

EXCHANGE CENTRE

ASX Group Modern Slavery Statement FY2022

AV
Bridge Leasing

Sales from 30Days
& whole floor available
4.0-star WARENG
Energy rating
2.5-star WARENG
Water rating

AV
Bridge
Rush Robinson
0443 270 070
Open Office
0411 829 724

www.asx.com.au/bridge

Investa

HAZCHEM



ASX



Introduction

ASX Group seeks to work with suppliers who share our commitment to fostering responsible practices across all aspects of their business. ASX's Modern Slavery Statement articulates our commitment to identifying and addressing any risks of modern slavery occurring within our operations and supply chain in order to minimise their occurrence and remediate them if identified.

As part of ASX Group's commitment to reducing the risks of modern slavery in our operations and supply chain, each year we will strive to improve how we manage risk in our supply chain. On behalf of ASX Group, I am proud to share our Modern Slavery Statement for FY2022.

HELEN LOFTHOUSE

REPORTING ENTITIES COVERED BY THIS STATEMENT

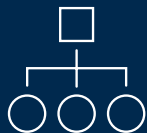
This statement relates to the reporting period commencing 1 July 2021 and ending 30 June 2022 **(the FY2022 reporting period)**:

This Modern Slavery Statement is a joint statement made on behalf of:

- **ASX Limited**
(ABN 98 008 624 691) (ASX Limited); and
- **ASX Operations Pty Limited**
(ABN 42 004 523 782) (ASXO).

These entities are collectively referred to as the **ASX Group Reporting Entities** for the FY2022 reporting period, pursuant to the requirements of the *Modern Slavery Act 2018 (Cth)*.

ASX Group structure, operations and supply chain



OUR STRUCTURE

ASX Limited is a publicly listed company incorporated in Australia and is the parent company of ASX Group, which comprises a number of wholly-owned subsidiary companies including each of the ASX Group Reporting Entities, and a number of other companies in which one or more ASX Group entities have a non-controlling ownership interest. The majority of ASX Group's subsidiary companies are incorporated in Australia (including each of the ASX Group Reporting Entities), however a small number of the entities that ASX Group owns are incorporated in New Zealand or the USA.

As disclosed in our FY2022 Annual Report, ASX Group employed an average of 759 full-time equivalent (FTE) employees, with 3 employees being located outside Australia.

For more information about our corporate structure, please refer to our 2022 Annual Report.



OUR OPERATIONS

ASX Group is an integrated exchange operating a significant part of the infrastructure that supports Australia's financial markets. ASX Group offers listing, trading, clearing and settlement services, technical and information services, and other post-trade services for a wide range of asset classes, including equities, fixed income, commodities and energy.

Companies, corporates and issuers of capital from Australia and around the world engage with ASX Group to raise capital to grow and manage risk. Through providing data and technical services to intermediaries, banks, information vendors, and software developers, ASX Group helps these entities to make informed decisions, to provide services to their clients and to connect with one another.

We are a top 10 global securities exchange by value and the largest interest rate derivatives market in Asia. While we are based in Australia, which has one of the four largest investable asset pools in the world, we have trading and information hubs across the world, and attract company listings from all around the globe.

ASX Group's operations also comprise our general marketing and sales activities (including investor education programs), business development activities, and financial investments made by ASX Group.

ASX Group operates primarily in Australia, with our head office located in Sydney. Regular operations are also undertaken by ASX Group entities out of office locations in New Zealand and the USA. In addition, ASX Group employees may briefly attend other countries from time to time as part of managing international customer activities.

More information about ASX can be found at: www2.asx.com.au.



OUR SUPPLY CHAIN

The primary component of our supply chain includes the manufacture, delivery, installation, support and maintenance of the technology required to operate our infrastructure and provide our services. Our supply chain also includes the suppliers of the various goods and services that contribute to our general operations – these include our property agents, insurance providers, external consultants, the companies that provide our kitchen supplies and stationery, the manufacturers of ASX uniforms and apparel, and our security providers.

During the FY2022 reporting period, our global supply chain comprised approximately 400 direct suppliers having their base of operations located in a total of 15 countries, including Australia, Belgium, Canada, Switzerland, Czech Republic, France, England, Hong Kong, India, Ireland, Luxembourg, New Zealand, Singapore, Sweden, and the USA. ASX Group acknowledges that a number of direct suppliers to ASX Group may have manufacturing facilities in countries other than their base country of operation, including but not limited to Brazil, China and Mexico.

