



CHARTER HALL GROUP

# Modern Slavery Statement

FY23



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## Acknowledgement of Country

Charter Hall acknowledges the Traditional Custodians of the lands on which we work and gather.

We pay our respects to Elders past and present and recognise their continued care and contribution to Country.

Left: Smoking ceremony taking place at Ascent Logistics Centre, Alexandria NSW (Gadigal land)

# About this Statement



## Welcome

### This is our fourth Modern Slavery Statement (Statement).

It outlines the approach we have taken to understand, identify, manage and mitigate the risks of modern slavery in our operations and supply chain for the financial year ended 30 June 2023.

This Statement has been prepared and issued by Charter Hall Limited (ABN 57 113 531 150) and Charter Hall Funds Management Limited (ABN 31 082 991 786 AFSL 262861) (CHFML) as Responsible Entity of the Charter Hall Property Trust (together, we refer to these entities as the Charter Hall Group for the purposes of reporting under the Commonwealth *Modern Slavery Act 2018* (the Act)).

'Charter Hall', 'Group', 'CHC', 'our' and/or 'we' in this Statement are references to Charter Hall Group and each of its reporting entities.

Entities excluded from the Statement include those which do not trigger the reporting threshold for consolidated revenue. Charter Hall applies all policies and procedures to entities controlled by Charter Hall limited, including their approach to contracting and procurement, and how they screen suppliers. As a business we leverage our platform wide scale to support a common approach, including towards human rights and modern slavery.

## Consultation with Charter Hall reporting entities

Our consultative approach to managing modern slavery is consistent with previous years. Each of our reporting entities has its own governance structure (including its own Board) that determines decision-making for assets within its portfolio. The reporting entities are further supported by Group and sector sustainability and community teams who provide regular updates and reports to each Board.

The sector representatives of the reporting entities participate in Charter Hall's Human Rights and Modern Slavery Working Group, including review and approval of the Statement. Each reporting entity has delegated day-to-day operational management to our Group. This management is undertaken in accordance with our policies and Codes of Conduct.

All our responsible entities, or trustees (where applicable), have endorsed the CHC codes and policies. These can be found [here](#). As part of our governance approach, management annually reviews policies and procedures. In the FY23 period the Sustainability and Whistleblower Policy were updated to reinforce all suppliers responsibility in relation to modern slavery. See details on [page 14](#).

## Entities covered by this Statement

This Statement covers the following Charter Hall reporting entities that meet the reporting threshold of \$100 million in consolidated revenue under the Modern Slavery Act 2018:

### Listed entities

- Charter Hall Limited and its wholly owned subsidiary Charter Hall Holdings Pty Limited – Charter Hall Funds Management Limited (CHFML) as Responsible Entity for Charter Hall Property Trust (CHPT) (together, the Group) (ASX: CHC)
- Charter Hall Social Infrastructure Limited (CHSIL) as Responsible Entity for Charter Hall Social Infrastructure REIT (ASX:CQE)
- Charter Hall Retail Management Limited (CHRML) as Responsible Entity for Charter Hall Retail REIT (ASX:CQR)
- Charter Hall WALE Limited (CHWALE) as Responsible Entity for Charter Hall Long WALE REIT (ASX:CLW)

### Unlisted entities

#### Direct Funds

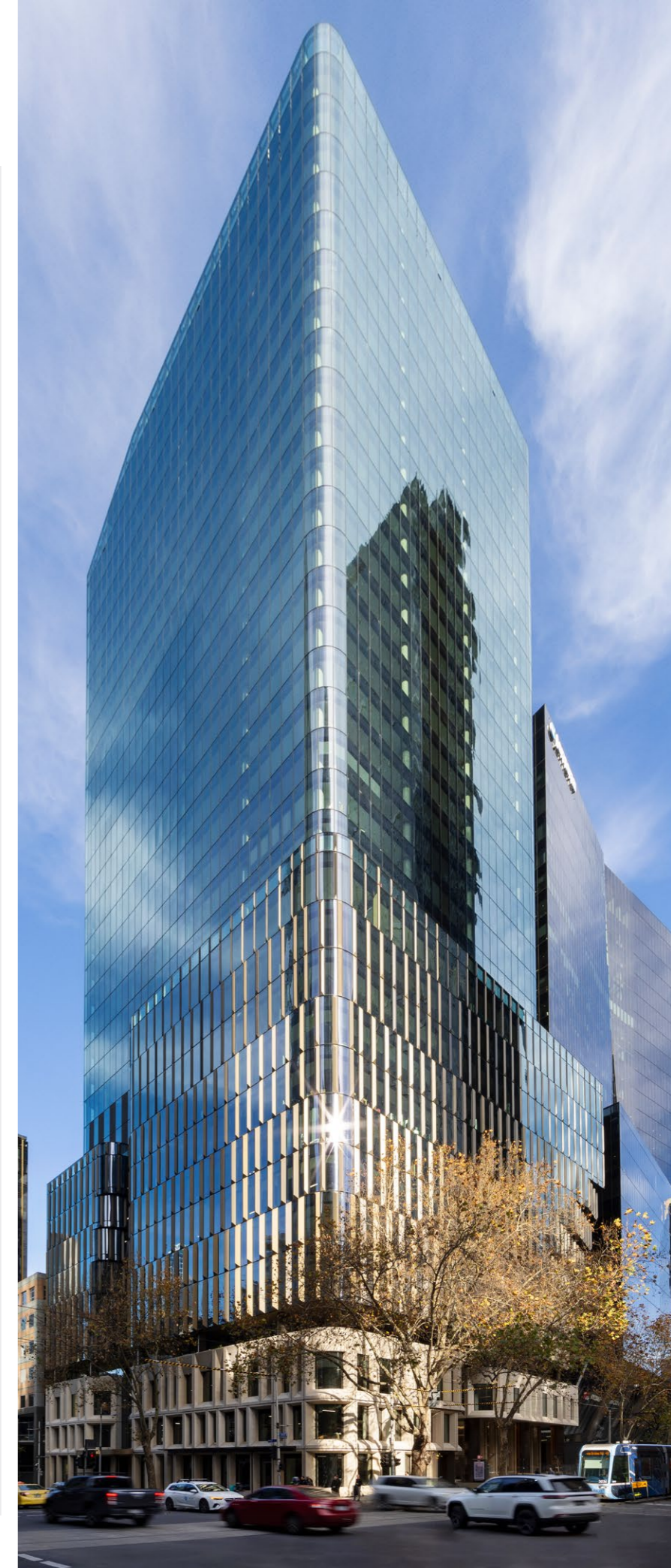
- Charter Hall Direct Property Management Limited (CHDPML) as Responsible Entity for Charter Hall Direct Office Fund (DOF), Charter Hall Direct PFA Fund (PFA), and Charter Hall Direct Industrial Fund No. 4 (DIF4)

#### Wholesale Property Funds

- Charter Hall Investment Management Limited (CHIML) as Responsible Entity for Charter Hall Prime Industrial Fund (CPIF) and Charter Hall Prime Office Fund (CPOF)
- Charter Hall Wholesale Management Limited (CHWML) as Trustee for Charter Hall Office Trust (CHOT) and Core Logistics Partnership (CLP)

Left: No.1 Martin Place, Sydney NSW (Gadigal land)

Right: 555 Collins Street, Melbourne VIC (Wurundjeri and Bunurong land)

