

ISPT MODERN SLAVERY STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022



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Acknowledgment of Country

ISPT acknowledges the Traditional Custodians of the lands on which our business and assets operate, and recognises their ongoing connection to land, waters and community. We pay our respects to First Nations Elders past, present and emerging.



Artwork concept and narrative developed by David Williams. David is a proud Wakka Wakka artist at Gilimbaa.



ABOUT THIS STATEMENT

MANDATORY CRITERIA FOR MODERN SLAVERY STATEMENTS		PAGES
Criterion 1 & 2	Identify the reporting entity and describe its structure, operations and supply chains	3, 6-10
Criterion 3	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	11-18
Criterion 4	Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	19-23
Criterion 5	Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address modern slavery risks	31
Criterion 6	Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement and all reporting entities)	3
Criterion 7	Any other relevant information	33

This Modern Slavery Statement (Statement) is published for the purpose of reporting under ‘section 14’ of the Modern Slavery Act (MSA or the Act).

This Statement is made on behalf of ISPT for the financial year ended 30 June 2022.

ISPT includes ISPT Pty Ltd, ISPT Operations Pty Ltd, the relevant trusts for which ISPT Pty Ltd, ISPT Nominees Pty Ltd and ISPT Custodians Pty Ltd are trustee and other related bodies corporate of ISPT Pty Ltd within the meaning of the *Corporations Act 2001* (Cth) (collectively referred to as **ISPT**).

ISPT Pty Ltd is trustee for the following main ISPT trusts:

- Industry Superannuation Property Trust No.1 and Industry Superannuation Property Trust No.2 (collectively referred to as the ISPT Core Fund)
- ISPT 50 Lonsdale Street Property Trust
- ISPT Retail Australia Property Trust No.1 and ISPT Retail Australia Property Trust No.2 (collectively referred to as IRAPT)
- ISPT CIB Fund

This Statement is submitted as a joint statement by ISPT Pty Ltd for the ISPT Core Fund and IRAPT, both of which qualify as reporting entities under the MSA. ISPT Pty Ltd and the other trusts and corporate entities within ISPT listed above do not qualify as reporting entities, but are reporting voluntarily under section 6 of the MSA, as they operate under the same policies and management and share in ISPT’s commitment to responsible business practices.

ISPT Pty Ltd, as trustee is responsible for the ISPT Trusts and their assets, and ISPT Operations Pty Ltd provides investment management services to those trusts. ISPT has consulted a wide range of internal and external stakeholders in preparing this Statement. ISPT Pty Ltd has provided the boards of ISPT Pty Ltd, ISPT Operations Pty Ltd, ISPT Nominees Pty Ltd and ISPT Custodians Pty Ltd with a draft of this Statement prior to its publication. The directors of those entities are all either senior managers or directors of ISPT Pty Ltd. The Boards of each of those entities were thoroughly consulted in the preparation of this Statement.

This Statement and its disclosures only apply to co-ownership arrangements or co-venture investments in which an ISPT entity has operational control, either under the relevant co-ownership agreement or other governing document.

This Statement does not cover co-ownership and co-venture activities where an ISPT entity is an investor, without an active role in operational matters. In particular, it does not apply to any non-managed co-ownerships, although where possible we have set our expectations for alignment by our partners with our core standards, which include ongoing respect for human rights.

ISPT has not consulted with its co-owners and co-venture partners for the purpose of this Statement and does not make any representations about the supply chains, operations or governance of those entities. ISPT shares our Responsible Investment Policy and Modern Slavery Statement with our co-owners and only chooses partners that share ISPT’s values and commitments.

^ ISPT Pty Ltd is a Trustee Company.

1. Industry Superannuation Property Trust No. 1 and Industry Superannuation Property Trust No. 2 are stapled to form the ISPT Core Fund.

2. Trustee is ISPT Pty Ltd.

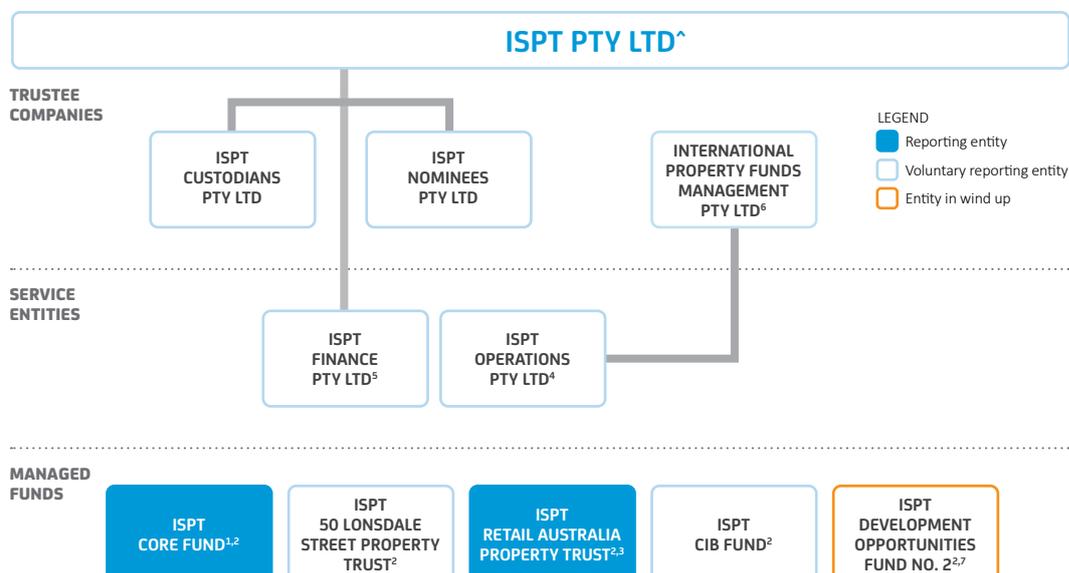
3. ISPT Retail Australia Property Trust No.1 and ISPT Retail Australia Property Trust No.2 are stapled to form the ISPT Retail Australia Property Trust (IRAPT).

4. All shares in ISPT Operations Pty Ltd are held by ISPT as trustee of the ISPT Operations Trust. All units in the ISPT Operations Trust are owned by Unitholders in ISPT Core Fund, 50 Lonsdale Street Property Trust and IRAPT.

5. ISPT Finance’s sole purpose is to secure debt funding from third party lenders and onlend it to the ISPT Core Fund on equivalent terms and on a cost-recovery basis.

6. International Property Funds Management Pty Ltd is a wholly owned subsidiary of ISPT Operations Pty Ltd. It is currently not active.

7. ISPT Development Opportunities Fund No. 2 is currently being wound up.



As at 30 June 2022

This Statement is an expression of our beliefs as a socially responsible business and an extension of our 'do no harm' investment and operating philosophy.

Whilst only some of the entities within ISPT fall within the disclosure threshold of the MSA, we have taken an organisational approach to modern slavery, including reporting. We acknowledge the role we play as one of Australia's largest property businesses and understand key stakeholders will expect us to take steps to seek to prevent and address any involvement in modern slavery and ensure our policies and practices are meaningful and effective.

OUR COMMITMENT

We support the Australian Government in its drive to end modern slavery and we are dedicated to making a difference in the lives of the people it impacts.

We hold ourselves accountable in line with core international business and human rights standards, including, the UN Guiding Principles on Business and Human Rights (**UNGPs**) and take actions to identify, prevent and address the risks of modern slavery in our operations and supply chains. This supports our broader commitment to respect human rights, outlined in our Human Rights Policy.

We seek to partner with suppliers to advocate fair and ethical labour practices, seeking to develop those relationships to understand and educate our supply chains on good practice.



HIGHLIGHTS FY2022

This is the third Statement we have published under the MSA, in line with our initial three-year plan to understand modern slavery risks and their impact on our operations, supply chains and the communities around us.

FY2022 marks the end of this foundational phase and consolidated our approach through the ISPT modern slavery risk management strategy (page 12).

Our strategy is pillared on four key workstreams – Assess, Control, Integrate, Review – which work in tandem to support our approach to human rights.

This Statement is structured around these workstreams and provides an insight into the risk management initiatives that are being developed, tested or embedded into our business processes during FY2022.

ANTI-SLAVERY IS BUSINESS AS USUAL

The ISPT Responsible Investment Policy outlines the principles for the integration of ESG criteria into our investment decisions, including respect for human rights and management of modern slavery risks across our operations and supply chains.

The initiatives implemented in previous years to mandate modern slavery risk management for our suppliers is becoming a business norm.

As a business, we are gaining more confidence in managing modern slavery risks through the leadership of the ISPT Modern Slavery Working Group (page 24).

Our priority remains on targeting sectors within our supply chains where we have assessed to exhibit the most severe risks, such as construction, solar panels, cleaning services, security services, and waste management.

ADDRESSING MODERN SLAVERY RISKS IN THE CLEANING SECTOR

The Cleaning Accountability Framework (CAF) has been one of our most successful endeavours against modern slavery risk for the cleaning services sector.

Originally established to address the sadly common occurrence of exploitation of cleaners, CAF has evolved into an effective strategy against modern slavery. Its unique model hinges on an unprecedented scale of industry collaboration and outreach to workers.

This Statement takes you deeper into the CAF's ability to address labour malpractices, even those stemming from unintended oversight, before they potentially escalate into modern slavery.

Our case study (page 23) shares how CAF was able to effectively remediate an underpayment incident by working closely with cleaners and their employer.

Importantly, CAF reflects an ISPT approach premised on vigilance and commitment to the protection of workers' rights as an effective defence against modern slavery.

CAF has set a successful precedent for us to explore ways to adapt its worker-focused model for other risk sectors.

HARNESSING INDUSTRY COLLABORATION

Industry collaboration has been one of the most powerful platforms against the intractable nature of modern slavery.

The Property Council of Australia Supplier Engagement Platform (**PCA Platform**) is an example of this collaboration, and it continues to be the key source of insight for the property industry to assess modern slavery risks of suppliers.

Over FY2022, emerging risks relating to alleged modern slavery in the solar panel sector became a focus for the PCA Modern Slavery Working Group (**PCA Working Group**). All our Australian suppliers of solar panels have been assessed, with due diligence completed on their manufacturers.

While no evidence of modern slavery was identified in our solar panel supply chains, we are determined to pursue a deeper understanding of labour conditions in the sector and stay alert to potential and emerging risks.

Together with industry peers, we are seeking a unified approach with the advice of a global expert through the PCA Working Group (page 33).

NEXT PHASE OF OUR JOURNEY

FY2023 will usher in a new 3-year plan (page 33) that will see us continue to refine our approach and expand our influence to keep modern slavery risks high on the agenda.

Collaborations with like-minded partners on this journey will anchor our ability to become a stronger voice against modern slavery in our broader environment.

This statement was approved by the board of ISPT Pty Ltd on 10 November 2022. ISPT Pty Ltd is a 'higher entity' within the meaning of section 14(2)(d)(ii) of the Modern Slavery Act 2018 (Cth), being the entity in a position to influence or control each other reporting entity covered by this statement.

This statement is signed by Rosemary Hartnett (Chair of the Board of Directors of ISPT Pty Ltd) and Chris Chapple (Chief Executive Officer of ISPT Pty Ltd).



Rosemary Hartnett
Chair
ISPT Pty Ltd



Chris Chapple
Chief Executive Officer
ISPT Pty Ltd

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

ISPT is a leading Australian property fund manager, with high quality properties and funds under management of \$21.7B (as at 30 June 2022). We operate a unique profit-to-investor business model and are committed to responsibly placing investors' funds in the property sector to optimise returns, at relatively low cost.

ABOUT ISPT

Established in 1994, ISPT owns a significant property portfolio across the commercial, retail, industrial, education, health & life sciences, and social infrastructure property sectors.

ISPT manages several property trusts, including the ISPT Core Fund, the largest investor-owned wholesale fund and one of the largest multi-sector property investment vehicles in Australia.

For over 25 years, we have created value for our investors, which include some of Australia's largest superannuation funds, public sector superannuation funds and investment funds. These investors collectively represent more than 50% of working Australians who have placed their retirement savings in those funds.

