

Continuing to Progress Transparency

Modern Slavery Statement

Australian Prime Property
Fund Commercial

**Financial Year
2023**



Contents

| | |
|--|----|
| Reporting Criteria – Cross Reference Table | 3 |
| Identifying the reporting entities | 4 |
| Structure / Operations / Governance | 5 |
| Modern Slavery risks in the operations of entities covered by this Statement | 7 |
| Actions Taken | 12 |
| Remediation | 18 |
| Effectiveness of Actions | 18 |
| Consultation Processes | 22 |
| Other Relevant Information | 23 |
| Looking Ahead | 23 |
| Appendix 1 | 26 |



Acknowledgement of Country

We acknowledge the Traditional Custodians of the land and pay our respect to them and their Elders past and present. As a business that works across many locations, we have a responsibility to listen, learn and walk alongside First Nations peoples so that our activities support their ongoing connection to their lands, waters, cultures, languages and traditions.

We value their custodianship of 65,000 years.

Modern Slavery Statement Reporting Criteria - Cross Reference Table

The following table cross-references sections of this Statement with mandatory reporting criteria prescribed in section 16(1) of the Modern Slavery Act 2018 (Cth):

| Section 16(1): Australian Modern Slavery Act: Mandatory Reporting Criteria | Page |
|--|-------|
| a) Identify the reporting entity | 4 |
| b) Describe the structure, operations and supply chains of the reporting entity | 5-6 |
| c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities that the reporting entity owns or controls | 7-11 |
| d) Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processed | 12-18 |
| e) Describe how the reporting entity assesses the effectiveness of such actions | 18-21 |
| f) Describe the process of consultation with <ul style="list-style-type: none"> i) Any entities that the reporting entity owns or controls ii) In the case of a reporting entity covered by a statement under section 14 – the entity giving the statement | 22 |
| g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant | 23 |
| Impact of COVID-19 | 23 |
| Looking ahead | 23 |
| Appendix 1 | 26-27 |

About This Statement

This Modern Slavery Statement (**Statement**) is made by Australian Prime Property Fund Commercial (**APPFC**) for the Financial Year ending 30 June 2023.

APPFC is a core wholesale unlisted property trust. Established in 1994, the fund invests in prime commercial properties across Australia. Its unitholders comprise of various institutional investors.

APPFC Active means the trust known as Australian Prime Property Fund Commercial Active, and APPFC Passive means the trust known as Australian Prime Property Fund Commercial Passive. Lendlease Real Estate Investments Limited is the trustee of both trusts. Together, they form the registered managed investment scheme known as Australian Prime Property Fund Commercial.

APPF Commercial forms part of the Australian Funds Management Platform of Lendlease and has appointed Lendlease Real Estate Investments Limited (**LLREIL**) as its responsible entity. LLREIL is a wholly owned subsidiary of Lendlease Corporation Limited (**Lendlease**) and is part of the Lendlease Group, a globally integrated real estate and investment group.

As the trustee, there is a legal separation of certain functions and fiduciary duties of LLREIL in accordance with the requirements under the Corporations Act (Cth) 2001 and general law.

LLREIL, as trustee of APPFC, provides the conduit for the fund accessing and using the policies, procedures, systems and processes of Lendlease, including all activities for assessing and addressing modern slavery risks in its supply chains and operations.



Structure / Operations / Governance

APPFC is a core wholesale unlisted property trust. It comprises a high-quality portfolio of 21 predominantly premium and ‘A-Grade’ assets covering a total of 788,400 square metres of net lettable area¹ with a value of \$6.5b.¹

Capability

For decades, the Fund has managed assets for some of the world’s largest real estate investors.

We offer investment capability supported by active asset management and leadership in sustainability. Our competitive edge lies in the opportunities we provide to investment partners in accessing the diverse, high-quality product created through our integrated model and our capacity to assess on-market opportunities at any stage of a project lifecycle.

Operations

APPFC operations involve the acquisition, management, leasing, administration and disposal of commercial real estate assets.

The operations are undertaken by a team of investment managers, fund managers, finance and legal professionals and an external property manager.

APPFC treat ESG factors as an integral part of the fiduciary and stewardship responsibilities of managing the portfolio and has had a Responsible Property Investment (RPI) strategy in place since 2009.

The Fund is mindful of creating inclusive environments that embrace diversity, and deliver sustainability training to its stakeholders, including engaging with supply chain partners to promote fair and equitable employment, as well as address human rights.

It undertakes a comprehensive ESG due diligence process for all acquisitions. The process considers aspects across the ESG spectrum including environmental issues, resource efficiency, social and human factors within a governance framework. The responsible supply chain engagement includes awareness and actions to identify and manage modern slavery risks.

APPFC believes that in its fiduciary and stewardship roles as a fund manager, ESG factors form an integral part of its property portfolios. It is through this ESG lens that APPFC embarks on social risks considerations in its supply chains and operations. Refer to Page 7 for further information.

LLREIL is aligned with and uses Lendlease’s policies to identify and mitigate against modern slavery risks. Further details can be found in Lendlease Group’s Modern Slavery Statement FY23.

Identifying the Reporting Entities

APPF Commercial is the reporting entity for purposes of section 13 of the *Modern Slavery Act 2018* (Cth).

This Statement has been prepared by LLREIL on behalf of APPFC. It covers the entities listed in the table on the right, being entities which APPFC controls. None of these entities are themselves reporting entities.

The reference to “APPFC” and ‘the Fund’ in this Statement is a reference to APPFC Passive, APPFC Active and the entities cited in the table on the right.

The registered office of APPFC is:

Level 14, Tower Three,
International Towers Sydney
Exchange Place
300 Barangaroo Avenue
Barangaroo NSW 2000

This Statement is for the financial year ending 30 June 2023. All financial numbers are cited in Australian dollars.

