



Modern Slavery

Statement | 2024

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Yarra Capital Management (YCM) is a leading independent, active Australian investment manager responsible for managing over AUD\$22 billion on behalf of our clients across asset classes, including listed equities, fixed income and multi-asset strategies.

Acknowledgement of Country

Yarra Capital Management acknowledges First Nations peoples, the traditional custodians of the land and waterways on which we work in and across Australia.

We particularly recognise the Wurrundjeri people of the Kulin nation on which our Melbourne office is located as well as the Gadigal people of the Eora nation where our Sydney office is located.

We recognise the unique contribution and continuing connection of First Nations peoples to land, water and culture and celebrate their ongoing vital contribution to Australian culture and society.

We pay our respects to elders past, present and emerging.

01. Introduction

Yarra Capital Management (YCM) is a leading active and independent Australian fund manager with a range of actively managed fundamental equity, fixed income and multi-asset capabilities. We are dedicated to delivering superior, repeatable investment returns for our investors.

We have robust investment processes and a rigorous risk management and compliance infrastructure. In addition, we place a strong emphasis on environmental, social and governance (ESG) issues, which form a mainstream part of our research process and risk analysis and are considered across all of our investment strategies. We are a signatory to the United Nations Principles for Responsible Investment (UNPRI) and take our responsibilities as active owners seriously.

This Modern Slavery Statement ('Statement') describes Yarra Capital Management's considerations of modern slavery as at 30 June 2024.

Modern slavery is the term used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. In 2018, the Modern Slavery Act 2018 (Cth) ('Act')¹ was passed by the Australian Government, imposing a modern slavery reporting requirement for larger companies operating in Australia. The reporting requirement is aimed at supporting the Australian business community to identify and address their modern slavery risks and maintain responsible and transparent supply chains. The Act defines modern slavery as including eight types of serious exploitation: human trafficking; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and child labour.

Reporting Entities

This statement covers our risks and actions related to modern slavery through our supply chain and our operations, including through our investment activities. While we are not required under the Modern Slavery Act 2018 to report on our modern slavery actions or risks, we believe that following the disclosure guidance outlined under the Act is best practice and leads to improved transparency, accountability, investment and procurement decisions, and ultimately to better outcomes for people. YCM is committed to upholding the highest standards of business ethics and conduct. We recognise our responsibility to respect human rights in the way we do business and the broader impacts to society of our business operations, purchasing and investment decisions.

This statement is made on behalf of the Yarra Capital Management Limited ABN 99 003 376 252 and its related bodies corporate, together YCM. Yarra Capital Management Limited is an Australian incorporated company, with registered address at Level 19, 101 Collins St, Melbourne, Victoria, Australia. YCM's Chief Sustainability Officer has responsibility for assessing and managing modern slavery risks and impacts across YCM's business operations.

¹<https://www.legislation.gov.au/C2018A00153/latest/text>

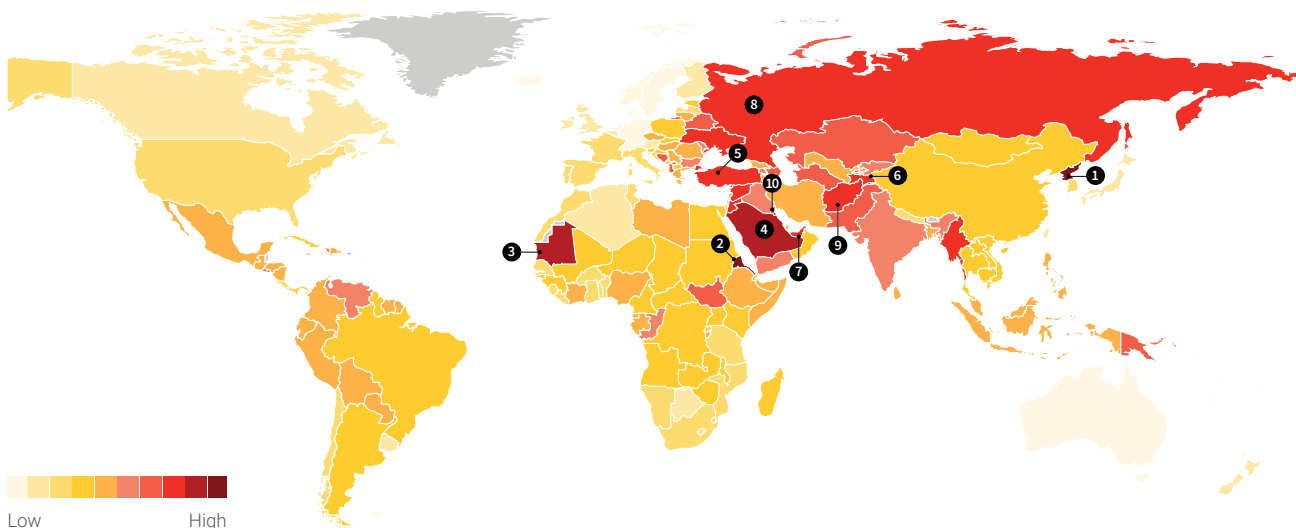
02. Key Areas of Action in FY24

Key Areas of Action in FY24 to improve our approach to Human Rights and Modern Slavery:

- **Developed Yarra Capital Management’s Human Rights Position Statement** to clarify our alignment with global best practice human rights standards and move toward more intentional management of key human rights issues across our business.
- **Enhanced our Modern Slavery Due Diligence framework** to consistently measure and assess modern slavery risk across all investment holdings and key suppliers to inform engagement and decision making.
- **Joined the UNPRI Human Rights and Social Issues working group** to exchange insights and learnings with global peers and stay abreast of key areas for improvement.
- **Improved our Modern Slavery reporting and disclosures** to align with the Modern Slavery Act (2018) and disclose more information about our key areas of risk and risk management processes.

