



Modern Slavery Statement

Modern Slavery Statement

For: 1 July 2019 to 30 June 2020

Dated: 31 March 2021

Modern slavery describes situations where coercion, threats or deception are used to seriously exploit victims and undermine or deprive them of their freedom. The term "modern slavery" is used to cover a range of exploitative practices including human trafficking, slavery, servitude, debt bondage, forced labour, child labour, forced marriage, deceptive recruiting for labour and services, and slavery-like practices.

Reporting entity

This Modern Slavery Statement is prepared and issued by IS Industry Fund Pty Ltd ABN 45 010 814 623, the trustee of Intrust Super Fund ABN 65 704 511 371, and its wholly owned entities (collectively referred to as 'Intrust Super', 'the Fund', 'we' or 'our').

Intrust Super acknowledges its responsibility under the Modern Slavery Act 2018 (Cth) ("the Act") and understands that, as a procurer of goods and services and as an institutional investor, modern slavery may occur in our supply chain and investment portfolio. Intrust Super is committed to taking the actions necessary to reduce the risk of modern slavery in our operations and supply chain, including our investment activities.

This Statement outlines Intrust Super's approach to identifying, assessing, and minimising our risks in respect to modern slavery. This is our first Modern Slavery Statement, and it has been prepared in accordance with the requirements of the Act. We will issue an updated Statement at the end of each financial year.

Structure, governance, operations, and supply chain

Structure

Intrust Super is an industry superannuation fund focussed on the hospitality, tourism, and service sectors. The Fund provides superannuation products which includes insurance cover. Intrust Super also provides access to information, financial advice, and, through an external licensee, online tools, and personal financial planning services.

The Trustee is a not-for-profit company responsible for ensuring that the Fund is operated as a regulated superannuation fund in accordance with the requirements of the Superannuation Industry Supervision Act 1993. The Fund must be operated in accordance with the Fund's Trust Deed and Rules and all relevant laws and regulations. As required by law, Intrust Super Fund is structured as a trust, with its trustee company – IS Industry Fund Pty Ltd ('the Company') holding assets on behalf of Fund members and its beneficiaries. The Company has a board of six directors, equally appointed by employee and employer representative associations, and 28 employees. On 30 June 2020, Intrust Super had 97,131 members and net assets of \$2.6 billion.

IS Industry Fund Pty Ltd has two wholly owned subsidiaries:

IS Financial Planning Pty Ltd ABN 64 143 707 439, trading as Intrust360, which provides financial advice (as a corporate authorised representative of Link Advice Pty Ltd ABN 36 105 811 836, AFSL 238145, Corporate Authorised Representative Number 379207); and

ISF Investment Pty Ltd ABN 52 123 042 142 which holds several Intrust Super investments.

All Intrust Super entities are registered at:

Level 1, 270 Adelaide Street
Brisbane QLD 4000

Governance

The Trustee is committed to excellence in corporate governance to ensure continued delivery of member-first outcomes. The Trustee has in place a governance framework which facilitates oversight and transparency through various structures, policies, and roles.

A key component of this is the risk management strategy which articulates how the Fund manages risks to support the delivery of its strategic objectives. This includes the systems, tools, and processes which support identification, measuring, evaluation, management and reporting of risks and compliance obligations, including modern slavery practices.

The Trustee is ultimately responsible for all risks impacting the Fund and its members and is responsible for the Modern Slavery Statement.

The following policies and processes are already in place that assist the Trustee in identifying, assessing, and mitigating the risks of modern slavery:

- Outsourcing Policy and Procedures
- Code of Conduct
- Conflicts Management Policy
- Anti-Money Laundering and Counter-Terrorism Program
- Whistle-blower Policy
- Remuneration Policy
- Financial Crime Program

The framework mandates the Three Lines of Defence model to ensure key risks are provided appropriate levels of ownership and oversight across the Fund. Responsibility lies with the Executive and staff to manage risk and ensure controls are in place to ensure compliance obligations are met. Monitoring of these controls provided by the Governance, Risk and Compliance (GRC) function as the second line of Defence. Oversight is provided by the Internal Audit function as the third line of defence by way of internal reviews and testing, with reporting provided to the Board.

A number of Committees have been established to assist with the oversight and governance of the Fund. The Audit, Risk Management and Compliance Committee (ARMCC) is responsible for assisting the Board in meeting its governance and oversight responsibilities in relation to risk, compliance and audit matters including:

- reviewing the risk profile of Intrust Super to ensure material risks (including compliance risk) are being recognised and dealt with appropriately by management; and
- ensuring the Fund is meeting its responsibilities in relation to financial reporting, risk management, internal controls, internal and external audit processes, and monitoring processes for compliance with laws, regulations, and commitments.

The ARMCC will monitor the implementation of the Fund's response to Modern Slavery, its Modern Slavery Statement, and the requirements of the Modern Slavery Act 2018.

