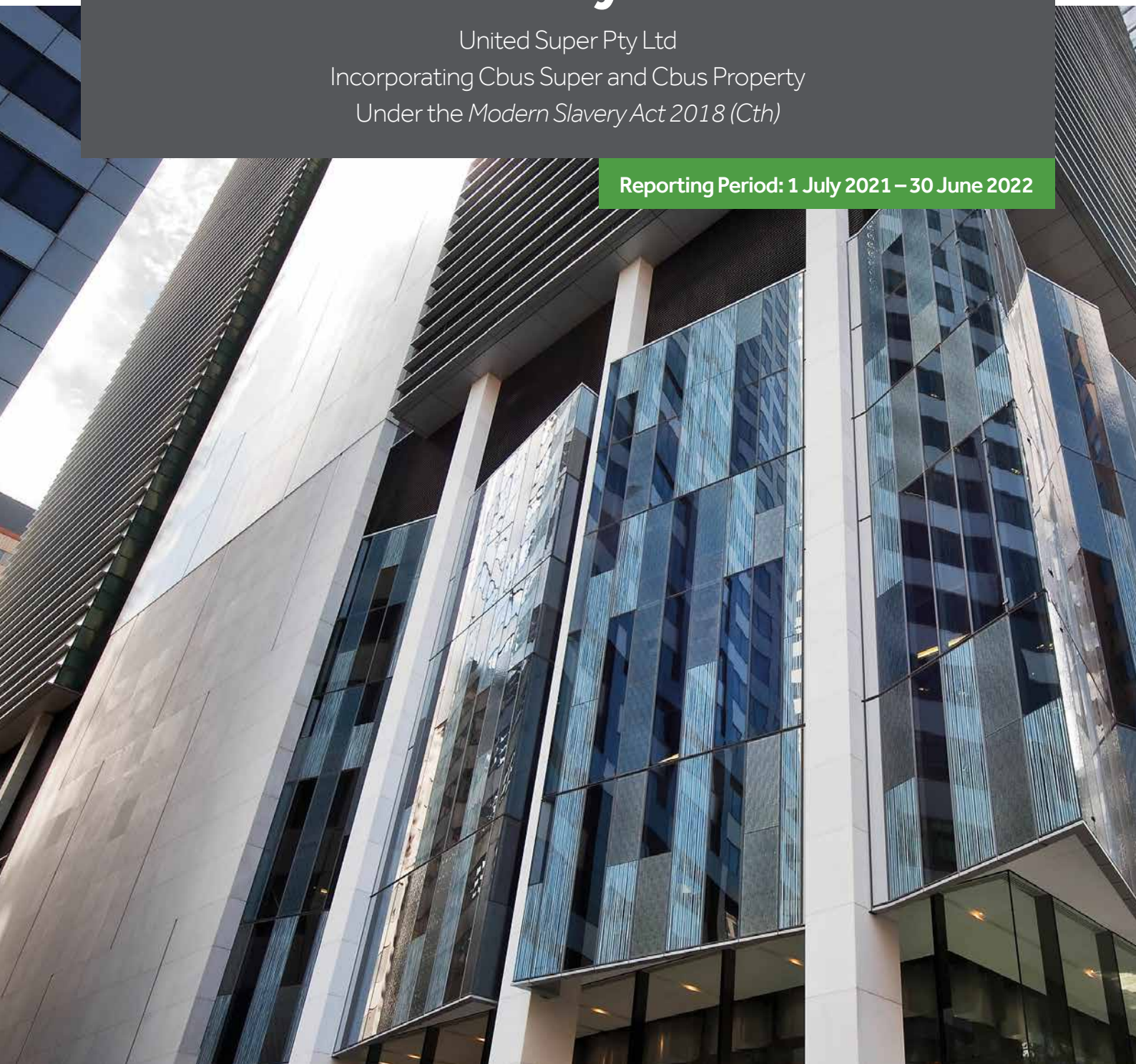
Modern Slavery Statement

United Super Pty Ltd
Incorporating Cbus Super and Cbus Property
Under the *Modern Slavery Act 2018 (Cth)*

Reporting Period: 1 July 2021 – 30 June 2022



This Modern Slavery Statement is issued by United Super Pty Ltd as Trustee for the Construction and Building Unions Superannuation Fund (Cbus incorporating the Media Super brand) and Cbus Property Pty Ltd and its managed entities (Cbus Property).

Please refer to our current Financial Statement, available at **cbussuper.com.au/about-us/annual-report** for further detail.

This statement has been approved by the board of United Super Pty Ltd as Trustee of the Construction and Building Unions Superannuation Fund.

Signed:



Wayne Swan
Chair, United Super Pty Ltd
Date: 25 October 2022

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Part 1: Executive summary

This Modern Slavery Statement is made pursuant to the requirements of the *Modern Slavery Act 2018* (Cth) ("**the Act**") in respect to the period 1 July 2021 to 30 June 2022 ("**Reporting Period**").

This is Cbus' third Modern Slavery Statement with Cbus Property under the Act and its first post its merger with Media Super.

The Media Super merger with Cbus was completed by a Successor Fund Transfer on the 9 April 2022 meaning Media Super ceased to exist as a "reporting entity" at that time. All of Media Super's members, their superannuation funds, the trustee powers and duties, investment activities, suppliers and operations transferred to Cbus or ceased at that date, with the exception that the Media Super brand has been maintained. This statement pertains to those transferring Media Super operations for the period 9 April 2022 to 30 June 2022 only.

This statement builds upon the foundations for addressing modern slavery established during Cbus and Cbus Property's 2020 and 2021 Reporting Periods.

We have continued to use the reporting process pursuant to the Act to develop, implement and continually improve our approach to manage and mitigate modern slavery in our operations and supply chains, both direct and indirect. This includes adopting the activities outlined in our previous roadmaps into our business processes whilst escalating key focus areas for deeper exploration, with the aim of driving new initiatives.

For this Reporting Period, we again engaged an external subject matter expert to undertake a modern slavery risk assessment of our Tier 1 suppliers and to provide theoretical, industry and geographic based predictive mapping of our Tier 2 to Tier 10 supply chains. We used the findings of their 2021 assessment to identify suppliers with heightened modern slavery risk, and we then engaged with those suppliers regarding their approach to identification and mitigation of modern slavery risks.

We acknowledge that the Global Slavery Index, a central reference relied upon to identify slavery risk, is scheduled to be updated in late 2022 and we will refresh our supply chain risk assessment against this new data in the 2023 Reporting Period.

No actual or suspected incidents of modern slavery were identified in our supply chains or operations, or those of our owned or controlled entities during the current Reporting Period. However, we recognise that there will continue to be risks of modern slavery in our supply chains and operations given their reach.

In response, we have incorporated modern slavery questions and clauses into our due diligence processes and supplier contracts and provided specific training on modern slavery to our procurement teams. We continue to collaborate with industry participants to further develop our risk assessment, raise awareness and strengthen due diligence in deeper supply chains.



