



GreaterBank 

2021 Modern Slavery Statement

This statement is for Greater Bank limited (ABN: 88 087 651 956)

Message from our Chairman and Chief Executive Officer

As a customer owned bank, we comply with the Customer Owned Banking Code of Practice. This code gives our customers the confidence of knowing they are covered by an industry commitment to fair and responsible banking. We are invested in and focused on our customers and the communities we operate in. We respect human rights across all of our operations and it is important to us that we ensure our operations are run ethically and that we contribute positively to our communities. Following the publication of our first Modern Slavery Statement, we have strengthened our approach to modern slavery risk and continue to monitor the impacts knowing the industry we operate in is still not immune from this issue. We continue to be committed to ensuring that our operations and supply chains do not contribute to or accept any forms of slavery. This statement has been published following the Modern Slavery Act 2018. It outlines the steps we continue to take to identify, avoid, manage and mitigate the risks of modern slavery that may exist in our operations and supply chains.

This statement was approved by the Board of Greater Bank Limited.



Signed, Wayne Russell, Chair



Signed, Scott Morgan, Chief Executive Officer

Acknowledgement of Country

We respect and honour Aboriginal and Torres Strait Islander Elders past, present and future. We acknowledge the stories, traditions and living cultures of Aboriginal and Torres Strait Islander peoples on this land and commit to building a brighter future together.

Greater Bank structure, operations and supply chains

Greater Bank is a Newcastle, NSW-based customer owned bank and commenced operations in 1924.

The Greater Bank group is comprised of Greater Bank Limited and its wholly owned subsidiaries and related entities including Greater Investment Services Pty Ltd, Greater Charitable Foundation Pty Ltd, Greater Charitable Foundation, GBS Receivables Repo Trust, and GBS Secured Funding Trust No.1.

We have approximately 900 employees and operate a Head Office in Newcastle, a Customer Contact Centre in Lake Macquarie, and 53 branches located throughout New South Wales and South-East Queensland.

Greater Bank's main operations cover the provision of personal and business banking and financial products and services. These products and services are delivered through several channels including face to face in branches, telephone, and the internet.

Ancillary activities include investments and support for the community through our charitable foundation activities such as volunteering and donations.

In undertaking these activities, Greater Bank has sourced supplies and services in the following industries:

- Utilities and office/branch space
- Corporate uniforms
- Premises (rentals, maintenance, cleaning, renovations)
- Technology (hardware, software, cloud services)
- Office supplies and consumables
- Professional services (legal, consultants, communications)

Modern Slavery Risks Faced by Greater Bank

The degree of modern slavery risk exposure for Greater Bank across its total procurement activities is assessed as low.

Following the UN Guiding Principles on Business and Human Rights, in 2020 we applied a risk-based approach to review our supply chain and have continued to apply this approach when reviewing new and existing supply arrangements.

The continued application of this approach has confirmed that most of our suppliers continue to be Australian based with only a small proportion based offshore in the United States, United Kingdom, and some in Asia. Offshore suppliers used are mainly in the provision of uniforms, IT services and subscriptions, and IT equipment.

Reflecting the most local composition of our supply sources, we have determined that Greater Bank has a predominantly simple supply chain, with the most complex related to the provision of IT hardware and corporate uniforms. These are both areas already flagged for ongoing monitoring for potential impact on our modern slavery risk exposure.

People

The risk of modern slavery risks across our employee base is low as Greater Bank only hires employees who live and are permitted to work in Australia, and ensures it is compliant with the Fair Work Act and applies the National Employment Standards.

Investing

To ensure it has sufficient cash to meet the needs of our customers and to meet our regulatory obligations, Greater Bank invests in a portfolio of liquid assets. This portfolio consists of investments in securities issued by Australian Banks and a selection of Residential Mortgage Backed Securities (RMBS) and Commercial Mortgage Backed Securities (CMBS) secured over pools of Australian-only real property and premises. Given the composition of the investment portfolio is Australian based, it is considered that the risk of modern slavery exposure is low for this activity.

