

# FY2023 Modern Slavery Statement

## 1. About this statement

This Modern Slavery Statement (Statement) is prepared and issued by Prime Super Pty Ltd ABN 81 067 241 016 as the Trustee of Prime Super ABN 60 562 335 823, for the 1 July 2022 to 30 June 2023 financial year.

The registered address for Prime Super Pty Ltd and Trustee is Level 24, 500 Collins Street, Melbourne, VIC 3000.

For the purposes of this Statement, Prime Super Pty Ltd and Prime Super are referred to as 'Prime Super', 'our' or 'we'.

The Statement is made in accordance with the Australian Modern Slavery Act 2018 (Cth) and has been approved by Prime Super's Board of Directors.

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## 2. Introduction

The Modern Slavery Act 2018 (Cth) (Act) requires businesses and entities with a revenue of more than \$100 million to report on modern slavery risks associated with its operations and supply chains, as well as outline controls and actions put in place to address these risks.

## 3. About Prime Super

Prime Super is an independent profit-to-members superannuation fund providing retirement solutions to Australians for over 30 years. Prime Super manages over \$6.7 billion in funds for over 143,000 members.

Prime Super is a multi-industry super fund open to all, including the following industries:

- recruitment;
- health;
- aged care; and
- education.

## 4. Reporting entity and structure

This modern slavery statement is prepared and issued by Prime Super Pty Ltd ABN 81 067 241 016 as the Trustee of Prime Super ABN 60 562 335 823. For the purposes of this Statement, Prime Super Pty Ltd and Prime Super are referred to as 'Prime Super', 'our' or 'we'.

Prime Super is an Australian superannuation and pension fund operating under Australian Financial Services License ('AFSL') no. 219723. It is licenced to deal in and provide general financial product advice in relation to superannuation products.

Prime Super was incorporated in Melbourne and our head office is located at Level 24, 500 Collins Street, Melbourne VIC 3000. Prime Super operates out of offices in Melbourne, New South Wales and Queensland. Prime Super is not part of a group of companies, nor does its own or control other entities for the purposes of the Act.

As at 28 September 2022, Prime Super employed a total of 45 employees and had a total of approximately \$6.7 billion in assets under management.

### Internal operations

Prime Super's core operation is providing retirement solutions to Australians and uses a combination of in-house and outsourced functions.

Our day-to-day administration is managed by Link Group, and our investments are managed by Patrizia Pty Ltd.

### Supply chains

Our supply chain consists of:

- operations;
- administration;
- insurance;
- professional services and consultancy;
- investments (externally managed);

- marketing and communications;
- commercial leasing;
- staffing;
- information technology ('IT') and software;
- catering; and
- accommodation and travel.

For the period, the majority of our supply chain occurred within Australia, with minimal offshore functions occurring outside of Australia. Where our supply did operate outside of Australia, this occurred in the following jurisdictions:

- United Kingdom;
- United States of America;
- New Zealand,
- Philippines;
- Malaysia;
- Singapore;
- India;
- China;
- Japan;
- Vietnam; and
- Middle East.

## 5. Risks of modern slavery practices

On 23 May 2023, the Global Slavery Index confirmed an estimate of 50 million people were living in modern slavery across 160 countries, which is an increase of 25% over five years. Approximately 27.6 million of the 50 million are in forced labour.

The countries with the highest known modern slavery include North Korea, Eritea, Mauritania, Saudi Arabia and Turkey.

Modern slavery includes:

- trafficking in persons;
- slavery;
- servitude;
- forced marriage;
- forced labour;
- debt bondage;
- deceptive recruiting for labour or services; and
- the worst forms of child labour.

Prime Super's supply chain consists primarily of professional services to enable us to service our members and to operate as a regulated superannuation fund. Professional services attract a lower modern slavery risk than manufacturing and/or unskilled labour. Overall, Prime Super has assessed our risk of modern slavery within our operations and direct supply chain as low.

