



Commonwealth Bank  
of Australia

# 2024 Modern Slavery and Human Trafficking Statement

Identification of the Reporting Entity

This Statement is prepared on behalf of the Commonwealth Bank of Australia (CBA or the bank), together with the entities it owns or controls, including the Reporting Entities listed in [Appendix A](#) (together, the CBA Group).<sup>1</sup>

This Statement outlines the actions taken by the CBA Group to assess and address modern slavery and human trafficking risks in our business operations and supply chains, over the financial year ending 30 June 2024 (FY24). This Statement has been prepared in response to the reporting requirements of both Section 14 of the *Modern Slavery Act 2018 (Cth)* and Section 54 of the *Modern Slavery Act 2015 (UK)*. CBA is the sole Reporting Entity for the purpose of the *Modern Slavery Act 2015 (UK)*.

In this Statement, we refer to ‘modern slavery’ as defined by the *Modern Slavery Act 2018 (Cth)* (MSA). References to ‘slavery’, ‘servitude’, ‘forced or compulsory labour’, and ‘human trafficking’ are references to those terms as they are defined for the purposes of both the MSA and the *Modern Slavery Act 2015 (UK)*.

In this Statement, the collective expressions ‘we’, ‘us’, ‘our’ and ‘the CBA Group’ are used for convenience where reference is made, in general, to all Reporting Entities covered by this Statement and any entities which the Reporting Entities own or control, unless otherwise stated.<sup>1</sup>

Acknowledgement of Country

We respectfully acknowledge the Traditional Owners of the Lands across Australia. We pay our respect to their Elders, past and present. Our registered office is located on the Lands of the Gadigal Peoples.

Accessibility of this document

This is an interactive PDF, and this Statement is best viewed with Adobe Reader. Click on the links and note identifier to help navigate the Statement.

Click on any footnote to navigate to [Appendix E](#).

Click the text below to navigate back to this page.

Contents

<b>1. Context on the Commonwealth Bank Group</b>	
Our corporate structure	5
Our business operations	6
Our supply chain	7
Our locations	8
Our purpose and values	9
<b>2. Understanding the risk of modern slavery</b>	
Modern slavery as defined by the Modern Slavery Act 2018 (Cth)	11
Risk factors for financial services informing our understanding of modern slavery risk	12
Potential exposure to modern slavery in our business operations and supply chain	14
<b>3. Our approach to assessing and addressing modern slavery risk</b>	
FY24-26 Modern Slavery Strategy	16
Policy commitment	17
Due diligence	20
Grievance and remediation	35
Stakeholder engagement and reporting	36
Key priorities for FY25	37
<b>4. Assessing the effectiveness of our actions</b>	
Understanding impact and effectiveness	39
Key outcomes monitored in FY24	40
<b>Consultation and Chair Attestation</b>	41
<b>Appendices</b>	
A. Reporting Entities and other entities owned by the CBA Group	43
B. CBA’s Risk Management Framework	44
C. Progress on our FY24 program of work	45
D. Mandatory reporting criteria	47
E. Footnotes	48

# A message from our CEO

At Commonwealth Bank, we are guided by our purpose – building a brighter future for all. Our responsibility to respect human rights is connected with our purpose. We remain committed to assessing and addressing the risks of modern slavery in our business operations and supply chain.

Modern slavery and human trafficking, in its many forms, can result in significant and lifelong harm for victims and survivors. The estimated US\$236 billion in total annual illegal profits from forced labour can also incentivise further exploitation, strengthen criminal networks, encourage corruption and undermine the rule of law.<sup>2</sup>

To help guide our response to modern slavery and mature our understanding of this issue, this year we developed the CBA Group FY24-26 Modern Slavery Strategy which seeks to continually strengthen our response to modern slavery and human trafficking risk management. The development of the strategy was informed by the knowledge and experiences of the members of our Modern Slavery Working Group and Modern Slavery Advisory Council. Our Environmental and Social (E&S) Governance forums will continue to oversee the implementation of the strategy with relevant accountable teams across CBA, with progress reported to the Modern Slavery Advisory Council at a regular cadence.

We thank Professor Jennifer Burn AM, Director of Anti-Slavery Australia, University of Technology Sydney, and Matt Friedman, CEO of The Mekong Club, for their continued support and engagement as external advisors to the Modern Slavery Advisory Council.

With this critical issue continuing to be a focus for the bank and the community, we welcome the announcement that a Federal Anti-Slavery Commissioner role will be established. We look forward to working with the Commissioner as we seek to collectively address this issue.

This Statement provides an important opportunity to reflect on our efforts and actions taken throughout the 2024 financial year and share our progress to date.

**Matt Comyn**

CEO Commonwealth Bank

## Key initiatives in FY24

- Finalised the CBA Group FY24-26 Modern Slavery Strategy, developed through input from the Modern Slavery Advisory Council, which was supported by our Executive Leadership Team (ELT) E&S Committee. Outcomes from the Strategy are reflected throughout **Part 3** of this Statement.
- Three internal reviews were conducted that considered human rights and modern slavery risk, and the adequacy of controls CBA has in place to manage the risk.
- CBA conducted a refresh of the Environmental, Social, and Governance (ESG) risk assessment tool and updated the modern slavery due diligence questions. The tool assists our bankers to identify and assess the ESG risks our customers are exposed to and the mitigating actions taken by our customers.
- CBA undertook its first social compliance audit on one of our security partners providing services across four different workplaces. These audits reviewed compliance with ethical and responsible sourcing standards as well as applicable local laws. The audit identified four findings, and corrective actions were taken.
- CBA partnered with our building manager JLL to achieve Cleaning Accountability Framework (CAF) Building Certification for our Commonwealth Bank Place workplaces in Darling Harbour, Sydney.

# Context on the Commonwealth Bank Group

# Our corporate structure

## Reporting Entities

For the purpose of the Modern Slavery and Human Trafficking Statement, CBA is the higher entity (as defined by section 14(2)(d)(ii) of the MSA) giving the Joint Statement. The CBA Group structure includes the CBA and its interests in operating and special purpose subsidiaries, joint ventures and associates. The operating activities of the entities within the CBA Group include banking, advice, funds management, specialised customer financing and asset backed financing across multiple jurisdictions.

Four additional entities within the CBA Group are Reporting Entities (as defined by section 14 of the MSA) and are covered by this Joint Statement.

- **BWA Group Services Pty Ltd.** The company operates as a shared services function for CBA to provide labour services to the Bankwest division of CBA. The company follows CBA Group policies relating to its employees and its supply chain activities are managed centrally by CBA.
- **Commonwealth Securities Limited.** The company comprises the CBA Group's online trading platforms, cash and investment lending proposition for retail investors. The company does not have any employees and its supply chain activities are managed centrally by CBA.
- **CBA Covered Bond Trust.** The Trust's principal activities during the financial year were the holding of loan receivables from CBA and the provision of guarantees and security over the issue of any covered bonds by the bank. The Trust does not have any employees and it does not have any supply chain activity of its own.
- **Medallion Trust Series 2008-1R.** The Medallion Trust Program enables the securitisation of our own assets. Securitisation is used by the bank for funding, capital and credit portfolio management. The entity does not have any employees and it does not have any supply chain activity of its own.

These Reporting Entities follow relevant CBA Group policies and processes or processes that do not materially differ from CBA Group. References to CBA throughout the document should be taken to include these entities.

## Entities owned or controlled

Determining whether a CBA Group Reporting Entity has control is generally straightforward based on ownership of the majority of the voting rights. Holding more than 50% of an entity's voting rights typically indicates control over the entity.

- **ASB Bank Limited (and other ASB entities).** ASB Bank Limited (ASB) provides everyday banking, lending, insurance (distribution) and wealth management products and services to customers across New Zealand. ASB is ultimately owned and controlled by CBA and given it operates overseas, it is not a Reporting Entity. ASB has processes which are in some respects different to CBA and given this, we have specifically referenced ASB throughout this Statement, where relevant.
- **Other entities owned or controlled.** CBA has other entities owned or controlled by CBA that follow CBA Group policies and processes or processes that do not materially differ from CBA. References to CBA throughout the document should be taken to include entities owned or controlled by CBA (excluding ASB entities), except where specifically identified.<sup>1</sup>

### Review of X15 Ventures.

In 2024, a review was conducted on CBA New Digital Businesses Pty Ltd (trading as X15 Ventures), an entity wholly owned by CBA that builds, buys, and invests in digital ventures that could benefit CBA customers. The review considered where variations may exist between modern slavery risk within X15 Ventures' operations and the due diligence the business undertakes, compared to the CBA Group's risk exposure and approach. The assessment found X15 Ventures follows CBA Group policies, processes and procedures where they relate to employees and supplier management. It also found that customers of X15 Ventures businesses did not present different modern slavery risks to CBA Group. As such X15 Ventures' processes do not materially differ from CBA and will not be referenced separately in this Statement.

### PT. Bank Commonwealth (PTBC).

In our 2023 Modern Slavery Statement, we said that an initial risk assessment for PTBC was underway. In late 2023, CBA Group announced that it had entered into a binding agreement to sell our remaining 99% shareholdings in this subsidiary, with the sale completed in May 2024. CBA no longer holds any shareholdings in PTBC.

# Our business operations

The CBA Group structure includes subsidiaries operating in Australia, New Zealand and other countries. Across the CBA Group, there are over 48,000 full-time equivalent (FTE) employees. The map on the [page 8](#) identifies the countries where our workforce is located.

## CBA operations (as at 30 June 2024)

CBA is a leading bank in Australia, serving approximately 15.5 million customers,<sup>3</sup> in FY24. Across Australia, CBA employs more than 36,500 FTE employees. CBA has approximately 650 FTE employees located overseas including in our branches in New Zealand, China, Hong Kong, Japan, Singapore, the United Kingdom and the United States.<sup>4</sup> By headcount,<sup>5</sup> more than 32,200 of our employees are permanent full-time workers, more than 6,700 are permanent part-time and 880 are casual workers. Our domestic brands include well-known names in banking and financial services in Australia.



Retail Banking Services (RBS)	RBS provides simple and convenient banking products and services to personal and private bank customers, helping them manage their everyday banking needs, buy a home, or invest for the future. RBS also includes the retail banking activities conducted under the Bankwest and Unloan brands.
Business Banking (BB)	BB serves the banking needs of business, corporate and agribusiness customers across the full range of financial services solutions. BB also provides Australia’s leading equities trading and margin lending services through our CommSec business. BB includes business banking activities conducted under the Bankwest brand.
Institutional Banking and Markets (IB&M)	IB&M provides domestic and global financing and banking services to large corporate, institutional and government clients. This includes access to debt capital markets, risk management, transaction banking, sustainable finance, structured and working capital solutions, and tailored research and data analytics.

## ASB operations (as at 30 June 2024)

ASB is an indirect wholly-owned subsidiary of CBA serving approximately 2.1 million customers<sup>6</sup> in FY24, with its own operations and supply chain management approach. ASB employs more than 5,800 employees (excluding contractors), of which over 400 are part-time.



ASB Personal Banking	The Personal Banking segment provides banking, investment and insurance services to personal customers.
ASB Business Banking	The Business Banking segment provides services to commercial, rural and small business customers.
ASB Corporate Banking	The Corporate Banking segment provides services to corporate customers, transactional banking services and retail broking services. It also comprises ASB’s financial markets activities, including financial instruments trading and sales of financial instruments to ASB customers.

## Other international operations (as at 30 June 2024)

CBA has approximately 5,630 FTE employees based in India employed by our subsidiary, CBA Services Private Ltd, which provides business support services to CBA. Our banking subsidiary in The Netherlands, Commonwealth Bank of Australia (Europe) N.V. has approximately 55 employees and provides services including lending facilities and financial markets products to corporate and institutional clients.



# Our supply chain

We partner with more than 4,700 CBA Suppliers<sup>7</sup> worldwide to help us deliver products and services to our customers. During FY24, CBA spent approximately AUD\$5.2 billion with direct CBA Suppliers, ranging from large multinational corporations to small businesses.<sup>8</sup> Our commercial arrangements with CBA Suppliers span from long-term agreements for top tier strategic partners to general purchase order terms and conditions for one-off engagements with minimal spend.

We engage with CBA Suppliers in a cooperative manner through the CBA Group Supplier Lifecycle Framework, which supports consistent principles being applied to CBA Supplier selection, contracting, performance and contractual management. The CBA Group Supplier Lifecycle Framework consists of the CBA Group Supplier Lifecycle Policy, the CBA Group Supplier Lifecycle Procedure, and their supporting resources.

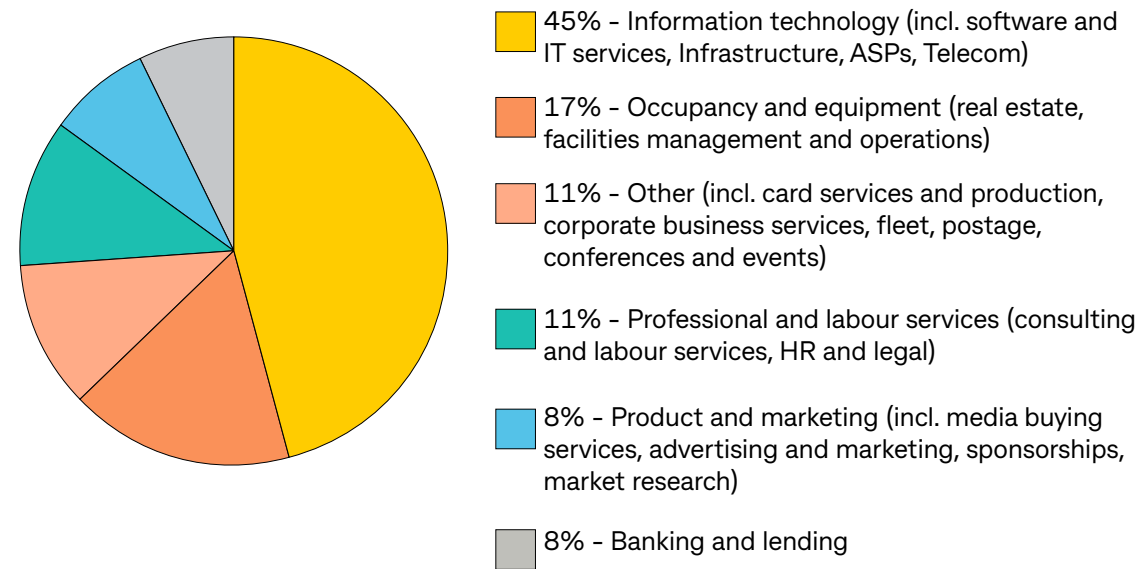
CBA has a complex and diverse supply chain, with spend across a number of categories.<sup>9</sup> The top five countries where CBA's direct CBA Suppliers are based, and which account for 98% of our spend are Australia, the United States, Great Britain, Ireland and India.