Entities controlled by APPFC but are not themselves reporting entities

Held directly by APPFC Passive

Lendlease (Melbourne Quarter-C1) Pty Ltd

Lendlease (Daramu House) HeadCo Pty Ltd

APPF Commercial Finance Pty Limited

Melbourne Quarter C1 Trust

1 Farrer Place Trust

The Woods Trust

APPFC Victoria Cross Trust

La Trobe Street Head Trust

APPFC Sydney Place Trust

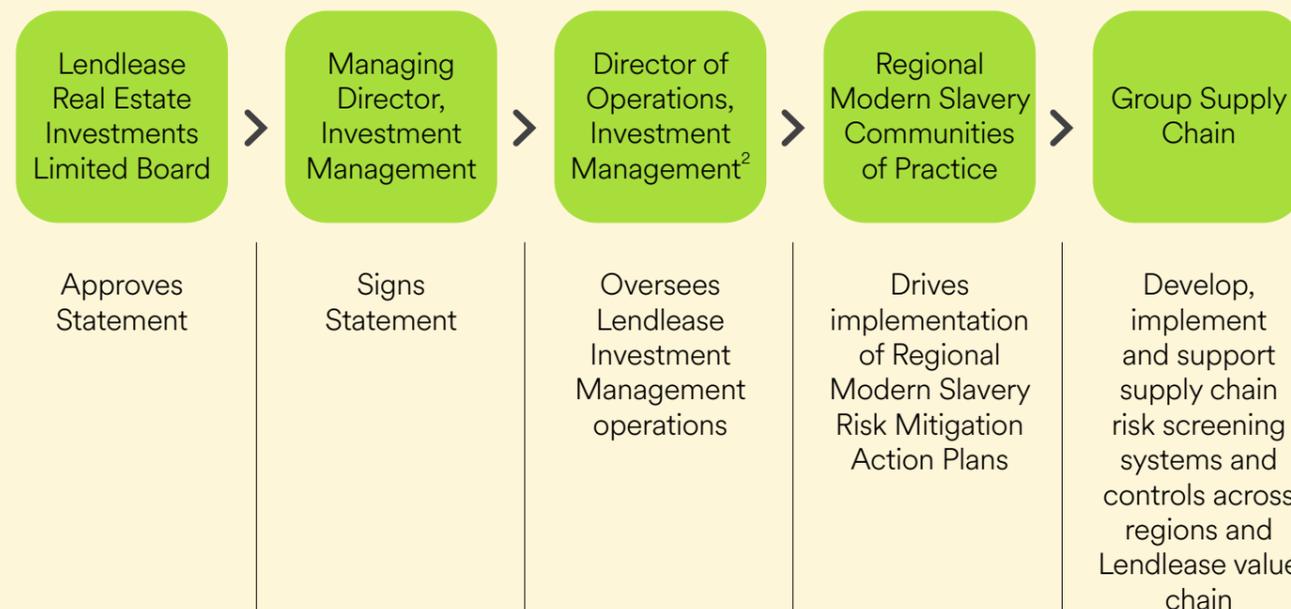
Roma Street Trust

Australia Commercial International Towers Sydney Investment Trust

Held directly by APPFC Active

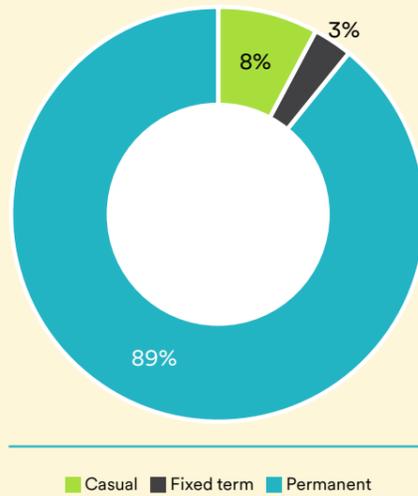
APPFC Active Holdings Pty Limited

Modern Slavery Risk Governance



1. As at 30 June 2023. 2. Effective 9 October 2023.

Workforce by employment type



Our Workforce

While APPFC has no direct employees, it uses the resources of the Investment Manager, Lendlease Investment Management (LLIM), which is a wholly owned subsidiary of Lendlease. LLIM employees strive to create better places that leave a positive legacy, prioritising health & safety, our customers, innovation and sustainability.

The majority of LLIM's direct workforce is permanent and professionally skilled across a range of disciplines from finance, funds management, asset management, legal, sustainability and property management, based in Australia.

The Investment Management Workforce Headcount totalled 283 employees as at 30 June 23.

The graph to the left relates to all employees who work across the LLIM platform.

'Casual' employees are non-permanent workers engaged under an enterprise award. 'Fixed Term' employees are engaged for a defined period with a specified end date.

Overall, the risk of modern slavery / forced labour risks across our direct workforce for the Fund is considered very low.

APPFC's Operations

An external property manager is engaged under a Property Management Agreement (PMA) for each commercial building. Pursuant to each PMA, the property manager manages amongst other things, procurement, repairs and maintenance as well as providing leasing and lease administration services.

Their role typically involves entering into service, maintenance and supply contracts as agent for LLREIL. The property manager is responsible for establishing and maintaining an operational framework, including processes and systems, in providing property management services.

The external PMA contains a comprehensive modern slavery clause. That clause, amongst other matters requires the Property Manager to:

- Maintain policies to identify modern slavery risks in their operations and supply chains
- Comply with Lendlease's policies regarding modern slavery risk
- Not knowingly engage, nor their supply chain knowingly engage in modern slavery
- Notify Lendlease if they become aware of an occurrence or risk of Modern Slavery
- Certify to the Fund that, amongst other matters, it has complied with their obligations regarding modern slavery under the PMA. The Fund has also entered into a PMA with

Lendlease Property Management Australia (LLPMA), which is a wholly owned subsidiary of Lendlease. LLPMA provides services for each of the retail components of the Fund's commercial office assets.

External Property Manager

The majority of APPFC's assets are managed by Jones Lang LaSalle (JLL) Australia. JLL's Australian Modern Slavery Committee meets regularly to consider ongoing modern slavery challenges, how they can be addressed and ways to improve existing processes.

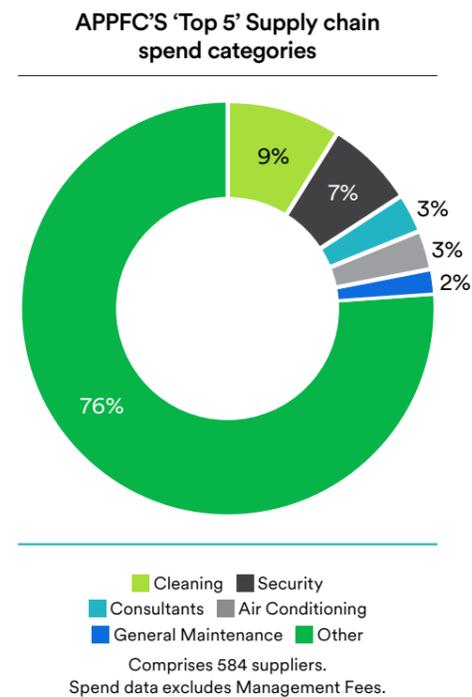
JLL imposes strict anti-modern slavery contractual obligations on its suppliers, including a requirement for suppliers to abide by JLL's global Human Rights Policy, which prohibits violations of human rights anywhere in their operations or their supply chains, and their Vendor Code of Conduct, which requires suppliers working with JLL to comply with modern slavery laws and refrain from engaging in modern slavery, forced labour, and human trafficking.

