



# **Modern Slavery Statement 2022**

Alceon Capital Pty Ltd (ABN 41 163 867 016)

This statement is made pursuant to the *Modern Slavery Act 2018 (Cth)* and is made for the financial year ending June 2022.

## Introduction

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

### 1. Our structure and operations

- 1.1 Alceon, with its corporate headquarters based in Level 26, 1 O’Connell Street, Sydney NSW, 2000, is a multi-strategy alternative investment manager for high net worth, family office and institutional clients across real estate, private equity and listed equity. Alceon was founded in 2010, has more than \$8 billion of assets under management, offices in Sydney, Melbourne, Brisbane, Perth and Auckland and over 70 employees, including 40 investment professionals across real estate, private equity/credit, and listed equities investment strategies. Alceon is owned 100% by its staff.
- 1.2 Our business is organised into four core divisions – real estate, private equity, credit and listed equity.
- 1.3 Alceon’s operations include a significant internally managed investment portfolio. This portfolio includes active and passive investments in real estate, private equity, property and infrastructure across Australia and New Zealand. Alceon seeks out investment opportunities that align with its investment objectives and strategy.
- 1.4 We are aware of the risk of modern slavery within our investments and supply chain. In our first reporting period, we have taken initial, including consulting experts, mapping some of our higher risk suppliers and identifying strategies to implement in upcoming reporting periods. We will take steps to encourage the same of our portfolio companies and suppliers.
- 1.5 Alceon is a proprietary limited company with its registered offices in Sydney, New South Wales and is the ultimate holding entity of a large number of wholly owned subsidiary entities. An overview of our corporate structure is below:

Name	Structure
Alceon Holdings Pty Ltd	Fully owned subsidiary
Alceon Real Asset Management Pty Ltd	Fully owned subsidiary
Alceon Investment Management Pty Ltd	Fully owned subsidiary
AFIM Ltd	Fully owned subsidiary
Alceon Group Pty Ltd	Fully owned subsidiary

- 1.6 We have consulted the relevant subsidiaries we own or control in the development of this statement.

## **2. Our policies**

- 2.1 We are committed to identifying and taking steps to removing modern slavery in our supply chains.
- 2.2 We are developing Alceon's Modern Slavery Policy for the coming financial year 2023. This policy will reflect our commitment to acting ethically and with integrity in all our business relationships. We will implement and continue to enforce effective systems and controls to mitigate the risk of slavery occurring anywhere in our supply chains.
- 2.3 As part of our existing commitment towards ethical action, Alceon is progressively consulting and implementing processes to report on how it assesses and addresses modern slavery risks when making investment decisions in relation to its internally managed portfolio. For example, following our risk assessment process as described below, we will ensure that we integrate modern slavery risk analysis into our existing environmental, social and governance (ESG) risk processes. We also intend to outline a plan for how we would respond to significant modern slavery risks identified through this ESG process.

## **3. Our supply chains**

- 3.1 Having regard to the types of suppliers that we retain and the nature of the work that they perform for us, they do not present risks most often associated with modern slavery. Nevertheless, our supply chains span the following industry sectors, broadly grouped as follows:
  - (a) real estate debt finance in Australia and New Zealand;
  - (b) private equity transactions in Australia;
  - (c) employees i.e. payroll;
  - (d) professional services;
  - (e) office services and supplies i.e. cleaning and maintenance, office supplies and IT equipment; and
  - (f) business travel i.e. flights and accommodation.

- 3.2 We work with approximately 10 first-tier suppliers predominantly headquartered in Australia and New Zealand and various developers who make up our second-tier suppliers.

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

- 4.1 Given the geographic reach of our supply chains, ensuring we minimise or avoid any involvement in modern slavery beyond our first-tier suppliers is a considerable challenge.
- 4.2 In our first reporting period, we have specifically focused on Alceon's direct suppliers. We investigated our supply chains and for our initial statement decided to focus on 10 of our first-tier suppliers (as determined by spend). Our supply chain assessment will continue to deepen each year.

