


# FY22 Modern Slavery Statement

For Financial Year ending 30 June 2022

## Reporting Entity

This statement is submitted under section 13 of the Modern Slavery Act 2018 (Cth) for the CPPIB Australia Trust (ABN 25 170 211 447) (the “Trust”). Statement has been prepared by the Trustee, Perpetual Corporate Trust Limited (ACN 000 341 533), and approved by the board of directors of the Trustee on 21 December 2022.



Richard McCarthy

Director

Perpetual Corporate Trust Limited

## Consultation

There are no subsidiaries or entities owned or controlled by CPPIB Australia Trust which the Trustee is required to consult with to prepare this Statement. This statement was developed in consultation with the investment manager for the Trust.

## Structure, Operations and Supply Chain

### Structure

CPPIB Australia Trust is domiciled in Australia and has been in operation since 2015. CPPIB Australia Trust invests in underlying logistics infrastructure via a combination of shares and loan notes. The Trust owns no real property and has no employees.

### Operations

The primary operation of CPPIB Australia Trust is the investment in logistics infrastructure in Australia through shares and loan notes. Perpetual Limited’s division Perpetual Corporate Trust is Trustee for CPPIB Australia Trust.

### Perpetual Corporate Trust (PCT)

Provides a broad range of fiduciary and agency products to the debt capital markets and managed funds industries in Australia and Singapore. Perpetual Digital, PCT’s innovation company, encompasses data services, industry roundtables and our Perpetual Intelligence digital platform, which supports the banking and financial services industry. In providing these services, Perpetual Corporate Trust utilises a number of entities in the Perpetual Group, including Perpetual Trustee Company Limited, Perpetual Corporate Trust Limited, Perpetual Trust Services Limited, The Trust Company (RE Services) Limited, The Trust Company Limited, The Trust Company (Australia) Limited and Perpetual (Asia) Limited. In addition, the data and analytics services within Perpetual Digital are provided by a few entities in the Perpetual Group including Perpetual Nominees Limited, Perpetual Digital Pty Limited Perpetual Roundtables Pty Limited and Laminar Capital.

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## Investments

The Trust's underlying asset was an investment in logistics infrastructure. The account domicile was concentrated in Australia.

## Supply chain

The Trust's supply chain consists of two direct service providers. These service providers are all located in Australia.

### Procurement categories for service providers include:

- Asset management services
- Professional services, including an accountant and tax agent

## Modern Slavery Risks

The Trustee understands that modern slavery risk can occur in operations and supply chains. The Trustee considers risk assessment a critical process to identifying the inherent risk of modern slavery across CPPIB Australia Trust.

### Defining modern slavery risks

Modern slavery is serious exploitation that undermines a person's freedom. In a situation where modern slavery occurs, a person cannot refuse or leave due to threats, violence, coercion, abuse of power, or deception<sup>1</sup>. Modern slavery occurs in a variety of forms, there are eight types including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour<sup>2</sup>.

Modern slavery risk means the potential for the Trust to cause, contribute to, or be directly linked to modern slavery through their operation or supply chain. The Trust recognises that COVID-19, conflict and climate change driving migrant has exacerbated modern slavery risks for people in vulnerable situations<sup>3</sup>.

### Risk assessment methodology

In FY22, the Trustee collected information on CPPIB Australia Trust's supply chain and operations to include in a modern slavery risk assessment. Specifically, the Trustee investigated the investment trust and service providers that we have a direct relationship with. The underlying company and service providers were then assessed for inherent modern slavery risks and an inherent risk profile was determined for each entity. Inherent risk is the level of risk before any actions are taken to manage the risk's impact or likelihood.

## Risk Assessment Results

### Investments

The FY22 risk assessment conducted by the Trustee revealed that the investment sector of the trust is considered to have high inherent risk, as they are part of the Logistics industry. The below information summarises the risks in these industries. The approach to due diligence and assessment is informed by this risk profile.

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<sup>1</sup> International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022. Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, 13.

<sup>2</sup> As defined in the Australian Modern Slavery Act 2018 (Cth)

<sup>3</sup> International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022. Global Estimates of Modern Slavery: Forced Labour and Forced Marriage

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## Investment Sector

## Inherent Risk Profile

Logistics

The logistics industry has a higher risk of modern slavery due to the high demand for labour and use of temporary workers which heightens the risk of poor recruitment practices. Limited visibility of long and complex supply chains that operate in high-risk geographies adds to the risk of modern slavery in this industry.

## Supply Chain

The Trustee's FY22 risk assessment did not identify any high-risk service providers. This is because all service providers are professional services providers who operate in Australia.

## Actions to Address Modern Slavery Risks

### Due Diligence

#### Risk assessment

The Trustee's annual risk assessment was conducted to assess CPPIB Australia Trust inherent modern slavery risks.

### Investments

The Trust's ultimate asset is an investment in the Pacific National business. Pacific National assesses and manages modern slavery risk and is required to report under the *Modern Slavery Act 2018* (Cth). Therefore, they are obligated to identify and address modern slavery risks in their operations and supply chains. As a result, they have modern slavery due diligence processes in place.

### Supply Chain

Although the FY22 risk assessment did not identify any high-risk service providers, all service providers are required to report under the *Modern Slavery Act 2018* (Cth). Therefore, they are obligated to identify and address modern slavery risks in their operations and supply chains. As a result, they have modern slavery due diligence processes in place.

## Measuring the Effectiveness of Actions

Outlined below is the key progress made by the Trustee on behalf of CPPIB Australia Trust in FY22 and the actions for FY23.

### FY22 progress:

- Mapped CPPIB Australia Trust's supply chain to identify the different sectors service providers are from; and
- Conducted annual risk assessment to determine inherent modern slavery risks.

### Actions for FY23

- Monitor emerging global trends in modern slavery and include anything relevant for the FY23 risk assessment.

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## Appendix

### Appendix 1: Australian Modern Slavery Act – Mandatory Reporting Criteria

The following table describes the location of each mandatory reporting criteria within the FY22 modern slavery statement.

Mandatory Reporting Criteria	Location in Statement
Identify the reporting entity	Reporting Entity, Page 1
Describe the reporting entity's structure, operations, and supply chains	Structure, Operations and Supply Chain, Page 1
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Modern Slavery Risks, Page 2
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Actions to Address Modern Slavery Risks, Page 3
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Measuring the Effectiveness of Actions, Page 3
Describe the process of consultation and any entities the reporting entity owns or controls	Consultation, Page 1