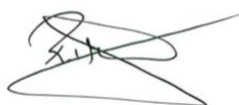


# FY22 Modern Slavery Statement

For Financial Year ending 31 December 2022

## Reporting Entity

This statement is submitted under section 13 of the Modern Slavery Act 2018 (Cth) for Ascendas REIT Australia ABN 40 421 099 343 (“the Trust”). This Statement has been prepared by the Trustee, Perpetual Corporate Trust Limited ACN 000 341 533 and approved by the board of directors of the Trustee on 29 June 2023.



Richard McCarthy

Director

Perpetual Corporate Trust Limited

## Consultation

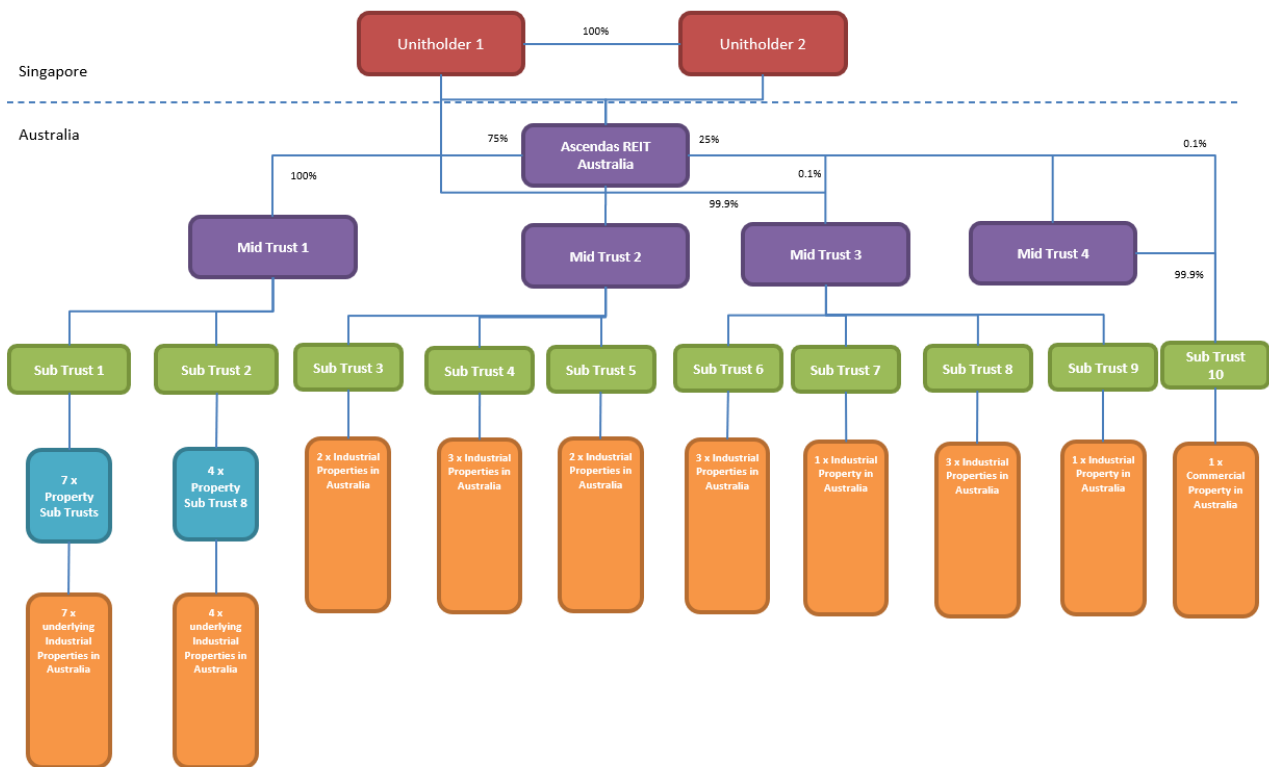
The Trustee is required to, and did, consult with the Investment Manager to prepare this Statement for the Ascendas REIT Australia (“the Trust”). This statement was developed in consultation with the Investment Manager on a limited basis focusing namely on the tier 1 supply chain appointed directly by the Trust. The Investment Manager largely directs the trustee on the various service appointments within any limitations of the Trust Agreement and/or applicable laws

## Structure, Operations and Supply Chain

### Structure

The Trust is domiciled in Australia and has been in operation since 2015. The Trust invests in a number of underlying unit trusts (“Sub Trusts”). The Trust owns no real property and has no employees.

