

Ausbil's Modern Slavery Statement (2024)

Ausbil Investment
Management Limited
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ACN 076 316 473
AFSL 229722

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Summary

Preamble

Ausbil Investment Management Limited (**Ausbil**) is pleased to publish its fifth Modern Slavery Statement (**Statement**).

Ausbil is committed to the principles of responsible investing and preventing environmental, social and governance including modern slavery (ESG) risks for our business.

In addition, Ausbil has demonstrated its commitment through a number of measures and positive actions and initiatives as set out in this Statement.

At Ausbil, we integrate ESG factors in our investment making process. In doing so, we take an active approach to the way we invest and engage with an investee company.

Ausbil has a dedicated ESG Research Team comprising three (3) full time employees led by Mr Måns Carlsson OAM, Head of ESG and Co-Portfolio Manager of the Ausbil Active Sustainable Equity Fund. Mr Carlsson is also a director of the Responsible Investment Association Australasia (**RIAA**), act as chair of the Human Rights Working Group of RIAA, participated on the Steering Committee of Investors Against Slavery and Trafficking – Asia-Pacific (**IAST-APAC**) and on a panel of advisors to the NSW Anti-Slavery Commissioner.

We believe that the integration of ESG research, with active engagement, can help identify mispriced securities and drive long-term value and reduce the risk for our clients.

Our interest in helping to identify, assess and combat incidences and risks of modern slavery and other human rights issues in supply chains is long-standing. Our fundamental involvement in the evolution of modern slavery approaches in investment, and in active consultation during the development of the Modern Slavery Act (**MSA**, or **Act**), culminates in this Statement, which reflects how we operate our own business with respect to the risks of modern slavery, and how we invest and manage money on behalf of our clients.

Based on our business model, our exposure to the risks of modern slavery arises from two (2) main sources:

- (i) the universe of companies in which we invest money on behalf of our clients; and
- (ii) our immediate supply chains.

To read more about Ausbil's approach to ESG, including modern slavery, visit www.ausbil.com.au.

Ausbil has chosen to submit this Statement on a voluntary basis¹ to demonstrate our commitment to preventing the occurrence of modern slavery in our operations and supply chains.

Summary

In 2024, Ausbil continued to make progress in a number of areas. For instance:

- **Partnership with Domus 8.7:** Ausbil became the first corporate partner to sign with Domus 8.7, which provides advice, remediation and prevention services in response to modern slavery.
- **Leadership in collaborative investor initiatives:** Ausbil continued its industry leadership through chairing the Human Rights Working Group of RIAA, which included both policy advocacy and investor collaboration. Ausbil continued co-chairing a workstream for IAST-APAC, which received an award from the Principles for Responsible Investment (PRI). Also, Ausbil joined the PRI Social Issues Reference Group. Ausbil also presented at the RIAA Conference on a panel focused on modern slavery.

1. Ausbil's annual revenue is below the threshold of \$100 million.

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Participation in research and development of reporting frameworks: Through RIAA's Human Rights Working Group, Ausbil was involved in the development of an investor toolkit called '**Human Rights in Global Value Chains**'. This toolkit was published after the reporting period and assists investors with constructive engagement with companies on modern slavery. Ausbil also participated in a research project by the Association of Chartered Certified Accountants (ACCA) discussing investors' perspectives on living wages in the context of modern slavery. Also, Ausbil engaged with the International Sustainability Standards Board (ISSB) and their Human Capital Consultation.

- **Policy advocacy:** Ausbil moderated an investor meeting with the UN Special Rapporteur on Modern Slavery and had policy advocacy discussions in relation to modern slavery with politicians in Canberra. Ausbil also participated in the NSW Anti-Slavery Forum 2024, organised by the NSW Anti-Slavery Commissioner's Office.
- **Risk assessment:** Ausbil continued to enhance its modern slavery risk assessment, including an annual update of the proprietary risk assessment of ASX200-listed companies.
- **Company engagement:** Ausbil continued to engage with companies on good practices in regard to human rights risk management. In addition to direct engagement with companies, Ausbil also presented on modern slavery at a webinar hosted by the Australian Investor Relations Association (AIRA), a Sustainability Professional Academy webinar and at a SEDEX webinar, reaching a wide range of companies.
- In 2024, Ausbil updated its Modern Slavery Policy, which outlines employees' responsibilities in reporting instances of modern slavery or human rights abuses in our business or supply chain.

