

Modern Slavery Statement

March 2021

1. Objective

The objective of this Statement is to set out the approach of Bennelong Funds Management Group Pty Ltd (BFMG) towards the mitigation of modern slavery within our structure, operations and supply chains.

2. Scope

This Statement applies to BFMG and its subsidiary, Bennelong Funds Management Ltd (BFML), referred to collectively hereafter as BFM, 'us', and 'we'.

Though designed to support and reflect the principles contained in the Statement, this policy is written in accordance with the laws and regulations of the jurisdiction in which the relevant entity operates. BFMG's UK and US based subsidiaries apply policies in accordance with their local jurisdiction for modern slavery laws.

3. Policy

3.1. The Modern Slavery Act

BFM defines modern slavery as a situation where a person cannot refuse or leave work due to the use of threats, violence, coercion, abuse of power or deception. The person has been deprived and exploited of their freedom.

The Modern Slavery Act 2018 (Cth) (the Act) commenced in Australia on 1 January 2019 and requires large businesses to report publicly on actions taken to address modern slavery risk within their operations and supply chains. The intention is to increase accountability and transparency of large businesses with a view to reducing the presence of modern slavery within the supply chains of goods and services sold in Australia.

Under the Act, BFM currently has no obligation to formally report on modern slavery as we had less than \$100 million in consolidated revenue for the financial year ending 30 June 2020. A formal statement has therefore not been submitted to the Australian Border Force.

3.2. Bennelong's structure, operations and supply chains

BFM develops and distributes investment products globally through our Australian businesses and our subsidiaries in the UK and US. Given this structure, investments span a variety of markets and sectors both in Australia and globally.

In Australia, BFML holds an Australian Financial Services Licence and we provide a full suite of corporate services to our boutique investment managers, including licensing, distribution, marketing, compliance, finance, HR, technology and administrative support. Investment decisions for schemes are made by the relevant investment manager as set out in each respective Investment Management Agreement.

BFMG is a wholly owned subsidiary of the Bangarra Group, a privately owned funds management and investment business. The Bangarra Group has a philanthropic heritage with business values that focus on treating people with trust, dignity, respect and equity, which are reflected in BFM's own values. The Bangarra Group's statement on modern slavery can be found on its website, www.bangarragroup.com

3.3. Risk of modern slavery practices at Bennelong

BFM takes the risk of modern slavery seriously and supports maintaining human rights for all on a fundamental moral basis. We believe our core values, policies, risk and compliance frameworks and the general way we do business greatly mitigates the risk of modern slavery being present in our business and are satisfied that our own staff are not exploited. We do, however, recognise that we have a responsibility to minimise the risk of modern slavery becoming present in our supply chains in an ongoing and proactive manner.

3.3.1. Service Providers

BFM has several outsourced service providers. New and existing service providers are considered on a case-by-case basis, with a heightened awareness where risk of non-compliance with modern slavery issues may exist. Service providers are considered not only on their ability to provide a given service, but also on their capacity to help enable BFM to meet its wider compliance obligations which include social responsibility.

BFM's primary service providers have a relatively low risk of modern slavery due to the higher skill level required in the financial services sector. They also maintain their own policies on ESG matters that include modern slavery, human rights and whistleblowing.

Primary service providers include:

- custody and administration services
- prime broking services
- internal and external auditors
- information technology suppliers

BFM's non primary service providers have a higher risk factor of being linked with modern slavery due to the general nature of the sectors they operate in. We seek to engage only with service providers that have similar values and business ethics to ourselves to minimise risk here.

BFM has vetted current non-primary suppliers and is comfortable that risk of modern slavery is minimal.

Non-primary service providers include:

- branded marketing goods suppliers
- facilities management services

3.3.2. Investment Management

BFM partners with boutique investment managers who cover a vast array of domestic and international markets and industry sectors. We recognise that the risk of modern slavery may exist to varying degrees within these areas, and that there is a heightened risk factor in certain geographical regions, sectors and emerging markets. Modern slavery is considered by each investment manager within their market and stock analysis as relevant to their particular investment approach.

