



# Modern Slavery Statement

1 July 2019 – 30 June 2020



This Modern Slavery Statement was prepared by Retail Employees Superannuation Pty Ltd ABN 39 001 987 739, AFSL 240003, as trustee of Retail Employees Superannuation Trust ABN 62 653 671 394 for the purpose of compliance with the Modern Slavery Act 2018 (Cth).

# Rest's Modern Slavery Statement

## About Rest and this statement



**Vicki Doyle**  
Chief Executive  
Officer



**Ken Marshman**  
Chairman

Rest is among the largest profit-to-member industry superannuation funds in Australia, with around 1.8 million members and \$60 billion in funds under management.<sup>1</sup>

We also have more than 300 active service providers, mostly based in Australia, and a diverse portfolio of investments in Australia and overseas.

We believe the *Modern Slavery Act 2018 (Cth)* is an important step in reducing the estimated 40 million victims of modern slavery around the world.<sup>2</sup> We also believe that being a responsible investor and organisation is critical to protecting the long-term value of our members' super.

Our ambition is to be recognised as the most trusted superannuation fund in Australia by our members and the broader community. Members must have confidence that their superannuation fund is managing their retirement savings with the utmost responsibility.

This approach can help our members achieve their personal-best retirement income, while also contributing to a more sustainable future.

We acknowledge that due to the size and reach of our operations, realising our commitments to reduce risks of Modern Slavery will take time. This is the first year of reporting on this area, and accordingly this document details the foundations we have laid for the future, to achieve these important goals.



**Vicki Doyle**  
Chief Executive  
Officer



**Ken Marshman**  
Chairman

Rest's Board of Directors approved this statement on 23 March 2021, which constitutes Rest's Modern Slavery Statement for the financial year 2019-2020.

<sup>1</sup> As at 31 December 2020

<sup>2</sup> 'Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities', Department of Home Affairs, <https://www.homeaffairs.gov.au/criminal-justice/files/modern-slavery-reporting-entities.pdf>.

# Our structure and operations

Retail Employees Superannuation Pty Limited ABN 39 001 987 739 AFSL 240003, is trustee of the Retail Employees Superannuation Trust ABN 62 653 671 394 (Fund). The Fund is an Australian public offer fund and registrable superannuation entity (RSE), RSE licence R1000016, with its head office located at 321 Kent Street, Sydney, NSW 2000.

The Fund was established by a trust deed dated 2 December 1987 as amended from time to time and provides accumulation, defined benefit and income stream products, not just to employees in the retail sector, but to members across all employment sectors and into retirement.

The Fund wholly owns Super Investment Management Pty Limited (SIM) ABN 86 079 706 657 AFSL 240004, which manages some of the Fund's investments.

Rest has a Board that is made up of individuals with a broad range of retail industry and commercial experience. The Board is made up of employer and employee representatives, as well as an independent director who is also the Chair. Our directors have an in-depth knowledge of Rest and the industry, which adds value to the fund's operations and to members and employers.

Rest directly employs more than 300 people dedicated to supporting our members achieve their personal best retirement outcome. Our membership base is heavily represented by the under-30s age group and has a gender split of approximately 60 per cent female, and 40 per cent male.

Our head office and registered address is at Level 5, 321 Kent Street, Sydney NSW 2000. We also have other office locations at Level 12, 309 Kent Street, Sydney NSW 2000; Level 31, 140 William Street, Melbourne VIC 3000; and offices in Brisbane, Adelaide, and Perth.

Rest has service providers that assist with the effective operation of the fund. These services are across different categories such as administration

services, custodial services, information technology, marketing and communication, professional advisory services, consultancies, facilities management and office stationery and equipment. These service providers are appointed on the basis of quality and cost effectiveness.

As a super fund with around 1.8 million members, Rest has extensive administration requirements, and these are performed by an administration services provider. Our member contact centre and member services functions are also conducted by external partners.

Rest utilises custodial services to safeguard the \$60 billion worth of funds under management for our members.

The Fund has its own wholly owned investment manager, SIM, and engages other external investment managers to ensure we can grow our members retirement savings.

We partner with our trusted insurance providers to make sure members can access appropriate insurance cover as part of their Rest membership.

