



Modern Slavery Statement 2024

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We acknowledge and honor the Traditional Owners of the lands on which we meet, work and live. We pay our respect to Aboriginal and Torres Strait Islander cultures and to Elders past, present and emerging.

Introduction

This Modern Slavery Statement (Statement) is made pursuant to the Australian Modern Slavery Act 2018 (Cth) (the Act) and relates to the financial year 1 July 2023 to 30 June 2024 (FY24).

The reporting entity is Heritage and People's Choice Limited (ABN 11 087 651 125) trading as "People First Bank" (People First Bank).

On 1 March 2023 Heritage Bank Limited merged with Australian Central Credit Union Limited by way of a transfer of business and the name of the merged entity was changed to Heritage and People's Choice Limited (HPC). In March 2024 HPC rebranded as People First Bank and has commenced updating its branding across its operations.

This Statement is provided by People First Bank as the reporting entity and the controlling entity of the following related entities:

- People's Choice Community Foundation Limited (ABN 97 154 717 987);
- Financial Solutions Australasia Pty Limited (ABN 36 008 939 599); and
- Australian Central Services Pty Limited (ABN 68 007 968 041).

The Statement also covers People First Foundation Limited (ABN 86 630 037 197) which changed its name from Heritage Charitable Foundation Limited in May 2024 and is the trustee of the People First Bank Foundation

The operations of the related entities include charitable fundraising, financial planning operations, trust management and related services.

References in this Statement to the operations and supply chains of People First Bank extend to the operations and supply chains of its related entities (noting that the related entities are not reporting entities in their own right).

This Modern Slavery Statement has been reviewed and approved on 14 November 2024 by the Board of People First Bank as the principal governing body for People First Bank. This is the second Statement prepared by People First Bank as a merged entity and captures People First Bank's efforts over FY24 to identify, address and mitigate the risk of modern slavery and human trafficking within its supply chain.

People First Bank is committed to maintaining and continuously improving its practises to combat risks associated with modern slavery and human trafficking within its operations and supply chain.



About People First Bank

About People First Bank

People First Bank is the new brand and business name adopted by Heritage and People's Choice Limited following the merger of Heritage Bank Limited and Australian Central Credit Union Ltd on 1 March 2023. At the time of reporting, People First Bank is undergoing a rebranding exercise which will extend through to 2027.

People First Bank has dual head offices in Adelaide and Toowoomba with 88 branches across Queensland, New South Wales, Victoria, South Australia and Northern Territory as well as Australia-wide lending via a broker network servicing over 730,000 customers.

People First Bank provides customers with access to the following products and services:

- Home Loans
- Personal Loans
- Visa Credit Cards
- Transaction Accounts
- Visa Debit Cards
- Savings & Investment Accounts
- Insurance
- Foreign Currency
- Business Transaction Accounts
- Business Loans
- Business Insurance

In addition, People First Bank fulfils a philanthropic role through;

- the People First Bank Foundation, which provides grants to eligible not-for-profit charity organisations across Australia; and
- the People First Community Lottery (run by People's Choice Community Foundation Limited) which offers a fundraising opportunity for community organisations.

Supply Chain

Supply Chain

People First Bank recognises that a detailed understanding of its supply chain is key to helping identify where modern slavery risks may exist to shape People First Bank's modern slavery response.

People First Bank recognises that it has relationships with businesses that supply certain goods and services, but that those suppliers also have similar relationships with other businesses.

It is therefore important to consider the interrelation of direct and indirect suppliers within People First Bank's supply chain.