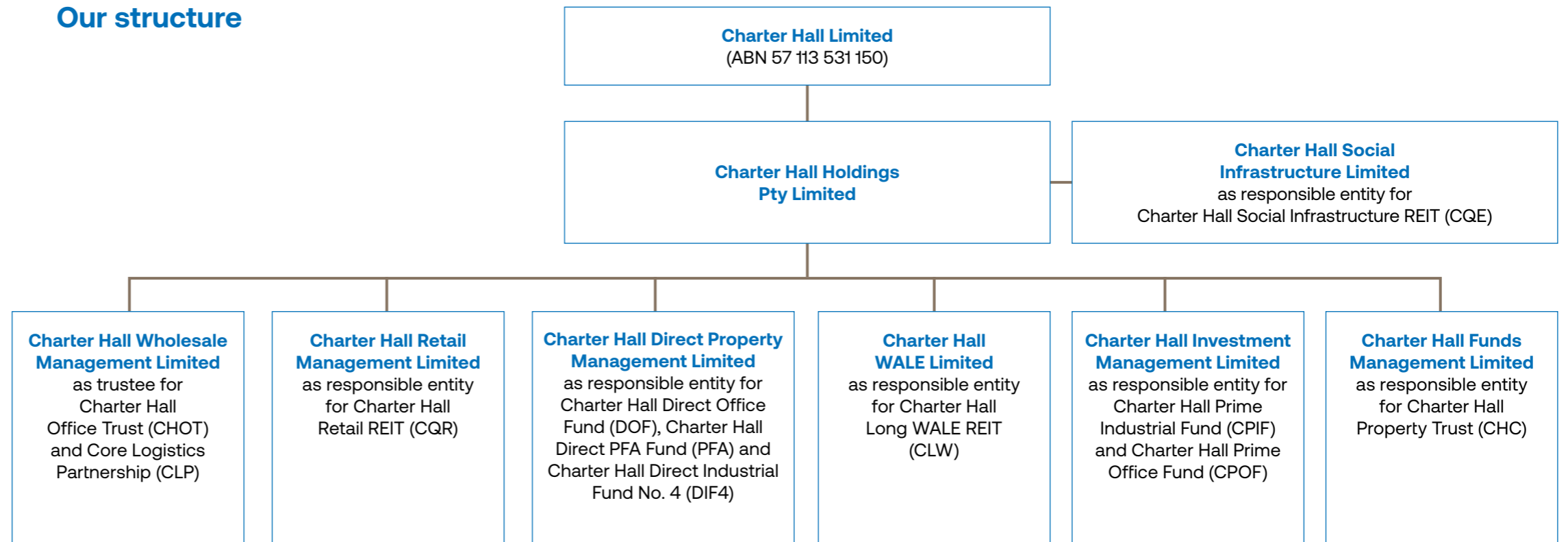


**ABOUT THIS STATEMENT**

**Our approach**

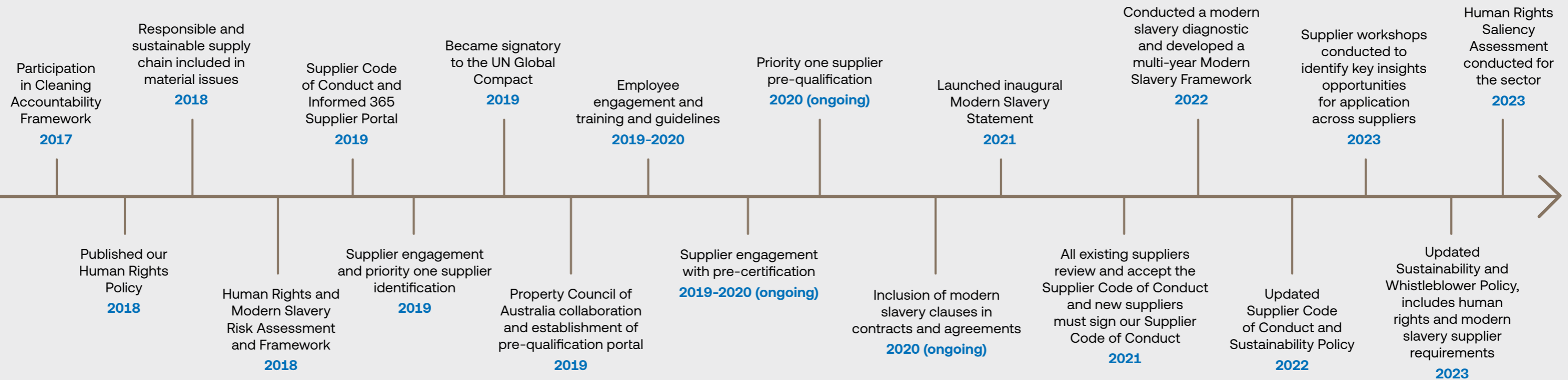
Consistent with the previous reporting period, we engaged with our reporting entities on modern slavery through Board briefing papers. Our Structure diagram opposite outlines the reporting entity structure under Charter Hall Limited.

**Our structure**

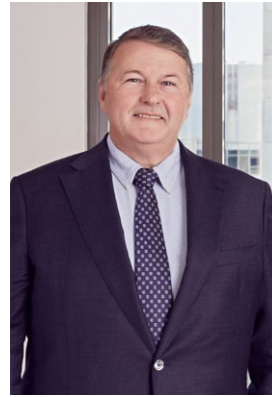


**Our human rights and modern slavery milestones**

Outlined below are the key milestones to date on our approach to manage and mitigate modern slavery risk in our operations and supply chain.



# Managing Director & Group CEO message



We are acutely aware of the significant risk that modern slavery presents to our customers, our suppliers and our company. Although we are starting to see the immediate impacts of the COVID-19 pandemic receding, the lingering impacts on disrupted supply chains and displaced, vulnerable workers have created an environment where modern slavery has escalated.

This year, we continued to partner with our people, within our value chain, and across our industry to build understanding capability to take action against modern slavery. Within our business, we have prioritised assessing modern slavery risks in our operations and across our value chain to ensure improved resilience in the wider community now and into the future.

Our approach to responsible and sustainable procurement of goods and services for our business is an ongoing focus for the Group. Our purchasing decisions and practices consider the environmental and social impacts of the products and services we buy, while equally meeting the needs of our business. We also worked with our suppliers to improve procurement outcomes that benefit our tenants and other stakeholders.

We know that certain supplier categories present a higher risk for modern slavery in our supply chain, including our property and facilities management, cleaning and security, and construction. Our reliance on these services creates vulnerabilities for our operations, and in response we have implemented systems to minimise the risk of exploitative labour practices in our supply chain.

This year we continue to analyse our overall annual supplier spend in the high-risk categories. Our top 20 suppliers in cleaning and security made up 82% of the total spend in the category. This helps us to effectively focus our risk management approach on our most high risk suppliers. Our spend on construction activity increased in FY23. Approximately 41% of our total spend on property, buildings and construction was with tier one construction contractors who report their health and safety performance, and application of our contracting clauses regarding modern slavery and human rights, directly to Charter Hall.

As an ongoing priority, we remain aligned with the Australian Modern Slavery Act 2018, the UN Principles for Responsible Investment (PRI), UN Guiding Principles on Business and Human Rights, and other relevant international covenants. We have been a signatory to the United Nations Global Compact (UNGC) for the past five years, ensuring the UNGC principles inform our governance, culture, and business practices, especially as it relates to human rights.

Within our industry, our active involvement in the Property Council of Australia's (Property Council) Modern Slavery Working Group has contributed to greater understanding and mitigation of modern slavery risks, and ensuring that suppliers are equipped to respond to instances of modern slavery. We also conducted five supplier assessments with tier one suppliers in our Retail portfolio and tier two suppliers in our Office and Industrial & Logistics portfolio. We also conducted an independent human rights risk assessment for the real estate sector, identifying seven salient human rights issues for evaluation. These assessments facilitated important opportunities for learning, knowledge sharing and collaboration on solutions.

We must all take responsibility to drive change. As with all long-term and complex challenges, there is more work to be done. We continue to be vigilant, grow our knowledge and take the actions required to manage this risk. We hold ourselves accountable through this Statement, which aligns with and complements our governance approach and ensures that our business strategy directly enables us to deliver on our due diligence commitments.

This Statement was approved by the Charter Hall Group Board on 4 December 2023.

**David Harrison**  
Managing Director & Group CEO

## Six key components on how we manage modern slavery risk

# 1

### Industry collaboration

We actively participate in industry led collaboration and direction on modern slavery for the sector. Our employees are active members of the Property Council's Modern Slavery Working Group and the Cleaning Accountability Framework (CAF) to support knowledge sharing and broader adoption of measures to mitigate modern slavery risk in the real estate sector and supply chains.

Please see [page 14](#) for more information.

# 2

### Human Rights Saliency Assessment

In FY23, we engaged a third-party consultant to review the most salient human rights matters affecting the industry and assess the maturity of our existing human rights approach. The assessment found our policies and procedures are well aligned with key human rights considerations for our industry and aligned with international frameworks.

Please see [page 11](#) for more information.

# 3

### Operational management systems

We updated our standard terms and conditions to include modern slavery clauses across all purchase agreements. These updates addressed compliance with legislation, policy development and our reporting of incidents. In the period we updated our Sustainability and Whistleblower Policy to outline the requirements of all suppliers with respect to human rights and modern slavery.

Please see [page 16](#) for more information.

# 4

### Partnerships

Active partnership is a cornerstone of our approach to mitigating modern slavery risk in our supply chain. Across our Office and Industrial & Logistics sectors, we partner with our third party facilities management providers, who procure and manage our property maintenance services.

Please see [page 9](#) for more information.

# 5

### Spend analysis

We continue to analyse our overall annual supplier spend in the high-risk categories of cleaning and security. In FY23 our top 20 suppliers in cleaning and security made up 82% of the total spend in the category, helping to guide our modern slavery focus going forward.

Please see [page 10](#) for more information.

# 6

### Supplier deep dives

We engaged a third-party consultant to conduct five supplier deep dive workshops across our sectors. The objective was to gain insight into suppliers' modern slavery due diligence practices. The workshops facilitated knowledge-sharing, identified current challenges, and explored opportunities for collaboration.

Please see [page 12](#) for more information.

# Our business operations and supply chain

Charter Hall Group (ASX:CHC) is one of Australia's leading fully integrated property investment and funds management groups. We use our expertise to access, deploy, manage and invest equity in core real estate sectors, creating value and generating returns for our customers.

Over the past three decades we have built a diverse \$71.9bn property portfolio including office buildings, retail properties, convenience retail, hospitality assets, automotive dealerships, industrial and logistics properties, telecommunication exchanges and early learning centres.

Partnership and financial discipline are at the heart of our approach, and sustainability is a core driver of value for the Group. We partner with tenant and investor customers to create environmental, economic and social value alongside sustainable returns. We always aim to act in the best interests of our customers and communities, combining insight and inventiveness to deliver value. Our development pipeline provides sustainable, technology equipped assets for our customers and the community.

Our dedicated teams in each of the major capital cities, provide local service and expertise to our customers and communities.



1. All figures are as at 30 June 2023.

## Our scale<sup>1</sup>

With 32 years in business, we focus on quality investment in core sectors, creating an Australian funds management business of scale by global standards.

 **1,663**  
properties

 **\$3.3bn**  
net rental income

 **11.9m sqm**  
of lettable area across the Group

 **\$13.9bn**  
development pipeline

## Our funds under management (FUM)

The diversity of our property portfolio and business model means we offer a wide range of investment options.

**\$48.1bn**  
Wholesale pooled and partnerships FUM

**\$13.3bn**  
Listed FUM

**\$10.5bn**  
Direct (unlisted) FUM

Dandenong Distribution Centre,  
Dandenong South VIC  
(Bunurongland)

## Our values



**Active partnership**  
We believe that if everyone benefits, we benefit.



**Inventive spirit**  
We create with purpose and discipline.



**Genuine insight**  
We use expertise to unlock resilient growth.



**Powered by drive**  
We put our passion into action.

## Our core areas of business



**Investment management**  
We access capital from wholesale, listed and unlisted equity sources to secure properties with potential to generate consistent, long-term returns.



**Property leasing**  
We deliver property solutions designed around customer needs to achieve long-term leasing.



**Property development**  
We design and deliver Australian developments with a focus on sustainability, innovation and adding value.



**Asset management**  
We work to improve our properties, drive performance, build value and deliver better environments for our customers.



**Property management**  
We provide day-to-day management of our properties including placemaking to enhance the customer experience.



**Portfolio integration**  
We deliver integrated property portfolio solutions for customers, enabling them to grow with us.

**OUR BUSINESS OPERATIONS AND SUPPLY CHAIN**

**Our property portfolio**

Our portfolio is geographically diverse with assets in all States and Territories in Australia and New Zealand.<sup>1</sup>

**Office**

**\$29.3bn** 96 properties

We manage our assets and retain operational control, except for a small number of single tenanted assets. We partner with property facilities management firms such as CBRE, Knight Frank, Honeywell and Colliers who manage these assets (including procuring and managing property maintenance services) on our behalf.

**Shopping Centre Retail**

**\$4.3bn** 52 properties

We manage our assets and retain operational control. We have established procurement policies and procedures that incorporate modern slavery requirements.

**Long WALE Retail**

**\$9.7bn** 803 properties

Our tenants retain operational control of these assets, including property maintenance and related supply chain choices.

**Industrial & Logistics**

**\$24.5bn** 303 properties

Our tenants retain operational control of these assets, including property maintenance and related supply chain choices. We maintain operational control of common areas only.

