



Modern Slavery Statement 2024

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Acknowledgement of Country

McMillan Shakespeare Group (MMS) acknowledges Aboriginal and Torres Strait Islander Peoples as the Traditional Owners and Custodians of the land. We recognise their connection to land, water and community and pay our respects to Elders past, present and emerging. We extend our respect to Aboriginal and Torres Strait Islander Peoples living today.

We also pay respect to and acknowledge Māori as tangata whenua and Treaty of Waitangi partners in Aotearoa New Zealand.

Original artwork created for MMS - 'MMS' reconciliation journey' by Judi Sutton

Message from our Chair and Chief Executive Officer



Helen Kurincic
Chair



Rob De Luca
Managing Director &
Chief Executive Officer

We are pleased to present MMS' fifth Modern Slavery Statement.

MMS recognises that modern slavery persists today throughout the world including in Australia and New Zealand and that its causes are complex. MMS opposes all forms of modern slavery.

Our Company purpose is to make a difference to people's lives. This extends beyond our employees, customers, clients and the communities we work in to our supply chain. We are focused on a corporate governance and risk management culture that supports and promotes responsible business conduct within both MMS and our supply chain. As a result, we are committed to actively reviewing and continually assessing our modern slavery approach.

In FY24 we worked with external expert Fair Supply to undertake MMS' risk assessment of our supply chain. Our supply chain consists of over 700 suppliers to provide products and/or services to operate our business. We refer to these suppliers as direct suppliers to MMS and they are segmented based on our spend with them and the category of product and/or service they provide to MMS.

Using Fair Supply's assessment platform, we analysed our direct supplier spend for the financial year and mapped suppliers based on industry and geographic location throughout multiple tiers i.e. 1 to 10 (from our direct suppliers to their suppliers and their suppliers) of our supply chain. The outcome was that the likelihood of the MMS operations contributing to or being directly linked to modern slavery is considered low.

Building awareness of modern slavery across our business is vital. Throughout the year we expanded our training to include all our senior leaders and Executive Leadership team members on what modern slavery is, how to recognise it and looked at ways to strengthen our own approach to modern slavery. This dual approach to recognising the risk of modern slavery is an important commitment for the business.

We are pleased with the progress we made throughout the year which you can see on page 14. We have looked at ways to continue to mature our approach to modern slavery risks with our FY25 plan highlighted on page 15.

This Statement was approved by the Board of Directors of McMillan Shakespeare Limited on behalf of the MMS Group on 2 December 2024.

Helen Kurincic
Chair

Rob De Luca
Managing Director &
Chief Executive Officer

Introduction

The McMillan Shakespeare Group (MMS, MMS Group, the Group, we or our) is opposed to slavery in all its forms including slavery, servitude, forced labour, human trafficking, deceptive recruiting for labour or services, debt bondage, forced marriage and child labour.

This statement has been prepared in accordance with the reporting requirements of Australia's *Modern Slavery Act 2018 (Cth)* (the Act) and associated guidelines. It describes the steps taken by MMS during the financial year ending 30 June 2024 to assess and address the risk of modern slavery in our operations and supply chain.

1.0 Corporate structure, operations and supply chain

1.1 Structure and operations

MMS is a provider of salary packaging, novated leasing, disability plan management, support coordination, asset management and related financial products and services.

MMS employs a highly committed team of over 1,300 people across Australia and New Zealand and domestically manages programs for some of the largest public sector, corporate and charitable organisations.

Our brands

With eight brands across employee benefits, fleet management and disability support services, MMS operates three segments being:

- Group Remuneration Services (Maxxia, RemServ, Oly, Onboard Finance)
- Asset Management Services (Interleasing, Just Honk Used Cars)
- Plan and Support Services (Plan Partners, Plan Tracker)







