



MODERN SLAVERY ACT STATEMENT FINANCIAL YEAR 2022/23

7 December 2023

Qantas Superannuation Limited ABN 47 003 806 960 AFSL 288330 (the 'Trustee', 'we', 'us' or 'our') as trustee of the Qantas Superannuation Plan ABN 41 272 198 829 ('Qantas Super' or the 'Plan')

Qantas Airways Limited ABN 16 009 669 901 is the Plan Sponsor. Throughout this document, Qantas Airways Limited and its associated entities are also referred to as the Qantas Group.

Purpose

Qantas Superannuation Limited (the Trustee) is the Trustee of the Qantas Superannuation Plan (the Plan or Qantas Super). This Modern Slavery Statement (MSS) sits under the *Australian Modern Slavery Act 2018 (Cth)* (MSA) and covers the activities of the Trustee to identify and address modern slavery risks for the year ending 30 June 2023 (FY22/23).

What is modern slavery

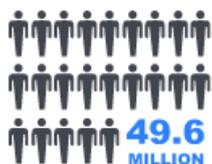
While there is no globally agreed definition of 'modern slavery', according to [Walk Free](#), an international human rights group that is focused on its eradication, it refers to situations of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception and/or abuse of power.

It is therefore an umbrella term that is used to describe practices that include, but are not limited to, the following:

- Human trafficking - the recruitment, harbouring or movement of a person by means including coercion, threat, deception, fraud and abduction for the purpose of exploitation.
- Slavery - when a person exercises powers of ownership over another. In essence, it's when a person treats another like a commodity or object; able to be sold, purchased or traded.
- Servitude - when a person does not consider themselves free to stop working or to leave their place of work because of coercion, threat or deception AND the person is significantly deprived of their personal freedom in aspects of their life outside of work (e.g., they're told when they are allowed to eat, sleep or shower).
- Forced labour - when a person does not consider themselves free to stop working or to leave their place of work because of coercion, threat or deception.
- Debt bondage/bonded labour - the world's most widespread form of slavery. People trapped in poverty borrow money and are forced to work to pay off the debt, losing control over both their employment conditions and the debt.
- Deceptive recruitment for labour or services - when a person is deceived about their work and their work involves exploitation through a type of modern slavery.
- Forced marriage - when a person gets married without freely and fully consenting because of coercion, threat or deception or because they're incapable of understanding the nature and effect of the marriage ceremony because of age or mental capacity.
- Worst forms of Child labour – when a child is exploited for someone else's gain. This can include child trafficking, child soldiers, child marriage and child domestic slavery.

The graphic below illustrates the prevalence of modern slavery and the magnitude of the issue:

Prevalence of modern slavery¹



49.6 million people live in slavery globally



22 million victims of forced marriage



27.6 million people in forced labour



42 million people exploited in global supply chains in the private economy



3.9 million people in forced labour imposed by state authorities



6.3 million people in forced sexual exploitation

About us

[Qantas Super](#) is an Australian corporate superannuation fund. Founded in 1939 by the original founders of Qantas Airways Limited (QAL), Qantas Super exists for people who are working, or have worked, for the Qantas Group, and their spouses. As at September 2023 we have over 26,000 members and over \$8.5 billion in assets under management.

“The company has always recognised the value of its Employees’ services by endeavouring to make working conditions as congenial and remunerative as possible...now...this recognition goes beyond the field of active service to provide for your years of retirement.”

Qantas Chairman, Fergus McMaster – 1939

Qantas Super offers superannuation, insurance and pension products through the open Gateway division, which features a MySuper-approved product, and several legacy accumulation and defined benefit divisions.

We provide access to a range of financial advice and education services with licensed financial advisers who are authorised to provide financial product advice as well as online tools to help members understand how much income they may need in retirement.

The Trustee is a not-for-profit company responsible for ensuring that Qantas Super is operated as a regulated superannuation fund in accordance with the requirements of the *Superannuation Industry (Supervision) Act 1993*.

¹ [Anti-Slavery Australia](#), the only specialist legal practice, research and policy centre committed to the abolition of modern slavery in Australia

We are responsible for ensuring that Qantas Super is operated in accordance with Qantas Super's Trust Deed and Rules and all relevant laws and regulations. The Trustee Board consists of five directors who are nominated and elected by members, and five directors who are appointed by QAL.

