MYOB Group
Modern Slavery Statement

FY2023

Introduction

This Modern Slavery Statement **(Statement)** is made by MYOB Australia Pty Ltd (ACN 086 760 198) on its own behalf and on behalf of MYOB Group Co Pty Ltd (ACN 630 725 825) **(collectively, MYOB)**. This Statement applies to MYOB and its owned or controlled entities **(MYOB Group)**. In this Statement, "we", "us", and "our" refers to MYOB and MYOB Group.

We have prepared this Statement under the *Modern Slavery Act 2018* (Cth) **(Act)**. This is our fourth statement under the Act. This Statement reports on the steps that we have taken to assess, manage and reduce the risk of modern slavery in our business and supply chain for the period from 1 January 2023 to 31 December 2023 **(Reporting Period)**. The Annexure to this Statement shows how the MYOB Group meets each of the reporting criteria required by the Act.

Since 1991, MYOB has been dedicated to helping businesses in Australia and New Zealand start, survive and succeed. We mainly focus on creating, developing and licensing business management software for businesses of all kinds and sizes in various sectors across Australia and New Zealand. These customers are our inspiration - we support them.

MYOB takes corporate social responsibility seriously and has a zero-tolerance attitude to all forms of modern slavery including human trafficking, slavery, forced labour, debt bondage, servitude, child labour and forced marriage.

We are committed to promoting ethical business practices that help prevent modern slavery and safeguard human rights. We are committed to identifying and avoiding potential modern slavery and human rights risks across our operations and supply chain.

Our structure and operations

Our structure and operations

The MYOB Group primarily operates in Australia and New Zealand. It provides business management solutions in these two countries. Its subsidiaries are in the same industry segment.

MYOB Australia Pty Ltd is an Australian company with its registered office at Level 3, 168 Cremorne Street, Cremorne VIC 3121. It also has offices in Sydney, Brisbane, Perth, Adelaide and Hobart. The registered office of MYOB Group Co Pty Ltd is at Suite 1, Level 11, 66 Goulburn Street, Sydney NSW 2000.

MYOB's operations are divided into three lines of business:

SME Solutions

Providing accounting, tax, payroll and other business management software to small to medium sized businesses.

Financial Services

Providing payments and cash flow solutions to MYOB customers.

Enterprise and Practice Solutions

Providing enterprise resource planning, business management, practice management, customer relationship management, payroll and human resources management software to medium and larger sized businesses and accounting and bookkeeping practices.

More information about MYOB's products and business can be found at www.myob.com.

Our structure and operations

At the end of 2023, we had 1,629 employees in Australia and New Zealand who worked in these types of roles:

People Experience (which includes Talent Acquisition, People Partners and Workplace Experience), Group Services (which includes Finance, Legal, Procurement, Risk and Real Estate & Workplace), Marketing, Product, and Technology (which includes Digital Experience and developer software engineers).

Function Description	Australia		New Zealand		Grand Total	
Enterprise and Practice	358	21.98%	137	8.41%	495	30.39%
Financial Services	31	1.90%	12	0.74%	43	2.64%
Group Services	118	7.25%	16	0.98%	134	8.23%
Marketing	107	6.57%	9	0.55%	116	7.12%
People Experience	28	1.72%	8	0.49%	36	2.21%
SME	198	12.15%	106	6.51%	304	18.66%
Technology	376	23.08%	125	7.67%	501	30.75%
Grand Total	**1216**	**74.65%**	**413**	**25.35%**	**1629**	**100.00%**
FT		69.61%		23.51%		93.12%
PT		5.04%		1.84%		6.88%
Grand Total		**74.65%**		**25.35%**		**100.00%**

MYOB Group has 93% full-time employees and 7% part-time employees. This counts both permanent and fixed term employees. About 630 employees in Australia are covered by Industrial Awards, such as the Clerks - Private Sector Award 2010, the Graphic Arts, Printing and Publishing Award 2010, and the Professional Employees Award 2010.

Our brands

Our brands

In Australia and New Zealand, the MYOB Group provides products and services under the brand names MYOB, Tall Emu, Flare HR, and Nimbus.

Our supply chain

MYOB's main spending categories for the Reporting Period (ordered by spend) are:

IT software solutions and IT hardware and maintenance

IT software, cloud platform services and computer systems and IT hardware used by our employees.

Marketing

Advertising and marketing services and products.