Rest has state of the art technology providers for services such as Roger, our virtual agent, servicing enquiries from our members and employers 24/7. We also have the Rest App allowing our members to self-serve and engage with their superannuation 24/7 regardless of where they are located.

Rest Advice is provided by Link Advice. Personal Advice (Rest Advice) and Online Advice is provided by Link Advice Pty Ltd ABN 36 105 811 836, AFSL 258145 (Link Advice). Rest Advisers are staff members of Rest and authorised representatives of Link Advice.

Our supply chain extends beyond Australia and includes the provision of goods and services from overseas. This includes countries in the Asian and North American regions. As we progress with actions to assess modern slavery risk in future years, we will be able to develop a clearer view of the geographical footprint of our supply chain.





# Risks of Modern Slavery in our operations and supply chain

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**Rest is committed to taking actions for a better, fairer, and more sustainable future. We have aligned ourselves to the United Nations Sustainable Development Goals as part of this commitment. Reducing the risks of modern slavery in our operations and supply chain forms part of these actions and supports our commitment to these goals.**

A high-level review was conducted to determine where there could be any risk of modern slavery at Rest. The following were identified as possible areas within our operations and supply chain where there could be risk of modern slavery.

Rest has adopted a phased approach to assessing the risk of exposure to modern slavery. The first phase (Financial Year 2019-2020), has been focused on our investment portfolio.



## Investments

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Service providers with operations in countries deemed to have high risk of exposure to modern slavery

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Recruitment practices including those of short term contractors

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Facilities management



# Review of risk of modern slavery in our investment portfolio

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**Rest has investments in Australia and overseas across equities, infrastructure, property, and fixed income. Rest believes that the active management of investments can add value by capturing opportunities and managing risks to meet the investment objectives of the investment options.**

Environmental, social and governance factors are considered and integrated in our investment process, which we believe will improve investment outcomes. Rest's investment approach is to retain a mix of investment managers employing different investment management styles to build diversified portfolios of investments.

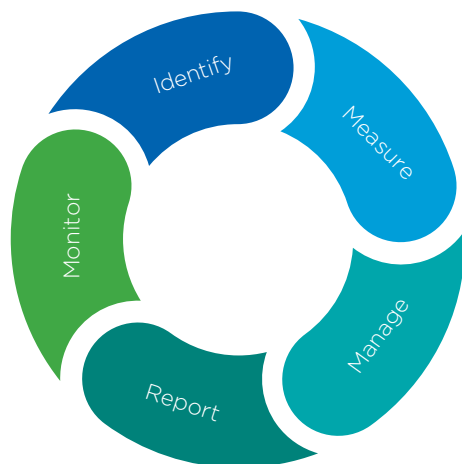
For Financial Year 2019-2020, we undertook an in-depth review into our investment portfolios to identify risks of modern slavery. As part of this process, we developed a risk management framework which was applied to manage, monitor, and ultimately reduce, modern slavery risks.

## Risk management approach

### Our objectives

- Ensure robust processes are in place through which risks that are material to the achievement of Rest's business objectives are identified and recorded.
- Clearly define accountability for each step in the risk management process including the assessment of the risk, identification and operation of controls, reporting and monitoring functions.
- Ensure a consistent risk assessment method is used across the organisation, which is aligned with Rest's risk appetite.
- Have measures in place to reduce the likelihood or impact of risks that are identified and recorded and are subject to robust verification practices; and
- Have risk reporting procedures in place that enable effective monitoring of risk, including escalation of risk related issues to appropriate levels of management and the Board where required.

# Our Process



## Identify

- Review legislation and industry publications
- Identify modern slavery risks
- Establish risk appetite



## Measure

- Develop methodology, key metrics and risk matrix
- Survey investment managers
- Assess fund managers
- Generate risk rating



## Manage

- Develop recommendations for action

The risk management framework, which is a continuous improvement cycle, includes:

01

### Identify

Understand the risk context and identify the source of modern slavery practices and the risk that these may impact Rest's suppliers.

02

### Measure

Develop key metrics and assess exposure.

03

### Manage

Implement a risk treatment plan including appropriate remediation activities.

04

### Report

Provide an annual modern slavery statement outlining how modern slavery risk has been assessed and our approach for future management.