**Social Infrastructure**

**\$3.7bn** 409 properties

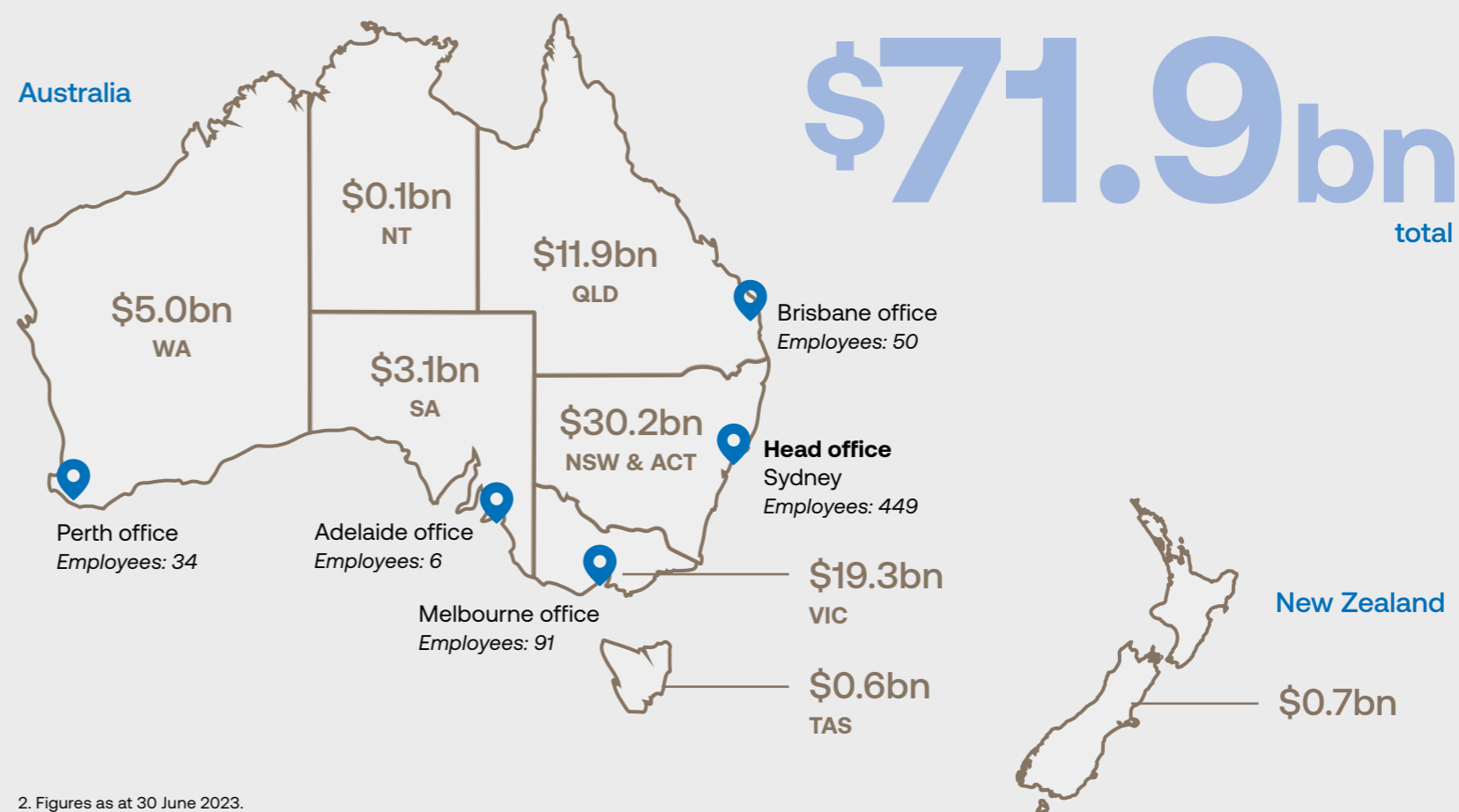
Our tenants largely retain operational control of these assets, including property maintenance and related supply chain choices.

1. Figures as at 30 June 2023. Property FUM excludes Listed Equity.

Right: Ampol, Dee Why NSW (Cammeraygal land)

Far right: 130 Lonsdale Street, Melbourne VIC (Wurundjeri and Bunurong land).

**Property funds under management<sup>2</sup>**



2. Figures as at 30 June 2023.



# Understanding our modern slavery risk

Responding effectively to our modern slavery risks involves understanding the nature of modern slavery, as well as the factors that make it more likely to occur. This allows us to act to address emerging high-risk situations to prevent incidents of modern slavery.

## Our operational risk

We assess the risk of exploitative labour practices or modern slavery in our workforce as very low. This is because our workforce is predominantly Australian based and our ongoing alignment is to Australian health and safety legislation.

Our current workforce of just over 640 employees are spread across New South Wales, Queensland, South Australia, Victoria and Western Australia. Each of these States has strong employment and work health and safety legislation, which Charter Hall complies with. We have two employees based overseas, one in London and one in Singapore.

Our workforce comprises of various direct and indirect workers, which support our business operations. Our direct workforce includes 607 permanent employees which is 94.1% of our workforce. Contract and casual staff represent 39 workers or 5.9%. These contract and casual staff are all domiciled in Australia. The figure includes 13 external contractors providing concierge services in our corporate offices, which are employed by Accor Group and provide services in accordance with Charter Hall policies, procedures and code of conduct.

We understand that our indirect workforce comprises various categories of employees, contractors, suppliers, building material manufacturers and facilities management services (cleaning, security, maintenance). We understand that the use of contracted and sub contracted labour and services in Australia often overlaps with low income and unskilled labour, however our approach to contracting and vendor onboarding seeks to mitigate this risk. Through partnership we aim to evolve and mature our approach, as well as strengthen our controls.

Respect for human rights is one of our fundamental values. To that end, we manage our operations in line with the International Bill of Human Rights, the UN Guiding Principles on Business and Human Rights, the UN Global Compact and international and Australian modern slavery legislation. This approach extends to everyone who works for us and with us. We expect them to conduct business in a safe, responsible and equitable manner and in compliance with all applicable human rights laws, regulations and standards. We explicitly reject child labour, forced or compulsory labour and all forms of modern slavery in our operations, supply chain or in our business relationship and partnerships.

Through our [Employee Code of Conduct](#) and our [Supplier Code of Conduct](#) we remind all of our employees and suppliers that sustainable business behaviour is everyone's responsibility. The Codes provide guidance on good governance, ethics, transparency, accountability and risk management, including the principles and the behaviours we embrace to operate safely, honestly, and responsibly.

Our whistleblower policy and hotline supports the Codes. This hotline was accessed three times in FY23 (all investigated and appropriately addressed). Our approach to compliance and ethical business practice scored 90% in our most recent employee engagement survey (six points above the Australian norm).

We're proud to have created an environment where people genuinely want to work. Key to our business strategy is creating a culture and working environment that enables our people to feel fulfilled in their roles. This is evidenced by our employee engagement score of 89% in FY23, nine points above the industry norm. Our culture and working environment is underpinned by values-driven leadership, self-awareness accountability, flexibility and choice.



## Workforce by location<sup>1</sup>

<b>449</b> New South Wales	<b>91</b> Victoria
<b>50</b> Queensland	<b>34</b> Western Australia
<b>6</b> South Australia	<b>640+</b> Total

Above: Midwest Logistics Hub, Truganina VIC (Bunurong land)

1. As of 30 June 2023. The employees by location represent permanent and fixed term contracts. The total employees figure includes casual and external contractors.





**UNDERSTANDING OUR MODERN SLAVERY RISK**



**Our supply chain**

Our supply chain is made up of over 3,380 direct suppliers who support our operational management and development functions and services throughout Australia.

All suppliers, existing and new are required to review and accept our Supplier Code of Conduct. The Code outlines our commitments and principles and clearly communicates our expectations of our suppliers – including throughout their own supply chains – in providing products and services to us. In addition, we continue to collaborate with the Property Council of Australia on Informed 365 pre-qualification questionnaire (PCAQ). This requires suppliers to share the actions they are taking to assess and address human rights issues and modern slavery risks across their operations and supply chains.

Certain supplier categories represent the higher risk for potential occurrences of modern slavery in our supply chain. Our risk assessment identified these as property and facilities management, specifically relating to cleaning and security.

We continue to analyse supplier spend in our supply chain to ensure our focus remains on the categories that are of highest risk for potential exposure to modern slavery in our supply chain. In FY23, cleaning and security represents 5% of our total spend (see [page 10](#)). Given the potential risk of exposure, this category remains a key area of focus in our approach to mitigate modern slavery risk in our supply chain.

In the period, we conducted five ‘supplier deep dive’ workshops focused on modern slavery and human rights. This included three suppliers from the cleaning sector and two from the security sector. These five suppliers account for 23% of our spend in cleaning and security across the Group. For further information, see our supply deep dives on [page 12](#).

Above: 130 Lonsdale Street, Melbourne VIC (Wurundjeri and Bunurong land).

Right: Geoscience Australia, Narrabundah ACT (Ngunnawal land)

**Partnering with property and facilities management**

Active partnership is a cornerstone of our approach to mitigating modern slavery risk in our supply chain. Across our Office and Industrial & Logistics sectors, we partner with property facilities management organisations, such as Knight Frank, Honeywell, Colliers and CBRE, who procure and manage our property maintenance services.

Assets managed by third party providers <sup>1</sup>	Number of assets	% of portfolio	Sqm (millions)	% of portfolio
<b>Office</b>				
CBRE	70	73	1.5	75
Knight Frank	9	9	0.1	6
Colliers	13	14	0.2	9
Others	4	4	0.2	10
<b>Industrial &amp; Logistics</b>				
CBRE	235	95	4.1	96
Others	14	5	0.2	4

We manage our Retail assets aligned with our modern slavery and human rights approach requiring all supplier to meet our contractual clauses, policies and procedures including our Supplier Code of Conduct. This creates a common approach across our sectors. Across our Social Infrastructure portfolio, Long WALE Retail assets and Industrial & Logistics assets on triple net leases, our tenants retain operational control, including property maintenance and related supply chain choices.

In FY24, our Office sector will restructure its approach to contracting, in housing capability and becoming principal for facilities managers services. As part of this restructure the sector will continue to partner with CBRE (under a new contract term), as well as required all new contractors to adopt and adhere to our Human Rights Policy, Supplier Code of Conduct and vendor onboarding requirements.



1. Excludes sites where Charter Hall do not have operational control to engage contractors. These sites are largely triple net leases where our tenants retain operational control, therefore bearing minimal ability for us to influence or control any supply chain management practices.