Estimated Prevalence of Modern Slavery by Country

(noting estimated prevalence per 1,000 population for the 10 countries with highest prevalence)



Rank	Country	Prevalence	Rank	Country	Prevalence
1	North Korea	104.6	6	Tajikistan	14.0
2	Eritrea	90.3	7	United Arab Emirates	13.4
3	Mauritania	32.0	8	Russia	13.0
4	Saudi Arabia	21.3	9	Afghanistan	13.0
5	Türkiye	15.6	10	Kuwait	13.0

Source: Walk Free Global Slavery Index 2021 world map

03. Our Commitment

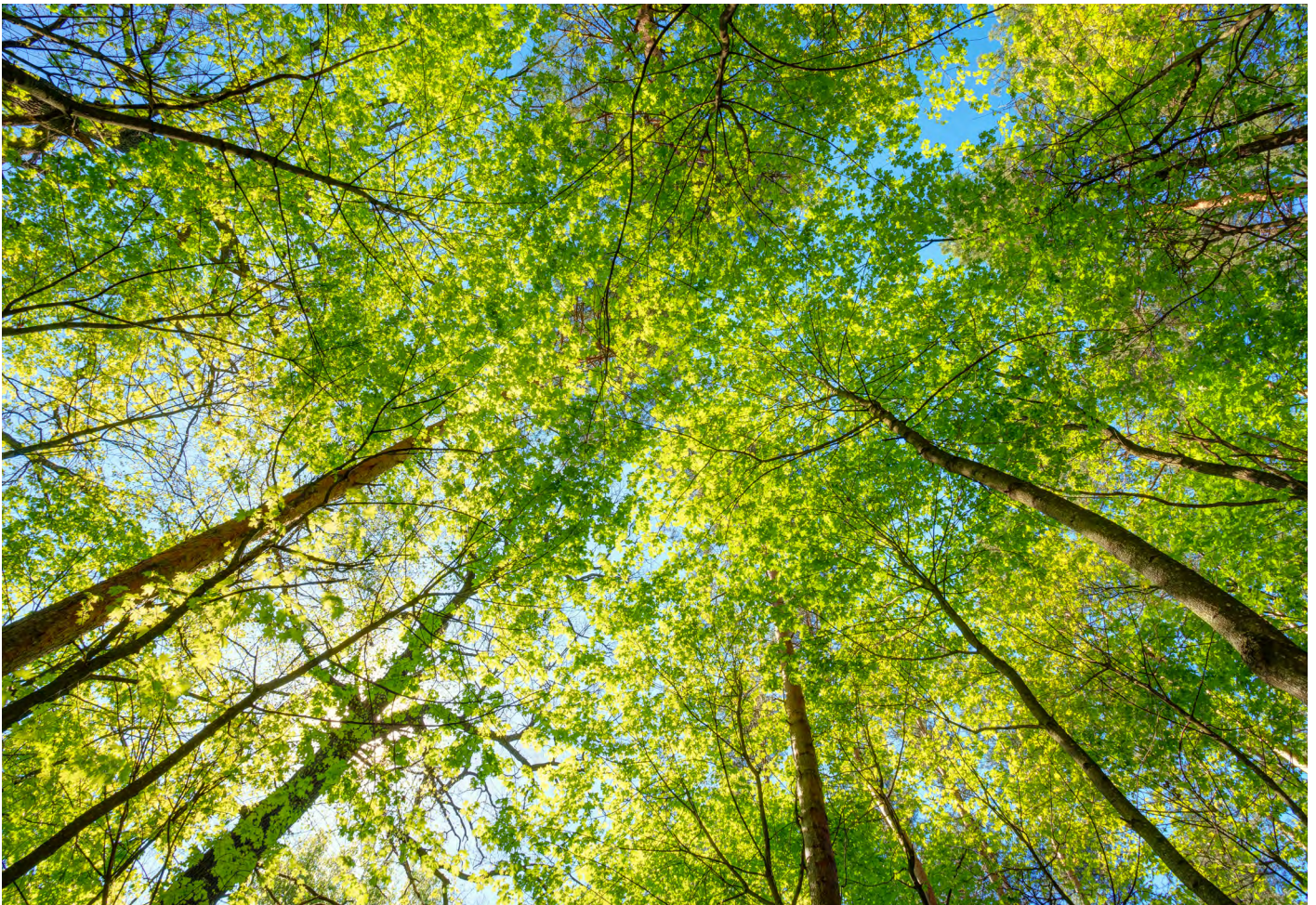
We are committed to operating as a responsible business that upholds and respects human rights throughout our activities and relationships.

Human rights recognise that each person has inherent value regardless of age, background, socioeconomic status, gender, physical or mental ability, race, nationality or ethnicity, education, or other identifying trait or status.

Human rights are about fundamental and universal rights to liberty, freedom, dignity, equality, and fair treatment. We believe that all people are entitled to these rights without discrimination.

To protect and uphold human rights, we believe that businesses, alongside governments must play a role to protect the freedoms and rights of people, including by assessing and mitigating risks related to modern slavery.

For more information on our commitment to upholding and protecting human rights, please see our [Human Rights Position Statement](#).



