



Modern Slavery Statement

FY2024

Metrics Credit Holdings

Contents

Introduction to Metrics and Our Modern Slavery Statement	1
Overview of Our Operations and Supply Chain	2
Our Operations	2
Modern Slavery Risks in Our Operations and Value Chain	4
Risks Within Our Supply Chain	4
Risk Associated with Our Investment Activities	5
Assessing and Addressing Modern Slavery Risks	6
Our Broader Focus on Sustainability	6
Our Modern Slavery Framework	7
Other Actions Taken in FY24	8
Assessing Our Effectiveness	10
Consultation	10
Other Important Information and Future Plans	11
Sign Off	12
Appendix: Addressing Mandatory Criteria Under the Act	13

Introduction to Metrics and Our Modern Slavery Statement

This Modern Slavery Statement has been prepared by Metrics Credit Holdings Pty Ltd (MCH) (ABN 66 150 647 091), the reporting entity, and its owned and its controlled entities (collectively referred to as Metrics, we or our) in respect of the financial year ended 30 June 2024 (the Reporting Period). MCH is incorporated in Australia and is a private company. A wholly owned subsidiary of MCH, Metrics Credit Partners Pty Ltd (ABN 27 150 646 996) (Metrics Credit Partners), holds an Australian Financial Services License (AFSL 416146). MCH's controlled entities include Navalo Financial Services Group Limited (formerly Payright Limited) (ABN 24 605 753 535) (Navalo) and Metrics Business Finance Holdings Pty Ltd (ABN 71 638 490 776).

Metrics Credit Partners is a leading Australian non-bank lender and alternative asset manager specialising in private debt, equity, and capital markets. Through our managed funds, we provide access to the Australian private debt market to investors ranging from individuals to global institutions. Metrics Credit Partners provides investment management, fund administration, agency, security trustee, and loan administration services. As at 30 June 2024, Metrics Credit Partners had assets under management in excess of A\$19 billion.

MCH was incorporated in May 2011. MCH does not have a holding company. It is owned by the Managing Partners of Metrics (in aggregate, 65%) and Pinnacle Investment Management Limited (ACN 109 659 109), a wholly owned subsidiary of Pinnacle Investment Management Group Limited (ASX: PNI, Pinnacle) (35%). The day-to-day operations and investment decisions undertaken by Metrics are independent of Pinnacle.

Metrics has prepared this Modern Slavery Statement (the Statement) following the requirements and reporting criteria under the Australian *Modern Slavery Act 2018* (Cth) (the Act) for the Reporting Period.

We acknowledge that modern slavery can occur in every industry and geography and can have severe consequences for victims. As such, we would like to communicate our commitment to respect human rights in our operations and value chain, which includes taking steps to assess, address and report on any potential modern slavery risks.

For the purposes of this Statement, Metrics will be adopting the definition of modern slavery as described in the Act, 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.

Overview of Our Operations and Supply Chain

Our Operations

Metrics Credit Partners

Metrics Credit Partners offers tailored capital solutions to business entities of all sizes and across most industries¹, predominately in Australia and New Zealand, with limited exposures to businesses with operations in certain European, North American and Asian markets.

MCH's registered office is located at 2 Ridge Street, North Sydney. At the end of the Reporting Period, Metrics employed 195 staff across investment origination, portfolio & risk management, sustainable finance, legal services, finance and fund accounting, loan administration and agency and security trustee services, corporate services, IT, internal audit and compliance, marketing, and external relations. These numbers include staff employed in the Metrics Business Finance and Navalo businesses. Metrics' staff work from offices located in Australia, New Zealand and co-working spaces in the UK and Ireland.

Metrics undertakes a broad range of activities related to funds management and investment management services including, but not limited to, capital raisings and debt capital financings for funds managed by Metrics, managing investment capital budgets, capital calls, distributions and redemption payments in conjunction with the appointed trustee/responsible entity and fund administrator, and reviewing and approving the financial accounts prepared for investor funds managed by Metrics. Metrics also undertakes agency, security trustee services and investment and portfolio & risk management activities which typically involve the origination of investment opportunities aligned with our investment mandates, investment due diligence, ongoing investment management, and monitoring of asset performance and investment risks.