The following is a brief summary of some of the key activities that we have undertaken during the Reporting Period:

- Continued collaboration with ACSI, Federated Hermes EOS and AIST/APAC to engage listed companies in which we invest in discussions regarding modern slavery.
- Working with one of our Tier 1 suppliers, Link Group, to identify risks in deeper tiers of supply chains.
- Engaging with external emerging markets fund managers with portfolios assessed as potentially higher risk.
- Implementing a program of Self-Assessment Questionnaires (SAQs) with Cbus suppliers with the highest theoretical risk of modern slavery.
- Embedding modern slavery due diligence into procurement processes.
- Developing best practice modern slavery clauses or frameworks for implementation or use in key supplier contracts.
- Working on specific projects to perform a deeper dive in identifying modern slavery risks in property development supply chains.
- Continuing to expand the Cleaning Accountability Framework (CAF) Certification across the Cbus Property portfolio.
- Cbus Property implemented a Modern Slavery Governance and Reporting Framework.
- Approving and adopting Human Rights Policies.
- Adopting a Modern Slavery Risk Framework.



Part 2: Structure, operations and supply chains

The reporting entities covered by this statement are:

- United Super Pty Ltd (ABN 46 006 261 623) as the Trustee for Construction and Building Unions Superannuation Fund
- Construction and Building Unions Superannuation Fund (ABN 75 493 363 262)
- Cbus Property Managed Entities:
  - Cbus Property Commercial Unit Trust (ABN 71 303 520 778)
  - Cbus Property Bent Street Unit Trust (ABN 46 568 799 760)
  - 1 William Street Unit Trust (ABN 15 759 350 663)
  - Cbus Property Residential Operations Unit Trust (ACN 119 830 956)
  - Langston Place Unit Trust (ABN 50 757 701 838)

Other related and controlled entities that are covered by this Statement are:

- Cbus Property Pty Ltd (ABN 48 115 826 741) and
- all other entities managed by Cbus Property Pty Ltd (as listed in the financial supplement to the Annual Report, the United Super Pty Ltd Annual Report at **cbussuper.com.au/aboutus/annual-report**).

For the purposes of clarity in this statement, the reporting entities listed above and the related and controlled entities listed above are owned[1] and controlled by the Construction and Building Unions Superannuation Fund. As such, they (together with the Construction and Building Unions Superannuation Fund) are referred to collectively as "**Cbus**". Where it is necessary to differentiate them:

- the Construction and Building Unions Superannuation Fund is referred to as "**the Fund**";
- the Trustee Office of the Construction and Building Unions Superannuation Fund (excluding Cbus Property but including the Media Super brand) is referred to as "**Cbus Super**"[2]; and
- Cbus Property Pty Ltd and its managed entities are referred to collectively as "**Cbus Property**"[3].

Cbus is a public offer, industry superannuation fund. Cbus is run on an all-profit-to-member basis. It holds and invests its members' superannuation contributions during their working lives and provides income streams to them in retirement; provides members' with life, total and permanent disablement, terminal illness and income protection insurance; provides members with advice and education; and provides various other services to members and contributing employers to assist them engage with, administer and maximise their superannuation and retirement outcomes.

Cbus trustee, United Super Pty Ltd, is a private company, managed by a Board of Directors. The Board is constituted by an equal representation of member and employer associations, with two independent directors. The Trustee Board is ultimately responsible for the sound and prudent management of Cbus' business operations.

Cbus Property is a wholly owned subsidiary of the Fund. It operates under an Investment Management Agreement to develop and sell, or hold, Cbus' direct property investments. Cbus Property has its own Board composed of three independent Directors and four nominated Directors from United Super Pty Ltd.

The property investments are held via a number of Investment Holding Trusts (Managed Entities). The direct operations of all managed entities are entirely Australia-based. A complete list of entities managed by Cbus Property can be found in the financial supplement to the Cbus Annual Integrated Report, at **cbussuper.com.au/about-us/annual-report**.

1. Note that for William Street Trust, the Construction and Building Unions Superannuation Fund owns 50 per cent of the units, but 100% of the trustee company.
2. This covers the Reporting Entity the Construction and Building Unions Superannuation Fund, and related entities United Super Pty Ltd as the Trustee for Construction and Building Unions Superannuation Fund and USAM Investments Pty Ltd.
3. This covers the Reporting Entities Cbus Property Commercial Unit Trust, 1 William Street Unit Trust, Cbus Property (Bent Street) Unit Trust, Cbus Property Residential Operations Unit Trust and Langston Place Unit Trust, and Cbus Property Ltd which manages those Reporting Entities. It also covers all entities managed by Cbus Property Pty Ltd.

All entities managed by Cbus Property are established solely to undertake development of or hold each property in accordance with the direction of Cbus Property. The Managed Entities are subject to Cbus Property policies, systems and management including oversight by the Cbus Property Board, Cbus Property has addressed the mandatory criteria on behalf of all Managed Entities.

The Fund controls Cbus Property and consultation has been undertaken with Cbus Property in the preparation of this Statement.

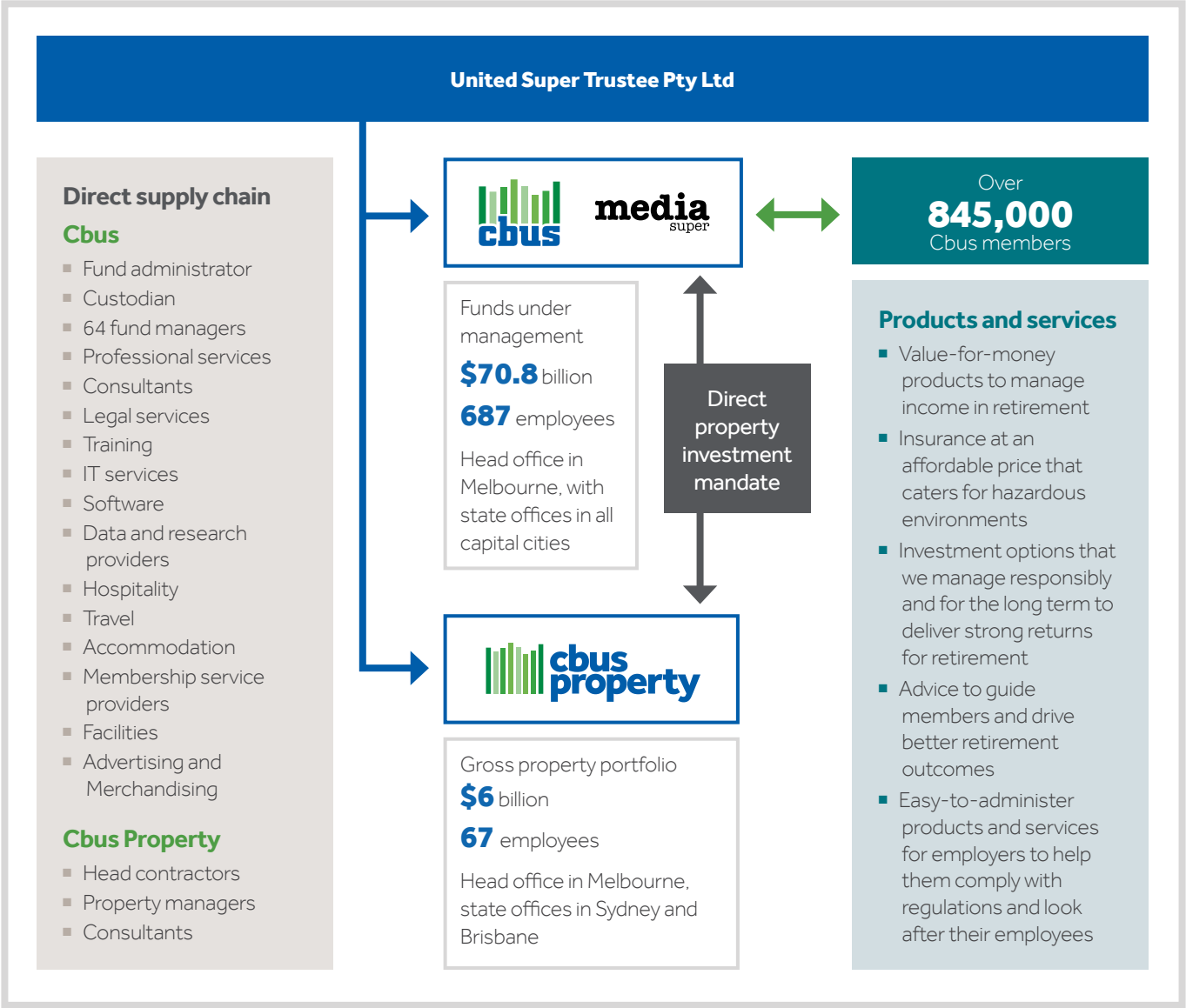
Cbus' structure and operations mean that three related operational units are responsible for the organisation's procurement and investments and are therefore responsible for identifying, assessing and addressing issues relating to modern slavery risk. These units are:

- Cbus Procurement;
- Cbus Investments; and
- Cbus Property

Who we are and what we do

We create value for our members by investing their superannuation contributions, returning all profits to them, and providing solutions for a dignified retirement.

Our core business activities include:



Cbus Super

Cbus Super's direct workforce is comprised of professional employees with specialised skills in an array of areas including financial services, managerial and administrative work. Cbus Super has 687 employees (as at 30 June 2022), who are located in all capital cities with our head office located in Melbourne. The Cbus Super workforce terms and conditions are governed and protected either by Enterprise Bargaining Agreements (Cbus Super non-executives), or individual contracts (Cbus Super Executives).

Cbus invests globally through a range of asset classes, using different investment strategies to invest directly and indirectly in a range of business sectors. This means Cbus' investments are exposed to many different parts of the global economy.

Our supply chains

Cbus Super – Procurement

Cbus Super has approximately 600 direct suppliers in its supply chain including: custodians, membership administrators, insurers, professional services providers, consultants, legal service providers, trainers, IT service providers, software, data and research providers, hospitality service providers , travel, accommodation, cleaning service providers, merchandisers, advertisers, and utilities and office facility managers.

Our Tier 1 suppliers are largely located in Australia and in service-based industries, as demonstrated in the Risk Tier graph in Part 3 of this Statement. We appreciate that a number of our Australian suppliers have global supply chains and source their products from other jurisdictions.

Cbus Super – Investments

In relation to our investment supply chain, Cbus Super has 37.6% (including Cbus Property) of its investment portfolio managed internally or in a hybrid structure. Of our directly managed investments:

- our cash and credit exposure is in Australia;
- our fixed interest exposure is in Government and semi-Government exposures in Australia, and in Government exposures in the US, UK and Canada, and is passive exposure to predefined customised benchmarks;
- infrastructure assets include minority holdings in renewable energy, ports and toll roads in Australia, the UK and the US;
- our Australian and global direct equities include minority holdings that change over time;
- our private equity exposure is through minority holdings in strategic investments in Australia; and
- our direct property investment is undertaken in Australia (primarily through Cbus Property), with one additional minority property holding.

The majority of our investments (62.4%) are managed externally through 64 external fund managers. These fund managers are headquartered in Australia, Canada, Denmark, France, New Zealand, Switzerland, UK and USA.

Cbus Property

Cbus Property is responsible for the strategic performance and management of all aspects of Cbus' direct property investment business, including major investments and developments in the commercial, residential and retail sectors. The property portfolio currently exceeds $6.0 billion, with a further $5.0 billion of development work 'in hand', making Cbus Property one of Australia's leading integrated property investors.

Cbus Property has 67 permanent employees (as at 30 June 2022), who are located throughout our offices in Melbourne, Sydney and Brisbane. The Cbus Property workforce terms and conditions are governed and protected by individual employment contracts. Cbus Property outsources the property management of its commercial office and retail properties to specialised service providers, which are governed by Property Management Agreements.

Our supply chains

Cbus Property

Cbus Property's direct suppliers include builders, property managers and consultants. These service providers enable us to deliver value from our development projects and commercial office and retail investments.

Developments

Head contractors typically operate under 'design and construct' contracts and control the procurement of the goods and services of Cbus Property's indirect supply chains. This includes building materials, design consultants, labour services and trades to deliver the development under the contract specifications.

Commercial Offices and Retail

Cbus Property outsources the management of its commercial office and retail properties to specialised property managers. Property management involves the procurement of a range of goods and services that support the operation and maintenance of the commercial (or retail) building, including cleaning, security, landscaping services, building maintenance and repairs, replacement plant and equipment, utility services, waste services and office consumables.

Cbus Property's direct supply chain includes approximately 500 suppliers. Cbus Property's indirect supply chains, particularly in relation to building and construction contractors, is characterised by a global web of building materials and labour services. We recognise that, particularly in the deeper tiers (such as building materials, equipment, and manufactured products from overseas), this supply may originate from jurisdictions with significant modern slavery risk.

Part 3: Modern slavery risks in our operations and supply chains

Having established a benchmark in the 2021 Reporting Period, this year we again utilised a single platform to assess modern slavery risk across the Cbus group using a consistent risk methodology to identify, assess and contrast risks.

No actual or suspected incidents of modern slavery were identified in Cbus' supply chains or operations, or those of our owned or controlled entities during the 2022 Reporting Period.

Our external subject matter expert again undertook a modern slavery risk assessment of our Tier 1 suppliers, based on end of financial year 2022 (FY2022) data, and provides theoretical, industry and geographic based predictive mapping of our Tier 2 to Tier 10 suppliers.