Further information on each investment manager's specific approach to investing is set out in the relevant Product Disclosure Statement and Additional Information Booklet, or Information Memorandum, for each Scheme.

3.4. Actions taken to assess and address risk of modern slavery

BFM recognises that being able to show a commitment to take ongoing action against modern slavery is essential to aid in driving global awareness and improvement of the issue. BFM's risk and compliance frameworks and internal policy suite address basic considerations regarding mitigating the risk of modern slavery in our supply chains and operations.

BFM fosters a culture of mutual respect and open communication. These values are genuinely embraced by the executive team and form a part of business as usual for all staff. BFM has no tolerance for unethical behaviour or exploitation of any kind, and all staff and directors are always expected to comply with policy and regulatory requirements.

An environment free from recrimination and victimisation is encouraged, and staff can report any suspected instances of modern slavery via the process detailed in the [Whistleblower Policy](#).

3.4.1. Service Providers

Outsourced providers are individually considered and subject to regular review. Any potential impact on BFM's risk profile where there may be a risk of non-compliance with modern slavery issues is taken into consideration along with risk from a financial, operational and reputational perspective. While financial and reputational risks are secondary in this context, they intersect with the risk of modern slavery and remain an important consideration for investors.

BFM retains ultimate responsibility for the performance of any outsourced tasks. It is therefore imperative that suitable external service providers are selected, and their performance is monitored on an ongoing basis. Monitoring processes are detailed in the Outsourcing Policy and can include one or more of the following methods:

- Review of services/reports provided, with reference to timeliness and quality
- Day to day business enquiries
- Feedback from clients, brokers and custodians
- Meetings with the service provider
- Regular on-site visits to the service provider to conduct annual performance reviews

Where the engagement of any service provider may give rise to a conflict relating to modern slavery, BFM conducts an assessment in line with the Conflicts Management Policy.

3.4.2. Investment Management

BFM's associated boutique investment managers conduct investment research as relevant to both their particular investment style and the various markets and sectors in which they invest in. Investments are considered on a case-by-case basis, with a heightened awareness where there is a greater risk of non-compliance with Modern Slavery laws.

Investment research methods may include but are not limited to:

- Meetings with company management, suppliers, customers and other industry contacts;
- In-house stock analysis and research; and
- Research provided by external parties.

3.5. Assessing the effectiveness of risk mitigation actions taken

Bennelong recognises that being able to show a commitment to take ongoing action against modern slavery is essential to aid in driving global awareness and improvement of the issue. Effectiveness of mitigation actions taken are generally assessed by:

- Compliance monitoring and surveillance processes and reviews;

- Staff (including Boutique staff) are given conduct training upon appointment and are required to regularly attest to having read, understood and adhered to internal policies;
- Concerns or complaints raised internally or externally are aggregated and escalated as required to management or board level for review; and
- Policies and procedures are all subject to regular internal review and external audit for compliance with regulatory requirements, and guidelines.

3.5.1. Service Providers

Internal stakeholders are required to consider any potential impact of modern slavery risk when engaging with new suppliers and are required to attest via the compliance system that they are comfortable there are no modern slavery or ESG issue with the suppliers they currently engage with.

Compliance conducts annual reviews of external suppliers as to their current position on modern slavery and ESG issues.

Where the engagement of any service provider may give rise to a conflict relating to modern slavery, BFM conducts an assessment in line with its Outsourcing Policy.

3.5.2. Investment Management

BFM's structure enables our associated boutique investment managers to align themselves and the way they invest with the goals of their investors.

As part of the corporate service provided to our investment managers, BFM conducts investment monitoring to ensure investment guidelines and restrictions are adhered to and that client monies are invested in accordance with disclosures made.