04. Understanding Modern Slavery Risks

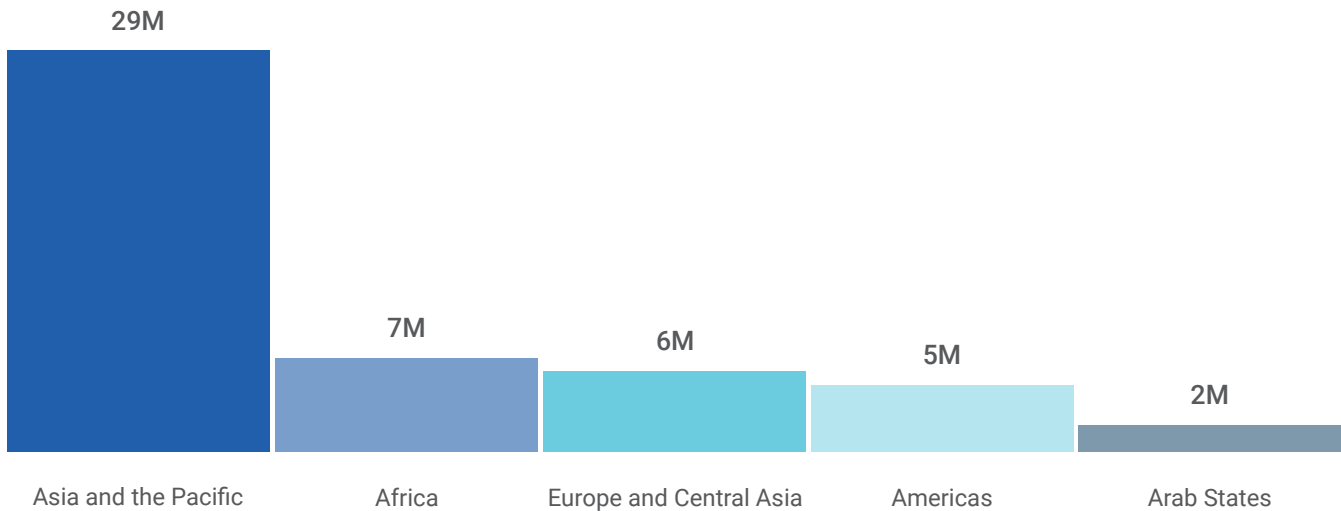
Modern slavery refers to situations of exploitation where people cannot refuse or leave due to violence, coercion and deception and/or abuses of power².

Examples of modern slavery include: forced labour, forced marriage, debt bondage, sexual exploitation, human-trafficking, slavery-like practices, and/or the sale and exploitation of children. It is estimated that in 2021, there were nearly 50 million people experiencing modern slavery, up from an estimated 40 million people in 2016³; with women, children and migrants the most vulnerable.

A confluence of factors including climate change, political and civil instability and conflict, and social inequality are increasing the vulnerability of people leading to loss of livelihoods, poverty, food insecurity, migration, in turn, exposing more people to modern slavery.

Given the prevalence and seriousness of modern slavery, businesses are increasingly over time being encouraged to understand, identify, manage, and mitigate modern slavery risks.

49.6M people are living in modern slavery globally



Source: Walk Free Global Slavery Index 2021 by region

² <https://www.walkfree.org/what-is-modern-slavery/>

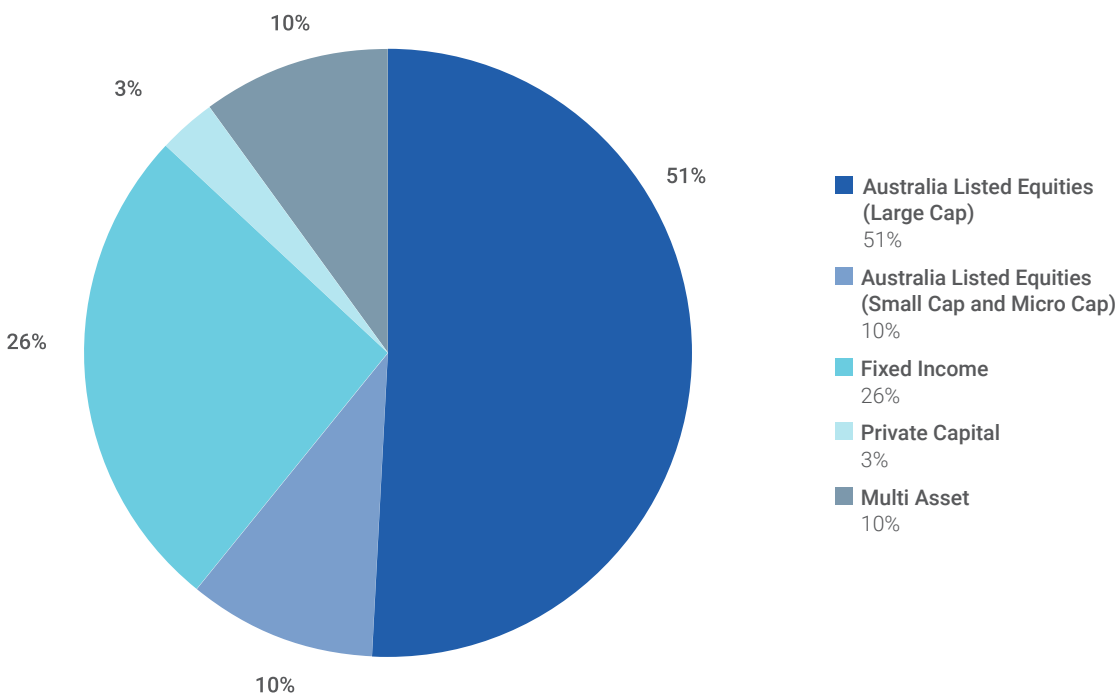
³ <https://www.walkfree.org/global-slavery-index/>

05. Our Business, Operations and Supply Chain

YCM is a leading independent Australian investment manager offering its clients access to two leading businesses: Yarra, offering style-neutral Australian equities and fixed income capabilities including core fixed income, hybrids, credit, macro and RMBS, and Tyndall AM, a dedicated long-only manager specialising in Australian value equities.