Key Actions taken in Financial Year 2020-2021

We continue to recognise that combating modern slavery requires ongoing efforts and we are committed to continuing our efforts in this area. Some of the key areas of action that have been undertaken in the financial year 2020-2021 are:

➤ Incorporation of Modern Slavery into the procurement process

We understand that mitigating the risks associated with modern slavery is an ongoing process and requires continued work. One way that we continue to work towards this is by implementing anti-slavery and anti-corruption requirements into our agreements with third parties.

Based on the outcomes from the initial supply chain risk assessment process we have continued to review contracts and include these requirements where possible. We have also incorporated a specific consideration of modern slavery risks into our procurement process, and we will continue to incorporate modern slavery protections into new and renewed contracts.

➤ Initiating Modern Slavery training for Procurement personnel

A key element of our ongoing plan to reduce Modern Slavery risks within our organisation revolves around employee awareness. The more employees who are alert to the risks, the more likely we are to detect these within our supply chains and third party agreements.

To ensure key personnel are aware of how Modern Slavery risks manifest, and the most effective mitigation strategies, all members of our procurement function completed training with a training provider specialised in identifying Modern Slavery risks in Australian industry.

As the function continues to grow with recent developments this training will be provided to new staff members, as well as other key personnel across the organisation.

➤ Introduction of draft Modern Slavery framework document

To support employee awareness and increase effectiveness, it is important to have a robust and accessible policy document that sets out obligations, processes, and role responsibilities.

In recognition of this, we have developed a draft Modern Slavery framework document to:

- Ensure a uniform approach is taken across the organisation for mitigation of modern slavery risks presenting through procurement activities;
- Enable us to adapt our approach in response to new risks as they arise;
- Increase employee awareness of activities completed to date, and proper processes to follow;
- Encourage visibility and awareness of modern slavery as a serious issue that we are dedicated to addressing.

Work is currently underway to finalise and operationalise this framework across the organisation.

Assessing Effectiveness

We recognise that modern slavery is a complex issue that occurs within a changing landscape, this makes the importance of continued monitoring and update anti-slavery measures paramount.

We are continuing to monitor our supply chain and new agreements for high risk areas and introduce new control measures as required.

We have also added a new field to our procurement form, which all new procurement activities are checked against. This allows business areas to indicate whether their new procurement has any modern slavery risks associated with it, or exists within the supply chain, these forms are then reviewed by the procurement function and escalated to Risk and Compliance as required. This allows us to continue to monitor for new higher risk contracts, as well as understand the general level of employee awareness of these risks.

Actions planned for 2021-2022

Greater Bank is committed to strengthening our modern slavery risk management and the steps we continue to take to identify, avoid, manage and mitigate the risks of modern slavery that may exist in our operations and supply chains. The key areas of focus for the upcoming year include:

- Formation of a Modern Slavery Working Group to manage our response to the requirements of the Act.
- Modern Slavery training will continue to be delivered to key personnel, including those new to the procurement team and owners of high risk contracts.
- We will further improve and embed the Modern Slavery Framework that will apply across the whole organisation to new and renewed contracts, which will enable us to adapt our approach to new risks as they arise.
- Ongoing supplier due diligence as part of the procurement process to assess, identify and remediate modern slavery risks as they arise.

Ongoing impact of COVID-19

Greater Bank recognises that the ongoing COVID-19 pandemic has had an impact on people experiencing forms of exploitation and modern slavery and increased vulnerabilities. This will have occurred for workers in industries with a high casualisation of the workforce that have experienced a downturn leading to unemployment, as well as industries with a prevalence of exploitation and abuse of workers that have experienced demand for their product, such as factories producing Personal Protective Equipment (PPE).

Greater Bank has not experienced any major disruption in terms of supply of consumables required to ensure ongoing operations, and the reduction in office consumables has to some extent been offset by increased use of PPE and cleaning supplies and services. In consideration of this, our procurement practices have been amended to ensure modern slavery awareness is included in supplier due diligence (commencement and ongoing) as noted above.

The logo for GreaterBank, featuring the word "GreaterBank" in a white, sans-serif font. The "G" is significantly larger than the other letters. To the right of the text is a stylized orange and yellow arrow pointing to the right.

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