



MODERN SLAVERY STATEMENT

SALTER BROTHERS HOSPITALITY REAL ESTATE COMPANY PTY LTD and SALTER BROTHERS HOSPITALITY REAL ESTATE COMPANY NO. 2 PTY LTD - 2025

This joint modern slavery statement covers the activities of **Salter Brothers Hospitality Real Estate Company Pty Ltd** (ACN 652 043 788) (**SBHREC**) and **Salter Brothers Hospitality Real Estate Company No. 2 Pty Ltd** (ACN 652 044 703) (**SBHREC2**) (as the reporting entities) and each of their owned and controlled entities during the year ending 31 December 2025. This is the first reporting period for which SBHREC and SBHREC2 are reporting entities.

References in this statement to 'we', 'our' and 'us' are references to SBHREC and SBHREC2 and each of their owned and controlled entities.

This modern slavery statement is submitted under the *Modern Slavery Act 2018* (Cth) (**Act**) and sets out the actions we have taken to assess and address modern slavery risks in our operations and supply chains.

This statement has been approved by the Boards of SBHREC and SBHREC2 on **27th June 2025**.

ABOUT US

We are committed to acting ethically and responsibly, and to sustainable business practices.

We endeavour to be a responsible corporate citizen and undertake our activities in compliance with laws and with an overarching commitment to human rights.

We understand that modern slavery impacts millions of people around the world and we are committed to playing our part in eliminating all forms of slavery including child labour, forced labour, debt bondage, human trafficking and forced marriage.

OUR STRUCTURE

SBHREC and SBHREC2 are both companies incorporated in Australia with registered offices located at Level 9, 477 Collins Street Melbourne 3000.

SBHREC owns and controls a number of companies including SBHREC2 with all of the subsidiaries functioning as operational companies for the hotels identified below under 'Our Operations'.

The following entities are owned or controlled by SBHREC or SBHREC2:

- Salter Brothers (Wynyard) Hotel Pty Ltd (ABN 35 652 047 946)
- Salter Brothers (Philip St) Hotel Pty Ltd (ABN 40 652 048 336)
- Salter Brothers (Wentworth Ave) Hotel Pty Ltd (ABN 48 652 048 372)
- Salter Brothers (Southbank VIC) Hotel Pty Ltd (ABN 68 652 079 242)
- Salter Brothers (Hay St) Hotel Pty Ltd (ABN 34 652 048 309)

- Salter Brothers (Bankstown) Hotel Pty Ltd (ABN 17 652 082 258)
- Salter Brothers (Blacktown) Hotel Pty Ltd (ABN 20 652 048 630)
- Salter Brothers (Steel St) Hotel Pty Ltd (ABN 18 652 048 685)
- Salter Brothers (Manly Warringah) Hotel Pty Ltd (ABN 68 652 048 014)
- Salter Brothers (Macquarie Park) Hotel Pty Ltd (ABN 59 652 048 416)
- Salter Brothers (Garden City QLD) Hotel Pty Ltd (ABN 39 652 048 710)

OUR OPERATIONS

Salter Brothers is a global fund manager with a focus on alternative investment offerings across specialist property, credit and private equity. Salter Brothers Hotel Fund Investment Manager II Pty Ltd ACN 643 370 923 is the investment manager (**Investment Manager**) which provides asset and investment management support to SBHREC and SBHREC2.

We operate, lease and asset manage the following hotels located in Australia (together the **'Hotels'**):

- Ibis Styles Sydney Central, 27 Wentworth Avenue, Sydney, NSW 2010
- Mercure Sydney Bankstown, 8 Greenfield Parade, Bankstown, NSW 2200
- Mercure Sydney Blacktown, 170 Reservoir Road, Blacktown, NSW 2148
- Mercure Sydney Macquarie Park, 81 Talavera Road, North Ryde, NSW 2113
- Mercure Sydney Manly Warringah, 4-10 Victor Road, Brookvale, NSW 2100
- The Sebel Sydney Martin Place, 165 Phillip Street, Sydney, NSW 2000
- Novotel City Centre Sydney, 7-9 York Street, Sydney, NSW 2000
- Mercure Newcastle, 12 Steel Street, Newcastle, NSW 2302
- Mercure Brisbane Garden City, 18 MacGregor Street, Upper Mount Gravatt, Queensland 4122
- Mercure Southbank, 9 Riverside Quay, Southbank, Victoria 3006
- Mercure Perth on Hay, 417 Hay Street, Perth, WA 6000

We have a very limited role in the 'day to day' operational aspects of the Hotels, which are all managed and operated by Accor (AAPC Properties Pty Limited ABN 17 065 560 885) (**Accor**) under a Hotel Management Agreement with the relevant subsidiary entities of SBHREC or SBHREC2 (as applicable) identified above under 'Our Structure'. These subsidiary entities generally employ the staff for each Hotel who are in turn, managed by Accor in accordance with the terms of the relevant Hotel Management Agreement.