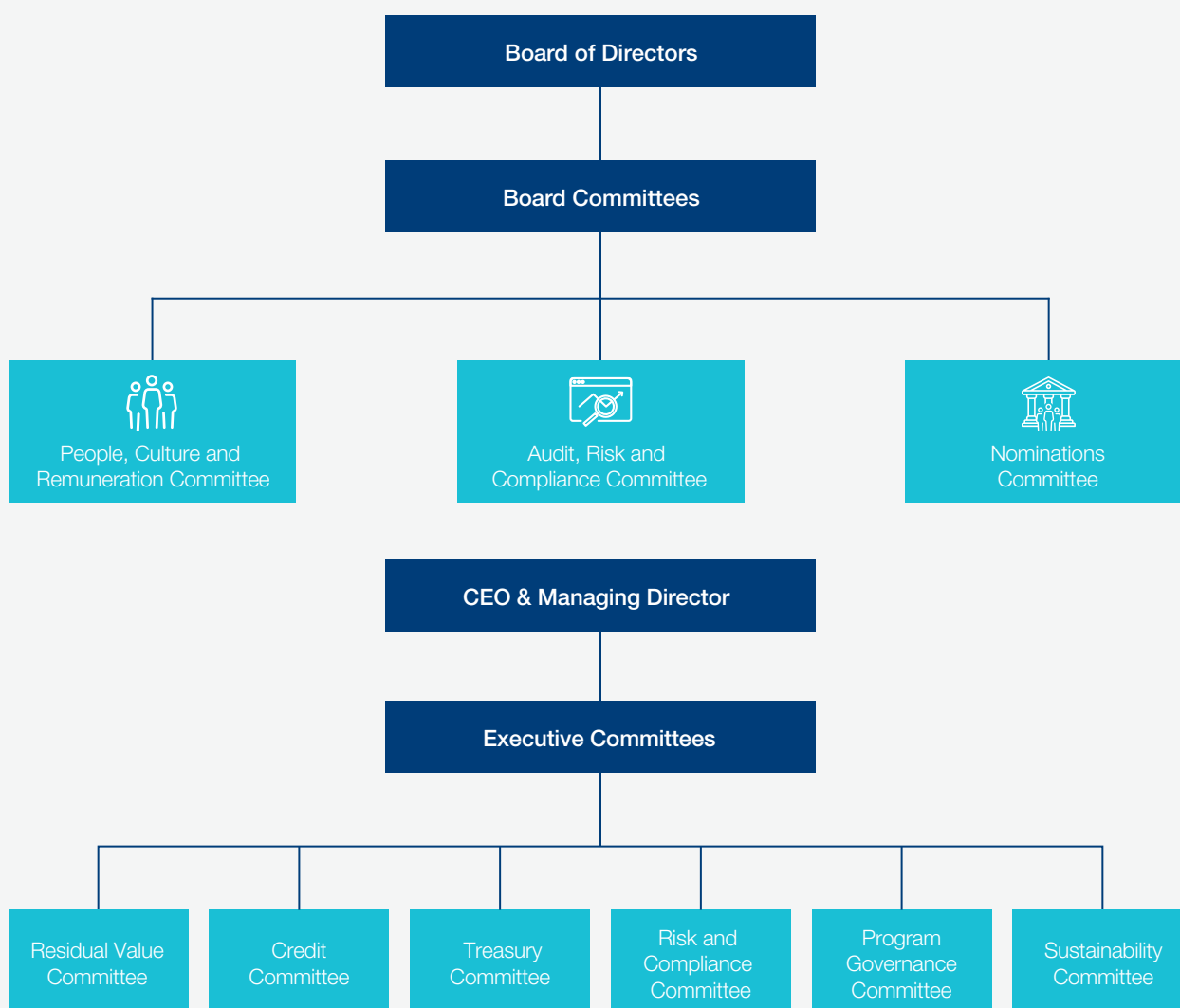



1.0 Corporate structure, operations and supply chain

MMS (the parent company in the MMS Group) is publicly listed on the Australian Securities Exchange, trading as McMillan Shakespeare Limited (ASX:MMS). This joint Statement applies to McMillan Shakespeare Limited and its controlled entities including Maxxia Pty Ltd, Remuneration Services (Qld) Pty Ltd and Interleasing (Aust) Limited, these entities reported revenues exceeding the threshold under the Act in FY24. The MMS Group is comprised of a number of entities, details can be found on page 96 of MMS' FY24 [Annual Report](#).

At MMS, we're focused on maintaining corporate governance arrangements, risk management practices and a culture that promotes and supports responsible business conduct. The MMS Board recognises that sound risk management is an integral component of good corporate governance and fundamental to the Group fulfilling its purpose, achieving its strategic objectives and maintaining its social licence to operate. Risk management is a continuous process that is embedded within the day-to-day activities of the Group with active involvement of the Executive Leadership Team and oversight from the Board Audit, Risk and Compliance Committee (ARCC), and the Board.

