



# HUMAN RIGHTS POLICY

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**METRICS CREDIT HOLDINGS GROUP**

February 2024

## POLICY ADMINISTRATION AND CONTROLS SCHEDULE

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## PURPOSE

The purpose of this policy is to affirm the commitment of Metrics Credit Holdings Pty Ltd and each of its wholly owned subsidiaries (**Metrics**) to respecting internationally recognised human rights standards, including those set out in the International Bill of Human Rights<sup>1</sup> and the principles concerning fundamental rights set out in the International Labour Organization's (**ILO**) Declaration on Fundamental Principles and Rights at Work.

## SCOPE AND APPLICATION

This policy principally applies to all Metrics employees and internal stakeholders, including Board members, Managing Partners and workers (as defined under the *Work Health and Safety Act 2011* (Cth)) (**Team**). However, the intention of this policy is to also set out Metrics' expectations of external stakeholders, including:

- > our suppliers and business partners from whom Metrics procure goods and services; and
- > our investee companies.

Metrics expects such persons to comply with this policy to the extent applicable.

<sup>1</sup> This includes the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights, which are commonly referred to collectively as the International Bill of Human Rights.

## OUR COMMITMENT

Metrics acknowledges business enterprises' responsibility to respect human rights standards. Businesses ought to avoid infringing on the human rights of people and are responsible for addressing these impacts where they occur, as set out in the United Nations (**UN**) Guiding Principles on Business and Human Rights.

Metrics will strive to protect the values of respect, dignity and equality for every person, irrespective of race, sex, religion, political opinion, disability, sexual orientation, gender identity, social status, age or other personal characteristic.

Specifically, Metrics understands that the responsibility to respect human rights requires that business enterprises:

- > avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and
- > seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships.

Metrics expects its suppliers, business partners, investee companies and borrowers and other parties whose own impacts may be directly linked to Metrics' operations, products or services to respect and not infringe upon any human rights.

Metrics Credit Partners Pty Ltd (**MCP**) has pledged its commitment to the UN Global Compact and supports its Ten Principles on human rights, labour, environment and anti-corruption. MCP has formally expressed its commitment to making the UN Global Compact and its principles part of MCP's strategy, culture and day-to-day operations, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

## ACTING ON OUR COMMITMENT

As a signatory to the Principles for Responsible Investment (**Principles**), MCP has acknowledged its duty to act in the best long-term interests of its investor clients. MCP has committed to adopt and implement the following principles, where consistent with its fiduciary responsibilities:

- > MCP will incorporate environmental, social and governance (**ESG**) issues into investment analysis and decision-making processes;
- > MCP will be active owners and incorporate ESG issues into its ownership policies and practices;
- > MCP will seek appropriate disclosure on ESG issues by the entities in which it invests;
- > MCP will promote acceptance and implementation of the Principles within the investment industry;
- > MCP will work together to enhance our effectiveness in implementing the Principles; and
- > MCP will report on its activities and progress towards implementing the Principles.

Metrics has developed a number of policies on diversity, inclusion and anti-discrimination, including this Human Rights Policy. A list of all relevant policies can be found below:

- > **Anti-discrimination and Harassment Policy:** The purpose of this policy is to affirm Metrics' commitment to providing a safe, respectful, fair and equitable work environment for all of its employees, suppliers, investors and clients free from all forms of discrimination, bullying, sexual harassment and victimisation.
- > **Mental Health and Wellbeing Policy:** Metrics believes that the mental health and wellbeing of its Team is key to organisational success and sustainability. The purpose of this policy is for Metrics to establish, promote and maintain the mental health and wellbeing of all Team members through workplace practices, and encourage Team members to take responsibility for their own mental health and wellbeing.
- > **Employee Privacy Policy:** This policy describes how Metrics collects, handles and protects the privacy of personal information of its employees and former employees.
- > **Anti-bullying Policy:** The purpose of this policy is to affirm Metrics' commitment to providing a workplace free from bullying. Metrics is committed to protecting all Team members who may feel bullied by another Team member, or a supplier, investor, client, or member of the public.