The assessment methodology uses spend, investment and geographical data of our Tier 1 suppliers to model the theoretical modern slavery footprint of their supply chains and uses a consistent set of metrics to quantify modern slavery risks, including relative risk per tier, risk by country of origin and risk per dollar.[4]

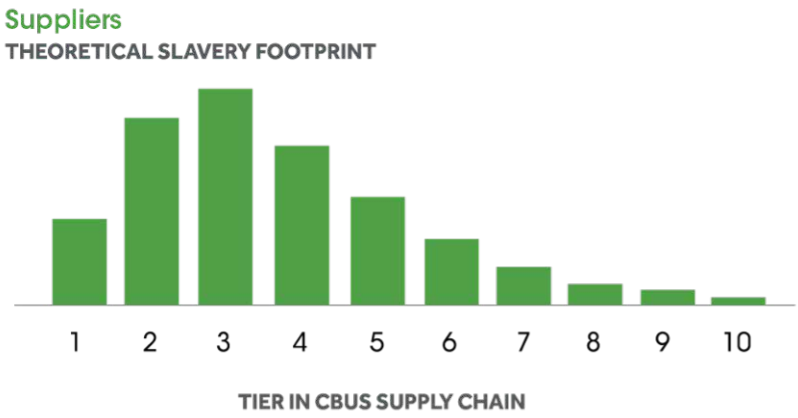
The risk assessment provides a holistic review across each operational unit, whilst providing a basis for potential individual actions to be undertaken in relation to specific suppliers (or suppliers falling within industry categories). Interrogation of the assessment of our FY2022 suppliers provides us with a focus for further actions over the next Reporting Period (FY2023).



4. A detailed description of the risk assessment methodology is set out in Appendix B of this report.

2022 Risk Assessment findings:

Consistent with last year's assessment, Cbus has a lower risk of modern slavery in the first tier of our supply chain excluding external fund managers. External fund managers are noted on page 10, under 'Cbus Investments'.



The illustration below shows the location of our Tier 1 suppliers excluding external fund managers. Most of our suppliers are in Australia.



The risk assessment shows that the majority of our supply chain modern slavery risk exists in our Tier 2, Tier 3 and Tier 4 suppliers. We have and will continue to focus our work on industries with a higher potential risk of modern slavery and we will continue work with a relevant subset of Tier 1 suppliers to investigate potential risks in their supply chains (Tier 2 and beyond).

Industry categories with potential heightened risk

Based on the risk assessment, the following are the areas that we have identified as having increased modern slavery risk in the supply chain of Cbus. The risks outlined in the sections below are general and do not relate to actual instances of modern slavery in the supply chain of our suppliers.

Our suppliers

Industries with an elevated risk of modern slavery in our operations and supply chains are as follows:

Cbus Property

The 2022 risk assessment results showed that 52% of Cbus Property risk is within the supply chains of the construction/development business. The remainder is spread across the property management supply chains (including in cleaning and security services), and corporate supply chains (professional services, recruitment and office accommodation). 10% of the risk is in Tier 1, however 60% of our risk lies in Tiers 2, 3 and 4.

Residential and Non-Residential Construction

We recognise the elevated risk of modern slavery in the construction industry in both the supply chain of the construction materials used and also the elevated risk of exploitation of low skilled migrant workers through subcontracting arrangements.

Construction materials are also a key source of modern slavery risk due to the relatively high labour inputs at deeper tiers of the material supply chain, the high-risk geographies from which such materials may be sourced and the multi-tiered and layered supply chain for such materials. Based on market models, indirect supply chains for building materials and equipment have the potential to be located in countries with a higher prevalence of modern slavery, such as those in the Asia Pacific region.

Property Management (including cleaning and security)

Modern slavery risks in the property management services industry are likely to be elevated in areas of property management services that are outsourced within the supply chain with less visibility of working conditions for low skilled or vulnerable works in the deeper levels of the supply chain.

Cbus Super (excluding investments)

Property Management (including cleaning and security)

See above

Office Furniture

We understand that office furniture relies on complex supply chains including distributors and importers from countries with an elevated risk of modern slavery. We have also identified that some of the materials used in office furniture have a high risk of modern slavery in deeper tiers of the supply chains.

Marketing and Promotion

As described in last year's statement merchandised products usually rely on a complex multi-supply chain including distributors and logistics-related workers within the supply chain. These products may include branded goods and materials, textiles and apparel and other miscellaneous items for advertising. Merchandise suppliers that undertake manufacturing in higher risk regions such as Asia are a source of modern slavery risk. Many merchandised products imported in Australia are produced in countries such as China, Thailand and Malaysia.

Cbus Investments

This year, our initial high level exposure analysis was provided by our external subject matter experts. The methodology used for this high-level exposure analysis remains the same as last year. However, we are aware that an update is likely to be necessary when the Global Slavery Index is released later in 2022. So that we may achieve a more comprehensive view of our risks this year, our initial analysis measured the risk of modern slavery in our investments using both the following metrics:

1. **Absolute slavery intensity** – this considers risk on a per million-dollar basis without consideration of the amount of money invested, and
2. **Relative slavery risk** – this considers risk relative to the amount of money we have invested.

Further analysis will be conducted during the 2023 Reporting Period to gain a greater understanding of our risk exposure and to develop our work program.

The industries noted below reflect the initial high-level risk exposure assessment by applying a materiality threshold on the prevalence of slavery at an industry and country level.

Industries with elevated absolute slavery intensity

Petroleum and Mining in India

The risk in this country and industry is elevated where vulnerable migrant, rural and low socioeconomic workers are at risk of being subject to misleading recruitment practices and trafficking.

Mexican Roads and Trucking

The trucking and logistics industry in Mexico has an elevated risk of modern slavery as it is closely related to illegal trafficking. Risks in relation to trucking also present themselves below on a relative basis at an industry level.

Finance in India

Indian banks may find themselves implicated in modern slavery due to their increased risk of being in receipt of proceeds of modern slavery crimes due to inadequate transparency/accountability frameworks.

Agriculture in Vietnam

The Vietnamese agricultural industry is marked by a variety of intersecting risk factors, including the seasonality of farm work, the reliance upon uneducated rural workers, the absence of social security measures and limitations on worker rights.

Industries with elevated relative slavery risk

As stated above, we have also identified industries that have an elevated relative modern slavery risk because of both industry and country risk factors coupled with the level of investment.

Mining Industry in Australia

Modern slavery risks occurring in the Australian diversified metals and mining industry (outside Australian operating mines themselves) can occur below the first tier of the supply chain, for example in the extraction of raw materials from high-risk locations or in the offshore manufacturing of the heavy machinery equipment used in Australian mining operations.

Infrastructure and Property in Australia, Great Britain and the USA

Infrastructure and property investments may have a higher risk of modern slavery where they have complex global supply chains, use construction materials (which may be purchased from high-risk industries in high-risk countries), where there is a prevalence of vulnerable migrant workers and where there is a lack of transparency about subcontracting arrangements.

Electronics

The electronics industry, particularly when associated with high-risk countries, is at risk of modern slavery in relation to end stage assembly of goods, where it is linked to sanctioned labour or where the manufacture of electronics goods is dependent upon raw materials considered high-risk for modern slavery such as conflict minerals.

We also understand more generally that exposure to modern slavery can occur through indirect exposure to China, noting peer reviewed research identifies forced labour in particular regions in China.