The day-to-day management of Qantas Super is delegated to the Chief Executive Officer and the other employees of the Trustee. The core functions of the Trustee's employees are administration and oversight of investments, member account administration, communications and marketing, risk management and compliance and the management of outsourced service providers.

The Trustee (and Qantas Super) is domiciled in Australia and our headquarters are in Mascot, Sydney. The Trustee employs 37 permanent and contract staff across a variety of professional roles all of whom are based in Australia.

The Trustee Board is accountable for the modern slavery program and for this MSS.

Our MSS covers the Trustee, Qantas Super and their controlled entities (see note 20(e) in the Qantas Super's Financial Statement for FY22/23). These controlled entities do not employ employees and are used solely to facilitate our investment with external investment managers (our investments with external investment managers are discussed below). Consultation with the controlled entities occurs as part of the approval and adoption process for the MSS.

Our supply chain

Our key suppliers include our administrator, custodian, insurance provider, investment managers and shared services. Shared services such as cleaning services, technology support and payroll services are maintained by QAL. QAL has a comprehensive MSS which details its management of modern slavery risk in its operations and supply chains.

Most of our other suppliers and contractors (other than investment managers) with whom we have a direct relationship are either located in Australia or are global businesses, with significant operations in Australia. Our investment managers are geographically diverse.

Our investments

We believe that environmental, social and governance (ESG) factors can impact investment risks, returns and reputation and contribute to the Trustee's ability to deliver sustainable growth for the benefit of members. We consider modern slavery, labour related issues and human rights more broadly to be part of the 'social' considerations of ESG.

Our investment portfolio includes investments in equities, alternatives, fixed interest and cash. We partner with more than 30 investment managers to manage investments via unit trusts and discrete mandates. Each investment manager is allocated a portion of Qantas Super's assets to manage based on its specialist skills and the Trustee regularly monitors each manager's activities.

Through these investment managers, we invest in more than 50 countries, and into all key sectors of the global economy; for example, we invest in professional and financial services, energy, food, beverage and agriculture, materials, infrastructure and more. Further information on our investments is set out in our Product Disclosure Statement, our Investment Guide and our Portfolio Holdings Disclosure, all of which are available on our website. Information about the allocation of assets to each investment manager is provided in our Annual Report each year.

Our approach to modern slavery

The Trustee recognises that unfortunately, forced labour and modern slavery practices potentially exist in the operations or supply chains of many businesses, in every region of the world.

Our approach to modern slavery encompasses three key principles:

- **Accountability** - the Trustee acknowledges its responsibility under the MSA and understands that, as a procurer of many goods and services and as an institutional investor, modern slavery may occur in our business operations, our supply chains and our investment portfolio.
- **Transparency** - we are committed to being open and transparent with all our stakeholders to shine a light on where the Trustee is on this journey to end modern slavery.
- **Continuous improvement** - we are committed to the continuous improvement of our modern slavery risk assessment approach.

Our risk assessment approach

Our approach to addressing modern slavery risks in FY22/23 focused on collecting information from all our service providers to better understand areas of their operations where modern slavery risks are higher. This was achieved by requesting all our service providers complete a comprehensive questionnaire covering their operations, processes and general governance of modern slavery risks. For our service providers that are investment managers, we asked additional questions and collected additional information on our investments.

Our risk assessment approach is focused predominantly on the potential risks to people of modern slavery rather than risks to Qantas Super or the Trustee, and considered the potential risks that may possibly cause, contribute to or be directly linked to modern slavery practices.

Specifically, with respect to modern slavery risks associated with our investments, we are focused on the risk to people associated with those investments, not on the risk to the portfolio or the actual businesses themselves.

The considerations in undertaking risk assessments were in three key areas:

Operations

We considered the current business operations of the Qantas Super executive office.

Supply Chain

We considered and mapped our supply chain of direct suppliers to establish a baseline for identifying this risk. We have a total of 67 suppliers, including investment managers, across multiple countries.

Investments

We considered the current 31 investment managers investing in four major asset classes across more than 50 countries. And the robust due diligence process that is undertaken prior to making any investment decision, along with ongoing reviews and assessments to constantly monitor changes within our investment portfolio.

Risk assessment outcomes

Operations

The assessment identified the business operations of the Qantas Super executive office as low risk given the nature of our work and the office being in Australia.