- > **Diversity and Inclusion Policy:** The purpose of this policy is to set out Metrics' commitment to diversity and inclusion, which we consider is key to attracting, retaining, developing and engaging people in rewarding careers that achieve outcomes for both our investor and investee clients.
- > **Responsible Investment and ESG Policy (RIESG):** Metrics' approach to responsible investment and ESG issues is growing in importance as regulation, climate change and societal expectations evolve. Metrics believes that these issues present both risk and opportunity and can affect the performance of its funds and the long-term, risk-adjusted returns it ultimately delivers to its investors. Metrics is therefore committed, as per its policy, to incorporating ESG and sustainability considerations, including modern slavery, into its investment analysis and decision-making process.

Metrics applies negative screening to all investment opportunities. We believe that certain activities and industry sectors represent outside risk to our funds and our investors. We structure our portfolios to avoid such activities and industry sectors by applying negative screening to all investment opportunities. Therefore, Metrics will not invest in the development of new oil and gas fields or entities that:

- > operate in the coal industry;
- > operate in the tar sands industry;
- > operate in the tobacco or nicotine alternative industry;
- > operate in the pornography industry;
- > are involved in weapons manufacturing or distribution;
- > contribute to deforestation of native timber, particularly rainforest;
- > may be involved in political organisations, tax avoidance schemes or violation of human rights or labour law; or
- > operate in any other industries as may be determined from time to time by the Investment Committee.

Further details of the above negative screening and the ESG factors incorporated into Metrics' investment analysis and decision making process are set out in our [RIESG Policy](#).

Metrics has undertaken a human rights due diligence analysis to identify and help mitigate related risks. Outlined below are key human rights areas related to Metrics' business and investment activities and its expectations around them.

## EQUALITY AND ANTI-DISCRIMINATION

### Universal Declaration of Human Rights, Article 1:

**All human beings are born free and equal in dignity and rights.**

Discrimination is treating, or proposing to treat, someone unfavourably because of a personal characteristic protected by the law, such as sex, age, race or disability. Discrimination can occur directly and indirectly. It is Metrics' objective that the rights of its Team are respected in the Metrics workplace, regardless of a person's race, colour, sex, religion, political opinion, national or social origin, disability or any other protected personal characteristic. Metrics' approach and expectations from its internal stakeholders are outlined in the Metrics Anti-discrimination and Harassment Policy, which is available to all Team members.

Similarly, it is Metrics' expectation that its business partners and investee companies operate in a way that does not interfere with or have an adverse impact on the human rights of others, be they employees, community members, consumers or others and ensure that all employees or contractors are treated fairly regardless of their race, colour, sex, religion, political opinion, national or social origin, disability or any other protected personal characteristic.

## Rights of Indigenous Peoples

Historically, in Australia and globally, indigenous people have been among the most marginalised populations, accounting for 5% of the world's population, but approximately 15% of those living in poverty<sup>2</sup>.

Recurring areas of concern, as highlighted by the UN Global Compact's Human Rights and Business Dilemmas Forum, include:

- > barriers to participation in formal decision-making structures at the national level;
- > lack of – or diminished access to – justice to address the infringement of their rights;
- > lack of legal recognition of land ownership, resulting in dispossession of land and displacement;
- > lack of recognition or integration of customary decision-making structures by the state;
- > discrimination and prejudice within broader society; and
- > inadequate consultation related to development projects that directly impact on indigenous livelihoods.

Metrics has joined a network of more than 2,700 corporate, government, and not-for-profit organisations in Australia that have made a formal commitment to reconciliation through the Reconciliation Action Plan (**RAP**) program. RAPs provide a framework for organisations to leverage their structures and influence to support the national reconciliation movement.

Metrics' [RAP](#) acknowledges that Aboriginal and Torres Strait Islander people have suffered from historic injustices, including dispossession of their lands, and seeks to promote respect for the Traditional Custodians of Country throughout Australia. In spite of the historical injustices and ongoing inequalities Aboriginal and Torres Strait Islander people have endured, they remain the oldest continuing cultures in human history.

Metrics has identified reconciliation as a critical component of the equitable society it wishes to support. In particular, Metrics' efforts in working together with Aboriginal and Torres Strait Islander people aim to reduce inequality, generate decent work and economic growth and promote the wellbeing of Aboriginal and Torres Strait Islander people.

