



General actions investors can consider taking

- Build leverage by taking part in collaborative investor initiatives to effectively enable remedy (e.g. Investors Against Slavery and Trafficking Asia Pacific, CCLA Find It Fix It Prevent It, Stewart Investors conflict minerals and semiconductor supply chain engagement, PRI Advance and Responsible Cobalt Sourcing, Votes Against Slavery and others, see page 9 of the Modern Slavery & Remediation – an Investor's Guide).
- Consider participating and encouraging investee companies to take part in broader stakeholder engagement to prevent further human rights harm (e.g. following the civil society concerns raised in 2014 regarding use of forced labour in Uzbekistan, Daewoo engaged the Uzbekistan Government, Chamber of Commerce and Industry, and other stakeholders on this issue, see page 19 of the Modern Slavery & Remediation – an Investor's Guide).
- Consider taking a systemic approach to remediation by participating, or encouraging investee companies to participate in collective remediation initiatives (Impactt Limited, Rabobank and LTMA Capital collaborated creating a dedicated debt facility aiming to enable small and mid-size employers to repay recruitment fees, see page 22 of the Modern Slavery & Remediation – an Investor's Guide).

Actions investors can consider taking at different stages of the remedy process

Remedy stage	Examples of how investors can enable remediation	Case studies
1. Before – to prevent investee companies causing or contributing to harm and prepare for finding and fixing cases	<ul style="list-style-type: none"> • Require investee companies to have grievance mechanisms. • Consider establishing a grievance mechanism accessible to stakeholders adversely affected by financed projects or investments. • Strengthen the remedy ecosystem by advocating for robust business human rights and due diligence legal frameworks which include provision of remedy. 	<ul style="list-style-type: none"> • ANZ launched a human rights mechanism available to stakeholders whose human rights might have been impacted by ANZ's institutional or corporate lending customers, see page 10. • The Investor Alliance for Human Rights has advocated for national human rights due diligence legislation, and remedy-centric improvements to the EU CSDDD, see page 20.
2. During – to support investee companies through the remedy steps		
a. Investigate and verify	<ul style="list-style-type: none"> • Support investee companies to identify the human rights impact and their relationship to harm. • Where serious cases are reported, suggest the investee company appoints an internal investigative team. 	<ul style="list-style-type: none"> • Shimano appointed an executive lead team to investigate their Malaysian supplier accused of labour violations, see page 13.
b. Remediate harm	<ul style="list-style-type: none"> • Advise investee companies of their expectations to provide satisfactory remedy. • Make time-limited demands for a company to provide access to remediation. 	<ul style="list-style-type: none"> • Dutch Pension Fund's Agreement on Responsible Investment requires this approach, which was used by one of the funds to place pressure on Vale (investee company) to provide remediation following the dam collapse in 2019, see page 14.
c. Mitigate and prevent future harm	<ul style="list-style-type: none"> • Use leverage to ensure an investee company follows up on their remediation commitments. • Recommend investee companies develop corrective action plans. 	<ul style="list-style-type: none"> • FSI continued to engage with an investee company accused of debt bondage and other labour abuses, leading to remediation of fees for 11,000 workers, see page 14.
d. Escalation	<ul style="list-style-type: none"> • If an investee company is uncooperative, be prepared to escalate engagement in order to increase leverage for providing remedy. Please note that divestment should be considered as a last resort, as it rarely goes hand in hand with remedy. 	<ul style="list-style-type: none"> • Paedagogernes Pension divested from Amazon following over five years of inconclusive engagement with the company regarding trade unions and collective bargaining, see page 17.
e. Incident reporting and tracking	<ul style="list-style-type: none"> • Require investee companies to develop and maintain modern slavery incident reporting and tracking systems in order to comply with relevant disclosure regimes and refine their approach to risk identification and remediation. 	<ul style="list-style-type: none"> • Modern slavery-related metrics reported by Bluescope include the number of suppliers screened and changes in their risk scores, grievances received and their outcomes, training, internal audits and on-site assessments and others, see page 18.
3. After – to assist investee companies to learn lessons to better prevent cases	<ul style="list-style-type: none"> • Encourage investee companies to review complaints and complaint handling, and take measures to prevent similar harm from reoccurring in the future. 	<ul style="list-style-type: none"> • Following Woolworths' engagement with a supplier regarding a recruitment fees incident, the supplier introduced controls including assessment checklist for recruitment agencies, updated recruitment policy and a grievance procedure translated into workers' languages, see page 16.

Important information

Definitions

In this disclaimer:

- **Minderoo Foundation** means Minderoo Foundation Limited (ACN 651 422 141) as trustee for The Minderoo Foundation Trust (ABN 24 819 440 618);
- **MUFG** means Mitsubishi UFJ Financial Group, Inc.;
- **Publishers** means the applicable First Sentier Investors entity as described under the heading “First Sentier Investors Entities” below, and Minderoo Foundation;
- **Representatives** means the members, directors, officers, employees, agents and related entities of an applicable party; and
- **Trust Bank** means Mitsubishi UFJ Trust and Banking Corporation.