Approximately 30% of ASX Group's total supplier spend during FY2022 was attributed to 35 "Tier 1" suppliers providing key goods and services to facilitate ASX Group's operations. These

suppliers cover a range of industry sectors, including financial services and technology goods and services, telecommunications and risk management.

ASX Group's operations require uninterrupted access to the infrastructure that services our business, therefore our core supplier relationships are often stable, long-term relationships, rather than short-term engagements.

ASX Group's supply chain is also comprised of other key direct suppliers operating in the industries of data infrastructure, external consulting, information technology, financial services (including technology), telecommunications, recruitment, insurance, energy (electricity and gas), property management, electrical installation services, and postal services.

Our supply chain also comprises the indirect suppliers that provide inputs and services to the direct suppliers of ASX Group, such as the manufacturers of the uniforms that we source from our suppliers and the cleaning services used by our external consulting firms.

Assessment of risks of modern slavery practices in our operations and supply chain

We consider that there are three key ways in which ASX Group needs to assess its risk of involvement in modern slavery activities:

1. assessing any risk that it may cause modern slavery if its actions directly result in modern slavery practices.
2. assessing any risk that it may contribute to modern slavery if its actions significantly contribute to modern slavery, including where ASX Group performs acts or omissions that may facilitate or incentivise modern slavery.
3. assessing any risk that it may be directly linked to modern slavery practices if its operations, products or services are connected to modern slavery through the activities of another entity with whom ASX Group has a business relationship.

Risk areas in our operations and supply chain

For consistency with the approach taken by ASX Group in previous reporting periods, ASX Group has mapped its supply chain and operations for FY2022 to establish a baseline for identifying modern slavery risks. In order to inform our assessment of modern slavery risks that may be applicable to the operations and supply chain of ASX Group (including each of the ASX Group Reporting Entities), we referred to modern slavery data and resources published by non-government organisations (NGOs) and international organisations such as the International Labour Organisation and Walk Free Foundation.

Based on the reporting data contained in these resources around the prevalence of modern slavery in certain regions and industries, and having regard to the location and nature of our suppliers, we assessed that while ASX Group operates in a low risk sector (being financial markets infrastructure), the following areas of our supply chain are key risk areas:

- Data provided by Walk Free Foundation states that approximately 60% of people living in modern slavery reside in 10 'high risk' countries. ASX Group has identified one of our direct suppliers as being from one of these countries.
- ASX Group sources stationery, ASX-branded uniforms and apparel, and technological devices and hardware from suppliers that we anticipate may use offshore manufacturers. As we do not have visibility over the locations of these offshore manufacturers, there exists a possibility that they may be located in countries reported by NGOs and international organisations to have a higher prevalence of modern slavery. In addition, the inputs and materials used by these offshore manufacturers may be sourced from suppliers located in countries with a high prevalence of modern slavery.
- Office cleaning services are used in each of the locations in which ASX Group has offices. ASX Group has low visibility over the supply chains of these cleaning services where such services are provided through ASX Group's direct suppliers (such as building management).

Following this assessment, ASX Group considers that these components of our supply chain could give rise to a risk that one or more ASX Group entities could be linked to modern slavery practices, and has conducted further risk assessment activities with higher-risk suppliers during FY2022 (see section titled "Actions taken to address the risks of modern slavery practices" for more information on this).

ASX Group recognises the importance of monitoring and mitigating the above key risk areas to help ensure that no ASX Group entities are directly linked to modern slavery practices through ASX Group's operations and supply chain.

Actions taken to address the risks of modern slavery practices

Due Diligence

ASX Group seeks to ensure that we only engage with suppliers that share our values about the prevention of modern slavery practices. To this end, ASX Group performs mandatory due diligence processes on our suppliers to assess our potential exposure to the risk of modern slavery for each supplier, and mitigate the risk of modern slavery being present in our supply chain.

