

Modern Slavery Statement



THE
ASCOTT
LIMITED

A Member of CapitaLand



QUEST

APARTMENT HOTELS

A Member of The Ascott Limited

Modern Slavery Statement.

This Modern Slavery Statement (**Statement**) is made pursuant to the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) by Ascott International Management (Australia) Pty Ltd ACN 078 223 186 (**Ascott**) and its related entities and subsidiaries which includes QSA Group Pty Ltd ACN 134 361 149 (**Quest**).

Throughout this Statement, Ascott, Quest and its subsidiaries and related entities are collectively referred to as “we” or “our” or “us”.

This is our second Statement, which outlines the steps we have taken during the financial reporting year ending 31 December 2023 to understand and address the modern slavery risks in our operations and supply chains.

We are committed to identifying, assessing and eliminating modern slavery risks in our business operations and supply chain.

Our Brands.



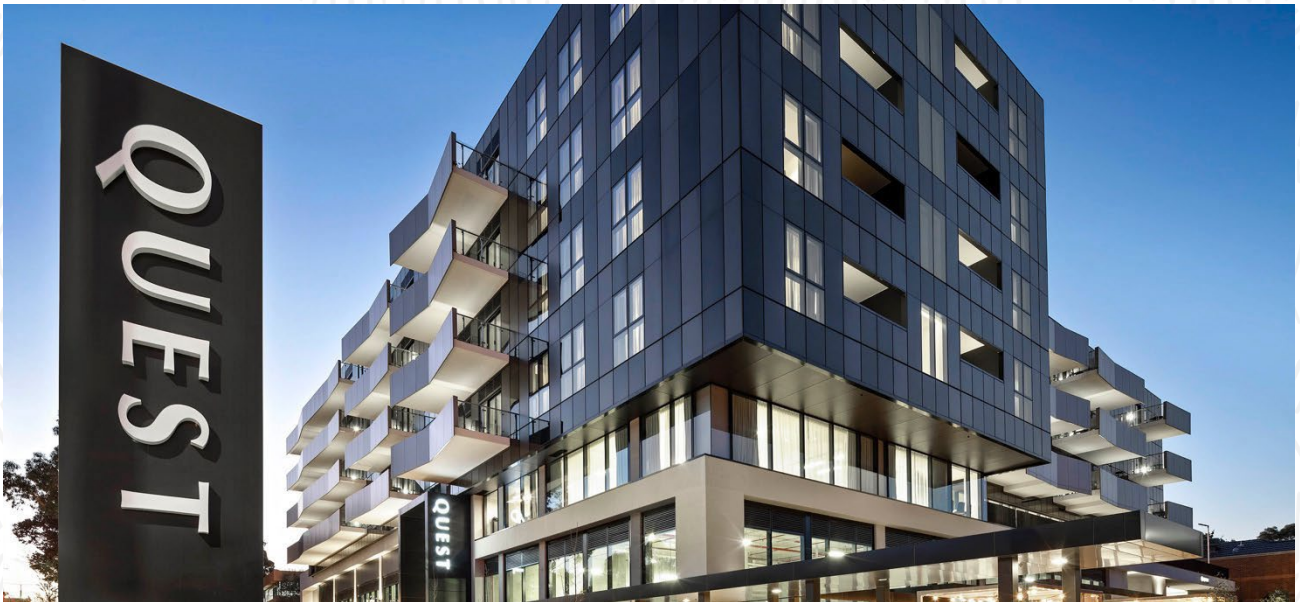
citadines



Oakwood.



somerset



Statement by Managing Director.

Standing against modern slavery.

Ascott, and its related entities and subsidiaries, including Quest, is a business built to better the lives of people, by creating experiences that express our commitment to care.

“We care about the people that stay with us. We care about the people that work with us and we care about the people that live in the communities we operate in.”

We believe that we cannot authentically deliver on this commitment to care if any person has been exploited along the way.

As a company, we stand against modern slavery. We are focused on investigating and identifying modern slavery risks in our operations and supply chains and know that this focus can never wane.

Eradicating modern slavery is an ongoing and unrelenting commitment, and one that I am proud to lead this company through.

