



**Daiwa House**<sup>®</sup>  
Australia

# Modern Slavery Statement

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DAIWA HOUSE AUSTRALIA PTY LIMITED ABN 90 169 473 241

PERIOD: 1 JAN 2021 - 31 DEC 2021





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# 1

## Introduction

The term modern slavery is used to cover a broad range of exploitative practices including but not limited to situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom, child exploitation, child labour and other slavery practices like human trafficking, forced marriage, deceptive recruitment and sexual offences. Modern slavery manifests in supply chains, through a variety of labour rights abuses.

Daiwa House Australia Pty Ltd (Daiwa House) opposes slavery in all of its forms. At Daiwa House we are committed to addressing the risk of modern slavery in our operations, supply chains and contractors and to adopting measures to prevent all types of modern slavery, throughout our operation, subcontractors, and supply chains.

In CY21, Daiwa House did not identify any instances of modern slavery in its operations or supply chain.

This document is Daiwa House's second Modern Slavery Statement covering the period, 12 months to 31 December 2021.



## 2

## Reporting Entities & Organisational Structure

### 2.1 IDENTIFYING THE REPORTING IDENTITIES

Daiwa House Australia Pty Ltd ABN 90 169 473 241 (Daiwa House) is a consolidated group of companies and a property developer with operations in New South Wales. Established in 2014, with its ultimate parent Daiwa House Industry Co Limited, Japan's largest homebuilder.

Daiwa House and its wholly owned or controlled entities as at 31 December 2021, are listed in Annexure A – Reporting Entities, and the reporting entities are identified for the purposes of the Modern Slavery Act 2018 (Cth).

Daiwa House submits this Statement as a Joint Statement on behalf of all of the reporting entities listed in Annexure A – Reporting Entities, pursuant to section 14 of the Modern Slavery Act 2018 (Cth), excluding the Rawson Group of entities that have separately submitted their Statement.

### 2.2 CORPORATE GOVERNANCE

Daiwa House is committed to robust corporate governance policies and practices to ensure the continued success and growth of Daiwa House and its subsidiaries. Consequently, Daiwa House will continue to proactively review its governance practices so as to ensure it meets its obligations as a responsible corporate entity.

### 2.3 ORGANISATIONAL STRUCTURE

The Board of Daiwa House is responsible for overseeing the response to modern slavery risks and for the approval of this Modern Slavery Statement.

The CFO of Daiwa House is a member of the Daiwa House Industry Risk Committee that meets every month and this committee is kept updated on all initiatives adopted by Daiwa House in managing any potential exposure to modern slavery practices in its supplier and contractor chains.

### 2.4 CONSULTATION WITH SUBSIDIARIES

All subsidiaries operate from the centralised Head Office of Daiwa House and have their own Boards and the subsidiaries controlled by Daiwa House largely have policies, procedures, standards and reviews consistent with this Modern Slavery Statement.

## 3

## Our Workforce

Daiwa House has assessed the risk of modern slavery in its operations as negligible to none. The employees of Daiwa House are skilled professionals operating exclusively in Australia. There is no direct exposure to child labour, forced labour, exploitative labour practices, or other modern slavery key risk areas.

Daiwa House employs approximately 19 employees who all have individual employment contracts that confer pay and entitlements which are, at a minimum, in line with any relevant awards and minimum wage requirements.

All employees have access to the Managing Director and CEO including other Senior Members with whom any issues and/or concerns can be raised directly. In addition, all employees can directly discuss such concerns with either their direct Managers and/or escalate concerns through the Group's Whistleblower Policy.

During the COVID-19 pandemic, the government imposed strict lockdowns during FY21 and employees were required to work from home for an extended period of time. During this lockdown period continual contact was kept with all employees utilising videoconferencing, and/or telephone contact thereby ensuring that management and managers could properly focus on the wellbeing and mental health of all employees.

Daiwa House is committed to respecting human rights in the workplace and this commitment is embedded in our policies and procedures which promote a safe, diverse and inclusive workplace, including:

- (a) Code of Conduct
- (b) Harassment, Discrimination and Bullying Policy
- (c) Grievance and Dispute Resolution Policy
- (d) Work Health and Safety (WHS) Policy
- (e) Return to Work Policy
- (f) Whistleblower Policy

Together with our Values, these policies outline our expectations of employees of Daiwa House, including our culture and commitment to support employees to feel safe, valued and included.