Metrics launched its first wholesale fund in 2013 and is the manager of a number of wholesale investment trusts and listed and unlisted retail funds including the Metrics Master Income Trust (ASX: MXT), listed on the ASX in October 2017, the Metrics Income Opportunities Trust (ASX: MOT) which started trading in April 2019. Six of the funds managed by Metrics (MCP Real Estate Debt Fund, MCP Credit Trust, MCP Secured Private Debt Fund II, MCP Diversified Australian Senior Loan Fund, Metrics Master Income Trust and MCP Wholesale Investment Trust) have prepared separate modern slavery statements, which will be lodged with the Australian Government's Modern Slavery Statements Register for the FY24 period by the funds' trustee.

Metrics' experienced investment team comprises the four Managing Partners who are supported by a team of highly qualified investment professionals with skills and experience covering investment origination, credit and financial analysis, portfolio & risk management, sustainable finance, legal, and fund administration. Metrics has a centralised management team with the Managing Partners overseeing operations of all entities.

Metrics Business Finance Group

Metrics Business Finance Pty Ltd (ABN 44 603 289 658) (MBF) was created to compliment Metrics' established corporate loan offering and provide targeted lending solutions to borrowers in the SME, non-bank market in Australia. MBF's commercial real estate offering extends across a number of real estate verticals including pre-development, construction, residual stock and investment facilities.

¹ 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 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; and
- operate in any other industries as may be determined from time to time by the Investment Committee.

Navalo Financial Services Group

Navalo is a consumer lender offering consumers 'buy now, pay later' payment options through its network of accredited merchants. Navalo holds an Australian credit license under which it offers consumers a regulated consumer lending option, typically for amounts over \$2,000 and up to \$30,000. Navalo also offers consumers 'buy now, pay later' payment plans that don't currently require a credit license. In comparison with its peers in the 'buy now, pay later' sector, Navalo focuses on higher-value, more considered purchases and an average transaction value of approximately \$4,000 over 24-month periods. Navalo's operations are Australian based, with originations currently occurring solely in Australia. Navalo also administers a historical book of New Zealand originated loans.

Modern Slavery Working Group

Metrics' Modern Slavery Working Group comprises the Managing Partners and representatives from various Metrics divisions. The Working Group is responsible for developing and overseeing our approach to identifying, managing and reporting on modern slavery risks. During the reporting period, Metrics restructured the Working Group and added two Navalo representatives to its members.

Our Supply Chain

During the Reporting Period, Metrics utilised approximately 800 suppliers of various sizes. Our tier one suppliers are predominately based in Australia and New Zealand with a small number operating overseas including in Japan, the Philippines, Czech Republic², Canada, Hong Kong, Korea, Malaysia³, Singapore, the United Kingdom, the United Arab Emirates⁴ and the United States.

Most of our tier one suppliers by value are professional service providers including providers of trustee services, consulting and accounting firms, auditors, legal advisors, and insurance providers. Office support suppliers are also utilised including cleaning service providers, IT software and service providers, office supplies providers, and recruitment firms.

² Software developer.

³ Professional services provider.

⁴ Professional services provider.

Modern Slavery Risks in Our Operations and Value Chain

We acknowledge that although as a financial services organisation the risks of modern slavery within our direct operations are very low, risks may nonetheless exist in our supply chains, third-party relationships, and investment activities. We understand that high risk areas for financial services firms include IT procurement, logistics, and property and building services, as outlined in ACSI's 2019 report: *Modern slavery risks, rights, and responsibilities*.

Our workforce comprises of mostly permanent, full-time staff located in Australia, New Zealand, the UK, and Ireland. In addition, Navalo has engaged the services of an offshore-based customer service and a collections operator. This third-party provider and the employees contracted directly by them to perform services for Navalo are based in the Philippines.

Metrics did not engage any agency workers during the Reporting Period, however we did sponsor the working visas of a small number of individuals in the business. Our employees are typically highly skilled investment professionals, all of whom have the benefit of our various policies, including those on anti-bullying, anti-harassment, mental health and wellbeing, diversity & inclusion, and employee privacy (please refer to the section of this Statement headed *Assessing and Addressing Modern Slavery Risks* for more information on all our policies). As such, due to the nature of our operations, the size of our workforce and the policies and processes we have in place, we believe the risk of modern slavery in our direct operations to be very low.

Metrics has undertaken an industry and geographical based risk analysis to identify any overarching modern slavery risks throughout both our supply chain and our investment activities. We present the outcomes of this analysis below.

Risks Within Our Supply Chain

An analysis of our spend data has shown that the vast majority of Metrics' tier one suppliers during the Reporting Period were Australian or New Zealand-based entities with a small number of suppliers operating overseas and in some cases, in high risk geographies. This assessment was based on data from the Global Slavery Index⁵ as well as Freedom House⁶ (please refer to the section of this Statement headed *Assessing and Addressing Modern Slavery Risks: Our Approach to Assessing Modern Slavery Risks* for more information on the process followed).

Although most of our suppliers are based in and provide services to Metrics through low-risk jurisdictions, a number operate in what are typically considered high risk industries, including but not limited to:

- ▶ Cleaning services;
- ▶ IT equipment;
- ▶ Office supplies;
- ▶ Hospitality;
- ▶ Food and Beverage; and
- ▶ Utilities.

Metrics will continue to undertake this risk assessment on an annual basis.

Merchant Risks

Navalo's point-of-sale loans are distributed via a merchant network operating in six key industry verticals: (i) retail; (ii) home improvement; (iii) photography; (iv) automotive; (v) home improvement; (vi) education; and (vii) health and beauty.

5 The Global Slavery Index is a tool developed by the Walk Free Foundation. Walk Free was established to address the root causes of modern slavery and create systems level change. Walk Free has studied the number of people living in modern slavery around the world.

6 Freedom House is a platform that systematically tracks the most pressing threats to democracy and freedom around the globe. They publish detailed research on more than 200 countries and territories where democracy and freedom are under threat.

The merchants Navalo partners with are required to be Australian businesses and merchant onboarding checks are performed on all new merchants while ongoing monitoring of existing merchants is also undertaken. These checks include current Australian Securities and Investments Commission (ASIC) and credit risk information, director checks, site checks, consumer reviews and adverse media reviews.

Risk Associated with Our Investment Activities

Metrics recognises the risk that our provision of capital to other entities may indirectly contribute to modern slavery. In order to further consider such risk, Metrics undertook a desktop analysis of the investment operations of Metrics Credit Partners to identify any potential indicators of modern slavery. This desktop analysis identified that as at the end of FY24, Metrics Credit Partners invested in approximately 370 businesses across 11 sectors⁷:

- ▶ Real Estate
- ▶ Health Care
- ▶ Materials
- ▶ Utilities
- ▶ Industrials
- ▶ Information Technology
- ▶ Consumer Discretionary
- ▶ Financials
- ▶ Energy
- ▶ Consumer Staples
- ▶ Telecommunication Services

Metrics used resources and tools provided by government publications, including the Modern Slavery Risk Assessment Template, to undertake an analysis of high-risk sub-industries financed during the Reporting Period (please refer to the section of this Statement headed *Assessing and*

Addressing Modern Slavery Risks: Our Approach to Assessing Modern Slavery Risks for more information on the process followed). We have concluded that the following sub-industries within the sectors in which Metrics Credit Partners has invested may be exposed to an elevated degree of modern slavery risks:

- ▶ Construction & Engineering;
- ▶ Real Estate Development;
- ▶ Health Care Services;
- ▶ Health Care Equipment & Facilities;
- ▶ Hotels, Restaurants & Leisure;
- ▶ Road and Rail;
- ▶ Textiles, Apparel & Luxury Goods;
- ▶ Food Retail and Packaged Foods & Meats;
- ▶ Pharmaceuticals;
- ▶ Air Freight & Logistics; and
- ▶ Airlines.

We have also considered the geographic location of Metrics Credit Partners' investee entities and Navalo's merchants, including whether these entities operate or are headquartered overseas. Our analysis has indicated a number of investees with some degree of global operations, spanning 31 countries. Taking into consideration a variety of factors, like the level of vulnerability to modern slavery of each country, prevalence of modern slavery per thousand people and country freedom scores, our analysis indicates that some of our investee entities may operate in countries of moderate or high risk of modern slavery, including China, Bangladesh, India, Indonesia, Papua New Guinea and the United Arab Emirates. We have also identified operations in some countries where modern slavery can be prevalent to some degree including South Africa, Singapore, Sri Lanka, the Philippines, Vietnam, Nepal, Malaysia, and Thailand as well as countries like the United States of America where a high number of people, on an absolute basis, are reported to be living under modern slavery.