Independent contractors, third party professional services and outsourcing services

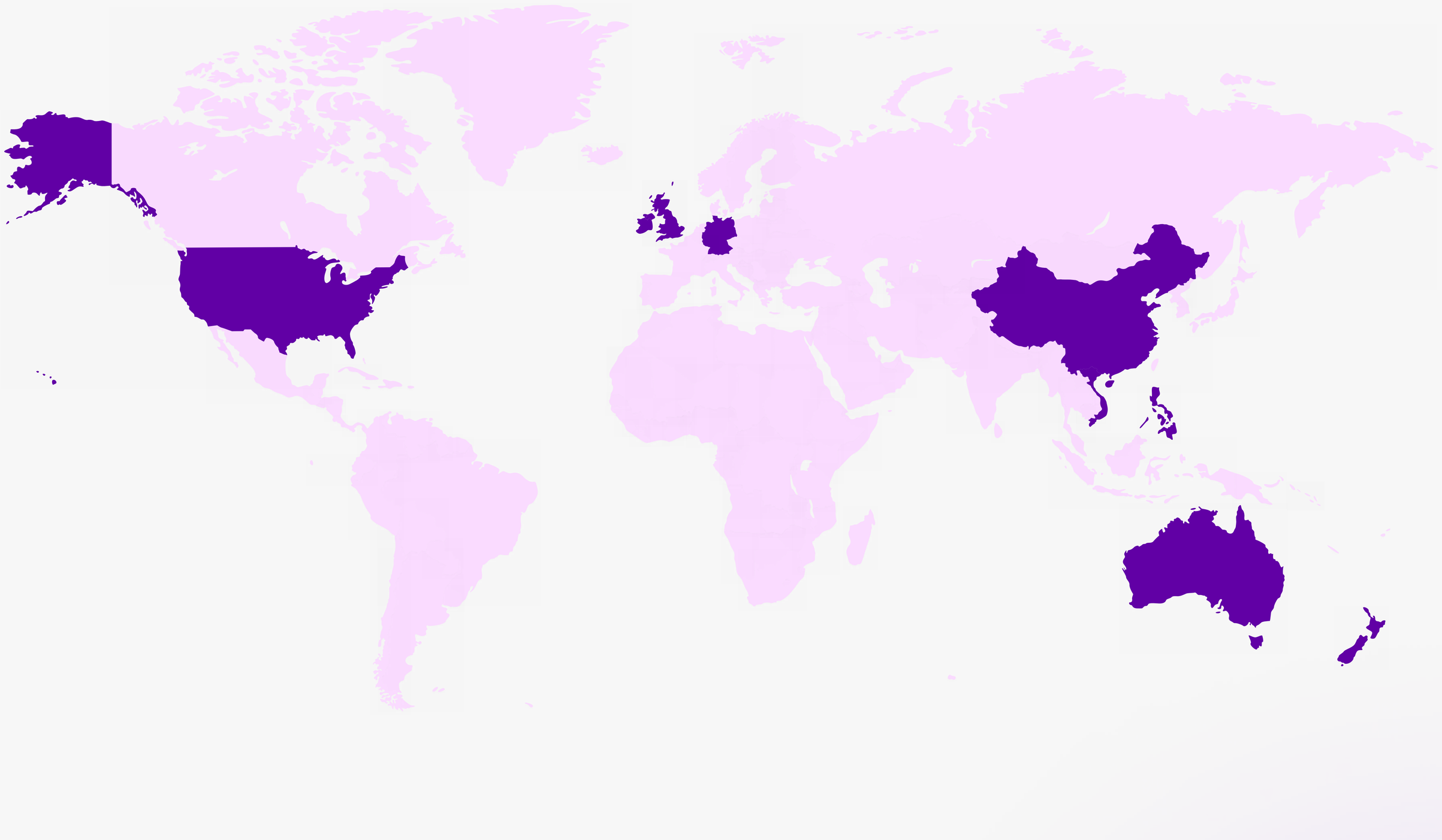
Third party contractors who provide customer support, project management, software engineering, product management, accounting, financial and legal services.

Facilities

Office operations such as cleaning, security and repairs and maintenance, and office consumables.

Our supply chain

We source goods and services from suppliers all over the world, including Australia, New Zealand, the United States of America, the United Kingdom, Ireland, Germany, Hong Kong, Singapore, China, Vietnam and the Philippines.



Modern slavery risks

Risks in our Operations

MYOB Group's approach to assessing modern slavery risks in relation to its operations and supply chains has been informed by the United Nations Guiding Principles on Business and Human Rights.