Formal adoption

Ausbil formally adopted this Statement by board resolution on 29 May 2025.

1. Identify the entity that is reporting

The reporting entity is Ausbil Investment Management Limited (ABN 26 076 316 473 AFSL 229722) (**Ausbil, we, us**). This Modern Slavery Statement (**Statement**) is provided on a voluntary basis and covers Ausbil's financial year (1 January 2024 to 31 December 2024 (**FY24**)). The Statement has been prepared in accordance with the requirements of Australia's Modern Slavery Act 2018 (Cth) (**Act** or **MSA**).

This Statement has been produced on a voluntary basis to demonstrate:

- our commitment to prevent the occurrence of modern slavery in our operations and supply chains;
- our approach to responsible investing by integrating ESG factors (including modern slavery) in the provision of our financial products and services; and
- our ongoing leadership in bringing awareness and stewardship responsibilities in addressing modern slavery risks.

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2. Describe the structure, operations and supply chains of the reporting entity

2.1. Ausbil's Structure

Established in April 1997, Ausbil is an Australian based Australian and global equity asset manager for superannuation funds, institutional clients, master trusts and retail clients.

Ausbil is an Australian unlisted public company with over A\$19.5 billion in assets under management (as of 31 December 2024).

Ausbil is owned by its employees and New York Life Investment Management LLC (**New York Life Investments**), a wholly owned subsidiary of New York Life Insurance Company. As a member of New York Life Investments affiliated group of independent boutiques and investment teams, Ausbil can offer (through sub-advisory arrangements) its asset management capabilities to investors in the relevant jurisdiction and conversely, Ausbil is able to make available capabilities that are in the group and not directly offered by Ausbil to Australian investors.

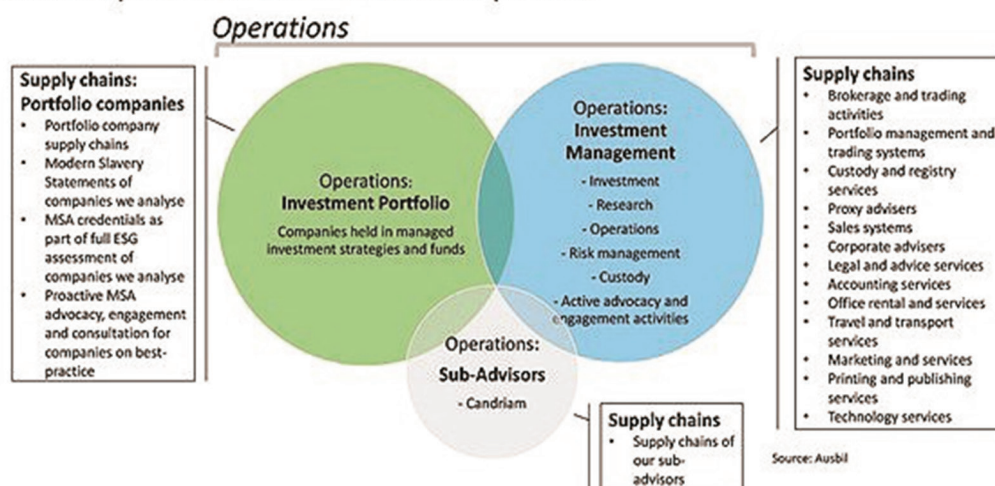
As of 31 December 2024, Ausbil has 71 employees, primarily based in Sydney, Australia and has offices in Melbourne, Brisbane and Perth.