As we navigate our first reporting period under the Modern Slavery Act, we have commenced with initial steps that are outlined in this report. I am aware, though, that this journey is one of continuous evolution and strengthening. Our approach will adapt and improve as we gain insights and strive more effectively to eradicate this grave injustice.

DAVID MANSFIELD
MANAGING DIRECTOR
ASCOTT & QUEST – AUSTRALIA

Structure, operations and supply chain.

Structure.

ASCOTT

Ascott is a subsidiary of The Ascott Limited which is headquartered in Singapore and has grown to be one of the leading international lodging owner-operators. It has a presence in more than 30 countries across Asia Pacific, Europe, the Middle East, Africa and the USA.

The Ascott Limited is a member of CapitaLand Investment Limited (**CapitaLand**), one of Asia's largest diversified real estate groups.

Ascott's serviced residence & hotel brands in Australia include Quest, Somerset, Citadines, lyf and Oakwood.

QUEST

Quest is incorporated in Australia and has approximately 160 metropolitan, regional and suburban locations throughout Australia, New Zealand, United Kingdom and Fiji.

Quest operates under a franchise model with approximately 121 hotels in Australia run by passionate local owners. In addition, Quest has 8 pre-franchised properties that are company-owned hotels.

Operations.

ASCOTT & QUEST

Our corporate office has approximately 110 employees.

Ascott employs approximately 120 employees, either as full-time, part-time or casual employees, across its managed properties which includes Somerset, Citadines, lyf and Oakwood brands.

Quest employs approximately 180 people within its company-owned hotels (i.e. non-franchised hotels).

Quest employs full-time, part-time and casual employees who are engaged on written employment agreements and subject to modern awards depending on their position. There are no enterprise agreements.

There is currently no one under the age of 18 years employed by our corporate office or our managed and non-franchise properties.

Quest franchise network

Quest's franchisees in Australia (approximately 120 hotels) are estimated to directly employ approximately 1,900 employees, either on a full-time, part-time or casual basis.

Quest generally receives franchise fees and marketing fees from franchisees for the right to use the Quest brand and systems. Franchisee owners make independent decisions regarding their hotel operations, including employment, procurement, and other systems and services.

Supply chain.

ASCOTT

Ascott maintains a large global supply chain comprised of numerous procurement categories including:

- corporate services;
- food and beverage;
- furniture, fixtures and equipment for hotel development and refurbishment;
- information technology infrastructure and services;
- professional services including legal, tax, accounting, audit and insurance providers; and
- operating supplies, equipment and hotel amenities.

QUEST

Quest engages suppliers throughout its business, specifically to support Quest's company-owned hotels (of which there are only a few) and franchise network in various procurement categories, including:

- property and facilities (e.g. furniture and fixtures);
- operating supplies and equipment;
- hotel amenities;
- food and beverage services;
- information technology; and
- corporate services.

Franchised hotels control their own independent supply chain, hence our involvement with franchised hotels is indirect. That being said, we require the franchised hotels to comply with the franchise agreements terms which includes compliance with all applicable laws and specifically, the Modern Slavery Act and any modern slavery policy issued by us.

Additionally, while procurement generally occurs at local hotel level, Quest provides details of its preferred suppliers to franchisees through its Core and Preferred Supplier Policy. This Policy contains a list of preferred contractors across various geographic regions for procurement of goods and services from predominantly Australian-based suppliers.

Other procurement is managed by Quest's head office such as arranging furniture, fixtures and equipment prior to a new Quest hotel opening.

Our modern slavery risks.

We recognise that modern slavery is a global problem affecting every country and requires a collaborative effort and coordinated response from governments and businesses. We are committed to our assessment of modern slavery risks in our operations and supply chains to better understand the risks of causing, contributing, or directly linked to modern slavery.

We recognise that the hospitality industry in general has high risk given the prevalent presence of migrant labour within its workforce.

Being a large organisation, our supply chains cross multiple borders and jurisdictions to source the products and services we require. This naturally increases our risk of modern slavery as our operations and supply chains are exposed to both local and international modern slavery risks. However, we typically prefer and aim to engage with suppliers based locally in Australia.

