

Capitol South Yarra Pty Ltd ACN 167 919 511

Modern Slavery Statement

This modern slavery statement (**Statement**) is made pursuant to the Modern Slavery Act 2018 (Cth) (**Act**) by Capitol South Yarra Pty Ltd ACN 167 919 511 (**Capitol**) and relates to the financial year 1 July 2019 to 30 June 2020 (**Financial Year**).

About Our Business

Capitol's business is to own and operate a single flagship asset in South Yarra, Victoria, Australia known as "Capitol Grand" (**Capitol Grand**) which delivers great experiences for residents, retailers, brands and consumers. This statement relates to those business activities. At the end of the Financial Year, Capitol has one mixed use development site, comprising of two residential towers and retail at street level.

Capitol's Policy and Principles

Capitol is committed to conducting its business in a moral and ethical way and recognises the need to establish and maintain corporate governance policies and business practices which reflect and comply with Australia's legal and regulatory framework. Capitol operates under various policies, codes and practices to ensure that high standards of corporate governance and legal compliance are maintained.

In addition to being set out in Capitol's code of conduct and employee policy, Capitol recognizes the value of people. Whether employee, client, customer, vendor or stranger; all are treated with a professional sense of courtesy and respect. A sense of purpose is instilled in Capitol's every action and interaction. The ripple in the pond becomes the source of the big wave, so Capitol focus in all things as all things become a big part in making the difference. Capitol does not tolerate slavery, human trafficking, forced or child labour or child exploitation.

Capitol's Supply Chain

Capitol's business involves the following primary supply chains, being:

1. The oversight of the development, design and construction:
 - a. development, design and construction consultants and advisors;
 - b. construction contractors and subcontractors; and
 - c. suppliers of goods, services and materials for all stages of the construction cycle, (**DD&C**).
2. The sale of residential apartments within the Capitol Grand complex (**Sales**);
3. The letting of retail shops within the retail precinct at Capitol Grand (**Leasing**); and
4. Operations and centre management which provide security, cleaning and other contractors (**Centre Management**).

Capitol's Risk Management and Due Diligence Processes

Capitol does not view there to be any substantive risk of modern slavery in its Sales and in its Leasing operations.

In respect of its Centre Management supply chains which are located and headquartered in Victoria, Capitol retains control over its contractual agreements to ensure that its contractors, their employees, agents and subcontractors comply with all relevant and applicable laws.

Centre Management has been awarded to Amity Property Group Pty Ltd ACN 149 270 333 (**Amity**), which manages the three Owners Corporations that apply to Capitol Grand. Amity is an Australian company located in Moorabbin and utilises labour entirely within Australia in order to carry out the Centre Management functions.

In respect of its DD&C, the most significant contract in place in respect of Capitol Grand is the design and construct contract with a contractor for the construction of Capitol Grand.

The contractor is a premier construction company headquartered in Australia, with public policies, including whistleblowing and modern slavery policies designed to tackle the risk of slavery in its business and supply chain management.

In addition to Capitol's diligence into the contractor and the risk of modern slavery in the contractor's supply chain, Capitol has ensured that contract includes the following terms (among others):

1. the contractor must not assign the contract or subcontract without the prior written approval of Capitol;
2. the contractor must ensure that all amounts payable to its subcontractors, suppliers and consultants are paid when due, which must be evidenced by way of statutory declaration or documentary evidence (and a right for payment to the contractor to be withheld unless this is complied with);
3. each subcontract must include a provision which limits the subcontractor to assign or further subcontract without Capitol's consent;
4. obligations to comply with all legislative requirements, which will include the requirement to comply with the Act;
5. the working hours during which the work under the contract will be carried out;
6. allowances for anticipated delays due to Sundays, public holidays and rostered days off; and
7. the contractor or subcontractor warrants that they are complaint with all relevant laws and indemnifies Capitol to this effect.

Given the combination of the diligence into the contractor, the contractor's commitment to eradicating modern slavery in its supply chain, the terms above, and the nature of work carried out for Capitol being a construction project by a large Australian contractor, in Australia, with an Australian workforce, Capitol considers the risk of modern slavery within its business operations to be extremely low.

However, Capitol recognises that despite its best efforts, Capitol, through its supply chain, can be indirectly exposed to the risk of modern slavery.

Therefore, Capitol has implemented risk management processes to identify, assess, mitigate and monitor potential risk areas where it could be exposed to modern slavery concerns. This includes:

1. due diligence and ongoing monitoring with respect to consultants, advisors, contractors, sub-contractors, suppliers and other service providers providing goods or services to Capitol (collectively the “**Suppliers**”); and
2. staff and contractor training (see ‘Training and Communication’ below).

In the Financial Year, Capitol did not identify any instances of modern slavery associated with its operations.

Training and Communication

Capitol provides training and support to all employees and contractors (not limited to management who are responsible for contract management) in order to raise awareness of modern slavery in the supply chain and reduce the modern slavery risk to Capitol.

Capitol’s recruitment processes are managed by an Australian external HR firm, and all employees and contractors are inducted under a formal induction program which reflect Capitol’s commitment to promoting the highest standards of ethical behavior and social responsibility to ensure that its business and relationships are based on integrity.

The formal induction program includes awareness training in respect of applicable HR policies, which include:

- code of business conduct and ethics;
- grievances and whistleblowing policy; and
- training standard for health and safety at the workplace.

These policies include, among other things:

- guides the behavior of all employees and contractors by clearly stating Capitol’s commitment to behaving honestly and fairly;
- encourages all employees and contractors to submit feedback directly or indirectly through their representatives, as well as anonymously; and
- ensures that all employees and contractors are safe and properly and sufficiently trained.

Capitol is committed to the highest ethical standards and will continue to review the effectiveness of its policies, procedures and training in order to eradicate slavery, human trafficking, forced or child labour or child exploitation in its business.

Whistleblower Policy

To further mitigate any risk, Capitol has a whistleblower protection policy which promotes honest and ethical behaviour by providing a framework for the escalation of reportable conduct. This whistleblower protection policy applies to employees and contractors of Capitol, including third party vendors and goods and service providers. A disclosure may be made to an independent third party in accordance with the whistleblower protection policy.

This statement was approved by the Board of Capitol South Yarra Pty Ltd.

Signed,

A handwritten signature in black ink, appearing to be 'Larry Kestelman', written over a horizontal line.

Larry Kestelman
Capitol South Yarra Pty Ltd
Director