Part 4: Our ongoing actions addressing modern slavery risks including due diligence and remediation

Cbus Procurement

The risk assessment completed in the previous Reporting Period 2021 identified theoretical modern slavery risks in our supply chain with the following three industry categories identified as having heightened risk:

- computer and technical services;
- advertising including merchandising; and
- property services or facilities.

During this Reporting Period, we used the 2021 assessment to identify our suppliers in these categories and combined them with our high-risk suppliers overall. We then ranked this list based on the highest to lowest risk of modern slavery, selecting the top 50 high-risk suppliers to issue with a self-assessment questionnaire (SAQ). 25% of those suppliers provided responses to the questionnaire (SAQ Responses) and we asked our external subject matter expert to validate these responses.

There are significant variations in the SAQ Responses received from suppliers in terms of awareness of, and vigilance with respect to modern slavery. We aim to improve the response rate to the FY2023 SAQ through deeper and earlier engagement with our suppliers.



Link Case Study



As our risk assessment shows limited risk in the first-tier of our supply chain, we made a commitment in our Modern Slavery Statement FY21 to engage with relevant first tier suppliers to obtain a deeper insight into the practices of second-tier, and potentially third-tier suppliers. We chose Link Group for our initial engagement due to: (i) the criticality of the member administration services it provides to us; and (ii) the cost of these services representing our largest spend with any one supplier.

During 2022, representatives from our Procurement Department met with representatives from Link Group's Procurement Department together with Link Group's Global Sustainability Manager to discuss our respective approaches to the assessment and reduction of modern slavery risk in our supply chains.

Link Group and Cbus use the services of the same third-party supplier to assess theoretical risk in our respective supply chains. This assisted the Link Group to apply the UN Guiding Principles to its' suppliers which sets out the concepts of 'may cause', 'may contribute to', and 'may be directly linked' to modern slavery practices or the potential risks of modern slavery practices within Link Group's supply chain.

The assessment identified the following (theoretical) modern slavery risks in Link Group's supply chain:

- Many of the potential risks reside within Tier 1 suppliers.
- India represents the highest risk by location (country), particularly if suppliers operate in the construction, property ownership, food and beverage, banking, insurance, trade, education, health or communication industries.
- Link Group has approx. 380 Tier 1 suppliers in India and, as such, up to 87% of its potential risks may lie here. The modern slavery risks in India include forced labour, bonded labour (for both local and migrant domestic workers), and sexual exploitation.
- The next top five locations for risk are Great Britain, Australia, Ireland, South Africa, and China (together, representing 0.1 – 4.5% of risk).

Link Group has a very robust process to select and onboard suppliers as well as a continuous process to validate and monitor supplier risks. Some of the activities Link Group has undertaken to reduce the risk of modern slavery in its supply chain are:

- an annual theoretical risk assessment of the entire supplier database;
- an annual questionnaire sent to selected suppliers, as a tool to facilitate collaboration between, and engagement with each of them. This year, the sixth annual questionnaire was issued to the top 50 identified high-risk suppliers (representing 70% of total spend and almost 75% of identified potential risk);
- deep dives into individual suppliers that have been flagged by the assessment as having a higher potential risk of engaging in modern slavery, after which Link Group engages with its sourcing team and business leaders in India to improve governance processes and due diligence with respect to such suppliers, and to investigate ways to improve engagement. This could include an increased due diligence process for onboarding and vetting suppliers in India operating in identified high-risk industries.

This productive partnership has not only provided Cbus an insight into the deeper levels of our supply chain but has also provided a forum for knowledge sharing and collaboration. For further information, refer to Link Group's Modern Slavery Statements which can be found here **linkgroup.com/sustainability.html**

Cbus Investments

External fund manager engagement on modern slavery issues

Based on our 2021 assessment, our investments in Emerging markets, Global and Australian shares represented the largest contributors to modern slavery risk. This finding is consistent with these asset classes representing a large proportion of our investments.

Adjusting for the size of our investments, we found that our Emerging markets equities exposure and investments managed externally have the highest modern slavery risk.

Investments in India and China and in the Materials, Consumer Discretionary (specifically Automobiles and Components), Financials, Energy and Healthcare sectors were drivers behind our risk exposure. These risks appear within the first two layers of our supply chains.

Given Emerging market equity investments managed externally represent higher modern slavery risk, engagement was prioritised with external Emerging market managers whose approach appeared less mature than other managers based on FY21 modern slavery due diligence survey responses.

Through engagement it was evident that our managers approach had developed since the completion of the due diligence survey, and we learned about plans to enhance engagement with portfolio companies on modern slavery risk identification and management. We will continue to monitor progress in relation to evolution of processes, approach, and outcomes from engagement.

Other investment related activities for the Reporting Period include:

- Meetings held with a variety of external managers to understand current industry best practices in relation to identification of strategies and tools that can be applied to our Factor (quantitative/systematic) strategies. Work continues to determine an appropriate approach that can be applied to our internal Factor strategies.
- Development of a framework for reviewing existing key investment supplier contracts to include modern slavery requirements. The process involves reviewing investment supplier contracts (excluding fund managers as a separate process was undertaken to update Investment Management Agreements) through existing review or renewal processes. In addition, we have prioritised Core Suppliers using a value of spend threshold.

Cbus Property

The 2021 risk assessment results showed that 75% of Cbus Property risk is within the supply chains of the construction/development business. The remainder is spread across the property management supply chains including in cleaning and security services and corporate supply chains (professional services, recruitment, and office accommodation). The 2022 assessment confirmed this supply chain risk analysis which informed and continues to inform our priority actions.

To further understand where the construction risk lies, we engaged a third-party consultant to conduct a deeper dive into our development projects, to assess development supply chains beyond Tier 1 for modern slavery risks and to identify further priority areas.

The deep dive entailed analysing our spend (head contractor claims) for one commercial development and one residential development project as an example to identify and assess the risk areas within a typical construction project.

The risk assessment utilised five risk information sources to gain an understanding of the risks across the global supply chain. This enabled us to score and assess the likelihood of modern slavery risk for each development procurement category (material / product / trade).

The results were used to better inform our development team of where the highest inherent modern slavery risks in our projects are likely to come from providing the team with the knowledge to engage with our head contractors and educate them about the risk in their sourcing.

The deep dive exercise enhanced engagement and collaboration with our head contractors and has further informed our due diligence processes.

Cleaning Accountability Framework

Cbus Property is a proud member of the Cleaning Accountability Framework (CAF). Our assessment is that CAF is the most effective supply chain and auditing standard for the cleaning industry.

We use CAF to demonstrate our commitment to a respectful, safe, and fair environment for cleaning workers, with the added advantage of it being an anti-modern slavery measure. Our cleaners are a crucial part of our wider property management team.

Despite the difficulties posed by the COVID 19 pandemic during the Reporting Period, we have progressed the CAF certification program across our portfolio.

This resulted in the certification of two buildings and one precinct, with the result that 87% of our managed office portfolio is now CAF certified and we plan to complete the rest of the office portfolio by the end of the 2022 calendar year. We are also investigating CAF implementation across our retail portfolio.