The below structure diagram shows that Ascendas REIT Australia is wholly owned by two (2) unitholders in Singapore where the Trust holds units in four (4) Mid Trusts and ultimately holds logistics and commercial properties located in Australia.



## Operations

The primary operation of the Trust is the investment in various Sub Trusts. The Sub Trusts invest in underlying Property Trusts that ultimately own a portfolio of logistics and commercial investment properties in multiple locations across Australia. Perpetual Limited's division Perpetual Corporate Trust is the trustee for Ascendas REIT Australia.

## Perpetual Corporate Trust (PCT)

Perpetual Corporate Trust Ltd is an entity that is controlled by Perpetual Limited and covered in Perpetual's modern slavery statement. PCT provides a broad range of fiduciary, agency and digital products to the debt capital markets and managed funds industries both domestically and internationally. Debt Market Services includes trustee, document custodian, agency, trust management, accounting, standby servicing, and reporting solutions. Perpetual Digital provides data services, industry roundtables, and our new Perpetual Intelligence platform-as-a-service products supporting the banking and financial services industry. Managed Funds Services provides services including independent responsible entity, wholesale trustee, custodian, investment management and accounting.

## Investments

The Trust's Assets under Management was a total of \$2,816,643,000. These assets are predominantly investments into the underlying Sub Trusts where the ultimately the major asset classes are logistics and commercial property. The account domicile was only in Australia.

## Supply chain

The Trust's supply chain consists of six (6) direct service providers. These service providers are all located in Australia.

## Procurement categories for service providers/suppliers are:

- Investment & Asset management services
- Professional services including tax agent, lawyers, consultants and auditors

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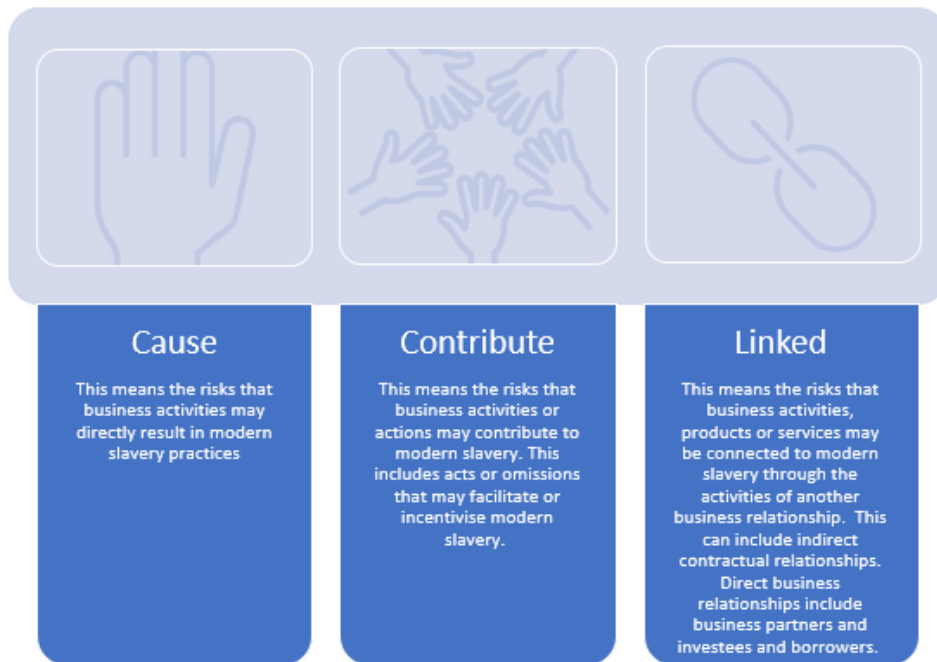
## Modern Slavery Risks

The Trustee understands that modern slavery risk can occur in operations and supply chains. The Trustee considers risk assessment a critical process to identifying inherent risk of modern slavery across Ascendas REIT Australia. As Trustee, we conduct an annual risk assessment on all Trusts that meet the Modern Slavery Act reporting threshold. The risk assessment is done separately to Perpetual Group's corporate modern slavery risk assessment and is in addition to routine due diligence activities undertaken for management of the Trust.

### Defining modern slavery risks

Modern slavery is serious exploitation that undermines a person's freedom. In a situation where modern slavery occurs, a person cannot refuse or leave due to threats, violence, coercion, abuse of power, or deception<sup>1</sup>. Modern slavery occurs in a variety of forms, there are eight types including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour<sup>2</sup>.