Ausbil is the responsible entity of managed investment schemes issued by Ausbil (**Ausbil Managed Funds**), provides discretionary investment management services to institutional clients (**Mandates**) and investment advisory services to financial product issuers both in Australia and overseas (**Investment Advisory Services**), collectively known as "Investment Portfolios".

For the purpose of understanding Ausbil's operations and supply chains, Figure 1 outlines the key areas that form Ausbil's activities.

Figure 1: Ausbil AUM by strategy

Ausbil: Spheres of influence and exposure



Ausbil's exposure to modern slavery risks are within its Investment Portfolios and our corporate supply chain.

2.2. Ausbil's Investment Portfolios

As an asset management business, Ausbil offers its investment capabilities through a range of products and services including Ausbil's Managed Funds, Mandates and Investment Advisory (collectively 'Investment Portfolios').

Statement on Modern Slavery

2.3. Ausbil's corporate supply chains

We engage a number of businesses to supply services to us to help us operate our asset management business including custodial and administration services, professional services (such as legal, audit and consulting, brokerage, research), IT services, data and software subscription services, facilities, premises and associated maintenance of the premises.

In FY24, Ausbil had 303 suppliers registered in our accounts as part of Ausbil's overall supply chain (compared to 333 in 2023, and 290 in 2022). This includes ongoing, contractual and one-off suppliers.

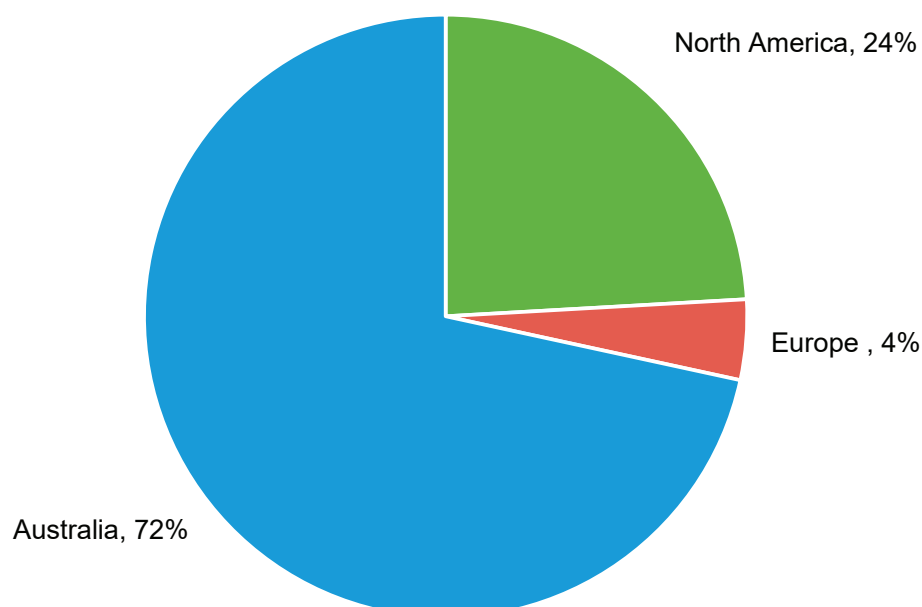
Table 1: The approximate range of spend by supplier type.

Expense type	Percentage of total spend (%)
Financial and insurance services	27.1
Information media and telecommunications	29.3
Professional and technical services	15.9
Rental, hiring and real estate services	13.0
Accommodation, hospitality and travel	7.2
Other	7.7

Source: Ausbil as at 31 December 2024

The majority of Ausbil's suppliers (based on % of total spend) are based in Australia.

Figure 2: Geographical split of suppliers



Source: Ausbil as at 31 December 2024

Statement on Modern Slavery

3. 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

3.1. Ausbil's Investment Portfolios

Ausbil's ESG Research Team has developed a proprietary Ausbil ESG framework for ASX-listed companies, comprising:

- a number of scoring models to assist Ausbil in considering and assessing ESG risks (including modern slavery risks) when making investment decisions for and on behalf of our clients; and
- an engagement program with investee companies to bring awareness and promote ESG practices in its operations.