Figure 1. MMS Governance Framework



1.0 Corporate structure, operations and supply chain

1.2 Supply chain

In FY24 MMS engaged over 700 providers of goods and services to operate our business, with payments of over AUD\$100 million.

Our people are encouraged to develop long-term commercial relationships with suppliers where possible to promote the delivery of innovative solutions for our customers, reduce risk and to create operational efficiencies.

MMS has undertaken an analysis of its supply chain for operational purposes and to understand our potential risk and exposure to modern slavery practices. We have categorised and segmented our suppliers into two categories, direct suppliers and other providers.

MMS' direct suppliers are defined as suppliers engaged to provide products and/or services to enable MMS' direct operations and include (among others):

- Telephony
- Travel
- IT
- Subscribers to the notes issued by the warehouse
- Fuel card providers
- Payment Gateways
- Consultants, lawyers and auditors.

MMS engages with other providers while delivering services to our clients and customers by transacting payments on their behalf. In addition, we also engage with providers that are selected directly by our customers such as vehicle insurance providers, vehicle dealers and National Disability Insurance Scheme (NDIS) providers. These providers do not form part of the Groups' direct supply chain. These providers include but are not limited to:

- Vehicle insurance providers
- Original Equipment Manufacturers (OEM)
- Vehicle financiers
- Vehicle dealers
- Customer chosen repairers
- Electricity or other living expense providers as part of salary packaging
- Providers receiving NDIS payments.

2.0 Modern slavery risks

We recognise the causes of modern slavery are complex, with several risk factors often interacting to create situations where people experience practices that constitute modern slavery. This includes industries, sectors and geographies with poor labour practices and employment of vulnerable workers.

In 2021 MMS undertook a modern slavery risk assessment using an external expert Edge Impact a global consulting firm. This established a foundation for MMS to annually assess its defined supply chain to identify where modern slavery risks may be present.

The risk assessment drew on several credible publicly available resources, including the United Nations Guiding Principles on Business and Human Rights¹, Financial Services and Modern Slavery Report by the Australian Human Rights Commission² and the Global Slavery Index by the Walk Free Foundation³.

The outcome of this assessment was that the likelihood of the MMS operations contributing to or being directly linked to modern slavery is considered low.

2.1 Operations

MMS has a robust system of human resource policies and procedures that address legally mandated employment entitlements and awards across jurisdictions that the Group operates in. These policies apply to MMS entities within Australia and NZ. The Groups' workforce management practices focus on confirming individuals' rights to work in respective countries of operation and maintaining a safe, healthy and inclusive workplace.

2.2 Supply chain risk assessment

MMS' risk of modern slavery is considered low however we recognise that we may have exposure to the risk of modern slavery practices through our supply chain. In FY24, we updated our supply chain risk assessment undertaken in 2021, to capture any changes to the risk profile of our supply chain and dive deeper into the layers of our supply chain. The risk assessment was completed using the Fair Supply Modern Slavery Risk assessment platform. The assessment analysed our direct supplier spend for the financial year and mapped the possible modern slavery risk of our suppliers based on industry and geographic location.

The Fair Supply platform provided the Group with a risk assessment of our projected supply chain from our tier 1 direct suppliers through deeper layers of our supply chain through to tier 10. The risk assessment methodology incorporates a company's spend data which is then mapped using a global Multi-Regional Input-Output (MRIO) model linking supply chain data from 208 countries and in relation to over 35,000 local industry categories which represent more than 98% of global GDP. The MRIO is assembled using the below sources:

- The United Nations' (UN) System of National Accounts;
- UN COMTRADE databases;
- Eurostat databases;
- The Institute of Developing Economies, Japan External Trade Organisation (IDE/JETRO); and
- Numerous national agencies including the Australian Bureau of Statistics.