The Hotels are operated by a global and internationally recognised and reputable hotel operator, being, Accor Group for each of Ibis Styles, Mercure, The Sebel, and Novotel branded hotels.

Accor has published its own modern slavery statement under the Act from time to time. We are also aware that Accor has a modern slavery policy and other relevant governance mechanisms in place to address modern slavery risks.

We work together with Accor to ensure their services under the Hotel Management Agreements are performed in compliance with the highest operational and brand standards as well as Accor's own standards, policies and programmes. As noted further below, these expectations are reflected within our contractual arrangements.

While our operations primarily concern the management of the Hotels under contractual Hotel Management Agreements, Salter Brothers also undertakes a limited number of ancillary corporate and administrative operations associated with the operation and management of the Hotels.

The broader Salter Brothers group has approximately 14 contractors and 272 employees, of which 194 are employed by the reporting entities or their owned or controlled entities. All employees and contractors are engaged in accordance with, or to a higher standard than, relevant Australian employment awards, laws and regulations.

We also hold intellectual property and business assets associated with each of the Hotels.

OUR SUPPLY CHAIN

As noted above, our supply chain predominantly comprises receiving hotel management services under Hotel Management Agreements between Accor and our owned or controlled entities for each Hotel.

However, we also work with a small number of further suppliers in order to effectively manage these arrangements. The vast majority of these suppliers are located in Australia, however we acknowledge that in turn, our suppliers may procure goods and services from outside of Australia.

The main types of goods and services that we procure directly, in addition to hotel management services include:

- employee services;
- professional services, such as lawyers, accountants, auditors, advisors, valuers and consultants;
- technical experts including developers, builders and designers;
- investment and asset management services;
- information and IT services (such as hardware and software, printers, audio/visual equipment, data room services, desk phones and mobile phones);
- catering; and
- staff travel and accommodation.

Our indirect supply chain also extends to hospitality services engaged by our hotel operators such as cleaning, catering, laundry services and labour arrangements.

Our most significant agreements are entered into on a long-term basis, including our Hotel Management Agreements with Accor and our Investment Management Agreement with the Investment Manager.

However, our ancillary contracts are typically entered into on a more varied and ad hoc basis. These engagements are also typically contracted on the terms of the supplier, where we have limited leverage to negotiate amendments to the terms of those arrangements.

MODERN SLAVERY RISKS

We recognise that modern slavery may impact the hotel industry, and these risks are therefore indirectly linked to our own business activities.

Whenever possible, we endeavour to take responsibility for reducing the risk that we might contribute to modern slavery through our operations and supply chains.

Risk assessment methodology

We utilised a risk assessment methodology which considers a number of indicators of modern slavery risks including sector and industry, the type of products and services, geographical location and specific entity risk. These risk factors are based on the risk indicators and information published in:

- the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities;
- the Walk Free Foundation's [Global Slavery Index 2023](#);
- International Labour Organization (Global Estimates of Modern Slavery: Forced Labour and Forced Marriage 2022); and
- Australian Council of Superannuation Investors' 'Modern Slavery Risks, Rights & Responsibilities' report 2019.

Our initial risk assessment has indicated that our operations and supply chain have a low/medium potential for modern slavery risks. Our risk profile is summarised in the table below.

