

**Brookfield**

**ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY**

**MARCH 2021**

## ANTI-SLAVERY AND HUMAN TRAFFICKING POLICY

### I. INTRODUCTION

Brookfield is committed to conducting its business in an ethical and responsible manner, including by carrying out our own business activities in a way that respects and supports the protection of human rights through striving for the:

- a. elimination of discrimination in employment;
- b. prohibition of modern slavery, including child and forced labor; and
- c. eradication of harassment and physical or mental abuse in the workplace.

We are working to embed these standards into all of our core business activities, including training, communications, contracts and due diligence processes, as appropriate. These practices extend to our interactions with our key suppliers and other business partners.

#### ***Application of the Policy***

This Policy applies to all directors, officers, employees and temporary workers<sup>1</sup> (collectively, “you”) of (i) Brookfield Asset Management Inc. and its wholly owned management subsidiaries (“**Brookfield Asset Management**”) and (ii) certain publicly traded controlled affiliates (Brookfield Business Partners LP, Brookfield Infrastructure Partners LP, Brookfield Property Partners LP and Brookfield Renewable Partners LP) (“**Listed Entities**”) (unless such Listed Entity has adopted its own Anti-Slavery and Human Trafficking Policy and/or other policies that are consistent with the provisions of this Policy), and references to “we,” “us,” “our,” “Brookfield” or the “company” are collectively to Brookfield Asset Management and the Listed Entities.

#### ***What is Modern Slavery?***

Modern slavery is a crime in many jurisdictions and a violation of fundamental human rights.

- It takes various forms, such as:
  - Slavery, servitude (coercing someone to provide services) and forced or compulsory labor (including instances of unlawful deductions of wages and working extended periods of time without breaks);
  - Human trafficking (arranging or facilitating the travel of a victim with a view to them being exploited);
  - Committing any offense with the intention to commit human trafficking; and
  - Aiding, abetting, counseling or procuring any of these offences.

There are certain indicators, including:

- Appearance – If the worker appears malnourished, lacks basic hygiene, is dressed inadequately for the work they do (for example, they may lack protective equipment or warm clothing);
- Behavior – If the worker is withdrawn or frightened and has a fear of law enforcement or other authorities and expresses fear or reluctance to seek help from a government or private agency;
- Restricted freedom – If the worker shows signs of their movement being controlled and is unable to leave their work environment (this includes not having control of their passport or other identity/travel documents);
- Reluctance of the contracting party to include modern slavery terms in contracts;
- Negative media screening results regarding human rights abuses including but not limited to, poor worker conditions, forced labor, inhumane treatment of migrant workers, use of child labor;
- Vendors offering cheap, non-market rates that are not explicable by other factors;
- Use of third parties and intermediaries offering recruitment services, particularly where they are providing foreign workers;
- High risk industries and businesses can include construction, agriculture, apparel and textile, manufacturing, domestic services and hospitality; and

---

<sup>1</sup> For purposes of this Policy, “temporary workers” include non-full-time employees and consultants and contractors etc. that work on our premises.

Businesses with inadequate human resources practices in place, including lack of recruitment policies or transparency regarding the recruitment of the workers who will deliver the contract in high risk labor-intensive contracts (e.g. cleaning contracts, construction contracts).

### ***What are the Benefits of Eradicating Modern Slavery?***

A focus on tackling modern slavery protects vulnerable workers and helps prevent and remedy severe human rights violations. It can also bring business benefits too, including:

- Protecting and enhancing our reputation and brand;
- Protecting and growing our investor base as more investors seek out businesses with higher ethical standards;
- Improved investor confidence
- Greater staff retention and loyalty based on values and respect;
- Acting in a transparent, responsible and accountable manner;
- Improving long-term social, environmental as well as financial performance; and
- Allowing investors to move capital towards us as a sustainable, responsible organization and to strengthen long-term ethical sustainable business.

### ***Risk Assessment***

Our procedures to prevent modern slavery are designed to be proportionate to the modern slavery risks we face, recognizing that it can vary according to the jurisdictions, sectors, suppliers, the amount of control the company has over its supply chain and other governance factors. Risk assessments are, therefore, integral to Brookfield's attempts, within its operations, to promote the eradication of modern slavery in our business and supply chains. The level of slavery risk faced by each Brookfield entity varies with the type and nature of its business operations.

**Business Group Risk Assessment:** Each business group must undertake an annual risk assessment to assess the nature and extent of exposure to modern slavery risks in its operations and supply chains and have appropriate mitigation strategies in place. This should include an assessment of the nature and extent of exposure to modern slavery risks in its operations, investments and supply chain by its suppliers and third parties and the mitigation strategies in place.

This assessment should be periodic, informed, and documented, and should be updated when significant changes occur in the business (i.e. new business, transaction or project lead to new suppliers and/or business partners with a higher risk of modern slavery, violations are suspected or detected, or expansion into new geography/industry). The assessed level of risk will influence the specific procedures and controls that should be implemented to prevent and detect modern slavery. A template is available [here](#).

While no practices and procedures are capable of identifying and preventing all modern slavery, our risk-based approach is designed to enable efforts to be focused where they are most needed and can most help eradicate modern slavery.

