modern slavery risks, environment and social risk governance, including:

- Procurement Disposal Policy
- Delegations of Authority Policy
- Business Expense Policy
- Service Agreements
- Business Continuity Plans

We have in the past engaged overseas accountants and auditors based in India for one of the entities. The modern slavery risk for a professional firm in India is considered low, compared to what would be the situation say for a garment manufacturer. In the financial planning side of the business, advisers and accountants are external suppliers of the services to clients, and these external parties might have used overseas service providers such as accountants based in India and Philippines. We still have some downstream businesses (Corporate Authorised Representatives and External Paraplanners) that utilise offshore operations centres for paraplanning or administration purposes. Again because the locals employed for this work are required to have a level of professional ability the risk of modern slavery is very low. Sequoia continues to monitor this area and look to further strengthen our risk framework for fighting modern slavery over future reporting periods.

6. Our Assessment of Modern Slavery risks

The primary risks of modern slavery practices in Sequoia's operations in Australia is low. Sequoia is operating in the financial services and markets sector and all our entities are based in Australia.

In relation to our supply chains, the risks are employees of vendors/suppliers, including those overseas, are subject to servitude, forced labour or debt bondage (e.g., where a person is coerced to work with violence, intimidation, or accumulated debt), human trafficking or forms of child labour. This is less transparent.

For existing suppliers/vendors Sequoia has reviewed the product/service provided, the frequency with which Sequoia uses the product/service, and the likelihood of modern slavery being present in the relevant supply chain.

For new engagements with suppliers/vendors, Sequoia's contract approval process includes due diligence on potential service providers prior to engagement.

Based on the 2018 Global Slavery Index data on the prevalence of modern slavery in certain regions and industries, and having regard to the location and nature of our suppliers, we have assessed that while Sequoia operates in a low-risk sector (being financial markets infrastructure), the following areas of our supply chain are key risk areas:

- Sequoia sources stationery, technological devices, and hardware from suppliers that we anticipate may use offshore manufacturers. There exists a possibility that they may be in countries that have a higher risk of modern slavery as we do not have visibility over the locations of these offshore manufacturers.
- Furthermore, the materials and inputs used by these offshore manufacturers may be sourced from suppliers that are located in countries with a high prevalence of modern slavery.
- Sequoia has low visibility over the supply chains of office cleaning services where such services are provided by direct suppliers such as building management.

Sequoia considers that the above components of our supply chain could give rise to a risk that one or more of our entities could be linked to modern slavery practices.

Sequoia has considered the overall inherent and residual risk of modern slavery in both its operations and supply chains. Based on the structure, nature and scale of Sequoia's business operations as well as the controls and monitoring framework that are in place, Sequoia has assessed that risk to be low.

7. Our effectiveness

Sequoia recognises the importance of regularly assessing the effectiveness of the actions we are taking to combat modern slavery in our supply chain.

We will aim to achieve:

- The development of internal targets relating to the operationalisation of a proposed Supplier Code of Conduct, relevant amendments to other policies and procedures, and assessing our performance against such targets.
- Establishing a risk framework within our existing group compliance processes through which modern slavery related risks and concerns as well as non-compliance may be escalated to Sequoia's Risk and Compliance Committee and reported to Sequoia Board of Directors.

8. Our further response to supply chain risks

In addition to looking at making related amendments to various Sequoia policies and procedures relating to the risk of modern slavery within our operations and supply chains, we are developing a Supplier Code of Conduct, to implement additional safeguards in respect to identifying and addressing modern slavery risks.

The proposed voluntary code of conduct for suppliers would be based on several principles, such as:

- Principle One: Build meaningful partnerships with our suppliers.
- Principle Two: Ensure our engagement with suppliers is risk based.
- Principle Three: Recognise and utilise the leverage that we and our suppliers have to influence change.

We propose to make a targeted, risk-based approach to engaging with our suppliers.

The aim of our engagement with suppliers should be to ensure that any modern slavery risks are being assessed and addressed. A supplier's statement can provide important information about how they are responding to modern slavery and may assist us to identify possible risks and areas for collaboration and further work.

9. Summary and future steps

Sequoia has considered the overall inherent and residual risk of modern slavery in its operations and supply chains, Based on the structure, nature, and scale of Sequoia's business operations as well as the controls and monitoring framework that are in place, Sequoia has assessed that risk to be low.

We are committed to further improving our response to modern slavery risks in our supply chain. In future reporting periods we will look to expand on our response by:

- undertaking a review of the effectiveness of steps we have taken in this inaugural reporting period.
- establishing a risk framework within our existing group compliance processes through which modern slavery related risks and concerns as well as non-compliance may be escalated.
- developing a Suppliers Code of Conduct and ensuring operationalisation of the Code including:
 - developing internal targets,
 - assessing our performance against such targets,
 - commencing discussions with those suppliers identified as being of a higher risk.

- developing enhancements to existing Sequoia training materials in combatting modern slavery and human trafficking to foster awareness of modern slavery risks and to nurture the skills required to effectively identify and report on instances of risks of modern slavery in our global supply chain.

This statement was approved by the Board of Sequoia Financial Group Limited on 1st December 2021.

Signed for and on behalf of the Board of Sequoia Financial Group Limited:



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Garry Crole
CEO and Managing Director, Sequoia Financial Group Limited