

Modern Slavery Statement

Magellan Financial Group Ltd (ACN 108 437 592)

Financial year ended 30 June 2024

APPROVAL

This Modern Slavery Statement was approved by the Board of Magellan Financial Group Ltd on 18 December 2024.
This Modern Slavery Statement was approved by the Board of Magellan Asset Management Limited on 18 December 2024.

It is submitted as a joint statement by the following reporting entities:

Magellan Financial Group Ltd (ACN 108 437 592)

Magellan Asset Management Limited (ACN 120 593 946)

Magellan Global Fund (ARSN 126 366 961)

Magellan High Conviction Trust (ARSN 634 789 754)



Andrew Formica

Executive Chairman, Magellan Financial Group Ltd



Robert Fraser

Chairman, Magellan Asset Management Limited

Foreword from our Executive Chairman

Magellan Financial Group Ltd is proud to publish its fourth Modern Slavery Statement.

Magellan acknowledges that Modern Slavery is a significant global issue, affecting an estimated 50 million individuals worldwide.

We are committed to acting responsibly and ethically in all areas of our business. As a fund manager, we act with integrity and seek to engender a culture of trust with all our stakeholders.

We continue to enhance our assessment of modern slavery in our operations and investment activity, and this is discussed throughout our Statement.

As highlighted in our recently published Corporate Sustainability and Responsibility Report, we are committed to responsible investing. A key part of our investment process is to consider Environmental, Social and Governance ("ESG") issues, including human rights and modern slavery.

In FY24:

- Magellan was named as a Responsible Investment Association Australasia ("RIAA") Responsible Investment Leader.
- We actively engaged with more than 50 portfolio companies across Magellan and Airlie portfolios to deepen our understanding of their modern slavery risks and supply chain management practices and to drive positive change.

We understand that addressing modern slavery is a continuous journey. Therefore, we are committed to ongoing improvement and collaboration.

Yours sincerely,



Andrew Formica

Executive Chairman

FY24 Progress

During FY24, our progress and key achievements with modern slavery initiatives included the following:

100% of portfolio companies assessed across Magellan and Airlie portfolios.	Implemented a modern slavery clause in key supplier contracts, asking suppliers to promptly report any instances of modern slavery in their business or supply chain.
Extended engagement with external bodies to increase understanding of current modern slavery risks.	New IT solution implemented to improve the tracking of engagement and Magellan portfolio companies that have agreed to engage or improve processes.

REPORTING ENTITIES & CONSULTATION PROCESS

(REPORTING CRITERIA 1 & 6)

This section outlines the Reporting Entities covered in this Statement and the consultation and approval process.

I. REPORTING ENTITIES

This Modern Slavery Statement ("**Statement**") is a joint statement made pursuant to section 14 of the *Modern Slavery Act 2018* (Cth) (the "**Act**") in respect of the reporting period 1 July 2023 to 30 June 2024 ("**Reporting Period**") and covers the entities set out in the table below (together, "**Magellan**"), each a "**Reporting Entity**" under the Act.

REPORTING ENTITY	IDENTIFIER
Magellan Financial Group Ltd (" MFG ")	ACN 108 437 592
Magellan Asset Management Limited (" MAM ") (wholly owned subsidiary of MFG)	ACN 120 593 946
Magellan Global Fund (" MGF ")	ARSN 126 366 961
Magellan High Conviction Trust (" MHHT ")	ARSN 634 789 754

II. CONSULTATION & GOVERNANCE

In the preparation of this Statement, we have undertaken a consultation process with senior staff members who have responsibilities across the Reporting Entities. MAM's Risk & Compliance Committee ("**RCC**"), which includes MAM's Managing Director and Responsible Managers, is also a key stakeholder in the governance of our modern slavery response. The RCC reviews all work conducted during the Reporting Period including our risk assessment, risks identified, and actions taken. We have provided further details on the individual responsibilities for modern slavery and how the consultation process works throughout this Statement.

We also consulted with our controlled entities as outlined in Criterion 2 to understand the modern slavery risks in their operations and supply chains, given they mostly have their own policies and procedures and use their own suppliers. A summary of the results of this engagement is included in this Statement.

III. APPROVAL

This joint Statement has been prepared in consultation with key stakeholders across the Reporting Entities and was reviewed and approved by the MAM and MFG Boards of Directors.

The MAM Board has approved the joint statement on behalf of MGF and MHHT as Responsible Entity. The modern slavery risks faced, and the policies and processes followed by, MGF and MHHT are the same as MAM.

STRUCTURE, OPERATIONS AND SUPPLY CHAIN

(REPORTING CRITERION 2)

This section describes the structure, operations, and supply chains of Magellan's Reporting Entities.