The Human Rights & Slavery Risk Model (**HR&S Risk Model**) is one of the tools in the ESG framework used by the ESG Research Team to assess, analyse and determine modern slavery risks of the companies within the Investment Portfolio that are in the ASX200. This tool pre-dates the MSA.

The ESG Research Team is responsible for scoring an investee company within the Investment Portfolio by applying qualitative (such as findings and observations from the engagement program) and quantitative (such as annual reports, public information, Global Slavery Index, Transparency International's Corruption Perception Index and other human rights indices) information about that company to the scoring models including the HR&S Risk Model. Where information is not readily available, assumptions based on peers are used.

(a) Ausbil approach to assessing risks

The HR&S Risk Model assesses a company's exposure to modern slavery risks having regard to two aspects: 1) risk exposure and 2) risk management.

Risk Exposure:

The risk exposure assessment to a number of factors including:

- the geographical location of an entity's operations and supply chains (including suppliers below tier 1 level);
- the structure and dynamics of the industry in which a company operates, such as the level of pricing pressure from buying companies on suppliers;
- the extent of vulnerable workers in the industry / the supply chain, such as migrant workers;
- the length and complexity of the supply chain; and
- the products and services provided.

A company's exposure to ESG risk is rated from '0-3' with '3' assessed as highest risk.

In 2024, Ausbil's proprietary ESG research covered approximately 210 domestically listed companies in the reporting period and includes individual ESG scores as well as extensive risk analysis from an ESG and modern slavery/human rights perspective.

In 2024, the average ASX200 company received a risk exposure score of 1.84 and the market cap weighted average was 2.22.

In comparison, in 2023, the average ASX200 company received a risk exposure score of 1.82 and the market-cap weighted average was 1.68.

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Risk Management:

The HR&S Risk Model also assesses a company's approach to preventing modern slavery risks in its supply chain by considering the adequacy and maturity of a company's risk management practices, operations and supply chains for running its business in respect of preventing modern slavery risks. A company's risk management practices are scored from '0-3' with '3' assessed as having a mature risk management framework.

In 2024, the average ASX200 company received a risk management score of 1.37 and the market-cap weighted average was 2.23.

In comparison, in 2023, the average ASX200 company received a score of 1.29 and the market-cap weighted average was 1.18.

Year-on-year changes are expected in both the ASX200 company risk exposure and risk management scores as part of the ESG team's annual assessment process. In some cases, companies may have enhanced their disclosures and transparency, contributing to score changes. Other factors influencing the score may include changes to the index composition and index weights.

(b) The outcome of our risk assessment for Ausbil's investment portfolios

This outcome from the assessment enables Ausbil to measure the Investment Portfolio's exposure to ESG risks versus benchmark and measure and assess changes by an investee company over time. It also helps Ausbil guide Ausbil's engagement program.

The 2024 risk assessment has identified specific countries and industry sections which we consider pose a modern slavery risk to the investment that Ausbil manages. These key risks are:

- consumer staples, food and beverage, agricultural, construction material, and travel sectors; and
- particularly in relation to South-East Asian supply chains but also where migrant workers are frequently employed (both overseas and in Australia).

Accordingly, the majority of Ausbil's engagement activities in 2024 focused on these risk areas. The outcome of the 2024 risk assessment is similar to the outcome of our 2023 risk assessment.

3.2. Ausbil's corporate supply chains

Ausbil believes all businesses typically have some level of risk at some point in their supply chains. Year on year, the assessment of risk exposure and risk management of Ausbil's suppliers has been built on the previous year's work.

In 2024, Ausbil had 20 high risk tier 1 suppliers providing services to Ausbil. The majority of these suppliers are based in Australia (refer to 'Figure 2: Geographical split of suppliers' for a breakdown of suppliers by country/region). However, Ausbil acknowledges that many suppliers have long and complex global supply chains.

