

Platinum Asset Management Limited (ASX: PTM)

Modern Slavery Statement

FINANCIAL YEAR 2021-2022



Modern Slavery Statement

1. Introduction

This modern slavery statement (**Statement**) is made by Platinum Asset Management Limited (ABN 13 050 064 287) (**PTM**) on behalf of the entities listed in the table below.

It covers the period 1 July 2021 to 30 June 2022 and has been prepared in accordance with the requirements of Australia's *Modern Slavery Act 2018* (Cth) (**MSA**).

Platinum Group	Reporting Entities as defined in the MSA	Voluntary Reporting Entities as defined in the MSA
Platinum Corporate Entities:		
• Platinum Asset Management Limited	Yes	
• Platinum Investment Management Limited (ABN 25 063 565 006) trading as Platinum Asset Management (Platinum Asset Management)	Yes	
• Platinum Asset Pty Limited	Yes	
Platinum Managed Funds:		
• Platinum Investment Management Limited as the responsible entity for its registered managed investment schemes ¹	Yes (with respect to the Platinum International Fund, Platinum Asia Fund, Platinum European Fund, Platinum Japan Fund, Platinum International Brands Fund, Platinum International Health Care Fund)	Yes (for all other funds)
Platinum Listed Investment Companies:		
• Platinum Capital Limited		Yes
• Platinum Asia Investments Limited		Yes

¹ Platinum International Fund; Platinum International Fund (Quoted Managed Hedge Fund); Platinum Global Fund (Long Only); Platinum Global Fund; Platinum Asia Fund; Platinum Asia Fund (Quoted Managed Hedge Fund); Platinum European Fund; Platinum Japan Fund; Platinum International Health Care Fund; Platinum International Brands Fund; Platinum International Technology Fund.

For the purposes of this Statement the **Platinum Corporate Entities**, the **Platinum Managed Funds** and the **Platinum Listed Investment Companies** are collectively referred to as the **Platinum Group**.

This is a joint Statement prepared and lodged by PTM on behalf of the Platinum Group.

A joint Statement is appropriate given the commonality of the supply chains within the Platinum Group and the fact that the Platinum Corporate Entities' Australian business operations are carried out through Platinum Asset Management. Specifically, Platinum Asset Management is a Corporate Entity and also the responsible entity of the Managed Funds. Similarly, Platinum Asset Management is the delegated investment manager and administrator of the Platinum Listed Investment Companies. Other suppliers to the Platinum Listed Investment Companies are the share registry, custodial and fund administration service providers and professional services firms that provide legal, audit and consultancy services to the Platinum Listed Investment Companies. These firms are also suppliers to Platinum Asset Management as a Corporate Entity and/or as the responsible entity of the Platinum Managed Funds.

A joint Statement is also appropriate given that the Platinum Group Entities operate under a number of common policies. Specifically, the Platinum Corporate Entities and the Platinum Listed Investment Companies are covered by the same Modern Slavery Policy, Whistleblower Protections Policy and Anti-Bribery and Corruption Policy and to the extent that Platinum Asset Management performs services on behalf of the Platinum Listed Investment Companies and the Platinum Managed Funds, the policies of Platinum Asset Management are applicable.

The Statement outlines the Platinum Group's ongoing commitment to identify and address modern slavery risks arising in the Platinum Group's supply chains and operations (investment portfolios). It also provides details of the Platinum Group's approach, policies and plans to continuously improve and strengthen its commitment to ensuring respect for human rights and freedom from modern slavery.

2. Platinum Group structure

PTM is a company listed on the Australian Securities Exchange. It is the holding company of a number of subsidiary companies, and in particular of Platinum Asset Management through which the Australian funds and asset management business is carried out. For ease of reference we include a link to the 2022 Platinum Asset Management Limited Annual Report which outlines the Platinum consolidated group:

https://www.platinum.com.au/PlatinumSite/media/Financial-Statements/ptm_0622.pdf

The Platinum Corporate Entities' business operations are carried out through Platinum Asset Management, which has over 100 employees. Platinum Asset Management is also the responsible entity of the Platinum Managed Funds and provides standalone discretionary investment management services to a number of clients, including the Platinum Listed Investment Companies.

PTM, Platinum Asset Pty Limited and the Platinum Listed Investment Companies have no employees. Platinum Asset Management is the principal supplier of investment services to the Platinum Listed Investment Companies and also provides certain administration services.

