

Modern Slavery Program of Work FY2025

October 2025

Foreword

Large Australian companies and many large investors are required by law to report on modern slavery risks in their operations and supply chains.

The exploitation of people for personal or commercial gain can occur in every industry and poses significant legal and reputational risk. Modern slavery can include forced labour, debt bondage, human trafficking and child labour. It is a global challenge, with an estimated 50 million people subject to coercive exploitation such as forced labour, debt bondage and child labour. The Walk Free Foundation's 2023 Global Slavery Index estimated that "on any given day ... there were 41,000 individuals living in modern slavery in Australia."

ACSI recognises that companies relying on unethical and unsustainable business practices risk reputational damage, regulatory penalties, and eroded stakeholder trust. These issues can disrupt operations, increase costs, and undermine brand value, long-term shareholder value and financial performance.

In April, at the ACSI annual conference, the Federal Anti-Slavery Commissioner in his first public speech to business outlined his vision for the role, challenges facing companies and investors, and the action needed to eradicate modern slavery.

ACSI engaged with 24 companies across eight sectors throughout FY25, encouraging greater transparency of risk and mitigation actions, improved processes to identify instances of modern slavery and their remediation. We seek to drive better practice, help our investor members meet their own obligations under the Modern Slavery Act (MSA) and, through this work, contribute to ending modern slavery.

ACSI encourages companies to apply the "Find it, Fix it, Prevent it" model: find it by proactively searching their supply chain for modern slavery risks, fix it by addressing those risks and remedying harms to those affected, and prevent it by using the lessons to prevent future incidences.

Only a small number of companies have identified incidents and efforts to remediate issues. We see this transparency as a sign of better practice. For example, in 2024, Rio Tinto disclosed an instance of modern slavery involving children performing hazardous work in its supply chain.

ACSI's policy and advocacy work seeks practical improvements to the MSA, including by advocating for accountability, mandatory due diligence requirements and financial penalties for noncompliance with reporting obligations. We are a member of the Government's Modern Slavery Expert Advisory Group, alongside members from business, civil society, unions, and academia. The group advises the Attorney-General's department on issues around the operation of the MSA.

ACSI provides secretariat services to, and is a founding member of, Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC), an investor-led initiative to engage with companies in the Asia-Pacific region to prevent modern slavery in operations and supply chains

Our view is that all businesses should assess their exposure to modern slavery, and businesses with consolidated revenue of \$100 million annually are required to report under the MSA. While ACSI is not required to deliver a modern slavery statement under the MSA, we believe it is beneficial to understand our risks and make this voluntary public statement.

ACSI's exposure to modern slavery risk is both reputational and financial, but it is vital to recognise that the real risk is to the workers being exploited and harmed via unscrupulous business practices. We encourage businesses, regardless of size or legal obligation, to assess their exposure to modern slavery.

About ACSI

Established in 2001, ACSI exists to provide a strong voice on financially material sustainability and corporate governance risks and opportunities. Our members include Australian and international asset owners and institutional investors with more than \$1.9 trillion in funds under management.

Through our company engagement, policy advocacy, research and education, ACSI supports members in exercising active ownership, which enhances the long-term value of the retirement savings entrusted to them to manage.

ACSI members can achieve value for their beneficiaries through genuine and permanent improvements to the environmental, social and governance practices of the companies in which they invest.



Australian & international investors



Leading voice on sustainability & corporate governance issues



ACSI members manage over \$1.9 trillion in assets

Acknowledgement of Country

We acknowledge and respect the traditional lands and cultures of First Nations people in Australia and globally. We pay our respects to Elders past and present and recognise First Nations peoples' longstanding and ongoing spiritual connections to land, sea, community and Country. Appreciation and respect for the rights and cultural heritage of First Nations peoples is essential to the advancement of our societies and our common humanity.

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Structure, operations and supply chain

The Australian Council of Superannuation Investors Limited (ACSI) (ACN 164 568 610) is a public company limited by guarantee domiciled in Australia. As of 1 October 2025, ACSI employs 25 permanent staff, and we support our Australian and international members. ACSI is a standalone entity whose registered head office and principal place of business is Tenancy 1, Level 15, 2 Lonsdale Street, Melbourne, Victoria Australia.