⁷ This analysis focuses on Metrics' asset management activities rather than the financing activities of the businesses acquired during the reporting period.

Assessing and Addressing Modern Slavery Risks

Our Broader Focus on Sustainability

As a fund manager, Metrics Credit Partners has a responsibility to act in the best long-term interests of investors in its funds. Our approach to responsible investment and environmental, social and governance (ESG) and sustainability issues is growing in importance as regulation, climate change and societal expectations evolve.

We believe that ESG and sustainability issues present both risk and opportunity and can affect the performance of our funds and the long-term, risk-adjusted returns we ultimately deliver to our investors. We are therefore committed to incorporating ESG and sustainability considerations into our investment analysis and decision-making process. We are also committed to playing our part in the achievement of the UN Sustainable Development Goals and contributing to a better future.

We acknowledge that, as a fund manager, the main channel through which we can influence the real world is through the entities in which we invest. We accept our responsibility as a fund manager to accelerate and mainstream sustainability across the real economy.

Furthermore, Metrics believes in upholding high ESG standards in the management of our firm and, in particular, in our human resource and supply chain practices. We promote a fair and equitable work environment that respects and values our employees and is free from discrimination and harassment.

We prohibit our employees from engaging in corruption in any form. We do not knowingly procure any goods or services from suppliers which are involved in modern slavery or environmental and social practices which fall below the standards expected by the community.

Metrics' approach to incorporating responsible investment, environmental, social and governance factors into our investment management activities as well as the management of our business is outlined in our Responsible Investment and ESG Policy (ESG Policy).

During the Reporting Period, we also adopted a Human Rights Policy, following the completion of a Human Rights due diligence exercise. Our Human Rights Policy affirms Metrics' commitment to respecting internationally

recognised human rights standards, including those set out in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

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, and as outlined in our Human Rights Policy, 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.

Our Human Rights Policy sets out our expectations from team members as well as suppliers, business partners, investee companies and other parties whose own impacts may be directly linked to Metrics' operations, products or services. As per our policy, we expect all such parties to respect and not infringe upon any human rights.

Metrics' employees are instructed to report any breaches of our policies or procedures to a member of the Executive Management Committee or a Director of the Board of Metrics.

Metrics' Investment Committee, which consists of the four Managing Partners, is responsible for all investment decisions, oversight, monitoring and control of the investment assets held by funds managed by Metrics Credit Partners including ESG considerations such as modern slavery risks.

The Investment Committee has been established by the Metrics Board and reports directly to the Board on all matters including ESG considerations. The Investment Committee is responsible for ensuring that our investment process reflects our ESG Policy and our commitments under the UN-supported Principles for Responsible Investment (PRI).

Investment Directors involved in origination are responsible for the accurate assessment and reporting to the Investment Committee of credit and non-credit investment risks, including ESG

risks, of all proposed investments. Investment Directors in the portfolio & risk management team are responsible for the ongoing monitoring of credit and non-credit investment risks, including ESG risks, in Metrics Credit Partners' investment portfolios and for the timely escalation and reporting to the Investment Committee of any elevated risks.

We consider how the entities in which we invest manage ESG factors as part of our due diligence process, portfolio construction, transaction structuring, monitoring and engagement and disclosure and reporting. We've expanded our focus from the traditional lens that looks at the financially material ESG risks impacting on our investments and our business, to the more modern 'double materiality' approach that also looks at the impact our investments and our business have on the world at large.

We consider how ESG factors could affect stakeholders, potentially leading to a material direct or indirect financial effect on the entity. Our definition of stakeholders for a particular entity goes beyond shareholders to include groups such as employees, the local community, regulators, customers and suppliers.

Metrics includes ESG risk analysis in our investment submissions and rates each potential investment on several key ESG factors during the initial investment process. ESG issues are considered by the Investment Committee and are an important input for the final investment decision. Certain ESG issues may be flagged to be reviewed during the ongoing investment monitoring process.

