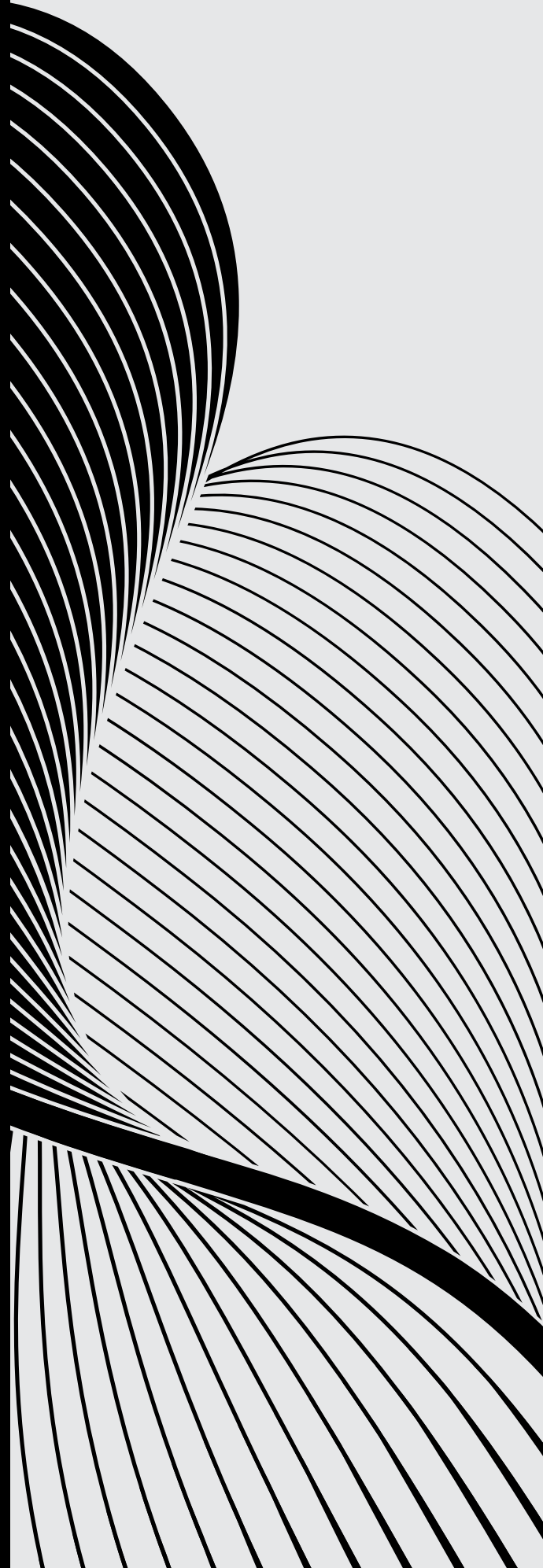


Macquarie Group Limited

2024 Modern Slavery Statement

May 2024



Introduction

Macquarie (Macquarie Group Limited (MGL) and its subsidiaries) respects fundamental human rights as set out in the *Universal Declaration of Human Rights* and codified in the *International Covenant on Civil and Political Rights*, *International Covenant on Economic, Social and Cultural Rights* and core *International Labour Organization Conventions*. In line with the *UN Guiding Principles on Business and Human Rights* (UNGPs), we recognise the duty of states to protect human rights as well as the responsibility of businesses to respect human rights.

Modern slavery involves the most serious forms of human exploitation and takes many forms including: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and child labour¹. We recognise that the global nature of our business may expose us to the risk of modern slavery and human trafficking in our value chain (our people, supply chain, customer and client relationships, and grant partners), and we are committed to identifying and mitigating these risks.

This Modern Slavery Statement (Statement) outlines the actions undertaken by Macquarie² to identify and mitigate the risk of modern slavery and human trafficking occurring in our value chain for the year ending 31 March 2024. This is the ninth Statement under the *UK Modern Slavery Act 2015* (UK Act), the fifth Statement under the *Australian Modern Slavery Act 2018* (Cth) (Australian Act) and the first Statement under the *Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023* (Canadian Act).

Consistent with last year, this Statement has been prepared as a joint Statement, in accordance with the requirements of Section 54 of the UK Act, Section 14 of the Australian Act and Section 11 of the Canadian Act. The Statement applies to Macquarie Group Limited (ACN 122 169 279) and all subsidiaries of MGL that are listed as reporting entities under the applicable legislation in Appendix 1 (Reporting Entities). References in this Statement to 'Macquarie', 'we', 'our', and 'us' cover all Reporting Entities identified in Appendix 1.

1. "Child labour" means child labour as defined under the applicable local law in each jurisdiction and in ILO Convention No.138 concerning the Minimum Age for Admission to Employment. This also includes the worst forms of child labour as defined in ILO Convention No.182 concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour.
2. Macquarie means Macquarie Group Limited and its controlled entities within the meaning of AASB 10, including the Reporting Entities listed in Appendix 1 but excluding Operationally Segregated Subsidiaries (OSSs).





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Macquarie's business and supply chain

Macquarie is a global financial services group operating in 34 markets in asset management, retail and business banking, wealth management, leasing and asset financing, market access, commodity trading, renewables development, specialist advice, access to capital, and principal investment.

Macquarie is headquartered in Sydney, Australia, and Macquarie Group Limited is a publicly listed company on the Australian Securities Exchange.

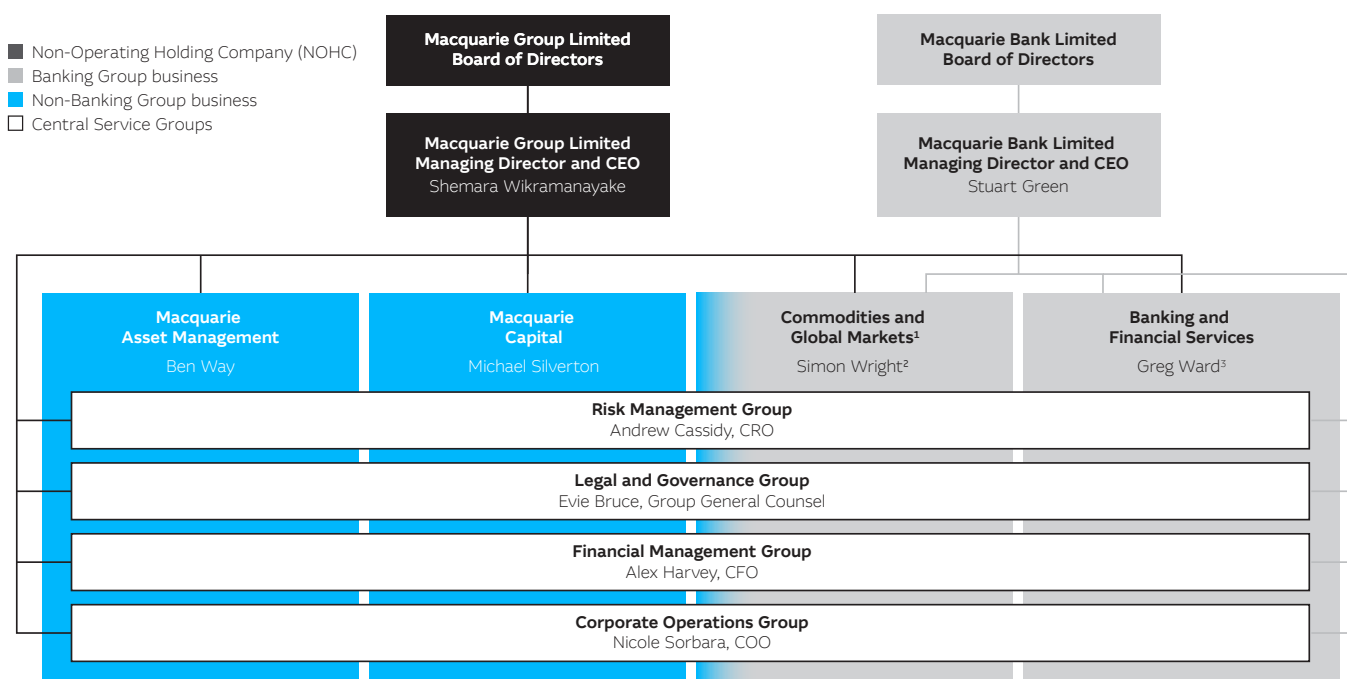
All Reporting Entities covered by the Statement are governed under these structures and processes.

Structure and operations

For internal reporting and risk management purposes, Macquarie is divided into four Operating Groups, which are supported by four Central Service Groups. The Operating Groups are split between annuity-style businesses and markets-facing businesses. A single risk management framework is applied appropriately throughout Macquarie.³

Reporting Entities and their corresponding Operating or Central Service Group are outlined in Appendix 1.

Figure 1 - Macquarie Organisational Chart



As at 31 March 2024.

1. Certain assets of the Credit Markets business, certain activities of the Commodity Markets and Finance business, and some other less financially significant activities are undertaken from within the Non-Banking group.

2. Simon Wright was appointed Head of Commodities and Global Markets in February 2024. Nicholas O'Kane was the Head of Commodities and Global Markets for part of the period covered by this Statement (FY2024) from April 2023 to February 2024.

3. The current Group Head of BFS is also the Deputy Group CEO.

3. Refer to the Risk Management section of Macquarie's FY2024 Annual Report for further information.

Operating Groups

Macquarie Asset Management (MAM)

MAM provides investment solutions to clients across a range of capabilities in private and public markets, including infrastructure, green investments, agriculture and natural assets, real estate, private credit, asset finance, secondaries, equities, fixed income, and multi-asset solutions.

Commodities and Global Markets (CGM)

CGM is a global business offering capital and financing, risk management, market access, physical execution and logistics solutions to its diverse client base across:

- **Commodities:** Provides capital and financing, risk management, and physical execution and logistics solutions across power, gas, emissions, agriculture, oil and resources sectors globally
- **Financial Markets:** Provides risk management, capital and financing solutions, and market access to corporate and institutional clients with exposure to foreign exchange, rates, fixed income, credit markets and listed derivatives markets
- **Asset Finance:** Global provider of specialist finance and asset management solutions across a variety of industries and asset classes.

Macquarie Capital (MacCap)

Macquarie Capital has global capability in advisory and capital raising services, providing clients with specialist expertise and flexible capital solutions across a range of sectors. It also has global capability in specialist investing across private credit, private equity, real estate, growth equity, venture capital, and in infrastructure and energy projects and companies. Macquarie Capital's Equities brokerage business provides clients with access to equity research, sales, execution capabilities and corporate access.

Banking and Financial Services (BFS)

BFS serves the Australian market and is organised into the following three business divisions:

- **Personal Banking:** Provides a diverse range of retail banking products to clients with home loans, car loans, transaction and savings accounts and credit cards
- **Wealth Management:** Provides clients with a wide range of wrap platform and cash management services, investment and superannuation products, financial advice and private banking
- **Business Banking:** Provides a full range of deposit, lending and payment solutions, as well as tailored services to business clients, across a range of key industry segments.

Central Service Groups

Risk Management Group (RMG)

An independent and centralised function responsible for independent and objective review and challenge, oversight, monitoring and reporting in relation to Macquarie's material risks. RMG designs and oversees the implementation of the risk management framework.

Legal and Governance Group (LGG)

Provides a full range of legal and corporate governance services, including strategic legal and governance advice and risk assessment on corporate transactions, treasury and funding, insurance, regulatory enquiries and litigation.

Financial Management Group (FMG)

Responsible for capital, funding, liquidity, tax and strategic analysis and advice to support the growth of the Macquarie business. Ensures Macquarie meets its financial, regulatory and tax reporting compliance obligations, as well as maintaining relationships with a range of significant external stakeholders.

Corporate Operations Group (COG)

Provides specialist services in technology, operations, human resources, workplace, data, digital, strategy, operational risk management, business resilience and global security, and the Macquarie Group Foundation.

