



Commonwealth Bank
of Australia






Modern Slavery and Human Trafficking Statement 2022

This Statement is prepared on behalf of the Commonwealth Bank of Australia (CBA or the Bank), together with the entities it owns and controls and the other reporting entities listed in Appendix 2 (together, the Group). This Statement outlines the actions taken by the Group to identify, assess and mitigate modern slavery and human trafficking risks in our operations and supply chains, over the financial year ending 30 June 2022 (FY22). 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)*.

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 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. Save where explicitly identified, we operate using Group-wide policies and procedures to assess and address modern slavery risk.

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Introduction

At Commonwealth Bank of Australia (CBA), our commitment to build a brighter future for all means playing a leading role in Australia's transition to a modern, resilient and sustainable economy.

This extends to playing a leadership role in respecting human rights. Our Purpose and our Values guide us in how and with whom we do business.

Our efforts to respect human rights underpin the way we do business and we seek to act fairly across our business operations, supply chains, financing decisions, and when we engage with stakeholders.

We recognise the ongoing challenge modern slavery poses and how it presents in many forms, locally and globally, including human trafficking, slavery, debt bondage, servitude, forced labour, forced marriage, the worst forms of child labour and deceptive recruiting for labour or services.

The evolving nature of this challenge requires us to be proactive in our efforts to prevent exposing people to instances of modern slavery. For the purpose of this statement, we have endeavoured to use the cause, contribute to and directly-linked framework from the UN Guiding Principles on Business and Human Rights (**UNGPs**) to identify how we might be exposed to risks of modern slavery.

In part, this includes a commitment to work with government, other businesses, non-government organisations (**NGOs**) and the community to seek to respect human rights and take efforts to prevent modern slavery.

We are continually reviewing and improving our capability to identify and manage these risks through our own processes and by working with specialised third parties, NGOs and our peers in the industry to improve our maturity (see Collaboration, on page 44).

Even where there is ongoing progress to report, we remain focused on this critical issue, given globally there is an estimated 40 million people in modern slavery and slavery-like conditions.

This Statement details our programs and outlines actions taken in the 2022 Financial Year.

Key initiatives in FY22

- Embedded the Commercial Pathway Environmental, Social and Governance (ESG) risk assessment tool for business corporate lending between \$1 million and \$30 million, which includes modern slavery and human rights as two focus areas.
- Launched a new online Group-wide Environment and Social (E&S) Hub, which includes resources to help employees identify potential modern slavery incidents.
- Completed a review of employee grievance mechanisms to identify areas that may benefit from more express consideration and reference to modern slavery issues.
- 100% completion of ESG attestations by eligible ASB agricultural and horticultural clients.
- Digitised our modern slavery inherent risk assessment process for suppliers, through the rollout of our Supplier Risk Governance (**SRG**) Tool.
- Designed and launched a Human Rights Control Program, within the SRG Tool, to measure the risk of modern slavery, adequacy of controls and the need for further action for our high-risk suppliers.
- Conducted inherent risk assessments with 1,105 suppliers, covering new suppliers or those with contract renewals or variations, with our 60 suppliers at highest risk of modern slavery completing the Human Rights Control Program.
- Jointly designed and implemented Supplier Improvement Plans with 11 of our high-risk suppliers identified as having inadequate controls following the Human Rights Control Program assessment.
- Improved supplier and employee awareness by collaborating with Anti-Slavery Australia to deliver interactive awareness-raising seminars on modern slavery for higher-risk suppliers and CBA business partners.



Our commitment to respecting human rights

The Group's Environmental and Social (E&S) Policy and the public **E&S Framework** (together referred to as the E&S Framework and Policy) details our commitment to respect human rights.

Our E&S Framework and Policy commitments for respecting human rights include:

- Where reasonably practical, we work to assess and address the risks of modern slavery in our business operations, Supply Chains and Financing¹ decisions, as reported in our annual Modern Slavery Statement.
- We engage with our suppliers rated as high risk for modern slavery, to assess and address the risks of modern slavery in their operations.
- We expect our Clients¹, Suppliers and other business partners to identify, manage, monitor, and redress any adverse impacts on human rights where their business is involved.

¹ Financing means the provision of direct corporate lending, project finance or trade finance to a Client. It does not include such things as the Bank providing more general transactional banking services or activities. Client means a customer who is relationship managed by the Group's Institutional or Business Bank with financing transactions \$5 million or greater. See our **E&S Framework and Policy** for defined terms.

How we conduct business

The Group's strategy and purpose evolved in the previous year and we have set a more ambitious strategy to build tomorrow's bank today for our customers.

Our culture supports our purpose of building a brighter future for all, and our strategic priorities – leadership in Australia's recovery and transition; reimagined products and services; global best digital experiences and technology; and simpler, better foundations.

Our Values are the foundation of our culture, guiding us in everything we do:

- Care: We care about our customers and each other – we serve with humility and transparency;
- Courage: We have the courage to step in, speak up and lead by example; and
- Commitment: We are unwavering in our commitment – we do what's right and we work together to get things done.

Our Values also embody the behaviours that demonstrate a positive risk culture. Risk culture is a component of our culture that reflects those beliefs, values and behaviours by employees that determine how risks are identified, measured, governed, and acted upon.

Our risk behaviours, in particular, require us to support constructive debate and challenge of our risks, adhere to the Code of Conduct for better customer outcomes, and reflect on our mistakes and share our learnings so that we can become a better Bank.

Our Organisational Cultural Plan on page 5 sets out the actions needed to achieve our aspirational culture.



Purpose

Building a brighter future for all

Values

CBA Code of Conduct and 'Should We?' Test

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 we work together to get things done

Strategy

Build tomorrow's bank today for our customers

Leadership in Australia's recovery and transition

Reimagined products and services

Global best digital experiences and technology

Simpler, better foundations

Differentiating capabilities to execute strategy

Data and analytics

Engineering

Leadership

Banking and commercial judgement

Risk management

Change and delivery

Ways of working to execute strategy

Structures

Processes and frameworks

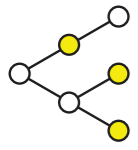
Practices

Metrics and scorecards

Culture

A pattern of shared values, beliefs and behaviours, which shape and are shaped by various environmental factors

The Group's **Code of Conduct** sets out expectations for how we act, solve problems and make decisions. Our Code of Conduct is the ultimate guide for how we do things and it describes the standards of conduct we expect. The Code of Conduct connects our purpose, values and key Group Policies to help us deliver the right outcomes for all our stakeholders. It includes the 'Should We?' test to ensure our people do the right thing by our customers and the community.



Our business structure, operations and supply chain

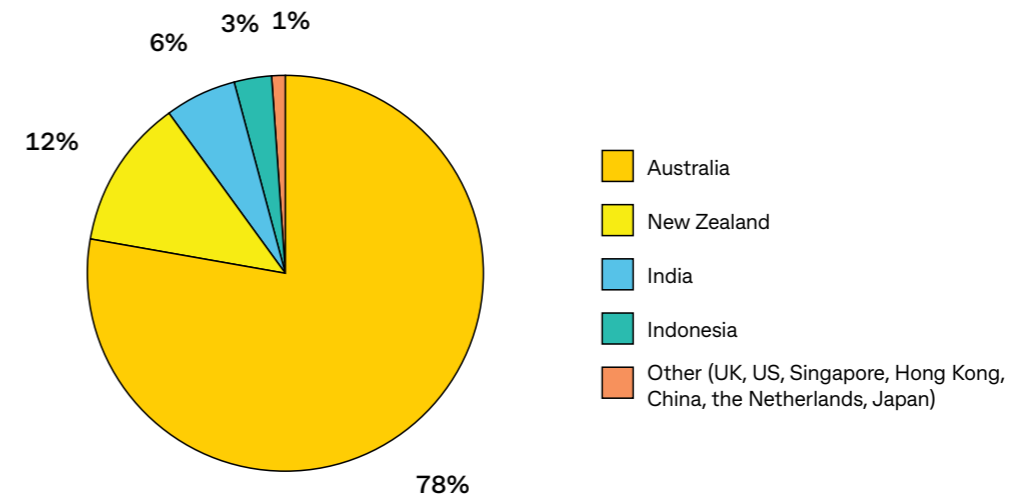
Structure and operations (as at 30 June 2022)

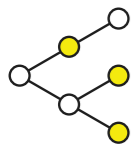
We are one of the leading banks in Australia. We serve more than 16 million customers with a focus on providing retail and commercial banking services predominantly in Australia, and in New Zealand through our subsidiary ASB. Our products and services are provided through our divisions, Retail Banking Services, Business Banking, Institutional Banking and Markets and ASB New Zealand.

The Group employs more than 49,200 full-time equivalent employees, some 90% of whom are based in Australia or New Zealand. By headcount, more than 32,300 of our employees are permanent full-time workers, more than 6,800 are permanent part-time and 266 are casual workers.

Compared to our Australia and New Zealand-based operations, the Group has a smaller presence in Asia, North America, and Europe. In Asia, we have branches in Hong Kong, Indonesia, Japan and Singapore. We offer a range of financial services to both Australian clients with interests in Asia and clients within the region who have business interests in Australia. We also have representative offices in China and in India, where we have 6% of our employees. Our offices in New York, London and Amsterdam provide services that may include lending facilities and market products to corporate and institutional clients.

Chart 1: Employees (FTE) by location





Our brands include well-known names in financial services in Australia and New Zealand: Commonwealth Bank, CommSec, ASB and Bankwest.

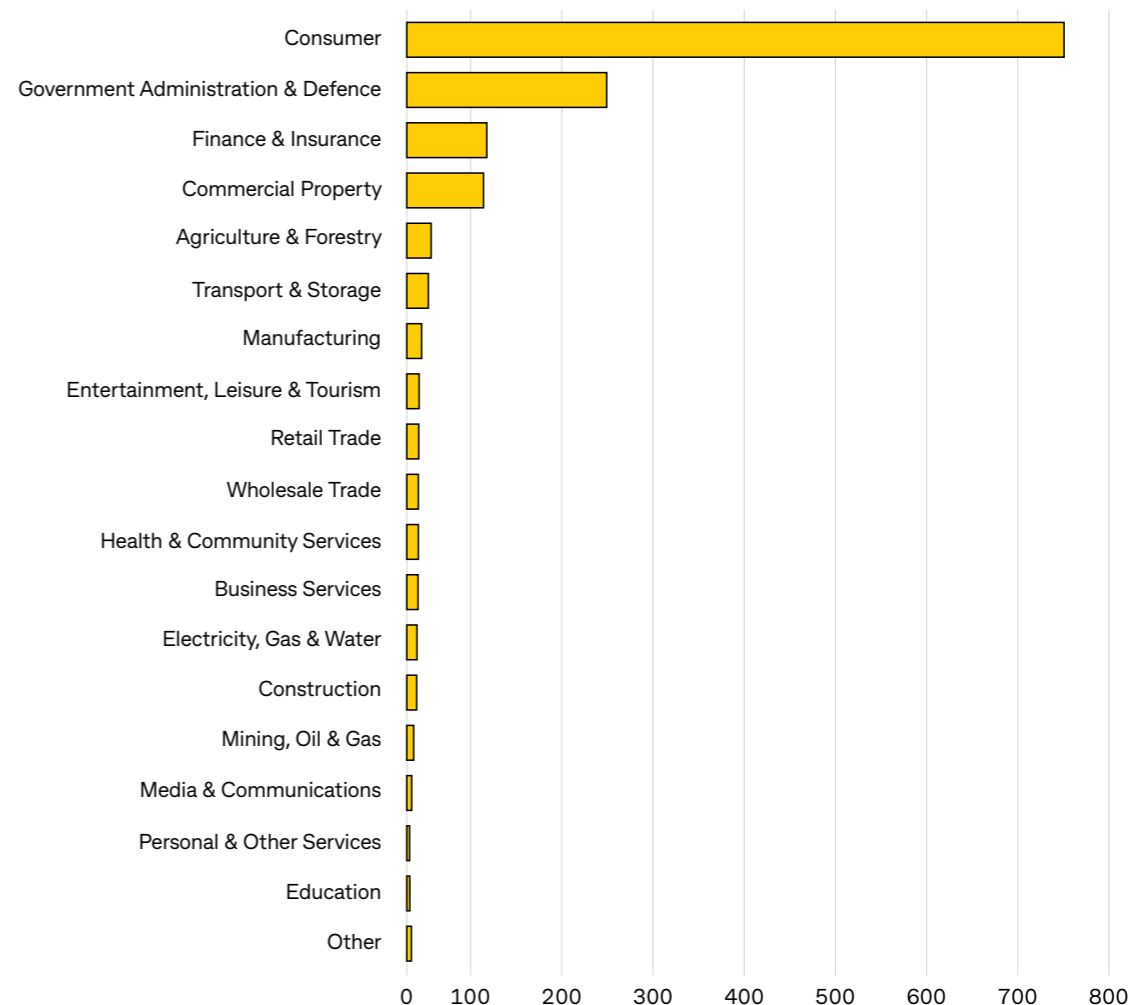


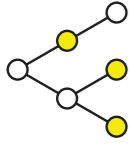
A description of the primary business units that operate across our brands, is set out below:

Retail Banking Services (RBS)	Provides simple, convenient and affordable banking and general insurance products and services to personal and private bank customers, helping them manage their everyday banking needs, buy a home, protect their assets or invest for the future. RBS also includes the retail banking businesses under the Bankwest brand.
Business Banking (BB)	Provides business, corporate and agribusiness customers a full range of banking services, and provides Australia's leading equities trading and margin lending services through CommSec. BB also supports the business banking activities conducted under the Bankwest brand.
Institutional Banking and Markets (IB&M)	Serves the commercial and wholesale banking needs of large corporate, institutional and government clients across a full range of banking services solutions including access to debt capital markets, transaction banking, working capital and risk management through dedicated product and industry specialists.
ASB Bank (ASB)	Includes the banking and funds management businesses operating in New Zealand under the ASB brand. ASB provides a range of banking, wealth and insurance products and services to its personal, business, rural and corporate customers in New Zealand.

