

Futurity Investment Group

Modern Slavery Statement

Financial Year 2020–2021

About this Statement

This Modern Slavery Statement is prepared and issued by Futurity Investment Group Limited, ACN 087648879, AFSL 236665, ACL 236665. (Futurity, "we", "us", or "our").

Futurity is pleased to publish its first Modern Slavery Statement ("the Statement") in accordance with the *Modern Slavery Act 2018 (Cth)* (Modern Slavery Act) covering the period 1 July 2020 to 30 June 2021 ("Reporting Period").

MODERN SLAVERY ACT REPORTING CRITERIA

CRITERION 1 AND 2

Identify the reporting entity and describe its structure, operations and supply chains.



CRITERION 3

Describe the risks of Modern Slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.



CRITERION 4

Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.



CRITERION 5

Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address Modern Slavery risks.



CRITERION 6

Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement).



CRITERION 7

Any other relevant information.



Introduction from Chairman and CEO

This Statement outlines Futurity’s approach to addressing Modern Slavery to date and sets the foundation for the work that we will continue to do as an organisation and investor in the future.

Futurity’s employees and members expect Futurity to be a good corporate citizen. As part of its corporate social responsibility ethos Futurity is committed to understanding and mitigating its Modern Slavery risk to as low as reasonably practical.

Consistent with Futurity’s history as a mutual organisation providing value to its members and contributing to educational outcomes, Futurity will not knowingly conduct activities that support Modern Slavery practices.

Futurity’s Modern Slavery risk identification and remediation process is overseen by two of Futurity’s Board Committees.

The Sustainability Committee, chaired by Independent Non-Executive Director Phil Vernon, is concentrating on Modern Slavery within the Social element of its Environmental, Social and Governance Environmental, Social and Governance (ESG) remit.

The Risk and Compliance Committee, chaired by Independent Non-Executive Director Jen Story, is concentrating on Futurity’s compliance with the Modern Slavery Act.

The results of deliberations by both Committees on this Modern Slavery Statement were presented to the Board to support the Board resolution to approve this Statement.

This Statement was approved by the Board on 21 December 2021.



Craig Dunstan
Chairman



Ross Higgins
Chief Executive Officer

About Futurity

We are an independent and mutually structured financial institution and Australia's leading issuer of tax-effective, life-event Education Bonds.

Our primary purpose is to enable our members to attain financial self-sufficiency to meet lifelong education objectives for themselves and their families.

We are owned by our 75,000 members, rather than shareholders. We use our expertise in tax and investment markets to provide innovative tax-effective solutions to support the education journeys of Australian and New Zealand families.

With total assets of \$1.18 billion, our financial strength and capital reserves enable us to meet our long-term commitments to members through all investment cycles.

Since our inception in 1974, more than 557,000 children have received education benefits and \$3.35 billion paid to our members and their education beneficiaries. Futurity is an APRA regulated and supervised financial institution.

Futurity has been supporting the education journeys of Australian and New Zealand families for over 45 years.

We do this primarily through financial returns to members in addition to providing mutual value by supporting education through our community investment, our advocacy and through the passion of our people.

For our members, we offer future financial security to help them achieve long-term goals of accessing quality education for their families. Our education loans and tax-effective investment products help families to budget for the cost of education.

In addition to the value we provide to members through our education savings and investment products, it is in our DNA to represent members' education interests with strong and active advocacy. We continue to create awareness of and stimulate debate on important issues, such as the cost of education, and on increasing the accessibility and affordability of education.

Our Vision and Purpose

Our vision is that everyone has access to the education and lifelong learning opportunities needed to fulfil their aspirations. We support this vision through:

- Providing our members financial products to assist them to save and plan for the lifelong education costs of themselves, their families, and others dear to them
- Advocating for a quality education that is affordable, accessible, and inclusive across all sectors of society
- Philanthropic activities that break down barriers and enable educational pathways to disadvantaged sectors of our community.

Our Policy Framework

At Futurity, we are committed to maintaining the highest legal standards and ethical behaviours. While we conduct our business within the framework of applicable laws and regulations, for us, compliance with the law is not enough. Our values of curiosity, courage, care, passion and results give insights into what is right and wrong and what is important for us all to succeed. They are, in effect, the foundation of Futurity.