Industry collaboration

Cbus remains a signatory to the Principles for Responsible Investment (PRI).

We are members and/or participants of the following industry bodies:

- Responsible Investment Association Australasia (RIAA) RIAA Australia Human Rights Working Group (HRWG)
- Australian Council of Superannuation Investors (ACSI)
- Australian Sustainable Financial Institute (ASFI)

Cbus Property is a member of the Property Council of Australia which has collaborated on this issue of modern slavery extensively. Our use of the Property Council's supplier platform for specific classes of higher risk suppliers is described further below.

Cbus Property is also a member of the Cleaning Accountability Framework (CAF), a multi-stakeholder initiative aimed at tackling labour and human rights issues in the cleaning services industry.

Investment Stewardship Activities and Partnership

In our listed equity portfolio, given lower levels of ownership and influence and the systemic nature of modern slavery, we actively support engagement, alongside other investors, with listed companies to improve oversight, management, and remediation of modern slavery risks alongside other investors.

We do this through our membership of ACSI, Investors Against Slavery and Trafficking Asia Pacific (IAST/APAC) and globally through Federated Hermes EOS.

In addition, we actively consider all Australian Stock Exchange (ASX) listed companies' human rights resolutions.

ACSI engagement with ASX listed companies on Cbus' behalf

ACSI engages with ASX 300 boards on material ESG issues on their members behalf to positively influence ESG performance. ACSI's priorities cover workforce issues, such as modern slavery and supply chain management (including practices that could lead to modern slavery such as wage underpayments). Since 2020, ACSI has held 169 meetings with 104 ASX 300 companies where the issues of modern slavery have been raised. ACSI 's engagement has focused on improvements in auditing practices and outcomes, consequence reporting, worker education, supply chain data and progress regarding resolution following allegations of modern slavery.

ACSI's engagement on modern slavery has incrementally built on work conducted over the prior two years. In 2021, ACSI released research which analysed companies' first statements under the Modern Slavery Act 2018. As part of that research, a benchmark was developed which enabled ACSI to encourage improvements in company practice and reporting.

ACSI is a co-convenor of IAST APAC and in addition to the above-mentioned meetings, ACSI has directly engaged with companies as part of the initiative. Since the initiatives launch, ACSI has participated in 13 meetings with 8 ASX 300 companies.

Investors Against Slavery and Trafficking Asia Pacific

IAST APAC comprises 37 investors with AU$7.8 trillion in Assets Under Management (at 30 June 2022) (AUM), together with ACSI, Walk Free and the Finance Against Slavery and Trafficking (FAST) initiative. IAST APAC is an industry initiative which involves engagement with companies, sharing knowledge and tools to address modern slavery risk, taking inspiration from the 'Find It, Fix It, Prevent It' investor initiative in the UK.

IAST/APAC has two program workstreams that Cbus participates in, these include:

- **Workstream 1:**
  - Received responses to an investor statement sent to ASX 200 companies outlining investor interest in impacts of modern slavery and suggesting good practice to mitigate their modern slavery related risks. Almost half of respondents welcomed the initiative and further engagement. At least 29% of these top 200 Australian companies committed to raise the investor statement with their Board and/or Senior Management. Only one company directly addressed the specific points raised by it. The investor statement also resulted in a number of follow-up conversations with companies.
  - Explored facilitating policy advocacy opportunities.
- **Workstream 2:**
  - During FY22, IAST APAC engaged with 24 focus companies across the consumer discretionary, consumer staples, technology and healthcare sectors. Companies are listed on stock exchanges across Australasia. Due to the complexity of issues related to human rights in the supply chain, it is anticipated that this will be a multi-year initiative.
  - Developed a framework for identifying focus companies; guidelines for engagement; and engagement plans for focus companies including setting specific objectives and key milestones.
  - Held knowledge events.

For further information about IAST/APAC visit **iastapac.org/**

EOS at Federated Hermes engagement with global companies

Internationally, we use the services of EOS at Federated Hermes who engage with the overseas listed companies in which we invest through our global equities portfolios. EOS engages companies on sustainability, governance, environmental and social concerns of their clients including Cbus. During the reporting period, on behalf of Cbus, two notable engagements included:

- EOS participates in a UK investor initiative 'Find it, Fix it, Prevent it' and through that initiative a food service company welcomed feedback regarding the need to improve human rights due diligence processes to identify its most salient issues and necessary action plans and looked to include these actions within the remit of a newly appointed director.
- A retail/wholesaling company has appointed a third party to assess the recruitment and treatment of workers from seven different source countries, and increased expertise in the human resources function.

Cbus Property

Property Council of Australia Supplier Platform

In June 2020, Cbus Property became a member of the Property Council of Australia's ("PCA") Modern Slavery Supplier Platform initiative. This is an online centralised platform used for capturing information from suppliers on their policies and practices on mitigating modern slavery risks. It effectively standardises the information requests from suppliers across the industry.

The PCA Supplier Platform is now integrated into our tender process for high-risk supply categories and used to conduct supplier reviews and evaluation of all existing high-risk suppliers.

During the Reporting Period, an evaluation framework using the data from the PCA Supplier Platform was put in place to identify areas for improvement and engagement with our suppliers. We are using this evaluation framework to assess tender responses and requesting potential suppliers to commit to improvement. The evaluation matrix also allows us to measure and monitor improvement over time.

Policy adoption and due diligence

The following table outlines the policies and due diligence processes that have been adopted and implemented into our business processes during the Reporting Period:

Cbus	
Human Rights Policy	Articulates the principles for Cbus' ongoing approach and commitment to respecting human rights which are incorporated in related policies, processes frameworks and action plans that apply across our business operations.
Modern Slavery Risk Framework	The Risk Framework broadly covers our approach to managing modern slavery risk both internal (our staff) and external (across procurement and investments), monitoring and reporting, roles and responsibilities and addressing instances of modern slavery.
Whistleblower Policy	Modification of our policy and an extension of our existing arrangement with a whistleblower service so that the service can accept internal and external stakeholder human rights grievances.
Investments ESG Risk	The fund's material risk "Investments ESG" incorporates reference to modern slavery risk and controls in relation to due diligence for new managers and assets, external manager assessments and monitoring.
Third-party Risk Management Policy	Outlines how and when risk is assessed and due diligence performed for all suppliers (in Tiers).
Due diligence questionnaires	Issued as part of large tenders or contract renewals to suppliers
Modern slavery model clauses	Incorporated in relevant large new or renewed contracts
Cbus Property	
Human Rights Policy	Articulates our commitment to respecting Human Rights including modern slavery mitigation – the Policy is issued to all Principal Contractors, Managing Agents and Development Key Consultants as part of the tendering and procurement process.
Modern slavery model clauses	Adopted the use of best practice standardised modern slavery clauses in all key contracts – head contractor, property management agreements and services agreements.
Due diligence	Embedded modern slavery due diligence and considerations into our procurement processes.

