

Modern Slavery Statement of Ascender HCM Pty Ltd
Reporting Year: 1 July 2019 to 30 June 2020
(FY20)

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Introduction and Summary

Ascender HCM Pty Ltd is a leading human capital management and payroll services provider. We are the ultimate holding company of a group of companies known as the “**Ascender Group**”, which provides payroll and human resources software services across the Asia Pacific region.

We understand that people are not simply an input into our business, but form an integral part of our business. We always strive to do the right thing. Caring about human rights issues is reflected in our corporate values of “People First” and “Integrity”.

The Ascender Group is aware that modern slavery is a serious human rights issue, often involving coercion, threats or deception to exploit victims and undermine or deprive them of their freedom. The Australian Government’s introduction of the *Modern Slavery Act 2018* (Cth) (the **Modern Slavery Act**) is an important milestone in recognising the importance of large organisations reporting on the risks of modern slavery in their operations and supply chains and taking actions to address those risks.

We are committed to operating in ways that meet our obligations under the Modern Slavery Act, as well as our fundamental responsibilities under the UN Global Compact in the areas of Human Rights.

Ascender HCM Pty Ltd has prepared this first Modern Slavery Statement for the reporting period of 1 July 2019 to 30 June 2020.

Key highlights from this Modern Slavery Statement are:

- Ascender HCM Pty Ltd has conducted a high level risk assessment of our operations and supply chains during the reporting period. We have identified our in-country partners (**ICPs**) operating in countries with a higher risk of modern slavery as the priority for our next reporting period;
- We have started a dialogue with our suppliers to understand their awareness of, and response to modern slavery risks; and
- We have implemented our Global Anti-Modern Slavery Policy and commenced rolling out staff training on this policy.

Based on the key actions we have taken during this reporting period, we have identified the following as priorities for our next reporting period of 1 July 2020 to 30 June 2021 (**FY21**):

- Our ICPs who are operating in countries with a higher risk of modern slavery;
- Commencing the rollout of our supplier survey; and
- Reviewing the policies and procedures which we may be subject to due to the expected Ceridian transaction.

We will report on our progress in our next statement.

Approval and signing

In accordance with section 13 of the *Modern Slavery Act 2018* (Cth), this Modern Slavery Statement has been approved by the Board of Ascender HCM Pty Ltd on 30 March 2021.



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Signature

Tracey Peverell
General Counsel
30 March 2021

1. Who we are

Criterion 1: Identify the reporting entity (section 16(1)(a), Modern Slavery Act).

Ascender HCM Pty Ltd is the reporting entity for this Modern Slavery Statement made for the reporting period of 1 July 2019 to 30 June 2020.

2. Our structure, operations and supply chains

Criterion 2: This section addresses the requirement in the Modern Slavery Act for a description of Ascender HCM Pty Ltd's structure, operations and supply chains (section 16(1)(b)).

Our Structure

Ascender HCM Pty Ltd (ACN 637 971 138) is an Australian proprietary company, limited by shares. The registered office of Ascender HCM Pty Ltd is in Mascot, NSW, Australia. Ascender HCM Pty Ltd is the ultimate holding company of a global group of companies known as the "**Ascender Group**". The Ascender Group has over 900 staff across 12 offices throughout the Asia Pacific region.

In this Modern Slavery Statement, we refer to the Ascender corporate group (including Ascender HCM Pty Ltd) as the "**Ascender Group**". We refer to the reporting entity itself as "**Ascender HCM Pty Ltd**", "**we**", "**our**" and "**us**".

Ascender HCM Pty Ltd is the ultimate holding company of Australian and overseas companies in the Ascender Group, which are involved in the provision of payroll and human resources software services. These companies are not reporting entities for the purposes of the Modern Slavery Act, however this Modern Slavery Statement covers entities owned or controlled by Ascender HCM Pty Ltd where required by the mandatory criteria of the Modern Slavery Act. These companies are:

- Ascender Pay Pty Ltd, which delivers payroll processing services for large enterprises with complex payroll requirements, including for government and the higher education sector in Australia and New Zealand;
- Ascender Cloud Services Pty Ltd, which offers software as a service (**SaaS**) or software with managed services for outsourced payroll requirements (**Managed Services**) across Australia;
- Ascender HCM Singapore Pte Ltd, which is a wholly owned subsidiary of Payroll Pacific International Holdings Pte Ltd, which in turn is a wholly owned subsidiary of Ascender HCM Pty Ltd. Ascender HCM Singapore Pte Ltd offers a multi-jurisdictional and multi-currency payroll platform, both as SaaS and with Managed Services provided by the Ascender Group as outsourced payroll for multi-national corporations across Asia;
- Ascender HCM Asia Pte Ltd, which in turn is owned by Ascender HCM Pty Ltd. Ascender HCM Asia Pte Ltd has the following wholly owned subsidiaries, all of which provide Managed Services:
 - Talent2 HRBPO Corporation (Philippines);
 - Ascender HK Limited (Hong Kong);
 - Zapper Management Consultancy Shanghai Ltd; and
 - Ascender Capital (Thailand) Co Ltd;

- Pacific Payroll Partners Singapore Pte Ltd, which is ultimately owned by Ascender HCM Pty Ltd. Pacific Payroll Partners Singapore Pte Ltd has the following wholly owned subsidiaries:
 - Ascender HCM Malaysia Sdn Bhd, which provides Managed Services; and
 - Ascender KK (Japan), which provides SaaS and Managed Services.

The Ascender Group trades under the name of Ascender.

Our Operations

The Ascender Group is a leading payroll and HR software provider in the Asia Pacific region. Serving over 1.3 million customer employees and over 1,400 global brands and listed companies across a range of different industries, the Ascender Group provides integrated human resources and payroll software and outsourced services with platforms developed and maintained in-house. The Ascender Group has staff in 12 offices throughout the Asia Pacific region. The Ascender Group has local payroll and human resources knowledge and expertise across 7 languages and provides software solutions relating to the legislation of 31 countries. Countries where we provide services include Australia, New Zealand, Singapore, Japan, Philippines, Thailand, Malaysia, China and Hong Kong.

In some jurisdictions the Ascender Group engages with ICPs to provide a seamless solution to its customers. The Ascender Group also has registered offices in India, Vietnam and Korea but does not have an office or any employees in these countries. The Ascender Group has a branch of Ascender HCM Asia Pte Ltd in Taiwan and a branch of Ascender Pay Pty Ltd in Papua New Guinea but does not have an office or any employees in these countries. Services to Ascender Group customers located in these countries are provided by the ICPs.

Our Supply Chains

Given that we are the ultimate holding company of the Ascender Group, we do not directly enter into arrangements with suppliers to procure goods and services for the Ascender Group.

The Ascender Group does procure goods for use by its staff members. These goods are primarily office supplies such as stationery, IT equipment and furniture.

The services provided by the Ascender Group are either performed by the Ascender Group's own staff members or where we do not have staff members in a particular country, by our ICPs. We engage ICPs as subcontractors to provide payroll and statutory filing services in the following countries:

- India;
- Vietnam;
- Korea;
- Taiwan;
- Bangladesh;
- Brunei;
- Papua New Guinea;
- Pakistan; and
- Sri Lanka.

The Ascender Group does procure hosting services for each of the Ascender software platforms from large, well-known hosting services providers. These hosting services are hosted in Australia and Japan.

The Ascender Group also procures professional services e.g. legal services and cleaning services for its operations.

3. Risks of modern slavery practices in our operations and supply chains and the operations and supply chains of any entities we own or control

Criterion 3: Describe the risks of modern slavery practices in the operations and supply chains of Ascender HCM Pty Ltd, and any entities that Ascender HCM Pty Ltd owns or controls (section 16(1)(c), Modern Slavery Act)

During its first reporting year, Ascender HCM Pty Ltd has considered the Australian Government's *Guidance for Reporting Entities (Commonwealth Guidance)* and the Walk Free Foundation *Global Slavery Index 2018 (Global Slavery Index)* to conduct a high level modern slavery risk mapping assessment of its operations and supply chains and the operations and supply chains of its owned or controlled entities.

Risks identified

Our high level risk mapping assessment has been a valuable exercise in helping us to identify how modern slavery risks may be present in the Ascender Group's operations and supply chains. We have identified the modern slavery risks set out in the table below during FY20.