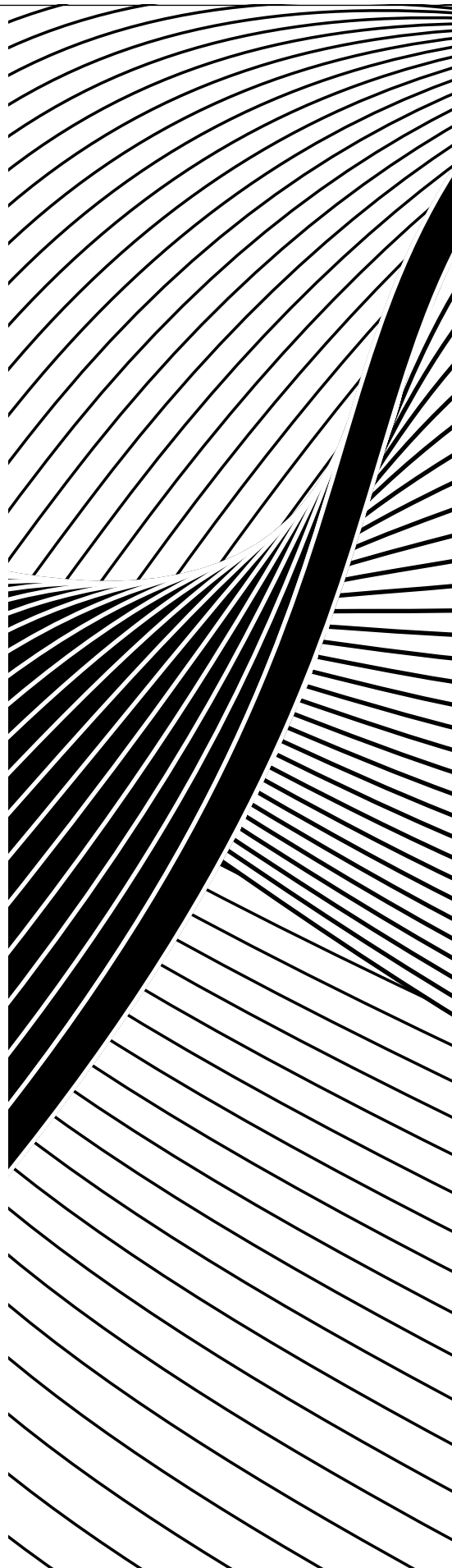
Macquarie's business

Macquarie works with government, institutional, corporate and retail clients and counterparties around the world, providing a diversified range of products and services. We have established leading market positions as a global specialist in a wide range of sectors, including renewables, infrastructure, resources, commodities, and energy.

Further information on Macquarie's business is available in the [FY2024 Annual Report](#) and the [FY2024 Environmental, Social and Governance Report \(ESG Report\)](#). Our approach to assessing modern slavery risks in our products and services is provided in the *Our customers and clients* section of this Statement (see page 17 for detail).

As at 31 March 2024, Macquarie engaged 20,301 people globally, of which 96 per cent were active permanent employees.⁴ The remaining 4 per cent were contingent workforce and casual employees (see page 13 for detail). A complete breakdown of workers by region and contract type is provided in the [FY2024 ESG Data Set](#). Further detail on our approach to addressing modern slavery risk across our workforce is provided in the *Our people* section of this Statement (see page 13 for detail).

Our business also includes the Macquarie Group Foundation (the Foundation), which drives social impact work and supports our people, businesses, and communities to build a better future. Further detail on the Foundation and the approach to addressing modern slavery risk in our grant partners is provided in the *Our grant partners* section of this Statement (see page 21 for detail).

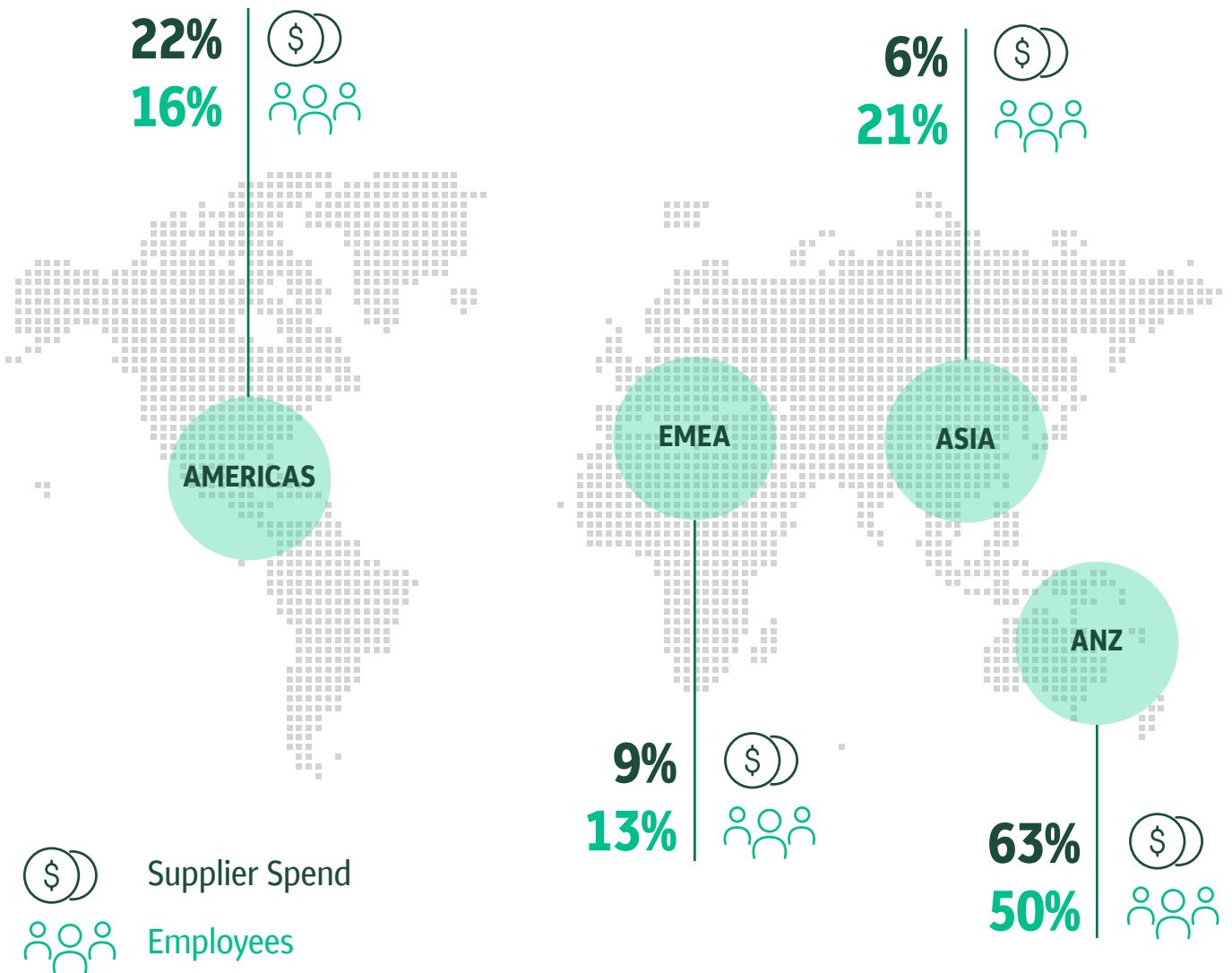


4. Workforce data is based on total global workforce excluding staff employed in OSSs as at 31 March 2024. Refer to Appendix 1 for further details on OSSs.

Supply chain

Macquarie's global corporate procurement in FY2024 involved direct spend of \$A4.6 billion with ~7,600 suppliers⁵ across 87 jurisdictions. Our business is primarily office-based with the main supply chain categories comprising professional services, technology, and premises. Further detail on our supply chain profile and approach to addressing modern slavery risk in our supply chain is provided in the *Our suppliers* section of this Statement (see page 14 for detail).

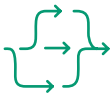
Figure 2 - Employee count by region⁶ and supplier spend by region



5. 'Suppliers' are defined as those suppliers which enable Macquarie to operate in the ordinary course of business, as defined in the Supplier Governance Policy, and therefore excludes some third-party arrangements. For example, those third parties which are limited in scope to a specific transaction. Due diligence on suppliers specific to a transaction is covered by our ESR Policy and is outlined in the *Our customers and clients* section.
 6. Workforce data by region is based on active permanent staff as at 31 March 2024.

Assessment of modern slavery risk

To identify and assess modern slavery risks in Macquarie's operations and supply chain, we have considered how we may cause, contribute, or be directly linked to modern slavery risk, which helps inform the expected scope of diligence or remedy.⁷



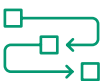
Cause

A company may 'cause' modern slavery if there is causality between the operations, products or services of the enterprise and modern slavery. Causation can occur through action as well as omission, in other words, a failure to act.⁸ For example, by engaging in modern slavery in its employment practices. Companies causing modern slavery are expected to cease or change the activity that is responsible and engage actively in its remediation either directly or in cooperation with others.⁹



Contribute

A company may 'contribute to' modern slavery where they make a substantial contribution, meaning an activity that causes, facilitates, or incentivises another entity to cause modern slavery. A company can also 'contribute to' modern slavery if the combination of its activities and that of another entity (including entities within the value chain) result in modern slavery.⁷ For example, by placing significant cost and time pressures on its primary cleaning supplier responsible for the cleaning contracts across their premises. Companies contributing to modern slavery are expected to take steps to prevent the contribution, use leverage to mitigate impacts and engage actively in its remediation either directly or in cooperation with others.⁸



Directly linked

A company may be 'directly linked' to modern slavery where modern slavery has occurred that the company has not caused or contributed to, but which is linked to the company through its business relationships.⁷ For example, by providing finance to a construction business that benefits from modern slavery through the use of forced labour in its workforce, despite agreements made with the construction company to respect human rights and not use forced labour. Companies directly linked to modern slavery are not expected to provide remediation, but have a responsibility to use their leverage to encourage the entity that caused or contributed to the impact to prevent or mitigate its recurrence. This may involve working with the entity and/or with others who can help.⁸

7. The United Nations Guiding Principles on Business and Human Rights outline these three ways (cause/contribute/directly linked) in which an enterprise can be involved in an adverse impact on human rights. Refer to - ['The Corporate Responsibility to Respect Human Rights: An interpretive guide'](#), United Nations Human Rights Office of the High Commissioner, 2012.
8. Definitions of 'Cause' and 'Contribute' and 'Direct Link': as per ['OECD Global forum on responsible business conduct - Due diligence in the financial sector: adverse impacts directly linked to financial sector operations, products or services by a business relationship'](#), OECD, 2014. 'Direct link' also per ['Request from the Chair of the OECD Working Party on Responsible Business Conduct'](#) letter from UN Human Rights Office of the High Commissioner, 2013.
9. Remediation expectations as per - ['The Corporate Responsibility to Respect Human Rights: An interpretive guide'](#), United Nations Human Rights Office of the High Commissioner, 2012.

Macquarie takes a risk-based approach to identifying and assessing modern slavery risk by considering key modern slavery risk factors¹⁰ including:



Vulnerable populations



High-risk business models



High-risk sectors



High-risk geographies

Based on these risk factors, there are varying levels of modern slavery risk exposure across our business:



OUR PEOPLE

We can potentially cause modern slavery risk as an employer. However, as a financial services provider where the majority of the professional workforce is directly employed, the risk of causing modern slavery in our role as an employer is low. Refer to the *Our people* section for further information.



OUR SUPPLIERS

We can potentially contribute or be directly linked to modern slavery risk if it is present in our supply chain. For example, base-skill workers may be present in certain high-risk categories of goods or services in our supply chain, such as cleaning or building maintenance. Based on our supply chain profile, the risk of modern slavery in direct suppliers remains relatively low. We recognise that the risk of modern slavery may increase further down our supply chain where we have lower visibility and generally lower ability to influence. Refer to the *Our suppliers* section for further information.



