

MODERN SLAVERY STATEMENT (THE “STATEMENT”) DECEMBER 2023

1 INTRODUCTION

This Statement on Modern Slavery for the financial year 2023 sets out the steps we, Cooper Investors Pty Limited ABN 26 100 409 890 (“CI”), have taken and are taking to assess the risk of modern slavery as defined in the *Australian Modern Slavery Act 2018* (Cth) (the “AMSA”), and to ensure that modern slavery is not taking place within our business and supply chain. This Statement on Modern Slavery is made pursuant to sections 13 and 14 of the AMSA.

2 OBJECTIVES

The objective of this Statement is to set out the approach of CI towards the mitigation of modern slavery within our structure, operations and supply chains.

3 SCOPE

3.1 This Statement applies to CI.

3.2 In this Statement, CI describes the risks of modern slavery in their operations and supply chain and show their commitment to upholding human rights by detailing the measures they will adopt and implement, and the policies, systems and processes they will use to continually assess and address their modern slavery risks.

4 POLICY, STRUCTURE, OPERATIONS AND SUPPLY CHAINS

4.1 The Modern Slavery Act

The UNSW Australian Human Rights Institute defines “modern slavery” as follows:¹ Modern slavery is a relationship based on exploitation. It is defined by a range of practices that include: trafficking in persons, slavery, servitude, force marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour.

The AMSA came into force 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.

4.2 CI structure, core values, business administration

A. Structure: CI is based in Melbourne and commenced operations in 2001. We are a specialist fund manager, managing money for a range of clients including large pension and superannuation funds, listed Australian companies, religious institutions, Australian State Government agencies, school endowments, charities, and high net worth families. Our products consist of pooled investment trusts and a number of segregated account mandates which invest in Australian equities, international securities or a mixture of both.

CI is 100% owned by its employees. Employees are encouraged to invest in the CI trusts.

B. Core Values: The following 5 core values drive how we operate our business and influence our investment decision making. It is our belief that these play an important part in CI being able to sort opportunities into the genuine investment category and those that are not “bona fide”. The CI values are critical in guiding our thinking through changing times.

These attributes are also embedded in CI’s performance reviews and staff are evaluated and rewarded on their adherence to these values.

¹ UNSW Australian Human Rights Institute n.d., What is Modern Slavery, accessed 28 December 2023 <<https://www.humanrights.unsw.edu.au/research/modern-slavery>>.

Gratitude and Humility ~ Positive and respectful attitudes operating with self-awareness and confidence. We value debate and learning; we acknowledge the beliefs, views and attitudes of others, while at the same time having clear, concise and rational investment beliefs of our own. In the investment context, this leads to better understanding of business trends and opportunities as well as creating a sound foundation for investment decision making.

Intentionality ~ We are active, passionate investors. Our intention is to focus on industries, assets and companies that have value latency, with positive operational, industry and strategic trends run by management and industry leaders with passion, energy, clarity and competence.

We believe that by focusing on CI's investment principles and business philosophy, that performance and business success will come. *Facta non verba* (action and focus, not words) will determine our success.

Curiosity and Passion ~ We learn through doing the work. The curiosity and passion to learn how businesses and markets work underpins investment insight and sustained performance.

In the Moment and Present ~ Observe don't predict. Concentrate on the things that make a difference and be detached from the things we don't know or can't change.

Authenticity ~ We are open and honest with our clients, employees and business service providers. We don't mind being different to others.

C. Business Administration: Our approach to business administration is "efficiency without bureaucracy". We have underpinned our business with the systems and processes that we believe are the best available. Where we can identify better proprietary ways to systemise, we develop in house solutions. We are frugal in our own actions and prefer companies and partners that have the same philosophy.

4.3 Risk of modern slavery practices at CI

CI has zero tolerance for any form of slavery-like practice, and we take the risk of modern slavery seriously and support maintaining human rights for all on a fundamental moral basis. We believe our core values as set out above, 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. Despite operating in a regulated environment, we do however, recognize that we have a responsibility to minimize the risk of modern slavery becoming present in our supply chains in an ongoing and proactive manner.

4.3.1 Service Providers

CI maintains an Outsourcing Policy which details the due diligence and ongoing monitoring processes of material service providers to CI. Modern slavery risks are incorporated into the initial due diligence on new material service providers. Service providers are considered not only on their ability to provide a given service, but also on their capacity to help enable CI to meet its wider compliance obligations which include social responsibility.

CI's material service providers are those within the financial services sector that provide fund administration, registry, and custodial services. All of CI's material service providers are currently based in Australia.

