

Modern Slavery

June 2020 | Version 1.0

1. Purpose, application and scope

Purpose

Modern slavery involves serious exploitation where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Modern slavery is a significant problem, which requires commitment from all stakeholders to address.

The purpose of this Modern Slavery Policy (Policy) is to ensure that ASX Group:

- Complies with all applicable national, local and other applicable regulations
- Addresses modern slavery risks within the supply chain and business operations
- Sets minimum standards for staff with respect to the identification of any modern slavery risks

This policy needs to be read in conjunction with the other related policies and procedures, noted below.

Application

This Policy applies to activities undertaken by or on behalf of the ASX Group Reporting Entities, being:

- ASX Limited
- ASX Operations Pty Limited
- ASX Clearing Corporation Limited
- ASX Clear (Futures) Pty Limited

The Policy applies to all ASX employees, including fixed term, contractors, consultants, secondees and directors.

Scope

While the Policy applies to all ASX employees particular focus applies to business units and staff responsible for onboarding, monitoring and consulting with our suppliers, contractors and business partners, including:

- Commercial Planning
- Vendor and Partner Relationships
- Legal
- Enterprise Compliance

2. What is Modern Slavery

Under the *Modern Slavery Act 2018* (Cth) (MSA) modern slavery includes eight types of serious exploitation:

- trafficking in persons,
- slavery,
- servitude,
- forced marriage,
- forced labour,

- debt bondage,
- the worst forms of child labour, and
- deceptive recruiting for labour or services.

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom.

Modern slavery is only used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers. However, these practices are also illegal and harmful and may be present in some situations of modern slavery. These practices may also escalate into modern slavery if not addressed¹.

3. Policy Requirements

ASX Group is committed to ensuring that the Group's supply chain and business operations do not involve modern slavery.

The key Policy requirements are:

- Each business unit must adopt processes and procedures to ensure that it is addressing modern slavery risks in its operations and supply chains in a way that is appropriate for the relevant business unit
- Each business unit must, as far as practicable, include in its operational and supplier contract terms, requirements that suppliers comply with all local, national and other applicable laws and regulations in the areas in which they operate
- Supplier documentation should include specific prohibition of modern slavery
- All new suppliers are to be subject to a risk-based due diligence assessment prior to on-boarding
- Business units who manage existing vendor relationships must implement a risk-based approach to review vendor's modern slavery risks and disclosures
- ASX Group must develop modern slavery risk and performance indicators and provide regular reporting to appropriate governance forums against such indicators

4. Roles and responsibilities

4.1. Board of Directors

The Board is responsible for review and approval of the ASX annual modern slavery statement.

4.2. General Manager, Commercial Planning

Has primary and day-to-day responsibility for monitoring and performing due diligence on ASX's suppliers to ensure their compliance with their obligations under the MSA.

The General Manager, Commercial Planning has oversight of the Supplier Code of Conduct (Code) which defines a set of principles ASX Group's suppliers are expected to adhere to including employment practices. Furthermore, the Code details supplier compliance measures including:

- Supplier self-assessments
- Requests for additional information
- Supplier audits

¹ Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities

- Supplier site visits
- Remediation programs for supplier breaches or identified shortcomings regarding the Code

Furthermore, the General Manager, Commercial Planning, in conjunction with the Senior Manager, Vendor Management and Partner Relationships, is accountable for the development of internal targets relating to the operationalisation of the Policy (and relevant amendments to other ASX Group policies and procedures). Both managers will assess ASX Group's performance against such targets on an annual basis.

4.3. General Manager, Enterprise Compliance

Has primary responsibility ensuring that risks of modern slavery practices are assessed as part of ASX Group's overall compliance framework, including:

- Undertaking regular reviews of the Policy to ensure it remains fit for purpose and relevant to ASX Group's operations and supply chains
- Capturing and recording all identified breaches of the Policy (as well as identified breaches of any other ASX Group policies and procedures relating to modern slavery) in ASX Group's existing breach register
- Establishing a framework within ASX Group's existing enterprise compliance processes through which modern slavery related risks and concerns (as well as breaches) may be escalated to ASX Group's Risk Committee and reported to relevant ASX Group boards and/or committees as necessary
- Developing appropriate training materials and programs for ASX employees to comply with the Policy

4.4. All staff

- Must ensure that they read, understand and comply with the Policy
- Are required to avoid any activity relating to ASX Group's business operations or supply chain that might lead to, or suggest, a breach of the Policy. If a staff member does come across any instances of potential modern slavery, they must escalate as soon as possible.²
- Must notify their immediate manager, General Manager Enterprise Compliance or via the Whistleblower Protection Policy process, as soon as practicable, should they suspect that a conflict with the Policy has occurred, or is likely to occur in the future
- Are encouraged to promote ASX Group's "Be The Example" value and speak up regarding concerns about any issue or suspicion of the existence of modern slavery in any part of ASX Group's business operations or supply chain

5. Escalation

Any actual or suspected instances of modern slavery in ASX Group's business operations or supply chain must be properly documented and notified through the right channels.

- Breaches of the Policy or related documents should be promptly notified to Enterprise Compliance. If any staff member believes appropriate action is not being taken, they may refer to the Whistleblower Policy and make use of a range of reporting options available.

² Examples documented by Anti-Slavery International include where someone: appear to be under the control of someone else and reluctant to interact with others; does not have personal identification on them; has few personal belongings, wears the same clothes every day or wears unsuitable clothes for work; is not able to move around freely; is reluctant to talk to strangers or the authorities; appears frightened, withdrawn, or shows signs of physical or psychological abuse; is dropped off and collected for work always in the same way, especially at unusual times, i.e. very early or late at night.

6. Record Keeping

Documents relevant to the Policy and Code are to be retained for seven years to meet statutory requirements, however ASX Group recognises that there are reasons for retaining some records longer than seven years, including specific legislative requirements and business requirements.

7. Reporting of Non-compliance

Should a staff member have any concern about a possible breach of the Policy, they must directly report it to their immediate manager or the General Manager, Enterprise Compliance.

If a staff member suspects that a vendor is engaged in modern slavery practices, identified concerns should be raised with the relevant supplier, pursuant to the contractual dispute resolution provisions or 'agreed corrective action plans'.

Further escalation procedures are set out in ASX's Whistleblower Protection Policy available to employees on the ASX intranet. The procedures provide for a staged escalation in a manner intended to ensure that employees are not disadvantaged in any way for reporting such concerns, that the matter is dealt with promptly and fairly, and that sensitive information is dealt with appropriately.

8. Consequence of Non-compliance

A breach of the Policy may lead to disciplinary action being taken, up to and including termination of employment or engagement with ASX.

Please direct any questions regarding the Policy to Enterprise Compliance.

9. Accessibility of this Policy

A copy of the Policy is available on the ASX intranet.

10. Definitions³

Term	Meaning
Modern slavery	<ul style="list-style-type: none"> The MSA includes eight types of serious exploitation as modern slavery: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour
Trafficking in persons	<ul style="list-style-type: none"> Describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.
Slavery	<ul style="list-style-type: none"> Describes the recruitment, harbouring and movement of a person for exploitation through modern slavery.
Servitude	<ul style="list-style-type: none"> Describes situations where the victim's personal freedom is significantly restricted and they are not free to stop working or leave their place of work.

³ Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities

Forced labour	<ul style="list-style-type: none"> Describes situations where the victim is either not free to stop working or not free to leave their place of work.
Forced marriage	<ul style="list-style-type: none"> Describes situations where coercion, threats or deception are used to make a victim marry or where the victim does not understand or is incapable of understanding the nature and effect of the marriage ceremony. <p><i>*Reports on forced marriage are only required in situations where ASX's activities or the activities of entities in the Group's supply chain may cause or contribute to forced marriage.</i></p>
Debt bondage	<ul style="list-style-type: none"> Describes situations where the victim's services are pledged as security for a debt and the debt is manifestly excessive or the victim's services are not applied to liquidate the debt, or the length and nature of the services are not limited and defined.
The worst forms of child labour	<ul style="list-style-type: none"> Describes situations where children are: <ul style="list-style-type: none"> exploited through slavery or similar practices, including for sexual exploitation; engaged in hazardous work which may harm their health, safety or morals; or, used to produce or traffic drugs. <p><i>*The worst forms of child labour can occur in a variety of contexts and industries. This may include orphanage trafficking and slavery in residential care institutions, as well as child labour in factories and manufacturing sites, mining and agriculture.</i></p>
Deceptive recruiting for labour or services	<ul style="list-style-type: none"> Describes situations where the victim is deceived about whether they will be exploited through a type of modern slavery.

11. Related policies and procedures

Other policies or procedures that should be read in conjunction with the Policy include:

- Modern Slavery Statement
- Supplier Code of Conduct
- ASX Procurement Policy
- Vendor Management Framework
- RFP documentation
- Whistleblower Protection Policy
- ASX Group Code of Conduct

12. Document control

An annual review of the Policy will be performed the policy owner, General Manager Enterprise Compliance, approved by ASX Group's Risk Committee and reported to relevant ASX Group boards and/or committees as necessary.

Version	Date	Policy Owner	Policy Approver	Changes
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V1.0	30/03/20	GM, Enterprise Compliance	ASX Board	Note: Initial version of Policy to ASX Board for noting only. Subsequent versions may be approved/noted at Board or management committees.
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