During FY2022, we employed a workforce of 194, operating from Melbourne, Sydney, Brisbane, Perth, and Canberra. As at 30 June 2022, we employed 161 full-time, 19 part-time, 7 fixed-term and 7 contracted or temporary workers across investment and development management, office support, operations, finance, legal and other functions.

Our investment is focused in Australia, and as at the date of this Statement we do not have any active international operations or own any international properties.

CORPORATE GOVERNANCE

ISPT is committed to excellence in corporate governance, compliance, and ethical behaviour. Our corporate governance framework is designed to protect and enhance investor value by ensuring we operate transparently.

The ISPT Board has overall responsibility for the effective governance of our business. As we are owned by our investors, ISPT Pty Ltd's Constitution provides that 7 of our 10 directors on the Board are either appointed or elected by our member investors. We also have 3 independent directors, including the Chair.

We have established an internal modern slavery working group comprising representatives from across our business. This gives us a broad and multi-functional perspective to understand and assess the risks of modern slavery and continuously evolve our strategy to address them (page 24).

RESPONSIBLE INVESTING

We act ethically and responsibly, believing that socially and environmentally sustainable initiatives create long-term value for our investors and customers, and ultimately, the communities we serve.

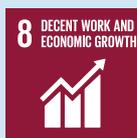
The principles of responsible investing, including respect for human rights and freedom from slavery, are considered throughout our investment processes. Our goal is to seek opportunities that deliver risk-adjusted returns throughout the property cycle while responsibly placing investors' capital in property.

THE ISPT ESG STRATEGY

Our approach to responsible investment is underpinned by our commitment to environmental, social and governance (ESG) excellence with a 'do no harm' investment and operating philosophy.

Our ESG Framework represents the full scope of our ESG strategy. The Framework addresses the issues of greatest importance for our investors, customers and communities, and helps us to monitor and manage our activities and achievements. It is aligned with the United Nations Sustainable Development Goals (SDGs), which lay out an ambitious pathway to end extreme poverty, fight inequality and injustice and protect the planet.

ISPT shares the ambitions of SDG 8 to create a better economic future for all, including through promoting sustainable growth and decent work. Specifically, SDG 8.7 underpins our priority to address the most severe modern slavery risks identified in our supply chains.



We also recognise our responsibility to provide for or cooperate in the remediation of human rights harm, which we identify we have caused or contributed to, in line with the UNGPs, which could include modern slavery related harm.

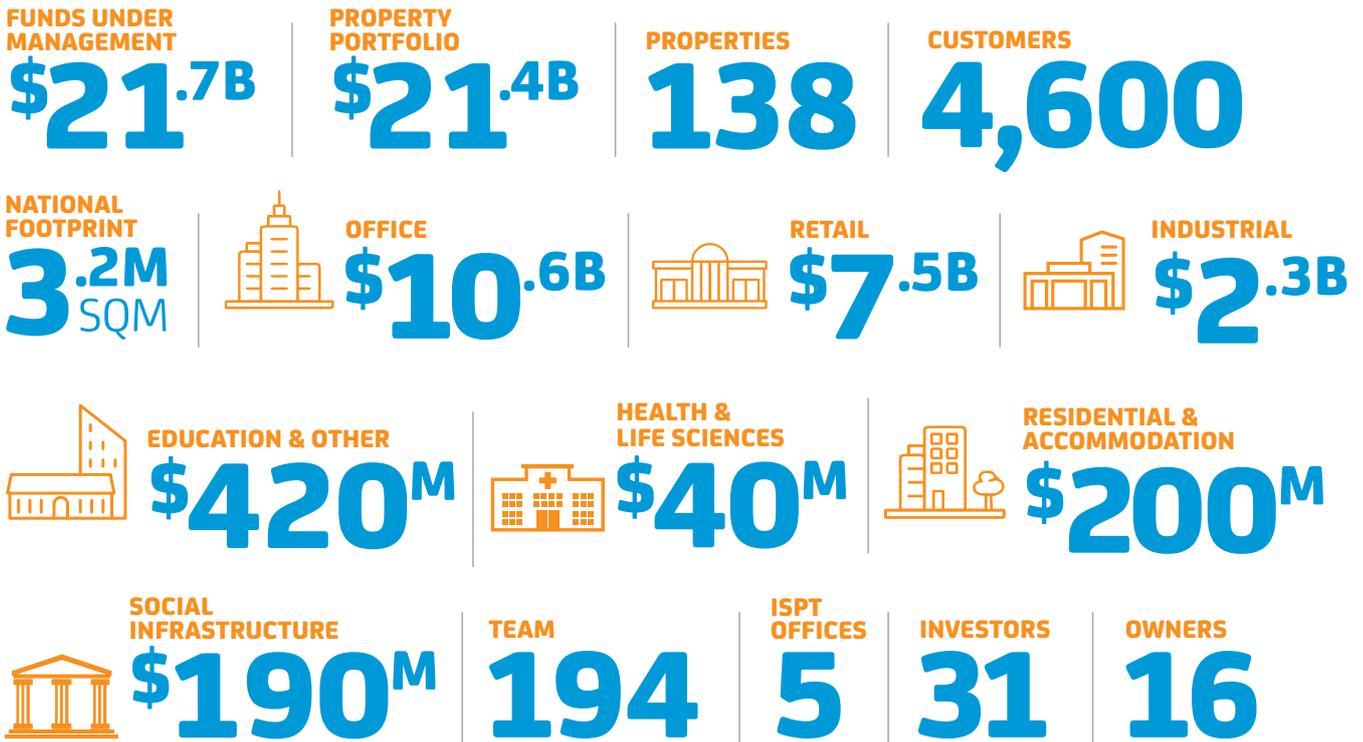
More broadly, we also seek to drive positive changes through our investment decisions and industry influence, including in areas such as modern slavery.



OUR PRESENCE

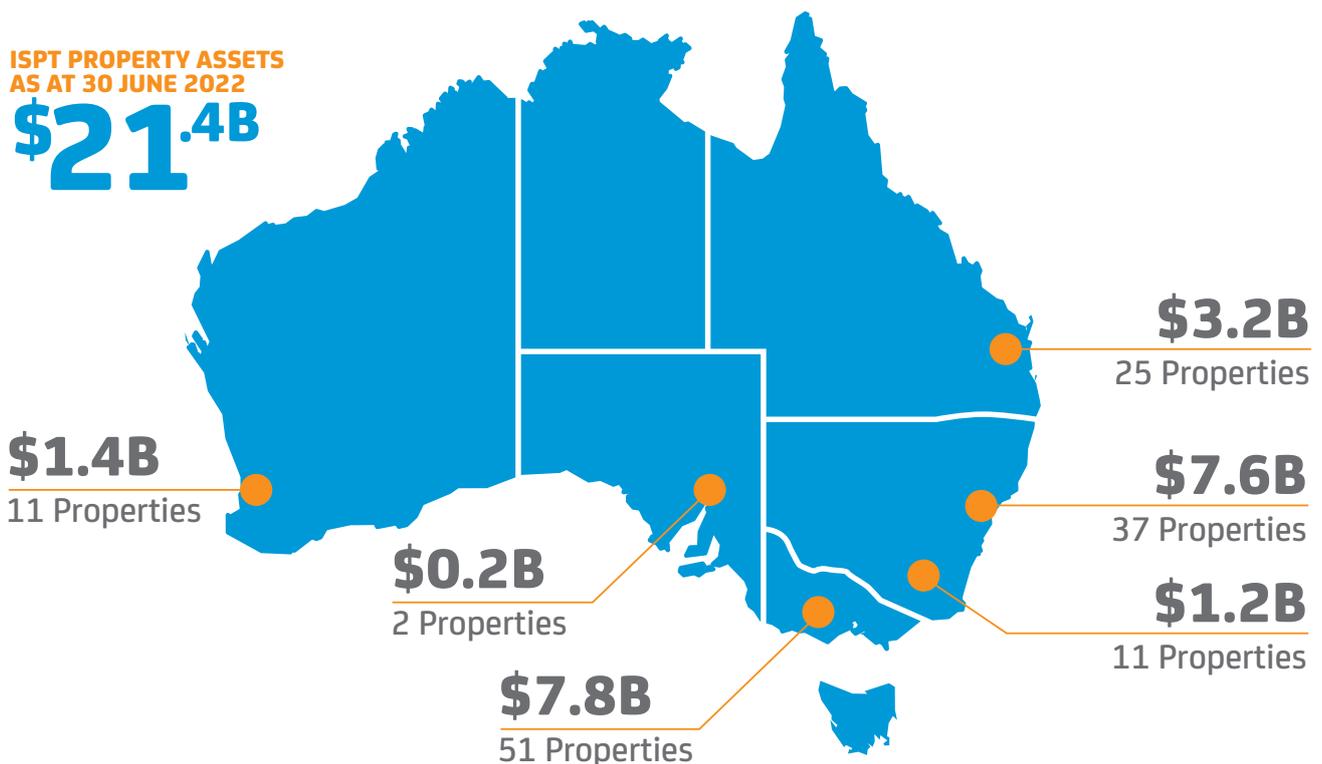
We own some of the most recognisable properties in Australia. Our mission is to deliver high-quality places that enable economic, social and environmental growth, where people thrive in their day-to-day activities. ISPT only invests in Australian property and currently does not own any investments or have any active operations overseas.

ISPT as at 30 June 2022



ISPT PROPERTY ASSETS AS AT 30 JUNE 2022

\$21.4B



FUND AND INVESTMENT MANAGEMENT

As a property fund manager for superannuation funds, we derive capital from the pooled investor equity and debt facilities from Australian and international capital markets. Our core activity is the investment management of our extensive property portfolios as shown in our value chain.

ISPT VALUE CHAIN



ACQUIRE

Properties that meet the growth strategies of ISPT funds are actively sourced and acquired.



Property agents/ professionals for tax, legal, valuation, sustainability, engineering, health & safety, and environmental advice.

Investors/third parties for co-ownerships.

WE ENGAGE

DEVELOP

Our development program is designed to enhance the scale and value of ISPT funds.



Construction partners to deliver major developments. Australian businesses providing products/services for refurbishments.

LEASE

Income stability delivered through leasing strategies is a key attribute of ISPT funds.



Tenant customers who are lessees at our properties.

SELL

Properties which have maximised their potential are sold to recycle capital.



Property agents/ professionals for tax and legal advice.

OPERATE

Our properties provide a clean, safe, energy-efficient, and comfortable environment.



Australian businesses for daily maintenance services.

MANAGE

Customers' expectations are met through active engagement and property initiatives.



Property partners for daily property management. Direct suppliers mostly engaged through property partners.

OUR SUPPLY CHAINS AND PROCUREMENT SPEND

ISPT's procurement spend on goods and services predominantly stems from these key business functions across our operations, including our reporting entities.

PROPERTY DEVELOPMENT

Delivery of major developments is outsourced to construction partners who are amongst the most expert and reputable names in the construction industry.

As head contractors, our construction partners are selected through a competitive process and formally appointed with an agreement that includes modern slavery related clauses. Our major construction partners include Buildcorp, Built, FDC, Lendlease, Multiplex and Roberts & Co. These companies are registered on the PCA Platform.

PROPERTY OPERATIONS

Property management

Property management is outsourced to professional property management companies (known as our property partners) engaged through a Property Management Agreement. During FY2022, our property partners included leading global organisations – Jones Lang LaSalle, Colliers, CBRE and Knight Frank.

Our property partners are responsible for the delivery of day-to-day property management services and key initiatives across our portfolio. Services provided also include the procurement of goods and services required for building operations and projects.

Most suppliers engaged by our property partners have a direct contractual relationship with ISPT. Our property partners are responsible for operational management of supplier relationships and suppliers' performance.

Maintenance services

Daily maintenance services to keep our buildings clean, safe, and secure are outsourced to organisations across Australia under the **ISPT Services Agreement**.

Large expenditure categories include cleaning services, on-site security services, waste management, mechanical (heating, ventilation, air conditioning (HVAC) services), electrical services, fire equipment maintenance and vertical transportation (lifts, escalators and travelators) maintenance.

