



Modern Slavery Statement

Introduction

This is the first Modern Slavery Statement (**'Statement'**) made jointly by The Gandel Group Pty Ltd (ATF The Gandel Group Family Trust) and Bridgehead Pty Ltd pursuant to section 16 of the Modern Slavery Act 2018 (Cth) (**'Act'**), for the financial year ended 30 June 2020 (**'FY20'**). The Gandel Group Pty Ltd (ATF The Gandel Group Family Trust) (**'GGPL'**) and Bridgehead Pty Ltd (**'Bridgehead'**) are entities within the Gandel Group (**'Group'**).

While this Statement is our first public disclosure specifically addressing modern slavery in line with the requirements of the new Act, we have been committed to the improvement of the rights and wellbeing of people across our operations and within the community for many years. We do not tolerate behavior that is in breach of the law or which is non-compliant with our corporate policies and expect our employees and suppliers to operate in a manner which is consistent with our values and standards.

This Statement sets out the steps we have taken during FY20 to identify and address modern slavery within our operations and supply chains. Our approach includes a commitment to continuous improvement as we increase our understanding and awareness of modern slavery risks.

Our Business and Operations

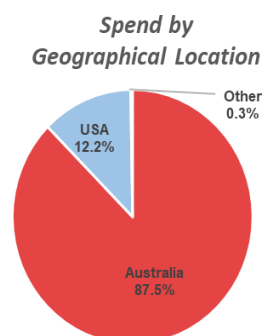
The Group is a private family office that operates only in Melbourne, Australia. As at 30 June 2020, the Group employed 49 staff.

GGPL's sole activity is to provide day to day administration and operations to the Group.

Bridgehead's sole activity is its direct interest in 50% of Chadstone Shopping Centre (**'Chadstone'**) in joint venture with Vicinity Limited (**'Vicinity'**). The development and property management of Chadstone is outsourced to Vicinity, a strategic partner of Bridgehead.

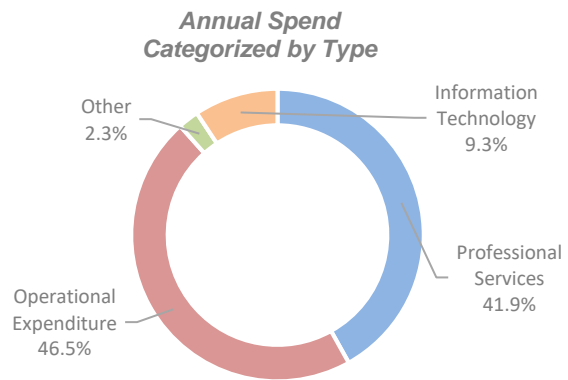
GGPL and Bridgehead are entities within the Gandel Group and are under the ultimate control of Mr John Gandel AC.

The Group's operations are solely based in Australia with nearly 90% of the Group's direct suppliers (Tier 1) also based in Australia. The remaining Tier 1 suppliers reside in either the United States of America, the United Kingdom or Switzerland. A small number of our suppliers have operations or engage subcontractors (Tier 2) in other foreign countries although we deem the geographical risk to be low based on the Global Slavery Index and our analysis of the supplier Modern Slavery Statements, where available.



Our top 10 major suppliers, which represent 54% of total business expenditure, are large professional service organisations with a majority being regulated by professional bodies. Overall, the Group's supply chains include third party outsourcing of the development and property management of the joint venture property; professional service consultants including legal advisors and auditors; goods and services required to support the business (such as stationery, cleaning and payroll) and information technology. The nature of the Group's operations is reflected in the fact that nearly 98% of expenditure is on professional services, general operating costs and Information Technology ('IT') services.

The remaining expenditure is on other business incidentals. This breakdown is shown here.



Given the profile and nature of the Group’s business model, we believe the risk of modern slavery in our supply chain is low. The Group has high ethical standards and practices and is committed to conducting its business lawfully. We do expect our suppliers to operate in accordance with all applicable modern slavery laws.

Our Governance Framework

We operate under a robust corporate governance framework as we recognise that effective corporate governance is critical to the broader success of the Group. The Group’s assessment of modern slavery risks is managed via the same governance structure used for managing all other risks of the Group. The Group’s Board is assisted by several sub-committees whose roles and responsibilities are defined in their respective Charters. All of these Committees consist of members of the Group’s Board, the Executive team and some non-Executive members.

The Group’s Board oversees our corporate governance framework and has delegated authority to the Board Audit and Risk Committee to assist in the oversight of compliance and risk, including our approach to non-financial risk including modern slavery issues.

The following chart illustrates the Group’s Board Governance Structure.



Modern Slavery Risks in our Operations and Supply Chain

Operational risks

We consider the risks of modern slavery practices within our direct operations and workforce as low. The Group directly employs 49 staff who are predominantly made up of professionally qualified and skilled employees.

The health and wellbeing of our people is paramount. We maintain robust internal policies, systems and processes and we are committed to and continue to have a strong focus on:

- Providing a safe, inclusive workplace;
- Supporting good health and wellbeing of our people including flexible work arrangements to ensure work-life balance;
- Providing a workplace free from harassment, discrimination and bullying;
- Encouraging and supporting learning, development and equal opportunities for all staff;
- Complying with our legal and contractual obligations with all staff being compensated above the Australian minimum wage and providing leave entitlements;
- Acting ethically and lawfully in all business conduct; and
- Always engaging with our stakeholders respectfully and honestly.