The ethical framework called Our Ways of Working (Futurity's Code of Conduct) adds a further dimension by outlining the ethical principles that describe how we strive to live these values in our day to day activities. These support and build on our values.

Futurity's policy framework in this ethical space extends to Board policies relating to:

ANTI-BRIBERY AND CORRUPTION	FIT AND PROPER	FRAUD CONTROL	GOVERNANCE
RESPONSIBLE INVESTING	OUTSOURCING	WHISTLEBLOWER	ANTI-MONEY LAUNDERING

Overall Risk Assessment

Futurity considers that, as our business is extensively regulated and does not have complex supply chains, the risk of modern slavery and human trafficking occurring within our operations, activities and supply chains is low.



Our Structure, Operations, Supply Chain and Investments

STRUCTURE

Futurity, formerly Australian Scholarships Group Friendly Society, is a registered Friendly Society, operating primarily in Victoria, Australia, with some funds in New Zealand that are closed to new business.

It is a company limited by shares and guarantee with only customer members. No shares are currently issued.

The parent company currently has six controlled entities, all essentially non-operating, therefore not requiring consultations.

OPERATIONS

Futurity distributes its Education Bonds products via two main channels, online or via financial advisers. It distributes its Education Loans products online.

Given the nature of Futurity's business, the risk of Modern Slavery practices occurring within our own business operations is assessed as low.

This is based on Futurity's business being in a low-risk highly regulated sector, being financial services, combined with its business operations being Australia-based.

SUPPLY CHAIN

However, Futurity recognises the possibility exists that we have indirect exposure to Modern Slavery practices within our supply chain.

Our operations are in Australia and the products and services purchased by Futurity are generally limited to information communication technology, professional services, marketing materials and office operating supplies.

As most of our Tier 1 suppliers are Australia-based

suppliers who have a lower inherent risk of Modern Slavery practices, the risk within our supply chain is also assessed as low.

To understand the Tier 1 supplier risk more fully, Futurity either interrogated the Modern Slavery Statements of its material suppliers, or obtained the results of a targeted Modern Slavery questionnaire for selected suppliers.

The results supported Futurity's assessment of the risk as low.

INVESTMENTS

Futurity also has indirect exposure to the potential risk of Modern Slavery practices via investments made by external investment managers appointed to invest on behalf of Futurity's multi-manager funds.

This risk could be heightened where the business ultimately receiving the capital from Futurity is domiciled in a high-risk jurisdiction or where it is involved in an industry known to have a high risk of Modern Slavery practices.

While Futurity is not making the individual investment decisions in these circumstances, it is important for us to make sure our investment managers consider modern

slavery, supply chain and labour aspects in their investment processes.

In the investment manager appointment and annual compliance organisational due diligence process for all external investment managers, we assess how investment managers address ESG issues as part of their investment approach.

The vast majority of appointed investment managers are signatories to the United Nations Principles for Responsible Investment (UNPRI).

COVID-19

COVID-19 has not materially affected Futurity's ability to produce this Modern Slavery Statement nor Futurity's current or planned Modern Slavery actions.

Futurity acknowledges the economic and social impacts of the COVID-19 Pandemic and the potential increased Modern Slavery risk in its supply chain, however given its material suppliers are Australia based, the risk remains assessed as low.



Future Actions

This Statement is the first for Futurity. Progress is inherent in all of Futurity's operations.

Accordingly, in the coming Reporting Period (1 July 2021 to 30 June 2022), Futurity will progress the following:

Furtherance of the focus on Modern Slavery by the Sustainability and Risk and Compliance Committees;

Enhancement of Futurity's policy framework to enable more clarity in the assessment and management of Modern Slavery risk;

Modern Slavery training for staff and contractors;

Enhancement of processes through which we assess the Modern Slavery policies and approaches of our external investment managers;

A review and potential amendment of contracts with material suppliers to include specific Modern Slavery obligations;

Potential amendments to services agreements to include Modern Slavery obligations for suppliers;

Development of an improved Modern Slavery questionnaire intended to help assess the modern slavery risk profile of both existing and new less material Tier 1 suppliers.



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