

# 2021 MODERN SLAVERY STATEMENT



ANZ Staff Superannuation (Australia) Pty Limited (AFSL 238268 RSEL L0000543) (the "Trustee") is the Trustee of the ANZ Australian Staff Superannuation Scheme (RSE R1000863) (ANZ Staff Super). ANZ Staff Super does not own or control any other entities.

The *Commonwealth Modern Slavery Act 2018* (the "Act") came into force on 1 January 2019.

This is ANZ Staff Super's Modern Slavery Statement for year ending 31 December 2021 prepared in accordance with the Act. It outlines actions taken in 2021 to assess and address the risk of modern slavery occurring in our operations, supply chain or investments.

While the Trustee is a non-controlled subsidiary of Australia and New Zealand Banking Group Limited ("ANZ"), we have engaged regularly with ANZ sharing information and resources to support the development of our approach to assessing and addressing this risk. ANZ's 2021 Modern Slavery Statement is available at [www.anz.com/content/dam/anzcomau/documents/pdf/aboutus/esg/human-rights/modern-slavery-statement-2021.pdf](http://www.anz.com/content/dam/anzcomau/documents/pdf/aboutus/esg/human-rights/modern-slavery-statement-2021.pdf).

## Our structure, operations, supply chains and investments

### Structure and operations

ANZ Staff Super is a non-public offer superannuation fund. The primary purpose of ANZ Staff Super is to provide well governed, value for money superannuation for its members.

ANZ Staff Super was established in 1987 to provide superannuation benefits to:

- current and former employees of Australia and New Zealand Banking Group Limited and associated companies in Australia;
- spouses of these members; and
- members who have opted to take their benefit in the form of an account based pension.

ANZ Staff Super has around 30,000 members and pensioners and manages assets of over \$6.1 billion for its members.

The Trustee is responsible for overseeing the operation and management of ANZ Staff Super in the interests of members and other beneficiaries. The Trustee's Board comprises eight Directors. ANZ appoints four of the Directors and members elect the other four Directors.

### Supply chain

The Trustee's business activities are undertaken through outsourced arrangements.

The day-to-day management of ANZ Staff Super is outsourced to the Group Superannuation Department ("GSD") of ANZ. This department has been delegated certain functions and supports the Trustee by overseeing member communication and education, compliance and governance, investment services and statutory requirements.

The other outsourced services include:

- administration, member services and accounting;
- provision of limited financial advice;
- life insurance;
- investment management;
- custodial services;
- legal advice;
- actuarial;
- audit;
- taxation adviser.

Technology, premises, procurement and other support are provided by ANZ.

Details of our service providers are available on our website at [www.anzstaffsuper.com/trustee-information.html](http://www.anzstaffsuper.com/trustee-information.html).

### Investments

ANZ Staff Super's investments are managed by specialist external managers primarily through pooled trusts. Investments include Australian and international equities, property, fixed interest securities, cash and alternative assets. Further information on our investments is set out in our Product Disclosure Statements and reporting available on our website [www.anzstaffsuper.com](http://www.anzstaffsuper.com).

Managing exposure to environmental, social and governance ("ESG") factors, including modern slavery risks, is a necessary element in ensuring that the Trustee's investment portfolio continues to maximise its likelihood of future investment success relative to its long term risk exposures. The Trustee considers ESG factors in developing its investment management arrangements.

## Risks of modern slavery practices in our operations, supply chains and investments

Our approach to identifying modern slavery risks is guided by the following resources:

- Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities;
- Modern Slavery Reporting – Guide for Investors; and
- Modern Slavery Risks, Rights & Responsibilities – A Guide for Companies and Investors.

A high-level assessment of our operations, service providers and investments was conducted to identify areas where there could be a risk of modern slavery.

As most of our service providers continue to operate in Australia and consist of skilled white collar workers in professional industries with minimal labour-related risks, our assessment is unchanged from 2020 with the risk of modern slavery practices remaining low. Therefore, we have focussed on the risk in relation to our investment activities.

Our initial analysis identified that the greater risk of modern slavery exists where investments have direct exposure to countries with a high prevalence of modern slavery according to the risk data from the Global Slavery Index 2018.

## Actions taken to assess and address potential modern slavery risks

### Due diligence

In 2021, we engaged ANZ's Group Procurement team to re-screen our service providers for potential modern slavery risks. Using a third party tool (RepRisk), we were able to measure the reputational risk of our service providers across 28 risk parameters selected and defined in accordance with key international standards, such as the Ten Principles of the UN Global Compact, including employee relations (including forced labour and child labour). This screening revealed no incidents of modern slavery or forced labour by any of our service providers.