Roadmap actions completed and future actions arising

In our previous Modern Slavery Statements, we outlined our Roadmap of activities undertaken and their status. Over the course of the current Reporting Period, we have completed most of the actions identified and have embedded them into our normal business processes.

We recognise that our work in identifying, remediating, and preventing modern slavery in our operations and supply chains is ongoing and that undertaking certain actions gives rise to the need to undertake further actions.

The following table describes the roadmap actions we have undertaken, their status and our planned future actions:

Action	Description	Status	Future actions
Integrate modern slavery risks into our existing corporate and management policies	Cbus and Cbus Property will be reviewing all relevant policies to address modern slavery risk.	Completed	Ongoing review and monitoring.
Develop a Supplier Code of Conduct	Cbus will develop a Supplier Code of Conduct that builds on principles of sustainable procurement. Cbus Property will update its existing Supplier Code of Conduct (Charter of Selection) to integrate modern slavery considerations.	Completed	Ongoing review and monitoring.
Develop overarching modern slavery policies	Cbus to formulate a modern slavery framework, which will encompass a Modern Slavery Policy to be approved by the Board of United Super Pty Ltd. Cbus Property will develop its own policy.	Completed	Ongoing review and monitoring.
Develop a Sustainable Procurement Framework	Cbus and Cbus Property will conduct annual risk reviews of modern slavery risks in supply chains to identify changes in risks and potential categories/sectors to develop a supplier engagement plan. Cbus Property's framework will be a key internal document that incorporates many actions in our plan to embed modern slavery risks (and other ESG issues) into our procurement processes, including development of a supplier engagement plan.	Partially completed	Targeting an uplift response rate with SAQ process, including earlier engagement with suppliers to obtain greater detail and insights. Cbus Property has developed a Sustainable Procurement Framework, and will continue the implementation of this framework over the next 12-months.
Undertake further analysis into our priority supply chains	Cbus and Cbus Property will undertake further assessment of our priority supply chains.	Completed (Ongoing)	Continually evolve supply chain risk assessment information collection of supply chains focusing on areas of higher potential risks of modern slavery. Continue to include modern slavery considerations into tenders going forward and aim to prioritise suppliers who commit to modern slavery principles. Cbus Property will work with head contractors to implement responsible procurement plans.
Update our risk management framework to further integrate modern slavery risks	Cbus to update its risk management frameworks to include modern slavery risk.	In Progress	Modern slavery risk to be incorporated into the review of the Fund's material Third Party/Outsourcing Risk. Cbus Property has integrated Human Rights (modern slavery) into its risk management framework.

Action	Description	Status	Future actions
Develop a supplier due diligence framework for screening and evaluating existing and potential suppliers for modern slavery risks	Cbus Property to formulate a process for evaluating the information gathered through the PCA Supplier Platform.	In Progress	Cbus Property will expand its due diligence process through the PCA Platform to capture more of its suppliers classified as 'medium' risk, applying best practice standards to cover a greater proportion of the supplier base. Cbus Property will evolve its evaluation framework to inform supplier engagement activities for current suppliers as well as for tenders
Update key standard contracts to integrate anti-modern slavery requirements regarding identification of risks	Cbus will undertake review processes to ensure key standard contracts integrate requirements in relation to identification of modern slavery risks.	In Progress	Cbus and Cbus Property will monitor the legislation and periodically review contract clauses and will also expand these best practice contract clauses to a broader range of suppliers.
Factor Strategies	Cbus identify and implement strategies and tools to reduce exposure to modern slavery risk.	In Progress	Work continues to determine an appropriate approach that can be applied to our internal Factor strategies.
Deliver training to employees around the implications of modern slavery	Cbus and Cbus Property to develop a training framework to roll out training to staff and an awareness program for relevant Committees.	Completed	Targeted training to procurement, risk, investments teams, and Tier 1 supplier owners. Cbus Property will continue to train employees on modern slavery issues, including through the delivery of more targeted training to specific roles - such as development management, and property management.
Investment Due Diligence	Cbus to enhance incorporation of modern slavery risks into internal and external investment manager due diligence.	Completed	Ongoing implementation and monitoring as part of business-as-usual practices.
Investment Manager Agreements	Cbus will incorporate modern slavery reporting requirements into investment mandates.	Completed	Completed and ongoing for new mandates.
Monitoring of investment managers	Cbus will incorporate modern slavery monitoring into manager reviews and annual strategy reviews.	In Progress (Ongoing)	Modern slavery will continue to form part of manager monitoring as part of business-as-usual practices.
Actively support collaborative initiatives. Continue to engage in industry collaboration.	Cbus to identify one collaborative initiative for participation.	Completed (Ongoing)	Cbus will continue to support and/or participate in industry initiatives for example: ACSI, Federated Hermes EOS and IAST/APAC. Cbus Property will target strategic suppliers through Supplier engagement plans – engaging with strategic suppliers to discuss modern slavery risks and collaborate on supply chain due diligence.
Develop and promote a grievance mechanism and review our whistleblower policy and develop remediation framework	Cbus and Cbus Property to review and enhance existing whistleblower mechanisms and related policy. Cbus Whistleblower policy redrafted to include a reporting mechanism. Cbus and Cbus Property will work towards developing their own remediation frameworks.	In progress (Ongoing)	Cbus will undertake further research to develop a remediation framework. Cbus Property will continue developing and communicating the remediation framework over the next 12-months. Cbus Property will identify opportunities to pilot grievance mechanisms onsite at construction sites.

In addition to the above, the following specific actions will be implemented in the 2023 Reporting Period.

Investments

In addition to running our annual exposure analysis and prioritising assets and managers for further monitoring (whether internal or external), as it has been two years since our last survey, we intend to survey our external managers again over the coming year to assess their progress in relation to identification, mitigation, and management of modern slavery risks.

Cbus Property

Cbus Property also plans to continue to improve modern slavery due diligence in its procurement processes, strengthening due diligence of the highest risk suppliers, and starting to expand these processes to the next risk tiers of the supply chain.

Collaboration is a big focus for us over the next few years, and we will develop a plan to engage with key suppliers and contractors to collaborate on join-initiatives to increase due diligence and enhance transparency of our supply chains with the highest modern slavery risks.

Training and education

Increasing employee awareness about the prevalence and nature of modern slavery risks and our policies and actions to mitigate them is part of our overall strategy.

During the Reporting Period, Cbus employees were engaged via internal communications to coincide with the submission of our 2021 Modern Slavery Statement. The communications are designed to assist employees:

- understand what modern slavery is
- where it occurs
- what the Modern Slavery Act 2018 covers
- key activities Cbus is undertaken
- policies that Cbus has adopted to mitigate modern slavery risk

Cbus Property ran a facilitated workshop for its Development and Investment teams on remediation responses which provided an understanding of remediation approaches, real-life scenario testing and best practice. This has commenced the process to defining the Cbus Property incident response and remediation pathways for escalated modern slavery risk in supply chains.

