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**MODERN SLAVERY  
STATEMENT**

**HUB<sup>24</sup>**

FY2022

# INTRODUCTION

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At HUB24 our purpose is **empowering better financial futures together**. HUB24 leads the wealth industry as a provider of integrated platform, technology, and data solutions. We seek to make a difference in our customers' lives by connecting them to innovative solutions that create better outcomes. We are proud of our brand and reputation, and we maintain high standards of ethics and conduct.<sup>1</sup>

In line with the **UN Guiding Principles on Business and Human Rights**, HUB24 recognises the duty of States to protect human rights as well as the responsibility of businesses to respect human rights. Modern slavery involves the most serious forms of human exploitation and takes many forms including: human trafficking, slavery, servitude, forced labour, debt bondage, deceptive recruitment for labour or services, forced marriage, and child exploitation/labour.<sup>2</sup>

We recognise that the nature and reach of our business may expose us to the risk of modern slavery in our value chain (our people, our operations, partners and customers, and our supply chain), and we are committed to identifying and mitigating these risks.

This Statement is made by HUB24 Limited (ACN 124 891 685) pursuant to section 13(1) of the Modern Slavery Act 2018 (Cth). It constitutes the Statement of HUB24 Limited and its owned and controlled entities (together the HUB24 Group). Our Statement outlines the actions undertaken by HUB24 to identify and mitigate the risk of modern slavery occurring in our value chain during the financial year ending 30 June 2022 as well as our ongoing commitment to continuous improvement.<sup>3</sup>

We are delighted to share with you HUB24's Modern Slavery Statement and we look forward to keeping you updated as we work to continuously improve our identification, management, and mitigation of modern slavery risk exposure.



**Andrew Alcock**  
Managing Director  
HUB24 Limited



**Bruce Higgins**  
Board Chair  
HUB24 Limited

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- <sup>1</sup> HUB24 was rated Best Overall Platform, Best Adviser Experience, Best Investment Options, Adviser ratings Financial Advice Landscape Report 2022.
  - <sup>2</sup> Modern Slavery Act 2018 (Cth), and the associated Guidance for Reporting Entities published by the Department of Home Affairs, Australian Border Force.
  - <sup>3</sup> This Statement has been prepared in accordance with the requirements of Section 16 of the Modern Slavery Act 2018 (Cth). The Statement applies to all entities within the HUB24 Group that are subject to the provisions of that Act.

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# 1. ABOUT US

HUB24 was established in 2007 by a team with a strong track record of delivering market-leading solutions in the financial services industry. HUB24 is listed on the Australian Securities Exchange (ASX: HUB).

HUB24 is a financial services company incorporated in Australia and our registered office is located at Level 2, 7 Macquarie Place, Sydney NSW 2000.

Our purpose is **empowering better financial futures together**. We empower Australian Financial Services

Licenses and their financial advisers to deliver better financial futures for their clients with innovative technology, customer service excellence, education, and a broad choice of investment options available on our award-winning platform<sup>4</sup>. In the 2022 Adviser Ratings Australian Financial Advice Landscape Report financial advisers rated us Overall Best Platform<sup>5</sup>.

Our **Code of Conduct** outlines the values and principles that we expect all our people to observe.

## Our Values

We believe that nothing happens in isolation, so we work together and collaborate with our customers and the industry, building confidence.



**Innovation**



**Integrity**



**Excellence**



**Client focus**



**Passion**



**Collaboration**

<sup>4</sup> Investment Trends Platform Competitive Analysis and Benchmarking Report 2022. HUB24 was rated Best Overall Platform, Best Adviser Experience, Best Investment Options, Adviser ratings Financial Advice Landscape Report 2022.

<sup>5</sup> HUB24 was rated Overall Best Platform by advisers in the 2022 Adviser Ratings Australian

## OUR STRUCTURE, OPERATIONS, AND SUPPLY CHAIN

### STRUCTURE

HUB24 is a financial services company operating in Australia.

In February 2022 we completed the acquisition of Class Pty Limited (Class<sup>6</sup>). Class is a leading SMSF administration service provider and operates as a business unit under the HUB24 corporate structure.

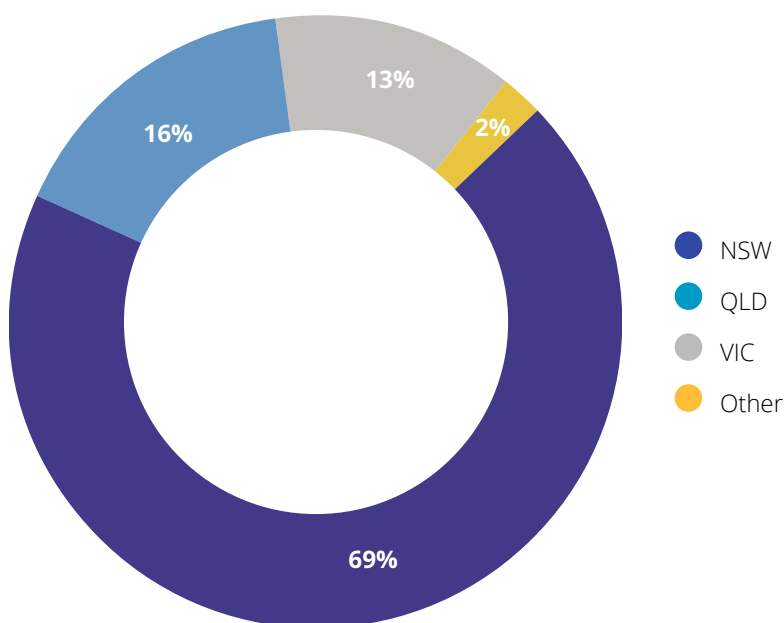
The owned and controlled entities of HUB24 during the 2021-2022 financial year are listed in **Appendix 1** to this Statement.

### OPERATIONS

Our core operations are performed from our registered offices located at Level 2, 7 Macquarie Place, Sydney NSW 2000 and Level 20, 580 George Street, Sydney NSW 2000.

We employ approximately 736<sup>7</sup> staff (our people). Approximately 65% of our people are dedicated to product innovation, technology, and customer service. Our people are employees on permanent, fixed term contracts, casual contracts, and direct contracts. Approximately 87% of our people are employed on a permanent basis.

Our people are situated nationally across our Head Office in Sydney and our offices in Queensland, Victoria, Western Australia and South Australia.



<sup>6</sup> Class was not a Reporting Entity pursuant to the Modern Slavery Act 2018 (Cth) prior to its acquisition by HUB24 and is now included as a HUB24 owned or controlled entity..

<sup>7</sup> At 31 December 2022.

in FY2022 and through our acquisition of Class, we contracted a small IT development team located in Ukraine (see further risk management details under the Our Approach section of this Statement).

