

FY24 Modern Slavery Statement

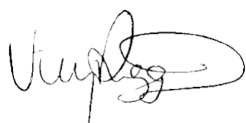
For Financial Year ending 30 June 2024

Reporting entity

This statement ("**Statement**") is submitted under section 13 of the Modern Slavery Act 2018 (Cth) ("**the Act**") for the Metrics Master Income Trust (ABN 28 163 969 714) ("**Trust**").

The Trust is a registered managed investment scheme which is operated by a Responsible Entity, as required by the Corporations Act 2001 (Cth). This Statement has been prepared by the Responsible Entity for the Metrics Master Income Trust, The Trust Company (RE Services) Limited (ABN 45 003 278 831) ("**Responsible Entity**" or "**RE**") and approved by the Board of Directors of the Responsible Entity (the 'principal governing body' under the Act) on 11th December 2024.

This Statement was approved by a resolution of the Board of The Trust Company (RE Services) Limited and signed by Vicki Riggio as the Director for The Trust Company (RE Services) Limited.



Vicki Riggio

Director

The Trust Company (RE Services) Limited

Consultation

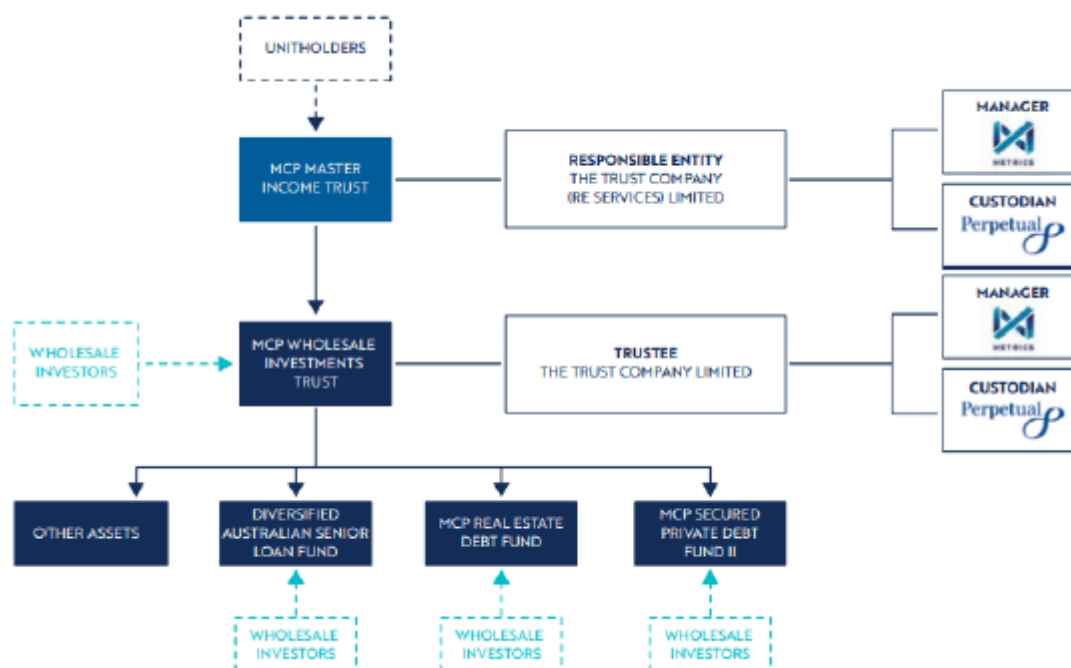
There are no subsidiaries or entities that are owned or controlled by the Trust which the RE is required to consult with to prepare this Statement.

This Statement was developed in consultation with the investment manager for the Trust, Metrics Credit Partners (ABN 27 150 646 996) ("**Investment Manager**" or "**Metrics**") which is an Australian based alternative asset management firm specialising in fixed income, private credit, equity and capital markets and currently manages approximately A\$20 billion of private credit and equity investments. Metrics Credit Partners Pty Ltd is 100% owned by Metrics Credit Holdings Pty Ltd (ACN 150 647 109) which in turn is owned 65% by the Investment Team and 35% by Pinnacle Investment Management Limited (ACN 109 659 109).

Structure, operations and supply chain

Structure

The Trust is domiciled in Australia and has been in operation since 5 October 2017. The Trust owns no real property and has no employees. The Trust's Investment Strategy is to provide a diversified exposure to Australian corporate loans generally reflecting activity in the corporate loan market providing investors with exposure to an investment portfolio diversified by borrower, industry and credit quality. A diagram showing the legal structure of the Trust is set out below.



Operations

The Trust is an Australian registered managed investment scheme. The Trust invests in units in the MCP Wholesale Investments Trust (Sub-Trust) which in turn invest in the Metrics Credit Partners Diversified Australian Senior Loan Fund, the MCP Secured Private Debt Fund II and MCP Real Estate Debt Fund.

Perpetual Limited's subsidiary, The Trust Company (RE Services) Limited is the RE for the Trust. The RE has appointed Metrics Credit Partners as the Investment Manager, Metrics Fund Administration Services as fund administrator and Automic as Registrar. Perpetual Corporate Trust is the Custodian.

Perpetual Corporate Trust (PCT)

The RE sits within PCT, which is a division of Perpetual Limited and forms part of the Perpetual Group. PCT provides a broad range of fiduciary, agency and digital products to the debt capital markets and managed funds industries both domestically and internationally. Debt Market Services includes trustee, document custodian, agency, trust management, accounting, standby servicing, and reporting solutions. Perpetual Digital provides data services, industry roundtables, and our new Perpetual Intelligence platform-as-a-service products supporting the banking and financial services industry. Managed Funds Services provides services including independent responsible entity, wholesale trustee, custodian, investment management and accounting.

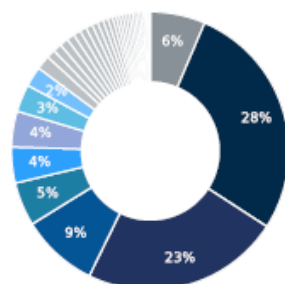
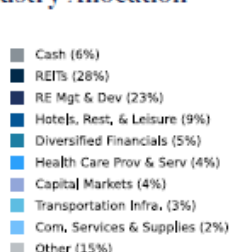
Investments

The Trust is currently invested in the following funds.

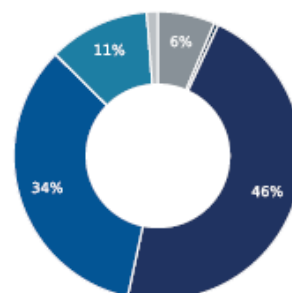
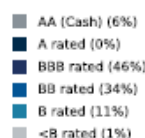
- Metrics Credit Partners Diversified Australian Senior Loan Fund - an open-ended unit trust launched in 2013. It invests in a diversified portfolio of primarily Australian corporate loans and other associated debt instruments, designed to broadly reflect the corporate loan market.
- MCP Secured Private Debt Fund II - launched in 2017, the fund invests in a portfolio of bilateral, club-style and syndicated loans, predominantly to sub investment grade mid-market Australian corporate borrowers across industries. The fund offers investors direct exposure to Australia's bank-dominated mid-market corporate loan market by investing in loans to private corporates, private-equity sponsored, real estate and structured finance borrowers.
- MCP Real Estate Debt Fund - launched in 2017, the fund invests in a portfolio of Australian Commercial Real Estate ("CRE") loans. The fund offers investors direct exposure to Australia's bank dominated CRE loan market by investing in loans to Australian CRE borrowers. These include office, retail, industrial, residential development, and specialised real estate assets such as hotels and healthcare.

As at 30 June 2024, the Trust's assets under management were \$2.12 billion. The Trust offers investors direct exposure to a diversified portfolio of primarily Australian corporate loans and other associated debt instruments, designed to broadly reflect the Australian corporate loan market diversified by borrowers, industries and credit quality. At 30 June 2024, the Trust held a portfolio of 316 individual loan assets.

Industry Allocation⁽⁶⁾



Credit Quality⁽⁷⁾



Supply chain

The Trust's supply chain consists of 14 direct service providers in the procurement categories listed below. These service providers are all located in Australia and one is also part of a multinational corporate group that has offices in many other countries worldwide.

Procurement categories for service providers engaged both directly and indirectly are:

- Administrator
- Custodian
- Registry provider
- Professional services including audit, legal and tax

Modern slavery risks

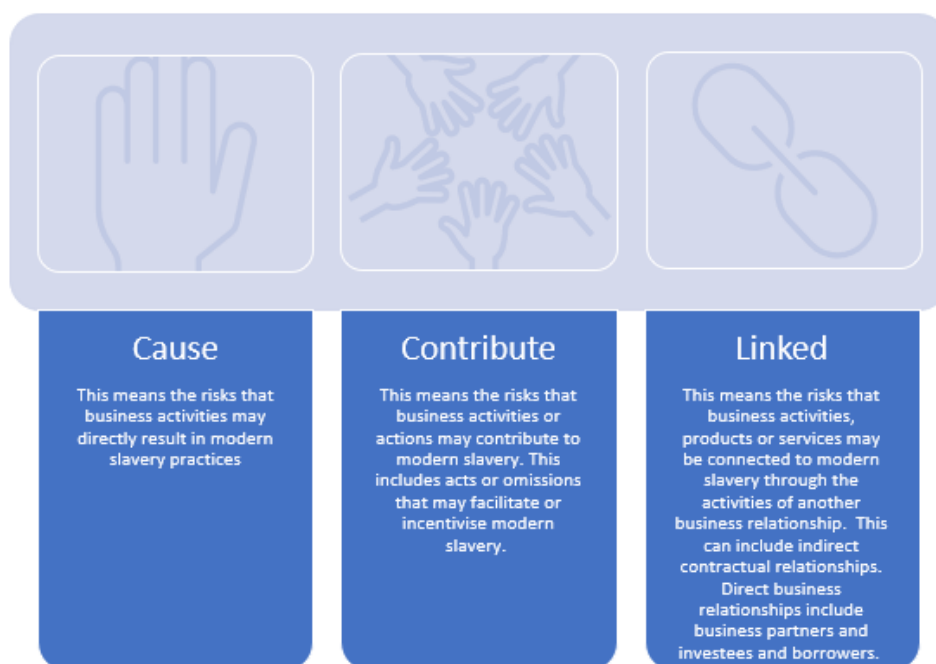
The RE understands that modern slavery risk can occur in operations and supply chains. As RE, we conduct an annual risk assessment on the direct supply chain of all Trusts that meet the Act's reporting threshold. The risk assessment is done separately to Perpetual Group's corporate modern slavery supply chain risk assessment. It is also in addition to due diligence activities undertaken for the assessment and management of modern slavery risks in investments in the Trust by the Investment Manager.

Defining modern slavery risks

Modern slavery is serious exploitation that undermines a person's freedom. In a situation where modern slavery occurs, a person cannot refuse or leave due to threats, violence, coercion, abuse of power, or deception¹.

Modern slavery occurs in a variety of forms: there are eight types including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour².

Modern slavery risk means the potential for the Trust to cause, contribute to, or be directly linked to modern slavery through their operations or supply chain. This means looking at risks to people rather than risk to the company (such as reputational or financial damage), although often these risks are connected. The Trust recognises that armed conflicts, widespread environmental degradation, assaults on democracy in many countries and a global rollback of women's rights, has exacerbated modern slavery risks for people in vulnerable situations³.



Risk assessment methodology

In FY24, the RE collected information on the Trust supply chain and operations to include in a modern slavery risk assessment. Specifically, the RE investigated the Investment Manager and service providers that the Trust has a direct relationship with. The Investment Manager and service providers were then assessed for inherent modern slavery risks and an inherent risk profile was determined for each entity. Inherent risk is the level of risk before any actions are taken to manage the risk's impact or likelihood.

Risk assessment results

Investments

The risk assessment for the underlying investment holdings for the Trust is undertaken by the Investment Manager in accordance with their Responsible Investment, Environmental, Social and Governance Policy. See the due diligence section of this Statement below for further details of their approach.

¹ International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022. Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, 13.

² As defined in the Australian Modern Slavery Act 2018 (Cth)

³ International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022. Global Estimates of Modern Slavery: Forced Labour and Forced Marriage

The Trust's investment footprint is concentrated as all their assets are held in the Metrics Credit Partners Diversified Australian Senior Loan Fund, the MCP Secured Private Debt Fund II and MCP Real Estate Debt Fund.

Supply chain

The RE's FY24 risk assessment of suppliers did not identify any high-risk service providers. All service providers have been categorised as low or medium risks. This is because, the service providers are all professional or diversified financial services organisations who operate in Australia, which is identified as a low-risk country location by the Perpetual Group's ESG data provider or have low risk exposure where they operate internationally as well.

Sector/Product	Inherent Risk Profile
Professional Services and Diversified Financial Services	There is generally a low risk of modern slavery in the professional services and diversified financial services industries in Australia, due to the general absence of factors concerning workers that might be vulnerable to exploitation, and the nature of the work itself. There may be risks in the operations and supply chains of these businesses such as through their procurement of cleaning services and merchandising and other equipment for offices which may be linked to higher risks of modern slavery.

Actions to address modern slavery risks

As a Trust, addressing modern slavery risks is necessarily different to the approach that can be undertaken by a company which has direct oversight and control of its own operations and supply chains. That is because the Trust itself has limited operations and supply chains and can have influence, but not direct control, over its investments.

As a trust within the Investment Manager's portfolio, the Trust is subject to the following modern slavery, and broader ESG, policies and controls.

Due diligence

Risk assessment

The RE's annual risk assessment was conducted by the RE to assess the Trust's inherent modern slavery risks in its supply chain. Additional due diligence is conducted by the Investment Manager on investments as part of their RI Policy (as described below).

Investments (due diligence by the Investment Manager)

The Investment Manager incorporated responsible investment, environmental, social and governance factors into its investment management activities as well as the management of our business is outlined in their Responsible Investment and [ESG Policy](#).

During the reporting period, the Investment Manager adopted a Human Rights Policy, following the completion of a Human Rights due diligence exercise. This exercise included developing its first human rights risk heatmap, plotting risks based on their severity and likelihood. When undertaking its analysis the Investment Manager considered a wide range of human rights issues that could be relevant across our value chain and identified the topics most relevant to Metrics.

The [Human Rights Policy](#) affirms the Investment Manager's commitment to respecting internationally recognised human rights standards, including those set out in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

Supply chain

As the RE for the Trust, by The Trust Company (RE Services) Limited owns the relationships with the direct service providers which are used by the Trust. As part of the Perpetual Group, the RE is subject to the same policies, due diligence and remediation process to address modern slavery as the Perpetual Group. This includes adherence to

Perpetual Group's Modern Slavery Framework which sets out the programs, processes and tools in place to ensure compliance with the Modern Slavery Act.

Procurement processes including provisions focused on modern slavery within contractual terms with new suppliers to ensure our suppliers understand we require them to assess and manage modern slavery risk in their business.

Investment Manager's supply chain

The Investment Manager is committed to upholding high ESG standards in the management of its firm and in their human resource and supply chain practices. In addition, the Investment Manager understands that the responsibility to respect human rights requires that business enterprises:

- avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and
- seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships.

The Investment Manager's Human Rights Policy sets out the expectations from team members as well as suppliers, business partners, investee companies and other parties whose own impacts may be directly linked to the Investment Manager's operations, products or services. As per this policy, it is expected that all such parties respect and not infringe upon any human rights. Where possible, the Investment Manager engages with other stakeholders to encourage greater transparency on material ESG issues.

The Investment Manager continues to be a Principles for Responsible Investment (PRI) signatory and an endorser of its 'Advance' program. Advance is a stewardship initiative where institutional investors work together to take action on human rights and social issues. Investors use their collective influence with companies and other decision makers to drive positive outcomes for workers, communities and society.

The Investment Manager also continued to participate in Pinnacle Group's initiative for engaging collectively with high-risk suppliers to help better understand how they address modern slavery risks, with initial interviews conducted during the reporting period. Nearly half of the suppliers engaged through this initiative have issued modern slavery statements, with some doing so voluntarily, demonstrating proactive commitment to ethical practices. Several suppliers flagged risks related to global sourcing from South-East Asia and low-skilled labour in outsourced operations, highlighting the potential for labour exploitation. Some respondents have implemented modern slavery training as part of their onboarding process, targeting either all staff or specific teams. Despite the Investment Manager's engagement efforts, they also acknowledge that less than half of the suppliers responded to the modern slavery questionnaire sent to them, indicating the need for stronger engagement and follow-up strategies.

Industry Collaborations

The Investment Manager's dedicated Sustainable Finance team is responsible for identifying and managing initiatives offering opportunities for collaboration on stewardship and regularly updates the Managing Partners on matters pertaining to the organisations and initiatives of which Metrics is a supporter.

The team plays an active role in industry initiatives including representing Metrics on:

- the Responsible Investment Association Australasia's ('RIAA') Human Rights and Nature Working Groups
- the UN Global Compact's Modern Slavery Community of Practice initiative
- the PRI's Human Rights and Social Issues Reference Group

Remediation

As an RE, Perpetual Group may be linked directly to modern slavery through our business relationships with other entities via their own investments and supply chains, however, it is unlikely that the RE will directly cause or contribute to modern slavery.

Perpetual Group's remediation approach is outlined in the Group's Modern Slavery Framework, which the RE is subject to. Should an incident of modern slavery occur in a Trust which we have 'caused or contributed' to, we would engage with the Investment Manager and act in accordance with our remediation principles.

The purpose of remediation is to ensure Perpetual Group takes reasonable steps to:

- Address the underlying root causes driving the modern slavery if possible;
- Prevent the modern slavery impact from re-occurring by collaborating, supporting remediation and monitoring the implementation of remedial measures taken by another party; and
- Ensure compliance with national and international labour and human rights standards.

Perpetual Group's remediation process has been approved by the Executive Committee and has been captured in our Modern Slavery Framework. The process details specific steps that we will take if Perpetual Group has 'caused or contributed' to modern slavery.

Our approach to remediation is led by a set of guiding principles. These include ensuring that our actions are in the best interest of the suspected victim or victims and responding in a way that is appropriate to the circumstances of the situation.

The principles also articulate that we will take steps to prevent further harm to achieve the best possible outcome for the victim or victims and consider whether there is any action that Perpetual Group can take that may address the underlying structural factors that have contributed to the exploitation.

Our Modern Slavery Framework, including the remediation process, is available to our employees on our intranet.

Grievance mechanism

Modern slavery is a form of reportable misconduct under Perpetual Group's Whistleblower Policy. Through this mechanism, employees in the Perpetual Group including the RE can report any concerns to a Whistleblower Protection Officer or anonymously through our third-party whistle-blower hotline. Training on how to access and report through this grievance mechanism are provided in our employee-wide modern slavery training program.

Measuring the effectiveness of actions

Outlined below is the key progress made by the RE on behalf of Metrics Master Income Trust in FY24 and the actions for FY25.

FY24 progress:

- Mapped Metrics Master Income Trust's supply chain to identify the different sectors our service providers are from.
- Conducted annual risk assessment to determine inherent modern slavery risks.
- Reviewed and updated our process for assessing and reporting on modern slavery in trusts.
- Conducted internal training on modern slavery with trust managers to support modern slavery risk management and reporting for trusts.
- Monitored emerging global trends in modern slavery and legislative developments in Australia following the review of the Modern Slavery Act (2018).

The Investment Manager adopted a Human Rights Policy and continued to engage with suppliers on the topic through the Pinnacle Group initiative.

Actions for FY25

- Monitor emerging global trends in modern slavery and include anything relevant for the FY25 risk assessment.
- Continue to engage with high-risk suppliers.
- Delivering appropriate training for a select number of employees.

Appendix

Appendix 1: Australian Modern Slavery Act – Mandatory Reporting Criteria

The following table describes the location of each mandatory reporting criteria within the FY24 Modern Slavery Statement.

Mandatory Reporting Criteria	Location in Statement
Identify the reporting entity	Reporting Entity, Page 1
Describe the reporting entity's structure, operations, and supply chains	Structure, Operations and Supply Chain, Pages 1,2&3
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Modern Slavery Risks, Pages 3,4& 5
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Actions to Address Modern Slavery Risks, Pages 5,6&7
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Measuring the Effectiveness of Actions, Page 7
Describe the process of consultation and any entities the reporting entity owns or controls	Consultation, Page 1