

MODERN SLAVERY STATEMENT

Centrepont Alliance Limited
(ABN 72 052 507 507)

29 March 2021



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1. INTRODUCTION

This is the first Modern Slavery Statement (**Statement**) of Centrepoint Alliance Limited ABN 72 052 507 507 (**Centrepoint Alliance**) and has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) (the **Act**).

Centrepoint Alliance is committed to the highest levels of integrity and ethics in its business operations. This commitment is reflected in its corporate governance and risk framework and extends to identifying and addressing risks of modern slavery within its business and supply chain. Centrepoint Alliance acknowledges that the serious exploitation of people through modern slavery can be present in any business' supply chain and very often goes unseen. Centrepoint Alliance has taken the opportunity in this first reporting period to understand more about how it can identify, assess and eliminate these risks and educate its employees and affiliated businesses to do the same.

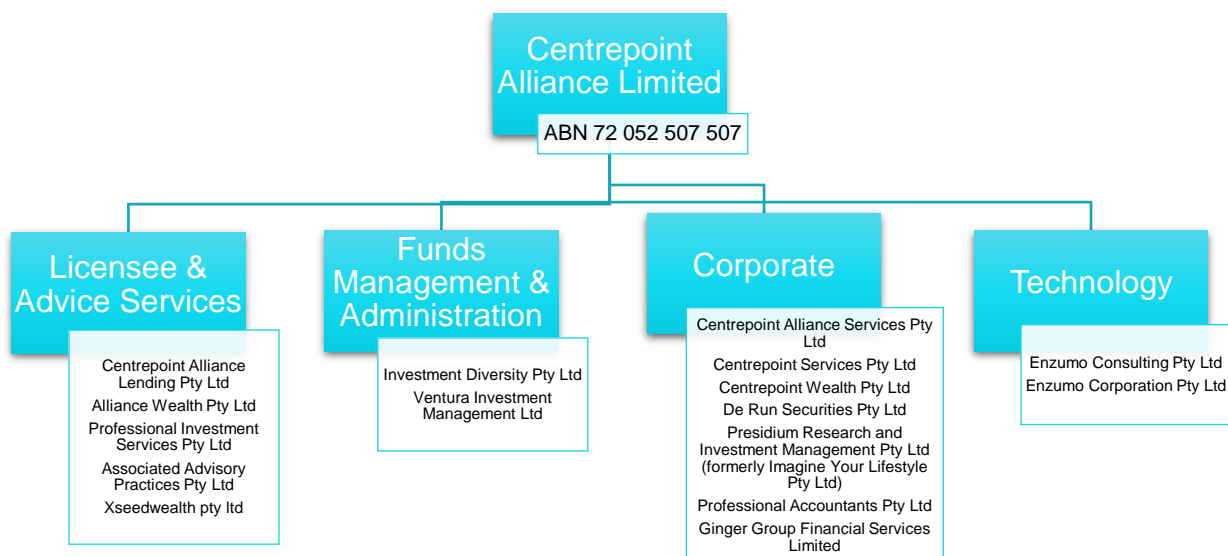
This Statement sets out the actions that Centrepoint Alliance has taken to understand all potential modern slavery risks related to its business, and the steps it has implemented in the financial year ended 30 June 2020 (**Reporting Period**) to identify and prevent modern slavery in its supply chain.

2. CENTREPOINT ALLIANCE'S BUSINESS

The Centrepoint Alliance Group

Centrepoint Alliance and its controlled entities (the **Centrepoint Alliance Group**) operate in the financial services industry in Australia. The Centrepoint Alliance Group holds three Australian Financial Services licences and an Australian credit licence. The Centrepoint Alliance Group provides a range of compliance and other support services to financial advisers and mortgage brokers. It also operates an investment solutions business, which includes a role as Responsible Entity for an IDPS-like scheme.

As at 30 June 2020, the Centrepoint Alliance Group provided technical, compliance and business management support services to approximately 326 financial advisers under its own licences and provided services to over 159 self-licensed financial practices. The Centrepoint Alliance Group consists of a number of entities in the areas of Licensee & Advice Services, Funds Management & Administration, Corporate and Technology. These are set out below. The below table includes all entities that are 100% owned by Centrepoint Alliance.



During the Reporting Period, the Centrepoint Alliance Group engaged 270 suppliers. Centrepoint Alliance always aims to establish a relationship of trust and integrity with all its suppliers, which is built upon mutually beneficial factors.

Centrepoint Alliance's Modern Slavery Governance Framework

An internal Modern Slavery Working Group was established in 2020 and is tasked with building on Centrepoint Alliance's approach to modern slavery and ensuring compliance with the Act.

The Centrepoint Alliance Board of Directors is accountable for the Centrepoint Alliance Group's audit risk and compliance framework. The internal Modern Slavery Working Group reports to the Board through the Compliance Committee and the Group Audit, Risk and Compliance Committee.

Centrepoint Alliance Limited Board

Responsible for overall guidance - including the determination of strategic and financial objectives; risk management oversight – including reviewing and approving the risk appetite and risk management plans; effective oversight of management – including the oversight and monitoring of policies and resources; and ensuring compliance with the Constitution, to achieve Centrepoint Alliance's strategies and financial objectives.