The risk of modern slavery in our operations is low. This is because:

The domestic operations of participants in the Australian technology industry are generally considered to be a lower risk industry for modern slavery.

MYOB Group has human resources specialists located in both Australia and New Zealand who support us with employment law compliance.

During the Reporting Period, MYOB's 1,629 employees were based in Australia and New Zealand and comprised adult, mostly skilled labour.

Employees are free to join any union or association.

As a technology company, most of the MYOB Group workforce are tertiary educated professionals.

We have Group-wide policies in place to ensure compliance with workplace health, safety and employment laws. The policies outline the standard of behaviour we expect of our employees, working conditions they are entitled to, and how to report any issues or concerns.

Key policies include:

- Professional Conduct & Ethics Policy
- Whistleblower Policy
- Health, Safety & Wellness Policy
- Equal Employment Opportunity Policy
- Disciplinary Policy
- Grievance Policy
- Complaints Policy

MYOB deploys a comprehensive contract lifecyle management system. The systems and methods that we use to contract with suppliers are centralised and managed internally by MYOB's procurement and legal teams.

Employees can access these policies from our intranet. These policies are also given to new employees as part of their induction. Employees complete compulsory training each year in relation to these policies.

MYOB Group complies with Australian and New Zealand employment laws which regulate the recruitment and remuneration for our direct workforce, including ensuring that our employees have appropriate working rights.

Modern slavery risks

Risks in our Supply chain

In assessing MYOB Group's supply chain, we considered sector and industry risks, product and services risks, and geographic risks associated with modern slavery.

We consider that these risks are mitigated by the following factors:

Our supply engagements generally consist of supply chains between MYOB and the end-supplier; we have limited supply chains and supplier engagements with one or more contractor or sub-contractors within that supply chain.

Our supply chain largely consists of professional services and products that support the delivery of MYOB's products and services in Australia and New Zealand.

In assessing our supply chain risk, we focused our supplier due diligence on spend and industry. We expanded the scope of suppliers reviewed compared to the previous Reporting Period. Our due diligence method is explained in this Statement under the title "Our actions and progress during 2023".

We identified that the following procurement categories relevant to our business may carry an inherently higher risk of modern slavery, including forced labour, debt bondage and child labour:

IT, telecommunications and offshore software development

Hardware and software

Outsourcing

Contact centre and labour arrangements

Marketing and events

Including merchandise and catering

Facilities

Including cleaning, security, repairs and maintenance and office consumables

Branded merchandise

Apparel, novelty goods and kitchenware

Other office expenses

Courier services and business travel

Modern slavery risks

The increased risk profile of these categories can be due to a combination of factors such as:

Geographic location and source country of the services and products where workers may not have the same level of labour protections afforded as the Australian workforce.

The prevalence of subcontracting arrangements leading to decreased supply chain transparency.

Industry and sector; for example, cleaning services traditionally have higher reports of underpayment and higher instances of subcontracting to avoid paying entitlements.

Labour intensive work coupled with low barriers to entry.

Workers from vulnerable backgrounds, including migrant workers, who may not know or understand their legal rights.

Operations in countries with higher risks for modern slavery.

From our modern slavery assessment, we ascertained that during the Reporting Period, the majority of our suppliers were technology companies located in Australia, New Zealand or the United States of America.

The technology industry in Australia, New Zealand and the United States (within which our largest suppliers by spend operate) have lower risks of modern slavery in their direct operations. However, their supply chains, like most businesses, carry a higher risk by virtue of raw material extraction, component manufacturing, assembly and logistics. Workers in these supply chains are often low-skill or migrant workers in countries with a higher prevalence of modern slavery, making them more vulnerable to modern slavery practices.

Our business has a low chance of being involved in or causing modern slavery in our supply chain. But, as with other similar entities in our sector, there is a risk that our business is connected to modern slavery through our suppliers and their own supply chains.

Our actions and progress during 2023

Our actions and progress during 2023

During the Reporting Period, we addressed the goals set in our FY22 Modern Slavery Statement:

Training

MYOB Group continues to provide online learning modules to employees and contractors. We delivered modern slavery compliance modules to selected groups of employees and contractors who have high involvement with the business' procurement processes, including senior leadership, legal, compliance, procurement and workplace experience teams.

The modules are reviewed annually and updated as required and MYOB Group will continue to monitor and ensure that identified employees conduct the learning annually.

