

Continuing to Progress Transparency

Modern Slavery
Statement

**Financial Year
2023**



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Acknowledgement of Country

We acknowledge the Traditional Custodians of the land and pay our respect to them and their Elders past and present. As a business that works across many locations, we have a responsibility to listen, learn and walk alongside First Nations peoples so that our activities support their ongoing connection to their lands, waters, cultures, languages and traditions.

We value their custodianship of 65,000 years.

Lendlease's global headquarters are in Australia where our Reconciliation Action Plan (RAP) commits us to Acknowledging Country. The RAP is one way we demonstrate our operational performance on human rights, and specifically the rights of First Nations peoples.

Modern Slavery Statement Reporting Criteria - Cross Reference Table

The following table cross-references sections of this Statement with recommended reporting criteria set out in section 54(5) of the Modern Slavery Act 2015 (UK), and mandatory reporting criteria prescribed in section 16(1) of the Modern Slavery Act 2018 (Cth):

Section 54(5): UK Modern Slavery Act: Reporting Criteria	Section 16(1): Australian Modern Slavery Act: Mandatory Reporting Criteria	Page
• Organisation's structure, its business and its supply chains.	a) Identify the reporting entity	6
	b) Describe the structure, operations and supply chains of the reporting entity	7-13
• Parts of the organisation's business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk.	c) 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	14-20
	d) 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	21-30
• Organisation's policies in relation to slavery and human trafficking. • Its due diligence processes in relation to slavery and human trafficking in its business and supply chains. • The training about slavery and human trafficking available to its staff.	e) Describe how the reporting entity assesses the effectiveness of such actions	31-35
	f) Describe the process of consultation with i) Any entities that the reporting entity owns or controls ii) In the case of a reporting entity covered by a statement under section 14 – the entity giving the statement	36
• Organisation's effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate.	g) Include any other information that the reporting entity, or the entity giving the statement, considers relevant	37
	Impact of COVID-19	37
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About This Statement

Lendlease Corporation Limited submits this Statement as a 'Joint Statement', pursuant to section 14 of the *Modern Slavery Act 2018* (Cth).

Lendlease Europe Holdings Limited is a commercial entity for the purposes of the *Modern Slavery Act 2015* (UK). Lendlease Corporation submits this Joint Statement on behalf of Lendlease Europe Holdings Limited pursuant to section 54 of the *Modern Slavery Act 2015* (UK).

In this Statement, the collective expressions 'we', 'us', 'our' and 'Lendlease' are used for convenience to refer to all reporting entities joined, as listed on page 6.

This Statement is for the financial year ending 30 June 2023, and, as at 30 June 2023. All financial numbers are cited in Australian dollars.

Our 2023 Reporting Suite

For further disclosure information, including the Lendlease FY23 Annual Report, refer to our [Investor Centre](#) and [Governance](#) pages at www.lendlease.com

Feedback

We value your feedback. For any questions or comments about this Statement, please email globalsupplychain@lendlease.com

Disclaimer

Refer to item g) in Appendix 1 for more information.

Introduction



Message from our Global Chief Executive Officer and Managing Director

Lendlease’s purpose is to create places where communities thrive.

We seek to treat all our stakeholders with dignity and respect, aiming to uphold the high standards of integrity in our day-to-day business practices and decision-making.

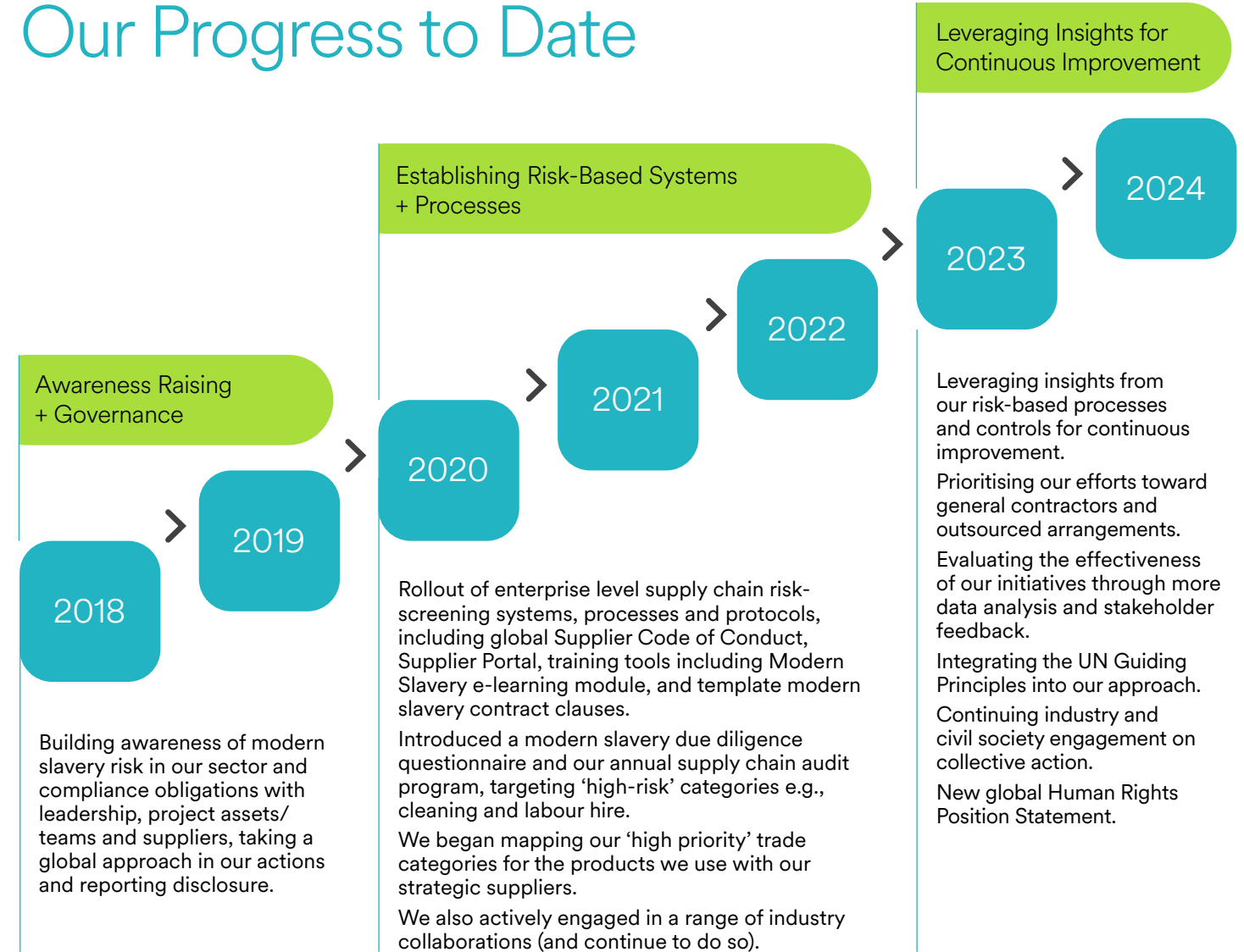
This year, we were pleased to introduce our new global Human Rights Position Statement.

This brings together the policies and procedures we have in place and further reinforces our commitment to the United Nations Global Compact.

FY23 continued to be a period of change for Lendlease as we transition to an investments-led business. Our efforts to mitigate modern slavery risk across our operations and supply chains, however, continues to remain resolute.

Tony Lombardo,
Global Chief Executive Officer
and Managing Director

Our Progress to Date



FY23 Key Highlights



Introduced a global Human Rights Position Statement



Progressed our human rights due diligence framework to guide our assessment of modern slavery risks and mitigation actions



Continued to engage our strategic suppliers to progress supply chain transparency



Achieved 99% completion rate¹ in modern slavery awareness training for mandated roles



Supported and leveraged industry-based initiatives tackling modern slavery risk due diligence



1. 1% training remained in progress on 30 June 2023.

Identifying the Reporting Entities

As a globally integrated real estate and investments group, Lendlease shapes cities, creates connected communities and delivers workplaces of the future.

Headquartered in Sydney, Australia, Lendlease was established in 1958, and listed on the Australian Securities Exchange in 1962.

Lendlease Corporation Limited (ABN 32 000 226 228), incorporated in NSW Australia, together with Lendlease Trust, comprise the stapled entity Lendlease Group, listed on the Australian Securities Exchange (ASX code: LLC).

A subsidiary of Lendlease Corporation Limited - Lendlease Responsible Entity Limited (ABN 72 122 883 185) - is the Responsible Entity for the Lendlease Trust (ABN 39 944 184 773).

Lendlease Corporation Limited and the wholly owned or controlled entities as at 30 June 2023, listed on this page under the 'Australia' heading, are identified as reporting entities for the purposes of the Modern Slavery Act 2018 (Cth).

This updated list of entities reflects our operating structure during the reporting period, and a review of their annual revenues.

Consultation with Joined Entities

Lendlease Corporation Limited has taken the lead in preparing this joint Statement. Statement preparation has involved engagement with representatives of the joined entities and their respective boards.

Ongoing operational engagement and consultation occurs across the joint entities on modern slavery risk mitigation activities which inform this Statement.

Further information regarding engagement on our modern slavery risk mitigation efforts, is at page 36.

Statement Boundary and Verification

For further notes relating to entities covered in our disclosure refer to Appendix 1 to this Statement.

Public disclosure of data and information contained in this Statement is governed by our Verification of Public Information Policy. This internal policy sets out our process for verification, recording the content verified, guidance for validating source materials and management sign-off protocols. This is a key component of the Statement preparation process.

Verification sign-off is a pre-requisite for Board approval of this Modern Slavery Statement.

External legal review of the Statement is also conducted, as part of the verification process.

Australia

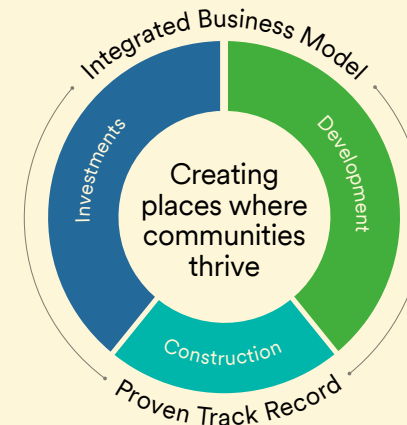
Joined Entity	Activities
Lendlease Construction Pty Limited	
Lendlease Construction (Southern) Pty Limited	Delivery of construction services in Australia
Lendlease Construction (Australia) Holdings Pty Limited	
Lendlease Construction International Pty Limited	Holding company for construction services in Australia and Asia
Lendlease Melbourne Metro Pty Limited	Joint venture partner entity for construction of Melbourne Metro, Victoria Australia
Lendlease Development Pty Limited	Delivery of development services
Lendlease (Batman's Hill) Pty Limited	Delivery of development services for Melbourne Quarter, Victoria Australia
Lendlease Communities (Springfield) Pty Limited	Delivery of development services for Springfield Lakes and Springfield Rise master planned community, Queensland, Australia
Lendlease Communities (Yarrabilba) Pty Limited	Delivery of development services for Yarrabilba master planned community, Queensland, Australia
Lendlease Investment Management (Australia) Pty Ltd	Delivery of funds management services in Australia

United Kingdom

Lendlease Europe Holdings Limited is a commercial entity for the purposes of section 54 of the Modern Slavery Act 2015 (UK). The wholly owned subsidiaries joined in this Statement are:

Joined Entity	Key Activity
Lendlease Europe Holdings Limited	Holding company
Lendlease Europe Limited	UK Head Office employer
Lendlease Europe Finance PLC	Financing entity for Europe operations
Lendlease Construction (Europe) Limited	Main construction trading entity in the UK
Lendlease (Elephant & Castle) Limited	Entity responsible for the development of Elephant & Castle, UK
Lendlease (Deptford) Limited	Entity responsible for the development at Deptford, UK

Structure / Operations / Governance



We leverage our integrated business model of Investments, Development and Construction, to create and manage mixed-use precincts, communities, civic and social infrastructure.



Investments

The segment comprises investment and asset management platforms and the Group's real estate investment portfolio.

Capability

For decades we have managed funds and assets for some of the world's largest real estate investors.

Our expertise spans unlisted and listed property funds and mandates. We offer investment capability supported by active asset management and leadership in sustainability. Our competitive edge lies in the opportunities we provide to investment partners in accessing the diverse, high-quality product created through our integrated model and our capacity to assess on-market opportunities at any stage of a project lifecycle.

Our development pipeline will provide a key source of growth for the Investments segment. This will be supplemented by pursuing other market opportunities with our investment partners.

Platform

- \$48.3b funds under management
- \$32.8b assets under management
- \$3.9b investment portfolio



Development

The segment is predominantly focused on the creation of mixed-use precincts comprising build-to-rent and for-sale apartments and sustainable workplaces. The Group also develops outer suburban masterplanned communities.

Capability

We manage the entire development process – from securing land or management rights, achieving entitlements through planning approvals, creating masterplans and consulting with communities and authorities, through to project management, sales and leasing.

