

Modern slavery and human trafficking statement 2021

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 2021 (FY21). 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 to address gaps.

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 FY21.

Key initiatives in FY21:

- Integrate modern slavery into our Environmental, Social and Governance (ESG) Policy and approach
- Finalise re-negotiation of existing service provider contracts to include modern slavery clauses
- Engage with service providers to better understand their approach to addressing modern slavery risk at their supply chain level and at the investment activity level, especially investment managers with investments in high-risk asset classes
- Continue to improve risk identification and assess service provider compliance against contractual requirements, including 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 ESG Policy sets out our commitment to managing the risk of modern slavery, which includes:

- actively 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
- complying and reporting under our obligations of the MSA.



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How we conduct business

The Trustee has adopted Commonwealth Bank of Australia's (CBA's) Code of Conduct, 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 customers/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 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.

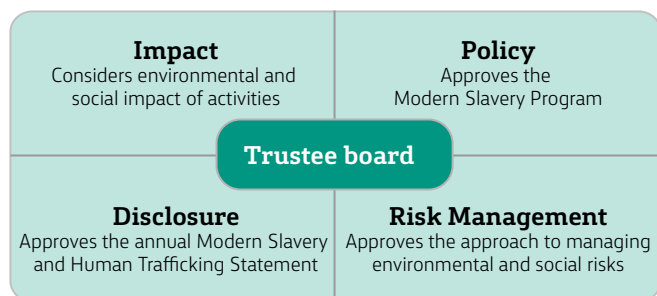
Governance

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

Our structure

The Fund

The Fund is a non-public offer super 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 72,000 Members and around \$12 billion of 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 implementing the Modern Slavery Program and ensuring compliance within business activities.

The Trustee is part of the CBA Group, 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

The Fund holds 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.

Our 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.

The Fund provides 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 investment management, to a range of specialist service providers.

Our supply chains

The Trustee 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 majority of our suppliers, including investment managers, are based in Australia. A small number of our suppliers are located outside of Australia in the United States of America, United Kingdom and Hong Kong.

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/fundinfo.

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 investment managers and other material service providers, 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's assets are also directly invested 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 two, FY21, 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 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 FY21 we determined that this continued to be the case.

For the FY21 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 suppliers discussed their approach to modern slavery risks.

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.

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 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

The FY20 investments risk assessment identified investment managers with investments in high-risk asset classes. These included international shares, property, infrastructure and credit.

In FY21 we reviewed our investment portfolio and identified there were minimal changes in asset classes or to investment managers, with one additional high-risk rated asset class manager, during the reporting period and therefore re-affirmed the results of the FY20 risk assessment, which continue to drive engagement in our modern slavery program including throughout FY21.

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.

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

In FY21, we introduced a fund-wide ESG Policy, not solely investment-related, and specifically incorporated modern slavery considerations, in particular our approach for managing modern slavery risk.

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 on the following page.

1. Walk Free Foundation's Global Slavery Index 2018

Policy	Description
Trustee Governance Framework	Sets Trustee’s position on modern slavery and Trustee’s expectation of service providers regarding modern slavery impacts
CBA Code of Conduct	Sets expectations on how to act, solve problems and make decisions. It applies to the CBA Group, including to the Trustee Board, executive management team and any contractors .
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.
CBA 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.
Environmental, Social and Governance (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.

Training

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

The Trustee Board and executive management team completed specific modern slavery-related training in FY20 with an expectation this will be completed on a biennial basis.

The CBA Group has a program of work underway to review the CBA Group-wide capability training requirements for environmental and social issues. It is expected that this review will deliver new training materials, which will also cover modern slavery, which the Trustee plans to 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 – which we began to do in FY20 and completed in FY21.

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 FY21 we reviewed compliance with the 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 questionnaire about their structure, operations and actions in relation to modern slavery risks;
- engaging in regular discussions and emphasising importance of modern slavery risk;
- 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. 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 and policies, gain greater transparency over supply chains, and rectify and remediate issues when they occur in the investments they manage.

We worked with investment managers 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 processes in place to mitigate modern slavery risks.

These managers provided us with more detailed insights into their assessment arrangement and existing 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 use this information to inform our actions and future engagements.

The primary approach to managing modern slavery risk in our controlled entities was to engage with the relevant investment manager to better understand their approach and encourage continuous improvement.

Grievance mechanisms and remedy

The Trustee has adopted CBA's grievance mechanisms, including the Whistleblower Policy. Areas of improvement are planned to be implemented by the CBA, including communication of mechanisms and training for staff.

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 and SpeakUP Online, as well as the Group Whistleblower Policy, underpin the SpeakUP Program.

Concerns can be raised by Trustee Directors and the executive management team via these reporting channels.

Reportable Conduct includes conduct that is considered dishonest, fraudulent, corrupt, illegal, unethical, a breach of internal policy, dangerous or any breach of law.

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 first and second reporting years.

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.

During 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 FY21.

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 Trustee Board of the Commonwealth Bank Officers Superannuation Fund Pty Ltd on 9 December 2021.



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 Australian Modern Slavery Act 2018. The following table references the content in this Statement, which complies with section 16 of the Australian legislation.

Modern Slavery Act Mandatory Criteria	Modern Slavery and Human Trafficking Statement 2021 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	4-6
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.	6