I. STRUCTURE

MAGELLAN FINANCIAL GROUP LTD	<p>MFG is an Australian Public Company listed on the Australian Securities Exchange ("ASX": MFG) and is governed by a Board of Directors. MFG has several subsidiaries in Australia and the United States of America ("USA"), which are listed in its Annual Report. Other than MAM, none of these subsidiaries are Reporting Entities, however they have still been considered in this Statement and consulted where applicable:</p> <ul style="list-style-type: none">• The Magellan Capital Partners¹ segment comprises a portfolio of selective investments in businesses in which MFG has a strategic interest. A review of these investments has been undertaken, referred to throughout this Statement as "External Principal Investments".• Frontier North American Holdings Inc is the holding company of the "Frontier Group" of companies through which MFG maintains its North American distribution business. Frontier Group is the Investment Adviser to the Frontier MFG Funds (refer to Appendix 1, International Funds) that are USA open ended mutual funds offered to institutional clients. Frontier Group's operations and supply chain have been considered when assessing our exposure to modern slavery.
MAGELLAN ASSET MANAGEMENT LIMITED	<p>MAM is the main operating entity of MFG and is a wholly owned subsidiary. MAM is an Australian Public Company and is governed by its own Board of Directors. It holds an Australian Financial Services Licence ("AFSL") No. 304301 and is registered as an Investment Adviser in the USA and as a Promoter and Investment Manager to Irish Authorized collective investment schemes.</p> <p>MAM trades as MFG Asset Management in jurisdictions outside Australia and New Zealand and under the trading name Airlie Funds Management ("Airlie") for the Australian equities portfolios it manages.</p> <p>MAM is Responsible Entity/Trustee and/or Investment Manager for the Australian funds (collectively referred to in this Statement as "Funds"), as well as a number of international funds. Please refer to Appendix 1 for a list of funds where MAM acts as Investment Manager. MAM is also Investment Manager to a number of separately managed accounts.</p>
MAGELLAN GLOBAL FUND/ MAGELLAN HIGH CONVICTION TRUST	<p>MFG and MHHT are structured as trusts, with MAM acting as the Responsible Entity and Investment Manager.</p> <p>Despite only MGF and MHHT meeting the revenue threshold to be considered Reporting Entities, this Statement may be treated as encompassing all Funds listed in Appendix 1 given the modern slavery risks are typically the same and policies and processes followed are consistent across Magellan.</p>

¹ Magellan Capital Partners Pty Ltd, Magellan Capital Partners No. 2 Pty Limited, Magellan Capital Partners No. 4 Pty Limited (together "**Magellan Capital Partners**")

II. OPERATIONS

Magellan's operations include any activity or business relationship undertaken to pursue its business objectives and corporate strategy. This includes:

- the provision and delivery of funds management services (undertaken by MAM);
- management of an internal and external principal investment portfolio (undertaken by MFG); and
- corporate activities, including corporate development, governance, arrangements with suppliers, purchasing, marketing and sales activities in both Australia and the USA.

A. EMPLOYEES

As at 30 June 2024, MAM has a highly skilled workforce of 104 employees, with Frontier Group having an additional 5 permanent staff. MAM has no casual staff.

Key functions are managed from the registered office in Sydney, Australia. 9% of Magellan staff work in the capital cities of other Australian states (Melbourne, Brisbane, Adelaide and Perth) and 6% work internationally in New Zealand and the USA. MAM's employment framework covers all employees and complies with Australian law as a minimum, including core employment conditions such as minimum wage, hours of work and leave entitlements.

B. FUNDS MANAGEMENT (INVESTMENT OPERATIONS)

MAM offers global equity, infrastructure and Australian equity investment strategies to institutional investors located throughout the world and intermediated investors in Australia and New Zealand. Australian equities are offered via Airlie. In the USA, Frontier Group coordinates the distribution of MAM's institutional business in North America.

MAM earns management fees and performance fees in return for these investment offerings.

MAM's investment portfolio spans Australian and international equity markets, across (but not limited to) the following sectors: Franchises², Healthcare, Infrastructure, Financials, Technology, Communications & Media, Energy, Industrials and Materials.

As at 30 June 2024, MAM had funds under management of AUD \$36.6 billion.

Across three strategies:

- Global Equities (\$15.7 billion³)
- Infrastructure Equities (\$15.5 billion)
- Australian Equities (\$5.4 billion).



MAM's philosophy is long-term investment in companies that can generate excess returns on capital for years to come. The Investment Team seeks to find such stocks by conducting company analysis, together with macroeconomic analysis and risk management to construct portfolios that aim to generate attractive returns over the medium to long term. Further information on our approach to investing is set out in our Annual Report and Product Disclosure Statements, which can be found on our website: <https://www.magellangroup.com.au/>.

As part of this Statement, Magellan reports on how it has sought to understand the modern slavery risk of each of our portfolio companies, the process and outcome of which is outlined in this Statement under Reporting Criteria 3 and 4. This Statement also outlines how we intend to respond to material modern slavery risks identified.

² Includes household and personal care, food, consumer staples and retailing, restaurants, textiles, apparel, luxury goods and specialty retailing.

³ Includes the Global Sustainable Strategy

C. PRINCIPAL INVESTMENT PORTFOLIO (INVESTMENT OPERATIONS)

INTERNAL

A meaningful portion of MFG's capital is invested in its strategies alongside its clients. Through this, MFG invests in Magellan Funds (listed in Appendix 1) and seeds new strategies and initiatives. MFG earns revenue from its internal principal investment portfolio through distributions from the Magellan Funds and, if these investments grow over time, MFG may realise a capital gain (or capital loss, if these investments decline over time).

EXTERNAL

MFG also makes selective principal investments external to Magellan's Funds. During the Reporting Period, MFG had non-controlling interests in the companies: Barrenjoey Capital Partners Group Holdings Pty Limited ("**Barrenjoey**") and FinClear Holdings Limited ("**FinClear**").

As part of this Statement, Magellan has conducted an overarching review of these external investee companies to assess whether they provide exposure to modern slavery risks. We have reported our findings under Reporting Criteria 3 and 4.

III. SUPPLY CHAIN

Magellan has over 300 direct ("**Tier 1**") suppliers, located in Australia and around the world with a total spend of approximately \$45 million⁴. The majority of this spend is by MAM (84%) with MAM's top 20 suppliers making up 53% of the total spend.

A. SERVICES

Across Magellan's supply chains, the main services procured are external administration, registry and custodial services to Magellan's registered and unregistered funds. Other key services procured include managed IT services, professional services (i.e. legal advice, accounting, advisory and consulting), brokerage services, settlement services, telecommunications, insurance, web design/development and research services. Office based services include leasing of office space and cleaning. The majority of suppliers are from the financial sector.

B. GOODS

Magellan also procures goods from suppliers with the majority of spend allocated to IT software and hardware. Other lower spend goods include marketing merchandise.