Through its partnership with the Nikko Asset Management Group, Yarra also provides access to a range of international equity products. Yarra serves the Australian institutional and retail markets, and its Australian investment products are accessed from various international markets, including Japan and New Zealand.

Yarra AUM



YCM is one of Australia's largest independently owned active investment managers, with approximately \$A22 billion of funds under management as at 30 September 2024. YCM is focused on delivering superior investment returns for clients through active fund management. We are the responsible entity / trustee of a number of registered and unregistered managed funds and manage a number of separate accounts for institutional clients. Our institutional clients include Australian and international superannuation funds, insurance companies, not-for-profit organisations and high net wealth individuals.

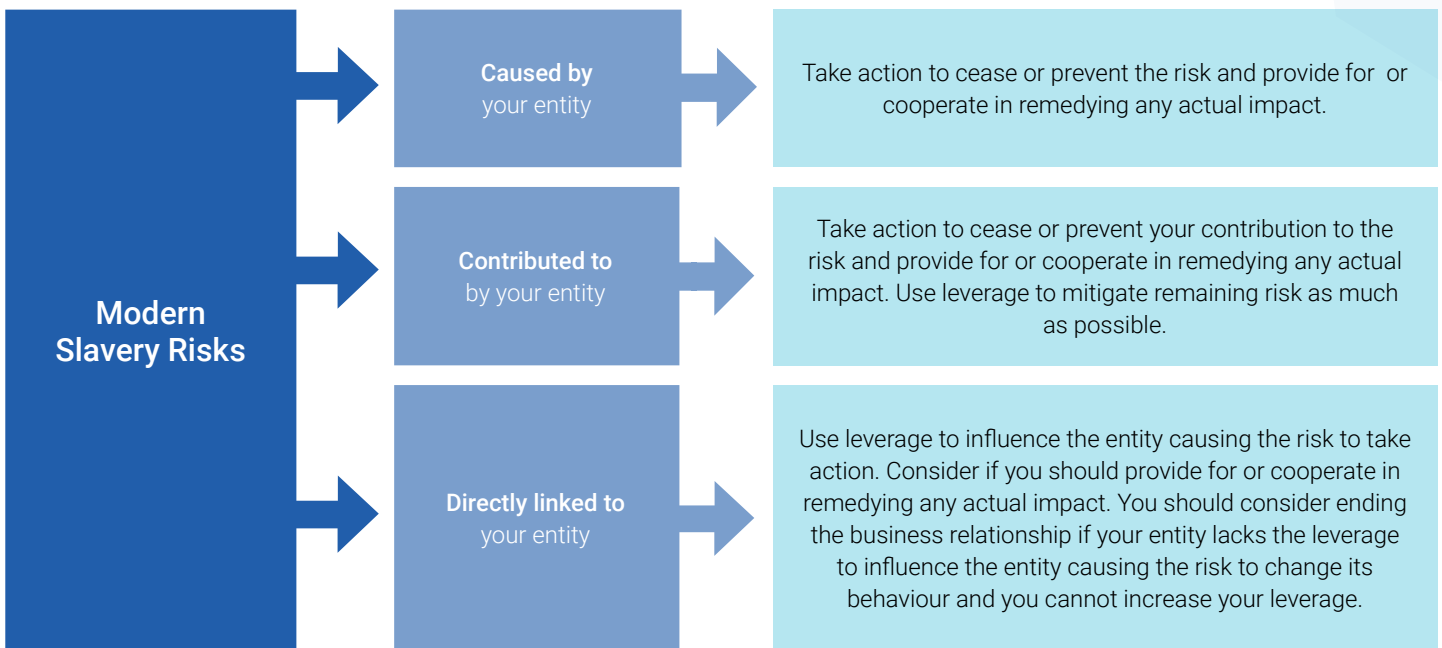
The United Nations Guiding Principles on Business and Human Rights (UNGPR) explains that businesses can be linked to human rights issues by causing, contributing to, or being directly linked to these issues.⁴

⁴ Office of the United Nations High Commissioner for Human Rights (OHCHR), The Corporate Responsibility to Respect Human Rights

05. Our Business, Operations and Supply Chain (cont.)

Australian Government's Guidance on Business' Relationship to Modern Slavery based on UNGP

Through its partnership with the Nikko Asset Management Group, Yarra also provides access to a range of international equity products. Yarra serves the Australian institutional and retail markets, and its Australian investment products are accessed from various international markets, including Japan and New Zealand.



Source: Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities

Modern Slavery Risks for Our Business

What We Do	The Risk	Our Role
Investment Manager	Risk that companies we invest in may cause or contribute to or be directly linked to modern slavery	We conduct modern slavery risk assessments to understand risk levels and identify our response. In direct investments, we use this information to inform engagement with companies and guide decisions in investment management. In investments made through external managers, we use this information to engage with managers about their approach to risk management and mitigation.
Purchaser of Goods and Services	Risk that our suppliers cause (and their suppliers), contribute to or may be directly linked to modern slavery	We gather data from our suppliers to understand their exposure to modern slavery risks. We can use this information to guide targeted supplier engagement and enhance our supplier selection process.
Employer	Risk that our employment practices cause, contribute to or are directly linked to modern slavery for our people	We have policies and undertake practices that seek to ensure our people are treated fairly and remunerated fairly to avoid undertaking modern slavery.

05. Our Business, Operations and Supply Chain (cont.)

Modern Slavery Risks for Our Business (cont.)