Other material ESG-related risks will be identified early in the investment screening process, on a case-by-case basis, by the deal teams and the Investment Committee. Companies where such risk could cause material deterioration in financial or operating performance over our investment horizon or represent reputational risk to either Metrics or our investors will be removed from further consideration.

We ensure, through new employee and ongoing training and regular internal updates, that our investment professionals and other staff are aware of our ESG Policy and understand how to best implement the values and commitments expressed in it and assess and manage ESG-related investment risks.

All Metrics Credit Partners investment staff are required to consider ESG risks, including modern slavery, in preparing investment submissions.

Alongside our Modern Slavery Framework, and as part of our commitment to diversity, inclusion and respect in the workplace, Metrics has adopted a suite of other policies and initiatives including the following:

- ▶ Anti-discrimination and Harassment;
- ▶ Mental Health and Wellbeing;
- ▶ Anti-bullying;
- ▶ Diversity and Inclusion; and
- ▶ Employee Privacy policies.

As our company grows and evolves, and with the acquisition of other businesses like Navalo, we will strive to ensure that our policies and procedures are harmonised across the group.

Our Modern Slavery Framework

During the Reporting Period, Metrics' sustainable finance team, with the assistance of the Modern Slavery Working Group, updated our Modern Slavery Framework, which is in place to support Metrics in its efforts to manage modern slavery risk in our operations, supply chain and investment activities. Our Modern Slavery Framework is based on five key elements:

1. **Governance and Policy Development:** Setting out appropriate governance mechanisms, defining roles and responsibilities of teams and individuals within Metrics and developing comprehensive policies in order to enhance our ability to effectively manage modern slavery risks.
2. **Due Diligence:** We see due diligence as an important tool that can allow Metrics to better understand and act upon modern slavery risks. We understand that without a considered due diligence process, the effective and ongoing management of potential modern slavery risks may be impacted.
3. **Grievance and Remediation:** Metrics understands the need for appropriate mechanisms that can allow individuals to report incidents and violations, as well as processes to help address and manage those potential incidents.
4. **Training:** Appropriate training is important for enabling staff to better understand or recognise the potential risks of modern slavery in our own operations and value chain.

Modern Slavery Statement

5. **Monitoring and Reporting:** We consider monitoring of risks and ongoing internal reporting for key stakeholders important in our ability to appropriately manage and improve our modern slavery practices.

Metrics' Modern Slavery Framework outlines proposed actions for each of the aforementioned elements along with indicative timelines for completion.

Other Actions Taken in FY24

Advocacy and Collaborations

We recognise that playing our part in the achievement of the UN Sustainable Development Goals and contributing to a better future will involve collaboration with similarly committed organisations. Where possible, we engage with other stakeholders to encourage greater transparency on material ESG issues and standardisation of reporting requirements on ESG issues from corporations and other entities.

Metrics Credit Partners continues to be a PRI signatory and an [endorser](#) of its 'Advance' program. Advance is a stewardship initiative where institutional investors work together to take action on human rights and social issues. Investors use their collective influence with companies and other decision makers to drive positive outcomes for workers, communities and society.

Metrics has also continued to participate in Pinnacle Group's initiative for engaging collectively with high risk suppliers to help better understand how they address modern slavery risks. Nearly half of the suppliers engaged through this initiative have issued modern slavery statements, with some doing so voluntarily, demonstrating proactive commitment to ethical practices. Several suppliers flagged risks related to global sourcing from South-East Asia and low-skilled labour in outsourced operations, highlighting the potential for labour exploitation. Some respondents have implemented modern slavery training as part of their onboarding process, targeting either all staff or specific teams. Despite our engagement efforts, we also acknowledge that less than half of the suppliers responded to the modern slavery questionnaire sent to them, indicating the need for stronger engagement and follow-up strategies.

Our dedicated sustainable finance team currently comprises one Investment Director, one Associate Director and two Analysts with relevant expert

knowledge, skills and experience in banking, consultancy, assurance, legal practice and work with the Climate Bonds Initiative. The sustainable finance team is responsible for identifying and managing initiatives offering opportunities for collaboration on stewardship and regularly updates the Managing Partners on matters pertaining to the organisations and initiatives of which Metrics is a supporter.

