

Modern Slavery Statement 2023

1 Introduction

This Modern Slavery Statement (**Statement**) is made by Central Equity Ltd ACN 006 708 738 (**Reporting Entity**) pursuant to the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) for the period 1 July 2022 to 30 June 2023 (**Reporting Period**). References in this Statement to “**Central Equity**”, “**we**”, “**us**” or “**our**” collectively refer to Central Equity Ltd and its subsidiaries, unless stated otherwise.

2 Our Structure, Operations and Supply Chains

2.1 Structure

Central Equity Limited is a company limited by shares incorporated in Australia. The registered office is located at 32 Power Street, Southbank VIC 3006 Australia. It is the parent company of a wide range of wholly owned subsidiaries.¹ Our controlled entities are all incorporated in Australia, with the exception of Central Equity Asia Pte Ltd which was incorporated in Singapore and Central Equity Hong Kong Pty Ltd which was incorporated in Hong Kong. All remaining subsidiaries are incorporated and domiciled in Australia. The controlled entities are involved in property development and management.

2.2 Operations

Central Equity undertakes business operations activities in relation to property development and management predominately in Australia. Our principal business activities remain unchanged from previous reporting periods. Our development activities continue to be undertaken by a range of corporations associated with the Central Equity Shareholder Group. The activities undertaken by subsidiaries include: licensed real estate agency, building management and concierge services, short term leasing, licensed credit provider in relation to third party property loans, landlord owners corporation insurance management and finance operator.

Central Equity Limited employs 41 staff members (35 full-time, 4 part-time and 2 casual). These employees work in a wide range of disciplines including administrative, sales, marketing, quality control and property management roles. Within the overall Central Equity Group, there are approximately 300 employees.

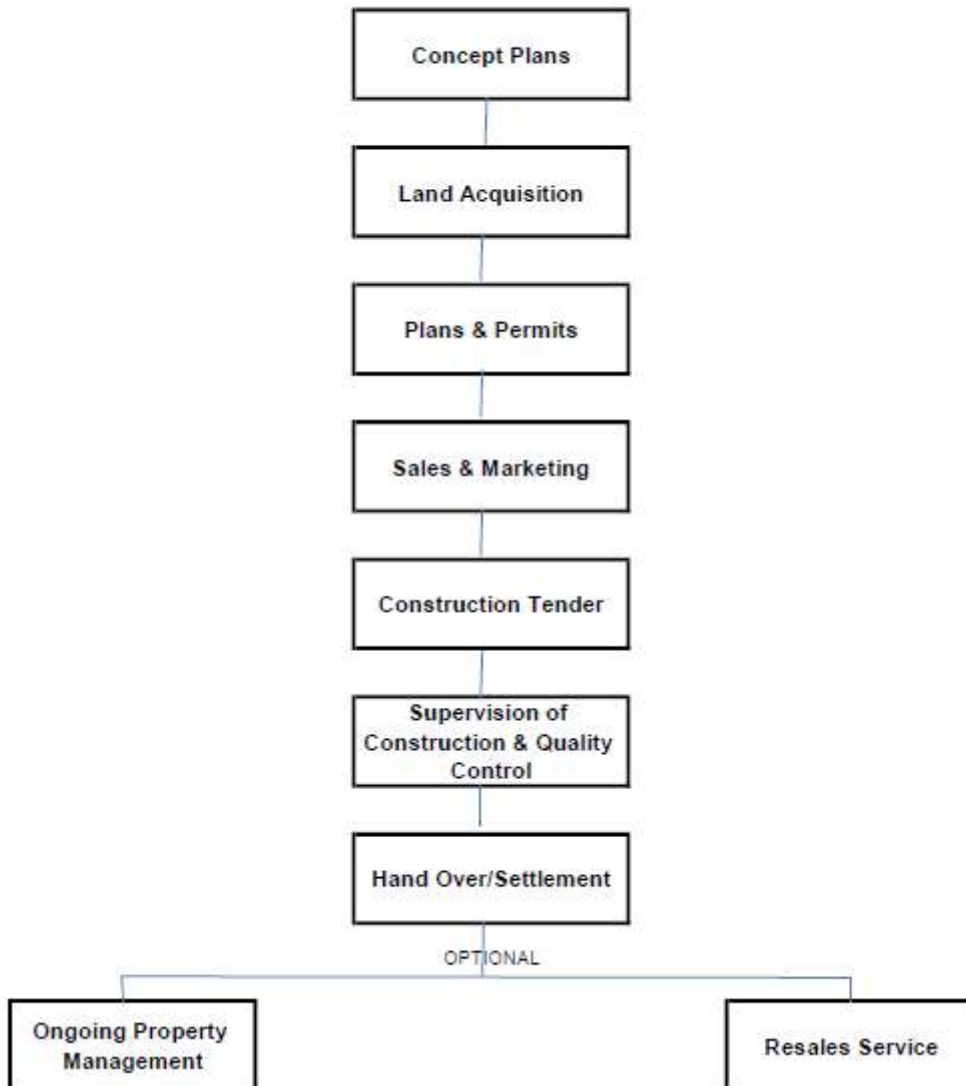
The subsidiary of Central Equity Limited in Singapore, Central Equity Asia Pte Ltd, continues to operate an office at Raffles City Tower #05-02, 250 North Bridge Road, Singapore 179101 employing 1 employee performing Sales/Administration role. Our Hong Kong office was closed during the reporting period. Its employees also performed sales and administrative roles. All our overseas employees are remunerated in line with Australian wages.