Approach to risk assessment

We apply a risk-based methodology when assessing modern slavery risks in our operations and supply chain. Our assessment takes into account a number of factors including risks associated with geographic locations, industries, the types of products and services we source, annual spend, and the supply chain model involved.

We recognise that the hospitality industry generally has the following vulnerabilities:

- migrant workers in high risk or vulnerable populations;
- use of contractors or service providers including labour hire and outsourcing or third-party contracting arrangements;
- use of overseas suppliers / vendors or suppliers which may operate in high-risk geographic areas; and
- increased global operations which create a risk relating to forced labour and modern slavery.

We therefore acknowledge and recognize that there may be risks of modern slavery practices inadvertently occurring in our extended operations and supply chains. However, we are committed to take steps to better understand and gain further transparency into our extended operations and supply chains through our continuous efforts.

Actions taken to address modern slavery.

Operations and Governance.

We are committed to maintaining the highest level of integrity and honesty throughout all aspects of our business, and we expect our business partners including suppliers and vendors to respect and adhere to such practices in the operation and management of their business.

NON-FRANCHISED & MANAGED

Governance processes

As part of our roadmap for effective prevention of modern slavery in our non-franchised and managed operations, we commenced our journey in establishing internal processes to regularly review and audit actions taken to address modern slavery risks including regular engagement and feedback within and between entities such as the legal, human resources and operations departments.

Compliance Officer

We appointed a Compliance Officer to guide and monitor risks of modern slavery. In this financial year, the Compliance Officer carried out risk assessments and due diligence procedures which flow through our organisation and supply chains. This included:

- the coordination of an annual risk control self-assessment which identifies regulatory and compliance risks, modern slavery risks, climate change and environmental risks (amongst others).
- the inclusion of contract clauses requiring compliance with Modern Slavery laws in our new supply contracts.
- assisted our Procurement team with the development of Modern Slavery Questionnaire (**MS Questionnaire**).

FRANCHISED

While franchised hotels independently control their supply chain, we not only provide tools that allow franchisees to educate themselves on modern slavery risks, but also communicate our expectations to the franchisees to ensure their staff have read and understands our Modern Slavery Policy. This includes online modern slavery training modules and presentation on the relevance and importance of complying with the modern slavery laws, at relevant events involving the franchisees (for example, Franchisee Regional Meetings held twice a year). The franchised hotels have access to our Core and Preferred Supplier Policy. We believe these assist with mitigating risks in circumstances where we have little visibility or oversight over franchised hotels' operations and supply chains.

We developed a modern slavery training program (Training) and provided this to our franchisees. In addition, we have also provided our franchisees information regarding our Core and Preferred Supplier Policy which sets out the guidelines and our expectations when they engage a supplier. We aim to mitigate modern slavery risks in circumstances where we have little visibility or oversight over franchised hotels' operations and supply chains.

POLICIES

Our assessment of modern slavery risks in our operations and supply chains has also been carried out against the background of our existing policies and procedures aimed at ensuring a safe and fair working environment for our staff and suppliers. These include:

- **MODERN SLAVERY POLICY**
This policy outlines our approach to mitigating modern slavery practices including by requiring that all persons (such as employees, contractors, directors or those seeking to have business relationships including suppliers), identify risks within our operations and supply chain and take steps to address and/or remediate these.
- **WHISTLEBLOWER POLICY**
This policy is designed to promote and support a culture of honesty, integrity and ethical behaviour including by encouraging reporting of actual or suspected misconduct by eligible whistleblowers.
- **CODES OF CONDUCT**
Our codes of conduct sets out our expectations of behaviour and conduct by our employees, officers, contractors, franchisees and suppliers
- **WORKPLACE BULLYING, DISCRIMINATION AND HARASSMENT POLICY**
This policy and procedure include our obligations in respect of bullying, harassment, discrimination, victimisation and vilification. It establishes procedures and processes for making complaints and applies to all employees, directors, officers, contractors, suppliers and visitors.
- **WORKPLACE HEALTH AND SAFETY POLICY**
This policy promotes the creation and maintenance of the highest standards of health and safety in the workplace and to promote a productive and enjoyable environment for all.