The team plays an active role in industry initiatives including representing Metrics on:

- ▶ the Responsible Investment Association Australasia's (RIAA) Human Rights and Nature Working Groups;
- ▶ the UN Global Compact's Modern Slavery Community of Practice initiative; and
- ▶ the PRI's Human Rights and Social Issues Reference Group.

Navalo, as a member of the Australian Finance Industry Association (AFIA), supported by Metrics' sustainable finance team, participated in a working group to develop a toolkit for use by AFIA members which provides a library of practical resources to support members with their sustainability risk management and disclosure.

Our Approach to Assessing Modern Slavery Risks

Step 1: Investing Activities and Origination

Embedding ESG and modern slavery in our Risk Policies and Procedures

Employees have access to our Risk Policies and Procedures manual which was developed to ensure that Metrics' investment activities are conducted within the scope of our risk appetite, including for ESG-related issues, and that employees conduct themselves in accordance with our culture and core principles in the course of performing their duties.

In addition, Metrics Credit Partners is committed to incorporating ESG considerations into our investment analysis and decision-making process. We have therefore identified several ESG-related risks to be evaluated in the course of our analysis, including modern slavery. As such, our analysts are asked to consider a company's potential failure to maintain responsible and transparent supply chains, or to potentially directly or indirectly contribute to issues of modern slavery or the use of child or forced labour, as part of their assessment when completing an investment submission to our Investment Committee during the origination process.

Step 2: Monitoring ESG Risks During the Investment Phase

Our ESG & Sustainability Questionnaires

ESG considerations are systematically integrated into Metrics Credit Partners' monitoring and engagement activities, as outlined in our ESG Policy.

In addition, Metrics Credit Partners has developed and rolled out industry-specific ESG & Sustainability Questionnaires for our portfolio containing questions on ESG topics that are considered material to the industry in which the investee operates.

Our proprietary ESG assessment methodology allows us to monitor the performance of individual investments and portfolios of investments over time. Social factors are incorporated in all questionnaires and questions may touch on supply chain issues, the existence of human rights policies as well as various diversity indicators.

Based on our current engagement approach, once an investee entity has completed their ESG & Sustainability Questionnaire, members of our investment, portfolio & risk management, and sustainable finance teams will reach out and engage directly with senior management of that investee entity. This allows us to answer any questions Metrics might have based on the responses in the ESG & Sustainability Questionnaire and understand better the entity's approach to sustainability as well as the various challenges they may be facing. Where relevant, we will also raise more specific questions on modern slavery and the investee's approach to managing any related risks, including questions around their policies and frameworks in place to manage those risks, their workforce composition and whether or not they analyse the potential risks in their supply chains.

As a final step, this analysis is presented to the Investment Committee for review and approval.

Step 3: Annual Modern Slavery Risk Assessment of our Portfolio and Suppliers

On an annual basis, at the end of each reporting period, the sustainable finance team, with the support of the portfolio & risk management and finance teams, undertakes an analysis of Metrics' portfolio as well as of our suppliers (this includes our controlled entities' suppliers too), to identify any entities operating in high risk industries and geographies.

To identify high risk industries, we consider key factors such as:

- ▶ reliance on low skilled or seasonal labour;
- ▶ employment of a high proportion of workers who are impoverished, lacking in professional or advanced technical skills;
- ▶ labour recruiting;
- ▶ industries that rely heavily on overseas production in countries with lower labour standards or limited enforcement capacity;
- ▶ industries with long, complex, or non-transparent supply chains; and
- ▶ industries that rely heavily on migrant labour.

This review leverages various external tools, including resources and tools provided by government publications, such as the Modern Slavery Risk Assessment Template as well as the Responsible Sourcing Tool, which is the result of the collaboration between Verité and the U.S. Department of State's Office to Monitor and Combat Trafficking in Persons:

<https://www.responsiblesourcingtool.org/>

Our country analysis is based on data from the Global Slavery Index and Freedom House. We take into consideration the degree of prevalence and number of modern slavery victims as well as the level of vulnerability of each country as per the Global Slavery Index. We also assess countries' freedom scores from Freedom House which rates people's access to political rights and civil liberties in 210 countries and territories through its annual Freedom in the World report.