Metrics' RAP records our plans for building respect for the knowledge, cultures and traditional practices of Aboriginal and Torres Strait Islander peoples within our sphere of influence.

<sup>2</sup> According to the 2015 Report of the Special Rapporteur on the rights of indigenous peoples, Victoria Tauli Corpuz.

## LABOUR RIGHTS

In Australia, labour rights and the right to work are addressed principally through specific industrial legislation such as the *Fair Work Act 2009* (Cth) and work health and safety legislation. In addition, the Australian Human Rights Commission has important responsibilities, including by reference to:

- > the Convention on the Elimination of All Forms of Racial Discrimination (Article 5e(i));
- > the Convention on the Elimination of All Forms of Discrimination Against Women (Article 11);
- > the Convention on the Rights of the Child (Article 32);
- > the Convention on the Rights of Persons with Disabilities (Article 27); as well as
- > the Discrimination (Employment and Occupation) Convention (ILO Convention No. 111).

Metrics is committed to adhering to the following key principles:

- > modern slavery, including child and forced labour, are prohibited and all employment has to be entered into freely;
- > workers are provided with fair wages;
- > all workers are free to exercise their right to form and/or join trade unions and to bargain collectively; and
- > workers should be provided with a safe and healthy working environment.

## Forced Labour and Modern Slavery

### Universal Declaration of Human Rights, Article 4:

**No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.**

According to ILO Convention No. 29, forced labour is “work or service that is exacted from any person under the menace of any penalty, and for which that person has not offered him or herself voluntarily.” The “menace of any penalty” does not have to be physical punishment or constraint; it can take other forms, such as the loss of rights or privileges. Victims of forced labour are often prevented from terminating employment at their discretion.

For the purposes of this policy, modern slavery has the meaning given in the *Modern Slavery Act 2018* (Cth) which includes the following types of human exploitation:

- > Trafficking in persons;
- > Slavery;
- > Servitude;
- > Forced marriage;
- > Forced labour;
- > Debt bondage;
- > Deceptive recruitment for labour or services; and
- > The worst forms of child labour.

Modern slavery is a term used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers, though these practices are also harmful and may be present in some situations of modern slavery.

The ILO estimates that approximately 49.6 million people were living in modern slavery in 2021, of which 27.6 million were in forced labour and 22 million in forced marriage. Of the 27.6 million people in forced labour, 17.3 million are exploited in the private sector, 6.3 million in forced commercial sexual exploitation, and 3.9 million in forced labour imposed by the state. Women and girls account for 4.9 million of those in forced commercial sexual exploitation, and for 6 million of those in forced labour in other economic sectors. The ILO estimates that 12% of all people in forced labour are children.



As a financial services organisation operating predominantly in Australia and New Zealand, the risk of modern slavery within Metrics' direct operations is low, as Metrics relies on highly skilled professionals to execute the work required for it to operate. Metrics does, however, acknowledge that risks may nonetheless exist in its supply chains, other external stakeholder relationships, and investing activities.

Metrics ensures all Metrics group entities and Team members comply with all modern slavery laws applicable to Metrics' operations, activities and supply chains, including by ensuring:

- > employment is freely chosen;
- > child labour is not used;
- > a living wage is paid to all individuals;
- > individuals are not required to work excessive hours;
- > group entities promote a no tolerance discrimination policy; and
- > there is freedom of association and collective bargaining.

Metrics expects its suppliers, business partners and investee companies to uphold the same standards of compliance, including in their dealings with their suppliers.

Metrics has undertaken an assessment to identify any overarching modern slavery risks throughout its value chain. Metrics reports publicly on the outcomes of this analysis in its Modern Slavery Statement, which will be updated annually in accordance with the requirements and reporting criteria in the *Modern Slavery Act 2018* (Cth).

Metrics understands that it is critical that Metrics assess the potential for its organisation to cause, contribute to, or be directly linked to modern slavery through its operations, supply chains and financing activities. This is an ongoing process for Metrics, one that it will continue to develop and fine tune in the future. To support these efforts, Metrics has established a Modern Slavery Working Group comprising of representatives from various divisions, including Metrics' Managing Partners. The Working Group was tasked with developing and overseeing Metrics' approach to identifying, managing and reporting on modern slavery risks. Metrics' other modern slavery related initiatives are outlined in more detail in its annual Modern Slavery Statement.