All Daiwa House policies are readily available to view by all direct employees in a 'Policies' folder in the Group's shared drive.



## 4

## Our Supply Chain

Daiwa House has a diverse range of suppliers, including Government Authorities, building contractors (civil and built form), design consultants, engineers, surveyors, certifiers, information technology and security.

Our supplier and subcontractor selection process includes reviews to ensure compliance with Government mandated standards and compliance with health, safety and environmental standards.

When selecting suppliers and subcontractors, Daiwa House takes into consideration the geographical location of suppliers, original supply location and the type of goods and services, as well as their reputation.

Our direct suppliers may have their own complex and diverse supply chains that can extend beyond Australian borders. This includes having many suppliers of materials or services who in turn rely on many more suppliers, both domestic and international. It is this extended supply chain that we have identified as potentially being at the highest risk of breaching the modern slavery laws. We are committed to working with our suppliers and the extended supply chain to identify and address the potential existence of modern slavery in such instances.

We note that our development spend is predominately procured from Australian suppliers and consultants with minimal exposure to supply chains that extend beyond the Australian borders.



## 5

## Risks of Modern Slavery Practices

### 5.1 RISK ASSESSMENT

Daiwa House has assessed the risks, both external and internal, including international supply risks, sector risks and business partnership risks within its own operations and in its supply chain and determined that none of our own business operations are undertaken in higher risk areas, whether by reference to geographical location or business sector. Daiwa House relies on third party suppliers in its supply chain to provide the products and services related to residential construction. Daiwa House has undertaken a review of existing supplier relationships to identify any gaps with current suppliers.

To the extent we identify any elevated risk in our supply chains, appropriate due diligence will be undertaken to satisfy ourselves that the parties concerned have in place ethical employment practices that comply with all relevant legislation including, where applicable, the making of an Anti-Slavery statement pursuant to the Modern Slavery Act 2018. Where suppliers have not published an Anti-Slavery Statement, we will request confirmation that they have in place such ethical employment practices and that they, in turn, have required their suppliers to have the same practices.

To date Daiwa House has not identified any high risk suppliers but we will continue to effectively develop awareness on modern slavery for internal and external stakeholders and will

continue to monitor the risk of slavery and human trafficking in its supply chains and its own business, and will act and report accordingly.

### 5.2 RISK CONTROL MEASURES

Annually we will continue to source and review (where available) the published Modern Slavery Statements of our suppliers. Alternatively, where suppliers are not required to provide a Statement, we will separately undertake our own analysis by reference to our internally created checklists and/or engage directly with those suppliers.

Daiwa House has prepared a supplier and service checklist process to assess direct or indirect risks of Modern Slavery Practices. We have strengthened our engagement with suppliers of high-risk operations by directly engaging with them to understand if they have modern slavery risks and if applicable, how they are addressing such risks.

Daiwa House will continue to review and develop further guidance to Suppliers on-boarded in the form of a Supplier Code of Conduct and Practice. This will be developed over the next twelve months. This review will include updating terms and conditions across Daiwa House, including asking for verification and endorsement of receipt. This process will be part of the future on-boarding process for new and existing Suppliers and Contractors.

## 6

## Risk Management

### 6.1 COMMITTEES AND POLICIES

The Daiwa House Board will continue to oversee the financial reporting, systems of internal control and its risk management framework, along with compliance with legal and regulatory requirements, and the setting of Daiwa House's risk appetite.

### 6.2 SUPPLIER AND SUBCONTRACTOR MANAGEMENT

Daiwa House will continue to strengthen its internal due diligence on all existing and new suppliers and subcontractors (where applicable).

This will include:

- (a) Requiring improvements to any substandard employment of Work, Health and Safety practices; and
- (b) Sanctioning suppliers and subcontractors who fail to improve on performance in line with Daiwa House's minimum requirements.

In order to further improve Daiwa House's supplier and subcontractor due diligence process, Daiwa House will be amending its onboarding documents to ensure that suppliers and subcontractors (where applicable) warrant that:

- (a) They do not use any form of forced, compulsory, child or slave labour;

- (b) Their employees work voluntarily, without duress and are entitled to resign from their employment; and
- (c) They provide each employee with an employment contract that meets the relevant employment act, award or National Employment Standards (NES).

### 6.3 EFFECTIVENESS OF RISK MANAGEMENT

We assessed effectiveness in CY21 by tracking our actions and outcomes which included: building on our internal knowledge and understanding of modern slavery; identifying all of our direct suppliers; ongoing engagement with our key suppliers to identify, analyse, assess and, if required, report and/or remediate incidences of modern slavery in our supply and contractor chains and consequently updating and/or adding to our governance documents.

## 7

## Response to Modern Slavery

### 7.1 WHERE WE ARE TODAY

A range of actions have already been undertaken as part of Daiwa House's commitment to continuous improvement. During CY21 we have:

- (a) Ensured that the CFO of Daiwa House participates in the monthly Daiwa House Industry (Japan) Risk Committee which is kept updated on all initiatives adopted by Daiwa House in managing any potential exposure to modern slavery practices in its supplier and contractor chains.
- (b) Continued to assess our workplace practices and conditions, relevant awards and pay structures.
- (c) Engaged key suppliers and contractors to determine and verify salient modern slavery risks. This included identifying the annual required reporting from suppliers detailing their initiatives to address the potential risk of Modern Slavery in their business and their supply chain.
- (d) Provided guidance to key personnel who are actively involved in overseeing the appointment of suppliers and contractors and ensure that they are able to properly identify any acts of modern slavery and consequently report such practices.

### 7.2 PRIORITIES FOR 2022

As part of Daiwa House's continual commitment to their modern slavery obligations, during CY22 Daiwa House intends to:

- (a) Staff Training: Facilitate the mandatory training for Directors, Executives, and Managers to improve their knowledge of modern slavery and increase their ability to identify potential

modern slavery risks in Daiwa House's operations, supply chains and subcontractors.

- (b) Distribution of Modern Slavery Supplier Questionnaires: Prepare and circulate to all its suppliers a Modern Slavery Supplier Questionnaire that will enable Daiwa House to assess any direct or indirect risks of Modern Slavery Practices in the practises of its Suppliers. The Questionnaire essentially represents the Suppliers Code of Practice in respect of managing any potential Modern Slavery risks.
- (c) Maintain Data Base of Supplier and Contractor Questionnaire Responses: Once responses to the circulated Modern Slavery Supplier Questionnaires are received Daiwa House will maintain a data base of all responses and where required will identify any inherent Modern Slavery risks that will be properly managed in conjunction with the Supplier and Contractor
- (d) Onboarding documentation: Daiwa House will ensure that to the extent new suppliers and/or subcontractors are appointed the on-boarding documentation will be created to ensure that the documentation reflects the following representations, as a minimum:
  - (i) They do not use any form of forced, compulsory, child or slave labour;
  - (ii) Their employees work voluntarily, without duress and are entitled to resign from their employment as and when they choose; and
  - (iii) They provide each employee with an employment contract that meets the relevant employment act, award or National Employment Standards (NES).





## 8

## Approval

This Modern Slavery Statement covers the period 1 January 2021 to 31 December 2021 and has been approved by the Daiwa House Board of Directors at the Board meeting held 30 June 2022.

Signed by:



**Toru Kabeya,**  
Managing Director & CEO

## Annexure A - Reporting Entities

ENTITY NAME	ACN	ABN
Daiwa House Australia Pty Ltd	169 473 241	90 169 473 241
Daiwa House St Leonards Pty Ltd	628 620 397	53 628 620 397
DH Box Hill Pty Ltd	625 555 553	99 625 555 553
DH Summer Hill Pty Ltd	169 580 045	63 169 580 045
DH Drummoynne Pty Ltd	607 709 937	67 607 709 937
Summer Hill Joint Venture	N/A	33 193 019 436
Drummoynne Joint Venture	N/A	43 875 305 987
Rawson Group Pty Ltd *	000 382 329	64 000 382 329
Rawson Homes Pty Ltd *	053 733 841	67 053 733 841
Rawson Communities Pty Ltd *	003 203 745	20 003 203 745
Rawson Legal Pty Limited *	167 806 135	62 167 806 135
Home & Land Centre Pty Limited *	607 038 433	83 607 038 433
Thrive Homes Pty Limited *	613 679 333	99 613 679 333
Fern Bay No 1 Pty Limited *	168 462 048	18 168 462 048
Fern Bay No 1 Trust *	N/A	80 185 298 149
Aurora (Alex Ave) Pty Limited *	163 788 305	95 163 788 305
The Aurora Unit Trust *	N/A	78 402 911 234
Schenectady Pty Limited *	616 100 228	N/A
Schenectady Trust *	N/A	96 473 663 422
Fort Meyers Pty Limited *	616 439 260	N/A
Fort Meyers Trust *	N/A	86 645 364 293
Port Huron Pty Limited *	619 867 284	N/A
Port Huron Trust *	N/A	51 824 337 092
Mint Loans Pty Limited *	622 298 079	80 622 298 079
Mint Loans Trust *	N/A	35 634 683 032
RC Resi No 1 Trust *	N/A	76 998 062 289
RC Resi No 2 Pty Limited *	602 813 150	N/A
RC Resi No 2 Trust *	N/A	99 409 312 440
RC Resi No 3 Pty Limited *	602 847 325	N/A
RC Resi No 3 Trust *	N/A	29 189 440 504
RC Resi No 4 Pty Limited *	602 850 760	89 602 850 760
RC Resi No 5 Pty Limited *	602 851 954	76 602 851 954
RC Resi No 6 Pty Limited *	602 860 999	93 602 860 999
RC Resi No 7 Pty Limited *	602 861 003	N/A

COMPANY NAME	ACN	ABN
RC Resi No 7 Trust *	N/A	25 291 312 625
RC Resi No 8 Pty Limited *	607 041 430	N/A
RC Resi No 8 Trust *	N/A	97 798 640 184
RC Resi No 9 Pty Limited *	609 906 514	N/A
RC Resi No 9 Trust *	N/A	21 953 272 487
RC Resi No 10 Pty Limited *	609 906 756	N/A
RC Resi No 10 Trust *	N/A	94 509 759 955
RC Resi No 11 Pty Limited *	609 907 468	N/A
RC Resi No 11 Trust *	N/A	38 424 292 883
RC Resi No 12 Pty Limited *	609 915 264	98 609 915 264
RC Resi No 14 Pty Limited *	609 925 251	72 609 925 251
RC Resi No 14 Trust *	N/A	74 804 107 288
RC Resi No 15 Pty Limited *	609 948 709	47 609 948 709
RC Resi No 15 Trust *	N/A	92 174 990 499
RC Resi No 16 Pty Limited *	609 949 484	N/A
RC Resi No 16 Trust *	N/A	45 572 434 323
RC Resi No 17 Pty Limited *	609 949 877	N/A
RC Resi No 17 Trust *	N/A	97 178 196 027
RC Resi No 18 Pty Limited *	609 949 984	N/A
RC Resi No 18 Trust *	N/A	99 836 152 669
RC Resi No 19 Pty Limited *	609 951 475	N/A
RC Resi No 19 Trust *	N/A	41 701 564 558
RC Resi No 20 Pty Limited*	647 976 289	N/A
RC Resi No 20 Trust*	N/A	54 193 440 207
RC Resi No 21 Pty Limited*	648 329 748	N/A
RC Resi No 21 Trust*	N/A	77 884 560 876
RC Resi No 22 Pty Limited*	655 564 202	N/A
RC Resi No 22 Trust*	N/A	39 273 015 312
RC Resi No 23 Pty Limited*	655 877 473	N/A
RC Resi No 23 Trust*	N/A	52 870 114 452
RC Resi No 24 Pty Limited*	655 875 237	N/A
RC Resi No 24 Trust*	N/A	13 749 845 428
RC Resi No 25 Pty Limited*	655 875 871	N/A
RC Resi No 25 Trust*	N/A	32 784 160 230

\* Rawson Group Pty Ltd (ABN: 64 000 382 329) as head entity of the 'Rawson Consolidated Group' has lodged a separate Modern Slavery Statement for its Group of Companies.





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