Risk Type	Ascender Group specific risks
Geographic Risks	The Ascender Group has ICPs operating in some countries, which the Global Slavery Index has identified as presenting higher modern slavery risks. These countries are India, Vietnam, Korea, Taiwan, Bangladesh, Brunei, Papua New Guinea, Pakistan and Sri Lanka. Some of our hosting services are in Japan, which is also a country with higher modern slavery risks.
Entity Risks	The Commonwealth Guidance states that some entities may have specific modern slavery risks. The majority of our ICPs are long-standing subcontractors of the Ascender Group. Before engaging an ICP, we have conducted due diligence such as reference checks on a potential ICP. The due diligence process has not covered modern slavery risks but this is something which we can implement in future years.
Sector and Industry	The Ascender Group does not directly engage cleaning service providers as these services are procured by the relevant building manager for the Ascender Group office buildings. We recognise that cleaning is known to be a high risk industry globally.
Products and Services	Certain products and services which the Ascender Group procures, such as IT equipment and cleaning services, may have higher modern slavery risks due to the way they are produced or provided. IT equipment such as laptops for the Ascender Group staff may be produced using lower wages and manual labour, meaning they have may higher risks due to the method of manufacture. Cleaning services often involve lower wages and manual labour, meaning it may present

	higher modern slavery risks due to the way they are provided.
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Priorities for FY21

Based on our high level risk assessment, we have decided to focus on our ICPs operating in higher risk countries during FY21.

4. What we have done to assess and address modern slavery risks, including due diligence and remediation processes

Criterion 4: Describe the actions taken by Ascender HCM Pty Ltd and any entity that Ascender HCM Pty Ltd owns or controls, to assess and address modern slavery risks, including due diligence and remediation processes (section 16(1)(d), Modern Slavery Act)

Assessing Risks

The Ascender Group is committed to an action plan to addressing the risks of modern slavery in its operations and supply chains. This commitment extends to working with our suppliers to identify services provided in countries where modern slavery is a recognised or emerging risk. During this reporting period, the Ascender Group commenced its framework program to assess modern slavery risks. The following specific measures were undertaken:

– High level mapping of operations and supply chains and risk assessment

As stated in Section 3, the Ascender Group mapped its operations and supply chains and conducted a high level risk assessment based on the Commonwealth Guidance and Global Slavery Index.

The Ascender Group reviewed its database of suppliers of goods and services by type of service, type of goods, country of supply and payment arrangements. This database allows the Ascender Group to review and assess the potential modern slavery risks in its operations and supply chains with an emphasis on high risk geographical locations and business transactions. This comprehensive database allows the Ascender Group to conduct additional and continual due diligence on local and multi-jurisdictional suppliers and highlights the suppliers that the Ascender Group needs to engage with to further assess their modern slavery risks.

This risk assessment exercise allowed us to identify cleaning services as an industry and services risk, IT equipment as a product risk and geographical risks relating to our ICPs who operate in countries identified by the Global Slavery Index as higher risk.

– Dialogue with suppliers

The Ascender Group commenced requesting, and receiving in part, written confirmation from suppliers of their compliance with their modern slavery compliance obligations. This high level process has enabled the Ascender Group to commence a dialogue with suppliers and understand which suppliers are aware of their obligations and how they are currently responding to combatting modern slavery practices. In future years, we can build on this initial work.

– Verification processes for ICPs before engagement

We have verification processes in place for engaging ICPs. Before engaging our ICPs, we conduct reference checks and remote checks (in the form of video and telephone calls) on the potential ICPs. We also verify the capability of the ICP to provide the

services, their number of staff members and insurance policies held. In future years, this process could be expanded to consider modern slavery risk factors.

– **Areas where Ascender Group may lack visibility**

We recognise that there may be countries where our suppliers are engaging workers in ways where we have limited visibility. For example, the Ascender Group may have limited visibility over these workers' employment arrangements. For FY22, we intend to focus on our ICPs located in higher risk countries.