¹ Central Equity’s consolidated revenue did not reach the Modern Slavery Act threshold during the 2022 financial year which is why a modern slavery statement was not submitted for that particular year.

2.3 Supply Chains

As described in our first modern slavery statement, Central Equity enters into agreements with third parties for the provision of goods and services in connection with the delivery of each of the stages in the property development process, as depicted in the diagram below.

CENTRAL EQUITY GROUP DEVELOPMENT PROCESS



In 2023, we procured services and supplies from approximately 62 third party suppliers. Many of our suppliers for this Reporting Period remained the same as those described in our first statement. They operate in sectors including construction, engineering, surveying, sustainability consultants, facilities management, utilities, fencing, architects, office fit out services, legal, audit, stationery, corporate merchandise, ICT hardware, travel, accommodation services and catering. Of these, construction was the largest procurement spend during the Reporting Period. These construction companies have large supply chains that include both subcontractors and materials used on our projects.

Most of our suppliers are domiciled and operate in Australia. However, our foreign subsidiaries use local suppliers for tenancies and office related supplies in Singapore.

3 Risks of modern slavery practices in operations and supply chains

3.1 Modern slavery risks in our operations

Given the vast majority of our operations are performed and all projects/developments are undertaken in Australia, a lower risk country for modern slavery according to the Global Slavery Index, we maintain the view that there is low risk that our business operations have caused, contributed or were linked to modern slavery. This is not to say that modern slavery does not exist in Australia, but rather, a recognition of the fact that industrial relations laws in Australia are highly regulated. Further, most of our workforce comprises skilled workers who are generally in the lower risk categories for modern slavery. We do however employ a cohort of base-skilled workers in property management roles. Base-skilled workers, in general, are at increased risk of exposure to modern slavery, irrespective of the country in which they work, often by virtue of a combination of uncertain residency status, insecure employment and limited English. However, for the reasons set out in Part 4 below, these risks are mitigated in our operations.

We appreciate that there may be operational risk when we outsource work to contractors that we cannot supervise or manage. We outline this risk below as a supply chain risk.

3.2 Modern slavery risks in our supply chains

Like most companies operating within the property development sector in Australia, the most significant modern slavery risks are likely to exist in our supply chain. In applying the United Nations Guiding Principles on Business and Human Rights (**UNGPs**), we maintain the view that our main exposure to modern slavery exists via our relationship with third parties, rather than any direct causal impacts or contributory actions of our business.