We operate our business under the following brands:

**HUB**<sup>24</sup>

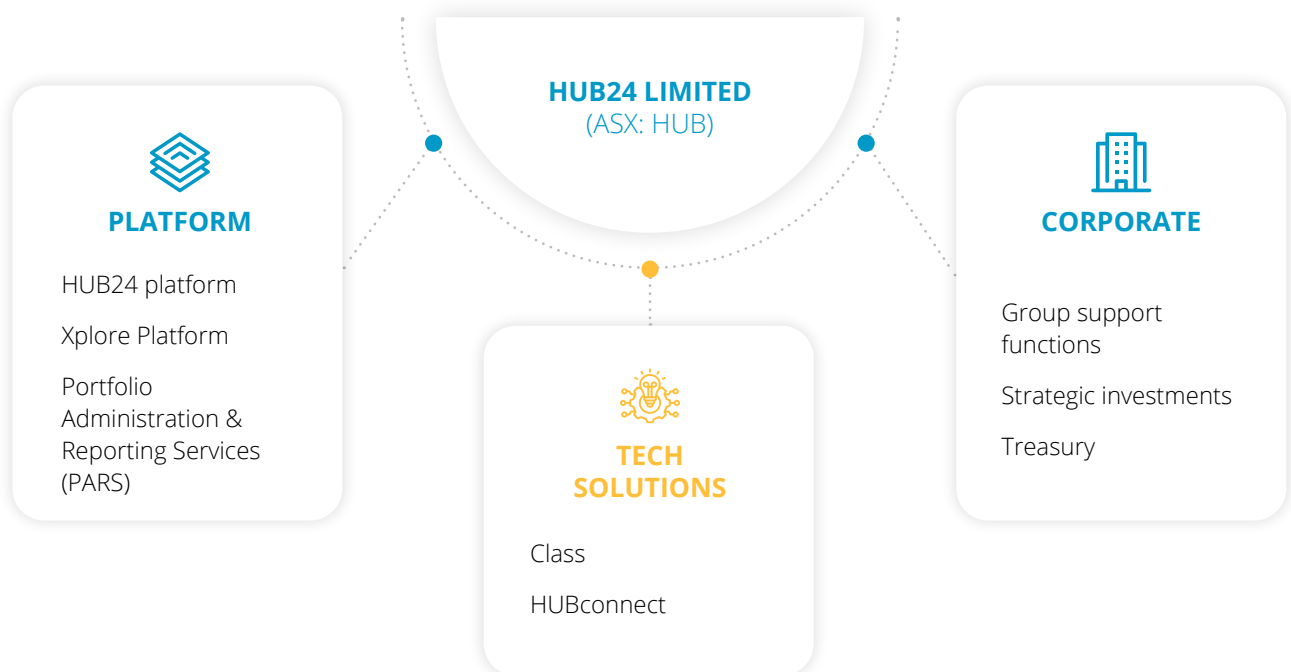
**HUB**CONNECT

**XPLORE**<sup>™</sup>  
WEALTH

**CLASS**

**NowInfinity**

During FY2022 the HUB24 Group operated two core revenue generating segments, and a corporate segment. A **Risk Management Framework** applies to all operating and corporate services segments:



Our online products and services are offered and supplied in Australia. Our customers can access our online platform both in Australia and globally.



## PLATFORM

The Platform segment comprises the HUB24 investment and superannuation platform (**HUB24 platform**), the Xplore Wealth investment and superannuation platform (**Xplore Platform**), and Portfolio Administration & Reporting Services (**PARS**). Together these are referred to throughout this Statement as the HUB24 Platform Service.

The HUB24 and Xplore platforms are used by financial professionals to efficiently administer their clients' investments held through a superannuation and investment product under custodial arrangements.

As one of the fastest growing platform providers in the market, the HUB24 platform is recognised for providing choice and innovative product solutions. It offers financial professionals and their clients a comprehensive range of investment options, including market-leading managed portfolio solutions, and enhanced transaction and reporting functionality.

The Xplore platform provides complementary capabilities including managed accounts, superannuation services and PARS capability. Xplore's products and services are used by financial advisers, boutique financial advice businesses, stockbrokers, and institutional clients to look after their clients' investment needs.

In addition, HUB24 also offers PARS, a non-custody portfolio service which provides administration, corporate action management and tax reporting services for financial professionals and their clients.

Information relating to our Platform products and services is available in our product disclosure documents on our websites at <https://www.hub24.com.au/product-documents/>



## TECH SOLUTIONS

The Tech Solutions segment comprises Class and HUBconnect.

### CLASS

Class is a pioneer in cloud-based wealth accounting and is recognised as one of Australia's most innovative technology companies.

Class delivers trust accounting, portfolio management, legal documentation, corporate compliance and SMSF administration solutions to over 7,000 customers across Australia who depend on Class to drive business automation, increase profitability, and deliver quality client service.

Class's core offer is Self-Managed Superannuation Fund (SMSF) administration software. Its solutions have gained industry recognition for product innovation and customer service excellence. As at 31 March 2022 Class held a 30% share of the addressable market. Customers using the Class Super, Class Portfolio and Class Trust solutions represented over 198,000 portfolios and accounts as at 30 June 2022.

Class also operates in the document and corporate compliance segment through the service offerings provided under the NowInfinity brand. NowInfinity is a leading cloud-based entity management and corporate compliance solution. In the Investment Trends 2022 SMSF Adviser & Accountant Report, it was recognised as the most used legal document provider for SMSF related legal compliance.

### HUBCONNECT

HUBconnect provides technology and data services to the wealth industry, delivering innovative solutions to

enable financial professionals to efficiently run their businesses and service their clients.

HUBconnect leverages data and technology capability to provide solutions that solve common challenges faced by stockbrokers, licensees, and professional advisers in the delivery of financial advice. Through innovative technology such as machine learning, artificial intelligence, and natural language processing HUBconnect integrates, refines, stores, and supplies structured and unstructured data. Through integrated data feeds, automated reporting, and analytics, HUBconnect delivers efficiencies for some of the time-consuming and costly processes that increase the cost of delivering financial advice. HUBconnect serves a growing number of respected and high-profile financial services companies and their clients.

HUBconnect Broker (formerly known as Agility Applications) has a long history of working with stockbrokers to deliver innovative business reporting and support tools. HUBconnect Broker streamlines and integrates client data and connects to a range of broking business reporting and back-office support tools that provide key insights and enable the efficient delivery of stockbroking operations. These HUBconnect Broker relationships are of strategic importance as HUB24 seeks to expand its share of the PARS market.

