

## Legal Super Pty Ltd

### Modern Slavery Statement financial year ended 30 June 2022

Issued November 2022

## 1. Context and purpose

The Commonwealth *Modern Slavery Act 2018 (Act)*, commenced operation on 1 January 2019, establishing a national modern slavery reporting requirement.

This document comprises the modern slavery statement (**Statement**) of Legal Super Pty Ltd and legalsuper.

The Act defines “modern slavery” as including the following eight types of serious exploitation:

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

The purpose of this Statement is to detail the activities we have undertaken in relation to modern slavery risks in our operations and supply chains and our approach to this commitment for the financial year ended 30 June 2022.

Whilst we have not identified any specific instances of modern slavery harm, we have applied a methodology (described below) to undertake a risk-based assessment of our operations (including our investment operations) and supply chains and identify any areas of potential for a higher incidence of modern slavery risk.

## 2. Reporting entity structure, operations and supply chains

Legal Super Pty Ltd ABN 37 004 455 789, AFSL 246315 is the trustee (the **Trustee**) for legalsuper ABN 60 346 078 879, Registrable Superannuation Entity Licence number L0002585 (the **Fund**) and is the reporting entity under the Act that must prepare this Statement that sets out our efforts to assess and address the modern slavery risks in our operations and supply chains.

The Fund is a superannuation provider and our vision is to empower people in Australia’s legal community to build wealth for their life in retirement. As an industry fund, we always act in the best interests of members. All profits are returned to members. We do not pay commissions. No dividends are paid to shareholders.

As at 30 June 2022, our total funds under management were approximately \$5 billion, with 10,613 employers who pay super for their staff to the Fund and 41,367 members who have their retirement savings with the Fund. Our membership equates to approximately 38% of all people working in the Australian legal services industry.

The Trustee is a not-for-profit company responsible for ensuring that the Fund operates as a complying and regulated superannuation fund in accordance with the *Superannuation*

*Industry (Supervision) Act 1993*. It also ensures that the Fund is operated in accordance with its Trust Deed and all relevant laws and regulations.

The Trustee is governed by a Board, that has 10 directors including an Independent Chair who is appointed by the Board. The other nine directors are nominated by the Australian Services Union, the United Services Union, The Victorian Bar Inc., the Law Institute of Victoria Limited and The Law Society of New South Wales.

The Board has the following sub-committees:

- Administration & Insurance Committee - responsible for overseeing the Fund administrator, member insurance arrangements, and the operating cost budget.
- Audit, Risk & Governance Committee - responsible for the financial reporting framework, both internal and external audit, the Risk Management Framework, and oversight of compliance with the legislative, prudential and regulatory obligations of the Trustee.
- Investment Committee - responsible for overseeing implementation of the investment strategy, advising the Board on the design of investment options including the risk and return objectives and strategic asset allocation; investment policy; and the appointment or termination of the custodian and/or asset consultant.
- Remuneration & Nomination Committee - responsible for making annual recommendations to the Board on the remuneration of the senior executives and others in accordance with the Board's Remuneration Policy; and determining the processes for the interview of nominees for the role of Director and making a recommendation to the Board.

The day-to-day management of the Trustee is delegated to the Chief Executive, Company Secretary and other senior executives. The Trustee's headquarters are in Melbourne. As at 30 June 2022, it had 42 employees mostly based in Melbourne, but with some working in other Australian States. The employees support functions such as, Trustee operations, investments, risk and compliance, member services and member experience.

Service providers have been appointed by the Trustee to assist in the delivery of the Fund's products and services, and legal contracts have been entered into with each of its significant service providers. These include the Fund's administrator and custodian, each of its investment managers, information technology providers, legal and tax advisers, an insurer, a direct investment platform provider, communications and other consultants and service providers undertaking important outsourced activities.

### **3. Identifying risks of modern slavery practices in operations and supply chains**

The steps we took to identify risks of modern slavery practices in operations and supply chains were as follows:

- we identified material service providers and suppliers and issued them with specific modern slavery questionnaires for them to complete to describe their processes of identifying and managing modern slavery risks. Over the last year we have extended our coverage to non-material service providers in some of the higher risk industries such as information technology.
- all responses were reviewed by an appropriate officer of the Trustee and only low risks of modern slavery were identified. Our service providers and suppliers are not operating in high-risk industries, or out of countries with high risks of modern slavery practices.

- service providers had implemented processes and procedures to identify, assess and address any risks. There was no self-identification of any medium or high-risk practices.
- our legal agreements with our major outsourced providers prevent them from subcontracting activities offshore without our knowledge and consent.

#### 4. **Actions taken to assess and address these risks, including due diligence and remediation processes**

We have taken steps in 2022, and will continue to enhance our processes, to prevent, mitigate and remediate modern slavery through our operations and supply chains.

To be clear, we are committed to fighting modern slavery risk in our operations and supply chains. Our approach to modern slavery is:

- we do not tolerate unacceptable treatment of workers, including serious exploitation that involves coercion, threats or deception to force work that amounts to types of modern slavery;
- we do not tolerate the exploitation of children and child labour;
- we expect compliance with national laws and regulations regarding employment, industrial relations, modern slavery and human rights by our service providers and supply chains; and
- if we are made aware of modern slavery allegations in our operations or supply chains including in investment manager's portfolios, we will assess and investigate these allegations, resolve and respond to them in accordance with our complaint procedures for operations and contractual relations for supply chain.

