



Publication date: 18 May, 2022

Introduction to the GQG Partners Joint Modern Slavery Statement for FY 2021:

GQG Partners Inc. and its affiliates (**GQG**) supports the intent and objectives of the *Modern Slavery Act 2018* (Cth) (**Australian Act**) and the United Kingdom (UK) *Modern Slavery Act 2015* (**UK Act**) (each an **Act** and together the **Acts**) and has implemented appropriate processes and procedures to assess and address modern slavery risks. GQG intends to register to publish its 2021 Joint Modern Slavery Statement with the Australian Department of Home Affairs and the UK Home Office's Modern Slavery Statement Registry Service.

Please see GQG's full Joint Modern Slavery Statement for FY 2021, beginning on the following page.



GQG PARTNERS INC. (ARBN 651 066 330)

GQG PARTNERS LLC (Delaware No. 6007251)

GQG PARTNERS (AUSTRALIA) PTY LTD (ACN 626 132 572)

GQG PARTNERS (UK) LTD (company number 11175684)

Joint Modern Slavery Statement for financial year (**FY**) 2021

Background

This Joint Modern Slavery Statement for FY 2021 (**Statement**) is made pursuant to subsection 14(1) of the Australian Modern Slavery Act 2018 (Cth) (**Australian Act**) by GQG Partners Inc. (ARBN 651 066 330) (**GQG Inc.**), GQG Partners LLC (Delaware No. 6007251) (**GQG US**) and GQG Partners (Australia) Pty Ltd (ACN 626 132 572) (**GQG AU**) and (2) section 54 of the UK *Modern Slavery Act 2015* (**UK Act**) by GQG Partners (UK) Ltd. (company number 11175684) (**GQG UK**) (each an **Act** and together the **Acts**) and describes the actions taken by them (together, **GQG**) to assess and address modern slavery risks they face in their supply chain and operations during FY 2021, as required by the Acts.

The Australian Act requires an entity either incorporated in, or carrying on business in, Australia which has an annual consolidated revenue greater than \$100 million to report annually on the risks of modern slavery in its business and how it is assessing and addressing those risks. The UK Act requires an entity that has a demonstrable business presence in the UK and that has an annual global turnover greater than £36 million to publish an annual statement that confirms the steps taken to ensure that slavery and human trafficking are not taking place in the business (or in any supply chain) or declare that no steps to confirm the existence of slavery or trafficking have been taken.

For the purposes of this Statement with respect to the Australian Act, the reporting entities are GQG AU, its sole shareholder, GQG US and its sole shareholder, GQG Inc, with GQG Inc. being the 'higher entity' as defined in the Australian Act. For the purposes of this Statement with respect to the UK Act, the reporting entity is solely GQG Partners (UK) Ltd (**GQG UK**).

About GQG

GQG Inc. is a holding company listed on the Australian Securities Exchange and is the parent company of GQG US and, indirectly, of its subsidiaries including GQG AU and GQG UK.

GQG US is a boutique investment management firm focused on global and emerging markets equities. We view our primary responsibility to be to help our clients secure their financial future, and we endeavor to create a business that is deeply aligned with our clients' financial interests. Headquartered in Fort Lauderdale, Florida USA, we strive for excellence at all levels of our organization through a commitment to independent thinking, continual growth, cultural integrity and a deep knowledge of the markets.

GQG US, with marketing and distribution services from GQG AU and GQG UK (each in their respective jurisdictions only), provides portfolio management and investment advisory services to wholesale investors, professional clients and pooled investment funds. Wholesale investors and professional clients are referred to as 'institutional investors' in the US, 'wholesale clients' in Australia, and are collectively referred to in this report as **Wholesale Investors**.

Structure

GQG Inc. is a corporation formed in Delaware, USA. It is the sole equity owner of GQG US, an investment management firm registered as an investment adviser with the United States Securities and Exchange Commission.

GQG US (Delaware No. 6007251) is a limited liability company formed in Delaware, USA. It is the sole shareholder of GQG AU (ACN 626 132 572), an Australian corporation formed under the Australian *Corporations Act 2001* (Cth) and of GQG UK, a limited company incorporated in England and Wales under the Companies Act 2006. In Australia, wholesale sales and marketing activities on behalf of GQG US are conducted through GQG AU. In the UK, institutional and professional sales and marketing activities on behalf of the GQG US are conducted through GQG UK. In the United States, GQG US conducts its own institutional sales and marketing activities.

As of April 1st 2022, GQG has 126 employees and full time contractors. Eight are located in Australia, five are located in the UK and 113 are located in the US¹.

¹ In Australia, employees are employed by GQG AU. In the UK, employees are employed by GQG UK. In the United States, employees are employed by GQG US.

Operations

GQG's operations are straightforward. Its investment team researches and analyzes investment strategies for its clients' portfolios and either implements those strategies directly with the assistance of the securities trading and operations team or advises the client regarding those strategies. The trading and operations team arranges the acquisition and disposition of client portfolio investments. The legal team assists with negotiation of investment management agreements with clients, as well as advising GQG on other legal matters. The sales and marketing team assists with marketing and/or sales activities for GQG's services, both directly and through pooled investment funds. All other functions are support functions.

GQG does not otherwise provide any significant products or services.