The Executive Management Team (EMT) is responsible for the implementation of the actions required under Intrust Super's Modern Slavery Statement. The members of the EMT are primarily the relationship owners of suppliers and service providers. They have carriage of the outsourcing/tender processes, contractual arrangements, monitoring of service standards, and provision of assurance and reporting to the Fund in respect to various matters – including that of Modern Slavery.

Operations

Intrust Super has offices in Brisbane, Sydney, Perth, and Cairns.

In addition to core corporate activities (such as strategy, investment management, marketing and communications, finance, human resources, risk management and compliance), Intrust Super's operations involve:

- developing, promoting, selling, and delivering superannuation products and services to individuals (either directly to employees or via their employers) and to retirees and those self-employed;
- providing information and financial advice to members and their families;
- setting, implementing, and monitoring investment strategies; and
- selecting, monitoring, and managing service providers (see 'Supply chain' below).

Supply chain

Intrust Super's supply chain includes:

- its administration provider, which has all its superannuation operations in Australia and other countries;
- the providers of group life, disablement, and income protection insurance for members, which have all their operations relevant to Intrust Super in Australia;
- an investment consultant which has its operations in Australia;
- a custodian which has operations in Australia and other countries;
- a number of external fund managers who manage Intrust Super's investment portfolios; the majority are located in Australia with the remaining fund managers based in one of four other countries;
- providers of marketing services based in Australia and promotional items manufactured in Australia and overseas;
- information technology services located in Australia that may include using software developed and equipment manufactured in other countries;
- Auditors, Lawyers and other professional services providers and consultants all located in Australia; and
- providers of office services such as cleaning which are located in Australia, and office equipment and supplies which are sourced locally but may be manufactured in Australia or other countries.

Intrust Super's investments are managed by external fund managers (other than a very small direct property holding and cash). The external fund managers invest in a range of asset classes across the world. These investments cover most industries. Further information on our approach to investing is set out in our Annual Report and Product Disclosure Statements (both available on our website intrustsuper.com.au).

Contractual arrangements are in place for all ongoing services. The administration, custody, and insurance service providers are typically reviewed every three to five years. Other appointments can generally be made and terminated with minimal notice.

For a current list of significant service providers, refer to:

<https://www.intrustsuper.com.au/wp-content/uploads/WebDisc-Providers-3.pdf>

Describing the risks of modern slavery practices throughout Intrust Super's operations and supply chain (including investments).

Intrust Super takes the risk of modern slavery practices seriously and does not want to be complicit in facilitating, contributing to, or being directly linked to modern slavery in any way. We have analysed our operational activities and supply chain to understand where the potential for modern slavery might be the highest.

While we are not aware of any increase in our modern slavery risks resulting from COVID-19 we understand that the health and economic impacts of the pandemic, and government restrictions in response, are highly likely to exacerbate existing modern slavery practices. We are also mindful that the pandemic has reduced transparency of activities, especially through supply chains.

Modern slavery practices may be described within three key categories, Cause; Contribute; and Directly Linked:

Cause - our operations directly cause, lead to, or result in modern slavery practices. This concept also describes the risk of an asset we own or manage using exploited labour.

We have not identified any Intrust Super activities that may directly cause modern slavery practices.

Contribute – where we might facilitate or incentivise modern slavery practices (inadvertently or otherwise)

Within our supply chain, Intrust Super's investments in emerging and evolving markets is likely the highest potential to monitor and influence modern slavery risks. These markets include countries in Africa, Central and South America, most of Asia, parts of Europe and the Middle East. External fund managers may invest directly, or through Australian or international companies that have operations in such markets.

Intrust Super's investment practises are outlined in its Investment Governance Framework and overseen by the Investment Committee. This includes Environmental, Social and Corporate Governance (ESG) factors. Modern slavery, labour related issues and human rights more broadly are typically considered to part of the 'social' considerations of ESG. ESG factors are integrated into the Fund's investment processes by leveraging the specialist skills and resources of its Asset Consultant, JANA, and external investment managers.

We are liaising with JANA and our appointed fund managers to better understand how we may contribute to potential modern slavery risks and how these can be mitigated.

We are also mindful that we may contribute to modern slavery practices in our purchasing processes if we pursue pricing that may only be possible through worker exploitation.

Directly Linked

Further to the information above, we believe we may be directly linked to modern slavery practises through our external fund managers holding investments in countries and industries where modern slavery practices may be more common.

Intrust Super may be directly linked through the equipment and promotional items it purchases from Australian suppliers. Many items are manufactured in other countries where it is possible that a focus on minimising supply and production costs and a lack of workforce protections or unregulated environments may result in exploited workers.

We are working with our suppliers to better understand their operations and in turn the potential for modern slavery risks to exist in their supply chain.

An update of insights gained through these discussions will be included in our next Modern Slavery Statement, and on a continual basis.