¹ United Nations Guiding Principles on Business and Human Rights (2011) United Nations Human Rights Office of the High Commissioner <https://www.business-humanrights.org/en/big-issues/governing-business-human-rights/un-guiding-principles>

² Financial Services and Modern Slavery: Practical responses to managing risks to people (2021) Australian Human Rights Commission <https://humanrights.gov.au/our-work/business-and-human-rights/publications/financial-services-and-modern-slavery-practical>

³ Walk Free 2023, The Global Slavery Index 2023, Minderoo Foundation <https://www.walkfree.org/global-slavery-index>

2.0 Modern slavery risks

The risk assessment model overlays the global supply chain data with credible available research and estimates of modern slavery incidences, which includes but is not limited to the Walk Free Foundations' Global Slavery Index (updated in 2023) and the International Labour Organisation's Global Estimates of Modern Slavery.

The risk assessment outcome was broadly consistent with the previous assessment completed in 2021, confirming the Groups' overall exposure to modern slavery risk is low as illustrated in Figure 2, based on the number of our direct tier 1 suppliers.

The Group's primarily low risk rating is due to 95% of direct (tier 1) supplier spend involving suppliers based in Australia.

Figure 2.
MMS' Modern Slavery Risk Assessment 2024

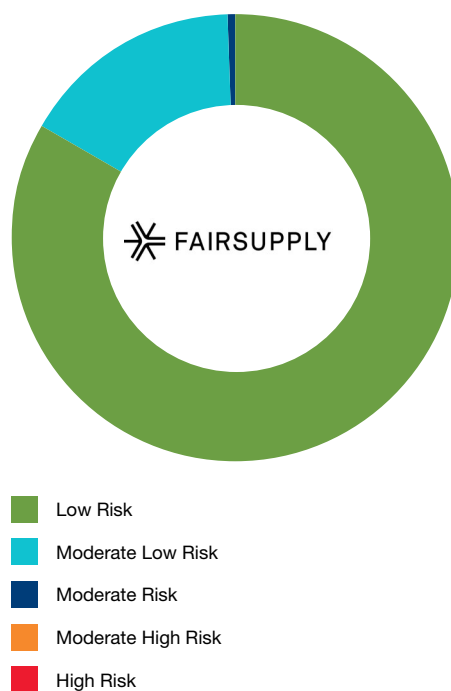
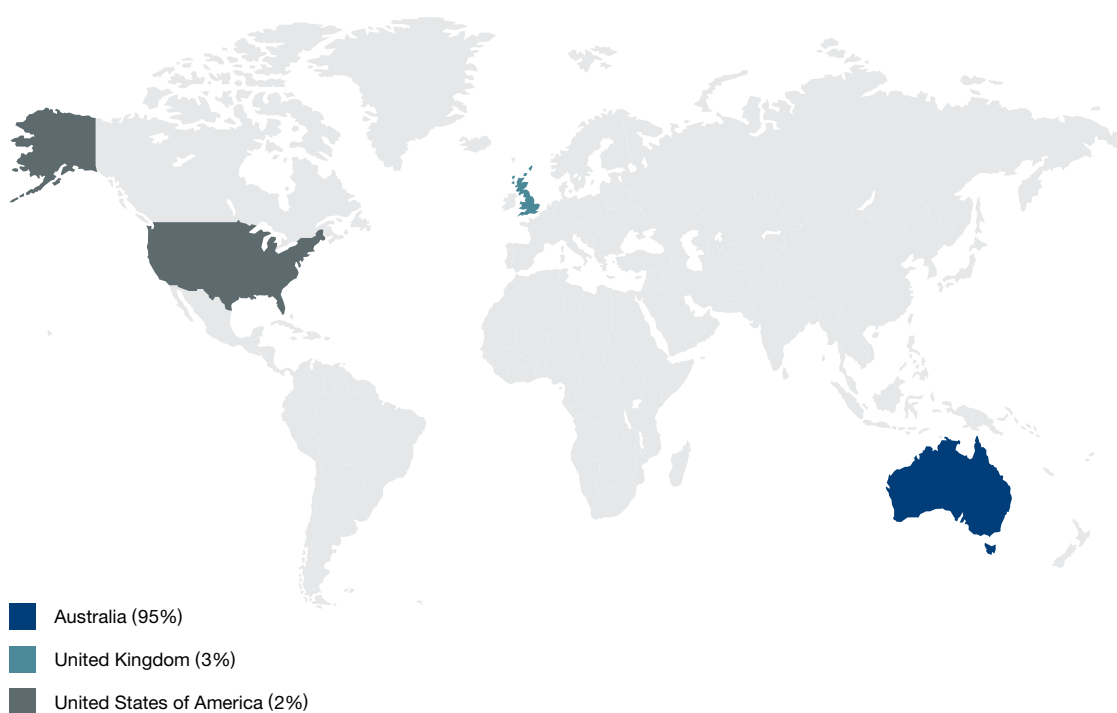