C. LOCATIONS

Magellan's Tier 1 supplier engagements are typically long-term. Suppliers with whom Magellan has a direct contractual relationship are located in countries with a lower risk of modern slavery according to the Global Slavery Index such as Australia, the USA, the UK, Singapore, Ireland and Taiwan. However, some services provided to Magellan are offshored by our top direct suppliers to locations with a higher geographic risk of modern slavery such as India and the Philippines⁵.

We are also aware that our direct suppliers have suppliers of their own, who then rely on their own suppliers (tier 2,3 etc.), meaning our overall supply chain footprint remains large and complex and spans worldwide.

In this Statement Magellan explains how we are working with our suppliers of goods and services to assess and address modern slavery risks in our supply chains. We also describe our actions to address risks identified. Please refer to Criteria 3 and 4 for further information.

⁴ Spend data is for FY23 given we did not have the full set of FY24 data until post 30 June 2024. Our supply chain assessment is based on this data.

⁵ Ranked on The Global Slavery Index 2023 for vulnerability to modern slavery as 56 (India) and 66 (Philippines) out of 100.

RISKS OF MODERN SLAVERY

(REPORTING CRITERION 3)

This section describes the risks of modern slavery practices Magellan has identified following a review of our operations and supply chains in the reporting period.

Magellan has applied a risk-based methodology to assess modern slavery in our operations and supply chain and to consider the risk that we are causing, contributing to, or are directly linked to modern slavery practices. Magellan has identified the lowest risk of modern slavery occurring within our direct workforce given the skills and location of employees. However, Magellan understands that it is possible to be directly linked⁶ to modern slavery practices through our supply chains and investment activities. Therefore, our focus in FY24 was on these areas.

I. RESPONSIBILITIES

Magellan has split the responsibility for identifying and assessing modern slavery risks across its teams as follows:

Investment Teams	<p>The Magellan Investment Team (including the ESG Team) covers the global equities, infrastructure and global sustainable investment strategies.</p> <p>The Airlie Investment Team covers Australian equities.</p> <p>Each Investment Team is responsible for identifying and assessing modern slavery risks in the operations and supply chains of their respective portfolio companies.</p>
Risk & Compliance Team	<p>Responsible for assessing modern slavery risks outside of our portfolio companies i.e. Magellan's direct workforce, external principal investment portfolio and supply chains.</p>

The teams have ongoing engagement and collaboration with each other and other stakeholders at Magellan and have a formal escalation process in place for identified modern slavery risks.

II. ASSESSMENT

In completing their assessment, each team considers the inherent country and industry risks of modern slavery. Where relevant, risks are informed by reputable tools including the Global Slavery Index, known risk factors (for industry risks such as the use of unskilled, temporary or seasonal labour, outsourced labour, foreign workers), as well as modern slavery data, research reports and resources (where known controversies are published).

III. RISKS IDENTIFIED

A. DIRECT WORKFORCE

Magellan has assessed the risk of modern slavery in our direct workforce to be very low. As a supplier of funds management services, we operate in a highly regulated sector, with an inherently lower modern slavery risk. There is also a low country risk attributed to Australia, New Zealand and the USA (for Frontier Group), which results from legislation mandates and enhanced government oversight in these countries.

The risk is further mitigated by a strong policy environment and robust recruitment and employment practices that are designed to provide reasonable assurance that our hiring and workplace conditions are compliant with relevant laws and reflect industry standards. Please refer to Criterion 4 for further details.

B. INVESTMENT OPERATIONS

MFG and MAM understand that it is possible to be directly linked⁷ to modern slavery practices through the activities and supply chains of companies in which they choose to invest directly, or on behalf of clients and Funds. We acknowledge that some of our large global portfolio companies, operate in certain higher risk sectors and countries and often have long and complex supply chains, with suppliers located in higher risk locations. We have determined

⁶ "Directly linked" means the risks that MFG and MAM's operations, or their financial products and services may be connected to modern slavery through the activities of another entity with whom there is a business relationship.

that we have a low to moderate risk of being directly linked to modern slavery through our investment operations.

i. PORTFOLIO COMPANIES

The assessment of modern slavery risk within our investment portfolios is within Magellan’s framework for assessing Environmental, Social and Governance (“**ESG**”) risks. Magellan and Airlie analysts assess a company’s ESG risks, including modern slavery and human rights, as part of the initial decision on whether to invest in a company. A specific modern slavery assessment on all companies held in Magellan and Airlie portfolios is conducted annually thereafter. This is in addition to analysts actively monitoring their portfolio companies for risks (including controversies in their operations and supply chains). Utilising both proprietary analysis and other data (including Modern Slavery Statements, Ethical Sourcing Statements, press articles, MSCI ESG Manager Database, and expert networks), each company’s exposure to modern slavery risk is assessed based on factors including:

- sector and industry exposures (e.g. outsourcing of security and cleaning services);
- product and services exposures (e.g. products with long, offshore supply chains);
- geographic exposures (country specific risks due to poor governance, socio-economic factors); and
- entity exposures (consideration for controversies, UN Global Compact Compliance and labour standards).

The analysis is aimed at assessing whether the operations or supply chain of a company causes, contributes to, or is directly linked to modern slavery.

MAGELLAN INVESTMENT TEAM

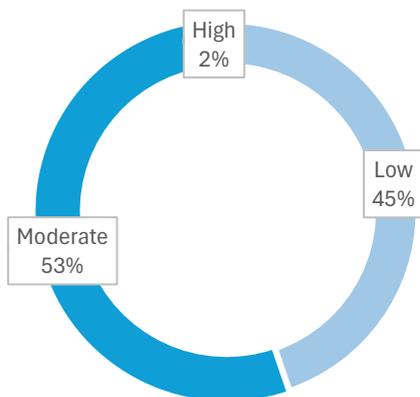
Individual modern slavery assessments have been completed for 100% of portfolio companies held as at 30 June 2024 across portfolios managed by the Magellan Investment Team.

The ESG Team have mapped Global Industry Classification Standard sectors to the sectors identified using industry sources⁷. The primary industries with elevated risks of modern slavery are identified below:

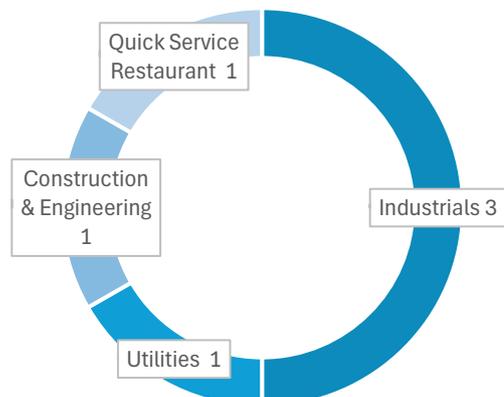
- Manufacturers;
- Utilities;
- Construction & engineering;
- Quick Service Restaurants; and
- Internet & eCommerce.

Common across these elevated industries are companies that are exposed to manufacturing or sourcing of goods from jurisdictions with less mature labour standards.

Magellan Portfolio Companies as at 30 June 2024:



Industry of 'High' risk companies:



⁷ Including RIAA Investor Toolkit, ACSI Modern Slavery Risks, Rights and Responsibilities and Responsible Sourcing Toolkit

The vast majority (98%) of our portfolio companies held as at 30 June 2024 were assessed as having a “low” or “moderate” risk of modern slavery in their operations and supply chains.

Magellan has evaluated the modern slavery risk at 53% of portfolio companies to be “moderate”, because despite the inherent risk, there is evidence present that the companies are addressing the risks appropriately i.e. the companies have well-articulated and credible processes in place for mitigation such as a strong governance framework.

In cases where the Investment Team viewed a company as having insufficient processes in place to address a risk of modern slavery, the portfolio company was assigned a “high” rating. A total of 6 portfolio companies held as at 30 June 2024 were assigned a “high” modern slavery risk.

These companies primarily operated in higher risk manufacturing industries (as illustrated above) and had an elevated risk due to their supply chain sourcing and operations, particularly in the sourcing of raw materials and commodities where modern slavery risks are assessed as high.

A key driver of the “high” assessment was a lack of transparency in disclosure around how these companies are addressing the risk of modern slavery, both within its operations and supply chain. For example, there was no evidence of regular audits or sufficient oversight of their supply chains, hence the higher risk ratings.

In the reporting period:

- 1 new portfolio company was assessed as high risk;
- 1 portfolio company’s risk rating was elevated from moderate to high due to a complex supply chain;
- 2 companies modern slavery rating decreased from high to moderate following engagement; and
- 2 companies rated as high in FY23 were divested in FY24 for reasons unrelated to their modern slavery risk.

Case Study: In the Reporting Period, a quick service restaurant company was assessed as having a high overall risk of modern slavery within its structure, operations and supply chains. As a procurer of agricultural commodities, the company’s largest exposure is through its complex supply chain, which is predominately located in China, a market with a history of human rights controversies, limited transparency and forced labour in minority camps in Xinjiang. Whilst overall, we consider the company to have robust risk management practices and disclosure on other supply chain risks, modern slavery risks in the Xinjiang region remain high and transparency to shareholders is low.

The Magellan Investment Team intend to engage with these companies rated as “high” to further understand the risk. Please refer to Criterion 4 for further details.

Note: portfolio companies held by the Frontier MFG Funds form part of the Magellan Investment Team review described above.

• AIRLIE INVESTMENT TEAM

Individual modern slavery assessments have been completed for 100% of portfolio companies held as at 30 June 2024 across portfolios managed by the Airlie Investment Team.

100% of portfolio companies were assessed as having a “low” or “moderate” risk of modern slavery in their operations and supply chains. Those 9 companies with a moderate risk rating (19%) operate in sectors having an inherently higher risk of modern slavery such as manufacturing and apparel which often attract vulnerable workers. Some companies also have long and complex supply chains extending to higher risk countries such as Türkiye, Pakistan, China and India, where migrant workers face a greater risk of exploitation. The Airlie Investment Team is reasonably satisfied that these companies all have strong governance frameworks and due diligence processes in place and are taking actions to address any issues or mitigate their risk.

In the reporting period:

- 1 company was elevated from low to moderate risk of modern slavery due to their supply chain risk assessment. The company has approximately 26,000 suppliers, including across higher risk sectors such as warehousing, logistics, manufacturing and raw materials production. These are frequently located in higher risks jurisdictions including Myanmar and Türkiye⁸. The company has only onboarded a limited number of suppliers onto their risk

⁸ Ranked on The Global Slavery Index 2023 for prevalence of modern slavery as 5 (Türkiye) and 13 (Myanmar) out of 180

management platform.

- The 2 Airlie portfolio companies reported as “high” in our Previous Statement were divested in the reporting period for reasons unrelated to their modern slavery risk.

ii. PRINCIPAL INVESTMENTS

Magellan’s Risk & Compliance Team has conducted an overarching review of our External Principal Investments to identify and assess the exposure to modern slavery risks. We have engaged with each investee company by requesting they complete a modern slavery questionnaire and where available have reviewed their own Modern Slavery Statements. In our opinion, given the nature of these businesses, modern slavery risk is deemed to be low. We intend to increase consultation with these companies to further understand their modern slavery risks in FY25.

C. SUPPLY CHAIN

Many of Magellan’s suppliers are global entities, with established governance structures and their own Corporate Social Responsibility programs, including addressing modern slavery. However, Magellan acknowledges that the risks of modern slavery may increase in certain areas of our supply chains due to the geographical location of our suppliers and the source of goods used in products supplied to us. Overall, we have determined that we have a moderate risk of being directly linked to modern slavery through our supply chains. However, due to limited visibility in the lower tiers of our supply chains, we do not yet have a completely accurate picture.

i. SUPPLIER ASSESSMENT

In 2020, Magellan performed an initial risk-based assessment of its Tier 1 material business suppliers for risks of modern slavery. The assessment also included key suppliers to the Frontier Group.