The reputation risk index ("RRI") quantifies reputational risk exposure related to ESG factors. A RRI of over 50 would be considered a high risk exposure and would warrant a more detailed review of the nature of the risk. These reputational risk assessments indicated that none of our service providers had a RRI of 50 or more and none were identified as having a medium risk exposure to ESG factors.

We will continue to conduct reputational risk assessment annually for existing service providers and during the tender process for any new service providers. Where a service provider is identified as having a RRI greater than 50, we will request further information be provided to allow us to assess their actions to address the issue(s).

In 2021, we also asked all of our service providers to complete a modern slavery questionnaire. The questionnaire for investment managers included additional questions to identify their awareness, assessment of prospective suppliers and investments, due diligence and management of modern slavery risks.

The responses from our service providers provide insight into their approach to assessing and addressing the risk of modern slavery within their businesses. The responses also indicated that some investment managers have exposure in countries with higher prevalence of modern slavery.

The response rate to the questionnaire was 100%.

- 46% of respondents were required to report under the Act.
- 71% of respondents that were required to report have trained their staff on how to identify, assess and respond to modern slavery risks.
- 86% of respondents that were required to report have policies and procedures to manage instances of modern slavery in their organisation.
- 84% of our investment managers confirmed that their environmental, social and governance integration approach includes an assessment of modern slavery risks (or human rights risks).
- Nine investment managers had exposures in countries with high prevalence of modern slavery.

We will liaise with our investment managers with exposure to high-risk countries to continue our due diligence of these holdings.

We will also re-engage with our investment managers who have committed to:

- improving their assessment of modern slavery risks when screening prospective suppliers; and
- deliver modern slavery risk training.

We have updated our processes for appointing or renewing service providers (including investment managers) to screen suppliers for modern slavery risks.

### Remediation

Should we become aware of a potential modern slavery risk in our operations, supply chains or investments, we will investigate the issue and determine an appropriate approach for addressing it. In the normal course of events, we would seek to engage and work with the supplier in the first instance to address the issue and its recurrence. Termination of the relationship or investment would be an option should we be uncomfortable with their remediation of the issue.

## Assessing effectiveness

We recognise that developing our approach to assessing and addressing modern slavery risks is a continuous improvement process and we will continue to work on enhancing our approach. We continue to work on developing our approach for measuring the effectiveness of our approach and defining measures of effectiveness.

We assessed the effectiveness of our actions in response to modern slavery across three key themes:

### Awareness

The understanding and awareness of what modern slavery is and how to identify and report it is tracked via multiple channels.

- Completion of mandatory learning modules that incorporate building awareness of modern slavery.
- Promoting the various channels to raise concerns about modern slavery.
- Engaging with our service providers to better understand their approach to assessing and addressing modern slavery risks.

In 2021,

- the GSD team completed a mandatory learning module that incorporated modern slavery information.
- All suppliers responded to our questionnaire regarding their approach to assessing and addressing the risk of modern slavery within their businesses.

### Policies/processes

We have integrated modern slavery considerations into relevant policies and procedures.

Compliance with our policies continues to be monitored through our auditing and testing processes overseen by the Trustee's Governance and Audit Committee.

### Due Diligence

We continue to screen our service suppliers for potential modern slavery risks. Our due diligence processes in relation to the appointment and renewal of service providers also includes consideration of their approaches in relation to managing modern slavery risks.

In 2021, none of our service providers were identified as having a medium or high risk exposure to ESG factors.

## Improving our response over time

To improve our approach to assessing and addressing the risk of modern slavery occurring in our operations, supply chain or investments, in 2022 and beyond, we will:

- engage with our service providers to continue to raise awareness and improve our understanding of the potential risk of modern slavery practices in our supply chains;
- further engage with investment managers identified as high risk based on their 2021 questionnaire responses and/or exposure to high risk countries;
- continue to engage with our investment managers to better understand their ESG processes and how they assess and address the risk of modern slavery within their operations and investments;
- review our policies and update them where necessary; and
- continue to engage with other organisations (including ANZ and subject matter experts) to further improve our understanding of the potential risk and continue to develop our approach to managing modern slavery risk.

This statement was approved by the Board of ANZ Staff Superannuation (Australia) Pty Limited, the Trustee of ANZ Australian Staff Superannuation Scheme, at its meeting on 7 June 2022.



Gary Newman  
Chair

ANZ Staff Superannuation (Australia) Pty Limited  
June 2022