

Modern Slavery and Human Trafficking Statement 2022

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 2022 (FY22). 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 protect and 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 the FY22.

Key initiatives in FY22:

- Assessed modern slavery risk through due diligence process and on-boarding of material service providers, and included modern slavery clauses in new contracts

- 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.



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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 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 together we find a way.

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 to provide super and retirement benefits for employees and former employees of the Commonwealth Bank Group (the CBA Group) and their spouses. Commonwealth Bank of Australia (CBA) is the principal employer of the fund.

The fund was established in 1916 and provides both defined benefit and accumulation benefits. It has grown to look after more than 68,000 members and pensioners and around \$12 billion savings on their behalf, making us one of the largest corporate super funds in Australia.

The trustee

The Trustee of the fund is The 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 forms part of the CBA Group as a subsidiary, however, produces its own 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.

Controlled Entities

As at 30 June 2022, the fund held three investments in which it has significant influence or control. As a result these investments are classified as controlled entities.

Name of Controlled Entity	Structure	Location	Ownership Interest %
OSF Southern Way Unit Trust	Unit Trust	Australia	100%
Amarok Holdings AS	Limited Liability Company	Norway	75%
Nanook Invest AS	Limited Liability Company	Norway	75%

The controlled entities are not operating businesses and are used solely to hold specific infrastructure investments for the fund in Australia and overseas.

The Trustee is not the trustee of these three investment entities, instead third-party unrelated entities are responsible for the management and operation of these investment entities. These entities are Southern Way OSF Pty Limited and Intertrust AS.

As at the date of approval of this Statement, only OSF Southern Way Unit Trust remains a controlled entity.

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.

Our fund offers 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 also offers insurance to eligible members.

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

Our supply chains

The fund partners with more than 40 suppliers to help us deliver services to our members. The main types of services we procure are:

- 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, are based in Australia. In FY22, a small number of our supplier contracting entities are located outside of Australia in the United States of America, United Kingdom, and Hong Kong. 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.

Our 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

strive 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

The fund's assets are managed by over 25 external investment managers, in either discrete mandates or unit trusts. The fund is invested across asset classes including Australian and international shares, bonds, cash, property and infrastructure.

The fund also invests 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.

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

Our year three, FY22, risk assessment finding is that the Trustee's risk of modern slavery continues to be inherently low 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 FY20 & FY21 risk assessment 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 that are rated low for prevalence of modern slavery as per the Global Slavery Index¹. In FY22, we determined that this continued to be the case.

For the FY22 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 FY22 was to continue to engage with investment managers who hold investments in high risk asset classes and engage with service providers we on-boarded through the year to confirm compliance with the MSA.

We found that all of our suppliers, including investment managers, are aware of the MSA, including some 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 compliance 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 risk assessment 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 will use the assessment process as a learning on modern slavery exposure.

For our controlled entities

The operational and supply chain risk of these entities are negligible because they are investment purpose vehicles that do not have staff or suppliers. The underlying investment activities of the controlled entities were captured in our investments risk assessment and activities, covered below, which included engagement with the investment manager managing the controlled entities 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 FY22, we identified there were minimal changes to our asset class structure or to investment managers. There was no impact to our previous risk assessment which has remained the same with some investment managers with investments in high- risk asset classes (i.e. international shares, property, infrastructure and credit) which continues to drive engagement in our modern slavery program including throughout FY22.

Risk assessments were conducted on our directly owned property and infrastructure assets including those of the controlled entities, 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 2018.

Actions that mitigate modern slavery risks

Whilst 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 Trustee’s position on modern slavery and Trustee’s 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 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 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 Protection 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.

Training

The Trustee ensures that the executive management team know how they should behave, and how to raise an issue, through specific modern slavery training completed in FY20 and the CBA mandatory learning programs for Code of Conduct, workplace conduct, financial crime, privacy, whistleblowing, and health, safety and wellbeing.

In March 2022, the CBA Group also launched a new online Environment and Social Hub which is a central location to access information and to provide important information on how to identify modern slavery and access learning which the Trustee and executive management team can utilise.

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 FY22 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;
- assessing modern slavery risk through the due diligence and on-boarding of material service providers, and including modern slavery clauses in new contracts;
- engaging in regular discussions with investment managers and emphasising the importance of modern slavery risk management within the investment portfolios they manage;
- reviewing of 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 modern slavery 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 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. The Trustee will continue to use this information to inform our actions and future engagements.

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.

Raising Concerns of Modern Slavery

The Trustee has adopted CBA's grievance mechanisms, including the Whistleblower Policy. CBA has taken steps to make reporting of modern slavery related incidents available to a wide range of people including employees, contractors, customers/members and suppliers.

SpeakUP Program

The SpeakUP Program is the formal whistleblowing process at the 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, 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.

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.

For the first reporting year, the trustee 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, we will undertake further work in future years to enhance arrangements for identifying, assessing and addressing modern slavery risks in our operations and supply chain, including investments.

In the second reporting year, the effectiveness of our mitigation actions was considered through:

Supplier engagement: All new on-boarded suppliers included considerations of modern slavery risk management and contract obligations.

For existing suppliers, 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.

Coverage, receptiveness and response: We analysed 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 enabled the trustee to then target the highest risk asset classes within the investment portfolio and commence a phased, risk-based approach to engaging with the investment managers managing those high risk asset classes.

The COVID-19 pandemic did not significantly impact the Trustee's ability to identify and address its modern slavery risks in operations, supply chains and investment activities during the three year reporting years.

In the third reporting year of our three year action plan, the effectiveness of our mitigation actions was considered through:

Supplier engagement

We achieved a high response rate to our modern slavery risk questionnaire, which indicates well-managed relationships and good communications with our suppliers.

Effectiveness measure	Supplier progress
Response rate to modern slavery questionnaire	100%

- 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.

Consultation with controlled entities

The annual income of each of the three controlled entities, in particular the Australian-domiciled controlled entity, does 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 each of our controlled entities in the preparation of this Statement.

Next steps

Our program of work is iterative and we will continue to build on the foundations of work we have conducted in FY22.

As we assess the risk of modern slavery, implement programs to manage that risk, and determine the effectiveness of these solutions, we continually strive to refine our practices to better address modern slavery risks.

Our priority for the next reportable period is to continue to engage with investment managers who have been identified to hold investments in high risk asset classes.

This Statement will be updated annually.

This Statement was approved by the Board of the Commonwealth Bank Officers Superannuation Fund Pty Ltd on 8 December 2022.



Rosemary Vilgan

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



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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 2022 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).	7
Any other information that the reporting entity, or the entity giving the statement, considers relevant.	7-8