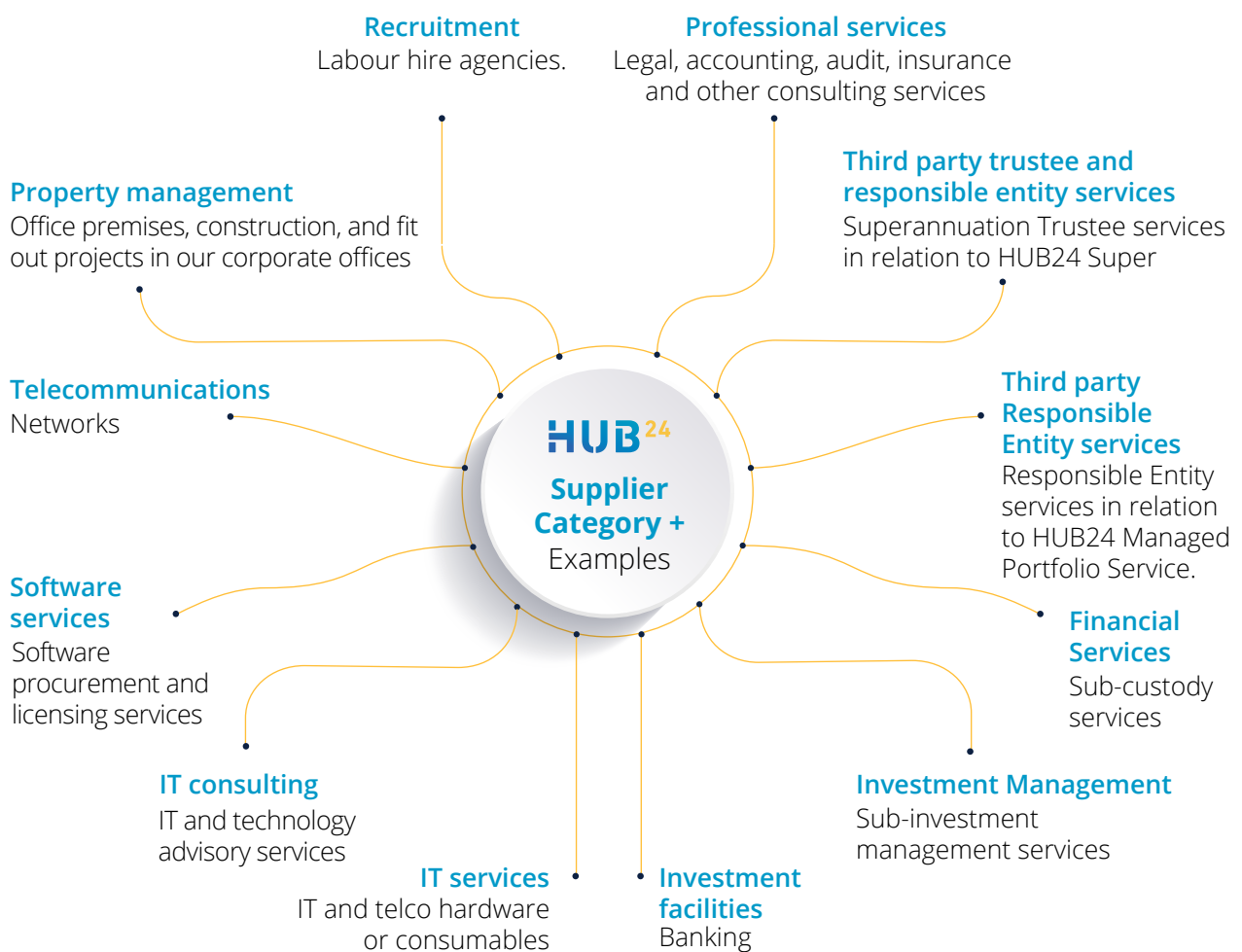
HUB24 is a strategic shareholder in Diverger Limited (Diverger), which is a diversified financial services business servicing the needs of financial professionals and their clients. Under a Technology Partnership and Distribution agreement Diverger is a cornerstone client for HUBconnect's data and technology services.





## OUR SUPPLY CHAIN

Our business is primarily office-based encompassing hybrid working arrangements for our people. The types of goods and services we procure are mainly in relation to the HUB24 Platform Service. Our main supplier categories comprising:



Across these main supplier categories, we have identified more than 500 suppliers that support us in operating our business.

Whilst these suppliers are primarily located in Australia, we also work with suppliers based in other countries, including the United States of America, the

United Kingdom, Ireland, India, Israel, Macedonia, The Netherlands, Philippines, Ukraine, and Vietnam. We are also aware that some of our suppliers have relied on their counterparts in other jurisdictions to maintain services during the Pandemic.

## 2. OUR PROGRESS IN FY 2022

Based on our determination of the scope of HUB24's modern slavery risk exposure and our approach, our progress in FY2022 is summarised below with reference

to the key focus area of governance, and our three key areas of modern slavery risk exposure:



### OUR GOVERNANCE

(A key focus area)

### KEY ACTIONS

- A HUB24 Group Chief Risk Officer was appointed and relevant subject matter expertise within the Group Risk & Compliance function which has responsibility for our **Modern Slavery Framework** and for leading the preparation of this Statement was uplifted.
- The **HUB24 Group Risk Profile** was refreshed with Executive level accountability assigned to specified risks that encompass modern slavery risk.
- The **HUB24 Group Risk Appetite Statement** was updated, and Key Risk Indicators for Group profiled risks were established.
- External expertise was obtained to conduct an **ESG materiality assessment** which included conducting research and engaging with internal and external stakeholders to identify seven ESG focus areas material to our operations.
- The **HUB24 Group Sustainability Council** was established to oversight progress of our seven ESG focus areas.
- Our inaugural **Sustainability Report** outlining our key ESG focus areas, and sustainability objectives was published.
- The **HUB24 Group Whistleblower Policy** was established and e-learning on Whistleblower Protection was rolled out to Our People.
- Our **Modern Slavery Framework** was reviewed.



## OUR PEOPLE

(A key focus area)

## KEY ACTIONS

- We launched **HUBempower** our community and corporate giving program, supporting our ESG objectives and engaging our people through corporate giving partnerships, an employee volunteering program, and employee gift matching.
- We conducted remuneration benchmarking and reviews, including gender pay gap analysis.
- We established and attracted talent through Graduate, Intern, and STEM Returners programs.
- We embedded flexibility through hybrid working practices and special leave benefits.
- We prioritised employee wellbeing with support programs and online tools.
- We enhanced our recognition and reward programs.
- We invested in leadership development and learning programs.
- We continued to build a client focused culture that is diverse and inclusive.
- Training on our **Whistleblower Policy** was provided to our board members.
- 99% training completion rate for all staff mandatory e-learning was achieved (including Anti-bribery & Harassment, Discrimination, Conflicts of Interest, Anti-money laundering & terrorism financing, Work, Health & Safety, and Whistleblower Protection).



### OUR OPERATIONS, PARTNERS, & CUSTOMERS

(A key focus area)

#### KEY ACTIONS

- Advice Licensee annual compliance attestation.
- We supported financial advisers with ESG education and the availability of over 150 ESG investment options on the HUB24 platform to support client ESG preferences.
- An ESG rating functionality was launched on the HUB24 platform.



### OUR SUPPLIERS

(A key focus area)

#### KEY ACTIONS





- We reviewed our supply chain profile and refreshed our **Centralised Supplier Register** including updating the register to include Class Limited suppliers.
- We reviewed and validated our key supplier due diligence processes across our supplier register categorisations.
- We performed a refreshed risk assessment across our supplier register categories.
- We introduced clauses into our main supplier contracts to manage modern slavery risk.

## 3. OUR APPROACH

### A RISK-BASED APPROACH

HUB24 takes a risk-based approach to identifying and assessing modern slavery risk in our operations and supply chain.

Our modern slavery risk assessment considers the four key modern slavery risk factors<sup>6</sup> of:

Modern Slavery Risk Factor	Description
 <b>Vulnerable populations</b>	Groups more likely to be exposed to harm or unable to advocate for themselves in exploitative situations. Examples of vulnerable populations include low skilled, temporary, and seasonal workers as well as immigrant workers.
 <b>High-risk geographies</b>	Countries or regions which are known to have higher human rights risks, including modern slavery risk. Prevalence of modern slavery risk is highest in Africa and Asia Pacific, followed by Europe and the Arab States <sup>7</sup> , however it exists in every country including in Australia.
 <b>High-risk sectors</b>	Industries, products, and services regarded as having more significant inherent modern slavery risk. Examples include IT supply chains, raw materials, agriculture, manufacturing, construction, cleaning, hospitality, and food services.
 <b>High-risk business models</b>	Business models that have higher human rights risks, including modern slavery risk. Examples include labour hire outsourcing with high use of precarious labour, low-cost goods and services, sourcing in countries with contested land use, and complex supply chains with limited visibility <sup>8</sup> .