Suppliers are not permitted to sub-contract the services without ISPT's prior consent.

Professional services

Professional service suppliers are engaged to provide specialised expertise under the ISPT Consultancy Services Agreements or similar arrangements.

They include external consultants and professionals engaged both at asset and corporate levels to provide expert advice on areas, including tax, legal, valuations, sustainability, engineering, health, safety and environment, customer experience and wellbeing.

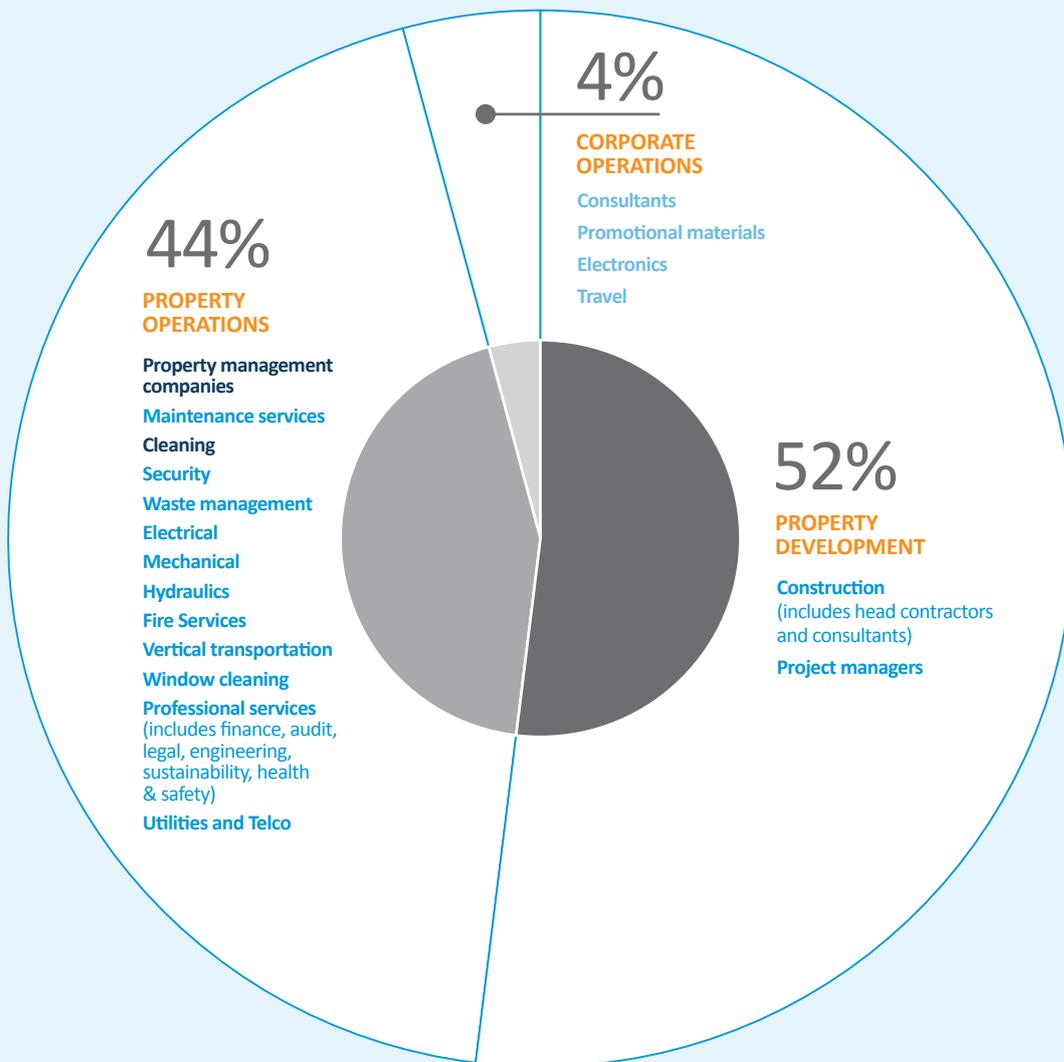
CORPORATE OPERATIONS

Where possible, we source goods and services from a wide network of Australian suppliers to support our corporate operations. This includes promotional goods, information and research, communication and technology products and services as well as professional and financial services. While our suppliers may be Australia based, they may source some component, parts or products from overseas.



PROCUREMENT SPEND AND INFLUENCE

This chart illustrates our procurement spend across key business functions and the influence we believe we yield on relevant suppliers in modern slavery risk management. Our spend in these business functions is one of the factors considered when mapping supplier risks (page 14).



HOW WE ASSESS OUR ABILITY TO INFLUENCE SUPPLIERS' ACTIONS ON MODERN SLAVERY RISKS

In line with the UNGPs, we recognise the importance of building leverage to manage supplier risks which pose a direct link to modern slavery. Our ability to positively steer suppliers' actions may change as we seek to increase that leverage where possible.

LEVEL	OUR LEVERAGE
High	ISPT contracts directly with Australian suppliers and is an active member of industry certification schemes with worker engagement, such as CAF.
Medium	ISPT contracts directly with Australian suppliers and conducts regular meetings with management.
Low	ISPT may have either 1) purchased products from Australian suppliers with the product manufactured in risk countries such as China, Malaysia and India, or 2) engaged a specialised consultancy with limited alternative suppliers. Both cases result in ISPT having less leverage to influence suppliers. ISPT purchases travel services (airlines and hotels) and our influence is very low on these suppliers.

OUR ASSOCIATION WITH MODERN SLAVERY RISKS

The UNGPs set out a three-part continuum of involvement to show the different ways that businesses could be involved in adverse human rights impacts, such as modern slavery:

CAUSE

A business can 'cause' modern slavery if its own actions directly lead to modern slavery occurring.

CONTRIBUTE

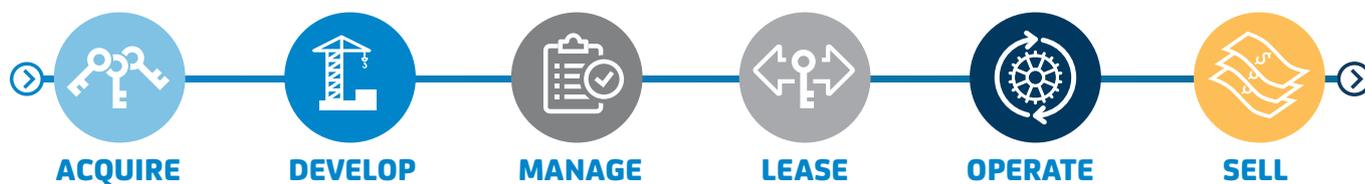
A business can 'contribute' to modern slavery if its actions or omissions facilitate or incentivise modern slavery occurring and the modern slavery would have been unlikely to occur without these actions or omissions.

DIRECTLY LINKED

A business is 'directly linked' to modern slavery if modern slavery is directly linked to its operations, products or services by a business relationship but the business has not caused or contributed to this exploitation.

The Australian Government encourages entities to draw on this continuum to understand and communicate their modern slavery risks. Based on this continuum, we considered the scenarios where our activities may result in human rights-related harm or impacts through modern slavery. Based on those scenarios, we could be 'directly linked' to modern slavery but are unlikely to 'cause' or 'contribute' to modern slavery given the controls and governance structures in place.

OUR ASSOCIATION WITH MODERN SLAVERY RISKS



RISK SCENARIOS

WE CAN BE DIRECTLY LINKED TO MODERN SLAVERY...

If we acquire a property where workers are exploited to deliver services such as cleaning or where existing tenants are exploiting their workers.

If our construction partners procure materials produced using modern slavery or engage subcontractors who exploit their workers.

If our suppliers or sub-suppliers provide goods or services produced or delivered by exploited workers.

If a customer (such as a retail tenant) exploits workers or procures goods for sale or use on our properties using modern slavery.

If maintenance and other suppliers exploit workers used to deliver these services to ISPT.

WE CAN CONTRIBUTE TO MODERN SLAVERY...

If we undertake projects with unrealistic timeframes and budget requirements, which incentivise contractors to exploit workers.

If we know or should have known a supplier is exploiting its workers but take no action.

If we require suppliers to reduce costs to a level that could only be met by exploiting workers.

HOW ISPT ADDRESSES THIS RISK

We undertake due diligence on properties we acquire to help identify potential risks, including those relating to modern slavery.

We set clear expectations for suppliers through our Supplier Code of Conduct and contractual clauses.

Our standard tender evaluation templates incorporate an assessment of prospective suppliers' commitments to ethical work practices.

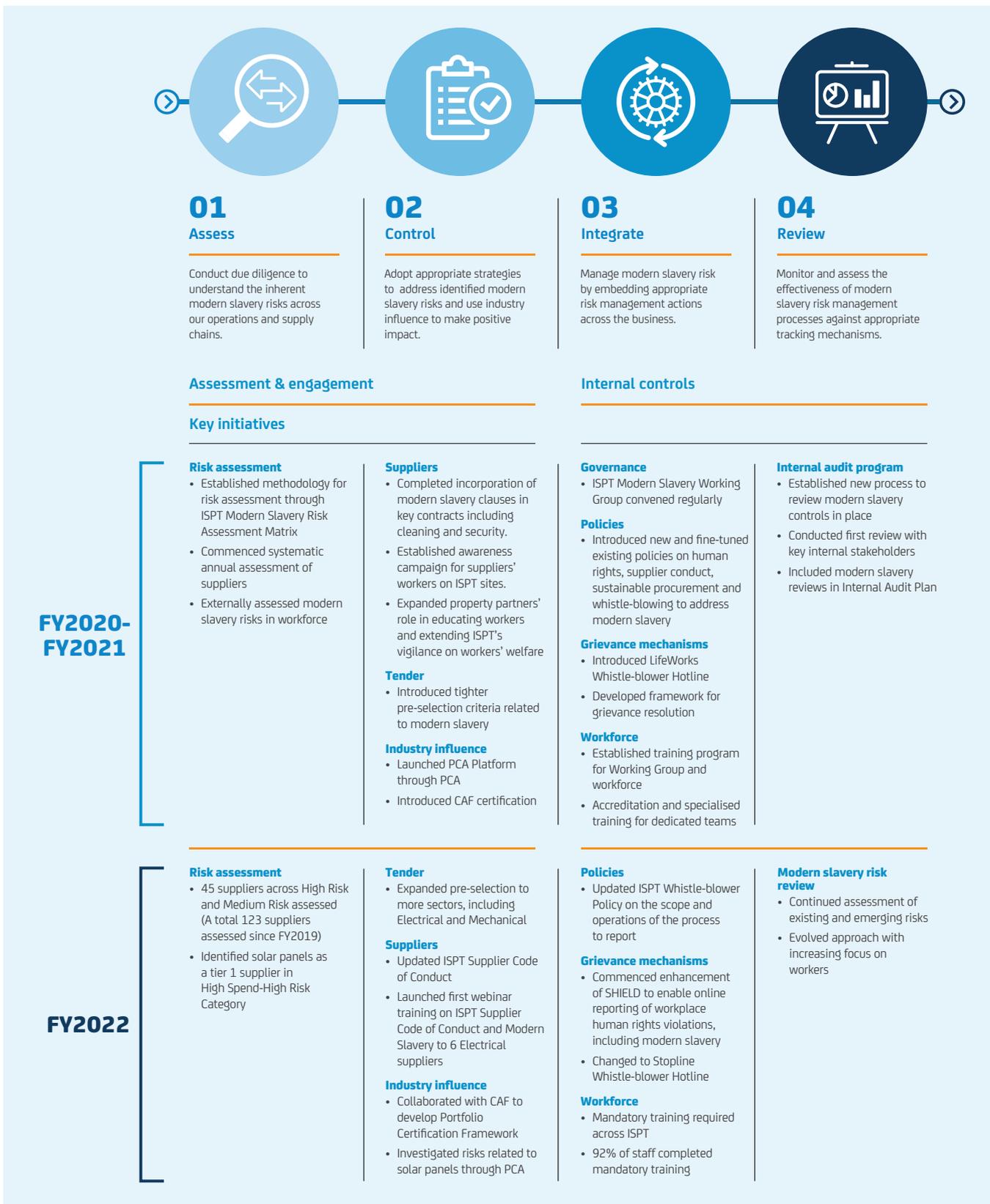
We have successfully incorporated modern slavery clauses in most lease agreements with limited objections from tenants and will continue to seek to do so. We are exploring scope for additional engagement with tenants.