For CBA Suppliers under the CBA Group Supplier Lifecycle Policy, we consider the primary countries involved in the sourcing, manufacture and/or delivery of the product or service when assessing their inherent modern slavery risk. When we identify an industry or country with a high or very high risk of modern slavery, we may conduct further due diligence on that CBA Supplier. We recognise the risk of modern slavery beyond our direct CBA Suppliers ([see page 23 for further details](#)).

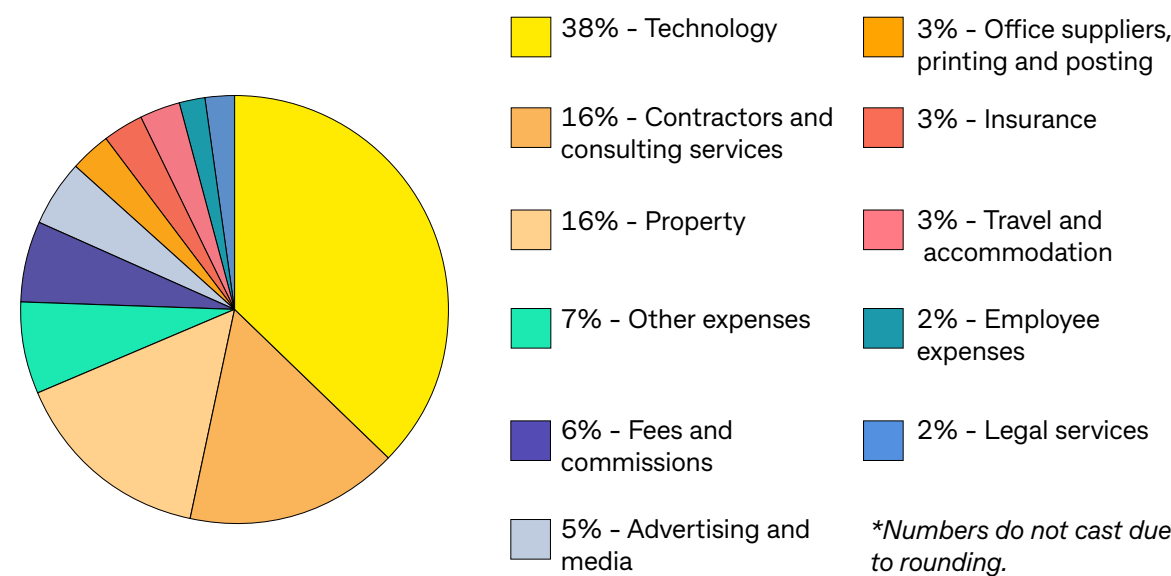
## ASB Suppliers

ASB partners with more than 1,700 suppliers and during FY24, it spent approximately NZD\$546 million with direct ASB Suppliers.<sup>10</sup> ASB has its own Supplier Lifecycle Policy, which is aligned to the CBA Supplier Lifecycle Policy. ASB requires all new, ongoing suppliers to complete an E&S Governance questionnaire at the time of on-boarding. The automated questionnaire is sent to the supplier and responses are tracked using ASB's Coupa Supplier Risk tool. Questionnaire responses will determine whether follow up information is required and whether ASB will proceed with the engagement ([see from page 27 for further details](#)). ASB Suppliers are required to confirm acceptance of the ASB Supplier Code of Conduct or equivalent.

FY24 CBA Supplier spend across all categories <sup>8</sup>



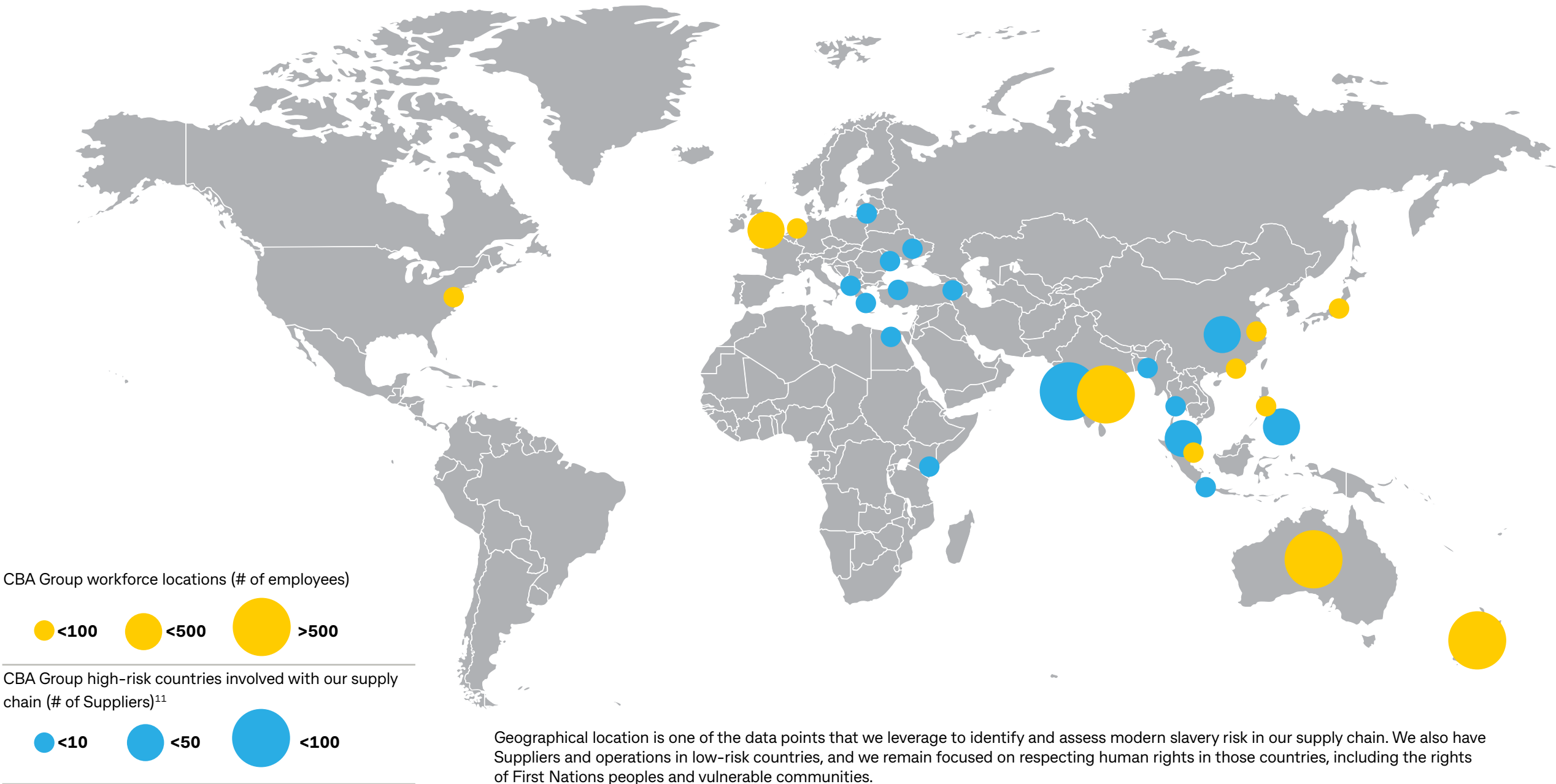
FY24 ASB Supplier spend across all categories <sup>10</sup>



The map on the next page identifies the high-risk countries involved in our supply chains, as assessed during our inherent risk screening process.

# Our locations

Map of workforce locations and high-risk countries involved in sourcing, manufacturing and/or delivery of products and services for the CBA Group.





# Our purpose and values

Having highly engaged, capable and accountable teams is essential to delivering our strategy and positive outcomes for our customers, our people, communities and shareholders.

## CBA's purpose and values

At CBA, our purpose of building a brighter future for all is focused on our strategic priorities – helping build Australia's future economy; reimagining banking; and simpler, better foundations.

Our Code of Conduct guides our people to deliver on our purpose and strategy, by setting expectations for how we act and make decisions. The 'Should We' test helps our people make the right decisions for our customers, shareholders and other stakeholders. We are guided by our Values 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.
- **Commitment:** We are unwavering in our commitment – we do what's right and together we find a way.

Our Leadership Principles are designed to help leaders understand what's required to lead successfully at CBA. These Principles include both mind-sets and behaviours that will guide leaders in providing greater connection to our customers and empowerment within teams. Our Leadership Principles are:

- **Obsess over customers:** Prioritise the customer above all else; relentlessly improve our customers' lived experience; and anticipate and solve unmet customer needs.
- **Lead as an owner:** Create clarity, remove complexity and build alignment; apply good judgement to take smart risks and focus on value; and seek out obstacles and find solutions.
- **Be curious and humble:** Seek feedback, reflect and improve; ask questions and never stop learning; and set ambitious goals and persevere.
- **Create exceptional teams:** Attract and develop great people and unleash their potential; inspire confidence, openness and trust; and deliver better outcomes, sooner and safer.

## ASB's purpose and values

'Accelerating progress for all New Zealanders' is ASB's purpose, achieved through three interconnected strands of financial, social and environmental progress.

Their strategy is to be 'simple and easy every day, brilliant when it matters'. This is achieved through leading customer engagement; better, sooner, safer execution; and the strongest foundations.

Living ASB's values, Mātāpono, is integral to achieving ASB's purpose. These values guide their interactions with each other, as well as with ASB's customers and community:

- **Manaakitanga | Caring:** Their strength comes from caring about their people, their customers, their community, and their environment.
- **Māia | Courage:** They speak up on issues that matter. They are not afraid to champion new ideas and ways to do things.
- **Awata | Passion:** They embrace innovation and new ways of working to help New Zealand progress.
- **Ngākau Pono | Integrity:** They do the right thing, including when no one is looking.
- **Kāpuia | United:** They work together as one team for their customers.

# Understanding the risk of modern slavery

# Modern slavery as defined by the *Modern Slavery Act 2018* (Cth)

Modern slavery is a relationship based on exploitation. The [Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities](#) states that modern slavery is only used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers. However, these practices are also illegal and harmful and may be present in some situations of modern slavery. These practices may also escalate into modern slavery if not addressed.

The following definitions for modern slavery are taken from the Guidance for Reporting Entities.

Modern Slavery Type <sup>12</sup>	Definition	Modern Slavery Type	Definition
Human trafficking	Describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.	Forced labour	Describes situations where the victim is either not free to stop working or not free to leave their place of work.
Slavery	Describes situations where the offender exercises powers of ownership over the victim, including the power to make a person an object of purchase and use their labour in an unrestricted way.	Forced marriage	Describes situations where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony.
Debt bondage	Describes situations where the victim’s services are pledged as security for a debt and the debt is manifestly excessive or the victim’s services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined.	Worst forms of child labour	Describes situations where children are: <ul style="list-style-type: none"><li>• exploited through slavery or similar practices, including for sexual exploitation;</li><li>• engaged in hazardous work which may harm their health, safety or morals; or</li><li>• used to produce or traffic drugs.</li></ul>
Servitude	Describes situations where the victim’s personal freedom is significantly restricted, and they are not free to stop working or leave their place of work.	Deceptive recruiting practices	Describes situations where the victim is deceived about whether they will be exploited through a type of modern slavery.

# Risk factors for financial services informing our understanding of modern slavery risk

As discussed by the [Australian Banking Association and KPMG](#) in their Typologies and Indictators of Modern Slavery Working Paper, there are four key factors that can help to identify the risk of modern slavery.

Key risk factor	Potential risk for financial services	Example of how this informs our understanding of modern slavery risk
<b>Vulnerable populations</b> Personal characteristics or circumstances that may lead people to be more susceptible to harm.	Certain clients and suppliers may operate in industries where they are more likely to interact with vulnerable populations within the workforce e.g. migrants, seasonal or base workers.	We focus our ESG risk assessments on the industries with higher risks of exposing people to modern slavery, including agriculture, forestry, mining and manufacturing ( <a href="#">see page 31 for further details</a> ).
<b>High-risk business models</b> Practices that reduce visibility between product or service beneficiaries and the provider’s labour conditions.	Certain clients and suppliers may utilise labour hire arrangements, contractors, and sub-contractors.	High-risk business models that CBA may have exposure to include sub-contracting, third-party labour hire and outsourcing. These high-risk business models may be taken into consideration in our due diligence conducted on CBA Suppliers ( <a href="#">see page 21 for further details</a> ).
<b>High-risk geographies</b> Locations where human rights protections are weaker or obscured from oversight.	Certain clients and suppliers may maintain business operations in regions with scarce accommodation and/or little to no means of accessing community support.	Countries with the highest prevalence of modern slavery risk are rated high for Country Social risk in the ESG risk tool ( <a href="#">see page 30 for further details</a> ) and the CBA Supplier Risk Governance (SRG) tool ( <a href="#">see page 21 for further details</a> ).
<b>High-risk procurement categories</b> Known high-risk products and services, based on the confluence of the other risk factors.	Certain suppliers may provide products and services that are classified to be in high-risk procurement categories.	To understand our exposure to high-risk procurement categories, we map our procurement categories (spend taxonomy) against industry categories (using ANZSIC codes) and assign a modern slavery risk rating ( <a href="#">see page 22 for further details</a> ).

# Potential exposure to modern slavery in our business operations and supply chain

The United Nations Guiding Principles on Business and Human Rights (UNGP) guides our understanding of how we may ‘cause’, ‘contribute to’ or be ‘directly linked’ to human rights risks and impacts.

For the purpose of the 2024 Modern Slavery Statement, we use the UNGP to assist us in reporting on how we assess and address risks across our business as an employer, a procurer of goods and services and a provider of banking products and services.

**Our role as an employer**

We recognise that there is a risk we could cause an adverse human rights impact on employees. We are committed to respecting the human rights of our employees by taking steps to operate a workplace that is fair and inclusive. We seek to achieve this through CBA or ASB policies and procedures.

**Our role as a procurer of goods and services**

We may contribute or be directly linked to situations of modern slavery through engagement with CBA Suppliers and their supply chain. To manage this, we engage with CBA Suppliers rated as being at higher risk for modern slavery through our SRG tool, to help us assess and address the risks of modern slavery in their operations.

**Our role as a provider of banking products and services**

We may be directly linked to a potential case of modern slavery through our Financing decisions,<sup>13</sup> given the range of sectors that we have exposure to (see table at right). Where reasonably practical we work to assess and address the risks of modern slavery in our Financing decisions, through CBA ESG risk assessments or ASB risk assessments.