JLL's specialist services terms and conditions also include a right to audit, should they wish to seek re-assurance that staff are indeed engaged in accordance with the terms of our contracts.

In respect of 'high risk' industries of cleaning and security, those vendors are required to complete a JLL Modern Slavery Survey which targets high risk geographies, sectors, products, services, and their vendors own policies and procedures.

APPFC's 'Top 5' supply chain spend categories

The graph below shows the annual spend breakdown of APPFC's top 5 supply chain categories by value. Cleaning comprises the highest share, followed by security, consultants, air-conditioning and general maintenance.



Modern Slavery Risks in the Operations of Entities Covered by this Statement

Our modern slavery risk assessment processes follow the approach as carried out by the Lendlease Group.

In managing our commercial office assets, APPFC's modern slavery risks centre around labour, either through

- **direct contracted labour** across our operations, including casual, self-employed, directly employed, or contracted through our contractors, sub-contractors, in our corporate or asset operations; and / or
- **indirect labour** in our supply chains engaged in the production of materials and products or contracted for our projects

In assessing the Fund's exposure to modern slavery risk, we follow Lendlease Group processes where relevant to the Fund.

This year, we assessed our modern slavery risks adopting three perspectives:

1. Applying Principle 17 of the UN Guiding Principles
2. Determining Lendlease's Salient Human Rights Risks
3. Understanding our macro-level modern slavery risks across our value chain and supply chain

The exercise has been informed by:

- Desktop research and risk analysis from a range of third-party sources including, in-house research, third party risk intelligence insights, government data, industry and NGO research insights
- Supplier engagement
- Engagement with our business operations leaders

- Insights leveraged from the Lendlease Group's annual supply chain audit program

- Engagement with expert stakeholders through industry and multi-stakeholder initiatives

The perspectives used to assess our modern slavery risks are discussed on the following page.

1 Applying Principle 17 (Continuum of involvement)

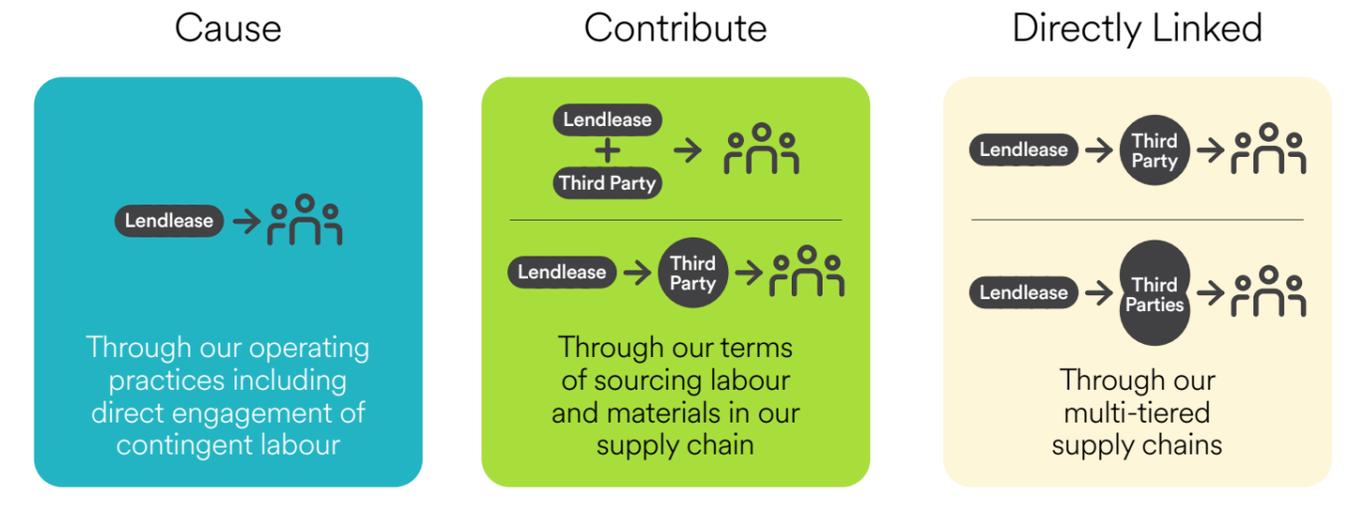
We firstly mapped Principle 17 to illustrate how human rights / modern slavery risk issues might potentially arise across our value chain.

This was undertaken as recommended by the Attorney General’s Department, set out in the Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities – May 2023 (page 40).

The Fund uses numerous mitigation response risk measures such as:

- Supply chain audit program
- Modern Slavery Risk Due Diligence
- Modern Slavery Risk Incident Protocol
- Third Part Managed Grievance Mechanism (Ethics Point)
- Training and Awareness tools and resources

Depending on the situation, APPFC also recognised it has a role in remediation, either directly or cooperatively, as a part of a broader remediation process.



2 Determining Lendlease’s Salient Human Rights Risks

As signatory to the UN Global Compact, Lendlease will annually submit its Communication on Progress against the ten Principles.

During the reporting period, as part of that report-backed process, a Group-level ESG Working Group was established, comprising global functional heads from Legal, Risk, People and Culture, Safety,

Sustainability, and Supply Chain, to review Lendlease’s ESG actions – including human rights and modern slavery risk.

They considered the organisation’s salient human rights risks, in accordance with the UN Guiding Principles on Business and Human Rights.

The ESG Working Group then determined Lendlease’s top five salient human rights risks. These are shown in the graphic above, (in no particular order).

These provided the materiality basis to inform the Lendlease Group-level Modern Slavery Risk Mitigation Framework. A gap analysis was conducted using this Framework, to develop Regional Modern Slavery Risk Mitigation Plans to be implemented during FY24. This approach was extended to the Fund as part of the Lendlease Group analysis.

The Fund adopted the Lendlease Group analysis and determined its focus is on ‘forced labour’ (including child labour) and ‘working conditions’ risks as our material modern slavery risks.