Placemaking is core to our strategy and competitive position. We create places that resonate with people and contribute to the quality and liveability of our cities by working in partnership with governments, institutions, landowners, investors and the community.

Platform

- \$124.3b development pipeline
- 21 major urban projects in nine global gateway cities
- 16 Communities projects in Australia



Construction

The segment provides project management, design and construction services, predominantly in the commercial, defence and social infrastructure sectors.

Capability

Our capability is showcased in the places and structures we create, including workplaces for some of the world's largest organisations, hospitals and other buildings of civic and social importance.

Ongoing investment in innovation and technology aims to improve our safety, sustainability and efficiency.

Our Construction business also typically designs and delivers the built form for our urban projects which is captured within our Development segment earnings.

Platform

- \$8.7b external backlog revenue
- Key sectors: defence; commercial; social infrastructure
- 62 per cent of backlog revenue for government clients
- \$4.3b internal backlog revenue supporting Development

Our Focus Areas

Five focus areas underpin our ability to create safe, resilient, economic and sustainable outcomes. Our success is measured by the value we create in these areas. Icons linking our activities to this value creation are used throughout this Report.



Health & Safety

Everyone has the right to go home safely. We remain committed to the health and safety of our people, and all those who interact with a Lendlease place.



Financial

A strong balance sheet and access to third-party capital enables us to fund the execution of our pipeline and deliver quality earnings for our securityholders.



Our Customers

Understanding our customers and their evolving needs is critical as we partner, collaborate and innovate to create places people love.



Our People

Our people bring Lendlease, our purpose and our culture to life. Creating places where communities thrive.



Sustainability

Sustainability is core to our planning and clear in our outcomes. We have a proud history of giving emphasis to environmental, social and economic impacts.

Modern Slavery Risk Governance

Lendlease Group Board	Approves Statement	(Oversight Role) Group General Counsel Group Chief Risk Officer Group Head of Supply Chain
Board Sustainability Committee	Considers modern slavery risk issues and recommends Statement for Board Approval	
CEO and Global Leadership Team (GLT)	CEO signs Statement GLT lead Lendlease businesses in each of our regions	
Directors of Operations	Oversee Lendlease operations in each of our regions	
Regional Modern Slavery Communities of Practice	Drive implementation of Regional Modern Slavery Risk Mitigation Action Plans	
Australia ¹ Includes engagement with Managed Entities	Asia Singapore, Malaysia, Japan, China	(Operational Lead) Head of Responsible Sourcing
Americas	UK/Europe	
Group Supply Chain	Develop, implement and support supply chain risk screening systems and controls across regions and Lendlease value chain	

Lendlease’s global response to modern slavery risk mitigation is led by Group Supply Chain, in coordination with regional operational teams. Progress against our modern slavery risk mitigation strategy is overseen by the Group Chief Risk Officer and Group General Counsel, with board-level engagement through the Lendlease Group Board Sustainability Committee. See also our ‘Consultation Processes’ section page 36.

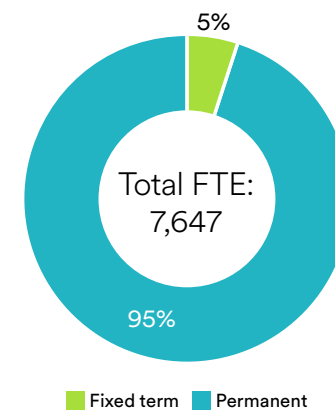
1. Refer to Table 1 in Appendix 1c) for list of entities.

Our Workforce

Our people globally strive to create better places that leave a positive legacy, prioritising health and safety, our customers, innovation and sustainability.

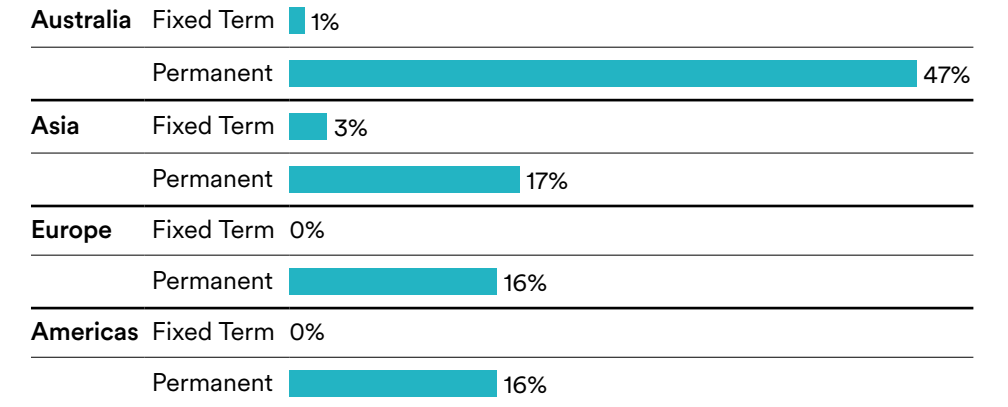
As a project-based business, our direct workforce globally comprises the following breakdown:

Global Direct Workforce Full Time Equivalent Count as at 30 June 2023



We operate in eight countries, with our workforce grouped into four regions as set out in the bar chart above right.

Total FTE Workforce Breakdown by Region and Employment Type: as at 30 June 2023



Most of our workforce is permanent and professionally skilled across a range of disciplines from finance, legal and other functional experts, to investments, development and construction professionals.

In assessing country risk of our direct operations, we have considered the US Department of State Country-level analyses published in respect of human trafficking and human rights practices and their assigned risk rating.

In respect of countries with an elevated risk rating, our operations in China and Japan are predominately project management and development management, based in Shanghai and Tokyo respectively. In Italy and Malaysia, we have urban regeneration developments in delivery in Milan and Kuala Lumpur respectively.

The direct workforce in the countries with an elevated risk rating typically represent skilled professionals, the majority of whom are permanent employees. The charts shown do not include ‘Casual’ employee numbers.

‘Fixed Term’ employees are engaged for a defined period with a specified end date. ‘Casual’ employees are non-permanent workers engaged on an hourly or daily basis, and/ or under an enterprise award. They represented approximately 260 workers as at 30 June 2023.

Overall, the risk of modern slavery / forced labour risks across our direct workforce is considered negligible.

US Department of State: Country Risk Ranking² of our Operating Regions

Operating Country	Australia	United States	UK	Italy	Singapore	Malaysia	Japan	China
2023 Tier Ranking ³	1	1	1	2	1	2 (watch list)	2	3
Operation Type	Investments, Development, Construction							Development, Construction

2. Refers to US Department of State Trafficking in Persons Report 2023, (TVPA 2023 Report) which undertakes annual country-level assessments of human trafficking risk as a diplomatic engagement tool with an overview of institution structures and responses for tackling human trafficking. This provides a marker of potential / actual elevated risks of modern slavery risks. Analysis of this, and the US Department of State 2022 Country Reports on Human Rights Practices, inform our modern slavery risk assessment for mitigation action planning with our operating regions.

3. Tier Rankings assess the extent of government efforts by countries to meet the TVPA’s minimum standards for the elimination of human trafficking, with ‘Tier 1’ being the highest effort (therefore, highest ranking), and ‘Tier 3’ the lowest. ‘Tier 2’ and ‘Tier 2 (watch list)’ refer to countries making significant efforts to comply with those standards, the latter of which is still not proportionate to the level of action required. Further details at pages 69-71 of the TVPA 2023 Report.



Our Supply Chains

Lendlease’s strategic path toward sustainable, recurring earnings for securityholders focuses on leveraging our development pipeline and capital transaction capabilities to grow our investments platform.

Despite the challenging market context, we are deploying funds into new products, such as ‘build to rent’, delivering our project pipeline and maintaining discipline and execution excellence in our construction delivery.

Managing our supply chain imperatives across our operations, including modern slavery risk, is increasingly embedded in our investment and operational decision-making, and in how we account for our ESG performance. This investments-led approach also shifts the focus of our modern slavery risks controls, toward more contract-led contexts.

The following graph shows global annual direct spend breakdown for FY23 for Lendlease Group, including joined entities, by top five spend categories, comprising around 70% of our total annual spend.

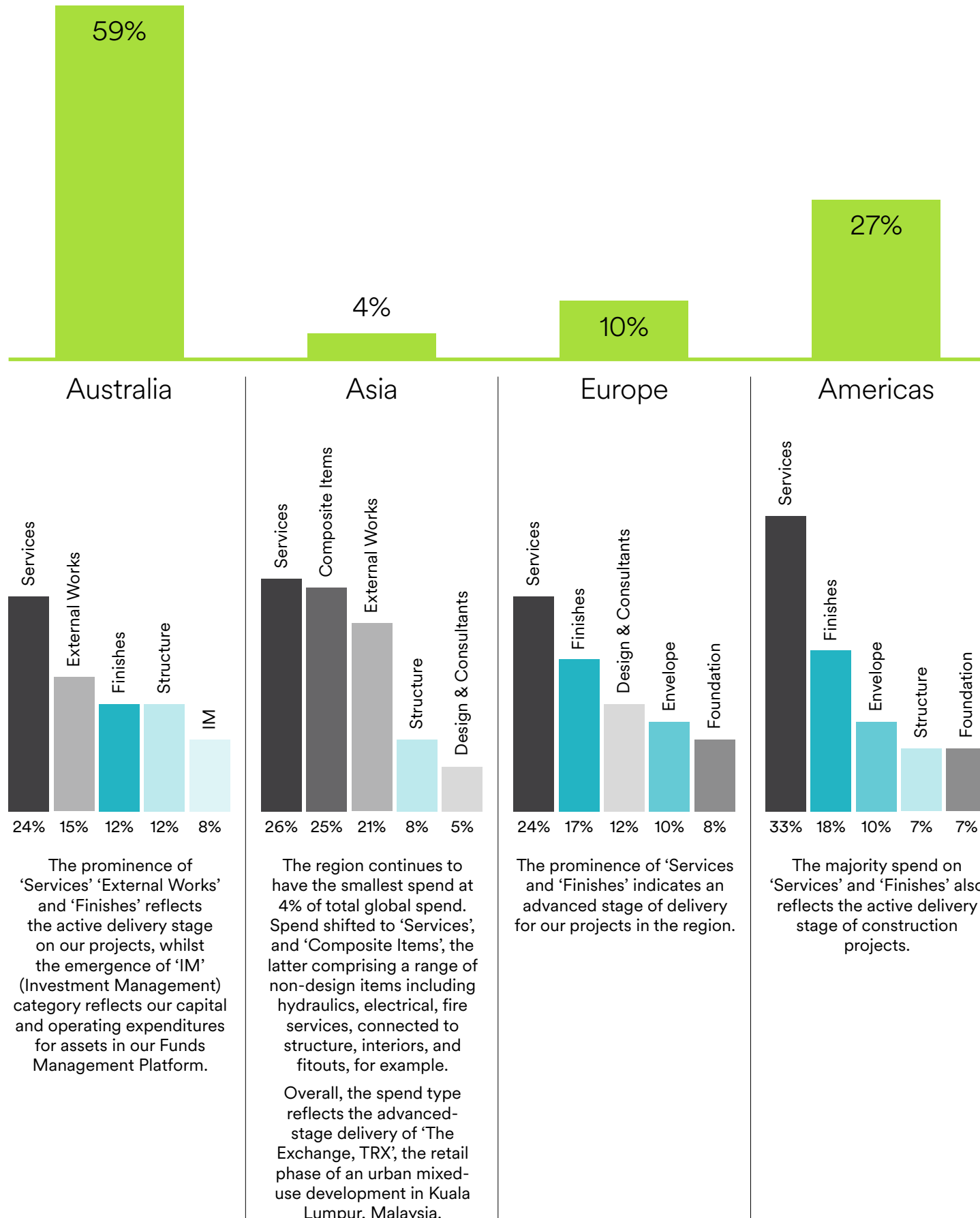
Top 5 Global Supply Chain Spend Categories FY23



1. Excludes employee expenses and operational running costs.

Top 5 Regional Supply Chain Spend Categories FY23

Our spend profile during FY23 predominately reflected active delivery stages of our project pipeline, with the prominence of 'Services' and 'Finishes' representing the majority of our spend.



Post pandemic, our regional supply chains generally remained resilient. Nevertheless, a range of supply chain risk issues still intersect with modern slavery risks, summarised in the table below.