As a financial institution, we have a role to play in detecting, deterring and disrupting financial crime. Our internal controls, policies and tools help us detect and deter financial crime, including crimes that intersect with modern slavery.

The following table shows the CBA Group’s Total Committed Exposure (TCE)<sup>14</sup> across sectors as at 30 June 2024.

CBA Group TCE (\$bn)	
	June 24
Consumer	793.0
Government administration and defence	174.5
Finance and Insurance	98.9
Commercial property	94.9
Agriculture and forestry	32.5
Transport and storage	27.8
Manufacturing	19.5
Entertainment, leisure and tourism	18.2
Wholesale trade	16.8
Business services	16.4
Electricity, gas and water	15.9
Retail trade	15.7
Health and community services	15.4
Construction	13.1
Mining, oil and gas	7.1
Media and Communications	5.3
Education	3.8
Personal and other services	3.5
Other	5.8
Total	1,378.1



# Sharing from our experience | Understanding modern slavery risk in CBA’s property lease portfolio

Recognising that there is a heightened risk of labour rights and modern slavery issues in the supply chains of the properties we lease, primarily due to cleaning and security services provided by landlords, in FY24 we undertook a review of our lease portfolio in Australia to better understand the likelihood of risk to vulnerable people in our property supply chain.

CBA leases approximately 650 retail and commercial properties in Australia from a broad range of landlords ranging from large institutions down to individual investor landlords. Retail properties make up 87% of these leases in our portfolio.

We initiated the review on our largest leaseholds (representing almost 80% of our total lease portfolio spend for Australia) by issuing a self-assessment questionnaire to 27 landlords and managing agents via the SRG tool. The questionnaire responses were used to assess alignment with our modern slavery risk management standards.

Our major landlords<sup>15</sup> and managing agents demonstrated compliance with our modern slavery risk management standards and subsequently were rated as having a low residual risk for modern slavery.

However, ten mid-tier landlords/managing agents either did not meet our required standards or failed to respond to our questionnaire. For those that did not respond to our questionnaire, we concluded that they did not meet our expectations given that in all cases they had no public commitment to address modern slavery risk in their business.

When determining the risk treatment approach for the ten landlords/managing agents that did not meet our expectations, we drew on the UNGP and reflected on how, through our relationships, we can help influence positive change.<sup>16</sup>

We considered that modern slavery risk in leases is heightened by cleaning and security services where the landlord contracts these services directly, and came to the following conclusions:

## Retail Tenancy

We largely mitigate the risk in our retail property portfolio by procuring cleaning and security services directly from reputable organisations that share our values and meet our standards.<sup>17</sup> We may have a direct link to this risk via CBA Suppliers and have strong relationships, through which we can help to influence change.

## Commercial Tenancy

The risk in our commercial property portfolio is largely mitigated by partnering with major landlords that share our values and meet our standards. We may have a direct link to the risk associated with tenancy cleaning in our corporate workplaces via our landlords who procure these services (typically CBA provides its own tenancy security for our workplaces). Our influence to drive change is dependent on the floorspace we occupy in a building; and it is strongest where we are the sole or major tenant.

## Common areas in multi-tenanted properties

In properties like shopping centres where cleaning and security services for common areas are provided by centre management, we may have a direct link to the risk via our landlord. However, our ability to influence change can be limited given the proportionately smaller floorspace we occupy compared to other tenants, especially anchor tenants. Consequently, in these instances, although we seek to communicate our modern slavery expectations to landlords, we would generally not prioritise these relationships to drive change, instead we would focus our efforts where we can have the greatest impact.





The risk to vulnerable people in our property supply chain is largely mitigated by CBA directly sourcing tenancy cleaning and security services, providing greater transparency and control over supply chain risk. Additionally, risk is mitigated by partnering with major landlords that meet our expected standards.

Moving forward, we will continue to consider how we can increase awareness of modern slavery risk amongst our landlords and their managing agents and consider opportunities to increase our ability to influence positive change in our lease portfolio supply chain.

# Our approach to assessing and addressing modern slavery risk

# FY24-26 Modern Slavery Strategy | Key activities

The CBA Group FY24-26 Modern Slavery Strategy seeks to continually strengthen our response to modern slavery and human trafficking risk. The structure of the CBA Group FY24-26 Modern Slavery Strategy draws on the UNGP and considers our role as an employer, our role as a procurer of goods and services, and our role as a provider of banking products and services.

FY24-26 Modern Slavery Strategy	FY24 update	More information
 <b>Policy commitment</b>	<b>Environmental and Social Framework</b> <ul style="list-style-type: none"><li>CBA Group policies and procedures</li><li>Modern slavery governance forums</li></ul>	<a href="#">See pages 17-18 for more details.</a>
 <b>Due diligence</b>	<b>Our role as an employer</b>	<a href="#">See pages 20 for more details.</a>
	<b>Our role as a procurer of goods and services</b> <ul style="list-style-type: none"><li>CBA Supplier due diligence</li><li>CBA Supplier code of conduct</li><li>CBA Supplier improvement plans</li><li>ASB E&amp;S questionnaire</li></ul>	<a href="#">See pages 21-29 for more details.</a>
	<b>Our role as a provider of banking products and services</b> <ul style="list-style-type: none"><li>CBA ESG risk assessments</li><li>ASB E&amp;S risk assessment</li><li>Financial crime monitoring</li></ul>	<a href="#">See pages 30-34 for more details.</a>
 <b>Grievance and remediation</b>	<b>Our grievance mechanisms</b>	<a href="#">See page 35 for more details.</a>
 <b>Stakeholder engagement and reporting</b>	<b>Key forums and strategic partners</b>	<a href="#">See page 36 for more details.</a>



# Policy commitment | Environmental and Social Framework

## Our commitments

Across CBA and ASB, we have policy commitments specific to assessing and addressing modern slavery risk in business operations and supply chains.

As set out in our E&S Framework, we expect our Clients,<sup>18</sup> Suppliers and other business partners to identify, manage, monitor, and redress any adverse impacts on human rights where their business is involved.

## Environmental and Social Frameworks

CBA's E&S Framework and ASB's E&S Framework details each company's commitment to respect human rights.

The E&S Frameworks reflect the key matters we have identified through feedback and engagement with our customers, people, communities, and shareholders. It provides a reference point for our people and stakeholders on the minimum standards we seek to abide by, the targets we seek to implement, and the governance and oversight in place to support our endeavours. The UNGP has informed the development of the human rights section of the E&S Framework.

## Integration of human rights risk into our risk framework

CBA manages risks through our Risk Management Framework (RMF), which evolves to accommodate changes in the business operating environment, better practice approaches, and regulatory and community expectations. The RMF incorporates the requirements of APRA's Prudential Standard CPS 220 Risk Management.

As part of the RMF, the CBA Group Risk Taxonomy includes a sub-risk type, 'Human Rights Violations' risk (including modern slavery), under the Board Approved E&S material risk type. This, combined with our regulatory Obligation Management processes, guides the business in considering the risk of negatively impacting human rights, including through modern slavery.

Material risk types are subject to formal governance, reporting and oversight by executive committees and the Board.

## Risk and Control Self-Assessment

An established annual Risk and Control Self-Assessment (RCSA) process exists within the CBA Group where business units and support units identify and assess the risks to achieving our business objectives. Ongoing compliance against the MSA is monitored through Compliance Self Assessments as part of the CBA Group Obligations Management Procedure. Compliance Risk is governed and reported through the Non-Financial Risk Committee channels across CBA.

A diagram of CBA's RMF is provided in [Appendix B](#).



# Policy commitment | CBA Group policies and procedures

Our E&S Frameworks details our commitments to respect human rights. To meet our commitments, we have policies and processes in place which seek to identify and consider potential human rights risks and impacts in our business operations and supply chain. Our policies are accessible to our employees through our intranet, and several policies are available publicly on our website.

Policy	Purpose
<u>CBA Code of Conduct</u>	Sets out expectations for how we act, solve problems and make decisions. It is the ultimate guide for how we do things at the CBA.
<u>ASB Code of Conduct</u>	Articulates the standards of behaviour expected of our people when engaging with, and balancing the interests of, ASB’s stakeholders.
<u>Whistleblower Policy</u>	We are committed to embedding a ‘speak up’ culture. Our CBA Group whistleblower policy and procedures prescribe that reports are treated appropriately and the employee raising the concern is protected.
<u>CBA Workplace Health and Safety Policy</u>	Outlines the CBA Group’s commitment and approach to the physical and psychological health and safety of people who carry out work at the direction of the CBA Group, as well as customers and visitors.
<u>CBA Inclusion and Diversity Policy</u>	Supports us to maintain a diverse workforce and inclusive culture that help us fulfil our purpose. Reflecting the diversity of our customers and communities enables us to better understand and serve their needs, build trust and make better business decisions.
<b>CBA Group Procedure: Customers in vulnerable circumstances</b>	Establishes the roles, responsibilities, accountabilities and processes to provide customers in vulnerable circumstances with the right help at the right time. This procedure provides guidance for customer facing teams to identify the extra care needs of customers who are in vulnerable circumstances, and support customers based on their needs. It also provides guidance to all employees of the CBA Group to protect customers by embedding extra care across the product and service lifecycle, from training employees, to product and service design and customer communications.
<b>CBA Group Supplier Lifecycle Policy</b>	Sets the principles, and forms part of the overall framework for the effective management of CBA Suppliers across the CBA Group.
<u>CBA Supplier Code of Conduct</u>	Shares CBA’s principles and communicates the behaviour and business practices we expect CBA Suppliers to adhere to - including throughout the CBA Supplier’s own supply chains - in providing goods and services to CBA.





# Policy commitment | Modern slavery governance forums

We have a number of forums in place that guide the strategic priorities and direction of the CBA Group's FY24-26 Modern Slavery Strategy.

## ELT E&S Committee

We established the ELT E&S Committee in 2020 to provide governance over E&S risks and opportunities, including modern slavery.

The ELT E&S Committee consists of the CEO, and certain Group Executives and senior leaders across business and support unit functions. It monitors implementation of our E&S work program and provides governance of related risks and opportunities. The ELT E&S Committee meets monthly, with the exception of December.

The Business Unit and Support Unit (BU/SU) Leadership teams and governance forums support the ELT E&S Committee and E&S work program.

## Modern Slavery Advisory Council

As part of our focus on addressing modern slavery risks in our business operations and supply chains, in FY23 we established a Modern Slavery Advisory Council to help guide the strategic direction of the CBA Group's FY24-26 Modern Slavery Strategy.

Along with Matt Friedman, CEO of The Mekong Club, and Professor Jennifer Burn AM, Director of Anti-Slavery Australia, the Modern Slavery Advisory Council includes senior leader representation from across CBA and ASB.

Over the FY24 reporting period the Modern Slavery Advisory Council met four times to discuss global and domestic better practice in monitoring modern slavery, the CBA Group's FY24-26 Modern Slavery Strategy, and the lived experience of victims and survivors of slavery in Australia.

Insights from Australian Red Cross' experience in working with people who have experienced modern slavery have supported the Modern Slavery Advisory Council to further consider the voice and expertise of lived experience in the CBA Group's FY24-26 Modern Slavery Strategy.

## Supply Chain Modern Slavery Program Steering Group

As part of CBA's Supply Chain Modern Slavery Program, we work in a cooperative manner with CBA Suppliers to mitigate risks, drive awareness, and support continuous improvement.

The program is overseen by the Program Steering Group (PSG), led by the Executive General Manager, Group Corporate Services. It provides thought-leadership, governance and delivery oversight of the modern slavery program of work for our Group Procurement and Group Property teams. The PSG is comprised of subject matter experts from across CBA, specialising in procurement, supplier risk, and human rights.

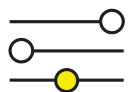
In addition to the PSG, our material and business critical CBA Suppliers<sup>19</sup> have regular governance meetings with Business Owners, with any issues arising related to human rights or modern slavery included on the agenda, if required.

The PSG also reports on the actions of the Supply Chain Modern Slavery Program to the CBA Group Supplier Governance Council, which discusses CBA Group-wide supplier management and risk, and the CBA Group Corporate Services Governance Forum, which receives reporting on all matters that impact Group Corporate Services. As well as further reviewing our progress in addressing the risks of modern slavery in our supply chains, these forums provide an opportunity to educate our leadership on this topic, while seeking guidance on areas for improvement.

## Modern Slavery Working Group

The Modern Slavery Working Group, led by the CBA Group E&S team, includes representatives from business and support units who have responsibility for elements of the CBA Group FY24-26 Modern Slavery Strategy.

The Working Group meets quarterly to discuss initiatives underway to assess and address modern slavery risk, share information, prepare this Statement, and to engage with external parties. This year, Australian Red Cross delivered an online seminar for the Working Group, sharing case studies of exploitation and survivor recovery in Australia.



## Due diligence | Our role as an employer

We recognise the importance of our organisational culture in promoting a fair and inclusive workplace. We respect the rights of our people and are committed to operating a workplace that is fair and inclusive and where our people feel comfortable to raise issues via confidential grievance mechanisms. Globally, more than 97% of our people are permanent full-time or permanent part-time workers. Based on our policy commitments, grievance mechanisms, and the majority of our workforce being either permanent full-time workers or permanent part-time workers, we consider the risk of modern slavery practices within our own workforce to be low.

We recognise that the estimated number of people living in conditions of modern slavery varies in the countries in which we operate. We have employees located in China, India and the United States, which have been identified as the 10 countries with the largest estimated numbers of people in modern slavery.<sup>20</sup> CBA Group policies and processes apply to these employees, with some variations due to local laws or for cultural reasons.

For those parts of the CBA Group that are impacted by foreign or local laws, regulatory requirements or contractual obligations that conflict with various policies, the more stringent requirement applies.

### Managing our Enterprise Agreement and entitlements

The CBA Enterprise Agreement 2023 (EA) sets out the terms and conditions for more than 34,500 of our level 1 and 2 Australia-based employees. To better support the evolving needs of our people, the EA included greater flexibility in working hours, tiered pay increases of up to 13% across three years for eligible employees and more leave. We now offer up to 18 weeks paid parental leave, available to both parents, with no qualifying period and with greater flexibility in how this leave is taken. More than 90% of our people voted in favour of the new agreement.

We recognise the importance of ensuring our people are correctly paid their employee entitlements. Following the CBA Group-wide review of employee entitlements in 2018, we have implemented controls to mitigate the risk of non-compliance with obligations under our EA and legislation. This includes assurance controls over a number of entitlement areas, such as overtime, personal leave and minimum salaries, to validate that they have been delivered in accordance with legislative requirements.