During the FY2022 reporting period, the due diligence processes and controls in operation included the following:



NEW SUPPLIERS

- A risk assessment has been performed on all new suppliers (where ASX Group's spend is above \$50k or if the supplier is identified as being in a high risk industry) to assess their level of modern slavery risk. This has included vetting their policies or published statements to understand the modern slavery risks in their operations and supply chains, and how they typically seek to address any identified modern slavery risks.
- Suppliers have been asked to complete a modern slavery questionnaire for validation by ASX Group (internal assessment) and/or a third party organisation (external assessment).
- In addition, where necessary, we have engaged in dialogue with proposed suppliers in order to understand the levels of modern slavery risks inherent in their respective operations and supply chains, and how they typically seek to address any identified modern slavery risks.
- For the FY2022 reporting period, ASX Group recorded zero High, 12 Medium and 67 Low Risk category risk assessments, for existing sourcing arrangements.
- During the FY2022 reporting period, these sourcing activities represent approximately 50% of our total supplier spend.
- ASX Group will continue, in subsequent reporting periods, to work with the balance of our suppliers to assess modern slavery risks and any actions to address such risks.



EXISTING SUPPLIERS

- ASX Group have continued our categorisation of existing suppliers in regard to modern slavery risk into the below risk tiers:
 - **“High Risk”**
(supplier requires immediate further review)
 - **“Medium Risk”**
(supplier requires annual review)
 - **“Low Risk”**
(supplier requires 2-3 year review)
- The level of risk assessment conducted for each of our existing suppliers is based on the relevant supplier categorisation.
- During the FY2022 reporting period, there were zero existing supplier agreements that were re-assessed to different risk levels.



NEW TERMS AND CONDITIONS

During the previous reporting periods we introduced a new clause into the standard form supplier agreement. This clause requires the relevant supplier to provide a warranty to ASX Group that they themselves do not engage in modern slavery practices. Suppliers are required to report on their due diligence in their own operations and suppliers within the last 12 month period, describing any identified risks and what they have addressed, and to provide satisfactory evidence that there are no instances of modern slavery in their supply chains as of the date of the agreement.

The clause also requires that suppliers undertake to provide ASX Group with an updated certification of these matters on an annual basis, and to notify ASX Group within five business days in the event that they become aware of any instances of modern slavery occurring in their operations or supply chains. During the FY2022 reporting period we have continued to roll out these amended standard form supplier agreements for new suppliers to ASX Group and existing suppliers upon contract renewal cycles.

This practice is now standard procedure as part of ASX Group policy to manage modern slavery risks.



MODERN SLAVERY POLICY AND RELATED POLICIES

- ASX Group have developed an internal company Modern Slavery Policy which articulates ASX Group's commitment to identifying and addressing risks of modern slavery occurring in our operations or supply chain, and provides guidance to staff with respect to the identification and assessment of any modern slavery risks.
- The Modern Slavery Policy was reviewed and updated during the FY2022 reporting period to ensure it remains fit for purpose and relevant to our operations and supply chain. Updates included an uplift to the policy requirements, addressed roles and responsibilities, and mandated reporting of any supplier assessed as high risk.
- Various existing ASX Group policies and procedures (such as our Supplier Code of Conduct, Procurement Policy, Vendor Management Framework and RFP documentation) continued to provide additional safeguards for ASX stakeholders in respect to identifying and addressing modern slavery risks. These documents were also reviewed during the FY2022 period to ensure they remained fit for purpose and relevant to our operations and supply chain.
- ASX Group's internal whistleblower protection policy provides an avenue for all eligible whistleblowers to identify and address modern slavery risks by raising concerns at ASX Group about misconduct or an improper state of affairs or circumstances, including matters concerning modern slavery.



REPORTING FRAMEWORK

- ASX Group have implemented an internal reporting facility that is designed to capture and record all identified breaches of ASX Group's modern slavery policy (as well as identified breaches of any other ASX Group policies and procedures relating to modern slavery) in ASX Group's existing risk register (note: No breaches were reported for the FY2022 reporting period).
- 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 Board committees as necessary.
- ASX Group define and measure Key Risk Indicators (KRI's) related to completion of modern slavery assessments, and metrics associated with remediation and mitigation efforts to minimise any potential business continuity impact, consistent with our modern slavery policy. These KRI's are reported on a monthly basis.



