



Modern Slavery Statement FY22

Issued: 14 December 2022

Issued by: Togethr Trustees Pty Ltd
ABN 64 006 964 049 AFSL 246383

Level 12, 330 Collins Street
Melbourne VIC 3000

Background

This Statement has been prepared and issued by Togethr Trustees Pty Ltd (the Trustee) as Trustee of the Equisuper superannuation fund (the Fund) consisting of the Equip and Catholic Super brands. It is issued in accordance with the Modern Slavery Act 2018 (Cth)(Act).

Its purpose is to outline the actions the Trustee has undertaken to identify and mitigate the risk of modern slavery occurring in its business operations and supply chains for the financial year ending 30 June 2022. This is the third statement issued by the Trustee.

The Trustee is committed to establishing high standards of ethical practice in support of its Fund operating responsibly. It does not tolerate modern slavery practices.

Our business

The Fund is a profit-to-member superannuation fund. Our service model brings together \$30 billion in funds under management for over 150,000 members. We offer a trustee service under an Extended Public Offer (EPO) Responsible Superannuation Entity (RSE) Licence which enables multiple funds to retain their brands and relationships with members and employers, while benefiting from the efficiencies and opportunities derived from scale in investments, insurance, services and technology. The Trustee also offers delivery of specialised services in financial advice and asset management, on behalf of the funds, via service agreements entered into with Togethr Financial Planning Pty Ltd (TFP) and Togethr Asset Management Pty Ltd (TAM).¹ This Statement is limited to an assessment of modern slavery risks present in the Fund's operations and supply chains. The Trustee did not undertake consultation with TFP or TAM because they are not owned or controlled by the Fund or the Trustee.

The Group Structure as at 30 June 2022 is set out below and includes the Fund's two (2) brands, Equip and Catholic Super.



¹ Those entities are not caught by the Act and are therefore not reporting entities for the purpose of this Statement. Similarly, Togethr Holdings Pty Ltd, the holding entity of the Trustee, TFP and TAM, is not caught by the Act and is not a reporting entity for the purpose of this Statement.

Preamble

This Statement presents the approach the Trustee has taken in understanding modern slavery risk in its operations, and supplier and investment manager networks, in line with the Government's expectations.

In exploring various risk dimensions, we sought to identify possible vulnerabilities that enabled us to understand where modern slavery might arise in our operations and supply chains and what implications they could impose.

We concluded that the Trustee has a low risk of modern slavery practices occurring in its operations and investment manager and supplier networks. This is primarily because the Trustee operates in the financial services sector, an inherently low risk industry from a modern slavery perspective, and its location being only in Australia and New Zealand, countries commonly disassociated from vulnerable and compromised societal and economic structures.

Supply chain and operations

The Trustee's overall objective is to act in members best financial interests, by maximising retirement income for its members. The Fund has an investment portfolio² of circa \$30 billion covering Australian and international equity markets, property, infrastructure, and fixed interest investments.

The Trustee has mandates with external investment managers to manage the majority of the Fund's investments. Our investments span across a range of domestic and global sectors including energy, information technology (IT), financial services, property, healthcare and telecommunications. Further information on our investment approach is available on the Equip and Catholic Super websites, in the respective Annual Reports and product disclosure statements and the Trustee's Responsible Investing Policy.

As at 30 June 2022, the Trustee employed 170 employees directly in the provision of superannuation products and services to members of the Fund. This capability is supported by a range of key supplier relationships delivering specialised products and services including member administration, custody, technology, marketing, research, audit, insurance, property and facilities management.

Governance and policies

The Trustee has established policies that govern the way it operates. These are relevant to how the Trustee manages potential issues that may arise in respect of its operations and supply chains. These policies include:

- **Code of Conduct:** The Trustee strives to conduct its business with the highest standard of integrity and expects each of its directors and employees to maintain those standards. The Code of Conduct outlines the Trustee's expectations of directors and employees in all of its business activities.
- **Risk Management Framework (RMF):** The Trustee's RMF enables a structured approach to the identification, management and reporting of risks arising in its business activities, including those relating to modern slavery.

² Investment management services are delivered by Togethr Asset Management Pty Ltd.

- The **Investment Governance Framework (IGF)**: The IGF summarises the Trustee’s investment framework with regard to overall governance, policy and processes, and provides for the ongoing monitoring, assessment and revision of the IGF to ensure that it is implemented effectively and remains relevant for the Trustee’s activities. The IGF recognises that its aim is to ensure that the Fund’s investments are managed within an environment designed to protect the interests and meet the reasonable expectations of the Fund’s members and beneficiaries. The IGF includes a **Responsible Investment (RI) Policy** that outlines the Trustee’s commitment and approach to responsible investment in the context of Environmental, Social and Governance (ESG) issues. The RI Policy forms an integral part of the IGF.