### **Fair Wages**

According to the ILO "adequate wages and timely payment are essential for securing decent work and social justice and have a very direct and tangible effect on the everyday lives of workers."

Metrics acknowledges that all workers should be provided with fair wages and equal remuneration for work of equal value without distinction of any kind, in particular women being guaranteed conditions of work not inferior to those enjoyed by men, with equal pay for equal work.

### **Freedom of Association**

As per the International Covenant on Economic, Social and Cultural Rights, everyone should be free to form trade unions and join the trade union of their choice. No restrictions may be placed on the exercise of this right other than those prescribed by law and which are necessary in a democratic society in the interests of national security or public order or for the protection of the rights and freedoms of others.

Metrics acknowledges that the right of employees to choose to be a member of a trade union and to bargain collectively as permitted by local laws and regulations must not be interfered with or restricted.

### **Health, Safety and Wellbeing**

The ILO Declaration on Fundamental Principles and Rights at Work (**the Declaration**), adopted in 1998 and amended in 2022, is an expression of commitment by governments, employers and workers' organisations to uphold basic human values, including the right to a safe and healthy work environment. The Declaration states that occupational health and safety "encompasses the social, mental and physical well-being of workers."

Weak or inadequate workplace health and safety policies or processes can result in injuries and fatalities and it is therefore Metrics' commitment and expectation that Metrics, its business partners and investee companies shall adhere to best practice standards and applicable health and safety laws and regulations.

Metrics believes that the mental health and wellbeing of its Team is key to organisational success and sustainability. Metrics has adopted a Mental Health and Wellbeing Policy, the purpose of which is for Metrics to establish, promote and maintain the mental health and wellbeing of all Team members through workplace practices, and encourage Team members to take responsibility for their own mental health and wellbeing.

### **EMPLOYEE PRIVACY**

Metrics is committed to respecting its employees' right to privacy in line with the International Covenant on Civil and Political Rights. Metrics has adopted an Employee Privacy Policy describing how the business collects, handles and protects the privacy of personal information of its employees and former employees.

A separate [Privacy Policy](#) has also been developed to outline how Metrics handles personal information in wider circumstances. Similar expectations are placed on our external stakeholders.

## REPORTING VIOLATIONS OF THIS POLICY

If any Team member or stakeholder believes that this Human Rights Policy or the law are being violated, they are asked to report it to one of the Managing Partners as a matter of urgency.

Stakeholders who do not feel safe or confident to take such action may report such matters using the following details:

Managing Partners, General Counsel and/or Director,  
Internal Audit

Phone 1300 010 311

Email [info@metrics.com.au](mailto:info@metrics.com.au)

### HOW METRICS WILL RESPOND TO ANY COMPLAINTS RAISED

Should Metrics become aware of any grievances or complaints relating to potential violations of this policy, Metrics will take the following steps:

- > Within a reasonable time, Metrics will seek to acknowledge and engage with the complainant and gather information pertaining to the complaint to help determine whether human rights were engaged, and if so, whether they were limited.
- > Where the complaint relates to an incident within Metrics, a similar approach will be followed as set out in our Anti-discrimination and Harassment, Diversity & Inclusion, and Anti-bullying policies.
- > If the complaint relates to an external stakeholder, Metrics will seek to:
  - Identify and consider the human rights relevant to the complaint and assess whether the action the subject of the complaint limits those rights;
  - Consider whether the incident is linked with violence or criminal activity and seek to refer the matter to the appropriate authorities or expert organisations;
  - Consider engaging with the relevant external stakeholder and assess their ability to improve and remedy the situation;
  - Consider, where appropriate, ceasing the relationship with the external stakeholder.

## MONITORING AND REVIEW

Metrics will review this policy twelve months after implementation and every 3 years thereafter.

**FOR FURTHER INFORMATION**

Please email [invest@metrics.com.au](mailto:invest@metrics.com.au)