Addressing Modern Slavery Risks

Existing Policies

In this reporting period, we have identified that we have the following policies in place:

– **Whistleblower Policy**

The Ascender Group has a Whistleblower Policy which aims to encourage Ascender Group personnel to disclose wrongdoing without fear of adverse treatment. Under the policy, employees, officers and suppliers (including their employees) may report misconduct concerning an Ascender Group entity or an employee or officer's breach of laws, danger to the public or significant risk to public safety. Examples of such misconduct are unethical conduct, breach of the Ascender Group Code of Conduct (including the Modern Slavery Policy), unsafe work practices, failure to comply with legal requirements, harassment, discrimination, victimisation and bullying. The policy provides an email address for personnel to lodge reports or complaints, with the General Manager, People & Culture and General Counsel monitoring the email address. There is a process for investigating complaints and reports. The policy emphasises that the Ascender Group does not tolerate any victimisation or retaliation of personnel who report incidents. Where possible, the Ascender Group keeps reports and complaints confidential. Under the policy, the Ascender Group aims to respond to, and where necessary, commence investigations of a report or complaint within 5 business days' of disclosure.

– **Global Anti-Modern Slavery Policy**

Since June 2019, the Ascender Group has had its Global Anti-Modern Slavery Policy in place. The policy applies to the Ascender Group personnel i.e. directors, staff, consultants, agents, contractors and third parties engaged by the Ascender Group. It provides an introduction to modern slavery laws around the world, emphasises the Ascender Group's commitment to acting ethically and implementing systems and controls to ensure that modern slavery is not occurring in our operations and supply chains and our expectations that our suppliers, contractors and in country and channel partners will support us in this goal. Under this policy, the Ascender Group personnel must promptly report modern slavery incidents or risks to Human Resources or their line managers. A report could also be made to the whistleblower email address. A breach by an employee of this policy may lead to disciplinary action. A breach by a supplier, contractor, in country partner or other business partner may lead to the Ascender Group terminating the commercial relationship. The Ascender Management Risk Committee approved the policy. The board of directors of each of the Ascender Group have overall responsibility for ensuring the policy complies with the Ascender Group's legal and ethical obligations. This policy was prepared by Head of Global Compliance, General Counsel and was updated in May 2020.

We require our ICPs to comply with our policies. We expect our suppliers to comply with similar anti-modern slavery policies and all relevant laws.

Contractual documentation

The Ascender Group enters into contractual documentation with each ICP and third party supplier, including hosting services providers. Our services agreements refer to our policies (which we provide copies of) and require the suppliers to comply with all relevant laws.

Preparation of a Supplier Survey

During the reporting period, we prepared a supplier survey based on the questionnaires we have received from our own customers (**Supplier Survey**). The questions in the Supplier Survey aim to identify red flags for further investigation and the development of our future modern slavery compliance action plan.

Improving staff and management awareness of modern slavery risks

During the reporting period, the Ascender Group committed to a program of generating awareness through a training program on the Global Anti-Modern Slavery Policy. All new employees are required to complete a separate module on modern slavery risks and all employees must refresh their training annually.

5. How we assess the effectiveness of our actions

Criterion 5: Describe how the Ascender HCM Pty Ltd assesses the effectiveness of its actions to assess and address modern slavery risks (section 16(1)(e), Modern Slavery Act).

During the reporting period, the Ascender Group committed to a program of generating awareness through a training program on the Global Anti-Modern Slavery Policy, a high level risk assessment of suppliers and the preparation of the Supplier Survey.

The Ascender Group recognises the importance of being able to assess the effectiveness of our actions. Our program needs to go further before we can provide more meaningful commentary on the effectiveness and impact of this program.

Plans for Future Actions and Tracking Activities

The table below sets out our planned future actions for assessing and addressing modern slavery risks and how we measure the effectiveness of our current progress and future actions.

Action item	Measure of effectiveness
Action items completed during 1 July 2019 to 30 June 2020	
High level mapping of operations and supply chains and risk assessment	Modern slavery risks of ICPs in higher risk areas have been identified
Commenced dialogue with suppliers	Ascender HCM Pty Ltd has increased its understanding of which suppliers are aware of their obligations and how they are currently responding to combatting modern slavery practices.

