

# FY21 Modern Slavery Statement

For Financial Year ending 30 June 2021

## Reporting Entity

This statement is submitted under section 13 of the *Modern Slavery Act 2018* (Cth) for the FG AUS GREEN Private Real Estate Trust 4 (ABN 13 435 230 342). This Statement has been prepared by the Trustee The Trust Company (Australia) Limited ACN 000 000 993 and approved by the board of directors of the Trustee on 16<sup>th</sup> December 2021.



Rodney Ellwood

Director

The Trust Company (Australia) Limited

## Consultation

There are no subsidiaries or entities owned or controlled by FG AUS GREEN Private Real Estate Trust 4 which the Trustee is required to consult with to prepare this Statement. This statement was developed in consultation with the investment manager for the Trust.

## Structure, Operations and Supply Chain

### Structure

FG AUS GREEN Private Real Estate Trust 4 (the Head Trust) is domiciled in Australia and has been in operational since 2015. FG AUS GREEN Private Real Estate Trust 4 invests in the GKNH Australia Trust. The Head Trust owns no real property and has no employees.

### Operations

The primary operation of FG AUS GREEN Private Real Estate Trust 4 is the investment in GKNH Australia Trust, which is a property trust with a single asset in the ACT. Perpetual Limited's division Perpetual Corporate Trust is trustee for FG AUS GREEN Private Real Estate Trust 4.

### Perpetual Corporate Trust (PCT)

Provides a broad range of fiduciary and agency products to the debt capital markets and managed funds industries in Australia and Singapore. Perpetual Digital, PCT's innovation company, encompasses data services, industry roundtables and our Perpetual Intelligence digital platform, which supports the banking and financial services industry. In providing these services, Perpetual Corporate Trust utilises a number of entities in the Perpetual Group, including PTCo, Perpetual Corporate Trust Limited, Perpetual Trust Services Limited, The Trust Company (RE Services) Limited, The Trust Company Limited, The Trust Company (Australia) Limited and Perpetual (Asia) Limited. In addition, the data and analytics

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services within Perpetual Digital are provided by a few entities in the Perpetual Group including Perpetual Nominees Limited, Perpetual Digital Pty Limited Perpetual Roundtables Pty Limited and Laminar Capital.

## Investments

GKNH Australia Trust's assets under management was a total of \$262m (Gross Asset Value) at 31 May prior to the sale of the property. FG AUS GREEN Private Real Estate Trust 4 held units in GKNH Australia Trust, which owned the investment asset of one property, the Louisa Lawson building located in Greenway, ACT. The account domicile was concentrated in Australia.

## Supply chain

The Trust's supply chain consists of five direct service providers. These service providers are all located in Australia.

### Procurement categories for service providers include:

- Investment management services
- Professional services, including a fund accountant, auditor tax agent and legal services
- Real estate management, such as valuers

## Modern Slavery Risks

The Trustee understands that modern slavery risk can occur in operations and supply chains. The Trustee consider risk assessment a critical process to identifying the inherent risk of modern slavery across FG AUS GREEN Private Real Estate Trust 4 and GKNH Australia Trust.

### Defining modern slavery risks

Modern Slavery is an umbrella term. Essentially, it refers to situations of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception, abuse of power, or deception. It is largely invisible, in part because it disproportionately affects the most marginalised.<sup>1</sup> The Trustee recognises that COVID-19 has exacerbated modern slavery risks for people in vulnerable situations.<sup>2</sup>

Modern slavery includes human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour.<sup>3</sup> When thinking about the risk of modern slavery practices, this means the potential for the Trust's entity to cause, contribute to, or be directly linked to modern slavery through the Trust's operations or supply chain.

### Risk assessment methodology

In FY21, the Trustee collected information on FG AUS GREEN Private Real Estate Trust 4 and GKNH Australia Trust supply chain and operations to include in a modern slavery risk assessment. Specifically, the Trustee investigated the investment trusts and service providers that the Trusts has a direct relationship with. The investment trusts and service providers were then assessed for inherent modern slavery risks and an inherent risk profile was determined for each entity. Inherent risk is the level of risk before any actions are taken to manage the risk's impact or likelihood.

