

# Modern Slavery Statement for PIMCO Australia

## **Introduction**

This is a joint Modern Slavery Statement (**Statement**) for the financial year ended 31 December 2020 for the following entities, under the *Modern Slavery Act 2018* (Cth) (**Act**):

- PIMCO Australia Pty Ltd (ACN 084 280 508); and
- PIMCO Australia Management Limited (ACN 611 709 507)

(together referred to as “**PIMCO Australia**”).

PIMCO Australia wholeheartedly supports the Act, which aims to drive out all forms of modern day slavery and human trafficking from business practices. PIMCO Australia has zero tolerance towards human rights violations and is committed to the highest standards of ethical and sustainable business practice, both in our own business and in our supply chains.

## **Organisation, Risks and Policy**

PIMCO Australia is part of the PIMCO group (**PIMCO**), one of the world’s premier fixed income investment managers. In 2017, PIMCO became a signatory to the UN Global Compact (<https://www.unglobalcompact.org/participation/report/cop/create-and-submit/active/439234>) as a commitment to advancing the principles of human rights, labour, environment and anti- corruption within its sphere of influence. PIMCO also partners with organisations such as Business in the Community to leverage best practices related to human rights and corporate citizenship. PIMCO Australia provides a range of investment products and services primarily to clients within the APAC region.

PIMCO Australia has considered its direct exposure towards all forms of slavery, human trafficking or child labour and, in particular, its employment practices which it believes eliminate any material risk of these occurring in its own business. As is generally the case with financial services firms, PIMCO Australia is required to be authorised, is subject to regulatory supervision and operates in a heavily regulated environment. PIMCO Australia undertakes comprehensive pre-employment checks in relation to all potential employees that are required to be satisfied prior to employment. In addition, the work carried out typically requires staff with a higher education or other professional qualifications who, in order to perform their roles, are often subject to individual regulatory authorisation and continuing professional training requirements.

## **Structure, Operations and Supply Chain**

Each PIMCO Australia entity has its registered office and head office in Sydney, at Level 19, 5 Martin Place, Sydney, New South Wales. PIMCO Australia has approximately 40 employees employed throughout Australia.

The key operational activities conducted by PIMCO include managing investments (primarily fixed income) on behalf of a range of clients and acting as trustee/responsible entity of a number of registered and unregistered managed investment schemes.

## **Risks in our Operations and Supply Chain**

Given the nature of PIMCO Australia's business, the risk of modern slavery practices occurring within our own business operations is assessed to be low. This is based on PIMCO Australia's business being in a low-risk sector, combined with its operations being Australia-based.

It is noted that, being in a professional services industry, PIMCO Australia's procurement activities are also limited, primarily consisting of asset management services (e.g. custody, brokerage and research houses), professional services (such as lawyers, accountants and auditors), technology and technology support, office equipment, and travel services. Accordingly, PIMCO Australia's exposure to supply chain risks is also considered limited. However, PIMCO Australia has undertaken a risk-based assessment of its material and high risks suppliers and has performed due diligence based on the level of risk associated with each service provision.

## **Supply Chain Due Diligence**

As part of PIMCO Australia's commitment to full compliance with the Act, PIMCO Australia seeks to ensure that it knows who is providing it with goods and services at all times. PIMCO Australia has controls in place to ensure that legal and regulatory requirements, including the Act, are considered prior to any material supplier agreement being finalised. Where PIMCO Australia deems it appropriate, it will include contractual provisions on modern slavery in supplier agreements.

PIMCO Australia's material outsourcing relationships are with other financial services firms which, for similar reasons, are low risk from a modern slavery perspective. Notwithstanding, PIMCO Australia has Modern Slavery Statements (and, in some cases, additional information) from all such suppliers rated as posing a material or higher risk. PIMCO Australia also conducts routine periodic due diligence over its material outsourcing relationships and other vendors and will include modern slavery checks as part of these processes.

PIMCO Australia has reviewed material service providers involved in the provision of office facilities, cleaning, and other products and services for its offices. PIMCO Australia has obtained Modern Slavery Statements (and, in some cases, additional information) from all such suppliers rated as posing a material or higher risk, and will routinely obtain Modern Slavery Statements (and, in some cases, additional information) from all such new suppliers.

## **Training**

All staff involved with procurement and all other relevant staff have been trained on ethical procurement which addresses key supply chain issues, including human rights and the risk of modern slavery, in supply chains. Training is repeated annually to ensure that relevant employees understand the latest detection and mitigation methods.

## **Effectiveness**

PIMCO Australia does not believe any incidents as outlined by the Act have ever occurred within PIMCO Australia nor is it aware of any such incidents within its supply chain. However, PIMCO Australia continues to look at how it can further mitigate the risk of modern slavery in its supply chain and is ready to take appropriate action promptly to address any concerns that may arise. This includes ensuring that

all of its suppliers, existing and new, that pose a material or higher risk have provided Modern Slavery Statements (and, in some cases, additional information); that contractual terms with any such new suppliers satisfy modern slavery requirements; that all relevant staff receive training appropriate to their needs; and that any material issues arising from implementation of this policy are effectively escalated should the need arise.

## **Conclusion**

This Statement is made pursuant to *Modern Slavery Act 2018* (Cth). As required by the Act, it has been approved by the Board of Directors of PIMCO Australia on 28 June 2021.

Signed on 28 June 2021 on behalf of the Board of each PIMCO Australia entity:

A handwritten signature in black ink, appearing to read 'R Mead', with a horizontal line extending to the right.

*Robert Mead*  
*Managing Director, PIMCO Australia*