Figure 3.
MMS' Direct (tier 1) supplier spend by country



2.0 Modern slavery risks

In addition to the geographical analysis of our direct (tier 1) suppliers, we undertook an industry risk assessment of our supply chain from tiers 1 to 10.

Industries are assessed on the inherent industry risk of modern slavery and the Groups' supplier spend per industry segment. Business services and other industries shows our larger spend in these industry segments although the industries are assessed as low risk.

The Fair Supply risk assessment has informed our industry segment focus areas for FY25. We will focus our due diligence efforts on the industry segments identified as having a Moderate or Moderate Low Risk, within the Groups' direct tier 1 suppliers and where MMS has sufficient ongoing spend with the suppliers to influence an outcome, with the objective of reducing risk.

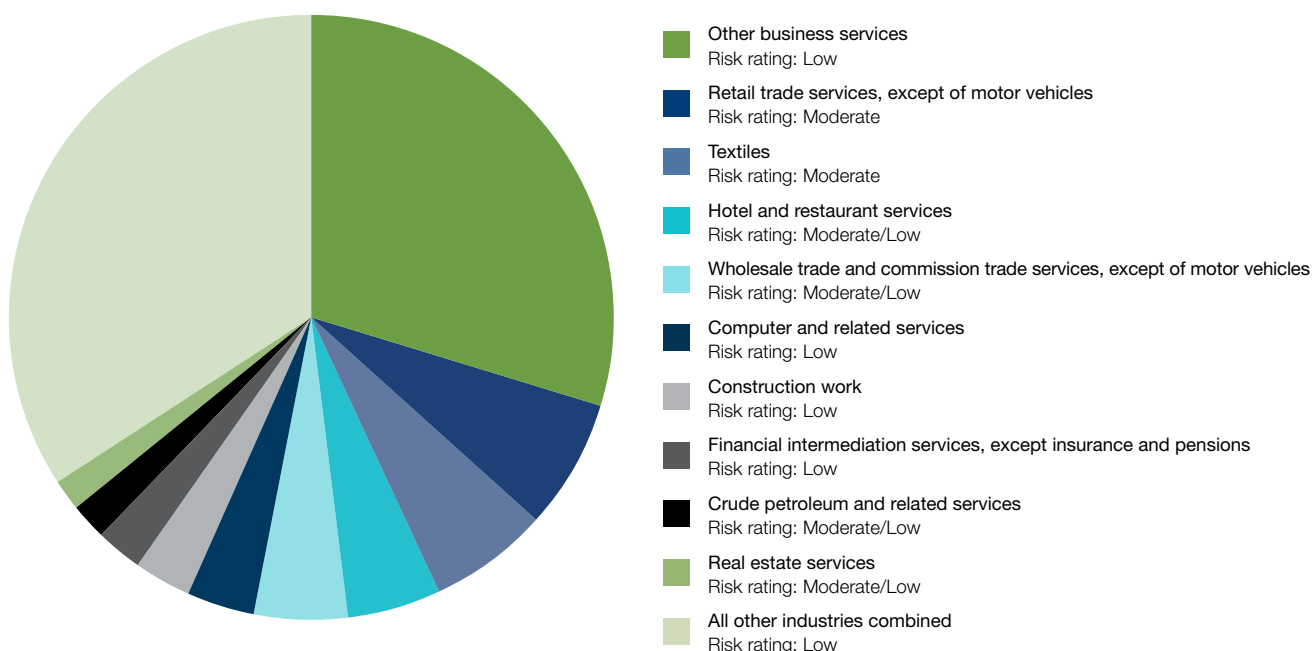
Commencing in FY25 we will undertake further analysis and perform industry specific modern slavery due diligence in the following industry segments:

- Textiles, which include our merchandising suppliers who have textile suppliers as part of their supply chains.
- Crude petroleum and related services which includes our fuel card providers.