Given the availability of data and our assessment to date, we do not believe that we are causing or contributing to modern slavery through our direct operations; nor do we believe that our tier one suppliers are causing or contributing to modern slavery in their direct operations.

However, we acknowledge that given the global nature of modern slavery, we are most likely linked (directly or otherwise) to modern slavery risk through the supply chains of our suppliers and through the operations and supply chains of our investment portfolios. This is because, as information about modern slavery becomes more available, and we understand its prevalence, we understand that many large companies likely have some risk of exposure to modern slavery, whether these companies have identified this risk or not. Therefore, we acknowledge our risk of being linked to modern slavery through our corporate supply chain and investment portfolio. We will strive to continue to improve our understanding of these issues and their risks as well as continue to clarify our spheres of influence and most appropriate mitigating actions.

As the identification of these risks becomes more mature, we seek to encourage transparency and disclosure and management of these issues rather than penalise the organisations for reporting incidents. We believe that by encouraging our suppliers and investee companies to improve the identification and disclosure of modern slavery incidents, companies will be better placed themselves to respond to these issues and mitigate harm to people.

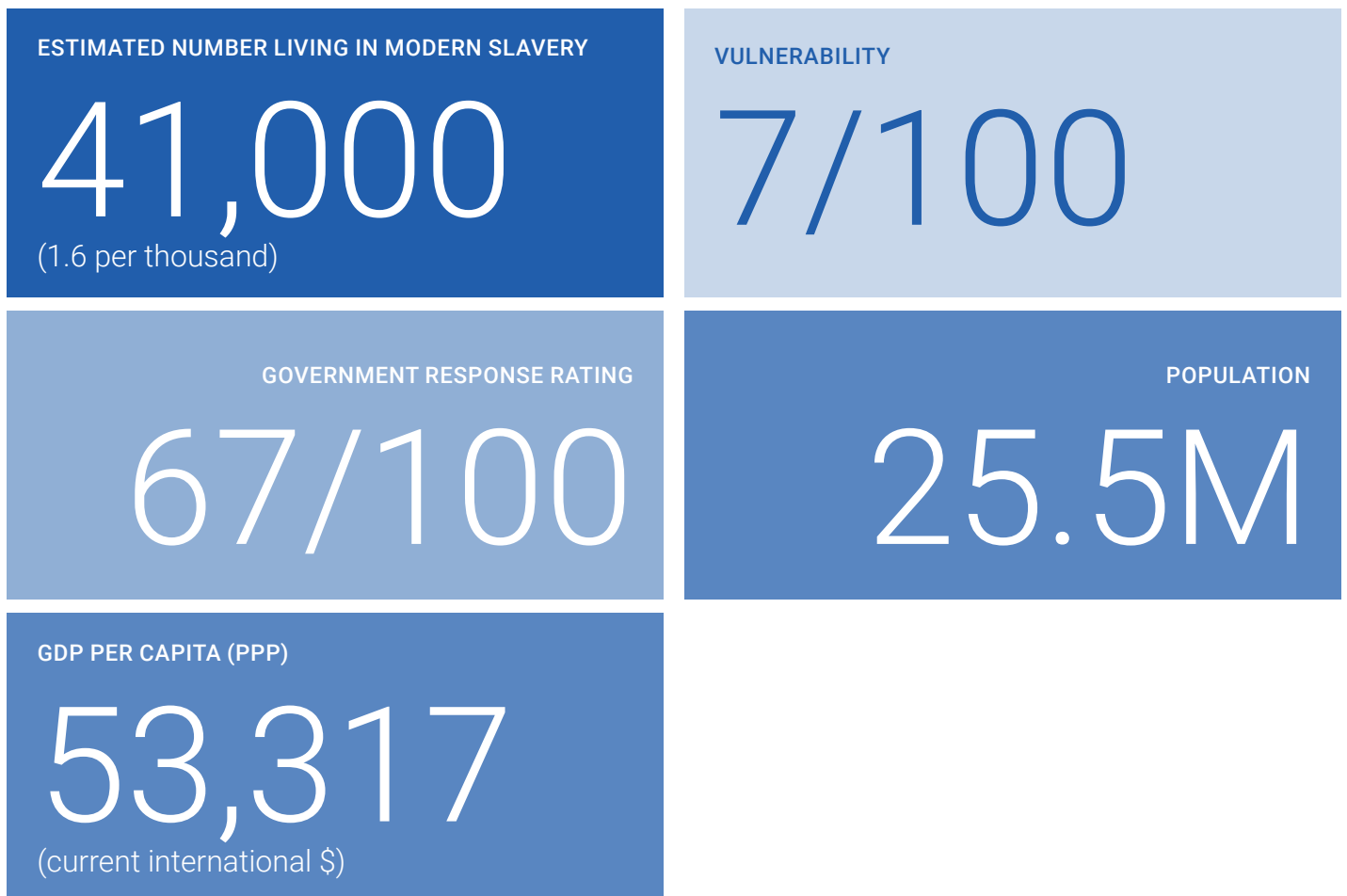
Our aim going forward is to continue to deepen the understanding and assessment of the likelihood of risk within our supply chain and investment portfolio, which will support improvements in our processes to both assess and mitigate the risk assessment of these issues.

06. Our People

YCM employs approximately 90 professionals – including investment teams comprising 40 investment professionals – focused on delivering the best outcomes for the firm’s institutional and retail clients.

As an Australian-based financial services company, with offices in Sydney and Melbourne, our workforce is made up of professionals who are directly engaged by us. Our employees’ terms and conditions are set out in contracts which comply with relevant employment legislation and industrial instruments. Our Hours of Work Policy sets out conditions of employment that are designed to ensure employees are paid above the government specified ‘award’ or minimum payment requirements for their role and reasonable hours worked. These practices are monitored and tested by our Human Resources team. Additionally, YCM has an Equal Opportunity Policy; Work, Health and Safety Policy; and Code of Conduct that aims to ensure workplace conditions are safe, fair and respectful and uphold the rights of employees.

