



# Modern Slavery Statement 2024

Alceon Capital Pty Ltd (ABN 41 163 867 016)

This statement is made pursuant to the *Modern Slavery Act 2018 (Cth)* and is made for the financial year ending June 2024

## Introduction

As a national enterprise, Alceon Capital Pty Ltd (**us, we, our** or **Alceon**) are committed to developing ethical business practices that help maintain the highest levels of health, safety and human dignity around the world. We condemn all forms of human rights abuses and the exploitation of children. We are taking steps to effectively identify and combat modern slavery in our supply chain.

This is our second reporting period under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) and this Modern Slavery Statement covers all of the mandatory criteria under section 16 of the Modern Slavery Act, including all the key steps we have taken during the 2024 financial year (**second reporting period**).

We are aware that in July 2023, the Attorney General released its review of the Modern Slavery Act, and in November 2024, appointed Australia's first Anti-Slavery Commissioner. We will continue to monitor any potential legislative changes that would impact our obligations under the Modern Slavery Act, and employ best practice with respect to our due diligence measures. We look forward to reporting on the steps we are taking in future years, in accordance with the requirements of the Modern Slavery Act.

### 1. Our structure and operations

- 1.1 Alceon, with its corporate headquarters based in Level 26, 1 O'Connell Street, Sydney NSW, 2000, is a multi-strategy alternative investment manager for high net worth, family office and institutional clients across real estate, private equity and listed equity. Alceon was founded in 2010, has more than \$5.4 billion of funds under management, offices in Sydney, Melbourne, Brisbane, Perth and Auckland and over 90 employees across real estate, private equity/credit, and listed equities investment strategies. Alceon is owned 100% by its staff.
- 1.2 Our business is organised into four core divisions – real estate, private equity, credit and listed equity. We have consulted the relevant subsidiaries we own or control in the development of this statement.
- 1.3 Alceon's operations include a significant internally managed investment portfolio. This portfolio includes active and passive investments in real estate, private equity, property and infrastructure across Australia and New Zealand. Alceon seeks out investment opportunities that align with its investment objectives and strategy.
- 1.4 We are aware of the risk of modern slavery within our investments and supply chain. In our first reporting period, we have taken initial steps, including consulting experts, mapping some of our higher risk suppliers and identifying strategies to implement in upcoming reporting periods. We will take steps to encourage the same of our portfolio companies and suppliers.

### 2. Our policies

- 2.1 We are committed to identifying and taking steps to removing modern slavery in our supply chains.

- 2.2 In the second reporting period, we developed Alceon's Modern Slavery Policy. This policy reflects our commitment to acting ethically and with integrity in all our business relationships. In accordance with the processes we developed in our policy, we will implement and continue to enforce effective systems and controls to mitigate the risk of slavery occurring anywhere in our supply chains.
- 2.3 We worked with Marque Lawyers to develop a Modern Slavery Policy, which applies to all persons working exclusively for Alceon or its group companies, or exclusively on Alceon's behalf in any capacity, including employees at all levels, directors, officers, contractors, seconded workers, volunteers, interns and agents.
- 2.4 The policy places responsibility onto Alceon's Compliance Committee, which has responsibilities to monitor, consult and audit internal controls and procedures to identify risks in modern slavery practices in our operations.
- 2.5 As part of our existing commitment towards ethical action, Alceon is progressively consulting and implementing processes to report on how it assesses and addresses modern slavery risks when making investment decisions in relation to its internally managed portfolio. For example, following our risk assessment process as described below, we have integrated modern slavery risk analysis into our existing environmental, social and governance (ESG) risk processes.
- 2.6 We also intend to outline a plan for how we would respond to significant modern slavery risks identified through this ESG process.

### **3. Our supply chains**

Having regard to the types of suppliers that we retain, predominately Australian based, and the nature of the work that they perform for us, they do not present risks most often associated with modern slavery. Nevertheless, our supply chains span the following industry sectors, broadly grouped as follows:

- (a) real estate debt finance in Australia and New Zealand;
- (b) private equity transactions in Australia;
- (c) employees i.e. payroll;
- (d) professional services;
- (e) office services and supplies i.e. cleaning and maintenance, office supplies and IT equipment; and
- (f) business travel i.e. flights and accommodation.

### **4. Supply chain risk assessment**

- 4.1 During the second reporting period, we confirm that we did not identify any specific instance of modern slavery in our operations or supply chains, and no specific instance of modern slavery was reported to Alceon.

- 4.2 To assess risk, first-tier suppliers and second-tier suppliers were assigned a rating based on the following table.

A	High risk, high spend
B	High risk, low spend
C	High spend, low risk
D	Low spend, low risk

- 4.3 We then considered the following criteria.