The Platinum Group's response to modern slavery was led by Platinum Asset Management's Environmental, Social and Governance Committee (**ESG Committee**), comprised of senior representatives from Platinum Asset Management's Legal, Compliance, Finance, Investment and Investment Specialist teams. The ESG Committee is currently chaired by Platinum Asset Management's Director of Investor Services and Communications, who is an Executive Director of PTM and Platinum Asset Management. In preparing this Statement, representatives of the ESG Committee consulted with the board of directors of each of the entities named above by circulating a draft of the Statement to the directors on the boards of each of entity and seeking their input and feedback prior to the approval of the Statement.

3. Platinum Group operations

Platinum Asset Management was founded in 1994 and is an Australian-based global equity asset manager with approximately \$18 billion under management (as at 30 November 2022). It focuses on one core investment style and asset class (international shares) across a number of investment products. It provides discretionary investment management services to Australian and non-Australian clients.

Platinum Asset Management offers a range of investment products including:

- managed funds – comprising eight unlisted Australian-registered managed funds, offering a suite of different global, regional and sector strategies, and providing investors with exposure to diversified portfolios of companies worldwide;
- listed investment companies – investors can access Platinum Asset Management’s global strategy and Asia ex-Japan strategy through two ASX-listed investment companies (respective ASX codes: PMC and PAI);
- ASX quoted managed funds – Platinum International Fund (Quoted Managed Hedge Fund) (ASX code: PIXX) and the Platinum Asia Fund (Quoted Managed Hedge Fund) (ASX code: PAXX) are actively managed funds quoted on the ASX;
- the Platinum Investment Bond – is a collaboration between Platinum Asset Management and Lifeplan Australia Friendly Society Limited who is responsible for issuing and administering the investment bond. It provides access to two investment options, the Platinum International Fund established in 1995 and/or the Platinum Asia Fund established in 2003; and
- offshore investment fund products – Platinum Asset Management is the investment manager or adviser for a number of offshore investment vehicles that have been established or incorporated by Platinum Asset Management in countries outside of Australia.

Platinum Asset Management pursues its offshore product distribution and client servicing strategy in relation to European professional clients and eligible counterparties through fully owned subsidiaries of Platinum Asset Management which are established in the United Kingdom and Malta.

Platinum Asset Management’s business is managing clients’ money and the investment management fees charged to clients are the chief source of revenue. Platinum Asset Management has a simple core belief: if we responsibly and successfully look after our clients’ money, our business should prosper. A failure to understand and commit to this priority will not result in an enduring asset management business.

In particular, Platinum Asset Management considers that the following themes are key to the long-term sustainability of its business:

- putting clients’ interests first – valuing independence and transparency;
- engaging with our employees;
- incorporating environmental, social and/or governance (**ESG**) considerations into our investment decision-making and/or ownership practices;
- advocating for change and engaging with policymakers on matters that Platinum considers to be important;
- contributing to the community; and
- consideration of climate-related risks and opportunities.

4. Platinum Group supply chains

The Platinum Group's principal suppliers consist of:

- professional services firms (for example, share registry, custodial and fund administration service providers, legal firms, audit, accounting and consultancy firms, marketing and research firms) providing services in relation to the running of our operations and provision of investment management services;
- businesses that we engage in relation to our premises (for example, cleaning and catering services, IT systems, stationery services, printing and other office and business support services); and
- others such as accommodation and travel providers, recruitment services, security services, software services and IT procurement.

Platinum Asset Management is also the principal supplier to the Platinum Listed Investment Companies, supplying investment management and administration services, and to the Managed Funds, as a responsible entity.

Key suppliers are generally engaged on a long-term basis, with some changes from time to time.

5. Modern slavery risks

The Platinum Group recognises that modern slavery is a significant worldwide problem. Based on our business model, our exposure to the risks of modern slavery arise from two main sources: (i) in our corporate supply chains; and (ii) from our operations i.e. within the investment portfolios managed by Platinum Asset Management.

Platinum Group – corporate supply chains

We consider a number of indicators of modern slavery risks in our corporate supply chains including sector and industry, nature of products and services, geographical location and specific entity risk. Based on the assessment undertaken by Platinum Asset Management of our Tier 1 and Tier 2 Suppliers (referred to in section 6), it has been identified that some companies in our corporate supply chains may from time to time outsource certain work and activities to offshore affiliates or other entities. This may pose modern slavery risks in that we may not have a direct contractual relationship with the personnel that perform these activities and therefore we may be indirectly exposed to modern slavery practices.