## Risk Assessment Results

### Investments

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<sup>1</sup> The Minderoo Foundation, 2018. [The Global Slavery Index 2018](#), 7,2.

<sup>2</sup> Obokata, Tomoya, United Nations, 2020. [Impact of the coronavirus disease pandemic on contemporary forms of slavery and slavery-like practices](#)

<sup>3</sup> As defined in the Australian Modern Slavery Act 2018 (Cth)

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FG AUS GREEN Private Real Estate Trust 4 and GKNH Australia Trust's investment footprint is concentrated as all their assets are held in commercial property. The FY21 risk assessment conducted by the Trustee revealed that this investment sector is considered to have higher inherent risk, as it is a part of the property and construction industries. The below information summarises the risks in these industries. The approach to due diligence and assessment is informed by this risk profile.

#### Investment Sector

#### Inherent Risk Profile

Office Buildings

The property and construction industries have a higher risk of modern slavery due to the high demand for low-skilled labour, limited visibility of long and complex supply chains and low-tier suppliers that operate in high-risk geographies<sup>4</sup>.

#### Supply Chain

The Trustee's FY21 risk assessment did not identify any high-risk service providers. This is because, all service providers are investment management services, professional service providers and real estate management who operate in Australia.

### Actions to Address Modern Slavery Risks

#### Due Diligence

##### Risk assessment

The Trustee's annual risk assessment was conducted to assess FG AUS GREEN Private Real Estate Trust 4 and GKNH Australia Trust's inherent modern slavery risks. In FY21 the Trustee has improved disclosure by providing inherent risk profiles of the investment holdings.

##### Investments

The Trustee of FG AUS GREEN Private Real Estate Trust 4 is The Trust Company (Australia) Limited. The Trust Company (Australia) Limited is required to report under the *Modern Slavery Act 2018* (Cth) as a controlled entity of Perpetual Limited. Their statement is prepared and issued as a joint statement by Perpetual Corporate Trust Limited ACN 000 001 007, Perpetual Limited ACN 000 431 827 and its controlled entities, and Perpetual Investment Management Limited ACN 000 866 535.

Perpetual's due diligence includes risk assessment and supplier onboarding, modern slavery framework and working group, grievance mechanism, industry engagement and training.

#### Supply Chain

Although the FY21 risk assessment did not identify any high-risk service providers, all service providers are required to report either under the Australian *Modern Slavery Act 2018* (Cth) or under the UK Modern Slavery Act 2015. Therefore, they are obligated to identify and address modern slavery risks in their operations and supply chains. As a result, they have modern slavery due diligence processes in place.

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<sup>4</sup> KPMG and Australian Human Rights Commission, 2020. [Property, Construction & Modern Slavery: Practical responses for managing risk to people](#), 9.

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## Measuring the Effectiveness of Actions

Outlined below is the key progress made by the Trustee on behalf of FG AUS GREEN Private Real Estate Trust 4 in FY21.

### FY21 progress:

- Mapped FG AUS GREEN Private Real Estate Trust 4 and GKNH Australia Trust supply chain to identify the different sectors the Trust's service providers are from
- Conducted annual risk assessment to determine inherent modern slavery risks
- Conducted desktop research on investments and service providers, to understand their approaches to identifying and addressing modern slavery risks

The property that the Trust invests in was realised on 3<sup>rd</sup> June 2021 and the Trust is in the process of terminating, therefore no actions will take place in FY22.

## Appendix

### Appendix 1: Australian Modern Slavery Act – Mandatory Reporting Criteria

The following table describes the location of each mandatory reporting criteria within the FY21 modern slavery statement.

Mandatory Reporting Criteria	Location in Statement
Identify the reporting entity	Reporting Entity, Page 1
Describe the reporting entity's structure, operations, and supply chains	Structure, Operations and Supply Chain, Page 1, 2
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	Modern Slavery Risks, Page 2, 3
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Actions to Address Modern Slavery Risks, Page 3
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Measuring the Effectiveness of Actions, Page 3, 4
Describe the process of consultation and any entities the reporting entity owns or controls	Consultation, Page 1