



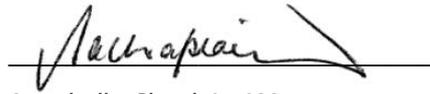
Modern Slavery Statement

MFF Capital Investments Limited (ACN 121 977 884)

Financial year ended 30 June 2023

APPROVAL

This Modern Slavery Statement was approved by the Board of MFF Capital Investments Limited on 17 November 2023.

A handwritten signature in black ink, appearing to read 'A. Chaplain', is written over a horizontal line.

Annabelle Chaplain AM

Chairman, MFF Capital Investments Limited

1. REPORTING CRITERION 1 – REPORTING ENTITY

This Modern Slavery Statement (“**Statement**”) is made by MFF Capital Investments Limited (“**MFF**” or the “**Company**”), a reporting entity under the Australian *Modern Slavery Act 2018 (Cth)* (the “**Act**”) in respect of the reporting period 1 July 2022 to 30 June 2023 (the “**Reporting Period**”).

The Company aims to be a responsible corporate citizen and places importance on environmental, social and governance (“**ESG**”) issues including the risk of modern slavery within its supply chain and operations.

The Company is committed to acting ethically and with honesty and integrity. The Company maintains a Code of Conduct applicable to all directors and employees of the Company, which is supported by other key policies such as the Whistleblowing Policy.

This is MFF’s second Modern Slavery Statement. Given that there were minimal changes to the Company’s operational structure and supply chain, the Company has continued to review and build upon the work completed in the last reporting period. To prepare this Statement, the Company has undertaken an overarching review of its supply chain and operations with the intention of identifying and assessing its exposure to modern slavery. The analysis, together with an overview of MFF’s due diligence and remediation processes, is outlined in this Statement.

2. REPORTING CRITERION 2 – STRUCTURE, OPERATIONS AND SUPPLY CHAIN

STRUCTURE

The Company is an Australian Public Company listed on the Australian Securities Exchange (“**ASX**”: MFF) and is governed by a Board of Directors. Its principal place of business is Level 36, 25 Martin Place, Sydney, New South Wales, 2000.

The Company has only one employee, the Managing Director and Portfolio Manager, based in Sydney, Australia.

OPERATIONS

MFF’s operations include any activity or business relationship undertaken to pursue its business objectives and corporate strategy.

The Company is a listed investment company and its principal activity is the investment in a minimum of 20 exchange listed international or Australian companies.

SUPPLY CHAIN

Magellan Asset Management Limited (“**Magellan**”) is the principal supplier of research and administration services to the Company in accordance with a Services Agreement. Services provided include the analysis of modern slavery risks in MFF’s investment portfolio and supply chain.

The Company also receives services from Merrill Lynch International (a wholly owned subsidiary of Bank of America) under an International Prime Brokerage Agreement including clearing and settlement of transactions, securities lending and acting as custodian for most of the Company’s assets.

The Company’s supply chain also includes registry, fund administration and professional services (e.g. accounting, legal advice) and brokerage services.

The Company’s supplier engagements are typically long-term. Direct suppliers (where MFF has a direct contractual relationship) are located in Australia and the US, however some services are provided from other offshore locations such as Hong Kong and India.

MFF sees its exposure to modern slavery as emanating from both its supply chain (direct and indirect suppliers) and from the Company’s investment activities. These risks are expanded upon in Section 3 below.

3. REPORTING CRITERION 3 – IDENTIFYING AND ASSESSING RISKS OF MODERN SLAVERY

OPERATIONAL RISKS

Investment Operations

The Company understands that it is possible to be directly linked¹ to modern slavery practices through the activities and supply chains of global companies it chooses as investments.

Magellan's Investment Team, including Magellan's Head of ESG, on behalf of the Company, is responsible for identifying and assessing modern slavery risks in the operations of MFF's investee companies.

Magellan assesses investee companies with reference to their structure, operations and supply chain, using information obtained from Magellan's own proprietary analysis, independently sourced data and material issued by the investee companies, including but not limited to, Modern Slavery Statements, Ethical Sourcing Statements, press articles, MSCI ESG Manager Database, and expert networks.

Each investee company's exposure to modern slavery risk is assessed based on factors including:

- sector and industry exposures (e.g. operating in a sector that uses mainly contract, temporary or unskilled workers);
- product and services exposures (e.g. the product, or its components or materials are made in countries where there is a high risk of labour exploitation);
- geographic exposures (e.g. country specific risks due to poor governance or socio-economic factors); and
- entity exposures (e.g. poor governance structures or a record of treating workers poorly).

The analysis of these factors considers if the structure, operations or supply chain of the company cause, contribute to or are directly linked to modern slavery.

