



Cedar Pacific 

MODERN SLAVERY
STATEMENT 2022

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INTRODUCTION

In 2018, the Australian Government passed the Modern Slavery Act 2018 (Cth) (the Act), following the UK (2015) and California (2010). The Act focuses on transparency, requiring companies generating more than \$100 million in annual revenue to disclose their modern slavery risks, their actions to mitigate those risks, and the effectiveness of those actions. Companies can report voluntarily in accordance with the Act.

Cedar Pacific Investment Management Pty Ltd (Cedar Pacific) ("the Company") voluntarily elected to comply with the Act in 2019. This is our third Modern Slavery Statement (MS Statement), reflecting the portfolio as at 31 December 2022

This MS Statement was approved by the Cedar Board on 30 June 2023



Acknowledgement of Country

In the spirit of reconciliation, Cedar Pacific acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respects to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples

Cedar Pacific

OVERVIEW

OUR MISSION

Cedar Pacific, a specialty investment manager with a focus on the construction and property sectors is exposed to modern slavery risks. Given the highly qualified staff within the Company, the risks exist predominantly within its supply chains. Cedar Pacific's assets under development, which require extensive use of labour and materials, pose the main source of modern slavery risks. Some of these materials and labour may involve high modern slavery risk factors. To mitigate these risks, Cedar relies heavily on the efforts and safeguards of its head contractors. The contractors are responsible for ensuring that Cedar's supply chains are free of modern slavery risks. However, Cedar acknowledges that it remains ultimately accountable for these risks.

Within its operational assets, the leaning suppliers contracted by Cedar's asset operator, UniLodge, pose the largest modern slavery risk. Cleaning services also make up a significant percentage (51.8%) of procurement spend per asset. As a result UniLodge has commercial leverage to ensure its suppliers adhere to requirements and appropriately mitigate their risks.

Although Cedar is a privately-owned company and not legally required to comply with the Modern Slavery Act, it has voluntarily elected to report on its efforts to mitigate modern slavery risks. Cedar's current head contractors for assets under development have issued modern slavery statements in compliance with the Act, demonstrating their commitment to ethical practices.

In summary, Cedar operates in high-risk sectors, and its assets under development pose the main source of modern slavery risks. To mitigate these risks, Cedar relies on the efforts of its head contractors and ensures that its asset operator, UniLodge, works with suppliers that adhere to ethical standards. Cedar voluntarily reports on its efforts to address modern slavery risk and collaborates with its contractors and partners to promote ethical practices in its operations.

OUR PURPOSE

Cedar Pacific is a leading speciality investment manager founded by Pamoja Capital. Founded in 2015, Cedar delivers long-term capital growth and yield to its equity partners through a disciplined active management strategy that emphasises operational performance and risk mitigation.

Cedar Pacific's current real estate portfolio spans two distinct areas of the property sector: asset operation and asset development. These areas each have known modern slavery risks, though the risk profile of each differs. The Company manages 11 assets across 2 countries with a further 4 under development as at December 2022. The operational assets are operated by UniLodge, and often cater for retail and office tenants on lower levels, making them multi-purpose buildings.

Whilst Cedar Pacific does not have the influencing power of larger development groups and fund managers, it takes Modern Slavery risk seriously and aims to make a difference.

Cedar Pacific engaged a specialist firm to assist with a modern slavery risk assessment to identify key modern risks in the Company's operations and supply chain and proposed recommendations to further strengthen Cedar Pacific's existing measures.



Bernard Armstrong
Chief Executive Officer

Cedar Pacific Investment Management Pty Ltd
Date of Signature: 30 June 2023



About

THIS STATEMENT

- This MS Statement describes the modern slavery considerations of Cedar Pacific for year ended 31 December 2022 (Reporting Period)
- Any references to 'risk' in this MS Statement refer to the risk to people rather than risk to company. References to 'we' or 'our' refer to Cedar Pacific
- The purpose of this MS Statement is to outline the actions taken during the reporting period to identify and address modern slavery risk in our supply chain and operations.
- This MS Statement was prepared by our ESG, legal and compliance department in collaboration with our Sustainability Committee.
- The Sustainability Committee was established in 2019 to facilitate structured and focused attention applied to establishing and implementing sustainability practices across the Company. The Committee oversees Cedar Pacific's implementation of the ESG Policy and Modern Slavery Policy across all relevant entities.