Our whistleblowing arrangements allow employees and third parties to report any concerns regarding unethical or illegal conduct, including in relation to modern slavery. Employees can report concerns to their manager or, if they wish to remain anonymous, employees and third

parties are able to report through our independently operated whistleblower system via phone, email or an online portal.

Supply Chain

When assessing the responses to the questionnaire we issued to all our suppliers we discovered 52% of them, including all our material outsourced service providers, have their own modern slavery statement. Further 91% of all our suppliers have a modern slavery policy that governs how they assess and manage modern slavery risks and impacts in their business operations. Where these statements or policies were available, we have relied upon them.

For our suppliers that did not have a modern slavery statement or modern slavery policy, we have sought to gain an understanding of the controls they have in place to address the risk of modern slavery in their operations. We also requested an attestation that they do not participate in modern slavery, which we received in all cases.

For all our suppliers we asked additional information around their approach to governing modern slavery in their operations. Specifically, we enquired if they only assessed modern slavery risk in their direct business operations, or whether they extended it to their supply chains also. The responses showed that 85% of our suppliers did assess modern slavery risk in their supply chains.

These measures will continue as part of our modern slavery program in future years, and we will continue to work with all our suppliers to continually improve their approach to modern slavery.

The governance status of our supply chain is summarised in the table below:

| | Yes | No |
|--|------------|-----------|
| Suppliers that publish their own modern slavery statement | 52% | 48% |
| Suppliers that have a policy or process that governs how they assess and manage modern slavery risks and impacts in their business operations | 91% | 9% |
| Suppliers that do not have a modern slavery statement or modern slavery policy, but have provided confirmation their organisation does not participate in modern slavery | 100% | 0% |
| Suppliers that assess and manage modern slavery risks and impacts in their supply chain specifically | 85% | 15% |

Investments

For our suppliers that are investment managers we asked a host of additional questions around how they assess modern slavery risk in the businesses they invest in on behalf of Qantas Super Members.

The outcomes of the additional questions posed to our investment managers are summarised in the table below:

| | Yes | No |
|--|------------|-----------|
| Investment managers that assess modern slavery risks in the businesses they invest in | 87% | 13% |
| Investment managers that recorded or reported any incidents of modern slavery in the past 12 months (either internally, through public disclosure or to regulators or other authorities) | 3% | 97% |

Where our investment managers have recorded or reported incidents of modern slavery, we have continued to engage with them to understand the remediation and outcome.

For our investments we did additional analysis focused on understanding the modern slavery risks within listed equities, which represent approximately 40% of our \$8.5 billion of assets under management. We did this through engagement with Walk Free to understand and leverage their published data, which has been compiled by statisticians, criminologists, lawyers, and international development experts.

The map below displays estimated prevalence of modern slavery per 1,000 people by country:

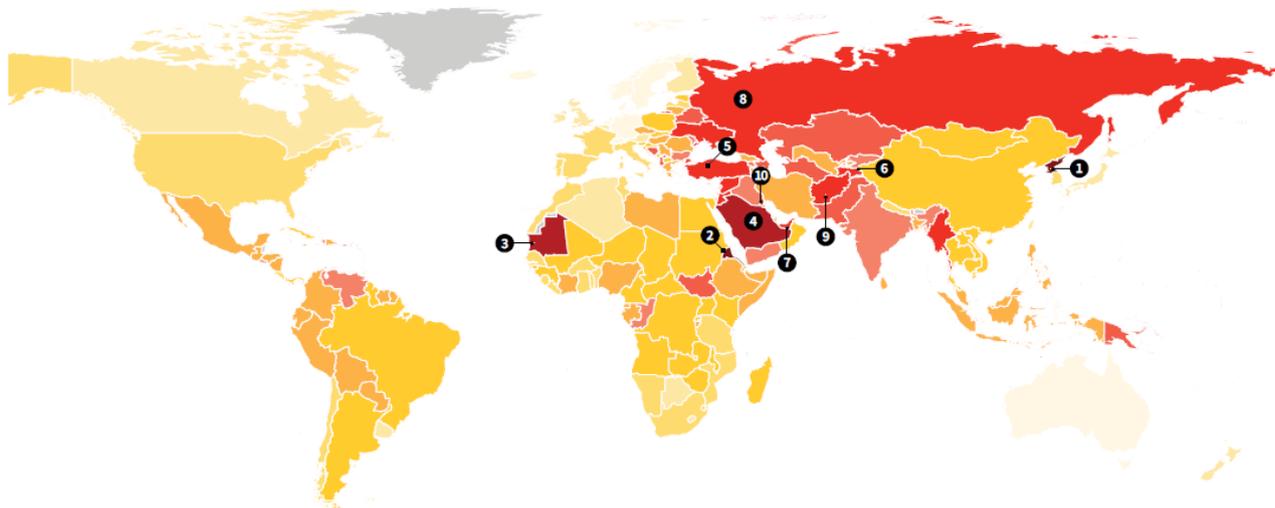


Figure 5
Estimated prevalence of modern slavery by country
 (noting estimated prevalence per 1,000 population for the 10 countries with highest prevalence)



| Rank | Country | Prevalence |
|------|----------------------|------------|
| 1 | North Korea | 104.6 |
| 2 | Eritrea | 90.3 |
| 3 | Mauritania | 32.0 |
| 4 | Saudi Arabia | 21.3 |
| 5 | Türkiye | 15.6 |
| 6 | Tajikistan | 14.0 |
| 7 | United Arab Emirates | 13.4 |
| 8 | Russia | 13.0 |
| 9 | Afghanistan | 13.0 |
| 10 | Kuwait | 13.0 |

Source: <https://www.walkfree.org/global-slavery-index/map/>

Building on the Walk Free prevalence estimates we evaluated our Australian and international listed equity exposures by country. The results of our top 10 largest exposures by country are provided in the table below:

| Country | Prevalence/1000 | Exposure | Score |
|--------------------------|-----------------|--------------|-------------|
| Australia | 1.61 | 41.68% | 0.67 |
| United States of America | 3.30 | 35.42% | 1.17 |
| Japan | 1.14 | 3.67% | 0.04 |
| Hong Kong | 2.76 | 2.27% | 0.06 |
| India | 8.01 | 1.97% | 0.16 |
| Taiwan | 1.69 | 1.82% | 0.03 |
| United Kingdom | 1.80 | 1.59% | 0.03 |
| France | 2.06 | 1.48% | 0.03 |
| Canada | 1.83 | 1.39% | 0.03 |
| South Korea | 3.50 | 1.24% | 0.04 |
| | | Total | 2.26 |

This analysis shows that across our top 10 countries by exposure, we have an estimate prevalence score of 2.26 people per 1,000 being exposed to modern slavery. When we expanded our analysis across our entire listed equity holdings the prevalence score increased to 2.49 people per 1,000 being exposed to modern slavery.

Separate analysis of our listed equity holdings as at 30 June 2023 identified seven companies that failed one or more modern slavery-related screens, and of these, one was new during the reporting period. The Trustee will continue to monitor these companies and their responses to these modern slavery concerns.

Lastly, we use Institutional Shareholder Services (ISS) for its end-to-end proxy voting solutions across the listed equity investments. ISS applies its corporate governance views and identifies environmental, social and governance risks, including modern slavery risk, to our voting needs on a global basis which the Trustee believes has a positive influence on these companies.

We believe, based on this analysis, that Qantas Super's exposure to Australian and international equities delivers a low to negligible risk to modern slavery.

Measuring effectiveness

While there's extensive work being undertaken at a global level to understand and value respect for human rights, there are currently no fundamental units of measurement or international standards for measuring human rights impact. This is a complex issue that presents a challenge for all organisations in terms of providing credible measurements as to their effectiveness in addressing modern slavery risk. Our focus to date has been on the development of management systems and controls.

Action Plan

The Trustee is committed to continually improving our approach to managing modern slavery risks and looking ahead we will seek to:

- Continue to engage with all suppliers and encourage them to produce a modern slavery statement and/or implement a modern slavery policy;
- Continue to engage with all suppliers to encourage them to assess modern slavery risk within all their supply chains;
- Widen our analysis across all of the assets held by Qantas Super;
- Increase our focus on sector-based risks in addition to geographic risks;
- Continue to engage with investment managers that do not currently assess modern slavery risks in their investments to support improvement in this area;
- Continue to engage with suppliers that have recorded incidents of modern slavery to understand their responses and remediation; and
- Continue to develop a framework to monitor the effectiveness of our actions to address modern slavery.

This statement has been endorsed by the Board of Qantas Superannuation Limited.

John Atkin

John Atkin
Chair of the Board

Michael Clancy

Michael Clancy
Chief Executive Officer