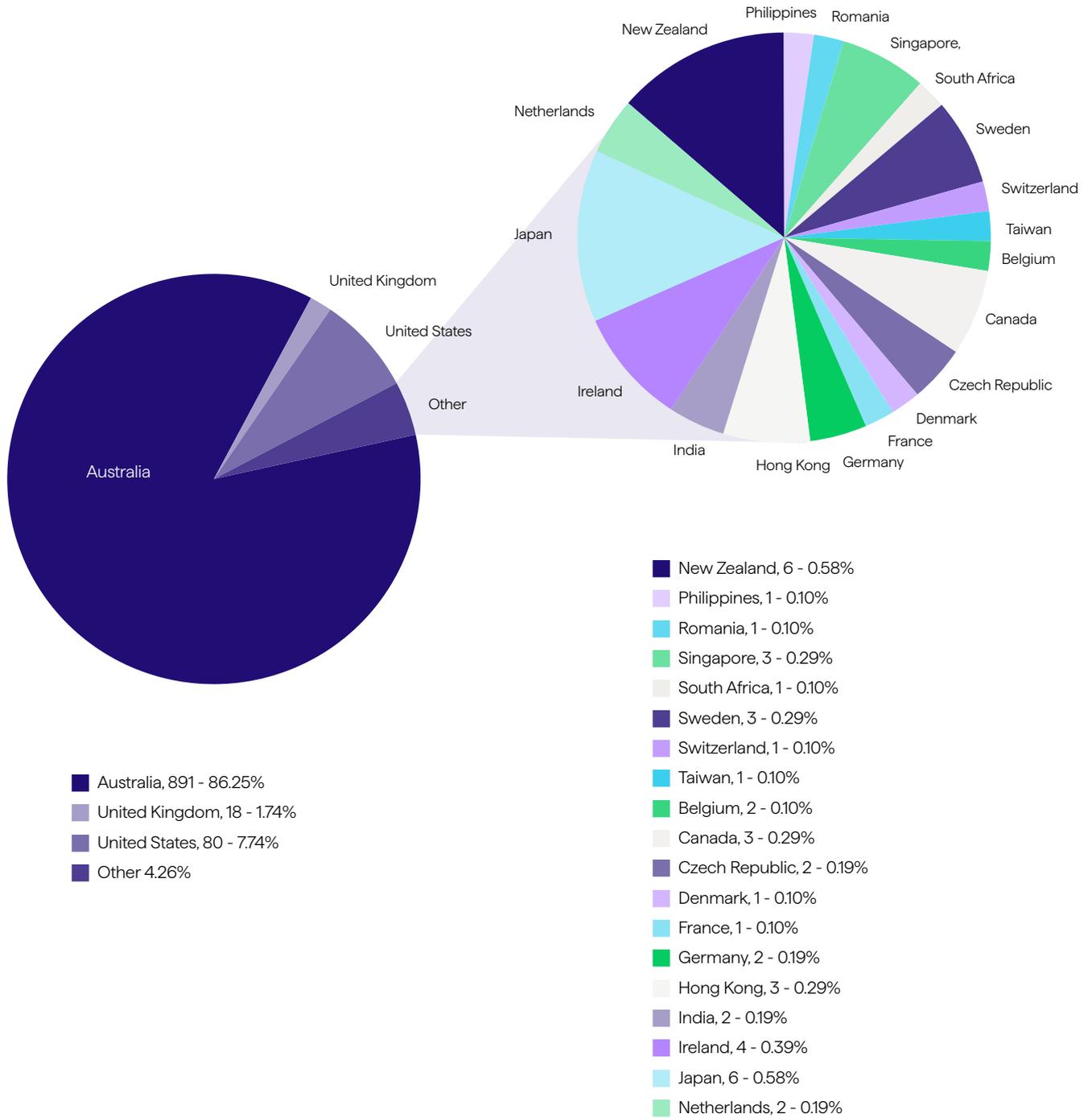


People First Bank continues to source goods and services directly and via Mutual Marketplace Pty Ltd (Mutual Marketplace). Mutual Marketplace is a joint venture between People First Bank and Credit Union Australia Ltd (which now trades as Great Southern Bank) to provide procurement services. Mutual Marketplace is itself a mandatory reporting entity and will separately lodge a Modern Slavery Statement in accordance with the Act.

People First Bank has a global supply chain that is made up of 1,033 direct suppliers (including via Mutual Marketplace) with a strong focus on supporting domestic vendors, particularly in local communities where People First Bank operates. Our supplier base mainly comprises professional services such as legal, brokerage, consulting, training, and Information Computing and Technology (ICT). Approximately 93% of People First Bank's supply chain provides services for direct banking operations and 7% provides goods and services in support of branch and office operations such as stationery, utilities, cleaning, and maintenance.