Modern Slavery in Australia



Source: Walk Free Global Slavery Index 2021, Country Study Australia

07. Our Corporate Supply Chain

Our supply chain includes third parties and outsourced providers appointed for the purpose of providing investment services and supporting business operations.

YCM contracts with a number of suppliers of goods and services (see Table 1).

Table 1. Tier One Supplier Categories

Technology, Market Data	Other Expenses
Middle Office Administration	Professional Fees
Direct Variable Costs	Travel and Entertainment
Advertising and Marketing	Employee Costs
Occupancy	Fixed Assets

Supply Chain Risk Assessment

During 2024, our team conducted a modern slavery risk assessment of our corporate supply chain and deemed our modern slavery risk to be low, given our operational focus in Australia and the nature of our business.

To deepen our understanding, we committed to gathering more data and seeking to better understand how our suppliers are managing modern slavery risks. This involved increasing the due diligence on our largest tier one suppliers, including requesting our largest tier one suppliers to participate in a series of questionnaires to understand and improve our approach to sustainable procurement and identify specific risks, such as modern slavery risk. We asked these suppliers to respond to risk assessment questions related to: geography of operation; industry or sector; supply chain risk; and known incidents and responses to modern slavery. These criteria were informed by the Global Slavery Index⁵, which identified more modern slavery risk in specific countries or regions and industries/sectors. Data from our suppliers who completed these questionnaires, has helped to build our baseline risk assessment data. From this data, in addition to publicly available information, we have deemed the direct operations of our largest tier one suppliers to be relatively low risk for incidents of modern slavery. We have recorded that some suppliers have disclosed modern slavery risk in their extended supply chains and have taken risk management and mitigation actions to reduce the risk, notably in their supply chains.

What's Next?

As part of our action plan, we are committed to continuing to improve data quality and transparency so that we can understand how to better use our influence to work with suppliers to reduce modern slavery and human rights abuses through our supply chain. In the first instance, we are conducting further due diligence on our largest tier one suppliers to complement the self-reported data provided in FY24. This enhanced due diligence, will determine appropriate next steps to action. Acknowledging our sphere of influence, particularly with large global suppliers to the broader investment management industry, is more limited, we would seek to identify, based on our risk assessment and relationship with specific suppliers, appropriate next steps where we can drive the most improvement. Additionally, YCM has a Key Vendor/Service Provider Selection and Oversight Policy. In 2025, we plan to review and update this policy to continue to consider modern slavery risk in our assessment and selection and ongoing engagement with suppliers.

⁵<https://www.walkfree.org/global-slavery-index/>

08. Investment Management Risk Assessment

Our primary business activities are focused on the management of client investment portfolios. We believe that issues related to human rights, including modern slavery, are financially material issues.

As investment managers, we are cognisant that information in relation to modern slavery risks is not always readily available or transparent. However, we are committed to assessing companies across a number of Environmental, Social and Governance (ESG) issues, including modern slavery and have developed tools and processes to guide and support our investment teams in these efforts. These include prompts to assess modern slavery risks before making an investment decision as well as steps to engage with and track companies throughout the investment management process.

In 2024, our investment teams, where we hold direct investments, completed uniform modern slavery risk assessments on all current investment holdings across all asset classes to identify and factor these risks into investment decisions and guide stewardship activities, such as voting and engagement with companies. Where we work with external managers, we also gathered data to understand modern slavery risk levels both through our managers and, in some cases, applying our own analysis to these parts of the portfolio.

Australian Listed Equities

Our investment portfolio is largely comprised of Australian publicly listed companies, many of which themselves have regulatory responsibilities for managing modern slavery risks and/or have made voluntary commitments to human rights. As our investment mandates are predominantly focused on investing in Australian issuers and companies, we believe our modern slavery risks related to geographies of operation are compressed relative to other asset managers investing in broader geographical contexts. However, we track and monitor Australian listed entities that operate in countries and regions where there are known breaches and higher documented risks associated with operating in these regions and rely on the most recent Global Slavery Index⁶ as a guide to track and assess these risks. Where risks are deemed to be higher, our investment team draws on this information to inform engagement with companies. We are currently tracking companies with known modern slavery risks in our investment universe. We have provided some high-level examples⁷ of companies we are tracking to demonstrate that modern slavery risks are a material investment consideration.

⁶ <https://www.walkfree.org/global-slavery-index/>

⁷ Case studies are provided as examples of how we have considered modern slavery risks in our investment management practices. Given the breadth and diversity of our investment strategies and mandates, the cases provided are applicable to the strategies where these investments can be made, and discretion over investment decisions sits with each portfolio manager and their investment team.

08. Investment Management Risk Assessment (cont.)

Case Studies

1. Santos (STO):

Oil & gas producer Santos' largest operation is the PNG LNG plant in Papua New Guinea. Our investment teams monitor sovereign risks associated with PNG, including modern slavery risk, and have noted this is a key and highly material issue. In assessing the attractiveness of an investment in Santos we discount the value of this asset to reflect these risks prior to making investment decisions.

2. Rio Tinto (RIO):

Rio Tinto is developing the Simandou iron ore project in Guinea. We view Guinea as a high-risk jurisdiction in part due to its limited labour laws and modern slavery risks. These risks would need to be strongly monitored, and reflected in our valuation, before we would consider an investment in the company.

3. Ansell (ANN):

Ansell has glove manufacturing operations in several emerging economies including Malaysia. One of our investment teams was previously a shareholder in Ansell but divested the positions in early 2022, in part due to modern slavery concerns. In late FY23, a member of the investment team met with ANN to discuss the company's management of modern slavery risks. Our impression is that ANN has significantly improved its processes and governance structures to manage this risk within its own operations and supply chain. We note the following specific improvements that have been made since we were last shareholders in ANN ~2-3 years ago. Over the last few years, ANN has:

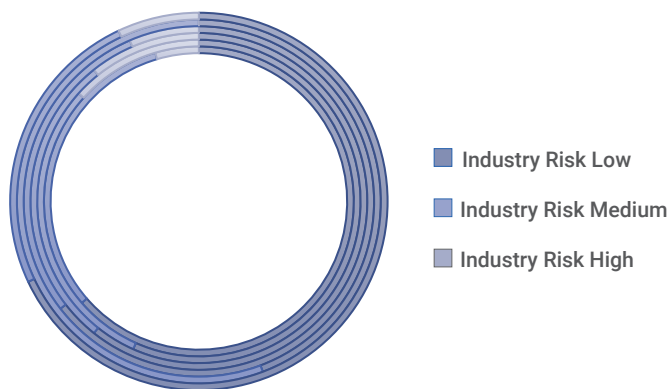
- Engaged a third-party to develop a supplier management framework, which ANN have now implemented;
- Established a labour rights committee, reporting to ANN's Board;
- Reimbursed workers that historically paid recruitment fees;
- Extended third-party audits, and commenced un-announced audits to identify modern slavery practices or labour rights abuses;
- Commenced audits of supplier plants and accommodation facilities;
- Joined the Responsible Glove Alliance, the industry body that addresses key issues such as modern slavery;
- Introduced apps and hotlines for grievance reporting

Our engagement with the company gave us confidence, alongside other investment considerations, to reinvest in ANN. We believe the company has established practices to monitor and mitigate human rights issues including modern slavery risks. We will continue to track ANN's human rights progress and will engage with the company on this matter going forward.

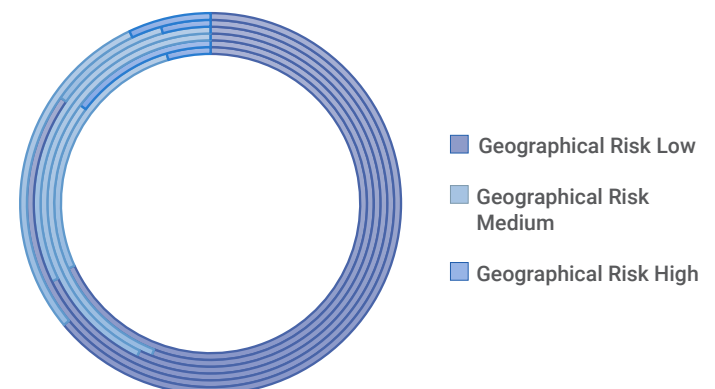
08. Investment Management Risk Assessment (cont.)

Across YCM's listed equities holdings, our investment teams have noted 4% of equities holdings have known incidents of modern slavery in their operations or supply chain as of 30 June 2024. Given the prevalence of these issues, our strategy is to use this information to guide constructive and thoughtful engagement with companies. In cases where we feel the risks are not being mitigated appropriately, this can lead to escalation in our engagement efforts, including influencing our proxy votes, increasing the frequency and focus of our communications with companies, and potentially divestment.

Modern Slavery Industry Risk Profile – YCM Listed Equities



Modern Slavery Geographical Risk Profile – YCM Listed Equities



Some of the sectors where there are known higher modern slavery risks where YCM has exposure include:

- Apparel
- Construction and Building materials
- Financial Services
- Food and Beverage
- Hospitality
- Information and Communication Technology
- Mining
- Transport & Warehousing

In all holdings, but particularly when a company is operating in a higher risk sector or geography or with a supply chain with known higher modern slavery risks, our investment team would seek to understand specific incidences related to modern slavery and/or human rights abuses and how management has or is responding to known issues. In addition, our team is actively seeking to understand, where information is opaque or not available, how companies are navigating the absence of clear information or intractable supply chain issues as part of our ESG engagement strategy.

08. Investment Management Risk Assessment (cont.)

Private Capital

The Yarra private capital team focuses on integrating material ESG considerations into investment decisions, including completing due diligence on modern slavery and human rights risks. Given its scope to invest in smaller companies and wider geographies, the team is diligent in understanding these risks and engaging with companies, aiming to ensure human rights issues are being managed appropriately.