Risk overview

Primary area	Risk areas in our operations and supply chains	Responsibility
Operations	• Corporate and administrative operations • Investment and asset management services	Investment Manager
Supply chain (corporate procurement)	• Employee services • Professional services • Technical experts • Office related supplies and catering • IT Services: hardware and software, printers, audio/visual, data room services, desk phones. • Staff travel and accommodation	Salter Brothers Operations Pty Ltd ACN 602 615 083
Indirect supply chain	• Indirect hotel operation services: cleaning, maintenance, food and beverage services, laundry services, labour arrangements and other hotel arrangements.	Accor

Risk profile

Risk	Description of risk
Sector /Industry	<i>Indirect supply chain</i> We acknowledge the hotel and hospitality industry is labour intensive and has an exposure to modern slavery risk, particularly as a result of reports of migrant workers who are particularly vulnerable to some human rights risks. Our exposure to the hospitality industry is largely indirect as a result of the operations and supply chains of our hotel operator, Accor. <i>Our operations and supply chains</i> Our own operations and supply chains utilise office cleaning services and other relatively low risk industries such as corporate operations, building services, security, installation and maintenance. As noted in our 'actions' below, we have taken steps to mitigate our exposure to the risks posed by this industry, most relevantly by working collaboratively with Accor within the terms of the Hotel Management Agreements to which we are a party.
Product / Service	<i>Indirect supply chain</i> We recognise that as part of the nature of hotel operations and management, we also have a number of indirect suppliers engaged by Accor associated with the daily operation of the Hotels, who present modern slavery risks. For example, cleaning, catering, laundry services and labour arrangements are likely to form part of our indirect supply chain through our engagement of hotel management services under the Hotel Management Agreements to which we are a party. <i>Our operations and supply chain</i> As our corporate operations are limited to operating and asset managing the Hotels and we are the recipient of hotel management services under the Hotel Management Agreements, we have limited direct exposure to high-risk products and services. Our primary direct exposure to high-risk products and services from a corporate perspective, is the procurement of office supplies, merchandising, electronics, including laptops, computers and mobile phones for our employees.
Geographic	Our operations are predominantly in Australia and the majority of our suppliers are also contracted directly in Australia, resulting in our operations and supply chain having a low potential for modern slavery risk. However, we acknowledge that in turn, our suppliers may procure goods and services from outside of Australia.
Specific Entity	Our key partner, Accor, is a global and reputable hotel operator with a strong commitment to mitigating modern slavery. As noted above, Accor is an internationally recognised and reputable hotel operator that has published its own modern slavery statement from time to time and has a number of governance mechanisms in place to address modern slavery risks.

ACTIONS TO ASSESS AND ADDRESS RISK

We understand the importance of working collaboratively with Accor, employees, suppliers and the broader industry to combat modern slavery.

That is why we have a number of measures in place to assess and address modern slavery in our operations and supply chains.

Contracts and supplier engagement

Our key partner, Accor is engaged through Hotel Management Agreements which include a number of contractual obligations to ensure hotel operation services are performed in compliance with the highest operational and brand standards as well as Accor's own standards, policies and programmes.

As noted above, our ancillary suppliers and service providers typically provide their services on their own standard terms, and we typically have limited leverage to negotiate the terms of these arrangements.

Governance and accountability framework

The Board of SBHREC drives our long-term strategy and is ultimately accountable for establishing and maintaining our response to modern slavery risks.

The Board is supported by key members of our leadership team, including representatives from our ESG, Compliance, Human Resources and Legal business units.

Annual employee engagement

We have adopted an annual employee engagement initiative whereby we invite employees to raise or otherwise notify of any compliance issues (including with respect to human rights issues) of which they are aware in connection with our operations.

Policies and procedures

The governance framework of the broader Salter Brothers group applies to us.

The governance framework comprises a number of policies and procedures to ensure we have strong mechanisms to enable us to assess and address modern slavery risks, including:

- **Supplier Code of Conduct** which aims to ensure that our suppliers (i.e. an entity who does business with any company or division of Salter Brothers including any vendor or business partner) adhere to high ethical standards and which prescribes a set of minimum standards for doing business with suppliers;
- **Modern Slavery Policy** which aims to ensure that the goods and services purchased through our supply and value chains are ethical and minimise or eradicate modern slavery risks and, to the extent we can, encourage our service providers and suppliers to do the same;
- **Code of Conduct** that is designed to ensure Salter Brothers delivers on its commitment to acting ethically and responsibly, and to sustainable business practice, it does not create any rights in any employee, client, customer, supplier, competitor, shareholder or any other person or entity.
- **Whistleblower Policy** that supports and encourages employees to raise concerns regarding breaches of laws, breaches of our policies and procedures, illegal activity as well as any conduct that is harmful to a person. Employees are encouraged to report such incidents without fear that their future employment prospects will be adversely affected.
- **Anti-Bribery, Fraud and Corruption Policy** that establishes and maintains our policies and procedures to prevent bribery and corruption.