OUR CUSTOMERS AND CLIENTS

There may be a risk of contributing or being directly linked to modern slavery through the financial services we provide, such as through investment, lending, advisory services, or financial products we provide to clients or customers where they exhibit the risk factors listed above. For example, financial services provided to clients operating in sectors with base-skill labour and long, complex supply chains (such as in the manufacturing or construction sectors) can present a higher risk of exposure to modern slavery. Refer to the *Our customers and clients* section for further information.



OUR GRANT PARTNERS

There may be a risk of contributing or being directly linked to modern slavery through the Foundation's role as a grant maker supporting non-profit organisations operating in higher risk jurisdictions. Refer to the *Our grant partners* section for further information.

10. Modern slavery risk factors summarised from sources including 'Managing Risks Associated with Modern Slavery A Good Practice Note for the Private Sector', the International Finance Corporation (IFC), 2018, 'Global Slavery Index - 2023, Walk Free, 2018, The Mekong Club, and, 'Financial services and modern slavery: Practical responses for managing risk to people', the Australian Human Rights Commission and KPMG 2021.

Governance and policies

Macquarie has a framework of policies, programs, and processes in place (together, our human rights framework) to identify, mitigate, and where relevant, remediate potential and actual human rights impacts, including modern slavery, in our value chain (defined as our people, suppliers, customers and clients and grant partners).

This framework is set out in Figure 3 below with details on how it operates within the *Management of modern slavery risk* section (see page 13 for detail).

Figure 3 - Human Rights (including modern slavery) Framework



Governance



Policy Framework

Macquarie has a framework of policies and processes in place to identify, mitigate and where relevant, remediate potential and actual human rights impacts, including modern slavery, resulting from our business activities and the relationships connected to those activities. These include:

- Environmental and Social Risk ("ESR") Policy
- Code of Conduct
- Whistleblower Policy
- Supplier Governance Policy and Principles for Suppliers
- Financial Crime Risk Governance Framework
- Work Health and Safety ("WHS") Policy

Human rights due diligence, processes and controls



Our people



Our suppliers



Our customers and clients



Our grant partners

Overarching processes and programs



Human rights and modern slavery training



Raising concerns



Remediation



Stakeholder engagement



Reporting



Governance

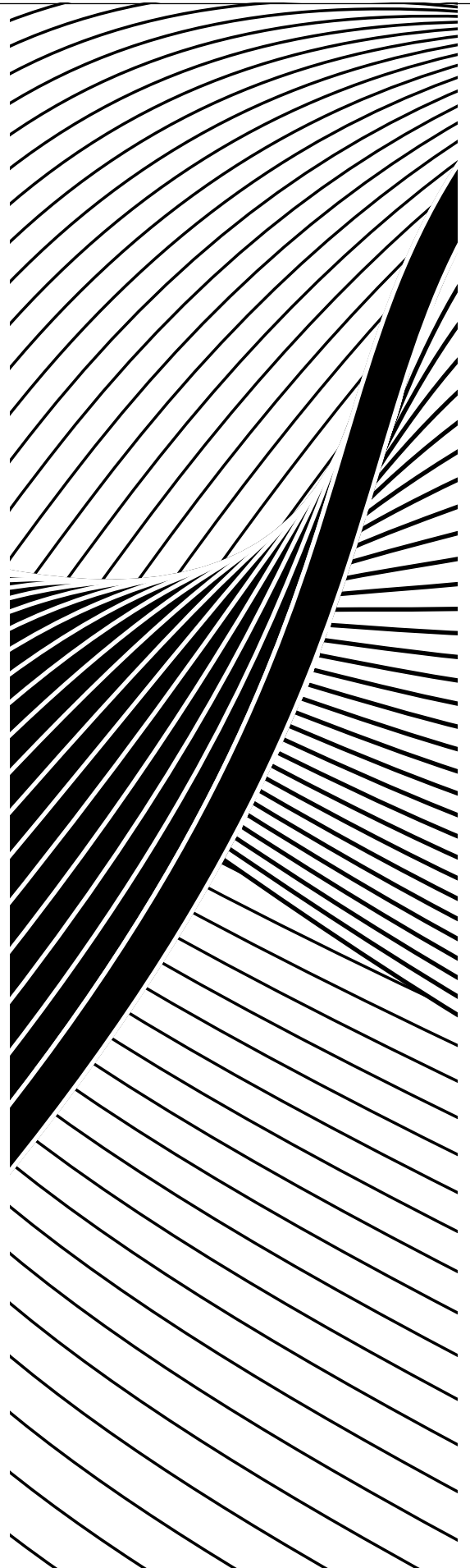
The MGL Board (the Board) is responsible for approving Macquarie's Environmental, Social and Governance (ESG) framework including major ESG policies. In accordance with its Charter, the [Board Governance and Compliance Committee](#) (BGCC) assists the Board in adopting appropriate governance standards and reviewing and monitoring Macquarie's environmental and social risk management policies, practices and performance. Management is responsible for implementation of the ESG framework.

Under the [Code of Conduct](#), all our people are expected to identify, assess and manage material environmental and social risks in all business activities and comply with applicable laws, regulations and policies. In relation to environmental and social issues in products and services, our people are supported by the Environmental and Social Risk (ESR) team, which sits within the Credit Risk division of the RMG and has Macquarie-wide oversight of the ESR Policy. The ESR team reports to the Chief Risk Officer and to the BGCC on ESG-related matters. Operating and Central Service Groups are responsible for the management of their suppliers and are supported by Group Procurement, which operationalises and advises on the Supplier Governance Framework.

Since FY2021, Macquarie has operated a cross-functional and multi-jurisdictional Modern Slavery Working Group (MSWG). The Working Group is chaired by the ESR team, with permanent representatives from each of the four Operating Groups as well as from the Central Service Groups. The MSWG meets monthly to drive continuous improvement in Macquarie's approach to managing modern slavery risk, including sharing different approaches that Operating Groups are using to manage modern slavery risk.



Refer to Macquarie's [ESG governance](#) structure for further information.





Policies

Our human rights (including modern slavery) framework is set out on page 10 (Figure 3). Policies and procedures outlined below are reviewed periodically and updated if required. Management review, monitoring, and assurance of the key programs, processes, and controls to mitigate human rights risks (including modern slavery) is conducted in a manner consistent with the three lines of defence risk management model.¹¹

Our human rights and modern slavery related policies include:

- The [ESR Policy](#) sets out Macquarie's commitment to respecting fundamental human rights. The policy establishes processes for identifying, assessing, preventing, managing, mitigating, remediating, and reporting material environmental and social risks, including modern slavery risks, across the business. The environmental and social risk areas covered by the ESR Policy include labour and employment practices such as child labour, forced and compulsory labour, and freedom of association and collective bargaining. The ESR Policy is based on international guidelines including the International Finance Corporation (IFC) Performance Standards. Macquarie's Environmental and Social Risk Assessment Tool (ESR Tool) is used to guide due diligence requirements, including an IFC-aligned assessment of human rights, labour and employment practices. The ESR Policy is supplemented by detailed Human Rights Due Diligence Guidance and Human Rights Breach Guidance documents which provide additional guidance for human rights focused due diligence and remediation where needed. The ESR Policy is also supported by topic and sector-specific guidance, including relating to human rights risks, where required.
- The [Code of Conduct](#) incorporates the principles of [What We Stand For](#): Opportunity, Accountability and Integrity. These principles guide Board, management, and our people's conduct. The Code of Conduct outlines the way our people are expected to do business, including in relation to managing environmental and social risks. It also outlines mechanisms to raise concerns, including through Macquarie's Whistleblower Program.
- The [Whistleblower Policy](#) outlines circumstances under which a person may raise concerns in relation to improper conduct, the avenues for doing so, the protections that are available to those who report improper conduct, and the investigation process. Improper conduct specifically includes modern slavery and human trafficking and other human rights breaches, as well as breaches of laws, breaches of Macquarie's internal policies including the ESR Policy, and conduct that endangers (or may endanger) the health and safety of any persons.
- The Supplier Governance Policy and associated framework outline risk triggers and due diligence requirements for Macquarie when engaging with suppliers in industries and jurisdictions considered high risk for human rights breaches (including modern slavery). The Supplier Governance Framework includes our [Principles for Suppliers](#) which articulate expectations for suppliers, including that they: respect human rights; provide safe, fair and ethical working conditions; seek opportunities to improve environmental performance; promote supplier diversity; and do not use child labour or any form of forced or involuntary labour under any circumstance. The Principles for Suppliers also provide details on how suppliers are able to confidentially report concerns about improper conduct by Macquarie or the supplier via Macquarie's Whistleblower Program.
- The Financial Crime Risk Governance Framework incorporates Anti-Money Laundering, Counter-Terrorism Financing, Anti-Bribery and Corruption and Economic and Trade Sanctions policies and associated procedures for detecting, mitigating, and managing the risk of financial crime, including those potentially linked to human rights violations (including modern slavery).
- The [Work Health and Safety \(WHS\) Policy](#) recognises, supports, and promotes the right of every worker to return home safely from their workplace. To protect this key right, we are committed to building and promoting healthy and safe workplaces which enable and empower people to do their best work. To achieve this, we build and maintain a safety-positive workplace culture and manage our WHS risks effectively. Macquarie integrates WHS into the equity and fund management investment lifecycle, where appropriate, from WHS due diligence prior to investment through to divestment.

11. Macquarie's approach to risk management adopts the 'three lines of defence' model, which sets risk ownership responsibilities functionally independent from oversight and assurance. Line 1 - Primary responsibility for risk management lies with the business. Line 2 - RMG forms the second line of defence and provides independent and objective review and challenge, oversight, monitoring, and reporting in relation to Macquarie's material risks. Line 3 - Internal Audit provides independent and objective risk-based assurance on the compliance with, and effectiveness of Macquarie's financial and risk management framework.

Management of modern slavery risk

Our key processes and controls to assess and address modern slavery risks are set out in this section. We seek to exercise influence across our value chain, including with the support and guidance of expert third parties, such as human rights and legal consultants.



Our people

While the risk of modern slavery among our workforce is low, we continue to take steps to prevent potential risks. We operate in a highly regulated environment and have robust policies and procedures concerning employment screening (including work eligibility checks), employment conditions (including fair pay and hours) and appropriate workplace behaviour. These policies and procedures apply across all employment types and are reviewed on a regular basis. Further, we have a robust training framework to ensure our people are aware of Macquarie's expectations and values, including those set out in the Code of Conduct. Processes are in place to monitor compliance with training.

All staff are expected to abide by the spirit, as well as the strict requirements, of the Code of Conduct and applicable policies and procedures.

We are committed to maintaining a safe workplace that values equal opportunity and is free from discrimination, harassment, and victimisation. We are also committed to maintaining an environment where our people feel comfortable raising issues or concerns and do not experience detriment as a result of speaking up. During the employee onboarding and orientation process, we offer a series of learning and development activities (including events hosted by the Group Chief Executive Officer (CEO) and the Group Integrity Officer). These are designed to communicate and embed the Macquarie culture and reinforce the ongoing importance of meeting behavioural expectations and managing risk effectively across all our businesses and regions.

Our contingent workforce makes up around 4 per cent¹² of the overall workforce, and consists of non-employees including independent contractors, consultants, secondees and agency workers who are predominantly engaged in professional services roles. Our non-employees are engaged on standard terms of engagement that are regularly reviewed for compliance with local legislation and best practice.

We have regular review processes in place to ensure that all policies and procedures are amended as needed to reflect changes to employment legislation and regulation. This review covers all employment legal matters, including working time and remuneration rules.

In FY2024, Macquarie:

- Refreshed our Code of Conduct which includes key messaging on the importance of speaking up and provides guidance to our people on how to raise concerns, including the avenues available, and how they can be supported. These messages were promoted by senior executives throughout the organisation in a range of communications.
- Continued to run our flagship induction program to reach all new employees globally with a focus on culture and speaking up through "Your Voice Matters", presented live by the Group CEO, regional senior management and the Integrity Office.

12. Note that 96 per cent of our workforce are active permanent employees, refer to the *Macquarie's business and supply chain* section.



