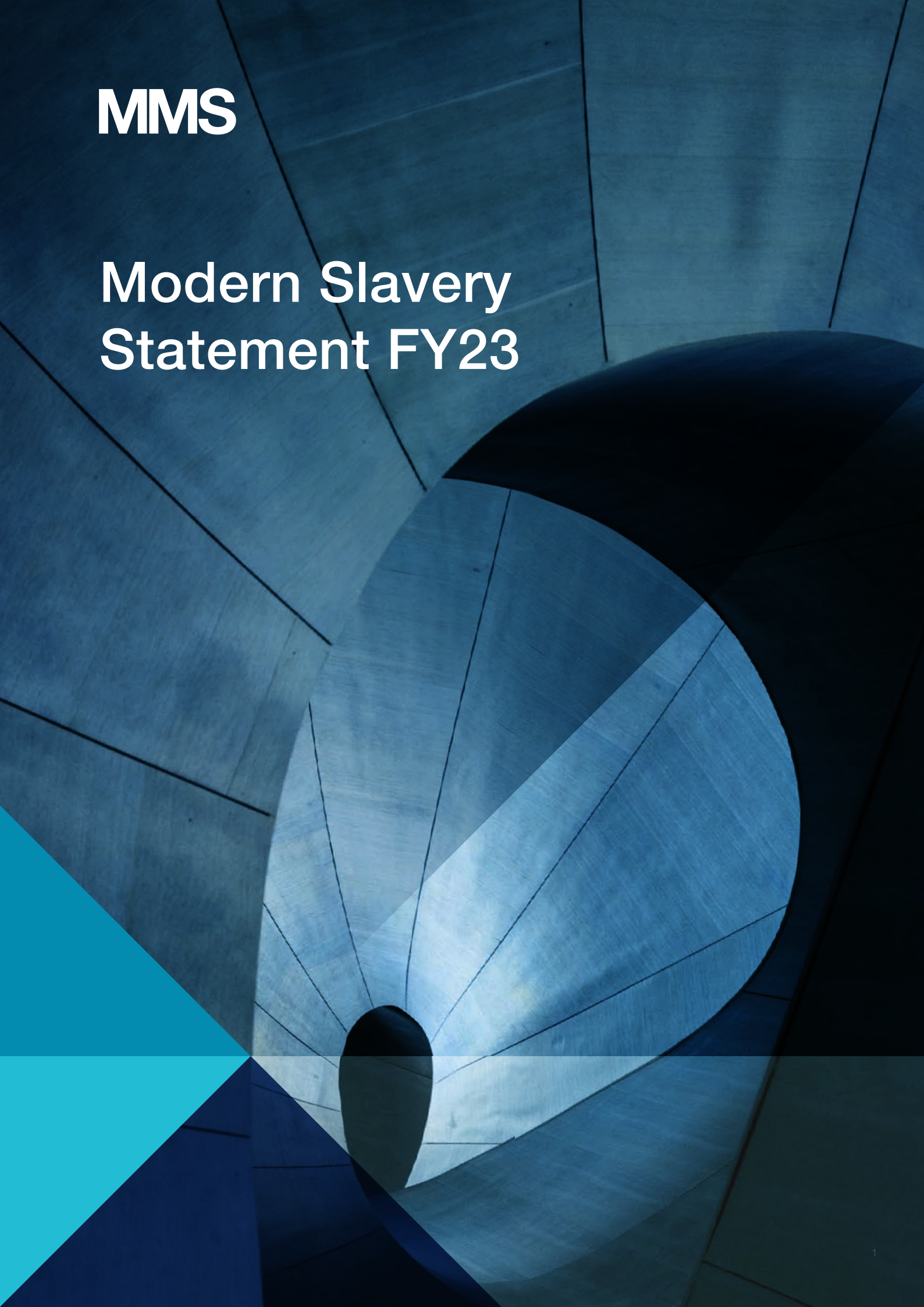


**MMS**

**Modern Slavery  
Statement FY23**



# Entities covered under this Statement

<b>MMS Supplier Code of Conduct</b>	McMillan Shakespeare Limited <sup>1</sup> A.B.N. 74 107 233 983
<b>Subsidiaries (Australia)</b>	Maxxia Pty Limited <sup>1</sup> Remuneration Services (Qld) Pty Limited Easilease Pty Ltd MaxxiMe Pty Ltd TVPR Pty Ltd Presidian Holdings Pty Ltd Money Now Pty Ltd Interleasing (Australia) Ltd National Finance Choice Pty Ltd <sup>2</sup> Franklin Finance Group Pty Ltd Australian Dealer Insurance Pty Ltd National Finance Solutions Pty Ltd National Insurance Choice Pty Ltd National Dealer Services Pty Ltd Motorsure Pty Ltd ADU Investments Pty Ltd United Financial Services Pty Ltd <sup>2</sup> United Financial Services Network Pty Ltd <sup>2</sup> United Financial Services (Queensland) Pty Ltd <sup>2</sup> Plan Management Partners Pty Ltd Plan Tracker Pty Ltd Carila Pty Ltd (Just Honk Car Yard) Onboard Finance Pty Ltd
<b>Subsidiaries (United Kingdom)</b>	Maxxia (UK) Limited Maxxia Limited <sup>3</sup> Maxxia Finance Limited <sup>3</sup> Anglo Scottish Asset Finance Limited plc <sup>3</sup> Capex Asset Finance Limited <sup>3</sup>
<b>Subsidiaries (New Zealand)</b>	Interleasing (New Zealand) Limited

<sup>1</sup> Parent entity is the primary reporting entity under the Act, with consolidated revenues over \$100 million during the financial year ending 30 June 2023. Maxxia Pty Ltd as a stand-alone entity exceeded the reporting threshold under the Act and is covered as an entity owned/controlled by the parent entity within this joint statement.

<sup>2</sup> On 31 July 2023, the Group completed the sale of its Australian Asset Finance Aggregation business (trading as UFS and NFC, "Aggregation Business").

<sup>3</sup> On 22 August 2023 MMSG signed an agreement with a consortium of funders predominantly associated with and including Praetura Group (UK) to divest the UK businesses.

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## Acknowledgement of Country

MMS respectfully acknowledges the Traditional Owners and Custodians of the Countries on which we work and live. We acknowledge their cultural and spiritual connections to land, sea, waterways, flora and fauna. We consider with regard the Ancestors, and the current Elders for their contributions.