Modern slavery risk means the potential for the Trust to cause, contribute to, or be directly linked to modern slavery through their operation or supply chain. This means looking at risks to people rather than risk to the company (such as reputational or financial damage), although often these risks are connected. The Trust recognises that COVID-19, conflict and climate change has exacerbated modern slavery risks for people in vulnerable situations<sup>3</sup>.



### Risk assessment methodology

In FY22, the Trustee collected information on the Trust's supply chain and operations to include in a modern slavery risk assessment. Specifically, the Trustee investigated the investment trust and service providers that we have a direct relationship with. The investment trust and service providers were then assessed for inherent modern slavery risks and an

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<sup>1</sup> International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022. Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, 13.

<sup>2</sup> As defined in the Australian Modern Slavery Act 2018 (Cth)

<sup>3</sup> International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022. Global Estimates of Modern Slavery: Forced Labour and Forced Marriage

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inherent risk profile was determined for each entity. Inherent risk is the level of risk before any actions are taken to manage the risk's impact or likelihood.

## Risk Assessment Results

### Investments

The Trust's investment footprint is concentrated as all of its assets are units held in the Sub Trusts. The FY22 risk assessment conducted by the Trustee revealed that this investment sector is considered to have higher inherent risk, as it is a part of the property and construction industries. The below information summarises the risks in this industry. The approach to due diligence and assessment is informed by this risk profile.

Investment Sector	Inherent Risk Profile
Industrial & Commercial Properties	The property and construction industries have a higher risk of modern slavery due to the high demand for low-skilled labour, limited visibility of long and complex supply chains and low-tier suppliers that operate in high-risk geographies <sup>4</sup> .

### Supply Chain

The Trustee's FY22 risk assessment has identified no high-risk service providers. The Trustee's FY22 risk assessment identified that all other components of the Trust's supply chain are low risk. This is because all service providers are professional services firms who are staffed by appropriately skilled professionals that operate in Australia. It is possible that these service providers have modern slavery within their own supply chains, however, our current risk assessment has not moved beyond this tier.

See table below.

Sector/Product	Inherent Risk Profile
Investment & Asset Managers	There is low inherent risk of modern slavery risk from the investment manager engaged on the trust, this service provider operates in Australia and employs a highly skilled workforce of executive and professional personnel.
Professional Services	There is low inherent risk of modern slavery risk from the professional service providers engaged in the trust, all service providers operate in Australia and the service providers employ a highly skilled workforce of executive and professional personnel.

## Actions to Address Modern Slavery Risks

It is impracticable for the Trust to address modern slavery risks in parts of its operations or supply chains in the same way that a company would. That is because the Trust has limited operations and supply chains and has limited control over its investments. For example, the Trust does not make management decisions with respect to the Ascendas REIT Australia business.

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<sup>4</sup> KPMG and Australian Human Rights Commission, 2020. [Property, Construction & Modern Slavery: Practical responses for managing risk to people](#), 9.

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Whilst these limitations exist, as Trustee, we do and will continue to engage with the Investment Manager regarding modern slavery to ensure compliance with legislation.

The Trust's approach to addressing modern slavery risks is set out below.

As a Trust within the CapitaLand Ascendas REIT portfolio, the Trust adopts and adheres to CapitaLand Investment Limited's ESG policies and controls as per the 2030 Sustainability Master Plan

([https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/revisedsmp/SMP\\_FINAL.pdf](https://www.capitaland.com/content/dam/capitaland-sites/international/about-capitaland/sustainability/revisedsmp/SMP_FINAL.pdf)) which in 2022, the Group committed to Net Zero carbon emissions by 2050 and held a 2<sup>nd</sup> edition of a global sustainability innovation platform by a Singapore real estate company with 10 chosen innovations for piloting at selected properties.

## **Due Diligence**

### **Risk assessment**

The Trustee's annual risk assessment was conducted to assess the Trust's inherent modern slavery risks. The results of the risk assessment are used to prevent, identify and address modern slavery risks that may operate within the Trust.

### **Investments**

The Trust invests in Sub Trusts that ultimately own logistics and commercial real estate in Australia and is managed by Ascendas Funds Management Australia Pty Ltd ("Investment Manager"). The Investment Manager is wholly owned by CapitaLand Investment Limited and one of the Group's core businesses is the ownership, investment and management of real estate. In managing the real estate assets, the underlying Sub Trusts engages professional property management firms. These firms are required to issue their own Modern Slavery Statement and establish a framework which sets their organisations approach to modern slavery. In addition, for any direct service providers the Sub Trusts' and Property Trusts' engagements requires these suppliers to sign a Supply Chain Code of Conduct, which covers issues such as child labour, forced labour, and compliance with local labour law and regulations.

