

# 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 AQR Wholesale Managed Futures Fund ABN 71 038 215 625 ("**Fund**").

The Fund 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 Fund, Perpetual Trust Services Limited ABN 48 000 142 049 ("**Responsible Entity**" or "**RE**") and approved by the Board of Directors of the Responsible Entity (the 'principal governing body' under the Act) on 6<sup>th</sup> December 2024.

This statement was approved by a resolution of the Board of Perpetual Trust Services Limited and signed by Phillip Blackmore as the Director for Perpetual Trust Services Limited.



Phillip Blackmore  
Director

Perpetual Trust Services Limited

## Consultation

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

This statement was prepared and finalised with assistance from, and in consultation with, the investment manager for the Fund, AQR Capital Management, LLC ("AQR"). AQR is headquartered in Greenwich, Connecticut, USA and is an independently owned investment management firm employing a disciplined multi-asset, global research process. AQR's investment products are generally provided through collective investment vehicles and separate accounts that deploy all or a subset of AQR's investment strategies. The investment products offered by AQR span from aggressive high volatility market-neutral hedge funds to low volatility benchmark-driven products.

---

## Structure, operations and supply chain

### Structure

The Fund is domiciled in Australia and was constituted on 16th December 2010. The Fund has been operational since 2010. The Fund is actively managed and will primarily invest in a portfolio of futures contracts and derivative instruments across the asset classes of commodities, currencies, fixed income, equities, and alternative markets (which includes credit and volatility) (the “Asset Classes”). This universe of investments is subject to change under varying market conditions and as these instruments evolve over time. Generally these futures contracts and derivatives instruments may include, but are not limited to, index futures, foreign exchange spot transactions, currency futures, currency forwards, commodity futures, swaps on commodity futures, bond and interest-rate futures, swaps on bonds and interest rates, swaps on bond and interest-rate futures, volatility futures, swaps on credit indices, swaps on equity index futures, swaps on equity indices, and swaps on single name equities (collectively, the “Instruments”). These Instruments may be traded across global developed and emerging markets. However, there are no geographic limits on the market exposure of the Fund’s assets and this flexibility allows AQR to look for investments or gain exposure to asset classes and markets around the world (including emerging markets) that AQR believes will enhance the Fund’s ability to seek its objective.

AQR uses a proprietary, systematic and quantitative process which utilises both price and economic data, with the aim to identify and benefit from price trends across equity, fixed income, currency, credit, volatility and commodity related Instruments. AQR generally expects that the Fund will have exposure in long and short positions across the Asset Classes but at any one time the Fund may emphasise one or two of the Asset Classes or a limited number of exposures within an Asset Class

The Fund owns no real property and has no employees.

### Operations

Perpetual Trust Services Limited is the Responsible Entity for the Fund and is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827 and a part of the Perpetual Group (comprising Perpetual Limited and its subsidiaries, including the Responsible Entity). Perpetual Limited is an ASX-listed company headquartered in Sydney, Australia. The Investment Manager is AQR.

#### *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 (such as those provided by the RE).

#### *Investments*

The Fund’s net assets under management as at 30 June 2024 were A\$545m.

### Supply chain

The Fund’s supply chain consists of the seven direct service providers. These service providers are located in Australia and the U.S.A

#### *Procurement categories for the Fund’s direct suppliers are:*

- Responsible Entity
- Professional services, including tax agent and auditor
- Registry providers
- Custodian
- Administrator
- Legal counsel; and
- Investment Manager