Original artwork created for MMS -  
'MMS' reconciliation journey' by Judi Sutton



# Message from our Chair and Chief Executive Officer

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**Helen Kurincic**  
Chair



**Rob De Luca**  
Managing Director and CEO

Modern slavery persists today; its causes are complex and it's estimated that in Australia only 1 in 5 victims of modern slavery are uncovered<sup>4</sup>. MMS opposes any form of modern slavery.

The likelihood of the MMS operations contributing to or being directly linked to modern slavery is considered low. However, MMS recognises the importance of these issues and in FY23 we introduced our Human Rights Position Statement. This Statement outlines the Group's commitment to respecting human rights within both MMS and our supply chains.

We are pleased to present MMS' fourth Modern Slavery Statement. In FY23 MMS engaged with over 700 providers of goods and services to operate our business and service our customers. We categorise and segment those suppliers allowing MMS to focus on suppliers that present a higher risk of modern slavery practices either due to their industry category or their geographic location.

MMS is committed to actively reviewing and assessing our modern slavery approach across our organisation and throughout our supply chain. Into FY24 we will continue to build awareness and educate our people and suppliers on what modern slavery is and how to recognise it, encourage our suppliers to identify opportunities to further strengthen their own organisations and supply chains and continue to strengthen our own approach to modern slavery. You can see our progress against our FY23 commitments and our plans for FY24 on pages 15 and 16.

This Statement was approved by the Board of Directors of McMillan Shakespeare Limited on behalf of the MMS Group on 28 November 2023.

**Helen Kurincic**  
Chair

**Rob De Luca**  
Managing Director and  
Chief Executive Officer

<sup>4</sup> Anti-Slavery Australia, Modern Slavery, <https://antislavery.org.au/modern-slavery>

# 1.0

## Introduction

The McMillan Shakespeare Group (MMS, MMS Group, the Group, we or our) is opposed to slavery in all its forms including slavery, servitude, forced labour, human trafficking, deceptive recruiting for labour or services, debt bondage, forced marriage and child labour.