Supply Chain

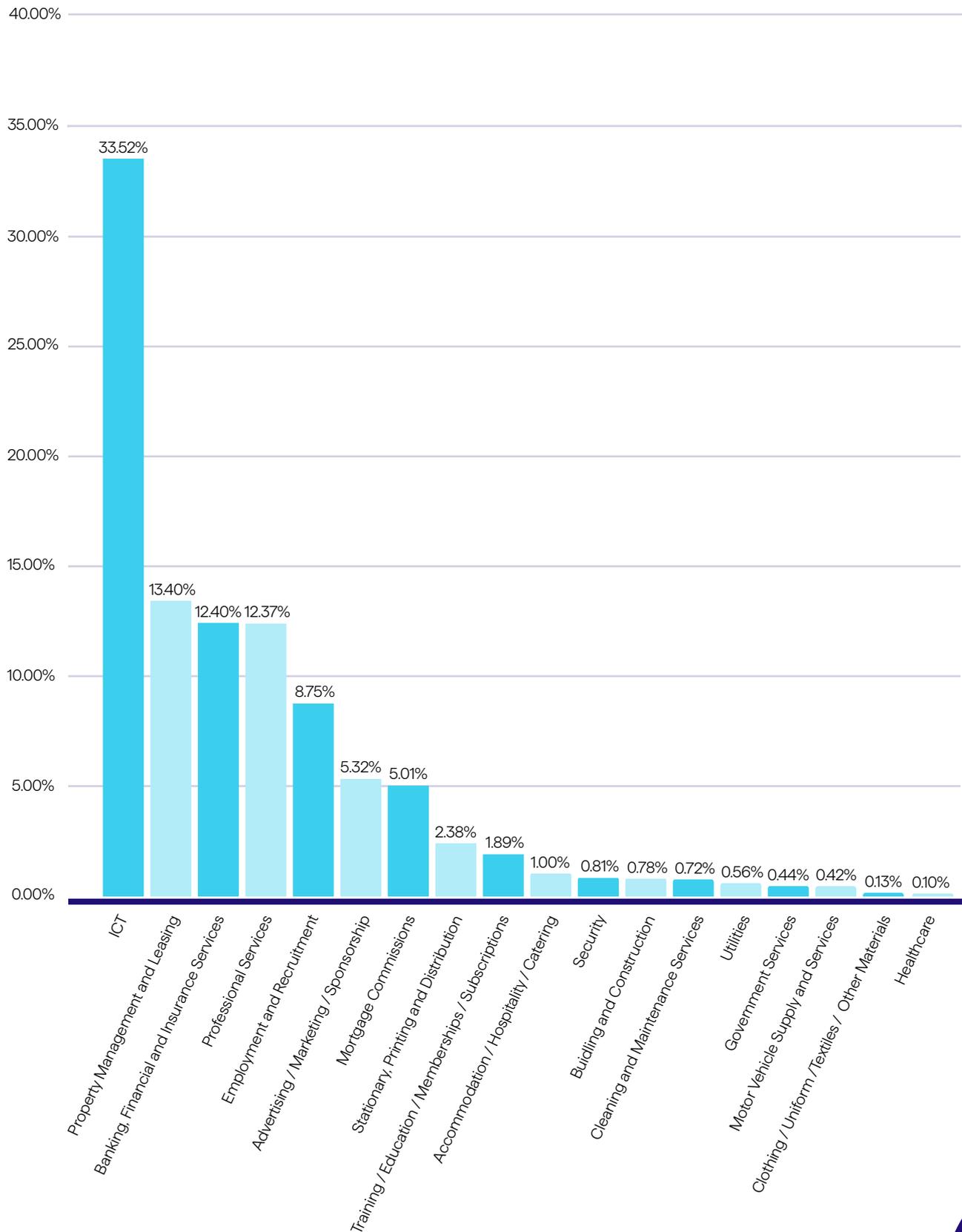
A breakdown of our supply chain by location (by number and percentage of total):



Supply Chain

People First Bank's supply chain relationships include suppliers to the following categories:

Category as percentage of total spend



Risk Identification and Due Diligence Process

Risk Identification and Due Diligence Process

As a financial services organisation with a professional workforce, People First Bank considers its direct risk of modern slavery to be low due to the following:

- People First Bank has an Australian-based workforce;
- People First Bank operates within the highly regulated financial services environment;
- People First Bank performs due diligence on suppliers in high risk categories e.g. uniforms and cleaning;
- People First Bank maintains internal policies and strategies that prevent exposure to extractive or other high-risk industries; and
- People First Bank has limited exposure to overseas sourcing from high-risk locations.

However, People First Bank acknowledges that indirect exposure to modern slavery through its operations and supply chain may still be present.

People First Bank has continued to implement a risk management process to identify, assess, mitigate and monitor any potential modern slavery risks. In considering the risk, People First Bank has examined the activities occurring in the following five key areas within its operations and supply chains:

Financial products and services

There is a risk that customers may use People First Bank's products or services for activities that involve modern slavery and human trafficking.

Lending and investment

There is a risk People First Bank could lend to or invest in businesses involved in modern slavery, in particular, through the agricultural and horticultural sectors.

Procurement

There is a risk that People First Bank could purchase goods and services where modern slavery or other forms of exploitation was used in their creation or delivery.

Employment

There is a risk of labour exploitation within People First Bank's own workforce, particularly in the contracted workforce.

