

Modern Slavery and Human Trafficking Statement 2023

This Statement was prepared by the reporting entity, Commonwealth Bank Officers Superannuation Corporation Pty Limited (trustee) as trustee of Commonwealth Bank Group Super (the fund). This Statement outlines the actions taken by the trustee to identify and mitigate modern slavery and human trafficking in our operations, supply chain and investment activity, over the financial year ending 30 June 2023 (FY23). This Statement has been prepared to comply with the reporting requirements of Section 13 of the *Modern Slavery Act 2018 (Cth)*.

In this Statement we refer to 'modern slavery' as defined by the *Modern Slavery Act 2018 (Cth) (MSA)*.

Introduction

Modern slavery can occur in many forms, such as forced labour, bonded labour, child labour, domestic servitude, sex trafficking, and human trafficking.

We are committed to respect human rights, including through the prevention of modern slavery.

Perpetrators of modern slavery make it difficult to detect, so we must continually work to identify this risk and address it when we find it.

We acknowledge the risk of being linked to modern slavery and human rights impacts, including via our investments and service providers.

We understand that the business decisions we make, including sourcing products and services from suppliers, can influence the risk that a person becomes a victim of modern slavery.

We are improving our capability to identify and manage these risks through our own processes and by working with our service providers.

As we assess the risk of modern slavery, implement programs to manage that risk, and determine the effectiveness of these solutions, it is clear that we must continue to refine our practices to better address modern slavery risks. This Statement details our program and outlines actions taken in FY23.

Key initiatives in FY23:

- Continue to engage with service providers through an annual questionnaire to better understand their approach to addressing modern slavery risk.
- Continue to engage with investment managers particularly ones with investments in high-risk asset classes to better understand their approach to address modern slavery risk at the investment activity level.
- Continue to assess service provider compliance against contractual requirements, including the modern slavery clause.

Our commitment to respecting human rights

Respect for human rights is one of the key components of how we undertake our role as the trustee of the fund. The trustee has respect for the human rights of all people involved in the running of the fund.

The trustee's Environmental, Social and Governance (ESG) Policy sets out our commitment to managing the risk of modern slavery, which includes:

- identifying, managing, monitoring and mitigating the risks of modern slavery in our operations, supply chains and investments;
- engaging with our service providers to promote the importance of mitigating and redressing the risks of modern slavery; and
- reporting as required by the MSA.



Find out more or log in at
oursuperfund.com.au



Call **1800 023 928**
8am–7pm, Mon–Fri



Post to **GPO Box 4303, Melbourne
VIC 3001**

How we conduct business

The trustee has adopted the Commonwealth Bank of Australia (CBA) Code of Conduct as a subsidiary of CBA, which incorporates our values, and sets expectations on how the trustee directors and executive management team should act so we do the right thing by our members and the community. We continue to embed the Code of Conduct into our processes to support the skills and mindset required to deliver the best member and risk outcomes.

The Values described in the Code of Conduct guide us in everything we do:

Care: We care about our customers/members and each other – we serve with humility and transparency;

Courage: We have the courage to step in, speak up and lead by example; and

Commitment: We are unwavering in our commitment – we do what’s right and we work together to get things done.

Governance

Effective governance is critical to managing environmental and social risks and opportunities, including modern slavery risks.

The trustee board is responsible for directing and overseeing the trustee’s ESG strategy, governance, priorities for implementation and disclosures. It is the point of escalation for all matters regarding program direction, and is the approval body for major program strategic decisions. It is also responsible for approving the annual Modern Slavery and Human Trafficking Statement.

Governance framework

The trustee board oversees the management of environmental and social risks and opportunities, including modern slavery risk.



Our business structure, operations and supply chain

Structure

The fund

The fund is a non-public offer superannuation fund that operates on a profits-to-members basis. It is an employer-sponsored fund, established in 1916 to provide super and retirement benefits for employees and former employees of the Commonwealth Bank Group (the CBA Group) and their spouses. CBA is the principal employer of the fund. In FY23, the fund provided both defined benefit and accumulation benefits to more than 65,450 members and pensioners and was responsible for managing around \$12.5 billion of funds under administration.

The trustee

The trustee of the fund is Commonwealth Bank Officers Superannuation Corporation Pty Limited ABN 76 074 519 798. The Trustee is an Australian proprietary company and its registered office is located in Sydney, New South Wales.