Whilst retail trade services and wholesale trade services are identified as Moderate Risk, these industry categories appear in our supply chain from tiers 2 to 10 and not as tier 1 direct suppliers to MMS. The Group will not focus on these industries in FY25 as MMS does not directly engage with supplies in these two industry segments.

Hotel and restaurant services also have a Moderate Low risk as they potentially rely on contingent and migrant workers. MMS has limited ability to influence these suppliers due to our limited spend with each supplier in this category and they will therefore not form part of our FY25 focus areas.

Figure 4.
Share of Modern Slavery Risk.
Top 10 industries, Tier 1–10 Direct Suppliers



3.0 Modern slavery due diligence

Our approach to managing modern slavery risks is one of continuous improvement supported by a Modern Slavery Working Group, policies and processes and an annual program of due diligence initiatives.

3.1 Modern slavery working group

The Groups' Modern Slavery Working Group (the Working Group) provides governance, oversight and drives continuous improvement in its approach to modern slavery risk management. The Working Group is chaired by the CEO Asset Management Services and includes a cross-functional MMS team including the Heads of Risk, Sustainability, Cyber, Procurement, Senior Legal Counsel and Finance. Responsibilities of the Working Group include:

- Providing recommendations to the Executive Leadership Team on matters relating to the Groups' approach to addressing modern slavery risks in its operations, supply chain and compliance with the obligations under the Act.
- Providing oversight and driving continuous improvement of the Groups' approach to modern slavery risk.
- Facilitating completion of the annual schedule of agreed actions and monitoring progress against key performance indicators.
- Overseeing and contributing to the preparation of the Groups' annual Modern Slavery Statement.
- Assisting the Groups' employees meet their responsibilities in relation to modern slavery risk management.
- Advising on any other matters referred to the Working Group by management or the MMS Board.

3.0 Modern slavery due diligence

3.2 Policies and processes

At MMS, we are focused on fostering a culture of acting lawfully, ethically and responsibly. This culture is core to being a trusted partner to our customers, clients and stakeholders and to delivering on our purpose and strategy. Table 1 below outlines policies and processes that support our people and suppliers understand the standards of conduct and behaviours we expect.

Table 1: Policies and processes that support modern slavery governance and risk management

<u>MMS Supplier Code of Conduct</u>	<p>Outlines the expectations MMS has of suppliers in relation to human rights and labour standards (including prohibitions against the use of forced labour), modern slavery reporting and occupational health and safety, amongst other matters. The Code outlines our expectations of suppliers to support our modern slavery reporting and risk management.</p> <p>The Code is referenced in contractual documentation with suppliers, including Purchase Order Terms and Conditions.</p>
<u>Human Rights Position Statement</u>	<p>Outlines our commitment to respect human rights, informed by the United Nations Guiding Principles on Business and Human Rights.</p> <p>The Human Rights Position Statement further demonstrates to suppliers and stakeholders the Groups' commitment, approach and expectations to assessing and addressing human rights and modern slavery risks as they relate to our operations and supply chains.</p>
<u>MMS Whistleblower Policy</u>	<p>Outlines how employees and stakeholders can raise grievances and do so without fear of reprisal. The MMS Board receives regular summary reports about whistleblower disclosures received by MMS. These reports are provided in a way to maintain confidentiality of any whistleblower.</p>
Modern Slavery Procedures	<p>Procedures are maintained to assist employees and suppliers to follow the correct protocols if modern slavery incidents are discovered in MMS' operations or supply chains. Mandatory training (as described in section 3.5) is provided to our people to establish appropriate awareness of these procedures.</p>

3.0 Modern slavery due diligence

3.3 Modern slavery contract clauses

We are progressively incorporating modern slavery clauses into our supplier contracts to support the Groups' efforts to address modern slavery risks in our supply chain. Our focus is on direct suppliers.

The clauses outline the Groups' expectation of suppliers to review their supply chains for modern slavery risks. The clauses provide MMS with the right to audit the supplier or undertake verification activities to assess compliance with our modern slavery clauses. Amendments were made to our modern slavery clauses throughout the year to further clarify our expectations of suppliers.