**UNDERSTANDING OUR MODERN SLAVERY RISK**

**Our supply chains across key services**

**Property development**

- Head contractor
- Engineering services
- Construction labour and services
- Construction materials and equipment

**Property management, asset management and property leasing**

- Facilities management
- Grounds and gardens maintenance
- Security
- Cleaning and hygiene
- Waste management
- Building maintenance
- Professional services supporting building management
- Airconditioning
- Fire services

**Investment management and portfolio integration**

- Professional and financial services
- Office supplies and furniture
- Information Communication Technology services and equipment
- Marketing merchandise
- Waste services
- Building services and equipment
- Airconditioning and fire services
- Courier services

**Our supply chain and communities**

**45,000**

investors and tenant customers

**3,380+**

total suppliers engaged

**318**

high-risk suppliers

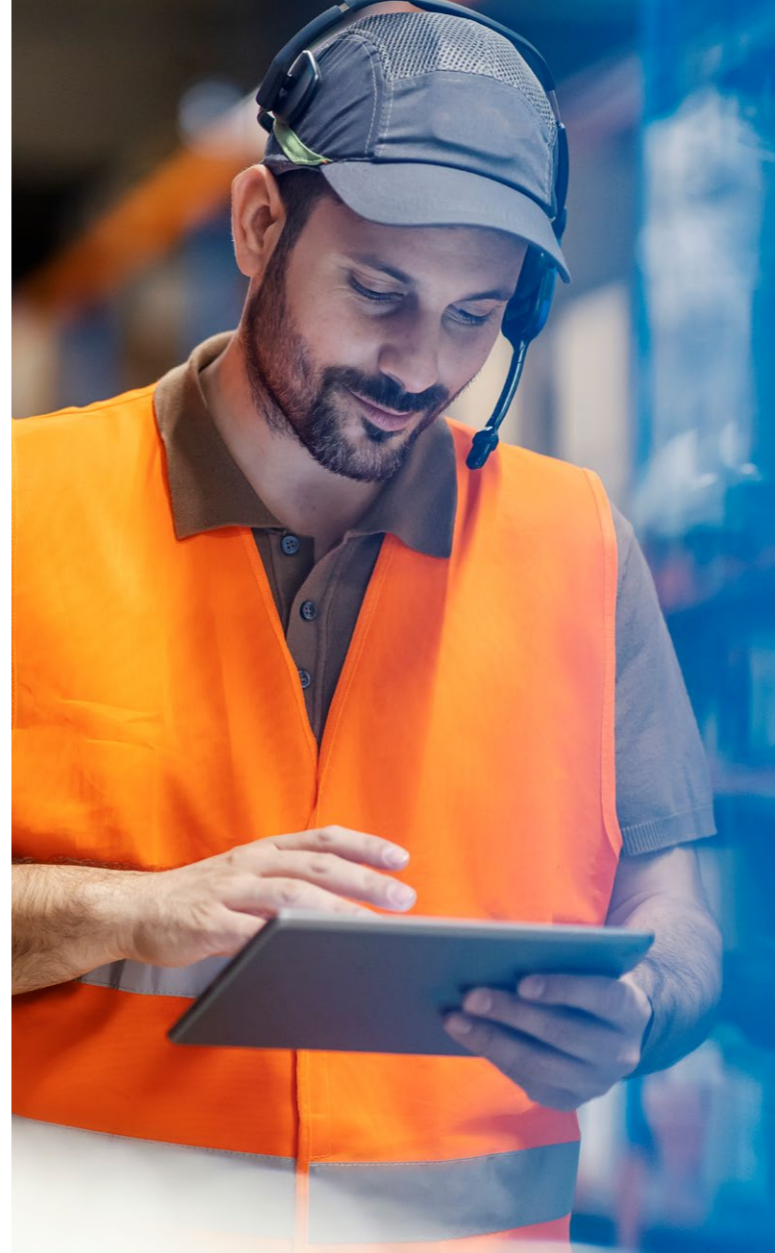
**Supplier spend analysis**

Certain supplier categories represent a higher risk for potential occurrences of modern slavery in our supply chain. Our risk assessment identified these as property and facilities management, specifically cleaning and security.

In FY23, we analysed our annual supplier spend in these high-risk categories. Our spend data shows that we engaged with 318 suppliers in the high-risk industries of cleaning and security, making up 5% of our total spend.

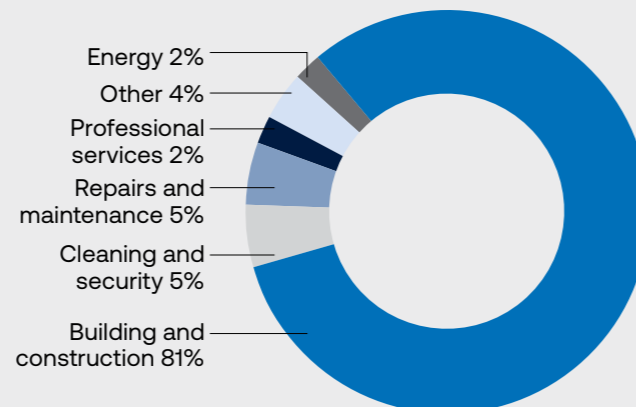
**82%**

of spend in high-risk industries of cleaning and security is with 20 suppliers.



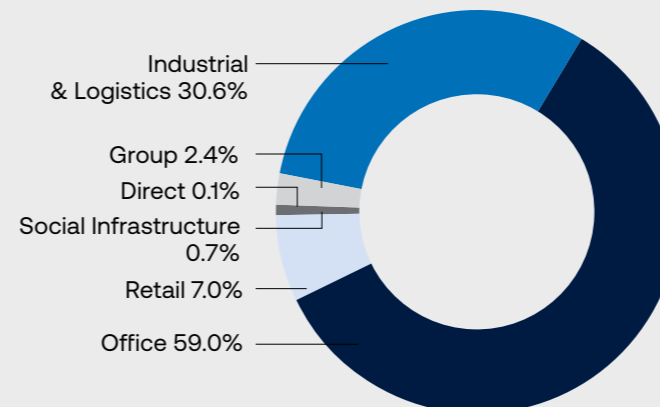
**Spend by category**

Charter Hall continues to engage directly with suppliers including the supply of cleaning and security services, energy, building and construction, repairs and maintenance services and professional services. Charter Hall's allocation of supplier spend is highlighted in the chart below.



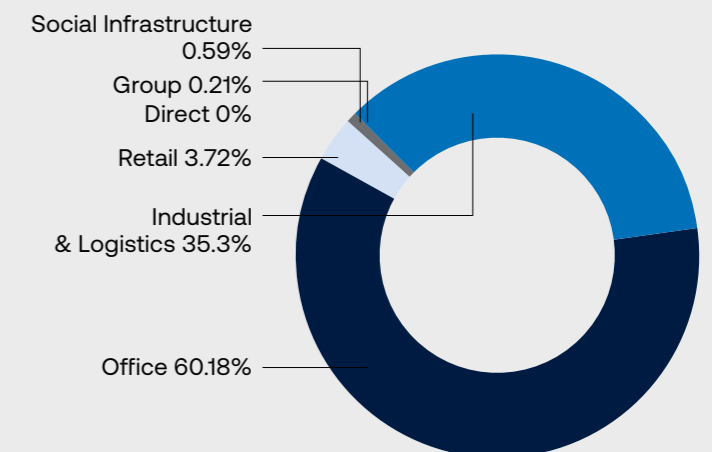
**Spend by sector**

The chart below outlines the share of our supply chain spend across each of our sectors and business. Our spend is most significant across our Office sector where we retain operational control of these assets.



**Building and construction spend by sector**

The chart below outlines the share of the building and construction spend across our sectors. Our spend is most significant in our Office and Industrial & Logistics sectors.



**UNDERSTANDING OUR MODERN SLAVERY RISK**

**Human Rights Saliency Assessment**

In FY23, Charter Hall engaged KPMG Banarra to undertake a Human Rights Saliency Assessment. Salient human rights issues refer to those priority areas that may most negatively impact human rights. The assessment does not assess an organisation’s actual impacts, rather, potential human rights impacts based on the nature of the organisation and the industry in which it operates. The assessment also considered the recent review of the Modern Slavery Act 2018 (Cth), as well as growing stakeholder expectations to respond to the Social aspects of ESG.

The assessment is aligned with the UNGP as well as key international human rights instruments, including the International Covenant on Civil and Political Rights (ICCPR), International Covenant on Economic, Social and Cultural Rights (ICESCR) and the International Labour Organization’s (ILO) Fundamental Principles and Rights at Work.

The outcomes of the assessment were based on latest research, insights and trends into business and human rights in the property sector.

Charter Hall’s existing human rights approach and processes were also assessed along with five stakeholder interviews. The assessment found our policies and procedures are well aligned with key human rights considerations for our industry and our approach is aligned with international frameworks.

The process identified seven salient human rights issues for our industry, these have been outlined below:

1. Right to freedom from slavery
2. Right to safe and healthy working environment
3. Right to non-discrimination
4. Indigenous rights
5. Right to remediation
6. Environmental rights
7. Right to benefit from technology

Right to freedom from slavery is identified as most salient given the nature of the sector in which Charter Hall operates, as well as our supply chain.

Our approach to managing this issue can be summarised as:

- Prioritizing our most material modern slavery risks
- Requiring suppliers to adhere to our Supplier Code of Conduct and Human Rights Policy
- Our suppliers participating in the PCAQ
- Conducting supplier deep dives to identify current challenges and explore improvement opportunities.
- Partnering with tier one suppliers that have human rights and modern slavery processes in place.

A broad range of salient human rights issues were also identified as emerging areas, such as artificial intelligence, climate change and growing recognition of First Nations people rights.

Our approach to Modern slavery risk assessment and emerging risks are described in detail in the following sections.

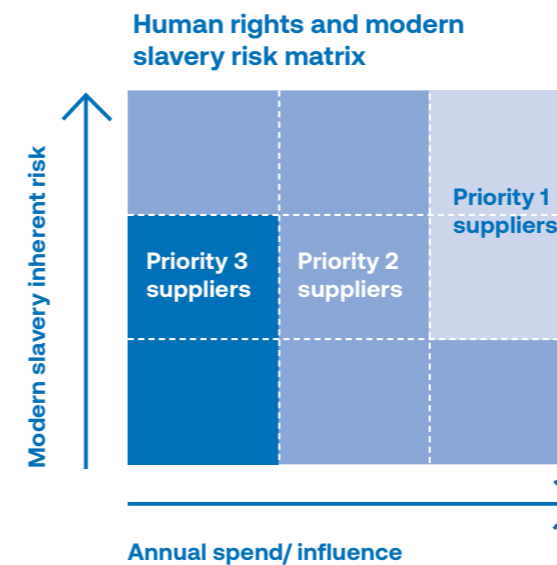
**Our modern slavery risk assessment**

We prioritised our most material modern slavery risks by mapping our supply chain against the key risk factors of vulnerable workforce, business model and geographical location. This led us to define three areas of priority, based on inherent risk, which is outlined below.