We have a direct engagement model. Suppliers should not engage subcontractors without first obtaining our consent.

We may also move from being directly linked to modern slavery practices to contributing to modern slavery where our acts or omissions facilitate or incentivise modern slavery occurring.

ISPT MODERN SLAVERY RISK MANAGEMENT STRATEGY SNAPSHOT

Our modern slavery risk management strategy is pillared on four workstreams, working in tandem to support our approach to respecting human rights, including modern slavery. This table encapsulates our accomplishments from the three-year foundational work plan from FY2020-FY2022.

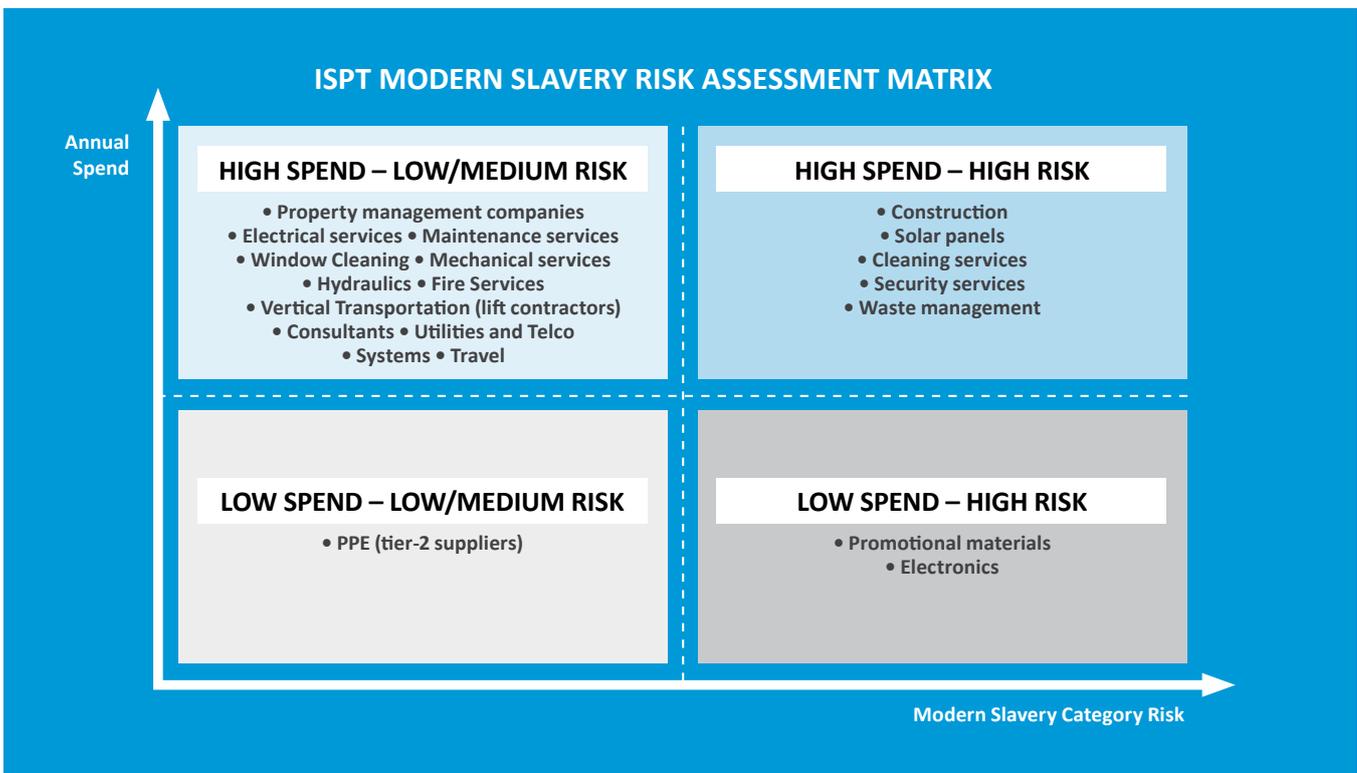




01 ASSESS

The ISPT Modern Slavery Risk Assessment Matrix (**Matrix**) maps our suppliers according to inherent modern slavery risks based on the sector they operate in and the country from which products are sourced.

Initial analysis sourced from the PCA Platform is a key resource for analysing risk. While spend does not impact risk rating, we use it currently to prioritise our risk mitigation actions. The Matrix is reviewed regularly by the Modern Slavery Working Group to reflect any changes in our economic and operational environment using information from external sources including The Global Slavery Index and the PCA.



RISK ASSESSMENT

We understand that modern slavery involves the serious exploitation of people for personal or commercial gain. Care is taken to assess our supply chains to understand the risk of any practices that may jeopardise human rights such as modern slavery in Australia or overseas.

Our assessment of modern slavery risks covers actual or potential adverse human rights impacts, including modern slavery, that may exist throughout our supply chains.

Our assessment of modern slavery risks is based on internationally recognised resources such as the [Global Slavery Index](#) and the [Business and Human Rights Resource Centre](#) to identify high risk countries, regions, industries, and categories.

We also adopted a modern slavery risk analysis conducted by Edge Environment for the PCA Platform, which showed inherent risks present in key procurement categories and countries. We then mapped this against our operations and supply chains to identify any elevated risks of modern slavery.

WORKFORCE

An external evaluation has assessed the risk of modern slavery within our workforce as low due to the professional nature of our workforce and location wholly in Australia.

ISPT's workforce predominantly comprises professionals and managers performing corporate and investment management functions across the business, mostly directly employed on individual contracts. We also engage independent and temporary contractors for white-collar work through employment agencies at times for specific corporate projects and short-term business needs. We recognise there can be modern slavery risks linked with recruitment agencies and temporary workers.

All ISPT staff are employed in Australia, complying with Australian labour laws. Remuneration levels are reviewed annually with market remuneration rates provided by an independent external consultant, in accordance with the ISPT Remuneration Policy.

Our workplace culture empowers staff to perform their best from their diverse capabilities and community relationships.

At all times, our staff are encouraged to use the support and resources available through our Employee Assistance Program provided by Lifeworks for any work or personal issues. Since October 2022, our Employee Assistance Program has been provided by Assure.

Easing of COVID-19 restrictions saw the return of staff to our offices, with strong support for a hybrid work model. Through staff engagement surveys, we introduced a new Flexible Working Policy in March 2022, ensuring our culture of collaboration continues to thrive under the new norm.

SUPPLY CHAINS

Assessment process

Risk management

Our priority is to target the most severe risks within our supply chains, noting we consider our exposure to modern slavery risks to be higher in our supply chains than our operations. We have approached this by systematically building our understanding of various supplier categories and related risk factors.

The PCA Platform enables us to assess suppliers through a common database and continues to be our key resource for analysis and risk identification.

We use the Matrix (page 14) when selecting suppliers for assessment. Suppliers are mapped according to their category of product/service and assigned a risk level. Suppliers with higher-risk profiles or who account for more than \$250,000 of our annual spend must complete the questionnaire through the PCA Platform.

As a priority, risk controls are developed for higher-risk supplier categories.

Performance monitoring

Suppliers assessed on the PCA Platform are required to provide information on their modern slavery statements, policies, structures, and risk management within their own supply chains.

We analyse the responses to identify real and potential gaps, such as outdated and missing information and then request additional information from suppliers if there are specific gaps.

New groups of suppliers are included in our assessment each financial year. In FY2022, we included new suppliers in higher-risk categories and extended the assessment to suppliers in medium-risk categories. A reassessment on suppliers is conducted annually.

FY2022 PCA PLATFORM ASSESSMENT

FY2022	
Additional suppliers included for assessment	45
• High Risk suppliers	13
• Medium Risk suppliers	32
Existing suppliers included in reassessment	78
Since FY2019	
Total suppliers assessed	123

Since FY2019, we have assessed 123 suppliers. This comprises over 90% of our spend across our High-Risk categories and 60% of the total procurement spend.

Cleaning suppliers

In FY2022, we completed an evidence-based analysis on cleaning suppliers through Bureau Veritas, a global specialist in Testing, Inspection and Certification.

The process involved a deep assessment of the practices of all our cleaning suppliers, based on evidence such as training, human resource policies, code of conduct and outsourcing.

No indicators of modern slavery have been identified in our cleaning supply chains. We recognise that not identifying any indicators does not mean modern slavery practices may not have occurred.

The chart below shows a breakdown of suppliers assessed based on sectors and risk profiles from 2019. Suppliers are engaged systematically to facilitate our focus on groups most at risks of modern slavery.

SUPPLIERS INVITED TO PCA PLATFORM



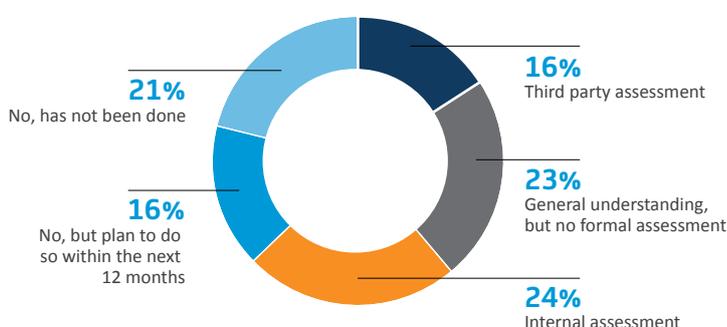
Key insights from FY2022 assessment

The additional 45 suppliers assessed were selected based on their risk categories, from high risk (solar, construction) to medium risk (IT, audit, consultants). The suppliers were invited to answer approximately 90 questions via the PCA Platform. Our interest was on suppliers' knowledge about modern slavery risks, and the steps they have taken to manage those risks.

The following questions in particular shed light on our suppliers' preparedness. Importantly, the responses enable us to assess the effectiveness of our supplier engagement program by comparing ISPT's supplier responses from the previous year and against overall PCA supplier averages.

SUPPLIERS WERE ASKED:

Have you assessed the risks relating to modern slavery in your operations and supply chains?

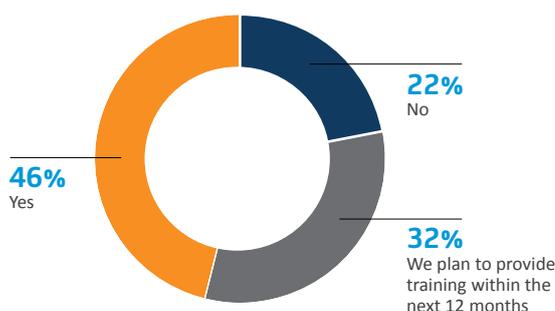


More of ISPT's suppliers are conducting third-party assessments to assess their risks than last year. There is also a higher level of internal assessment, compared to last year.

However, 37% of ISPT's suppliers assessed answered No to this question.

We will continue to include modern slavery prevention initiatives on the meeting agenda with these suppliers and roll out briefing sessions to deepen suppliers' understanding of modern slavery risks.

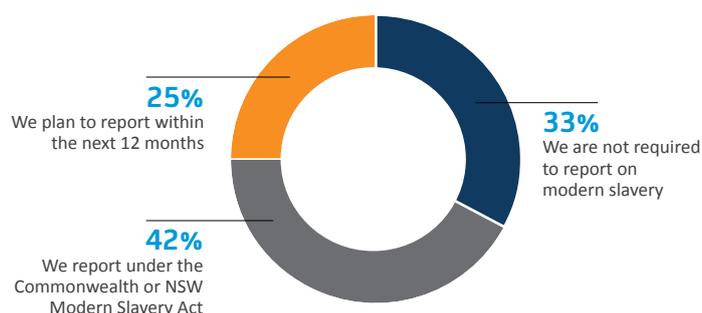
Do you provide training to employees or suppliers around the topic of human rights and modern slavery?