Reporting Entity

This MS Statement is submitted as a voluntary statement in accordance with section 6 of the Modern Slavery Act, on behalf of the reporting entity Cedar Pacific Investment Management ACN 608 750 438 and its wholly owned and controlled subsidiaries:

Cedar Pacific is Investment manager of the following funds:

- Cedar Pacific Student Accommodation Trust
- Cedar Pacific Accommodation Trust (Trustee Entity: Cedar Pacific Pty Ltd, AFSL 514836)
- Cedar Pacific Infrastructure Trust

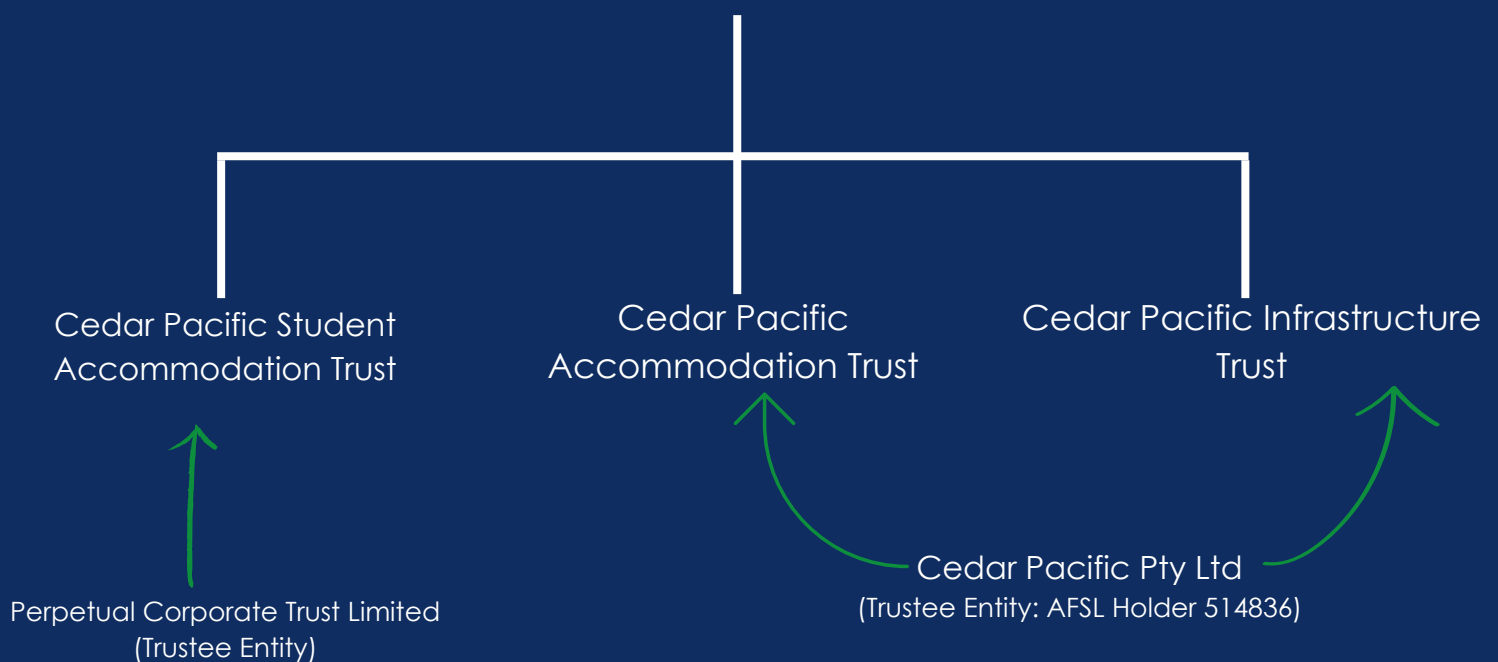
11

Operational Assets

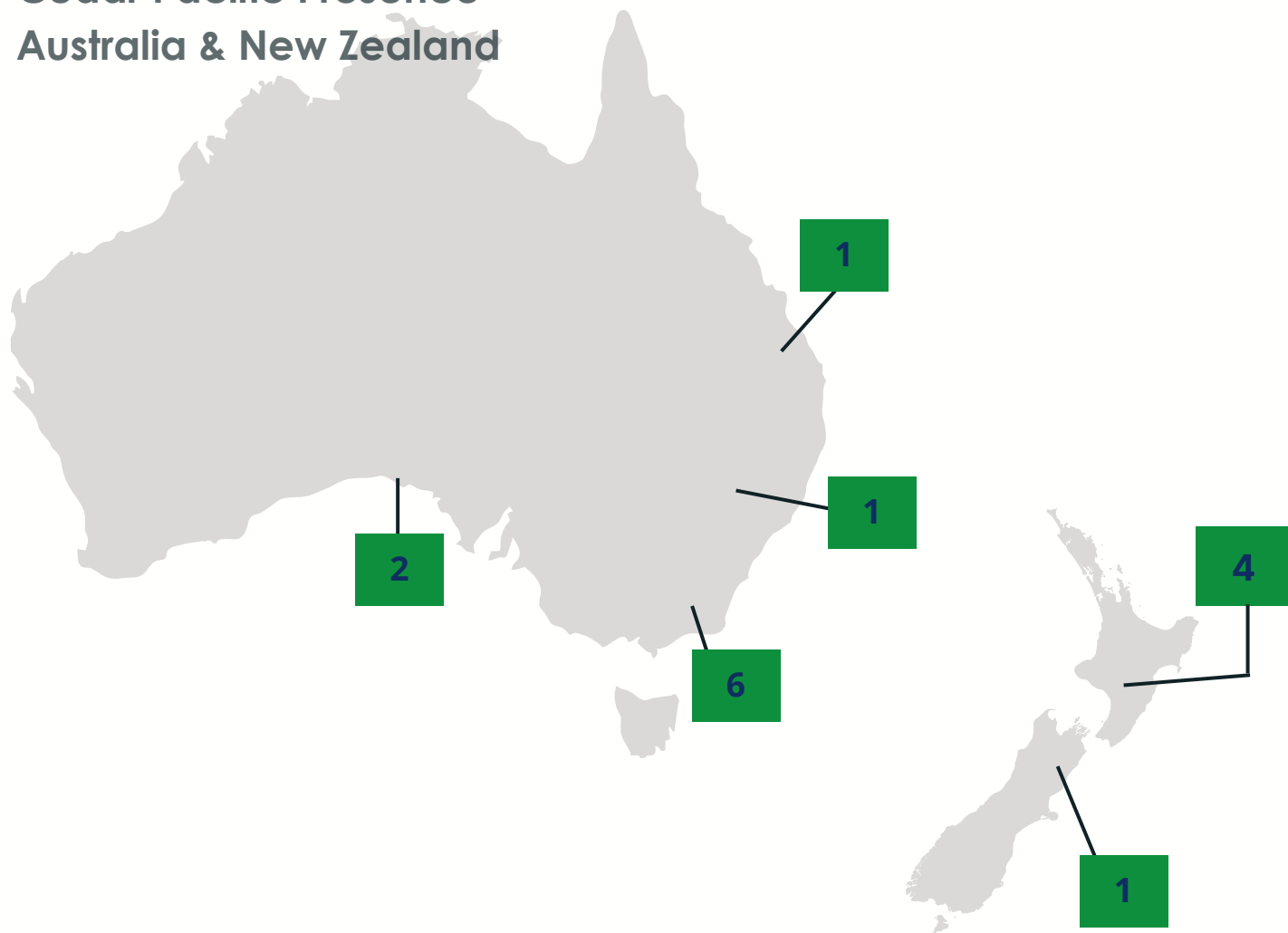
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Assets under development

Reporting Entity
Cedar Pacific Investment Management Pty Ltd is investment manager to the following funds



Cedar Pacific Presence Australia & New Zealand



Cedar Pacific Supply Chains

Cedar Pacific is an investment management firm based in Australia, with its head office based in Brisbane and assets in multiple Australian states and New Zealand. Our business operations involve providing investment advice and portfolio management services to clients in various industries, including real estate, infrastructure, and renewable energy.