The table below outlines categories used as part of our modern slavery risk assessment framework and methodology:

<b>Risk category Prime Super's modern slavery risk</b>	
Country-based labour	Australia's modern slavery risk continues to be categorised as low risk. According to the 2023 Global Slavery index, Australia is ranked 26 out of 27 countries within the Asia and Pacific region in terms of modern slavery, and 149 out of 160 countries from a global perspective.
Offshoring and manufacturing	Within the reporting period, three of Prime Super's suppliers reported offshoring of services to countries which pose as high slavery risk. Two of the suppliers are major professional services firms offshoring to India, and both suppliers conduct due diligence in relation to modern slavery in India on an annual basis. The third supplier is a promotional business products with elements of offshoring to Philippines, which is a small spend by Prime Super.
Labour	The work profile of Prime Super attracts a very low labour risk. Prime Super complies with all applicable Australian labour laws and does not employ unskilled, temporary or migrant workers in the provision of financial services to our members and in operating the fund.
Commodity	According to the Global Industry Classification Sectors and Walk Free Foundation, particular commodities carry greater risk of modern slavery and human rights violations due to the way that they are produced. Risk is determined by the presence of the commodity; country of origin of the commodity and relevant certification. Prime Super does not engage in any direct manufacturing activities.
Category	<p>The Department of Home Affairs outlines certain sectors and industries have higher modern slavery risks because of their characteristics, products and processes. For example, extractives, textiles, fashion, fishing, electronics, cleaning, construction and agriculture are recognised as high-risk industries globally.</p> <p>Prime Super utilises electronics and facilities management (which includes an indirect supply of cleaning services) as part of commercial leasing arrangements.</p>
Entity	Prime Super will not directly engage any suppliers with a record of treating workers poorly or human rights violations.

<sup>1</sup> Vulnerable Supply Chains Report.

<http://www.pc.gov.au/inquiries/completed/supply-chains/interim/supply-chains-interim.pdf>

### Risk category Prime Super's modern slavery risk

Investments	<p>Our investment portfolio spans Australian and international equity markets, including direct property, infrastructure, and private equity investments. Prime Super has investments across a number of sectors, including energy, IT, material; financial services, property, healthcare and telecommunications.</p> <p>The Asia-Pacific region is identified by the Responsible Investment Association Australasia (RIAA) as having the largest concentration of people in slavery-like conditions in the world. The RIAA also outlines higher-risk industry sectors such as agriculture and fishing, apparel, construction and building materials, mining, and electronics and electronics recycling.</p> <p>Prime Super invests internationally and across different commodities and works closely with our investment managers to have a better understanding of how modern slavery commodity risks are being addressed.</p> <p>Prime Super is aware that emerging markets represent a greater level of risk for modern slavery. The majority of Prime Super's investments in emerging markets are held in the Asia-Pacific region.</p>
Professional advisers	<p>We have assessed the potential modern slavery risks within this area to be low as the services provided to us are predominately located in Australia. We will continue to undertake appropriate due diligence to ensure that we are continuing to identify and manage modern slavery risks within this area.</p>

## 6. Our actions to assess and address these risks

Utilising the categorisations above, Prime Super has created a modern slavery framework to assess and address our modern slavery risks and has undertaken the following actions:

- updated and linked modern slavery questionnaires to our modern slavery risk assessment matrix;
- due diligence (including issuing questionnaires and company research) on suppliers to enable us to “get to know” our supply chain;
- conducted a deep dive into our investments supply chain to understand and address modern slavery risks;
- continued to work with our suppliers to understand their modern slavery risks within their direct and indirect supply chains and have incorporated modern slavery questions into our annual supplier review;
- updated policies and procedures to include modern slavery risk considerations;
- set up an anonymous method for stakeholders to raise any concerns that they have about modern slavery risks as part of our whistleblower program published externally on Prime Super’s public website;
- continue to strengthen our risk and compliance framework in relation to modern slavery controls in our risk and compliance program;
- integrated modern slavery risk analysis into our environmental, social and governance (‘ESG’) processes and undertake regular ESG assessments of each directly held infrastructure asset;
- continued to consider manager skills in identifying, engaging and managing ESG risks (of which modern slavery risk is one) as a key control in mitigating this type of risk.
- conducted an organisational wide training session to our employees to increase awareness in modern slavery including identification and reporting; and
- Whistleblower policy reviewed annually, and whistle-blower hotline is made available to employees, contractors and suppliers to raise any suspected modern slavery.