3 Understanding our Macro-Level Modern Slavery Risks Across our Operations and Supply Chain

The following table sets out situational modern slavery risk concerns as they may arise in the broader context of our operations and across our supply chains. Risk dimensions may relate to contractual, sector level, economic and geopolitical issues.

| Risk dimension | Modern slavery risk concern | Potential Risks in our Operations | Potential Risks in our Supply Chain |
|--|--|--|---|
|  Direct Labour - contracted | <p>Sub-contractors and trades / sub-contractors engaging labour recruited through unregulated labour hire providers</p> <p>Direct engagement of casual labour / self-employed contractors, without appropriate due diligence</p> | Soft services in asset operations: commercial cleaning, security services, landscaping, maintenance. | For Corporate Operations - IT support and offshore business support services, catering and hospitality, corporate branded merchandising. |
|  Indirect Labour | <p>Labour engaged in making materials and products in 'high risk' geographies, with the potential for forced labour, child labour, debt bondage practices</p> <p>Lack of visibility of control of labour practices in multi-tiered manufacturing sub-supply chains for pre-assembly components</p> <p>Contracted production facilities in high-risk geographies using contracted labour which may not meet required labour standards or social protections</p> | Use of third party contracted trades by subcontractors, on a supply and install basis operating under competitive margins / tight timeframes. | Construction materials and office consumables e.g. plumbing, electrical, mechanical components, masonry, tiles, sanitaryware, raw materials, soft furnishings / textiles, marketing, merchandising, IT hardware, corporate uniforms and personal protective equipment, renewables hardware. |
|  Post-Pandemic Labour Shortages | Unethical / informal recruitment practices / undocumented workers engaged | <p>Labour demand exceeds supply, reduced workforce numbers in sector.</p> <p>Migrant workers engaged in our sub-contractor supply chains have paid to get a job in home country and incur debt.</p> | Reduced visibility of labour practices and capacity to do site-based social risk audits in high-risk geographies. |
|  Geopolitical Tensions | <p>Conflict in Ukraine and knock-on effects in sourcing surety and pricing</p> <p>Ranging from unpredictable conflict situations to trending market shifts, impacting tariff structures, supply surety and commodity price volatility</p> | Potential for undocumented workers or migrant workers escaping conflict to be exploited in informal economies, working in low skilled jobs with excessive hours, undocumented casual engagements through sub-contractors. | Overseas sourcing of construction structural materials, steel, concrete, glazing / façade, mechanical plant from geographies with elevated human rights risks. |
|  Climate Risk Events | <p>Displaced workers from extreme weather events</p> <p>Disrupted job security, labour exploitation in informal economies</p> | Disrupted materials supply and price volatility. Limited transparency on labour rights risks for certified building materials e.g. timber and labour used in carbon offset products. Disrupted availability of construction labour. Displaced manual workforce in transition to low carbon supply chain. | Demand will outstrip supply for high quality socially responsible decarbonised products. |
|  Inflationary Pressures | Worker incomes at risk or unpaid due to insolvencies | Financial impacts to asset operations – operational expenditures and tenant solvencies. | Reduced appetite for lump sum risk contracts due to increased labour and materials costs. |
|  Cyber Crime | Cyber slavery in scamming 'centres' | Disruptions to integrity of financial transactions in our operations. | Financial and logistical disruptions to our supply chains. |

Actions Taken



Three Lines of Defence

1 Business Operations
Identify, manage and own risks relevant to the project / investment

Regional Leadership Team
Accountable for achieving regional objectives

2 Group Functions
Outline assurance measures to enable appropriate identification and management of risks

3 Internal and External Audit
Provide assurance independently from the first and second lines of defence

Global Leadership Team

Board and Committees

Lendlease’s multi-layered approach to the identification, management, and mitigation of external, corporate, and operational risk, extends to the Fund. Risk management is a key oversight responsibility of the LLREIL Board.

Supply Chain Risk

Lendlease’s supply chain risk framework also applies to the Fund. The framework is structured to respond to modern slavery risks supported by the robustness of our corporate governance, risk planning and capability development, integrated systems, tools and standards, as well as evaluative insights from targeted supplier assessments and audits.

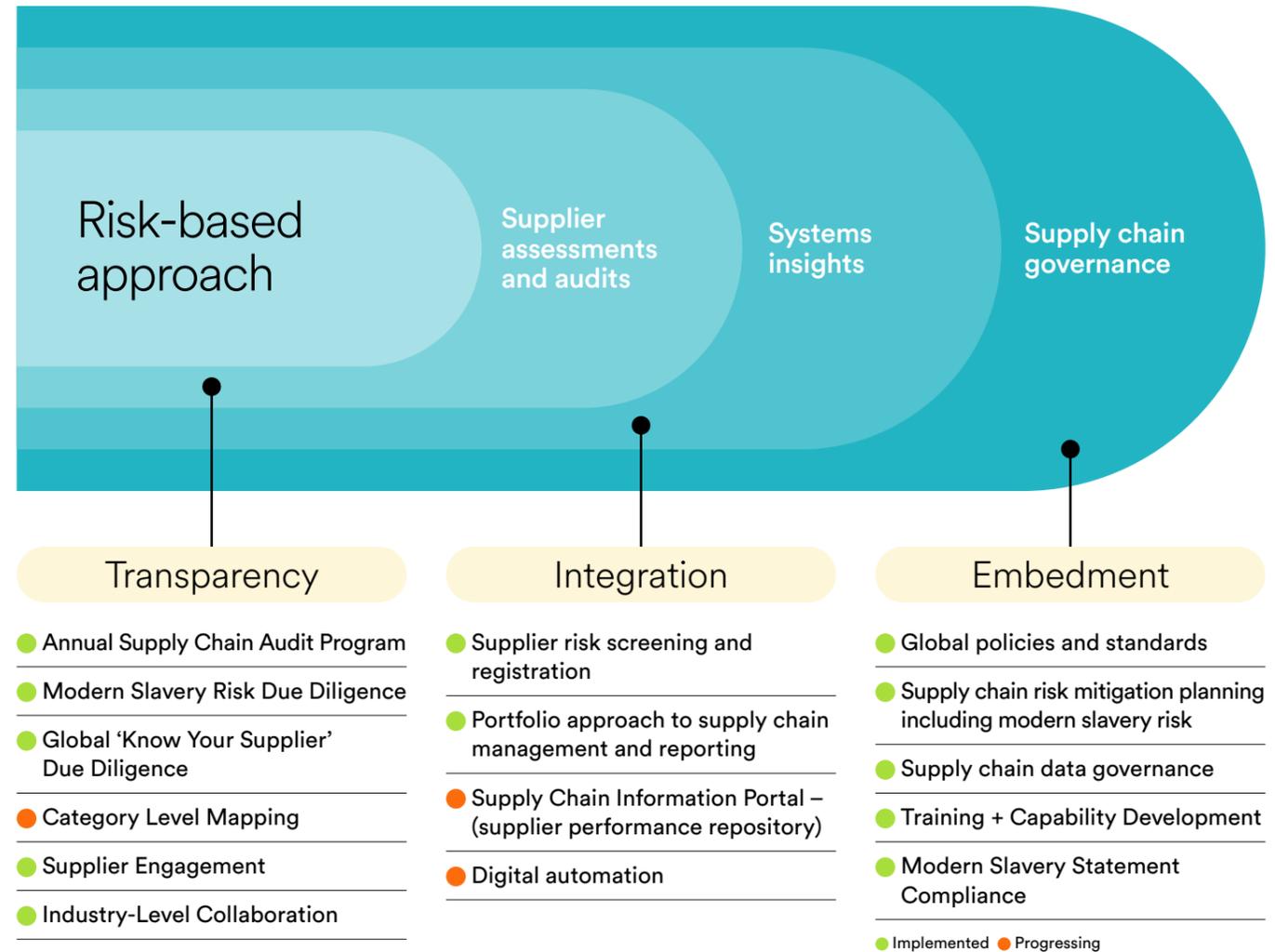
The framework and supporting actions set out on the next page continued to apply for APPFC during FY23.