If we discover a discrepancy, we aim to correct it within a 60-day timeframe. Where appropriate, we also engage external firms to assist with compliance reviews and assurance. Compliance is overseen by the Non-Financial Risk Committee, who receive a people risk report detailing any identified discrepancies, root causes and remediation outcomes.

### Risk culture

Our risk culture reflects the beliefs and behaviours within CBA that require us to support constructive discussion and challenge, adhere to the Code of Conduct for better customer outcomes, reflect on our experiences and share learnings so we can become a better bank.

To maintain and improve our risk culture, CBA conducts a series of assessments and response mechanisms. These include the Board risk culture assessment, where the Board and senior management form a view of CBA's risk culture, and the CBA Group risk culture response plan, to address identified focus areas and business unit risk culture self-reflections, where leadership teams identify and prioritise focus areas to improve risk culture.

## **Due diligence | CBA supplier due diligence**

We respect human rights in our role as a procurer of goods and services by, where reasonably practical, working to assess and address the risks of modern slavery in our supply chains. We require modern slavery risk management considerations as part of our supplier due diligence processes, communicate our expected standards to CBA Suppliers, and work with them to address gaps identified.

We conduct modern slavery risk assessments on our domestic and international CBA Suppliers ([see page 27 for further details for details of ASB's supplier due diligence](#)) through our SRG tool, an application used by CBA to support the CBA Group's supplier risk and governance process.

Aside from conducting adverse media checks on all CBA Suppliers undergoing an enhanced risk assessment, we also conduct regular media screening on our business-critical CBA Suppliers and select high-risk CBA Suppliers to monitor for modern slavery risk in our supply chain.

In FY24, no modern slavery incidents were detected in CBA's supply chains however some adverse labour rights issues were detected in our tier 2 supply chain via social compliance audits ([see page 23 for further details](#)).

### Evaluating CBA Supplier capability at tender stage

Modern slavery risk management considerations are integrated in the CBA Group Procurement tender process, allowing us to evaluate a candidates' capability upfront in our sourcing process.

The tender questionnaire includes screening questions designed to assess a prospective CBA Supplier's capability against our modern slavery risk management expectations and to identify risk factors. A weighting system is used for scoring responses with a higher weighting applied for goods and services with an increased modern slavery inherent risk based on industry sector and/or geography.

The tender questionnaire seeks to confirm their organisation's capability against the CBA Supplier Code of Conduct (SCOC) and to disclose any gaps in their ability to meet our expectations, including those around human rights and labour practices.

### Process Overview: Digitised supplier due diligence progress since FY22



#### Inherent Risk Screening

Initial inherent risk screening conducted on CBA Suppliers to identify services with an increased risk requiring further assessment.

Screening is based on two key risk factors that indicate a higher likelihood of modern slavery risk; geography and procurement category.



#### Supplier Questionnaire

Self-Assessment Questionnaire (SAQ) issues via the SRG tool Human Rights Control Program to CBA Suppliers deemed to have an increased risk of modern slavery. The SAQ is designed to collect information to determine what management systems and controls the Supplier has in place to manage their modern slavery risk.



#### Risk Assessment

CBA Risk Analysts review CBA Supplier responses and supporting evidence to assess inherent and residual risk against set criteria. Adverse media checks also conducted.



#### Improvement Plan

Collaborate with CBA Suppliers to develop an Improvement Plan where controls do not meet our expectations and vulnerable work segments are likely in the supply chain.



#### Monitor and Re-assess

Monitor Improvement Plan progress to completion and re-assess CBA Supplier risk profile as needed during contract term or at next major contract event (e.g. renewal).

### Emerging trends from supplier risk assessments completed in FY24

**68%**

of CBA Suppliers assessed told us they have a policy commitment in place to address modern slavery risk and an additional 9% are in the process of developing one.<sup>21</sup>

**45%**

of CBA Suppliers assessed told us they have a grievance or whistleblower policy in place.

**61%**

of CBA Suppliers assessed told us they have a program in place to address modern slavery risk in their operations or supply chain or both.

The findings of the Supplier Risk Assessments inform our Supplier Improvement Plan process ([see page 25 for further details](#)).

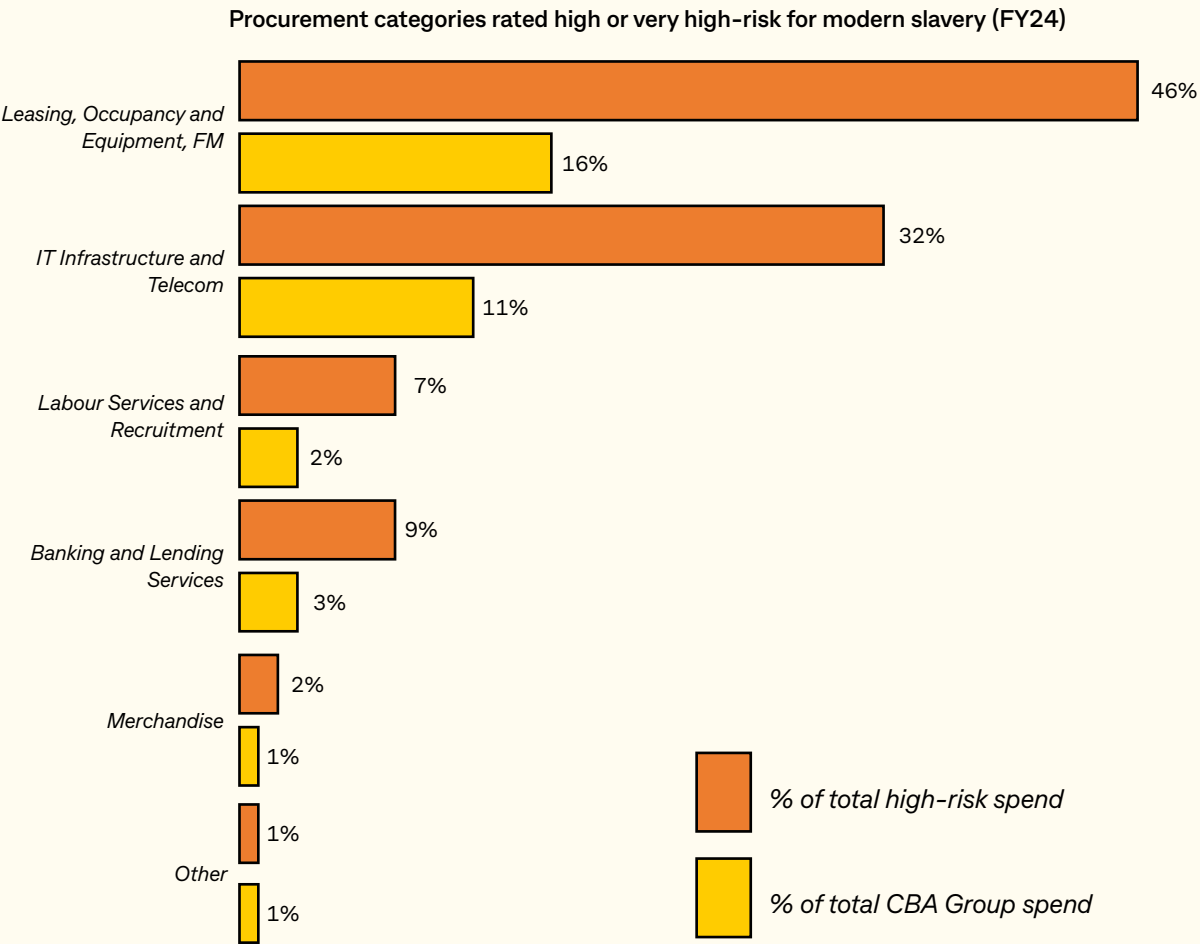
# Sharing from our experience | Modern slavery risk ratings for our procurement category taxonomy

Since we first introduced our modern slavery supplier due diligence process in FY21, each year we have reviewed and calibrated our modern slavery inherent risk ratings for our procurement category taxonomy.

In FY24, just over one third of our total procurement spend (34%) was against categories rated high or very high-risk for labour rights and modern slavery. Over the last four years, we have gradually increased the number of procurement categories rated as high or very high as we have matured our understanding of modern slavery risk. Enhanced screening and due diligence is carried out for products and services in these categories.

The property leasing category is one category that has been increased from medium to high risk in recognition of the increased risk associated with outsourced cleaning and security services. In FY24, to allow for increased screening, certain recruitment and labour services categories and certain banking and lending categories were increased to high risk.

In FY24, property expenses accounted for almost half of the spend (46%) in high-risk procurement categories, followed by IT and telco hardware (32%). Property expenses include rent and outgoings for our leased properties, construction and fit-out costs, and facility management costs such as cleaning, security and maintenance.



## Increasing awareness among our CBA’s Property teams

This year we focused on deepening our Group Property team’s understanding of the risk in our property and construction supply chain by partnering with The Freedom Hub to deliver engaging workshop training sessions. These sessions were delivered to our teams involved in property leasing, design, delivery and construction for our branch network. A separate session was delivered for our facilities management team. Overall 60 people attended the training.

Based on feedback provided in the post-training surveys, the two-hour workshops were well received by our people and achieved the objective of increasing our people’s awareness of modern slavery issues in the property sector and in our supply chain. A key highlight for participants was the supply chain mapping exercise that involved working in groups to map out supply chains for a product or service within their own portfolios.

## CBA employee feedback

*“The supply chain mapping exercise helped us better understand the depth of the issue.”*

*“Expanded [my] knowledge of modern slavery not only in the labour element but beyond that in the production and procurement of materials, its origin and the potential for modern slavery to be utilised in those earlier stages i.e. mining, underage workers, etc.”*





# Due diligence | CBA Supplier policies and contractual controls

The SCOC and Human Rights Compliance Clauses are two key mechanisms we use to set expectations for CBA Suppliers and to align with our commitments, which include integrating E&S risk management into business practices and procedures. By leveraging these measures, we aim to work with CBA Suppliers to share our commitment to ethical business practices and respect for human rights.

The SCOC states that CBA requires that CBA Suppliers comply with international human rights laws and manage their operations and supply chains as guided by the UNGP. CBA Suppliers can demonstrate their commitment to complying with our SCOC by agreeing to our SCOC compliance clause in their contracts.

We introduced our standard long form Human Rights Compliance Clause into the CBA Group Procurement template contracts in 2020. When included in our templates, it requires CBA Suppliers to comply with our SCOC and human rights and modern slavery laws and to make reasonable efforts to procure their own suppliers' compliance as well. It also requires CBA Suppliers to have and maintain adequate and reasonable policies, controls, procedures, and training designed to prevent, detect, assess, mitigate, and remediate any instances of adverse human rights impacts in their operations and supply chains. This clause supports our engagement with CBA Suppliers by setting expectations for CBA Suppliers to develop their own supplier management practices.

In FY23, we prepared a shorter form Human Rights Compliance Clause and revised playbook guidance for CBA Supplier contracts involving lower human rights inherent risk. This short form clause allows us to calibrate CBA Supplier compliance obligations to the human rights risk in their engagement, while requiring CBA Suppliers to take reasonable steps to ensure they and their personnel comply with all human right laws and to identify, assess and address risks of modern slavery practices in their operations and supply chains.

## Supply chain risk beyond our direct CBA Suppliers

While most of our efforts continue to be focused on our direct CBA Suppliers there is potential risk within CBA Suppliers' supply chains. To manage this risk, for the majority of our CBA Suppliers with increased modern slavery risk, we use our standard supplier contract terms and CBA Supplier Code of Conduct to communicate our expectations that our direct CBA Suppliers assess and address modern slavery risk within their own supply chains.

In FY24, we sought to gain a greater understanding of our supply chain risk by completing a risk screening exercise on 13 fourth party suppliers (i.e. CBA Supplier's suppliers) to gauge their alignment with our modern slavery risk management standards. These suppliers provide manufactured materials and goods commonly used across the building and construction industry and are incorporated into our newly constructed and refurbished workspaces; this includes plasterboard, flooring materials, acoustic panels, lighting office partitioning and furniture, which we would collectively consider a high-risk procurement category. 60% of the fourth parties screened were deemed to have an adequate level of alignment with our modern slavery expectations. Of those that did not meet our expectations, almost all did not have any measures in place to address modern slavery risk in their operations or supply chain.

In FY25, where reasonably practical, we will look to engage with the fourth parties that did not meet our minimum standards to communicate our expectations and to offer them support to address gaps. We will continue to monitor their progress and assist with maturing their modern slavery risk management.

## Addressing issues identified in CBA's supply chain

This year we worked closely with one of CBA Suppliers that provides us with manufactured goods, to better understand the risk in their manufacturing partners' factories (our fourth parties). We reviewed the outcomes of the most recent independently conducted, social compliance audits the CBA Supplier had organised for their supplier's factories and worked with CBA Supplier to develop a plan to address key compliance issues.

In total, 17 high priority non-compliance findings were identified in the audits that warranted corrective action. The findings related to health and safety, working hours and management systems. In response, our CBA Supplier is working with their manufacturing partners to remediate issues identified. Follow-up audits are planned and we continue to monitor progress via the quarterly supplier governance meetings where modern slavery risk is a standing agenda item.



## Sharing from our experience | Completing CBA’s first social compliance audit


With our modern slavery due diligence process now included for CBA Suppliers within the CBA Group Supplier Lifecycle Policy, in FY24 we undertook our first social compliance audit on one of our security partners, MSS Security. The purpose of the social compliance audit was to review whether CBA Supplier complies with ethical and responsible sourcing standards as well as applicable local laws.


The security industry in Australia is regarded as high-risk for modern slavery due to the prevalence of base skilled migrant workers, coupled with unregulated labour management practices, such as labour hire, that contribute to unscrupulous practices designed to exploit vulnerable workers in a price competitive environment.<sup>22</sup>


We engaged an independent third-party auditor, with global capability, to perform the audit which consisted of:


- an announced audit over two days at CBA Supplier’s head office to review policies, procedures and personnel files including payroll and timesheet records for interviewed workers; and
- unannounced site audits, over three days, at four of our corporate workplaces in Sydney and Perth to conduct confidential worker interviews.

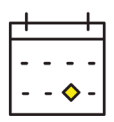
Thirty-one workers were interviewed overall representing almost 40% of the total workforce across the audited sites. The roles performed by the workers included static guarding, security patrols and observation room duties. The audit covered the following areas:


**Labour (incl. Child and Forced Labour)**

**Health and Safety**

**Environment**

**Business Ethics**

**Management Systems**

**Foreign Migrant Workers**

The audit identified four findings relating to labour and health and safety. Recommended corrective actions were discussed and agreed to during the audit and were promptly addressed by our security partner.