The following chart shows the Group's Total Committed Exposure (TCE) across sectors.

Chart 2: Group TCE (\$bn) as at 30 June 2022



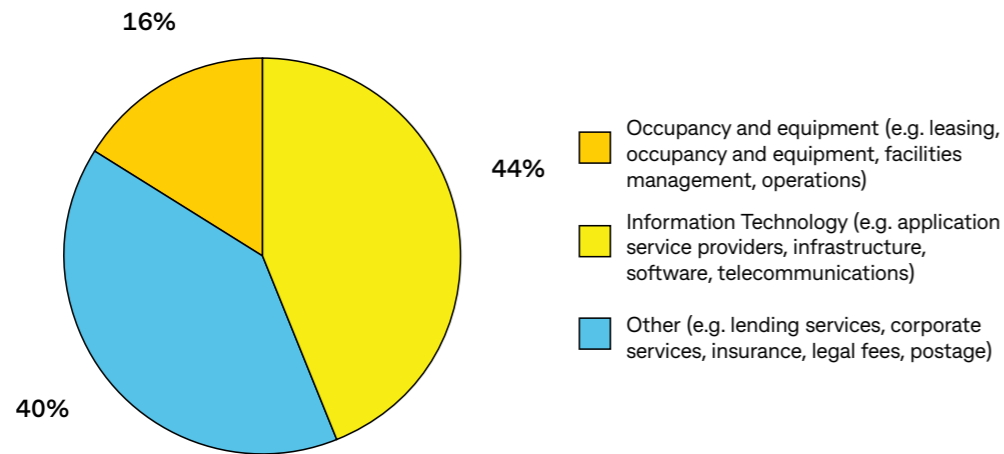


Our supply chain

The Group partners with more than 4,800 suppliers to help us deliver products and services to our customers. During FY22, we spent approximately \$5.9 billion with direct suppliers,¹ ranging from large multinational corporations to small businesses.

Our three largest procurement categories are information technology, occupancy and equipment, and other (predominantly lending services, corporate services, legal fees, printing and postage).

Chart 3: FY22 Group spend across all categories



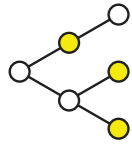
The top five countries where our direct suppliers are based, and which account for 98.9% of our addressable spend, are Australia, the United States, Great Britain, Ireland and Singapore. As the map on the next page represents, a number of these companies in FY22 reported they have some of their operations in, or source supplies from, higher risk countries. It is important to understand the countries our suppliers operate from, as it is a factor that is assessed when determining modern slavery risk.

The Group is committed to strengthening its approach to supplier risk management. In FY21, we introduced the Supplier Risk Governance (SRG) Tool, which increases the quantity and quality of data gathered through our risk assessment process. This provides us with a better understanding of our supply chain risk, including modern slavery risk, and allows us to focus on improved reporting and business accountability.

In ASB, we spent NZD\$489 million² with more than 1,200 suppliers, in the main categories of information technology, occupancy and other (including lending services, corporate services, legal fees, printing and postage). Most of the products and services that we source are from suppliers in New Zealand and Australia.

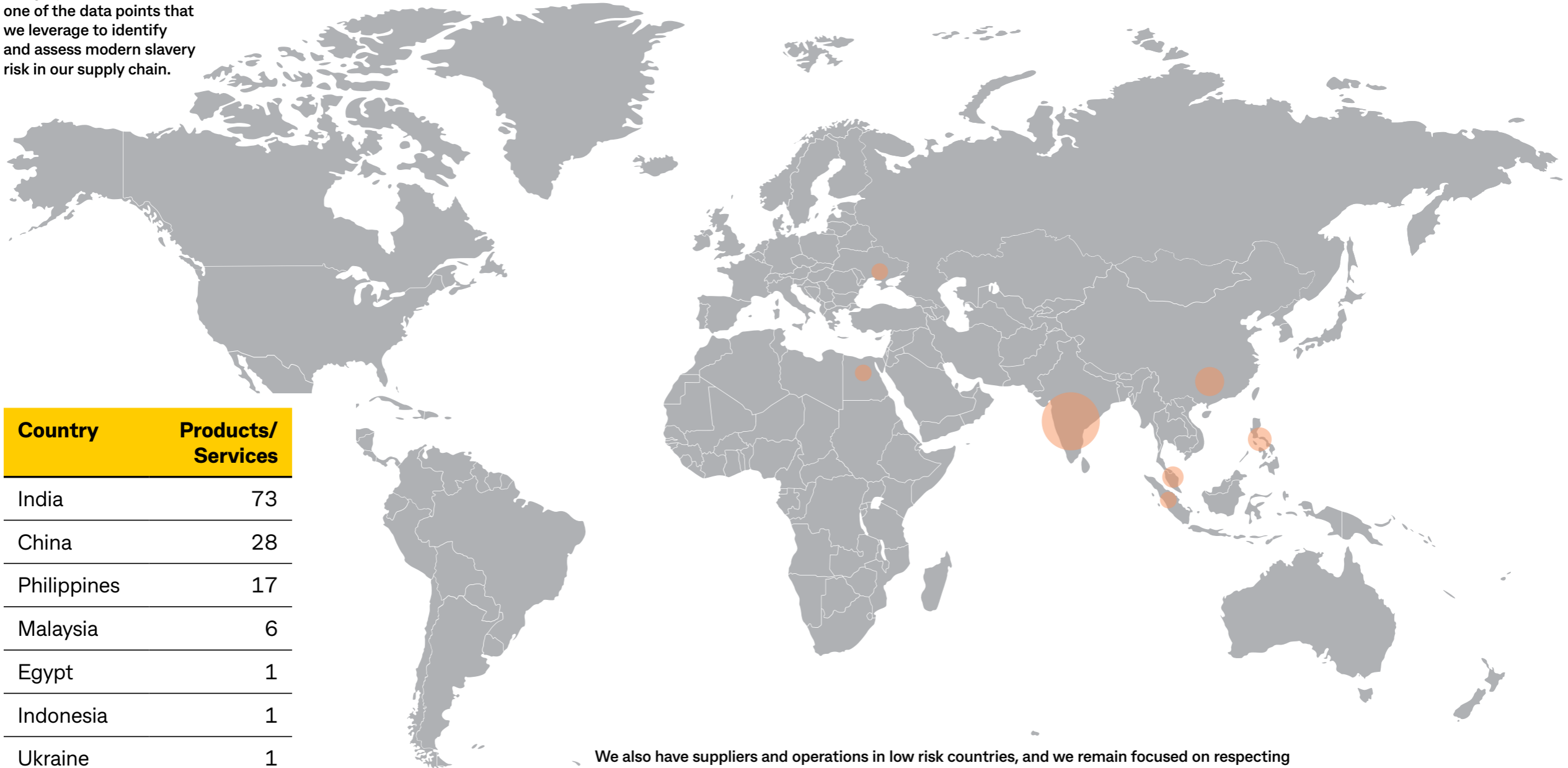
¹ Group supplier numbers and spend excludes ASB (due to change in ASB's system), intercompany, regulatory payments and brokers' fees. FY22 data is not comparable to the previous year as FY21 includes New Zealand data.

² Excludes intercompany payments and government taxes.



Map: High risk countries involved in sourcing, manufacturing or delivery of products or services for the Group

Geographical location is one of the data points that we leverage to identify and assess modern slavery risk in our supply chain.



Country	Products/ Services
India	73
China	28
Philippines	17
Malaysia	6
Egypt	1
Indonesia	1
Ukraine	1

We also have suppliers and operations in low risk countries, and we remain focused on respecting human rights in those countries, including the rights of First Nations peoples and vulnerable communities.



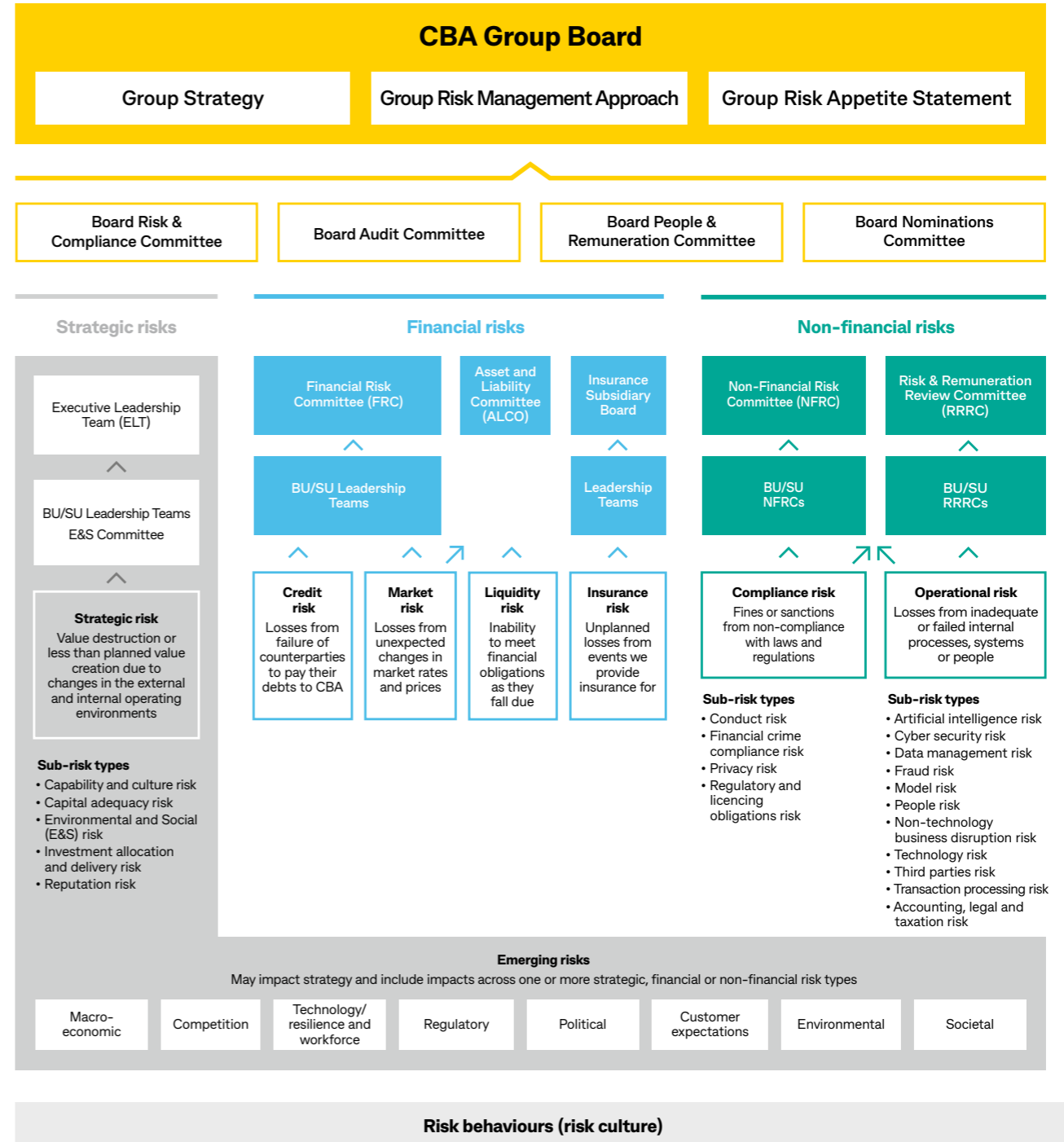
Integration of human rights risk into our risk framework

Risk management

The Bank 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 supported by three key components:

- The Group Risk Appetite Statement (RAS) articulates the type and degree of risk the Board is prepared to accept and the maximum level of risk that the institution must operate within.
- The Group Risk Management Approach (RMA) describes the Bank's approach to ensure comprehensive management of its material risks in support of achieving its strategic goals and objectives.
- The Group Strategy outlines the Group's approach to the implementation of its strategic objectives. The Strategy has a rolling three-year duration and considers material risks to the organisation.