Grievance and remediation

Cbus is committed to providing for or co-operating in remediation where we identify that we have knowingly or unknowingly caused or contributed to modern slavery incidents but note that each instance is likely to require remediation particular to its circumstances.

Both Cbus and Cbus Property have adopted Human Rights policies and reviewed and updated Whistleblower policies. The Cbus Modern Slavery Risk Management Framework directly calls out the requirement to monitor grievances raised through grievance mechanisms. The Incident Management Policy will capture and track remediation of modern slavery incidents.

During the Reporting Period, Cbus Property commenced a process to develop a Remediation Framework, conducting a management workshop to map out our expected remediation process, underpinned by best practice remediation principles (UN Guiding Principles Reporting Framework).

Following on from the facilitated workshop, Cbus Property has commenced work documenting a remediation framework with a view to finalising and implementing it in the 2023 Reporting Period.

Part 5: Measuring the effectiveness of our modern slavery response

We recognise the importance of continual assessment over consecutive reporting periods in relation to the practical impact of our modern slavery response. To ensure this assessment is occurring we have multiple governance overlays to ensure due diligence and mitigation activities are being undertaken and policies are being developed and adhered to.

Our Modern Slavery Working Group

The Working Group has been involved in steering and coordinating our joint modern slavery response.

The Working Group consists of representatives from a range of internal divisions, including, Cbus Risk Management, People and Culture, Investment Relations, Investments, Procurement, Sustainability (Cbus Property) and Governance and Risk (Cbus Property).

The Group meets regularly to monitor implementation of actions and work collectively on improving our approach to reducing potential modern slavery risk areas. The Working Group remains committed to reviewing progress in relation to actions undertaken and forms the first line of response to the risk of and actual incidence of modern slavery in our operations or supply chains.

Our Executive, Board Committees and Boards

Cbus has incorporated modern slavery risk into the review of the Fund's material Third Party/Outsourcing Risk with a focus on Key Risk Indicators (KRI's)and controls. The KRI's are regularly reported to both the Executive Committee, the Investment Committee, and the Board Risk Committee.

Cbus Property has established a modern slavery reporting framework, and progress is reported to the Sustainability Committee each quarter, and to the Board every 6-months.

We will continue to evolve our modern slavery reporting framework overtime, to report more metrics and further assess the effectiveness of our program.

Both the Cbus Board and Cbus Property Board are responsible for the adoption and monitoring of organisational policies including those outlined in this statement.

The Cbus Executive Committee, Risk Committee, Cbus Property Board, and the Cbus Board are responsible for considering and approving this statement.

Part 6: Collaboration with controlled entities

In order to prepare this joint statement, we engaged with each of the reporting entities covered by this statement and consulted the entities we own or control.

Our Modern Slavery Working Group has benefited from the participation of representatives from both Cbus Super and Cbus Property.

The Cbus Property Board has, through regular reporting, been kept informed of all significant progress and actions.

All entities managed by Cbus Property are established solely to undertake development of or hold each property in accordance with the direction of Cbus Property. Those entities are subject to Cbus Property policies, systems and management including oversight by the Cbus Property Board. Cbus Property has addressed the mandatory reporting criteria in this Statement on behalf of, and in consultation with, all owner entities under management with Cbus.



1 Williams St, Brisbane
A Cbus Property commercial development.

7. Other relevant information (s16 (1) (g) – COVID-19 pandemic related issues

Staff shortages caused by the COVID-19 pandemic impacted almost all of our operations during the Reporting Period, including with respect to our modern slavery program. This has been further exacerbated by the fiercely competitive labour market creating delays in sourcing skills and talent to fill some role vacancies.

Cbus Property has again experienced some delay in the certification of more buildings through the Cleaning Accountability Framework due to the restrictions on onsite worker engagement sessions. Similarly, it also limited some direct engagement with Cbus Property's suppliers which due to restrictions had to be facilitated online.

We are increasingly aware of the impact of COVID-19 on vulnerable workers, including requirements to work excessive hours to cover colleague absences or deal with supply shortages, or an inability to return home due to border restrictions.

In line with recommendations of the Australian Border Force (**ABF**) (*Modern Slavery Act Information Sheet: Coronavirus*), we have responded to this increased risk by (to the extent possible) honouring existing contracts, continuing with our modern slavery program, maintaining our commitment to reducing the risk of modern slavery in our supply chains, and keeping abreast of research issued by relevant bodies including the ABF, Anti-Slavery International, and the United Nations.



Greenough River Solar Farm
A Cbus infrastructure asset held through Bright Energy Investments.

Appendix A:
Snapshot of our response to the Act's reporting requirements

Criteria	Details in this Statement
Identify the reporting entity (S16 (1) (a))	Part 2
Describe the structure, operations and supply chains of the reporting entity (s16 (1) (a) – (b))	Part 2
Describe the risk of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls (s16 (1) (c))	Part 3
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes (s16 (1) (d))	Part 4
Describe how the reporting entity assesses the effectiveness of such actions (s16 (1) (e))	Part 5
Describe the process of consultation with any entities that the reporting entity owns or controls (s16 (1) (f))	Part 6
Include any other information that the reporting entity considers relevant (S16 (1) (g))	Part 7

Appendix B: Initial risk assessment methodology

1. An initial risk assessment has been carried out to identify the elevated areas of modern slavery risk in our supply chains. This baseline exercise provides the basis for our subsequent focus for ongoing due diligence and remediation activities.
2. Incorporating company spend, investment and geographical data (Tier 1 suppliers) throughout global markets, we have utilised external consultants with proprietary technology to trace the economic inputs required to produce products and services sourced from Tier 1 suppliers to Tier 2 suppliers, Tier 2 suppliers to Tier 3 suppliers, and so on, all the way to Tier 10 suppliers of the supply chain of our Tier 1 suppliers by spend.
3. This supply chain mapping was performed using a balanced, global Multi-Regional Input-Output (MRIO) table which links supply chain data from 190 countries, and in relation to 15,909 industry sectors. This MRIO table is assembled using the following sources:
    i. The United Nations' (UN) System of National Accounts;
    ii. UN COMTRADE databases;
    iii. Eurostat databases;
    iv. The Institute of Developing Economies, Japan External Trade Organisation (IDE/JETRO); and
    v. Numerous National Agencies including the Australian Bureau of Statistics.
4. The MRIO is then examined against the following international standards:
    i. The UN Guiding Principles on Business and Human Rights;
    ii. The Global Slavery Index;
    iii. International Labour Organisation (ILO) Global Estimates of Modern Slavery; and
    iv. The United States' Reports on International Child Labour and Forced Labour.
5. A proprietary algorithm has then been applied to synthesise publicly available risk data against the exclusively licensed MRIO table. The result of this process is the creation of a modern slavery risk profile to Tier 10 for each supplier.
6. This analysis was performed for the purposes of risk identification under Section 16(1)(c) of the Act. No information confirms the actual existence or non-existence of slavery in our supply chains or operations. Analysis was undertaken at the industry and country level. It does not account for variances at the entity, region or product level.

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