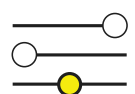
The overall positive outcome of the audit supports the ‘low’ residual risk rating assigned to our security partner for labour rights and modern slavery via CBA Supplier due diligence process. Next year we will look to conduct social compliance audits for select high-risk CBA Suppliers as part of our evolving modern slavery due diligence program.

### Incorporating worker surveys into our audit

In addition to the confidential in-person interviews with the auditors, workers were given the opportunity to complete an anonymous worker sentiment survey.

Posters with QR codes were placed in lunchrooms promoting the optional survey during the audit period. The worker sentiment surveys are designed to be quick and easy to complete and encourage workers to candidly disclose sensitive workplace concerns in a safe space and at a time convenient to them.

A sub-set of the interviewed workers opted to also complete the anonymous worker sentiment survey; their feedback provided further insights and overall reinforced the favourable audit findings.



## Due diligence | CBA Supplier Improvement Plans

We expect CBA Suppliers to have and maintain adequate and reasonable policies, controls, procedures, and training designed to prevent, detect, assess, mitigate, and remediate any instances of adverse human rights impacts in their business operations and supply chain. These expectations are aligned to the UNGP and are appropriate for application across our supplier-base globally.

If through our risk assessment process we find a CBA Supplier that does not meet our expectations, and if there is also an increased risk of harm to vulnerable populations in the supply chain, we engage with the CBA Supplier to make them aware of the gaps where practical. We also provide them with training, tools, resources and ongoing support to help them develop and implement a time-bound improvement plan appropriate to the size and nature of their organisation. We monitor progress through to completion, and if necessary, re-engage to further support CBA Suppliers in improving their control measures. While we prefer to work with CBA Suppliers to improve their performance collaboratively, if a CBA Supplier is ultimately unable or unwilling to meet our minimum standards, we may choose to end the relationship subject to contractual obligations, noting that we have not yet exercised this option.

We consider a CBA Supplier to have strong modern slavery risk controls in place when they:

- have a public-level commitment in place to address modern slavery (or its various forms: slavery-like practices, human trafficking, forced, bonded, indentured, and child labour) in both operations and supply chains, that details the organisation's approach to address modern slavery and is signed at the most senior level of the organisation.
- conduct appropriate modern slavery risk management to assess and address risks and impacts in operations and supply chains.
- provide appropriate modern slavery training to all relevant employees that is organisation and context specific which should include what it is, how the risk is relevant to the organisation, and how to escalate concerns. This may include role-specific training to employees with modern slavery risk management responsibilities.
- have in place grievance mechanisms (such as a speak up tool, whistleblower hotline, informal reporting, worker voice surveys, worker representatives or other safe avenues) for managing labour or modern slavery concerns or reports, available to employees and workers in the supply chain.

Through our due diligence processes in FY24;

**22** CBA Suppliers were flagged for a Supplier Improvement Plan review.

**8** of those 22 Improvement Plans were not pursued due to limited ability to influence change (primarily due to one-off or low value).<sup>23</sup>

**26** was the total number of CBA Suppliers engaged as part of the Supplier Improvement Plan process (17 in Australia and 9 in India).<sup>24</sup>

**11** CBA Suppliers completed an Supplier Improvement Plan (9 in Australia and 2 in India).<sup>25</sup>

### Increasing CBA Suppliers' capability in Australia

In FY24 CBA actively engaged with 26 CBA Suppliers based in Australia and India as part of our Supplier Improvement Plan process. Aside from raising awareness via our Supplier Improvement Plan kick-off engagement session with CBA Suppliers, this year we partnered with The Freedom Hub to offer additional training to our Australian-based CBA Suppliers.

10 CBA Suppliers accepted our invitation to attend a training session tailored to their industry sector. Feedback from post-training polls indicated that all of the training sessions delivered achieved the objective of raising understanding of modern slavery risk in CBA Suppliers' supply chains.

The Freedom Hub, based in Sydney, is a social enterprise that has been supporting victim-survivors of modern slavery in Australia for over 10 years. They provide training services which fund a survivor school program that trains and equips victims of modern slavery to rebuild their lives, regain confidence and be reemployed in freedom.



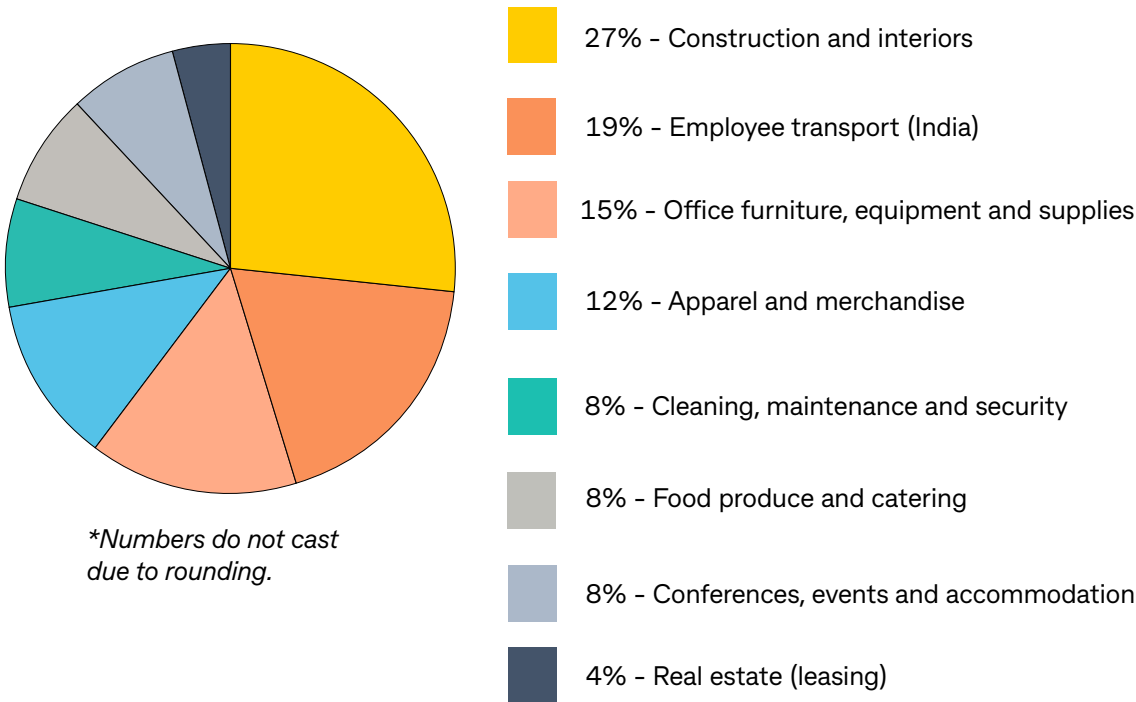
# Due diligence | CBA Supplier Improvement Plans

We recognise that some CBA Suppliers may take multiple Supplier Improvement Plans over several years to achieve our target standard. We are committed to supporting CBA Suppliers in their endeavours to improve their maturity over the term of their relationship with the bank.

Our Supplier Improvement Plan process focuses on empowering CBA Suppliers to drive their own improvements by building CBA Supplier capability (through guidance and tools) so they can implement the most suitable measures independently. In parallel, we focus on building the capability of our CBA employees who are Supplier Business Owners to enable them to support and guide their CBA Suppliers throughout the process.

Engaging with CBA Suppliers through the Supplier Improvement Plan process continues to be instrumental in raising CBA Suppliers’ awareness and understanding of the modern slavery risk in their business. Through this engagement, we seek to create a collective commitment to eradicating modern slavery and upholding human rights throughout CBA’s supply chain.

Industry sectors of CBA Suppliers engaged for a Supplier Improvement Plan FY23 and FY24\*



## FY24 key insights from Supplier Improvement Plans

We seek to manage the risks of human rights abuses in our supply chain by managing our most relevant risks – that is where harm to people is most likely to be experienced within our supply chain.

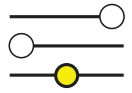
However, we recognise that our impact is greatest when we work with CBA Suppliers with proximity to workforces susceptible to exploitation – either in their own operation or in the first or second tier of their supply chain, where they have the greatest control and influence.

The CBA Suppliers we engaged with over the last two years have been based in Australia and India and cover a broad range of industries as shown in the adjacent pie graph. Consistent with previous years, the majority were small businesses employing less than 100 people. Several of these smaller CBA Suppliers had limited awareness of the risks associated with modern slavery in their supply chain and actions they could take to mitigate this risk.

## Raising awareness among CBA Suppliers via our risk assessment process

Our modern slavery risk assessment process plays an important role in increasing CBA Suppliers’ awareness and understanding of modern slavery risks and our expectations. Throughout various process touchpoints with CBA Suppliers, we leverage opportunities to share information and resources.

In FY24, we sent emails to over 130 CBA Suppliers, who had been identified as having an increased modern slavery risk via our SRG tool, requesting completion of our self-assessment questionnaire. We include links to our Modern Slavery Supplier Toolkit, SCOC, and FAQs in these emails.



## Due diligence | ASB E&S Supplier Questionnaire

ASB requires all new, ongoing ASB Suppliers to complete an E&S questionnaire at time of on-boarding. This questionnaire requires them to confirm they accept the ASB SCOC, which requires ASB Suppliers to take appropriate steps to both understand the modern slavery risks in their own operations and supply chain, and to enact measures to address those risks.

The ASB Purchasing Terms require ASB Suppliers to have adequate measures in place to prevent and mitigate the risk of modern slavery in their operations or supply chain, and report any actual, alleged or reasonably suspected modern slavery in its operations or supply chain.

Due diligence conducted at the outset of the supplier engagement includes questions aimed at identifying risk to people. The questionnaire also probes whether appropriate controls are in place to prevent harm. Risk questions cover geography; vulnerability of the ASB Supplier's workforce (migrant workers, those on temporary contracts etc.); and any reported breaches or incidents of modern slavery.

### FY24 key highlights from ASB

ASB has focused on maturing its upfront ESG supplier due diligence process in FY24.

The new ESG supplier due diligence workflow, implemented in June 2024, includes a revised questionnaire within ASB's Coupa tool, with an automated workflow triggering a comprehensive upfront due diligence assessment for high risk ASB Suppliers.

## Sharing from our experience | Building CBA's capability in India

In 2022, when we first engaged with our India-based CBA Suppliers as part of our Supplier Improvement Plan process, we realised we needed to adjust our Australian-based Supplier Improvement Plan approach when supporting CBA Suppliers in different countries, to consider their modern slavery legislative environment and cultural context.

Based on discussions with CBA Suppliers in Supplier Improvement Plan engagement meetings, we found the average level of understanding and acknowledgment of modern slavery in supply chains amongst our Indian-based CBA Suppliers was lower than our Australian Supplier base. This is understandable given India does not have mandatory reporting legislation in place for businesses as Australia has. In line with our Australian experience, this was more evident among the small and medium-sized businesses we engaged with.

Equipped with these learnings and insights, in FY23 we drew on the expertise of specialists in human rights and social impact to undertake an independent review of our Supplier Improvement Plan process, tools and engagement approach for Indian Suppliers. This provided assurance that our expectations pertaining to CBA Suppliers' modern slavery risk management controls align with international standards and are appropriate for all CBA Suppliers globally. This work also provided guidance on tailoring our tools and resources to the Indian context.

In FY24, we turned our attention to developing and delivering a tailored capability-building program for our CBA India employees and our India-based Suppliers requiring an Improvement Plan. We also appointed two modern slavery champions in Bengaluru to support and oversee the Supplier Improvement Plan process for India. The champions' role entails engaging with Suppliers to agree on Improvement Plan actions and supporting them through the process. The appointment of 'local voices' on the ground to engage with our Indian-based CBA Suppliers will aid in strengthening Indian-based CBA Suppliers understanding and capability.



CBA has approximately 5,630 FTE employees based in India employed by our subsidiary, CBA Services Private Ltd, which provides business support services to CBA.

CBA procures from 128 CBA Suppliers across India.



## Sharing from our experience | Building CBA's capability in India

According to the [2023 Global Slavery Index](#), India has an estimated 11 million people living in conditions of modern slavery. Given our operating locations, it is important that our India-based employees understand modern slavery risks in our supply chain and CBA's obligation to prevent and mitigate risk to vulnerable people.

This year we partnered with International Justice Mission (**IJM**) to deliver an awareness raising session to the CBA India Executive Leadership team. IJM is a global NGO that protects people in poverty from violence, including by countering slavery, violence against women and children, and police abuse of power.

We were fortunate to have two senior members from IJM India attend our offices in Bengaluru to deliver a presentation on the modern slavery landscape in India. A human rights specialist also joined the session to speak about the intersection between modern slavery and financial services, the role of business in addressing modern slavery risk and the evolving legislative and regulatory landscape.

The IJM presenters, through their extensive experience in rescuing thousands of victims of bonded labour and human trafficking, brought the voices of victim-survivors to the session through a number of case studies.

As part of this work we engaged with external human rights specialists based in India and Australia to develop and deliver a range of capability-building training, tools and resources tailored for our people in India involved directly and indirectly with our due diligence and Supplier Improvement Plan processes.

A key deliverable was the 'bank of actions and evidence checklist' tool developed to assist the newly appointed champions in India to systematically assess a Supplier's modern slavery control maturity and to identify right-sized actions to include in Supplier Improvement Plans. The tool navigates the user through a decision tree and provides rationale and guidance for each action and the relevant pieces of evidence required to demonstrate action completion.

The tool has proven valuable for conversations with Suppliers, helping illustrate where they sit on the maturity curve with their current controls and the steps required to improve maturity and alignment with our expectations. Since first deploying the tool in CBA India, we have expanded its use to all Suppliers engaged as part of our Supplier Improvement Plan process.

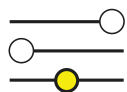
### Building Indian-based CBA Suppliers' capability

In parallel to building our people's capability, we developed and delivered capability-building training, tools and resources tailored for our India-based CBA Suppliers identified for an Improvement Plan.

As a first step we held an in-person focus group session with four Bengaluru based CBA Suppliers to receive their feedback and questions on CBA's modern slavery risk management expectations and to identify how we could best support them in building their capability to meet our standards.

The insights gained from the session guided us on the tailored tools and resources required to support our India-based CBA Suppliers. The following key deliverables were produced and communicated to relevant India-based CBA Suppliers and CBA India stakeholders through an information session:

- Sample basic modern slavery policy including good practice guidance on required sections.
- Demonstrative case studies, tailored for an Indian audience, of businesses 'assessing' and 'addressing' modern slavery risk covering employee on-boarding due diligence, supplier risk assessment and engaging in investigation / remediation of a grievance.
- Guide on developing good practice modern slavery capability and rationale.
- Guide on key elements of effective grievance mechanisms and rationale.