Our supply chain of operational assets has been mapped – with relative completeness – to tier two level. This informs Cedar's efforts to understand its modern slavery risks. Given the small size of annual spend per assets, it seems unlikely there is much scope for subcontracting to occur, suggesting that this level of mapping is sufficient for gauging – and where necessary, responding – to Cedar's risks.

Business Structure, Operations and Supply Chains

Cedar Pacific recognises the importance of ensuring that our supply chains are free from modern slavery. We conduct due diligence on our suppliers and contractors to assess their compliance with ethical and legal standards, including their labour practices. We require our suppliers to adhere to our Supplier Code of Conduct, which prohibits the use of forced labour and sets out our expectations for ethical business practices.

Consultation with Reporting Entities

Each fund has its own governance structure as set out in the governing documentation. The governance structure determines the decision-making for the assets within the fund. The funds are supported by the Executive Committee and Environmental, Social and Governance Committee (ESG Committee) who provide quarterly updates to the Board.

The ESG Committee was established in 2019 to facilitate structured and focused attention is applied to establishing and implementing sustainability practices across the Company.

The ESG Committee oversees Cedar's implementation of the ESG Policy and Modern Slavery Policy across all relevant entities.

The ESG Committee includes key representatives from critical business units who are actively involved with all funds and reporting entities.



11
Operational
Assets



4
Properties under
development



242,479
Sqm of
properties



6,949
Number of
beds



\$1.5
Billion + AUM



40+
Scholarships
awarded in
2022

MANAGING RISKS OF MODERN SLAVERY

Cedar Pacific is committed to combating modern slavery in all its forms and promoting ethical business practices across our operations and supply chains. We acknowledge our responsibility to respect human rights, including the right to freedom from slavery and forced labor, and to take steps to prevent modern slavery from occurring within our business and supply chains.

01

Risk: Development

The construction industry is considered to be a high-risk sector for modern slavery. As such, Cedar Pacific's assets under development produce its main source of modern slavery risks. These risks can be categorised as onshore risks, including extensive labour hire and subcontracted or base skilled construction jobs and offshore risks, including the sourcing of raw materials and manufactured goods that use base skilled labour such as bricks, clay, lime, cement and textiles.

As a hands-off owner of assets under development, Cedar Pacific relies heavily on the anti-slavery safeguards of its head contractors to ensure its supply chains risks are mitigated.

Cedar Pacific recognises the importance of leveraging its procurement function to mitigate its modern slavery risk in the Modern Slavery Policy.

02

Risk: Head Office

Cedar's head office employees are all located within Australia. All employees are office-based, skilled and paid above award wages. Employment agreements comply with industrial relations laws and regulations. The residual risk of modern slavery within Cedar's head office operations is extremely low.

MANAGING RISKS OF MODERN SLAVERY

03

Risk: Operational

The highest risk industries for Cedar Pacific's operational assets include commercial cleaning, security and other general maintenance (all on shore). These industries are designated high risk due to them being characterised as base-skilled, sub-contracted labor.

One factor in guiding Cedar Pacific's response to its modern slavery risks is the proportion of procurement spend each asset dedicates to industries with known risks. To map Cedar's supply chain for operational assets, head office's Legal and Compliance team requested data on procurement spend from the operator. Of the total reported spend, over half was spent on the cleaning industry, one of the highest risk industries for modern slavery within Cedar's operational assets.

Cleaning is typically the highest cost for each asset from the adjusted total spend. There are currently six different cleaning suppliers used across the portfolio. Three of these have modern slavery policies in place, although this information was not consistently known across property managers. Security is potentially a second high risk industry that needs to be continually monitored.