As of December 2023, CI has performed an initial risk-based assessment of its material service providers for risks of modern slavery. The process included a review of the service providers' geographic location, the nature of services provided, and a review of service provider contracts. For the services providers reviewed for the reporting period, no material modern slavery risks were identified.

Due to the geographic location of the material service providers and the fact that services are typically provided by a highly skilled professional workforce, CI considers that its material service providers have a low risk of modern slavery. CI however sees some risk if services are

provided from offshore centres or are subcontracted to third party organisations that may reside in higher risk countries.

CI has also considered other service providers in its supply chain including those providing IT services, professional services, brokerage, software and research services. In focusing on their geographic location, sector and the products/services provided, CI considers these service providers to present a low risk for modern slavery issues.

4.3.2 Investment Management Approach and Responsible Investment Principles

CI invests in domestic and international equities. CI recognises that the risk of modern slavery may exist to varying degrees within these areas, and that there is a heightened risk factor and potential indirect exposure to modern slavery in certain geographical regions, sectors, and emerging markets. Responsible Investing Principles are considered by each portfolio manager within their market and stock analysis as relevant to their particular investment approach. Further information on each portfolio manager's specific approach to investing is set out in the relevant Product Disclosure Statement or Information Memorandum, for each fund.

Further information with respect to Responsible Investing is set out in our Responsible Investment Principles which is available upon request.

4.4 **Actions taken to assess and address risk of modern slavery**

CI recognizes 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. CI's risk and compliance Modern Slavery Statement and internal policy suite address basic considerations regarding mitigating the risk of modern slavery in our supply chains and operations.

Since CI developed this Statement, CI has revised and enhanced its processes by way of:

- Maintaining a database of our service providers and evaluating service providers according to CI's Outsourcing Policy and if required cutting off contracts with those who do not meet Modern Slavery standards;
- Reviewing Modern Slavery Statements of service providers and action as necessary;
- Identifying modern slavery risks and understanding the business risks of not addressing modern slavery;
- Ensuring our people are trained to understand what modern slavery is and what their responsibilities are.

CI 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. CI 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 CI's Whistleblower Policy which is available upon request.

4.4.1 Service Providers

Outsourced providers are individually considered and subject to regular review. Any potential impact on CI'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.

CI 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 CI's Outsourcing Policy and may include one or more of the following methods:

- Review of services/reports provided, with reference to timelines and quality
- Day to day business enquiries
- Feedback from clients, brokers and custodians
- Meetings with the service provider
- On-site visits to the service provider
- Confirmation of adherence by the service providers with relevant industry codes of conduct.

Where the engagement of any service provider may give rise to a conflict relating to modern slavery, CI will conduct an assessment..

4.4.2 Investment Philosophy & Modern Slavery

Cooper Investors takes its role as a good corporate citizen seriously. As such, we incorporate responsible investing considerations into both our investing decision-making process and our own corporate governance. These considerations include modern slavery, human rights issues, child labour etc.

Investment research methods to which modern slavery considerations may be considered may include but are not limited to:

- Ongoing engagement with the management and Board of our invested companies;
- Meetings with company management, suppliers, customers and other industry contacts;
- In-house stock analysis and research; and
- Research provided by external parties.

4.5 **Assessing the effectiveness of risk mitigation actions taken**

CI 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 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.

4.5.1 Service Providers

Internal stakeholders are required to consider any potential impact of modern slavery risk when engaging with new suppliers and when reviewing current suppliers to ensure they are comfortable there are no modern slavery issues with the suppliers they currently engage with.

Compliance conducts annual reviews of material outsource providers as to their current position on modern slavery.

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

4.5.2 Investment Management

CI structure enables its portfolio managers to generate long term returns for its investors.

CI conducts investment monitoring to ensure investment guidelines and restrictions are

adhered to and that client monies are invested in accordance with modern slavery relating disclosures made.

4.6 **Continuous improvement and next steps**

4.6.1. We take our commitments to modern slavery risk management seriously and seek to continuously improve our approach. Over the coming year, our priorities and intended actions include:

- Further development of our vendor management procedure within our Outsourcing Policy. We continue to strengthen our monitoring and reviewing process of our material service providers and plan to introduce a structured monitoring system in relation to material outsourced providers and modern slavery.
- Continue our work to ensure the companies CI invests in meet our values and expectations in relation to modern slavery.
- Continue engagement with listed companies around human capital issues, including supply chains and equity, diversity and inclusion.

This Modern Slavery Statement has been approved by the Board of Cooper Investors Pty Limited, which is the principal governing body for the reporting entity.

Signature:



Name:

Rhys Cahill, Managing Director

Date:

29/12/2023