Our suppliers

Our Supplier Governance Framework brings under governance suppliers¹³ that meet heightened risk and/or high value criteria. Heightened ESR suppliers are those that may lead to increased exposure to modern slavery risk (amongst other environmental or social risks) and are determined through a combination of ratings accounting for high-risk industries and high-risk jurisdictions, independent of value. The industry and jurisdiction risk ratings are internally developed, informed by independent sources such as the Global Slavery Index and externally recognised ESG and financial crime risk databases.

The relevant Operating Group or Central Service Group that procures the goods or services owns their supplier relationship and is responsible for assessing each supplier relationship to determine whether they meet the heightened ESR trigger. If so, suppliers are required to be centrally procured and undergo risk assessment and due diligence with internal approvals obtained prior to contract execution, as well as subject to ongoing governance. All suppliers under governance are:

- Required to complete an ESR questionnaire and acknowledge our Principles for Suppliers via the MySupplier platform. The ESR questionnaire supports (amongst other focus areas) an assessment of the policies and controls a supplier has in place to mitigate the risk of modern slavery in their supply chain. 98 per cent of suppliers under governance have completed these requirements to date, with the remaining 2 per cent in progress. Under our Principles for Suppliers, we request our suppliers to cascade human rights and modern slavery standards down the supplier's own supply chains. We are committed to maturing our Supplier Governance Framework to include enhanced visibility through the supply chain.
- Subject to initial and ongoing adverse media screening to identify any potential allegations of human rights and broader ESG issues.
- Required to comply with applicable laws and regulations, which is a core contractual requirement, with an additional responsible supply chain clause (which requires compliance with the Principles for Suppliers) employed for heightened ESR suppliers.

- Where concerns are identified about our suppliers (through due diligence, adverse media screening, performance management or other mechanism e.g., whistleblowing), findings are raised via the MySupplier platform. Findings raised require appropriate actions to be taken by our business teams in collaboration with the supplier to understand, manage or remediate the risk. For example, we may request more frequent governance meetings with suppliers to understand progress, require onsite assurance, or escalate internally (for example to RMG).

The following sets out our high-risk industry and high-risk jurisdiction assessment. These factors are then combined to determine whether a supplier meets the Heightened ESR criteria:

- **Industry analysis:** As a proportion of spend, ~28 per cent¹⁴ of Macquarie's supplier spend was with suppliers that have an inherently higher risk of environmental or social risk (including modern slavery) in their operations or supply chains due to their industry. Construction, facilities management, and IT hardware were examples of industries considered high risk. Figure 4 below demonstrates our overall spend split according to industry, while Figure 5 provides a breakdown focused on the supplier spend across high ES risk industries.

13. 'Suppliers' are defined as those suppliers which enable Macquarie to operate in the ordinary course of business, as defined in the Supplier Governance Policy, and therefore excludes some third-party arrangements. For example, those third parties which are limited in scope to a specific transaction. Due diligence on suppliers specific to a transaction is covered by our ESR Policy and is outlined in the *Our customers and clients* section.

14. Note that Figure 4 displays the supplier spend at a level 1 categorisation. The calculation of ~28 per cent of Macquarie's supplier spend being with suppliers that may have an inherently higher risk of environment or social risk (including modern slavery) in their operations or supply chains is based on an analysis at level 2 and level 3 sub-categories. During FY2024 the higher percentage of spend in heightened risk industry can be directly correlated to increased construction spend related to Macquarie's headquarters 1 Elizabeth Street and the associated Metro Martin Place project.

Figure 4 - Supplier Spend by Industry

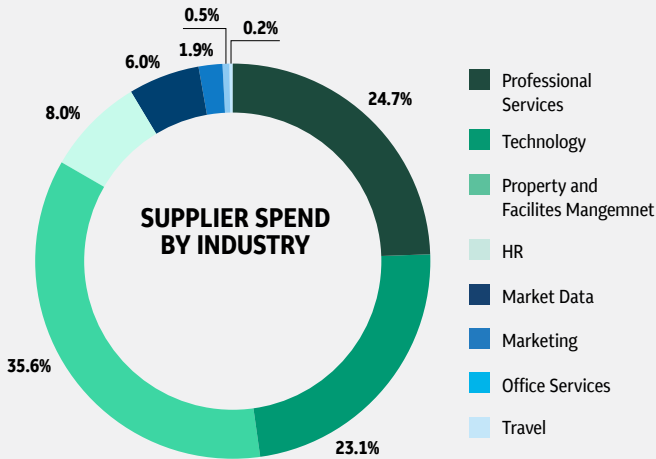
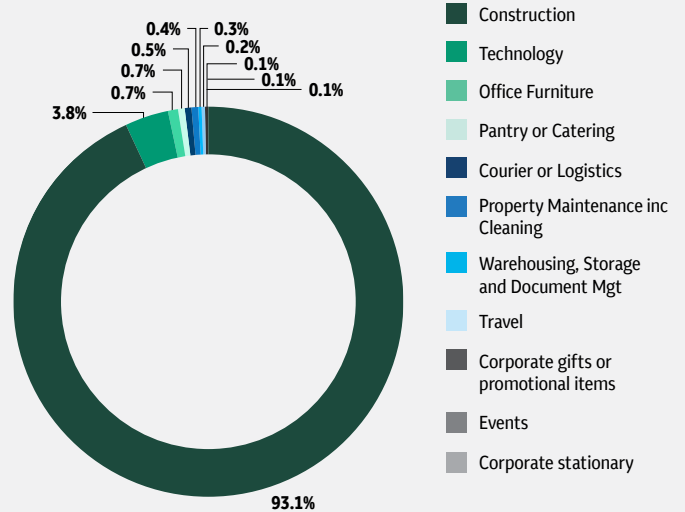


Figure 5 - Supplier Spend by High ES Risk Industry



- Jurisdiction analysis:** As a proportion of spend, ~6 per cent of our supplier spend was with suppliers that are domiciled or operating in jurisdictions with an inherently higher environmental or social risk, including modern slavery (refer to Figure 6 below that displays our direct supplier spend by environmental and social jurisdiction risk). Jurisdictions considered very high or high-risk where Macquarie's direct suppliers operate include Brazil, China, Hong Kong, India, Indonesia, Malaysia, Mexico, Philippines, Singapore, South Africa, Taiwan, Thailand, and the United Arab Emirates (refer to Figure 7 below that displays the breakdown of direct supplier spend by high ESR jurisdiction). It should be noted that Macquarie has offices in each of these jurisdictions and therefore procures from suppliers in region.

Figure 6 - Supplier Spend by ES Jurisdiction Risk

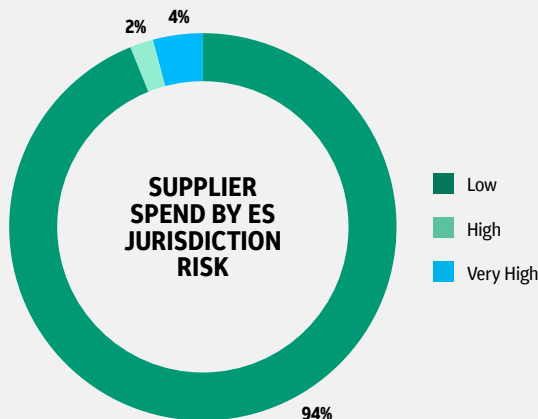
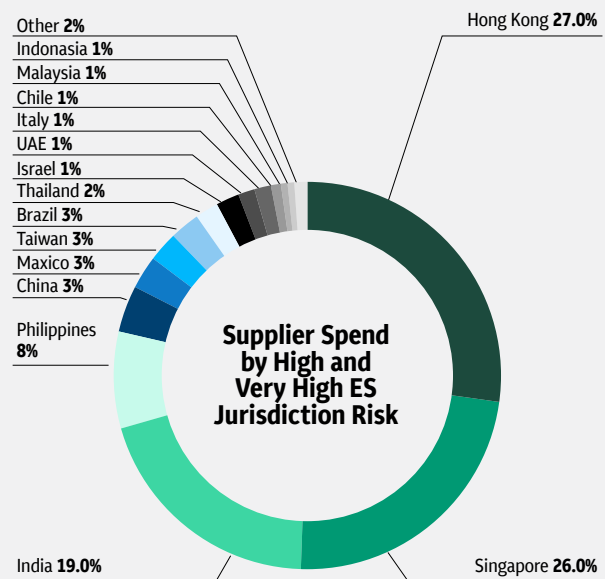


Figure 7 - Supplier Spend by High and Very High ES Jurisdiction Risk



Using our methodology of combining both jurisdiction and industry risks, ~1 per cent of our supplier arrangements have been identified as heightened ESR suppliers, and therefore we assess the risk of modern slavery in our suppliers to remain relatively low.

In FY2024, Macquarie:

- Continued to mature the Supplier Governance Policy and associated framework which includes a systematic, risk- based approach to ESR assessment across Macquarie's global supply chain. The residual risk profile for heightened ESR suppliers has remained steady from prior years, reflecting continued Macquarie-wide compliance with the framework requirements. Actions this year included:
 - Development of internal guidance for Macquarie employees who are reviewing the ESR Questionnaire responses from suppliers. This aims to ensure that responses are consistently reviewed, and assessment and escalation processes are understood.
 - Delivered training to develop awareness of modern slavery including red flags and how to raise concerns, and promoted the use of the ESR Questionnaire guidance document. The training was required for all staff who are responsible for heightened ESR suppliers, and available to other staff.
- Continued with our Supplier Assurance Program:
 - Our risk-based Supplier Assurance Program uses an independent auditor who applies industry best practice audit methodology, with suppliers' compliance assessed against the Ethical Trade Initiative (ETI) Base Code and the Sedex Members Ethical Trade Audit (SMETA) methodology.
 - The assurance program in FY2024 included:
 - Six new audits.
 - The following jurisdictions: Indonesia, Philippines, Hong Kong, China, and India.
 - The following industries: property and facilities management; card services (manufacturing), catering, and merchandise.
- To date no instances of modern slavery have been identified through our assurance program, though areas of improvement have been identified. As in previous years, findings identified related to non-conformance with local labour laws and suppliers demonstrating a low level of maturity in their internal policies and procedures.
- We are committed to working with these suppliers to remediate these non-conformances through time bound corrective action plans, and to ensure success through follow up audits as recommended by the auditor. The findings and associated actions are being tracked through the MySupplier platform, as well as being recorded by the in the SEDEX¹⁵ platform auditor (for the supplier's visibility).
- We have commenced a review to enhance the assurance program noting our ongoing commitment to this process.
- Maintained our buyer membership of SEDEX, a membership organisation that provides an online platform for companies to manage and improve working conditions in their global supply chains.
- Commenced the refresh of our Principles for Suppliers, including completing an industry benchmarking review.
- Continued to embed Macquarie's Sustainable Procurement Framework which was launched in FY2023. This framework aims to align Macquarie more closely to the ISO20400¹⁶, and will further mature approaches to human rights and modern slavery considerations across our supply chain. Our supplier diversity commitment is now available on our [website](#) to support our conversations with external stakeholders.
- Continued to focus on the timeliness of supplier payments. We acknowledge that the way we pay our suppliers may lead to increased risk of human rights breaches, particularly for small or medium-sized enterprises. By way of example, late payment of invoices can lead to reduced cash flow for our small business suppliers which may in turn lead to late or under payment for their workers. Building on our program of work from previous years, in FY2024, we consistently paid our suppliers within 20 days.¹⁷ Furthermore, our ongoing focus to ensure small business suppliers' payments are prioritised has resulted in an average payment time of less than eight days for our Australian small business suppliers.

15. More information is available at www.sedex.com.

16. ISO20400 provides guidance to organisations, independent of their activity or size, on integrating sustainability within procurement.

17. Number of days calculated in the following manner: for eInvoicing from point of receipt to point of payment and for paper/hard copy invoices, from invoice date to point of payment.