RISK ASSESSMENT FRAMEWORK

Cedar Pacific is committed to combating modern slavery in all its forms and promoting ethical business practices across our operations and supply chains. We acknowledge our responsibility to respect human rights, including the right to freedom from slavery and forced labor, and to take steps to prevent modern slavery from occurring within our business and supply chains.

Figure - High Risk Category Indicator Matrix

Risk Type	High Risk Category	Indicators
Products & Services	<ul style="list-style-type: none"> • Construction supplies • Office supplies • Consumables • IT Services • Building Maintenance & repair materials 	<ul style="list-style-type: none"> • Children are often used in the development of the services or has been reported to be used in the development of similar products or services • use of off-shore or foreign workers or temporary unskilled labor to carry out requirements or deliver products/services • the product is developed from materials or using services reported to involve high risk of labour exploitation by international organisations
Operational	<ul style="list-style-type: none"> • Catering • Cleaning Services • Travel & Accommodation • Security Services • Building Maintenance & Repairs 	<ul style="list-style-type: none"> • Use of unskilled, temporary or seasonal labor • Use of short-term contracts and sub-contracting • Use of foreign, temporary or unskilled labour to carry out work not immediately visible because it is conducted at night time or in remote locations (such as cleaning or security) • Cost requirements and timeframes may push suppliers to engage in excessive working hours, make cost savings on labour hire
Development	<ul style="list-style-type: none"> • Construction Supplies • Building maintenance & repair materials • Building & Construction • Demolition • Sub-contracted labour 	<ul style="list-style-type: none"> • Use of unskilled, temporary or seasonal labor • Use of short-term contracts and sub-contracting • Use of foreign or temporary labour • Cost requirements and timeframes may push suppliers to engage in excessive working hours, make cost savings on labour hire
Head Office	<ul style="list-style-type: none"> • Employees • Employee entitlements 	<ul style="list-style-type: none"> • Cost requirements of skilled labour may push businesses to engage in excessive working hours, make cost savings on labour hiring by pushing off-shore • High cost requirements, understaffing or work load demand, of may cause businesses to refuse to provide certain employee entitlements

RISK MANAGEMENT FRAMEWORK

Risk Mitigation: Operational

Cedar recognises the importance of leveraging its procurement function to mitigate its modern slavery risks in the Modern Slavery Policy. Cedar Pacific has a zero-tolerance policy towards forced labor in our operations. We conduct background checks on all employees and contractors to ensure they are legally entitled to work in Australia. We also provide regular training and awareness programs to our employees to promote ethical business practices and prevent forced labour from occurring.

In 2022, Cedar Pacific implemented the following actions to address these risks including:

- Engagement of a specialist firm to undertake a modern slavery risk assessment which identified key modern slavery risks in Cedar's operations and supply chain; and
- Completion of a modern slavery gap analysis to assess opportunities for improving current policies and processes.
- Establishment of a supplier database to be maintained by the property manager's is in progress – database was established;

Based on the results of the gap analysis conducted, we are also currently undertaking the additional recommendations for 2023:

- Development of a tailored modern slavery training program for all property managers;
- Consideration of the following initiatives to safeguard against modern slavery risks in commercial cleaning:
 - a. A cleaning accountability framework
 - b. Training
 - c. Mid-contract precautions (verifying employment conditions);
- Establishment of a grievance mechanism available to any visiting contractor on site is in progress;
- Database to notify Cedar of new contractors
- Streamlining of the supplier selection process.



Figure - Proportion of procurement funds spent on assets

RISK MANAGEMENT FRAMEWORK

Risk Mitigation: Development

In 2022, Cedar Pacific worked to reduce modern slavery risks within development through:

- Engagement of a specialist firm which conducted a modern slavery risk assessment to identify key modern slavery risks in Cedar's operations and supply chain
- Mandatory inclusion of modern slavery clauses in key construction and development contracts
- Directing project managers to track and monitor completion of modern slavery questionnaires and responses.
- Directing project managers to track and monitor completion of modern slavery questionnaires and responses.
- Active engagement with development project managers
- Head contractors are required to undertake risk assessments for all Cedar's developments. Risk assessments should identify high-risk industries, by spend and include key details from each supplier

Supply Chains

Cedar Pacific recognises the importance of ensuring that our supply chains are free from modern slavery. We conduct due diligence on our suppliers and contractors to assess their compliance with ethical and legal standards, including their labour practices. We require our suppliers to adhere to our Supplier Code of Conduct, which prohibits the use of forced labour and sets out our expectations for ethical business practices.

