



Title: <b>Modern Slavery Policy ("Policy")</b>			
<b>Issued by:</b> Legal	<b>Responsible Executive:</b> Chief Financial Officer	<b>Effective Date:</b> 4 August 2010	Issue: 2

**A - Policy Statement**

1. Modern Slavery is a crime and a violation of fundamental human rights. It takes various forms, as set out in Annexure A to this document, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. Codan Limited and each of its subsidiaries (**Codan**) is committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.
2. Codan is also committed to ensuring there is transparency in our own business and in our approach to tackling modern slavery throughout our supply chains. Codan expects the same high standards from all of its contractors, suppliers and other business partners. As far as is practicable, we include specific prohibitions in our documented supplier arrangements against the use of forced, compulsory or trafficked labour, or anyone held in slavery, servitude or debt bondage, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards. The Australian Modern Slavery Act 2018 took effect on 1 January 2019, and requires Codan to make annual public reports (Modern Slavery Statements) on the actions taken to address modern slavery risks in its operations and supply chains.
3. The purpose of this policy is to ensure that Codan:
  - sources products and services in accordance with local, national and other applicable laws and community expectations; and
  - acts to prevent, mitigate and where appropriate, remedy modern slavery in its operations and supply chains.
4. This policy applies to all persons working for Codan or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners.

**B – Responsibility of the Policy**

1. The board of directors of Codan has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it. The board of directors of Codan is also responsible for approving Codan’s annual modern slavery statement and ensuring compliance disclosure obligations under Australian modern slavery legislation.



2. Codan will appoint a compliance manager (**Compliance Manager**) who will have primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness and dealing with any queries about it. The Compliance Manager's responsibilities extend to:
  - a. monitoring, consulting and auditing internal controls and procedures to identify risks of modern slavery practices in our operations under Australian modern slavery legislation;
  - b. monitoring and consulting with our suppliers, contractors and business partners to identify risks of modern slavery practices in our supply chains;
  - c. developing measures to assess and address any risks of modern slavery practices, including through due diligence in our contractual relations;
  - d. monitoring the effectiveness of those measures;
  - e. developing appropriate training materials and programs for our employees to comply with this policy; and
  - f. preparing our annual modern slavery statement for execution by Codan in accordance with its disclosure obligations under Australian modern slavery legislation.

For the purposes of this Policy, the Compliance Manager will be the Procurement Manager of Codan (Lilian Choo).

3. Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it and the issue of modern slavery in supply chains, including any areas of our business and supply chains which are identified as at risk of modern slavery practices.
4. You are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries are encouraged and should be addressed to the Compliance Manager.

### **C – Compliance with the Policy**

1. You must ensure that you read, understand and comply with this policy.
2. The prevention, detection and reporting of modern slavery in any part of our business or supply chains is the responsibility of all those working for us or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
3. You must notify your manager **OR** the Compliance Manager as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future.
4. You are encouraged to raise concerns about any issue or suspicion of modern slavery in any parts of our business or supply chains at the earliest possible stage.



5. If you believe or suspect a breach of this policy has occurred or that it may occur, you must notify your manager **OR** Compliance Manager as soon as possible. Alternatively, in accordance with Codan's Whistleblower Protection Policy, you may report any breach or suspicion of a breach of this policy that has occurred, or that may occur.
6. If you are unsure about whether a particular act, the treatment of workers more generally or their working conditions within our supply chains constitutes any of the various forms of modern slavery, raise it with your manager **OR** the Compliance Manager.
7. Codan aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. Codan is committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that modern slavery of whatever form is or may be taking place in any part of our own business or in any of our supply chains. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Compliance Manager immediately. If the matter is not remedied, and you are an employee, you should raise it formally with the CEO of the Company.

#### **D – Risk Management**

1. Codan acknowledges that it is accountable for addressing modern slavery issues in operations and supplier arrangements, and will nominate a specified individual or role to be responsible for co-ordinating management of this risk.
2. Codan will assess the risks of modern slavery across their operations, including identifying the general sectors and industries, types of products and services, countries and entities that are involved in operations and supply chains taking into account sector and industry risks, product and services risks, geographic risks and specific entity risks.
3. Codan will perform due diligence on new suppliers to determine their risk level and control procedures in relation to ethical sourcing and modern slavery as appropriate for its business. Codan will have a process in place to consider the supplier's ethical sourcing and modern slavery performance during the supplier on-boarding.
4. Codan will assess suppliers through their audit/compliance program to confirm compliance with this policy.
5. Codan has an accessible and well-publicised reporting mechanism for concerns or disclosure in relation to compliance risks (including modern slavery) which allows for confidential and anonymous reporting and provides protection from reprisal. This mechanism is specified within Codan's Whistleblower Protection Policy. There must be clear processes for investigating and reporting on the issues raised through the reporting mechanism.
6. Codan will be committed to working with suppliers to remediate any breaches of this policy.



7. Codan will monitor and annually review the effectiveness of the risk management measures described above.

**E – Communication and awareness of this Policy**

1. Codan will provide regular training to all our employees on this policy. This will include training on how to identify modern slavery practices and the particular parts of our business and supply chains which are subject to a greater risk of modern slavery practices. This training will also form part of the induction process for all individuals who work for Codan in areas of the business that could encounter modern slavery risks.
2. Codan's commitment to addressing the issue of modern slavery in our business and supply chains will be communicated to the suppliers, contractors and business partners it deems appropriate when considering the modern slavery risks within such suppliers, contractors and business partners.

**F – Breaches of this Policy**

1. Any employee who breaches this policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.
2. Subject to the terms of any applicable contractual arrangement, we may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

**Annexure A – Types of Modern Slavery**

<b>Type of exploitation</b>	<b>Definition</b>
<b>Trafficking in persons</b>	Recruitment, harbouring and movement of a person for exploitation through modern slavery.
<b>Slavery</b>	Where the offender exercises powers of ownership over the victim, including the power to make a person an object of purchase and use their labour in an unrestricted way.
<b>Servitude</b>	Where the victim’s personal freedom is significantly restricted and they are not free to stop working or leave their place of work.
<b>Forced labour</b>	Where the victim is either not free to stop working or not free to leave their place of work.
<b>Forced marriage</b>	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.
<b>Debt bondage</b>	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.
<b>Child labour</b>	Where children are: • exploited through slavery or similar practices, including for sexual exploitation or • engaged in hazardous work which may harm their health, safety or morals or • used to produce or traffic drugs. *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.
<b>Deceptive recruiting for labour or services</b>	Where the victim is deceived about whether they will be exploited through a type of modern slavery.