Based on these risk factors, we seek to define the scope of our potential modern slavery risk exposure by identifying the potential for HUB24 to cause, contribute to, or be directly linked to modern slavery through our operation and supply chain<sup>9</sup>. Our exposure scoping definition is used to inform our risk management responses.

6 Modern Slavery risk factors are summarised from sources including the Global Slavery Index -2018, and the Australian Human Rights Commission/KPMG "Financial Services and Modern Slavery practical responses for managing risk to people" (2021)

7 Global Slavery Index 2018.

8 <https://shiftproject.org/resource/business-model-red-flags>

9 Modern Slavery Act 2018 (Cth) and the Global Slavery Index 2018.


## HUB24 MODERN SLAVERY RISK EXPOSURE

Modern Slavery Risk Exposure Area	Types of modern slavery risk potential exposure <sup>10</sup>	HUB24 potential continuum	Inherent overall risk rating	Key Factors (see also key risk mitigants identified elsewhere in this Statement for each modern slavery risk exposure area)
 <p>Our people</p>	<p>Deceptive recruiting for labour services</p> <p>Slavery</p> <p>Servitude</p> <p>Debt Bondage</p> <p>Forced labour</p> <p>Human Trafficking</p> <p>Child labour/ exploitation</p> <p>Forced Marriage</p>	<p>Cause</p> <p>Cause</p> <p>Cause</p> <p>Cause</p> <p>Cause</p> <p>Cause</p> <p>Cause</p> <p>Directly linked</p>	<p>Low</p>	<p>There may be risk of exploited labour within our workforce. This risk may be higher in countries that are higher risk for modern slavery and/or indirect employment-arrangements including those with lower-skilled workers.</p> <p>HUB24 has a predominantly directly employed professional workforce located within Australia.</p>

10. Our determination of exposure by modern slavery risk type is partially influenced by the Financial Sector Risk Prevalence Indicators established by the December 2021 "Measuring Disclosure of modern slavery statements ASX300 Companies," white paper of the Monash Centre for Financial Studies. See further Appendix 3

Modern Slavery Risk Exposure Area	Types of modern slavery risk potential exposure	HUB24 potential continuum	Inherent overall risk rating	Key Factors (see also key risk mitigants identified elsewhere in this Statement for each modern slavery risk exposure area)
 <p>Our operations, Partners, &amp; Customers</p>	<p>Deceptive recruiting for labour services</p> <p>Slavery</p> <p>Servitude</p> <p>Debt Bondage</p> <p>Forced labour</p> <p>Human trafficking</p> <p>Child labour/ exploitation</p> <p>Forced Marriage</p>	<p>Contribute to</p> <p>Contribute to</p> <p>Contribute to</p> <p>Directly linked</p> <p>Contribute to</p> <p>Directly linked</p> <p>Directly linked</p> <p>Directly linked</p>	<p>Low</p>	<p>As a financial services provider there may be modern slavery risk exposure through the financial products and services we provide, either on our own or with our partners, and to our customers.</p> <p>We could be involved in modern slavery if our partners or customers use our products and services for activities that involve modern slavery. This risk may be higher where our partners or customers are involved in activities, industries or countries that are higher risk for modern slavery. Modern slavery may be linked to financial crimes such as money laundering, corruption and sanctions.</p> <p>For third party investment options offered on the HUB24 Platform, such as where we provide access to investments managed by external parties, we do not conduct any due diligence or other assessment of how the third parties assess and address their modern slavery risk. The nature of these investments provides limited ability for HUB24 to influence the level of modern slavery risk associated with underlying entities or assets.</p> <p>We may risk supporting modern slavery through donations such as where a charity may have modern slavery in its operations or supply chain or our donations may not be used as intended.</p>



Modern Slavery Risk Exposure Area	Types of modern slavery risk potential exposure	HUB24 potential continuum	Inherent overall risk rating	Key Factors (see also key risk mitigants identified elsewhere in this Statement for each modern slavery risk exposure area)
 <p>Our Suppliers</p>	<p>Deceptive recruiting for labour services</p> <p>Slavery</p> <p>Servitude</p> <p>Debt bondage</p> <p>Forced labour</p> <p>Human trafficking</p> <p>Child labour/ exploitation</p> <p>Force marriage</p>	<p>Directly linked</p> <p>Directly linked</p> <p>Directly linked</p> <p>Directly linked</p> <p>Directly linked</p> <p>Directly linked</p> <p>Directly linked</p>	<p>Medium to low*</p>	<p>As a purchaser of goods and services, there may be a risk that we could be involved in modern slavery if it is present in our supply chain.</p> <p>Our level of involvement may be influenced by our sourcing and procurement practices. Our risk may be higher where we procure goods and services that are manufactured in, or use raw materials sourced from industries or countries that are higher risk for modern slavery.</p> <p>Based on our supply chain profile, risk of modern slavery in the direct suppliers on our Supplier Register is low. We recognise that this risk may increase further down our supply chain where we have less visibility, and influence.</p>

\*Across HUB24's twelve supplier categories we rated six categories medium risk and six categories low risk.

## GOVERNANCE

HUB24 has adopted the **ASX Corporate Governance Council's Corporate Governance Principles and Recommendations** (4th Edition). The Board, places great importance on high standards of governance and regularly reviews its governance practices to address our obligations as a responsible corporate citizen. Members of the Board and our people are responsible for upholding the values of HUB24, as reflected in our **Code of Conduct**.

Our governance arrangements are set out in our Corporate Governance Statement here: <https://www.hub24.com.au/product-documents/hub24-corporate-governance-statement/>

In FY2022 HUB24 published its inaugural **Sustainability Report**. HUB24's sustainability approach supports the delivery of the group strategy and aligns to our purpose of empowering better financial futures, together. Our Sustainability Report reflects our commitment to managing the company considering the broader community, customer, environmental and shareholder interests.

Our Sustainability Statement is available here: <https://www.hub24.com.au/wp-content/uploads/2022/10/HUB24-FY22-Sustainability-Report-FINAL-for-ASX.docx.pdf>