Our operations include making investment options available to Fund members. As at 30 June 2022, the investment options involved 33 specialist investment managers making investments within Australia and overseas in equity markets, property, fixed interest, infrastructure and cash.

We believe that environmental, social and corporate governance (**ESG**) issues affect the performance of investment portfolios and accordingly, are taken into consideration to the extent that we can practically do so within the context of optimising net risk-adjusted returns. The Board has approved an ESG Policy, which acknowledges that ESG factors may affect the value and therefore, long-term financial performance of the companies and the funds in which we invest on behalf of our members.

Human rights are within the "social" aspect addressed by our ESG policy.

The Fund is a member of the Australian Council of Superannuation Investors (**ACSI**). ACSI exists to provide a strong collective voice on ESG issues on behalf of its members. ACSI provides research and advice on ESG risks and opportunities that have a material impact on investment outcomes. With the assistance of ACSI, we collaborate to achieve genuine, measurable and permanent improvements in the ESG practices and performances of the companies and entities in which we are invested.

We expect our suppliers, including our administration and custodial providers, and fund managers, to assess modern slavery risks and conduct due diligence that considers modern slavery risk management in investee entities' operations and supply chains.

To prepare this Statement, we completed the following actions:

- identified material service providers and potential at risk suppliers and issued them with a specific modern slavery questionnaire;
- assessed modern slavery risk in our operations and supply chains, including third party investment managers, external fund administrator and custodian through the distribution and receipt of responses to our customised modern slavery supplier questionnaires and other information provided by suppliers;
- we closely monitored investments in geographies that may give rise to higher modern slavery risks;
- conducted Board and Executive briefings;
- conducted training of Trustee staff including the annual risk and compliance refresher and the induction risk and compliance training for new staff both of which cover modern slavery;
- updated our Outsourcing Policy to cover appointment and monitoring obligations for modern slavery; and
- prepared this third Statement.

As a commitment to continuous improvement, we have established and will continue to maintain a three-year roadmap for continuing to assess and monitor modern slavery risks covering the following:

- review and, if necessary, improve, relevant policies and procedures (such as, those from the list under section 8 below);
- increase stakeholder dialogue;
- enhance due diligence processes with all new material service providers and suppliers that specifically targets modern slavery risks in their operations and supply chains, ensuring that new contacts and agreements cover modern slavery risk;
- enhance measurement of effectiveness of actions to address real or potential modern slavery risks; and
- ongoing close monitoring of investments in geographies that may give rise to higher modern slavery risks.

## **5. Assessing the effectiveness of these actions**

To assess modern slavery risks, responses to our supplier questionnaires and other materials from potentially higher risk suppliers were analysed and assessed. With escalation or follow up of service providers for clarification, as required.

## **6. Process of consultation with any entities the reporting entity owns or controls**

The reporting entity, Legal Super Pty Ltd, is the trustee for legalsuper, a regulated superannuation fund. No other entities are owned by Legal Super Pty Ltd. In preparing this

Statement, relevant senior executives were consulted, and the Board has reviewed and approved this Statement.

## 7. Grievances and remediation

Any concerns regarding modern slavery risks in our operations and supply chains, may be reported anonymously as described in our Whistleblower Policy available at [legalsuper.com.au](https://legalsuper.com.au) or raised by contacting us on 1800 060 312 (Monday - Friday, between 8:00am and 8:00pm Australian Eastern Standard Time (AEST)) or via email at [mail@legalsuper.com.au](mailto:mail@legalsuper.com.au).

## 8. Other relevant information

The maturity of assessing modern slavery risks within our supply chains will be further enhanced as part of our commitment modern slavery improvements.

Our commitment to human rights is supported by a number of internal policies. These include:

- Investment Governance Framework
- Risk Management Framework
- Compliance Framework
- Conflicts Management Framework
- ESG Policy
- Code of Conduct
- Whistleblower Policy
- Fraud & Corruption Policy
- Outsourcing Policy
- Privacy Policy
- Enquiries & Complaints Policy
- Anti-Money Laundering & Counter Terrorism Financing Program

## 9. Approval

The Board of Legal Super Pty Ltd has approved this Statement. This Statement will be updated annually.

Signed



Kirsten Mander

Chair

Legal Super Pty Ltd

Dated: 4 November 2022

Legal Super Pty Ltd is the issuer of this Modern Slavery Statement (**Statement**). Legal Super Pty Ltd ABN 37 004 455 789, AFSL 246315, as Trustee of legalsuper ABN 60 346 078 879. Level 9, 627 Chapel Street, South Yarra, VIC 3141.

This Statement provides general information only and does not take into account your individual objectives, financial situation or needs. You should consider your own financial situation, objectives and needs and read the legalsuper Product Disclosure Statement (**PDS**) and Target Market Determination (TMD) before making any decision in relation to legalsuper. The relevant PDS and TMD can be obtained by contacting legalsuper or at [legalsuper.com.au](https://legalsuper.com.au). Past performance is not a guide to future performance.