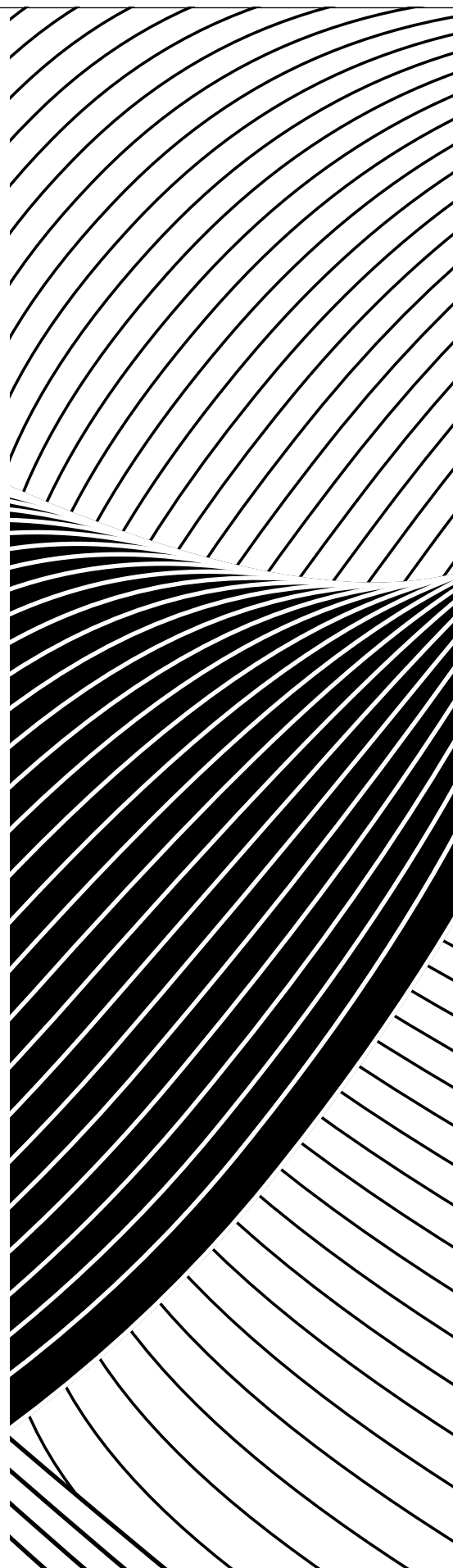
Our customers and clients

Macquarie's financial services are provided to customers and clients in a wide range of jurisdictions and sectors, including those with heightened exposure to modern slavery risk. We manage human rights related issues (including modern slavery) in our customers and clients via our ESR Policy, Financial Crime Risk Governance Framework and WHS Policy.

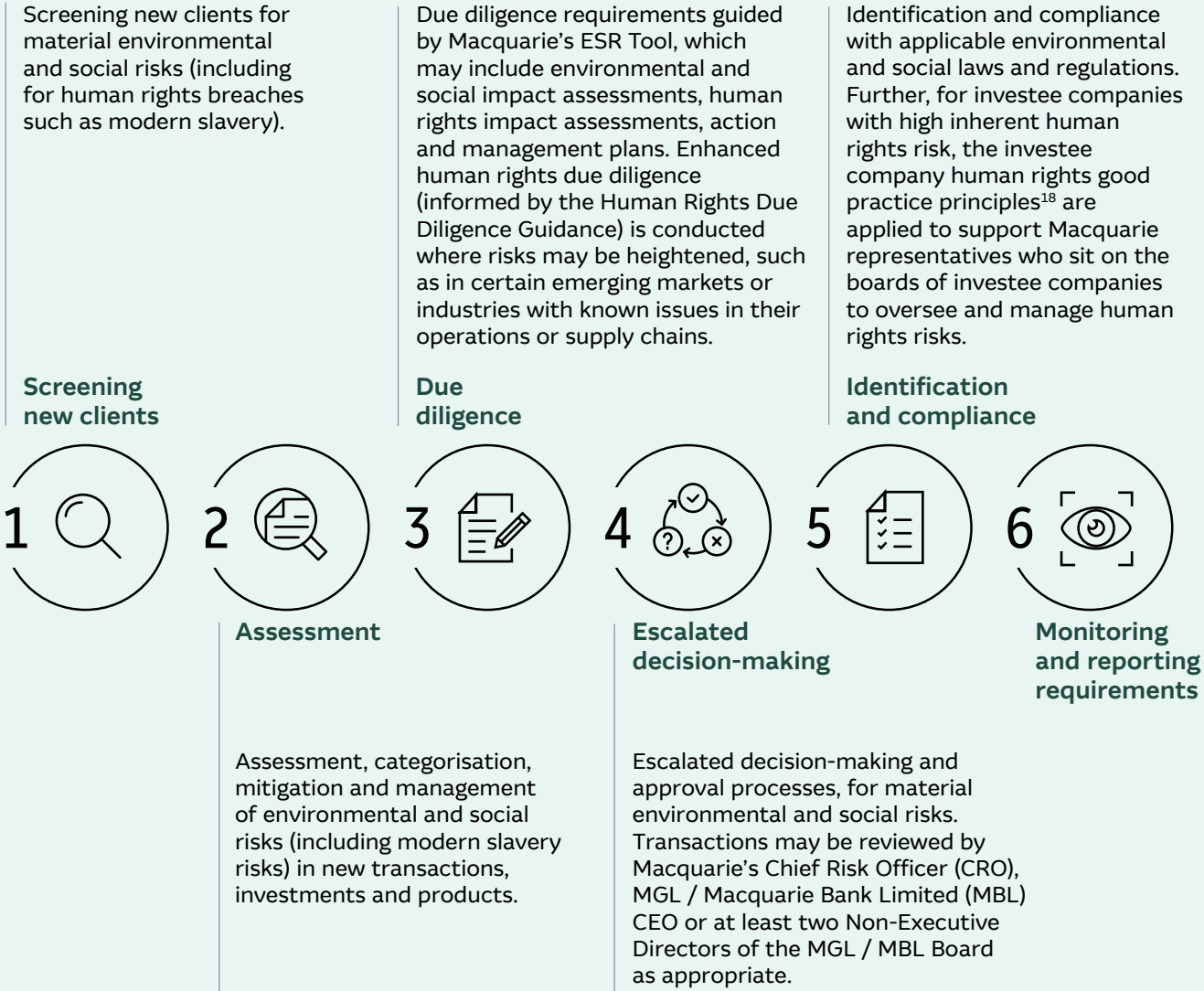
Environmental and social risk

The ESR Policy includes a due diligence approach intended to support the identification and management of potential and actual human rights risks, including the risk of modern slavery, in transactions (e.g., investments, financing, leasing and advisory mandates) and in the screening of client relationships.

The ESR Policy, ESR Tool, and Human Rights Due Diligence Guidance outline high-risk jurisdictions, practices, impacts, and sectors based on a range of external and internal sources and indices. Potential human rights issues, including modern slavery risk, are assessed at jurisdiction, sector, client, and project levels. Risk categorisation is based on the IFC typology and drives due diligence requirements, impact assessments, escalated decision-making, and implementation of mitigation plans.




The ESR Policy requirements include:



On an ongoing basis, there are processes in place to monitor for indicators of modern slavery risk within customers and clients. They include adverse news screening of counterparties, financial crime transaction monitoring, and annual reviews of counterparties.

A summary of ESR reviews by jurisdiction and sector is provided in the ESG Report section of Macquarie's FY2024 Annual Report. In FY2024, 16 per cent of ESR Policy referrals came from transactions in Asia, a region that has a higher inherent risk of modern slavery.¹⁹ Further, the ESR team reviewed transactions in the agriculture²⁰ and manufacturing²¹ sectors, which are considered to present a higher inherent risk of modern slavery.

 More information on Macquarie's ESR approach is available in the [ESR Policy summary](#).

18. Refer to the Case Study on page 20 of Macquarie's 2023 [Modern Slavery Act Transparency Statement](#) for further detail on the investee company human rights good practice principles.

19. 'Global Estimates of Modern Slavery: Forced Labour and Forced Marriage', ILO, Walk Free and IOM, 2022.

20. 'Global Estimates of Modern Slavery: Forced Labour and Forced Marriage', ILO, Walk Free and IOM, 2022.

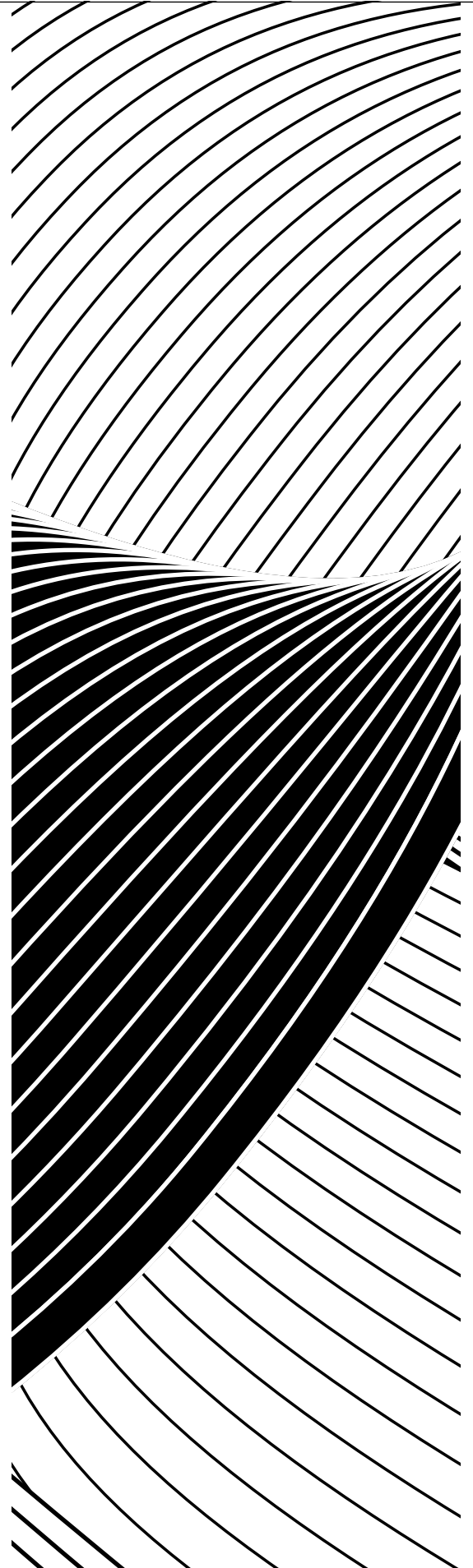
21. 'Global Estimates of Modern Slavery: Forced Labour and Forced Marriage', ILO, Walk Free and IOM, 2022.

Financial crime risk (FCR)

Recognising that there are areas of commonality between human rights and FCR, modern slavery risk is considered in the processes and procedures for detecting, mitigating and managing the risks of financial crime. This includes when assessing financial crime risk across customer and third-party onboarding, due diligence, customer screening, and transaction monitoring.

Macquarie also supports the Australian Transaction Reports and Analysis Centre (AUSTRAC) and Fintel Alliance's efforts to combat financial crime through the monitoring and disclosure of suspicious transactions. BFS regularly scan for threats of financial crimes including those with human rights implications (such as child exploitation, abuse of real time payment platforms to enable domestic violence) and has detection rules and models to assist in monitoring customer transaction patterns and identifying potential suspicious activity which is then reported to AUSTRAC.

Macquarie screens new customers and identified related parties during the establishment of new business relationships to identify sanctioned persons, entities or prohibited activity. This screening captures sanctions related to human rights and is conducted over names and payments.



Funds

Macquarie Asset Management comprises of four divisions across public and private markets, with each division having its own environmental and social risk frameworks in place, commensurate with their risk profile and fiduciary responsibilities.

Where applicable, MAM private markets investee companies are subject to reporting requirements under modern slavery legislation in their respective regions. This Statement does not cover MAM private markets investee companies that are required to report separately under the UK, Australian or Canadian Acts.