Lendlease Policies

LLIM employees are required annually to familiarise themselves with Lendlease policies by completing the ‘How We Work at Lendlease’ online training module through our Workday Learning platform.

Policies relevant to how APPFC manages human rights and modern slavery risks are outlined in Appendix 1. The full suite of relevant policies may be found in the ‘Governance’ section of the Lendlease corporate website.

FY23 Supply Chain Risk Framework



Specific Actions Extended to the Fund

During FY23, regional Modern Slavery Risk Mitigation Plans were developed, based on the four focus areas below.

| | | | |
|---|---|---|---|
| <p>Embed policies, standards and risk governance</p> <p>Continue to embed supply chain risk governance measures and progress awareness training across our operating regions</p> | <p>Responsible sourcing due diligence</p> <p>Progressively implement a global framework for Responsible Sourcing Due Diligence, targeting ‘high priority’ trade categories</p> | <p>Monitor, measure and manage</p> <p>Continue to monitor and measure effectiveness of supply chain risk controls and progress supply chain risk mapping</p> | <p>‘Good practice’ collaborations</p> <p>Continue to engage key suppliers and stakeholders to advance ‘good practice’ industry norms tackling macro-level modern slavery risks</p> |
|---|---|---|---|

Our focus continues on categories with elevated modern slavery risks and strategic supplier segmentation



Responsible Sourcing Due Diligence

Responsible Sourcing Due Diligence Framework

Following Lendlease's piloting of its Responsible Due Diligence Framework during FY23, a staged rollout targeting 'High Priority' Suppliers is being programed for FY24. This may include contractors and suppliers engaged on APPFC assets.

Supplier Portal Risk Screening and Segmentation Analysis

Contractors and suppliers engaged by LLPMA for the retail component of our assets, also undergo Lendlease's supply chain risk assessment processes, which contain modern slavery risk screening.

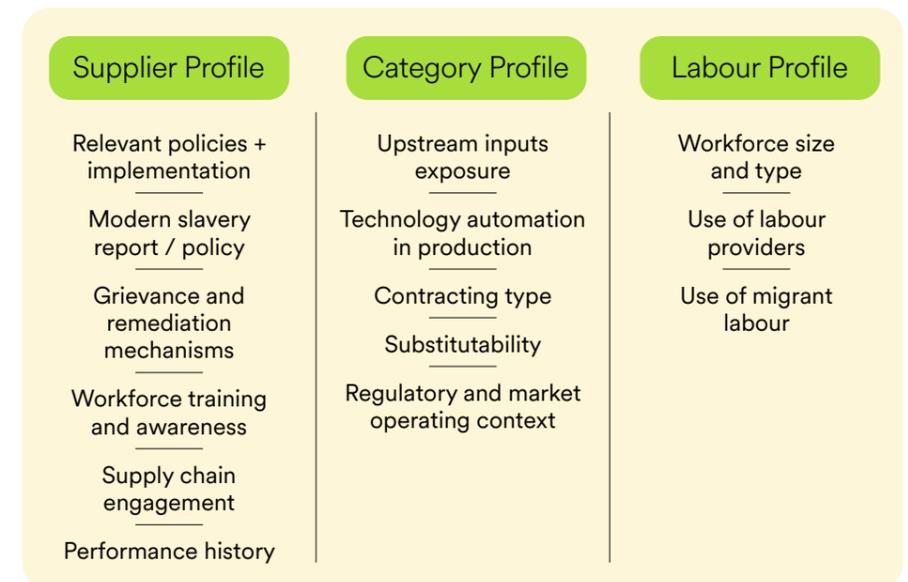
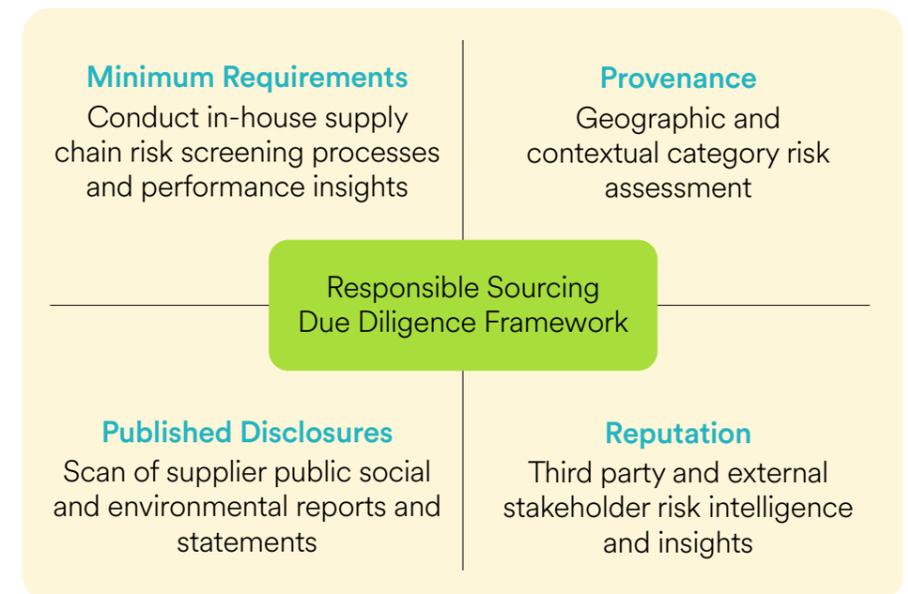
This includes a combination of third-party risk intelligence resources (such as World Check), as well as supplier information provided at point of registration through Lendlease's Supplier Portal.

