

Modern Slavery Statement

Silk Hospitality is a proudly Australian-owned and operated business that specialises in delivering outsourced housekeeping solutions to hotels across Australia. We proudly present our inaugural Modern Slavery Statement which is crafted in compliance with the Modern Slavery Act 2018, embodying our dedication to transparency and ethical integrity.

More Than Compliance: Our Ethical Commitment

We are committed to creating a future where our business operations and supply chains are managed with ethical integrity and we can influence our partners to share our commitment. Silk is a champion for the fair treatment of staff and workplace conditions. Our systems are built to drive compliance to empower our people and foster better rights for the workforce. Our focus extends beyond risk assessment to actively cultivating an environment that is intolerant of modern slavery by living the values which are underpinned within the Act.

Adaptive Supply Chain Compliance Management:

In 2023 Silk introduced a supplier compliance program to assess and confirm the practises of our suppliers meet minimum standards of the Act. Silk has an expectation that our suppliers and their supply chains are compliant with the Act. Our supply chain is a network of collaboration, encompassing trusted partners ranging from cleaning product suppliers to branded clothing providers and office necessities.

Communication is key in our supply chain operations, where we engage in ongoing dialogue with our partners, tailoring our services to meet their needs, addressing requests, and integrating our offerings to meet the demands of our industry whilst complying with Australian Standards.

We are committed to continuous improvement in supply chain management. This involves monitoring performance, embracing feedback from our partners, adopting innovative technologies, and refining our processes.

Modern Slavery Risk Assessment

Proactive Approach to Unveiling and Mitigating Modern Slavery Risks

We are committed to identifying and addressing the risks that we believe provide opportunities for exploitation in our supply chain. Our approach is not just about compliance, but about making a genuine difference. Our risk assessment seeks to understand the entire supply chain of our supplier, considers factors such as the geographic origins of our sourced products, the nature of services we procure, the industries we operate within and the intricacies of our supply chains.

Navigating the Challenges in Hospitality and Cleaning Sectors

In the hospitality and cleaning sectors, where our business thrives, we recognise and confront specific challenges:

- **Vulnerability in Labour:** We understand that we work in an industry where workers may be deemed as being at high risk of exploitation. We are committed to safeguarding their rights and ensuring their work conditions are fair and dignified. We mitigate our risk by completing recruitment internally. Our policies, procedures and Code of Conduct have been designed to ensure compliance with all Fair Work Act, monitored regularly and reported monthly to the Board of Directors through a proactive compliance program. Our recruitment, onboarding and timekeeping are all electronic and monitored daily.
- **Complexities of Global Supply Chains:** Currently, our supply chains operate in Australia. We will continue to monitor and evaluate our supply chain to ensure that if any third-party suppliers are engaged from outside of Australia, we will work to ensure we are satisfied in their compliance with Modern Slavery legislation.

Through these focused efforts, Silk Hospitality identifies potential risks and implements strategies to mitigate them. We believe that understanding these challenges is the first step towards creating a more ethical, transparent, and responsible business environment.

Addressing the Risks

A Robust Framework for Ethical Operations

At Silk Hospitality we actively combat the risks of modern slavery with a suite of policies and procedures designed to uphold our commitment to ethical practices.

Policies and Procedures: Building an Ethical Foundation

- **Supplier reviews:** These are conducted on all new and existing suppliers.
- **Induction and Training:** Provided to all employees to ensure they are aware of their rights and expectations as well as the support they can request.
- **Code of Conduct:** Developed to ensure our company cares for our people and our people are aware of their obligations. Included within is our Grievance process.
- **Audits and Assessments:** With vigilance, we conduct regular assessments, focusing especially on suppliers identified as high-risk, to ensure compliance and ethical practices.
- **Whistleblowing Policy:** We empower our employees and suppliers with a secure and confidential channel to voice concerns, ensuring transparency and accountability in our operations.

Due Diligence and Monitoring: Vigilance in Every Step

- **Risk Assessment:** Our journey begins with thorough risk assessments to pinpoint high-risk areas in our supply chain.
- **Monitoring:** We engage in ongoing assessments of suppliers.
- **Record-Keeping:** We promote transparency by maintaining detailed records of all assessments and actions taken, creating a clear and accountable trail of our journey.

Through these deliberate and targeted actions, Silk Hospitality assesses the risks of modern slavery and takes decisive steps to address them. Our approach is holistic, reflecting our commitment to a world where the dignity of those in our supply chain is respected and protected.

Assessment of Effectiveness in Combatting Modern Slavery

We understand meaningful change is measurable, and our approach to assessing effectiveness is multi-faceted:

1. **Feedback Loops:** We believe in the power of dialogue. Regular feedback is solicited from suppliers. This feedback provides invaluable insights into the practical aspects and challenges of implementing our policies, allowing us to continuously refine our approach.
2. **Supplier Compliance and Improvement Tracking:** For our suppliers, we will track improvements and compliance over time. By monitoring changes and trends, we can assess whether our engagement and interventions are leading to real and sustained improvements in ethical practices.
3. **Regular Review and Update of Policies:** The effectiveness of our actions is also reflected in how our policies evolve. We regularly review and update our policies and procedures to ensure they are in line with the best practices, compliant and effectively addressing modern slavery risks.

Our Modern Slavery Statement has been approved by the Executive Leadership and Board of Directors.

A handwritten signature in blue ink, appearing to read "Paul Cooper".

Paul Cooper
CEO Silk Hospitality