- 4.3 To begin mapping our due diligence processes and procedures, we engaged Marque Lawyers to ensure we understood the applicable legislative framework and how to map and analyse our supply chains.
- 4.4 We anticipate that there is relatively small risk of modern slavery in our direct, first-tier supply chains. Our direct supply chains consist almost entirely of professional services, skilled employees and the provision of office services and supplies. We maintain rigorous hiring practices, something which we are able to control due to the size of our staff. We also intend to implement mechanisms, described in section 5 below, that promote transparency with respect to our direct suppliers.
- 4.5 Of our first-tier suppliers we have graded these to be medium-to-low risk due to a combination of factors, including (a) the location of those suppliers in low-risk countries, not present on the 2019 ITUC Global Rights Index; and (b) where we had medium to high sector and industry risks or commodity or product risks, these correlated with low, generally unavoidable expenditure i.e. office equipment.
- 4.6 In addition to the above desktop review, we will implement a high level thematic review of our internally managed investment portfolio to identify general areas of modern slavery risk. For example, one area of investment we focus on is in the sector of residential construction. This means that present within our supply chains is the use of bricks, and subsequently, the overseas factories in which those bricks are made, the importation of the bricks into Australia and the subsequent sale and distribution of the bricks to the residential construction company Alceon invests in or lends debt to. As a result of this review, Alceon will prioritise modern slavery engagement activities with its residential construction sector investees, particularly where such factories are located in higher risk countries.

## 5. Due diligence processes for slavery

- 5.1 As part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we intend to ask each direct supplier and service provider to complete a survey containing questions regarding its operations, supply chain, goods and services and requesting details of any applicable policies or training that relate to modern slavery. We also will request that a copy of any modern slavery statement and/or any supporting documentation that details how the business combats modern slavery be provided.
- 5.2 Our personnel will review all information we receive from our suppliers and undertake a risk assessment for each supplier / service provider based on the following.
- (a) **Country or region risk:** We will use the 2019 ITUC Global Rights Index to identify regions as high risk.
  - (b) **Sector/industry risk:** We will use the 2019 ACSI and the 2018 Global Slavery Index country specific findings report as a bases to identify sectors as high risk.
  - (c) **Commodity/product risk:** We will use the 2018 Global Slavery Index to identify commodities and products as high risk.

- 5.3 To a lesser extent, our service providers include airlines, hotels, restaurants and food services, cleaning, and car services. We also purchase from retailers off-the-shelf goods such as office equipment and supplies. We anticipate that the risk of modern slavery in these service providers is low due to the particular providers and/or the location of such services / goods. Given the nature of our business relationships with these service providers, we have a limited ability to assess their employment practices or supply chains. We have a large service provider base, and accordingly, this statement does not capture all of the types of service providers that we do business with.

## **6. Training**

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

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

- 7.1 We intend to use the following key performance indicators (KPIs) to measure how effective we have been to ensure that slavery is not taking place in any part of our business or supply chains. As we continue to explore our supply chain, we may revise these KPIs:
- (a) list KPI's eg vetting procedures. The number or percentage of suppliers and subcontractors that have been vetted for ethical labor practices;
  - (b) supplier screening. The number and type of issues identified on screening suppliers and subcontractors;
  - (c) tier of supplier. Which tier of supplier has been vetted in a particular year;
  - (d) subcontractor inspections. The number of inspections of subcontractors in at risk countries;
  - (e) whistleblowing. The number of reported breaches in the past year;
  - (f) training. The number or percentage of staff trained; and
  - (g) remedial action. The instances of remedial action being needed.

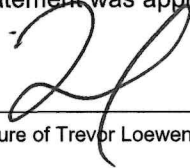
## **8. Further steps and remediation**

- 8.1 Following a review of the effectiveness of the steps we have taken to ensure that we mitigate the risk of modern slavery in our supply chains, we intend to take the following further remedial steps to combat slavery in our operations and supply chain:
- (a) further investigations of our supply chain and issuing questionnaires to first-tier suppliers;

- (b) an annual review and revision of this modern slavery statement;
- (c) adopting Alceon's Modern Slavery Policy and potentially, expanding our Whistleblower Policy.

This modern slavery statement is made by **Alceon Capital Pty Ltd** for the financial year ending June 2022.

This statement was approved by our Board of Directors on 31 August 2023.



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Signature of Trevor Loewensohn

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Director

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Date