The registration process includes preliminary questions on labour type and product provenance.

Our supplier segmentation analysis may also consider the interacting elements in the table to the right.

There are also financial, integrity and operational aspects considered, namely, the level of reliance or concentration of spend we may have with that supplier, parent entity integrity screening where possible, and supplier financial standing.

The combination of these approaches generates an inherent risk profile that then informs what targeted risk controls are to be further implemented, be they assistive, or specifically contractual.



Embed Policies, Standards and Risk Governance

Supply Chain Management Policy and Standard

APPFC adopted Lendlease's global Supply Chain Management Policy, and supporting Standard, which set out minimum standards for governance and management, applicable to our supply chain, including:

- Environment, Health and Safety
- Know Your Supplier
- Sustainable Procurement
- Quality and Innovation

Modern Slavery Risk Mitigation Action Planning

Through Lendlease Australia's Modern Slavery Community of Practice (MS CoP), APPFC representatives were engaged in the development of modern slavery risk mitigation action planning.

The planning identified actions for

- further integrating systems processes, policies and procedures around supply chain risk, including modern slavery risk into our operations

- Working with our Property Manager to risk assess suppliers

- Working with Lendlease Group's Supply Chain team on supply chain audits; and

- Engaging with key suppliers as well as external stakeholders – including Cleaning Accountability Framework, and industry groups, such as the Property Council of Australia.

Refer to the 'Effectiveness Scorecard' on page 20 for further details.

Supply Chain Information Portal (SCIP)

During FY23, SCIP was adopted into APPFC 'business as usual' procurement processes where LLPMA provides services for the retail component of the Fund's commercial office assets.

This means APPFC has access to Lendlease's in-house system for surfacing risk-screened supplier performance information to enable informed procurement choices and review findings of risk screened information.

During FY23, improvements were made to tracking supplier risk assessments. A new data field was added to record when a supplier has been audited by Supply Chain and when a supplier has completed the Lendlease Modern Slavery Risk Due Diligence Questionnaire.

A new functionality to raise a 'caution' on a supplier was also added, where a supplier's corrective action period has expired, and the supplier provides no evidence of closing out supply chain audit findings.



Monitor, Measure, Manage

During FY23, employees from Lendlease's Investments business were able to utilise the Property Council of Australia Modern Slavery Supplier Platform Informed 365, which includes a modern slavery risk due diligence questionnaire, issued to suppliers engaged by Lendlease Australia.

APPFC continued our efforts to improve supply chain transparency through the combination of:

- Lendlease modern slavery due diligence questionnaires
- Property Council of Australia Modern Slavery Supplier Platform, which includes a modern slavery due diligence questionnaire
- targeted supply chain (labour rights) audits for our multi-national strategic suppliers / 'High Priority' Trade categories.

Modern Slavery Audits

During the reporting period, LLIM engaged a third-party auditor to complete site-based audits on nine high-risk suppliers. Through these Workplace Conditions Assessment - Human Rights Focused audits, no modern slavery practices were identified, nor we did we become aware

of any actual or suspected incidences of modern slavery. Findings made were of a minor nature which will be rectified in FY24. Such as:

- a facilities social compliance policy was only available to workers and customers but was not made publicly available;
- No formal process in place for workers feedback and complaints in relation to policies, practices and conditions;
- Workers not familiar with anonymous reporting channel.

SINE induction tool

SINE is a visitor management app used on APPFC sites. Used by our property managers, SINE inducts and cross-references contractor responses against APPFC's prequalification tool (CM3).

All contractors are required to sign in when attending our sites as part of the end-to-end vendor management. SINE enables the tracking of labour arrangements in accordance with the contractors' respective fatigue management policies' and the vetting of designated workers when attending site.

FY23 saw the inclusion of Modern Slavery awareness content into the LLPMA SINE induction pack.

Property Council of Australia Modern Slavery Supplier Program

APPFC suppliers flagged with elevated risk profile are required to complete the Modern Slavery risk due diligence questionnaire on the Property Council of Australia Informed 365 Modern Slavery Due Diligence risk platform.

Cleaning Accountability Framework(CAF)

A certification audit of a commercial asset, 1 O'Connell Sydney was undertaken by CAF. We achieved a 3-star rating (full marks) and are leveraging the insights from this as process improvements across our Lendlease investments portfolio.



Good Practice Collaborations

Training

The Lendlease modern slavery e-learning training module was updated during FY23. Completion of this training module is mandatory for all Investment Management employees, achieving a 95% completion rate in FY23.

Employees working on the APPFC portfolio also have access to a resource library of the latest information and developments on Lendlease's Supply

Chain SharePoint site. During FY23 they were also able to access user training on Property Council of Australia's Informed 365 Modern Slavery Risk supplier platform.

External Property Managers (JLL), also provide their staff with Modern Slavery Awareness training on an annual basis through their induction platform. This ensures all workers are aware of the signs and know where to go to seek support or to report any concerns. For

FY23, JLL achieved a 95% training completion rate across the Lendlease portfolio.

Industry engagement

We continued our membership of the Cleaning Accountability Framework and contributed to the development of the 'CAF portfolio tool' as well as adopting the 'CAF Cleaning Pricing Schedule' into our contracts when tendering for cleaning services.

Remediation

Ethics Point

APPF has access to the global Ethics Point platform for the confidential logging of concerns around improper conduct. This is cited on all modern slavery information posters in multiple languages on APPFC sites, toolbox talks and accessible on the Lendlease website.

During the reporting period, no reports were logged through Ethics Point regarding modern slavery, categorised as 'labour rights violations', across APPFC assets.

JLL, as external property manager also have a platform 'Ethics Everywhere Helpline'. 'Ethics Everywhere Helpline' is a confidential reporting platform available to their employees, contractors, clients, supply partners, and members of the public if they have a concern or suspect behaviours

that are inconsistent with their Code of Ethics and policies or the law. It is available 24 hours a day, 7 days a week, and reports can be made anonymously. No reports were logged with JLL in relation to Lendlease assets during the reporting period.

We also recognise there is not a 'one size fits all approach' to providing remedy, and that a legitimate remediation response is tailored to the particular facts of a situation.

APPF also has access to a range of leverage measures utilised by Lendlease, for example, through contract and engagement with key stakeholders including government and worker organisations, to ensure the remediation approach is fact-based, informed with the appropriate expertise and conducted in good faith.