Platinum Group – operations (investment portfolios)

Consistent with the Responsible Investment Association Australasia, Platinum Asset Management has identified specific countries and industry sectors which it considers pose high modern slavery risks to the Platinum Group's operations, and in particular, the investments that Platinum Asset Management manages on behalf of the Platinum Managed Funds, Platinum Listed Investment Companies and Platinum Asset Management's other investment management clients. These are²:

- agricultural and fishing industries, e.g. coffee from Latin America and Africa, fish from Thailand, Cambodia, Indonesia and various African countries, palm oil from Sierra Leone and south-east Asia, rice from Brazil, India, Kenya, tea from east Africa, tobacco from various countries in South America and Africa;
- apparel industry e.g. cotton from Uzbekistan, Egypt, Turkey, Turkmenistan, China (please see below) as well as several African and other Asian countries. Leather from Pakistan, India and Bangladesh and textiles from Bangladesh. Also, garment production in e.g. Malaysia, China, India, Turkey and Jordan;
- construction and building materials industry, e.g. bricks manufacturing in Asia and South America, coal production in some Asian countries and construction in the Middle East;
- mining industry, particularly, e.g. copper, gold, tin, coltan, cobalt and tungsten from the Democratic Republic of the Congo (DRC) in Africa as well as several other West African countries, Indonesia and South America;
- electronics and electronics recycling industry, particularly China; and
- glove manufacturing, particularly in Malaysia.

² *Investor Toolkit: Human rights with a focus on supply chains*, produced by the Responsible Investment Association Australasia, November 2021, page 7.

6. Actions taken to assess and address modern slavery risks

Platinum Group – corporate supply chains

Following the assessment of the Platinum Group's corporate supply chains as described in our 2021 Modern Slavery Statement, we continued to analyse the modern slavery risks in the Platinum Group's corporate supply chains in relation to moderate risk suppliers (**Tier 2 Suppliers**). This analysis on Tier 2 Suppliers was undertaken by reviewing publicly available information (including supplier policies and modern slavery statements on websites) and utilising external screening tools.

During the reporting period and up until the filing date of this Statement, 44 Tier 2 Suppliers were assessed. Of these 44 suppliers assessed, 2 suppliers were identified to have significant modern slavery related risks within their supply chains. Both of these suppliers operate in offshore agricultural industries. Further due diligence was carried out in relation to these 2 suppliers with the results then presented to the ESG Committee. It was determined by the ESG Committee that these suppliers could continue to be used subject to ongoing review and monitoring, on the basis that the suppliers had publicly acknowledged the risks and have each stated that they are working to improve their practices. The ESG Committee will continue to monitor these suppliers.

Additionally, 32 Tier 2 Suppliers were sent our standard modern slavery questionnaire for completion. Following a review of the responses received, Platinum Asset Management was reasonably satisfied that these Tier 2 Suppliers had in place adequate policies and procedures to reduce and mitigate the potential risks of modern slavery in their operations and supply chains.

Further, any new supplier contracts that were entered into by the Platinum Group during the reporting period were reviewed with a view to incorporating our standard modern slavery contractual clauses where this was possible. We also continued to seek to amend our pre-existing supplier contracts with a view to incorporating our standard modern slavery contractual clauses, with some success.

Platinum Group – operations (investment portfolios)

The actions taken by Platinum Asset Management to address modern slavery risks in the Platinum Group's operations (through the investments in the investment portfolios managed by Platinum Asset Management) are set out below.

i. Investment Process and Responsible Investment Policy

Platinum Asset Management is a fundamental equity investor. We invest with a long-term outlook (typically five years or more). We believe that ESG considerations more broadly can impact on a company's financial performance and prospects and, consequently, a company's valuation.

Platinum Asset Management has adopted a Responsible Investment Policy which covers:

- how we apply exclusions to our investment universe;
- how we consider ESG issues in our stock research;
- how we engage with our investee companies on ESG issues; and
- our approach to proxy voting.

Modern slavery risks in our investee companies, like other risks, are generally assessed by our investment team as part of our broader approach to investing. Before initiating a long position in a company, our analysts typically meet or speak with members of the management team or other representatives of the company to ask a range of questions about its operations, the challenges the company may be facing and the key conditions required for its continued success. We will raise concerns with management if we believe that the company is pursuing a course of action that risks jeopardising the financial viability of the business and thus shareholder value. In some cases, we may pose targeted questions to management relating to modern slavery risks that have been identified, including, by way of example, supply chain management, industrial relations and working conditions. The broader dialogue with management generally continues through periodic follow-up meetings and conversations after we have invested in a company. Specifically, in relation to ESG related issues (including modern slavery risks) we are in the early stages of this engagement process.

The investment process is complemented by our proprietary ESG reports. When completing an ESG report for a new investee company and where modern slavery risks have been identified through external screening tools or by the relevant analyst covering the stock, that analyst is required to document these issues. During the reporting period and up until the filing date of this Statement, approximately 95% of our investee companies in our investment portfolios were covered by an ESG report.

ii. Signatory to United Nations Principles for Responsible Investment

On 7 January 2021 Platinum Asset Management became a signatory to the United Nations Principles for Responsible Investment, a voluntary framework for incorporating ESG issues into investment decision-making and ownership practices. The United Nations Sustainable Development Goals (**UN SDGs**) are an articulation of the world's most pressing sustainability issues and as such act as the globally agreed sustainability framework. Platinum Asset Management supports the UN SDGs and notes that as part of the UN SDGs, the international community has committed to end modern slavery by 2030 (Target 8.7). The UN Guiding Principles on Business and Human Rights seek to set a global standard for addressing the adverse human rights impacts linked to business activity.

More generally:

i. Modern Slavery Training

During the reporting period and up until the filing date of this Statement, Platinum Asset Management conducted compulsory modern slavery training for staff members.

ii. Modern Slavery Policy

The Platinum Corporate Entities and Platinum Listed Investment Companies are covered by the same Modern Slavery Policy which reflects our commitment to acting with integrity in all our business relationships and to implementing effective systems and controls to identify and mitigate the risks of modern slavery in our corporate supply chains and operations (investment portfolios).

Our Modern Slavery Policy also sets forth our ongoing commitment to continuously improve in this area, outlines who is responsible for the day to day implementation of the policy as well as what employees should do if they become aware of any breaches of the policy. The policy addresses the consequences in the event of any breach of the policy and provides details of the training that Platinum Asset Management provides to its employees in order to identify modern slavery risks.

iii. Associated Policies

Platinum Asset Management has always held high standards of integrity in all aspects of its operations and has put in place robust policies and procedures aimed at preventing unlawful or improper conduct. Platinum Asset Management's Modern Slavery Policy, operates alongside a number of other policies which contribute to the identification, assessment and mitigation of modern slavery risks that we may be exposed to, namely our:

- **Whistleblower Protections Policy**

Our Whistleblower Protections Policy has been put in place to enable employees and other eligible persons to raise concerns regarding illegal or improper conduct in relation to Platinum Asset Management, without fear of reprisal or detrimental treatment. Employees may raise concerns about Platinum's supplier management practices under Platinum Asset Management's whistleblower protection framework. The Platinum Corporate Entities and the Platinum Listed Investment Companies are covered by the same Whistleblower Protections Policy.

- **Anti-Bribery and Corruption Policy**

Platinum Asset Management takes a zero-tolerance approach to bribery and corruption and has put in place an Anti-Bribery and Corruption Policy to set out the minimum expectations applicable to our employees in observing and upholding our position on bribery and corruption. The Platinum Corporate Entities and the Platinum Listed Investment Companies are covered by the same Anti-Bribery and Corruption Policy.

- **Diversity and Inclusion Policy and Workplace Behaviour Policy**

Platinum Asset Management actively promotes a culture of equal opportunity, meritocracy, fairness and equality. Our Diversity and Inclusion Policy and Workplace Behaviour Policy form the foundation of our commitment to respect and support human rights in the workplace.

- **Business Rules of Conduct Policy**

Platinum Asset Management's Business Rules of Conduct Policy (**BROC**) applies to all Platinum Asset Management employees. The BROC sets forth Platinum Asset Management's expected standards of behaviour, provides a framework for how employees should comply with Platinum Asset Management's legal and regulatory obligations and informs employees of their responsibilities with respect to confidentiality and privacy, personal trading, conflicts of interest and market trading activities.

- **AML/CTF Program**

Platinum Asset Management maintains an AML/CTF program that is designed to identify and evaluate money laundering and terrorism financing risks posed to its business. Platinum Asset Management recognises that the prevention of money laundering and terrorism financing is a key component of mitigating modern slavery risks in its business. Our AML/CTF program may identify concerns that require further review and investigation.

iv. Corporate Responsibility and Sustainability Report

Platinum Asset Management's exposure to business sustainability risks and opportunities are disclosed in the PTM Corporate Responsibility and Sustainability Report which can be found at:

<https://www.platinum.com.au/PlatinumSite/media/About/Corporate-Responsibility-and-Sustainability-Report.pdf>

This annual report discusses Platinum Asset Management's strategy and performance in addressing the opportunities and challenges associated with the long-term sustainability of its business. It also considers Platinum Asset Management's goals and initiatives against the framework of the UN SDGs as we seek to align our future prosperity with that of the broader community.