This question revealed that 46% of ISPT's suppliers provide some form of modern slavery training to their employees or suppliers, which is twice the PCA average. Although 32% say they will provide training in the coming year, there are still almost a quarter that do not.

We have a program in place to educate suppliers on modern slavery risks and signs through contractor briefing webinars and encourage suppliers to utilise the free training resources available through the PCA Platform.

Are you a reporting entity under either the Commonwealth Modern Slavery legislation or that of another jurisdiction?



ISPT suppliers vary in size, and many of the suppliers assessed do not meet the \$100M threshold to submit a statement to the Commonwealth government.

It is business as usual for us to affirm the status of assessed suppliers as reporting entities and verify their compliance with the MSA through the Australian Modern Slavery Register.

FACTORS WE CONSIDER IN ASSESSING OUR RISKS

Operational environment

Unlike some other sectors, property involves outsourcing which can present challenges to understanding and managing supplier risks. Many of our suppliers may use contractors, particularly for construction. We are increasingly requesting relevant suppliers to disclose information about their supply chains, such as the source country for products used, and their labour hire practices.

COVID-19 geopolitical incidents, natural disasters and economic disrupters

Key disruptors in FY2022, such as the far-reaching impact of COVID-19, the floods in NSW and QLD, and Russia's invasion of Ukraine, may impact our modern slavery risk profile. These events may interrupt demand-supply balances and increase financial pressures in certain sectors, potentially impacting work conditions and compensation of workers. Supply shortages may also drive suppliers to seek alternative imports, increasing our exposure to risk countries.

Activities we consider most at risk of modern slavery

Construction companies source a broad variety of services, components, and materials from companies in Australia and overseas for use in our projects. This may include labour hire, prefabricated parts, structures, raw and other materials, and workwear manufactured overseas in risk countries such as China, India, parts of Europe and Turkey.

While we do not directly source these goods, they are required to be procured in accordance with the ISPT Procurement Policy and Guidelines.

Despite the use of reputable construction companies as our head contractors, the complexity and lack of transparency in the remote links of global construction supply chains may pose challenges to fully identifying and assessing modern slavery risks.

We require our head contractors to have processes in place to identify modern slavery risks in procurement, including such risks in relation to prefabricated parts or structures and construction materials, and to take steps to manage those risks.

Property management companies may pose a risk of modern slavery through the supply of services which they manage on ISPT's behalf, which include cleaning, waste management, and security services.

Cleaning services at our properties are provided by local companies. ISPT has direct contracts with cleaning companies. As an active member of CAF, we can positively influence these companies' labour practices.

Security services at our properties are provided by local companies. ISPT has direct contracts with security companies, and we have a certain level of influence on their labour practices.

Waste management across our properties is provided by local companies. ISPT has direct contracts with waste companies and conducts quarterly meetings to monitor their performance.

Promotional materials and electronics purchased from local companies are likely to comprise components manufactured in risk countries such as China, Malaysia and The Philippines.

Solar panels are purchased by local companies which have manufacturers based in China. We have assessed all local suppliers, with a requirement for them to provide due diligence information on their manufacturers. No evidence of modern slavery has emerged and we will continue to manage the associated country risk through the PCA Working Group (page 23).



02 CONTROL

TENDER EVALUATION

ISPT's standard tender evaluation templates incorporate an assessment of prospective suppliers' commitments to ethical work practices, particularly those related to the environment, health and safety, community, work conditions, and fair payment, including modern slavery.

We assess the policies and procedures of all organisations participating in selected ISPT tenders and are increasingly raising our expectations on tenderers' conduct relating to modern slavery.

TENDERER'S DECLARATION

The ISPT tender response schedule requires tenderers to declare their actions to manage human rights risks, including modern slavery preventive measures, and provide their modern slavery statements, if applicable.

The submissions are assessed and designated a weighted score by our Sustainability and Procurement teams, and these influence selection outcomes.

Expanding rollout

First implemented for security services in FY2021, this practice has now been adopted in tenders for mechanical services, and is currently underway for cleaning services.

BUILDING AWARENESS

WIDENING OUR REACH

We have adopted a pro-active strategy to raise awareness of modern slavery with contractors and their workers at our properties in collaboration with our property partners through:

- Contractor meetings with modern slavery as an ongoing agenda item
- Posters on modern slavery displayed in facilities designated for the workers of contractors with information on the Stopline Whistle-blower Hotline (see below)
- Distribution of the ISPT Whistle-blower Policy User Guide to contractors and their workers through our property partners
- On-site sign-in systems for contractors visiting our properties to acknowledge they have read and understood the ISPT Whistle-blower Policy User Guide
- Recurring contractor induction program to raise awareness on modern slavery and reporting channels in conjunction with our health and safety protocols for workers.

This has helped us to increase our level of engagement with cleaners and security guards across all ISPT development sites.

SUPPLIER COMMUNICATION AND TRAINING

We continue to reach out to an increasing number of suppliers through established channels such as the regular contractor meetings. At every engagement opportunity and contractual negotiations, we declare our stance on modern slavery and expectations for suppliers to address any associated risks through the [ISPT Supplier Code of Conduct](#).

In FY2022, we launched webinar training for electrical services contractors, focused on service delivery and expectations. The ISPT Supplier Code of Conduct, modern slavery topics (which includes definitions of modern slavery and how to spot the signs of modern slavery) and channels to report any suspicions of modern slavery were covered in this webinar training.

The webinars will be expanded to more suppliers over the course of FY2023, primarily targeting mechanical, waste, and cleaning services contractors.

Posters on modern slavery in ISPT facilities



CONSTRUCTION DEEP DIVE PROJECT – GLASS REINFORCED CONCRETE PANELS

ISPT has partnered with construction contractor Buildcorp to undertake a deep dive into the supply chains of glass reinforced concrete (GRC) panels.

GRC panels are proposed to be used extensively in the over cladding of the existing building façade of 477 Pitt St, Sydney, an ISPT property undergoing redevelopment worth more than \$160 million.

This marks the first and an important collaboration with a major construction partner to unravel the complex tiers and often obscure nature of our construction supply chains. It will also provide an appropriate case study for us to test the viability of similar third-party audits with our major suppliers.

Deep dive objectives

Buildcorp has engaged Trace SCI (Unchained Solutions Pty Ltd in collaboration with Trace Supply Chain Intelligence) to undertake a two-part deep dive process.

Part 1: Traceability of suppliers

This seeks to trace all suppliers involved in the production of GRC panels, which Buildcorp obtained from the processing factory in Hebei, China (Supplier A).

Supplier A is not a reporting entity under the MSA and has no identified issues complying with Buildcorp’s Supplier Code of Conduct.

The traceability exercise, which is now complete, identified 3 companies which supply raw materials to Supplier A. Significant risk indicators were found for Supplier A and its suppliers:

Country Risk – High
 Industry Risk – Very High
 Global Slavery Risk Index – Very High

Part 2: Independent social audit

The next step will involve an independent assessment of Supplier A to determine if its factory meets international and human rights standards by QIMA.

QIMA is, an international independent audit provider based in Hong Kong who will conduct a SEDEX Members Ethical Trade Audit (SMETA). SMETA is the most widely recognised social audit in the world.

The social audit will monitor the health and safety for Supplier A’s workers, and signal zero tolerance of human rights abuses such as child and forced labour.

A detailed site inspection over two days will seek greater visibility of working conditions, including employee accommodations, and through interviews with the management and workers

We expect to receive a detailed report on any required improvements at the end of the audit, followed by a remediation plan, if applicable.



INDUSTRY INFLUENCE

ISPT is committed to promoting good labour practices at every opportunity through our industry presence and leadership.

CAF

ISPT has been involved in CAF since its inception in 2013 as an independent not-for-profit entity to end exploitation in the cleaning industry.

CAF is represented by stakeholders across the cleaning supply chain, including industry peers which are also our co-ownership partners and suppliers.

CAF certification

CAF's 3 Star Standard site certification scheme was introduced in April 2019, with ISPT as a participant of the pilot scheme. A CAF-certified building provides assurance that cleaning services at the premises are being procured, managed, and delivered in a manner that shows respect for cleaners' labour rights, including the avoidance of modern slavery.

11 of ISPT properties were amongst the first in Australia to be certified with the highest rating of 3 Stars. In addition 2 co-owned properties also achieved a 3 Star rating. This brings a total of 13 properties with CAF certification of 3 Stars.

CAF certification has not only transformed the cleaning industry but has also become the national benchmark for industry best practices. It has also received recognition within the Green Star – Performance rating tool, which assesses the operational performance of existing buildings.

CAF Contractor Prequalification

ISPT continues to show support for CAF Contractor Prequalification – a high-level assessment of the systems, policies, and processes of a cleaning contractor against the CAF 3 Star Standard.

The prequalification scheme enables cleaning contractors to demonstrate their compliance against key criteria, such as fair labour practices and safe working conditions, across their business.

Portfolio Certification Framework

In FY2022, ISPT collaborated with CAF to develop the Portfolio Certification Framework. The Framework will enable an entire property portfolio to be assessed and rated together, scaling up the current CAF certification on individual properties.

This new framework leads to a more efficient process both in terms of time and cost and broad-ranging positive outcomes for cleaners and other supply chain stakeholders.

ISPT aims to achieve CAF certification for our entire property portfolio, as part of our ESG Strategy's Flag on the Hill Targets to 2025.

“Respect for human rights and ethical labour practices are a priority for ISPT and a key part of our ESG Strategy. We recognise the cleaning industry is susceptible to modern slavery and other forms of labour exploitation.

That's why we've targeted to certify all properties that are 100% ISPT owned and operated, using the CAF 3 Star Standard by 2025.”

Steven Peters
Acting General Manager, ESG

FLAG ON THE HILL TARGETS TO 2025



100% POWERED BY RENEWABLE ENERGY (FOR ELECTRICAL SOURCES)



GENERATE MORE CARBON OFFSETS THAN WE USE



ZERO ORGANIC WASTE FROM OUR PROPERTIES GOING TO LANDFILL



HAVE ACHIEVED 30% REDUCTION IN WATER USAGE



INVEST UP TO \$10M OVER 5 YEARS OR THE EQUIVALENT OF 2 BASIS POINTS, INTO SOCIAL IMPACT INITIATIVES



HAVE 100% CAF CERTIFICATION ACROSS OUR ENTIRE PORTFOLIO OF PROPERTIES



EMBED INDIGENOUS, RECONCILIATION, INCLUSION, DIVERSITY PRINCIPLES INTO ALL BUSINESS PROCESSES AND OPERATIONS

CAF IS ONE OF ISPT’S LEADING ANTI-SLAVERY MECHANISMS

ISPT was deeply involved in CAF’s evolution years before MSA was introduced.

CAF demonstrates the powerful impact an industry collaboration can bring to an entire supply chain. It is not only a signature feature of our anti-slavery strategy but also a model we will adapt for other high-risk sectors.

Workers’ feedback indispensable

Besides a dynamic structure of compliance checks on cleaning companies by various industry stakeholders, CAF addresses modern slavery risks from the outset through effective reach to workers.

Worker engagement through the CAF certification process is unique to CAF, forming an important part of its ongoing compliance assessment.

It gives weight to cleaner’s feedback and acts as a reverse performance evaluation further to CAF’s desk-based audits on cleaning companies.

Conducted in a safe and comfortable environment, CAF brings cleaners together to facilitate collective and honest conversations on labour issues. This process is supported by officials from United Workers Union, often former cleaners, to bridge language or knowledge barriers.

At larger CAF-certified properties, a trained CAF Representative is appointed amongst cleaners to champion their role in shaping a fair work environment.