In 2022, Cedar continued to streamline its supplier selection process, including:

- The addition of specific requirements of suppliers in relation to modern slavery in all new Service Contracts (insertion of WHS, ESG and Modern Slavery Clauses)
- Suppliers are required to adhere to Cedar's Modern Slavery and ESG policies
- All new suppliers with high-risk supply chain activities are required to complete a questionnaire process as stipulated by Cedar Pacific
- All new suppliers are required to acknowledge Cedar's Supplier Code of Conduct as a condition of engagement
- Suppliers will complete Cedar's modern slavery supplier and services provider questionnaire during the vendor process
- Suppliers are required to complete

Assessing Cedar Pacific's Response to Modern Slavery Risks

How effective are we at identifying, responding to addressing our modern slavery risks.

The ways in which Cedar Pacific assesses the effectiveness of our actions, include:

- Engaging external consultants to review and assess existing measures.
- Cedar's Legal and Compliance team monitors all grievances and complaints, keeping records of same and reporting to the Board quarterly.
- Regular engagement with the operator to discuss new contracts and suppliers, as coordinated by Cedar's Asset Management Team
- The Remuneration Committee meets on an annual basis to assess appropriate compensation for Cedar's office employees.
- Anonymous employee surveys are distributed to all staff on a quarterly basis to assess employee satisfaction
- The ESG Committee considers whether the current modern slavery safeguards are effective on a quarterly basis. Any arising matters are discussed at the board level every quarter.
- Active engagement with project managers and review of surveys completed
- Ongoing dialogue between Asset Management team and Legal & Compliance to monitor implementation of measures
- External consultants review and assess existing measures



Modern Slavery Governance Framework

Cedar Pacific has an established Corporate Governance Framework comprising the principles and objectives by which decisions are made and how those in control are held to account.

The framework is informed by the ASX Corporate Governance Councils 'Corporate Governance Principles and Recommendations' 4th edition 2019 and has been designed by the board of directors to ensure accountability, fairness, and transparency in Cedar Pacific's relationship with all its stakeholders, reflecting its commitment to ensuring key stakeholders are at the centre focus, effectively discharging its fiduciary duties with their interests appropriately prioritised.

Cedar Pacific is governed by a series of policies, procedures, best practices and guidelines, rooted in sound ethics. The corporate governance framework is underpinned by a matrix of policies, legislation and accounting standards as well as other voluntary self-regulatory codes of practice.

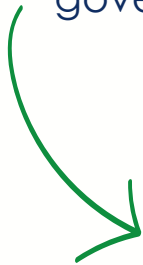
Key Governance Documents

- Modern Slavery Policy – this document sets out Cedar's commitment to eliminating the risk of modern slavery occurring within its own business via its supply chains or through any other business relationship.
- ESG Policy – this document sets out Cedar's principles, objectives and commitments in relation to Environmental, Social and Governance factors.
- Procurement Policy - this document sets out the Procurement Policy which interrelates with the Modern Slavery Policy.
- Delegations of Authority Manual – the Delegations of Authority Manual (DAM) sets out the authorising environment of Cedar and the circumstances under which the Board may delegate its responsibilities.
- Supplier Code of Conduct – this document sets out Cedar's expectations of all suppliers with reference to factors including specific Modern Slavery reporting.

Modern Slavery Governance Framework

Cedar Pacific Investment Management Board

Approves the Modern Slavery Statement, Modern Slavery Policy and other key governance documents.