Community Investment / sponsorships and philanthropy

There is a risk that People First Bank supports, directly or indirectly, via advocacy, donations and partnerships organisations involved in modern slavery.

Consultation with controlled entities of People First Bank

Consultation with Controlled Entities of People First Bank

During the reporting period, relevant stakeholders were engaged across all controlled entities of People First Bank.

The consultation process included the completion of a procurement management declaration that considered the controlled entities of People First Bank, to acknowledge the requirements of the Modern Slavery Act and provide an opportunity to disclose any known risks or incidents related to modern slavery.



Risk Management

Risk Management

People First Bank continually reviews its suppliers through proactive engagement and by monitoring sources for adverse information about organisations, locations, products and individuals.

As part of the merger, People First Bank has updated several policies and procedures that assist People First Bank in managing the risk of modern slavery. These include:

- Code of Conduct
- Environment, Social and Governance (ESG) Policy
- Group Whistleblower Policy
- Procurement Policy
- Anti-Money Laundering / Counter-Terrorism Financing (AML/CTF) Program

Code of Conduct

As a significant financial services organisation, People First Bank implements employment practices designed to support employees and to treat them fairly and with respect. The Code of Conduct helps bring the People First Bank vision, mission, and values to life by providing guiding principles to help employees to act professionally and with integrity to support ethical, risk-based decision making.

The People First Bank Code of Conduct Policy can be found [here](#)

Environment, Social and Governance (ESG) Policy

In FY24, People First Bank formalised its commitment to Sustainability principles by developing a comprehensive, Board-approved ESG policy. The policy provides a strategic framework and principles to guide our operations and decision-making, to create better outcomes for people, their communities and minimise the impact on the environment.

Group Whistleblower Policy

The Bank's Group Whistleblower Policy is intended to promote a culture of honesty, fairness and integrity. The policy sets out responsibilities and accountabilities for reporting unethical or illegal practices and is integral to support a confidential and objective process where concerns of modern slavery can be raised and investigated.

Procurement Framework

An updated Procurement Framework is currently under development for People First Bank. The Framework will unify relevant policies and procedures that govern the sourcing of goods and services. During the reporting period the Framework has delivered an enhanced Third Party Risk Management Procedure and has redesigned the procurement engagement process to ensure greater consideration for Environmental, Social & Governance (ESG) requirements, as well as increased awareness and focus on modern slavery risk.

AML / CTF

As required under AML/CTF legislation, People First Bank collects specific information to identify and verify customers. This level of customer due diligence assists in the identification of modern slavery risk through customer channels.



Measuring effectiveness

Measuring effectiveness

People First Bank continues to monitor operational activities for exposure to modern slavery risk, including changes to activities by geographic location.

Modern Slavery reporting is provided to the People First Bank Board Risk Committee annually to monitor effectiveness and provide overarching accountability for the People First Bank Board. Whilst there were no reportable supplier concerns in FY24 to trigger a detailed investigation, ongoing monitoring allows us to respond quickly to any issues that may be identified in the future.

Summary of FY24 Actions

Key actions undertaken by People First Bank in the reporting period include:

- Improved Third Party Risk Assessment during the procurement process;
- Detailed review of modern slavery considerations of a material vendor engagement;
- Incorporation of Modern Slavery in wider supplier ESG Assessment of key ICT suppliers; and
- Continued Governance.

Strengthened Third-Party Risk Assessment

In FY24, we made significant progress in strengthening our identification and mitigation of modern slavery risks within our supply chain. We refined and improved our Third-Party Risk Assessment process to explicitly include the assessment of modern slavery risks at the beginning of the onboarding process. This enhanced process ensures that potential modern slavery risks are identified early, allowing us to make informed decisions about potential partnerships/engagements.

Modern Slavery Assessment for Uniform Supplier

Recognising the unique vulnerability of workers in the garment industry, we implemented a dedicated modern slavery assessment process for all potential incoming uniform suppliers during FY24. This assessment goes beyond typical vendor evaluations by focusing on factors like labor practices, worker welfare, and supply chain transparency.

The assessment included a detailed questionnaire which focussed on the potential high level of risk of modern slavery that is associated with the clothing and textile industry. Responses to this questionnaire provided an important role in the selection of the new supplier.

Modern Slavery and ESG Integration

People First Bank acknowledges the interconnectedness of modern slavery risks with other environmental, social, and governance (ESG) concerns. In FY24, we adopted the innovative Workiva Carbon (formerly Sustain.Life) software platform which was used to conduct comprehensive ESG assessments of our key ICT suppliers. This platform integrates modern slavery considerations alongside other ESG factors, allowing us to gain a holistic view of potential sustainability risks within our supply chain.