Curbing precursors through early intervention

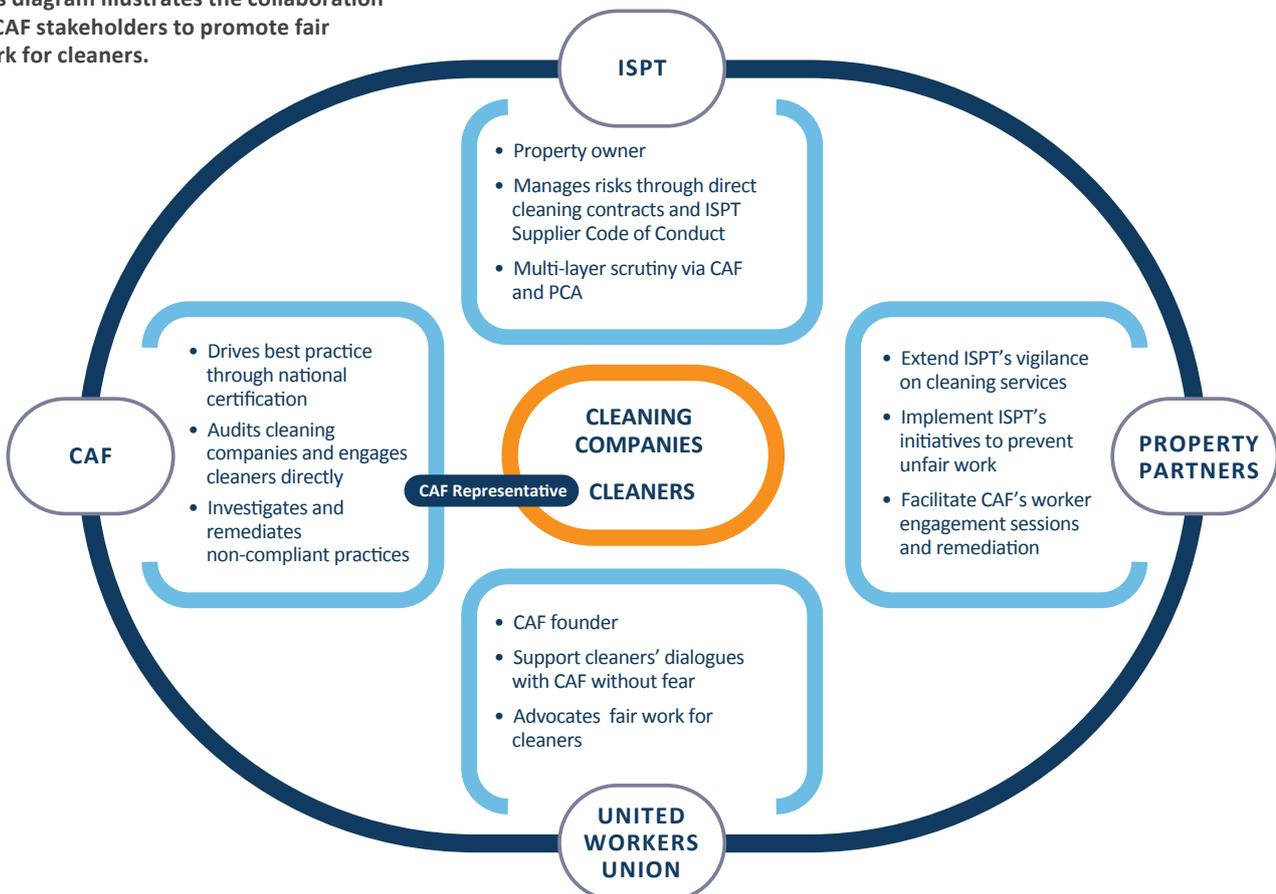
Worker engagement has added significant value in uncovering contravention of labour rights towards cleaners. CAF’s analysis found that more than 70% of labour issues are revealed through worker engagement, and 30% through desk-top based audits.

Importantly, this enables stakeholders to address gaps in labour practices or operating environments before their potential escalation into modern slavery.

Issues reported	Worker engagement	Desk-based audits
Bullying & harassment	100%	0%
Discrimination	100%	0%
Underpayment	54%	46%
Unsustainable workloads	57%	43%
Health & safety	92%	8%
Total average	70%	30%

No cases of modern slavery have been found at any CAF-certified ISPT properties, exemplifying the effectiveness of worker engagement as a trigger for early intervention.

This diagram illustrates the collaboration of CAF stakeholders to promote fair work for cleaners.



CASE STUDY WORKERS' VOICE UNCOVERS UNPAID OVERTIME WORK

In late 2021, a CAF engagement session with workers at a Sydney office building brought workload conversations to the fore and delivered permanent positive systemic changes.

As COVID-19 restrictions eased and office activity resumed, two cleaners found themselves struggling to complete their duties despite working at full capacity. As a result, they went through a repetitive cycle of working an additional 15 to 20 minutes beyond their shifts without compensation.

CAF'S INVESTIGATION

CAF found the cleaners were not asked to work overtime by their cleaning company but did so to manage additional cleaning requested by tenant customers.

Their workloads were also exacerbated by other factors, including an overall reduced cleaner headcount from absenteeism and lower building occupancy related to COVID-19.

While the cleaners were duly paid for requested overtime work, a deficient attendance data system restricted the payroll system from capturing overtime work outside of those requests.

REMEDIATION

Attendance system

The cleaning company was requested to implement a biometric attendance system on site to ensure all hours contributed by the cleaners would be electronically recorded and fed into the payroll system.

This was accomplished in March 2022, giving the cleaning company and CAF accurate oversight on cleaners' attendance and work hours.

Workloads

Adjustments were made to cleaners' headcount to address the absenteeism pronounced by COVID-19. This also enabled cleaners sufficient time to undertake the necessary training and be paid accordingly.

Productivity benchmarks

CAF identified that the anticipation of cleaning demands with the return of office workers was an important factor in assessing cleaners' workloads.

This would be monitored closely in coordination with the CAF Representative, union, and property manager as building occupancy changed well after restrictions eased.

PCA

ISPT is an active member of the PCA, the leading advocate for Australia's property sector with members that include many of our industry peers and investors.

As an active and long-standing PCA member, ISPT has long been at the forefront of many initiatives to promote leading practices for the property industry.

INITIATIVES

PCA Modern Slavery Working Group

In 2018, we became one of the 15 founding members of the PCA Working Group. The Group's goal is to champion a collective approach to overcoming the complexities and challenges in understanding modern slavery risks.

One example of this is the Group's collaboration in investigating modern slavery risks related to solar panels.

In FY2022, the Group also commissioned KPMG to develop a study on effective human rights grievance mechanisms. In coming years, we aim to be increasingly involved in championing best practice and common approaches in grievance mechanisms and remediation.

PCA Platform

The PCA Platform was launched in 2019, setting a new milestone and industry model for Australia.

Jointly developed by PCA, Informed 365, and industry experts, the PCA Platform consolidates disclosures on human rights and modern slavery risks for an entire industry.

Suppliers and customers of the industry's supply chains are assessed for modern slavery risks through a questionnaire that:

- Enables PCA members to proactively engage suppliers on common grounds and streamline reporting
- Reduces reporting burden and facilitates suppliers to share information with different property organisations
- Offers increased transparency and holds companies accountable and for other industries to follow suit

For further information on the PCA Platform, see pages 5, 14, 15 and 17.

COLLECTIVE APPROACH AGAINST MODERN SLAVERY RISKS

During FY2022, the PCA Working Group continued to focus on potential risks of forced labour relating to sourcing of solar panels including allegations relating to reports of state-sponsored forced labour.

From there, we began a prompt assessment of our Australian solar suppliers through the PCA Platform to review their labour practices and approach to human rights, including modern slavery.

Additionally, we required the suppliers to conduct due diligence and obtain written statements from their manufacturers to verify their efforts in preventing forced labour, including availability of a supplier code of conduct and any evidences through site visits or audits.

We recognise the limitations of written statements like this as a modern slavery risk mitigation tool. However, they ensure suppliers understand our focus on modern slavery risk management and provide a foundation for further discussion and dialogue with suppliers.

All required due diligence and documentation are complete. However, against the backdrop of continued allegations relating to the sector, we recognise the risks remain.

Solar panel suppliers are now categorised in the High Risk-Medium Spend category within the Matrix (page 14) and will be managed with elevated priority.

We continue to work closely with our suppliers to extend our uncompromising stance against forced labour and support their due diligence process.

Meanwhile, ISPT is part of an in-depth discussion of this issue at the PCA Working Group and our long-term strategy will be led by a common approach based on the advice of the PCA.

03 INTEGRATE

We are committed to integrating respect for human rights in our business practices, as outlined in the UNGPs.

ISPT MODERN SLAVERY WORKING GROUP

Our work to meet our modern slavery compliance obligations and to manage our modern slavery risks is steered by the ISPT Modern Slavery Working Group (**Working Group**). We have also sought specialist advice from one of Australia's leading business and human rights advisory firms, Pillar Two, in relation to specific aspects of our response.

Since establishment in FY2019, the Working Group has been instrumental in increasing awareness, understanding and visibility of modern slavery risks, not just within our business and supply chains, but also the property sector through PCA and CAF.

MEMBERS

The Working Group is represented by major functions of the business comprising sustainability, procurement, investor relations, legal, risk and compliance, operations, leasing, and development.

Members meet every month to resolve issues raised and ensure work plans are aligned with target milestones.

ROLE

The Working Group is responsible for the ISPT modern slavery management strategy to meet the following goals:

- Complying with the MSA
- Identifying and mitigating of the risks of modern slavery in our supply chains
- Demonstrating leadership in addressing modern slavery within the property investment sector
- Preparing, finalising and verifying the Modern Slavery Statement for review and endorsement by the SLG, ESORC and ultimately the Board

As the first 3-year workplan has been completed, the Working Group's terms of reference (including roles and responsibilities) will be refreshed as part of the new 3-year workplan commencing in FY2023.

REPORTING STRUCTURE

The ISPT Board oversees our broader human rights program through the Environment, Safety and Operational Risk Board Committee (**ESORC**).

The Operations and Sustainability teams are responsible for the development and day-to-day implementation of our human rights program and supplier management program, including modern slavery initiatives.

Activities are regularly reported to the internal Senior Leadership Group (**SLG**), CEO, ESORC and the ISPT Board.

The Working Group reports to the SLG and ESORC. Updates are provided quarterly to the SLG and ESORC through a written report and presentation.

Accountability for respecting human rights, including modern slavery prevention, is cross-functional. Led by the Working Group, our business units work together to ensure the appropriate initiatives are seamlessly embedded across the business.

SHARED RESPONSIBILITY

Collaboration across our business and with business partners is key to leveraging knowledge and influence from across the business to effectively address our modern slavery risks.

Our operating principles are embedded in our co-ownership contracts, and we encourage our co-ownership partners to operate in accordance with ISPT policies and guidelines.

We will continue to promote improvement across our value chains and encourage our business and co-ownership partners to do the same – both within their operations and with their own business suppliers.

However, we recognise there is room for more collaboration with our co-ownership partners and have included this in our forward agenda.