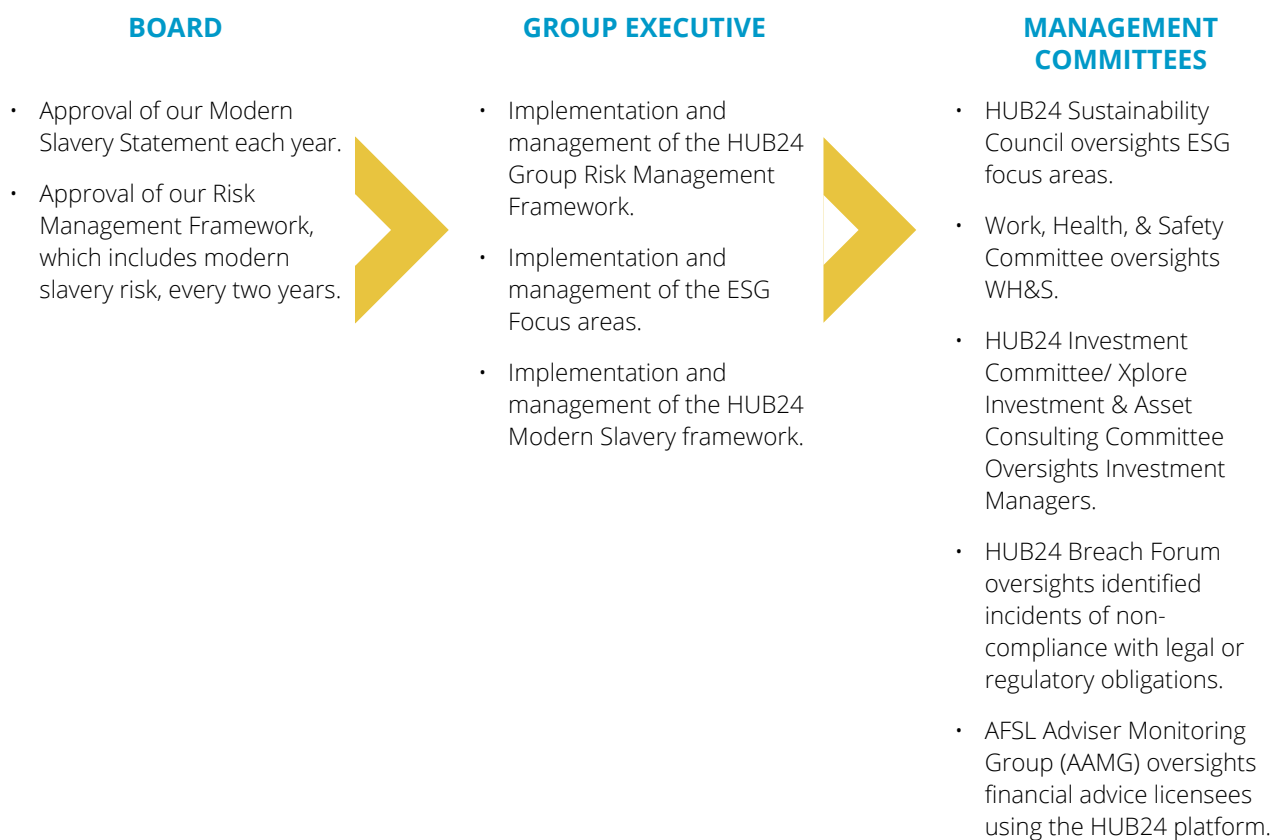
In FY2022 we undertook an ESG materiality assessment. Our materiality assessment included desktop review, benchmarking analysis, internal and external stakeholder interviews, and an assessment of risks and opportunities. This process included consideration of ESG and sustainability frameworks and standards, including the **Global Reporting Initiative (GRI)** and **Sustainability Accounting Standards Board (SASB)** amongst others. The desktop and benchmarking analysis involved consideration of sustainability approaches of competitors, examples of domestic and international better practice, consideration of key trends and nongovernmental organisations and relevant research. Analysis was performed at both the corporate and platform level to promote alignment to market and stakeholder expectations.

The materiality assessment resulted in the identification and prioritisation of seven key ESG focus areas material to our operation and supply chain. HUB24's CEO and Managing Director and Executive Leadership team are responsible for leading the integration of HUB24's sustainability strategy into our core business strategy to drive the sustainable growth of our business. The **Sustainability Council** has been established to assist the Managing Director and Executive Leadership team to execute on our sustainability targets.

HUB24's **Corporate Governance Framework**, policies and practices are designed to ensure the effective management and operation of HUB24 and are regularly reviewed and updated.

Since FY2020 a **Modern Slavery Working Group** has formed part of our governance arrangements. This Group is convened as considered necessary and from time to time to support our approach to managing modern slavery risk. In 2022 a **Sustainability Council** was established provide additional oversight of our initiatives and progress with respect to our ESG focus areas.

The following Board and management arrangements are in place to oversee HUB24’s management of risk including identified modern slavery risks



**MODERN SLAVERY WORKING GROUP**

Business divisions consider modern slavery dimensions of business activities.

## RISK MANAGEMENT

At HUB24, we view risk as everyone's responsibility. HUB24 adopts a Three Lines of Accountability risk management model under which all business divisions and teams at HUB24 have a defined role to play in the end-to-end management of the risks arising from their activities.



The HUB24 Limited Board is responsible for approving the HUB24 Group **Risk Management Framework** which establishes a risk taxonomy implemented through the management of our Board-approved **Risk Appetite Statement** and **Group Risk Profile**.



Our management of modern slavery risk is aligned to our **Risk Management Framework**, including through the following risk types which are identified as critical to the management of our exposure to modern slavery risk:

HUB24 GROUP RISK PROFILE		
RISKS IDENTIFIED		MODERN SLAVERY RISK IMPACT
REPUTATION RISK	<b>Conduct and Culture Risk</b> The risk of HUB24's people making poor judgements and or failing to act in alignment with the HUB24 Group's values, ethics and conduct expectations.	Identify and manage modern slavery risks with respect to our brands.
	<b>ESG Risk</b> The risk of not meeting our corporate responsibilities or community expectations in how we manage our environmental, social and governance arrangements.	Identify and manage modern slavery risks in relation to our sustainability commitment.
HUMAN RESOURCES RISK	<b>Human resource management – people risk Capability, Capacity and Continuity</b> The risk of failure or inability to attract/retain required talent and skillsets/depth against an appropriate organisational design to deliver our business operations effectively (or scale them for future).	Identify and manage modern slavery risks in relation to our people.
DISTRIBUTION RISK, , BRAND AND CONDUCT RISK	<b>Oversight of Advice licensees</b> The risk that advice licensees do not meet their compliance or contractual arrangements that may have reputational, legal, or regulatory impact to the Group.	Identify and manage modern slavery risk in our sales & distribution activities.
FINANCIAL, GOVERNANCE & MARKET RISK	The risk of not having adequate financial resources to meet our financial obligations and needs; the risk to the Group of market impacts, and the risk of a failure to make reasonable and impartial decisions due to inadequate governance arrangements.	Identify and manage modern risk associated with the use of our financial resources
OPERATIONAL RISK	<b>Managed portfolio performance and compliance</b> The risk of inadequate compliance arrangements or the failure of appropriate oversight of Managed Portfolios.	Identify and manage modern slavery risks in our operations.
	<b>Third party – Management and oversight of material service providers</b> The risk that material service providers do not meet their contractual arrangements or expected service standards or fail in how they manage their business causing short term knock-on effects for the Group and its ability to deliver services.	Identify and manage modern slavery risks in our supply chains.
	<b>Oversight of external service providers (IT)</b> The risk that external service providers do not meet their contractual arrangements or expected service standards or fail in how they manage their business causing short term knock-on effects for the Group and its ability to deliver services.	

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HUB24 GROUP RISK PROFILE

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RISKS IDENTIFIED		MODERN SLAVERY RISK IMPACT
<b>LEGAL &amp; REGULATORY RISK</b>	<p><b>Legal and regulatory requirements</b></p> <p>The risk of failure or inability to comply with legal, regulatory, compliance, contractual and regulatory license requirements due to internal processes not being fit for purpose, risks introduced through acquisitions, external expectations continuing to change or capacity constraints.</p> <p><b>Financial Crime regulatory risk</b></p> <p>The risk the customers/investors/group fails to comply with AML/CTF, ABC, economic &amp; trade sanctions and tax transparency legislation / obligations.</p>	Identify and manage modern slavery and associated legal and regulatory compliance risks.