- **Workplace Health and Safety Policy** that outlines our commitment to provide and maintain a working environment that is safe and without risks to the health and general wellbeing of all employees and visitors.
- **Diversity and Inclusion Policy** that supports us to actively manage and encourage an inclusive workplace that embraces and values diversity.
- **Respect at Work Policy** that outlines our commitment to ensure equality, and promote diversity in the workplace.

Future actions

We plan to undertake further actions to identify and address our modern slavery risks in future reporting periods as set out in the 'Looking forward' section below.

ASSESSING OUR EFFECTIVENESS

With a focus on continuous improvement, we are committed to reviewing the effectiveness of the actions we have undertaken using the following measures:

Item	Action	Progress
Existing Policies and Procedures	Audit committee to review and update all our existing policies and procedures annually	Undertaken annually
Policy: Whistleblower, Anti-Bribery, Fraud and Corruption, Respect at Work	To raise awareness all policies are resent to all employees	Refresher communication to review all our Policies to be sent to all employees for review
Supplier Code of Conduct	A new Supplier Code of Conduct to ensure our supply chain understand our approach on modern slavery and adopt a similar approach	New suppliers will be provided with our Supplier Code of Conduct to ensure they align themselves with our values, applicable law and ethical standards
Modern Slavery Policy	Our approach to modern slavery and the procedures that govern our internal operations	New suppliers are provided with our Modern Slavery Policy to ensure that they understand our commitment to modern slavery
Supplier Terms of Engagement	Terms of Engagement to ensure we have modern slavery provisions in place for all new contracts moving forward	New suppliers are expected to agree to our Terms of Engagement which include requirements to comply with our Supplier Code of Conduct and certain modern slavery provisions

LOOKING FORWARD

We will continue to review and consider the steps we can take to assess and address the risks of modern slavery in our operations and supply chains.

We are further developing our modern slavery framework and recognise there are further steps we can take to assess and address the risks of modern slavery in our operations and supply chains.

Going forward, we will focus on:

- continuing to collaborate with hotel operators to ensure we are continually improving our approach to assessing and addressing modern slavery risks;
- introducing a supplier code of conduct to all new suppliers and renewed contracts; and
- introducing modern slavery peer review of supply chain of our hotel operators and their direct supply chain, ensuring their approach is carried out; and
- training relevant staff to raise awareness of modern slavery risks and how they may arise in our business.

In order to assess the effectiveness of these actions, we will:

- when commencing a new operation or engaging a new supplier, assess whether our existing risk management processes remain appropriate;
- track our actions completed against feedback from our annual employee engagement process;
- track the percentage of employees who have completed training on modern slavery; and
- track the number of suspected or identified modern slavery incidents identified and remediated.

CONSULTATION

SBHREC consulted with SBHREC2 and each of their owned or controlled entities in the development of this statement by providing a copy of the statement to the Boards of those companies for review and offering the opportunity for comment.

A number of internal business units including ESG, Compliance, Human Resources and Legal were also consulted in relation to aspects of this statement. Prior to being put to the Boards of SBHREC and SBHREC2 for review and approval, this statement was reviewed by our Corporate Counsel and ESG Manager.

This statement was approved by the Board of SBHREC on 27th June 2025 and the Board of SBHREC2 on 27th June 2025 in their capacity as the principal governing body of those entities.

This statement is signed by Paul Salter in his role as Director of both SBHREC and SBHREC2 on 30 June 2026.



Director of Salter Brothers Hospitality Real Estate Company Pty Ltd and Salter Brothers Hospitality Real Estate Company No.2 Pty Ltd

STATEMENT ANNEXURE

MANDATORY CRITERIA

This statement complies with the mandatory criteria for a modern slavery statement outlined in section 16 of the *Modern Slavery Act 2018* (Cth). The below table indicates where each requirement is addressed in this statement.

Requirement	Page Number
(a) Identify the reporting entity.	1
(b) Describe the structure, operations and supply chains of the reporting entity.	1, 2
(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	3, 4, 5
(d) Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	6
(e) Describe how the reporting entity assesses the effectiveness of such actions.	6, 7
(f) Describe the process of consultation on the development of the statement with any entities that the reporting entity owns or controls (if a joint statement has been made under section 14, also describe the process of consultation with the entity giving the statement).	8
(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant.	7