05

### Monitor and review

Use appropriate qualitative and quantitative indicators to assess the effectiveness of the implemented risk treatments with a view to continuously improve performance.



# Assessing modern slavery risks across Rest investments

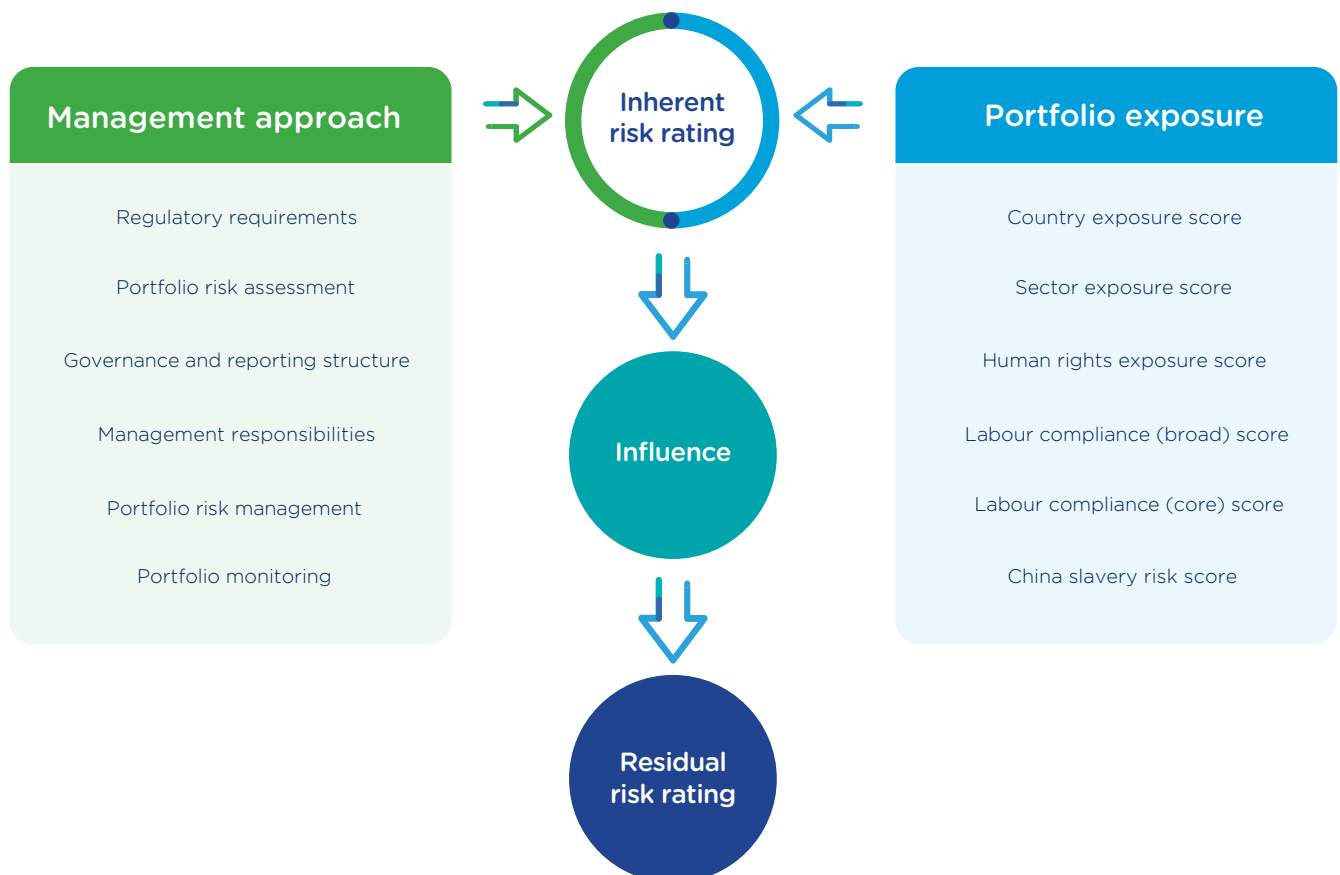
## Listed equities

This diagram depicts the methodology that Rest is following to generate a risk rating for each listed equity manager. The management approach score is derived from the underlying criteria, based on the Rest modern slavery questionnaire.