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## POLICIES

Several policies are essential to operationalise our commitment and approach to modern slavery risk across our operations and supply chain:

MODERN SLAVERY RISK EXPOSURE/FOCUS AREA	POLICIES	PURPOSE
<b>OUR PEOPLE</b>	<b>Code of Conduct</b>	Our standards and expectations of our company and people.
	<b>Leave policies</b>	Providing fair and equitable leave benefits including statutory leave benefits, parental leave, special paid leave, domestic violence leave etc
	<b>Equal Opportunity &amp; Anti-Harassment</b>	Covering Bullying, harassment, sexual harassment etc
	<b>Group Remuneration Policy</b>	Our approach to remuneration including our commitment to providing fair remuneration.
	<b>Group Recruitment Policy</b>	Our approach to recruitment including our commitment to fair and ethical recruitment.
	<b>Grievance Handling Policy</b>	Our approach to fairly managing grievances.
	<b>Group Whistleblower Policy</b>	Our standards and expectations for our people to confidentially raise issues.
	<b>Work Health &amp; Safety (WHS) Policy</b>	Our minimum standards for ensuring a safe work environment.

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MODERN SLAVERY RISK EXPOSURE/FOCUS AREA	POLICIES	PURPOSE
OUR OPERATIONS, PARTNERS & CUSTOMERS	Group Complaints Management Policy	Our approach to managing complaints across the HUB24 Group.
	Group Anti-bribery & Corruption Policy	Our minimum standards for ensuring compliance with our anti-bribery & corruption obligations.
	Group Sanctions Policy	Our minimum standards for ensuring compliance with our economic and trade sanctions obligations.
	Financial Crime Management Framework	Our approach to managing anti-money laundering and terrorist-financing risks.
	Investment Manager Governance & Oversight Framework	Our approach to managing risks associated with third-party investment managers including oversight.
	Donations Policy	Our approach to ensuring our values and modern slavery risk management approach is reflected in our charitable donations.
	Code of Conduct	Our standards and expectations of our company and people.
OUR SUPPLIERS	Group Outsourcing Policy	Our minimum standards for managing third party and associated compliance risks of outsourcing business activities.
	Third Party Vendor Management Policy	
	Group Procurement Policy	Our procurement policies are relevantly the Outsourcing and Third-Party Vendor Management policies
	Supplier Security Policy	Our minimum standards for supplier security arrangements.



### OUR PEOPLE: APPROACH TO MODERN SLAVERY RISK MANAGEMENT

The risk of modern slavery arising from our recruitment and employment practices is considered to be low.

Through its acquisition of Class, HUB24 has a small IT development team located in the Ukraine. In FY2022 and following the commencement of the Russia/Ukraine war, we initiated a crisis management response to managing the risk arising from these operations and for this team. Our response has been focused on the safety and stability of working conditions and security of remuneration. We have devised a long-term mitigation plan which includes a Business Continuity Risk Assessment. We will continue to monitor and respond to this situation as it progresses and provide appropriate support to our team members whilst safeguarding our business. Our response is overseen by the HUB24 Board ARCC including through regular reporting provided by the HUB24 Group Chief Risk Officer.

We mitigate and manage our modern slavery risk exposure as an employer and therefore to our people through:

#### RISK MITIGANTS

#### DESCRIPTION



#### RECRUITMENT PRACTICES

**HUB24 predominantly directly employs within Australia, with 99% of employees sourced in Australia.**

External benchmarking of remuneration HUB24's remuneration approach reinforces our commitment to fairness and equity for all employees. We utilise external benchmark data to ensure that our people are paid fairly and competitively for the work that they undertake. We take a data-driven approach to remuneration modelling to eliminate unconscious bias and ensure equitable assessment.



## EMPLOYMENT ARRANGEMENTS

**An Equal Opportunity Organisation:** HUB24 is committed to providing a workplace free from unlawful discrimination, sexual harassment, victimisation, and workplace bullying, as outlined in our HUB24 Equal Opportunity and Anti-Harassment Policy.

We conduct regular feedback surveys across all staff to provide frequent and anonymised opportunity for concerns or suggestions to be raised. Survey outcomes and resulting action plans are reviewed by the Group Executive and are communicated with transparency to our people. These surveys include an annual culture survey commissioned by the HUB24 Board and conducted via an external partner for confidentiality.

**Written Employment Contracts:** HUB24 employees are engaged pursuant to written contract of employment. We employ updated wording for employment contracts covering fair and equitable terms, consistent with legislation, relevant awards and company policies. Some employees maintain time sheets consistently with Award provisions.

**Training & development:** HUB24 provides training and support for our people to help them understand that everyone has a role in managing risk and to drive clear accountability and decision making. All our people attend face to face induction training on commencing employment at HUB24 which includes our Code of Conduct, values, risk management and compliance arrangements. We administer a suite of mandatory e-learning modules to our people on starting and annually. Additional role-based training and development is provided to our people as relevant. Training and development are delivered throughout the employment lifecycle by a blend of virtual training sessions, customised workshops and short courses.

In FY2022 mandatory all staff e-learning included Anti-bribery & Harassment, Discrimination, Conflicts of Interest. Anti-money laundering & terrorism financing. Work, Health & Safety, and Whistleblower Protection.



## WORKING CONDITIONS

**Safety at work HUB24 implements:** Work, Health & Safety and Working from Home Policies through our People & Culture Function. These arrangements are overseen by our WHS Forum.

**Employee benefits:** HUB24 offers a range of employee benefits, aimed at assisting our people to balance their work and external commitments. These include paid parental leave, part-time, and other flexible working arrangements (including hybrid working), and self-funded leave. Requests are considered in the context of individual and business requirements and approvals are gender, location and function-agnostic.

**Code of conduct:** HUB24's Code of Conduct establishes minimum standards and expectations of our people and helps guide our people to do the right thing.

**Remediation & grievance mechanisms:** HUB24 takes complaints seriously and acts immediately on allegations or evidence of breaches in accordance with our HUB24 Group Grievance Handling Policy.

**Whistle-blower:** Our people are otherwise encouraged through our Whistleblower Policy to speak up when they become aware of misconduct, or potential misconduct.

## OUR OPERATIONS, PARTNERS & CUSTOMERS: OUR APPROACH TO MODERN SLAVERY RISK MANAGEMENT

We recognise that an exposure to modern slavery risk could impact our brand and reputation and may breach our **Code of Conduct**. We take responsibility for managing modern slavery risk in our operations by applying a risk-based approach to identify, assess, manage and mitigate these risks. We are committed to regularly reviewing and further strengthening our approach to the management of modern slavery risk.

We mitigate and manage our modern slavery risk exposure from our operations, including to and from our partners and customers through:

### RISK MITIGANTS

### DESCRIPTION



#### ADVICE LICENSEE GOVERNANCE & CONDUCT FRAMEWORK

We have an **Advice Licensee Governance & Conduct Framework** that is specific to managing the risks arising from our relationships with Australian Financial Services Licensed advisers using our Platform. Due to the nature of our business, they are separately assessed against this framework.

We conduct periodic reviews of the Australian Financial Services Licensed advisers using our Platform.

The **HUB24 AFSL Approval Monitoring Group** (AAMG is a management committee) oversees advisers including compliance.



#### INVESTMENT MANAGER GOVERNANCE & CONDUCT FRAMEWORK

HUB24 provides choice and innovative product solutions for investors. The investments available on the HUB24 platform are limited to Term Deposits from APRA-regulated Australian Deposit-taking Institutions, those on regulated stock exchanges, managed funds (via our sub-custodian), managed portfolios under an ASIC-licensed Registered Managed Investment Scheme and Responsible Entity structure and that consist of exchange-listed securities and managed funds. HUB24 does not manage any internal investments.

We have an **Investment Manager Governance & Conduct Framework** that is specific to managing the risks arising from our relationships with Australian Financial Services Licensed Investment Managers. We do not conduct any due diligence or other assessment of how Investment Managers assess and address modern slavery risk.