This statement covers the principal activities of ACSI, and the associated supply chains as follows:

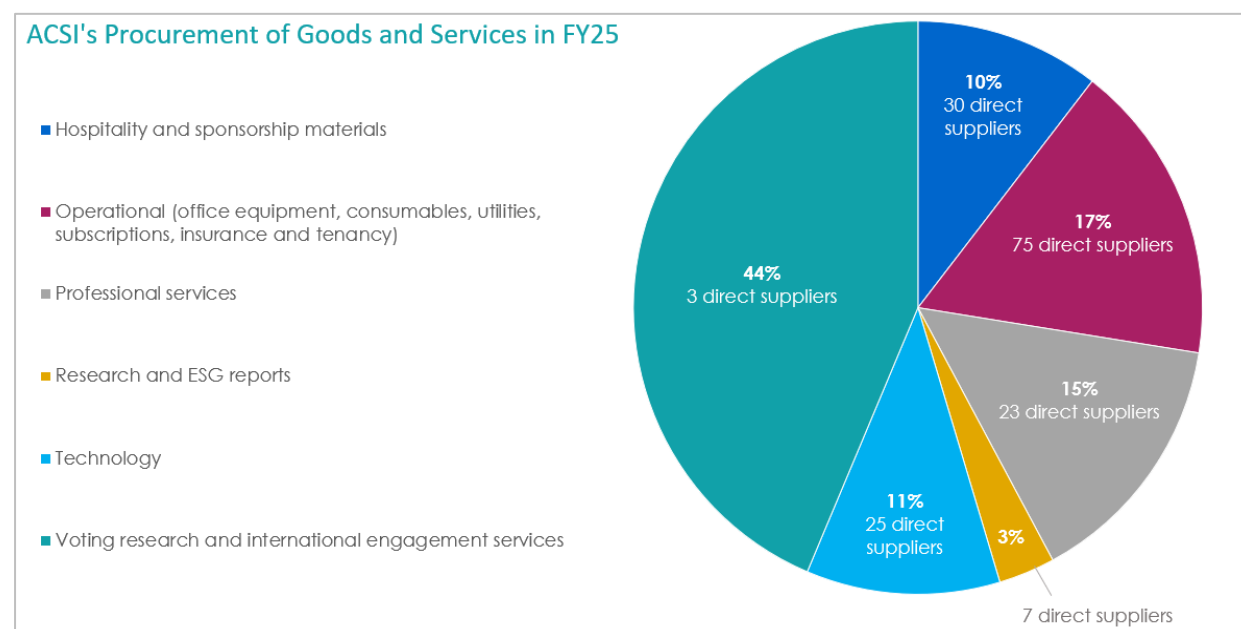
Principal activities

- Undertaking or commissioning independent research into financially material sustainability and corporate governance issues for Members
- Providing information to members that assists them with the development and implementation of corporate governance policy
- Providing voting alert services to subscribers in respect of sustainability and corporate governance matters
- Providing thought leadership on sustainability and corporate governance issues
- Engaging with ASX300 companies in order to understand and, where appropriate, improve the management of financially material sustainability
- Providing specific research to Members to assist them to manage stewardship investment risk
- Providing fee-for-service consulting services on sustainability and governance policy development and disclosure, and secretariat duties; and
- coordinating the provision of information from and to international service providers for subscribers of international engagement services.

Supply chain

- Publication of research reports including reports that are commissioned by us or partnered with other organisations
- Presentation of sustainability and corporate governance materials and information via publications or virtual reporting
- Hospitality services and event sponsorship materials
- Partnership with key suppliers in the delivery of our voting research and alert services and international engagement services
- Technology (hardware, software and cloud services) including telephony and virtual services
- Professional services who provide services to ACSI or via our tenancy lessor; and
- Operational (e.g., office equipment, consumables, utilities, insurance, subscriptions, travel and tenancy requirements).

In FY25, our total supplier spend was \$3.8 million, spread across 163 direct suppliers. The majority of these suppliers are based in Australia (125). The remaining 38 direct suppliers have operations or extended workforce offshore (with supply to ACSI valued at approx. \$367K for the period). We recognise that all our direct suppliers may operate in or source goods and services from other jurisdictions, potentially exposing us to higher risks of modern slavery further down the supply chain. Below is an overview of ACSI's procurement activities during the reporting period:



We review both Australian and offshore suppliers. Of our 38 direct suppliers who have operations or extended workforces offshore, all are located in countries considered lower risk (as per Global Slavery Index) for the prevalence of modern slavery, including:

Procurement category	Country location
Hospitality and sponsorship materials	Singapore United Kingdom United States of America
Office operational (e.g., office equipment, consumables, utilities, insurance, subscriptions, travel and tenancy requirements etc.)	Germany Hong Kong United Kingdom United States of America
Professional services	United States of America
Research and ESG Report	United Kingdom
Technology	New Zealand United Kingdom United States of America
Voting research and international engagement services	United Kingdom

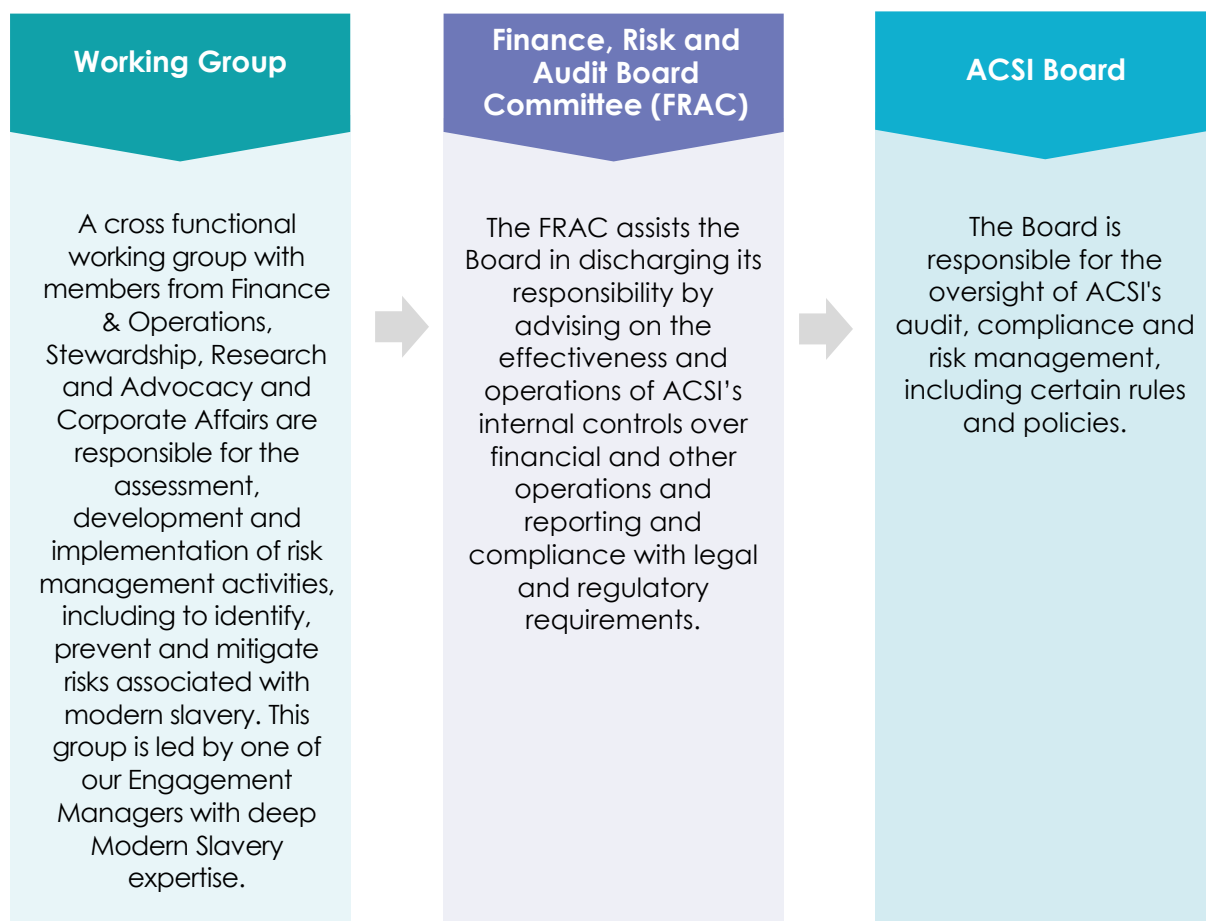
In FY25, we continued our work on identifying modern slavery risks in the lower tiers of our supply chains. We mapped 43 indirect suppliers from our procurement activities. More information, including outcomes of our inherent risk assessment of the 43 indirect suppliers is provided in the 'Assessing ACSI's modern slavery risk section' of this document (see [pages 9-12](#)).

Risks of modern slavery practices in our operations and supply chains

ACSI governing body and risk appetite for modern slavery risk

ACSI respects human rights and promotes human rights as part of our work. Where we identify or are informed of modern slavery risk or incidents, we will seek to understand them and, where relevant, will work constructively to remediate them.

We have a governance structure that supports the identification and assessment of modern slavery risk. The Board oversees the process. The governance structure is outlined below:



Potential risks in our operations and supply chains

ACSI recognises there is a risk of modern slavery practices in its operations and supply chain, just as modern slavery is a risk factor for all businesses within the financial services sector. Given the nature of our business, our modern slavery risks are largely related to those arising from our office operations (office supplies, IT equipment, tenancy maintenance, cleaning and security), events and marketing, transport and travel. The procurement of the goods and services for these areas of operations potentially exposes ACSI to inherent risks such as sector risks (e.g. use of low skilled labour, migrant workers, reliance on third party labour hire or other vulnerable workers) and country risks (e.g. goods produced in countries with higher prevalence of modern slavery).

Below are some of ACSI's potential risks (predominantly assessed using the Global Slavery index) for these key procurement categories (further information on other factors considered is set out on [page 9](#)).

Product/Service category	Product/Service	Product/Service risk factors	Potential common forms of modern slavery	UNGP Link*
Hospitality and sponsorship materials	Labour hire	Hospitality has an inherent higher risk likelihood of migrant workers; low skilled labour; high risk of sourced products	Forced labour, debt bondage and child labour in manufacturing of sponsorship products and products used in hospitality venues. Exploitation of low-skilled and low-paid workforce	Directly linked through our business relationship
Office operational (e.g., office equipment, utilities, travel and tenancy etc.)	Outsourced services and products (e.g. stationery, cleaning)	Office operation has an inherent higher risk likelihood of sourced products; high risk geographies; high risk of vulnerable population	Forced labour, debt bondage and child labour in manufacturing of stationery and crockery products. Low paid and excessive overtime in transportation and cleaning services	Directly linked through our business relationship
Technology	IT hardware	Technology has an inherent higher risk likelihood of raw materials; high risk geographies; low skilled labour	Child labour in mining of minerals used in IT; forced labour, debt bondage in manufacturing of hardware	Directly linked through our business relationship

*United Nations Guiding Principles on Business and Human Rights (UNGP).

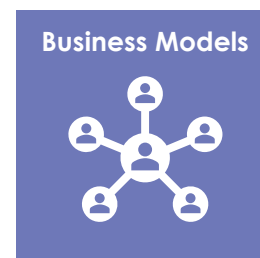
Assessing ACSI's modern slavery risk

Risk assessment process

ACSI has incorporated our approach to modern slavery into our existing risk framework so that modern slavery risk has a similar level of focus as other risks, and a consistency in approach including reporting to our FRAC and Board.

In considering the modern slavery risk in our operations and supply chains, we have taken into account the following factors:

- ACSI's principal business activities
- The social, political and environmental conditions in the countries our suppliers operate in
- Industry specific pressures; and
- Procurement categories with inherent modern slavery risk factors such as:
 - Vulnerable populations where migrant workers or base-skilled workers are particularly vulnerable to systemic issues such as underpayment and excessive work hours (cleaning, security, catering, transport and maintenance)
 - Business model structured around high-risk work practices where third-party labour arrangements may increase complexity in our supply chain (e.g. cleaning)
 - High risk product and service categories (IT hardware, building services, cleaning, security and maintenance); and
 - High risk geographies.



Risks identified

Leveraging our latest procurement data and building on the previous year's methodology and assumptions regarding modern slavery risk, we have updated our supplier risk assessment for FY25. This assessment utilises the key procurement categories on [page 8](#) and applies the "Find it, Fix it, Prevent it" model. As part of this update, ACSI has introduced a vendor form that includes a set of modern slavery related questions for both existing and new suppliers. This information supports ACSI's due diligence process and enhances our ongoing assessment of supplier risk.

Key findings from the FY25 assessment indicates that our suppliers are broadly distributed across the low to medium inherent risk categories:

Low to Medium Inherent Risk	High Inherent Risk
111 Direct Suppliers 21 Indirect Suppliers	52 Direct Suppliers 22 Indirect Suppliers
Primarily due to suppliers located in Australia and the type of goods/services provided.	Mainly due to office operation, events, transport and travel, where exposure to inherent risks is higher. These risks include sector risks (e.g. use of low skilled labour, migrant workers, reliance on third party labour hire or other vulnerable workers) and country risks (e.g. goods produced in countries with higher prevalence of modern slavery).

The outcome of our risk assessment indicates most of our suppliers are in the low to medium inherent risk categories, with some high-risk exposure in hospitality and office operations. A high-level insight of ACSI's supply chain risk by number of suppliers are as follows:

Supply chain	Direct Suppliers			Indirect Suppliers		
	High	Medium	Low	High	Medium	Low
Hospitality and sponsorship materials	26	2	2	5	1	-
Office operational (e.g., office equipment, utilities, travel and tenancy etc.)	20	10	45	12	8	6
Professional services	-	-	23	-	-	-
Research and ESG reports	-	-	7	-	-	-
Technology	6	2	17	5	1	5
Voting research and international engagement services	-	-	3	-	-	-

Our supply chains

Following from our updated supplier risk assessment for FY25, the areas of focus of our supply chain risk continue to relate to the following:

1. Technology hardware

ACSI engages a technology company to procure a range of different technology hardware products (eg. laptops, monitors and other peripherals). These products are typically manufactured in high risk countries in Asia Pacific where there's known issues with exploitation of labour practices due to the low-skilled nature of the work and the low cost model upon which the industry has been built.

2. Office supplies and stationery

From time to time ACSI procures office supplies and stationery from a number of Australian based companies who source these products from local manufacturers and offshore. This presents a high inherent risk due to the high country risks, industry risks and known labour rights issue relating to the manufacturing of these products.

3. Offshore suppliers

We have identified thirty-eight direct and twenty-five indirect suppliers who are either based offshore or have extended workforce offshore in which presents a high geographic risk of modern slavery.

4. Hospitality

Throughout the year ACSI hosts a number of events (e.g. annual conference, study tour, and seminars) and predominantly relies on labour hire delivered by third party suppliers within the hospitality industry (e.g. hotels, caterers). This presents a high industry risk as the hospitality sector is known for issues relating to labour exploitation due to short-term unskilled labour.

In the last 12 months, ACSI continued to monitor and assess our modern slavery risk with a continued focus on the key areas above. In June 2025, ACSI became aware from [public reports](#)¹ of allegations about Nestle's coffee sourcing from Brazil. This report alleged slave-like conditions at four farms in Brazil, including instances of debt bondage, illegal deductions from wages, and inadequate accommodation and sanitary facilities.

Nestle has [responded](#)² to this report, noting that for three of the concerned farms, the company does not source from and that the farms are not part of the Nescafé Plan and Nespresso AAA Sustainable Quality Program. In relation to the fourth concerned farm, based on the issues raised, Nestle suspended this farm from its AAA Sustainable Quality Program, pending evidence that the farm complies with its standards.

ACSI purchases Nespresso coffee pods for staff and guest use. Our first step was to apply international norms such as the UN Guiding Principles on Business and Human Rights to determine how closely our organisation is linked to the incident to help determine the steps we could take to prevent, mitigate and remediate. Most modern slavery incidents in supply chains are more likely to involve contribution or direct linkage, not causation.

We reviewed our supply chain map and identified that Nestle is a direct supplier to ACSI. We then applied the UNGPs 'cause, contribute, directly linked' assessment approach and formed the view that we did not cause or contribute to the incident. Our connection is having a direct link to another entity (Nestle).

Based on this, our next step was to assess the level of existing or potential leverage (the ability an organisation has to influence or change another entity's conduct) with Nestle. This involved considering factors such as our size and capability, whether we have a direct contractual relationship, the share of Nestle's product we purchase, our level of dependency on this supplier, and our market influence.

This assessment found we potentially have some leverage based on our role in assisting members in their stewardship activity. We determined to seek to engage with Nestle on its response actions and to continue to monitor developments. Nestle is also held within our member's investment portfolios, posing a risk to our members as well.

¹ See: <https://stories.publiceye.ch/modern-slavery-coffee/>

² https://www.publiceye.ch/fileadmin/doc/Agrarrohstoffe/2025_Nestle_statement_modernslavery.pdf

How we address modern slavery risk

ACSI has a high expectation of its staff and listed companies we engage with, with regards to the standards of conduct and behaviour, including in relation to human rights and modern slavery.

ACSI's operation and supply chain – our policy and position

ACSI values are set out in our [Code of Conduct](#). We work hard to influence Australian listed companies to improve their ESG practices and performance. Employees and representatives of ACSI are expected to comply with our policies, respect our values and the law, and be aware of their actions and of those around them.

The following aspects of our governance framework underpins our commitment to human rights:

- Our Code of Conduct requires all employees to comply with our policies and conduct oneself in a manner reflective of our values of collaboration, integrity and impact. It is the responsibility of all ACSI staff to act in a way that creates a workplace environment that supports and embraces diversity and is free from discrimination, harassment, bullying and victimisation.

All staff must respect human rights and promote human rights as part of our ESG work. Our Code of Conduct and employee training covers how employees can report suspected breaches of our requirements.

- ACSI's Supplier Code of Conduct sets out minimum expectations in areas including labour and human rights. Suppliers are expected to provide a fair and ethical workplace, uphold high standards of human rights and integrate appropriate labour and human rights policies and practices into their operations.

Where we enter into a written agreement, we seek confirmation from suppliers that their operations and supply chains meet these standards.

We also expect suppliers to consider modern slavery risks in their operations and supply chains, and to work with ACSI to develop capacity to identify, manage, address and remediate modern slavery risks.

Internal policies

Our internal policy suite addresses modern slavery and human rights, for example in our employee code of conduct, respect at work – diversity, inclusion and harassment, procurement and remuneration policies. These policies are reviewed annually in most cases.

Supplier due diligence and procurement policies

Our procurement processes require minimum standards for labour and human rights, as outlined in our Supplier Code of Conduct.

As a minimum all our suppliers are informed annually of our Supplier Code of Conduct and our commitment to addressing modern slavery risks. For all new suppliers or suppliers renewing contracts with us, we require them to read ACSI's Supplier Code of Conduct and:

- New vendors are required to complete the vendor form, including the short modern slavery questionnaire.
- Agree to the inclusion of ACSI's Supplier Code of Conduct clause in the contract between the supplier and ACSI; or
- Sign ACSI's supplier commitment declaration; or
- Acknowledge ACSI's Supplier Code of Conduct where suppliers already have various policies in place that cover operations and address similar subject matter to that in the ACSI Supplier Code of Conduct.

During the reporting period, ACSI conducted internal training to strengthen staff understanding of modern slavery risks within our supply chain. We also introduced a vendor form for both new and existing suppliers. For existing suppliers, the form helps verify current information and onboard them to the new process. Additionally, it includes a brief modern slavery questionnaire to support our due diligence assessments of our suppliers. The information collected allows us to categorise suppliers according to their inherent and residual risk levels, which informs the extent of due diligence required.

Within our procurement cohort, we have fifty-four direct suppliers who indicated their commitment to ACSI's Supplier Code of Conduct, and one hundred and six recurring suppliers who are assessed annually for modern slavery risks.

We acknowledge that ACSI's size limits our leverage in supplier engagement. However, we remain committed to engaging where appropriate. We continue to engage with our direct suppliers, reminding them of the importance of ACSI's Supplier Code of Conduct and the minimum expectations (as detailed on [page 13](#)). This engagement is ongoing, even though many of our suppliers are small and not required to report under the Australian MSA.

Grievance mechanism

We continue to provide both internal and independent mechanisms for employees and suppliers to raise concerns and report breaches as outlined in both our Code of Conduct and Supplier Code of Conduct. No modern slavery related complaints were received via the reporting mechanism during FY25.

ACSI's role in supporting modern slavery risk reporting through our stewardship work

In addition to assessing our own operations and supply chain we also have a role in influencing meaningful change in the recognition, assessment and management of modern slavery risks in listed companies through our role in supporting our members with their stewardship activity. A summary of our modern slavery related stewardship activity (encompassing research, engagement and advocacy) is set out below.

Research

Over the past years, ACSI has produced a number of research reports on modern slavery.

ACSI also supports its members with targeted research to facilitate qualitative assessment and provide insights on potential risks in portfolios. For example, in April 2024 we examined modern slavery reporting in the consumer discretionary and consumer staples sectors using Investors Against Slavery and Trafficking APAC's metrics.

These reports build on years of work and research on modern slavery, including on our members' own reporting against the MSA.

While no specific thematic research was undertaken in FY25, we are planning to release public research on modern slavery reporting in the latter half of FY26.

Listed Company Engagement

ACSI conducts a year-round engagement program with ASX300 companies on material ESG issues and pursues a work program on behalf of its members. ACSI's priority themes include workforce issues, incorporating modern slavery and supply chains. ACSI has adopted a risk-based approach, using both sectoral and geographic exposures of ASX-listed companies to derive a list of priority companies in respect of modern slavery.

ACSI's engagement during the year:



10

ASX300 Prioritised Companies

in the Consumer Staples, Consumer Discretionary, Health Care and Materials sectors



24

ASX300 companies engaged

where modern slavery issues were raised.

ACSI's engagement focused on:

- encouraging greater transparency around risk identification and mitigation actions
- improved processes to identify instances of modern slavery and their remediation
- drive better practice

ACSI has also responded where issues have been raised with ASX-listed companies' operations by directly engaging with those companies, and through its role as a founding member of the investor-led initiative Investors Against Slavery and Trafficking Asia-Pacific (IAST APAC). Convened to engage with companies across the Australia-Pacific region, IAST APAC promotes effective action at investee companies to find, fix and prevent instances of modern slavery, labour exploitation and human trafficking. During FY25, ACSI participated in four IAST APAC meetings with ASX300 companies.

Advocacy

ACSI's policy and advocacy work seeks to improve the MSA, to drive action to eradicate modern slavery.

We advocate for accountability, mandatory due diligence requirements and financial penalties for noncompliance with reporting obligations. We also support further guidance for business. ACSI supports improved transparency in due diligence.

In FY25, we advocated to strengthen the MSA or increase awareness of modern slavery through participation in various forums.

We seek to work constructively with others to see progress. For example, ACSI sits on the Government's Modern Slavery Expert Advisory Group, which includes members from business, civil society, unions, and academia. The group advises the Attorney-General's department on issues around the operation of the MSA. We have also met with the Federal Anti-Slavery Commissioner to provide support and explore opportunities for collaboration.

ACSI will continue to engage in policy discussions, using our voice to push for progress.

Assessing the effectiveness of actions

Our work program with ASX300 entities includes six monthly review and analysis of engagement outcomes, which are shared with our members. This includes detailed reporting on our engagement meetings, including those with priority companies on human rights issues, to assist our members. ACSI will continue to support our members with their modern slavery statement for improved and informed reporting.

The continued focus that ACSI has placed on modern slavery risk, including research into ASX200 reporting, conveys our expectations of risk management and disclosure. However, we recognise that this is an evolving area for many organisations within the Australian economy.

As we continue to collaborate with our supplier network and identify areas of better practice, ACSI will continue our risk assessment and improve reporting. This will include an annual update of our modern slavery risk tolerance to reflect changes in our risk profile across our operations and supply chains.

In FY25, the ACSI Modern Slavery Working Group conducted a comprehensive review of our operational settings to evaluate the effectiveness of our actions in identifying, assessing and addressing modern slavery risks. This review highlighted opportunities to strengthen our processes. For example, we enhanced our supplier onboarding procedures by introducing a new vendor form with more tailored questions for small and medium sized suppliers related to modern slavery risk.

ACSI remains committed to improvement, taking into account the scale of our operations, our size and leverage, and resourcing capabilities.

Other information (next steps)

In completing our program of work in support of our own Modern Slavery Statement this year, we have identified the following areas of development we wish to progress over the next 12 months:

- Continue engagement with our suppliers to increase alignment of expectations to mitigate modern slavery risks within our operations.
- Review our modern slavery program of work to be led by ACSI's Modern Slavery Working Group, with the aim to assess feasibility and resource capacity to strengthen our processes, focusing on improvement and areas of greatest impact.
- In ACSI's role as a member of the Government's Modern Slavery Expert Advisory Group and through ACSI's secretariat duties with IAST APAC, we aim to continue to provide our perspective, and to advocate for better management of risks and transparent, efficacy informed reporting.
- ACSI is working on a public research report on modern slavery reporting and proposes to host a modern slavery seminar focusing on modern slavery risks, performance and reporting in supply chains.
- Continue to engage with the work of the Federal Anti-Slavery Commissioner in addressing modern slavery.