Risk governance and reporting

Risk policies and procedures

Risk infrastructure

Risk accountabilities and skills



Our RMF enables us to gain an overview of the material financial, non-financial and strategic risks the Group is exposed to. The Group recognises four RMF enablers: governance and reporting; policies and procedures; infrastructure; and accountabilities and skills. These enablers are in place for each risk type and allow the Group to identify, assess, manage and report on our material risks, as well as allowing our people to adopt and apply good risk culture, behaviours and practices. The diagram on page 10 outlines the Bank's RMF.

In the Board approved Group Risk Taxonomy, human rights violation (including modern slavery) is defined as a separate sub-risk type under the E&S material risk type category. This acknowledges that E&S risks include the risk of causing, contributing to, or being directly linked to the violation of human rights, including modern slavery. Material risk types are subject to higher levels of governance, reporting and oversight by executive committees and the Board. This focus supports us to deliver on our commitments and effectively manage our modern slavery risks.

An established annual Risk and Control Self-Assessment (RCSA) process exists within the Group where business units and support units identify and assess the risks to achieving their business objectives. In FY22, the Bank formalised a detailed E&S Risk and Controls Taxonomy, and integrated E&S risk into our annual RCSA process.

The Group uses a 5x5 risk assessment matrix tool to evaluate the likelihood and impact of risks occurring across the organisation, including E&S Risk. The impact scales are assessed based on financial impact, as well as impact to customers, reputation, legal compliance and people.

The completion of the E&S RCSAs in FY23 will provide management and the Board with greater transparency of the E&S risks, issues and incidents across the Bank.



Our approach to E&S governance

The Board is responsible for the strategic consideration of the E&S impact of the Bank's activities, including modern slavery. The CEO and Executive Leadership Team (ELT) are accountable for the delivery of E&S responsibilities.

The Board approves the E&S Framework and Policy. Our Board charter highlights the role the Board plays in setting the risk appetite of the Bank, including E&S risk appetite metrics. The Group formally established E&S risk as a key strategic risk in 2021.

Governance over E&S risk and opportunities

We established the ELT E&S Committee and Business E&S Action Group in 2021 to provide governance of our E&S risks and opportunities, including modern slavery. The ELT E&S Committee consists of Group Executives and senior leaders across business and support unit functions. It is the approval body and point of escalation for decisions relating to the Group's E&S program of work. The ELT E&S Committee meets monthly.

The Business E&S Action Group supports the ELT E&S Committee by reviewing E&S related documentation, making recommendations on targets, and providing updates on progress, actions, regulatory and industry developments related to our E&S work program. The Business E&S Action Group meets monthly.

Our Environmental and Social governance framework



Board Risk & Compliance Committee

Monitors the Bank's modern slavery risk profile (including emerging risks).
 Receives and reviews modern slavery risk reports from the management.

Executive Leadership Team (ELT)

Accountable for making specific recommendations to the CEO and agreeing common actions addressing: strategy, business performance, people leadership and culture, and risk and compliance management and control.

ELT E&S Committee

Chaired by CEO and responsible for directing the development and implementation of the Bank's E&S Framework and Policy.

Meets monthly to direct and oversee the Bank's implementation of the E&S strategy, governance, priorities for implementation, and disclosures.

Oversees progress, performance and reporting on E&S initiatives.

Business E&S Action Group

Chaired by CFO, with representatives from all relevant business and support units. Meets monthly to support the ELT E&S Committee.

BU Action Groups

Approve E&S-related disclosure in external reports

Executing key E&S initiatives; focused on supporting our customers.



Overseeing modern slavery risks and initiatives

The Modern Slavery Working Group, led by Corporate Affairs, includes representatives from business and support units. This Working Group meets to discuss initiatives to identify and address modern slavery risk, share information, receive updates on external collaboration, and prepare this Statement.

Linking executive remuneration to E&S risk management

The Board recognises the importance of integrating E&S accountability into our executive remuneration framework. E&S (including modern slavery) objectives are considered in short and long-term variable remuneration decisions through target setting, performance assessment, risk framework and remuneration outcomes. Our remuneration structure is designed to meet our strategic goals and sustainability commitments.



Our approach to respecting human rights: Modern Slavery

Respecting human rights requires us to understand our relationship to modern slavery risks or impacts. When considering these risks and impacts, our modern slavery due diligence focuses on risks and impacts to people, rather than risks to the business.

External research has identified four key factors that increase the risk of modern slavery: vulnerable populations (more susceptible to harm); high-risk business models (reduced visibility of a supplier’s labour conditions); high-risk geographies and high-risk categories (products and services from high-risk sectors)¹.

The UNGPs guide our understanding of how we may ‘cause’, ‘contribute to’, or be ‘directly linked’ human rights risks and impacts. For the purposes of the Modern Slavery Statement, we use the UNGPs to assist us in reporting on how we identify and manage risks across our business as an employer, a provider of banking products and services, and a procurer of goods and services.

Type of potential involvement (using the UNGP framework as a reference for this Statement)

	Cause	Contribute to	Directly linked
Definition of involvement	‘Causes’ human rights harm through our own acts or omissions.	‘Contributes to’ human rights harm through our own acts or omissions.	‘Directly linked’ to human rights harm through our operations, products, or services by a business relationship.
Management principle	Cease or prevent the harm and provide for or cooperate in legitimate remediation processes.	Cease or prevent contribution and use leverage to mitigate any remaining harm and provide for or cooperate in legitimate remediation processes.	Seek to use leverage to prevent or mitigate the harm, or seek to increase leverage where it is lacking, and it is appropriate to do so, and consider the need to provide remediation.
Through our role as:			
An employer	Potentially impacting our people		
A provider of banking products and services		Via our Clients and customers	
A procurer of goods and services		Via our suppliers	

¹ Typologies and Indicators of Modern Slavery. Working Paper, Edition 1, March 2022. Australian Banking Association and KPMG.



The MSA defines modern slavery as trafficking in persons, slavery, servitude, debt bondage, servitude, forced labour, forced marriage, the worst forms of child labour and deceptive recruiting for labour or services.

Modern Slavery Type	Explanation	Modern Slavery Type	Explanation
Human trafficking	The unlawful act of transporting or coercing people in order to benefit from their work or service, typically in the form of forced labour or sexual exploitation.	Forced labour	A perpetrator forces a person to work against their will, under threat of punishment.
Slavery	When a person has had power of ownership exerted over them by another, including being made an object of purchase and use of their labour in an unrestricted way.	Forced marriage	When a person gets married without freely and fully consenting, because they have been coerced, threatened or deceived, or because they are incapable of understanding the nature and effect of a marriage ceremony, for reasons including age and mental capacity.
Bonded or indebted labour	Forcing a person to work to pay off a debt, such as visa fees or recruitment fees. Tricking them into working for little or no pay, with no control over their debt. Most or all of the money they earn goes to pay off their loan, and the value of their work invariably becomes greater than the original sum of the money borrowed.	Worst forms of child labour	When a child is subject to modern slavery, sexual exploitation, involvement in illicit activities (e.g. the production and trafficking of drugs), or work that is likely to harm their health, safety or morals.
Servitude	Employing a person to provide seemingly normal live-in domestic services to a household, but then exploiting and controlling them. It is a form of forced labour and may involve bonded labour.	Deceptive recruiting practices	Exploiting a person by deceiving them into a type of modern slavery, including requiring them to sign blank documents and resignation letters, or not providing documents in their own languages.



Due to the nature and complexity of our business, we consider the following types of modern slavery risks to be most likely to arise in our business operations and supply chain:

Our role as an employer	Our role as a provider of banking products and services and an investor	Our role as a procurer of goods and services
<ul style="list-style-type: none">• Forced labour• Debt bondage• Deceptive recruiting for labour or services	<ul style="list-style-type: none">• Trafficking in persons• Slavery• Forced labour• Debt bondage• Worst forms of child labour• Deceptive recruiting for labour or services	<ul style="list-style-type: none">• Slavery• Forced labour• Debt bondage• Worst forms of child labour• Deceptive recruiting for labour or services

We continue to build on our foundations and experience to identify and quantify the potential modern slavery risks in our own operations. We are working to embed our approach to respecting human rights across the business, using a range of processes and tools to identify, manage and monitor human rights violation risks, including modern slavery, taking a risk-based approach to prioritise those that are most material.



Table 2: Example of the processes and tools we use to identify, manage and monitor modern slavery risks in our operations.

	Processes & Tools	Our role as an employer	Our role as a provider of banking products and services	Our role as a procurer of goods and services
Identification	E&S Risk and Control Self-Assessment (RCSA)		✓	✓
	Customer ESG risk assessments ¹		✓	
	Supplier ESG risk assessments ²			✓
	Monitoring and analysis of transactions for unusual behaviours ³		✓	
	Grievance mechanisms ⁴	✓	✓	✓
Management and monitoring	Risk issue and incident management	✓	✓	✓
	Key policies	✓	✓	✓
	Regulatory compliance, monitoring and engagement	✓	✓	✓
	Transaction approval and escalations		✓	
	Suspicious Matter Reports to AUSTRAC		✓	
	Supplier approval and escalations			✓
	Engaging with suppliers on modern slavery risk			✓
	Training and awareness	✓	✓	✓
	Grievance mechanisms	✓	✓	✓

1 ESG risks assessments through the Corporate and Institutional Pathway, Commercial Pathway and ASB Rural ESG attestations.

2 Completing E&S risks assessments through the Supplier Risk Governance Tool.

3 Transaction screening and Unusual Matter Reporting through financial crime compliance.

4 Grievance mechanisms include SpeakUP, customer complaints process and Workplace Grievance Review.



Identifying risks of modern slavery

Our role as an employer

We respect the rights of our people and are committed to operating a workplace that is open, fair and inclusive where our people feel comfortable to raise issues via confidential grievance mechanisms.

Based on the four key risk factors, including vulnerable populations, high-risk business models, geographies and categories, in the majority of our locations CBA considers there is a low risk that our employees in branches and offices (across all business and support units) could be subject to modern slavery.

We recognise there are varying levels of regulatory strength for labour conditions in a number of countries in which we operate. We have employees located in three countries, which the Global Slavery Index 2018 identifies as having higher prevalence of risks of modern slavery – India, Indonesia and China. These operations align to the Group policies and processes regarding employees, with some variations due to local cultural and regulatory contexts. When Group policies conflict with local laws, the more stringent requirement applies.

In our Modern Slavery and Human Trafficking Statement 2021, we said we would consider, as a next step, conducting a deep dive risk assessment for PT Bank Commonwealth Indonesia.

This action has not yet been taken.

Our role as a provider of banking products and services

In line with our E&S Framework and Policy, we expect our institutional and business Clients¹ to identify, manage, monitor, and redress any adverse impacts on human rights where their business is involved.

Identifying risk via ESG risk assessments

To identify E&S risks, including modern slavery, in our corporate lending decisions, we have developed an ESG risk assessment tool that helps our bankers:

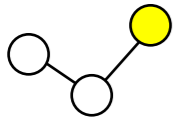
- Identify and assess the E&S risks the Bank is exposed to through our relationships with our customers.
- Assess whether lending aligns to the commitments described in our E&S Framework and Policy.
- Understand how clients are managing E&S risks.

The ESG risk assessment tool is integrated into the Bank's corporate loan pricing system to embed it as part of the corporate lending decision process.

¹ Client means a customer who is relationship managed by the Group's Institutional or Business Bank with financing transactions \$5 million or greater. See our E&S Framework and Policy for defined terms.



In FY22, ESG risk assessments were performed on institutional corporate lending¹ and business customers with proposed corporate lending greater than \$1 million. These assessments are performed in one of two ways:

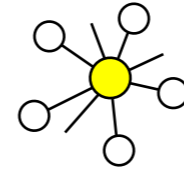


Corporate and Institutional Pathway

The Corporate and Institutional Pathway assesses ESG risks for Institutional corporate lending and Business Bank corporate lending greater than \$30 million.

The ESG risk assessment tool is supported by a dataset of initial risk ratings across key focus areas: climate and energy; physical climate risk; water; pollution; biodiversity; human rights; labour rights and modern slavery; workplace health and safety; and anti-corruption and governance.

These inherent risk ratings have guided us to focus on the industries with higher risks of exposing people to modern slavery. These include agriculture, forestry, mining, manufacturing, construction and property. We also consider the data from the Global Slavery Index 2018, which includes Thailand, India and China as countries with a higher prevalence of risks of modern slavery.



Commercial Pathway

In FY22, the Commercial Pathway assesses ESG risks for Business Bank corporate lending between \$1 million and \$30 million.

The ESG risk assessment tool is supported by the same dataset of initial risk ratings across key focus areas including modern slavery and human rights.

Through this pathway, we focus on our lending to Business Bank clients where people may be exposed to modern slavery risks, such as forced labour.

Clients in the Commercial Pathway range from small businesses to listed companies and large private entities where financial exposure is less than \$30 million. Accordingly, the resulting exposure to modern slavery risks are as varied as the exposure that potential victims may have through our Clients.

¹ Corporate lending refers to corporate financing provided by IB&M and Business Bank.



Identifying risks to people in our New Zealand operations

In New Zealand, which has a framework of strong labour legislation and employee protection, we have identified that industries with a higher risk of exposing their workforce to modern slavery include those that employ low-skilled casual or seasonal labour, including temporary labour managed by third party recruiters. Workers are likely to be at a higher risk when they are from vulnerable groups such as immigrants or temporary migrants with limited English language skills. Modern slavery risk also exists where ASB business customers source products, materials or services from international regions with a high risk of slavery.

In FY21, ASB introduced an E&S attestation for agriculture and horticulture clients that includes questions covering labour practices and modern slavery risk, as these sectors account for the largest exposure to potentially high-risk industries in our business lending portfolios. Attestation questions include whether the client hires seasonal or casual labour and, if so, how the client recruits, pays and accommodates these workers. Eligible clients are those with lending exposure of \$1m and above, who must complete the form annually. During FY22 we obtained attestations from 1,831 Rural customers, which completed the coverage of eligible clients.

In FY22, 100% of ASB Corporate and Commercial business loans greater than \$30 million were assessed through the Group's Corporate and Institutional pathway.

Identifying risks through financial crime monitoring

We recognise we have a critical role to play in combatting financial crime to protect 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 employing the financial system to transfer funds from victims, amongst other criminals and to themselves. These risks are identified through guidance from regulators and NGOs, and by screening transactions for behaviours 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 Group to quickly and confidentially investigate and report the matters to the relevant regulators if required.

Financial crime risks have increased over the last year and through the coronavirus pandemic, we have observed an increasingly sophisticated use of technology by criminals targeting vulnerable people.

The 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. We update our source documents, as required, based on guidance from regulators, authorities, industry bodies and NGOs.

Red flags that could relate to modern slavery activity, or other exploitation, include cash payments to accounts with the description of "wages" and then the quick transfer of most of those funds back to the original account, or payments involving high-risk industries, including labour hire and agriculture.



Responding to sham labour-hire

An agricultural customer was escalated for enhanced due diligence via adverse media monitoring. Media articles reported that the customer had multiple charges of breaching the Migration Act after an Australian Border Force Raid on their farm.

One of the owners of the business was alleged to have run what prosecutors described as “sham” labour-hire companies.

A significant amount of funds had been withdrawn from the account in cash. It is likely that these payments facilitated illegal labour hire. We terminated this account.

Our employees submit Unusual Matter Reports (**UMR**) to raise issues that they detect through interactions with customers or non-customers, such as unusual behaviour, applications and transactions. We investigate reported matters, which allows us to provide critical information to our regulators, the police and other law enforcement agencies to investigate potential criminal activities.

Enhanced Customer Due Diligence (**ECDD**), where we collect and analyse additional due diligence information, is completed on customers who are deemed to pose a higher risk of financial crime to the bank. We take a risk-based approach to identifying, mitigating and managing money laundering and terrorism financing risk in compliance with relevant legislation.

CBA also investigates customers (personal and business) that have triggered red flags and deliver intelligence briefings and recommendations for the business to act upon where appropriate.

In New Zealand, the transaction monitoring team within ASB's Financial Crime Operations (FCO) team are trained in modern slavery and human trafficking as a typology. They may submit a 'suspicious activity' report to the NZ Police Financial Intelligence Unit, irrespective of whether they have established evidence of offending.

Identifying risks as an investor

Early in the reporting period, we completed the majority sale of Colonial First State (CFS) and we will not cover this discontinued operation in the Statement.

ASB manages around NZ\$20bn in investments on behalf of New Zealanders, both through ASB and ASB Group Investments (ASBGI), a wholly owned subsidiary of ASB. Modern slavery risks can exist at an individual company level, and this could occur in any jurisdiction, however some jurisdictions are assessed as higher risk for modern slavery. We assess the potential modern slavery risk exposure of funds under management, based on companies incorporated in high-risk jurisdictions.

As at 30 June 2022, approximately 0.31% of ASB's funds under management were invested in potentially high-risk countries, according to the Global Slavery Index 2018. This equates to around NZ \$61 million in investments in companies incorporated in higher risk countries of Malaysia, Thailand, Philippines, Greece, Turkey and Liberia.



Our role as a procurer of goods and services

The Group is committed to strengthening its approach to supplier risk management.

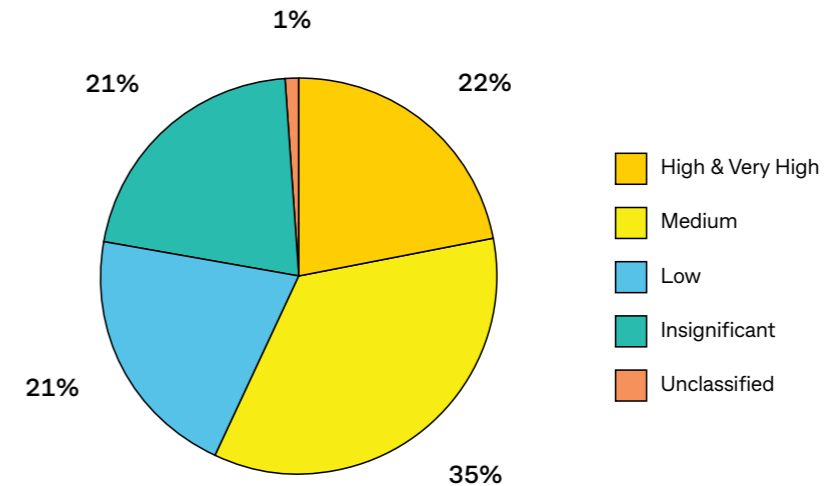
One of our key enhancements in FY22 has been digitising our modern slavery inherent risk assessment process for suppliers, through the rollout of our SRG Tool. This has provided us with improved risk assessments and greater volume of assessments across our suppliers.

The rollout of the SRG Tool to our domestic and international offices allows for a more granular assessment of risks, including modern slavery, across our supply chain. By providing a clearer risk picture, CBA owners of supplier relationships are able to assume greater accountability in their selection and management of suppliers. It should be noted that PT Bank Commonwealth uses a Supplier Risk Assessment and Tiering Identification Tool for supplier due diligence instead of the SRG Tool, and it currently does not include specific assessment questions for modern slavery.

The SRG Tool provides the starting point to understand the risk level of an associated supplier's service offering. If a supplier is assessed with a high inherent risk of modern slavery (based on factors including country and industry), we require the supplier to complete the Human Rights Control Program through the SRG Tool. This enables us to understand the controls that the supplier has in place to assist in mitigating modern slavery risk.

The categories in our supply chain that have a higher risk of exposing people to modern slavery are infrastructure (including workplace technology, data storage), facilities management (including cleaning, security, maintenance and catering), telecommunications, card services and production, corporate services (including corporate wardrobe and office supplies), promotional materials and travel. These categories form a small sub-set of our total addressable supplier spend.

Chart 4: Procurement category risk ratings (by spend)



In FY22, our total spend in high-risk categories significantly increased as we increased our risk rating of the Leasing category (e.g. commercial property) from 'medium' to 'high' due to the heavy reliance on outsourcing/contracting in this industry. This reported increase was not caused by an increase in spend in high-risk categories.

Our efforts have focused on gaining an understanding of the potential risks that reside with our direct suppliers rather than working with the suppliers' supply chain (4th parties), as this is where we can have the most influence. We also have standard clauses in our contract templates requesting our suppliers include similar modern slavery terms in their suppliers' contracts to help address modern slavery in their supply chains.



Assessing risk throughout the supplier lifecycle

In FY22, we digitised our risk assessment process through the SRG Tool to assess supplier risk across all risk domains, significantly improving our process rigour and efficiency, workflow transparency, data integrity and reporting capability.

The SRG Tool represents a significant improvement as it allows us to screen the inherent modern slavery risk at the onboarding stage for all new products/services and at major contract events for existing suppliers (e.g. contract variations and renewals), which we are progressively doing. This digitised tool has supported us to substantially increase the number of our suppliers being assessed for modern slavery risk in FY22. Over time, all suppliers will complete an inherent risk assessment for modern slavery through the SRG Tool.

Supplier risk assessments in FY22



1,105

suppliers (1,196 products and services went through an inherent risk assessment for modern slavery through the SRG Tool (note some suppliers have multiple services)).



109¹

suppliers (142 products and services) triggered the Human Rights Control Program.



60

suppliers (62 products and services) completed the Human Rights Control Program.



49

suppliers (80 products and services) pending completion of the Human Rights Control Program.

¹ Excludes triggered reviews that were not required to be completed (e.g. duplicated reviews if a supplier was providing multiple products and services or suppliers that completed an inherent risk assessment but were not onboarded).



Human Rights Control Program

STEP

1

Review of SRG Tool risk assessment

Following the inherent risk assessment, a manual quality check is conducted for products/services that flag as a high-risk for modern slavery, before undergoing further risk assessment (i.e. the Human Rights Control Program) in the SRG Tool.

The manual check prevents unnecessary Control Programs from triggering (e.g. if a supplier has already completed a risk assessment with us there may not be a need to re-assess if the risk profile is the same as previous products/services assessed).

Human Rights Control Program

The Human Rights Control Program commences by sending a questionnaire to the supplier directly from the SRG Tool.

Among other things, this Control Program includes an assessment of the modern slavery controls a supplier has in place to mitigate the risk of modern slavery in their supply chain.

STEP

2

STEP

3

Supplier risk advisory assessment

Specially trained risk analysts assess returned responses against our minimum standards to determine strengths and improvement opportunities, with our primary focus to always mitigate risk to vulnerable people.

As part of this risk assessment process, our specialist supplier risk team review the modern slavery questionnaire responses of our high-risk suppliers for any disclosures about modern slavery incidents in their operations and/or supply chains. The team also conduct adverse media checks as part of this process.

In FY22, we did not identify any incidents regarding modern slavery within our supply chain through this process.

Determine required actions

If suppliers have control gaps, as well as a dependency and close proximity (i.e. within their own operations or the first/second tier of their supply chain where they have the most influence) to workforces susceptible to exploitation (e.g. unskilled/migrant workers), we engage with this supplier to further understand their circumstances.

If the risk of harm to people remains high, we will co-develop and implement a time-bound Supplier Improvement Plan. The Supplier Improvement Plan aims to mitigate the risk of harm to vulnerable people, with the SRG Tool tracking implementation of the plan.

If the risk of harm to people is considered low (e.g. the supplier has a dependency on highly skilled workers), but there are some remaining control gaps, we will contribute to building our suppliers' awareness and understanding of modern slavery so they can implement the most suitable measures for their business independently. We raise awareness by:

- Sharing information resources (such as our Modern Slavery Toolkit for Suppliers).
- Delivering seminars (such as the FY22 interactive awareness raising seminars we delivered with Anti-Slavery Australia).

STEP

4

STEP

5

Review and refresh

The inherent risk rating determines the cadence for continued risk assessment. For example, the SRG Tool flags suppliers with a high, or very high, inherent risk annually for a risk re-assessment (referred to as Ongoing Obligations).

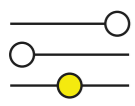


We learned through the Human Rights Control Program that our risk assessment process serves as a catalyst for change. We noticed that some suppliers developed controls, such as a modern slavery policy or statement, in response to receiving the risk assessment questionnaire.

One of our lessons learned is we should prioritise our efforts on suppliers in our supply chain with close proximity to vulnerable workforces to maximise our impact. By increasingly focusing our process in this way, we will reduce some unnecessary burden for our broader supplier base and free up our internal team to focus on our higher risk suppliers.

Assessing risks in ASB's supply chain

In FY22, ASB re-ran a supplier risk assessment to determine the number of suppliers, and proportion of annual procurement spend, in potential high-risk industries. This showed that 14% of ASB's annual procurement spend was in sectors with potentially higher risk of modern slavery, including property (construction, facilities management, maintenance, security, cleaning and catering), infrastructure (incl. workplace technology, data storage), telecommunications, card services and production.



Actions taken to assess and address modern slavery risks

Our E&S Framework and Policy sets the Group’s approach and commitments to managing the environmental and social impacts including human rights and modern slavery impacts, of our business activities and operations.

To improve our processes for remedying potential modern slavery incidents we are developing guidance for identifying, escalating and remediating modern slavery incidents. We are basing this guidance on key principles that include focusing on the risk to people, protecting victims, notifying authorities as required, and providing for or cooperating in legitimate remediation processes.

We have also reviewed our grievance mechanisms and we are working on improvements in FY23, including training for specialist roles.

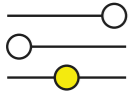
Our role as an employer

Globally, more than 99% of our people are permanent full-time or permanent part-time workers, and all are qualified or skilled in financial services or support functions. Regardless of our people’s location, we provide full-time work and contracts; our people have access to trade union membership (where this is permitted by law); and we have robust employee policies in place (including commitments to diversity and inclusion).

We have a number of policies in place that support behaviours and practices that may indirectly reduce this risk of modern slavery. These policies set expectations on workplace behaviour, managing financial crime and speaking up on misconduct.

Table 3: Key policies supporting modern slavery prevention in our own operations.

Policy	Description	How this supports us to mitigate modern slavery risk
Code of Conduct	Sets the Group’s expectations on how employees act, solve problems and make decisions. It applies to the Board, all employees and contractors.	Apply our Values and key Group Policies, including the E&S Framework and Policy, when making decisions that affect customers and communities. Support a safe and inclusive workplace. Encourage employees to raise concerns through the SpeakUP Service.
Conduct Policy	Supports the Code of Conduct and defines the standards of behaviour that we will hold ourselves, and each other, accountable for.	Commitment to provide a workplace that is free of unlawful workplace conduct, including discrimination, harassment, bullying and victimisation of people. Refers to legal obligations for human rights.
Supplier Lifecycle Policy	Sets the principles, and forms part of the overall framework for the effective management of Suppliers across the Group.	Principles include compliance with Modern Slavery Laws and defines modern slavery include human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and child labour. Supporting procedure includes modern slavery risk as a supplier risk.
Product Development and Distribution Policy	Sets out how CBA develops, distributes and monitors Products to make sure they meet our Customers’ needs.	Policy refers to E&S Framework and Policy and supporting Product Distribution Procedure requires Third Parties to meet modern slavery obligations.



Operations in India, Indonesia and China align to Group policies, except where there may be variations due to local laws or cultural reasons. When Group policies conflict with local laws, the more stringent requirement applies.

Our role as a provider of banking products and services

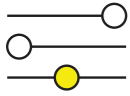
Managing risk in our Corporate and Institutional Pathway

We have been using and progressively updating the Corporate and Institutional Pathway since 2015. We have designed questions in the tool to direct bankers' focus on relevant E&S commitments, which potentially apply to that transaction. The ESG risk assessment tool then directs users to escalate assessments where there is uncertainty regarding the requirement of the E&S Framework and Policy to their General Manager, to determine if further escalation is required.

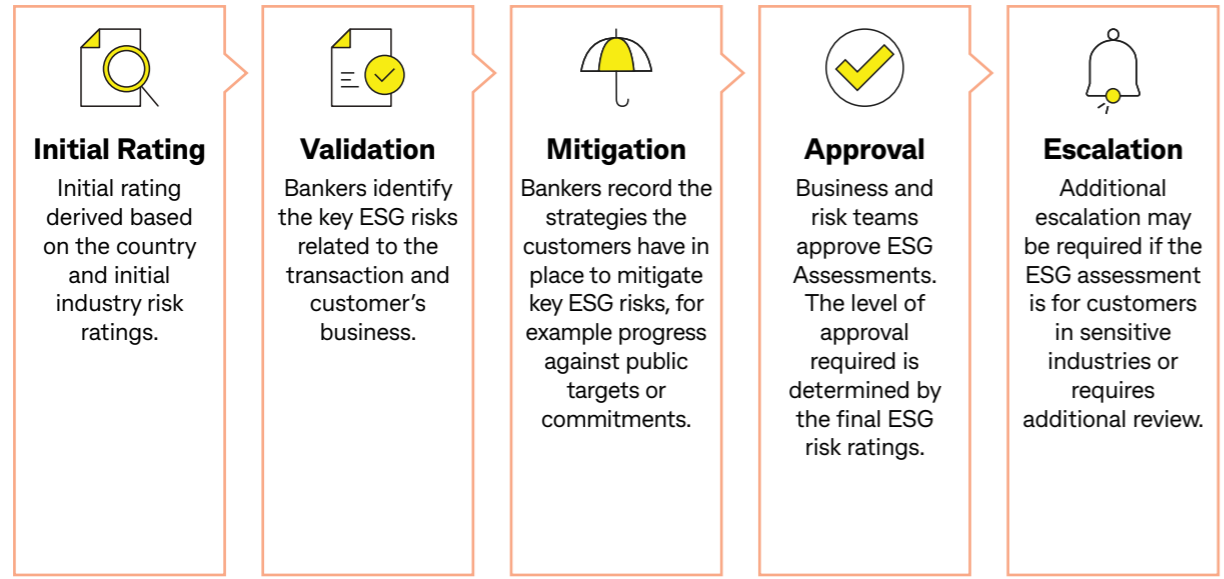
The ESG risk assessment tool steps the banker through a process of identifying key risks for the specific customer or transaction across the nine focus areas, including labour rights and modern slavery, and describe the mitigants customers have in place to manage these risks.

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 escalation rating.

Policy	Description	How this supports us to mitigate modern slavery risk
Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Policy	Sets out the AML/CTF principles, which apply to all entities of the Group and its subsidiaries, including identification and mitigation of risk, governance, due diligence and training and awareness.	Supports employees to adhere to policies and practices that protect the community and support the integrity of the financial system from the harm caused by financial crime (modern slavery is a predicate offence, or precursor to financial crime).
Whistleblower Protection Policy	Supports people to raise concerns of Reportable Conduct and protects them from retaliation and victimisation. Applies to the Group, Directors, Employees, secondees and Whistleblowers.	Reportable conduct includes illegal activities, serious breach of internal policy or breach of laws. Modern slavery is covered under this conduct.
Work Health and Safety Policy	Outlines the Group's commitment and approach to the physical and psychological health and safety of people who carry out work at the direction of the Group, as well as Customers and visitors.	References compliance with E&S Framework and Policy and providing a healthy and safe workplace.



Process Overview: Corporate and Institutional Pathway



Managing risk in our Commercial Pathway

The Commercial Pathway was introduced in 2021 and was designed to be simpler, more efficient and supportive of a higher volume of business customers. In 2022, the Commercial Pathway was used to assess business' borrowing between \$1 million and \$30 million. We assessed business customers who apply to borrow more than \$30 million via the Corporate and Institutional Pathway.

Under the Commercial pathway, the ESG risk assessment tool includes questions to assess Client alignment to the E&S Framework and Policy, and about topics assessed as being inherently high or very high risk to the customer, based on their ANZSIC code. The questions are multiple choice based, noting that some questions require the banker to input additional context in the free text field. For example, we take steps to assess the risk of vulnerable peoples exposure to modern slavery within Australian and international operations, and across supply chains.

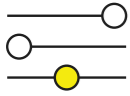
Upon completion of an assessment, the tool automatically identifies the appropriate approval based on the responses given. Approval levels are aligned to the identified level of risk and are the responsibility of the Executive Manager, General Manager, or senior governance forums in the Business Bank.

If we assess Clients' existing mitigating actions to be insufficient to address the risks identified, we may choose not to proceed with the proposed transaction.

Process Overview: Commercial Pathway



It should be noted that whilst PT Bank Commonwealth conducts Know Your Customer due diligence for new business customers for AML/CTF purposes, it does not include specific due diligence on modern slavery.



Managing investment risk

In FY22, all of ASB's external investment managers responded to our annual due diligence questionnaire outlining how they assess and manage risks associated with modern slavery, both in their own business operations and in the companies in which they invest.

All investment managers confirmed that they capture risks associated with modern slavery in their ESG investment processes. Where ASB's external investment managers have an index-tracking mandate, the options they use to address risks associated with modern slavery may include engagement and monitoring the investee's activity in this area.

ASB has an Exclusions Framework which is designed to reflect the values of our customers and ensure we take into account their 'strong and enduring' ethical preferences. In FY22, we introduced a Global Standards Screen, which may exclude companies that violate certain international standards or norms (including those that violate UN Global Compact principles relating to human rights and labour rights). This effect from 1 July 2022.

Our role as a procurer of good and services

As part of our supply chain modern slavery program, we work with our people and suppliers to mitigate risks and ensure there are suitable controls in place.

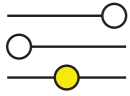
Managing risk through the Modern Slavery Program of Work

CBA has a Project Management Group (PMG) led by the Executive General Manager, Group Corporate Services, which provides thought leadership, governance and delivery oversight of the modern slavery program of work for Group Procurement. The PMG comprises of subject matter experts and key stakeholders across the Group including procurement, risk, legal and corporate affairs. The PMG meets monthly and is governed by a Charter.

The PMG has reviewed and endorsed the FY22 planning and actions on due diligence processes, end-to-end risks in the supplier lifecycle, the Supplier Improvement Plan process, and ongoing training to suppliers and employees. The PMG also advises on gaps, system improvements, supplier engagement, monitoring, reporting and escalations.

In addition to the PMG, our material and key suppliers (Tier 0 & 1) have monthly governance meetings with CBA owners and managers of supplier relationships, with any issues arising related to human rights or modern slavery included on the agenda, if required.

Further, we also review the progress of our supplier modern slavery program through the Group Supplier Governance Council and the Group Corporate Services Governance Forum to ensure we are addressing the risks of modern slavery in our supply chains, educating our leaders and looking for continuous improvement opportunities.



Supplier policies and contractual controls

Our Group's **Supplier Code of Conduct** (SCOC) sets the minimum requirements and principles, for the behaviour and business practices on environmental and social issues that we expect our suppliers to adhere to in their operations and supply chains. Our SCOC sets expectations for human rights, labour practices, health and safety, diversity and inclusion, environmental practices, as well as compliance and governance.

Included in the SCOC is a requirement that our suppliers will comply with human rights laws and manage their operations, their supply chain and their contractors in line with UNGPs. Suppliers must ensure they do not cause forced or bonded labour, or any other type of modern slavery. The SCOC also includes requirements around child labour; freedom of association and collective bargaining; fair pay and working conditions; and to commit to a workplace free from workplace bullying, harassment, victimisation, and abuse, unlawful or inhumane treatment.

In addition to the SCOC, we have set an expectation to include our Human Rights Clause in all of our new and updated standard supplier contracts. The purpose of this clause is to expand our engagement with our suppliers; gain a deeper understanding of our supply chain (which includes any organisation or individual involved in the chain of production and provision of particular goods and services to that supplier's business); and set expectations for our suppliers on developing their own supplier management practices.

The clause requires our suppliers to comply with our SCOC and all relevant human rights and modern slavery law, and to use reasonable efforts to ensure their suppliers' comply. It also requires 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 its operations and supply chains.

The clause supports our engagement with our suppliers; allows us to gain a deeper understanding of our supply chain (which includes any organisation or individual involved in the chain of production and provision of particular goods

and services to that supplier's business); and sets expectations for our suppliers on developing their own supplier management practices.

In FY22, we continued to use and refine our clause playbook to assist our Legal, Procurement and Business Owner stakeholders in negotiations with suppliers around the template Human Rights clause. This clause engagement allows both CBA and our suppliers to continue to strengthen our approaches to preventing modern slavery.

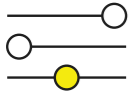
To continue the positive impact we have on our supply chains and in response to the coronavirus pandemic, last year we adjusted our payment terms for all our domestic suppliers. The change means that once invoices are received and processed in our system, payment terms are immediate. This change greatly improved payment times and 93% of invoices for these suppliers were paid within 30 days of submission of invoices.

Supplier Improvement Plans

Another significant enhancement to our Modern Slavery Program in FY22 has been the development and implementation of our Modern Slavery Supplier Improvement Plan process. We adopted a tailored approach to co-designing Supplier Improvement Plans with identified suppliers, and jointly agreed on pragmatic actions to improve controls through a time-bound action plan. The goal of the Supplier Improvement Plans is to improve the controls of our highest risk suppliers to meet our minimum standards, and minimise risk to people.

We collaboratively work with suppliers who do not meet our minimum expected standards for controls (as assessed through our Human Rights Control Program) and have a high risk of harm to people. Our minimum standards for our supplier Human Rights Controls include:

- Having a policy, strategy or position statement on modern slavery.
- Undertaking modern slavery risk assessments of its operations and supply chains.



- Having a grievance mechanism established for its workers and supply chain to support reporting of modern slavery.
- Delivering training for its workers on modern slavery and the use of grievance mechanisms.

We understand that suppliers are on a journey to improve their controls, and we link the level of controls we expect of suppliers to their risk, size and industry. Examples of actions within Supplier Improvement Plans this year include:

- Designing and delivering tailored awareness-raising sessions to suppliers and their employees on modern slavery (delivered by CBA).
- Helping suppliers craft a modern slavery policy, strategy and/or statement.
- Including clauses on modern slavery in supplier contracts.
- Incorporating modern slavery into existing risk assessment questionnaires for suppliers.
- Implementing/improving their grievance mechanism process and communicating it to their employees and, where possible, their suppliers (and that supplier's employees).

We engaged 11 suppliers on Supplier Improvement Plans in FY22 including companies from the hospitality sector, machine hardware providers, cleaning companies, event venues, promotional goods, transportation, and a public relations/events company. We identified four of these suppliers for Supplier Improvement Plans in FY21 and seven in FY22:

- In FY21, sixteen suppliers were flagged to start a Supplier Improvement Plan in FY22, with four plans in progress and 12 de-scoped for a variety of reasons including: misclassification of supplier industry/category, a tender process being underway, or supplementary information provided by suppliers confirming necessary controls were already in place.
- In FY22, eight suppliers were flagged for Supplier Improvement Plan, with seven in progress and one potential new supplier not onboarded by the business for reasons unrelated to modern slavery.

Supplier Improvement Plan participant feedback:

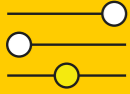
"A couple of weeks ago, I overheard a junior member of the team asking many modern-slavery related questions to a merchandise supplier – he was very proud to feel empowered to ask those sorts of questions knowing he's supported to do so."

The 11 suppliers identified for Supplier Improvement Plans were smaller-sized companies (with three based offshore – one in the UK and two in India), who expressed appreciation of the time, knowledge and experience CBA has acquired around the improvement of its own controls, and who have advised they would welcome advice and examples of good practice. This approach has helped us build more trusting relationships with our suppliers. The suppliers that participated in our Supplier Improvement Plans have demonstrated dedication and commitment to improving their controls.

CBA supplier Business Owners (and/or Business Owner Delegates) are engaged in the Supplier Improvement Plans process so that they can also raise their awareness of good practice around modern slavery. The feedback in FY22 from the 11 suppliers involved in the Supplier Improvement Plans process has been consistently positive.

Insights from our Supplier Improvement Plans included:

- We must remain vigilant in identifying and addressing modern slavery risk.
- Our impact is greatest when we are working with suppliers with close proximity to workforces susceptible to exploitation – either their own operation or in the first or second tier of their supply chain.
- To be successful, a tailored approach needs to be taken when developing improvement plans with each of our suppliers.
- Having access to modern slavery expertise to guide and support CBA and the supplier as we work through the Supplier Improvement Plan process is integral to success.



Supplier Improvement Plan participant feedback:

“The fact that CBA approached this as a partnership and were open to educate and support us was widely appreciated by myself, leadership and the wider team. Many of our clients have onerous processes that we need to complete which take a lot of time and energy for a small business. The process often feels very one-way. Your approach to the Modern Slavery training and policy review felt reciprocal, like one of collaboration and the team appreciated that.”

Managing risk in ASB’s supply chain

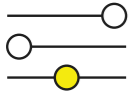
In FY22, ASB continued to require all new suppliers to complete an E&S questionnaire at time of onboarding, and to confirm they accept the ASB Supplier Code of Conduct. This Supplier Code of Conduct requires suppliers to take appropriate steps to both understand the modern slavery risks in their own operations and supply chain, and to enact measures to address those risks.

During FY22, we introduced new contract terms for facilities management suppliers. The new terms require facilities management suppliers to have adequate measures in place to prevent and mitigate the risk of modern slavery in their operations or supply chain, and to remediate any instances of modern slavery. The new terms further require these suppliers to pay staff at least the Living Wage (determined by an external benchmark and set at a level above the legal minimum wage). As of 30 June 2022, we had completed negotiations with two cleaning services suppliers who were moved onto the new contract terms. The agreement has been provided to a further seven

critical suppliers; negotiations to transfer them to the new agreement are in progress and expected to conclude in FY23.

In FY22, ASB surveyed all property and facilities management suppliers to gain a more detailed view of their modern slavery awareness and practices. We surveyed all suppliers in this category, with 73% responding. We are engaging with remaining suppliers during FY23 to gain a complete view of suppliers in this category.

We designed the questionnaire to identify risk to people and investigate whether appropriate controls were in place to prevent harm. Risk questions covered geography; vulnerability of the supplier’s workforce (those on temporary contracts, etc.); and any reported breaches or incidents of modern slavery. We requested information about controls, including policies; external audits; leadership accountability for initiatives; risk assessments; staff training and grievance mechanisms.



Supporting a hospitality supplier on their modern slavery journey

A hospitality services supplier was one of the suppliers identified as requiring a Supplier Improvement Plan. Most of this supplier's workforce could be considered as vulnerable as they hold lower-skilled roles and include migrant workers from higher risk countries. Although their workers hold working visas in Australia and the supplier had not facilitated their migration process, we recognise that some of these employees could have had risky migration journeys or proximity to other vulnerable workers in their family and/or friend networks.

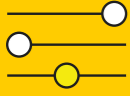
As part of the co-designing of their Supplier Improvement Plan, we developed and delivered a tailored training session on how to identify risk factors and improve their controls around modern slavery. The supplier was not aware that their workers could potentially have been involved in a debt bondage situation with a broker, prior to being onboarded into their company. The training shone a light on how they could improve their recruitment process and possibly help people who have experienced harm.

As a result, the supplier decided to include additional screening questions in their recruitment process, with the intention of raising awareness with their workers about red flags in their migration

process, and providing them with assistance should they have experienced any form of exploitation. The supplier also created modern slavery fact sheets for all employees and clients and now promote dedicated channels for their employees to speak up (including CBA's SpeakUP hotline). Employees at the supplier were supportive of the changes and felt valued knowing that their company cares about them, and are ensuring they have a safe place to work, where they are also treated with respect.

"We were fortunate to have the opportunity to participate in CBA's supplier improvement program helping us increase our awareness and internal processes around modern slavery. CBA delivered an extremely informative training session to our recruitment teams, which helped us refine our processes through some simple adjustments. They also guided us through the process of developing and publishing our own company statement on modern slavery as well as creating information packs for our staff.

The program was expertly delivered and the timeline for completion was very reasonable. Our inclusion in the program significantly accelerated our progress to the position that we now find ourselves in and it has put us in a strong position for the future as processes around modern slavery move further into the spotlight for many of our corporate clients." – Supplier



A little bit of awareness can go a long way

Smaller suppliers often believe they don't need to engage with us on a modern slavery risk assessment given they don't have reporting obligations under the Australian Modern Slavery Act.

In these instances, we explain that CBA has an obligation to address modern slavery risk in our supply chain under the Act, and as such we expect our suppliers to work with us to mitigate the risk of harm to vulnerable populations in our supply chain.

This was the case with an entertainment venue used by CBA for corporate events. The supplier was aware of and supported the Modern Slavery Act, but there wasn't the focus to implement a broader modern slavery program given their lack of reporting obligations under the Modern Slavery Act.

However, we wanted to collaborate with this supplier on modern slavery prevention given their business' close proximity to lower skilled work segments (e.g. catering, cleaning, and security). Our focus was to build the supplier's awareness and understanding to enable them to implement measures independently.

Once we started co-developing the Supplier Improvement Plan, we discovered there were stronger controls already in place than each of us initially thought. Consequently, only a few minor improvements were required to the supplier's controls given their current stage of maturity.

This collaboration has initiated momentum at their head office, and there is now appetite to implement improvements across all of their other venues nationwide.



Training to identify and manage modern slavery risks

We ensure that our people know how they should behave, and how to raise an issue, through our mandatory learning programs for Code of Conduct, workplace conduct, financial crime, privacy, whistleblowing, and health, safety and wellbeing.

In March 2022, we launched a new online Group-wide Environment and Social (E&S) Hub. The Hub is a central location for all CBA and Bankwest employees to access information about our E&S commitments. The Hub includes important information for our people to support them to identify modern slavery in our business operations and to raise these concerns through formal channels.

Training our people to identify and manage modern slavery risks in our ESG risk assessments

Through our Corporate and Institutional Pathway, we are building our capability in partnership with the Mekong Club. In early 2022, we made awareness training available for our Institutional Banking ESG and Sustainable Finance and Risk teams. The session covered modern slavery risks in the local context, good practices, key mitigation strategies to manage potential indicators of modern slavery risks and case studies.

Training was also a critical component for the launch of the Commercial Pathway ESG risk assessment tool and was delivered to business bankers and leaders. The training emphasised the purpose of ESG Assessments, how to use the tool and the key areas of focus, including modern slavery. Staff can access a recorded version of the training and fact sheets at any time.

As part of ongoing capability uplift, we assigned mandatory learning on ESG Risk Fundamentals, including modern slavery content, to BB and IB&M employees in FY22. This learning is also mandatory for relevant ASB employees. Modern slavery content outlines key actions corporates can take to identify and manage risk of modern slavery.

2,911 employees in our Australian operations and 802 customer-facing employees in our New Zealand operations completed training, which includes modern slavery awareness, during FY22.

A critical action to combating financial crime is ensuring that we train our employees to identify financial crime issues and understand the process for reporting unusual matters. Our Financial Crime Curriculum is a suite of compulsory knowledge and skills development modules aimed at building capability to fulfil our financial crime and regulatory obligations in detecting, deterring and disrupting financial crime.

The training covers all elements of financial crime, Know Your Customer processes, sanctions, reporting and responsibilities and includes specific examples that relate to human trafficking. The training includes an assessment to measure understanding of the training.

For ASB, in addition to mandatory financial crimes training, which includes examples of modern slavery and human trafficking, approximately 85% of the ASB FCO team completed non-mandatory external training in modern slavery, provided by the Association of Certified Anti-Money Laundering Specialists (ACAMS).

In November 2021, an internationally renowned expert on modern slavery, and contributor to the Australian modern slavery legislation and the draft New Zealand modern slavery bill, presented to the ASB Financial Crime Investigation (FCI) team. In 2022, senior managers in FCI attended several seminars on the proposed bill. FCI have established working relationships with modern slavery industry leaders within New Zealand to grow our capability.

Training our people and suppliers to identify and manage modern slavery risks in our supply chain

In FY22, to help build our suppliers' knowledge and awareness of modern slavery, CBA collaborated with Anti-Slavery Australia (ASA) at UTS, to deliver two interactive awareness-raising seminars. We initially invited suppliers who had completed our modern slavery risk assessment in the past two years to attend one of the seminars. We extended the invitation to other interested suppliers and CBA stakeholders responsible for supplier relationships, procurement professionals, and risk teams.



The seminars were delivered by Professor Jennifer Burn, Director of ASA. Professor Burn has more than 18 years of research experience in human trafficking, slavery and forced marriage. She has provided legal representation to survivors of modern slavery to secure justice for them, and also served as the Interim Anti-Slavery Commissioner for NSW from 2018 to 2020.

The seminars covered the Modern Slavery Act 2018 (Cth), an overview of what modern slavery is and the prevalence of it (particularly within the Australian context), and how our suppliers can identify, assess and address modern slavery risk in their business operations and supply chain. Several Australian case studies of modern slavery were shared as part of this session.

The seminars were well attended, with more than 300 unique log-ins viewing the live sessions over two days, including CBA team members and representatives from 62 suppliers. We shared a recording of the seminar with those that logged into the live sessions, as well as the original invitee list (totalling more than 800 people). Additionally, the following resources were also shared:

CBA's Supplier Code of Conduct; CBA's Modern Slavery Toolkit for Suppliers; UN Guiding Principles; Global Slavery Index; and US Department of Labor List of goods produced by child labor or forced labor.