- (a) **Country or region risk:** We will use the 2019 ITUC Global Rights Index to identify regions as high risk.
- (b) **Sector/industry risk:** We will use the 2019 ACSI and the 2018 Global Slavery Index country specific findings report as a bases to identify sectors as high risk.
- (c) **Commodity/product risk:** We will use the 2018 Global Slavery Index to identify commodities and products as high risk.

- 4.4 Given the geographic reach of our supply chains, ensuring we minimise or avoid any involvement in modern slavery beyond our first-tier suppliers is a considerable challenge.

- 4.5 In our second reporting period, we have expanded Alceon's focus on direct suppliers to now also consider second-tier suppliers. Our supply chain assessment will continue to deepen each year.

- 4.6 We continued to engage Marque Lawyers to ensure we understood the applicable legislative framework, and to assist our understanding in continuous improvement with respect to our due diligence processes.

- 4.7 We anticipate that there is still relatively small risk of modern slavery in our direct, first-tier supply chains. Our direct supply chains consist almost entirely of professional services, skilled employees and the provision of office services and supplies. We maintain rigorous hiring practices, something which we are able to control due to the size of our staff. We have now implemented mechanisms, described in section 6 below, that promote transparency with respect to our direct suppliers.

- 4.8 Of our first-tier suppliers we have graded these to be medium-to-low risk due to a combination of factors, including (a) the location of those suppliers in low-risk countries, not present on the 2019 ITUC Global Rights Index; and (b) where we had medium to high sector and industry risks or commodity or product risks, these correlated with low, generally unavoidable expenditure i.e. office equipment.

- 4.9 In addition to the above desktop review, we will implement a high level thematic review of our internally managed investment portfolio to identify general areas of modern slavery risk. For

example, one area of investment we focus on is in the sector of residential construction. This means that present within our supply chains is the use of bricks, and subsequently, the overseas factories in which those bricks are made, the importation of the bricks into Australia and the subsequent sale and distribution of the bricks to the residential construction company Alceon invests in or lends debt to. As a result of this review, Alceon will prioritise modern slavery engagement activities with its residential construction sector investees, particularly where such factories are located in higher risk countries.

## **5. Due diligence processes for slavery**

- 5.1 In this second reporting period, as part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we have developed a questionnaire containing questions regarding our operations, supply chain, goods and services and requesting details of any applicable policies or training that relate to modern slavery. This questionnaire has been embedded into our due diligence process and selective borrowers were asked to complete this questionnaire. As part of this processes, we also request that a copy of any modern slavery statement and/or any supporting documentation that details how the business combats modern slavery be provided.
- 5.2 To a lesser extent, our service providers include airlines, hotels, restaurants and food services, cleaning, and car services. We also purchase from retailers off-the-shelf goods such as office equipment and supplies. We anticipate that the risk of modern slavery in these service providers is low due to the particular providers and/or the location of such services / goods. Given the nature of our business relationships with these service providers, we have a limited ability to assess their employment practices or supply chains. We have a large service provider base, and accordingly, this statement does not capture all of the types of service providers that we do business with.

## **6. Training**

- 6.1 To ensure a high level of understanding of the risks of modern slavery in our supply chains and our business, we will provide annual training specific to modern slavery for all of our staff on Alceon's modern slavery policy, which is currently in development.
- 6.2 The training will be provided by our external consultants.
- 6.3 We are committed to provide training to all relevant team members.

## **7. Our effectiveness in combating slavery**

- 7.1 Over this second reporting period, we have measured the effectiveness of our actions to identify and address instances of modern slavery using the following key performance indicators (KPIs).
- (a) List KPIs eg vetting procedures. The number or percentage of suppliers and subcontractors that have been vetted for ethical labor practices.
  - (b) Supplier screening. The number and type of issues identified on screening suppliers and subcontractors.
  - (c) Tier of supplier. Which tier of supplier has been vetted in a particular year.

- (d) Whistleblowing. The number of reported breaches in the past year.
- (e) Training. The number or percentage of staff trained.
- (f) Remedial action. The instances of remedial action being needed.

7.2 Over subsequent reporting periods, we will continue to review and enhance these KPIs and develop further metrics to assess the effectiveness of our actions, in line with continuous improvement.

## 8. Further steps and remediation

8.1 Following a review of the effectiveness of the steps we have taken to ensure that we mitigate the risk of modern slavery in our supply chains, we intend to take the following further remedial steps to combat slavery in our operations and supply chain:

- (a) undertake further investigations into our supply chains;
- (b) build our awareness and understanding of the issue including by rolling out more education and training for staff;
- (c) enhance our ability to assess modern slavery risks, including by utilising external resources and experts to assist with how we undertake modern slavery risk assessments;
- (d) establish a risk based assessment to tailor the level of due diligence to the risk level of each supplier.

This modern slavery statement is made by **Alceon Capital Pty Ltd** for the financial year ending June 2024.

This statement was approved by our Board of Directors on 4 February 2025.




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Signature of Trevor Loewensohn

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Director

4 February 2025

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Date