The trustee board comprises nine directors, all of whom serve in a non-executive capacity. The board has three independent directors, three member-elected directors and three employer-appointed directors. The trustee board is responsible for the Modern Slavery Program and ensuring compliance within business activities.

The trustee is a subsidiary of the CBA however, the trustee produces its own separate Modern Slavery and Human Trafficking Statement to that of the CBA Group. CBA is the sole shareholder of the trustee.

The trustee does not directly employ any staff but instead outsources the activities required to support the fund’s operations and management to a range of specialist service providers.

On 21 February 2023, the trustee of the fund announced its intention to work towards a merger with Australian Retirement Trust. The trustees of both funds signed a non-binding head of agreement on 27 June 2023, with the merger subject to a number of conditions including final board approval that the merger is in members best interests, with a view to complete the merger in the 2024 financial year over two phases.

As at the date of approval of this Statement, phase one of the merger was completed on 4 November 2023, with the majority of members and assets including the Retirement Access, Accumulate Plus and Defined Benefit (other than Defined Benefit Lifetime Pensioners entitlements) were transferred to Australian Retirement Trust. A large number of supplier contracts (particularly investment managers) have also been terminated as part of phase one. Phase two of the merger to complete the final transfer of members and assets comprising of the Defined Benefit Lifetime Pensioners is expected to occur in the first half of 2024.

The trustee will continue to identify and address modern slavery risks up until completion of phase two of the merger. The trustee will terminate all supplier contracts and wind up the fund following phase two of the merger.

Controlled entities

As at 30 June 2023, the fund held one investment in which it has significant influence or control. As a result, the investment is classified as a controlled entity.

Name of Controlled entity	Structure	Location	Ownership interest %
OSF Southern Way Unit Trust	Unit Trust	Australia	100%

The controlled entity is not an operating business and was used solely to hold a specific infrastructure investment for the fund in Australia.

The trustee of the fund is not the trustee of this investment entity; instead, a third-party unrelated entity is responsible for the management and operation of this investment entity. The entity is Southern Way OSF Pty Limited.

As at the date of approval of this Statement, there are no longer any controlled entities.

Operations

As the trustee, our responsibilities include setting the strategic and business priorities for the fund, administering the fund on behalf of members, pensioners and beneficiaries, and investing the assets of the fund. The trustee is the legal entity responsible for the operation of the fund in accordance with its governing rules and relevant laws.

In FY23, our fund offered superannuation and retirement pension benefits through our Accumulate Plus and Retirement Access products and our Defined Benefit divisions. Accumulate Plus includes our approved MySuper option, and offered insurance to eligible members. As at the date of approval of this Statement, our fund only administers the Defined Benefit Lifetime Pensions that were in pension payment phase prior to phase one of the merger.

The trustee outsourced all its business activities, including investments, to a range of specialist service providers.

Our supply chains

In FY23, the trustee partnered with more than 40 suppliers to help us deliver services to our members. The main types of services we procure were:

- executive management and trustee administration (provided through CBA)
- member administration, insurance and financial advice
- investment management, investment administration, custodial and asset consultancy
- taxation, accounting and actuarial
- legal and audit.

The contracting entities for the majority of our suppliers, including investment managers, that we have contracted with are based in Australia. In FY23, a small number of our supplier contracting entities were located outside of Australia, that is in the United States of America and United Kingdom. Some of these suppliers may operate in a number of countries and each supplier will also have its own suppliers, which form part of our supply chain.

As at the date of approval of this Statement, the remaining contracting entities are based in Australia. Our current key service provider relationships are available on our website, oursuperfund.com.au/about-us/our-trustee/service-providers

We look to engage with service providers, including investment managers, in a collaborative manner and have strived to build long-term relationships by working in an open and honest manner. This approach underpins how we work and communicate with suppliers and investment managers on an ongoing basis to address modern slavery risks.

All service providers are subject to a due diligence assessment process prior to appointment. Outsourcing agreements are in place with each of our material service providers including investment managers and regular monitoring is conducted to assess performance and service delivery.

Investments

In FY23, the assets of the fund were managed by over 25 external investment managers, in either discrete mandates or unit trusts. The fund’s assets were invested across asset classes including Australian and international shares, bonds, cash, property and infrastructure.