Detailed analysis was conducted on the risk exposure and risk management practices of suppliers, having regard to their respective published Modern Slavery Statements, public policies and practice against the Ausbil Supplier Code of Conduct.

Accordingly, Ausbil has identified that some companies in our supply chain may outsource certain activities to other entities that Ausbil does not have a direct contractual relationship with, therefore indirectly, exposing Ausbil to modern slavery practices.

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4. Describe the actions taken by the reporting entity (and owned or controlled entities) to assess and address those risks, including due diligence and remediation processes

4.1. Ausbil's Investment Portfolios

From an investment portfolio perspective, Ausbil has taken the following actions during the reporting period:

(a) ESG Research Process

As at the end of the reporting period, all of the investee companies in the Investment Portfolio that were in the ASX200 were covered by an ESG research report with information on the company's modern slavery risk.

(b) Engagement with individual companies

Ausbil believes investment managers can have an important role to play through engagement with investee companies on the issue of modern slavery and other human rights issues. We believe engagement is the most productive action because modern slavery and human rights issues are typically systemic risks meaning they can be very difficult to diversify away in a portfolio.

In particular, Ausbil believes effective engagement on modern slavery and other human rights risks can encourage companies to adopt measures that are considered best-in-class in order to minimise the risk of modern slavery and other human rights abuse in the supply chain. We also believe we have a role to play as an investor (for and on behalf of our clients) and a participant in the financial services industry through advocacy with our peers, the wider investment industry, businesses, governments and other stakeholders as modern slavery is a systemic risk. Further, Ausbil believes it has a role to play in education of other investors to mobilise more investors to take the same effective engagement approach.

Ausbil operates within an annual ESG engagement program, which has included human rights and modern slavery for many years. Engagement and advocacy on modern slavery and human rights issues is not new for Ausbil, and we have a proud history of engaging on these issues.

During the reporting period Ausbil's ESG Research Team engaged directly with 23 ASX listed companies (including companies held and not held in the Investment Portfolio) to discuss responsible sourcing, including modern slavery and other human rights issues in their supply chains. Those engagements generally encourage adoption of what we believe constitute industry best practice on responsible sourcing and other risk mitigation activities. In 2024, the engagements also involved detailed discussions on topics such as due diligence in solar panel sourcing, improving the effectiveness of whistleblower channels, deeper analysis and engagement beyond Tier 1 suppliers, and the sharing of global best practices. In addition to the 23 direct engagements, Ausbil engaged indirectly to a broader corporate audience through presentations, e.g. at events organised by SEDEX ('Getting the board on board – articulating the importance of modern slavery and human rights due diligence to senior management') and the Australian Investor Relations Association. These events were focused on modern slavery / human rights risk mitigation and included promotion of case studies and practices considered by Ausbil to represent best practice. The events had over 100 registered attendees and gave Ausbil an opportunity to engage with companies that we did not engage with directly through the corporate access program.

For Ausbil's global investment portfolios (i.e. portfolios that invest in markets outside of Australia), there were over 35 engagements by the Global SmallCap Team with a focus on companies deemed by the ESG framework to have a higher risk of modern slavery in their supply chains. The Global Small Cap strategies engage with companies on a variety of ESG issues including modern slavery. Alongside these engagements the strategy also excludes companies engaged in controversial activities; these activities are listed in our published documentation including the Product Disclosure Statements. The strategy uses a variety of

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informational sources to undertake the ESG and modern slavery analysis including company publications and interactions; Bloomberg and MSCI (a leading provider of ESG information to the investment community). Ausbil will continue to identify ways to engage effectively with globally listed companies.

4.2. Ausbil's corporate supply chains

(a) Ausbil's Supplier Code of Conduct

Ausbil introduced the Supplier Code of Conduct in 2020 which outlined our expectations for our suppliers. Ausbil requested that our high-risk Tier 1 suppliers acknowledge their compliance with the obligations outlined in the Code of Conduct. This exercise was repeated in 2024 with an expanded criteria including medium risk suppliers, as well as any new high-risk suppliers that may have entered that list.

