

Modern Slavery Statement

BUSS (Queensland) Pty Ltd

Financial Year 1 July 2020 to 30 June 2021

Published 16 December 2021



Contents

1	Purpose of Statement	2
2	Reporting Entity	2
3	Reporting entity's structure, operations and supply chain	2
4	Risks of modern slavery practices in the entity's operations and supply chain	3
5	Actions taken to assess and address modern slavery risks, including due diligence and remediation processes	4
6	Assessing the effectiveness of these actions	5
7	Process of consultation with entities that the reporting entity owns or controls	5
8	Other relevant information	5
9	Approval of Statement	5

1 Purpose of Statement

The Commonwealth Modern Slavery Act 2018 (the Act) established Australia's national Modern Slavery Reporting Requirement (reporting requirement). This BUSSQ Modern Slavery Statement (Statement) for the 2020/21 financial year addresses the seven mandatory reporting criteria in the Act.

The Statement explains what BUSSQ is doing to assess and address the risks that modern slavery practices may be occurring in its global and domestic operations and supply chains. BUSSQ aim to operate responsibly with respect for human rights.

2 Reporting Entity

BUSSQ (BUSSQ Fund ABN 85 571 332 201) is the reporting entity for this Statement. BUSSQ is the Building Unions Superannuation Scheme (Queensland).

BUSS (Queensland) Pty Ltd (ABN 15 065 081 281), as the Trustee of BUSSQ, is the principal governing body for the reporting entity.

3 Reporting entity's structure, operations and supply chain

Our Structure

BUSSQ is an employer sponsored public offer Fund which is operated to comply with the Superannuation Industry (Supervision) Act 1993 (SIS). It operates in Australia as a profit for members superannuation Fund, with 68,612 members and \$5.92 billion funds under management.

BUSSQ believe that every worker deserves dignity and support through their working lives and in retirement.

The Trustee of BUSSQ is BUSS (Queensland) Pty Ltd and it is responsible for managing the Fund on behalf of its members. The Fund has 40 staff, with offices in Brisbane and Townsville. The registered office of all entities is 299 Coronation Drive Milton.

Our Operations & Supply chain

For over 36 years BUSSQ have been supporting workers in the building, construction and civil industries.

BUSSQ provides superannuation accumulation and pension products. Key components of these products are the investment of retirement savings and the provision of group life insurance.

Investments: The Trustee has responsibility for the Fund's investments, and employs a professional investment advisor, Frontier Advisors, to assist it in meeting this responsibility. The Trustee also appoints investment managers to manage the funds within each asset class. Our investment managers, listed in our 2020/21 Annual Report, are required to report to the Trustee regularly and are continuously monitored.

Custodian services for our assets are provided by BNP Paribas Securities Services.

Whilst most investment and custody services are provided from Australia, some services are delivered offshore.

Insurance: Death, Total & Permanent Disablement, and Income Protection insurance are offered to members through a Group Risk insurance policy held with OnePath Life Limited (OnePath). Insurance cover is tailored for workers in the building, constructions and civil industries. All insurance services operate from Australia.

Member and employer services: BUSSQ supports members in understanding and transacting on their superannuation products through the direct provision of members services, online portals, educational seminars, and marketing material. BUSSQ also supports employers in meeting their legislated superannuation obligations.

Subsidiary companies: BUSSQ had the following subsidiary companies in 2020/21 for the operational purposes outlined below:

- BUSSQ provided advice via Skylight Financial Solutions ABN 46 076 835 848 AFSL 450 139, a fully owned entity of BUSS (Queensland) Pty Ltd ABN 15 065 081 281.
- BUSSQ Properties Pty Ltd trading as BUSSQ Property Trust. BUSS(Queensland) Pty Ltd is the sole investor in BUSSQ Properties Pty Ltd. The BUSSQ Property Trust was set up as an investment vehicle to purchase the office building at 299 Coronation Drive, Milton.

The fund has other professional services in its supply chain to support the operations of the fund. These are listed in our annual report and on our website. The fund also has a wide supply chain to support the normal activities of a successful business, including: IT equipment and support; maintenance of office premises and supplies; and payroll services.

4 Risks of modern slavery practices in the entity's operations and supply chain

BUSSQ is strongly committed to the identification and management of risk in the best interests of beneficiaries. The fund's Risk Management Framework / Strategy details its approach for identifying, assessing, managing, mitigating and monitoring material risks. The board is committed to adequately managing risk and has a Risk Management sub-committee to support this. The board has structures in place in each of its sub-committees to assist in managing risk.