The trustee also invested directly in an Australian shopping centre and local and international infrastructure investments that span both operations and supply chain. The management of these assets has been outsourced to specialist managers.

At the date of approval of this Statement, two external investment managers remain after phase one of the merger.

Risks of modern slavery

Given the nature and locations of our operations, service providers and investment exposures, we recognise that we are at risk of both direct and indirect exposure to modern slavery impacts, particularly via our investment activities.

Accordingly, we seek to understand our impacts and exercise influence to manage and mitigate where possible, including through engagement with our service providers.

Modern slavery covers the most serious forms of exploitation including human trafficking; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour.

The trustee assesses the risks of modern slavery to people in our operations, the suppliers we use and our investment activities.

For our operations

In FY23, the risk of modern slavery continued to be assessed by the trustee as inherently low. This assessment is based on the nature of our business, the products and services we offer and the fact that we predominately operate within Australia. However, we recognise that the risk of modern slavery is likely to exist in varying degrees in our supply chain and investment activities and therefore our focus has continued to be on these areas.

For our supply chains

Reducing threat of harm to people in any supply chain is complex, due to varying risk across industries and countries, and differing levels of maturity in organisations in both understanding and controlling modern slavery risk. We are continuing to improve our knowledge, systems and processes to identify how our procurement decisions can affect the risk of people being subject to modern slavery.

Our risk assessment methodology for identifying risks of modern slavery in our operations, supply chains and investment portfolio and activities focuses predominantly on the potential risks to people of modern slavery, and considers the potential risks that the trustee may cause, contribute to and/or be directly linked to modern slavery practices.

The risk assessments conducted have determined that the majority of our suppliers and investment managers operated in industries with high entry barriers (e.g. requiring trained professional staff) and operate mostly in Australia or other countries rated low for prevalence of modern slavery as per the Global Slavery Index¹. In FY23, we determined that this continued to be the case.

For the FY23 reporting period, all service providers that provided services during the period were asked to complete a questionnaire about their structure, operations and actions in relation to modern slavery risks, with responses forming part of the risk assessment process. In addition to the questionnaire, we also reviewed suppliers' compliance against modern slavery clauses in existing contracts and in our meetings with investment managers discussed their approach to modern slavery risks.

Our key priority for FY23 was to continue to engage with investment managers who held investments in high-risk asset classes and to confirm service providers' compliance with the MSA.

We found that, after assessing result of the questionnaires, all of our suppliers, including investment managers, are aware of the MSA. This finding also applied to some suppliers that do not have to disclose under the MSA, but are still committed to the principles of the legislation and assisting the trustee in complying with the MSA as outlined in the contractual clauses.

Analysis of the questionnaires showed that the majority of our suppliers have processes and policies to assess and manage modern slavery risks and its impacts on their business operations. None of our suppliers reported incidents of modern slavery practices.

Responses to the questionnaires, our regular meetings with suppliers and our review of compliance with the modern slavery clause have improved our understanding of our suppliers' risks and controls. We continue to use the questionnaire and assessment process as a learning on modern slavery exposure.

For our controlled entities

In FY23, the trustee held one controlled entity. The operational and supply chain risk of this entity is negligible because it is an investment purpose vehicle that does not have staff or suppliers. The underlying investment activities of the controlled entity were captured in our investment activities risk assessment, covered in the next section. Our investment activities included engagement with the investment manager managing the controlled entity to keep informed of any issues that may be relevant to modern slavery risks. The assessment of modern slavery risk for the underlying investment activity is low.

For our investment activities

In FY23, we identified there were minimal changes to our asset class structure or to investment managers. There was no impact to our previous risk assessment. We continued to drive engagement in our modern slavery program throughout FY23 with those investment managers with investments in high-risk asset classes (i.e. international shares, property, infrastructure and credit).

Risk assessments were conducted on our directly owned property and infrastructure assets including those of the controlled entity. We continue to engage with our managers to better understand their risk management practices and encourage continuous improvement. The assessment considered the operational and supply chain risk of these assets through the lens of country and industry risk factors. None of these assets were identified as high risk.

¹ Walk Free Foundation's Global Slavery Index 2023.