The Modern Slavery and Human Rights section of the assessment is comprised of a range of questions including requesting the companies a Modern Slavery policy and questions as to the nature of steps taken to reduce modern slavery risk in their supply chain. From suppliers that participated in the assessment, all were deemed a low risk to modern slavery.

Continued Governance

Following the merger in March 2023, integration activities have continued to streamline operations of the merged entity. Relevant activities have included updated organisational structures, risk management strategies, procurement processes and reporting governance. Greater transparency and accountabilities have also been placed upon Executive management for compliance with applicable legislation such as the Modern Slavery Act. This includes the implementation of measures required to meet the obligations of the Financial Accountability Regime introduced by APRA in March 2024. The Regime is designed to improve the risk governance cultures of Australia's financial institutions.

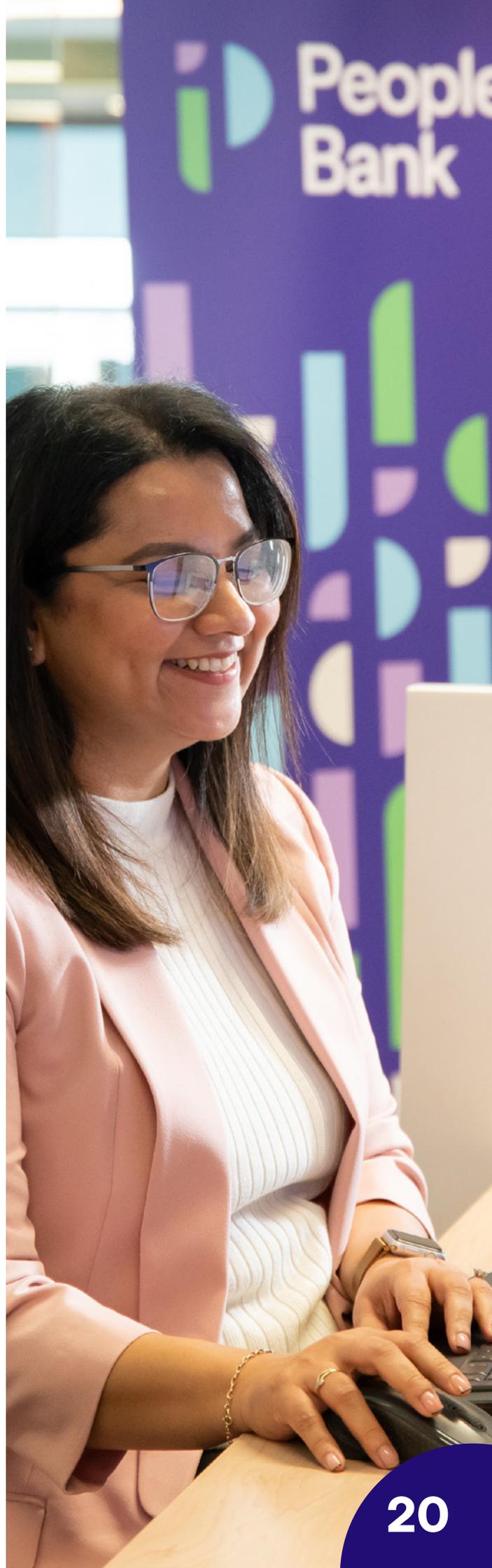
Future actions

Future actions

People First Bank continues to improve its understanding of, and management of, modern slavery risks arising from its operations.

People First Bank will continue to assess and optimise the effectiveness of the organisation's actions in identifying and managing modern slavery risk through:

- Reassessing the governance and management of modern slavery risk in the organisation.
- Expanding the ESG supplier assessment to other groups of suppliers including key risk groups such as cleaning and security service providers.
- Developing and implementing of a Supplier Code of conduct.
- Updating Modern Slavery training for the People First Bank Executive Committee and Board.
- Continuing deployment of modern slavery training to all staff.



Compliance table

Australian Commonwealth Modern Slavery Act 2018 reporting criteria	Modern Slavery Statement – 2024 page reference
(a) Identify the reporting entity	4
(b) Describe the structure, operations, and supply chains of the reporting entity	4, 6, 8, 9, 10
(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	12
(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	12, 16
(e) Describe how the reporting entity assesses the effectiveness of such actions	18
(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	14
(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	20

Signed



Michael Cameron
Chairman



Steve Laidlaw
Chief Executive Officer