During investment screening and due diligence of new investment opportunities, MAM private markets businesses seek to assess a range of ESG risks, including modern slavery risk. Any deficiencies identified, along with the level of control and influence over the new investment, are considered when making the investment decision and sought to be addressed during the transition phase for new investments.

At each applicable investee company, the MAM-nominated Nominee Directors and Non-Executive Directors (NEDs), together with the rest of the board and management team, aim to ensure that an appropriate risk management framework is in place that addresses material ESG risks, including modern slavery risk.

The human rights good practice principles assessment²² conducted in FY2023 across MAM's existing private markets investee companies²³ sought to identify those in sectors and/or jurisdictions that exhibit comparatively higher human rights risk. Following this assessment, MAM has completed a stocktake on investee companies' existing policies and procedures against the good practice principles and provided training for in-scope Macquarie Nominee Directors. On an ongoing basis, MAM private markets will review new investee companies to determine if they meet the requirements for the application of the investee company human rights good practice principles.

MAM public markets funds generally make small, non-controlling investments in a wide range of securities, usually listed securities, and other financial instruments. MAM has an ESG policy which sets out where sustainability risks, including human rights or labour rights breaches, may be considered as part of

the investment process. Where applicable, MAM public markets investment teams may discuss ESG factors, which may include modern slavery risks, with investee companies as part of its securityholder engagement process when voting proxies, where securities have voting rights attached.²⁴

Where an investment team engages with an investee company on ESG-related risks, that team will generally seek to understand how management teams acknowledge, manage, and reduce certain ESG-related risks, which may include risks related to modern slavery, and engage on how these risks are being managed. Where utilised by an investment team, dialogue with management on material ESG issues, including modern slavery prevention efforts, can enable investment teams to assess risk on long-term security performance.

In FY2024, Macquarie:

- Completed 961 reviews under the ESR Policy. Onboarding cases are reviewed in consultation with the FCR team.
- Matured our internal human rights risk framework and related guidance documents, for example, enhanced our due diligence guidance for transactions in the solar sector.
- Continued engagement with Nominee Directors on the investee company human rights good practice principles and guidance to support them to work with their investee company Boards on overseeing human rights risks, including modern slavery. This included completing a current state assessment of heightened human rights risk investee companies against the good practice principles, training in-scope Nominee Directors, and enhanced reporting to enable monitoring of investee companies' progress over time.
- Commenced a project to identify Macquarie's salient human rights issues to help inform our human rights priorities, strategy, and effectiveness measures.

22. Refer to the Case Study on page 20 of Macquarie's [2023 Modern Slavery Act Transparency Statement](#) for further detail on the Investee company human rights good practice principles.

23. Covered MAM private markets equity investments with control or significant exposure to companies, typically with a Macquarie Nominee Director.

24. Note that MAM public market's ESG policy and processes may not apply to all of its funds, including but not limited to the True Index suite of funds and where an external investment manager is appointed. External managers may or may not have separate ESG, engagement and/or proxy voting policies.



Our grant partners

Recognising that many people around the world face systemic barriers to employment, the majority of the Foundation's grants and social impact investments are focused on breaking down these barriers and building effective pathways to employment.

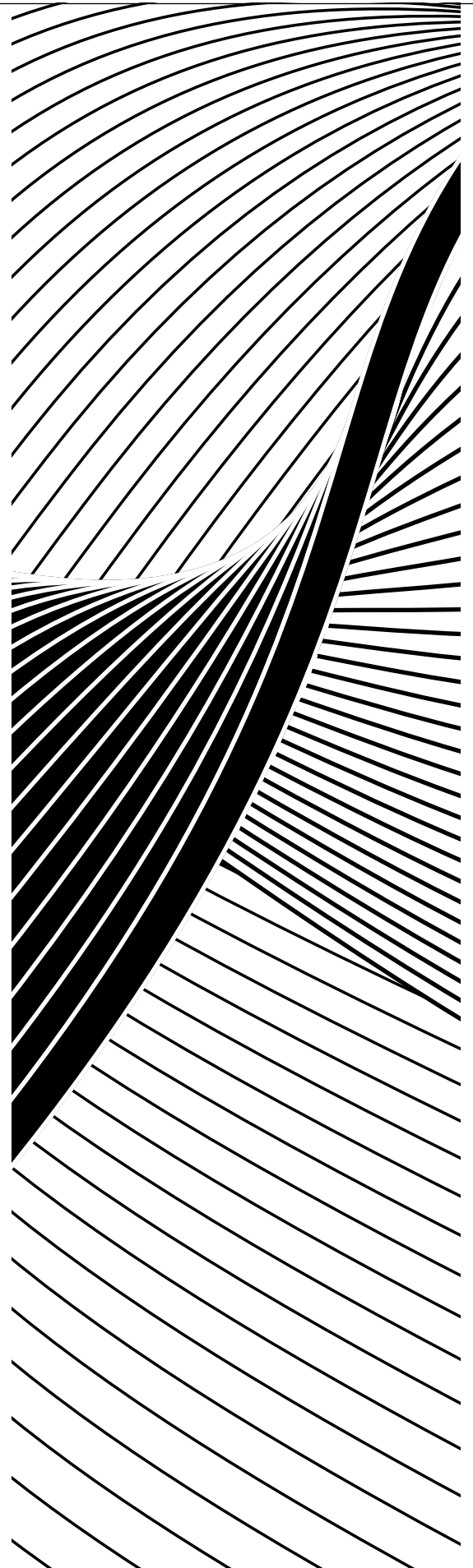
Each region concentrates its efforts on issues with local relevance and in Asia we support organisations enabling better migration outcomes for migrant workers as a means to combat modern slavery. Read more about Macquarie's work in Asia supporting better migration outcomes and our global grant making focus on [Macquarie.com/community](https://www.macquarie.com/community).

The Foundation employs a risk-based due diligence approach to assessing grant partners. This includes a modern slavery risk questionnaire, completed by all grant applicants, with referral to the ESR team for further diligence on grant applicants identified as presenting a high inherent modern slavery risk. The questionnaire and further diligence help identify potential modern slavery risks, actions to address those risks and improves transparency.

Grantmaking is overseen by the Macquarie Group Foundation Committee (Committee). There is an escalation and approval pathway to the Committee if material modern slavery concerns are identified, which are considered alongside other material financial and non-financial risks.

In FY2024, Macquarie:

- Continued to use a modern slavery risk questionnaire for all grant applicants and conduct modern slavery due diligence for grant applicants operating in heightened inherent risk jurisdictions.
- Strengthened its understanding of how grant partners in India address modern slavery through their policies and programmes, through site-visits and progress check-in calls.
- Organised two Grant Partner Convenings in Hong Kong and India to strengthen organisational capacity and foster collaborations amongst the grant partners, each supporting migrant domestic workers and youth to achieve better migration outcomes.
- Continued to fund migration-related projects, across Hong Kong, India, Singapore, and the Philippines, providing sixteen grants which are working to address economic vulnerability and other root causes of modern slavery.



Case Study

Funding grant partners that empower and protect international migrants

Since 2015, the Foundation has been funding non-profit organisations across the Asia region that strive to empower and protect migrant workers, while also collaborating with other funders to strengthen and build the capacity of these organisations.

According to the World Migration Report 2022, from 2000 to 2020, the number of international migrants in Asia experienced rapid growth, increasing by 74 percent to around 37 million people.²⁵ Due to the lack of livelihood opportunities in an individual's home country, migration can be a way to increase income and skills for individuals and their families. However, migrants can also become vulnerable to modern slavery, human trafficking and other forms of exploitation during their migration journeys and upon reaching their destination countries.

As at 31 March 2024, our 16 Asia grant partners²⁶ support migrant workers in a range of ways:

- fighting human trafficking through protection, rescue, and rehabilitation
- delivering financial literacy education and legal awareness on rights and entitlements
- facilitating linkages with government schemes and benefits
- building sustainable recruitment practices
- influencing policy change in support of vulnerable communities
- up-skilling young migrants for better job prospects.

Jan Sahas establishes the Migrants Resilience Collaborative

Since 2021, the Foundation has supported Jan Sahas to establish the Migrants Resilience Collaborative (the Collective), a grassroots-led multi-stakeholder collaborative of non-profits, philanthropic, and private sector actors focused on providing safety, security, and mobility for vulnerable migrant families across approximately 100 districts in India.

The Collective is empowering migrant workers by raising their awareness of government and social security benefits, workplace rights and financial literacy so they can protect themselves and their income. The Collective also advocates on behalf of migrant workers in cases against employers to ensure a legal wage was received. For example, the Collective intervened in a case in the construction industry, where workers can be more vulnerable to labour exploitation.

Impact story

Krishna²⁷, a 50-year old migrant construction worker from Madhya Pradesh, currently lives with his wife and daughter in Gurugram, India.

After a period of work, Krishna's employer refused to pay the wage he was owed. Through a friend, Krishna was introduced to Jan Sahas and the team supported him to register a complaint with the organisation's 24-hour helpline.

The Jan Sahas team then showed Krishna how to file a complaint in the labour department and organised a meeting with Krishna's employer. During the meeting the complaints process was explained to Krishna's employer, and he agreed to pay the remaining wages.

Voice of the Free establishes the Social Enterprise Development program

The Foundation has supported Philippines-based non-profit Voice of the Free since 2016 to incubate, pilot and deliver the Social Enterprise Development program. The program empowers vulnerable Filipino women and children, many of whom have returned from working overseas or are local domestic workers, to explore employment opportunities without the risk of modern slavery, human trafficking and other exploitation.

The program provides education and awareness sessions in schools for teachers and students, and broadcasts information through a radio program to reach households across in Philippines.

To reduce the risk of labour exploitation, the Social Enterprise Development program provides women with entrepreneurial training and links them with 19 market hubs²⁸ to sell their products ethically and generate a sustainable income. Since 2016, Foundation funding has supported 156 domestic workers to participate in the program, with 80 per cent successfully becoming entrepreneurs and generating monthly income.²⁸



To find out more about the Foundation's grantmaking, visit [Macquarie.com/community](https://www.macquarie.com/community).

25. World Migration Report, International Organisation of Migration, 2022.

26. Data provided by the Macquarie Group Foundation as at 31 March 2024.

27. Name changed for privacy purposes.

28. Data provided by Voice of the Free as at December 2023.



Training

Targeted training is provided to employees in key functions across Macquarie's Operating and Central Service Groups to support the identification and management of labour and human rights issues.

Macquarie's human rights e-learning module aims to help employees identify, mitigate and escalate negative human rights impacts (including modern slavery) from clients, investments and suppliers. The e-learning module covers four key indicators that elevate the risk of human rights (including modern slavery) breaches, namely vulnerable populations, high-risk business models, high-risk sectors, and high-risk geographies. The e-learning module was rolled out to our people in FY2023 in relevant transaction and procurement roles, including Nominee Directors and is available online for all staff to complete.