## Due diligence | CBA ESG risk assessments

As set out in our E&S Framework, we expect our Clients, Suppliers and other business partners to identify, manage, monitor, and redress any adverse impacts on human rights where their business is involved.

In 2024, ESG risk assessments were required for institutional corporate lending, Business Banking and Commonwealth Private Bank customers with current or proposed commercial or corporate lending greater than or equal to AUD\$1.5 million. These assessments are performed through one of two pathways contained in the ESG risk assessment tool:

- The Corporate and Institutional Pathway is used to assess larger business banking customers managed in the Major Client Group and Regional and Agribusiness Specialised Agribusiness Solutions segments, and all institutional corporate lending.
- The Commercial Pathway is used to assess business banking customers managed in the Commercial Banking, Regional and Agribusiness Banking, Small Business Banking segments, customers in transition from Bankwest Business Bank, as well as customers managed in Commonwealth Private Bank.

The ESG risk assessment tool is supported by a set of inherent risk ratings across industry ANZSIC codes for ten key focus areas including: climate and energy; climate physical risk; water; pollution; biodiversity; human rights; labour rights and modern slavery; Indigenous rights; workplace health and safety; and anti-corruption and governance. The ESG risk assessment tool also includes specific questions aimed at assessing whether lending to a customer is aligned to commitments in the E&S Framework.

### FY24 key insights from CBA's ESG risk assessments <sup>26</sup>

In FY24, we analysed ESG risk assessments completed through the Corporate and Institutional Pathway to understand modern slavery risks identified by our Clients. Client-identified areas linked to potential modern slavery risk factors included:

- Operating in countries with poor labour regulations.
- Having complex supply chains e.g. offshore, onshore, outsourcing or subcontracting.
- Working with suppliers operating in sectors with a high risk of modern slavery, e.g. manufacturing, construction, agriculture.
- Clients with operations in areas where there is likely a large proportion of vulnerable populations within the workforce e.g. migrants, seasonal or unskilled workers.

In general, we have seen a year on year increase in Clients' focus on the following areas:

- Understanding of their modern slavery exposure through mapping modern slavery risk in their operations.
- Producing Modern Slavery Policies and Statements, often in response to local and overseas regulation.
- Use of Client Supplier Code of Conduct, audits, and questionnaires to manage supply chain risk.
- Introducing modern slavery internal awareness seminars and workshops.



# Due diligence | CBA Corporate and Institutional Pathway due diligence

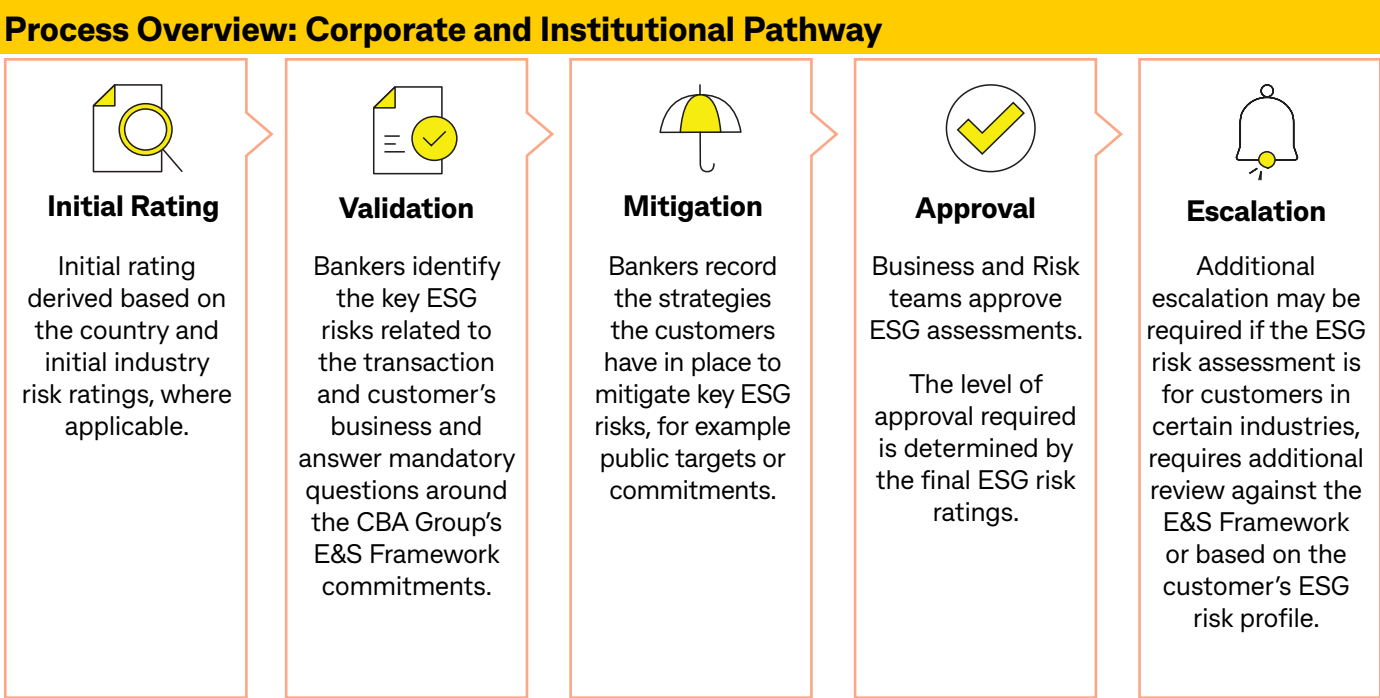
The Corporate and Institutional Pathway facilitates risk assessments of larger businesses that typically have ESG strategies and approaches to managing ESG risks. The Corporate and Institutional Pathway has been used and progressively updated since 2015.

The Pathway includes questions that are designed to direct bankers’ focus to relevant E&S commitments that potentially apply. The tool may direct users to escalate assessments to senior management or to relevant business unit committees.

For relevant transactions, the tool steps the banker through a process of identifying key risks across the ten focus areas, including labour rights and modern slavery, and describing the mitigants customers have in place to manage these risks. The tool directs and records the approval process required by business and credit risk teams. The escalation pathway to senior management or governance forums is determined by the final ESG risk assessment rating or other escalation factors.

The inherent risk ratings in the ESG risk assessment tool guide our frontline teams to focus on industries with higher risk of exposure to modern slavery, including agriculture, forestry, mining, manufacturing, construction, electricity generation, and property.

Our Country Social risk ratings reference country risk scores from an independent third party and are reviewed internally. Countries with the highest prevalence of modern slavery risk have a high Country Social risk rating in the Corporate and Institutional Pathway tool.



## Emerging trends from CBA’s Client ESG risk assessments <sup>26</sup>

- Use of third-party platforms (e.g. Supplier Ethical Data Exchange) to help manage modern slavery risk.
- Engagement of independent advisors to assess modern slavery risk (e.g. supply chain gap analysis, supplier due diligence) and develop action plans.
- Use of grievance mechanisms and remediation procedures.
- Clients disclosing that they are informed by international frameworks such as UNGP or Organisation for Economic Co-operation and Development (OECD) guidelines, or signatories to initiatives such as the United Nations Global Compact (UNGC).



# Due diligence | CBA Commercial Pathway due diligence

Process Overview: Commercial Pathway



The Commercial Pathway has been used and progressively updated since 2021 and supports the identification and assessment of ESG risks of businesses managed in higher volume portfolios. Given the diversity of our Business Banking customers, their exposure to modern slavery risks can be complex and varied.

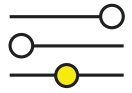
This pathway uses multiple choice questions to identify and assess a customer’s exposure to ESG risk factors and alignment to CBA’s **E&S Framework**. For example, we may ask a beef cattle farmer questions as to whether their workforce includes vulnerable worker groups, such as migrant or unskilled labour.

Depending on the responses to the assessment questions, business approval of Commercial Pathway assessments may be escalated to senior management or the BB Commitments Committee. Since FY23, credit risk approval is required for all Commercial Pathway assessments for customers with greater than or equal to AUD\$5 million in commercial or corporate lending.

## Maturing our Commercial Pathway questions

As part of our FY24 program of work, we conducted a refresh of the Commercial Pathway in the ESG risk assessment tool including an update to the modern slavery due diligence questions. We found there was an opportunity to enhance the modern slavery due diligence questions to further support the identification and mitigation of risks in our customers’ operations and supply chains.

To support the refresh of the Commercial Pathway in the ESG risk assessment tool, we also conducted training for bankers and credit risk teams. This training included discussions on modern slavery risk, highlighting common drivers, examples of higher risk industries, and case studies to demonstrate how to assess this risk in the tool.



# Due diligence | ASB risk assessments

## ASB E&S risk assessments

ASB uses their E&S Risk Assessment tool, process and guidance to provide E&S due diligence on Business Clients<sup>27</sup> with financing transactions of NZD\$1 million or greater. An assessment is carried out annually at a minimum and again if there is any material change to credit after six months. Completion of these additional assessments is expected prior to credit approval.

Their E&S risk assessment process supports some of the intentions of ASB's E&S Framework. The assessment criteria is directed at helping ASB to better understand Business Clients in some or all of the following areas outlined in the framework: Climate Change, People, Culture and Human Rights, Biodiversity, Agriculture, Fisheries and Forestry, Defence, and Social and Community Harm.

ASB's E&S Risk Assessment tool has a time horizon of 12-months. In FY25, ASB will continue to work on improving data quality and reporting derived from this assessment.

## ASB Asset Management

ASB holds around NZD\$21.2 billion (as at 30 June 2024) in assets under management for New Zealand investors through ASB and ASB Group Investments (ASBGI), a wholly owned subsidiary of ASB.

ASB sends its external investment managers an annual due diligence questionnaire, requesting information on how they assess and manage risks associated with modern slavery, both in their own business operations and in the companies in which they invest. Companies that are assessed by ASB's independent third party research provider as having violated one or more of the UNGC principles, and related international norms and standards, are excluded from investment consideration.

This includes those that related to modern slavery considerations. ASB's current investment holdings are monitored daily to ensure companies on its exclusions list are not owned by ASB's funds.

## Customer due diligence identified underpayment charges

ASB has identified a case where screening questions used by its Business Banking team to understand what a business loan would be used for were not answered or answered incompletely, resulting in the frontline team member making further inquiries, including an online search, and the loan being declined.

The party was also flagged as high risk in ASB's system so other team members would be aware in case of future requests. The case was escalated to ASB's Sustainability team, which sought feedback from the specialist involved on key ways to promote awareness of modern slavery risk to customer-facing teams across the bank.



## Due diligence | Financial crime monitoring

We recognise we play a critical role in combatting financial crime to shield our customers and the community in order to protect the integrity of the financial system. We are required to comply with legislation targeting financial crime activities globally, including those relating to sanctions, anti-money laundering and counter terrorism financing (AML/CTF), anti-bribery and corruption (AB&C), and Anti-Tax Evasion Facilitation.

We are aware that criminals, including those who exploit other people and cause or contribute to modern slavery, can profit from this exploitation by using the financial system to transfer funds from victims, to other criminals and to themselves. These risks are identified through guidance from regulators and NGOs, and by screening transactions for behaviour that triggers red flags. All of our employees have an obligation to be alert to, and report, unusual customer activities or transactions. This allows the CBA Group to quickly and confidentially investigate and report the matters to the relevant regulators if required.

Financial crime risks have continued to increase over the last year and we have observed an increasingly sophisticated use of technology by criminals targeting vulnerable people. The CBA Group uses a library of red flags and typologies to identify potential money laundering, terrorism financing and other financial crime offences including specific red flags and typologies for modern slavery and child exploitation. Red flags relate to behaviours by customers in accounts, loans, use of cash and participation of third parties. Red flags that could relate to modern slavery activity, or other exploitation, include cash payments to accounts, transfers with certain descriptions, or payments involving specific high-risk industries.

We update our source documents, as required, based on guidance from regulators, authorities, industry bodies and NGOs. Relevant teams are trained in monitoring modern slavery and human trafficking as a typology. They may submit a 'suspicious activity' report, irrespective of whether they have established evidence of offending.

We continue to offer an interactive training module to every branch in Australia, designed to continue to build knowledge and awareness in our customer service teams on methods to detect, and deter human trafficking and modern slavery related activity in Australia. The module aims to enhance employee knowledge on how best to identify customer behaviours which may indicate they are a victim of, or are involved in, human trafficking or modern slavery.

### FY24 key insights from CBA Financial Crime

During FY24 customers were monitored for potential modern slavery concerns. In each of these cases the CBA Group took appropriate action.

In one case adverse media articles were identified relating to a customer, noting that the entity had its business licence revoked by the Federal Government due to allegations of worker abuse and exploitation. Specifically, there were claims that the customer withheld workers' visas, refused to provide payslips, and resorted to bullying and threats to send workers home when concerns were raised. The entity was under investigation by the Fair Work Ombudsman and the Department of Employment and Workplace Relations. Given the severity of the allegations and the fact that their business licence had been revoked with no indication that it had been reinstated, the customer was considered outside the CBA Group's risk appetite.

In another case, transaction monitoring detected unusual activity in a customer account which was subject to further investigation. A review of customer transactions noted a number of red flags including cash deposits and multiple third-party transfers not aligned with their occupation, all of which were consistent with modern slavery typologies.

In addition, we are aware of sophisticated scamming schemes that also involve human trafficking and modern slavery.



## Grievance and remediation | Our grievance mechanisms

CBA has various mechanisms in place through which it can consider grievances, including:

- **SpeakUP:** designed to receive concerns raised under the CBA Group Whistleblower Policy. Concerns can be raised by the persons listed in that policy, including an individual who is, or has been, a CBA Group employee, officer, secondee, contractor, consultant, supplier, service provider, volunteer, licensee, broker or auditor. Relatives, spouses or dependents of these people are also eligible to raise concerns through SpeakUP.
- **Customer complaints:** designed to receive complaints from customers related to the CBA Group's products, services, employees or the handling of a complaint as required by ASIC Regulatory Guide (RG) 271.
- **Workplace Grievance Review:** is an internal process that CBA provides for its people to seek a review of decisions, actions or behaviours they consider may have affected them unfairly.
- **First Nations Grievance Mechanism:** process that seeks to provide First Nations Stakeholders with an avenue to raise directly with us, concerns regarding possible human rights impacts connected with CBA's business lending activities.

During FY24, CBA considered its grievance mechanisms against the effectiveness criteria under Principle 31 of the UNGP.

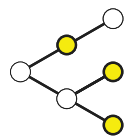
In FY25, CBA will consider potential enhancements to its grievance mechanisms.