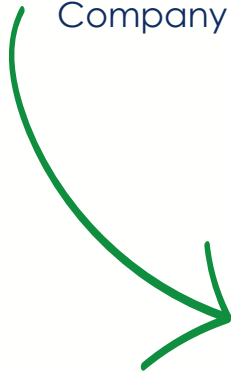
The Risk and Compliance Committee

oversees all risks including modern slavery risks.



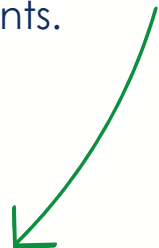
Chief Operating Officer

Our Chief Operating Officer (COO) is the owner of the company's Modern Slavery Policy. The COO would be immediately informed if an instance of modern slavery was discovered within Cedar Pacific's supply chain, and an action plan would be agreed between the Company and relevant parties involved.



Executive Management Committee

The Executive Management Committee implements all policies and programs, including the Modern Slavery Policy and other key governance documents.



Sustainability Committee

The Sustainability Committee meets on a quarterly basis, at a minimum, to discuss Cedar's progress in achieving its goals, targets and strategy. The Committee where relevant, will assess new actions and safeguards that should be implemented with the view to mitigate exposure to modern slavery risks.

Modern Slavery Governance Framework

Governance Policies

Cedar Pacific's governance and compliance policies include, but are not limited to, the following:

Advisory Committee Charter	AFS - Adequate Financial Resources Policy	AFSL - External Communication Checklist
AFSL Compliance Plan	AFSL FATCA/CRS Policy	AFSL Training Policy
AML Program Part A & B	Anti-Corruption & Anti-Bribery Policy	Board Charter
Business Continuity Plan	Code of Conduct	Conflicts of Interest Policy
Corporate Governance Framework	Cyber Security Policy	Delegation of Authority Manual
Due Diligence Policy	Employee Referral Program	ESG Policy
Fraud Control Plan	Gifts and Benefits Policy	Hedging Policy
Incident Management and Breach	IT Capability Statement	Leave Policy
Modern Slavery Policy	Outsourcing Policy	Parental Leave Policy
Privacy Policy	Procurement Policy	Remuneration Policy
Risk Management Policy & Guideline	Risk Register & Appetite Statement	Sexual Harassment Policy
Travel Policy	Treasury Policy	Valuation Policy
Whistle-Blower Policy	Workplace Health & Safety Policy	Work From Home Policy

Addressing the Modern Slavery Reporting Criteria

No.	Section in Our Statement	Page	MSA Mandatory Reporting Criteria
16(1)(a)	Reporting Entity	6	Identify the reporting entity
16(1)(b)	Business Structure, Operations and Supply Chains	7 - 8	Describe the structure, operations and supply chains of the reporting entity
16(1)(c)	Managing Risks of Modern Slavery Risk Assessment Framework	9 - 11	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
16(1)(d)	Risk Management Framework	12 - 13	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 processes
16(1)(e)	Assessing Cedar Pacific's Response to Modern Slavery Risks	14	Describe how the reporting entity assesses the effectiveness of such actions
16(1)(f)	Business Structure, Operations and Supply Chains Consultation with Reporting Entities	8	Describe the process of consultation: any entities that the reporting entity owns or controls; and in the case of a reporting entity covered by a statement under section 14 - the entity giving the statement
16(1)(g)	Introduction	3, 4, 5	Include any other information that the reporting entity, or the entity giving the statement, considers relevant
16(2)	Modern Slavery Governance Framework	15-17	Provide the details of approval by the principal governing body of the reporting entity

CONTACT US

We would love to hear from you with any questions or feedback.

All enquiries can be directed to:



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Disclaimer

Certain market and industry data used in connection with this Report may have been obtained from research undertaken by third parties. Neither Cedar Pacific nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications. Unless otherwise specified, statements in this Report are made only as at its date and it remains subject to change without notice.

This Report contains certain "forward-looking statements. The words, "anticipate", "believe", "expect", "project", "opinion", "predict", "outlook", "guidance", "intend", "should", "could", "may", "target", "plan", "project", "consider", "forecast", "aim", "will" "committed" "dedicated" and similar expressions are intended to identify such forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. While due care and attention has been used in the preparation of any forward-looking statements, any such statements in this Report are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates.