

Joint Modern Slavery Statement

Under the *Modern Slavery Act 2018 (Cth)*

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MyState Limited 

This Modern Slavery Statement was approved by the Boards of MyState Bank Limited ABN 89 067 729 195, TPT Wealth Limited ABN 97 009 475 629 and MyState Limited ABN 26 133 623 962 as the principal governing body of these entities on 14 December 2023.

Pursuant to the requirements of the Modern Slavery Act 2018 (Cth), the contents of this Statement have been reviewed and confirmed as accurate by a duly authorised person.

This statement is signed by Brett Morgan in his role as a Managing Director of all reporting entities covered by this Joint Statement on 14 December 2023.

A handwritten signature in black ink, appearing to read 'Brett Morgan', written over a horizontal line.

Brett Morgan, 14 December 2023

Managing Director, MyState Bank Limited

Managing Director, TPT Wealth Limited

Managing Director, MyState Limited

Part One

Identifying the Reporting Entity

1. The reporting entities covered by this joint modern slavery statement are:
 - MyState Limited – ABN 26 133 623 962
 - MyState Bank Limited – ABN 89 067 729 195
 - TPT Wealth Limited – ABN 97 009 475 629

(referred to collectively throughout this Statement collectively as “MyState”, “we” and “our”). Where the context requires reference to an individual reporting entity, it is referred to in this Statement by its full name.

MyState have been reporting entities since the commencement of the Modern Slavery Act 2018. This is our fourth joint modern slavery statement and covers the 2022-2023 Australian financial year.

Part Two

Our structure, operations, and supply chains

Structure

2. The principal governing body for each of the reporting entities is a common Board of Directors.

MyState’s corporate structure remains as previously described. MyState is a Tasmanian-based, diversified financial services group that strives to be a leading provider of banking, trustee, and wealth management services to our broad range of customers.

MyState Limited is a Non-Operating Holding Company for our wholly owned subsidiaries: MyState Bank Limited and TPT Wealth Limited. The MyState executive management team shares key operational responsibility across all subsidiaries within the MyState Group.

MyState Limited was formed in 2009 through the merger of MyState Financial and Tasmanian Perpetual Trustees. MyState Financial changed its operational name to MyState Bank once approval was granted in 2014 by the Australian Prudential Regulation Authority.

Reimagining our Purpose

3. In late 2022, we reimagined our purpose:

We’re a Tasmanian-based financial services company with big ambitions. We make managing your money easy, to help you achieve what matters most. We invest in our people and communities, so together we can thrive. Together for the better.

Our newly defined purpose was created by our team from the ground up, working together to capture the care for our customers, and the need for continued investment in our people and the communities that we serve.

We sought to create a purpose statement that captures who we are, why we exist and our continued focus on growth and investment. Our purpose is lived through our rally cry – “Together for the better”. Since launching our re-defined purpose in December 2022, it has already informed a number of our business decisions as we strive to become a purpose-driven organisation.

What does this mean for:

Our shareholders: We deliver sustainable, profitable growth.

Our community: We invest into and support our local communities. Our approach to sustainability focuses on driving positive change in the bank and the community.

Our customers and clients: We care about what matters.

Our people: We grow and achieve great things.

Operations

4. We do not consider there to have been any material changes to our operations from a modern slavery risk perspective.

The following snapshot outlines some highlights in relation to our core operations for the reporting period:

- \$38.5 million net profit after tax
- 35.5cps earnings per share
- \$6.2 billion in customer deposits
- 8.7% return on average equity
- Customer net promoter score +35
- Over \$175,000 in community grants provided through the MyState Foundation in 2022/23 and over \$2.6 million in community grants since inception
- 50% of all leadership roles filled by women
- 62% of bank customers on e-statements
- 73% employee experience score

MyState Bank Limited

5. MyState Bank Limited (“MSB”) is an authorised deposit taking institution. MSB offers online banking products and services throughout Australia. We maintain a network of physical branches in Tasmania, at locations in Glenorchy, Hobart, Kingston, Rosny, Launceston, Burnie and Devonport.

MSB is regulated by APRA and complies with APRA’s Liquidity and Capital requirements. MSB is also regulated by Australian Securities and Investment Commission (“ASIC”) for the provision of financial services.

MSB operates using retail deposits, wholesale deposits and securitisation as a funding source and manages a number of securitisation trusts via its wholly owned subsidiary company, Connect Asset Management Pty Ltd.

MyState Bank’s operations provide the following financial and banking services to our valued customers:

Banking Services

- Transaction, savings and term deposit accounts
- Home loans

- Business Banking
- Personal loans – provided via a referral partner

Insurance Services

- General insurance – provided via a referral partner

MyState Bank ceased to offer health insurance services (previously provided via a referral partner) during the reporting period. We do not consider this to have significant implications from a modern slavery risk perspective.

Connect Asset Management Pty Ltd

- MyState Bank Limited also controls Connect Asset Management Pty Ltd ABN 49 101 504 287 (“CAM”), which is not, individually, a mandatory reporting entity under the Act. As a controlled entity, the appropriate consultation between MyState Bank Limited and Connect Asset Management Pty Ltd has occurred for the preparation of this statement, and in relation to our modern slavery response generally.

CAM continues to provide program administration services and trust management to MyState’s Residential Mortgage Backed Security (RMBS) trusts. These services include administration of the assets of each RMBS trust under the ConQuest Master Trust Deed. CAM is also regulated by ASIC for the provision of financial services.

TPT Wealth Limited

- TPT Wealth Limited (“TPTW”), as a subsidiary of MyState Limited operates as a Trustee Company, product issuer of Managed Investment Schemes, and provider of mortgage finance for personal, business, and commercial purposes.

TPTW is one of Australia’s oldest providers of wealth solutions. TPTW continues to focus on mortgage funds and funds management. TPTW is regulated by ASIC for the provision of financial services. TPTW’s key services include:

- Trustee Services
 - Estate Planning, Trust and Administration
 - Corporate & Custodial Trustee
- Wealth Management Services
 - Managed fund investments
 - Portfolio Administration Services
- Commercial lending

Our Team

- MyState employed approximately 380 people during the reporting period, all based in Australia and covered by Australian employee relations laws. MyState engages very few non-employees (e.g. contractors). The small number of direct contractors that we do engage are in Australia and covered by Australian employee relations laws.

Our team worked across the following roles and locations:

- 303 staff across Hobart & Launceston head offices
- 48 staff in branches
- 75 staff in managerial roles
- 27 staff in sales roles

Our supply chains

- MyState had direct (first-tier) supplier relationships with 319 entities during the reporting period. This was a moderate increase in overall supplier numbers from the previous reporting period, primarily attributable to our overall growth in business and operations. There was also a very minor shift in the total proportion of our direct suppliers that were Australian-companies compared to international ones (described further below).

The types of industry categories in which our most significant procurement occurs continues to be across the following sectors:

- Financial services
- Software
- Technology services, including data hosting
- Telecommunication
- Legal services
- Media & marketing services
- Real Estate services
- Insurance

- The majority (92%) of our direct suppliers are Australian companies. This is a slight decrease from the FY22 reporting period, where 93% of our direct suppliers were Australian based entities.

For ease of comparison, the following table provides a further breakdown of the specific difference in procurement engagements between reporting periods.

Country and Industry Categories	This (FY23) reporting period	Last (FY22) reporting period
USA - software, computer, consulting, and event services	18	12 (all software providers)
UK - computer and software related suppliers	3	3
Singapore - consulting and financial services	2	1
India - computer and cloud services	2	0
India – technology consultant	0	1
Israel – computer and software related suppliers	1 (computer services)	2 (software providers)
Hong Kong – professional services	1	0
Canada – software provider	1	1
Austria – software provider	0	1

Investments

11. MyState capital investment approach and allocation remains as described in previous reporting periods. Our investments continue to be held predominantly in other Australian banks and financial service providers. A relatively small portion of our investment portfolio is also held in Australian branches of major international banks.