A specialist team of Risk & Compliance resources in the second line perform **mandate compliance monitoring** against a range of investment mandate parameters (which may include ESG criteria and/or adherence to modern slavery reporting legislation) and manage compliance exceptions.

The **HUB24 Investment Committee** (HUBIC is a management committee) oversees Investment Managers including compliance and performance.



ESG

We have identified seven ESG focus areas across our internal and external value chain. Our progress in relation to these focus areas, which is integrated with our **Risk Management Framework**, is overseen by our **Sustainability Council** and the **HUB24 Board ARCC**.

An ESG rating functionality was launched on the HUB24 platform in FY2022, providing advisers who use our Platform with access to data-driven insights and reporting metrics for selected managed funds and more than 350 Australian listed securities. This gives advisers visibility over how well ESG risk is managed or considered so they can engage with their clients to find investments that align with their values.

Advisers can now access ESG ratings from Morningstar's leading **Sustainalytics** rating system, which ranks selected funds and Australian listed securities on a sliding scale of risk and identify whether a managed fund has been certified by the **Responsible Investment Association Australasia (RIAA)**.



**FINANCIAL  
CRIME RISK  
MANAGEMENT  
FRAMEWORK**

Modern slavery can be linked to money laundering and other types of financial crime such as bribery, corruption, and sanctions. Our approach to preventing financial crime is focused on prevention, detection, reporting, and mitigation of financial crime risks and compliance with our legal and regulatory obligations.

Indicators used by our specialist financial crime resources (within our Group Risk & Compliance function) for financial crime risk management can help to identify suspected instances of modern slavery. We may identify modern slavery activity through customer due diligence, payment and customer screening, transaction monitoring, and other risk assessments across our products and services conducted as part of our **Financial Crime Risk Management Framework**.



**OUR PRODUCTS  
& SERVICES**

**Remediation & grievance mechanisms** Our people may raise incidents in a centralised technology system through our **Group Incident & Breach Management Policy** and Processes. Open incidents are overseen by the **HUB24 Group Breach Forum** and regular reporting on incidents and breaches is made by the Group Risk & Compliance function to the HUB24 Limited Board ARCC and to the Risk Committees of subsidiary entities within the HUB24 Group.

Our customers are encouraged to raise grievances, including in relation to modern slavery, through our **Complaints Management Process**. Our Complaints Management Policy is made available on our website.

CASE STUDY:

## FINANCIAL CRIME TRANSACTION MONITORING AND KNOW YOUR CUSTOMER





We recognise our role in preventing, detecting and responding to modern slavery risk. This is why we don't process international payment instructions and monitor approximately 107,000 transaction per month, resulting in 3 Suspicious Matter Reports to AUSTRAC in FY2022.

HUB24 undertook a review of transaction monitoring as part of our commitment to continuing to enhance the financial crime program. This included reviewing the assessment methodology and conducting a gap analysis of transaction monitoring rules against monitoring activities. We identified control improvements and further enhancements that could be made to our transaction monitoring capability in FY2023.

As part of our program, we also use Equifax Global Screening to ensure we are conducting business with reputable customers. By using Equifax Global Screening as part of our Know Your Customer and Customer Due diligence, we can identify customers that warrant closer monitoring and further investigation. It can also work to uncover individuals involved in money laundering.

## OUR SUPPLIERS: OUR APPROACH TO MODERN SLAVERY RISK MANAGEMENT

We have established a **Modern Slavery Risk Assessment Methodology** for our suppliers which considers a number of indicators of modern slavery risks including sector and industry, the type of products and services, geographical location and specific entity risk. Overall, and based on our assessment, our Supply Chain Modern Slavery Risk Profile is low. Our assessment of our Modern Slavery Risk Profile as it applies to our Suppliers is summarised in the table below:

RISK EXPOSURE BY:	RATING	RISK MANAGEMENT COMMENTS
 <b>SECTOR/INDUSTRY</b>	Low	<p>The large majority of suppliers were assessed as falling within the professional technology and financial services industry in Australia. These sectors typically carry a low level of risk associated to modern slavery practices.</p> <p>Other sectors and industries include marketing media, telecommunications, financial education, compliance, and property management.</p>
 <b>PRODUCT/SERVICE</b>	Low	<p>Risks associated with a specific product or service were assessed as low for the period. This is predominantly as a result of the profile of our core suppliers who specialise in technology, software, financial services, and professional services.</p> <p>We have minimal exposure to suppliers with cyclical production and/or high-risk raw material usage to manufacture the products and services that we consume.</p>
 <b>GEOGRAPHIC</b>	Low	<p>The large majority of suppliers are headquartered in Australia, and as such our geographic exposure risk to modern slavery practices during the period was deemed low. The remaining portion of suppliers are predominantly based in the USA, United Kingdom and Europe. During FY2022, there were no suppliers identified that were headquartered in 'high risk'<sup>11</sup> jurisdictions.</p>
 <b>SPECIFIC ENTITY</b>	Low	<p>There were no specific entities identified during the period that we deemed as having significant risks associated with modern slavery practices.</p>

11 *Global Slavery Index 2018* published by the Walk Free Foundation

We otherwise manage our exposure to modern slavery risk in our supply chain through:

RISK MITIGANT	DESCRIPTION
Centralised Supplier Register	We maintain a centralised supplier database to assist with the identification, monitoring and supervision of suppliers.
Supplier Screening and Due Diligence	We maintain supplier screening and due diligence processes for our material service providers/ new suppliers prior to the signing of supplier agreements.
Procurement and purchasing	We maintain procedures for outsourcing and third-party vendor management.
Supplier Security Policy	Details the requirements that need to be met when engaging with Third Party Suppliers who are providing new systems, components or services.
Group Technology sourcing	We have a specialist IT Procurement capability within our Group Technology division.
Commercial Manager Process	Each supplier is assigned a responsible Commercial Manager who manages the contractual relationship with the supplier.
Written contracts with suppliers	We enter formal contractual arrangements with our suppliers on terms that reflect the extent and nature of the services provided. Our contractual terms and conditions are aimed at strengthening supplier obligations in relation to modern slavery and require our suppliers to comply with Modern Slavery Laws, have reasonable measures in place to ensure compliance (including review of supplier's supply chains), and notify HUB24 of breaches of compliance.
Material Service Provider Relationship Management	Typically, a relationship manager is appointed to each material service provider, and we maintain monitoring and oversight arrangements over these providers.
HUB24 extended COVID19 and Russia/ Ukraine war response	HUB24 liaised with its material suppliers through these events by regularly enquiring about their approach to managing the pandemic and the war, and the steps undertaken relating to staff welfare, inclusive of offshore locations.



#### CASE STUDY:

## ENGAGING WITH OUR MATERIAL SUPPLIERS FOR BETTER OUTCOMES

HUB24 provides over 150 ESG investment options covering a diverse range of objectives including Socially Responsible Investing (SRI), Climate and Impact investing. Our platform capability enables advisers and their clients to automatically substitute and replace investments which aren't aligned with their investment philosophy and objectives. We are committed to continuing to enhance our investment menus to provide options to meet customer needs and support the flow of capital into businesses focused on sustainability.

In FY2022, HUB24 also supported advisers and their clients in meeting their ethical, social and governance requirements. Our Managed Portfolio Academy provides CPD-accredited modules to enhance adviser understanding of client and business benefits and product information. Through the Academy, HUB24 deliver regular HUBsights webinars, research papers and client support tools on a variety of adviser-related topics including mental health and wellbeing, ESG and philanthropy. In partnership with Striver, the Academy has been made available to new advisers joining the industry to support their education requirements.