All new and existing suppliers categorised as high and medium risk will receive this Code and will be requested to sign it. Ausbil will manage suppliers taking into account the Supplier Code of Conduct and will look to finding substitutes for suppliers if they fail to demonstrate their commitment.

It is intended that Ausbil will review supplier contracts with a view to incorporating modern slavery contractual clauses where possible.

(b) Modern Slavery Policy

In 2024, Ausbil updated the Modern Slavery Policy, which outlines employees' responsibilities in reporting instances of modern slavery or human rights abuses in our business or supply chain. The updated policy incorporates Ausbil's commitment to setting up a framework for remediation of modern slavery.

(c) Supply chains of Ausbil's sub-advisers

Ausbil is affiliated with several investment managers, through our ultimate parent company, New York Life Insurance Company. One of these is Candriam, who act as a sub-adviser to a Managed Fund, the Candriam Sustainable Global Equity Fund, that Ausbil acts as its responsible entity.

When appointing a sub-advisor such as Candriam, Ausbil may be exposed to modern slavery and broader ESG risk of the sub-adviser.

In 2021, Ausbil commenced a project to engage with sub-advisers to better understand the potential risk exposure for Ausbil through the sub-advisers.

In 2024, Ausbil reached out to the sub-advisers to receive updates on any further advancements in their approach to modern slavery.

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4.3. Remediation

In 2024, Ausbil became the first investment organisation to sign with Domus 8.7, an anti-slavery remediation charity established to help meet the UN Sustainable Development Goal 8.7 of ending modern slavery by 2030.

Ausbil has provided financial assistance to Domus 8.7 to support their work. Remedial actions that Domus 8.7 may provide to people impacted will vary on a case-by-case basis and may include:

- Social care and rehabilitation services to address psychological and physical impacts;
- Financial or non-financial compensation to redress exploitation;
- Offering alternative employment opportunities;
- Payment of wages that were previously denied;
- Reimbursement for unfair recruitment fees;
- Provision of re-training to support new employment opportunities; and/or
- Assistance with safe transport, relocation or repatriation support.

About Domus 8.7

Domus 8.7 is a remediation service dedicated to providing modern slavery advice, remediation and prevention. Domus 8.7 was inspired by Pope Francis, who was the catalyst for “Target 8.7” of the United Nations’ Sustainable Development Goals (SDGs) which calls for effective measures to end all forms of forced labour, modern slavery, human trafficking and child labour by 2030. In Australia, Domus 8.7 is administered by the Australian Catholic Antislavery Network, a modern slavery risk management program focused on risks to people in supply chains and operations. Domus 8.7 is a registered charity with the Australian Charities and Not-for-profit Commission, is an endorsed Public Benevolent Institution with Deductible Gift Recipient (DGR) status. More information can be found on their website: <https://domus87.org.au>



Pictured above (left to right): Mark Knight (Chief Executive Officer, Ausbil), Janelle Morrison (ESG Analyst, Ausbil), Måns Carlsson OAM (Head of ESG & Co-Portfolio Manager, Ausbil), Alison Rahill (Domus 8.7) Moe Turaga (Modern Slavery Survivor Expert) and Paul Xiradis (Executive Chairman, Ausbil) Date: October 2024.

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4.4. Industry Engagement

Ausbil believes an issue like modern slavery is not a company specific issue and is not an issue that any government, company or investor can eradicate alone. As a result, Ausbil has taken an active approach on collaboration and education with other investors. During the reporting period Ausbil had the following engagements:

(a) Government engagement

In 2023, Ausbil contributed to and co-signed a letter to the Attorney General in investor support for the Australian Government establishing a National Victims Compensation Scheme for Modern Slavery. The letter was sent in early 2024. Ausbil also authored a white paper on the investor rationale for human rights due diligence and had meetings with politicians across a wide spectrum, together with the Human Rights Law Centre and the ACTU, to discuss how to strengthen Australia's anti-modern slavery regulatory framework.