Part Three

Identified and assessed areas of potential modern slavery risk

Our supply chains (and investments)

12. We continue to identify and assess areas of potentially elevated risks in our supply chains through utilising the proprietary technology and methodology of our long-term external consultant partners. The procurement data of all entities (both reporting and non-reporting) within MyState is assessed via this process, so that we have a comprehensive picture of our overall risk profile. During the reporting period, MyState also carried out comprehensive modern slavery risk assessment in relation to its various investment portfolios, including those held by TPTW.

For this reporting period, the assessment process identified the following industry categories as having the most elevated (in relative terms within our organisation) areas of potential risk:

- Australian Business Services
- Australian Retail Trade Services
- Indian Computer and Related Services / Business Services
- Australian Computer and Technical services

13. Whilst there has been some change between industry classifications and weighting of risk considerations (including due to updated global estimates through Walk Free Foundation's release of its updated Global Slavery Index in May 2023), we consider our industry-based risk profile to have remained reasonably consistent with the previous reporting period.

A common feature across all these categories is the significant supply chain reliance upon electronics, computer hardware and other digital technology-related products.

Electronics, computer hardware and digital technology products

14. The manufacturing of individual components and the final assembly stages all have identified modern slavery risks, including forced and bonded labour, and deceptive recruitment practices, particularly in China and Malaysia. Other risks related to these products include the mining and refinement of minerals and other key raw material inputs. For example, cobalt and lithium are key components of laptop computer batteries.

Australian Retail Trade Services – including day-to-day office supplies and consumables

15. This industry category covers our office goods and stationary suppliers. It is generally considered higher risk, both because of relatively high (and recurring) spend amounts and because a wide range of products purchased from these suppliers often have long and complex supply chains, featuring numerous high-risk inputs such as plastic, timber, rubber etc.

These products are often also manufactured overseas in higher risk countries and are produced with minimal 'per unit' profit margins, which increases the potential reliance on overly cheap or otherwise exploited labour to achieve commercial viability.

Indian computer and related services / business services

16. As per the comparative table above, although MyState already had a single supplier in this industry category (as described in our last statement), another supplier in this category was engaged by MyState during the reporting period.

The updated findings from the 2023 Global Slavery Index continue to rank India, on the global scale, as a high-risk country for modern slavery practices¹:

"India has an estimated prevalence of 8 people in modern slavery per 1,000 of the population, which means that there is an estimated 11,050,000 people living in slavery. India is ranked the 6th highest country in the APAC region on the basis on estimated prevalence of modern slavery."

Both of MyState's direct suppliers in India operate in a professional context that is predominantly staffed by highly skilled and technically trained employees, which are generally far less vulnerable to exploitation through modern slavery practices.

Operations-related risks

17. As an exclusively Australian-based financial services provider, we consider our operational exposure to modern slavery risk to be very low.

2023 Global Slavery Index² as outlining relevant considerations in relation to the operational risk exposure of the industry in which we operate:

"Traditionally, the financial sector is perceived as low risk for human rights abuses. In reality, there are multiple ways the sector is exposed to risks of modern slavery, including through its operations, supply chains, and business relationships.

Financial actors may unknowingly engage vulnerable workers through labour agencies in higher risk industries such as catering and cleaning services, or purchase goods at risk of being produced with forced labour such as IT equipment and corporate merchandise. There are serious risks of becoming part of value chains that rely on exploitation by investing in or lending to businesses that are complicit in modern slavery within their own operations or supply chains. Certain financial actors may also inadvertently facilitate criminal activities where profits

¹ <https://www.walkfree.org/global-slavery-index/findings/regional-findings/asia-and-the-pacific/>

² <https://www.walkfree.org/global-slavery-index/findings/spotlights/investing-in-exploitation/>

generated by modern slavery practices are laundered through legitimate financial channels.”