This Policy should therefore be read as requiring a risk-based approach proportionate to each relevant circumstance.

### ***Related Policies, Procedures and Protocols***

This Policy is the primary guidance for you on measures to prevent and detect modern slavery. We have several policies and tools that address our approach to the identification of modern slavery risks and the steps to be taken to prevent modern slavery and human trafficking in our operations' supply chains. These include:

- **Code of Conduct:** This sets out how we agree to conduct ourselves and provides a framework to guide our actions, including by carrying out our activities in a manner that respects and supports the protection of human rights through striving for:
  - a. the elimination of discrimination in employment;
  - b. the prohibition of modern slavery, including child and forced labor; and

c. the eradication of harassment and physical or mental abuse in the workplace.

- **Investments:** In our due-diligence process for potential investments, we use our ESG Due Diligence Guidelines to identify material ESG factors, including relevant human rights and supply chain issues

Where our due diligence process highlights investee companies with material issues or limitations in their approach to managing modern slavery and related supply chain risks:

- *Majority ownership:* where the given private fund(s) or Listed Entities acquire majority 'corporate' ownership (e.g. voting rights in excess of 50%), the investee company will be requested to undertake a review of its modern slavery and related supply chain risks (including any related policies and procedures) promptly following the investment closing. Following such review, the investee company will be expected to implement, taking a risk-based approach, its own tailored and proportionate risk management measures, this may include implementing or updating its own anti-modern slavery and human trafficking policy and related supply due diligence processes.
- *Minority ownership:* for all acquisitions that result in the given private fund(s) or Listed Entities holding a minority holding, we will encourage a suitable anti-modern slavery and human trafficking review and risk mitigation, as described above, to be undertaken.
- **Vendor Management Procedures:** These procedures must be followed when purchasing goods or services for or on behalf of Brookfield. The procedures include a due diligence protocol that includes anti-slavery considerations, which apply when engaging or renewing high-risk third-party suppliers
- **Legal Provisions:** Adopting a proportionate risk-based approach including legal provisions in contractual agreements requiring vendors to comply with anti-slavery clause Where it is not practicable to negotiate this clause, the relevant supplier should be notified about Brookfield's commitment to eradicating modern slavery. These are set out in Annex 1.
- **Anti-money laundering:** Our anti-money laundering regime sets out a series of procedures that must be followed, which are designed to prevent the commission of financial crime and the movement of money derived from crime (including crimes relating to modern slavery).
- **Whistleblowing Policy:** Our reporting hotline (the "Reporting Hotline") is managed by an independent third-party. The Reporting Hotline allows anyone to call anonymously (if they so choose) to report suspected unethical, illegal or unsafe behavior in English and other languages. The Reporting Hotline is available toll-free, 24 hours a day, 7 days a week. For further information, refer to the *Whistleblowing Policy* If you choose to make an anonymous report, your anonymity will be protected to the fullest extent possible as permitted by law.
- **ABC Policy and Program:** Our ABC Policy and Program sets out rules with regard to bribery and corruption.
- **Positive Work Environment Policy:** Our Positive Work Environment Policy requires us to identify and report workplace discrimination, violence and harassment as it occurs

### **Communication and Training**

Training on this Policy, and about the risks Brookfield's operations face from modern slavery in its business and supply chains, is available as part of the induction process for everyone who works for Brookfield in EMEA, and regular training will be made available to key employees who manage relationships with suppliers and as necessary including as part of training for related policies, procedures and protocols.

Brookfield should discuss modern slavery risks with its suppliers and, as required by this Policy, the measures they themselves are taking to reduce their modern slavery risks.

### ***UK and Australian Anti-Slavery and Human Trafficking Statement***

Every organization to which the UK Modern Slavery Act applies must publish annually a public statement of the steps they have taken to eradicate modern slavery in their business and their supply chains.

Every organization to which the Australian Modern Slavery Act applies must publish annually a public statement identifying the modern slavery risks in their operations and supply chain and the actions to address those risks.

### ***What People and Entities are required to publish a UK and Australian Anti-Slavery and Human Trafficking Statement?***

In the UK, there is a mandatory obligation to publish a statement where an entity:

1. Is a body corporate or partnership, wherever incorporated, that supplies goods or services;
2. Carries on a business, or part of a business, in the UK; and
3. Has (together with its subsidiaries) a total annual turnover of £36 million or more in the relevant financial year derived from the provision of goods and services within their ordinary activities.

In Australia, this is also mandatory where an entity has (together with its subsidiaries) annual revenues over A\$100 million, and covers:

- a. the structure, operations and supply chain of the entity;
- b. the risks of modern slavery practices in the operations and supply chains of the entity, and any entities it owns or controls;
- c. the actions taken by the entity, and any entity it owns or controls, to assess and address those risks, including the due diligence and remediation processes;
- d. how the entity assesses the effectiveness of such actions;
- e. the process of consultation with any entities that the entity owns or controls; and
- f. any other relevant information.