### Awareness for CBA onsite contractors

Contractors working within our Group Property team and who are working in our offices and branches in Australia must complete an induction through our Avetta contractor management system. These workers can include people who may be more vulnerable to labour exploitation and modern slavery. In FY24, more than 5,500 contractors completed the induction and were informed that they can raise issues through CBA's SpeakUP Hotline.

The eight effectiveness criteria for operational-level grievance mechanisms as set out in Principle 31 of the UNGP are:

- Is the grievance mechanism legitimate: Is it trusted by its users and is the mechanism accountable for the fair conduct of grievance processes?
- Is the grievance mechanism accessible: Is it known to all intended users, does the company know the access points users are most likely to use and does it provide adequate assistance for those who may face particular barriers to access?
- Is the grievance mechanism predictable: Does it provide a clear and known procedure with an indicative time frame for each stage and is the mechanism clear on the types of process and outcome available and means of monitoring implementation?
- Is the grievance mechanism equitable: Does the mechanism seek to ensure that parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms?
- Is the grievance mechanism transparent: Does it keep parties informed about the progress of their grievance and provide sufficient evidence to build confidence in its effectiveness and meet any public interest at stake?
- Is the grievance mechanism rights-compatible: Do the outcomes and remedies accord with internationally recognised human rights and do the procedures enable and ensure rights-compatible outcomes?
- Is the grievance mechanism a source of continuous learning: Does the mechanism identify lessons for improving the mechanism and preventing future grievances and harms and is there regular analysis of the frequency, patterns and causes of grievances to allow the company to adjust policies and procedures based on identified trends?
- Is the grievance mechanism based on engagement and dialogue: Are stakeholder perspectives considered for the public-facing aspects (e.g., choice of access points, modes of dispute resolution, transparency)?



# Stakeholder engagement and reporting | Key forums and strategic partners

## Anti-Slavery Australia (ASA)

ASA is a specialist legal practice, research and policy centre committed to the abolition of modern slavery in Australia. Professor Jennifer Burn AM, Director of ASA, is an ongoing member of our Modern Slavery Advisory Council as an external advisor.

## The Mekong Club

CBA is a member of the Mekong Club, a non-profit organisation working with the private sector to bring about sustainable practices against modern slavery across the globe. Matt Friedman, CEO of the Mekong Club, is an ongoing member of our Modern Slavery Advisory Council as an external advisor.

## Australian Red Cross

Australian Red Cross is a volunteer-based organisation that exists to reduce human suffering. Australian Red Cross delivers the Support for Trafficked People Program (STPP) which aims to assist victims and survivors of modern slavery in meeting their safety, security, health and well-being needs, and to develop options for life after they leave the STPP.

## Te Rangapū Pēke | New Zealand Banking Association (NZBA)

As a member of the NZBA, ASB will consider and contribute to joint industry submissions on proposed policy where it makes sense to do so.

## Fintel Alliance

CBA is a member of Fintel Alliance, a public-private partnership that works to combat complex or emerging crimes impacting the community that require a collaborative approach.

## United Nations Global Compact Network Australia (UNGCNA)

CBA is a participant of UNGCNA's Modern Slavery Community of Practice, which connects members and enables learning and discussion on the opportunities and challenges of identifying, managing and communicating modern slavery risks. CBA has been a member of the UNGCA since 2009 and has reported annually via our [Communication on Progress](#) since that time.

## Cleaning Accountability Framework (CAF)

CBA became a CAF member in 2023 and is the first financial services company to achieve CAF Building Certification at our South Eveleigh workplaces, and only the second tenant to actively engage in the CAF certification process.

CAF's mission is to improve labour practices in the cleaning industry and it works with cleaners, tenants, contractors, property owners, facility managers, and investors across the cleaning supply chain to ensure ethical labour practices through the promotion of decent work, ethical procurement, and best practice.

The cleaning sector in Australia is widely recognised as a key risk area<sup>28</sup> for modern slavery and is one of our highest risk areas we are addressing as a priority.

In FY24, as part of our commitment to addressing risk to vulnerable workers in our property supply chain, we partnered with building manager JLL to extend the CAF Building Certification to our two Commonwealth Bank Place workplaces in Sydney.





The CAF Standard, audits compliance against six standards to ensure that workers providing contracted cleaning services are employed in safe working environments, are being paid correctly, enjoy freedom of association, have job security and that stakeholder engagement throughout the supply chain is maintained.

During the Building Certification, CBA as tenant, JLL as building manager, the United Workers Union, and cleaning provider BIC Services, collaborated closely with the CAF team to address and remediate issues identified through the audit process. Identified issues included workloads, training, health and safety, wages, and record-keeping. By actively addressing these challenges, Commonwealth Bank Place achieved compliance with the CAF Standard, which serves as an industry benchmark in cleaning services procurement.

Aside from the certification of Commonwealth Bank Place, an annual CAF health check will be undertaken for our South Eveleigh workplaces to verify that the CAF Standard continues to be met. The check includes worker engagement, evidence of implementation of CAF recommendations and checking pay data to confirm that minimum Award entitlements were paid to cleaners.

# FY24-26 Modern Slavery Strategy | Key priorities for FY25

Our CBA Group FY24-26 Modern Slavery Strategy outlines activities to be delivered in FY25, including the ongoing activities we have identified in this Statement, to continue to evolve our approach. In implementing the strategy, we seek to achieve key priorities across all four areas.

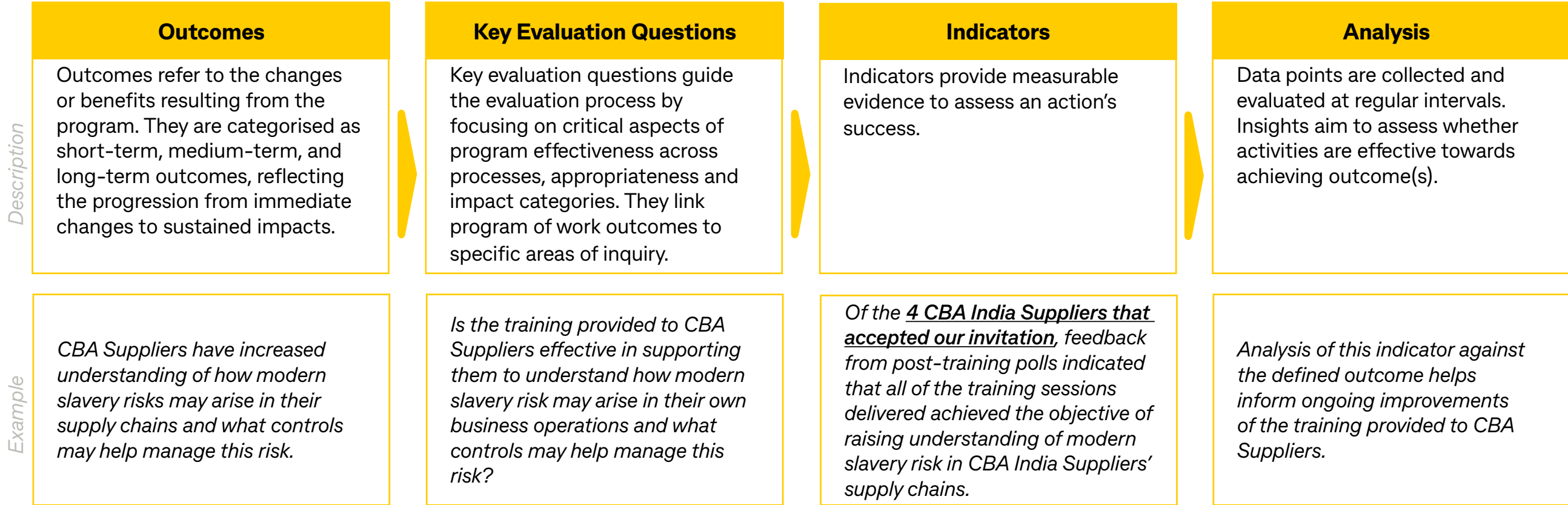
FY24-26 Modern Slavery Strategy	FY25 key priorities
<div></div> <div><b>Policy commitment</b></div>	Following the 2025 review of our E&S Framework, review policies that have been identified as a control for modern slavery and consider improvements based on our improved understanding of how the issue intersects with our business operations and supply chain.
<div></div> <div><b>Due diligence</b></div>	<p>Through the ongoing assessment of Clients, incorporate relevant insights into future capability building.</p> <p>Where reasonably practical, engage with the fourth parties that did not meet our minimum standards to communicate our expectations and to offer them support to address gaps and continue to monitor their progress and assist with maturing their modern slavery risk management.</p>
<div></div> <div><b>Grievance and remediation</b></div>	Consider potential enhancements to our grievance mechanisms as identified in FY24 review described on page 35.
<div></div> <div><b>Stakeholder engagement and reporting</b></div>	Integrate the voice and expertise of lived experience into the CBA Group FY24-26 Modern Slavery Strategy, with the support of the Australian Red Cross.

# Assessing the effectiveness of our actions



# Understanding impact and effectiveness

We worked with internal and external stakeholders to develop an approach to measuring the impact and effectiveness of our modern slavery program of work, with a specific focus on due diligence. Throughout the process, we worked closely with specialists in monitoring and evaluation, with specific expertise in modern slavery and human rights. The following graphic provides a high level description on how we aim to mature our approach to determining the effectiveness of the actions.



## CBA Supplier Feedback

As part of our Supplier Improvement Plans, CBA engages with CBA Suppliers to monitor the impact and value we provide in supporting them to improve their own modern slavery risk controls.

*“We are a SME working with blue chip clients in the brand asset management and logistics space. Our business recently had the opportunity to participate in CBA’s Supplier Risk Management Program, from the very start, the program, and Supplier Improvement Plan (SIP) was well-structured and comprehensive.*

*The SIP provided valuable feedback and areas of improvement which lifted our internal standards, in turn, lifting the benchmark to empower our supply chain partners. The program’s focus on practical risk management strategies and tools were particularly impressive, this has had a flow on effect to higher staff involvement and enhanced supplier engagement.*

*CBA’s Supplier Risk Management Program is an exemplary initiative that underscores the bank’s commitment to ethical practices, human rights and demonstrates the CBA’s commitment to supporting the growth and learnings of smaller boutique organisations”. - CEO, Brand Services*

# Monitoring the effectiveness of our actions | Key outcomes monitored in FY24

Examples of targeted outcomes <sup>29</sup>	Key evaluation questions	Indicators	30 June 2024	30 June 2023	30 June 2022
CBA employees have increased awareness and access to channels to report issues and concerns, including for modern slavery.	Do CBA employees have adequate access to training to raise their awareness of modern slavery in order to identify and report issues and concerns?	Percentage of training completion rate - Code of Conduct <sup>30</sup>	99.9%	99.8%	99.6%
CBA employees have improved skills to conduct risk assessments, onboarding, transaction screening and ongoing due diligence.		Number of ESG trainings completed (headcount)	13,023	13,552	2,911
		Total ESG learnings completed/attended <sup>31</sup> <i>Fundamental</i> <i>Specialised</i>	20,609 2,799	24,682 4,885	- -
CBA has increased understanding of its current and potential modern slavery risk exposure and the presence of modern slavery occurring within the supply chain.	Is CBA's approach to identifying and assessing CBA Suppliers for modern slavery risk appropriately targeted?	Number of Inherent Risk Assessments completed in the SRG tool (unique suppliers) <sup>32</sup>	2,059	1,306	1,105
		Number of Humans Rights Control Programs <sup>33</sup> completed in the SRG tool (unique suppliers) <sup>32</sup>	117	176	60
CBA Suppliers have increased awareness of actions to improve employment practices and reduce risk of modern slavery occurring within their own operations and supply chain.	Has the Supplier Improvement Plan supported relevant CBA Suppliers to improve modern slavery risk management practices?	Number of suppliers flagged for a Supplier Improvement Plan review <sup>32</sup>	22	38	8
		Number of Supplier Improvement Plans in progress <sup>32</sup>	17	13	11
		Number of Supplier Improvement Plans completed <sup>32</sup>	11	8	1

As described throughout this Statement (see examples below), we also assess the effectiveness of our modern slavery controls by conducting certain reviews, and by seeking certain feedback from stakeholders, including CBA Suppliers.

<a href="#">Review controls</a> Page 3	<a href="#">CBA Supplier Training</a> Page 25	<a href="#">Group Property Team Training</a> Page 27	<a href="#">CBA India Supplier Training</a> Page 29	<a href="#">Commercial Pathway Training</a> Page 32	<a href="#">CBA Supplier Feedback</a> Page 39
---	--	---	--	--	--

## Consultation

---

CBA is the Reporting Entity giving this Joint Statement on behalf of the Reporting Entities identified in **Appendix A**, which are part of the CBA Group. In order to prepare this Joint Statement, CBA consulted each of the Reporting Entities identified in **Appendix A**, and consulted the entities we own or control, including in relation to content and key messages.

A draft copy of the Statement was made available to the nominated representatives of the Reporting Entities and entities owned or controlled by CBA before its publication. The nominated representatives were provided the opportunity for feedback.

Executive leadership for CBA's business and support units have been involved in the process of preparing this Statement. The ELT E&S Committee reviewed and endorsed the Statement before submitting to the Board for approval.

## Chair attestation

---

This Statement is approved by the Board of the Commonwealth Bank of Australia on 11 December 2024. The Commonwealth Bank of Australia is a 'higher entity' within the meaning of section 14(2)(d)(ii) of the *Modern Slavery Act 2018* (Cth), being the entity in a position to influence or control each other Reporting Entity covered by this Statement.

This Statement is signed by Paul O'Malley in his role as Chairman of the Commonwealth Bank of Australia.

A handwritten signature in black ink, reading "Paul O'Malley". The signature is fluid and cursive, with a large, stylized 'P' and 'O'.

**Paul O'Malley**

**Chair, the Commonwealth Bank of Australia**

**11 December 2024**

# Appendices

# Appendix A: Reporting Entities and other entities owned by the CBA Group<sup>34</sup> as of 30 June 2024

Legal Name

Overview of structure, operations, and supply chain

The following entity is the higher entity (as defined by section 14(2)(d)(ii) of the MSA) giving the Joint Statement.