Investee Companies

Individual modern slavery assessments have been completed for 97% of investee companies held by MFF as at 30 June 2023. Of the 28 investee companies assessed, the vast majority of investee companies (96%) were assessed as having a low or moderate risk of modern slavery in their operations and supply chains. 4 companies were given a 'moderate' modern slavery risk rating (14%) being mainly in the retail/consumer discretionary sector and had an elevated risk due to supply chain sourcing (some in emerging markets with a higher risk of modern slavery according to the Global Slavery Index or large supply chains) or having operations involving low-skilled, potentially vulnerable workers and labour standard concerns. Magellan has engaged with 3 of 28 of investee companies to better understand the risk and gain comfort over the management of the risk.

One investee company held by MFF as at 30 June 2023 was given a 'high' modern slavery risk. The key driver of the 'high' assessment was due to the location of the Company's operations in regions (including China) where there is a high or moderate risk of labour unrest. In addition, the company has a large, diversified workforce and a large supply chain (many thousands of suppliers) in higher risk locations. MFF acknowledges this risk and believes it is mitigated as the company has diverse operations with limited manufacturing activity and consideration of the company's businesses and activities over many decades. MFF will continue to actively monitor this risk.

MFF's investments are concentrated in global major service providers and typically not in areas with a higher risk of modern slavery, such as manufacturing companies. MFF is aware that a number of companies have been, or are exposed to modern slavery risks through their indirect business operations and hardware assembly plants. However, MFF is satisfied that these companies have implemented practices to mitigate against these risks and are committed to eliminating any instance of modern slavery.

In addition, there is a risk that modern slavery may exist in the supply chains of investee companies (as a result of subcontracting certain functions, or from having many thousands of suppliers), or in their outsourced operations (e.g. from outsourcing back-office operations to offshore locations). These risks are mitigated by the fact that these companies

¹ "Directly linked" means the risk that MFF's operations may be connected to modern slavery through the activities of another entity with whom there is a business relationship.

have clear policies in place relating to human rights and supplier codes of conduct, accompanied by strong governance practices.

SUPPLY CHAIN RISKS

Material Business Suppliers

As at 30 June 2023, Magellan, on behalf of the Company, has performed a risk-based assessment of MFF's key suppliers for risks of modern slavery. This process included a review of the suppliers' own modern slavery statements (where available), geographic locations, the nature of services provided, and, where necessary requiring service providers to complete a questionnaire relating to their business processes and modern slavery risks. For the key suppliers reviewed for the reporting period, no material modern slavery risks were identified.

Most of the Company's key suppliers operate within the financial services sector, providing portfolio administration, registry, custodial and brokerage services and are based across Australia and in the US. Many of the key suppliers are global entities that report under the modern slavery legislation and therefore are also assessing their own supply chain and modern slavery risk.

Due to their lower risk geographic locations and the fact that services are typically provided by a highly skilled professional workforce, the Company considers that its key service providers have a low risk of modern slavery. The Company however sees some risk where services are performed offshore that may reside in higher risk countries and where there are complex supply chains with low transparency over indirect suppliers.

During the year to 30 June 2024, the Company intends to extend its detailed analysis to more suppliers in its supply chain through review of their own Modern Slavery Statements (where available) or, if appropriate, by requiring the completion of a modern slavery questionnaire.

4. REPORTING CRITERION 4 – ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

Operations and Supply Chain

Should any modern slavery risks be identified in the Company's operations and supply chain they are further assessed for severity.

In respect of the risks of modern slavery in MFF's investee companies, the Company will look to mitigate severe risks by, for example, selling the investment. The Company may also engage directly with investee companies to discuss matters such as supply chain issues, with the objective of effecting positive change.

If a supplier is found to be in breach of its agreement or if a supplier reports a modern slavery risk, MFF will engage with the supplier to effect positive change. MFF may terminate a relationship with a supplier if the situation is not remedied to its satisfaction.

Post the reporting period, MFF's service agreements with 2 key suppliers were updated to include a modern slavery clause. The modern slavery clause includes that the service provider will comply with modern slavery legislation and report promptly any instances of modern slavery to MFF.

Identified modern slavery risks and the engagement process with suppliers and investee companies is documented and reported to the MFF Board. Any material breaches and incidents related to modern slavery are reported to the MFF Board when identified.

5. REPORTING CRITERION 5 – THE EFFECTIVENESS OF ACTIONS

On an annual basis, Magellan's Risk & Compliance team reviews MFF's processes for assessing and addressing modern slavery risks to assess whether they provide reasonable assurance that they can adequately identify modern slavery risks and that processes are in line with regulatory guidance.

The results of this review will be reported to the MFF Board and will include:

- updated supplier due diligence (e.g. the results of the review of suppliers' own Modern Slavery Statements and/or completed supplier questionnaires);
- the outcome of the annual assessment of modern slavery risks in MFF's investee companies from the Magellan Investment Team;

- details of any high modern slavery risks that have been reported or identified, any action that has been taken to address them and progress to date; and
- any gaps identified in MFF's processes and, if any, proposed updates to these processes.

6. REPORTING CRITERION 6 – CONSULTATION PROCESS

This reporting criterion is not applicable to the Company as it does not own or control any other entity.