The portfolio exposure score is derived from analysing the investment manager's portfolio holdings and assessing the portfolio against the six data-related criteria shown in diagram below.

Management approach and portfolio exposure scores are then used as inputs in the risk matrix to determine an inherent risk rating, with Rest's level of influence overlaid to generate a final residual risk rating.

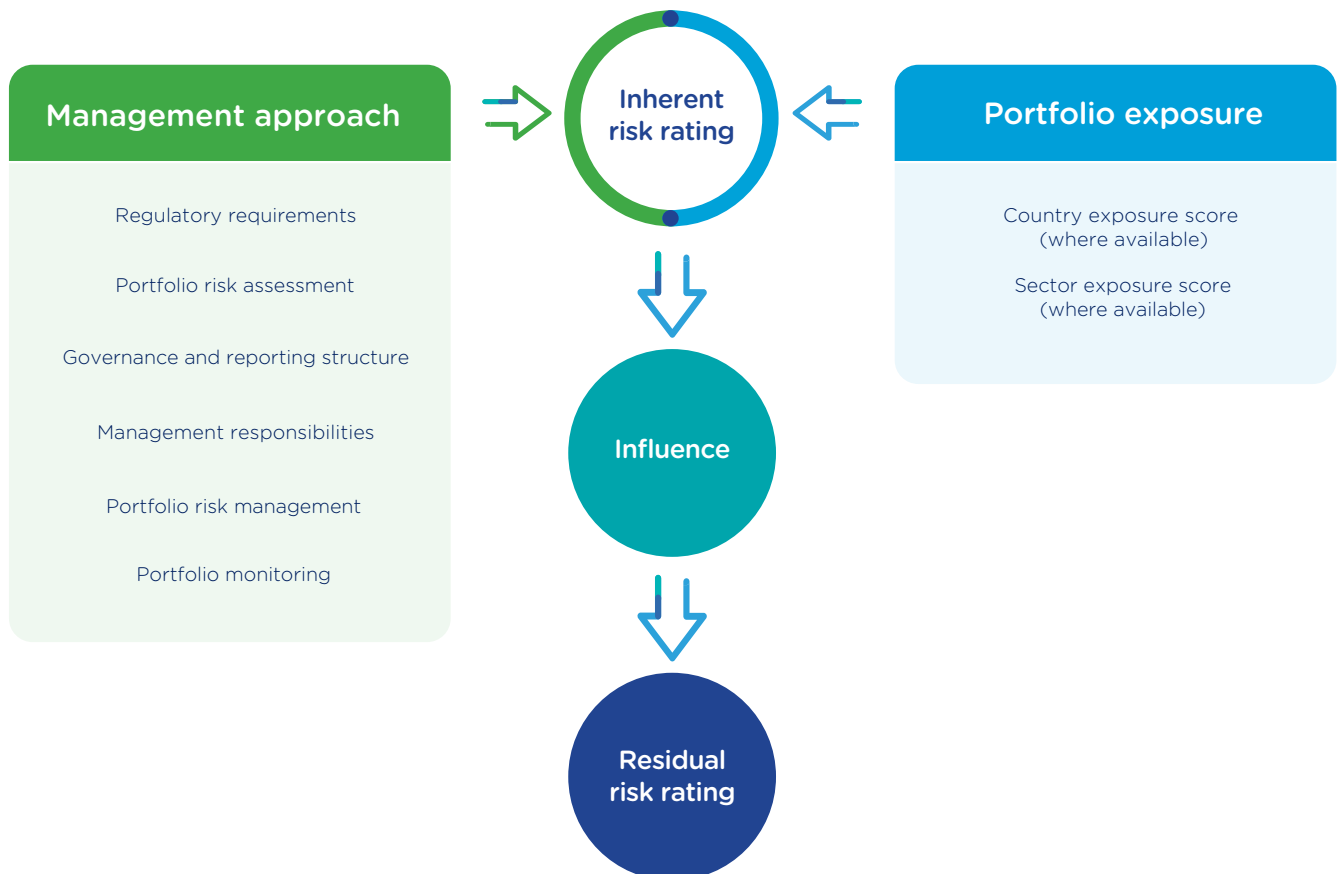
As a result, we are now able to identify the investment managers with a high risk of exposure to modern slavery. We have commenced engagement with these investment managers and will work through a plan to address these exposures.