In the last 12 months, we also delivered tailored training sessions to six of our suppliers undergoing Supplier Improvement Plans. We designed each session's delivery to the concerns of each supplier and included the opportunity to ask questions on how to address modern slavery in their operations and supply chains. We also continue to focus on raising awareness of red flag indicators of modern slavery with our people who have key roles interacting with our suppliers.

Given everyone has the potential to be involved in making decisions that could help reduce potential harm to people, we also offer an e-learning module focused on supply chains for people who are accountable for the engagement of suppliers, including procurement employees and Business Owners.

Raising concerns of modern slavery

The Group takes steps to make reporting of modern slavery related incidents accessible to a wide range of people including employees, contractors, customers and suppliers.

Our grievance mechanisms include principles and requirements that aim to align to key aspects of the UNGPs' Principle 31 on the effectiveness of grievance mechanism. These mechanisms are intended to be legitimate, accessible to stakeholders, have clear processes and commitments for timeliness (predictable), keep stakeholders informed (transparent) and provide us with opportunities to learn.

SpeakUP Program

We are committed to fostering a culture that encourages our people to speak up about issues or conduct that concerns them. This could be anything from illegal conduct to behaviour that is not in line with our values or Code of Conduct.

The SpeakUP Program is in place to provide a trusted avenue and support for those who want to raise concerns or risks that may prevent the Group from doing business in an ethical and fair manner and providing the best possible service to our customers. The SpeakUP service is available to anyone who is (or has been) an employee, director or officer of a Group company, secondee, contractor, consultant, supplier, service provider (or their employee or subcontractor), volunteer, licensee (or its authorised representative or their employee), broker, trustee, custodian, investment manager or auditor of, or working with, the Group. Relatives or dependents of these people (or of their spouse) are also eligible to raise concerns through SpeakUP.

The Group Whistleblower Policy is in place to support and protect people who may be concerned about being identified, or feel they need support and protection to SpeakUP. Individuals who may report conduct that they consider dishonest, fraudulent, corrupt, illegal, unethical, a breach of internal policy, dangerous or any breach of law, which can include modern slavery.

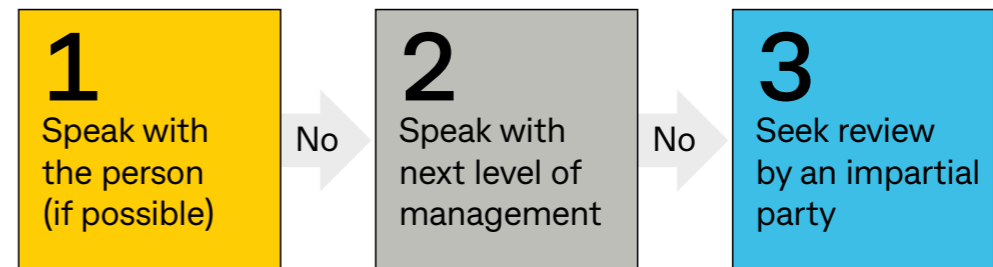
The Group has a Whistleblower Protection Officer whose role is to oversee the protection and wellbeing of whistleblowers. The Group's Misconduct Governance Committee, which includes senior executives who report to the CEO, oversees the effectiveness of the whistleblower program.

Our review of grievance mechanisms has identified an opportunity to expand the scope of the SpeakUP hotline services, and this will be considered in FY23.

Workplace Grievance Review

Our people can raise workplace concerns with assurances we have support in place to investigate the issue. The Group's Workplace Grievance Review Procedure can handle concerns regarding inappropriate behaviour, treatment, discrimination, harassment, work hours, treatment or modern slavery.

Workplace grievance review process:





Customer complaints

The Group takes instances of customer complaints seriously. The expectation is that all employees should be able to recognise, respond and resolve customer complaints no matter if they interact with internal or external customers.

Our Group Customer Relations (GCR) is CBA's dedicated escalation point for customer feedback, with a particular responsibility for resolving complaints, which range from the simple to the extremely complex. GCR manages complaints that are raised directly with the team, which are escalated by the business or are referred to the business by an external dispute resolution agency.

The Critical and Complex team handles the most complex cases raised with GCR, and these include cases involving vulnerable customers, including those experiencing domestic and family violence, and financial abuse. Although we do not formally identify the customer complaints process as a grievance mechanism for modern slavery, there is a risk that a vulnerable customer may be exploited or a victim of modern slavery.

Our processes that support the protection and remediation of vulnerable customers can similarly support any potential victims of modern slavery, and our current work on delivering specialist awareness and developing guidance for escalation and remediation will strengthen this process.

Reporting on customer complaints for FY22 did not identify any complaints related to people impacted by modern slavery.



Measuring the effectiveness of our actions

As we mature our methodology to identify and mitigate the risk of exposing people to modern slavery, we also continue to develop how we measure the effectiveness of our mitigating actions.

We define effectiveness as a quantitative or qualitative measure of how successful an action has been in identifying or mitigating a modern slavery risk to a person.

Training and awareness

We continue to report completion numbers and rates for relevant mandatory and non-mandatory training as a measure of effectiveness.

Training programs – Completion (#) or Completion Rate (%) in FY22	FY22	FY21
Code of Conduct (%) ¹	99.6%	99.5%
ESG Training (including modern slavery content) (#)	2,911	6,240
ASB ESG Learning (#)	802	919

¹ Training completion rates are not 100% as allocated training may be overdue. There are remuneration consequences for employees who do not meet their training obligations.

Supplier engagement

For our supply chain, we consider effectiveness in terms of our engagement with our suppliers on modern slavery risk and controls and the outcomes from awareness sessions for both our suppliers and employees.

We have also measured, through post-awareness seminar surveys, the outcomes and the improvement in awareness of modern slavery through Supplier Improvement Plan training and the awareness session run by ASA.

Actions	FY22
Number of suppliers completing inherent risk assessment through the SRG Tool	1,105
Suppliers completing E&S control programs in the SRG Tool	60
Co-developed Supplier Improvement Plans with high-risk suppliers	11
Impact of Supplier Improvement Plan awareness sessions – improvement in supplier awareness of risk in business	84%
Impact of Supplier Improvement Plan awareness sessions – proportion of participating suppliers with increased awareness	94%
Impact of ASA awareness sessions – improvement in supplier awareness of modern slavery risk	45%
Impact of ASA awareness sessions – improvement in CBA participant awareness of modern slavery risk	64%



Insights from Anti-Slavery Australia awareness raising seminars

We measured the effectiveness of the seminars held with Anti-Slavery Australia by sending an online feedback survey to all invitees, which measured pre and post seminar knowledge. The seminars achieved the intended goal of increasing awareness amongst our suppliers and CBA:



Increase awareness of modern slavery risk with suppliers

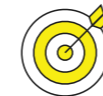
65%

were extremely/very aware of the risk of modern slavery prior to the session



94%

are extremely/very aware of the risk of modern slavery after the session



Increase awareness of modern slavery risk

56%

were extremely/very aware of the risk of modern slavery prior to the session



92%

are extremely/very aware of the risk of modern slavery after the session



Increase awareness of red flags, controls, and MS Act

85% have a better understanding of how to identify red flags in their operations or supply chain

88% have an increased awareness of the Australian Modern Slavery Act

68% will likely use the resources provided by CBA to improve their controls around modern slavery



Greater understanding of how to assist suppliers and the Modern Slavery Act

92% have a better understanding of how to assist suppliers to identify red flags in their operations

84% feel they do not need more information to assist suppliers to take action

95% had an increased awareness of the Australian Modern Slavery Act

CBA employee Quote:

"The examples of modern slavery were powerful and helped fire a determination to stamp it out – previously it was theory. I assumed it didn't or couldn't happen in Australia – which I now know is wrong."



Insights from Supplier Improvement Plan awareness building seminars

Based on survey responses, the seminars achieved the intended goal of increasing awareness and understanding of modern slavery risk in the suppliers' operations and supply chain:



Increase awareness of modern slavery risk in business

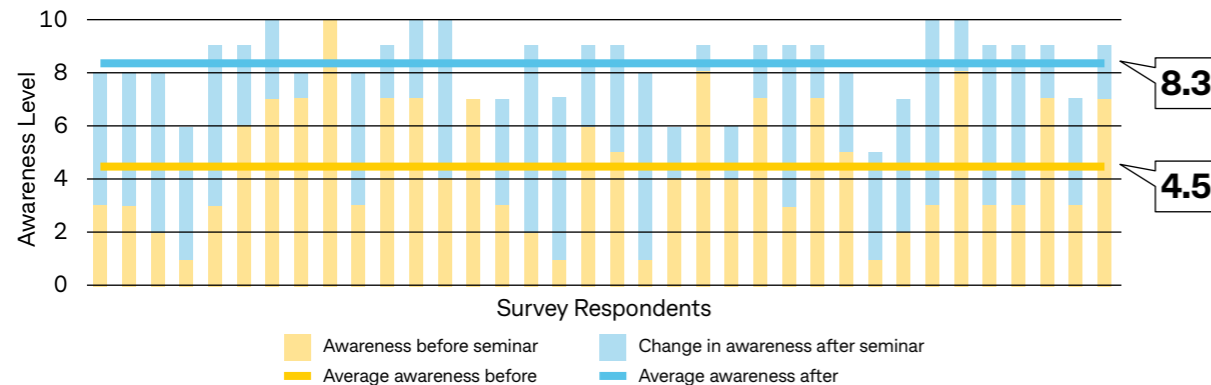
4.5

Average awareness level before CBA seminar

8.3

Average awareness level after CBA seminar*

94% of survey respondents reported increased awareness



*Average score (out of 10) based on 36 survey responses across 6 companies.



Increase awareness of red flags, controls, and MS Act

100% had a better understanding of how to identify red flags in their operations or supply chain

97% had a better understanding of ways that their business can better address modern slavery risk

94% had an increase awareness of the Australian Modern Slavery Act

86% will likely use the resources provided by CBA to improve their controls around modern slavery

Supplier Quote:

"The webinar and presentation has made me realise that we don't need to look too far to find modern slavery both as business operators and end consumers"
Managing Director,
Hospitality Industry



Insights from ASB questionnaire

The survey of ASB’s property suppliers’ practices showed:

- 74% are taking steps to increase transparency and traceability across their supply chain.
- 46% advised that they do not hire employees on a casual basis, including through agencies, intermediaries.
- 38% advised that they are training employees to raise awareness of modern slavery.

Client due diligence and engagement

We are working to improve our measurement of the impact of our client due diligence processes.

Insights from due diligence

Following the implementation of the modern slavery focus area in the Corporate and Institutional Pathway tool in May 2020, and modern slavery specific training, we analysed ESG risk assessments to understand how clients are identifying and addressing modern slavery risk.

IB&M found that strategies used by clients to address modern slavery risk included:

- Understanding their modern slavery exposure through mapping modern slavery risk in their operations.
- Use of Supplier Code of Conduct, audits, and questionnaires to manage supply chain risk.

- Producing Modern Slavery Policies and Statements, often in response to local and overseas regulation.
- Introducing modern slavery internal awareness seminars and workshops.

We also engaged a team of consultants to help facilitate a series of workshops specific to the risk of modern slavery for customers on the Commercial Pathway. We asked participants to discuss indicators of modern slavery risk and potential mitigating factors as part of example case studies.

ASB due diligence

In FY22, ASB received 1,831 Rural attestation forms, which completed the coverage of eligible clients. Customer responses identified three instances of workers indebted to employers. ASB employees obtained further information, identifying that two of these cases were financial assistance to purchase vehicles, and one was for a bank guarantee. There are no remaining concerns and we did not identify any material issues of employment law breaches.

ASB currently measures the following in relation to ESG risk assessment:

Actions	FY22	FY21
ASB Corporate and Commercial loans assessed (>\$30 million)	100%	100%
ASB ESG Rural attestations received for eligible clients (coverage)	100%	26%



ASB currently uses the Corporate and Institutional Pathway for lending of greater than \$30 million. ASB has a project underway to develop and implement an ESG risk assessment tool for customers with business lending greater than \$1 million. This will apply a high-level ESG assessment by sector, with assessment of customers in sectors with high ESG risks, including human rights.

ASB intends to launch this during FY23. The tool will provide greater insights to the Corporate and Business Banking teams relating to the ESG risk profile of customers, including modern slavery risk. It will also include Rural clients, replacing the current E&S attestation. We anticipate the enhanced due diligence enabled by new ESG risk assessment processes will both raise awareness among customers, and improve our ability to identify potential issues.

Insights from transaction monitoring

In response to increasing issuance of modern slavery guidance from regulators and NGOs, ASB undertook a review of our transaction monitoring (TM) rules. The review covered a one-year period (April 2021 to March 2022) and the insights gave us a level of comfort that the suite of TM rules in place are providing generalised transaction monitoring coverage in relation to modern slavery-type indicators. We remain proactive and focused in this area.

Potential migrant worker exploitation ring

ASB's FCI team have observed a significant number of modern slavery risk referrals. During the 12 months to June 2022, employees submitted ten risk referrals, covering thirty customers, for concerns of human slavery or illegal labour. We attribute this is a significant increase to a suspected large-scale migrant worker exploitation ring. FCI is working with industry partners and police to detect and disrupt this activity.



Collaboration and consultation

Collaboration

Considering the MSA's mandatory criteria of reporting other relevant information, we consider collaboration with businesses, industry associations, governments and NGOs an important action. We are active participants in the following industry and NGO groups:

<p>Australian Banking Association Human Rights Working Group</p>	<p>We were an active contributor to this group, which expanded its remit to cover broader human rights in FY22. Key achievements included releasing a working paper focusing on the modern slavery identification and management for the construction and agriculture sectors, and developing guidance on reporting modern slavery incidents to AUSTRAC.</p>	<p>The Mekong Club</p>	<p>Non-profit organization that fights modern slavery using private sector approaches because we believe that these tactics have the greatest chance of impact – and that the private sector has the desire to stop slavery.</p>
<p>Fintel Alliance</p>	<p>We are a partner in the Fintel Alliance, a public-private partnership that works to combat complex or emerging crimes impacting the community that require a collaborative approach.</p> <p>The Fintel Alliance has adopted an innovative approach to combatting complex and emerging crimes, and has been instrumental in protecting the Australian community from serious and organised crime. The Alliance has worked on a range of crime types and various operations and adapted effectively to changing circumstances.</p>	<p>Anti-Slavery Australia</p>	<p>A specialist legal practice, research and policy centre committed to the abolition of modern slavery in Australia. We partnered with ASA to deliver a modern slavery information session for high-risk suppliers and relevant CBA employees.</p>
<p>UN Global Compact Network Australia</p>	<p>We are a member of UNGCNA's Modern Slavery Community of Practice, which connects members and enable learning and discussion on the opportunities and challenges of identifying, managing and communicating modern slavery risks. We also deliver an annual Communication on Progress on implementing the UNGC principles.</p>	<p>New Zealand Banker's Association (NZBA)</p>	<p>ASB contributed to the NZBA's submission to the New Zealand government consultation on a legislative response to modern slavery and worker exploitation. In it, we agreed that modern slavery and worker exploitation have no place in Aotearoa New Zealand or overseas. ASB supported the alignment of approach with international best practice and existing overseas regimes.</p>



Consultation

CBA is the reporting entity giving this joint statement on behalf of the Group. In order to prepare this joint statement, CBA consulted each of the reporting entities identified in Appendix 2, and consulted the entities we own or control.

Executive leadership for CBA's business and support units have been part of the consultation process for the preparation of this Statement, and by overseeing the Group's actions to manage environmental and social risks, and the program of work for modern slavery. The ELT E&S Committee and Business E&S Action Group reviewed and approved this Statement, before submitting it to the Board for approval.

CBA consulted with representatives of reporting entity Boards on this Statement, including content and key messages, provided opportunity for feedback, and issued a final Statement to these representatives before its publication.

Progress on commitments

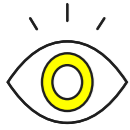
Our program of work continues to mature as we improve our understanding of risks to people, how best to mitigate that risk, and how to measure outcomes.

Risk Identification	Pre-FY21	FY22	FY23+
Build upon supplier risk assessments, improving the process and expanding it to more suppliers	■	●	
Continue to embed modern slavery (and ESG) into supplier risk governance and supplier engagement	■	●	
Ongoing screening of transactions for unusual behaviours	■	■	■
Deep dive risk assessment for PT Bank Commonwealth in Indonesia		▬	
Complete E&S RCSAs for the human rights violations sub-risk type			◆

Mitigation	Pre-FY21	FY22	FY23+
Governance			
Executive Leadership Team E&S Committee chaired by the CEO and supported by a Business Action Group meeting monthly	●	■	■

Executive-led PMG overseeing supply chain actions	●	■	■
Modern Slavery Working Group	■	▲	■
Policies and processes			
Advancing the Group's E&S programs which outlines the Group's commitments to managing E&S risks, including modern slavery	▲	■	▲
Issue Supplier Code of Conduct to suppliers	■	■	■
Implementing human rights compliance clauses for supplier agreements	■	■	■
Review grievance mechanisms and implement potential improvements		■	●
Endeavour to collaborate with other leading Australian businesses to share knowledge and good practice to more effectively assess and address risks in supply chains			◆
Due diligence and monitoring			
Review and refresh our ESG risk assessment tool and its focus areas, inclusive of modern slavery	■	■	■

● Complete
■ Ongoing
▲ Review and revise
◆ New
▬ Action not yet taken



Mitigation	Pre-FY21	FY22	FY23+
Due diligence and monitoring			
Embed performance of ESG risk assessment solution implemented on 1 July 2021 across business portfolio	■	●	
Undertake annual E&S assessment for ASB's agricultural and horticultural clients	■	●	■
Agree to Supplier Improvement Plans with a selection of high-risk suppliers, based on vulnerable workforce and limited controls	■	●	
Work with high-risk suppliers on improving their controls around modern slavery and their ability to cascade controls down their supply chains			▲
Training and awareness			
Modern Slavery and Business Finance eLearning	●		
Deliver annual refresher ESG eLearning	■	■	■
Launch supply chain focused ESG eLearning	●	■	■

Deliver sound levels of knowledge among our people on anti-bribery and corruption, as well as sanctions, through completion of the mandatory Financial Crime Learning Curriculum



Review environmental and social capability program and potential impact measurement



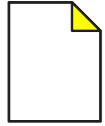
We will annually review and update this Statement.

This Statement is approved by the Board of the Commonwealth Bank of Australia Limited on 13 December 2022. Commonwealth Bank of Australia Limited 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 Commonwealth Bank of Australia Limited.

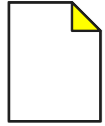
Paul O'Malley
Chair
13 December 2022

● Complete ■ Ongoing ▲ Review and revise ▲ New ▬ Action not yet taken



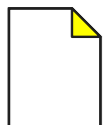
Appendix 1: Continuing progress

Program of work	Status	Summary
Risk Identification		
Ongoing screening of transactions for unusual behaviours	In progress – ongoing	Continue to monitor transactions for unusual behaviours and reporting suspect transactions to the regulator.
Complete E&S Risk Controls Self-Assessment for the human rights violations sub-risk type	In progress – completion in FY23	Business and support units are completing RCSAs for E&S sub-risk types, including human rights violations.
Mitigation		
Governance		
Executive Leadership Team E&S Committee chaired by the CEO and supported by a Business Action Group meeting monthly	In progress – ongoing	Meet monthly to fulfil the responsibilities in their respective charters, ranging from approvals and decision-making, to monitoring progress.
Executive-led PMG overseeing supply chain actions	In progress – ongoing	PMG meets monthly to provide governance and delivery oversight of the modern slavery program of work for Group Procurement.
Modern Slavery Working Group	In progress – ongoing	Meets bi-monthly to discuss initiatives to identify and address modern slavery risk and share information across business and support units.
Policies and processes		
Advancing the Group’s E&S programs which outlines the Group’s commitments to managing E&S risks, including modern slavery	In progress – update scheduled in FY23	Implementing actions to support E&S Framework and Policy and preparing for review and update in FY23.
Issue Supplier Code of Conduct to suppliers	In progress – ongoing	Set expectations of supplier behaviour and business practices on environmental and social issues by issuing Supplier Code of Conduct to suppliers.
Implementing human rights compliance clauses for supplier agreements	In progress – ongoing	Continuing work to include human rights clause in supplier agreements in new and updated standard supplier contracts.



Appendix 1:

Program of work	Status	Summary
Mitigation		
Governance		
Review grievance mechanisms and implement potential improvements	In progress – completion in FY23	Reviewed grievance mechanisms and identified opportunities for improvement, including through training for specialist roles dealing with vulnerable customers.
Endeavour to collaborate with other leading Australian businesses to share knowledge and good practice to more effectively assess and address risks in supply chains	New	
Due diligence and monitoring		
Review and refresh our ESG risk assessment tool and its focus areas, inclusive of modern slavery	In progress – annual refresh	Reviewed and updated industry risk ratings.
Undertake annual E&S assessment for ASB’s agricultural and horticultural clients	Completed – update in FY23	Completed coverage of eligible clients in FY22, and will transition to new ESG Risk Assessment Tool.
Work with high-risk suppliers on improving their controls around modern slavery and their ability to cascade controls down their supply chains	New	
Training and awareness		
Deliver annual refresher ESG online learning	In progress – ongoing	Reviewed content in the ESG Risk Fundamentals online learning and re-issued to IB&M and BB employees.
Deliver supply chain focused ESG online learning	In progress – ongoing	We continue to offer an ESG online learning module focused on supply chains.
Review environmental and social capability program and potential impact measurement	In progress – completion in FY23	Launched new online E&S Hub in FY22, with introductory information and awareness on modern slavery. Will improve content in FY23, with planned inclusion of impact measurement.



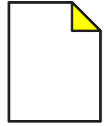
Appendix 2:

Reporting Entities for the Group

Legal Names of Reporting Entities	Registered Office
Commonwealth Bank of Australia Limited ¹ (ACN 123 123 124) Ultimate holding company, publicly listed on the Australian Securities Exchange (ASX)	Commonwealth Bank Place South Level 1, 11 Harbour Street Sydney NSW 2000 Australia
ASB Bank Limited (398445)	Level 2, ASB North Wharf 12 Jellicoe Street Auckland 1010 New Zealand
ASB Holdings Limited (428135)	Level 2, ASB North Wharf 12 Jellicoe Street Auckland 1010 New Zealand
BWA Group Services Pty Ltd (ACN 111 209 440)	300 Murray Street Perth WA 6000 Australia
Capital 121 Pty Limited (ACN 003 148 187)	Commonwealth Bank Place South Level 1, 11 Harbour Street Sydney NSW 2000 Australia
CBA Covered Bond Trust (ABN 63 954 593 219)	'Tower 1' G 201 Sussex Street Sydney NSW 2000 Australia

Legal Names of Reporting Entities	Registered Office
CBA Services Private Limited (U74999KA2018FTC112232)	No. 1000, No.2000, No.3000, No.4000 WeWork, NXT Tower 1 Manyata Tech Park Road Thanisandra, Bangalore 560045 India
Colonial Holding Company Limited (ACN 074 706 782)	Commonwealth Bank Place South Level 1, 11 Harbour Street Sydney NSW 2000
Commonwealth Securities Limited (ACN 067 254 399)	Commonwealth Bank Place South Level 1, 11 Harbour Street Sydney NSW 2000
Medallion Trust Series 2008-1R (ABN 47 624 727 267)	Commonwealth Bank Place South Level 1, 11 Harbour Street Sydney NSW 2000
PT Bank Commonwealth (9120306442732)	Treasury Tower, District 8 Lot 28, SCBD, lantai 65, Jl. Jend Sudirman Kav. 52-54, Kel. Senayan, Kec. Kebayoran Baru, Kota Adm. Jakarta Selatan Prov. DKI Jakarta Indonesia
Residential Mortgage Group Pty Ltd (ACN 152 378 133)	Commonwealth Bank Place South Level 1, 11 Harbour Street Sydney NSW 2000

¹ This is the only reporting entity for the purpose of the UK MSA.

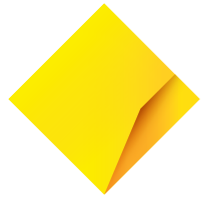


Appendix 3:

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. The following table references the content in this Statement, which complies with Section 16 of the Australian legislation.

Modern Slavery Act Mandatory Criteria	Modern Slavery and Human Trafficking Statement 2022 Page Reference
Identify the reporting entity.	Page 1 and Appendix 2
Describe the structure, operations, and supply chains of the reporting entity.	Pages 6-9 and Appendix 2
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.	Pages 18-25
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.	Pages 26-38
Describe how the reporting entity assesses the effectiveness of such actions.	Pages 39-43
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.	Page 45
Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	Pages 35, 36, 44, 46, 47



Commonwealth Bank
of Australia