In FY2024, Macquarie:

- Continued to deploy the human rights (including modern slavery) e-learning module and human rights video conference sessions. The training priority for this year included targeted sessions for Nominee Directors of high human rights risk investee companies. While the e-learning module remains available to all staff, it was not actively promoted given the shift in training priorities and hence, overall training completions have reduced from FY2023. In addition, in collaboration with the NGO, International Centre for Missing & Exploited Children, we delivered face-to-face training on techniques and approaches to combatting computer-enabled crime and a session on preventing corruption and protecting human rights in financial services for relevant risk roles across the group. There were 519 human rights (including modern slavery) training attendances²⁹ in the year ended 31 March 2024, consisting of the e-learning module and human rights video conference sessions.
- Continued to deploy modern slavery director's training to all new Nominee and Non-Executive Directors on the Boards of Reporting Entities (refer to Appendix 1) and Nominee and Non-Executive Directors that did not receive the training materials in the previous financial year. On an ongoing basis, this training is provided to Nominee Directors and Non-Executive Directors every two years unless there is a material change in the Acts. The training provided an overview of the UK, Australian or Canadian Act, outlined obligations for Directors under the relevant Act and presented Macquarie's approach to the relevant Acts' mandatory requirements. In addition, Directors briefing sessions were held on the UK, Australian and Canadian Acts to inform them of their obligations under the relevant legislation.
- Continued to deliver Macquarie's ESR and WHS training, with 864 attendances²⁹ in the year ended 31 March 2024. These trainings support employees in the identification and escalation of ESR, including human rights risks.
- Continued to provide all new staff with face-to-face and/or online training on the importance of the Code of Conduct. All staff undertake Code of Conduct training regularly, including completing a certification of understanding. The *Code of Conduct* reinforces the role our people play in managing environmental and social risks and provides awareness of avenues to raise concerns.
- Continued to deliver face-to-face training to employees regarding the supplier governance framework and notably during the year, completed specific training on modern slavery in the supply chain. This training included roles and responsibilities, high inherent risk triggers (including modern slavery risk indicators and red flags) and supplier governance processes (including the supplier ESR questionnaire, Principles for Suppliers and the ESR assessment processes in MySupplier, including the new guidance document). Targeted staff included supplier relationship managers within the Operating and Central Services Groups, Group Procurement staff, and Business Operational Risk Managers who manage or oversee heightened ESR suppliers.

29. Some employees may have attended more than one training session, in which case their attendance was counted for each session.



Raising concerns

Whistleblower program

Staff and external parties (including former staff, current or former consultants, contractors, third party providers, auditors, brokers, associates and suppliers) are able to report concerns under the Whistleblower Policy by contacting the **Integrity Office**, an internally independent and confidential function that oversees Macquarie's Whistleblower Program, or the **Integrity Hotline**, an external, dedicated service which is available for staff and external parties to confidentially report a concern about improper conduct in relation to Macquarie.

The Whistleblower Program is promoted extensively internally including via the Code of Conduct, and externally via the Macquarie website and the Principles for Suppliers. It incorporates the Whistleblower Policy, and the support and protections available to those who report concerns to ensure that they do not suffer detriment as a result of speaking up. In FY2024, there were no reports of slavery or trafficking through the Whistleblower Program.

Retail bank customer complaints

Macquarie Bank Limited subscribes to the Australian Banking Association 2019 Banking Code of Practice (as amended). Macquarie has a robust complaint management framework across our retail banking business to resolve customer complaints quickly and fairly. Customers and the public can raise concerns by completing an online form on the **Complaints** web page.

Macquarie's Customer Advocate is separate to the Operating and Central Service Groups including our internal dispute resolution teams. The Customer Advocate reports directly to the CEO and provides regular reporting to the BGCC.

FCR Suspicious Matter Reporting (SMR)

In instances where a modern slavery concern is raised (e.g., through transaction monitoring or other FCR related referral), the FCR team investigates the content of the referral to determine whether suspicious activity has occurred according to the Anti-Money Laundering and Counter-Terrorism Financing Investigations Standard. If referrals result in identifying suspicious activity, in Australia the ANZ Regional FCR team submits SMRs to AUSTRAC and in the UK the EMEA Regional FCR team submits Suspicious Activity Reports (SARs) to the National Crime Agency. In Canada, where required, the America's Regional FCR team submits Suspicious Transaction Reports (STRs) to the Financial Transactions

and Reports Analysis Centre of Canada (FINTRAC). Where suspicious activity occurs outside of Australia, the UK or Canada, the FCR team refers the investigation to a secondary investigator located in the respective region for appropriate regulatory review and action.

Once the SMR has been lodged with the relevant regulator, the regional FCR Advisory teams review whether further Ongoing Customer Due Diligence is required and assess whether the relationship between the party conducting suspicious activity and Macquarie can be further de-risked, or whether off boarding the party is more appropriate.



Remediation

Macquarie recognises there are different ways in which an enterprise can cause, contribute, or be directly linked to an adverse human rights impact and the associated remediation actions. Our ESR Policy establishes processes for identifying, assessing, managing, mitigating, remediating (via the internal Incidents and Issues process) and reporting material environmental and social risks, including modern slavery risks. The incident and issues management process includes detection and assessment of an issue or incident, investigation into the issue or incident, review and approval of the outcome of the investigation, and the RMG validation of the outcome.

If Macquarie becomes aware of a client or supplier involved in or linked to an adverse human rights impact (including forced and child labour), we will consult to understand the remediation actions being undertaken and assess the extent to which these actions will remediate the situation and mitigate reoccurrence. This may include considering whether the remediation has led to the unintended consequence of contributing to a loss of income for vulnerable families.

Where local legislation conflicts with the principles and processes described in the ESR Policy, Macquarie will comply with the law, while also seeking ways to uphold human rights principles within our sphere of influence.

Through our Principles for Suppliers and our supplier ESR assurance program, we are committed to working with our suppliers to remediate non-conformances identified in onsite audits through time bound corrective action plans.

Measuring the effectiveness of our actions

We monitor and report on a range of indicators to assess the effectiveness of our approach to identifying, assessing, managing, mitigating and reporting modern slavery risk.

While we will continue to review and enhance the effectiveness measures over time, the indicators in Table 1 provide a view on the effectiveness of our efforts to address modern slavery risk within each focus area:



Training

Measuring the number of our employees receiving an increased awareness of human rights and modern slavery risks and Macquarie processes through the delivery of training on human rights, modern slavery and supplier governance.



Supplier due diligence

Measuring our engagement with suppliers and strengthening controls through initial and ongoing due diligence and assurance.



Transaction and grant partner due diligence

Measuring the implementation of our policies to assess and address modern slavery risk in our customers, client relationships and grant partners.








Reports

Tracking the number of modern slavery grievances raised.

In addition to these indicators, we regularly review policies, procedures and training in consultation with stakeholders across the group, including seeking feedback on training from participants. We continue to monitor regulatory developments and engage industry peers to understand better ways to measure effectiveness. Our Modern Slavery Working Group members help coordinate and assess effectiveness measures for their respective teams.

Table 1 - Measuring the effectiveness of our actions

| Focus area | Indicator | FY2023 | FY2024 |
|--|--|--------|-------------------|
|  Training | # of attendances at human rights training (including video conference sessions and human rights e-learning module completions) | 3,455 | 519 ³⁰ |
| | # of Nominee Directors and Non-Executive Directors completing modern slavery training | 20 | 101 ³¹ |
| | # of attendances at ESR and WHS training | 1,078 | 864 ³² |
| | # of employees completing <i>Supplier Governance Policy</i> training | 1,662 | 542 |
|  Supplier due diligence | % of all suppliers under governance who have completed the supplier ESR questionnaire and acknowledged the <i>Principles for Suppliers</i> ³³ | 90 | 98 |
| | # of ESR onsite assurance reviews | 11 | 6 |
| | # of modern slavery incidents identified through ESR onsite assurance | 0 | 0 |
| | % of all suppliers under governance who have been subject to negative news screening for ESR purposes | 100 | 100 |
|  Transaction due diligence | # of reviews completed under the ESR Policy | 1,094 | 961 |
|  Grant partner due diligence | # of ESR reviews of grant applicants operating in heightened inherent risk jurisdictions | 8 | 9 |
|  Reports | # of reports of modern slavery through the Whistleblower Program | 0 | 0 |
| | # of reports of modern slavery through the Incidents and Issues process | 0 | 0 |
| | # of reports of modern slavery through the Customer Advocate Office | 0 | 0 |

30. Some employees may have attended more than one training session, in which case their attendance was counted for each session. As noted in the Training section, the training priority for this year included targeted sessions for Nominee Directors of high human rights risk investee companies. While the e-learning module remains available to all staff, it was not actively promoted given the shift in training priorities and hence overall training completions have reduced from FY2023.

31. Nominee Director Training was completed in FY2024 by Directors in the UK and Australia. Training was rolled out to Directors of Canadian Reporting Entities in March 2024 and completed before approval of the FY2024 Statement. These statistics will be captured under Macquarie's FY2025 Modern Slavery Statement given the training occurred post year end.

32. Includes risk managers and those in specific business groups with greatest potential exposure to environmental, social and WHS risks. Excludes global online WHS training completions. Some employees may have attended more than one training session, in which case their attendance was counted for each session.

33. Suppliers under governance comprises all suppliers which meet high inherent risk and/or high value triggers. One cohort of suppliers under governance comprises heightened ESR suppliers, of which 100 per cent had completed the supplier ESR questionnaire and acknowledged the Principles for Suppliers as at 31 March 2024.

External stakeholder engagement

We are active in a number of external initiatives relevant to addressing modern slavery in the financial sector.

Table 2 - Our engagement with external initiatives

| Initiative | Our role |
|---|--|
| <p>UN-supported Principles for Responsible Investment, which works to understand the investment implications of ESG factors and support the incorporation of these factors into investment decision-making.</p> | <p>MAM has been a signatory since 2015.</p> |
| <p>Mekong Club, which works with organisations in the private sector to end modern slavery and human trafficking. We are also part of the Asia Pacific Banks Alliance (APBA), a project that the Mekong Club coordinates in collaboration with the Thomson Reuters Foundation. The APBA engages with local financial institutions, law enforcement, NGOs, and governments to combat modern slavery.</p> | <p>Maintained participation in the Mekong Club working group and shared insights and research with our internal Modern Slavery Working Group and relevant staff. During FY2024, staff training was provided by The Mekong Club to teams from MAM Credit, Equities & Multi-Asset, compliance, legal and product teams. Approximately 70 people attended an online training session with topics covered including red flags to look for when assessing company's modern slavery disclosures, key questions to ask when engaging with the company and case studies.</p> |
| <p>Fintel Alliance, a public-private partnership managed by AUSTRAC to bring together a range of financial sector organisations to increase the resilience of the financial sector to criminal exploitation and support law enforcement investigations into serious crime and national security matters.</p> | <p>Maintained participation as a member in the Alliance and shared insights and research with our internal Modern Slavery Working Group and relevant staff.</p> |
| <p>Living Wage Foundation, which seeks to lift the minimum wage for all workers in the UK.</p> | <p>Maintained accreditation as a Living Wage Employer.</p> |
| <p>Fair Hire Pledge, an agreement between companies and the public stating that management expects their employees to hire domestic workers fairly.</p> | <p>Macquarie was a founding signatory to the Pledge. We continued to provide support through skilled volunteering, events, and board membership.</p> |
| <p>Investors Against Slavery and Trafficking Asia Pacific, an investor led multi-stakeholder initiative convened by asset managers and asset owners to engage with listed companies in the Asia Pacific Region</p> | <p>MAM is a member of the company engagement workstream and shared insights and research with our internal Modern Slavery Working Group and relevant staff.</p> |

Continuous improvement






We aim to continually review and enhance our approach to addressing modern slavery risks.

In FY2023, we identified nine continuous improvement initiatives for the FY2024 period.

Out of these nine, two are ongoing business-as-usual initiatives, two are in progress and five have been completed. An update on our continuous improvements from FY2024 is available in Appendix 3.

New continuous improvement initiatives for FY2025 are outlined in the table below.

Table 3 - Continuous improvement initiatives for FY2025

| Focus area | FY2025 continuous improvement initiatives |
|--|---|
|  Our suppliers | <ul style="list-style-type: none"> • Complete the periodic refresh of our Principles for Suppliers. • Continue to enhance capabilities and awareness with heightened ESR suppliers around modern slavery. |
|  Our customers and clients | <ul style="list-style-type: none"> • Develop further topic-specific guidance on human rights risks where needed. |
|  Our grant partners | <ul style="list-style-type: none"> • Review the grant partner modern slavery questionnaire as part of our grant application to ensure it aligns with local context, leveraging lessons learnt from engagement in Asia. |
|  Remediation | <ul style="list-style-type: none"> • Commence a review of internal guidance documents in line with applicable laws and industry standards on the scenario where loss of income to vulnerable families has resulted from measures taken to eliminate the use of forced or child labour. |
|  Reporting | <ul style="list-style-type: none"> • Complete the identification of our salient human rights issues and work towards reporting on effectiveness of our actions against these issues. |

Consultation

Macquarie applies a single risk management framework and has taken a cross-functional approach to preparing and drafting this Statement. As noted in the *Governance and policies* section on page 10, the Modern Slavery Working Group met monthly to discuss the different streams of modern slavery work, progress by Operating and Central Service Groups, and the preparation of this Statement.