(b) RIAA Human Rights Working Group engagement

Ausbil has been a member and Chair of the RIAA Human Rights Working Group since its inception. The Human Rights Working Group comprises members of the RIAA focused on building stronger stewardship capabilities to:

- better understand human rights issues;
- discuss due diligence processes; and
- understand the important roles and opportunities that an investor and company can play to prevent and remedy human rights abuses and violations.

In 2024, Ausbil continued to be an active member by:

- chairing all the member meetings.
- co-authored a new investor toolkit focused on artificial intelligence and human rights.
- initiated work on an investor toolkit focused on human rights in global value chains.
- moderating a group meeting for RIAA's human rights working group with the UN Special Rapporteur on modern slavery, Professor Tomoya Obokata, hosted by the Australian Human Rights Commission. The discussion focused on the potential for mandatory human rights due diligence as the next step for Australia's modern slavery regulation (Ausbil has previously published a white paper on this topic) as well as other regulatory options, such as import bans on goods made by forced labour and more.
- Ausbil, in the capacity of chairing RIAA's Human Rights Working Group, participated in the public consultation around the Guidelines for NGOs; working with trafficked people. These guidelines were developed in 2008 by the National Roundtable for Human Trafficking & Slavery to assist NGOs to work with people who have experienced slavery.

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(c) IAST-APAC engagement

In 2020, Ausbil joined the steering committee of IAST-APAC, which is an initiative to promote effective action among investee companies in the APAC region to identify, remediate and prevent modern slavery, labour exploitation and human trafficking in their value chains. IAST APAC was recognised at the UN PRI Awards 2024 as Winner in the category, Recognition for Action – Human Rights.

In 2024, Ausbil continued to be an active member by:

- co-chairing member meetings for work stream 1 of the initiatives;
- co-chairing and providing a monthly newsletter to IAST-APAC members on public advocacy opportunities around modern slavery and modern-slavery related news relevant to investors; and
- engaged with ISSB and their Human Capital Consultation through IAST-APAC, to explain the investor perspective on modern slavery and what type of disclosure could be important for investors on this topic.

(d) Other engagement activities

Ausbil also had several other key engagements during the reporting period which included:

- participated in the RIAA conference, including presenting on a panel focused on modern slavery from an investor perspective, alongside the NSW Anti-Slavery Commissioner and an ESG data service provider.
- participated in the NSW Anti-Slavery Forum 2024, organised by the NSW Anti-Slavery Commissioner's Office.
- participated in a multi-stakeholder group discussion, hosted by the Australian Human Rights Commission, in relation to a potential Human Rights Act in Australia, adding the investor perspective on a number of human rights issues.
- presented modern slavery risks to the Association of Superannuation Funds of Australia (ASFA).
- presented on a webinar organised by Fair Supply to sustainability professionals in listed and unlisted companies. The webinar was focused on responsible sourcing and discussed practical ideas to combat labour rights issues and modern slavery in supply chains;
- presented to the Australian Catholic Anti-Slavery Network, where Ausbil provided an overview on how investors can play a role in combating modern slavery, primarily through effective engagement, focused on encouraging companies to adopt global best practice;
- participated in a research project by the Association of Chartered Certified Accountants on living wages, discussing investor perspectives on living wages in the context of modern slavery and wider human rights;
- joined the PRIs Social Issues Reference Group in 2024, providing guidance and advice to the PRI on human rights and other social issues; and
- participated as a panel member at the Q4 2024 UN PRI member briefing, which did a deep-dive into human rights related to armed conflict.

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4.5 Other actions taken by Ausbil

Training

In 2024, Ausbil's ESG Research Team delivered training on modern slavery to the investment team (which includes Portfolio Managers and Research Analysts).

