



Principles for Suppliers

1. Introduction

Macquarie is committed to ensuring high standards of environmental, social and governance performance across its supply chain. This commitment is driven by the same principles that guide Macquarie's business: Opportunity, Accountability and Integrity.

The Supplier Principles help Macquarie uphold its core values with the aim of having supplier relationships that create long term, sustainable value for our clients, shareholders, community and suppliers.

2. Supplier Principles

Macquarie acknowledges and values the important role of suppliers in its business success and therefore aims to foster strong supplier relationships that encourage collaboration. Suppliers should be familiar with the core principles of Opportunity, Accountability, and Integrity described in the Macquarie Group Code of Conduct¹ as they underpin our goal to drive collaborative relationships with the following qualities:

- **Opportunity**; creativity and innovation driven through the use of the supplier's expertise and Macquarie's entrepreneurial culture
- **Accountability**; taking ownership of our respective actions, never compromising on standards and ensuring robust risk management by adhering to all relevant laws and regulations
- **Integrity**; open and honest communications, always acting fairly and honouring our respective promises in order to build mutual trust

2.1 Governance and ethics

Macquarie expects ethical behaviour from its staff and seeks suppliers that align and adhere to these same principles. This includes an expectation that suppliers will:

- Conduct business in a manner that is fair, honest, respectful and lawful;
- Ensure high standards of transparency, disclosure and audit integrity in relation to business activities and financial performance;
- Disclose to Macquarie and avoid or appropriately manage any actual or potential conflicts of interests arising due to either personal or business relationships;
- Ensure that assets, property, information and position are used only for authorised and legitimate business purposes and are not misused for personal gain;
- Maintain confidentiality and privacy of information entrusted by Macquarie and its stakeholders (such as employees and clients), except where disclosure is authorised;
- Work against all forms of corruption including bribery, extortion, personal or improper advantage, whether direct or indirect through a third party such as a supplier or contractor; and
- Have a whistle-blower policy or mechanism in place to protect staff or other persons who raise concerns in good faith.

2.2 Risk management

Macquarie has a robust risk management framework and expects the supplier to take a proactive approach to mitigating and managing risks. This should include systems and procedures for identifying, assessing, managing and mitigating risks in relation to the areas identified in the Supplier Principles. If a risk or breach arises, Macquarie encourages timely notification. The timely identification and communication of issues enables better management of potential solutions and impacts.

Supplier risk management should also address business continuity and emergency response planning including appropriate communication to clients and other stakeholders.

¹ www.macquarie.com/about/company/what-we-stand-for

2.3 Environment

Macquarie recognises that environmental risks can impact our business and affect the communities in which we operate. Macquarie is committed to ensuring these risks are managed responsibly and expects suppliers to identify, assess, manage and, as appropriate, communicate their environmental performance. This should cover the impacts of goods and services, including the environmental impact of operations resulting from the goods or services.

In particular, Macquarie expects the supplier to:

- Demonstrate compliance with all applicable environmental laws, regulations and relevant international standards;
- Have an effective environmental policy and/or environmental management system in place to support environmental protection and mitigate environmental risk;
- Seek opportunities to improve the environmental performance of goods or services in regard to sustainable production, transportation, operation and disposal or termination.
- Make available all information regarding the environmental credentials of the goods or services provided.

2.4 Human rights, labour and workplace

Macquarie supports the protection of human rights and is guided by fundamental principles such as those in the United Nations Universal Declaration of Human Rights. Macquarie endeavours to support human rights through the supply chain by encouraging supplier practices that actively identify, assess and manage human rights issues.

In particular, Macquarie expects the supplier to:

- Provide a safe working environment and mitigate health, safety and wellbeing risks as far as reasonably practicable;
- Not under any circumstances use child labour² or any form of forced or involuntary labour;
- Provide a workplace where all employees are respected by their subordinates, peers and superiors;
- Provide a workplace free from harassment, discrimination and bullying, whether on the basis of gender, age, disability, ethnicity or cultural affiliation, sexual orientation, belief, educational background or any other basis prohibited by applicable law;
- Have written labour, workplace, health and safety policies and standards;
- Respect the right for freedom of association;
- Provide fair and appropriate pay, benefits and working conditions;
- Provide relevant and appropriate training and development for employees; and
- Enable employees, as stakeholders in the business, to have their needs and input taken into account in relation to business operations.

² In accordance with the International Labour Organisation Convention No. 138 concerning the Minimum Age for Admission to Employment

2.5 Community

Macquarie provides support to the communities in which it operates through the work of its staff and the Macquarie Group Foundation. With a focus on five core areas of education, health, welfare, the environment and the arts the Foundation looks for innovative opportunities to support staff responding to genuine community needs. Macquarie seeks suppliers that value community commitment and align with its approach as appropriate to their business context and resources.

2.6 Supplier Diversity

Macquarie believes that a more diverse and inclusive workplace leads to better outcomes for our business, staff, clients and shareholders. That's why our commitment to diversity and inclusion extends to creating greater opportunities for a diverse supplier base and promoting equality and diversity through procurement is considered to be an important part of our supplier relationships. We work proactively to improve opportunities for enterprises owned and managed by traditionally underrepresented groups, including Indigenous and women-owned businesses, disability enterprises, social enterprises and other diverse groups, including LGBTI (lesbian, gay, bisexual, transgender, and intersex).

3. Assessment and Compliance

Macquarie reserves the right to carry out compliance assessments as we see fit to ensure alignment. We expect suppliers to fully respond and cooperate when action is required before, during or as a result of these assessments. Where a supplier is involved in, or exposed to, significant environmental, social or governance issues, Macquarie may request an immediate onsite second-party or third-party review to confirm compliance with the Supplier Principles.

Macquarie recognises that full compliance with these Principles may take time for some suppliers and we commit to work with our suppliers to help them implement remediation plans to achieve compliance. In the event that Macquarie becomes aware of any actions or conditions that breach the Supplier Principles, Macquarie reserves the right to request remedial action is taken. Where no action is taken within a suitable timeframe, Macquarie reserves the right to reconsider its business relationship with the supplier.

It is the supplier's responsibility to educate its employees, agents, subcontractors and extended supply chain about the principles and obligations in this document.

4. Raising concerns about improper conduct

Macquarie's suppliers are able to confidentially report concerns about improper conduct by Macquarie or the supplier. Improper conduct includes a breach of law, a breach of Macquarie's code of conduct or policy, dangerous conduct, financial malpractice or unethical behaviour.

Any genuine concerns about improper conduct may be reported in confidence to the Integrity Office at integrityoffice@macquarie.com which is an internally independent and confidential function that oversees Macquarie's Whistleblower Program.

If you would like further information, or provide feedback, please contact vendor.support@macquarie.com