Disclaimer

This material is intended for professional investors, sophisticated or wholesale clients or professional or institutional clients (or equivalent) as may be defined in the jurisdiction in which the material is received, including Hong Kong and Singapore and should not be relied upon by other persons. It is made available to you on an ‘as is’ basis for information purposes only. It does not constitute investment, financial, legal, or similar professional advice, is not intended to be used as a substitute for such advice and should not be relied upon as such advice. It also does not constitute an offer of asset management services, or a recommendation or an offer or solicitation to buy, hold or sell any security and has not been prepared in connection with any such offer.

This material is neither directed at nor intended to be accessed by persons resident in, or citizens of any country, or types or categories of individual where to allow such access would require any registration, filing, application for any licence or approval or other steps to be taken by the Publishers in order to comply with local laws or regulatory requirements in such country.

This material does not constitute investment research. Accordingly, this information has not been prepared in compliance with the legal provisions promoting independent investment research, and it is not subject to any restriction prohibiting the execution of transactions prior to the dissemination of investment research. Any research in this document has been procured and may have been acted upon by the Publishers for their own purposes.

Reference to specific securities (if any) is included for the purpose of illustration only and should not be construed as a recommendation to buy, sell or hold the same. All securities mentioned herein may or may not form part of the holdings of the Publishers, the Trust Bank or MUFG portfolios at a certain point in time, and the holdings may change over time.

Although the information presented here is from sources believed to be reliable and reputable, none of the Publishers, the Trust Bank, MUFG, nor any of their Representatives, make any guarantee, representation, warranty, or assurance in connection with the information contained here or its use, including in relation to its accuracy, completeness, reliability, merchantability, or fitness for any particular purpose. No warranty is given that the use of the information will ensure compliance with any legal or reporting obligation. The information and views expressed are those of the authors and not necessarily those of the Publishers, the Trust Bank or MUFG. The opinions expressed are subject to change without notice. Reliance upon information in this material is at the sole discretion of the reader. To the extent permitted by law, no liability is accepted by MUFG, the Publishers, nor any of their Representatives or affiliates for any loss or damage as a result of any reliance on or use of this material.

This document is the intellectual property of the Publishers, the Trust Bank or if applicable a third party. They retain all intellectual property or other rights in all information and content (including, but not limited to, all text, data, graphics and logos).

Users of this material are granted a non-exclusive, non-transferrable, and non-sublicensable licence to use the material for their own internal business purposes. Any other use must be approved in writing and in advance by Minderoo Foundation. This material may be updated from time to time. Readers should go online to access the current version.

References to ‘we’ or ‘us’ are references to First Sentier Investors, a global investment management business, the ultimate owner of which is MUFG.

First Sentier Investors Entities

First Sentier Investors includes a number of entities in different jurisdictions:

For readers located in the **United Kingdom**, this document is issued by First Sentier Investors (UK) Funds Limited (First Sentier Investors), authorised and regulated by the Financial Conduct Authority. Registered office: Finsbury Circus House, 15 Finsbury Circus, London EC2M 7EB.

For readers located in the **EU**, this document is issued by First Sentier Investors (Ireland) Limited (First Sentier Investors), authorised and regulated by the Central Bank of Ireland. Registered office: 70 Sir John Rogerson’s Quay, Dublin 2, Ireland number 629188 (CBI registration number C182306).

For readers located in **Hong Kong**, this document is issued by First Sentier Investors (Hong Kong) Limited and has not been reviewed by the Securities & Futures Commission in Hong Kong. First Sentier Investors, FSSA Investment Managers, Stewart Investors, RQI Investors and Igneo Infrastructure Partners are the business names of First Sentier Investors (Hong Kong) Limited.

For readers located in **Singapore**, this document is issued by First Sentier Investors (Singapore) whose company registration number is 196900420D. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore. First Sentier Investors (registration number 53236800B), FSSA Investment Managers (registration number 53314080C), Stewart Investors (registration number 53310114W), RQI Investors (registration number 53472532E) and Igneo Infrastructure Partners (registration number 53447928J) are the business divisions of First Sentier Investors (Singapore).

For readers located in **Australia**, this document is issued by First Sentier Investors (Australia) IM Limited (ABN 89 114 194311 AFSL 289017). This material is intended for persons who are professional, sophisticated or ‘wholesale clients’ (as defined under the Corporations Act 2001 (Cth) (**Corporations Act**)) and has not been prepared for and is not intended for persons who are ‘retail clients’ (as defined under the Corporations Act). This material contains general information only. It is not intended to provide you with financial product advice and does not take into account your objectives, financial situation or needs. Before making an investment decision you should consider, with a financial advisor, whether this information is appropriate in light of your investment needs, objectives and financial situation. Any opinions expressed in this material are the opinions of the author only and are subject to change without notice. Such opinions are not a recommendation to hold, purchase or sell a particular financial product and may not include all of the information needed to make an investment decision in relation to such a financial product.

In the **US**, this document is issued by First Sentier Investors (US) LLC authorised and regulated by the Securities Exchange Commission (RIA 801-93167).

Designed by the EMEA/US Design Team – PC0859