# Unlisted assets

When assessing unlisted assets, the same methodology is applied as when assessing listed equities. For some unlisted assets, less data is available in respect of portfolio exposure criteria, however, this is expected to improve over time.







# Rest's actions taken against modern slavery in 2019-2020

**During Financial Year 2019-2020, Rest undertook the following actions against modern slavery:**



Building the right foundations within our business and have established a cross-functional working group to see through our commitment.



Developed detailed modern slavery questionnaires and issued them to all our investment managers and key service providers. This covered all investments, our material service providers, and facilities/building management providers for our main corporate sites.



Our Procurement Policy incorporates modern slavery considerations and together with our Supplier Governance Framework, strengthen the governance over our supply chain. The policy and framework have been rolled out and we will continue to assess their effectiveness in relation to modern slavery risk.



Established a modern slavery risk assessment framework and applied it across our entire investment portfolio.



Aligned our modern slavery risk assessment framework to our Rest Risk Management Strategy. Controls assurance processes will also reflect our Rest Control Assessment Standard.



Commenced participation in the Responsible Investment Association Australasia (RIAA) Human Rights/Modern Slavery working group in 2020 to build our advocacy in this space.



Continued our sound employee onboarding processes, where thorough background checks are conducted prior to welcoming any new starters (including short-term contractors).

## Remediation

As this is the foundational year for our efforts to reduce our exposure to modern slavery risks, the focus has been on building the appropriate frameworks and policies. If, in future, we identify

any instances of modern slavery in our operations or supply chain, we will follow our existing incident management process and work through the remedial options accordingly.



## Effectiveness of actions taken against modern slavery in Financial Year 2019-2020

**The actions we have taken against modern slavery in Financial Year 2019-2020 have been effective in laying the foundations for further work to reduce our risk of exposure to modern slavery. We established a cross functional working group that included representatives from SIM to help guide our actions against modern slavery.**

A Procurement Policy with modern slavery considerations now applies to directors and employees of Rest and SIM. The development of a modern slavery risk assessment framework that was applied to all our investments has been effective in identification of high-risk areas for us to focus our efforts on in the future years. We improved our onboarding processes, where thorough background checks are also conducted for short term contractors.

Through our action plan, we will continue work to reduce the risk of modern slavery at Rest in Financial Year 2020-2021 and beyond.

### Consultation with controlled entities

Super Investment Management Pty Limited (SIM) ABN 86 079 706 657 AFSL 240004, which manages some of the Fund's investments, is wholly owned by the Fund. All employees who work for SIM are employed by Rest. A collaborative and shared management approach has been adopted with SIM in relation to our actions taken against modern slavery in Financial Year 2019-2020. A similar approach will be taken in financial year 2020-2021.



# Managing, monitoring and reviewing modern slavery risks

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## Moving ahead, we will:

- Build an action plan to continuously improve the following thematic areas:
  - Organisational approach to modern slavery risks
  - Modern slavery risks in investments
  - Modern slavery risk in outsourced suppliers
- Commence addressing the high risk rated areas in investments and work through a remediation plan
- Develop and publish a Supplier Code of Conduct (SCOC). The SCOC will guide our supply chain strategy
- Continue to assess the effectiveness of our Procurement Policy and Supplier Governance Framework including segmentation of our supplier base
- Review our supplier portfolio based on the segmentation to identify any risks of modern slavery
- Work through any remediation activities required
- Continue to collaborate with industry bodies to combat modern slavery
- Track our progress year-on-year and report this in our annual Modern Slavery Statement.

## Rest Super & Corporate

- ☎ **1300 300 778**  
Monday to Friday,  
8am-10pm AEST
- ✓ **Roger** (24-seven)
- 💬 **Live Chat**  
Monday to Friday, 8am-10pm  
Saturday, 9am-6pm  
Sunday, 10am-6pm AEST

## Acumen

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- ✓ **Roger** (24-seven)
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Saturday, 9am-6pm  
Sunday, 10am-6pm AEST

## Rest Pension

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Saturday, 9am-6pm  
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