Priority supplier service category	Risk factors		
	Vulnerable workforce	Business model	Geographical location
<b>Construction materials and equipment</b>	<ul style="list-style-type: none"> <li>- Low-skilled occupations</li> </ul>	<ul style="list-style-type: none"> <li>- Extensive and complex supply chains</li> <li>- Subcontracting of manufacturing operations</li> <li>- Low profit margins</li> </ul>	<ul style="list-style-type: none"> <li>- Possible jurisdictions with low human rights standards for extraction, processing and manufacturing</li> </ul>
<b>Construction labour and services</b>	<ul style="list-style-type: none"> <li>- Low-skilled occupations</li> <li>- Migrant workforce</li> </ul>	<ul style="list-style-type: none"> <li>- Tight deadlines</li> <li>- Extensive use of subcontracting and casual labour</li> <li>- Low profit margins</li> </ul>	<ul style="list-style-type: none"> <li>- Australia</li> </ul>
<b>Property and facilities, management and operations</b>	<ul style="list-style-type: none"> <li>- Low-skilled occupations</li> <li>- Migrant workforce</li> </ul>	<ul style="list-style-type: none"> <li>- Low profit margins</li> <li>- Casual labour</li> <li>- Subcontracting</li> </ul>	<ul style="list-style-type: none"> <li>- Australia</li> </ul>

The risks are present across all our sectors to varying degrees, with cleaning and security risks most salient across our Office and Shopping Centre Retail portfolios. Our tenants in Industrial & Logistics, Long WALE Retail and Social Infrastructure (such as early learning centres) retain operational control and directly engage their own cleaning and security employees. We work with tenant customers across these sectors to address modern slavery requirements through our supplier agreements, Code of Conduct and other engagement opportunities.

In FY23 we continued to apply our human rights and modern slavery risk matrix to over 3,380 of our suppliers. Specifically, we identified priority one suppliers representing the high-risk industries of cleaning and security and invited them to participate in an online assessment through the PCAQ.



**Emerging risks**

FY23 presented a range of challenges to economies around the world. Supply chain and labour constraints drove soaring inflation, which resulted in record interest rate rises in Australia and globally. This rapid increase in the cost of debt has impacted many asset classes.

Charter Hall also felt the effects of this economic turbulence. However, our focus on resilience, diversification and partnership has allowed us to deliver above guidance earnings, while we have continued to curate our portfolios and stay close to our investor and tenant customers as they navigate this turbulence.

We acknowledge these conditions impact our value chain and the communities in which we operate. We review our modern slavery and human rights risks assessments every three years to ensure we are keeping abreast of emerging and changing human rights risks in our operations or supply chain. This includes industry risks and alignment to international frameworks.

Globally, we experienced the ongoing impacts of geopolitical conflict in the Ukraine and Middle East, which creates humanitarian challenges and impacts for communities globally. While we don’t have offices outside of Australia, we do have employees and partners with deep connections.

Aligned to environmental stewardship, we have also accelerated our Net Zero Carbon target and roll out of photovoltaic solar panels on our roof tops. Through engagement with our electricity retailer and Charter Hall’s power purchase agreement (PPA) we are well placed to deliver against environmental and social challenges due to electricity volatility.

We understand that the investment required in clean energy and electrification places pressure on international supply chains, specifically relating to the manufacturing of solar panels and key components like polysilicon and cobalt in lithium-ion batteries. Whilst we aren’t the direct contractor or purchaser of the technologies, we partner where possible to ensure the quality of technology and alignment with modern slavery standards. This emerging risk is also something on the radar of the industry associations which Charter Hall is a contributing member, and continue to support collaboration across the industry to drive improvements.

# How we manage modern slavery risk

## Human rights and modern slavery diagnostic assessment

Throughout FY23, we have engaged KPMG Banarra to strengthen and mature our approach and controls relating to modern slavery. This builds on the establishment of our Modern Slavery and Human Rights Framework and action plan that was created in FY22.



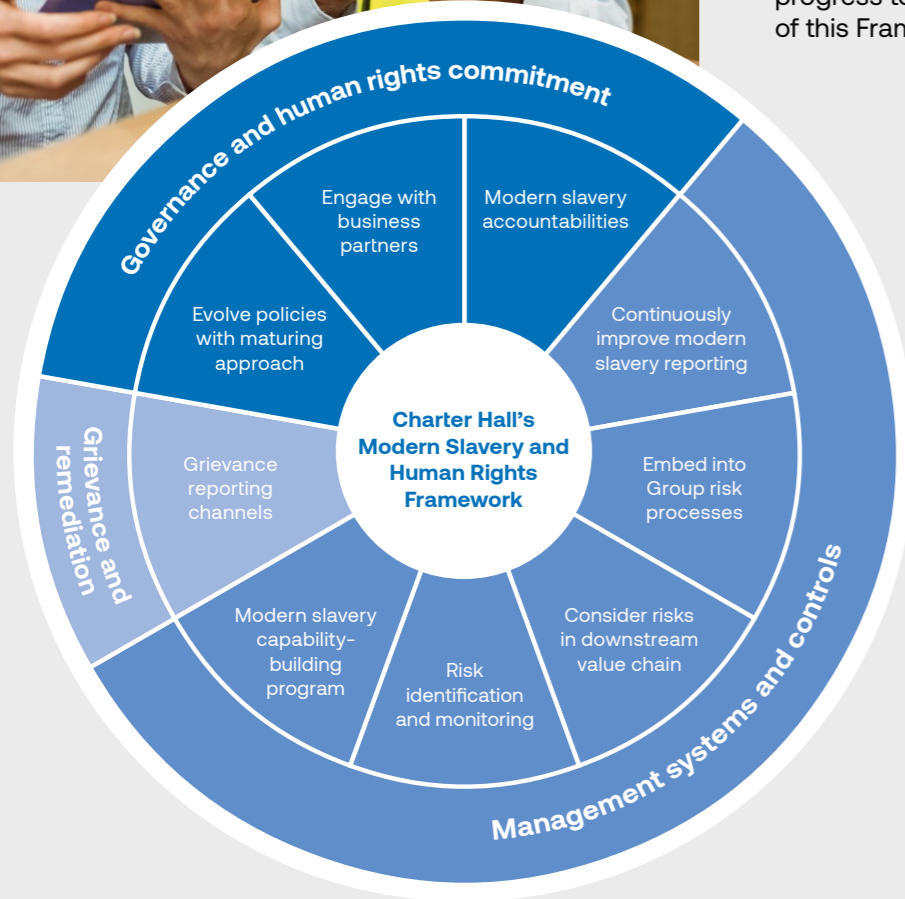
## Charter Hall Modern Slavery and Human Rights Framework

The Human rights and modern slavery diagnostic assessment informed a series of strategic recommendations focused on enabling us to uplift our modern slavery response. These high level recommendations focused on:



The diagram below summarises the nine key recommendations which form the basis of Charter Hall's multi-year Modern Slavery and Human Rights Framework. Each recommendation includes a detailed action plan with implementation steps to mature our modern slavery response and position us to address our key risks.

Our Modern Slavery and Human Rights Framework will guide our modern slavery focus over the next two to three years. Our progress to date against the three key elements of this Framework is outlined on [page 18](#).



Right: Ascent Logistics Centre Alexandria NSW (Gadigal land)



## Supplier deep dives

In FY23 Charter Hall engaged a third-party consultant to conduct five deep dive workshops with suppliers in our high-risk categories representing significant spend in the Office, Retail and Industrial & Logistics sectors. This included tier one suppliers in our Retail sector and tier two suppliers in our Office and Industrial & logistics sectors.

The objective was to gain insight into suppliers' modern slavery due diligence practices. The workshops facilitated knowledge-sharing, identified current challenges, and explored opportunities for collaboration. Prior to the workshops the supplier Property Council of Australia's Questionnaire (PCAQ) was reviewed, which helped shape the discussion along with the suppliers most recent modern slavery statement, where available.

### Key insights

The facilitated discussion with suppliers provided meaningful insights and opportunity for broader application to mitigate modern slavery risk through collaboration.

- All five suppliers demonstrated a high-level understanding of their approach to modern slavery risk management. Two suppliers had their statements available on the Australian Government's online register for modern slavery statements. Two suppliers voluntarily provided their statements on their websites. One supplier, though not obligated to report under the Act, had drafted a modern slavery policy for the organization and its supply chain.
- All suppliers expressed challenges in mapping tier two and downward suppliers due to limited resources and difficulty to access small and sub-contractor information.

- We learned of collaborative efforts between suppliers, such as a combined effort by security service providers to map their supply chain through engaging their high risk suppliers in technology and uniforms.
- The suppliers acknowledged that a majority of their workforce belonged to culturally and linguistically diverse backgrounds. While grievance mechanisms were in place, remediation frameworks were recognized as an area for improvement. Most suppliers acknowledged receiving grievances related to work preferences and staff conflict, with no reports related to modern slavery.
- Training was an area of shared interest and variable practice, with role-specific training as a key area for improvement. The suppliers expressed appreciation for the opportunity provided by the deep dive workshops to foster conversations and share knowledge.

The workshops provided the opportunity to discuss the implications of the Modern Slavery Act 2018 (Cth) review. Suppliers also gained a deeper understanding of good practice grievance mechanisms and remediation frameworks. Suppliers were receptive to Charter Hall's ongoing feedback and guidance and welcomed their continued support. All suppliers were enthusiastic to learn more and expressed that they would be open to future opportunities for collaboration.

These high-risk categories and suppliers will continue to be a key focus for our modern slavery initiatives moving forward across all sectors.

## HOW WE MANAGE MODERN SLAVERY RISK

### Industry-led risk assessment and insights

For Charter Hall, responsible and sustainable supply chain management embraces a multiplicity of aspects; these include working with other industry bodies and our suppliers on their modern slavery approaches to collaboratively address assess modern slavery risk.