Key Operational Supply Chain Risk Issues FY23

Operating Region	Lendlease Response
Australia	
Insolvencies have been increasing with specific impact to General Contractors and subcontractors.	We prioritised early engagement with General Contractors and sub-contractors engaging labour, and diversified sourcing avenues to moderate concentration risk.
Concentration risk remained elevated across high priority trades, particularly relating to facades.	
Shipping congestion and costs from Asia moderated to pre-pandemic levels.	
ASIA (Singapore, Malaysia, China, Japan)	
Whilst foreign worker numbers in SE Asia have surpassed pre-Covid levels, local construction contractors, particularly in Malaysia are still dealing with major labour shortages. Inflationary pressures are emerging in countries such as Japan.	We focused on early embedment of fair and ethical recruitment principles into project requirements and associated contractual documentation, for General Contractors and major sub-contractors.
EU (including UK)	
The war in Ukraine and earthquake in Turkey in February 2023 influenced regional supply chains, though no significant delays or shortages were directly experienced.	We continued leveraging insights from the annual Achilles Ethical Labour Practices industry audit program, into our projects in Italy, and monitor contractors who may be more highly exposed.
The region continued to see an elevation in insolvencies across all sectors, including construction.	
Energy and steel costs continued to moderate, though still higher than pre-pandemic levels.	
Americas	
Geopolitical tensions continued to provide a risk point, with import bans under the US <i>Uyghur Forced Labor Prevention Act 2021</i> extending to polysilicon and some aluminium products from the Xinjiang Autonomous Region, China. Metal products rose in price due to increased scrap pricing.	We monitor developments of US Customs and Border Protection's implementation of the <i>Uyghur Forced Labor Prevention Act</i> , and conflict minerals risks.
Long product lead times for mechanical electrical and plumbing equipment is creating a backlog for construction projects.	

Our regional supply chain monitoring continued to focus on pre-empting or mitigating modern slavery risk impacts. Group Supply Chain continues to build internal organisational capacity to interpret supplier risk-screened analytics, due diligence, and responsible sourcing analyses, and to understand

the impacts of our business on people, as we continue to apply the UN Guiding Principles across our operations. We are also integrating more assistive engagement to build capacity with our General Contractors (Tier 2 supply chain level) and 'High Priority' category suppliers.

At an industry level, we already see the value of pre-competitive collective action as influential leverage for systemic change with our investment partners and counterparts, to mainstream good practice outcomes.

Modern Slavery Risks in the Operations of Entities Covered by this Statement

Assessing our Modern Slavery Risks has Involved:

<p>1</p> <p>Applying Principle 17 of the UN Guiding Principles across our value chain.</p>	<p>2</p> <p>Leveraging the salient human rights risks identified by the Lendlease ESG Working Group.</p>	<p>3</p> <p>'Macro-level' view of modern slavery risks across our operations and supply chain.</p>	<p>4</p> <p>Understanding the modern slavery risks of our top 10 'high priority' trade categories.</p>
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As a project-based business, our modern slavery risks centre around labour, either through:

- **direct contracted labour** across our operations, including casual, self-employed, directly employed, or engaged through our contractors, sub-contractors, in our corporate or asset operations; and / or
- **indirect labour** in our supply chains engaged in the production of materials and products or contracted for our projects

This year, we assessed our modern slavery risks with 4 perspectives.

The exercise has been informed by:

- Desktop research and risk analysis from a range of third-party sources including, in-house research, third party risk intelligence insights, government data, industry and NGO research insights
- Supplier engagement
- Engagement with our business operations leaders
- Insights from our annual supply chain audit program
- Engagement with expert stakeholders through industry and multi-stakeholder initiatives
- Resources as cited in Appendix 1f)

1 Applying Principle 17 (Continuum of involvement)







We firstly mapped Principle 17 to illustrate how human rights /modern slavery risk issues might potentially arise across our value chain¹.

This was undertaken as recommended by the Attorney General's Department, set out in the [Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities – May 2023 \(page 40\)](#).

The far right hand column lists the preventative risk controls and mitigation measures Lendlease has in place for responding to modern slavery risk scenarios. These are routinely applied where most relevant to our operations, though not exhaustive, and under periodic review for continuous improvement.

Depending on the situation, Lendlease also recognises it may have a role in remediation, either directly, or cooperatively, as a part of a broader remediation process.

Applying UN Guiding Principles - Principle 17: Continuum of Involvement Potential Modern Slavery Risk Scenarios Across Lendlease Value Chain and our Response

	Cause	Contribute	Directly Linked	Response
	 <p>Through our operating practices including direct engagement of contingent labour</p>	  <p>Through our terms of sourcing labour and materials in our supply chain</p>	  <p>Through our multi-tiered supply chains</p>	<p>Our risk mitigation and control measures</p> 
Investments	<p><i>Investments</i> We partner with co-investors to invest in projects with known elevated human rights risks.</p> <p><i>Funds Management</i> Lack of accountability for oversight of social / human rights risks in our funds management decision-making</p> <p><i>Asset Management</i> Operating costs are reduced to an extent that elevates negative human rights risk impacts. Service contractors are engaged solely on a least cost basis.</p>	<p>Our capital partners do not have a process for avoiding / mitigating human rights risks</p> <p>We do not require our investor partners to have accountability for /oversight of social / human rights risks in our funds management decision-making</p> <p>Sub-contractor impacted by pass-through of project time and cost pressures, compels its workers to work longer hours with delayed or non-payment of entitlements and/or wages</p>	<p>The projects delivered have been funded with activities or co-investors with elevated exposure to negative human rights impacts</p> <p>The projects have been funded through activities that have elevated human rights risks, or by investors whose ultimate beneficial owners are connected to activities with negative human rights impacts /elevated modern slavery risks</p> <p>Lendlease sources consumables / engages installers to supply and install items that have not been screened for modern slavery risks</p>	<ul style="list-style-type: none"> • EHS Global Minimum Requirements • Supplier Code of Conduct and Policies (see Appendix 1d)) • Business Integrity Screening • Counter-party Risks Assessments • Supplier Registration • Supply Chain Audit Program • Modern Slavery Risk Due Diligence • Modern Slavery Template Contract Clause • Training and Awareness Tools and Resources • Supplier Engagement • Modern Slavery Risk Incident Protocol • Third Party Managed Grievance Mechanism (Ethics Point)
Development	<p>We directly engage principal contractors and consultants without requiring risk-screening for elevated human rights/ modern slavery risk</p>	<p>No express requirement in the design brief for reasonable due diligence or risk-based assessment to avoid / mitigate modern slavery risk in the sourcing of labour / products for the project</p>	<p>Project consultants have sub-contracted requirements without modern slavery due diligence risk screening eg. for off-shored services</p>	
Construction	<p>No assignment of resources to a project to meet the levels of on-site oversight / supervision reasonably required for a safe operating environment, precipitating in serious incidents / injuries to site workers.</p>	<p>A sub-contractor experiencing pass-through of project time and cost pressures compels its workers to not take leave, and/ or delays or defers payment of correct wages and entitlements.</p>	<p>No 'minimum requirements' prescribed for responsible sourcing of products in a 'design and construct' contract. Contractor / product installer is not directed to risk-screen third party supplier's product provenance for elevated modern slavery risks, nor to mitigate risk with alternative sourcing options.</p>	

1. UN Guiding Principles: Principles 13 and 17 – relate to Human Rights Risk Due Diligence, which involves assessing and responding to adverse human rights impacts arising from the activities and relationships of a business across its operations and supply chains.

Top 5 Salient Human Rights Risks



2 Determining Lendlease's Salient Human Rights Risks

As signatory to the UN Global Compact, Lendlease annually submits its Communication on Progress against the ten Principles.

During the reporting period, as part of that report-back process, a Group-level ESG Working Group was established, comprising global function heads from Legal, Risk, People and Culture, Safety, Sustainability, and Supply Chain, to review our ESG actions – including human rights and modern slavery risk.

They considered the organisation's salient human rights risks, in accordance with the [UN Guiding Principles on Business and Human Rights](#).

The ESG Working Group then identified Lendlease's top five salient human rights risks. These are shown in the graphic above, (in no particular order).

These provided the materiality basis to inform our Group-level Modern Slavery Risk Mitigation Framework. A gap analysis was conducted using this Framework, to develop Regional Modern Slavery Risk Mitigation Action Plans to be implemented during FY24.








For the purposes of this Statement, our focus is 'forced labour (including child labour)' and 'working conditions' risks as our material modern slavery risks.

The Consultation section on page 36 outlines our engagement with joined entities on operational risk mitigation actions.



3 Understanding our Macro-Level Modern Slavery Risks Across our Operations and Supply Chain

The following table sets out situational modern slavery risk concerns as they may arise in the broader context of our operations and across our supply chains. Risk dimensions may relate to contractual, sector level, economic and geopolitical issues. Our risk response measures cited on page 15 apply.

Risk dimension	Modern slavery risk concern	Our operations			Our supply chain
 Direct Labour - contracted	<p>Sub-contractors and trades/sub-contractors engaging labour recruited through unregulated labour hire providers</p> <p>Direct engagement of casual labour/self-employed contractors, without appropriate due diligence</p>	<p>Investments</p> <p>Soft services in asset operations: commercial cleaning, security services, landscaping, maintenance.</p>	<p>Development</p> <p>Offshoring engineering services, design documentation administration, architectural rendering.</p> <p>Design briefs do not specify socially responsible product requirements.</p>	<p>Construction</p> <p>Use of low skilled, temporary migrant workers, third party contractors on trades such as tiling, gyprocking (drywalling), galvanizing, manual labour, construction cleaning.</p>	For Corporate Operations - IT support and offshore business support services, catering and hospitality, corporate branded merchandising.
 Indirect Labour	<p>Labour engaged in making materials and products in 'high risk' geographies, with the potential for forced labour, child labour, debt bondage practices, conflict minerals</p> <p>Lack of visibility of control of labour practices in multi-tiered manufacturing sub-supply chains for pre-assembly components</p> <p>Contracted production facilities in high-risk geographies using contracted labour which may not meet required labour standards or social protections</p>	Use of third party contracted trades by subcontractors, on a supply and install basis operating under competitive margins/tight timeframes – eg installation of solar panels.			Construction materials and office consumables e.g. plumbing, electrical, mechanical components, masonry, tiles, sanitaryware, raw materials, soft furnishings/textiles, marketing, merchandising, IT hardware, corporate uniforms and personal protective equipment, renewables hardware.
 Post-Pandemic Labour Shortages	Unethical / informal recruitment practices / undocumented workers engaged	Labour demand exceeds supply, reduced workforce numbers in sector. Migrant workers engaged in our sub-contractor supply chains have paid to get a job in home country and incur debt.			Reduced visibility of labour practices and capacity to do site-based social risk audits in high-risk geographies.
 Geopolitical Tensions	<p>Conflict in Ukraine and knock-on effects in sourcing surety and pricing</p> <p>Ranging from unpredictable conflict situations to trending market shifts, impacting tariff structures, supply surety and commodity price volatility</p>	Potential for undocumented workers or migrant workers escaping conflict to be exploited in informal economies, working in low skilled jobs with excessive hours, undocumented casual engagements through sub-contractors.			Overseas sourcing of construction structural materials, steel, concrete, glazing/façade, mechanical plant from geographies with elevated human rights risks.
 Climate Risk Events	<p>Displaced workers from extreme weather events</p> <p>Disrupted job security, labour exploitation in informal economies</p>	Disrupted materials supply and price volatility. Limited transparency on labour rights risks for certified building materials e.g. timber and labour used in carbon offset products. Disrupted availability of construction labour. Displaced manual workforce in transition to low carbon supply chain.			Demand will outstrip supply for high quality socially responsible decarbonised products.
 Inflationary Pressures	Worker incomes at risk or unpaid due to insolvencies	<p>Investments</p> <p>Financial impacts to asset operations – operational expenditures and tenant solvencies.</p>	<p>Development</p> <p>Impacts on capital raising for development projects/ project viability.</p>	<p>Construction</p> <p>Increased sub-contractor insolvencies placing pressure on supply surety and project delivery program</p>	Reduced appetite for lump sum risk contracts due to increased labour and materials costs.
 Cyber Crime	Cyber slavery in scamming 'centres'	Disruptions to integrity of financial transactions in our operations.			Financial and logistical disruptions to our supply chains.

We have been working with our multi-national suppliers to diversify our sourcing avenues.

4 Understanding the modern slavery risks of our top 10 'high priority' trade categories

In working with contracted relationships, Lendlease is a step removed from the direct manufacture of raw material inputs that go into our projects. We rely on the risk screening, due diligence, risk control mechanisms and declarations of our direct suppliers, to confirm their management of upstream modern slavery risks, through our contracting arrangements.

The table immediately on right sets out our 'top 10' High Priority Trade Categories, and their upstream provenance, as advised by our suppliers. These are categories of strategic importance to Lendlease globally and prioritised for their inherent geographic and labour rights risks.

So far, products such as concrete and steel are traceable to raw material inputs, and as these are typically domestically sourced, present a low modern slavery risk.

We also successfully diversified 30% of our supply chain spend, mainly in steel reinforcement, to manage geographic-based concentration risk.

With the support of our suppliers, we have visibility into Tier 2 of our supply chain for vertical transportation and Tier 3 for façade components (glass and aluminium) and formwork.

For hydraulic and mechanical electrical and plumbing, the extensive multitude of components going into products make further mapping currently beyond Tier 3 extremely complex and challenging. Our engagement with suppliers on this is ongoing.

The 'Actions Taken' section at page 21 sets out key risk mitigation actions Lendlease implemented during the FY23 reporting period.