Based on this process, we created a list of 44 countries considered to be moderate or high risk geographies. Analysts were then asked to indicate whether any investee companies have subsidiaries, operating facilities, factories, stores, or offices under their operational control in those countries.

Assessing Our Effectiveness

Monitoring and reporting ensures that the implementation of proposed actions under our Modern Slavery Framework remain on track. This year we started quantifying and measuring the outcomes of our supplier engagement efforts and we expect to continue to do so in future periods.

As previously mentioned, Metrics developed a series of ESG & Sustainability Questionnaires for our investee entities which included questions on their management of human rights risk, to help us better understand each investee's approach to managing such risks as well as identifying any areas of heightened concern. We will continue to encourage our investees to respond to those questionnaires so that over time, these questionnaires may act as a mechanism that will allow Metrics to monitor modern slavery risks in the medium and long term and to assess effectiveness of actions taken by our investees.

We do however acknowledge that robustly assessing the effectiveness of measures undertaken to date can be challenging. We will seek to continue to develop our approach to managing modern slavery risks and work towards developing appropriate KPIs to help us measure how effective our actions have been in addressing modern slavery in future periods, as required.

Consultation

Metrics' Managing Partners oversee the activities of all operating entities. The supplier and employee data provided for the purposes of this Statement represent all of our operations in Australia and overseas, including the operations of Navalo and MBF. This Statement was prepared by Metrics' sustainable finance team and members of the Modern Slavery Working Group, which includes Navalo representatives. As such, each of the operating entities that MCH controls were consulted during the Reporting Period and during the development of this Statement, with a draft of the Statement being provided to each working group member for their input and comments.

During and after the end of the Reporting Period, the Modern Slavery Working Group discussed details of the Act's reporting requirements, information regarding the actions we intend to take to address these requirements, updates on actions taken against the action plan developed as part of our Modern Slavery Framework and provided key internal stakeholders with relevant materials and updates.

Other Important Information and Future Plans

Our Modern Slavery Working Group will continue to progress the actions outlined in our Modern Slavery Framework, as well as updating and revising the Modern Slavery Framework as required. Our objective for the upcoming Reporting Period will be to continue to work towards integrating policies and procedures across all controlled entities to ensure a consistent approach towards ESG and sustainability. Our focus in upcoming periods will continue to be directed towards:

- ▶ Supplier and investee risk assessments and engagement;
- ▶ Refreshing our human rights due diligence to take into consideration all new owned and controlled entities;
- ▶ Pending the outcomes of the updated human rights due diligence exercise, refresh our Human Rights Policy as needed; and
- ▶ Delivering appropriate training opportunities for select employees across the group.

Metrics will continue to participate in RIAA's Human Rights Working Group in FY25. Metrics also intends to continue to engage with investee entities through our ESG & Sustainability Questionnaires that include questions on their management of human rights and broader social risks.

Sign Off

This Modern Slavery Statement was approved by the board of Metrics Credit Holdings Pty Ltd in their capacity as principal governing body of Metrics Credit Holdings Pty Ltd as parent entity on 11 December 2024.

This Modern Slavery Statement is signed by each of the below in their role as directors and Managing Partners of Metrics Credit Holdings Pty Ltd on 11 December 2024.



Andrew Lockhart
Managing Partner



Justin Hynes
Managing Partner



Graham McNamara
Managing Partner



Andrew Tremain
Managing Partner

Appendix: Addressing Mandatory Criteria Under the Act

CRITERION	PAGE REFERENCE
Criterion 1: Identify the reporting entity	1
Criterion 2: Describe the structure, operations and supply chains of the reporting entity	2
Criterion 3: 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	4
Criterion 4: 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	6
Criterion 5: Describe how the reporting entity assesses the effectiveness of such actions	10
Criterion 6: Describe the process of consultation with: <ul style="list-style-type: none"> <li data-bbox="183 949 946 983">(i) any entities that the reporting entity owns or controls; and <li data-bbox="183 994 1187 1055">(ii) in the case of a reporting entity covered by a statement under section 14 – the entity giving the statement 	10
Criterion 7: Include any other information that the reporting entity, or the entity giving the statement, considers relevant	11



2 Ridge Street, North Sydney NSW 2060
GPO Box 3491, Sydney NSW 2001

metrics.com.au