Effectiveness of Actions

We continue to define the effectiveness of our approach through:

- **Prevention:** by embedding supplier risk assessments as routine
- **Responsiveness:** by ensuring our consequence management responses appropriately address modern slavery risk concerns to impacted parties
- **Collaboration:** by engaging in open dialogue to effect leverage and influence with suppliers, industry, investors and government and to listen and understand the range of stakeholder perspectives with human rights experts and worker advocates

Effectiveness of Management Approaches

APPF continues to implement improvements through its engagement with JLL and insights from Lendlease's modern slavery risk controls and mitigation actions.



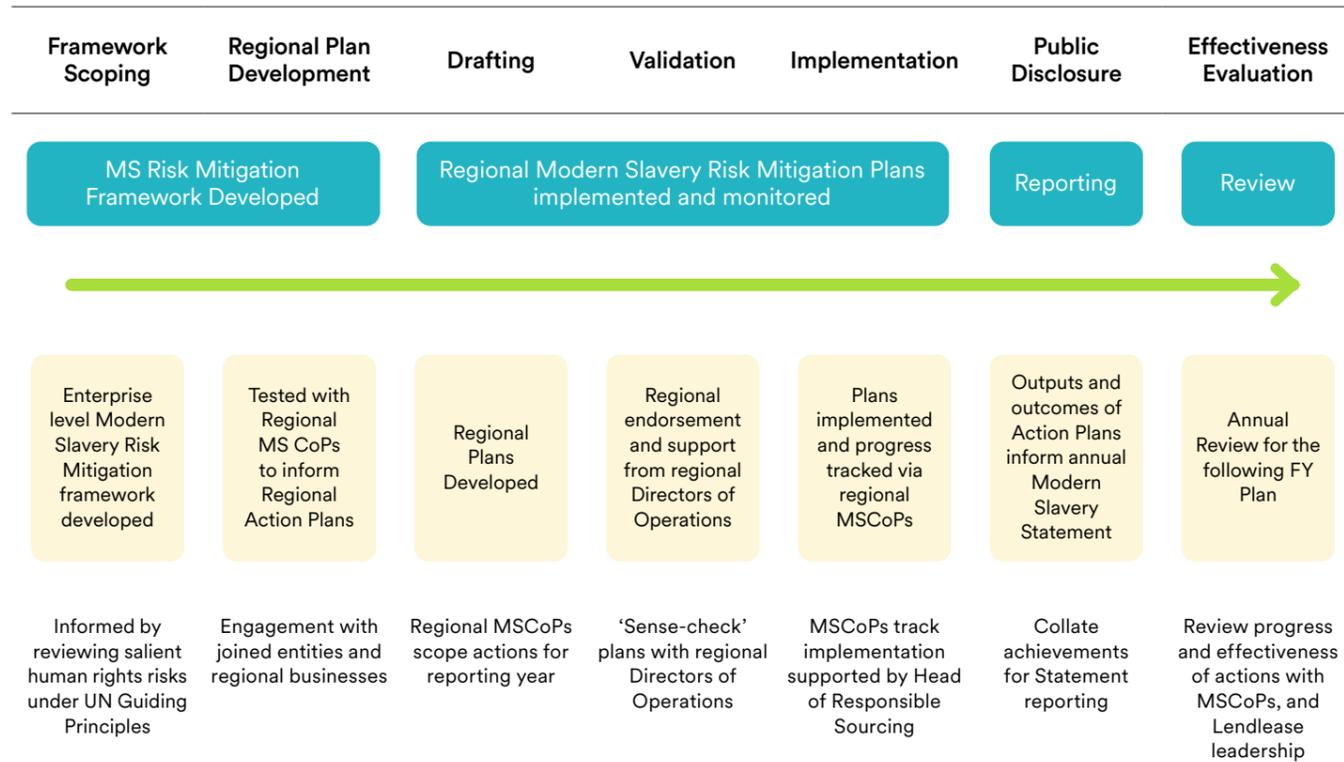
Measuring our Effectiveness: APPFC Progress Scorecard

The performance scorecard by Lendlease Group summarises progress against modern slavery risk mitigation efforts during FY23. These results extend to include APPFC in its access to the systems and processes of the Lendlease Group.

| Focus Area | Objectives | Actions Taken | Metrics | Outcomes |
|---|---|--|---------------|---|
|  Embed policies, standards and risk governance | Continue to embed supply chain risk governance measures and progress awareness training across our business. | Lendlease Australia FY23 Modern slavery Risk Mitigation Action Plan (which includes APPFC) | Complete | Alignment with UN Guiding Principles approach to Human Rights Due diligence |
| | | Lendlease Group Supply Chain Management Policy and Standard – in multiple languages (applies to APPFC) | Complete | Translations enable improved accessibility of policy and Standard |
| | | SINE induction tool updated to include MS awareness content | Complete | Reinforce awareness and responsibility of Contractors' Modern Slavery risks |
| | | Refreshed Modern slavery site signage and location in our assets | Complete | Reinforce awareness for contractors / suppliers |
|  Responsible sourcing due diligence | Implement a global framework for Responsible Sourcing Due Diligence, targeting 'high priority' trade categories | Rollout of framework to include suppliers of Investment Management Platform | In progress | Insights from pilot to apply in rollout program for 'High Priority' Trade Categories for FY24 |
| | | CM3 Pre-qualification tool (Includes Modern Slavery) | Complete | Increased early-visibility of suppliers' potential modern slavery risk |
|  Monitor, measure and manage | Continue to monitor and measure effectiveness of supply chain risk control and progress supply chain risk mapping. | Modern Slavery Audits | In progress | Process improvements and operational consistency across operations |
| | | Supplier Performance reviews | Under review | |
| | | Property Council of Australia – Informed 365 Modern Slavery Risk Due Diligence | Ongoing | |
|  'Good practice' collaboration | Engage key suppliers and stakeholders to advance 'good practice' industry norms tackling macro-level modern slavery risks | Lendlease Modern Slavery e-Learning Training Module compulsory for all Investment Management employees | 95% completed | Reinforce awareness of modern slavery risks for all Investment Management employees |
| | | Industry Engagement: <ul style="list-style-type: none"> • Cleaning Accountability Framework • Property Council of Australia Supplier Platform Modern Slavery Working Group | Ongoing | Collective action enables robust influence and leverage to tackle modern slavery risk in the property and sector and promote systemic change for better supply chain transparency |

Consultation Processes

Consultation: Modern Slavery Risk Mitigation Action Planning Cycle



Oversight by Lendlease Group Chief Risk Officer, Group General Counsel, Global Leadership Team and Board Sustainability Committee



In preparing this Statement, fund managers and property managers have been engaged in considering modern slavery risk issues, actions being taken to mitigate those risks and reporting requirements.