## **II. COMPLIANCE WITH THIS POLICY**

The prevention, detection and reporting of modern slavery in any part of Brookfield's own businesses and supply chains is the responsibility of all of Brookfield's directors, officers, employees and temporary workers. Those working on Brookfield's behalf are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

Potential conflicts with this Policy, whether past, current or future, must be notified to managers or the Legal and Regulatory department as soon as possible, or in accordance with our Whistleblower Policy. Staff are encouraged to raise concerns about any possible modern slavery in any parts of Brookfield's supply chains in any supplier tier at the earliest possible stage.

If a member of staff believes that a breach of this Policy has occurred or is likely to occur, they must notify their manager or the Legal & Regulatory department as soon as possible and in accordance with our Whistleblowing Policy.

Brookfield aims to encourage openness and will support anyone who raises genuine concerns on reasonable grounds under this Policy and is committed to ensuring that no one suffers any detrimental treatment as a result of reporting their suspicion, even if they turn out to be mistaken. Our Whistleblower Policy describes these protections further. If any staff member believes that they have suffered any such treatment, they should inform the Legal & Regulatory department immediately.

### **BREACHES OF THIS POLICY**

Any employee who breaches this Policy will face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

Brookfield may terminate its relationship with other individuals and organizations working on its behalf if they breach any modern slavery contractual clauses to the extent relevant. Where possible, we should seek to

use our influence to resolve any identified concerns and guidance should be sought from Legal & Regulatory regarding the approach to be taken.

**KEY CONTACTS**

If you have any questions about this Policy, please contact:

Asia	Jolyn Ho
Australia	Nitesh Rindani
Brazil & South America	Paulo Garcia
North America	Kathy Sarpash
India	Swati Mandava
Europe	Philippa Elder

## ANNEX 1 – LEGAL PROVISIONS

### 1. ERADICATING MODERN SLAVERY

#### 1.1 Compliance

In performing its obligations under this Agreement, the Supplier will (and will require that its suppliers and permitted sub-contractors):

- (A) comply with the UK Modern Slavery Act 2015 (“MSA”);
- (B) not conduct any activity that would be an offence under the MSA if the activity occurred in the UK; and
- (C) comply with Brookfield’s anti-slavery and human trafficking policy (“Anti-slavery Policy”) from time to time, the latest version of which is available at [ /[hyperlink](#)].

#### 1.2 Modern Slavery information

The Supplier represents and warrants that:

- (A) its responses (where requested) to Brookfield’s slavery and human trafficking due diligence questionnaire are complete and accurate; and
- (B) neither it nor any of its directors or employees:
  - (1) has been convicted of any offence involving slavery or human trafficking under the MSA (or predecessor legislation); and
  - (2) has been and is not the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body about any such actual or alleged offence.

#### 1.3 Modern Slavery Due Diligence

The Supplier will:

- (A) implement due diligence procedures about its own suppliers in its supply chains; and
- (B) obtain obligations from its suppliers equivalent to this clause 1,

designed to ensure with reasonable certainty that there is no slavery or human trafficking in the Supplier’s businesses or supply chains supporting the Supplier’s performance of this Agreement.

The Supplier will also implement those due diligence procedures and obtain those obligations from its permitted sub-contractors.

#### 1.4 Reporting Modern Slavery

The Supplier will notify Brookfield as soon as it becomes aware of:

- (A) any breach, or potential breach, of the Anti-slavery Policy; or
- (B) any actual or suspected slavery or human trafficking,

involving itself, its business or supply chain or any of its suppliers or permitted sub-contractors), and in any such case connected with this Agreement.

#### 1.5 Information, Explanations and Assistance

- (A) The Supplier will maintain a complete set of records to trace the supply chain of all goods and/or services supplied to Brookfield under this Agreement.
- (B) The Supplier will (and will procure that its suppliers and its permitted sub-contractors) provide such information, explanations, assistance and access to records and take such action as Brookfield reasonably requires to verify compliance with this clause 1 within 14 days of any written request by Brookfield to do so.
- (C) If Brookfield (acting reasonably) believes that there is an actual or serious risk of a breach of this clause 1, the Anti-slavery Policy or the MSA involved in the supply of goods and/or services to it under this Agreement, Brookfield can[, at the reasonable cost of the Supplier], conduct an audit of the Supplier's (and/or its suppliers' and permitted sub-contractors') business or supply chain to verify compliance with this clause 1, or require the Supplier to do so. Brookfield (or third parties acting on its behalf) must be given access to any premises during normal working hours on giving reasonable notice as reasonably required for this purpose.

#### 1.6 Training

The Supplier will implement a system of training for its employees, suppliers and permitted sub-contractors designed to ensure compliance with the Anti-slavery Policy and the MSA.

#### 1.7 Indemnity

The Supplier will indemnify Brookfield against any losses, liabilities, damages and costs (including without limitation reasonable legal fees) incurred by Brookfield through any breach by the Supplier of the Anti-slavery Policy, the MSA or this clause 1.

#### 1.8 Termination

Brookfield may treat any breach of this clause 1 by the Supplier as a material breach entitling Brookfield to terminate this Agreement with immediate effect by giving written notice to the Supplier.