Where our ability to negotiate terms and conditions with a supplier are limited, such as with large multinational companies, we review their publicly available policies and disclosures related to modern slavery to understand the steps they are taking to address modern slavery risks.

3.4 Supplier due diligence

The Groups' modern slavery due diligence process and **FY23 Modern Slavery Statement**, informed the actions we implemented throughout the year to assess and address possible modern slavery risks in our supply chain using a risk-based approach.

Throughout the year we undertook the following enhancements to our approach:

1. Reviewed and updated our modern slavery remediation process to provide further clarity on each step and accountability if a confirmed case of modern slavery is identified.
2. Updated our Modern Slavery questionnaire to support a proportional 'risk-based' response based on supplier risk categorisation.
3. Extended our modern slavery training to all senior leaders and Executive Leadership Team.
4. Developed an agreed set of qualitative and quantitative KPIs to monitor the ongoing effectiveness of our actions to assess and mitigate modern slavery risks.
5. Undertook direct engagement with a select cohort of higher risk suppliers, as outlined in our FY23 Modern Slavery Statement to request completion of our Modern Slavery questionnaire. No modern slavery incidents were identified as part of this engagement.
6. As per section 3.3 we reviewed modern slavery clauses in relevant new and renewed contracts.
7. Conducted supplier risk assessments including risk screening of selected suppliers.

Building on the actions undertaken in FY24, the Working Group has agreed a set of actions and deliverables for FY25. Refer to table 3.

3.0 Modern slavery due diligence

New suppliers

In line with our modern slavery process, we continue to assess selected new suppliers for modern slavery risk in several ways, including through modern slavery questionnaires, reviewing supplier modern slavery statements and modern slavery related policies. This year our Modern Slavery questionnaire was updated to include a shorter and simplified format for small-to medium enterprises and lower risk suppliers.

Throughout the year, we also incorporated specific modern slavery questions, alongside general environmental, social and governance (ESG) criteria, into tender evaluation templates for large tender activities. This guides our procurement specialist to consider a broad range of factors when evaluating products and services being purchased.

Ongoing assessment

We undertook direct engagement with selected suppliers identified in our [FY23 Modern Slavery Statement](#) to understand the measures they have in place to assess and address modern slavery risk. This engagement included reviewing the supplier's public modern slavery statements if they were required to report under the Act, review of human rights and modern slavery related policies and supplier interviews where further engagement was necessary to better understand risk controls in place.

Direct engagement was also undertaken with cleaning suppliers that service our facilities across Australia, to understand their policies and processes to provide fair wages and labour practices for their cleaning staff. In FY25 we will continue to engage with MMS' property managers who directly engage cleaning suppliers on our behalf.

The outcome of these engagements was that no concerns were identified.

3.5 Building the capabilities of our people

MMS provides modern slavery training as part of its annual compliance training program. The training modules aim to increase our people's understanding of modern slavery, expectations on the importance of undertaking supplier due diligence and what to do if they suspect modern slavery may be present in our operations or supply chain.

Throughout the year, MMS expanded its modern slavery compliance training to all senior leaders and Executive Leadership team in Australia and New Zealand (a total of 75 people), with a completion rate of 100%. In addition, a further 68 MMS people in key roles completed modern slavery training.

In FY25 Modern Slavery training will be a requirement for all new MMS employees in senior manager positions and above including the Groups' Executive Leadership team and will continue to form part of the Groups' annual compliance training program.

4.0 Assessing the effectiveness of our actions

Our Modern Slavery Working Group is the key forum through which we monitor and assess the effectiveness of our actions. The Working Group represents a range of internal stakeholders, meets regularly to monitor and progress agreed actions and discuss the effectiveness of the Groups' processes from their direct experience. Where issues are identified, solutions or recommendations are discussed and agreed at Working Group meetings.

We continue to engage with key internal and external stakeholders to review our approach to modern slavery and provide recommendations for improvement. We monitor evolving industry best practices, lessons learned and areas for improvement through external events and research reports.

Our progress against FY24 initiatives

This Statement shares the progress made by MMS throughout the year on initiatives identified in our last Modern Slavery Statement.

There were seven planned initiatives identified in last year's statement.