In FY23, we continued to collaborate with the Property Council's Informed 365 platform. This platform asks suppliers about the actions they are taking to assess and address human rights issues and modern slavery risks across their operations and supply chains. The platform also recognises that our suppliers in turn work with others in the property industry and enables them to complete a survey on their supply chains and practices, which can be shared with other property organisations. Our Office and Retail sector invited all priority one suppliers (28 suppliers) to complete the PCAQ and the completion rate represented greater than 90% of the spend with these suppliers.

Taking a risk-based approach, the responses from high risk suppliers (security and cleaning) where the spend is more than \$50k, is reviewed and any identified areas of risk is followed up with the supplier. The results of the PCAQ are used to inform further capacity-building activities with our suppliers and also informs our supply deep dive workshops.

### Governance and human rights commitments

We remain committed to managing our operations in line with the UN Guiding Principles on Business and Human Rights (UNGPs), the UN Global Compact and Australian modern slavery legislation. Our approach to assessing and managing modern slavery risks is consistent with the UNGPs, the current authoritative global standard on preventing and addressing business-related human rights issues. We focus on understanding our modern slavery risks through the perspective of the victims of modern slavery and embedding human rights due diligence into our business practices.

We align our sustainability goals, responses and targets to the UN Sustainable Development Goals (SDGs). The complete list of SDGs relevant to our business operations can be found [here](#). The SDGs most relevant to this Statement are:



We maintain ethical, environmental, and social standards and continuously improve our application of these throughout our operations, practices and supply chain. This commitment extends to our Directors, employees, contractors, subcontractors, consultants and suppliers whom we expect to conduct business in a safe, responsible and equitable manner and in compliance with all applicable laws, regulations and standards.

Delivery of our human rights and modern slavery framework is the responsibility of all employees in their day-to-day roles and is overseen by our Human Rights and Modern Slavery Working Group, which reports through to the Charter Hall Executive Committee, the Audit Risk and Compliance Committee (ARCC) and our Board.

As with previous reporting periods, the Working Group is responsible for assessing the effectiveness of current systems and processes and developing the strategies and initiatives that are then integrated into the broader business. The Working Group meets quarterly and comprises of representatives from risk and compliance, procurement, operations and development, legal, people and sustainability. It is chaired by our Group Head of ESG and is sponsored by our Chief Finance Officer and Chief Experience Officer. The sustainability team and sector leads report through to sector leadership teams and fund Boards on the progress and implementation of initiatives for their sector and fund. Where a human rights or modern slavery risk has been identified, the Working Group implements our modern slavery principles and notification processes which guide our investigations and development of solutions.

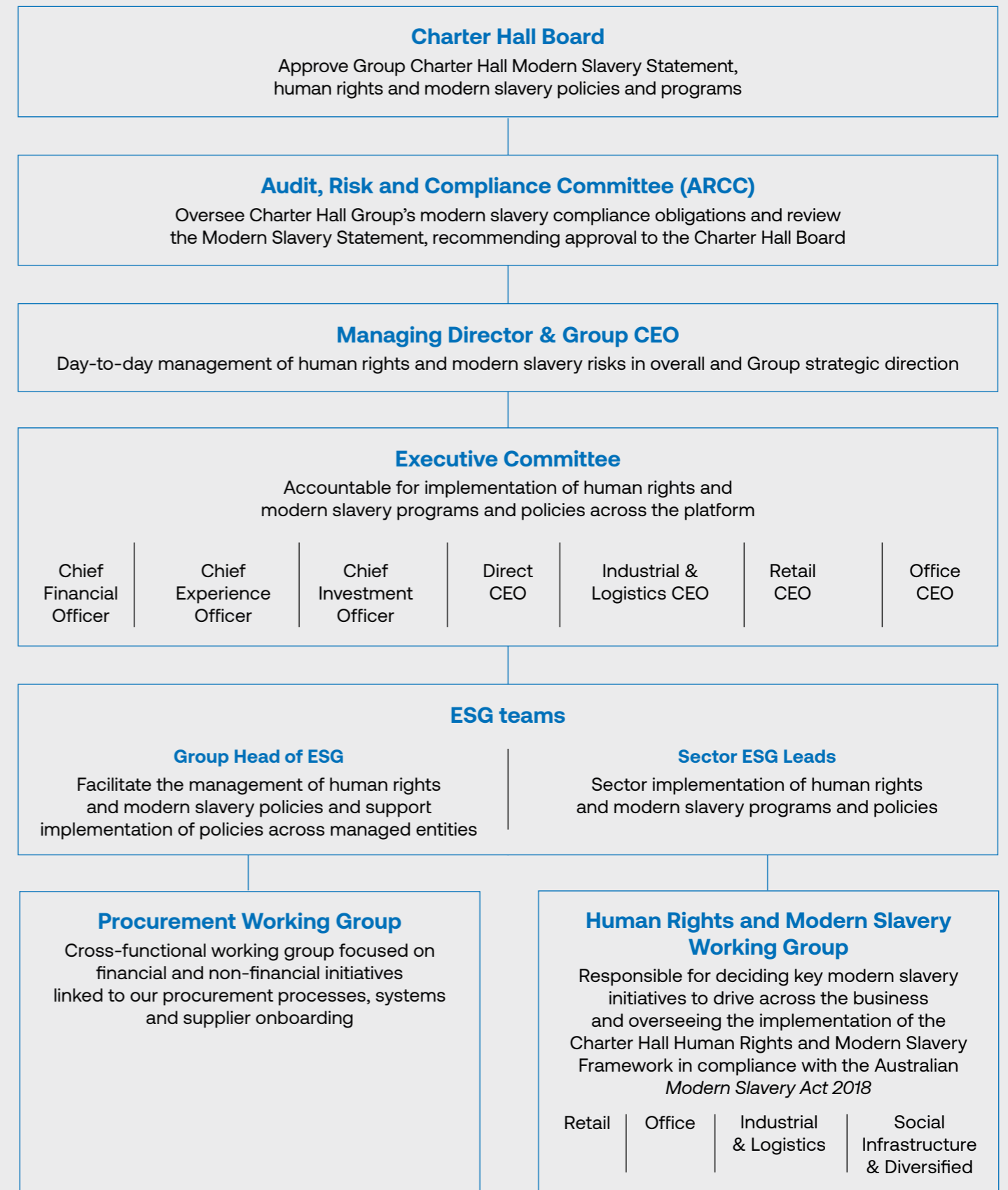
### Procurement Working Group

Our Procurement Working Group is made up of employees from across sectors and Group functions (such as Finance, Legal, ESG and Risk), supports our modern slavery risks management processes and is a forum to align both financial and non-financial outcomes in our supply chain.

In FY23, the Procurement Working Group participated in workshops with KPMG Banarra to identify the most salient human rights issues impacting the real estate sector and continued to support our suppliers through supplier deep dive workshops to drive capacity building and knowledge sharing to mitigate the risk of modern slavery in our supply chain.

The Governance Structure diagram opposite shows how the responsibilities for managing modern slavery are distributed throughout our business structure.

## Our governance structure



## HOW WE MANAGE MODERN SLAVERY RISK

### Key governance documents

Our human rights and modern slavery suite of policies remains consistent with previous years, with our Whistleblower and Sustainability Policy updated in FY23. Our Policies, Codes and Charters that govern our approach and process can be found [here](#).

#### Human Rights Policy

Our approach to respecting human rights is guided by our Human Rights Policy. It is based on international human rights principles and applies to all our entities including those in which we hold a majority interest. We expect business partners and suppliers to uphold these principles and adopt similar policies within their own businesses.

#### Supplier Code of Conduct

For our suppliers we developed our Supplier Code of Conduct, which shares our commitments and principles and clearly communicates our expectations of them – including throughout their own supply chains – in providing products and services to us.

#### Employee Code of Conduct

Our Employee Code of Conduct defines the principles and the behaviours we embrace to operate safely, honestly and responsibly. It also requires us to uphold human rights and treat each other and all stakeholders respectfully at all times.

#### Sustainability Policy

Our Sustainability Policy outlines our commitment, process and framework for our practices, management and reporting on sustainability. In FY23 this Policy was updated to include the requirements of all suppliers with respect to human rights and modern slavery.

#### Whistleblower Policy

Our Whistleblower Policy details how we will receive, investigate and address whistleblower reports. It helps ensure we provide a safe and confidential environment where concerns can be raised without fear of reprisal or detrimental treatment. In FY23, the Policy was updated to call out human rights and modern slavery concerns.



### Enhancing our modern slavery due diligence

We value the insights and opportunities gained from collaborating with industry in managing our modern slavery risks. We continued investing in these partnerships throughout the year. Below are listed the key collaborations we are involved with that directly address modern slavery in our sector.

#### Cleaning Accountability Framework (CAF)

Business, union, government, academics and industry associations came together to form CAF as part of a whole-of-industry approach to end the exploitation of cleaners. With cleaning services identified as a higher risk segment for modern slavery, the CAF Certification Scheme provides a credible framework to measure social compliance within the cleaning industry. We were an early adopter of CAF in 2017. As a member, and through our representation on the CAF Steering Committee, we advocate for sustainable change in the cleaning industry and support scaling the assessments across portfolios to drive broader application. We have now applied the CAF framework to all new cleaning contracts in our Office buildings and have five Office buildings CAF certified.

#### United Nations Global Compact Network Australia (UNGCA) Modern Slavery Community of Practice

A group that shares emerging best practice to build common capability in addressing modern slavery human rights risk management among Australian businesses. In March 2019, we became a signatory to the UNGC and are aligning our strategy, culture, policies and day-to-day operations with UNGC principles on human rights, labour, environment and anti-corruption. We have prepared our fifth report providing communication on our progress, which outlines our actions against the principles established in FY21.

#### Property Council Modern Slavery Working Group

We are actively engaged in the Property Council Sustainability Roundtable, which established a Modern Slavery Working Group in 2019. The Working Group provides a collaborative approach to not only understanding our supplier chain modern slavery risk, but also building supplier capacity of our combined supply chain, while reducing the burden on our suppliers with multiple requests. This resulted in the creation of a supplier prequalification assessment, in partnership with Informed 365. A Charter Hall employee is a member of this Working Group.

#### Supply Chain Sustainability School

We are members of the Supply Chain Sustainability School, which enables access to educational resources. The School also partners with the Property Council Modern Slavery Working Group to provide training to suppliers on the risks of modern slavery and how to identify and address these risks in their supply chains.

#### Social Traders Australia

Social Traders connect certified social enterprises with business and government members to create positive impact through jobs, community services and support for the most marginalised. As a member, we support social enterprises and vulnerable members of the community through our supply chain.