## 4. ASSESSING OUR EFFECTIVENESS

Assessing the effectiveness of our actions is critical to driving continuous improvement in our approach to modern slavery risk.

Through our **Risk Management Framework** (which is integrated with our Seven ESG focus areas) we monitor and report to the HUB24 **Sustainability Council** and the **HUB24 Board ARCC** a range of indicators to assess the effectiveness of our approach to identifying, assessing, managing, mitigating, and reporting modern slavery risk.

Key indicators in relation to our Governance, and our three main areas of modern slavery risk exposure are summarised as:

### MODERN SLAVERY RISK EXPOSURE AREA



#### GOVERNANCE

### KEY INDICATORS

- HUB24 Board ARCC reporting regularly addresses modern slavery risk as covered by the HUB24 Group Risk Profile (see critical risk types at Section 03 of this Statement).
- HUB24 Sustainability Council reporting regularly addresses the HUB24 seven ESG focus areas.
- Frameworks, policies, and process in place to manage sustainability risk, including human rights and modern slavery risks.



#### OUR PEOPLE

- Mandatory e-learning all staff training % completion rates.
- Grievances raised through the Grievance Handling Policy.
- Reports of modern slavery through the Whistleblower Program.
- Progress against our ESG focus area of employee engagement.



#### OUR OPERATIONS, PARTNERS, & CUSTOMERS

- Key financial crime processes including transaction monitoring, and country risk assessments.
- Reports of modern slavery through the incident & breach reporting program.
- Exceptions to advice Licensee periodic compliance attestations.
- Mandate compliance monitoring exceptions in relation to investment manager compliance with mandate (which may include ESG criteria and/or adherence to modern slavery reporting legislation)



#### OUR SUPPLIERS

- % Suppliers outside Australia/in higher risk sectors
- % Exceptions identified via supplier due diligence/questionnaires

We also monitor regulatory developments.

## 5. CONTINUOUS IMPROVEMENT

We aim to continuously review and enhance our approach to modern slavery risk. We have identified the following continuous improvement initiatives:

### MODERN SLAVERY RISK EXPOSURE AREA



#### GOVERNANCE

### CONTINUOUS IMPROVEMENT INITIATIVES

- Establish additional indicators and metrics for measuring the effectiveness of our identification and management of modern slavery risk.
- Uplift modern slavery risk management reporting to the HUB24 Board ARCC.



#### OUR PEOPLE

- Deliver Modern Slavery Training to all our people across all entities within the HUB24 Group (including Class which was acquired in FY2022).
- Evolve our strategy and actions around Diversity, Equity Inclusion .
- Continue our focus on fair remuneration benchmarking and gender pay gap analysis.



#### OUR OPERATIONS, PARTNERS, & CUSTOMERS

- Further review and update our Modern Slavery Framework and further integrate modern slavery risk management into our Group Risk Management Framework, and our Financial Adviser and Investment Manager Governance & Conduct Frameworks.
- Further integrate human rights considerations into our Financial Crime Management Framework.
- Following launch on FY2022 of HUBEmpower, continue to develop our Donations Policy, and associated charitable donations due diligence including modern slavery risk assessment.



#### OUR SUPPLIERS

- Review and investigate a digital solution for our Supplier Register
- Enhance our Supplier Register through integration with finance to capture supplier dollar spend data by supplier category and geography.
- Establish a dollar threshold based on our supplier spend for performing enhanced modern slavery risk assessment.
- Investigate a standardised due diligence process for the onboarding of new suppliers (across our main supplier categories).

## 6. CONSULTATION & APPROVAL

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The HUB24 Group Chief Risk Officer supported by the HUB24 Group Risk & Compliance function led the preparation of this Statement.

The HUB24 Group Risk & Compliance function consulted cross-functionally in the preparation of this Statement and held a final briefing session with the HUB24 Group Executive team. A final draft Statement was made available through Group executives, to the nominated representatives of HUB24's business divisions prior to its publication. Group Executives were also consulted in their separate capacities as Board Directors of the subsidiary entities covered by this Statement.

A report accompanying this Statement together with management representations was tabled with the HUB24 Limited Board.

This Statement was approved by the Board of HUB24 Limited on 22 March 2023.

# APPENDIX 1 – ENTITIES OWNED OR CONTROLLED BY HUB24

The subsidiaries of HUB24 during the FY2022 included:

- HUB24 Custodial Services Limited (ABN 94 073 633 664) (**HUBCS**).
- HUB24 Management Services Pty Ltd (ABN 59 135 332 320).
- HUBconnect Pty Ltd (ABN 80 140 899 252) (**HUBconnect**).
- Agility Applications Pty Ltd (ABN 76 124 078 315) (**Agility**).
- Xplore Wealth Pty Limited (ABN 34 128 316 441)<sup>12</sup>.
- Class Limited (ABN 70 116 802 058)<sup>13</sup>.
- Class Technology Pty Limited (46 121 158 503).
- NowInfinity Pty Ltd (16 54 927 376).

Please refer to Page 92 of the HUB24 Annual Report year ending 30 June 2022 for further details of the owned and controlled entities within the HUB24 Group.

[\(ASX-Release-23-August-2022-FY22-HUB24-ANNUAL-REPORT.pdf\)](#)

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<sup>12</sup> Formerly known as Xplore Wealth Limited but was delisted upon completion of acquisition in March 2021.

<sup>13</sup> HUB24 completed the acquisition of Class Limited in February 2022 following which that entity was delisted and is now Class Pty Limited.

## APPENDIX 2– MANDATORY CRITERIA REFERENCE TABLE

The table below provides reference pages for the relevant disclosures in each criterion for the Modern Slavery Act 2018 (Cth).

### MANDATORY CRITERIA REFERENCE TABLE

MODERN SLAVERY ACT (CTH) MANDATORY CRITERIA	HUB24 STATEMENT SECTION REFERENCE
Section 16(1)(a) Identify the reporting entity	Introduction About Us
Section 16 (1)(b) Describe the structure, operations, and supply chains of the reporting entity	About Us
Section 16 (1)(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Our Approach
Section 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	Our Approach Our Progress in FY2022
Section 16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	Assessing the effectiveness of our actions
Section 16(1)(f) Describe the process of consultation with any entities that the reporting entity owns or controls. In the case of a reporting entity covered by a statement under section 14 -the entity giving the statement	Consultation & Approval
Section 16(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	Continuous improvement

## APPENDIX 3– FINANCIAL SECTOR MODERN SLAVERY RISK PREVALENCE INDICATORS

The following modern slavery risk prevalence indicators<sup>14</sup> were established for the financial sector as published in the December 2021 “Measuring Disclosure of Modern Slavery statements, ASX300 Companies”, Monash centre for Financial Studies. HUB24 has considered these indicators (amongst other considerations) as guidance in determining the scope of our modern slavery risk exposure:

MODERN SLAVERY RISK TYPE	RISK PREVALENCE IN THE FINANCIAL SECTOR
Deceptive recruitment or labour hire	0%
Forced labour	6%
Servitude	3%
Debt bondage	6%
Slavery	6%
Human Trafficking	18%
Child exploitation/labour	12%
Forced marriage	3%

<sup>14</sup> Indicators based on analysis contained in the white Paper across the population of FY21 ASX300 Modern Slavery Statements reviewed.

HUB<sup>24</sup>