Top 10 'High Priority' Categories - Provenance

Concrete	Domestically sourced.	Aggregate is quarried locally, and cement is produced within local proximity to the project in delivery.
Steel	Extraction: Iron Ore + Coking Coal – Australia, Brazil, South Africa Manufacture: China, Europe (Italy, Russia (ceased Feb 2022), Turkey, Spain, Germany), USA.	Upstream raw inputs of iron ore and coking coal are directly sourced by steel manufacturers, who then supply steel products to Lendlease.
Glass	China, France, Italy, Middle East	Façade manufacturers source inputs for glass-making and aluminium components from upstream suppliers. Middle East manufacturer underwent comprehensive labour practices audit in FY23.
Facades	China / Italy / USA	
Mechanical Electrical	China / USA/ France/ Taiwan	Our Original Equipment Manufacturers source most of the microelectronics and semi-conductor components from Asia. Subcontractors will supply and install items to meet project design specifications.
Reinforcement	China, Singapore, India, Turkey, Thailand, Vietnam	Sourcing avenues were diversified during FY23.
Formwork	Local labour >60%. Other key materials, depending on the formwork system are Timber (plywood) structured sections which are sourced out of EU. The sourcing of aluminium formwork systems is typically from China.	Majority of formwork is assembled by local contracted labour.
Vertical Transportation	China, USA, Switzerland, Finland	Integrated supply chain, with fully traceable sub-components manufactured close to main vertical transportation manufacturer.
Finishes	China, Malaysia, EU	Majority of plastering and finishes products originate from Asia. Lendlease EU operations will source from EU countries.
Hydraulics	China	Subcontractors will supply and install items to meet project design specifications

Actions Taken

As we transition to an investments-led business, we recognise robust modern slavery risk due diligence and controls are markers of sound ESG performance.

Lendlease has a multi-layered approach to the identification, management, and mitigation of external, corporate, and operational risk. Risk management is a key oversight responsibility of the Board.

The approach to risk management recognises the nature and level of risk we are willing to accept to achieve our strategic goals and key performance targets to create securityholder value.

Further details about our approach to managing risk is in our 2023 Corporate Governance Statement located on our website.

Supply Chain Risk

Lendlease's supply chain risk framework is structured to respond to modern slavery risks supported by the robustness of our corporate governance, risk planning and capability development, integrated systems, tools and standards, as well as insights from targeted supplier risk assessments and audits.

The framework and supporting actions set out over page continued to apply during FY23.

Lendlease Policies

Lendlease is committed to robust corporate governance policies and practices.

The Lendlease Board regularly reviews its corporate governance policies and practices to maintain alignment with Lendlease's purpose, values and stakeholders.

Lendlease employees are required annually to familiarise themselves with our policies by completing the 'How we Work at Lendlease' online training module through our Learning platform.

Policies relevant to how we manage human rights and modern slavery risk, including our Supplier Code of Conduct are outlined in Appendix 1d).

Our full suite of relevant policies may be found in the 'Governance' and 'Supply Chain' sections of the Lendlease corporate and UK website and (under 'Supply Chain' for UK) respectively.

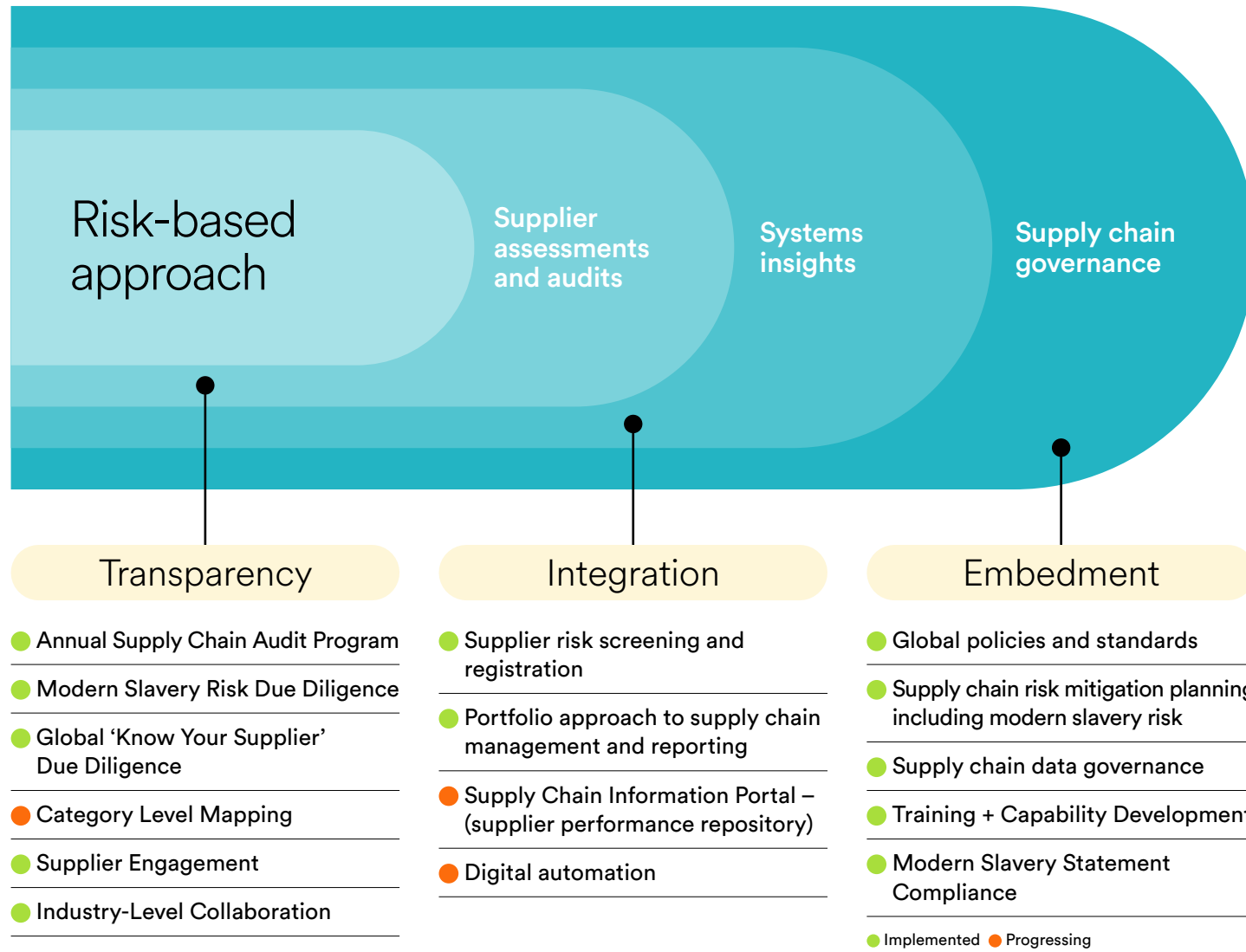
Three Lines of Defence

- 1 Business Operations**
Identify, manage and own risks relevant to the project / investment
- 2 Group Functions**
Outline assurance measures to enable appropriate identification and management of risks
- 3 Internal and External Audit**
Provide assurance independently from the first and second lines of defence

Global Leadership Team
Board and Committees



FY23 Supply Chain Risk Framework



Actions taken during the reporting period, detailed in the following pages, have been in accordance with the framework below.



Embed policies, standards and risk governance

Continue to embed supply chain risk governance measures and progress awareness training across our operating regions



Responsible sourcing due diligence

Progressively implement a global framework for Responsible Sourcing Due Diligence, targeting 'high priority' trade categories



Monitor, measure and manage

Continue to monitor and measure effectiveness of supply chain risk controls and progress supply chain risk mapping



'Good practice' collaborations

Continue to engage key suppliers and stakeholders to advance 'good practice' industry norms tackling macro-level modern slavery risks

Our focus continues on categories with elevated modern slavery risks and strategic supplier segmentation





Embed Policies Standards and Risk Governance

Supply Chain Management Policy and Standard

Lendlease’s global Supply Chain Management Policy, is an internal enterprise level policy setting out minimum standards for governance and management of our supply chain, including

- Environment, Health and Safety
- ‘Know Your Supplier’
- Sustainable Procurement
- Quality and Innovation.

The supporting Standard to guide our businesses was also implemented.

These are available across our operating regions in multiple languages on our internal Supply Chain SharePoint site.

Modern Slavery Risk Mitigation Action Planning

Enterprise-level modern slavery risk mitigation planning considers how Lendlease:

- Analyses and understands its modern slavery risks
- Integrates supporting systems processes, policies and procedures around supply chain risk, including modern slavery risk into our operations
- Risk assesses suppliers: through due diligence questionnaires, targeted supply chain audits, as well as working with direct suppliers to tackle modern slavery risks on our projects / high priority trade categories, monitoring of supplier performance, building supplier and project team capacity, and
- Engages with external stakeholders – be they regulators, academia, civil society and / or industry groups.

During FY23, regional Modern Slavery Risk Mitigation Plans were developed, based on the four focus areas as cited on page 22, and previously in our FY22 Statement.

Organisational changes impacted progress on some initiatives, however we made further headway in applying the UN Guiding Principles to the development of our Plans for FY24.

Refer to the ‘Effectiveness Scorecard’ on pages 34-35 for further details.



Responsible Sourcing Due Diligence

Responsible Sourcing Due Diligence Framework

We piloted our enterprise-level Responsible Sourcing Due Diligence Framework during FY23.

The pilot was successfully conducted with a multinational façade manufacturer operating in the Middle East. An extensive independent labour practices audit program was conducted, which included randomised worker interviews and worker accommodation assessments.

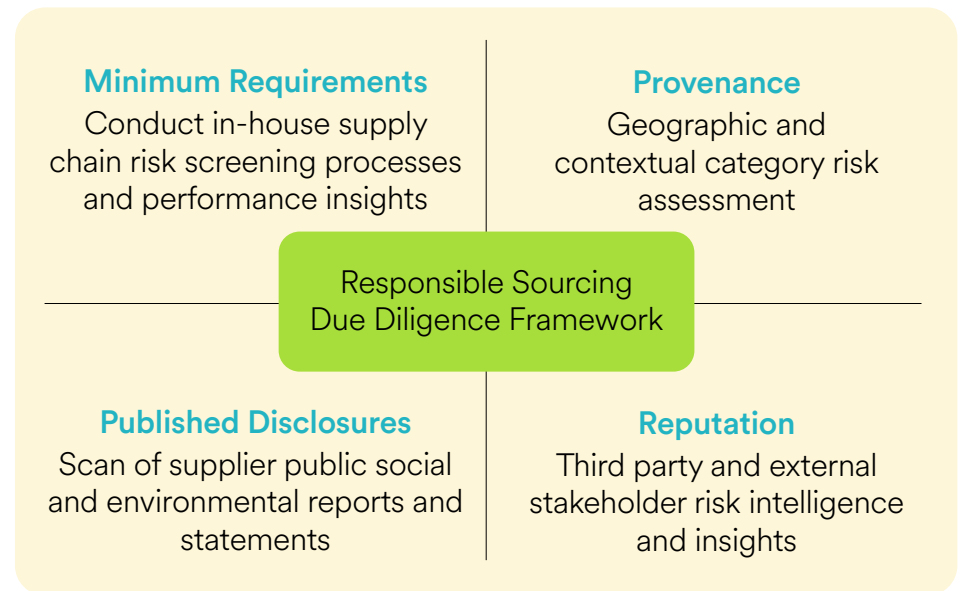
Natural Stone Due Diligence Initiative

Our engagement with natural stone suppliers shifted to a joint study led by the University of Melbourne looking at modern slavery risks in upstream natural stone extraction, and supply. The study comprised qualitative interviews with supply chain managers and Australian natural stone companies. Lendlease was able to connect an Australian natural stone company it engages to the research project, which was still in progress at 30 June 2023.

In Malaysia, we requested a natural stone supplier and installer for one of our projects to investigate labour practices in their upstream supply chain in Türkiye.

The company confirmed no child labour was used and that sourcing at quarry extraction supported local livelihoods. We also found the cutting and finishing processes of stone slabs with this (and other natural stone suppliers operating in Europe), was increasingly automated, with labour mainly engaged to oversee automated machinery.

The above initiatives are in respect of natural stone. This is different to engineered stone, which is a composite product containing silica. Lendlease is taking action across its operations regarding the use of engineered stone, taking into account the varying types of that product.



Supplier Portal Risk and Segmentation Analysis

Modern Slavery risk assessment is embedded in our broader supply chain risk assessment processes. It includes a combination of third-party risk intelligence resources (such as World Check), as well as supplier information provided at point of registration through our Supplier Portal.

The registration process includes preliminary questions on labour type and product provenance, the results of which, for FY23, are outlined in our case study over page.

Our supplier segmentation analysis may also consider the following interacting elements in the table below.

There are also financial, integrity and operational aspects considered, namely, the level of reliance or concentration of spend Lendlease businesses may have with that supplier, parent entity integrity screening where possible, and supplier financial standing.

The combination of these approaches generates an inherent risk profile that then informs what targeted risk controls are to be further implemented, be they assistive, or specifically contractual.

Supplier Profile	Category Profile	Labour Profile
Relevant policies + implementation	Upstream inputs exposure	Workforce size and type
Modern slavery report / policy	Technology automation in production	Use of labour providers
Grievance and remediation mechanisms	Contracting type	Use of migrant labour
Workforce training and awareness	Substitutability	
Supply chain engagement	Regulatory and market operating context	
Performance history		



Supply Chain Information Portal (SCIP)

During FY23, improvements were made to tracking supplier risk assessments.