### **Supply Chain**

Although the FY22 risk assessment did not identify high-risk service providers, the Sub Trusts' and Property Trusts' main service provider is a property management firm who operates in Australia. They are obligated to identify and address modern slavery risks in their operations and supply chains. As a result, they have modern slavery due diligence processes as well as modern slavery statements are in place.

The Trust engages with suppliers and other entities on modern slavery by including modern slavery clauses in standard terms of engagement and where relevant, discussing any modern slavery risks or concerns with suppliers.

### **Remediation**

As a Trustee, Perpetual may be linked to modern slavery through our business relationships with other entities via their own investments and supply chains. It is unlikely that Perpetual in its role as Trustee will cause or contribute to modern slavery, however we could be linked to modern slavery via business relationships further down the investment or supply chain of the entities for which we are the Trustee. This could include an indirect supplier further down the supply chain that has employees within a low-skilled labour section such as, cleaning, security and maintenance. This sector can have a risk of exploitation if appropriate risk mitigation is not put in place. This is why we engage with the Investment Managers to understand their approach to managing modern slavery in their respective entities.

Perpetual Group's remediation approach is outlined in our Modern Slavery Framework. Should an incident of modern slavery occur in a Trust which we have 'caused or contributed' to, we would engage with the Investment Manager and act in accordance with our remediation principles.

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The purpose of remediation is to ensure Perpetual takes reasonable steps to:

- Address the underlying root causes driving the modern slavery if possible;
- Prevent the modern slavery impact from re-occurring by collaborating, supporting remediation and monitoring the implementation of remedial measures taken by another party; and
- Ensure compliance with national and international labour and human rights standards.

Our remediation process has been approved by the Executive Committee and has been captured in our Modern Slavery Framework. The process details specific steps that we will take if Perpetual has 'caused or contributed' to modern slavery.

Our approach to remediation is led by a set of guiding principles. These include ensuring that our actions are in the best interest of the suspected victim or victims and responding in a way that is appropriate to the circumstances of the situation.

The principles also articulate that we will take steps to prevent further harm to achieve the best possible outcome for the victim or victims and consider whether there is any action that Perpetual can take that may address the underlying structural factors that have contributed to the exploitation.

Our Modern Slavery Framework, including the remediation process, is available to our employees on our intranet.

### **Grievance mechanism**

Modern slavery is a form of reportable misconduct under Perpetual's Whistleblower Policy. Through this mechanism, employees can report any concerns to a Whistleblower Protection Officer within Perpetual or anonymously through our third-party whistle-blower hotline. Training on how to access and report through this mechanism is provided in our employee-wide modern slavery training program.

## **Measuring the Effectiveness of Actions**

Outlined below is the key progress made by the Trustee on behalf of the Trust in FY22 and the actions for FY23:

### **FY22 progress:**

- Mapped Ascendas REIT Australia's supply chain to identify the different sectors our service providers are from
- Conducted an annual risk assessment to determine inherent modern slavery risks
- Reviewed and updated our process for assessing and reporting on modern slavery in trusts
- Engaged with the Attorney General's Department to seek feedback on our Modern Slavery Statements for trusts

### **Actions for FY23:**

- Monitor emerging global trends in modern slavery and include anything relevant for the FY23 risk assessment
- Commitment to have the Trust statement reporting process reviewed annually
- Review and update modern slavery training for Trust Managers
- Develop SMEs within the Trust team to improve engagement and reporting

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## Appendix

### Appendix 1: Australian Modern Slavery Act – Mandatory Reporting Criteria

The following table describes the location of each mandatory reporting criteria within the FY22 Modern Slavery Statement.

Mandatory Reporting Criteria	Location in Statement
Identify the reporting entity	Reporting Entity, Page 1
Describe the reporting entity's structure, operations, and supply chains	Structure, Operations and Supply Chain, Page 1
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Modern Slavery Risks, Page 3
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Actions to Address Modern Slavery Risks, Page 4
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Measuring the Effectiveness of Actions, Page 6
Describe the process of consultation and any entities the reporting entity owns or controls	Consultation, Page 1