REPORTING STRUCTURE

ISPT BOARD

The ISPT Board (**Board**) is ultimately responsible for approving our Modern Slavery Statement and for ensuring appropriate risk management and mitigation processes are in place

ESORC

ESORC assists the Board to oversee the health, safety and environment framework and risk management strategy for operational risk. ESORC also reviews and endorses the Modern Slavery Statement to the Board

CEO & SLG

The CEO and SLG are responsible for overseeing corporate and property-level projects and operations relating to supply chain, health & safety and governance. They also approve the projects and initiatives for modern slavery prevention

MODERN SLAVERY WORKING GROUP

The Working Group was established to lead the organisation in a process to understand, identify and address those risks across our operations and supply chains



Nico Grau Molina
Procurement



Liz De La Mette (Chair)
Procurement



Warren Smith
Operations



Steven Peters
Sustainability & Technical Services



Violette Stewart
Risk & Compliance



David Chan
Development Services



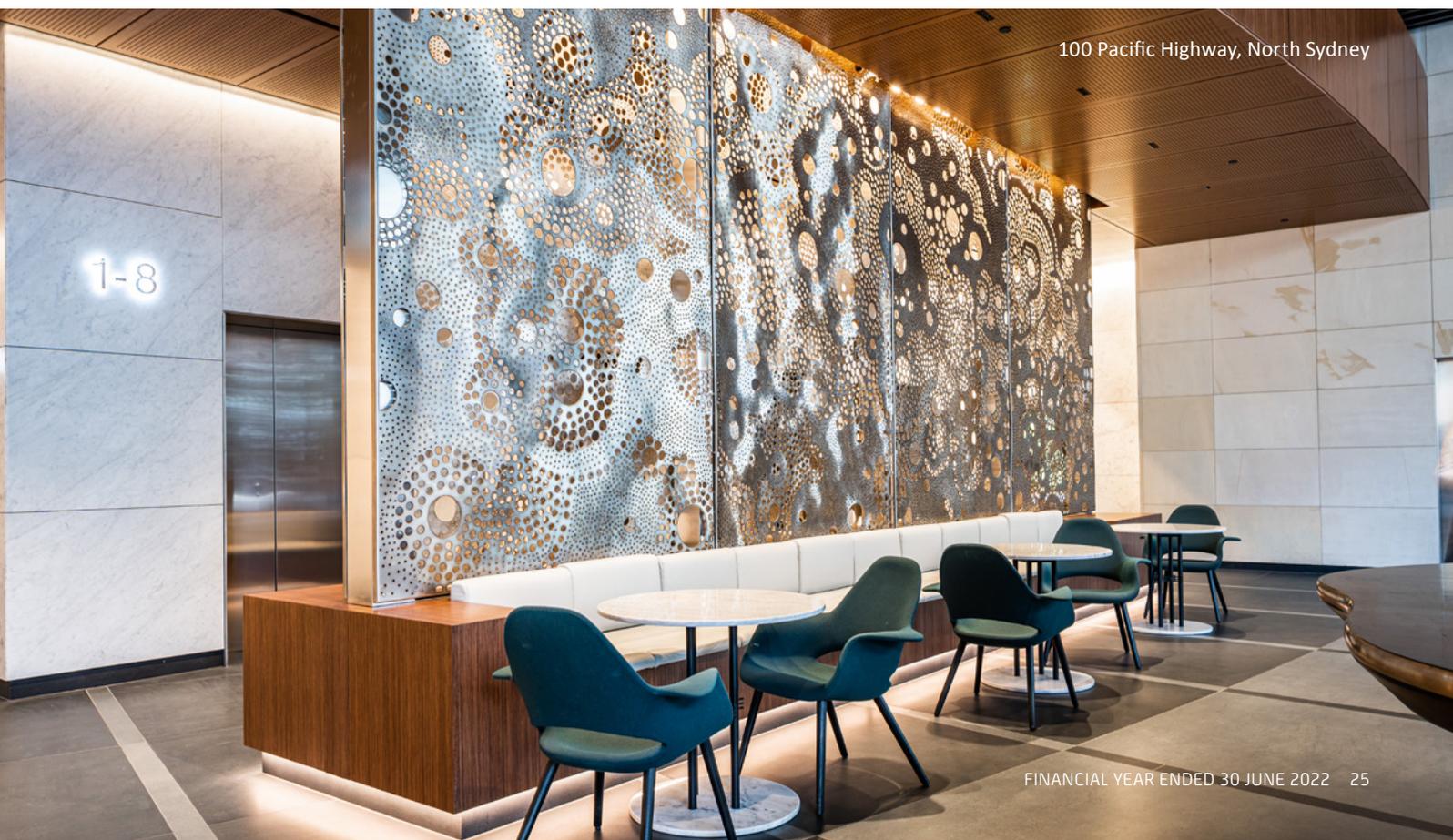
Jay Norden
Retail Services



Jennifer Amy
Legal



Susannah Bourke
Investor Relations



100 Pacific Highway, North Sydney

GOVERNANCE FRAMEWORK

Our corporate governance framework is sound and evolving, underpinned by key policies which support our work to manage modern slavery risks.

CORPORATE POLICIES (Click [here](#) to view)

ISPT Code of Conduct reflects our core values and culture, with emphasis on honesty, integrity, trust, and commitment to maintain a safe working environment. It applies to all directors, employees and independent contractors and is enforced through investigation of breaches by ISPT, which can result in a range of disciplinary actions.

All new starters are required to read and acknowledge the ISPT policies available on the ISPT intranet and complete an online learning module on the ISPT Code of Conduct

ISPT Human Rights Policy expresses our respect for internationally recognised human rights as set out in the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, in line with the UNGPs. We do not tolerate forced labour, child labour, or any other forms of modern slavery as defined in the MSA.

ISPT Whistle-blower Policy sets out a process for reporting concerns about illegal, corrupt or unethical conduct (including modern slavery) occurring in our business. It highlights our commitment to nurture a culture of openness and accountability to minimise associated risks, and to address it appropriately. The policy was updated in FY2022 with increased clarity on the scope and operation of the reporting process.

ISPT Supplier Code of Conduct outlines our expectations of suppliers in the management of ESG risks – particularly across governance and ethics, human rights (including modern slavery), health, safety, and environment (HSE), community, diversity, and data privacy. Our suppliers are expected to comply with the MSA (where relevant), and all other applicable laws relating to modern slavery, respect workers' rights, and ensure fair remuneration and working conditions.

The ISPT Supplier Code of Conduct is presented during the tender process to suppliers for acknowledgement before their engagement, with requirements incorporated into services and consultancy contracts.

INTERNAL GUIDES

ISPT Responsible Investment Policy outlines the principles for the integration of ESG criteria, which includes modern slavery, into our investment decisions. It is consistent with our fiduciary obligations to our investors and defines the minimum requirements for ESG management. This policy sets the framework of how ISPT operates, in alignment with the United Nations Principles for Responsible Investment.

ISPT Sustainable Procurement Guidelines underpin our approach to sustainable procurement. They embrace best practice guidance principles for considering environmental and social themes (including modern slavery) in procurement upheld by internationally recognised standards[^] to:

- Support the welfare, health and safety of our suppliers' labour forces and their extended supply chains
- Educate and empower supply chain labour forces in continuous improvement and innovation
- Promote diversity and inclusion in supply chains to ensure everyone has a 'fair go' with employment opportunities and staff engagement
- Uphold human rights in the workplace and supply chains, including ensuring workers' entitlements regarding remuneration, benefits and workplace conditions are compliant with relevant laws

ISPT Procurement Policy sets our selection criteria for suppliers, which includes sustainable procurement principles from ISPT Sustainable Procurement Guidelines. This ensures we work with suppliers who share our beliefs in responsible supply chain management and demonstrate their ability to deliver sustainable outcomes through fair and ethical practices.

ASSESSING SUPPLIERS' CONDUCT

We treat breaches of our Supplier Code of Conduct seriously and take appropriate action to address breaches that we identify or have been brought to our attention.

The action taken will depend on the severity of the breach. Where possible, we establish corrective action plans to support suppliers in developing capabilities and improving performance.

Suppliers are required to disclose breaches to ISPT, including significant allegations from third parties relating to the areas covered in the Supplier Code of Conduct.

ISPT may terminate its relationship with a supplier if it violates the Supplier Code of Conduct and refuses to implement improvement plans.

We are now investigating effective ways of assessing suppliers' conduct and their adherence to the Supplier Code of Conduct through digital platforms. Discussions with potential providers are underway to enable annual reviews of suppliers based on demonstration of compliance through a digital checklist. While these digital platforms are helpful, we are also committed to ongoing dialogue and engagement with suppliers.

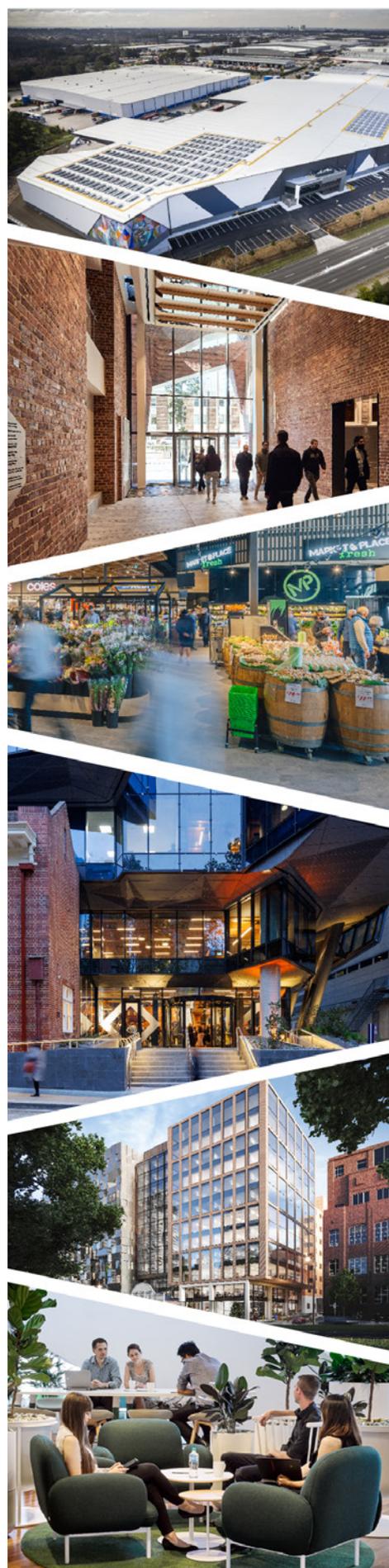
[^] ISO 20400:2017 Sustainable procurement – Guidance

ISPT TEAM TRAINING

We have an established training program in place, with ongoing commitment to build maturity in the knowledge of modern slavery across our business.

- Modern Slavery and Whistle-blower topics are part of the mandatory compliance training program for all ISPT staff.
- As at 30 June 2022, 92% of ISPT staff have completed the Modern Slavery training. The remaining 8% comprising new starters have been allocated a timeframe to complete the training.
- Our Board, Board Committee, senior staff, Working Group and teams directly involved in supply chain management are trained specifically according to their dedicated responsibilities.

TRAINING	ISPT TEAM MEMBERS
<p>Specialised</p> <p>Modern slavery red flags</p> <p>Due diligence and remediation</p>	Working Group
<p>Modern Slavery Awareness training</p>	Board ESORC
<p>Accreditation</p> <p>Chartered Institute of Procurement & Supply (CIPS)</p>	Procurement specialist
<p>FY2021 – Courses</p> <p>University of Technology Sydney & Anti-Slavery Australia</p> <p>CIPS Ethical Procurement & Supply (includes themes on labour rights, human rights and modern slavery)</p>	Procurement specialist
<p>Live training</p> <p>Risks and signs of modern slavery</p>	Property Investment Managers, Leasing Managers, and Development Managers representing ISPT’s frontline team members involved in managing suppliers, contractors and public spaces (e.g. shopping centres and development sites)
<p>Online Compliance module – Awareness</p> <p>Whistleblower</p> <p>Modern slavery</p>	All ISPT staff All ISPT staff



GRIEVANCES AND REMEDIATION

We are committed to providing grievance mechanisms that are trusted and accessible (in line with the UNGPs). Our framework for grievance resolution outlines how grievances, including matters relating to modern slavery and other human rights harms, can be reported and the steps that will be taken to resolve them.

WHISTLE-BLOWER

Dedicated Hotline

The ISPT Whistle-blower Policy introduced in FY2020 allows for the reporting of any concerns relating to illegal, corrupt or unethical conduct, including violations of internationally recognised human rights (which captures modern slavery as defined in the MSA).

The Stopline Whistle-blower Hotline is dedicated to handling reports on suspected misconduct, including modern slavery. It is provided by Stopline, an independent third-party based in Australia which facilitates reporting in 154 languages other than English.

Anyone working on our behalf, and any external person engaged to perform work related to ISPT (including our suppliers' workers), can report concerns about suspected illegal or unethical conduct, including modern slavery, with confidentiality and anonymity through the hotline.

Updates to ISPT Whistle-blower Policy

In FY2022, the Policy was updated to provide increased clarity on the scope and operations of the reporting process, with appointment of new Whistle-blower Protection Contact Officers to manage all reports.

ISPT Whistle-blower Policy User Guide

The ISPT Whistle-blower Policy User Guide promotes understanding of the support system in place for whistle-blowers and is part of our efforts to ensure its grievance mechanisms are trusted and accessible.

The User Guide outlines key information in the ISPT Whistle-blower Policy in clear, simple language:

- Behaviours that constitute a misconduct under the ISPT Whistle-blower Policy

- Persons who can report, the process of making a confidential report and the investigation process
- Support provided by ISPT and protection available under Australia's Whistle-blower Protection Laws

The User Guide was provided to our property partners for distribution to visiting contractors as well as the workers of our contractors to raise awareness on modern slavery.

CAF Grievance Mechanism

As part of CAF 3 Star certification framework, cleaners at our properties are checked on regularly by CAF through on-site engagement. These meetings avail cleaners with a safe environment to raise issues relating to health, treatment, and any other areas of concern, which could include potential concerns relating to modern slavery.

SHIELD ONLINE REPORTING PLATFORM

SHIELD is an ISPT online portal for staff and property partners to report events related to health and safety, including incidents, near misses, hazards, and authority interactions.

We are in the process of adding 'Workplace Human Rights Violation' as a reporting field on SHIELD. This enhancement will enable us to curate reports on modern slavery concerns streamlining our ability to process, review and report on suspected cases.

CUSTOMERS

If a customer or tenant has a complaint, our property partners are usually their first point of contact. The property managers will then notify the ISPT property investment or property operations team of the complaint as part of our reporting process.

If the complaint is a modern slavery related issue, the property investment or property operations team must immediately refer the complaint to the ISPT General Manager, Legal.

CASES

Any concerning issues raised through any of the abovementioned channels will be reported to ISPT according to our framework for grievance resolution (page 29).



FRAMEWORK FOR GRIEVANCE RESOLUTION

In line with the UNGPs and ISPT Human Rights Policy, we recognise our responsibility to provide for or cooperate in the remediation of human rights harm, which we identify have caused or contributed to.

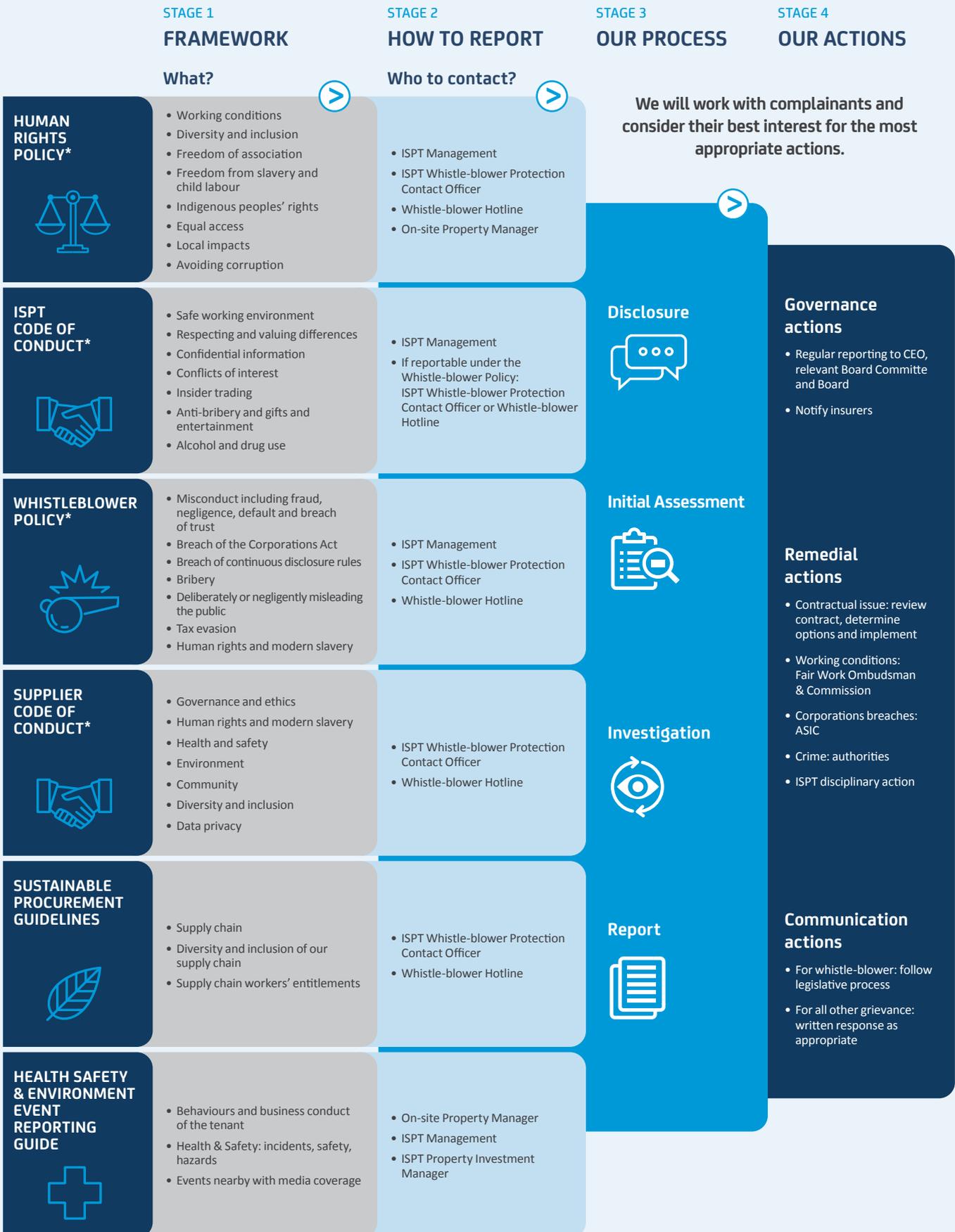
Our framework for grievance resolution outlined in the previous section provides guidance on the avenues for making reports relating to human rights (including modern slavery), ethics, employment welfare, misconduct, and health and safety.

We will continue to develop our response processes and escalation pathways for modern slavery incidents alongside the development of our supplier management framework, particularly as live issues arise.

We also encourage suppliers to provide and maintain their own grievance mechanism for their workers and suppliers to safely raise concerns and complaints without fear of retaliation through the ISPT Supplier Code of Conduct.



FRAMEWORK FOR GRIEVANCE RESOLUTION



*Available on ISPT website

04 REVIEW

TRACKING OUR EFFECTIVENESS

MODERN SLAVERY RISK REVIEW

We are committed to continually refining our modern slavery risk management, including by taking steps to assess the effectiveness of our actions.

The Modern Slavery Risk Review (**Review**) is our continual risk assessment process to evaluate both existing and emerging modern slavery risks. This process supports us in assessing the effectiveness of our actions to manage modern slavery risks by providing a mechanism to test whether our current response is fit for purpose.

The Review is facilitated regularly by the Senior Manager, Risk and Compliance, a member of the Working Group. Risk assessments are currently undertaken with key internal business unit stakeholders directly involved in procurement and outsourcing.

Improving our approach and process

In November 2021, the PCA Working Group facilitated an evaluation of Modern Slavery Statements of 15 leading participant organisations by subject matter experts.

The evaluation was led by Professor Justine Nolan, Director at the Australian Human Rights Institute at University of New South Wales and Professor Jennifer Burn, Director at Anti-Slavery Australia at University of Technology Sydney.

This session assisted our understanding on the effectiveness of our actions to address the risks in our operations and supply chains.

We recognise understanding modern slavery risks built on supplier assessment alone is not a complete strategy. Our approach will be increasingly focused on supplier's workers through the following avenues:

Widening reach to more workers

- **Worker engagement:** Explore the extension of CAF's certification model for other high-risk sectors, such as security and construction.
- **Stakeholder collaboration:** Provide a safe environment through the collaboration of stakeholders to facilitate conversations and overcome workers' fears of repercussions from employers

Expanding our capacity through partnerships

- **Welfare monitor:** Include property partners in our Reviews with responsibility to report observations of anomalies in workers' conditions and welfare.
- **Construction deep dive projects:** Collaborations with tier 1 construction partners to seek greater visibility into product supply chains. This is currently in progress for glass reinforced concrete cladding panels for our commercial property at 477 Pitt St, Sydney NSW (page 20).

UPCOMING ACTIONS

Our existing controls are reassessed and reinforced through the Review. New controls may be developed as we gain more insights into their effectiveness.

We have identified new initiatives to enhance our existing controls and enhance our ability to assess their effectiveness, including approaches to facilitate more reliable assessment of modern slavery risks in our supply chains:

- Annual supplier review, checking suppliers' conduct and adherence to the ISPT Supplier Code of Conduct
- Survey the ISPT team to check the effectiveness of modern slavery training
- Review of contractual requirements for co-owned investments to extend the governance framework we have established for suppliers
- Key performance indicators for preventive controls

While we endeavour to be as vigilant and thorough as possible, we recognise that modern slavery risks can be hidden and may only be discovered through reported incidents.

Should this occur, our framework for grievance resolution will support us to undertake appropriate remedial actions and consider whether changes are needed to our existing modern slavery risk management strategy to enhance its effectiveness.



THE YEAR AHEAD

FY2023 will usher in a new 3-year workplan that continues to refine our approach and expands our influence to keep modern slavery risks high on our agenda.

FY2023	FY2024	FY2025
<p>Risk Assessment Matrix</p> <p>Revise the Matrix to include new high-risk areas and distinguish between risks relating to labour and materials.</p>	<p>Industry influence</p> <p>Consider opportunities to build on current PCA membership by joining a multi-sectoral, multi-stakeholder forum.</p>	<p>Working Group</p> <p>Review the membership of our Working Group to ensure it remains fit for purpose.</p>
<p>Supplier education</p> <p>Continue to expand training support for small suppliers such as the webinars on ISPT Supplier Code of Conduct, Modern Slavery signs and reporting channels.</p>	<p>Supplier audit</p> <p>Consider scope for an audit focused on ethical labour rights of a supplier or asking high-risk suppliers to share existing audit reports.</p>	<p>Research partnerships</p> <p>Seek partnerships with a university or other expert body to support research on modern slavery risks in a key area of the supply chain, such as solar panels or other high-risk building materials.</p>
<p>Tender assessment</p> <p>Review current tender questions to consider different questions for high- and low-risk suppliers, weighting of responses and assessor guidance.</p>	<p>Customer collaborations</p> <p>Explore collaboration opportunities with tenant customers, including training, establishing a tenant working group and potentially developing a tenant tool kit to build capacity to manage modern slavery risks.</p>	<p>Modern slavery survivor support</p> <p>Explore opportunities to provide employment pathways for modern slavery survivors in Australia.</p>
<p>Deep-dive collaborations</p> <p>Undertake modern slavery deep dives with 2 or more selected suppliers (such as construction partners).</p>	<p>SHIELD</p> <p>Evaluate SHIELD (once established) against the UNGPs' criteria for effective non-judicial grievance mechanisms.</p>	<p>Feedback channel</p> <p>Seek feedback from trusted NGOs or other external stakeholders such as workers' representatives on ISPT's modern slavery reporting, and potentially also our underlying modern slavery risk management.</p>
<p>MSA review</p> <p>Explore opportunities to engage with the Australian Government's review of the Modern Slavery Act.</p>	<p>Supplier partnerships</p> <p>Seek partnerships with key suppliers or tenants to deliver a scenario-based training exercise.</p>	
<p>Review metrics</p> <p>Develop metrics to assess effectiveness, including stakeholder feedback.</p>	<p>Worker evaluation</p> <p>Explore options to pilot worker voice feedback tools for a high-risk service provider such as security or construction.</p>	

CORPORATE DIRECTORY

TRUSTEE / MANAGER

ISPT PTY LTD
ABN 28 064 041 283
AFSL 247 280

SERVICE ENTITY

ISPT OPERATIONS PTY LTD
ABN 12 633 106 733

TRUSTS

ISPT Core Fund
ISPT Retail Australia Property Trust
ISPT 50 Lonsdale Street Property Trust
ISPT CIB Fund

REGISTERED ADDRESS

ISPT Pty Ltd
Level 11, 8 Exhibition Street
Melbourne, VIC, 3000
Australia
Telephone: (03) 8601 6666
Website: www.ispt.net.au

FOR FURTHER INFORMATION

Susannah Bourke

Investor Relations, ISPT
Phone: 0457 006 893
Email: susannahb@ispt.net.au

Steven Peters

Acting General Manager, ESG, ISPT
Phone: 0427 526 643
Email: speters@ispt.net.au