Subsequently, this review has been performed annually based on supplier spend and extended to include Brokers and IT Equipment Suppliers (Tier 2) given their inherent higher risk. Our annual assessment includes a review of suppliers’ own modern slavery statements, geographic locations, the nature of the services provided, and where deemed necessary, requiring the supplier to complete our Magellan Modern Slavery questionnaire to further identify their modern slavery risks.

Most of our key suppliers operate within the financial services sector, providing fund administration, registry, custodial, brokerage and research services and are based across Australia and in the USA. Many of our 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, Magellan considers that our key service providers have a low risk of modern slavery in their direct operations, however, see some risk where services are provided from offshore centres, or where services are subcontracted to third party organisations that may reside in higher risk countries. Magellan also sees risks emanating from third party supply chains.

ii. FY24 ASSESSMENT

In the reporting period:

- We assessed over 50 (Tier 1) suppliers based on supplier spend;
- Assessed the majority of the brokers utilised by Magellan to execute client trades (by commission spend);
- Assessed IT suppliers and IT Equipment (Tier 2) suppliers due to their inherent higher risk to people; and
- Where instances or potential instances of modern slavery were identified last year, we reviewed updated documentation to ensure effective action had been undertaken to remediate.

iii. KEY RISKS

• FACILITIES MANAGEMENT

Our office management supplier continues to be deemed higher risk given it also provides cleaning services. Cleaning is a higher risk area given the sector more commonly employs base skill migrant workers. It also falls within the lower tiers of our supply chain (i.e. suppliers of our direct suppliers), where we have less visibility. With Magellan offices located in Australia and New Zealand only, and Frontier Group in the USA, we are

reasonably satisfied that the risk is mitigated by strong worker protections and governance oversight in these countries. In Sydney, the provider of our office space has an extensive modern slavery framework and demonstrated improvement to cleaning procurement, as evidenced by working towards being 'Cleaning Accountability Framework' certified for a building they manage.

- **IT EQUIPMENT**

Magellan may be directly linked to modern slavery risks via the procurement of office-based products/services such as the purchase of IT equipment. Technology and IT equipment is considered higher risk as it commonly employs base-skilled migrant workers, and their supply chains frequently extend to countries with poor labour standards.

IT is a higher risk area for Magellan, given the known risks of modern slavery in this sector, which include debt bondage, forced labour and conflict mineral sourcing in the lower tiers of supply chains.

Updated FY24 Assessment: As reported in our FY23 Statement, we identified exposure to modern slavery risks in the supply chains of two of our IT equipment suppliers via review of their FY22 Modern Slavery Statement. Indicators included charging of recruitment fees, withholding of passports, forced labour and child labour. One of our Tier 1 IT Suppliers had disclosed in their FY22 Modern Slavery Statement that supplier audits had identified instances of forced labour among foreign migrant workers within their supply chain. This reporting period, we reassessed the risks associated with these suppliers. Due to transparent disclosure of these modern slavery risks and instances in their supply chain, we are satisfied with updated disclosures that remediation plans are in place. Most of the issues relate to charging of recruitment fees which have now been reimbursed or plans in place to remedy. The companies are also providing training to suppliers to help identify forced labour risks in higher risk countries.

Overall, our IT suppliers are large global companies with established frameworks in place with regard to modern slavery. We are reasonably satisfied these suppliers are taking the necessary steps to mitigate modern slavery risk in their supply chains and have reported such in their Modern Slavery Statements.

- **TELECOMMUNICATIONS**

Telecommunications use of outsourcing, indirect workforce and exposure to higher risk countries increases the exposure to modern slavery risk. As reported previously, one of MAM's higher spend suppliers operates in this area and over the last four reporting periods have identified and reported concerning labour practices and behaviours in their Modern Slavery Statement, however no instances of modern slavery were noted. The supplier disclosed that site audits of their suppliers had been carried out and we are reasonably satisfied that the supplier has an established framework in place and is continuously improving to identify risks and has taken action to remediate.

- **FRONTIER GROUP**

This reporting period we improved our consultation with Frontier and met with senior personnel to discuss the risks and actions taken to address the risk of modern slavery across Frontier's operations and supply chain. In relation to their supply chain, Frontier does not directly source any goods or services from outside the USA and had not engaged with any new suppliers in the reporting period. There is limited visibility over their Tier 2 suppliers, in particular cleaning suppliers as this is supplied by the building management company. Their building management company completed our questionnaire and confirmed no modern slavery risks or instances had been identified.

ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS

(REPORTING CRITERION 4)

This section outlines the actions taken by Magellan to assess and address modern slavery risk in our operations and supply chain.

I. DIRECT WORKFORCE

A. TRAINING

We acknowledge the importance of modern slavery training in raising awareness and educating our employees. Modern slavery training is included in Magellan's Induction Training for all new employees and in Annual Compliance Training for existing employees in Australia and New Zealand. Additionally, Magellan's Modern Slavery Training is provided to Frontier on an annual basis. Key topics covered in the training include:

- a description of the types of modern slavery;
- how Magellan may be directly linked to modern slavery risks; and
- the process for reporting any modern slavery risks identified.

Annual Compliance Training also includes modules on Magellan's key policies including Code of Ethics and Work Health & Safety, with a quiz to assess understanding. In FY24, there was an 100% completion rate.

To better inform our assessment of Modern Slavery, the ESG Team are part of an industry working group, RIIA Human Rights working group which is held quarterly. This is a collaborative group of investors who discuss human rights regulatory changes, approaches to assessing this risk and engaging with companies. It includes regular presentations from industry experts.