In addition to our Risk Management Framework, relevant fund policies make reference to the management of human rights' risks. BUSSQ understands the management of human rights now includes the assessment of the specific risks of modern slavery practices, which may be in our operations or supply chains. Our governance policies have been updated to recognise this. Modern slavery risk factors include: geographic risk; sector and industry risk; product and service risk; and entity risk.

Where modern slavery risks are identified in our supply chain, we will consider how we may have caused, contributed to, or being directly linked to the modern slavery.

BUSSQ's own operations were assessed low risk, finding no evidence of any practices that had the potential to cause or contribute to modern slavery.

5 Actions taken to assess and address modern slavery risks, including due diligence and remediation processes

The main initial actions during the 2019/2020 period focussed on: building awareness; establishing our governance requirements; and completing initial risk assessments of our operations and the material components of our supply chain.

During 2020/2021, we built on this base by:

- Continuing awareness training for both BUSSQ and Skylight staff;
- Assessing *Modern Slavery Supplier Questionnaires* completed by our material service providers;
- Reviewing any *Modern Slavery Statements* for 2019/2020 published by our material service providers;
- Completing a high-level desktop assessment of the next level of service providers in our supply chain;
- Updating the key internal policies impacted by the introduction of the Act; and
- Our Investment Adviser performing a modern slavery risk assessment across our equity portfolios using their proprietary assessment tool.

5.1 Responsible Investing

During the 2020/2021 financial year BUSSQ continued to focus on investing in a sustainable and responsible manner.

The Fund made progress with its work on sustainable investing considering environmental, social and governance factors across our investments. We completed the annual mapping of investments to our four chosen United Nations Sustainable Development Goals (SDGs), including Goal 8 (Decent Work & Economic Growth). The purpose of this goal is to promote inclusive and sustainable economic growth, employment and decent work for all. Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards. In this reporting period, 12.8% of the Fund's assets positively impact SDG8.

Our Responsible Investment Policy recognises that the 'Social' component of ESG comprises issues including the human and labour rights of employees. The 'Social' component of the policy has been updated to incorporate modern slavery practices as an issue.

The modern slavery risk assessment of our equity portfolios during the year determined both our domestic and international equity portfolios had a modestly lower level of aggregate modern slavery risk relative to the benchmark index. We will continue to collaborate with our Investment Adviser and managers to consider the risk of modern slavery practices existing in our investment portfolio. We aim for companies in our investment portfolio to display those desired human-rights practices that help deliver long term sustainable value.

6 Assessing the effectiveness of these actions

BUSSQ are progressing through the early stages of our program for management of the risks of modern slavery. We are committed to the continuous improvement envisaged in the guidelines supporting the Act.

In relation to the effectiveness of our actions in 2020/21, we are satisfied that we have established both awareness and governance practices within our organisation. We understand our role to assess the risk of modern slavery existing in our operations and supply chain. We completed a detailed risk assessment of our material service providers.

Our effectiveness will be improved by progressing the following key aspects of the human rights (including modern slavery) component of our risk management program:

- Ongoing staff awareness sessions;
- Assessment of modern slavery risks as we start or renew contracts for outsourced services; and
- Maintaining our commitment to Goal 8 “Decent Work & Economic Growth” of the UN Sustainable Development Goals, supporting our obligation to identify and assess the risks of modern slavery practices.

7 Process of consultation with entities that the reporting entity owns or controls

Skylight Financial Solutions and BUSSQ Properties Pty Ltd are BUSSQ subsidiary companies. Of these two subsidiaries, only Skylight had staff and operations in 2020/21. These staff were included in our ongoing awareness training and operate in compliance with our policies for managing the risks of modern slavery. The oversight of any services to BUSSQ Property Trust is provided by the BUSSQ staff.

8 Other relevant information

We are committed to the continuous improvement of our mechanisms to assess and address the risks that modern slavery practices may be occurring in our operations and supply chains.

9 Approval of Statement

The reporting entity for this Statement is BUSSQ (BUSSQ Fund, ABN 85 571 332 201).

BUSS (Queensland) Pty Ltd (ABN 15 065 081 281), as the Trustee of BUSSQ, is the principal governing body for the reporting entity.

The Board of the Trustee approved this Modern Slavery Statement on 15 December 2021.

Signed by



Paula Masters

Chair