Forced labour, debt bondage, human trafficking and the worst forms of child labour are some of the main types of modern slavery that can exist in the supply chains supporting the property and construction industries. These risks become acute where:

- there is widespread utilisation of vulnerable worker groups such as itinerant workers, migrant workers, workers from minority ethnic groups and displaced workers;
- there are opaque contracting arrangements for the provision of sub-contracted labour resulting in decreased transparency;
- migrant workers are charged recruitment fees by agencies and/or have their original passports or other forms of ID retained, subjecting them to situations of debt bondage; and
- there are short lead times and pricing pressures on contractors and subcontractors.

Central Equity understands that its suppliers in the construction sector may be working on multiple projects and could have potentially tens or hundreds of work streams in relation to one project, making visibility of the workforce and supply chains difficult to map out. Projects often involve numerous short-term engagements across multiple locations, making a collaborative risk management approach complex. Suppliers in this sector may also source materials from geographies with a higher risk of modern slavery, but we are often not aware of the provenance of the materials supplied because Central Equity Limited typically engages a head contractor who is responsible for materials used on-site.

Our suppliers, particularly those that we engage for civil works and construction activities are likely to use labour hire workers, either directly or via subcontractors, in their operations which carry an increased risk of modern slavery. In working with reputable construction companies, who are often themselves reporting entities pursuant to the Modern Slavery Act, we rely on the due diligence measures and actions taken by them to ensure that modern slavery risks are assessed, mitigated and addressed.

Cleaning services is another sector that has been the subject of increased attention in recent years as a result of media reports on exploitative labour practices. The reasons for the increased risk profile associated with this sector align with the four bullet points listed above.

In terms of our office operations, key modern slavery risks include ICT hardware by virtue of the manufacturing of hardware as well as the mining operations for raw materials used to manufacture these items, for example used in lithium-ion batteries, present in phones, tablets and computers. Base-skilled workers in the aviation and hotel sectors are considered at higher risk for modern slavery due to the prevalence of subcontracting arrangements leading to decreased supply chain transparency, labour intensive work coupled with low barriers to entry, workers from vulnerable backgrounds including migrant workers. Corporate merchandise, office furniture and consumables are also considered to have higher modern slavery risks for similar reasons but in the manufacturing sector. Local suppliers to our office in Asia, which provide goods and services to support our administrative office in Singapore and Hong Kong, have a higher inherent risk than our Australian operations by virtue of their jurisdictional risk.

4 Actions to assess and address the risks

4.1 Approach to due diligence

Our approach has involved a review of our workforce, the roles performed and remuneration, as well as a review of vendors paid during the Reporting Period. The review of vendors involved an assessment of the inherent industry risks. Given the continuity of our supply chain categories and operations from year to year, our approach to due diligence and the description of modern slavery risks remains largely the same as what we reported in our first modern slavery statement.

4.2 Remediation

Our personnel, contractors and suppliers have access to our whistleblowing policy which is published on our intranet. We did not receive reports of any actual or suspected instances of modern slavery during the Reporting Period. If our business is found to have caused or contributed to modern slavery, we would take guidance from the UNGPs, which provides that businesses in this situation need to remediate the impact by taking a person-centred approach protecting the safety, privacy and wellbeing of the affected person. We would undertake a full investigation of the situation to ensure that an appropriate corrective action plan is implemented and assess how similar impacts could be avoided in the future.

5 Assessing the effectiveness of actions

The Board of Central Equity Limited remains responsible for the Reporting Entities' compliance with the Modern Slavery Act. It assesses the effectiveness of actions taken in the process of reviewing and approving our Modern Slavery Statement.

6 Process of consultation

This Statement was prepared with the input of representatives from a number of functions including procurement, human resources, finance and compliance. Each of these individuals has Group-wide responsibility, including Central Equity Limited and its owned or controlled entities (to the extent those entities are relevant to their function).

This Statement was approved by the Board of Directors of Central Equity Limited on 13th November 2023.

A handwritten signature in black ink, appearing to read 'G. Otto', with a long horizontal flourish extending to the left.

Geoffrey Otto
Company Secretary
13 November 2023

Annexure - Reporting criteria

Reporting criterion	Page
1 & 2. Identify the reporting entity and describe its structure, operations and supply chains	1-2
3. 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	3-4
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	4
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	4
6. Describe the process of consultation with any entities the reporting entity owns or controls	4
7. Any other relevant information	4