



Principles for Suppliers

1. Introduction

Macquarie Group Limited and its wholly owned subsidiaries (“Macquarie”) is committed to ensuring high standards of environmental, social and governance performance within its supply chain. This commitment is driven by the same core values that guide Macquarie’s business: Opportunity, Accountability, and Integrity¹ outlined in the Macquarie Group Code of Conduct. The Supplier Principles (“the Principles”) aim to help Macquarie uphold its core values through supplier relationships which create long term, sustainable value for our clients, shareholders and community and suppliers.

Macquarie has a robust risk management framework and expects our suppliers 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 Principles.

Macquarie is committed to continuously improving and this document is subject to modification from time to time. The latest version of the Principles is available on Macquarie’s Supplier Portal <https://www.macquarie.com/au/en/about/suppliers.html>. Suppliers will be requested to acknowledge the latest Principles at time of contract, renewal, or upon significant changes to the Principles, as communicated by Macquarie from time to time.

2. Application

Suppliers providing goods and services to Macquarie globally (“Suppliers”) are expected to:

- Comply with all applicable laws including human rights, environment, work health and safety, and anti-bribery laws, notify Macquarie of any breaches and take reasonable steps to address and remediate those;
- Maintain relevant policies and standards that cover the topics addressed in the Principles;
- Be able to demonstrate compliance with the minimum requirements of the Principles when completing a tender request, during risk profiling or onboarding and throughout the life of the arrangement if requested;

- Make continuous improvements in the areas identified in the Principles; and
- Explain the Principles to their employees and subcontractors.

3. Principles for Suppliers

3.1 Business conduct and ethics

Macquarie expects ethical behaviour from its staff and seeks suppliers that conduct business in a manner that is fair, honest, respectful, and lawful.

Bribery and Corruption

- Suppliers are expected to work against all forms of corruption including bribery, extortion, personal or improper advantage, whether direct or indirect and maintain adequate procedures to report red flags and prevent persons associated with the supplier (for example employees or subcontractors) from engaging in bribery or corruption.

Conflicts of interest

- Suppliers are expected to disclose to Macquarie, avoid or appropriately manage any actual or potential conflicts of interests arising due to either personal or business relationships.

Grievance Mechanism

- Suppliers are expected to have a whistle-blower policy or mechanism in place to protect employees or other persons who raise concerns in good faith.

3.2 Human rights and labour

Macquarie supports fundamental human rights as set out in the Universal Declaration of Human Rights and core International Labour Organisation conventions. In line with the UN Guiding Principles on Business and Human Rights, Macquarie recognises the duty of States to protect human rights and the responsibility of businesses to respect human rights.

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

Child Labour

- Suppliers should not under any circumstances use child labour² and must not engage in subcontracting that engages child labour in service delivery or manufacturing.

Forced Labour and Human Trafficking

- Suppliers should not use any form of forced or involuntary labour and are expected to give local and migrant workers the right and ability to leave employment when they choose.

Non-discrimination

- Suppliers should provide a workplace where all employees have access to equal opportunities 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.

No retaliation

- Suppliers should ensure employees are treated with respect and are protected from retaliation if concerns are raised about business conduct.

Freedom of association

- Suppliers should respect its employees' right for freedom of association.

Fair compensation

- Suppliers should provide fair and appropriate pay and benefits that match local living wages.

Working hours

- Suppliers should ensure that all overtime work is voluntary, and employees are not required to exceed the local legal limits for regular and overtime hours.

3.3 Work Health and Safety

In addition to complying with all applicable health and safety laws, Suppliers are expected to provide a healthy and safe working environment for their employees and to mitigate health, safety, and wellbeing risks as far as reasonably practicable.

- Where relevant, Macquarie will work with Suppliers to ensure appropriate WHS controls are in place.
- Based on the type of goods or services provided to Macquarie, Suppliers may be required to provide additional evidence of work, health and safety management systems and adhere to site specific requirements.

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

3.4 Environment

Macquarie is committed to ensuring environmental risks are managed responsibly and expects suppliers with significant environmental impacts to identify, assess, manage, and 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. Macquarie expects Suppliers to:

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

4. Assessment and Compliance

Macquarie reserves the right to carry out compliance audits or assessments as necessary to ensure alignment to the Principles or compliance with applicable laws and regulations. We expect Suppliers to respond and cooperate when action is required before, during or as a result of these assessments. This may include correction of any deficiencies identified by an internal or external audit, assessment, inspection, investigation, or review in a timely manner.

Where a Supplier is involved in, or exposed to, significant environmental, social or governance issues, the Supplier should notify Macquarie as soon as practical.

In the event of any non-compliance with the requirements of the Principles and/or applicable laws and regulations, Macquarie reserves the right to reconsider its business relationship with the Supplier.

Macquarie recognises that 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.

5. Raising concerns about improper conduct

Macquarie's Suppliers, their employees and subcontractors are able to confidentially report concerns about improper conduct by Macquarie, the Supplier, or any other party in the supply chain. Improper conduct includes a breach of law, a breach of Macquarie's Code of Conduct or relevant policies, conduct that may endanger the health and safety of any person or the environment, 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

These principles apply only to contracts between a supplier and a wholly owned subsidiary of Macquarie Group Limited. Such subsidiaries include, but are not limited to: Macquarie Group Services Australia Pty Ltd; Macquarie Group Services Australia Pty Ltd (UK Branch); Macquarie Global Services (USA) LLC; Macquarie Holdings (U.S.A.) Inc; Macquarie Group Services (Philippines) Inc.; Macquarie Offshore Services Pty Ltd (Philippine Branch); Macquarie Global Services Private Limited; Macquarie Services (Hong Kong) Limited; Macquarie North America Ltd; and Macquarie Bank Limited.