Left: GPO Exchange, Adelaide SA (Kaurua land)

## HOW WE MANAGE MODERN SLAVERY RISK

### Management systems and controls

#### Agreements

In FY23, we updated our standard terms and conditions for suppliers providing us with goods and services. These terms and conditions apply to all capital works projects and ad-hoc purchase orders across the Group. Our standard terms and conditions now include modern slavery clauses including:

- Compliance with legislative requirements
- Development and maintenance of policies and procedures to avoid engaging in modern slavery
- Reporting to us following a complaint or incidence of modern slavery either by the supplier themselves or an entity in their supply chain

We also updated our Sustainability Policy and Whistleblower Policy, outlining the requirements of all suppliers with respect to modern slavery.

These updates form part of a broader set of requirements already in place that mandate:

- Existing suppliers review and accept the Supplier Code of Conduct
- New suppliers must sign our Supplier Code of Conduct as part of our onboarding process, see on-boarding process below
- Suppliers in all sectors sign our Supplier Code of Conduct in CM3, a contractor safety management system
- All development and capital works projects include modern slavery clauses in their contracts.

#### Collaborating with suppliers

To help build a greater understanding of our supply chain, we have historically run a series of deep dive workshops. As the cleaning and security industries are at high-risk of exposure to modern slavery, we conducted workshops with five of our cleaning and security suppliers in FY23 to help us better understand and collaborate with our suppliers in these high-risk industries to identify, assess and mitigate risks. See [page 12](#) for more information

#### Collaborating with partners

Across our Office and Industrial & Logistics sectors, we partner with our third party facilities management providers, who procure and manage our property maintenance services. As part of their service agreement with us, they are responsible for the management of modern slavery risks in their supply chain. See [page 9](#) for more information.

#### Educating our people and suppliers

Education is a big part of effectively managing modern slavery risks and we have continued to build on the work we undertook last financial year to deepen our organisation's understanding of modern slavery. We use an employee guide to help our people and suppliers understand their responsibilities in identifying and responding to modern slavery incidents.

In FY23, all our people received modern slavery refresher training, including training on the process of reporting issues should they find or suspect modern slavery in our operations or supply chains.

These initiatives have resulted in:

**100%**

of employees being communicated to on the risks and responsibilities relating to human rights and modern slavery

**100%**

of employees completing training on human rights and modern slavery issues

We continued to train members of our Modern Slavery and Human Rights Working Group through our quarterly meetings by sharing industry best practice, challenges and brainstorming opportunities to strengthen our modern slavery response.

Charter Hall is aware of recommendations from Professor John McMillan AO's review of the Modern Slavery Act. Charter Hall will work with industry bodies to develop tools and processes aligned with the legislative changes to enhance existing relevant processes, and potential additions to mandatory reporting criteria, including:

- Modern slavery incidents or risks identified by the entity during the reporting year
- Grievance and complaint mechanisms made available by the entity to staff members and other people
- Internal and external consultation undertaken by the entity during the reporting year on modern slavery risk management.

We continued to communicate with our suppliers on human rights and their responsibilities and provided further education resources through the Property Council modern slavery initiative, which we are a member of.

In addition, we have added modern slavery and working conditions as a permanent agenda item on the regular formal reviews held with suppliers on monthly and quarterly basis.

#### Auditing our cleaning suppliers and enabling the worker voice

With cleaning services identified as high-risk for modern slavery, Charter Hall became an early adopter of CAF in 2017. As a member of CAF, we advocate for sustainable change in the cleaning industry.

In FY23, we completed CAF accreditation at 171 Collins Street in Melbourne. The asset achieved 3 Star certification, taking the total number of Charter Hall assets accredited by CAF to five. Our two largest cleaning suppliers (by annual spend) are responsible for cleaning these buildings and are therefore included in the scope of these audits. In the period, the existing four buildings participating in the annual health checks and maintained their 3 Star certification, the highest currently awarded by CAF.

We continued to work with CAF and the industry to develop an approach to scaling these assessments across our portfolio. Our Office Procurement Manager is on CAF's steering committee for Portfolio Certification and we will continue to support CAF scaling its approach to driver wider application.

While CAF audits are an important mechanism to understand the working conditions on site, we acknowledge that their effectiveness is limited by the comfort and willingness of cleaners to speak up. For this reason, CAF audits are often supplemented by CAF representatives who are cleaners that have received extra training on workers' rights. While they are not industrial relations experts, they can share their knowledge with other cleaners, build a sense of trust and encourage their cleaning co-workers to speak up if they have an issue.

We are fortunate to have a CAF representative as a cleaner at one of our CAF-certified buildings in Sydney to add another layer of support to cleaners raising their voice when faced with poor working conditions.

#### Our supplier on-boarding process



**HOW WE MANAGE MODERN SLAVERY RISK**

**Grievance and remediation**

We have an established procedure to enable us to receive grievances in relation to breaches of our Human Rights Policy. Our aim is for this procedure to meet UNGP criteria for effectiveness, and it includes internal mechanisms to enable us to investigate and remedy grievances promptly.

Our whistleblower hotline is supported by an additional check in our contractor sign-in system which we introduced last year. Before contractors sign out, the system asks them whether they 'would like to report anything that they saw or experienced when on site?'. Through regular engagement, we hope to encourage a speak-up culture that will allow us to respond before risky or inappropriate behaviours escalate.

In FY23, Charter Hall investigated and analysed all matters that were reported through our incident register.

No incident of modern slavery was identified in the period. However, our existing controls and measures identified one incident of an unlicensed contractor.

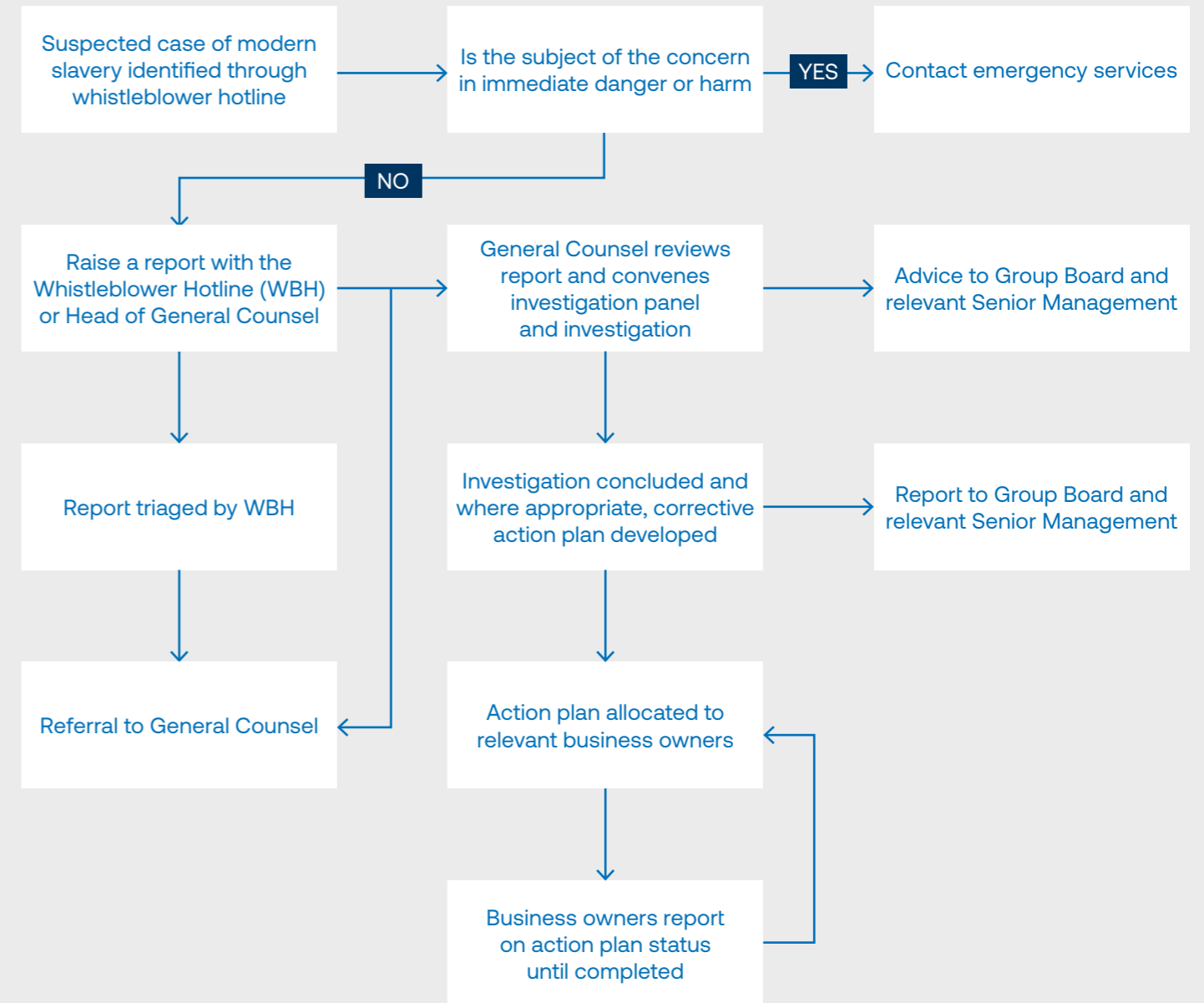
In addition, CBRE operates a grievance procedure available through a grievance hotline or by emailing their compliance team. In FY23, zero cases of modern slavery were reported or identified through our tier two suppliers engaged through CBRE.

This year, we continued to promote our whistleblower hotline through multi-lingual posters (in seven different languages) to all service areas in our Retail, Office and Industrial & Logistics portfolio to cater for the different nationalities in our site teams.



**Our modern slavery notification process**

Our modern slavery notification process focuses on working closely with our employees and suppliers to ensure effective remediation is achieved in a timely manner.







## Assessing the effectiveness of our actions

Assessing the effectiveness of our response is a core requirement of reducing the risk of modern slavery in our operations and supply chains. We do this in several ways.

### Within our business:

- We track our progress through meetings of our Human Rights and Modern Slavery Working Group, which assesses our progress against our implementation plan. Agenda items for the three meetings of the Working Group this year included:
  - Development and approval of the Modern Slavery Framework
  - Supplier spend analysis
  - Supplier data analysis
  - Onboarding of suppliers to the Property Council portal and responding to key findings
  - The content, achievements and challenges to be shared via the Modern Slavery Statement
- We provide regular updates at key progress milestones to the Charter Hall executives, ARCC and Board
- Provide annual updates for our sector leadership teams and entities
- Review and track suppliers annually on Informed 365 Supplier Portal and CM3
- Review and analyse supplier responses to the PCAQ, checking whether suppliers have actioned recommendations
- Monitor grievances and complaints.