18. As previously described, MyState (like all businesses of its kind) engages with a variety of services providers that facilitate our use of physical offices / branches and assist with our day-to-day operations. This includes catering providers, cleaning services, branch security and facilities management suppliers.

Banking and finance providers, including MyState, can be a contact point in relation to both the perpetrators and victims of modern slavery practices. We remain vigilant as to our responsibility to report any detected suspicious activity to AUSTRAC and other relevant law enforcement agencies, and continue to closely monitor transactions for recognised red flags.

Part Four

Addressing identified modern slavery risk

19. MyState did not receive any reports, or otherwise become aware of, any actual or suspected incidences of modern slavery during the reporting period. We do not consider this to be attributable to an unacceptable lack of visibility, at least insofar as our direct suppliers are concerned. Rather, MyState overall levels of operational, supply chain and investment-related risks remain low, owing primarily to our Australian operations and the industry sector to which we belong. The types of risks that we are exposed to are wholly consistent with other Australian financial services providers.

Whilst we recognise that there is always more that can be done, one positive indication that we are on-track in ensuring that our overall modern slavery response is continuously improving is the relatively high degree of consistency and continuity between future measures that we foreshadowed in our last statement and our actual rate of completion and execution of these measures during the reporting period.

Due Diligence Processes

20. As foreshadowed in our last Statement, MyState has created our own tailored framework to embed a modern slavery due diligence process for our suppliers and investments, which we have called our **‘Modern Slavery Assurance Procedure’**.

The Procedure sets out requirements for due diligence of higher risk suppliers and investments (as designated by our external consultants’ risk assessment methodology) and has been implemented across the entirety of MyState’s procurement activities and investment activities.

21. Minimum due diligence requirements created by the Procedure include undertaking a desktop review of the 20 highest risk assessed suppliers and investments (of both MSB and TPTW). A broad spectrum of published information sources is to be reviewed and considered.

The following is a snapshot of MyState suppliers and investments that were formally subject to our Modern Slavery Assurance Procedure during the reporting

period:

- Top 20 suppliers (by assessed risk) that were operating in the following sectors:
 - Computer and software providers
 - Financial, credit monitoring and settlement service providers
 - Insurance providers
 - Advertising and media provider
 - Telecommunications provider
 - Construction provider
- Top 10 investments (by assessed risk) for MyState Bank Limited, which were a mix of Australian owned banking institutions and government treasury bodies.
- Top 10 TPT Wealth investments (by assessed risk), which included Australian banking institutions.

No immediate red flags, or concerns requiring escalation were detected from the review process.

External Engagement with Industry Bodies

22. MyState actively engaged with the Australian Banking Association (ABA) during the reporting period. The modern slavery aspect of this industry engagement included, over a period of several months, our Senior Manager of Enterprise and Operational Risk participating in a consultation process with the ABA, in relation to the submission that was ultimately provided by ABA on behalf of member banks to the Attorney-General Departments 3-year statutory review of the *Modern Slavery Act*.

The ABA also hosted three roundtable discussions addressing issues relating to modern slavery. This was in connection with ABA-facilitated insights sessions into human rights topics of interest by the ABA’s Human Rights Working Group throughout 2022. Previous roundtables have covered human rights grievance mechanisms, and the human rights impacts of energy transition.

Continuing to Imbed Internal Training and Capacity Building

Annual New Starter Training

23. MyState continues to require our team members to complete Modern Slavery E-Learning on a biennial basis. Any new employees commencing between biennial requirements are assigned these internal education modules as part of their new starter training requirements.

During the reporting period, we achieved the following internal training outcomes with our new team members:

- Module 1: An Introduction to Modern Slavery, which is targeted at all staff in MyState as a general awareness raising tool. During the reporting period this course was completed by 96.2% of new starters to the business.
- Modules 2 and 3: A deeper explanation of the Australian modern slavery legislative landscape and practical tips for preventing modern slavery in supply chains. These modules have been specifically targeted as leaders within the business. New to role Leaders during this period have a completion rate of 83.3% on these modules.