During the Reporting Period, we carried out the 2023 annual review of internal modern slavery compliance training to consider whether current training remains sufficient and whether additional categories of personnel should be included. The outcome of this assessment was that the current modern slavery compliance training is robust and delivered to the appropriate group of employees. We will continue to review this training in future reporting periods.

Questionnaire and Supply Chain Mapping

During the Reporting Period, MYOB Group reviewed and refreshed our supplier due diligence questionnaire. In addition, we developed a 2023 MYOB Group supply chain map which identified suppliers operating in regions and industries prone to modern slavery risks. Using this supply chain map, we broadened our assessment of suppliers to all "Tier 1" and "Tier 2" suppliers. In expanding our supplier assessments from FY22 to FY23, we expanded our assessments beyond critical procurement suppliers.

Contract Lifecycle Management (CLM)

We achieved a "sandbox" version of our modern slavery compliance review functionality within our CLM system. This functionality will automate a large part of our modern slavery compliance assessments. We intend to have an "in production" version of this solution live in 2024 for all new suppliers and aim to assess a minimum of 80% of our existing supplier base with the new CLM system by end of 2024.

Our actions and progress during 2023

Policy review

During the Reporting Period, MYOB Group reviewed its internal policies which collectively cover MYOB Group's modern slavery obligations and commitments. This review considered whether it is appropriate for MYOB to develop a standalone MYOB Human Rights Policy. The outcome of the review was not to implement such a Human Rights Policy at this time, as our other policies are sufficient.

During the Reporting Period, we reprioritised the following goal:

Culture of compliance:

Introducing anonymous internal reporting mechanisms to raise modern slavery concerns. Promote awareness of these reporting channels through internal policies, communications and training.

We decided not to introduce the new reporting channel after determining that the current internal reporting processes (including new Procurement processes and existing Whistleblower policy, training and processes) were adequate for our present needs.

In addition to the goals we set out to achieve at the end of 2022, we have also uplifted our modern slavery compliance through the following:

Updated Compliance Webpage

Refreshed and restructured MYOB's "legal notices" page which now includes a "Privacy and Compliance" category. This new structure aims to make it easier for suppliers and customers to find MYOB's Supplier Code of Conduct and past Modern Slavery Statements.

Our actions and progress during 2023

Supplier Code of Conduct

Our Supplier Code of Conduct **(Code)** which covers our standards and expectations for our suppliers who work with us on topics like modern slavery, human rights, labour, environment, workplace health and safety and anti-bribery and corruption. The Code also includes information about key processes, including options to report modern slavery queries or concerns.

The Code was updated in 2023. The updated Code has an enhanced modern slavery focus which clearly articulates our expectations of suppliers from an ethical and modern slavery compliance perspective. MYOB Group previously relied on manual processes to inform suppliers of the Code. Enhancements to the CLM system launched in October 2023 automated Code distribution to new suppliers. Enhancements planned for 2024 will further automate aspects of the distribution of, and assessment against, the Code.

Update to standard form agreements

We carried out a review of all our standard form agreements and, wherever appropriate, included enhanced and streamlined modern slavery obligations for suppliers. In addition, we revised and improved our modern slavery standard contract clauses. Our expanded suite of modern slavery template contract clauses enables us to tailor modern slavery obligations to fit circumstances (for example, the degree of supplier modern slavery risk, the suppliers' relative compliance sophistication, and whether the supplier publishes its own Modern Slavery Statement).

Onboarding of a new Procurement team

During the Reporting Period, MYOB onboarded a Senior Procurement Manager and two Purchasing Co-Ordinators to form the Procurement team (part of the broader "Legal and Procurement" team). During the Reporting Period, each Procurement team member received tailored modern slavery training. By expanding MYOB Group's Procurement capability and merging it with the Legal team, MYOB Group has enhanced its procurement and modern slavery compliance capability. The Procurement team has assumed ownership of MYOB Group's CLM system and has been instrumental in delivering enhanced modern slavery CLM functionality in 2023.

Our actions and progress during 2023

Employees

Remuneration: During the Reporting Period, we reviewed market conditions and MYOB Group's remuneration compared to the market. We conduct these reviews each year, regularly checking pay trends in our industry and the wider market. Market data is a key factor in annual remuneration reviews.

Working Rights: All applicants who want to join MYOB Group must show proof of working rights for Australia or New Zealand (as applicable). As in previous years, this process was adopted throughout the Reporting Period.