A new data field was added to record when a supplier has been audited by Supply Chain and when a supplier has completed the Lendlease Modern Slavery Risk Due Diligence Questionnaire.

A new functionality to raise a 'caution' on a supplier was also added, where a supplier's corrective action period has expired, and the supplier provides no evidence of closing out supply chain audit findings.

Australia, Malaysia and Singapore completed the adoption of SCIP into their 'business as usual' procurement processes. Alternative systems are in place in the Americas, with the implementation of SCIP currently being reviewed. Our UK operations continued with their industry regime called Achilles 'Building Confidence' annual prequalification audit program, focused on Tier 1 contractors.

Refer to case study on pages 32-33, which reflects on the effectiveness of the UK supply chain audit program following a review during FY23.

1. Excludes UK and Americas, which operate separate pre-qualification processes.
2. List adapted from the top quartile of 'high-risk' countries list from the Social Hotspots Database.



Case Study: Risk-Screening Suppliers through our Supplier Portal

Registration through the Supplier Portal now operates in our Australia, Singapore, Italy and Malaysia operations. Alternative systems are currently in place across the Americas and the UK operations.

As at 30 June 2023, the total cumulative number of suppliers registering through our Supplier Portal since its start in November 2020 is 7,876¹, with 1,168 new suppliers registering during the reporting period.

Graphs A and B below show the results of our modern slavery risk-flagging from supplier responses at point of registration, based on the total cumulative number of suppliers to 30 June 2023. The 'Labour Type' questions relate to workforce type and labour sourcing, namely, whether

- labour is engaged by a labour provider, and/or
- temporary migrant labour is engaged.

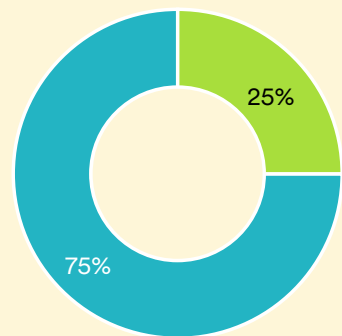
The 'Product Provenance' questions relate to:

- country of origin of nominated product and
- country of entity registration

both of which are checked against a 'high-risk' country list adapted from Social Hotspots database country list². Concentration of spend is also considered on a supply chain 'category' basis.

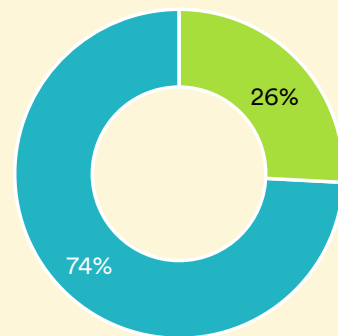
Suppliers Risk Screened Through Lendlease Group Supplier Portal to 30 June 2023¹

A. Labour Type



■ Risk Identified ■ No Risk Identified

B. Product Provenance²



■ Risk Identified ■ No Risk Identified

Around 25% of supplier responses from this initial risk-screening generate at least one or more risk flags, prompting further investigation. These suppliers are loaded into World Check, which conducts a global search of watch lists, government records, media searches and integrity screening.

A 'cautions' field in SCIP will describe the type of risk flags raised so project teams can conduct further risk screening, either using the Lendlease modern slavery risk due diligence questionnaire, or, for Australian suppliers and contractors, the Property Council of Australia's informed365 modern slavery risk due diligence questionnaire.

In addition, suppliers engaged in a tender process, may be selected to complete a supply chain audit as part of our risk due diligence processes. If the nature of the risk flag raised goes beyond our risk tolerance thresholds, we will not proceed with the supplier.



Monitor Measure, Manage

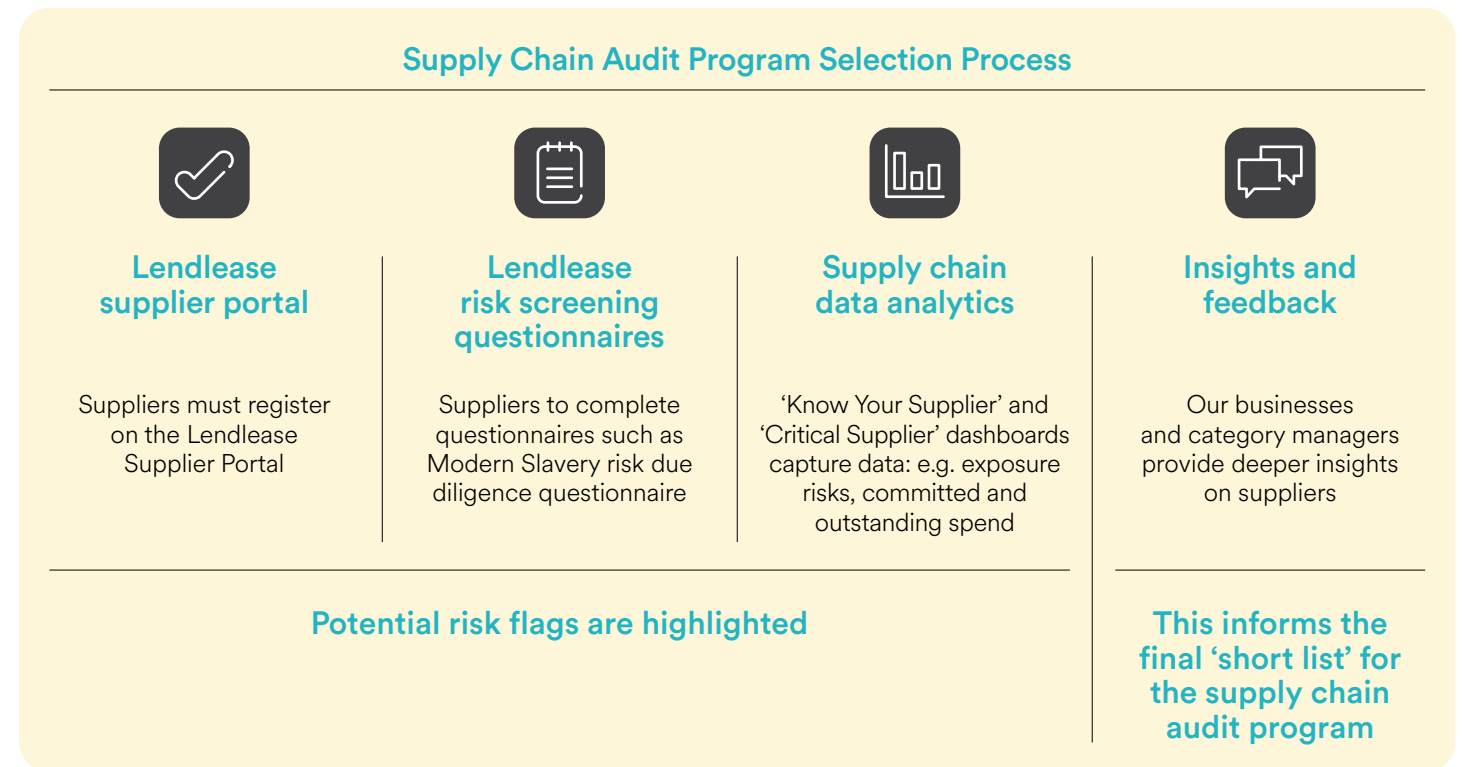
We continued our efforts to improve supply chain transparency through the combination of:

- Lendlease modern slavery risk due diligence questionnaires
- Utilising the Property Council of Australia Modern Slavery Supplier Platform, which includes a modern slavery risk due diligence questionnaire, issued to 965 Australian suppliers engaged by Lendlease Australia
- Labour Practices Audits through the Achilles' Ethical Business Programme for our UK operations, and
- Conducting targeted supply chain (labour rights) audits for our multi-national strategic suppliers / 'High Priority' Trade categories.

FY23 Supply Chain Audit Program

At the enterprise level, our Supply Chain Audit Program is a combination of in-house desktop, third-party desktop and site-based audits. Audits this year expanded into additional regions and reviewed supplier facilities, including worker dormitories in 'high risk' countries.

The following graphic shows our approach to selecting suppliers for our annual supply chain audit program.



FY23 Supply Chain Audit Program – Key Findings

We progressed closeout of findings from the FY22 supply chain audit program, and commissioned third party labour practices audits, prioritising General Contractors and façade and hoist manufacturers for Australia and Asia regions.

In addition, our UK region continued its industry-based Achilles Ethical Employment audits, complemented with 'office-based audits', which focus on auditing governance and policy / procedural documentation. In Americas, a labour practices audit is scheduled with a ceramic flooring manufacturer as part of the FY24 supply chain audit program.

The Table over page provides a summary.

FY23 Supply Chain Audit Program Summary Table

Supplier Type	Category	Resourcing + Scope
Strategic Suppliers (Global)	2 x Hoists 2 x Façades	Audits undertaken by third party auditor, completed by 30 June 2023 Selection based on relevant risk(s) associated with the type and location of work performed
General Contractor	1 x Tier 1 Malaysia 1 x Tier 1 Australia	Follow up audit to confirm completion of corrective actions relating to working hours, entitlements, and implementation of the Fatigue Management Plan under our EHS GMRs
Critical / High Priority Supplier (UK)	2 x Ethical Employment Audits 2 x Site Interview Audits 4 x Ethical Employment Audits on Suppliers within the Supply Chain	Via Achilles 'Ethical Business Program' Construction Industry Audit Regime – focused on 'labour conditions' The UK supply chain audit program underwent a review during FY23

FY23 Summary of Key Audit Insights

As we increasingly shift to engaging General Contractors, visibility into the deeper levels of the sub-contractor supply chain, ie Tier 4 level and beyond is significantly lessened. This is where Lendlease has no direct contractual relationship with sub-suppliers who may be manufacturing in a high-risk country with labour practices compliant with local laws, but less than the recommended practice.

We raise this as a practical challenge in the supply chain audit exercise, where we may be linked to a modern slavery risk under the UN Guiding Principles but have no contractual relationship.

The Tier 3 sub-supplier may also not feel legally compelled to go beyond compliance with local laws.

This further reiterates the importance of strong collaboration with our General Contractor, building-in early our expectations on mitigating modern slavery risks, at contract formation stage, which may require targeted monitoring measures.

It also means extending our influence and leverage to those Tier 4 suppliers jointly with the General Contractor, and with the client, who may nominate the General Contractor.



During FY23 – our key audit findings provided process improvement insights including:

- Implementing processes to address accuracy and currency of employment contract documentation and terms of work
- Addressing with General Contractors, aspects of fire safety and sanitation in workplace facilities inspected to meet health and safety requirements
- Requirements for documentation relating to risk management systems and preventative action records to be readily retrievable and in order.



Good Practice Collaborations

Training

Our global modern slavery e-learning training module was updated during FY23, and continues to remain mandatory for targeted roles including construction and commercial managers and project engineers.

Completions are tracked globally through our enterprise learning system, achieving 99% (with 1% in progress as at 30 June 2023) across all regions.

E-Learning training is supplemented with a resource library of the latest information and developments on our internal Supply Chain SharePoint site. This includes government and NGO reports, industry-level guides and studies, articles and podcasts for more in depth learning and awareness raising available to all employees.

Systems-based training was also rolled out to nominated representatives across our businesses adopting SCIP, and,

in Australia specifically, the Property Council of Australia's informed365 supplier platform.

Tenant Engagement

The Lendlease Group also developed a modern slavery awareness raising information and presentation pack which was being rolled out by the Australian Investments business across its assets as part of their tenant engagement.

Lendlease greatly values the insights of investors, industry and civil society on the issues of modern slavery risks. During the reporting period, Lendlease participated in the following multi-stakeholder fora:

Stakeholder Engagement	Lendlease Role
UN Global Compact Network Australia - Modern Slavery Community of Practice	Member and active contributor
Property Council of Australia - Modern Slavery Working Group	Member and active contributor
Cleaning Accountability Framework - Australia	Member, through our Investments business
Social Responsibility Alliance (International)	Member of the Slavery and Trafficking Risk Template Development Committee
UK Living Wage Foundation	Accredited for "Real Living Wage" for employees and contractors on projects across UK operations.
Supply Chain Sustainability School (UK and Australia)	Partner in UK arm. Board member of Australian arm. Member of AU Construction and Property Services Working Groups reviewing education content to support improved access and awareness of content for (small) businesses. Engagement in various working groups in the UK School and committed to the 'People Matter' Charter, which promotes fair, inclusive practices.
Social Enterprise - UK	Partner and corporate member of 'Buy Social' Corporate Challenge which promotes engagement with Social Enterprises supporting diversification of Lendlease UK's supplier base.
Business in the Community - UK	Member. Continuing participation in the 'responsible business tracker' audit for inclusive employment and good work. Lendlease confirmed as a 'Times Top 50' employer for gender equity.
Responsible Steel	Founding member. NGO focuses on standard-setting and improving all aspects of responsible sourcing and reduce risk in the steel supply chain. FY23 engagement continues to include considerations of social risks in the supply chain.
Grace Farms Foundation, Architecture + Construction Working Group - US	Member. Contributed to pilot project developing 'Design for Freedom' toolkit and processes supporting ethical design and materials tracking.
Modern Slavery Expert Advisory Group, Department of Home Affairs	Membership by Head of Responsible Sourcing (concluded in November 2022). The forum considers industry's implementation of the Australian Modern Slavery legislation.

