

**crestone.**

# **Modern Slavery Statement**

DECEMBER 2020

## Introduction

This Modern Slavery Statement (**Statement**) is made pursuant to the Australian Commonwealth Modern Slavery Act of 2018.

This Statement is made by Crestone Holdings Limited, on its own behalf and that of its wholly owned subsidiaries (collectively **Crestone, we, us, our**). It has been completed in consultation with the directors and officers of these subsidiaries, which include:

- Crestone Wealth Management Limited – the operating company for the business, which holds an Australian Financial Services Licence.
- Crestone Management Services Pty Limited – procures the services and support facilities required to manage the business.

Crestone Holdings Limited is employee owned. Then business is managed by the Executive Committee and governance oversight is provide by a Board of Directors and related Committees. We have approximately 250 employees and have offices in Brisbane, Melbourne and Sydney.

## Our business and supply chains

We provide wealth advice, portfolio management and custodial services to wholesale and professional investors, who are predominantly Australian. We provide our clients with access to a wide range of domestic and international investment products – both listed and unlisted. While we provide advice to our clients on investment products and have approved / recommended products, ultimately it is our clients' decision as to what investments they make.

We are not a financial product manufacturer nor an asset/fund manager. We do not make direct investments ourselves.

Our supply chain is made up of the following:

- **Strategic Partners** - provide the core services of custody, execution and clearing facilities, margin lending, client portal and our core technology platform. Our strategic partners are either Australian entities or global entities with business operations in Australia and head offices located in North America or Europe.
- **Fund/Investment Managers** – provide a range of managed funds and/or fund strategies that are offered to our clients. These entities can operate globally and offer domestic and international investments opportunities. There is a limited number of approved external fund/investment managers who are considered our key suppliers in this category.
- **Technology providers and support services** – provide services to manage our information, communications, technology and cybersecurity needs. Our primary provider is located in Australia but a number of our subsidiary / support providers may be located offshore.
- **Contract suppliers** - provide business support services and operate principally in Australia although some have global operations. This category includes property services (eg facilities management, utilities, cleaning, waste management and security); logistics and correspondence; consulting, auditing and advisory services; marketing, printing and promotional goods and services; and office supplies.

## Potential risk areas

We advise as follows:

- The risk that our operations **may cause** modern slavery practices directly: We have a small number of employees who operate in clearly structured and documented roles. We operate under local employment laws and comply with Union Award requirements.
- The risk that our operations or actions in our supply chains **may contribute to** modern slavery practices in that we facilitate or incentivise these practices: While our supply chain generally includes professional services providers, we have identified some potential risks in areas such as cleaning and catering (sector and product risk) and information technology, maintenance and support procurement (sector and geographic risk).

- The risk that our operations **may be directly linked to** modern slavery practices through the activities of our suppliers: The fund/investment managers span a range of geographies (including emerging markets) and sectors which may have potential modern slavery risks. However, we are not required to report on modern slavery risks associated with the investment products that our clients purchase.

## Steps taken to manage potential risk areas

### General approach to suppliers

In the past year, we have conducted a risk assessment of our supply chain by taking into account:

- The nature of the business services provided to us
- The potential presence of vulnerable people within the supplier operations
- Whether suppliers operate in higher risk countries based on the Global Slavery Index
- An analysis of news reports and the insights of labour and human rights groups

Our due diligence processes included:

- sending an annual modern slavery questionnaire to our suppliers to complete
- checking whether our suppliers have issued a Modern Slavery Statement
- conducting an adverse media check on higher risk organisations

All new suppliers are subject to a similar due diligence approach. We will be including a modern slavery clause in new supplier contracts where appropriate.

### Employees, Recruitment and Training

We follow local employment laws (including Union Awards) and practices in hiring staff. We undertake a regular benchmarking exercise each year to ensure that our salaries are aligned to the market.

We provide general training to all employees on modern slavery matters. Crestone staff with high purchasing responsibilities are provided additional training on the Modern Slavery requirements, Crestone contractual terms, and supporting suppliers to undertake due diligence.

### Policies

A Modern Slavery Policy has been approved. In addition, we have the following policies:

- Whistleblowing Policy - we provide a mechanism for the anonymous reporting of issues if people are concerned about retaliation.
- Code of Conduct - this code encourages employees to do the right thing by clearly stating the actions and behaviour expected of them when representing the business.
- Outsourcing Policy - we have updated our Outsourcing Policy and supplier contracts to make explicit reference to modern slavery practices.

## Conclusions

We will continue to evaluate the effectiveness of our policies and procedures in combating modern slavery practices. We will publish an annual *Modern Slavery Statement* that outlines the steps we have taken over the financial year to identify where our supply chains and operations may be contributing to modern slavery practices, and the actions we have taken to minimise these risks.

This Statement covers 1 July 2019 to 30 June 2020 and has been approved by the Board of Directors of Crestone at the board meeting on 3 February 2021.



Chief Executive Officer  
Crestone Wealth Management

5 February 2021