In FY24, members of the Risk & Compliance team attended an ACSI Modern Slavery Seminar to build upon our understanding of modern slavery and obtain further best practice guidance.

B. POLICIES

The key policies and procedures relevant to how Magellan manages modern slavery and human rights issues are noted in the table below, all of which are readily accessible to staff on our internal network. Where the policy is also publicly available on our website, a link has been provided.

MFG also publishes a Corporate Sustainability and Responsibility Report, which discusses our approach and management across Responsible Investment, Environment, People and Community. Please refer to pages 93 - 106 of our [Annual Report](#).

POLICY	DESCRIPTION
Anti-Bribery & Corruption Policy	This Policy outlines Magellan's commitment to conducting business in an honest and ethical manner. The Policy sets out key legal obligations and reporting requirements.
Code of Ethics	This Code communicates standards of behaviour that Magellan expects, outlines responsibilities and sets out procedures to report and investigate reports of unethical practices. Staff are required to certify compliance with the Code of Ethics annually.
ESG Policy	This Policy outlines how ESG issues are linked to Magellan's investment analysis framework and how they are incorporated as part of the investment process. In particular the Policy lists the types of social issues that are considered when undertaking investment research, which includes human rights, worker rights, labour relations and child labour, amongst others.
Incident & Breach Management Policy	This Policy sets out the procedures Magellan adopts to identify, assess, notify, rectify and monitor incidents and breaches. Each reporting period we conduct a check of reported incidents and breaches to identify whether any relate to modern slavery risks. None have been identified thus far.

POLICY	DESCRIPTION
Outsourcing Policy	This Policy assists Magellan in managing the specific risks (including modern slavery) associated with appointing and monitoring third parties providing outsourced services in relation to material business activities.
<u>Voting Principles</u>	This document outlines Magellan’s voting principles considered by the investment team in engagement and voting.
<u>Whistleblowing Policy</u>	This Policy sets out the principles for making, receiving, investigating and addressing disclosures raised by whistleblowers. This includes modern slavery as a reportable matter. Each reporting period we request confirmation from Magellan’s Whistleblower Protection Officer, as to whether there have been any instances of modern slavery reported. None have been reported thus far.
Workplace Conduct Policy	This Policy outlines Magellan’s position in relation to harassment in the workplace and provides procedures for dealing with complaints.
<u>Workplace Diversity and Inclusion Policy</u>	This Policy outlines Magellan’s commitment to valuing a diverse workforce and accommodating the needs of different employees. Magellan aims to promote a culture that embraces equality, diversity and inclusion at all stages of the employment cycle.

C. EMPLOYMENT PRACTICES AND GRIEVANCE MECHANISMS

Our hiring and workplace conditions are compliant with relevant laws and reflect industry standards.

Magellan’s recruitment process is the responsibility of the relevant business function. The recruitment and selection process adopts a uniform approach, ensuring consistency in the quality and capabilities of candidates interviewed and subsequently employed. The process includes interviews, applicant background checks, skills assessment, aptitude tests (for relevant positions) and confirmation of eligibility to work in Australia.

All MFG Directors, MAM Directors and MAM staff have an employment agreement, which complies with applicable employment legislation and outlines each party’s rights and obligations.

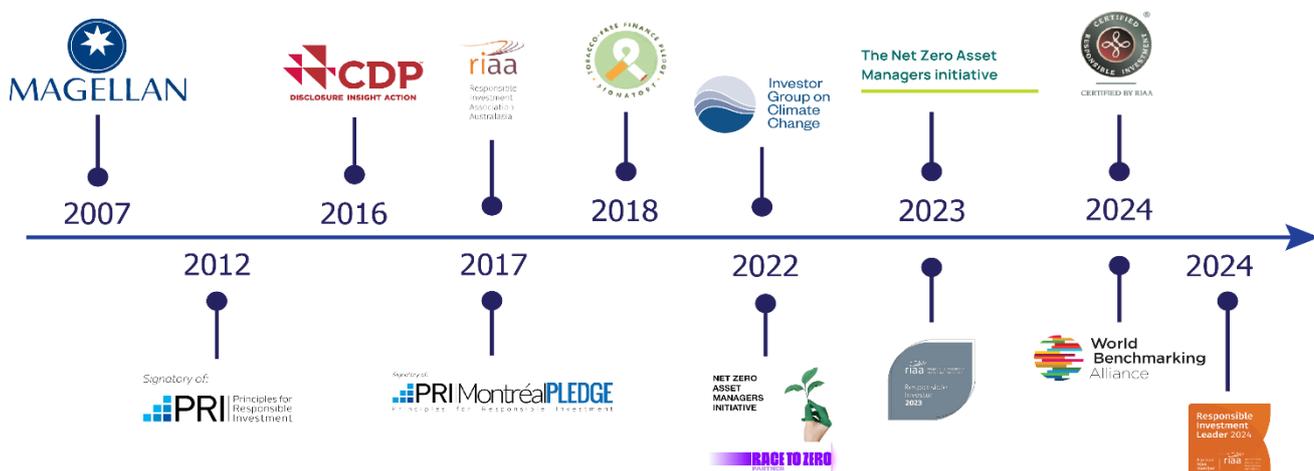
Magellan’s Workplace Conduct Policy outlines a formal process should any employee have a complaint or grievance by any other employee or individual connected with Magellan. This includes details of Contact Officers who are trained to assist with these types of issues.

As part of staff training, the process for the escalation of modern slavery incidents in Magellan’s direct operations is outlined. This operates in conjunction with the grievance mechanism described above and our Whistleblowing procedures.

II. INVESTMENT OPERATIONS

A. PORTFOLIO COMPANIES

Magellan is a signatory to several industry initiatives and associations that support our commitment to responsible investment, transparency to stakeholders and ability to elevate key issues such as human rights.



In 2024, Magellan was recognised as a Responsible Investment Leader by the RIAA and placed in the top 20% of organisations assessed, demonstrating leading practice in our commitment to responsible investing.

ESG issues are a natural component of Magellan's investment process, as gaining a robust understanding of these issues is a key part of assessing the outlook for future earnings and risks. Magellan's Responsible Investment Principles outline and summarise Magellan's approach to responsible investment, ESG integration, engagement and proxy voting.

Within Magellan's ESG framework, modern slavery is considered a 'social' issue, which encompasses human rights, worker rights, health and safety, labour relations, child labour and respect for the rule of law. Magellan seeks to invest in companies that avoid engaging in activities that undermine the rule of law and having detrimental impacts on people or society. Should our portfolio companies face risks of modern slavery in their operations or supply chains, or any social issue, we seek to understand it, engage with the companies, and encourage their efforts to mitigate these risks.

Magellan's ESG Team, overseen by the Head of ESG, are responsible for working with the Magellan Investment Team to understand and assess ESG risks, including modern slavery risks within our investment portfolios. Where there are potential risks and/or insufficient disclosures, the ESG Team, in conjunction with the relevant analyst, engage with the company to understand its approach to identifying and reducing the risk of modern slavery; and where possible, encourage improvements.

The review of portfolio companies by the Investment Teams occurs at least annually. Each company is allocated a score (either "low", "moderate" or "high") with regard to the risk of modern slavery in their operations and supply chains. Each Investment Team then prepares a report which details:

- the risk identification and assessment process;
- new risks identified during the period;
- details of any moderate or high modern slavery risks identified; and
- engagement with companies on modern slavery issues during the period.

Where any high risks of modern slavery occur, the Investment Teams are committed to engaging with the company with the objective of effecting positive change. All engagements on modern slavery topics are documented and included in an annual report to the RCC, or on an ad hoc basis where a modern slavery risk rating is elevated to high.

i. MAGELLAN INVESTMENT TEAM

On an ongoing basis, analysts actively monitor each portfolio company's risks and how the company manages its exposure to ESG risk factors including modern slavery. The Investment Team assesses the level of these risks and how well they are managed. Should an analyst believe the risks have sufficiently increased, this will be reported to the applicable Portfolio Manager and/or Investment Committee and the Risk & Compliance Team.

Remediation/Engagement: As outlined in our ESG Policy, Magellan strives to engage directly with portfolio companies where we have formed the view that a material modern slavery risk exists (i.e. those assigned a "high" rating). The objective of these engagements is to better understand how the company is managing modern slavery risks and to influence positive change.

In FY24, Magellan actively engaged with more than 47 portfolio companies in more than 80 engagements to better understand labour, human rights management incorporating the mitigation of modern slavery risks within their operations.

All 10 portfolio companies rated "high" risk in 2023 were set an engagement objective to improve risk mitigation and management of modern slavery risks. All these "high" risk rated portfolio companies have been engaged. Over 60% acknowledged our concerns providing further details on their approach, progress and planned improvement. Companies remain high-risk until sufficient progress is made towards our engagement objectives.

Where companies have agreed to engage or improve processes, this is being tracked by the ESG Team in a new IT solution called VerityESG, which was implemented in January 2024. This solution increases transparency and tracking on portfolio companies that are rated "high" risk.

Case Study: In the Reporting Period, as a result of positive engagement, two companies rated as “high” in our previous statement were downgraded to “moderate” risk. This was due to improved approaches or increased disclosure around these risks. For example, incorporation of conditions related to non-forced labour commitments from suppliers being written into contracts.

Note: The above process is also the same for the portfolio companies held by the Frontier MFG Funds and for our internal principal investment portfolio.

ii. AIRLIE INVESTMENT TEAM

Airlie analysts assess all modern slavery risks identified in their portfolio companies for materiality, including the impact on people. The analyst will also determine if the risks are being satisfactorily addressed by the company. Risks are recorded in an ESG Risk Register (including follow up actions to be taken, if applicable) and reported to the Portfolio Manager. The team has also developed a modern slavery checklist used when assessing a company.

Remediation/Engagement: The team track any material incidents of modern slavery, via MSCI ESG Manager and engagement directly with the portfolio company. Incidents are logged on an ESG Risk Register and reported to the Risk & Compliance Team.

Over the past 12 months, Airlie analysts have engaged directly with a number of companies to discuss modern slavery. The team’s analysts will continue to monitor companies where they feel there is a risk and engage directly where they are not satisfied that the risks are being adequately addressed or remedied by the company.

Case Study: In the Reporting Period, for an Airlie portfolio company rated as “high” in our previous statement, Airlie further engaged with Management and their Board on modern slavery. This included discussions with the Chairman to get an update on their progress to reduce supply chain risk. Following allegations that the company retrenched migrant workers in Thailand, Airlie engaged with the Board and the CEO and CFO who maintained that the workers were paid appropriately as employees of the company. Airlie divested from the company in April 2024 for reasons unrelated to modern slavery.

B. PRINCIPAL INVESTMENTS

Our external principal investee companies each complete a modern slavery questionnaire. We engage with the company where we need further information on how they intend to mitigate any material modern slavery risks.

III. SUPPLY CHAIN

Outsourcing Policy - MFG and MAM maintain an Outsourcing Policy which details the due diligence and ongoing monitoring processes for a material business supplier to Magellan. Modern slavery risks are incorporated into the initial due diligence performed on any new key suppliers.

Modern Slavery Questionnaire - We have created a modern slavery questionnaire that is sent to selected suppliers on an annual basis to ensure we capture any new or elevated modern slavery risks and monitor existing risks. We also review our suppliers’ own Modern Slavery Statements (where available) each reporting period.