Remediation



We continue to ask our contractors and suppliers, through our modern slavery risk due diligence processes, what measures they have in place for non-retaliatory grievance mechanisms and remediation. It is a priority area of enquiry in our labour practices audits, and where such information is not sufficiently provided, we seek further written details directly from the supplier on their implementation approach and level of process embedment.

We also offer the option to knowledge share with those suppliers to help them develop a remediation approach.

We recognise there is not a 'one size fits all' approach to providing remedy, and that a legitimate remediation response is tailored to the particular facts of a situation.

Lendlease also implements a range of leverage measures for example, through contract, engagement with key stakeholders including government and worker organisations, so that the remediation response is fact-based, informed with the appropriate expertise and conducted in good faith.

Ethics Point

Our global platform for confidentially logging concerns around improper conduct, is cited on all modern slavery information posters in multiple languages, toolbox talks and accessible on the Lendlease website.

During the reporting period, no reports were logged through Ethics Point regarding modern slavery, categorised as 'labour rights violations'.

Currently, all employees are required to complete mandatory annual Employee Code of Conduct training.

Governance of the Human Rights Position Statement is overseen by the Board Sustainability Committee, the Board People & Culture Committee, and the Board Risk Committee and is published on the Lendlease website.

The Position Statement brings together Lendlease's existing policies to provide a consolidated expression of our stance on our most salient human rights risks. See Appendix 1d) for a summary of our relevant policies.

The Position Statement also includes information for customer / stakeholder complaints and feedback either through Ethics Point on the Lendlease website, the Conduct Breach Reporting Policy (whistle-blower) or in accordance with our Group Policy Customer Complaints and Feedback Policy.



Case Study: Human Rights Position Statement

Our [Human Rights Position Statement](#) (Position Statement) is informed by the UN Guiding Principles on Business and Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

Effectiveness of Actions

We continue to define the effectiveness of our approach through:

- **Prevention:** by embedding supplier risk assessments as routine
- **Responsiveness:** providing a consequence management framework that appropriately addresses modern slavery risk concerns to impacted parties
- **Collaboration:** by engaging in open dialogue to effect leverage and influence with suppliers, industry, investors and government and to listen and understand the range of stakeholder perspectives with human rights experts and worker advocates

Effectiveness of Management Approaches

We continue to implement improvements through our modern slavery risk management framework.

At this point of maturity in our implementation of modern slavery risk mitigation systems and processes, the increasing influx of supplier response data and external stakeholder insights are providing new feedback loops for testing the effectiveness of our approaches to date.

We observed over the reporting period, distinct attitudinal shifts with our clients, project teams and our suppliers toward increased disclosure detail, influencing the adoption of pre-emptive measures to modern slavery risk across our operations. The high completion rates of our e-learning module training across all mandated roles (ie roles which have an elevated exposure to modern slavery risks in project delivery and contracting context), also indicates there is now greater awareness of modern slavery risk with our employees.

Some examples of progress across the business include:

Asia: following our FY22 labour practices audit of a General Contractor, increased recognition by our local team of the importance of building-in responsible recruitment measures at the early stages of project planning for the pipeline of projects in the region, including migrant workers not bearing



Case Study: Solar Panels

The transition to renewable technologies such as solar across our projects and assets continues to be a key initiative as we progress towards Lendlease's [decarbonisation](#) goals.

The fragmented traceability of conflict minerals and upstream raw material inputs such as polysilicon for the manufacturing of solar panel components presents heightened modern slavery risks. During the reporting period, we deployed modern slavery risk due diligence enquiries directly with our key solar panel suppliers and installers, across our operating regions.

Given the prevailing origin of components in this sector are from high-risk countries with limited avenues for transparency, we recognise tackling this risk requires a collective approach, in collaboration with industry counterparts, the renewable technology sector and government.

Lendlease has been actively engaged in the Property Council of Australia's Modern Slavery Working Group to incorporate specific questions about the provenance of solar panels and their components with Australian suppliers through the informed365 supplier platform due diligence questionnaire.

We have also been part of the Working Group's engagement with Australia's Clean Energy Council on the challenges of alternative supply. In the UK, Lendlease has engaged with the Supply Chain Sustainability School in the School's industry research with the local renewable energy and solar market to develop guidance on the responsible sourcing of solar panels, pending public release by the end of 2023.

In the United States, we note United States Customs and Border Protection has banned the importation of polysilicon from the Xinjiang region of China under the Uyghur Forced Labor Prevention Act 2021. Our Americas team is trialling draft responsible sourcing specifications for solar panels and has been engaging with solar panel manufacturers and installers who are progressively changing their upstream sourcing to alternative regions.

recruitment fees in their originating country.

Americas: an increasing recognition by project teams and key suppliers of the benefits of including principles-based measures for social risks early in design briefs for development projects, influenced internally in part, through: Lendlease's participation in creating industry-level resources such as the [Grace Farms Design for Freedom Toolkit](#); the emergence of state-based wage theft laws, and the potential impact of the *Uyghur Forced Labour Prevention Act 2021*¹ on key suppliers' delivery timelines.

Australia: integrating templated project-level modern slavery risk mitigation plans annexed as a schedule to project delivery contracts, as an assistive measure for embedding modern slavery risk mitigation with major contractors during project delivery.

EU/UK: ongoing leveraging of long-standing industry pre-qualification labour practices audit regime to mainstream ethical labour sourcing practices.

We also considered the effectiveness of some specific modern slavery risk mitigation control initiatives, outlined in the three case studies on the following page.





1. The *Uyghur Forced Labour Prevention Act 2021* is a US federal customs law which imposes importation bans on goods produced in whole or part, using forced labour in China, especially in the Xinjiang Uyghur Autonomous Region, and requires importing suppliers to demonstrate a rebuttable presumption that goods were not made with forced labour.

Effectiveness Assessments

The Initiative	The Issue Reviewed	What we Found	The Outcome
Property Council of Australia's Supplier Platform ('informed365 Platform')	<p>In Australia, we identified improvements in how we deploy modern slavery risk due diligence questionnaires to</p> <ol style="list-style-type: none"> Reduce manual processes, which impact on the timeliness of supplier risk assessments Broaden capacity across our businesses to critically review, and Better leverage our supply chain risk screening systems. 	<p>We directed our Australian suppliers to using the informed365 Platform's modern slavery risk due diligence questionnaire through the Property Council of Australia.</p> <p>The informed365 Platform was designed to reduce the prequalification duplication burden for suppliers, many of whom are commonly engaged across the Australian property sector.</p> <p>The Platform enables customisation of questions and provides a ready compilation of response analytics that can be automated.</p> <p>To build capacity, training sessions were delivered by the informed365 team to help our Australian colleagues more routinely use the informed365 Platform. We supplemented this with an in-house 'FAQs' Guide.</p>	<p>We are also working to feed the informed365 Platform supplier response data into our supply chain risk screening system to streamline our process.</p> <p>We are equipping more employees to interpret supplier responses more quickly, guided by more accessible vetting criteria.</p> <p>Through participation in the Property Council of Australia's Modern Slavery Working Group, we continue to support industry standardisation of supplier modern slavery risk analytics and timely response completion rates.</p> <p>Across our other regions, Lendlease's bespoke modern slavery due diligence questionnaire continues to be used.</p>
UK Labour Practices and Ethical Employment Audit and Prequalification Program	<p>'Umbrella' labour agencies, have been a particular concern in our UK operations, with key risks including worker benefits and entitlements not correctly paid, or where deductions render worker pay below Living Wage rates.</p> <p>We supplemented our UK audit program with direct information from hundreds of operatives on our sites across many strategic and high-risk subcontractors and their sub-supply chain (to Tier 4 level) across four projects:</p> <ul style="list-style-type: none"> 8 Bishopsgate, London, (mixed use commercial) 2 Ruskin Square, London (mixed use commercial) Our Town Hall, Manchester (heritage restoration) Elephant Park, London (mixed use urban regeneration) <p>Whilst all four sites audited generally fared well, there were common weaknesses identified, such as lack of awareness of the concept of modern slavery risk, and prevalence of informal employment arrangements, mainly through lack of written contract terms.</p> <p>A very small number of specific non-compliance issues were identified and were quickly rectified by the supply chain team.</p>	<p>Our review revealed:</p> <ul style="list-style-type: none"> office-based audits with the one-day Building Confidence audits help corroborate labour practices, (eg recruitment and wage payment processes and employee contract documentation) as well as improvement around compliance management of direct and indirect employees. site interview audits with a directly employed subcontractor operative or an agency labour hire on our site for one day, or those engaged through a subcontractor's subcontractor have provided deeper insights from all levels of the sub-supply chain and across more trades than solely office-based audits. 'Worker voice', albeit subjective, provides crucial tactical flags into systemic strengths and weaknesses in our project supply chains. Partnering with external stakeholders including, the UK Supply Chain Sustainability School and the Gangmasters and Labour Abuse Authority has helped to support improvements in industry-level employment practice in the supply chain and reinforce training and awareness messaging. 	<p>Our UK supply chain audit strategy will now prioritise from FY24:</p> <ul style="list-style-type: none"> Third party General Contractors and how they manage risk, including modern slavery risk. Specialty Contractors with a high proportion of indirect workers and where pay/skill level requirement is low. Contractors with significant numbers of site-based operatives, especially those in traditionally lower paid trades. Small or Medium Enterprises (SME) or Social Enterprises, where we will support office-based audits to build their capacity to meet our expectations under the Supplier Code. Ongoing reinforcement of training and awareness raising to upskill site-based operatives. Incentivising those suppliers demonstrating low-risk performance. Developing supplier performance management analytics, placing modern slavery risk analysis on the same footing with Safety, Quality and Sustainability.
Modern Slavery Risk Site Posters	<p>In Australia, we piloted a review of our modern slavery posters to assess clarity of information, placement / visibility, amenability to raise concerns with Ethics Point. We conducted a short questionnaire survey across a sample of 20 retail asset sites across Australia.</p> <p>The posters provide awareness messaging about modern slavery, and information for raising concerns, in multiple languages. They have been positioned in prominent locations across our operations including site worker lunchrooms, high traffic corridors on construction sites, and communal back of house areas and security offices for retail assets.</p>	<p>The posters were prominently displayed with at least 3 in each retail site, at a range of locations including cleaning and security staff lunch areas, toilet and loading dock corridors, centre management and contractor sign-in stations.</p> <p>Whilst there was generally a neutral to positive response on message clarity and awareness raising intent, there were improvements suggested including:</p> <ul style="list-style-type: none"> caution around potential triggering effects of public and some workers viewing the posters as 'depressing' messaging reinforcing poster messages with ongoing training sessions for site-based contractors, and integrating poster messaging within the SINE visitor management app for site visitor / contractor sign-ins. 	<p>Integrating poster messaging within the SINE app for site visitor / contractor sign-ins has been adopted as standard practice across all our Australian retail sites.</p>