Commonwealth Bank of Australia <sup>35</sup> (ACN 123 123 124)	The Commonwealth Bank of Australia is a leading provider of integrated financial services. The bank’s products and services are provided through its divisions, being Retail Banking Services, Business Banking, and Institutional Banking and Markets.
---	---

The following entities are Reporting Entities (as defined by section 14 of the MSA) covered by this Joint Statement. <sup>36</sup>

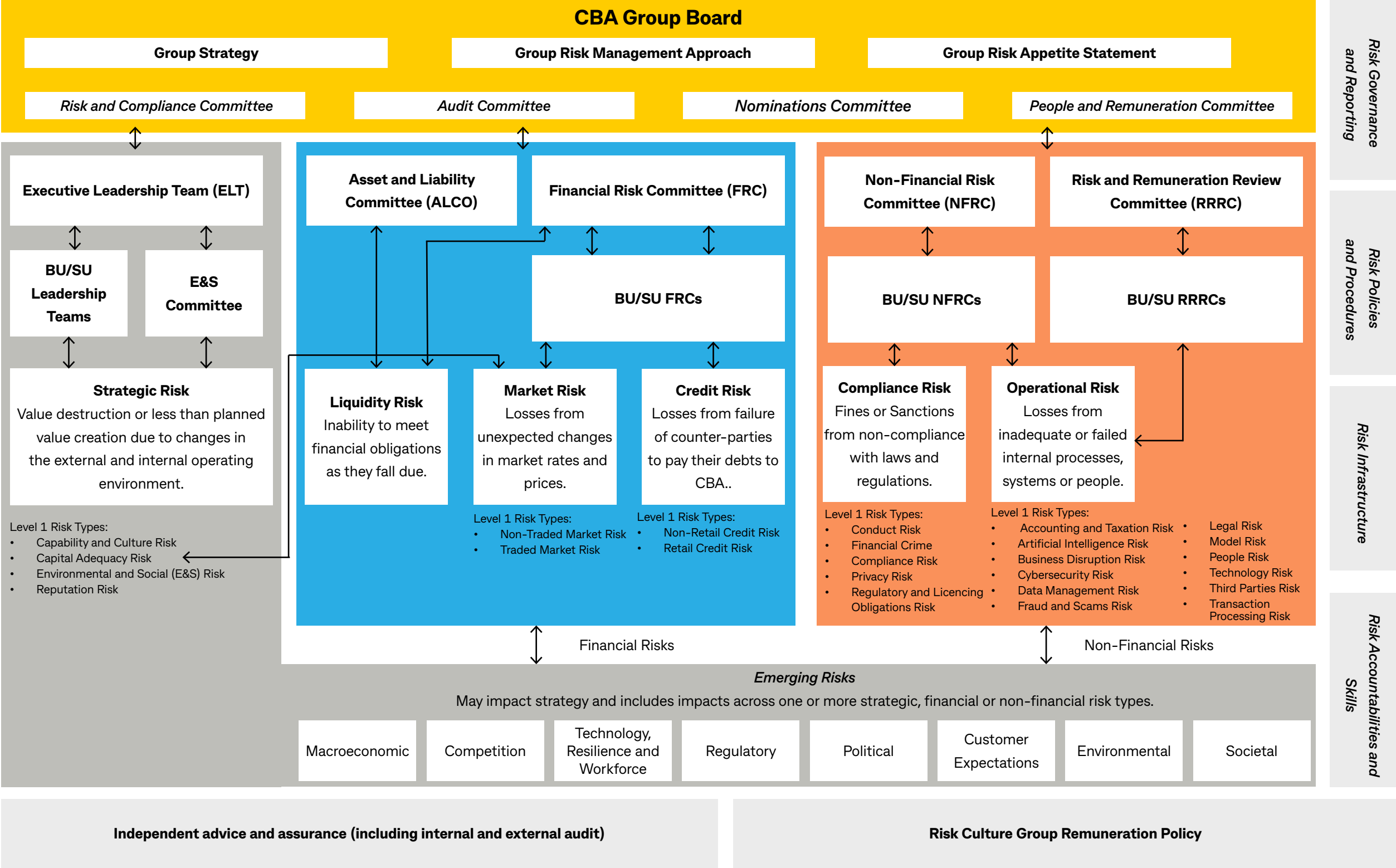
BWA Group Services Pty Ltd (ACN 111 209 440)	The company operates as a shared services function for CBA. The principal activity of the company is to provide labour services to the Bankwest division of CBA. The financial results for the Bankwest brand’s retail banking and business banking activities are reported through the CBA financial report. The company follows CBA policies relating to its employees and its supply chain activities are managed centrally by CBA.
Commonwealth Securities Limited (ACN 067 254 399)	The company comprises the CBA Group’s online trading platforms, cash and investment lending proposition for retail investors. CBA’s reporting of its financial results for its Business Banking division includes the financial results of business banking activities conducted under the CommSec brand. The company does not have any employees and its supply chain activities are managed centrally by CBA.
CBA Covered Bond Trust (ACN 954 593 219)	The Trust’s principal activities during the financial year were the holding of loan receivables from CBA and the provision of guarantees and security over the issue of any covered bonds by the bank. The Trust does not have any employees and it does not have any supply chain activity of its own.
Medallion Trust Series 2008-1R (ABN 47 624 727 267)	The Medallion Trust Program was established by CBA in October 1997 to enable the securitisation of our own assets. Securitisation is used by the bank for funding, capital and credit portfolio management. The entity does not have any employees and it does not have any supply chain activity of its own.

The following are owned or controlled by CBA, operate in overseas locations and are not Reporting Entities. They have processes which are in some respects different to CBA and are specifically referenced in the Statement where relevant.

ASB Bank Limited (and other ASB entities) (ASB) (398 445)	ASB provides a range of banking and investment products and services to its personal, business and rural customers in New Zealand.
--	--



# Appendix B: CBA's Risk Management Framework



# Appendix C: Progress on our FY24 program of work

	Details	Status	Deliverables
Policy settings and strategy	Finalise the CBA Group FY24-26 Modern Slavery Strategy with relevant teams across the business to deepen our understanding of our role in respecting human rights and the impacts of our operations on people.	Completed	<a href="#">See page 16 for further details.</a>
Governance	Provide E&S governance committees with regular updates on progress made by the Modern Slavery Working Group towards implementing the Modern Slavery Strategy.	Completed for FY24	<a href="#">See page 19 for further details.</a>
	Continue to provide governance and delivery oversight of the modern slavery program of works.	Completed for FY24	<a href="#">See page 19 for further details.</a>
Risk management	Applicable business and support units to complete RCSAs and CSAs for E&S sub-risk types, including human rights violations.	Completed for FY24	<a href="#">See page 17 for further details.</a>
	Use insights from RCSA to determine additional guidance and support.	Completed for FY24	<a href="#">See page 17 for further details.</a>
Due diligence	Review Industry and Country ESG ratings in the ESG Risk Assessment Tool.	Completed	<a href="#">See page 31 for further details.</a>
	Update modern slavery due diligence questions in Commercial Pathway.	Completed	<a href="#">See page 32 for further details.</a>
	Continue to work to include the CBA Supplier Code of Conduct and human rights clauses in CBA Supplier agreements in new and updated standard CBA Supplier contracts wherever practical.	Completed for FY24	<a href="#">See page 23 for further details.</a>
	Support high-risk CBA Suppliers flagged for a Supplier Improvement Plan to improve their modern slavery risk controls to meet CBA's expectations.	Completed for FY24	<a href="#">See page 25 for further details.</a>
	Update Supplier Improvement Plan collateral to incorporate the re-articulated CBA Supplier modern slavery risk controls and communicate these to CBA Suppliers we engage with as part of our SIP process.	Completed for FY24	<a href="#">See page 25 for further details.</a>

# Appendix C: Progress on our FY24 program of work

Focus Area	Details	Status	Progress
Capability building	Provide modern slavery awareness training sessions to key internal teams, as identified in the grievance mechanisms review.	Completed for FY24	<a href="#">See page 35 for further details.</a>
	Review content in the ESG online training and re-issue to relevant employees.	Completed	<a href="#">ESG Fundamentals e-learning module updated and re-issued to IB&amp;M employees.</a>
Measurement	Present paper to the Modern Slavery Advisory Council on options to continue to evolve measurement of our responses.	Completed	<a href="#">See page 39 for further details.</a>
Collaboration	Convene at least two meetings with the Modern Slavery Advisory Council, and share insights and areas of concern with the E&S Action Group.	Completed for FY24	<a href="#">See page 19 for further details.</a>
	Endeavour to collaborate with other leading Australian businesses to share knowledge and good practice to more effectively assess and address risks in supply chains.	Completed for FY24	<a href="#">See page 36 for further details.</a>

# Appendix D: Mandatory reporting criteria

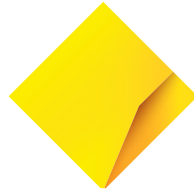
This Statement complies with the requirements of the *UK Modern Slavery Act 2015* and the mandatory criteria for the *Australian Modern Slavery Act 2018 (Cth)*. The following table references the content in this Statement, which complies with Section 16 of the Australian legislation.

Modern Slavery Act Mandatory Criteria	Page Reference
Identify the reporting entity.	<u>Pages 2</u> and <u>Appendix A</u>
Describe the structure, operations, and supply chains of the reporting entity.	<u>Pages 5-9</u>
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	<u>Pages 11-14</u>
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.	<u>Pages 16-37</u>
Describe how the reporting entity assesses the effectiveness of such actions.	<u>Pages 39-40</u>
Describe the process of consultation with any entities that the reporting entity owns or controls. In the case of a reporting entity covered by a statement under Section 14 – the entity giving the statement.	<u>Page 41</u>
Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	

# Appendix E: Footnotes *Click the footnote to navigate to the relevant page.*

1. Commonwealth Bank Officers Superannuation Corporation Pty Limited (CBOSC) as trustee for Commonwealth Bank Group Super, is part of the CBA Group's corporate structure and previously prepared and submitted its own Modern Slavery Statement. CBOSC is no longer a standalone reporting entity and for the purposes of this statement, CBOSC has not adopted all of CBA Group policies however to the extent possible and giving appropriate regard to RSE and AFS licence obligations, where CBOSC has a separate policy or procedures, these do not materially differ from CBA.
2. International Labour Organisation 2023, Profits and poverty: The economics of forced labour, p. 13
3. The number of customers who have a relationship with the Commonwealth Bank of Australia, as at 30 June 2024. A customer is defined as anyone who is currently associated with an open account as either the owner, joint owner, trustee or primary cardholder. Includes retail, non-retail customers and deceased estates.
4. CBA employees does not include people employed by our subsidiaries ASB Bank Ltd, CBA Services Private Ltd and Commonwealth Bank of Australia (Europe) N.V.
5. Headcount means the number of CBA Australia-based employees as at 30 June 2024 who are permanent employees working in full-time, part-time or casual positions, including job share or on extended leave. It excludes fixed contractors and contingent workers.
6. The number of customers who have a relationship with ASB New Zealand, as at 30 June 2024. A customer is defined as anyone who holds an open account. Includes retail and non-retail customers and deceased estates.
7. CBA Supplier means an entity, including a corporation or individual, providing products or services to the CBA Group and that are governed under the CBA Group Supplier Lifecycle Framework. This excludes distributors, product issuers, sponsorships, and donations.
8. CBA Supplier spend is sourced from Peoplesoft Financials and includes addressable spend for domestic and international offices and non-addressable spend for leasing (real estate). Excludes intercompany, regulatory payments, credit cards, broker's fees, novated fleet leasing (employee car leases) and charity spend.
9. Location is based on the Supplier address captured for procurement functions such as ordering and invoicing. This may not align with the country where the goods and services are sourced from.
10. ASB Supplier means an entity, including a corporation or individual, providing products or services to the CBA Group and that is governed under the ASB Supplier Lifecycle Framework. This excludes distributors, product issuers, sponsorships, and donations.
11. Based on data sourced from CBA Inherent Risk Assessments completed through the SRG tool and Oracle Infinite, ASB's Accounts Payable system in FY24.
12. Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities, p77-80.
13. Financing refers to the provision of project finance or Corporate or Trade Finance to a Client. It does not include such things as the bank providing more general transactional banking services or activities or Bond Facilitation.
14. TCE is defined as the balance outstanding and undrawn components of committed facility limits. It is calculated before collateralisation and excludes settlement exposures on derivatives.
15. A major landlord can be an institutional investor, real estate developer or listed entity that offers leasehold properties to CBA.
16. When considering opportunities to influence positive change, consistent with the UNGP we consider the leverage we may have with key stakeholders, including with our business partners and suppliers. See Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities, p51
17. CBA provides its own tenancy security services for all properties and tenancy cleaning services for almost all retail properties (branches and Business Banking Centres).
18. Client means a customer who is relationship managed by the CBA Group's Institutional or Business Bank with Financing transactions AUD\$5 million or greater.
19. A material business activity, as defined by APRA, is when a service provided by a CBA Supplier has the potential, if disrupted, to have a significant impact on the APRA-regulated institution's or CBA Group's business operations or its ability to manage risks effectively.
20. Walk Free Global Slavery Index 2023, Global-Slavery-Index-2023.pdf (walkfree.org), p26.
21. 64% of CBA Suppliers assessed told us they have a policy commitment in place to address modern slavery risk in both their operations and supply chain with the remaining 4% only having it for one of the two.
22. NSW Anti-Slavery Commissioner's Guidance on Reasonable Steps to Manage Modern Slavery Risks in Operations and Supply-Chains, Inherent Risk Identification Tool.
23. The decision not to proceed with an Improvement Plan does not exempt a CBA Supplier from aligning with our expectations.
24. Includes 19 CBA Suppliers with plans initiated prior to FY24.
25. Includes 9 plans that were initiated prior to FY24.
26. Based on the analysis of a subset of ESG assessments completed through the Corporate and Institutional Pathway in FY24.
27. An entity or trust of ASB's Business Banking or Corporate Banking division, with financing transactions of NZD\$1m or greater.
28. Cleaning Accountability Framework (n.d.) Modern Slavery in cleaning supply chains from <https://www.cleaningaccountability.org.au/modern-slavery/>
29. Outcomes refer to the desired short, medium or long-term changes or benefits we seek from the modern slavery program of work. They do not have a defined timeframe.
30. Training completion rates are not 100% as allocated training may be overdue.
31. Number not assured as part of the assurance on our metrics for 2024 CBA Annual Report.
32. Numbers are actuals, not assured as part of the assurance on our metrics for 2024 CBA Annual Report.
33. The Human Rights Control Program is designed to collect information from a supplier to assist CBA in evaluating their inherent and residual modern slavery risk.
34. Appendix A does not exhaustively list all entities owned or controlled by CBA.
35. This is the only Reporting Entity for the purpose of the UK MSA.
36. Commonwealth Insurance Holdings Limited; Colonial Holding Company Limited; and Commonwealth Bank Officers Superannuation Corporation Pty Limited no longer meet the revenue threshold to be Reporting Entities.





Commonwealth Bank  
of Australia