

Modern slavery statement

Kyron Capital Group comprising Kyron Capital Limited (ABN 33 169 308 187) and Kyron Group RE Limited (ABN 70 688 908 876, Australian Financial Services Licence Number 700092) as Responsible Entity of Kyron Investment Fund (ARSN 169 450 926); and

(together the “**Group**”)

1 Introduction and our business

This is the Modern Slavery Statement of Kyron Capital Group. Kyron Capital Group comprises Kyron Capital Limited (ABN 33 169 308 187) and Kyron Group RE Limited (ABN 70 688 908 876, Australian Financial Services Licence Number 700092) as Responsible Entity of Kyron Investment Fund (ARSN 169 450 926) (together “**Kyron**” or “**we**”).

Kyron is committed to promoting and supporting a culture of corporate compliance and ethical behaviour in everything we do. We endorse the implementation and promotion of ethical business practices to protect workers from being exploited and abused. We are committed to ensuring that there is no modern slavery or human trafficking in our business or within our supply chains, in line with the requirements of the Modern Slavery Act 2018 (Cth) (“**Act**”).

Kyron considers the operation of the Act through our management and operations and in the management of our supply chain.

2 Structure, operations and supply chains

Kyron is an ASX listed real estate funds management business that manages funds on behalf of a broad range of investors, including large Australian and offshore institutions, family offices, high net worth capital partners and retail investors.

Kyron’s real estate investments are predominantly located in Australia. Kyron’s managed funds comprise listed, retail and wholesale managed investment schemes investing in direct real property in the commercial office, retail, healthcare, and hotels, tourism and leisure sectors.

Kyron engages with numerous suppliers and third parties in relation to its day-to-day business operations.

Kyron has implemented a supplier approval procedure (further detailed below) to ensure that suppliers are reputable and compliant with the terms of the Act. Kyron expects all of our suppliers, and their suppliers, to act in an ethical and compliant manner with integrity in relation to human rights issues including but not limited to the provisions of the Act.

3 Headings under section 16 of the Act

3.1 *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*

Kyron is committed to ensuring that appropriate risk-based strategies are in place throughout our business, including consideration of the risks of modern slavery and human rights issues. Kyron’s risk-based approach to modern slavery includes economic, environmental, social and governance considerations and considers the United Nations Guiding Principles on Business and Human Rights, among other things.

Kyron’s risk assessment considers the following factors:

- **market**, regarding whether that industry is known to be particularly prone to certain modern slavery practices.



- geography, regarding:
 - whether the supplier's jurisdiction is subject to conflict, extreme corruption, or known material human rights violations;
 - the extent to which a supplier's geographic location has implemented, or is subject to, human rights legislation, domestic or international and the strength of relevant enforcement regimes in that country;
 - the degree of transparency in that jurisdiction for the achievement of human rights-based outcomes, including with respect to the supply producer or process;
 - some of the countries identified with relative limited transparency in some supply chains include China, Indonesia, the Philippines and India.
- **size:** this metric acknowledges that modern slavery risks may be more pronounced in some smaller suppliers and where there is likely to be less regulatory interaction.

In conducting its risk assessment, Kyron considers the following:

- adopting a risk based approach;
- compiling a list of its suppliers detailing that supplier's geographic location, industry of operation (including the types of goods or services produced by that supplier) and the size of the supplier;
- categorising suppliers into Tiers of risk (low, medium, and high);
- focusing on our Tier 1 suppliers and their processes and asking them how they check on their supply chains (ie their Tier 1 suppliers and downstream, including to factory audits);
- focusing on Cleaning, Security, garments, electronic items, solar panels and food & beverages.

Kyron's risk assessment identified several areas of potential exposure which Kyron intends to proactively engage with over successive reporting periods under the Act. Some of those potential exposure areas include:

- the outsourcing of property works and related services by appointed property management contractors including the appointment of low skilled and low paid contractors, such as cleaners;
- tenants in high-risk industries; and
- the procurement of items sourced from overseas where there is limited transparency on the supply producer or process, including products used in hotel operations. Some of the countries identified with limited transparency in supply chains include China, Indonesia, Philippines and India.

After conducting this risk assessment, Kyron is of the view that the nature of direct services provided by Kyron makes material supplier risk fairly low in relation to modern slavery.

Over successive reporting periods, Kyron intends to gradually supplement its existing policies (detailed below) so as to ensure that no practices of modern slavery arise in any of these above areas.

3.2. *Actions undertaken 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*

Actions taken by Kyron include:

Code of Conduct

Kyron's Group Code of Conduct (Code of Conduct). The Code of Conduct outlines the non-negotiable and minimum principles and standards that Directors, employees and relevant contractors acting on behalf of Kyron are required to abide by. The Code of Conduct is publicly available on Kyron's website.

Paragraph 3 of the Code of Conduct provides that "you are expected to comply with all laws and regulations that govern the Group's business and the policies that the Group adopts from time to time". Given that the Act applies to Kyron, this Code of Conduct requires parties to which the Code applies to also comply with the Act.

On this basis, all Directors and employees must comply with the legal framework governing their operations and must be conscious of the impact of their business on society and evaluate actions in a broader social context.



We also note that particular attention is paid to environment, questions of occupational work health and safety, equal opportunity for employees and other legislative initiatives, as it is recognised that these areas also intersect with human rights and modern slavery issues.

Whistleblower Policy

Kyron's Whistleblower Policy was approved by its Board on 27 June 2022 and is publicly available on Kyron's website. This Whistleblower Policy states Kyron's commitment to a high standard of corporate governance and ethical behaviour and encourages all Kyron employees to adhere to the principles contained in that Whistleblower Policy.