Supply Chain

GQG's supply chain consists principally of its own employees. GQG's supply chain also includes more generally:

- (i) research and brokerage services,
- (ii) professional services, i.e., legal and accounting, and
- (iii) general office facilities support including office premises, general office IT, record keeping, cleaning, security and food services for each of GQG's offices.

Generally, goods and services that make up GQG's supply chain are sourced locally in Australia, the UK and the US and are obtained under regular commercial terms and conditions.

Modern Slavery Risks

Causing modern slavery practices – GQG believes its risk of directly causing modern slavery risk is low. GQG employs individuals in three developed countries, Australia, the UK and the US, all of whom are either professionals or professional administrative support. Goods and services vended in are purchased locally under regular commercial prices and terms.

Contributing to modern slavery practices – GQG believes the risk of its contributing to modern slavery practices is low. Due to its size, GQG generally lacks the purchasing power to effect extraordinary price and terms for the goods and services it acquires.

Linkage to modern slavery practices – it is possible that GQG might be linked to other firms

engaged in modern slavery practices. For example, IT vendors may outsource to locations outside of Australia, the UK and the US where employment safeguards are not as robust. Likewise, it is possible that vendors providing office cleaning and other location related services could use inappropriate employment practices. GQG may have little visibility into a vendor's outsourcing and employment practices, and little ability to affect a change in such behaviors once discovered except to replace the vendor when and where possible.

Actions Taken to Address Modern Slavery Risk

GQG has taken the following due diligence and remediation steps to assess and address the risks of modern slavery practices occurring in its operations and supply chain during the past year.

Understanding GQG's supply chain – reflective of FY 2021 being the first year of GQG's implementation of procedures under the Australian Act and the UK Act as applicable, GQG's efforts focused on:

- (i) understanding each Act's definition of supply chain;
- (ii) identifying the GQG supply chain as defined by each Act; and
- (iii) identifying key risk areas of its supply chain where GQG may cause, contribute or be linked to modern slavery practices.

These efforts consisted of, among other things, consultations with GQG's outside legal experts, research into modern slavery statements and policies by other companies in GQG's industry and review of the Australian Act's and UK Act's requirements with senior management.

Training – to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we intend to provide training to our employees.

Surveying key suppliers in the chain – based on the foregoing assessment, GQG identified what it believes to be the highest impact vendors in its supply chain based on the cost of goods and services to GQG as a proxy for GQG's ability to obtain relevant information and influence practices.

In FY 2021, GQG AU (in Australia) and GQG UK (in the United Kingdom) sent surveys to GQG's top 10 qualifying vendors in order to establish a working baseline with which to evaluate GQG's modern slavery risk. The questionnaire requested self-reporting on the vendor's awareness of modern slavery practices, whether the vendor has policies and procedures to identify and address modern slavery practices, and any steps taken by the vendor to address modern slavery risks.

Findings

GQG reviewed the responses to its questionnaire to determine if meaningful information was provided and whether enhancements to GQG's process were warranted. In reviewing the responses, GQG noted the following:

- 90% of the respondents either had existing modern slavery programs (**Program**) or had identified the need for, and were in the process of, developing a Program. These were by and large professional services firms and vendors and included some of GQG's top vendors by billing and key services provided;
- 10% of the respondents expressed awareness of modern slavery requirements but stated that they had no current plans to institute a formal Program because they were small professional services firms that had few employees, no material foreign operations and low modern slavery risk;
- None of the vendors failed to respond.

Tracking GQG's performance – given FY 2021 was the initial implementation year for GQG, GQG's efforts with respect to tracking performance have focused on identifying to management, methodologies and reports to enable effective tracking in subsequent years, and to set a baseline for subsequent year reporting by vendors that remain in the questionnaire process, year-to-year. Likely key performance indicators to be adopted following this review may include:

- The percentage of suppliers and sub-contractors vetted for ethical labour practices.
- The number of reported breaches in the past year.
- Percentage of staff receiving training on identifying and addressing the risk of slavery and human trafficking in our business and supply chains.

Remediation – GQG did not identify in FY 2021 a modern slavery situation in its supply chain requiring immediate remediation, however, refer to the findings above.

Assessing on-going effectiveness

GQG's Global Chief Compliance Officer will assess the effectiveness of GQG's Modern Slavery Policy and will report to management.

Given GQG's relatively small size, the relative infrequency of turnover in its employees, its supply chain, and the nature of its business and operations, GQG will make further assessments and enhancements as warranted as GQG gains experience in this area.

Additional consultation with entities owned or controlled

Because GQG's owned or controlled entities that house its Australian and UK employees and/or its sales and marketing operations are directly managed by GQG's management

team, additional consultation outside of GQG's existing internal processes and procedures is not necessary. In light of GQG's relative size and management structure, GQG believes that additional consultation with owned or controlled entities beyond what is outlined above is unnecessary at the present time.

Other relevant information

None at present.

Approval:

This Statement was considered and approved by GQG Inc.'s Board of Directors as its principal governing body and by GQG Partners (UK) Ltd.'s Board of Directors on May 18, 2022.

Signed by:

sign

here ►



*print
name*

Frederick H. Sherley

title

General Counsel and Corporate Secretary, GQG Partners Inc.

sign

here ►



*print
name*

Mark Barker

title

Director, GQG Partners (UK) Ltd