On behalf of MGL, the Modern Slavery Working Group and relevant teams engage and consult on modern slavery with the Reporting Entities listed in Appendix 1, Operating Groups and, as determined under the single risk management framework, entities owned or controlled by the Reporting Entities.

Engagement includes providing Reporting Entity boards with an outline of modern slavery regulatory updates and trends, Macquarie's approach to modern slavery reporting and the annual statement for review and approval. Briefings are also conducted for all new Reporting Entity board members on the relevant Act and its requirements.

The board of each Reporting Entity (listed in Appendix 1) was given an opportunity to consider and provide comments on this Statement prior to publication.

Approval

This *Modern Slavery Statement* was approved by the Macquarie Group Limited Board and will be updated annually. As set out in the *Governance and policies* section on page 10, the Board of Macquarie Group Limited is ultimately responsible for Macquarie's risk management framework which applies across the Group.

The Board or governing body of each Reporting Entity (listed in Appendix 1) has considered and approved this Statement prior to publication.



Shemara Wikramanayake

Managing Director and Chief Executive Officer
Macquarie Group Limited

25 May 2024

Appendix 1: Reporting entities

Reporting Entities captured by this Statement in consideration of the definition of Reporting Entities under the Canadian Act are listed in Table 4.

Reporting Entities under the UK and Australian Acts will be published by the statutory due date (30 September 2024).


This Statement does not cover:

- Operationally Segregated Subsidiaries (OSSs) of MGL as each OSS has a tailored risk management framework (RMF), distinct from Macquarie's own RMF. Where relevant, OSSs are responsible for publishing their own modern slavery statements.
- Any other entities that are not owned, controlled, managed or operated by Macquarie, unless expressly identified on pages in Table 4.




In relation to the subsidiaries of Reporting Entities under the UK Act:

- To the extent that a subsidiary is separately governed and managed and does not supply the Reporting Entity, the subsidiary is considered outside the Reporting Entity's business.
- To the extent that the Reporting Entity does manage or exercise dominant influence over the subsidiary's day-to-day activities, that subsidiary is considered part of the Reporting Entity's business and that subsidiary's modern slavery risks are considered as part of this Statement.

Table 4 - The list of Reporting Entities captured under the Canadian Act for FY2024 that are covered by this Statement

| Canadian Reporting Entities | Operating / Central Service Group | Principal activities during reporting period | Attestation and signature by authorised officer of the entity's governing body ³⁴ |
|---|-----------------------------------|--|--|
| Macquarie Equipment Finance Ltd./Macquarie Financement d'Équipement Ltée. | CGM | Macquarie Equipment Finance Ltd./Macquarie Financement d'Équipement Ltée. provides IT equipment leasing and finance solutions across a range of sectors throughout Canada. The entity also procures goods and services such as professional services, HR, IT and marketing. The entity does not have any direct employees. |  <p>I have the authority to bind Macquarie Equipment Finance Ltd./Macquarie Financement d'Équipement Ltée.</p> <p>Full name: Michael Burns Title: Director Date: 17 May 2024</p> |

34. Each authorised officer has provided the following attestation: "In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

| Canadian Reporting Entities | Operating / Central Service Group | Principal activities during reporting period | Attestation and signature by authorised officer of the entity's governing body ³⁵ |
|--|-----------------------------------|--|---|
| Macquarie North America Ltd. | MacCap | Macquarie North America Ltd. provides corporate advisory services to clients and employs permanent and non-employee staff in Canada. The entity also directly procures goods and services, including professional services, property and facilities management, HR, IT, office services, marketing, market data and travel. |  <p>I have the authority to bind Macquarie North America Ltd.</p> <p>Full name: Lance Rishor Title: Director Date: 17 May 2024</p> |
| Macquarie Funding Holdings Canada Ltd. | FMG | Macquarie Funding Holdings Ltd. is a holding company that controls entities that provide equipment leasing and financing services in Canada. The entity's direct procurement consists of spend on professional services. The entity does not have any direct employees. |  <p>I have the authority to bind Macquarie Funding Holdings Canada Ltd.</p> <p>Full name: Michael Burns Title: Director Date: 17 May 2024</p> |
| Macquarie Energy Canada Ltd. | CGM | Macquarie Energy Canada Ltd primarily engages in buying and selling financial products and physical commodities in Canada and the US. The entity procures these products, as well as goods and services such as professional services, marketing, IT, property and facilities management, HR, and office services. The entity's workforce predominantly consists of permanent employees in Canada, with a small number of contractors and consultants. |  <p>I have the authority to bind Macquarie Energy Canada Ltd.</p> <p>Full name: Jennifer Dunwoody Title: Director Date: 17 May 2024</p> |

35. Each authorised officer has provided the following attestation: "In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

| Canadian Reporting Entities | Operating / Central Service Group | Principal activities during reporting period | Attestation and signature by authorised officer of the entity's governing body ³⁶ |
|---|-----------------------------------|--|---|
| Macquarie Capital Markets Canada Ltd./Marchés Financiers Macquarie Canada Ltée. | CGM | Macquarie Capital Markets Canada Ltd./Marchés Financiers Macquarie Canada Ltée. has been de-registered, however it historically provided securities brokerage and corporate advisory services. The entity does not have direct employees, however it procures goods and services such as professional services, marketing, IT, property and facilities management, HR and office services. |  I have the authority to bind Macquarie Capital markets Canada Ltd./Marchés Financiers Macquarie Canada Ltée. Full name: Lance Rishor Title: Director Date: 17 May 2024 |
| Macquarie Capital Holdings (Canada) Ltd. | MacCap | Macquarie Capital Holdings (Canada) Ltd. is a holding company for entities in Macquarie Capital. It does not undertake any direct procurement or have any direct employees. |  I have the authority to bind Macquarie Capital Holdings (Canada) Ltd. Full name: Lance Rishor Title: Director Date: 17 May 2024 |
| Macquarie Capital Acquisitions (Canada) Ltd. | MacCap | Macquarie Capital Acquisitions (Canada) Ltd. is in the process of being liquidated, but was previously established as a Macquarie Capital holding company. The entity's direct procurement consisted of spend on professional services. The entity does not have any direct employees. |  I have the authority to bind Macquarie Capital Acquisitions (Canada) Ltd. Full name: Lance Rishor Title: Director Date: 17 May 2024 |

36. Each authorised officer has provided the following attestation: "In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above."

Appendix 2: Mandatory criteria reference table

Table 5 below provides reference pages for the relevant disclosures in each criterion for the Australian *Modern Slavery Act 2018* (Cth), the United Kingdom's *Modern Slavery Act 2015* and Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023*.

Table 5 - Mandatory criteria reference table






| Australian Modern Slavery Act (Cth) Mandatory Criteria | UK Modern Slavery Act (2015) requirements | Canadian <i>Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023</i> supplementary information | Macquarie Group Limited Statement section reference |
|--|--|---|---|
| Section 16(1)(a) Identify the reporting entity. | N/A | N/A | Introduction Appendix 1 Reporting entities |
| Section 16(1)(b) Describe the structure, operations and supply chains of the reporting entity. | Section 54(5)(a) the organisation's structure, its business and its supply chains | Section 3(a) each entity's structure, activities and supply chains | Macquarie's business and supply chain Management of modern slavery risk Appendix 1 Reporting entities |
| Section 16(1)(c) 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. | Section 54(5)(d) the parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk. | Section 3(c) the parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk | Assessment of modern slavery risk Management of modern slavery risk |
| Section 16(1)(d) 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. | Section 54(5)(b) its policies in relation to slavery and human trafficking; (c) its due diligence processes in relation to slavery and human trafficking in its business and supply chains; and (f) the training about slavery and human trafficking available to its staff. | Section 3(b) its policies and its due diligence processes in relation to forced labour and child labour; any measures taken to remediate any forced labour or child labour; (d) any measures taken to remediate any forced labour or child labour; (e) any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains; and (f) the training provided to employees on forced labour and child labour | Actions taken, due diligence and remediation: Management of modern slavery risk Policies: Governance and policies Training: Training Measuring the effectiveness of our actions |
| Section 16(1)(e) Describe how the reporting entity assesses the effectiveness of such actions. | Section 54(5)(e) its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate. | Section 3(g) how the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains | Measuring the effectiveness of our actions |

| Australian Modern Slavery Act (Cth) Mandatory Criteria | UK Modern Slavery Act (2015) requirements | Canadian <i>Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023</i> supplementary information | Macquarie Group Limited Statement section reference |
|--|---|--|---|
| Section 16(1)(f) Describe the process of consultation with any entities that the reporting entity owns or controls. In the case of a reporting entity covered by a statement under section 14 - the entity giving the statement. | N/A | N/A | Consultation Appendix 1 |
| Section 16(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant. | N/A | N/A | Continuous improvement |
| N/A | N/A | Approval of report (4) The report must be approved, (a) in the case of a report in respect of a single entity, by its governing body; or (b) in the case of a joint report, either (i) by the governing body of each entity included in the report, or (ii) by the governing body of the entity, if any, that controls each entity included in the report. | Approval Appendix 1 Reporting entities |
| N/A | N/A | Attestation of the report (5) The approval of the report must be evidenced by (a) a statement that sets out whether it was approved pursuant to paragraph (4)(a) or subparagraph (4)(b)(i) or (ii); and (b) the signature of one or more members of the governing body of each entity that approved the report | Approval Appendix 1 Reporting entities |

Appendix 3: Progress update

The table below provides a progress update on continuous improvement initiatives identified in our Modern Slavery Act Transparency Statement 2023.

Table 6 - Progress update on continuous improvement initiatives

| Focus area | Status | Continuous improvement initiative | Update |
|---|-------------|--|--|
|  Our suppliers | Completed | Commence using the SEDEX plat-form and membership to collaborate with suppliers and industry. | We have commenced using the SEDEX platform, however to date found low levels of membership across our supplier population. We continue to engage with our suppliers and support smaller suppliers in achieving SEDEX membership through our assurance program. |
| | BAU | Continue to deploy the supplier assurance program, leveraging SEDEX where possible to expand the program reach. | |
| | Completed | Commence the periodic refresh of our Principles for Suppliers and ESR questionnaire. | The review of the Principles for Suppliers is well progressed, with an industry best practice benchmarking completed and draft version in final stages of internal review. We aim to republish the Principles for Suppliers in FY2025. |
| | In progress | Enhance capabilities and awareness with heightened ESR suppliers around modern slavery | We have uplifted internal guidance for staff regarding management of heightened ESR suppliers. This includes better documentation on how to engage suppliers regarding the assurance program and specific training for Modern Slavery in the Supply chain. As we launch the updated Principles for Suppliers in FY2025 we will seek to further engage our suppliers on this topic. |
|  Our customers and clients | BAU | Develop further topic-specific guidance on human rights risks where needed. | Due diligence program for solar transactions completed. Further topic-specific human rights guidance will be developed as needed. |
| | Completed | Increase engagement with investee companies on human rights risk management. | Continued engagement with Nominee Directors on the investee company human rights good practice principles. |
|  Human rights and modern slavery training | Complete | Review our human rights, including modern slavery, training program and uplift where needed. | Modern Slavery Training for Nominee Directors and Non-Executive Directors has been reviewed, with additional content added covering the Canadian Act. |
|  Raising concerns | Complete | Work towards providing an additional avenue (e.g., a hotline allowing reports via phone or web report) for external parties to anonymously report concerns about improper conduct. | The Hotline, which enables anonymous reporting about improper conduct, was extended to external parties in December 2023. |
|  Reporting | In progress | Commence a project to identify and report on effectiveness of our actions against our salient human rights issues. | Project kicked off, including conducting benchmarking of peer companies' human rights salient risks and indicators. |

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Contact details

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