24. The Biennial requirement on MyState's company-wide E-Learning module for modern slavery awareness is scheduled for November 2023. It is expected this will further raise the completion rate for Modules 2 & 3 with a target to have these completed by all leaders within the business.

Internal Training on Vulnerable Customer Identification and Interaction

25. MyState provided specialised 'Vulnerable Customer' training to its retail and customer facing staff during the reporting period. Whilst a range of topics (e.g. elder abuse and domestic violence) are covered, the modern slavery component of the training includes the following:

- Understanding our 'Customer Vulnerability & Financial Abuse Procedure Policy', which outlines the procedures for staff when identifying customers, including potential victims of modern slavery. This Policy was updated in the last reporting period, and so a focus of the training was providing practical guidance on its operation.
- Summary of what modern slavery is and recognised indicators for spotting a victim presenting at a branch.
- Advice for communicating with vulnerable customers in a way that is trauma informed and contextually appropriate, whilst helping staff gather further information to make assessment about what steps to follow and what further reports / disclosures need to be made.

26. MyState delivered on our foreshadowed plan of implementing specific peer-to-peer training for frontline staff members on our Customer Vulnerability & Financial Abuse Procedures. These sessions were co-facilitated by our Customer Advocate and Senior Manager Fraud and Financial Crime. "Masterclass" sessions were also delivered in September 2022 and June 2023. A total of 254 staff members attended these two sessions, which were required for staff who directly interact with MyState's customers. Those staff members who could not attend one of the in-person sessions were assigned a recording of the session in our learning platform and required to watch this and answer a quiz to test their understanding.

Annual E-learning modules for Protecting Vulnerable Customers was conducted for all frontline staff in June 2023. The completion rate was 98.41%.

Governance and Policy Updates

Modern Slavery Statement Procedure

27. This Procedure sets out the structure for the preparation and approval of the statement, to ensure appropriate oversight and input at all levels. This approval structure covers the Board, the Group Risk Committee, the ESG (Environmental, Social, Governance) Committee and Operational Risk Business Unit.

Third Party Risk Management Procedure³

28. This policy comes under the umbrella of MyState's Risk Management Strategy and Framework. The procedure applies to the management of Third Party Suppliers performing services or activities on MyState's behalf and

with whom there exists a direct contractual relationship. It also mandates consideration of the impact of key fourth-party suppliers, i.e. those key suppliers that our suppliers rely on to provide goods and services to MyState.

29. The procedure addresses a wide range of issues relating to procurement processes, including modern slavery. The following is a general overview of the modern slavery components of the procedure:

At the stage of contracting or entering a new commercial relationship:

All prospective suppliers of MyState are expected to meet the requirements of MyState's Supplier Code of Conduct as applicable, including:

- MyState expectation that our suppliers take reasonably practicable steps towards the implementation of the Code's requirements down into their own supply chains.
- MyState suppliers comply with restrictions on child labour and working hours, provision of fair wages and benefits, humane treatment, anti-discriminatory practices, freedom of association and collective bargaining.
- MyState suppliers undertake due diligence of their supply chains and develop due diligence policies and management systems in order to identify applicable modern slavery risks and take appropriate actions to mitigate them.

Managing and monitoring existing suppliers

30. Team members that manage existing supplier relationships have broad requirements to undertake regular assessments and monitoring of suppliers, and to respond to "emerging risks".

Unusual Activity and Suspicious Matter Reporting Procedure⁴

31. This policy has been recently updated so that suspected modern slavery practices are now formally integrated as a form of 'unusual account activity'. Accordingly, any employee who suspects that a person presenting at a bank, or a particular transaction(s) is "unusual, out of character or linked to a criminal activity" must follow a strict reporting procedure and, as an initial action, is required to alert the Anti-Money Laundering Team (AML) for further investigation within 24 hours of becoming aware of the activity.