### Investments

A risk assessment of Prime Super’s investment portfolio was conducted and considers the highest risk of modern slavery to be within emerging markets predominantly, due to inherent country-based and labour risks.

Prime Super has identified the following investments with a higher risk of modern slavery within extended supply chains:

- investments in the Asia-Pacific region;
- high-risk sectors; and
- emerging markets.

Prime Super has engaged with our investment partner to respond to the identified modern slavery risks and to develop a plan to address such risks.

Our investment partner continues to enhance its practice in relation to directly held investee companies to focus on addressing modern slavery and human trafficking risks.

Prime Super adopts a continuous improvement approach to the management of modern slavery risks and will continue to work closely with our investment managers to monitor and address modern slavery risks.

## 7. How we assess the effectiveness of these actions

Prime Super takes modern slavery seriously through identifying and addressing modern slavery risks.

While Prime Super has assessed our modern slavery risk within our operational and direct supply chain as low, Prime Super recognises that modern slavery risks can be hidden by indirect suppliers.

Since establishing the Modern Slavery Framework, Prime Super has continued to deep dive into its investments supply chain to identify potential modern slavery risks in our indirect investment supply chain.

Additionally, Prime Super assesses the effectiveness of its actions in response to modern slavery by:

- working with suppliers to check how they are progressing with any actions that they have put into place to address modern slavery risks. This is undertaken with material suppliers through our annual supplier review process;
- undertaking periodic review of our modern slavery risk assessment framework to ensure that it remains up to date and meets its intended purpose;
- tracking internal compliance with modern slavery obligations;
- mandatory staff training and engagement regarding modern slavery risks on a regular basis;
- undertaking a deeper dive into modern slavery risks in our investment portfolio (including indirect investments);
- regular monitoring of investment governance frameworks (including ESG) which includes an annual stewardship survey that requests access to the relevant policy frameworks;
- including, where necessary contractual inclusions in support of our modern slavery framework;
- our investment manager selection process assesses the strength of a manager's relevant frameworks and are subject to quarterly review as part of risk monitoring processes each year
- monitoring any medium to high-risk suppliers and supply chains; and
- reviewing cases reported through mechanisms (such as the anonymised whistleblower hotline).

## 8. Our consultation process

Prime Super does not own or control any other entities for the purposes of the Act. The Board of Prime Super is responsible for the oversight and approval of the Prime Super's modern slavery statement. The day-to-day sourcing of suppliers and management of modern slavery risks is managed by the Prime Super's Executive Team and delegates which is overseen by the Risk and Compliance team.

A wide range of stakeholders were consulted in the risk assessment process; they include Finance, Distribution, Marketing and Communications, Investments and Risk, Compliance and Legal.



## 9. Any other relevant information

Prime Super is aware of the Gaza-Israel conflict in 2023, which could result in potential human rights abuse. Prime Super currently does not engage with suppliers which offshore to this region, and will keep up to date on future modern slavery risks with its suppliers.

Prime Super will continue to review its modern slavery due diligence and reduce its connection to supply chains with countries that are considered high-risk in areas of modern slavery.

This Statement has been approved by Prime Super's Board of Directors.

A handwritten signature in black ink that reads "Nigel Alexander". The signature is written in a cursive, flowing style.

Nigel Alexander  
Chairman