This has been done through the adoption of systems and processes, which were developed and implemented by Lendlease's Group Supply Chain function. Lendlease Group's process in the graphic above includes engagement with representatives from APPFC.

The APPFC team regularly engages with the Property Manager, JLL and have 'managing modern slavery risk' as a standing item for consideration at those meetings.

APPFC also participates in Lendlease's Australian Modern Slavery Community of Practice, which has cross-functional representation across Lendlease in Australia, that includes APPFC operations and entities.

Representatives include sustainability, supply chain, risk, legal, and operations functions from Lendlease's construction, investment and development businesses.

Refer to pages 32 and 33 of the Lendlease Group Modern Slavery Statement FY23 for further details.

There has also been consultation with a range of personnel who operate across the entities covered by this Statement.

Other Relevant Information

APPFC ranked 10th in Australia in the 2023 Global Real Estate Sustainability Benchmark (GRESB) Real Estate Assessment, with a score of 92% and maintained a 5-star rating.

GRESB is a well regarded benchmark for ESG performance disclosure for real estate owners, asset managers and developers.

Material indicators include policies on social issues such as child labour and human rights, labour standards and working conditions. Social risk assessments also form part of the material indicators.

Lendlease has been associated with GRESB for over a decade and is actively engaged in GRESB committees and working groups to advance the benchmark framework that support ESG outcomes in the property sector globally.

GRESB provides an independent and globally consistent standard of measuring ESG outcomes in real estate. Participation in GRESB continues to grow every year.

COVID-19

In the wake of the pandemic, our supply chains continued to remain resilient.

We expect subcontractors, consultants and suppliers to comply with government public health advice and guidance. We encourage subcontractors to develop a risk management plan that addresses any potential residual impacts of COVID-19 on their workforce, workplace and supply chain.

We also continue to work closely with our stakeholders on the best ways to support our employees, subcontractors, and suppliers.

Looking Ahead

APPFC will continue to work closely with Lendlease's Group Supply Chain team, in progressing its own actions against the four focus areas, as set out in the graphic below, by the Lendlease Group.

Focus areas

During FY24, APPFC will continue its progress in the following focus areas:



Embed

Continue to progress embedment of supply chain risk policies, controls and governance into business systems and processes across our operations



Modern Slavery Risk Due Diligence

Progress rollout of Responsible Sourcing Due Diligence framework and progress embedment of human rights due diligence



Monitor, Measure + Seek Transparency

Continue to track effectiveness of supply chain risk controls and work with key suppliers to increase transparency



Collaborate + Leverage

Contribute to the establishment and adoption of new industry norms and practices tackling modern slavery risks

Appendix 1

Lendlease Policies

APPF utilises the following Lendlease policies, which are on the Governance pages of the Lendlease global website, which respond to modern slavery risk across its direct operations as follows:

| Key Lendlease Policies | Effective Date | Description | Span of operation | Application to Modern Slavery Risk Mitigation |
|--|----------------|--|-------------------|--|
| Group Policy on Environment Health and Safety | September 2022 | Sets up oversight and management of Environment Health and Safety and embedment of Global Minimum Requirements | Global | Encourages our supply chain workforce to support the policy's objectives, and take a risk-based approach to preventing harm with a focus on continuous improvement. |
| Lendlease Global Minimum Requirements (GMRs) | 2021 | The GMRs are our minimum Environment Health and Safety standards for how we operate anywhere in the world. All suppliers and their supply chains are required to observe these policies when working on our projects. | Global | <ul style="list-style-type: none"> • Requires contractors and service providers to acknowledge the Lendlease Supplier Code • Supplier performance standards regarding written approvals requirements for subcontracting and assessment of capacity of subcontractor to meet the GMRs, insurance and EHS requirements • Performance standards for worker welfare facilities, where Lendlease is responsible for providing off-site living accommodation for site workers • Mental health support to include modern slavery awareness education and information to access Ethics Point for raising concerns, where the risk exists • Cites forced labour due to coercive work practices as an example of worker fatigue. |
| Supplier Code of Conduct | February 2020 | Sets out our expectations of our third-party suppliers, consultants and contractors. Suppliers are to acknowledge they have read and understood the Code when working with us. | Global | <p>Makes specific reference to respecting Human Rights and speaks to our top 5 salient human rights risks:</p> <ul style="list-style-type: none"> • advance an inclusive workplace free of discrimination, harassment, bullying and other unlawful behaviour; • not use any form of child, forced or involuntary labour, nor use physical punishment to discipline employees; • require all persons engaged to work (either directly, or through recruitment agencies), hold all legal work permits and visas; • respect the rights of workers to choose freely to associate with one another and to communicate openly with management regarding working conditions without threat of reprisal, intimidation, or harassment. <p>Includes specific requirements for suppliers to take steps to source products / services free from modern slavery, collaborate with Lendlease and promote training and awareness on mitigating modern slavery risks and provide greater transparency on sourcing.</p> |
| Group Conduct Breach Reporting Policy | December 2019 | Enables employees (their families), contractors, suppliers and agents to speak up and report illegal or improper conduct occurring in the Lendlease business, including behaviour that does not accord with our Core Values, Employee Code of Conduct or Supplier Code of Conduct. | Global | <p>Outlines the pathways through which a grievance may be anonymously raised, either directly through the Business Conduct Officer or other Senior Manager of Lendlease or independently, through Ethics Point.</p> <p>Investigations of grievances are made on a case-by-case basis after examining the facts.</p> <p>The policy includes a non-retaliation and procedural fairness obligations.</p> |
| Group Customer Complaints and Feedback Policy | December 2020 | Applies to all external complaints and feedback (both positive and negative) about Lendlease and the services we provide. | Global | Provides an additional avenue to raise a concern. Each operating region has localised procedures for managing complaints and feedback. |
| Diversity and Inclusion Policy | February 2019 | Sets out Lendlease's commitment to workplace and Board diversity and inclusion and conveys goals, measures and management approach. | Global | Policy conveys a commitment to respect diversity and inclusion in the organisational culture. |
| Employee Code of Conduct | August 2016 | Sets out the standards of conduct expected of our businesses and people, wherever Lendlease operates. The Code includes specific integrity obligations. | Global | Connected to this policy is our internal Anti-Bribery Anti-Corruption Policy for our UK and Italy operations. All Lendlease directors, employees and third parties are to observe the UK Bribery Act 2010 which requires third parties, including suppliers, to have undergone compliance processes for integrity screening and due diligence checks. |

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