## Modern slavery risks

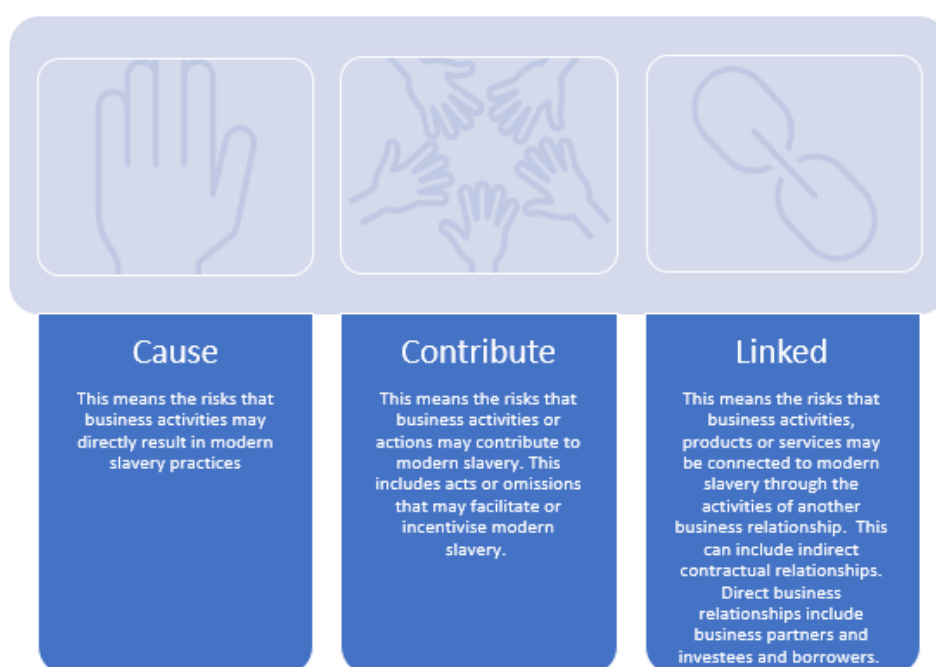
The RE understands that modern slavery risk can occur in operations and supply chains. As RE, we conduct an annual risk assessment on the direct supply chain of all Funds that meet the Act's reporting threshold. The risk assessment is done separately to Perpetual Group's corporate modern slavery supply chain risk assessment.

### 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 deception<sup>1</sup>.

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 labour<sup>2</sup>.

Modern slavery risk means the potential for the Fund 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 RE 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 situations<sup>3</sup>.



### Risk assessment methodology

In FY24, the RE collected information on the Fund's supply chain and operations to include in a modern slavery risk assessment. Specifically, the RE investigated AQR and service providers that the Fund has a direct relationship with. AQR and other 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.

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

<sup>2</sup> As defined in the Australian Modern Slavery Act 2018 (Cth)

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

---

## Risk assessment results

### *Investments*

AQR has confirmed to the RE that an assessment of modern slavery risk does not form part of its investment criteria for the Fund.

### **Supply chain**

The RE's FY24 risk assessment did not identify any high-risk suppliers. The RE's FY24 risk assessment identified that all of the suppliers in the Fund's direct supply chain are medium and low risk. This is because all suppliers are professional service providers and diversified financial services organisations who operate in Australia and the U.S.A, which are identified as low-risk countries by the Perpetual Group's environmental, social and governance (ESG) data provider.

<b>Sector/Product</b>	<b>Inherent Risk Profile</b>
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 and the U.S.A, 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 fund, addressing Modern Slavery risks is different to the approach that can be undertaken by a company which has direct oversight and control of its own operations. That is because the Fund itself owns no real property and has no employees.

### **Due diligence**

#### *Risk assessment*

The RE's annual risk assessment was conducted by the RE to assess the Fund's inherent modern slavery risks in its direct supply chain.

#### *Supply chain*

The RE for the Fund owns the relationships with the direct suppliers which are used by the Fund. 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.

The RE's procurement processes include 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.

Additionally, new RE employees take part in the online modern slavery training module and employees have access to Perpetual Group's grievance mechanism.

### **Remediation**

The RE may be linked 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 the Fund which we have 'caused or contributed' to, we would engage with AQR 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 within Perpetual Group 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 the Fund in FY24 and the proposed actions for FY25.

#### **FY24 progress:**

- Mapped the Fund's supply chain to identify the different sectors the Fund's service providers are from.
- Conducted annual risk assessment to determine inherent modern slavery risks.
- Conducted internal training on modern slavery with employees of the RE to support modern slavery risk management and reporting for the Fund.
- Monitored emerging global trends in modern slavery and legislative developments in Australia following the review of the Modern Slavery Act (2018).

#### **Actions for FY25**

- Monitor emerging global trends in modern slavery and include anything relevant for the FY25 risk assessment.

---

## 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 2,3,4
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, Page 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, Page 4
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 5
Describe the process of consultation and any entities the reporting entity owns or controls	Consultation, Page 1