Actions that mitigate modern slavery risks

While we continue to improve our understanding of where modern slavery risks exist in our operations and supply chains, we rely on a range of mitigation measures to reduce these risks. Our mitigation solutions include governance, policies, training and awareness, due diligence and monitoring, and collaboration with our service providers.

For our operations

Policies and processes

The ESG Policy sets the trustee’s approach and commitments to managing the environmental and social impacts, including human rights, of our business activities and operations. We also have other policies that set expectations on behaviour, managing financial crime and speaking up on misconduct. These policies and frameworks include those listed in the table below.

Policy	Description
Trustee Governance Framework	Sets the trustee’s position on modern slavery and our expectation of service providers regarding modern slavery impacts
ESG Policy	Sets out how the trustee manages ESG risks in respect of the fund and its operations, including modern slavery risk. It outlines the minimum standards the trustee seeks to abide by, our targets and commitments, and the governance and oversight in place support our endeavours.
Outsourcing Policy	Sets out the trustee’s approach to outsourcing of material business activities, including a framework for appointing and managing those outsourcing arrangements.
Code of Conduct	Sets expectations on how to act, solve problems and make decisions. It applies to the CBA Group, including the trustee.
Remuneration Policy	Sets principles that guide the design of the trustee’s remuneration arrangements, including relating to performance and conduct. Applies to the trustee and any other persons identified in the Policy.
Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Policy	Sets out the AML/CTF principles which apply to the fund and trustee, including identification and mitigation of risk, governance, due diligence, training and awareness.
Whistleblower Policy	Applies to the CBA Group, including the trustee. The Policy supports people to raise concerns of reportable conduct and protects them from retaliation and victimisation.
Enquiries and Complaints Resolution Handling Policy	Sets out the principles and process for managing complaints and enquires.

Training

The trustee ensures that the executive management team know how they should behave, and how to raise an issue, through CBA mandatory learning programs for Code of Conduct, workplace conduct, financial crime, privacy, whistleblowing, and health, safety and wellbeing. The trustee and the executive management team also completed specific online modern slavery training in FY23.

For our supply chains

Identifying where people may be at risk in our supply chain is only one part of our modern slavery program. We must work with our suppliers to mitigate these risks and ensure that there are remedies available to anyone impacted.

Contractual controls

An important way to continue to set clear expectations on modern slavery is by incorporating our modern slavery compliance clause into our contracts with service providers.

The clause requires that at a minimum service providers assist the trustee comply with the MSA including providing information as is necessary to enable the trustee to comply with legislative measures concerning modern slavery. Service providers must also notify the trustee of any actual, alleged or suspected incidents of modern slavery.

In FY23 we reviewed compliance with existing modern slavery clauses and did not identify any non-compliance with the contractual terms.

Service providers (including investment managers)

The trustee continued to engage with all service providers by:

- requesting completion of the annual questionnaire about their structure, operations and actions in relation to modern slavery risks;
- engaging in regular discussions with investment managers and emphasising the importance of modern slavery risk management within the investment portfolios they manage;
- reviewing compliance against the terms of the service providers agreements; and
- reviewing their modern slavery statements (if applicable).

Through our meetings with investment managers, we built awareness on the human rights issue of modern slavery within their portfolios they manage. These meetings, together with the responses to the annual questionnaire, guides our engagement with our investment managers, and we seek to understand how the manager is working to improve human rights practices that may occur in the investments they manage.

We engaged with investment managers, particularly ones that held investments in asset classes we had identified as being at a higher risk of modern slavery. We did this to gain greater understanding of the managers’ approach and investment processes in place to identify, manage and mitigate modern slavery risks within their investment portfolios.

Through reporting on company engagements, meetings and response to the annual questionnaire our managers provided us with more detailed insights into their assessment and risk controls including engagement with underlying companies with heightened modern slavery risk. Some managers are more advanced in their assessment and controls than others, often related to their underlying asset class or investment process style.

As highlighted in the earlier section, our primary approach to managing modern slavery risk in our controlled entities is engagement with the relevant asset manager. As at the date of approval of this Statement, the trustee no longer held any controlled entities.

The trustee will continue to identify and address modern slavery risks until it completes phase two of the merger as the fund will terminate all supplier contracts and wind up.

Raising concerns of modern slavery

CBA has taken steps to make reporting of modern slavery related incidents available to a wide range of people including employees, contractors, customers and suppliers through Workplace Grievance Review processes, SpeakUP Program and Complaints Handling Processes. The trustee has adopted CBA's grievance mechanisms, including the Whistleblower Policy.