This statement has been prepared in accordance with the reporting requirements of Australia's *Modern Slavery Act 2018* (Cth) (the Act) and associated guidelines. It describes the steps taken by MMS Group during the financial year ending 30 June 2023 to assess and address the risk of modern slavery in our operations and supply chains.

This Statement is submitted by McMillan Shakespeare Limited as a joint statement on behalf of all entities within the MMS Group listed on page 2.

# 2.0 Corporate structure, operations and supply chain

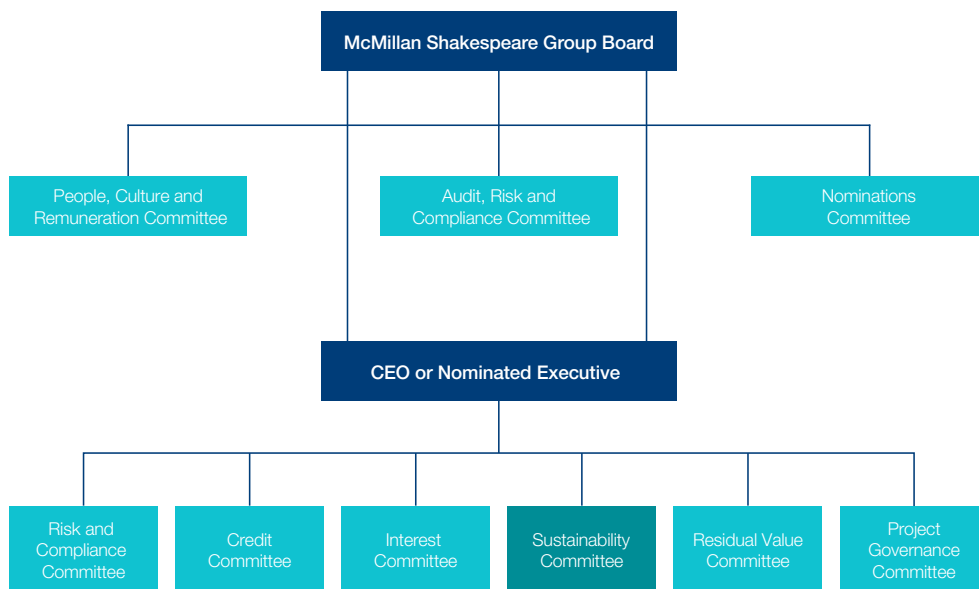
## 2.1 Structure and operations

The MMS Group is a trusted provider of salary packaging, novated leasing, disability plan management and support coordination, asset management, and related financial products and services. We are publicly listed on the Australian Securities Exchange, trading as McMillan Shakespeare Limited (ASX:MMS) and our head office is located in Melbourne.

The Group employed a highly committed team of c.1,300 people in FY23 across Australia, New Zealand the United Kingdom<sup>5</sup> and domestically manages programs for some of the largest public sector, corporate and charitable organisations.

At MMS, the Board of Directors is committed to maintaining a governance structure that supports ethical conduct and oversees the framework for the management of our risks and opportunities. The MMS Board is responsible for governance oversight of MMS' sustainability strategy (including modern slavery) and targets and approving external communications relating to MMS strategy and performance. Sustainability is integrated within the Board and Committee charters and governance structure. Further information on MMS' governance arrangements can be found via our Corporate Governance Statement available on our [website](#).

### MMS Governance structure



<sup>5</sup> On 22 August 2023 MMSG signed an agreement with a consortium of funders predominantly associated with and including Praetura Group (UK) to divest the UK business.

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## 2.2 MMS supply chain

In FY23, the MMS Group engaged over 700 providers of goods and services to operate our business and service our customers, with payments of over AUD\$300 million.

Our people are encouraged to develop long-term commercial relationships with suppliers where possible to promote the delivery of innovative solutions for our customers and to create operational efficiencies.

Some MMS Group subsidiaries act as a payment processing facility for our customers who may choose to use their funds held within the Group to pay their chosen supplier for goods and services. This may include goods and services such as vehicles and vehicle related expenses, living expenses and NDIS support services. In such instances, MMS Group acts on behalf of our customer to transact a payment to the customer's chosen supplier. In other cases, the MMS Group engages financiers to provide finance or funding to third parties, for example its customers and brokers in its aggregation business. MMS Group does not regard these payees or financiers as part of the Group's supply chain.

MMS has undertaken analysis on its supply chain for operational purposes and to understand our potential risk and exposure to modern slavery practices. We have categorised and segmented our suppliers into the below categories. Direct and indirect suppliers are determined by the end business use of the product or service they provide.

**Direct suppliers are where MMS purchases goods and services for internal business use to support our corporate functions. These suppliers include but are not limited to:**

- > IT-related hardware and call centres
- > Corporate merchandise, uniforms and marketing materials
- > Stationery, office supplies and furniture
- > Legal, financial and professional services
- > Corporate travel and accommodation
- > Events and catering
- > Facilities management services including office cleaning and waste disposal
- > Postage and couriers.

**Indirect suppliers are where MMS purchases goods and services on behalf of our clients and customers. These suppliers include but are not limited to:**

- > Purchase of fuel through retail petroleum distribution companies
- > Subscription of Roadside Assistance services
- > Facilitation of funding through financiers
- > Card solutions to facilitate payment transactions.

**MMS further categorises suppliers by their modern slavery risk assessment based on their industry as follows:**

- > Higher modern slavery assessed suppliers which include suppliers that perform cleaning services or manufacture goods in higher-risk countries.
- > Medium modern slavery assessed suppliers which include suppliers that contain elements of possible modern slavery risk due to the nature of their business operations such as cleaning services which are bundled into office rental. These suppliers do not have the same risk level as higher-category suppliers.
- > Lower modern slavery assessed suppliers which are the remaining suppliers and are mainly locally based service businesses.

## 2.2 MMS supply chain (continued)

Our third categorisation is the level of spend, which is based on the materiality for the MMS Group.

This establishes our Category Management Framework which categorises our suppliers into six sub-categories based on their categorisation and annual spend.

**Figure 1: Categorisation of MMS suppliers (as at 30 June 2023)**

**Group 1:**

- Higher spend, higher category, direct.  
0 Suppliers (0% of suppliers).

**Group 2:**

- Higher spend, higher category, indirect.  
9 Suppliers (1.3% of suppliers)  
Fuel and aftermarket accessories.

**Group 3:**

- Medium spend, higher category, direct.  
3 suppliers (0.4% of suppliers)  
IT hardware, call centre.

**Group 4:**

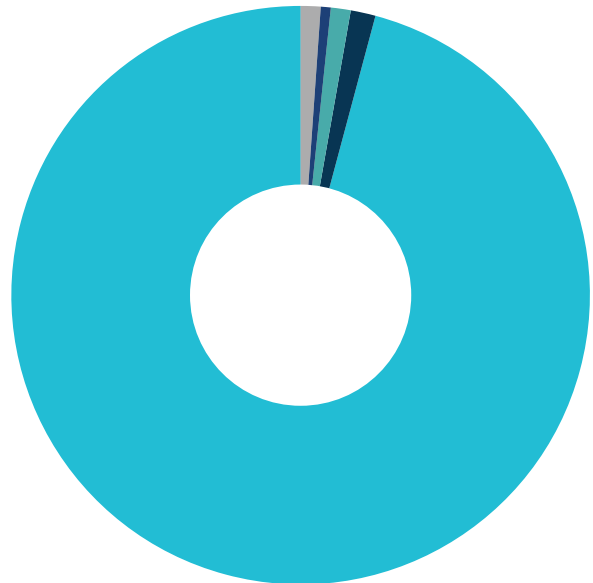
- Lower spend, higher category, direct.  
9 suppliers (1.3% of suppliers)  
Marketing, cleaning, IT labour.

**Group 5:**

- Lower spend, medium category, direct.  
10 suppliers (1.4% of suppliers)  
Marketing, rent which includes cleaning.

**Group 6:**

- Lower spend, lower category, direct.  
678 suppliers (95.6% of suppliers)  
IT, HR, financial services and other suppliers.





## 3.0

# Modern slavery risks

We recognise the causes of modern slavery are complex, with several risk factors often interacting to create situations where people experience practices that constitute modern slavery. This includes industries, sectors and geographies with poor labour practices and employment of vulnerable workers.

Through a modern slavery risk assessment, using a third-party human rights specialist, we identified areas within our operations and supply chains where risk of modern slavery practices may be present. Modern slavery risks were assessed through two lenses.

1. The inherent risk in each operational or procurement category which considered various sources of modern slavery risk such as geographic risk, sector and industry risk, product and service risk and entity risk.
2. Our opportunity to mitigate modern slavery risks which considered the level of influence MMS may have in working with our suppliers and business partners.

The risk assessment drew on several credible publicly available resources, including the United Nations Guiding Principles on Business and Human Rights, Financial Services and Modern Slavery Report by the Australian Human Rights Commission, KPMG and the Global Slavery Index by the Walk Free Foundation. Risk ratings and outcomes were discussed and validated by MMS senior management through an internal workshop.

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### 3.1 Operations

Examination of our operational activities (as described in section 2.1) as part of the risk assessment revealed that the risk of MMS Group causing, contributing to or being directly linked to modern slavery practices within our operations (i.e. related to our directly employed workforce or the provision of products and services) is low. This is because our employees and customers operate primarily within Australia, New Zealand and the United Kingdom<sup>6</sup> and therefore considered low risk with regard to child labour, forced labour, or other modern slavery practices.

MMS Group has a robust system of human resource policies and procedures that aim to ensure compliance with legally mandated employment entitlements and awards across jurisdictions that the Group operates in. These policies apply to MMS Group entities within Australia, NZ and the UK<sup>6</sup>. MMS' workforce management practices focus on confirming individuals' rights to work in respective countries of operation and maintaining a safe, healthy and inclusive workplace.

### 3.2 Supply chain

MMS Group recognises that we may have exposure to the risk of modern slavery practices through our supply chains.

We are aware of the following risk factors across our current supply chain that MMS Group may contribute to or be linked to through our suppliers or business partners.

- > Procurement of specific products for which the material extraction or production may involve modern slavery.
- > Supplier operations in countries with weak commitments to human rights.
- > Use of contract, low-skilled and/or migrant labour.
- > Subcontracting and use of third-party labour hire agencies.

Based on our understanding of modern slavery our risk assessment outlined the following categories as areas for MMS to focus on:

- > Corporate merchandise, uniforms and marketing materials (direct).
- > Information Communication Technology (ICT) related hardware and call centres (direct).
- > Stationery, office supplies and furniture (direct).
- > Facilities management services including office cleaning and waste disposal (direct).
- > Fuel service providers (indirect).

Outputs of this risk assessment are used to implement a staged approach to conducting due diligence activities to help us manage modern slavery risks in our supply chain.

<sup>6</sup> On 22 August 2023 MMSG signed an agreement with a consortium of funders predominantly associated with and including Praetura Group (UK) to divest the UK businesses.

## 4.0 Risk-based approach

We take a risk-based approach to assess and address any modern slavery risks in our supply chain. Our initial focus was on direct suppliers that were identified from higher risk categories through our modern slavery risk assessment, prioritising those where we have a greater opportunity to influence practices.

Based on our suppliers' responses to our Modern Slavery Questionnaire (MSQ), policy reviews and the maturity of their approach, we further prioritised which suppliers to engage with on an ongoing basis. Through this approach the Group addressed opportunities for supplier's to strengthen their modern slavery response where appropriate and therefore help to reduce the risk to MMS being exposed to modern slavery practices.

An example of this approach is following the completion of our MSQ by one of our higher-risk suppliers, we identified gaps in their approach to modern slavery. Working with them we were able to identify risks within their supply chain and opportunities to strengthen compliance in areas within their control, such as their warehouse and transport labour resources. A training program was implemented to educate its staff and contractors about modern slavery practices allowing its people to identify and alert management to any potential issues. They also developed an anonymous whistle blower process enabling staff to raise issues without fear of retribution.

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## 4.1 Policies and processes

At MMS, we are focused on a culture that supports strong business conduct with rigorous corporate governance and risk management frameworks. This is core to being a trusted partner to our customers, clients and stakeholders and to delivering our strategy. The below policies and processes have been developed to support our people and suppliers understand the standards we expect.

<a href="#">MMS Supplier Code of Conduct</a>	<p>Outlines the expectations MMS has of suppliers in relation to human rights and labour standards (including prohibitions against the use of forced labour), modern slavery reporting and occupational health and safety, amongst other matters. The Code outlines our expectations of suppliers to complete MMS' Modern Slavery questionnaire to support our modern slavery reporting and risk assessments.</p> <p>The Code is referenced within contractual documentation with suppliers, including Purchase Order Terms and Conditions.</p>
<a href="#">Human Rights Position Statement<sup>7</sup></a>	<p>Outlines our commitment to respect human rights, informed by the United Nations Guiding Principles on Business and Human Rights.</p> <p>The Human Rights Position Statement further demonstrates to suppliers and stakeholders' our Group's commitment, approach and expectations to assessing and addressing human rights and modern slavery risks as they relate to our operations and supply chains and provide the overarching rationale to implement due diligence across all areas of the business.</p>
<a href="#">UK Modern Slavery Policy</a>	<p>Outlines the expectations for employees and suppliers in the UK with respect to addressing modern slavery risks.</p>
<a href="#">MMS Whistleblower Policy</a>	<p>Sets out the process for employees and suppliers to report any concerns related to illegal or unethical conduct, including modern slavery. No incidents related to modern slavery were raised through our whistleblower channels during the financial year.</p>
<a href="#">Modern Slavery Procedures</a>	<p>Are in place to assist employees and suppliers in following the correct protocols if modern slavery incidents are discovered in MMS Group's operations or supply chains. We provide awareness of these procedures to our people as part of mandatory training as described in section 4.4.</p>

<sup>7</sup> Approved by the MMS Board in October 2022.

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## 4.2 Modern slavery contract clauses

We are progressively incorporating modern slavery clauses into our key contracts, new supplier contracts and contract renewals to support MMS' efforts to address modern slavery risks in our supply chain. Our focus is on suppliers in higher risk categories and those where we could influence practices.

The clauses outline the Group's expectation of suppliers to review their supply chains for modern slavery risks and report any breaches to the MMS Group. The clauses also provide MMS Group with the right to audit the supplier or undertake verification activities to assess compliance against our modern slavery clauses.

Modern slavery clauses have been included within our standard supplier agreements, including Agency Agreements, Preferred Dealer Agreements, Master Services Agreement and Purchase Order Terms and Conditions.

Where our ability to negotiate terms and conditions with a supplier are limited such as with large multinational companies, we review their publicly available policies and disclosures related to modern slavery to understand the steps they are taking to address modern slavery risks.

## 4.3 Supplier due diligence

We have conducted an assessment of modern slavery risks in our supply chain initially focusing on suppliers in higher categories over a particular spend threshold. We categorise our suppliers by industry sector, value of spend, and type of spend (Direct corporate procurement and Indirect core business). Overlaying this supplier categorisation with the Modern Slavery risk assessment (covered in Section 2.2) has enabled us to prioritise our focus and response to our suppliers based on the highest likelihood of modern slavery (risk), our ability to influence (spend) and have an impact.

During FY23 we completed a project with an external expert advisory to develop a modern slavery due diligence framework for MMS and a detailed gap analysis to help us understand our strengths, identify areas where we can progress and highlight gaps in our modern slavery approach.

As part of our due diligence framework in 2023 MMS included a 'medium' category alongside its higher and lower categories. An example of this is office rental, when office cleaning is bundled into the overall rental agreement. One of MMS' largest rental providers was able to demonstrate their approach to fair labour practices by seeking certification via the Cleaning Accountability Framework (CAF). This certification ensures fair labour practices in the following areas:

- > Employment policies and procedures
- > Conditions of employment
- > Record keeping
- > Induction and training
- > Job security at change of contract
- > Freedom of association

## 4.4 People training

MMS provides training to leadership and decision-making roles which are relevant to the management of modern slavery risks across our operations and supply chains. Incorporated into the Group compliance training program this training module aims to increase our people's understanding of modern slavery, expectations on supplier due diligence and what to do if they suspect modern slavery is present in our operations or supply chain.

During FY23 tailored modern slavery training was provided to 149 roles in Australia and New Zealand for our people involved in the selection of suppliers, with a completion rate of 100%. In addition the Group made all MMS people aware of modern slavery risks and related policies and processes.

## 5.0

# Assessing effectiveness

MMS uses several ways to assess our effectiveness and continuously improve our approach to managing modern slavery risks.