Table 2: Our progress against modern slavery initiatives for FY24

Focus area	Initiatives	Progress	Section
Policies and commitments	Review MMS Modern Slavery processes and update if required.	●	3.4
	Bi-annual (every two years) training of key MMS teams and people responsible for contract development and supplier engagement / selection.	●	3.5
Risk assessment and due diligence	Take a risk-based approach to supplier due diligence and selection prior to contract development and signing.	● Complete and ongoing	3.4
	Modern Slavery questionnaire 3-yearly review cycle.	●	3.4
	Develop proportional MMS Modern Slavery questionnaire based on supplier categorisation i.e. small-to-medium enterprises and lower modern slavery risk suppliers.	●	3.4
Assessing effectiveness	Encourage cleaning and bundled rent and cleaning suppliers to obtain CAF (Cleaning Accountability Framework) Certification and/or undertake their own risk assessment in relation to fair labour practices.	● Complete and ongoing	3.4
	Continue to investigate qualitative and quantitative indicators to assess how effectively modern slavery risks are being managed*.	●	4.0

* Commitments and plans carried over from FY23

● Initiative complete

4.0 Assessing the effectiveness of our actions

The year ahead

MMS is committed to continually improving our processes and actions to address modern slavery risks in our operations and supply chain. Our FY25 Modern Slavery Action Plan identifies several initiatives across our five focus areas, as outlined in Table 3 below. We look forward to reporting our progress against these initiatives in our FY25 Modern Slavery Statement.

Table 3: Our FY25 Action Plan

Focus area	Initiatives
Governance	Maintain an active Modern Slavery Working Group.
	Monitor and track progress on initiatives outlined in the FY25 Modern Slavery Action Plan via the Modern Slavery Working Group.
Legal and compliance	Continue to embed modern slavery clauses, where possible, into supply contracts.
	Communicate and enforce the Groups' expectations with suppliers via our Supplier Code of Conduct and supplier management processes.
Supply chain engagement	Continue to assess potential modern slavery risks prior to selecting and contracting with suppliers.
	Monitor modern slavery risks for current suppliers through various stakeholder engagement activities for selected suppliers/industry segments such as Textiles and Crude petroleum.
Knowledge and capability	All new MMS employees in senior manager positions and above including the Groups' Executive Leadership team will be required to complete annual modern slavery training.
	Commence bespoke supplier training to identified suppliers within the Groups' direct tier 1 suppliers on the Groups' expectations and processes in relation to modern slavery risk management.
Incident management	Continue to promote and raise awareness of the Groups' Whistleblower policy and concern raising processes amongst our people and suppliers.

5.0 Consultation with entities owned/controlled by MMS

In preparing this year's Statement, members of the MMS Modern Slavery Working Group actively engaged and consulted broadly across MMS on behalf of its subsidiaries.

Engagement and consultation included:


- Collaborating with relevant business units and corporate functions such as risk and compliance, human resources, sustainability, legal, finance, IT security, Executive Leadership Team members and the MMS Board to provide an overview of the Modern Slavery Act (2018) reporting requirements and the Groups' past actions and future commitments.
- Communicating modern slavery processes and frameworks across MMS to support the implementation of our approach to modern slavery management.

This Statement is the consolidation of those actions.

Appendix

Alignment with the mandatory criteria for modern slavery statements

Mandatory criteria for modern slavery statements	Statement section	Page
Identify the reporting entity (16.1.a)	Section 1.0 Corporate structure, operations and supply chain	4
Describe the structure, operations and supply chains of the reporting entity (16.1.b)	Section 1.0 Corporate structure, operations and supply chain	4
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 (16.1.c)	Section 2.0 Modern slavery risks	7
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 (16.1.d)	Section 3.0 Modern slavery due diligence	10
Describe how the reporting entity assesses the effectiveness of such actions (16.1.e)	Section 4.0 Assessing the effectiveness of our actions	14
Describe the process of consultation with (16.1.f): (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a statement under section 14—the entity giving the statement.	Section 5.0 Consultation with entities owned/controlled by MMS	16
Include any other information that the reporting entity, or the entity giving the statement, considers relevant (16.1.g)	Section 4.0 Assessing the effectiveness of our actions The year ahead	15
Details of approval by the relevant principal governing body or bodies (16.2.b.i)	Message from our Chair and Chief Executive Officer	3



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