7. Assessing our effectiveness

Below is a summary of the measures that Platinum Asset Management uses to assess the effectiveness of the actions taken to identify and address modern slavery risks in the Platinum Group's corporate supply chains and operations (investment portfolios):

- number of corporate suppliers assessed for modern slavery risks;
- number of responses received in response to the modern slavery questionnaires sent to our corporate suppliers;
- number of corporate supplier contracts containing our standard modern slavery contractual provisions;
- number of ESG reports completed on new investee companies;
- results of any engagements with investee companies on modern slavery risks; and
- number of modern slavery training sessions delivered to staff (including the level of attendance) to improve levels of awareness among staff.

Having regard to the relevant measures above, the actions taken to identify and address modern slavery practices in the Platinum Group's corporate supply chains appear to have been reasonably effective.

Specifically, in relation to modern slavery risks in the Platinum Group's operations (investment portfolios), Platinum Asset Management has developed a framework for the development and completion of ESG reports covering its investee companies and is in the early stages of formalising a refined engagement process with the management of investee companies where modern slavery risks have been identified. This is an ongoing and evolving process that we will continue to enhance and build upon. To this end, we have recruited a new Head of Stewardship to commence working in Platinum Asset Management's investment team from February 2023. This person will be tasked with further developing and refining Platinum's ESG investment framework and chairing Platinum's ESG Committee.

Over subsequent reporting periods we will continue to review, enhance and develop further metrics to assess the effectiveness of our actions, in line with continuous improvement.

8. Looking forward – FY2023

In the year ahead, the Platinum Group's key priorities are to:

- continue to work through the remainder of our corporate suppliers and revisit our high-risk suppliers to re-assess the effectiveness of our actions;
- continue to work through our existing supplier contracts to seek to incorporate our standard modern slavery contractual provisions;
- continue to ensure (to the extent reasonably practicable) that new supplier contracts incorporate our standard modern slavery contractual provisions;
- track our levels of engagement with the management of our investee companies where modern slavery risks have been identified and the progress made by such companies in addressing any ongoing modern slavery risks;
- ensure that all of our investee companies in our investment portfolios are backed by an ESG report;
- focus on how to measure and judge the impact of our actions (with reference to working towards the target of eradicating modern slavery, as per the UN SDG's by 2030) and incorporate the results of these deliberations in our next modern slavery statement;
- continue to refine our processes and procedures to ensure consistent alignment against the requirements of the *Modern Slavery Act 2018* (Cth).

9. Approval of Statement

This Statement was approved by the Board of Directors of Platinum Asset Management Limited in its capacity as the principal governing body of Platinum Asset Management Limited and is signed by Guy Strapp in his role as the Chairman and a non-executive director of Platinum Asset Management Limited.

DocuSigned by:

Guy Strapp

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Director

Platinum Asset Management Limited

Date: 22 December 2022 | 10:09 AM AEDT

This Statement was approved by the Board of Directors of Platinum Investment Management Limited in its capacity as the principal governing body of Platinum Investment Management Limited (both as principal capacity and as responsible entity of the Platinum Managed Funds) and is signed by Andrew Stannard in his role as a director of Platinum Investment Management Limited.

DocuSigned by:

Andrew Stannard

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Director

Platinum Investment Management Limited

Date: 22 December 2022 | 10:09 AM AEDT


This Statement was approved by the Board of Directors of Platinum Asset Pty Limited in its capacity as the principal governing body of Platinum Asset Pty Limited and is signed by Andrew Stannard in his role as a director of Platinum Asset Pty Limited.

DocuSigned by:

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Director
Platinum Asset Pty Limited

Date: 22 December 2022 | 10:09 AM AEDT

This Statement was approved by the Board of Directors of Platinum Asia Investments Limited in its capacity as the principal governing body of Platinum Asia Investments Limited and is signed by Margaret Towers in her role as a director of Platinum Asia Investments Limited.

DocuSigned by:

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Director
Platinum Asia Investments Limited

Date: 22 December 2022 | 6:12 PM AEDT

This Statement was approved by the Board of Directors of Platinum Capital Limited in its capacity as the principal governing body of Platinum Capital Limited and is signed by Margaret Towers in her role as a director of Platinum Capital Limited.

DocuSigned by:

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Director
Platinum Capital Limited

Date: 22 December 2022 | 6:12 PM AEDT