TRAINING AND AWARENESS

- Annual mandatory Modern Slavery Risk Awareness training for all staff.
- During the FY2022 reporting period training material for staff was reviewed and updated to incorporate key improvements to the Modern Slavery Policy.
- We publicise our values with respect to modern slavery to those outside ASX Group through publishing our Supplier Code of Conduct, Modern Slavery Policy and annual modern slavery statement on the ASX website.



Remediation

ASX Group recognises the importance of appropriately addressing situations where it is found that one or more ASX Group entities have caused or contributed to modern slavery. To this end, during the FY2022 reporting period we maintained a robust remediation framework, which is captured in our Modern Slavery Policy, and bolstered by existing ASX Group policies such as our Supplier Code of Conduct and Whistleblower Protection Policy.

Our framework requires that where ASX Group becomes aware that any one or more of its direct suppliers is causing or contributing to modern slavery in their operations or supply chains, ASX Group will engage directly with that supplier to:

- Investigate the circumstances surrounding the reported occurrence, and
- Develop and agree an appropriate remediation action plan with that supplier.

Remediation action plans will primarily focus on the prevention of any recurrences of the relevant supplier's actions that have been found to cause or contribute to instances of modern slavery. ASX Group recognises that the circumstances surrounding reported instances of modern slavery may vary greatly, and so remediation action plans will be developed on a case-by-case basis having regard to the circumstances of the reported occurrence and of the relevant direct supplier.

Where a direct supplier reports an incident or in ASX Group's view, supplier risk assessments represent an unacceptable risk to one or more of ASX Group's policies and procedures due to its direct or indirect involvement in modern slavery, and the supplier does not agree to work with ASX Group to implement an effective and meaningful remediation action plan, ASX Group will seek to take further action, which may include termination of the supplier relationship where necessary and appropriate.

Effectiveness of actions taken

ASX Group recognises the importance of regularly assessing the effectiveness of the actions we are taking to combat modern slavery in our operations and supply chain. In order to measure our effectiveness in this area, we have committed to:

Conducting a regular review of our Modern Slavery Policy to ensure it remains fit for purpose and relevant to our operations and supply chain;

Capturing and recording all identified breaches of ASX Group's Modern Slavery 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;

Maintaining a framework within our 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 board committees as necessary;

Defining and measuring Key Risk Indicators related to completion of modern slavery assessments for new suppliers and current suppliers, and metrics associated with remediation and mitigation efforts to minimise any potential business continuity impact, consistent with our Modern Slavery Policy.

Consultation

This statement was developed by the ASX Group Reporting Entities in consultation with each of the wholly-owned subsidiaries of the ASX group of entities. It should be noted that all ASX Group entities are subject to ASX Group policies, procedures and systems, and are party to group-wide information and resource-sharing arrangements. Accordingly, the information (including supplier information) detailed in this statement is applicable to all ASX Group entities. Consultation with each of the wholly-owned subsidiaries was conducted through the sharing of relevant supplier information and financial reporting information.



Future actions on modern slavery

We are committed to further improving our response to modern slavery risks in our operations and supply chain. In our next reporting period we will look to continue expanding our response by:

- Undertaking a review of the effectiveness of steps we have taken in this reporting period;
- Reviewing and improving our modern slavery risk assessment process, including by creating a more robust internal audit trail of assessment performance and outcomes;
- Increasing the number of existing suppliers assessed for risks of modern slavery by 50% (against the number of existing suppliers assessed in FY2022);
- Promote greater awareness of modern slavery risks within our supply chain by increasing the number of supplier contracts with modern slavery clauses included as part of ASX Group's standard contract renewal process.

This statement was approved by the Boards of directors of each of the ASX Group Reporting Entities on or about 19 October, 2022.

Signed for and on behalf of the Board of ASX Limited:



HELEN LOFTHOUSE
Director, ASX Limited

Signed for and on behalf of the Board of ASX Operations Pty Limited:





HELEN LOFTHOUSE
Director, ASX Operations Pty Limited

Further Information

ASX Customer Service Centre
Mon-Fri 8.30am – 6.00pm (AEST)
excluding public holidays

T +61 2 8973 3625
E info@asx.com.au

 Follow us on LinkedIn
 Follow us @ASX
[asx.com.au](https://www.asx.com.au)



© Copyright ASX Limited. ABN 98 008 624 691. All rights reserved 2022.