Modern Slavery risks relating to our operation and direct employees are assessed in the context of the abovementioned commitments.

Supply chain risks

Given the profile of the Group, we believe the risk of modern slavery in our supply chain is low. The Group is aware that there may be an element of indirect exposure to the risk of modern slavery as a small number of our suppliers do have operations or engage subcontractors in other foreign countries. However, we have assessed this risk to be low given the countries to which these support services are outsourced.

To better understand our exposure to the risks of modern slavery, during FY20 the Group completed a risk assessment of all of our suppliers. This assessment highlighted that the Group's top 10 suppliers (by dollar value) represented close to 55% of total business expenditure. For this reason, the focus of the assessment for this reporting period was on the Group's highest spend suppliers whose services are essential to general business operations. The approach of this assessment is documented below:

(i) Supplier risk identification

The risk assessments were based on the following: the nature of the sector, type of services, where the service or product originated from (geographical risk based on the Global Slavery Index), and potential presence of vulnerable people within the suppliers operations and the complexity of the supplier's supply chain.

The results concluded that the risk of modern slavery in the majority of the Group's supply chains, which are primarily Australian based businesses and professional services organisations, is low given their geographic location, sector and type of service offering. The two services that may be considered to have a higher level of risk of modern slavery in the Group's supply chains are:

- Office cleaners – contracted under Chadstone's management services contract (sector risk); and
- Information technology service providers – the IT provider primarily operates all support services from its Australian office, although there is the ability to utilise its off-shore call centre when the local office is not manned (geographical risk).

(ii) Review and assess suppliers' publicly available information regarding modern slavery policies and other materials including their corporate responsibility and sustainability reports

Publicly available information was reviewed and assessed to determine whether adequate measures are in place to address any potential modern slavery risk within their business.

The Group recognises that the largest risk relates to its Chadstone joint venture with Vicinity, given all development and property management of Chadstone is outsourced to Vicinity. Direct engagement with the Vicinity team has been open and transparent as both joint venture owners have discussed the steps taken to identify modern slavery risks within the business as well as the process of responding and/or

rectifying any modern slavery risks identified. We are satisfied from our review of Vicinity's publicly available information and our engagement with the Vicinity team, that they have demonstrated an understanding of their corporate responsibility and action against modern slavery on the part of its core supply chains.

This above mentioned risk assessment during FY20 did not highlight or provide any reason for concern of any incidents of modern slavery in our supply chain. Going forward we will continue our direct engagement with Vicinity and also with suppliers that we consider may have a higher level of risk of modern slavery.

Assessing the Effectiveness of our Actions

We understand the importance of assessing the effectiveness of our actions to manage and mitigate risks of modern slavery in our operations and supply chain.

We acknowledge that modern slavery risk management is an ongoing process of education and continuous improvement. The Group will continue to review its exposure to modern slavery risks, including the management of this risk as part of its Risk Management Framework and engaging with our key suppliers on the issues of modern slavery.

The Group currently provides the following avenues for staff to raise any concerns:

- Whistleblower Policy – Staff and suppliers can raise any suspected concerns regarding dishonest, illegal or unethical behavior.
- Equal Employment Opportunity (EEO) & Anti Bullying Policy – Staff have access to an independent third party Equal Opportunity Contact Officer to raise any concerns or use the complaints procedures set out in the policy.
- Quarterly Work Health and Safety Report – Prepared on the joint venture property by Vicinity with the report being tabled to the Group's Board on a quarterly basis.
- Engagement with Vicinity – Continue to have direct and proactive engagement with the Vicinity team across all business areas including property, centre management, business development, occupational health and safety, the Executive Leadership team and the Vicinity Board.

Our Next Steps

The Group is committed to operating our business lawfully and ethically and it is important to us that our suppliers are aligned to our values.

In the next 12 months, the Group will focus on:

i. Risk Management Framework

Incorporating modern slavery risk management and assessment in to the Group's current Risk Management Framework, including quarterly reporting to the Board Audit and Risk Committee on the nature and extent of the Group's exposure to the risks of modern slavery occurring in the Group's supply chains and any remediation actions required or taken.

ii. Initial Due Diligence

New suppliers – implement a formal on-boarding process which includes, amongst other things, an assessment of the suppliers' management of their modern slavery risks.

In the next 24 months, the Group will focus on:

▪ *Detailed Due Diligence*

Current suppliers – focus on the Group's high risk and highest spend suppliers and their subcontracts (if any), to confirm their commitment and compliance to eliminating modern slavery risks within their business with re-confirmation from suppliers becoming an annual requirement.

▪ *Policies*

To evaluate the effectiveness of the Group's current policies against the requirements of the Act.

- *Education and Training*

Conduct training for the Group's employees as to modern slavery risks and the need to manage and report any risk.

Our Consultation Process

GGPL and Bridgehead have acknowledged that they are both aware that a joint Statement is being made and each entity has had an opportunity to participate in the statement's process.

All of Bridgehead's Directors are also Directors of GGPL and both entities are managed by the same Executive Team.

This statement was approved by the Board of Directors of GGPL and Bridgehead on 23 March 2021 and signed on their behalf by:



Dion Werbeloff
CEO
Gandel Group

Dated: 24 March 2021