These include:

- > Reporting regularly to the MMS Sustainability Committee and the Board on our program of work to address modern slavery risks.
- > Reviewing supplier responses to the MSQ.
- > Feedback we receive from suppliers during contract negotiation and ongoing engagement.
- > Consulting with relevant business units, entities and employees of the MMS Group.
- > Engaging external modern slavery advisories and experts to review our approach and provide recommendations for improvement.
- > Active monitoring of evolving industry best practices, lessons learned and areas for improvement through external events and research reports.
- > If incidents are raised they will be investigated through internal reporting and whistleblowing channels.

## 6.0 Progress completed in FY23 and plans for FY24

MMS is committed to continually improving our processes and actions to address modern slavery risks in our operations and supply chain, recognising that this is an ongoing process.

**Table 1: Our progress against modern slavery commitments in FY23**

Action area	Our commitments	Progress
Policies and commitments	Communicate Human Rights Position Statement with our people and suppliers.	
	Convene a small team across the business to develop, align and implement MMS' Modern Slavery Statement. Team members were from sustainability, procurement, legal and learning and development.	
Risk assessment and due diligence	Assess modern slavery risks within remaining Category A and Category B suppliers, including through Modern Slavery questionnaire.	
	Develop and document a supplier due diligence process for new and existing suppliers.*	
	Continue to engage with prioritised suppliers to identify improvement opportunities and strengthen their modern slavery responses.	
	Complete Modern Slavery due diligence project with external advisory and commence integration into procurement and supplier engagement processes.*	
	Progressively introduce Modern Slavery Questionnaire into contract negotiation process.	
Assessing effectiveness	Develop a set of qualitative and quantitative indicators to assess how effectively modern slavery risks are being managed.*	

\* Commitments and plans carried over from FY22

**Table 2: Our modern slavery plans for FY24**

Action area	Our commitments
Policies and commitments	Review MMS Modern Slavery processes and update if required.
	Bi-annual (every two years) training of key MMS teams and people responsible for contract development and supplier engagement / selection.
Risk assessment and due diligence	Take a risk-based approach to supplier selection prior to contract development and signing.
	Modern Slavery questionnaire 3-yearly review cycle using a risk-based approach.
	Develop proportional MMS Modern Slavery questionnaire based on supplier categorisation i.e. direct / indirect, risk profile and spend.
Assessing effectiveness	Encourage cleaning and bundled rent and cleaning suppliers to obtain CAF (Cleaning Accountability Framework) Certification and/or undertake their own risk assessment in relation to fair labour practices.
	Continue to investigate qualitative and quantitative indicators to assess how effectively modern slavery risks are being managed*.

\* Commitments and plans carried over from FY23



## 7.0

# Consultation with entities owned/controlled by MMS Group

In preparing this year's Statement members of the Group's Sustainability Committee actively engaged and consulted broadly across the Group on behalf of its subsidiaries.

Engagement and consultation included:

- > Collaborating with relevant business units such as risk and compliance, human resources, sustainability, legal, Executive Leadership Team members and the MMS Board to provide an overview of the Modern Slavery Act 2018 reporting requirements and MMS' past actions and commitments.
- > Providing information in relation to MMS' progress against prior year actions and commitments and information regarding plans we intend to take into FY24.
- > Seeking feedback from internal stakeholders to help inform this Statement.
- > Socialising associated modern slavery policies and frameworks across the MMS Group to support the implementation of the Group's approach to modern slavery management.

This Statement is the consolidation of those actions.

## Alignment with the mandatory criteria for modern slavery statements

Mandatory criteria for modern slavery statements	Statement section	Page
Identify the reporting entity (16.1.a)	Entities covered under this Statement	2
Describe the structure, operations and supply chains of the reporting entity (16.1.b)	Corporate structure, operations and supply chains	6
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 (16.1.c)	Modern slavery risks	9
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 (16.1.d)	Risk-based approach	11
Describe how the reporting entity assesses the effectiveness of such actions (16.1.e)	Assessing effectiveness	14
Describe the process of consultation with: (16.1.f) (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement	Consultation with entities owned/controlled by MMS Group	17
Include any other information that the reporting entity, or the entity giving the statement, considers relevant (16.1.g)	Progress completed in FY23 and plans for FY24	16
Details of approval by the relevant principal governing body or bodies (16.2.b.i)	Message from our Chair and Chief Executive Officer	4



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### **Publication date**

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