As per paragraph 3 of that Whistleblower Policy, the Whistleblower Policy applies to "all entities within the Group which includes companies, registered schemes and unregistered schemes".

Paragraph 4 prescribes the types of detrimental conduct to which the Whistleblower Policy applies, including but not limited to "failure to comply with, or breach of, legal or regulatory requirements".

The Whistleblower Policy encourages all its employees (includes any director, secretary, officer, employee, secondee or contractor including any employee of any contractor of a member of Kyron) to raise any concerns related to the direct activities or the supply chains of the organisation.

The Whistleblower Policy prescribes various mechanisms through which a reporting individual can report concerns confidentially, and without fear of intimidation, discrimination, disadvantage or reprisal. Some of those mechanisms include the appointment of a Whistleblower Information Officer and Alternate Whistleblower Information Officer (if the alleged conduct involves the Whistleblower Information Officer).

To support and encourage a culture of speaking up, the Whistleblower Policy also provides various assurances with respect to the impartiality and independence of any investigating officer and the thorough and resourced nature of any investigation.

Due diligence procedures

Kyron only appoints reputable management companies to manage our properties and any property developments that we are involved with.

Property managers engaged by us will be required to provide information on their compliance with various laws and regulations, including answering questions related to modern slavery and human trafficking.

Kyron's standard supplier contracts also contain numerous terms designed to ensure compliance with the terms of, among other things, the Act. By way of example only:

- Kyron may require that contracts include clauses that state that works cannot be outsourced without Kyron prior approval (depending on what the service is). Kyron also ensures that all due diligence with respect to a potential outsource arrangement is conducted prior to any engagement entered into; and
- Kyron requires that hourly rates are in line with current award rates as per the Fair Work Act.

We will continue to assess and address the risks, including undertaking due diligence on suppliers and also who they may use in their respective chains and have effective and prompt remediation processes.

If we find evidence of modern slavery occurring within our supply chain, we will immediately require the supplier to implement appropriate actions or otherwise seek to terminate our relationship with that supplier.

Other relevant policies

- **General outsourcing policy:** Kyron ensures that any outsourced services are provided by parties who have appropriate experience, provide adequate service standards and comply with regular reporting and are monitored.
- **Risk Management Framework:** Kyron has a detailed risk management framework in place which considers many relevant risk areas
- **Environmental, Social and Governance (ESG) Committee:** We have an Environmental, Social and Governance (ESG) Committee, which generally meets monthly (see below).



Remediation processes

Kyron recognises that remediation frameworks have a vital role in any Reporting Entity's capacity to effectively address the harm caused by modern slavery practices and prevent those practices.

Kyron's approach to remediation is informed by the following principles that remediation processes must:

- **prevent** that breach from recurring (for example, by developing internal corrective action plans with clear timelines and priority actions for development);
- **review** the effectiveness of existing policies to ensure legitimacy, predictability, transparency and engagement;
- **engage** with relevant stakeholders (including suppliers, industry participants, and community stakeholders) to ensure that the issues giving rise to any practice of modern slavery are addressed and, if required, reported; and
- **improve** relevant areas identified by Kyron as requiring improvement (including possibly updating contracts, supplier terms, policies, business models and undertaking further due diligence).

While Kyron has not found any instances of modern slavery through its initial risk assessment, Kyron is adopting a 'case-by-case' approach guided by the above principles, which will evolve over time.

Continuous Improvement

- Kyron intends to incrementally develop its remediation mechanisms over successive Reporting Periods by reviewing and enhancing existing procedures and mechanisms; and
- supplementing its response to modern slavery with additional policies and activities, where necessary,

Some strategies which Kyron is considering implementing over successive Reporting Periods include the following:

- **Modern Slavery Questionnaires:** Kyron is considering the introduction of a Modern Slavery Questionnaire, where suppliers assessed as being high risk are issued with prescribed questions requiring that supplier to provide details about those suppliers' modern slavery processes and their suppliers.
- **Modern Slavery internal training:**
 - define modern slavery and set out Kyron's responsibilities under the Act;
 - inform employees as to how to detect practices of modern slavery;
 - encourage employees to report any suspected or actual practices of modern slavery; and
 - list procedures available to employees in the event that an employee wishes to report any suspected or actual knowledge of modern slavery involving Kyron or a material Kyron supplier.
- **Stakeholder engagement:** Kyron intends to optimise its engagement with relevant stakeholders to ensure that those stakeholders are informed as to modern slavery risks.
- Kyron's **Environmental, Social & Governance Committee** will consider modern slavery as an agenda item at each meeting.

3.3. *Process of consultation with any entities that the reporting entity owns or controls*

As at the date of this Statement, Kyron does not control any entities for the purposes of section 16 of the Act and only interacts with suppliers not owned or controlled by Kyron.

3.4 *Assessing the effectiveness of such actions*

Kyron intends to conduct a periodic review of this Modern Slavery Statement to ensure that processes and risk management strategies are effective and are up to date in line with industry best practice. While Kyron's various policies (detailed above) assist in preventing and mitigating the risk of modern slavery and human trafficking occurring in its business, Kyron intends to continually build on its efforts over each successive reporting period under the Act.



4 Conclusion

Kyron considers many important social topics, including ESG, modern slavery, health and mental health and well-being and community impact.

We will continue Modern Slavery internal awareness training and annual reviews of this Statement.

We will continue to review current policies, procedures and training initiatives for our business in order to ensure that they fully reflect our commitment in relation to modern slavery.

Kyron's inaugural Statement was approved by the Board of Directors of Kyron on 26 May 2023. This Statement was approved by the Board of Directors of Kyron on 31 May 2024.