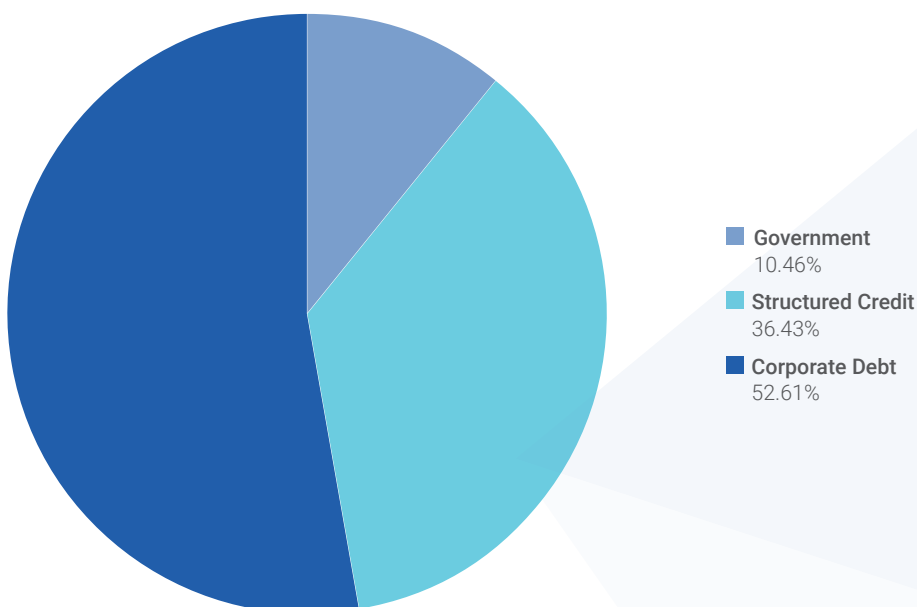
Global Equities and External Managers

YCM offers access to Global Equity and Global Equity multi manager products, where we partner with external managers. Across all partner strategies, YCM engages regularly to understand the ESG integration approaches, including how managers integrate human rights and modern slavery risks into investment management processes. In some cases, we have applied our own risk assessment to evaluate risks within the portfolios of external managers. We use this data to establish a baseline of risk assessment and, where appropriate, to engage with our external managers to understand their approaches to risk management and mitigation.

Fixed Income

Our fixed income investments include exposure to a wide range of securities, including: government bonds (mostly Australian); asset backed securities including mortgage backed securities; and exposure through corporate debt to sectors including: Financial Services (banks); Consumer Discretionary; Consumer Staples; Information and Communication Technology; Materials; Mining; Industrials; Health Care, Energy and Real Estate Investment Trusts.

YCM Fixed Income Investments by Asset Type



What's Next?

As part of our action plan, in the year ahead, our investment teams will be seeking additional sources of data to deepen our understanding of human rights risks through the portfolio.

09. Evaluating the Effectiveness of our Actions

We strive to continuously improve our approach to understanding and mitigating human rights risks where our business has either caused, contributed to or is directly linked to incidents.

As part of our action plan, we intend to track our actions and objectives against progress measures, including:

What We Do	Objectives	Progress, Planned Action and Effectiveness Measures
Capacity Building	Increase our understanding of the risks and responsibilities we hold in relation to mitigating modern slavery risks	<ul style="list-style-type: none"> • Joined the UNPRI working group on human rights and social issues in 2024 • Aim to ensure all employees complete modern slavery training offered in FY25
Disclosures	Commit to ongoing disclosures aligned to best practice	<ul style="list-style-type: none"> • Joined the UNPRI working group on human rights and social issues in 2024 • Aim to ensure all employees complete modern slavery training offered in FY25
Due Diligence and Risk Management	Continue to conduct due diligence and improve information inputs related to human rights risk management	<ul style="list-style-type: none"> • Seek additional sources of information to enhance risk assessment and due diligence processes • Improve risk frameworks where relevant based on current insights and information related to human rights risks
Engagement	Progress highest value engagement opportunities with suppliers and investees/issuers	<ul style="list-style-type: none"> • Identify highest value engagement opportunities with suppliers and investees/issuers in the portfolio • Track any engagement activities and/or known outcomes
Governance	Improve governance channels to better coordinate and make visible human rights issues relevant across the business	<ul style="list-style-type: none"> • Identify and establish an appropriate internal working group to coordinate and oversee human rights workstreams for YCM
Policies	Design our policies so that they are aligned to and support our Human Rights Position Statement	<ul style="list-style-type: none"> • Review relevant human resources, procurement and investment policies and enhance where appropriate to strive toward reducing our contribution and exposure to human rights violations, including by being directly linked to modern slavery
Strategy	Formalise our commitment to reducing human rights issues	<ul style="list-style-type: none"> • Publish our Human Rights Position Statement and augment with an Action Plan

10. Incident Reporting

Human rights concerns or incidents raised in the investment portfolios are brought to the attention of the portfolio manager or one of the heads of the investment teams.

Depending on the nature of the concerns, the portfolio manager or head of investment team may work with the analyst to review the investment management process and seek to account for risks, while informing our active stewardship activities, including potential engagement and/or voting activities with issuers/companies. Known incidents in the investment portfolio are recorded and disclosed to the Chief Sustainability Officer.

Operational incidents related to the workplace or suppliers are reported to the YCM Managing Director. YCM's Whistleblower Policy also encourages, protects and supports reporting of wrongdoing, including fraud, corrupt conduct and inappropriate workplace behaviour.

Material business issues are reported to the YCM Board Audit, Risk & Compliance Committee and/or Board(s) of Directors as appropriate.

Review of Statement

This Statement will be reviewed annually to identify any changes in modern slavery risk and to assess the effectiveness of YCM's response to managing modern slavery risk.

10. Incident Reporting (cont.)

Reporting Criteria Table

Australian Modern Slavery Act (2018) Reporting Criteria	Yarra Capital Management Modern Slavery Statement Section
Section 16(1)(a) Identify the reporting entity	<ul style="list-style-type: none"> • Reporting Entities
Section 16(1)(b) Describe the structure, operations, and supply chains of the reporting entity	<ul style="list-style-type: none"> • Our Business, Operations and Supply Chain
Section 16(1)(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	<ul style="list-style-type: none"> • Our Business, Operations and Supply Chain • Investment Management Risk Assessment
Section 16(1)(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	<ul style="list-style-type: none"> • Key Areas of Action in FY24 • Our Business, Operations and Supply Chain • Investment Management Risk Assessment • Incident Reporting • Evaluating the Effectiveness of our Actions
Section 16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	<ul style="list-style-type: none"> • Evaluating the Effectiveness of our Actions
Section 16(1)(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	N/A
Section 16(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	N/A