Modern Slavery Compliance Champions Program

We established the “Modern Slavery Compliance Champions Program” **(Program)**.
The Program aims to foster a culture of modern slavery compliance and ethics across MYOB Group. The Program is a voluntary opportunity for employees who can influence change, are passionate about compliance and want to make a positive impact on MYOB Group and society.

We assessed the effectiveness of our actions by:

Tracking our actions against our KPIs.

Monitoring for any reported or suspected incidents of modern slavery within our organisation and supply chain.

Reviewing and increasing awareness of our modern slavery policies and procedures.

Monitoring the number of people who have completed modern slavery training.

MYOB's Modern Slavery KPIs

MYOB's Modern Slavery KPIs

MYOB Group's KPIs were created in 2020. These KPIs were reviewed and updated during the Reporting Period so they continue to serve as a meaningful and appropriate mechanism for assessment of our 2023 Goals.

KPI	KPI Assessment
Tiers of suppliers issued a modern slavery questionnaire as part of our supplier due diligence process.	MYOB Group increased the number of suppliers who were issued a modern slavery questionnaire by targeting Tier 1 and Tier 2 suppliers.
Number of suppliers that received our Code.	The Code was issued to all suppliers that received a modern slavery compliance questionnaire, numerous suppliers under the previous manual process, and all new suppliers onboarded in the enhanced CLM system from October 2023.
Increased number of suppliers that agreed to our Code, agreed to a comparable contractual clause or acknowledged adherence to a comparable policy of their own.	In 2023, we tracked an increase in the number suppliers that agreed either to adhere to the Code or to a comparable clause or policy document.
Fostering a culture of modern slavery compliance at MYOB.	97.6% of MYOB Group employees who were enrolled in modern slavery training due to their role and responsibilities completed the training during the Reporting Period.
The proportion or number of complaints relating to actual or suspected existence of modern slavery occurrences within our supply chain.	MYOB Group received one complaint during the Reporting Period in relation to modern slavery risks in the supply chain of a prospective new supplier. The complaint was received while MYOB Group was conducting due diligence on prospective suppliers participating in a tender process. This confirmed the efficacy of the existing supplier due diligence, reporting and investigation procedures.

Next steps

Next steps

For the reporting period ending 31 December 2024, MYOB Group will focus on:

Training

Carry out the 2024 annual review of internal modern slavery compliance and whistleblower training, to consider whether current training remains sufficient and whether additional categories of employees should be included.

Procurement

Launch a new Procurement policy.

Educate and inform employees about the new Procurement policy and processes, including aspects relevant to modern slavery compliance.

Culture of Compliance

Promote awareness of relevant policies, processes and reporting channels through internal communications and training.

Launch new company-wide core values, reflective of our commitment to diversity and ethical business practices.

Identify opportunities to align modern slavery awareness activities to the new company values.

Deliver the Code to at least 80% of existing suppliers by end of 2024.

Supply chain mapping

Refine and enhance our supply chain map, including our supplier risk profile.

Add modern slavery assurances to key MYOB Group customer terms of use

Identify opportunities to reflect MYOB Group's commitment to modern slavery compliance by adding modern slavery commitments to MYOB Group's customer terms of use, which in turn enhances our customers' ability to meet their own modern slavery compliance obligations.

Engagement with MYOB Group customers

Identify opportunities to engage with and educate key parts of the MYOB Group customer base, which includes thousands of Australian and New Zealand businesses, on the topics of modern slavery and ethical supply chains.

These activities will aim to uplift our customers' awareness of key modern slavery concepts, thereby contributing to the growing understanding of ethical procurement and business operations within the broader Australian and New Zealand business communities.

Contract Lifecycle Management

Progress the implementation of modern slavery risk reporting within the enhanced CLM system.

The process of consultation in preparing this Statement, as between the reporting entities, involved consultation with the Executive Management of each entity and consideration of other MYOB Group entities which are controlled by or related to the Reporting Entities.

This is a joint statement made by MYOB Australia Pty Ltd and MYOB Group Co Pty Ltd and has been approved by the Board of each reporting entity on 22 April 2024.

Paul Robson
Director of MYOB Australia Pty Ltd and MYOB Group Co Pty Ltd

Annexure

Reporting criteria

Reporting criteria	Page number
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	Pages 2-10
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Pages 11-14
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	Pages 15-19
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Pages 20-23
6. Describe the process of consultation with any entities the reporting entity owns or controls	Page 23