Ausbil's associated policies

Ausbil has a Modern Slavery Policy that operates alongside a suite of other associated policies including:

Whistleblower Policy

Ausbil is committed to creating and promoting a professional, ethical and open environment that is consistent with our Code of Conduct. We encourage individuals to 'speak up' if they have concerns about a wrongdoing, misconduct or behaviour that is illegal or inconsistent with our Code of Conduct. The Policy applies to Ausbil's employees, suppliers, service providers, brokers, custodians, as well as a relative, dependent or spouse of those who are covered by Ausbil's Whistleblower Policy.

AML/CTF Program

Ausbil's AML/CTF Program is committed to the prevention and deterrence of money laundering and terrorism financing activities in the provision of our designated services. Ausbil seeks to protect our customers, employees and community from ML/TF risks and recognise that this a key component to mitigate modern slavery risks in our business.

Anti-Bribery and Corruption Policy

Ausbil is committed to ethical practices and has a zero-tolerance approach to bribery and corruption. The policy sets out the responsibilities of Ausbil employees in observing and upholding Ausbil's position on bribery and corruption as well as provide guidance on how to recognise and deal with bribery and corruption issues.

Corporate Sustainability Report

During the reporting period Ausbil documented our sustainability risks, opportunities and activities in our annual Sustainability Report which can be found here:

https://www.ausbil.com.au/Ausbil/media/Documents/2024-Corporate-Sustainability-Report_Ausbil.pdf

Statement on Modern Slavery

5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

5.1. Ausbil's Investment Portfolios

From an investment portfolio perspective, to assess the effectiveness of actions taken, Ausbil measures the results of any engagement with companies on modern slavery risks.

Ausbil acknowledges that it is challenging to make any informed statements on the broader effectiveness of Ausbil's engagement activities related to modern slavery in a quantitative manner. Firstly, it is difficult to ascertain the exact impact Ausbil has had through its engagement activities with the same companies (and similar engagement activities by other investors). Secondly, the nature of engagements related to modern slavery is intangible.

Finally, engagements are often multi-year journeys where companies adopt ideas gradually.

Ausbil intends to continue to record changes to companies' risk exposure and risk management scores discussed above (Ausbil's HR&S Risk Model – refer to Section 3: *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*).

In 2024, a number of score upgrades were made – both in terms of risk exposure and risk management, and in some cases, these were due to increased evidence of company action and in other cases due to better disclosure.

5.2. Ausbil's corporate supply chains

Ausbil believes engagement with suppliers is a crucial part for improving modern slavery reporting, risk assessment and mitigation. Below are some of the measures Ausbil has taken, to assess the effectiveness of our actions:

- we assess corporate suppliers for modern slavery risks;
- we continue to monitor supplier progress with their modern slavery risks; and
- the number of corporate suppliers agreeing to our Supplier Code of Conduct or already have their own modern slavery statement.

Non-compliance with these requirements could see a supplier terminated where they do not show adequate review, transparency and compliance with our requirements regarding modern slavery, and human and labour rights in their supply chains, including the supply chains of their suppliers.

Ausbil recognises that this is an ongoing process where we will continue to review and enhance our current practices to assess the effectiveness of our actions.

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6. Describe the process of consultation with any entities the reporting entity owns or controls

This does not apply to Ausbil. Refer to Section 1 – Identifying the reporting entity.

7. Any other relevant information

Going forward, Ausbil intends to:

- Continue to enhance the quality of the company-specific research through the HR&S Risk Model;
- Continue to pursue engagements with companies to encourage adoption of best practice on responsible sourcing;
- Continue to collaborate with industry peers and raise awareness; and
- Continue to train and education staff on the risks of modern slavery.

8. Approval of Statement

This Statement was approved by the Board of Directors of Ausbil Investment Management in its capacity as the principle governing body of Ausbil Investment Management Limited on 29 May 2025.

This Statement is signed by Mark Knight in his role as a director of Ausbil Investment Management Limited.

Submission

This statement has been formally submitted by the Attorney General's Department (via the online central register) as a voluntary statement.



Mark Knight
Director

29 May 2025

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