Actions to assess and address the risks of modern slavery practices throughout Intrust Super's operations and supply chain (including investments).

Initial assessments within the reporting period have focused on understanding where within Intrust Super's business or supply chain, modern slavery practices are most likely to exist.

These assessments considered the industry we work in, the businesses we work with, (including outsourced and / or offshore service providers and suppliers), and country risk factors.

Our operations are identified as low risk given their nature and the location, being based in Australia. Our staff are provided training on the characteristics of modern slavery, including how the risks of modern slavery practices caused, contributed by, or directly linked to our activities can be identified and minimised. As above, there are a number of key policies in place across Intrust Super, its subsidiaries, and (to the degree they are incorporated in our contracts) third party service providers.

In the procurement of services, staff are required to follow established processes. A number of policies and procedures are relevant to these purchasing decisions, including:

- Sponsorship policy
- Conflicts of interest policy
- Compensation policy
- Outsourcing framework
- Financial Processes Policy
- Delegations of authority document

We understand that purchasing decisions based purely on cost, may for some items, facilitate exploitative employment practices. The Fund is mindful to balance quality service and engagement with cost and seek to appoint suppliers that provide value to our members but not at a price that may result in cut corners, be unsustainable or lead to an increased risk of modern slavery practices.

As above, the Fund has identified Intrust Super's investments in emerging and evolving markets as having the highest potential to monitor and influence modern slavery risks. Initial assessments have focused on discussions with our Investment Consultant on the risks of modern slavery and the various ways they can be mitigated particularly through the contractual arrangements in place with our domestic and international fund managers. Many of our appointed fund managers provide information on their modern slavery approaches through their standard reporting, with the extent and depth of these details continuing to expand. We will continue to engage with our investment management providers to better understand how modern slavery risks are identified and managed in their operations and their supply chains. We will focus on the countries and industry sectors that historically have the poorest records.

A commitment to continuous improvement.

Maturing the approach going forward, a Freedom Action Plan (Intrust Super's Modern Slavery Prevention Strategy) will be developed to document and track progress on Modern Slavery initiatives as listed below:

- Review our formal requirements for suppliers and service providers and enhance our due diligence and ongoing monitoring. This includes considering the best form of attestations from direct suppliers / providers that they do not participate in modern slavery practices – such as an annual attestation and or a confirmation of a commitment to upholding human rights, especially in regard to labour practices, as part of the due diligence process. We also intend to integrate contractual controls using standard contract clauses to incorporate modern slavery obligations into supplier contracts, both on initiation and through the management of the supplier relationship through its lifecycle.
- We will work with the suppliers of information technology and general office services and equipment and promotional items identified having potentially a higher risk level to understand how they identify, assess, and respond to modern slavery risks.
- While the Board, Executive and staff have been provided awareness training on modern slavery practices, it is intended future training will increase understanding of modern slavery risks across our operations, supply chain and investments and embedding considerations of modern slavery risks in our processes. It is important that staff are equipped and feel empowered to identify and raise any concerns regarding unethical or illegal conduct, including in relation to modern slavery. Staff may choose to report concerns to their Manager, the Executive Manager, Governance, Risk and Compliance, or anonymously through our whistleblowing arrangements.
- Modern slavery concerns can be viewed and reported through a number of lenses – regulatory, reputational, investment, or outsourcing/supply chain angles. We aim to develop our reporting to the ARMCC and Board including tracking agreed actions and the use of targets, performance measures or tolerances. A structured response is intended to be developed to provide guidance where modern slavery incidents are identified, and remediation is required.
- Many investment managers are currently updating their processes to ensure they are in a better position to identify and address modern slavery risks within their portfolios. While to-date, the investment managers of the Fund have advised they are not aware of actual instances of modern slavery within their mandates, work is underway through our Investment Consultant, JANA, to better screen our investment managers and portfolio holdings for entities that may be associated with modern slavery risks and, through our broader ESG approach, enhance our consideration of human rights.

Assessing effectiveness

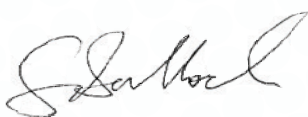
In developing our response to the requirements of the legislation, and this Modern Slavery Statement, we appreciate one size does not fit all and our approach to this issue will likely evolve considerably. We recognise that modern slavery is a complex issue, and it will take time to build an effective response. It is anticipated our Freedom Action Plan will need to flex, consistent with insight gained over time.

At this point in time, we believe key to effectiveness will be ensuring company-wide awareness, appropriate due diligence on entering arrangements and effective controls and monitoring of service providers and suppliers.

Consultation

This Modern Slavery Statement is prepared and issued by IS Industry Fund Pty Ltd, the trustee of Intrust Super Fund ABN 65 704 511 371, and its wholly owned entities.

It was approved by the Board of IS Industry Fund Pty Ltd on 31 March 2021



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