- **CORPORATE OFFICE GENDER EQUALITY, FLEXIBILITY AND DIVERSITY POLICY**

This policy aims at supporting and encouraging workplace participation by persons of different genders at Ascott and Quest. Corporate Ascott and Quest employees are provided with additional leave entitlements and other benefits. Through this, we aim to reduce the effect of systemic causes of gender inequality which commonly arise in workplaces and to promote and encourage the achievement of gender equality in the workplace.

- **DIVERSITY AND INCLUSIVE POLICY**

Ensures a fair and inclusive culture and to build a workforce that reflects the diversity of our communities.

In addition to all of the above, we are also subject to CapitaLand's policies and procedures including Environmental Health and Safety Policy and Grievance Handling Procedure.

EMPLOYEES

- **Modern Slavery Policy and Training**

We have developed a Modern Slavery Policy and provided our employees, contractors and other staff working on our behalf.

In addition, we have also provided our corporate employees with modern slavery training and continue to encourage the report of any suspected misconduct or breach of our Modern Slavery Policy or any other policies and procedures. Specific procedures to do so are set out in our established Modern Slavery Policy.

Our modern slavery training is conducted annually. It is our focus and priority to continuously bolster participation rates through enhancing internal communication with our corporate employees.

- **Employment policies, processes and procedures**

We have procedures in place to ensure we adhere to the applicable employment laws in our business operations. We are committed to being a fair and transparent workplace.

We are dedicated to fostering a culture and atmosphere where our people feel empowered to express their concerns or grievances without fear or reprisal. The precise procedures and process can be found within our established workplace policies and procedures.

Supply chain.

Suppliers Code of Conduct

In our first reporting year, we implemented a Supplier Code of Conduct which suppliers of non-franchised and managed properties are required to sign up to.

Quest's Core and Preferred Suppliers

Suppliers listed in Quest's Core and Preferred Supplier list for franchised properties are bound by the Supplier Code of Conduct. The Supplier Code of Conduct sets out our expectations on our suppliers to comply with all applicable laws, including compliance with modern slavery laws, health and safety laws, uphold integrity and act ethically, including complying with the relevant anti-bribery and corruption laws.

Contracts

We have also incorporated specific prohibitions against modern slavery practices in our supplier contracts for non-franchised and managed properties, including the ability for us, if required, to terminate contractual arrangements where suppliers engage in such practices.

Modern Slavery Questionnaire and Pre-Qualification Supplier Questionnaire

To assist us in determining which parts of the supply chain in our business may carry modern slavery risks and in turn, allow us to focus our efforts in those areas, we developed a Modern Slavery Questionnaire and Pre-Qualification Supplier Questionnaire (**Questionnaires**) targeted at helping us gain understanding of a supplier's operations and supply chain. We commenced conducting due diligence on suppliers for non-franchised and managed properties, including providing a supplier questionnaire for existing suppliers and a pre-qualification questionnaire to obtain necessary procurement information. This includes requesting copies of modern slavery statements and confirming modern slavery practices and compliance.

As we are in the early stages of our journey, we are focusing on engaging our suppliers to improve their responses when completing our Questionnaires. We plan to utilise the data obtained from the Questionnaires to assist us with gaining further insights into the measures set in place by our suppliers to ensure modern slavery is not occurring.

In our first year of reporting, we analysed our list of suppliers and evaluated our relationship with existing suppliers to help inform our risk assessment approach and to identify any potential areas we may cause, contribute or be directly linked to modern slavery.

We will continue to review and update our new supplier contracts to include contractual clauses requiring compliance with the applicable modern slavery laws. In addition, we continue to provide our suppliers with our Modern Slavery Policy to clearly demonstrate our clear position to minimise and eradicate modern slavery and our expectations on our suppliers to do the same.

In respect of suppliers, we will centralise procurement for managed and non-franchised properties and endeavour to centralise some procurement for franchisees through the Core and Preferred Supplier Policy.

Assessing the effectiveness of our actions.

Ascott & Quest.

As part of our long-term strategy, we are dedicated to continuously improve and enhance our existing policies and processes and refine our approaches to mitigate modern slavery risks.

As we are still in the early stages of our journey, we are focused on building on the foundations we have laid as described in our statements.