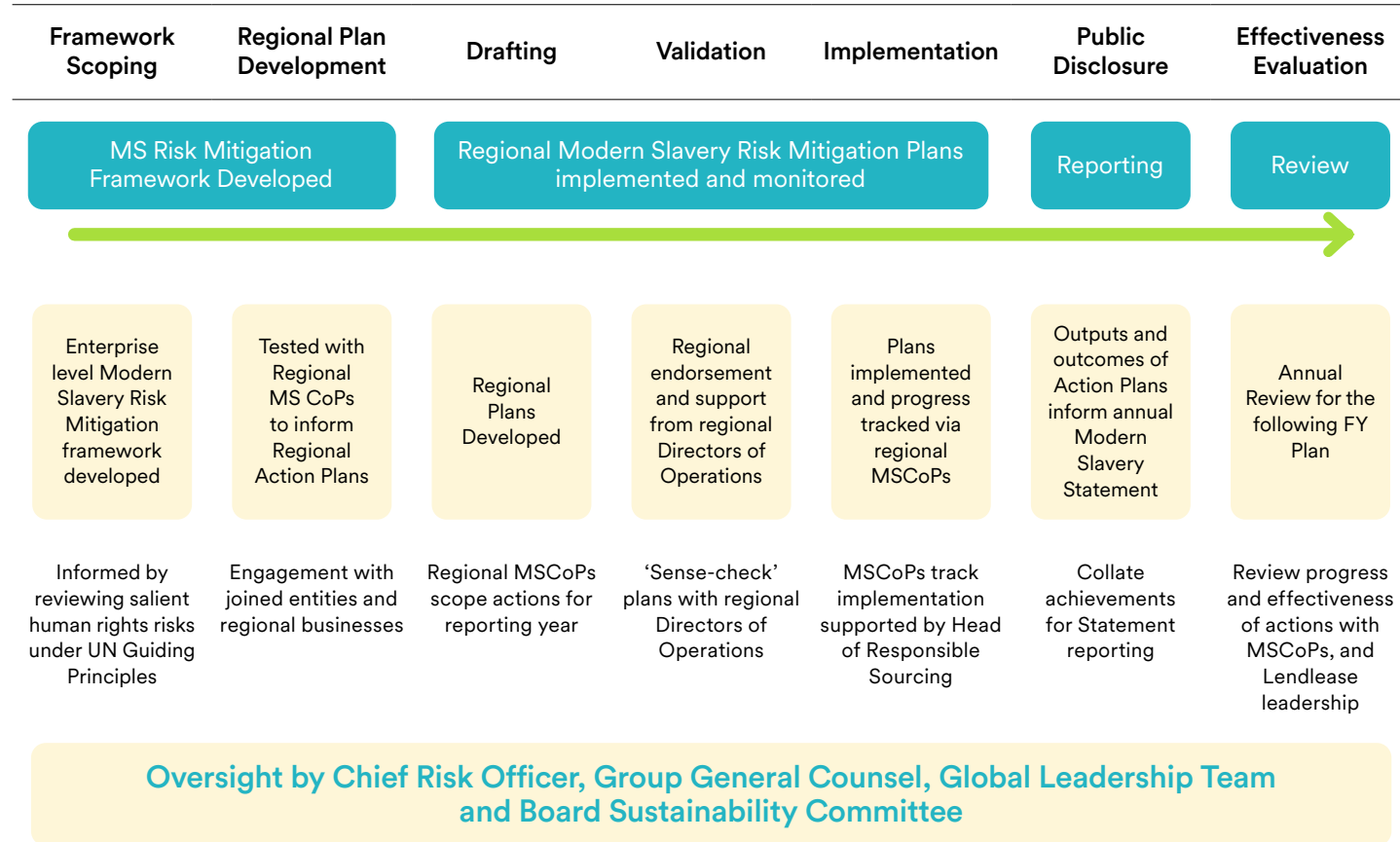
Measuring our Effectiveness: Progress Scorecard

The performance scorecard summarises progress against our modern slavery risk mitigation efforts during FY23.

Focus Area	Objectives	Actions Taken	Metrics	Outcomes
 Embed policies, standards and risk governance	Continue to embed supply chain risk governance measures and progress awareness training across our operating regions	Modern Slavery Risk Mitigation Action Plans – Re-framed with Lendlease top 5 Salient Human Rights Risks	Complete	Closer alignment with UN Guiding Principles approach to Human Rights Due Diligence
		Supply Chain Management Policy and Standard – in multiple languages	Complete	Translations enable improved accessibility of policy and Standard
 Responsible sourcing due diligence	Progressively implement a global framework for Responsible Sourcing Due Diligence, targeting 'high priority' trade categories	Responsible Sourcing Due Diligence Framework Pilot (Façade Supplier)	Complete	Insights from pilot to apply in rollout program for 'High Priority' Trade Categories for FY24
		Natural Stone Due Diligence Initiative	In progress: review with Malaysia stone supplier, and participated in Melbourne University research study (Australia)	Increased supply chain transparency
		Supplier Portal Registration and Screening	1,168 suppliers risk screened and registered for FY23	Increased early-visibility of potential modern slavery risk
 Monitor, measure and manage	Continue to monitor and measure effectiveness of supply chain risk controls and progress supply chain risk mapping	FY23 Supply Chain Audit Program (see Table on page 28)	Complete	Process improvements and operational consistency across our regions
		Progressing implementation and adoption of Supply Chain Information Portal (SCIP)	EU: Complete Asia: Complete AU: Complete US: Under review	
		Supplier Performance reviews	Under review	
		Property Council of Australia – informed365 Modern Slavery Risk Due Diligence	965 suppliers commenced Survey – Australia	
 'Good practice' collaboration	Engage key suppliers and stakeholders to advance 'good practice' industry norms tackling macro-level modern slavery risks	Lendlease Modern Slavery e-Learning Training Module, with targeted completion required for roles with greater exposure to modern slavery risk	99% 'completion' and 1% 'completion in progress' as at 30 June 2023 for mandated roles in all regions	Improved awareness of modern slavery risks for targeted employee cohorts
		Industry Engagement: <ul style="list-style-type: none"> Property Council of Australia Supplier Platform Modern Slavery Working Group (Australia) Sustainability Supply Chain School (Australia, UK) Cleaning Accountability Framework (Australia) UN Global Compact Network Australia Social Responsibility Alliance (international) Design for Freedom (US) 	Ongoing	Collective action enables robust influence and leverage to tackle modern slavery risk in the property and construction sector and promotes systemic change for better supply chain transparency

Consultation Processes

Consultation: Modern Slavery Risk Mitigation Action Planning Cycle



Following from our Modern Slavery Risk Governance on page 8, the above diagram shows how the organisation and joined entities, consider modern slavery risk issues and track mitigation progress.

Group Supply Chain sets the enterprise level Modern Slavery Risk Mitigation Framework, which Lendlease business units are then responsible for implementing through their respective Modern Slavery Risk Mitigation Plans.

Consultation in the development and approval of this Statement is driven globally by the Head of Responsible Sourcing in the Supply Chain function, engaging with representatives of the joined entities across the Lendlease Group, through regional Modern Slavery Communities of Practice (MSCoPs) meetings, held each quarter as a minimum.

The Board Sustainability Committee also deliberates on the issues relating to human rights and modern slavery risk, including providing insights and feedback during the drafting of the Statement.

There is also engagement with representatives from Managed Entities, such as Trustees from wholesale funds (cited in Appendix 1) and the UK's Supply Chain, Compliance and Social Impact teams regarding the requirements under the UK modern slavery legislation.

Underpinning this engagement are the regional Modern Slavery Risk Mitigation Action Plans, which inform the content of the Statement each year, as shown in the above process graphic.

Development and support for Plan adoption and implementation is driven by the Head of Responsible Sourcing with oversight by the Group Head of Supply Chain, Group Chief Risk Officer and Group General Counsel.

The Head of Responsible Sourcing also supports the development of Modern Slavery Statements by the Managed Entities identified in Appendix 1c). This process includes engagement with the respective leadership teams in their consideration and approval of their respective Modern Slavery statements.

Lendlease has also participated in external engagement for continuous improvement, taking on board feedback from a range of academic and industry stakeholders on disclosure quality.

Other Relevant Information

COVID-19

In the wake of the pandemic, our supply chains continued to remain resilient.

Lendlease continues to prioritise the health, safety and wellbeing of our employees and all who interact with us. We expect subcontractors, consultants and suppliers to comply with government public health advice and guidance. We still encourage

subcontractors to develop risk management plans that address any potential residual impacts of COVID-19 on their workforces, workplaces and supply chains.

We also continue to work closely with our clients on the best ways to support the health and wellbeing of our employees, subcontractors, and suppliers.

Looking Ahead

During FY24, Lendlease will continue its progress in the following focus areas:

Focus areas



Embed

Continue to progress embedment of supply chain risk policies, controls and governance into business systems and processes across our operations



Modern Slavery Risk Due Diligence

Progress rollout of Responsible Sourcing Due Diligence framework and progress embedment of human rights due diligence



Monitor, Measure + Seek Transparency

Continue to track effectiveness of supply chain risk controls and work with key suppliers to increase transparency



Collaborate + Leverage

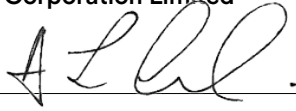
Contribute to the establishment and adoption of new industry norms and practices tackling modern slavery risks

This Statement for financial year 2023 is made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) and section 54 of the Modern Slavery Act 2015 (UK) and constitutes Lendlease Group's Modern Slavery Statement.

The Statement has been approved by the Board of Directors of Lendlease Corporation Limited, on behalf of the joined reporting entities, including Lendlease Europe Holdings Limited, who will review and update it as necessary, annually.

Lendlease Corporation Limited

Signed: _____



Director name: Tony Lombardo

Date of approval: 21st December 2023



Appendix 1

a) Reporting Scope

This Statement covers the reporting entities within the Lendlease Group as identified on page 6 of this Statement and each of their subsidiaries and controlled entities for the purposes of the *Modern Slavery Act 2018* (Cth).

The information provided in this Statement applies to:

- (a) all of the reporting entities;
- (b) all their subsidiaries; and
- (c) all other entities owned or controlled by those entities.

All entities within the Lendlease Group are subject to the same group policies and procedures, unless otherwise stated. Managed Entities also have access to and utilise Lendlease Group’s systems, processes, policies and resources (see sub-sections d) and f) over page).

For further details, refer to the Lendlease Group Annual Report 2023.

b) Concurrent Reporting UK

This Joint Statement is intended to satisfy the requirements of both the UK and Australian modern slavery regulatory disclosure regimes.

Lendlease Europe Holdings Limited is a wholly owned subsidiary of the Lendlease Group. Diagram 1 sets out a structure chart and lists the subsidiaries of Lendlease Europe Holdings Limited for the purposes of section 54 of the *Modern Slavery Act 2015* (UK) as at 30 June 2023.

c) Managed Entities

The Managed Entities listed in Table 1 below are reporting entities for the purposes of the *Modern Slavery Act 2018* (Cth). These entities are not controlled by the Lendlease Group and each will be preparing and submitting their own Modern Slavery Statement.

Managed Entities do have access to and utilise Lendlease’s systems, processes, policies and other resources through, among other things, management agreements with subsidiaries of the Lendlease Group.

Keyton Retirement Living (formerly Lendlease Retirement Living Trust)

Keyton develops, owns and operates a portfolio of 75 retirement villages across Australia. As at 31 March 2022 Lendlease sold down its interest from 50% to 25.1%, with Dutch pension asset manager APG Asset Management holding a 25% interest and Aware Super holding a 49.9% interest.

During FY23, the Trust progressively transitioned its operating model out of the Lendlease operating framework and has renamed the business as Keyton Retirement Living.

This Statement is not being made on behalf of Lendlease Retirement Living Trust.

Diagram 1:
Wholly-owned European subsidiaries joined in the Lendlease Group Modern Slavery Statement FY23

The following identifies Lendlease entities operating in the UK which exceed the annual turnover threshold under the *Modern Slavery Act 2015* (UK).

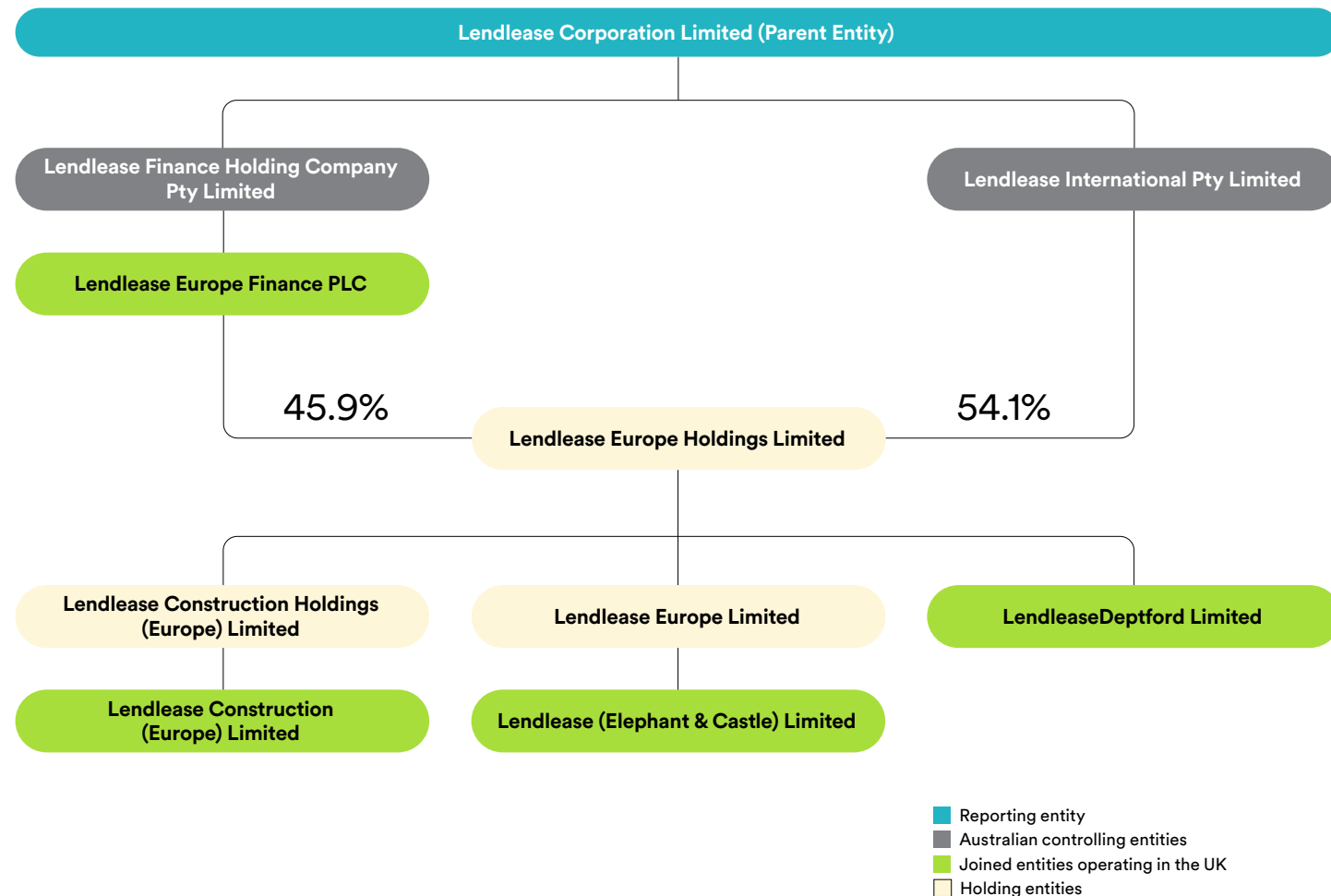


Table 1: Lendlease Group Engagement with Managed Entities

Managed Entity	Relationship in Lendlease Group Value Chain
APPFC	Wholesale commercial property trust, and part of the Funds Management Platform of the Lendlease Group.
APPF Retail	Wholesale retail property trust, and part of the Funds Management Platform of the Lendlease Group.
Lendlease One International Towers Sydney Trust (LLOIT ST) Lendlease One International Towers Sydney Trust Sub Trust (LLOITST Sub Trust)	These entities hold a 100% interest in International Towers Sydney – Tower One and are part of Lendlease’s Funds Management Platform.
Lendlease International Towers Sydney Trust (LLITST) LLITST Stage 1 Sub-Trust (LLITST Sub-Trust 1) LLITST Stage 2 Sub-Trust (LLITST Sub-Trust 2)	LLITST Sub-Trust 1 holds a 100% interest in both International Towers Sydney – Tower Two and International House, whilst LLITST Sub-Trust 2 holds a 100% interest in International Towers Sydney – Tower Three. All entities are part of Lendlease’s Funds Management Platform.
Cross Yarra Partnership (CYP)	CYP is a partnership with the following interests: <ul style="list-style-type: none"> • 30% Lendlease • 10% Bouygues • 30% John Laing • 30% John Holland CYP does not own or control any other entities and does not have any employees. CYP has engaged a Lendlease entity, Capella Management Services Pty Limited (ACN 127 727 842) to provide various services to CYP including contract administration services and staff.

d) Lendlease Policies

Lendlease also has several policies, which are on the Governance pages of the Lendlease [global](#) and [UK](#) websites, which respond to modern slavery risks across its direct operations through the following:

Key Lendlease Policies	Effective Date	Description	Span of operation	Application to Modern Slavery Risk Mitigation
Group Policy on Environment Health and Safety	September 2022	Sets up oversight and management of Environment Health and Safety and embedment of Global Minimum Requirements	Global	Encourages our supply chain workforce to support the policy's objectives, and take a risk-based approach to preventing harm with a focus on continuous improvement.
Lendlease Global Minimum Requirements (GMRs)	2021	The GMRs are our minimum Environment Health and Safety standards for how we operate anywhere in the world. All suppliers and their supply chains are required to observe these policies when working on our projects.	Global	<ul style="list-style-type: none"> • Requires contractors and service providers to acknowledge the Lendlease Supplier Code • Supplier performance standards regarding written approvals requirements for subcontracting and assessment of capacity of subcontractor to meet the GMRs, insurance and EHS requirements • Performance standards for worker welfare facilities, where Lendlease is responsible for providing off-site living accommodation for site workers • Mental health support to include modern slavery awareness education and information to access Ethics Point for raising concerns, where the risk exists • Cites forced labour due to coercive work practices as an example of worker fatigue.
Supplier Code of Conduct	February 2020	Sets out our expectations of our third-party suppliers, consultants and contractors. Suppliers are to acknowledge they have read and understood the Code when working with us.	Global	<p>Makes specific reference to respecting Human Rights and speaks to our top 5 salient human rights risks:</p> <ul style="list-style-type: none"> • advance an inclusive workplace free of discrimination, harassment, bullying and other unlawful behaviour; • not use any form of child, forced or involuntary labour, nor use physical punishment to discipline employees; • require all persons engaged to work (either directly, or through recruitment agencies), hold all legal work permits and visas; • respect the rights of workers to choose freely to associate with one another and to communicate openly with management regarding working conditions without threat of reprisal, intimidation, or harassment. <p>Includes specific requirements for suppliers to take steps to source products / services free from modern slavery, collaborate with Lendlease and promote training and awareness on mitigating modern slavery risks and provide greater transparency on sourcing.</p>
Group Conduct Breach Reporting Policy	December 2019	Enables employees (their families), contractors, suppliers and agents to speak up and report illegal or improper conduct occurring in the Lendlease business, including behaviour that does not accord with our Core Values, Employee Code of Conduct or Supplier Code of Conduct.	Global	<p>Outlines the pathways through which a grievance may be anonymously raised, either directly through the Business Conduct Officer or other Senior Manager of Lendlease or independently, through Ethics Point.</p> <p>Investigations of grievances are made on a case-by-case basis after examining the facts.</p> <p>The policy includes a non-retaliation and procedural fairness obligations.</p>
Group Customer Complaints and Feedback Policy	December 2020	Applies to all external complaints and feedback (both positive and negative) about Lendlease and the services we provide.	Global	Provides an additional avenue to raise a concern. Each operating region has localised procedures for managing complaints and feedback.
Diversity and Inclusion Policy	February 2019	Sets out Lendlease's commitment to workplace and Board diversity and inclusion and conveys goals, measures and management approach.	Global	Policy conveys a commitment to respect diversity and inclusion in the organisational culture.
Employee Code of Conduct	August 2016	Sets out the standards of conduct expected of our businesses and people, wherever Lendlease operates. The Code includes specific integrity obligations.	Global	Connected to this policy is our internal Anti-Bribery Anti-Corruption Policy for our UK and Italy operations. All Lendlease directors, employees and third parties are to observe the UK Bribery Act 2010 which requires third parties, including suppliers, to have undergone compliance processes for integrity screening and due diligence checks.
Living Wage Policy	February 2022	Sets the payment of a Living Wage Rate for our operations, as part of Lendlease Europe's accreditation with the Living Wage Foundation.	UK Operations	Applies to all direct employees over the age of 18, including apprentices as well as employees in Lendlease's supply chain deployed on Lendlease UK-based projects.
Labour Practice Guidance	February 2022	Companions the Living Wage Policy. Sets out requirements for fair and ethical recruitment labour practices.	UK Operations	Applies to workers engaged by subcontractors on Lendlease projects. Includes explicit requirement that suppliers must not charge (directly or indirectly) or make a commission on workers when they take up employment with them and a process for modern slavery risk due diligence.

Appendix 1 continued

e) Joint Ventures

Lendlease is party to unincorporated joint ventures for construction and infrastructure projects.

Lendlease will strive to implement its modern slavery risk mitigation measures, as set out in this Modern Slavery Statement, for joint ventures where Lendlease has operational control for the delivery of the joint venture project.

f) Modern Slavery Risk Information Sources

Our modern slavery risk assessment has been informed by a range of sources including (though not not limited to):

- [Global Slavery Index 2023](#)
- [Human Rights Watch](#)
- [International Labour Organisation](#)
- [International Organisation for Migration](#)
- [ITUC Global Rights Index 2023](#)
- [OECD Guidelines for Responsible Business Conduct](#)
- [UN Global Compact resources, training and publications, including the Business and Human Rights Accelerator Training Course Jan – Jun 2023](#)
- [UN Guiding Principles on Business and Human Rights](#)
- [US Customs and Border Protection \(Uyghur Forced Labor Prevention Act\) - Statistics + Withhold Release Orders and Findings Lists](#)
- [US Department of Labor - 2020 List of Goods Produced by Child Labour and Forced Labour](#)
- [US Department of State - 2022 Country Reports of Human Rights Practices](#)
- [US Department of State - Trafficking in Persons Report 2023](#)

g) Important Notice

This document (including the Appendix), has been prepared and is issued by Lendlease Corporation Limited (ACN 97 000 226 228) in good faith, based on the information available to it at the time of preparation.

To the maximum extent permitted by law, Lendlease Corporation Limited (including all its controlled entities), and Lendlease Trust, (together referred to as “the Lendlease Group”) and their respective directors, officers, employees and agents, disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may be suffered, howsoever arising, through use or reliance on anything contained in, or omitted from, this document.

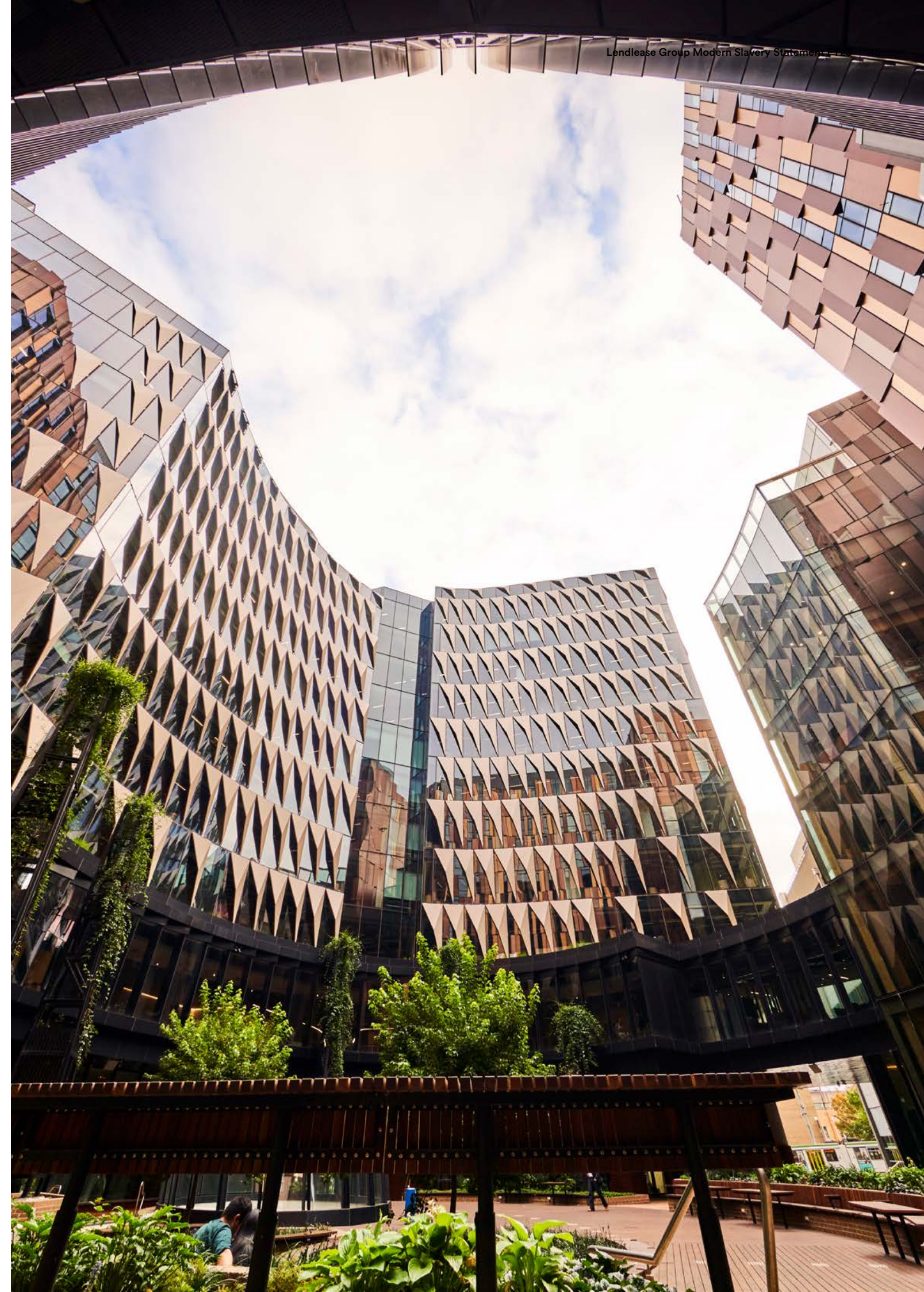
Although:

- (a) each of the reporting entities (and their respective owned and controlled entities) covered by this Statement have access to and utilise the Lendlease Group’s systems, processes, policies and other resources; and
- (b) the general statements made by Lendlease Corporation Limited in this Statement apply to each reporting entity;

no statement made by or on behalf of one reporting entity should be taken as a statement by another reporting entity and no one reporting entity is responsible for any statement made by or on behalf of any other reporting entity.

This document contains forward looking statements, including statements of current intention and expectation, and statements of belief and opinion. These statements have been based on current knowledge and assumptions about future events. They are, by their nature, subject to known and unknown risks and uncertainties that could cause actual results to differ materially from the expectations expressed in, or implied from, such information or statements.

You should not place undue reliance on these statements, except as required by law or regulation. Lendlease Corporation Limited does not undertake to update, review, or revise these statements.



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