Compliance Attestation - Monthly compliance attestations completed by our external registries request confirmation that there has been no outsourcing of the services provided to Magellan (unless already approved by Magellan) and, if approved, there have been no changes to the location of these services. In addition, for certain registries, the attestation further requests confirmation that there have been no new modern slavery risks identified in their operations or supply chain and confirmation that modern slavery incidents, if any, have been reported. To date, no instances have been reported.

Modern Slavery Clause - As at 30 June 2024, a Modern Slavery Clause has been included in 6 out of 7 selected supplier contracts. The other contract is to be terminated in FY25. The clause requires suppliers to promptly report any instances of modern slavery in their business or supply chain to Magellan. To date, no instances have been reported.

IV. REMEDIATION PROCESS

Following identification of a modern slavery risk and the assessment of its severity, our general approach to remediate a material modern slavery issue is as follows:

- where Magellan is directly linked to severe instances of modern slavery through a business relationship, whilst Magellan is not responsible for remediating the impact, it is Magellan's intention to use our influence with the entity (if appropriate) to effect positive change;
- if a supplier is found to be in breach of its agreement, or if a supplier reports a modern slavery risk, Magellan will engage with the supplier to effect positive change. Magellan may terminate a relationship with a supplier if the situation is not remedied to our satisfaction and
- for modern slavery risks in the operations of companies in which MAM invests on behalf of its clients and funds, Magellan strives to engage directly with investee companies where it has formed the view that a material modern slavery risk exists, with the objective of effecting positive change. This is documented as part of Magellan's interaction with covered companies.

The Risk & Compliance Team, in consultation with relevant stakeholders, review reported modern slavery risks and/or instances of modern slavery and determine the escalation process to the RCC and/or the MFG and MAM Boards.

EFFECTIVENESS OF ACTIONS

(REPORTING CRITERION 5)

This section explains how Magellan assesses the effectiveness of our actions taken to identify and assess risks of modern slavery in our operations and supply chains.

I. EFFECTIVENESS OF OUR ACTIONS

A. KEY PERFORMANCE INDICATORS

We have established key performance indicators (“KPIs”) to measure the effectiveness of our actions. Our KPIs have been designed to ensure coverage of the following areas:

- **Direct Workforce Operations** – delivery of training, reviewing applicable policies and monitoring for any grievances raised by employees with regard to modern slavery, ensuring that any instances reported have been escalated and any remedial actions taken have been recorded.
- **Investment Operations** – conducting an annual assessment of modern slavery risks in our portfolio companies and in MFG’s principal investments.
- **Supplier Due Diligence** – conducting an annual review of selected suppliers which may include reviewing their own modern slavery statements, requesting completion of our modern slavery questionnaire, or discussing modern slavery as part of their annual compliance review.

On an annual basis, we report the following KPIs to the RCC:

Reports of modern slavery through the Whistleblower Program	Number of suppliers with modern slavery indicators identified	% of staff trained
Number of investee companies divested due to modern slavery issues	Number of portfolio companies engaged on modern slavery issues	Number of portfolio companies rated as high risk for modern slavery

B. GAPS AND RECOMMENDATIONS

As part of our annual review, any gaps identified in assessing modern slavery risk, and proposed solutions are also tabled with the RCC, and their progress is monitored and reported.

APPENDIX 1– as at 30 June 2024				
FUND NAME	Modern Slavery Reporting Entity	MAM as Responsible Entity	MAM as Trustee	MAM as Investment Manager or Sub-adviser
AUSTRALIAN FUNDS				
Magellan Global Fund	✓	✓		✓
Magellan Global Fund (Hedged)		✓		✓
Magellan Global Equities Fund (Currency Hedged)		✓		✓
Magellan Infrastructure Fund		✓		✓
Magellan Infrastructure Fund (Unhedged)		✓		✓
Magellan Infrastructure Fund (Currency Hedged)		✓		✓
Magellan High Conviction Fund		✓		✓
Magellan High Conviction Trust	✓	✓		✓
Magellan Core Infrastructure Fund		✓		✓
Magellan Core Global Fund ⁹		✓		✓
Magellan Core ESG Fund ⁹		✓		✓
Magellan Sustainable Fund ⁹		✓		✓
Magellan Global Wholesale Fund			✓	✓
Magellan Energy Transition Fund			✓	✓
Airlie Australian Share Fund		✓		✓
Airlie Concentrated Share Fund			✓	✓
Airlie Small Companies Fund		✓		✓
INTERNATIONAL FUNDS				
MFG Global Fund ¹⁰				✓
MFG Select Infrastructure Fund ¹⁰				✓
MFG Global Sustainable Fund ^{10,11}				✓
Frontier MFG Core Infrastructure Fund				✓
Frontier MFG Global Sustainable Fund				✓

⁹ Funds terminated effective 20 November 2024.

¹⁰ Funds authorised under the European Commission (Undertakings for Collective Investment in Transferable Securities).

¹¹ Fund is no longer offered to investors.

APPENDIX 2 - Mandatory Reporting Criteria

The table below sets out the mandatory reporting criteria outlined in Section 16 of the Act and the relevant section headings and page number(s) of our Statement that addresses each criterion in relation to each Reporting Entity covered by this Statement:

Australian Modern Slavery Act Mandatory Reporting Criteria	Relevant section(s) and page number(s)
identify the reporting entity	Reporting Entities & Consultation Process Page 5
describe the structure, operations and supply chains of the reporting entity	Structure, Operations and Supply Chain Pages 6-8
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	Risks of modern slavery Pages 9-13
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	Actions taken to assess and address risks Pages 14-18
describe how the reporting entity assesses the effectiveness of such actions	Effectiveness of Actions Page 19
describe the process of consultation with: (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a joint statement —the entity giving the statement	Reporting Entities & Consultation Process Page 5
include any other information that the reporting entity, or the entity giving the statement, considers relevant.	FY24 Progress Page 4