The Trustee also has in place a **Proxy Voting Policy** to ensure that it exercises its voting rights. This is an important tool for encouraging responsible corporate behaviour and expressing views about a company’s strategy, leadership, remuneration, mergers and acquisitions and ESG practices and disclosure.

- **Supplier Management Framework (SMF)**: The SMF outlines the Trustee’s approach to supplier procurement, contract management, monitoring and oversight and termination arrangements. The SMF applies to arrangements with third party suppliers, including all material business activities of the Trustee that have been, or are to be, outsourced, with the exception of investment fund manager arrangements which are governed by the IGF.
- **Employment practices**: The Trustee manages employment arrangements in accordance with Australian employment laws. All directors and employees are subject to due diligence and are required to complete induction training and refresher training annually.
- **Whistleblower Protection Policy**: This policy outlines circumstances in which a person may raise a genuine concern as it relates to improper conduct, the avenues for doing so, the protections available to those who report improper conduct and the investigation process.

Risks of modern slavery

The term, ‘modern slavery’, is used to describe situations where coercion, threats, or deception are used to exploit people and undermine or deprive them of their freedom. The risk of modern slavery refers to the risk to people, rather than the risk to reporting or related entities.

The Act defines modern slavery as including 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 ‘worst forms of child labour’ means situations where children are subjected to slavery or similar practices or engaged in hazardous work.³

The Trustee has applied a risk-based approach to identifying and assessing modern slavery risks across its operations and supply chains. The Trustee has considered the following risk dimensions⁴ as part of this process:

- **Vulnerable populations**: For example, workers who are low-skilled, in temporary jobs, or from a migrant and/or minority group.

³ Source: section 1.2 and 1.6: Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities (issued by the Australian Border Force)

⁴ Source: RIAAs Report: Investor Toolkit - Human rights with focus on supply chains (August 2018) and ACSI-RIAA: Modern Slavery Reporting - Guide for Investors (November 2019).

- **High risk geographies:** Jurisdictions lacking regulation and/or enforcement; have poor track records of corruption and human rights activities; a prevalence of criminal organisations; and those within conflict-affected zones.
- **Business models:** Businesses structured around high-risk practices. For example, businesses with complex, long supply chains and several intermediaries along those chains; oligopolistic industries exercising pricing pressure on suppliers; labour intensive industries; and supply chains with pressure on shorter lead times.
- **High-risk product and services categories:** Sector specific categories such as agriculture and fisheries; mining; apparel; construction and building materials; and electronics.

Operations assessment

As an organisation within the financial services sector the Trustee’s immediate risk of modern slavery has been assessed as inherently low. This is based on the nature of our business, our operating model and structure, the products and services we offer, our employment practices, governance arrangements and that we operate within Australia.

Our focus has primarily been on our investment and supply chain arrangements.

Supply chain assessment

In the 2020 reporting period, our review of suppliers included an assessment of the nature of products and services supplied and jurisdictions in which our suppliers were located. We did not identify any significant risks in our supply chain and have not been made aware of any material changes to supplier operations to warrant a review for this reporting period. To provide comfort in relation to suppliers, we requested our key suppliers (Tier 1 and Tier 2 suppliers) to attest that they had not engaged in acts related to trafficking persons, slavery and slavery-like practices or the worst forms of child labour.

Our risk assessment approach has also focussed on the Trustee’s new ongoing and/or new material suppliers engaged during the reporting period. Our supplier due diligence practices include consideration of modern slavery risks prior to the appointment of the supplier. During this reporting period our assessment covered 13 new ongoing or new material suppliers.

In our assessment, we did not identify any significant risk of modern slavery.

Investment management assessment

Our investment manager appointment protocols have been uplifted to include modern slavery assessments as part of our due diligence prior to appointment. We have not identified additional risk arising from new appointments.

In the previous reporting period, we re-engaged all our existing investment managers to obtain a current view of modern slavery identification and management practices. By taking this approach, we sought to understand changes to either management practices or geographic and sector risks present in our investments. Two investment managers exhibited informal or low levels of modern slavery policy and controls and were conservatively rated as moderate risk as a result.

For FY22, we utilised a risk-based approach with a qualitative overlay. This involved requesting a sample of investment managers to attest that they had not engaged in acts relating to trafficking persons, slavery and slavery-like practices or the worst forms of child labour. The attestations also included the investment manager’s investment activities conducted on behalf of the Trustee and Fund. The sample included the two investment managers previously rated as moderate risk.

We did not identify any significant risk of modern slavery, and as a result, the two investment managers previously rated as moderate risk in the prior period have been reassessed as low risk.

Commitment to Continuous Improvement

We continue to commit to continuous improvement in the prevention of slavery practices in our supply chains and that we will always seek to ensure that slavery risk is mitigated to the greatest extent possible through our service provider / vendor appointment and monitoring processes.

The Trustee's Board of Directors approved this statement on 14 December 2022 for the financial year ending 30 June 2022.



Scott Cameron – On behalf of the Board of Directors
Chief Executive Officer