Currently, to support the rollout of the updated Suspicious Matter procedure, the Senior Manager Fraud and Financial Crime has delivered training to frontline staff in November 2023 and other relevant operational personnel in relation to practical use of the procedure.

Part Five

Measuring effectiveness

32. Now that MyState is well established in its practice of reporting through an annual modern slavery statement under the Act, we have developed a mature cadence of reviewing our annual progress against the 'key performance

³ Completed after the conclusion of the reporting period but prior to the lodgement of this Statement (i.e. in the second half of 2023). This statement is for reporting period of 1 July 2022 to 30 June 2023

⁴ Completed after the conclusion of the reporting period but prior to the lodgement of this Statement (i.e. in the second half of 2023).

indicators' ("KPIs") set out in our well-established 'Measuring Effectiveness Framework'.

For MyState, measuring our effectiveness looks like tracking the continuity between the KPIs and future commitments in our framework, and actual steps taken in the reporting period. This approach allows us to transparently report our progress and ensure that we identify areas of adequate performance and areas requiring continued improvement.

We have set out in the table below a snapshot of our progress from FY23, which demonstrates that we are relatively 'on-track' with our modern slavery response to date.

Key Performance Indicator from FY22 MSS	FY22 MSS Progress indicator (per Measuring Effectiveness Table at p. 8)	Progress Update for this Reporting Period
Targeted and ongoing internal education and awareness raising activities on modern slavery issues.	Completed , ongoing throughout future reporting periods.	Completed . 96.2% of new employees have completed the modern slavery e-learning module. 83.% of staff new to leadership roles have completed online modern slavery modules, that cover additional material specific to leadership teams. All retail staff have completed training in relation to vulnerable customers (including modern slavery victims).
Increasing the number of specific suppliers (direct and indirect) that are assessed at an individual level, for modern slavery risk.	Ongoing (and ongoing throughout future reporting periods)	Completed . During reporting period MyState developed and rolled out its 'Modern Slavery Assurance Procedure'. This procedure codifies the general framework for MyState's approach to desktop due diligence and mandates that the highest risk supplies and investments flagged via the third party supply chain technology each year must be reviewed, including an assessment of the statement, the company's policies and media screening. A total of 20 suppliers from the MyState Group were subject to the desktop assessment process.
Increasing industry-group collaboration on modern slavery issues.	In progress , planned priority area for the next reporting period.	Completed . MyState engaged with the industry group 'Australian Banking Association' (ABA). The modern slavery component to this group, included participating in the

		consultation with the ABA to help the submission made by the ABA in relation to the MSA review. Members from MyState also participated in the human rights working group (a subset of the ABA that was wound up during reporting period).
Update and development of risk, operational and compliance management strategies and frameworks.	In progress , planned priority area for the next reporting period.	Completed . As part of its overall policy work during FY23, MyState has created the new Third Party Risk Management Procedure, which governs the review of new and existing suppliers. This policy 'sits' within the MyState body of 'risk, operational and compliance management strategies and frameworks'. Modern Slavery related updates to the suspicious matter reporting procedures completed in October 2023.
Initial assessment of all direct suppliers undertaken by external subject matter experts.	Completed (and planned as ongoing action for future reporting periods).	Completed . Total of 319 suppliers subject to proprietary risk assessment (increase from 250 assessed in FY22).
Comprehensive modern slavery risk assessment to our investment portfolios.	Completed (and planned as ongoing action for future reporting periods).	Completed . Total of 86 investees subject to proprietary risk assessment, which includes all investments held by both MyState Bank Ltd and TPT Wealth Limited.

Part Six

Consultation with owned entities

33. All entities described in this Statement are subject to all aspects of MyState's modern slavery framework. Each individual named entity (whether reporting or non-reporting) was fully consulted in relation to the preparation and contents of this Statement.

Part Seven

Any other relevant information

34. N/A



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