SpeakUP Program

The SpeakUP Program is the formal whistleblowing process at CBA that the trustee has adopted. The SpeakUP Program ensures that there are safe channels in place to speak up. The formal reporting channels such as the SpeakUP Hotline, SpeakUP online, as well as the Whistleblower Policy, underpin the SpeakUP Program.

Concerns can be raised by trustee directors and the executive management team via these reporting channels as well as the trustee's service providers.

Reportable conduct includes conduct that is considered dishonest, fraudulent, corrupt, illegal, unethical, a breach of internal policy, dangerous or any breach of law which can include modern slavery.

There were no known reports or complaints relating to people impacted by, or concerned about, slavery, servitude or trafficking raised through the SpeakUp Program in FY23.

Customer complaints

The trustee takes instances of customer complaints seriously and works to address complaints and to try and find a fair solution. Enquiries, concerns and complaints can be raised by members in accordance with the enquiries and complaints processes which are made available on the website.

There were no known reports or complaints relating to people impacted by, or concerned about, slavery, servitude or trafficking raised through the complaints processes in FY23.

Measuring the effectiveness of our actions

As we mature our methodology to identify and mitigate the risk of exposing people to modern slavery, we also continue to develop how we measure the effectiveness of our mitigating actions.

The trustee has taken an iterative approach since its first reporting year when it focussed on building the foundations for identifying, assessing and addressing modern slavery risks, recognising that this is a process of continuous improvement. Guided by our three-year action plan, in our current reporting period, the effectiveness of our mitigation actions was considered through:

Supplier engagement: All suppliers included considerations of modern slavery risk management and contract obligations, all of them confirmed compliance with the MSA (if applicable to the supplier) and most are building processes to assess and manage modern slavery risks.

All suppliers responded to our modern slavery risk questionnaire indicating well-managed relationships and good communications.

All suppliers that have identified that they are required to comply with the obligations outlined in MSA have published Modern Slavery Statements.

Suppliers who are not required to comply with the obligations outlined in the MSA have continued to support the trustee in complying with the MSA and no incidents have been advised for the period.

Coverage, receptiveness and response: We continue to analyse our risk assessment results which allowed the trustee to gain better understanding of modern slavery risks in its supply chain and investments and identify the highest risk areas. This has enabled the trustee to target the highest risk asset classes within the investment portfolio and continue our risk-based approach to engaging with the investment managers managing those high-risk asset classes.

Consultation with controlled entities

In FY23, the trustee held one controlled entity and annual income did not meet the threshold for being a reporting entity under the MSA.

For the reporting period covered by this Statement, we consulted with representatives of our controlled entity in the preparation of this Statement.

Next steps

As at the date of approval of this Statement, phase one of the merger has completed, and the fund is expected to wind up in the first half of 2024 following completion of phase 2 of the merger.

The trustee will continue to identify and manage modern slavery risks in the fund until completion of phase two of the merger by assessing the risk of modern slavery, managing that risk through existing programs, and determining the effectiveness of these solutions.

The trustee is not expecting to submit another Statement following the expected completion of the merger within the next reporting period.

This Statement was approved by the trustee board of the Commonwealth Bank Officers Superannuation Fund Pty Ltd on 7 December 2023.



Rosemary Vilgan

*Chair of the Commonwealth Bank Officers
Superannuation Fund Pty Limited*



Find out more or log in at
oursuperfund.com.au



Call **1800 023 928**
8am–7pm, Mon–Fri



Post to **GPO Box 4303, Melbourne
VIC 3001**

Appendix 1: Mandatory Reporting Criteria

This Statement complies with the mandatory criteria for the MSA. The following table references the content in this Statement, which complies with section 16 of the Australian legislation.

MSA mandatory criteria	Modern Slavery and Human Trafficking Statement 2023 page reference
Identify the reporting entity.	1
Describe the reporting entity's structure, operations and supply chains.	2-3
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	3-4
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	5-6
Describe how the reporting entity assesses the effectiveness of these actions.	6
Describe the process of consultation on the development of the Statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the Statement).	6
Any other information that the reporting entity, or the entity giving the Statement, considers relevant.	7-8