Action item	Measure of effectiveness
Review of current policies in place	The Ascender Group has identified that it has a Whistleblower Policy and a Global Anti-Modern Slavery Policy in place.
Review of contractual documentation in place	The Ascender Group has identified that it enters into contractual documentation with each ICP and third party supplier, which require suppliers to comply with all relevant laws.
Preparation of Supplier Survey	The Ascender Group has a Supplier Survey, which can be used to identify modern slavery risks for further investigation.
Staff training on Global Anti-Modern Slavery Policy	There is increased staff awareness of modern slavery risks.
Future Actions planned for 1 July 2020 to 30 June 2021	
Verification processes for ICPs to include modern slavery risk assessment: While we have verification processes in place to assess our ICPs before we engage them, there is an opportunity to incorporate a modern slavery risk assessment into these processes.	Whether we have incorporated a modern slavery risk assessment into our existing verification processes.
Continuing dialogue with ICPs in higher risk countries: We will work with our ICPs in higher risk countries to raise awareness of their obligations and verify how they are progressing any actions put in place to combat modern slavery risks.	Increased awareness amongst our ICPs of modern slavery risks and how to respond to modern slavery risks.
Commencing rollout of Supplier Survey: We are aiming to commence the rollout of the Supplier Survey in our next reporting period. In light of our priorities, we intend to send the Supplier Survey to our ICPs in higher risk countries.	The number of ICPs who have completed the Supplier Survey
Ceridian policies and procedures: Due to the pending Ceridian acquisition, the Ascender Group may need to comply with Ceridian's policies and procedures in future. We will conduct a review to confirm whether any Ceridian policies and procedures (e.g. a Supplier Code of Conduct) address modern slavery risks.	The identification of any applicable Ceridian policies and procedures relevant to addressing modern slavery risks

6. How we consulted with entities we own or control

Criterion 6: Describe the process of consultation with any entities that Ascender HCM Pty Ltd owns or controls (section 16(1)(f), Modern Slavery Act).

We understand it is important for our key stakeholders and each entity owned or controlled by us to appropriately identify modern slavery risks and understand what actions they need to take to address modern slavery risks.

All procurement and sourcing for the Ascender Group is conducted by Ascender Pay Pty Ltd and Ascender Cloud Services Pty Ltd in Australia (with a focus on Australia and New Zealand, with some Asia components) and Ascender HCM Asia Pte Ltd in Singapore and Talent2 HRBPO Corporation (the Philippines) (for Asia only). We have consulted with different stakeholders within Ascender HCM Pty Ltd, such as our Procurement, Legal and Finance teams, when preparing this statement.

As for the consultation process with the Ascender Group entities owned or controlled by Ascender HCM Pty Ltd, we have taken a group-wide approach. Two of the directors of Ascender HCM Pty Ltd are also directors of the owned or controlled entities. These two directors have reviewed this Modern Slavery Statement prior to it being approved by the Board of Ascender HCM Pty Ltd.

We anticipate that our consultation process will continue to develop in future reporting periods.

7. Any other relevant information

Criterion 7: Any other relevant information (section 16(1)(g), Modern Slavery Act)

Proposed Ceridian Transaction

Ceridian APJ ACQ Pty Ltd entered into a share sale agreement to acquire Ascender HCM Pty Ltd. The transaction closed in the first quarter of 2021. As this acquisition did not occur during the reporting period covered by this Modern Slavery Statement, we will report on the impact of this transaction (for example, the possibility of the Ascender Group being subject to Ceridian APJ ACQ Pty Ltd policies and procedures) in future statements. For clarity, references to the "Ascender Group" in this Modern Slavery Statement do not include any Ceridian entities. We anticipate that next year's modern slavery statement will be by the Australian Ceridian entity.

The Impacts of COVID-19

COVID-19 caused a sudden shift from our staff working in the office to working from home. As a result, we have needed to dedicate time and resources to deal with the immediate consequences of COVID-19. For example, Ascender Pay Pty Ltd and Ascender Cloud Services Pty Ltd in Australia (with a focus on Australia and New Zealand, with some Asia components) and Ascender HCM Asia Pte Ltd in Singapore and Talent2 HRBPO Corporation (the Philippines) (for Asia only) have had to procure IT equipment and other supplies on short notice to enable our staff to work from home during the pandemic.

The fact that we have had to respond to the immediate consequences of COVID-19 during this reporting period meant that resources were diverted away from our modern slavery laws compliance program. We have had to defer the rollout of our supplier survey and review of our policies and procedures to the next reporting period. The pandemic has also diverted resources away from our risk assessment of our operations and supply chains although we have managed to conduct a high level risk assessment during this reporting period.

We recognise that COVID-19 has unfortunately increased the risks of modern slavery amongst vulnerable workers. As a measure to help mitigate the increased modern slavery risks, we have ensured our staff and suppliers have continued to have access to the whistleblower mechanism under our Whistleblower Policy.