Group Audit and Risk Committee

Responsible for overseeing the integrity of the financial reporting process and financial statements; the appointment of independent and competent external auditors; performance and review of the external audit process; review of internal controls; overseeing Centrepoint Alliance's framework of risk management and internal controls; overseeing Centrepoint Alliance's corporate insurance program.



Compliance Committee

Responsible for overseeing Centrepoint Alliance's framework and procedures for compliance with applicable legal and regulatory requirements.



Modern Slavery Working Group

Responsible for development, monitoring and improvement with business units on modern slavery risks and initiatives including the company's whistleblower program.

3. RISKS OF MODERN SLAVERY IN CENTREPOINT ALLIANCE'S OPERATIONS AND SUPPLY CHAINS

Steps taken to identify risks

The key risk identification steps undertaken by Centrepoint Alliance in assessing risks of modern slavery in its operations and supply chains included:

- identifying operational areas and its supply chains;
- consulting with relevant stakeholders to test the assumptions of where high risk factors were present; and
- reviewing and analysing supplier data, stakeholder feedback and indicators of modern slavery risks in its operations and supply chains.

It was identified that the risk of modern slavery in Centrepoint Alliance's operations is heightened because the Group deals with a large number of financial services business. As each financial adviser's business is a separate business to Centrepoint Alliance, further work will need to be undertaken in assessing underlying risks of the financial advisers' businesses.

In order for Centrepoint Alliance to further address the specific risks of modern slavery in its operations and supply chains, it did the following:

- reviewed and analysed its supplier payments over the Reporting Period;
- undertook a survey of its senior staff (that engage suppliers);
- conducted a webinar to educate senior staff on how to identify the risks of modern slavery; and
- undertook a survey of its senior staff requesting their input and identification of the following:
 - the level of their awareness of modern slavery practices in Centrepoint Alliance's operations;
 - suggested processes and controls to minimise the risk of modern slavery in its supply chains;
 - the suppliers that they engage, the jurisdiction of that supplier, and whether the staff member had observed any risks of modern slavery in that suppliers' operations.

The Modern Slavery Working Group undertook a review of the survey results in order to assist in identification and assessment of identified risks.

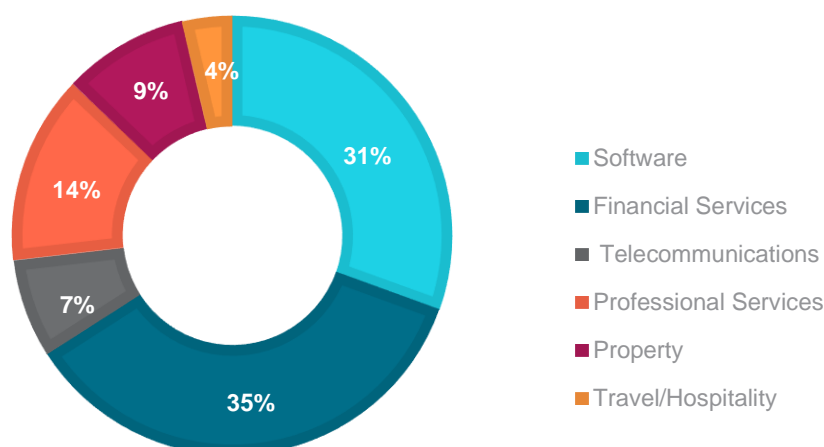
Scope of risk assessment

During the Reporting Period the Modern Slavery Working Group conducted an internal risk assessment of Centrepoint Alliance's supply chain by taking into account:

- the risk profile of individual countries where its suppliers are based having regard to the Global Slavery Index;
- the business services rendered by the suppliers; and
- the presence of vulnerable demographic groups.

Through this assessment Centrepoint Alliance has determined that it engaged 270 suppliers during the Reporting Period. The business decision was made to focus predominantly on the top 20 suppliers (rated by value of aggregate transactions) during this first Reporting Period so that Centrepoint Alliance can refine its processes and understanding of the Act for subsequent reporting periods.

Top 20 Suppliers by Industry



Centrepoint Alliance risk assessment

For this Reporting Period, suppliers with which the Centrepoint Alliance Group engages directly were assessed as having a **low risk** of engaging in modern slavery.

In addition to this assessment, Centrepoint Alliance makes the following observations.

- Centrepoint Alliance's top suppliers by spend are overwhelmingly in the financial services, professional services and software industries.
- While Centrepoint Alliance deals with an Australian counterparty, the majority of suppliers in its top 20 have an international presence. Because of this, there is a risk that Centrepoint Alliance has little oversight of their entire supply chains.
- Of its top 20 suppliers by spend, half of them have indicated on their website that they successfully manage the risks of modern slavery in their business and/or they have lodged a modern slavery statement with the relevant authority.

Centrepoint Alliance has made an overall assessment that its operations and suppliers present a low risk of modern slavery. Centrepoint Alliance notes that many of its suppliers (including many of its largest) are in the financial services industry. In Australia, Centrepoint Alliance understands this industry (specifically, the type of non-institutional suppliers Centrepoint Alliance deals with) is considered to have a lower risk for prevalence of modern slavery.