SUPPLIER ASSESSMENTS

Through the distribution of our Questionnaires, Supplier Code of Conduct and Modern Slavery Policy to our newly engaged or renewed suppliers, they are made aware that compliance to our Supplier Code of Conduct and the applicable modern slavery laws are non-negotiable.

If we become aware of any actual contraventions or attempts to contravene modern slavery laws by our suppliers whose contracts include our modern slavery contract clauses, these suppliers understand that they are expected to notify us and we would be able to engage with them to take appropriate next steps, or if required, terminate the contract.

ASSESSING QUEST FRANCHISED NETWORK

As employees and suppliers are employed and chosen by the franchised hotels, these fall outside of our direct influence. However, we provide recommendations, policies and other tools, such as training so that the franchised hotels are aware of their responsibilities and our expectations before engaging a supplier or employing new employees, to assist them in meeting their obligations under the franchise agreement.

In the last financial year, we have made available modern slavery training to our franchised hotels through our Concierge webpage which serves as a comprehensive repository of all essential information for the franchised hotels.

CORPORATE RECOGNITION

Our continued dedication and endeavours to promote gender equality are evidenced by our recognition as:

- winner of the 2023 Recalibrate Gender Equity Awards for the SME Business category
- 12th Best Place to Work in the over 100 employees category at the 2023 Best Places to Work Conference and Awards

We will continue to:

- assess the effectiveness of our governance structure including by adopting further relevant policies and procedures, where necessary to address modern slavery risks in our operations and supply chains.
- work collaboratively with our people and partners to understand the challenges and successful stories (and build on those) which will in turn, help us learn what we can do moving forward to better improve our current policies and processes.

Further information.

Environmental, Social and Governance.

Ascott's Sustainability Program known as 'Ascott Cares' is an initiative launched by our parent company in Singapore, the goals of which we aim to align ourselves with. A copy of Ascott Cares is available on request.

Quest's Environmental, Social and Governance (ESG) strategy recognises the brand's core values, as well as our responsibility in today's world. We understand, embrace and commit to making a positive impact through three key pillars: Environmental Action, Diversity and Inclusion and Community Involvement. A copy of our ESG strategy is available on request.

Values.

Broader Ascott values underpin this Statement:



Quest values also underpin this Statement:

Our Values



MUTUAL RESPECT

We may disagree but we act in accordance with our values.



ONGOING RELATIONSHIPS

We build trusting, mutually beneficial long-term relationships.



UNDERSTANDING

We seek to confirm another person's perspective.



ALIGNMENT

We work together to achieve common goals.



PERSONAL BEST

Everything we do, we do to the best of our ability.

Awards.

We have won a number of awards in recent times, the following are the achievements and accolades received in 2023 calendar year alone:

- 🏆 Recalibrate Gender Equity Awards – SME Business Category
- 🏆 Hotel Management Innovation Collaboration Award with Accessible Accommodation 2023
- 🏆 Hotel Management Service to the Community Award
- 🏆 WRK+'s Best Places to Work – Over 100 Employees Category
- 🏆 Hotel Management Accommodation Chain of the Year Award – Highly Commended
- 🏆 btTB Travel Buyer Supplier Relationship Award

Consultation.

Ascott and Quest consulted with other related entities and subsidiaries within the group of companies to prepare this Statement.

Whilst it does not own or control franchisees, given they are separate legal entities, we endeavour to consult with franchisees through written updates and by way of conference updates.

*This Statement was approved by the Board of Directors of
the Ascott International Management (Australia) Pty Ltd on 8/6/2024*

DocuSigned by:



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David Mansfield

Managing Director

Ascott International Management (Australia) Pty Ltd

Compliance table.

We have prepared this Modern Slavery Statement following the seven reporting criteria outlined in the *Modern Slavery Act (Cth) 2018*.

The below table sets out the main location of the information for each criterion.

CRITERIA	LOCATION OF INFORMATION (page number)
Identify the reporting entity	2
Describe the reporting entity's structure, operations, and supply chains	4 – 6
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	7
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	8 – 11
Describe how the reporting entity assesses the effectiveness of these actions	12 – 13
Describe the process of consultation with any entities the reporting entity owns or controls	16
Provide any other relevant information.	14 – 15



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