

Sequoia Financial Group Ltd

Modern Slavery Statement

December 2022

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.

Sequoia Financial Group Limited (“Sequoia”) lodged its inaugural modern slavery statement in December 2021.

This December 2022 modern slavery statement includes an update on the actions taken to address those risks and outlines the measures that the Sequoia has taken since its first reporting period 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 50 million victims of modern slavery around the world. Within Australia, the Act applies to approximately 4,500 entities.

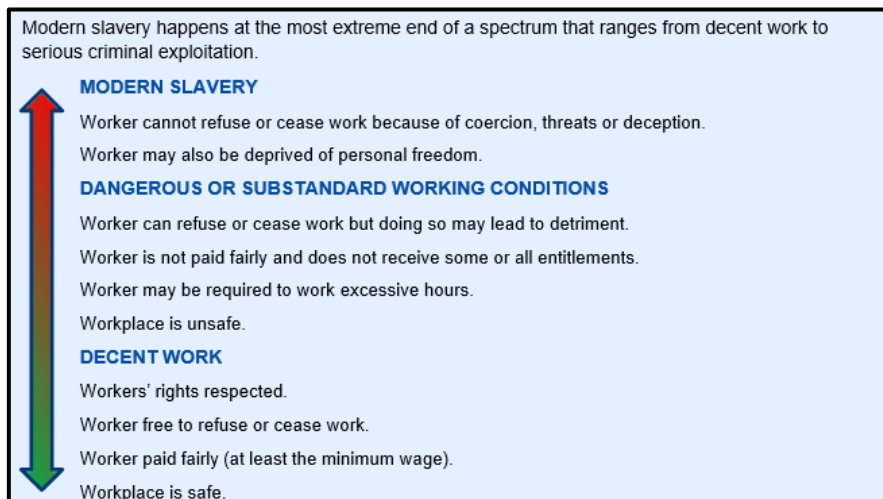
Under the United Nations Guiding Principles on Business and Human Rights an entity is responsible for respecting human rights in your operations and supply chains. This includes taking action to respond to modern slavery risks. Modern slavery risks mean the risk of harm to people rather than the risk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

What is Modern Slavery

The Act defines modern slavery as including 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 group, pursuant to the requirements of the Act. This statement covers the reporting period twelve months ended 30 June 2022 and updates to the date of the statement lodgement.

This statement was developed in consultation with each of the wholly owned subsidiaries of Sequoia. It should be noted that all Sequoia entities are subject to Sequoia 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 and compliance reporting.

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 30 June 2022 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 |
| Docscentre Legal Pty Ltd | Acacia Administrative Services Pty 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 | |
| InterPrac Securities Pty Ltd | |
| Libertas Financial Planning Pty Ltd | Other non-operating subsidiaries |
| Morrison Securities Pty Ltd | Sequoia Wealth Group Pty Ltd |
| PantherCorp CST Pty Ltd | MDSnews.com Pty Ltd |
| Sage Capital Group Pty Ltd | Sequoia Nominees No.1 Pty Ltd |
| Sequoia Asset Management Pty Ltd | Australian Practical Superannuation Fund Pty Ltd |
| Sequoia Home Loans Pty Ltd | My Own Super Fund Pty Ltd/ SMSF Engine 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 Insurance Brokers Pty Ltd | |
| Sequoia Premium Funding 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 |
| Informed Investor Pty Ltd/Corporate Connect Research Pty Ltd/ ShareCafe 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 is committed to ensuring that there is no modern slavery or human trafficking in our business and supply chains, and we have a zero-tolerance approach in this regard.

We are committed to ensuring that our supply chain is free of 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 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

During 2022, we have expanded on our range of documents (see item 8).

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 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.

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. The locals employed for this work are required to have a level of professional ability therefore, 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.

Sequoia has considered the overall inherent and residual risk of modern slavery in both its operations and supply chains, and based on the structure, nature and scale of Sequoia's business operations as well as the controls in place and the monitoring framework and 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 new 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

(a) Modern Slavery Policy

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, during 2022, we have developed the following additional policy to combat modern slavery:

- Sequoia Modern Slavery Policy

This new Modern Slavery Policy has been rolled out to all Sequoia staff through our human resources systems as mandatory reading and acknowledgment by employees.

The Modern Slavery Policy also makes all staff aware that for new engagements with suppliers/vendors, Sequoia's contract approval process includes due diligence on potential service providers prior to engagement in relation to modern slavery.

A copy of the Modern Slavery Policy is made available to all staff via Employment Hero.

(b) Sequoia Modern Slavery Supplier Code of Conduct

In our inaugural 2021 statement we highlighted that we proposed to make a targeted, risk-based approach to engaging with our suppliers and envisaged a Supplier Code of Conduct.

During 2022, we have since developed and produced the following code:

- Sequoia Modern Slavery Supplier Code of Conduct

This Supplier Code of Conduct sets out a voluntary commitment to the principles for those whom Sequoia engage with as a third-party supplier or contractor for the supply to us of any goods or services globally who:

- are willing to join us in strengthening our response to modern slavery risks;
- are engaged with our indirect suppliers to mitigate those modern slavery risks in their supply chain;
- are committed to use the leverage that we and our suppliers can influence change.

We expect that our Suppliers will adopt the commitments outlined in this Code.

Suppliers will be requested to acknowledge the latest Code at time of contract, renewal, or upon significant changes to the Code, as communicated by Sequoia from time to time.

In the Code, Suppliers must comply with Modern Slavery Laws and not do or omit to do anything that will cause us to breach Modern Slavery Laws.

A copy of the Sequoia Modern Slavery Supplier Code of Conduct is made available to all staff via Employment Hero.

9. Summary

Sequoia has considered the overall inherent and residual risk of modern slavery in its operations and supply chains, and based on the structure, nature, and scale of Sequoia's business operations as well as the controls in place and the monitoring framework, 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 continue to look to expand on our response.

This statement was approved by the Board of Sequoia Financial Group Limited on 5 December 2022.

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

Garry Crole

[Garry Crole \(Dec 5, 2022 15:18 GMT+11\)](#)

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Garry Crole
CEO and Managing Director, Sequoia Financial Group Ltd


Sequoia Financial Group Modern Slavery Statement December 2022

Final Audit Report


2022-12-05

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