This is supported by a survey undertaken of its senior staff in which they did not identify any presence of modern slavery within the suppliers that they engage directly.

However, Centrepoint Alliance is aware that lower risk is not zero risk and it will be expanding its investigations to the next tier down of supplier in the next reporting period.

Of Centrepoint Alliance's top 20 suppliers it considers the biggest risk relates to a supplier who provides paraplanning services using contractors based in the Philippines. The Philippines has a medium to high

prevalence of modern slavery according to the Global Slavery Index. However, the Global Slavery Index ranks the government response in the Philippines to be high. In the next reporting period, the Modern Slavery Working Group will be engaging with this supplier directly to understand more about any potential risks.

4. POLICIES AND GOVERNANCE

Centrepont Alliance’s approach to modern slavery is a company-wide approach. Its governance structure oversees the management of modern slavery risks.

The following chart illustrates its current approach to modern slavery risk monitoring.



Centrepont Alliance has implemented the following policies which assist in identifying and preventing modern slavery in its operations:

- **Whistleblower Protection Policy** – Centrepont Alliance encourages all employees, customers and suppliers to report any suspicion of modern slavery without fear of retaliation. Centrepont Alliance ensures a confidential process to protect the identity of whistleblowers.
- **Code of Conduct** – Centrepont Alliance’s code of conduct encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business. Centrepont Alliance strives to maintain the highest standards of employee conduct and ethical behaviour when operating and managing its supply chain.

5. AWARENESS

Centrepont Alliance has raised awareness of modern slavery issues by undertaking training with its Executive Leadership and Management teams that is focused specifically on modern slavery. In addition, its employee policies are currently being updated to reflect:

- Centrepont Alliance’s commitment in the fight against modern slavery;
- red flags for potential cases of slavery or human trafficking; and
- how employees should report suspicions of modern slavery.

6. TRAINING

In addition to the awareness programme conducted with its Executive Leadership and Management teams, in the next phase Centrepont Alliance will be rolling out a training programme to all employees, which will cover:

- various forms of modern slavery in which people can be held and exploited;
- the size of the problem and the risk to Centrepont Alliance;
- how employees can identify the signs of slavery and human trafficking, including unrealistically low prices;
- how employees should respond if they suspect slavery;
- what terms and guidance should be provided to suppliers in relation to slavery policies and controls;
- what steps Centrepont Alliance may take if a supplier fails to implement anti-slavery policies or controls; and
- an attestation from employees that they will abide by Centrepont Alliance's policies in this area.

7. HOW CENTREPOINT ALLIANCE IS PERFORMING AND NEXT PHASE

In its first Reporting Period, the Centrepont Alliance Group has assessed the risk of modern slavery in its operations and supply chain as being low.

During the next reporting period Centrepont Alliance will be defining a set of key performance indicators and controls to control modern slavery in its organisation and supply chain. These may include:

- how many employees have completed mandatory training;
- how many reports have been made by Centrepont Alliance employees that indicate their awareness of and sensitivity to modern slavery;
- how many suppliers have agreed to comply with a newly created supplier code of conduct; and
- how many financial advisers responded to the modern slavery questions in Centrepont’s annual self-assessment questionnaire.

8. PROCESS OF CONSULTATION

The Centrepont Alliance Board of Directors is the principal governing body of the Centrepont Alliance Group.

All subsidiaries reporting into the Centrepont Alliance Group operate under a common and consistent governance framework to build expectations, raise awareness and approach in assessing and addressing modern slavery risks in its operations and supply chain.

The directors of each of the subsidiaries have been consulted on this Statement and its contents.

9. OTHER RELEVANT INFORMATION

Continuous improvement and assessing Centrepoint Alliance's effectiveness are key elements of an effective response to modern slavery risks. A key learning for Centrepoint Alliance is that monitoring is ongoing and it will continue improving its approach to mitigating modern slavery risks in its operations and supply chain.

Modern Slavery Reporting Criteria

Mandatory Criteria (section 16 of the Act)	Relevant section in Statement
The reporting entity	Section 1 - Introduction
Structure, operations and supply chains	Section 2 – Centrepoint Alliance's Business
Risks of modern slavery practices in our operations and supply chain and any controlled entities	Section 3 - Risks of Modern Slavery in Centrepoint Alliance's Operations and Supply Chains
Actions taken to assess and address those risks, including modern slavery due diligence and remediation processes	Section 3 - Risks of Modern Slavery in Centrepoint Alliance's Operations and Supply Chains
How the effectiveness of actions taken were assessed	Section 3 - Risks of Modern Slavery in Centrepoint Alliance's Operations and Supply Chains
The process of consultation with owned and/or controlled entities	Section 8 - Process of Consultation
Any other relevant information	Section 9 - Other Relevant Information

This statement covers the Reporting Period 1 July 2019 to 30 June 2020 and has been approved by the Board of Directors of Centrepoint Alliance Limited by circular resolution on 16 March 2021.



Angus Benbow

Chief Executive Officer

29 March 2021