### Through our initiatives:

- Our Human Rights saliency assessment for the property sector
- Our supplier deep dive workshops
- CAF accreditation of our buildings
- Our interactions with our investors to gain a better understanding of their expectations and practices.

### Through our partnerships and collaborations

- These collaborations are fully detailed on [page 15](#) of this Statement.

## Summary of how we track the effectiveness of our actions

	How we track effectiveness	Frequency	KPIs
<b>Listening to the voice of the worker</b>	Five of our office buildings are CAF certified	Annual	– Support CAF scale its approach to driver wider application
	One of our CAF certified office buildings has a CAF representative cleaner to help capture feedback from fellow cleaners	Ongoing	
	Monitoring grievances	Ongoing	– Number of grievance allegations received through our grievance mechanism – Number of cases remediated
<b>Understanding suppliers</b>	Supplier PCAQ sent to high-risk suppliers in the cleaning and security industries to understand how effectively they are managing their modern slavery risks	Ongoing	– Number of suppliers assessed for modern slavery risk through the PCAQ
	Supplier deep dive workshops conducted with suppliers to explore challenges and opportunities for collaboration	Annual	– Number of workshops held
	Completion of supplier modern slavery surveys	Ongoing	– Number of supplier modern slavery surveys completed
<b>Collaborating with peers</b>	Engagement and knowledge sharing with the Modern Slavery Working Group	Monthly	– Number of Property Council Modern Slavery Working Group meetings attended
	Identifying best practice through UNGC Peer Group	Ongoing	– Number of UNGC Modern Slavery Working Group workshops attended
	Engaging with investors	Ongoing	– Number of investor modern slavery surveys completed – Number of meetings held with investors to discuss modern slavery
<b>Seeking expert feedback</b>	Engaged third-party consultancy to complete a maturity assessment of our existing human rights and modern slavery approach	As required	– Delivery of Modern Slavery Framework implementation steps
<b>Engaging our business</b>	Track our progress through meetings of our Human Rights and Modern Slavery Working Group	Quarterly	– Number of Modern Slavery and Human Rights Working Group meetings held – Number of employees completing modern slavery awareness training
	Updates to our executives, ARCC, Board, sector leadership teams and Group entities	As required	

# FY23 progress against focus areas

We monitor and disclosure our progress against our modern slavery focus areas. A summary of our FY23 progress is outlined below.

Key focus	FY23 targets	Status	Comment
<b>Governance and human rights commitment</b>	Update Human Rights Policy to include Charter Hall's most salient human rights risks, expectations of tenants and how Charter Hall will respect human rights when faced with conflicting requirements.	✓	Our Human Rights Policy has been updated to reject all forms of modern slavery in our operations, supply chain or in our business partnerships. In the period we have also conducted human rights saliency assessments to identify issues affecting the real estate sector. The goal was to assess the maturity of our existing human rights approach. The assessment found our policies and procedures are well aligned with key human rights considerations for our industry and aligned with international framework.
	Update Whistleblower Policy to specifically call out human rights and modern slavery concerns.	✓	Our Whistleblower Policy has been updated to outline the adherence to the Modern Slavery legislation. This includes communication of the Charter Hall Group Human Rights Policy, Supplier Code of Conduct and Sustainability Policy.
	Undertake annual spend analysis as part of our periodic modern slavery risk assessment to help us determine where modern slavery risks are most likely to be present in our operations and supply chain.	✓	We continue to analyse our overall annual supplier spend in the high-risk categories of cleaning and security and found that our top 20 suppliers in cleaning and security make up 82% of the total spend in the category, helping to guide our modern slavery focus going forward.
<b>Management systems and processes</b>	Conduct a salient human rights issue identification process (to be conducted every 3 years).	✓	We engaged a third-party consultant to assess the most salient human rights matters affecting the sector. The goal was to assess the maturity of our existing human rights approach. The assessment found our policies and procedures are well aligned with key human rights considerations for the sector in which we operate and aligned with international framework.
	Create a human rights and modern slavery guidance document or 'playbook' that provides an overview of Charter Hall's identified salient human rights risks; escalation pathways and case studies on how these are applied.	📈	In FY24, our Office sector will restructure its approach to contracting, in housing capability and becoming principal for facilities Managers services. As part of this restructure the sector will continue to partner with CBRE (under a new contract term), as well as required all new contractors to adopt and adhere to our Human Rights Policy and Supplier Code of Conduct. We will incorporate requirements into a modern slavery guide over the next year.
	Roll-out updated terms and conditions with enhanced modern slavery clauses, including compliance with legislative requirements, development and maintenance of policies and procedures and reporting of information to Charter Hall.	✓	We updated our standard terms and conditions to include modern slavery clauses across all purchase agreements. These updates addressed compliance with legislation, policy development and our reporting of incidents. We updated our Whistleblower Policy and Sustainability Policy to outline the requirements of all suppliers with respect to human rights and modern slavery.
	Update Charter Hall's human rights and modern slavery training package to include information on Charter Hall's human rights and modern slavery risks and opportunities within the value chain.	✓	All our people received mandatory modern slavery refresher training, including training on the process of reporting issues should they find or suspect modern slavery in our operations or supply chains.
	Enhance employee communication to raise awareness of the modern slavery notification process.	✓	All employees completed a modern slavery refresher module.
	Develop targeted modern slavery training modules for key functions who are identified as contributors to upstream and downstream modern slavery risks, for example, lease managers, contract managers, centre managers and asset managers.	📈	This will be a key area of focus in FY24 as our Office sector restructures its approach to contracting, by in-housing capability rather than contracting to facility managers. We will incorporate requirements into a modern slavery guide over the next year and bespoke training will be provided to lease managers and asset managers.
	Expand the supplier 'deep dive' workshops to continue our understanding of suppliers' experiences and challenges in managing modern slavery and work together to achieve a better outcome.	✓	We engaged a third-party consultant to conduct a five supplier deep dives across our sectors. The objective was to gain insight into suppliers' modern slavery due diligence practices. The workshops facilitated knowledge-sharing, identified current challenges, and explored opportunities for collaboration.
	Develop a plan for rolling out CAF audits more broadly across our portfolio.	✓	We completed CAF accreditation at 171 Collins Street in Melbourne. The asset achieved 3 Star certification, taking the total number of assets accredited by CAF to five. As a member, and through our representation on the CAF Steering Committee, we advocate for sustainable change in the cleaning industry and support scaling the assessments across portfolios to drive broader application.
<b>Grievance and remediation</b>	Onboard further suppliers onto the PCA platform so that we can assess their current modern slavery risk controls.	✓	Our Office and Retail sector invited all priority one suppliers (28 suppliers) to complete the PCAQ and the completion rate represented greater than 90% of the spend with these suppliers.
	Research the effectiveness, accessibility and awareness of the whistleblower hotline.	📈	Our Whistleblower Policy was updated to outline adherence to modern slavery legislation. Following the implementation of targeted training, we will work across the business to strengthen the effectiveness of processes.

 Achieved
  In progress

# Future steps

Identifying and managing our modern slavery risks is ongoing. We have several key initiatives planned to assist us in engaging with our suppliers and working with them to build capability.

Our refined Human Rights and Modern Slavery Framework, which provides a comprehensive and long-term approach to modern slavery, will guide our modern slavery initiatives over the next two to three years.

We are aware of the proposed changes to the Modern Slavery Act 2018 (Cth) and in FY24 we will continue to work with the industry bodies to develop tools and processes to support the property sector respond and prepare for the proposed changes under the Act.

The below table summarises our FY24 targets.

Key focus	FY24 targets
<b>Governance and human rights commitment</b>	Review and continue to align Human Rights Policy to align with Charter Hall’s human rights risks, expectations of stakeholders
	Continue to review spend analysis as part of our modern slavery risk assessment approach to help us determine and evolve our approach to managing Modern Slavery risks as part of business operations and supply chain engagement
	We will continue to evolve and strengthen our internal capability with respect to social assurances during contractor onboarding in addition to those practices in place for our Facility Management Service providers
<b>Management systems and controls</b>	Continue to align human rights issue identification with international frameworks, as well as impact assessment to Charter Hall
	Create a Human Rights and Modern Slavery guidance document to provide an overview of sector salient human rights risks, as well as escalation pathways and case studies on how these are applied
	Develop target modern slavery training models for key functions who are identified as contributors to upstream and downstream modern slavery risks – including development managers, lease managers and asset management teams
	Continue to participate in CAF working groups to support a Portfolio approach to scale and expand assessment across a larger number of assets
	Continue to onboard suppliers onto the PCAQ platform, communicate with employees to raise awareness of Human Rights and Modern Slavery risks and processes
	Following supplier deep dives engage and support suppliers in meeting due diligence requirements aligned with the review of the Modern Slavery Act, including evolving our approach to partnering around due diligence and supplier engagement during contracting and contract management
<b>Grievance and remediation</b>	Continue to partner across our business operations to communicate in place our Grievance processes to build increased awareness, access and effectiveness of our Whistle-blower hotline and Modern Slavery processes

Right: GPO Exchange, Adelaide SA (Kurna land)

# Guide to this Statement

Modern slavery act criterion	Explanation	Page
1	(1)(a) Identify the reporting entity	3
2	(1)(b) Describe the structure, operations and supply chains of the reporting entity	6-7
3	(1)(c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	8-11
4	(1)(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	12-18
5	(1)(e) Describe how the reporting entity assesses the effectiveness of such actions	17-19
6	(1)(f) Describe the process of consultation with (i) any entities that the reporting entity owns or controls; and (ii) in the case of a reporting entity covered by a (joint modern slavery) statement under section 14, the entity giving the statement	3
7	(1)(g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	14



## Contact

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Charter Hall also has offices in Melbourne, Brisbane, Perth, Adelaide and retail centres nationally.

[charterhall.com.au/sustainability](http://charterhall.com.au/sustainability)

### Important information

Certain market and industry data used in connection with this Statement may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither Charter Hall Group nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications. Unless otherwise specified, statements in this Report are made only as at its date and it remains subject to change without notice. This Report contains certain "forward-looking statements. The words "forecast", "estimate", "likely", "anticipate", "believe", "expect", "project", "opinion", "predict", "outlook", "guidance", "intend", "should", "could", "may", "target", "plan", "project", "consider", "forecast", "aim", "will" and similar expressions are intended to identify such forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. While due care and attention has been used in the preparation of any forward-looking statements, any such statements in this Report are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates.