

# Progressing Transparency

Modern Slavery  
Statement

**Financial Year  
2022**





# Contents

Introduction	4
UK and Australia reporting criteria – cross reference table	5
Impact of COVID-19	6
Identifying the reporting entities	7
Structure and governance	8
Our operations	9
Our supply chains	12
FY22 modern slavery risks in our operations supply chains and controlled subsidiaries	14
Actions taken	22
Remediation	30
Effectiveness of actions	31
Consultation processes	34
Other relevant information	36
Appendix 1	39



## Acknowledgement of Country

As an owner, manager, and developer of assets on land across Australia, we pay our respects to the traditional owners, especially their elders past and present, and value their custodianship of these lands.



## A message from our CEO

FY22 has been a period of organisational change for Lendlease, focusing on our core strengths.

Our commitment to mitigating modern slavery risk in our operations and supply chains, remains resolute.

In an operating environment of global uncertainty, our progress continues towards operational consistency, increased due diligence and traceability of our suppliers and 'high priority' trade categories.

**Tony Lombardo,**  
Global Chief Executive Officer  
Lendlease Group

## About this statement

Lendlease Corporation Limited submits this Statement as a Joint Statement pursuant to section 14 of the *Australian 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 also submits this Joint Statement on behalf of Lendlease Europe Holdings Limited pursuant to section 54 of the *Modern Slavery Act 2015 (UK)*.

This Statement is for the financial year ending 30 June 2022 and as at 30 June 2022. All financial numbers are cited in Australian dollars.

## Key highlights



Enhancements to our Modern Slavery Risk Governance



Launch of Global Supply Chain Management Policy and Standard



Progressing Supply Chain Audit Program with strategic suppliers



Rollout of Modern Slavery Awareness Training



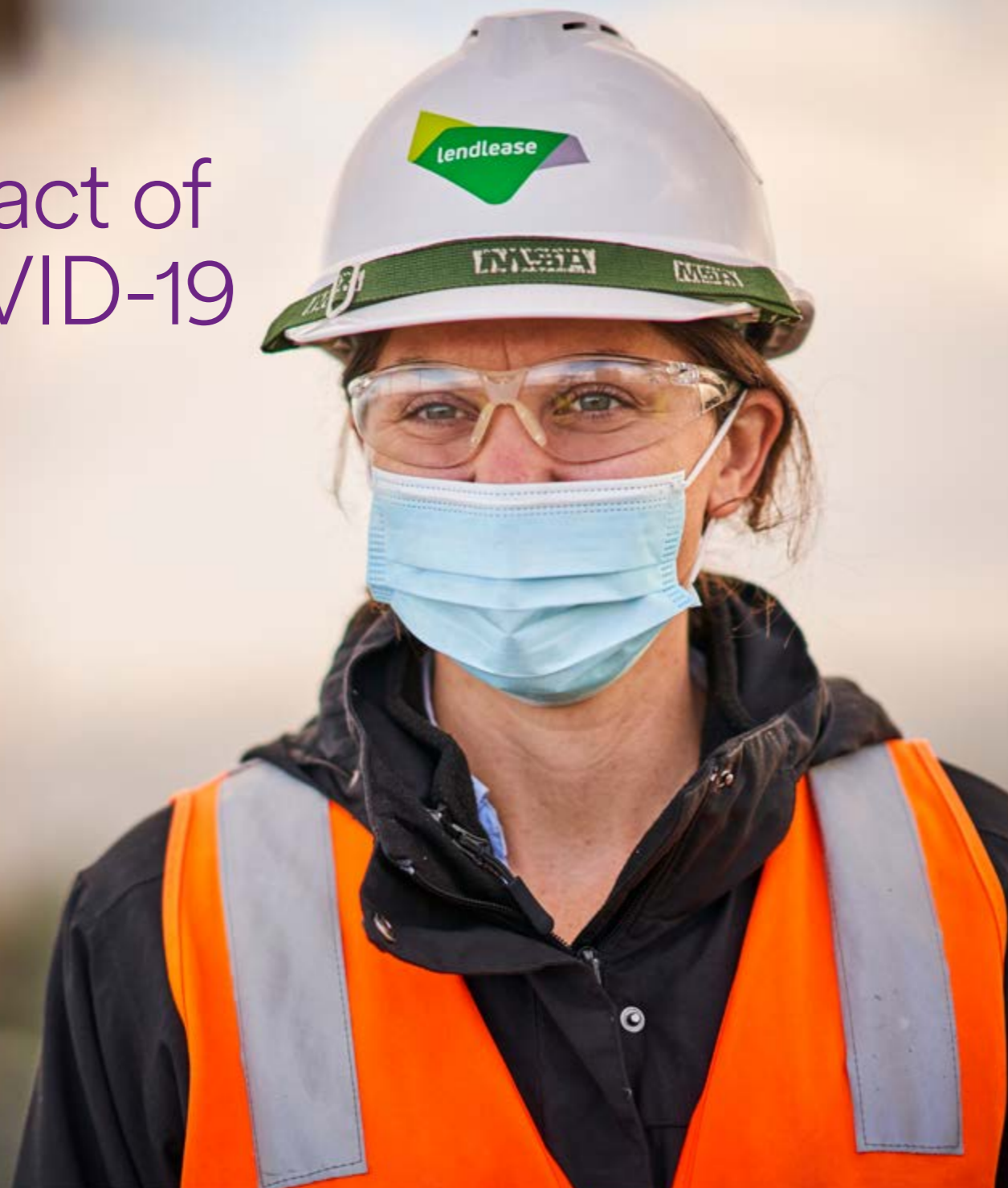
Engaging in and promoting industry advocacy initiatives

## UK and Australia reporting criteria – cross reference table

For guidance, the following table cross-references sections of this Statement with recommended reporting criteria set out in section 54(5) of the *UK Modern Slavery Act 2015*, 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
<ul style="list-style-type: none"> <li>Organisation's structure, its business and its supply chains</li> </ul>	a. Identify the reporting entity b. Describe the structure, operations and supply chains of the reporting entity	7 8-13
<ul style="list-style-type: none"> <li>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</li> </ul>	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	14-21
<ul style="list-style-type: none"> <li>Organisation's policies in relation to slavery and human trafficking</li> <li>Its due diligence processes in relation to slavery and human trafficking in its business and supply chains</li> <li>The training about slavery and human trafficking available to its staff</li> </ul>	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	22-29
<ul style="list-style-type: none"> <li>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</li> </ul>	e. Describe how the reporting entity assesses the effectiveness of such actions	30-33
	f. Describe the process of consultation with <ul style="list-style-type: none"> <li>i) Any entities that the reporting entity owns or controls</li> <li>ii) In the case of a reporting entity covered by a statement under section 14 – the entity giving the statement</li> </ul>	34-35
	g. Include any other information that the reporting entity, or the entity giving the statement, considers relevant	36
	Impact of COVID-19	6
	Looking ahead	37
	Appendix 1	39-40

# Impact of COVID-19



Lendlease continues to prioritise the health, safety and wellbeing of all who interact with us.

During FY22, each of the cities in which we operate has been in a different phase of the COVID-19 pandemic. Our overall progress in implementing our enterprise supply chain risk initiatives (which include modern slavery risk mitigation) continued to be impacted in early FY22, with public health orders in place in some regions.

## Operations

The [Lendlease Annual Report 2022](#) sets out the impacts of COVID-19 on our operations. Lendlease expects subcontractors, consultants and suppliers to comply with government public health advice and guidance.

We encourage subcontractors to develop a risk management plan that addresses any potential ongoing impacts of COVID-19 on their workforce, workplace and supply chain. We also continue to work closely with our clients on the best ways to support our employees, subcontractors, and suppliers.

Despite challenges due to the pandemic, our supply chains remained resilient. Further details are provided in the 'Actions Taken' section on page 22 of this Statement.

# Identifying the reporting entities

Lendlease is a globally integrated real estate group, with core expertise in shaping cities and creating strong, connected communities across Australia, Asia, Europe and the Americas.

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 New South Wales 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 following wholly owned or controlled entities as at 30 June 2022, are identified as reporting entities for the purposes of the *Modern Slavery Act 2018 (Cth)*. This updated list of entities follows changes to simplify our operating structure during the reporting period, and a review of their annual revenue threshold.

## Australia

- Lendlease Building Pty Limited
- Lendlease Building Contractors Pty Limited
- Lendlease Development Pty Limited
- Lendlease (Batman's Hill) Pty Limited
- Lendlease Group Services Pty Limited

## 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, operating within the UK, each with a total annual turnover greater than £36m are:

- Lendlease Europe Finance PLC
- Lendlease Construction (Europe) Limited
- Lendlease (Elephant & Castle) Limited

## Statement boundary and verification

For 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 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 approval of this Modern Slavery Statement.

In addition, external legal review of the Statement is also conducted, as part of the verification process.

# Structure and governance

## Structure

We deliver urban and lifestyle precincts, living options for different life stages, social infrastructure, and some of the world's most sustainable real estate.

Our integrated business model comprises end to end capability across all aspects of real estate – from concept and planning, design and construction delivery, through to funds and asset management.

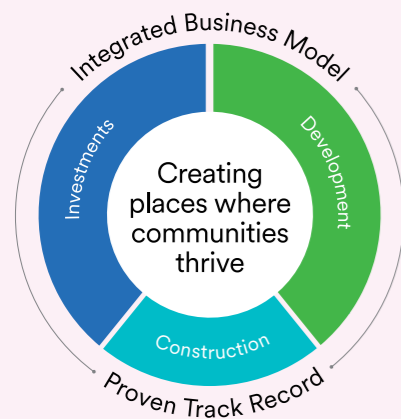
## Modern slavery risk governance

Lendlease's response to modern slavery risk mitigation is led globally through our Group Supply Chain, with regional implementation team led by our Regional Heads of Supply Chain.

Progress against our modern slavery risk mitigation strategy is overseen by the Group Chief Risk Officer and Group

General Counsel and with support from the regional Directors of Operations. Refer to 'Consultation Processes' section on page 34.

Lendlease is committed to robust corporate governance policies and practices. Refer to the [Lendlease Group Corporate Governance Statement 2022](#) for further details.



Our combined capability in development management, asset management, research, capital transactions, project management and construction skills enables us to create a range of global real estate products and solutions that generate value for customers, communities and investors.

## End to end capability

### Investments

- Access to institutional grade investment pipeline
- Global scale investment management
- Wholesale funds management

### Development

- Placemaking in urban environments
- New residential communities
- Mixed-use precincts
- Commercial workplaces
- Long term investment partnerships

### Construction

- Deliver essential civic and social infrastructure
- Specialist expertise in multiple sectors
- Deep project management skills and experience

### Commitment to highest sustainability standards

Focus on large scale mixed use urbanisation projects

Strong relationships with institutional capital partners

### Commitment to robust fiduciary and governance structures

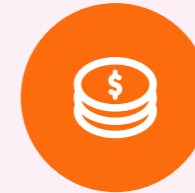
# Our operations

We measure our success by the value we create in these five focus areas



## Health and Safety

Health and Safety is our number one priority. We remain committed to the health and safety of our people, our partners, and all of those who interact with a Lendlease place.



## Financial

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



## Our Customers

Designing and delivering innovative, customer driven solutions allows us to win the projects we want to win and ultimately deliver the best places.



## Sustainability

Sustainability is core to our planning and clear in our outcomes. We have a long history of embedding environmental, social and governance considerations.



## Our People

Our people are the greatest contributors to our success and enable us to fulfil our purpose of creating places where communities thrive.



## Our workforce

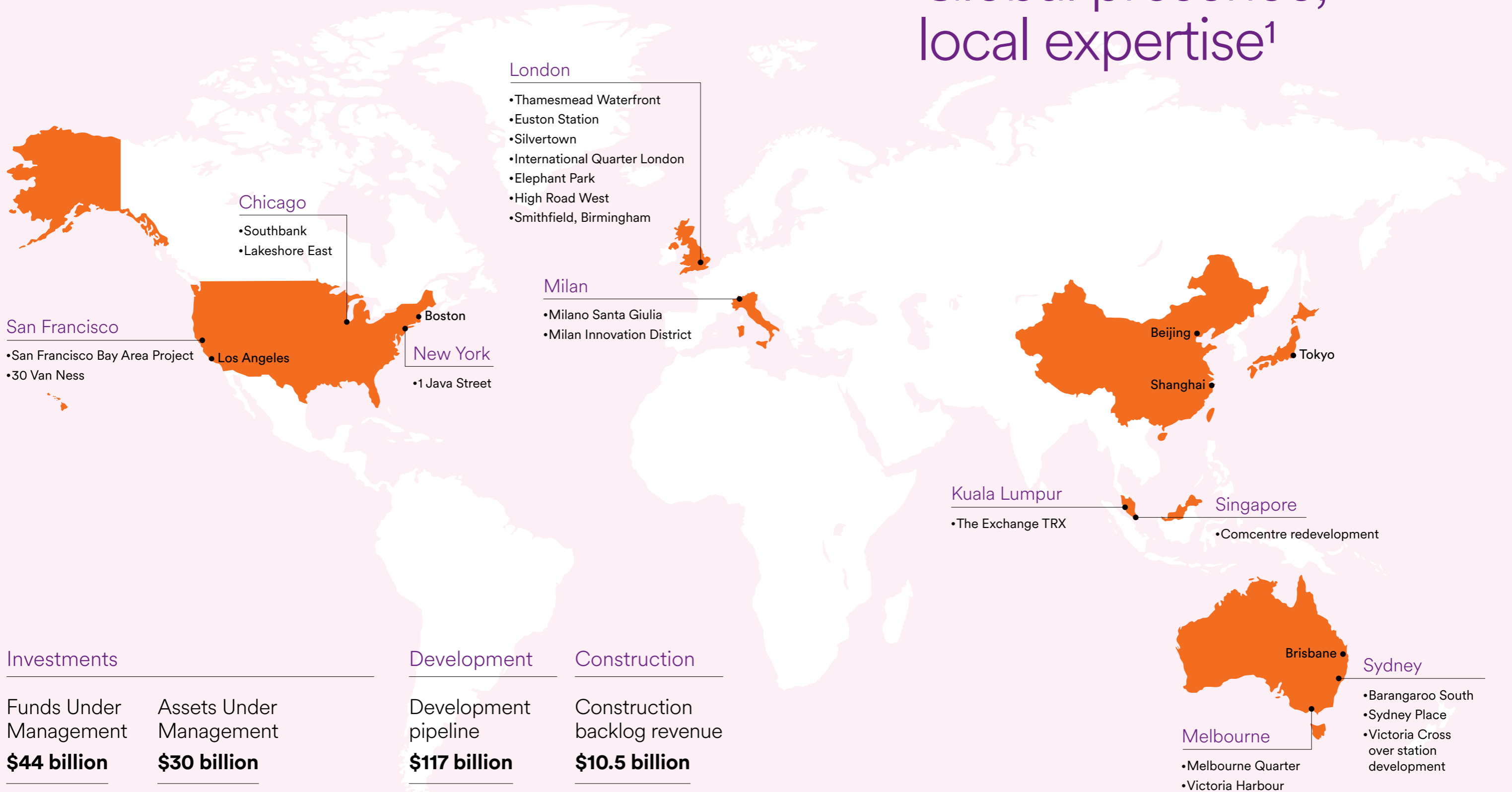
As a project-based business, our global workforce comprises the following breakdown:

Employee type <sup>1</sup>	Number (FTE)	% of total workforce
Casual	143	2%
Fixed term	322	4%
Permanent	7,405	94%
<b>Total</b>	<b>7,870</b>	

Around 5% of total global employee base comprises of migrant workers on visas<sup>2</sup>.

1. Employment Type: 'Casual' are non-permanent workers engaged under an enterprise award. Fixed Term employees are engaged for a defined term with a specified end date.  
2. Migrant workers are direct employees of Lendlease, engaged on a permanent basis with a visa attached to their employment and have been recruited for specific professional expertise.

# Global presence, local expertise<sup>1</sup>



## Investments

Funds Under Management  
**\$44 billion**

38 funds and mandates

Assets Under Management  
**\$30 billion**

26 commercial buildings  
>50,000 residential units

## Development

Development pipeline  
**\$117 billion**

47<sup>2</sup> projects

## Construction

Construction backlog revenue  
**\$10.5 billion**

100<sup>3</sup> projects

1. Map illustrates 15 targeted gateway cities and highlights major urban projects with an estimated development end value greater than \$1 billion.  
2. Total of 47 development projects, comprising a total of 31 urban projects and 16 Australia Communities projects. 3. Represents projects in delivery >\$10 million.

# Our supply chains

During the reporting period, Lendlease paid around 270,000 invoices to some 12,200 active suppliers.

### Global Supply Chain Spend

The following graph shows global annual direct spend breakdown for FY22 by top 5 spend categories.

Strategic supply partners, some being original equipment manufacturers continued to be engaged on multiple projects across the globe. These partners supply key commodities including mechanical and electrical equipment, steel, facades, vertical transportation and cement.

Overall, specially engineered manufactured products continued

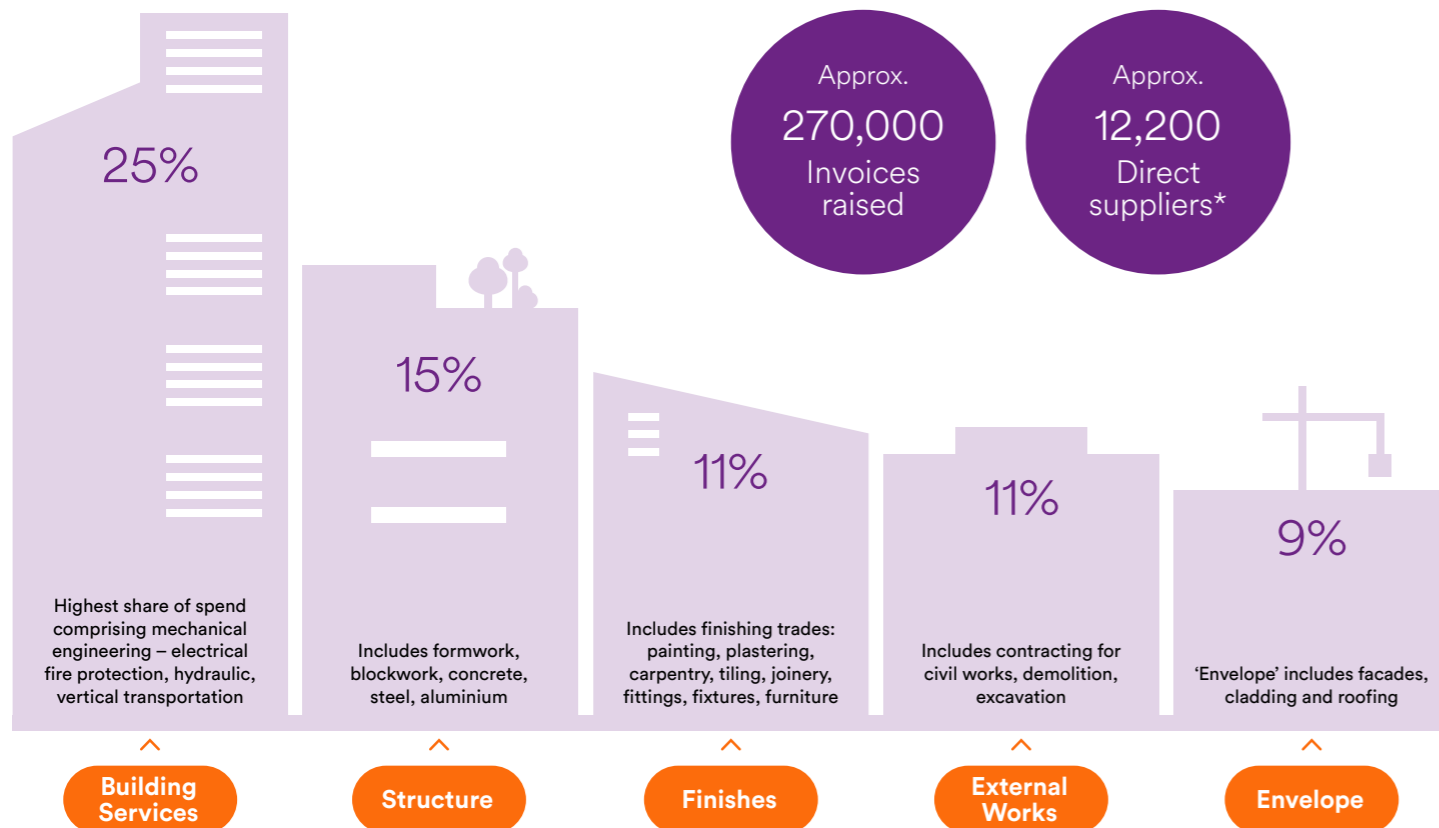
to comprise our largest proportions of total category spend and include curtain wall façade, concrete, as well as mechanical and electrical building services equipment.

Our spend profile reflects our project pipeline comprising a combination of advanced delivery, with the prominence of 'Building Services' and 'Finishes' and project establishment, with the prominence of 'External Works', 'Structure' and 'Envelope' spend.

Understanding the delivery stage of our pipeline informs a more targeted approach to progressively integrating modern slavery risk controls – for example, through:

- Specifying requirements early in our design/product specifications for the project's procurement strategy
- Modern slavery risk due diligence screening in the lead up to project commissioning
- Focusing on our 'top 10' high priority trade materials featured in our 'Finishes', 'Envelope', 'Structure' spends
- Scheduling awareness raising activities during construction delivery – for 'External Works', 'Envelope' and 'Structure' spends which may have an elevated exposure to forced labour risks

## Top five global spend categories FY22

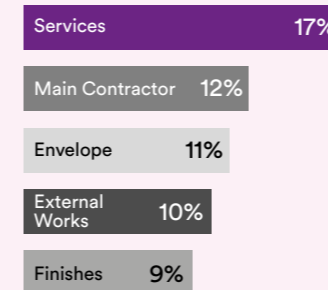


\* Spend Data Exclusions: employee expenses and operational running costs.

The following diagram shows Lendlease's total annual supply chain spend in FY22 by region and a regional breakdown of the top five spend by category.

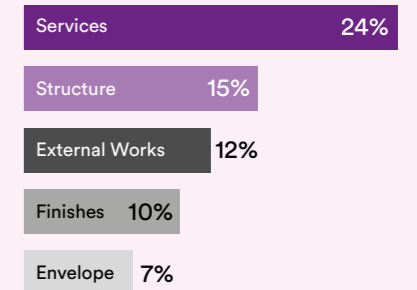
## FY22 supply chain spend breakdown by region

### Europe 13%



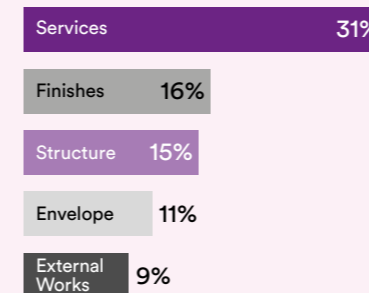
Four of the nine large-scale urban regeneration projects are in production, reflecting the prominence of 'Main Contractor' spend and a relatively even share of spend on 'External Works' and building 'Envelope'.

### Australia 50%



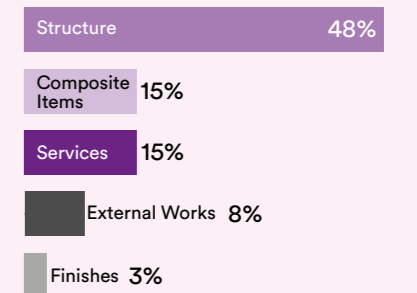
The prominence of 'Building Services' and 'Finishes' and 'External Works' and 'Structure' reflects a dual combination of advanced stages of construction delivery, as well as early stages of breaking ground on newly commissioned projects.

### Americas 32%

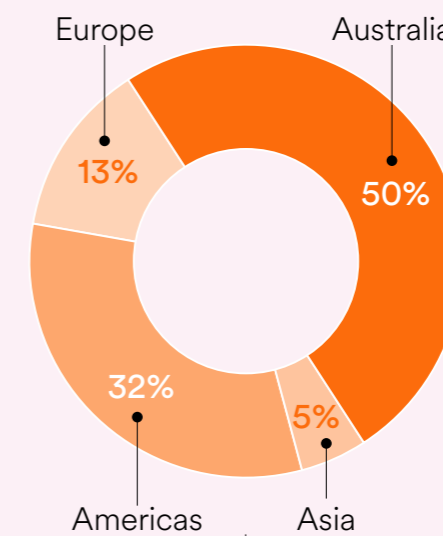


Key spend has been in 'Building Services' and 'Finishes' reflecting an advanced stage in delivery of construction projects.

### Asia 5%



FY22 annual supply chain spend continued to be the smallest of all regions at 5% of total global spend. The predominance of spend has been on 'Structure', reflecting mid-delivery of 'The Exchange TRX'. The prominence of spend on 'Design and Consultants' reflects new projects in design and preparation for construction delivery and fit out works.



# FY22 modern slavery risks in our operations supply chains and controlled subsidiaries

The following table maps the intersections between our modern slavery risks and our key supply chain risks. It is informed by operational insights from our businesses and in-house desktop analysis drawn from a range of third-party sources including: industry sector/category benchmarking, external risk bureaus intelligence, media reports, government insights e.g. US Department of State 'Trafficking in Persons' Country Reports, US Customs and Border Protection 'Forced Labour Reports', 'Withhold Release Orders and Findings List', as well as International Labour Organisation data (forced labour), academic, ESG and human rights NGO research.

Project delivery programs have been disrupted due to COVID-19 infections and consequent lockdown and isolation requirements. Indirect labour in our supply chains has additionally been impacted by latent and consequential factors ranging from extreme weather events to geo-political disruptions. For our UK operations, this, in combination with BREXIT and Ukraine conflict, has impacted labour availability. Globally, transport and logistics delays, has had a secondary impact in the flow of materials sourcing.

Risk dimension	Modern slavery risk concern	Our operations	Supply chain risk
 Geopolitical	<ul style="list-style-type: none"> <li>Ranging from unpredictable conflict situations to trending market shifts, impacting tariff structures, supply surety and commodity price volatility</li> <li>Ukraine conflict and knock-on effects of sanctions</li> <li>Knock-on effect on interruptions to secure labour supply, suspensions of supplier operations</li> <li>Reduced visibility on labour practices</li> <li>Undocumented vulnerable workers escaping conflict</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> </ul>	Overseas sourcing of construction structural materials, steel, concrete, glazing/façade, mechanical plant from geographies with elevated human rights risks.
 Indirect labour – supply chain	<ul style="list-style-type: none"> <li>Labour engaged in making materials and products</li> <li>Sourcing materials from 'high risk' geographies, with the potential for forced labour, child labour, debt bondage practices, conflict minerals</li> <li>Lack of operational control in multi-tiered manufacturing sub-supply chains for pre-assembly components</li> <li>Contracted production facilities in high-risk geographies using contracted labour which may not meet required labour standards or social protections</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> <li>Corporate Operations</li> </ul>	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, sourced from geographies with elevated human rights risks and/or unscreened suppliers.
 Direct labour – contracted	<ul style="list-style-type: none"> <li>Contractors and trades/sub-contractors engaging labour recruited through labour hire providers</li> <li>Direct engagement of casual labour/self-employed contractors, without appropriate risk screening process</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> <li>Corporate Operations</li> </ul>	<p><b>Investments:</b> Soft services in asset operations: commercial cleaning, security services, landscaping, maintenance.</p> <p><b>Development:</b> offshoring engineering services, design documentation administration, architectural rendering.</p> <p><b>Construction:</b> Use of low skilled, temporary migrant workers, third party contractors to trades such as tiling, gyprocking (drywalling), galvanizing, manual labour, construction cleaning.</p> <p><b>Corporate Operations:</b> IT support and offshore business support services, catering and hospitality.</p>
 Transport/logistics	<ul style="list-style-type: none"> <li>Disruptions to docking, crew changes and sanitation certification for shipping crews (due to COVID-19 movement restrictions)</li> <li>Shift change/overtime arrangements and pay levels for casual workers</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> </ul>	This is indirectly through installers and distributors in their importation, distribution and delivery of materials for internal finishes and plant, electrical and hydraulic components to site.
 Informal economy	<ul style="list-style-type: none"> <li>Potential for worker exploitation, excessive hours, undocumented employment/pay arrangements, which can also leave sub-contractors unpaid, when the employer becomes insolvent</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> </ul>	Use of third party contracted trades, ad hoc engagement arrangements operating under competitive margins/tight timeframes.
 Climate change equity	<ul style="list-style-type: none"> <li>Displaced labour from weather extremes reducing livelihoods and potentially increasing labour rights risks and associated systematic depletion of natural resources e.g. timber</li> <li>Potential for disrupted job security, informal employment, exploitation of migrating undocumented workers</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> </ul>	<p>Disrupted materials supply and price volatility.</p> <p>Asymmetrical information on mitigation of labour rights risks for certified building materials e.g. timber and labour used in carbon offset products.</p> <p>Disrupted availability of construction labour.</p> <p>Displaced manual workforce in transition to low carbon supply chain.</p>
 Pandemic	<ul style="list-style-type: none"> <li>Shutdowns and travel restrictions delaying materials deliveries and labour availability</li> <li>Challenges with on-site supply chain audit transparency</li> <li>Reduced visibility of labour practices in high risk geographies</li> <li>International travel restrictions preventing on-site labour audits of offshore suppliers or returns to/from home for migrant workers</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> </ul>	<p>Tenancies – extended lockdowns impacting leasing arrangements and job security of small tenant casual workforce.</p> <p>Labour rights risks for workers operating high volume urgent production runs of protective and sanitary items e.g. personal protective equipment/sanitiser consumables.</p> <p>Labour shortages from COVID isolation requirements.</p> <p>Shutdowns and travel restrictions delaying materials deliveries and construction program.</p> <p>Construction worker transport and accommodation arrangements.</p>
 Inflation	<ul style="list-style-type: none"> <li>Worker incomes at risk or unpaid due to insolvencies</li> <li>Economic risk and uncertainty to local livelihoods, exacerbating poverty risk</li> </ul>	<ul style="list-style-type: none"> <li>Investments</li> <li>Development</li> <li>Construction</li> </ul>	<p>Disruptions to supply surety/supplier operations – price increases and higher delivery costs.</p> <p>Financial impacts to asset operations.</p>



As a business reliant on partnering, we see supplier and stakeholder collaboration as fundamental to progressing supply chain transparency.

**Modern slavery risks in global 'high priority' trade categories**

As we map our direct supply chain, we are prioritising our Global 'High Priority' Trade categories. This has been informed by engagement with our suppliers, operational insights from our business and category managers, as well as desktop research.

These categories are of significant strategic importance to Lendlease globally and may carry inherent geographic and labour rights risks which could impact the programming of our projects in delivery.

We are working with our multi-national suppliers to establish alternative sourcing routes to maintain surety of supply. In doing so, responsible sourcing due diligence, (which has a broader lens to also include environmental considerations for example) is being progressively conducted – of which modern slavery risk due diligence forms a key part.

As a project-based business working with contracted relationships, Lendlease is a step removed from the direct manufacture of raw material inputs for its end products. 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.

Whilst our sourcing of materials may directly link us to modern slavery risk under the [UN Guiding Principles on Business and Human Rights \(UN Guiding Principles\)](#), it is our risk screening measures and due diligence processes set out in the next section, that aim to mitigate any inadvertent 'cause' or 'contribution' to that modern slavery risk.

We consider Principle 17 of the UN Guiding Principles over the page and how it applies to our operations and supply chains.

The Summary Table on pages 20-21 maps the key sourcing areas for how we may cause, contribute or be directly linked to modern slavery risk. The table also outlines the considerations and controls for our existing risk response.

The 'Actions Taken' section starting on page 22 sets out additional mitigation actions Lendlease implemented during the FY22 reporting period.



## Applying Principle 17 of the UN Guiding Principles

We continue to consider our modern slavery risks in terms of how they may either be caused by, contributed to, or directly linked with our operations<sup>1</sup>.

As Lendlease is a project-based business, our modern slavery risks centre around labour, either through

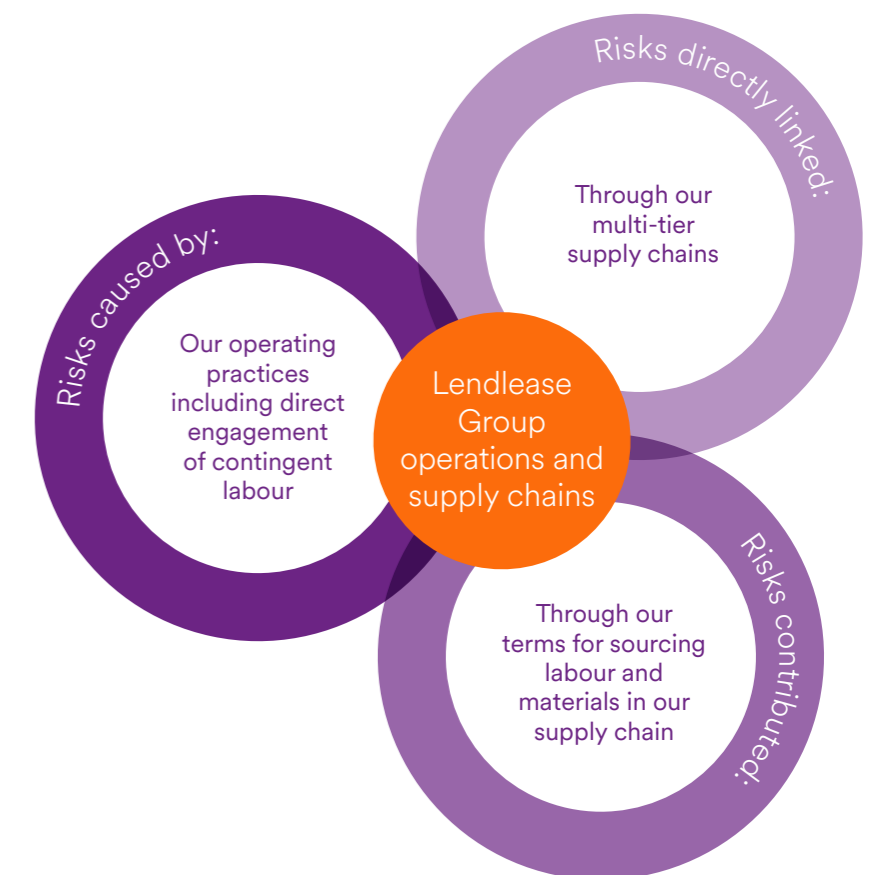
- **Direct contracted labour** across our operations, including casual, self-employed, directly employed, or contracted through our contractors, sub-contractors, in our corporate or asset operations
- **Indirect labour** in our supply chains used in the production of materials and products or contracted for our projects

Informed by Principles 13 and 17 of the UN Guiding Principles, the following graphic sets out our interpretation of where our modern slavery risk lies, namely in the direct contracted labour engaged on our projects, and indirect labour engaged in the supply chains of the materials we procure.

We have adopted this approach, as set out in the Commonwealth Modern Slavery Act 2018: Guidance for Reporting Entities (page 40).

This graphic maps the interactions and dependencies of the key modern slavery risks in our operations and supply chains and is 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
- Insights from our annual supply chain audit program
- Engagement with expert stakeholders through industry and multi-stakeholder initiatives



<sup>1</sup> UN Guiding Principles: Principles 13 and 17 - relate to Human Rights 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.

## Summary Table: Applying Principle 17 – ‘Cause, Contribute or Directly Linked’ to Lendlease’s Operations and Supply Chains

Further information on actions we have taken during the FY22 reporting period is set out on pages 22-33

Dimension	Commentary	Lendlease Enterprise-Level Mitigation Response: Considerations + Controls
<b>CAUSE: Through our operating practices, including direct engagement of contingent labour</b>		
<b>Project Delivery and Asset Operations</b>	We recognise the combined effect of project delivery timelines and strong cost management focus may cause the preconditions for elevated forced labour risks, particularly in the deeper layers of our sub-contractor supply chains.	<ul style="list-style-type: none"> <li>• The <a href="#">Lendlease Supplier Code of Conduct</a> sets out our respect for workers’ rights to freedom of association</li> <li>• Contractors working on Lendlease projects are required to adhere to our <a href="#">Global Minimum Requirements</a>, which includes worker welfare requirements on project sites, as a condition of contract</li> <li>• Regions will also have internal operating standards, which set out requirements for annual pre-qualification and for sub-contractors to not engage a labour hire provider without prior approval from Lendlease</li> </ul>
<b>CONTRIBUTE: Through our terms for sourcing labour and materials in our supply chain</b>		
<b>Services-based contracts</b>	<p>We recognise the combined effect of driving down cost whilst extending work scope for price-competitive property services can contribute to elevated modern slavery risk.</p> <p>Cleaning, general maintenance, security and related services contracts, which engage casual and or temporary migrant workforce who may be semi-skilled and who may have visa challenges, language and/or cultural barriers, are vulnerable to the spectrum of forced labour type practices.</p>	<ul style="list-style-type: none"> <li>• The <a href="#">Lendlease Supplier Code of Conduct</a> sets out our expectation of suppliers’ workforce to have all legal work permits, visas and be of minimum legal age</li> <li>• Lendlease also supports initiatives that improve industry practice such as: <ul style="list-style-type: none"> <li>– Inclusion of <a href="#">Cleaning Accountability Framework’s (CAF) CAF Principles</a>, and <a href="#">Building Service Contractors Association of Australia / Shopping Centre Council of Australia Code of Conduct for Retail Centres</a> in cleaning contracts for the Australian Investments business</li> <li>– Membership of the <a href="#">Living Wage Foundation</a> for our UK operations</li> </ul> </li> </ul>
<b>DIRECTLY LINKED: Through our multi-tiered supply chains</b>		
<b>‘High Priority’ Trade Categories:</b>	<p>We could have links to modern slavery risk through the products and materials we source for our projects. The componentry of some end-products we use may have more complex supply chains. The following outlines key provenance aspects of our links for our ‘High Priority’ Trade Categories:</p>	<ul style="list-style-type: none"> <li>• The <a href="#">Lendlease Supplier Code of Conduct</a> and <a href="#">Global Minimum Requirements</a> set out our expectation of suppliers around labour rights and modern slavery risk, and worker welfare as a condition of working with us</li> <li>• Lendlease evaluates its suppliers through modern slavery risk/due diligence screening and labour practices audits, focusing on suppliers utilising labour in countries/ production situations with elevated exposure to modern slavery risk</li> <li>• Additional mitigation actions include: <ul style="list-style-type: none"> <li>– Continuing to build awareness around modern slavery risk with our people and suppliers through internal e-learning and scenario-based training, toolbox talks, awareness raising sessions with contractors and ongoing supplier and industry dialogues</li> <li>– Conducting visits to our high priority trade category suppliers to observe their operations around technical, quality, safety and labour practices</li> <li>– Regular communication with our strategic suppliers asking them to explain their approach on mitigating modern slavery risks and progressively surveying them on responsible sourcing practices</li> <li>– Utilising our regional Modern Slavery Communities of Practice to monitor progress and knowledge exchange about suppliers working across multiple projects and regions</li> <li>– Embedment of our modern slavery clause globally as part of our template contracts with suppliers which includes a warranty that the supplier has not knowingly engaged and agrees that it will not knowingly engage in any form of modern slavery</li> </ul> </li> </ul>
<b>Concrete</b>	<ul style="list-style-type: none"> <li>• Constituent materials in concrete are domestically sourced. For example, aggregate is quarried locally, and cement is produced within local proximity to the project in delivery.</li> </ul>	
<b>Steel</b>	<ul style="list-style-type: none"> <li>• Upstream raw inputs of iron ore and coking coal are directly sourced by steel manufacturers, who then supply steel products to Lendlease.</li> </ul>	
<b>Facades (incl Glass and Aluminium)</b>	<ul style="list-style-type: none"> <li>• Façade manufacturers source inputs for glass making and aluminium components from upstream suppliers.</li> </ul>	
<b>Mechanical Electrical Plumbing (MEP)</b>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>	
<b>Reinforcement</b>	<ul style="list-style-type: none"> <li>• Majority is domestically sourced from local fabricators within each region, supplemented with product from Singapore, Turkey, South Korea and Ukraine (pre-February 2022 conflict).</li> </ul>	
<b>Formwork Materials: (timber ply or aluminium systems)</b>	<ul style="list-style-type: none"> <li>• Majority of formwork is assembled by local contracted labour. Key materials (depending on the type of formwork system) include timber (plywood) structured sections sourced out of the EU. The sourcing of aluminium formwork systems is typically from Asia.</li> </ul>	
<b>Vertical Transportation</b>	<ul style="list-style-type: none"> <li>• Majority is domestically sourced from local fabricators within each region, supplemented with product from Singapore, Turkey, South Korea and Ukraine (pre-February 2022 conflict). Vertical Transportation and their components are sourced within region for our EU and Americas operations. Our Australian and Asian operations import from China (Shanghai) and source highly customised components from the EU.</li> </ul>	
<b>Finishes (Plastering)</b>	<ul style="list-style-type: none"> <li>• Majority of plastering and finishes products for our Australian and Asian operations are sourced from Asia, whilst our EU and Americas operations source within region.</li> </ul>	
<b>Hydraulics</b>	<ul style="list-style-type: none"> <li>• Subcontractors supply and install plumbing items to meet project design specifications. Components are sourced from Asia including China, Turkey, Malaysia, for our Australia and Asia operations and mainly within region for EU and Americas operations.</li> </ul>	

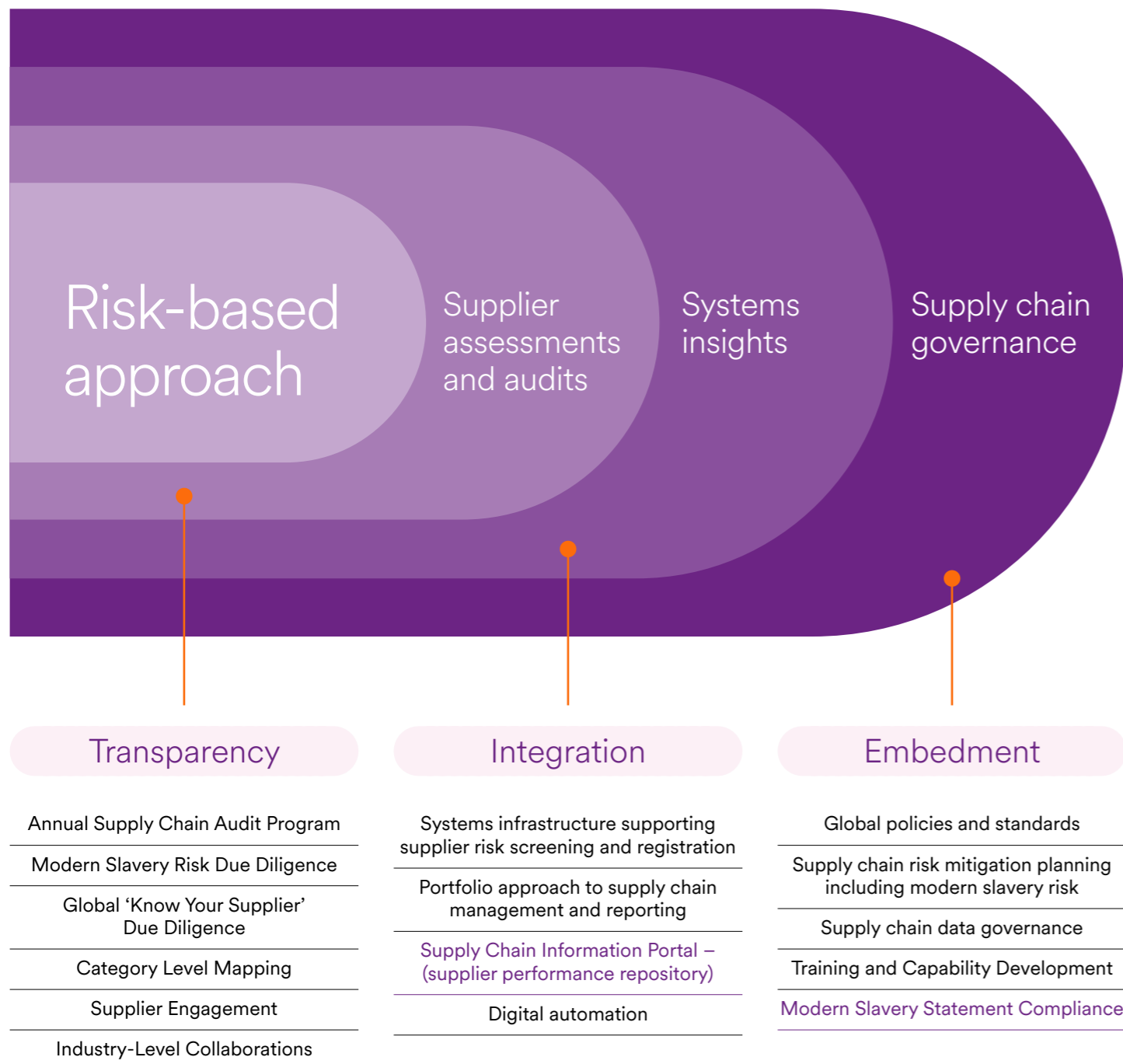
# Actions taken

Our enterprise supply chain risk management framework provides the guardrails to systematically respond to modern slavery risks.

Lendlease’s supply chain risk framework is structured to respond to its modern slavery risks with the robustness of our governance, risk planning and capability development, integrated system support, tools and standards, as well as evaluative insights through targeted supplier assessments and audits.

Our framework further evolved during the reporting period to reflect additional activities as highlighted in purple in the graphic below.

## FY22 supply chain risk framework



Lendlease has a number of policies which respond to modern slavery risks across its direct operations including:

Key Lendlease policies	Description	Span of operation
<a href="#"><u>Group Environment Health and Safety Policy</u></a>	Sets up oversight and management of Environment Health and Safety and embedment of Global Minimum Requirements	Global
<a href="#"><u>Lendlease Global Minimum Requirements (GMRs)</u></a>	The GMRs operate as 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
<a href="#"><u>Supplier Code of Conduct</u></a>	Sets out our expectations of our third-party suppliers, consultants and contractors (Suppliers).	Global
<a href="#"><u>Group Conduct Breach Reporting Policy</u></a>	Enables employees (including 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
<a href="#"><u>Diversity and Inclusion Policy</u></a>	Sets out Lendlease’s commitment to workplace diversity and inclusion and conveys goals, measures and management approach.	Global
<a href="#"><u>Anti-Bribery Anti-Corruption Policy</u></a>	All Lendlease directors, employees and third parties are to observe all applicable anti-bribery and anti-corruption legislation wherever they operate and requires third parties, including suppliers, to have undergone compliance processes for screening and due diligence checks.	EU Operations
<a href="#"><u>Living Wage Policy</u></a>	Sets the payment of a Living Wage Rate for our operations, as part of Lendlease Europe’s accreditation with the Living Wage Foundation. Applies to all direct employees over the age of 18, including apprentices and employees in Lendlease’s supply chain deployed on Lendlease UK-based projects	UK Operations
<a href="#"><u>Labour Practice Guidance</u></a>	Sets out requirements for direct suppliers engaged by Lendlease Europe, for safe, ethical work practices and respect for workers’ labour rights.	UK Operations



Our full suite of policies may be found in the ‘Governance’ and ‘Supply Chain’ sections of the Lendlease corporate and UK websites respectively.

Our progress on supply chain transparency was driven by four focus areas



Embed policies, processes and standards

Progress integration of modern slavery risk mitigation measures across our operations

Supply chain insights

Progress analysis to extend line of sight of modern slavery risks deeper into our supply chains, focusing on operations in higher-risk regions

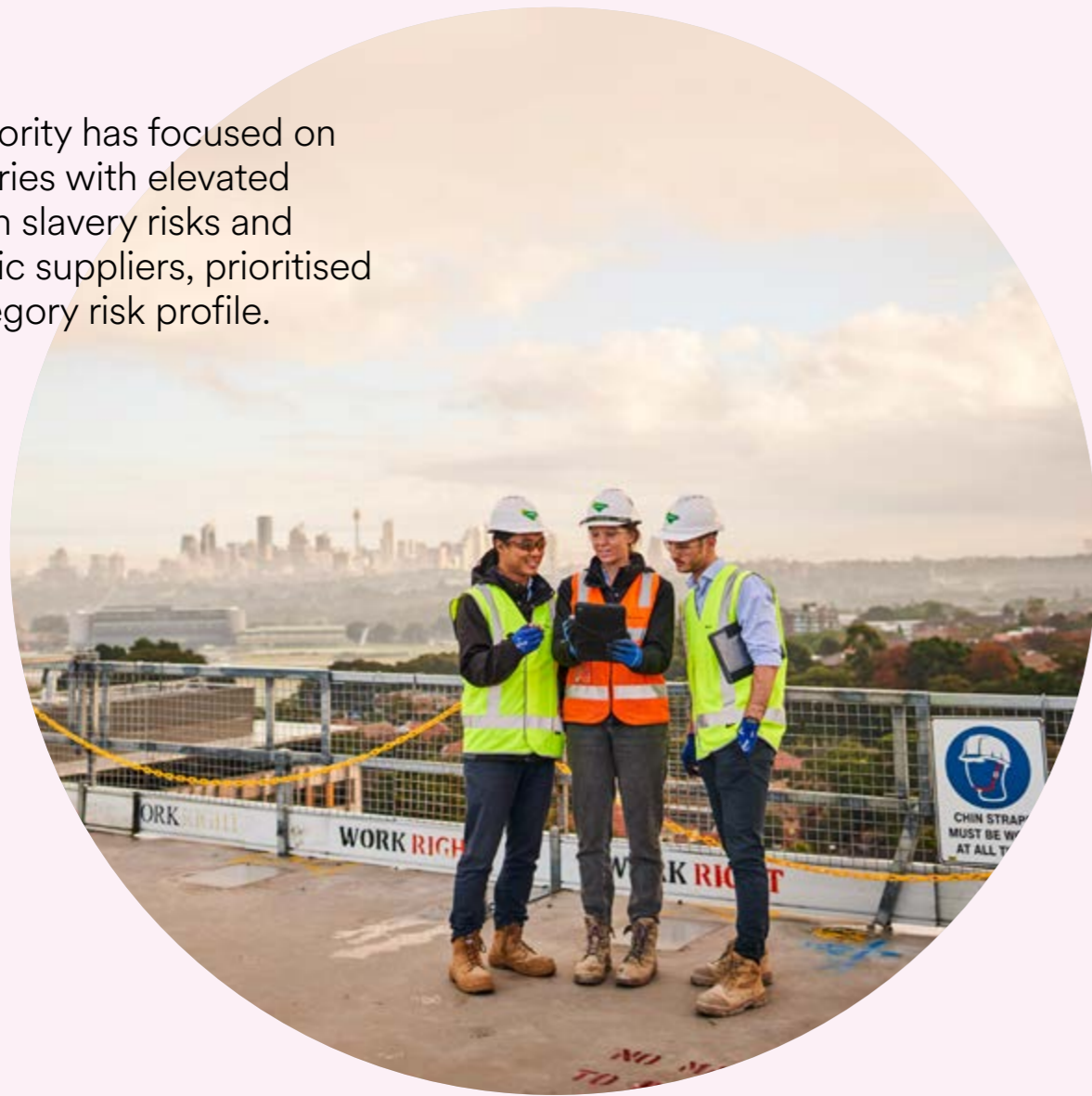
Supplier performance

Establish measures to assess performance and inform capacity building support, in tackling modern slavery risks with suppliers

Engagement and training

Progress training across our operations and engage in multi-stakeholder dialogues to support industry responses to modern slavery risks

Our priority has focused on categories with elevated modern slavery risks and strategic suppliers, prioritised by category risk profile.



Embed policies, processes and standards

**Supply Chain Management Policy**

We progressed the rollout of Lendlease’s global Supply Chain Management Policy, which establishes minimum standards for enterprise-wide governance and management of our supply chain, including the embedment of processes and tools e.g. Supplier Code of Conduct, Supplier Portal and foundational principles for sustainable procurement.

The supporting Standard was also rolled out, developed to guide our businesses in the implementation of the Policy.

**Modern slavery risk mitigation action planning**

Enterprise-level modern slavery risk mitigation planning is a core activity, integrated within the Responsible Sourcing role of the global Supply Chain team.

The approach 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
- Engages with external stakeholders – be they regulators, academia, civil society and/or industry groups

During FY22, the governance of regional Modern Slavery Communities of Practice (MSCoPs) was enhanced with regional Directors of Operations providing localised sponsorship and support. Refer to the ‘Consultation Processes’ section on pages 34-35 for further details.

**Modern slavery risk heatmapping pilot**

During the reporting period, progress on the pilot, developed in-house to enable macro level risk analysis across our key supply chain categories was paused for review. Further work on the tool and its application will be considered in the future.



## Supply chain insights

Given the increasing confluence of social and environmental risks, sourcing due diligence is taking a more holistic approach to integrate Lendlease's Mission Zero sustainability aspirations.

### Responsible sourcing due diligence framework

In response, an enterprise-level Responsible Sourcing Due Diligence Framework was developed to examine a trade category in four ways as shown in the diagram below.

Trial of the Framework has begun with strategic façade manufacturers and will progressively extend to other 'high priority' trade categories from FY23.

### Category mapping natural stone due diligence initiative

Modern Slavery due diligence commenced on natural stone used on key projects for our EU and AU operations. This included engagement with stone suppliers to explore collaboration opportunities for risk

mitigation, physical site visits to quarries in Vietnam, Germany and Italy to look at technical and quality aspects as well as labour practices, and the drafting of minimum standards in natural stone selection at design stage. A framework for mapping natural stone is being developed, with further work planned during FY23.

### Supplier portal registrations

During the reporting period, an additional 2,238 suppliers were registered and screened through the Supplier Portal which became operational in Australia, Singapore, Italy and Malaysia. This takes the total number of suppliers registered in these regions since inception of the Portal in FY21 to just under 8,000.

The information captured through the Supplier Portal contributes to be an aggregated view of a supplier's risk profile. This is progressively being made accessible to Lendlease operations to better inform procurement decision

making through our Supply Chain Information Portal.

### Supply chain information portal (SCIP)

SCIP is an in-house system for surfacing supplier performance information to enable businesses to make informed procurement choices and includes risk screening information.

Our UK operations has had its own established system for some years and provided the model for adaptation to our other operating regions.

During FY22, Malaysia and Singapore entered the early stages of adoption of SCIP into 'business as usual'. In Australia, SCIP was launched and training to use the system is under way. Planning for the roll out of SCIP in Americas is underway, including integration with their existing construction prequalification and insurance systems.



## Supplier performance

### FY22 supply chain audit program

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

- Lendlease modern slavery due diligence questionnaires
- Property Council of Australia Modern Slavery Supplier Platform (for Australia) which includes a modern slavery due diligence questionnaire
- Labour Practices Audits through Achilles' Ethical Business Programme (for the UK)
- Targeted supply chain (labour practices) audits for strategic suppliers

At the enterprise level, the FY22 Supply Chain Audit program was a combination of in-house desktop and third party site-based audits. As COVID restrictions eased, scope was extended to include safety, sustainability, quality and financial crime.

The focus for this reporting period was on two General Contractors, two Strategic Suppliers and one 'High priority' supplier. There was still some carry over of the audit program in FY21, due to regional disruptions from COVID-lockdowns. Refer to case study on page 28.



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

### FY22 supply chain audit program risk-based approach – enterprise level



Lendlease supplier portal

Suppliers must register on the Lendlease Supplier Portal

Risk flags are highlighted



Lendlease risk screening questionnaires

Suppliers to complete questionnaires such as Modern Slavery risk due diligence questionnaire

Risk flags are highlighted



Supply chain data analytics

'Know Your Supplier' and 'Critical Supplier' dashboards capture data: e.g. exposure risks, committed and outstanding spend

Risk flags are highlighted



Insights and feedback

Our businesses and category managers provide deeper insights on suppliers

This informs the final 'short list' for the audit program

### Responsible sourcing due diligence framework

1

Minimum requirements

Current in-house supply chain risk screening processes and performance insights

2

Provenance

Geographic and contextual category risk assessment

3

Reputation

Third party and external stakeholder risk intelligence and insights

4

Published disclosures

Scan of public supplier social and environmental reports and statements

Responsible sourcing due diligence dimensions

## FY22 enterprise audit program summary

Supplier type	Category	Resourcing and scope
<b>Strategic Suppliers (Global)</b>	1 x Steel Reinforcement 1 x Flooring 1 x Carpentry and Joinery 1 x Vertical Transportation	3 completed in-house and 1 undertaken by third party auditor, which was completed in July 2022  Selection based on relevant risk(s) associated with type of work performed
<b>General Contractor</b>	1 x Tier 1 – Malaysia 1 x Tier 2 – Australia <sup>1</sup>	Combination of third party and in-house – selection based on relevant risk(s) associated with type of work performed
<b>Critical/High Priority Suppliers (UK)</b>	22 x Various UK	Via Achilles 'Ethical Business Program' Construction Industry Audit Regime – labour conditions
<b>High-Priority Suppliers (AU)</b>	23 x various (cleaning, security and labour hire, as well as Contractor Compliance Audits for Construction business)	Contractor Compliance Audits targeted workforce agreements and entitlements

1. Audit conducted on behalf of Lendlease Retirement Living Trust.

### Case study: United Kingdom

#### Achilles Ethical Business Programme

During FY22, our UK operations carried out 22 labour governance audits of their 'critical' and 'high-priority' suppliers through external partner, Achilles. This process is now a part of our revised entry requirements for 'high priority' trade packages.

In addition, new onsite interview-style audits commenced at a project level at 8 Bishopsgate and Ruskin Square, which included interviewing a cross-section of operatives on those sites. The UK team will conduct between 4-6 of these project-level audits annually. More than 100 operatives were interviewed on site to add real experience and insight to the governance audit process and procedure.

Lendlease UK is a founding member of the industry-wide Achilles Ethical Business Programme, which will seek to embed the additional due diligence and monitoring of good employment practices across the UK construction industry. It will also assist Lendlease UK in meeting its Living Wage Policy and modern slavery risk mitigation commitments.

### Case study: The Exchange TRX, Kuala Lumpur, Malaysia

#### Supply chain audit

Engagement of general contractors is one of the delivery models used by Lendlease for major construction projects. For The Exchange TRX, a 7-hectare mixed-use urban precinct in Kuala Lumpur, Malaysia, a general contractor was awarded the superstructure, façade and interiors finishes trade packages.

Bureau Veritas was engaged to ascertain compliance and performance against the Ethical Trade Initiative Base Code, local laws and other relevant criteria. The audit approach involved a structured methodology comprising documentation and records review, visual observation of processes and activities during site tour, and interviews of employees and management. Interviews were carried out without management being present.

Key improvement initiatives identified which have been actioned by the contractor include:

- Enhancing processes for onboarding migrant site workers
- Providing relevant documentation in workers' native languages
- Training and awareness messaging to site workers about modern slavery risks

Lessons learned from this audit will be taken into account when engaging General Contractors across Lendlease projects.



## Engagement and training

### Industry engagement

Most notable activities have included:

- Participation in the **Property Council of Australia Modern Slavery Working Group**, which included:
  - Analysis of modern slavery due diligence data insights from the Property Council of Australia Supplier Platform
  - Contribution to the development of industry guidance on good practice grievance management measures “Listening and Responding to Modern Slavery Property and Construction” (launched in July 2022)
  - Participation in a research project with the University of Melbourne on modern slavery risk mitigation practices in the Australian property and construction industry
  - Industry-level knowledge sharing and capacity building on good practice disclosures for modern slavery risk reporting
- Membership of the **Cleaning Accountability Framework**, by our Australian Investments business
- Membership of the **UN Global Compact Network Australia – Modern Slavery Community of Practice** which included, good practice knowledge sharing and capacity building activities
- Membership of the **Slavery and Trafficking Risk Template (STRT) Development Committee** under the **Social Responsibility Alliance**, an international multistakeholder collaboration focused on corporate capacity building to mitigate modern slavery risks from global supply chains
- In the UK, Lendlease contributed to the UK Independent Anti-Slavery Commissioner’s report on ‘**Operation Cardinas**’, which examined exploitation risk in the construction sector
- Our UK business also joined **Business in the Community**, undertaking the ‘**Responsible Business Tracker**’ audit to measure inclusive employment and good work, as well as track circular economy, responsible sourcing, diversity and inclusion



- In the US, participation continues in the **Grace Farms Design for Freedom** industry collaboration, which comprises the development and piloting of a responsible materials sourcing toolkit and design guidelines and materials tracking schedule templates

Other engagement initiatives are set out on page 36.

### Training

Our global modern slavery e-learning training module for our employees was rolled out in multiple languages during FY22. This training is mandatory for targeted roles such as relevant people managers, construction and commercial managers and project engineers.

Completion of training is being tracked globally through our enterprise learning system.

E-Learning training was supplemented with the following capacity building initiatives:

- Contractor on-site training with face-to-face awareness raising sessions conducted across a number of major Australian construction projects, reaching around 100 contractors. This incorporated modern slavery risk messaging about our expectations set out in our Supplier Code of Conduct

- Scenario-based training delivered to around 30 members of our global Corporate Real Estate team
- Scenario-based training delivered to approximately 30 people in the Development team within the Australian Retirement Living business
- Modern Slavery awareness raising and scenario-based training to some 40 participants as part of our annual Skills Workshops for Not-for-Profit Partners in our Australian **Future Steps** program
- Modern Slavery awareness raising posters continue to be disseminated across all project sites in each region. The posters have a QR code which directly connects to Ethics Point to enable quick assistance
- The US team also commenced a poster campaign across its construction sites targeting the Hispanic workforce with posters translated into Spanish and other languages

Further information on how we measured our progress is set out in the ‘Effectiveness of our Actions’ section on pages 31-33.

# Remediation

We are also asking our suppliers through our modern slavery risk due diligence processes, what measures they have in place for non-retaliatory grievance mechanisms and remediation.

Further work will be undertaken to refine our management approach during FY23, including considerations for alignment with Principle 22 (Remediation) as set out in the [UN Guiding Principles](#).

## 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 regarding modern slavery or labour rights concerns through Ethics Point, nor through other channels as far as we are aware.

## Case study: Americas

### Supporting correct payment of sub-contractor workers

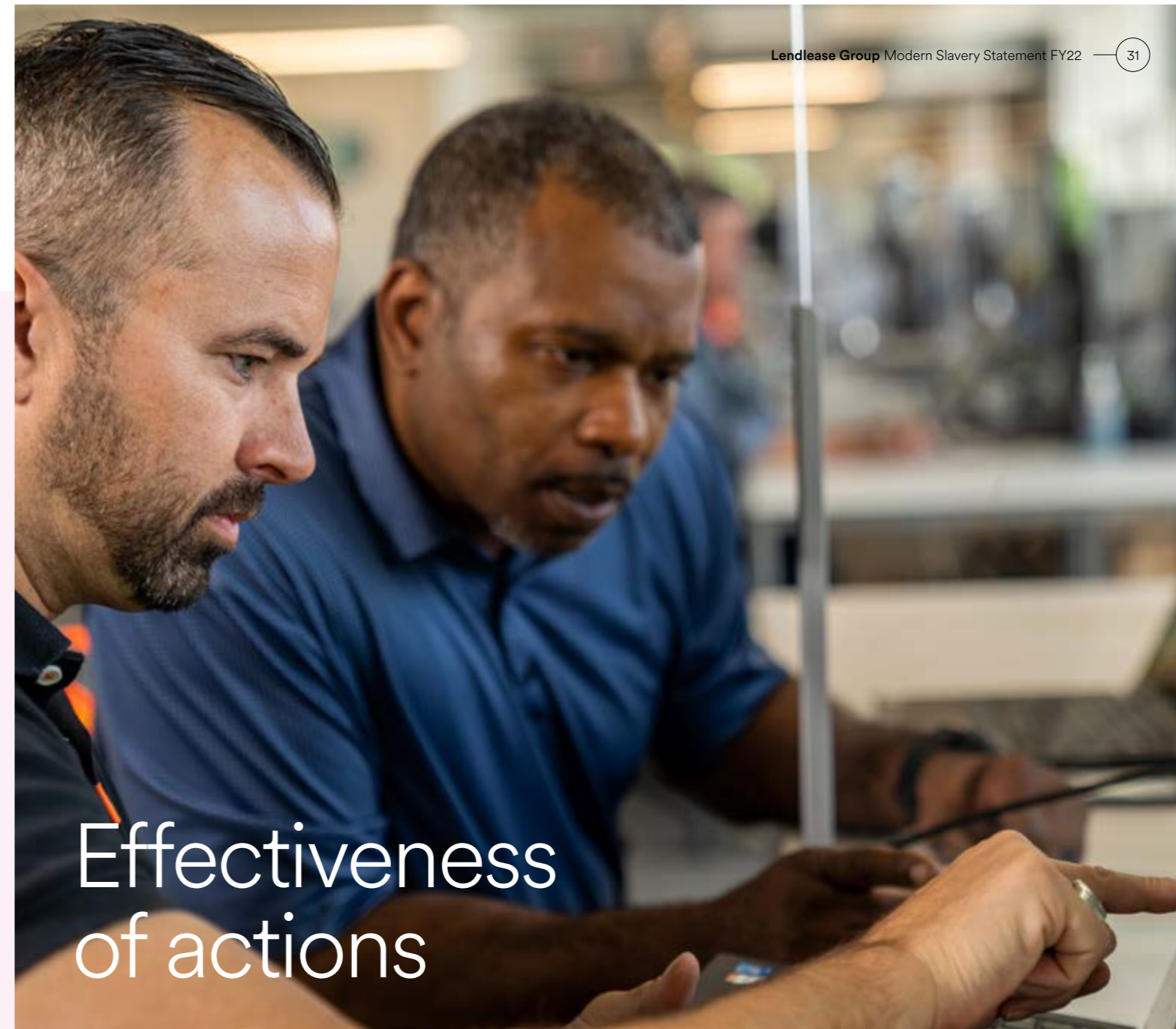
On relevant construction projects, Lendlease Americas has implemented a digital payroll certification system to support correct payment of subcontractor workers. The 'Labor Compliance Payroll Tracker' system responds to the federal [Davis-Bacon](#) and state-based related Acts, which require construction contractors and subcontractors to pay their labourers employed under the contract the locally prevailing wages and fringe benefits.

The system can also track local employment mandates e.g. project labour agreements, that may be tied conditionally to land development agreements. The system flags non-conformances through daily logs, issuing warnings and/or 'hard stop' notices for correcting discrepancies.

Around 36 projects (AU\$2 billion project value)<sup>1</sup> currently utilise this system as a compliance requirement, with extension to construction projects with non-unionised labour being explored.



1. Data as at 31 March 2022.



We continue to define the effectiveness of our approach through:

- **Prevention:** by making supplier risk assessments routine
- **Responsiveness:** by ensuring our consequence management responses appropriately address modern slavery risk concerns
- **Collaboration:** by engaging in open dialogue from a range of stakeholder viewpoints

As our focus was on establishing and embedding policies, guides, systems and tools, there was significant effort in change management and communication support across our businesses.

## Effectiveness of management approaches

Despite organisational changes during FY22, we were able to continue to build on the foundational structural elements of previous years through:

- Streamlining our modern slavery risk governance, and risk mitigation framework
- Establishing closer connection with regional operational leaders who are taking on greater ownership of regional and local business level visibility of supply chain risk issues
- Integrating modern slavery risk as part of a responsible sourcing due diligence approach
- Leveraging supply chain risk data to provide targeted risk 'dashboard-style' regional intelligence, to inform pricing and surety of supply risks for projects in delivery

- Implementation of risk control measures to address issues identified from our FY21 audit program for continuous improvement across our operations
- Targeted supplier engagement to address improvement areas identified



The ongoing use of third-party risk intelligence services continues to provide effective insights in identifying potential supply chain risk issues and implementation of targeted risk controls.

## Measuring our effectiveness: Progress scorecards

The performance scorecard overpage summarises progress against our modern slavery risk mitigation efforts during FY22.



# Modern slavery risk mitigation effectiveness progress scorecard: FY22

Focus	Objectives	Actions taken	Metrics	Outcomes
 <p><b>Embed policies, processes and standards</b></p>	Progress integration of modern slavery risk mitigation measures across our operations	Modern Slavery Risk Mitigation Governance refreshed	100% complete	Modern Slavery Risk Mitigation Planning integrated into operational and decision-making processes
		Launch of global Supply Chain Management Policy and Standard	100% complete	Policy and Standard provides a cohesive enterprise framework for supply chain management initiatives including: Supplier Code of Conduct, supplier registration, supplier risk assessments, audits and modern slavery due diligence
 <p><b>Supply chain transparency</b></p>	Progress analysis to extend line of sight of modern slavery risks deeper into our supply chains focusing on operations in higher-risk regions	Supplier Portal Registration & Screening	Just under 8,000 suppliers registered and screened <sup>1</sup>	Increased span of risk screening of registered suppliers
		Natural Stone due diligence initiative	Commenced review of natural stone suppliers for key projects in AU, Malaysia and UK	Increased transparency to implement risk controls
		Enhanced due diligence framework developed for suppliers in high-risk categories	100% complete implementation pending	A holistic approach to supplier due diligence with a responsible sourcing lens for a consistent regional approach to engaging high priority categories
		FY22 Supply Chain Audit Program Implemented	100% complete	Process improvement initiatives identified to reinforce project-level modern slavery risk mitigation controls
		Labour Practices Audit Program	51 Audits completed	Includes cleaning, security and labour hire audits plus contractor compliance audits (targeting workforce agreements and entitlements) totalling 28 for Australia. Combined total also includes 22 UK labour practices audits which were conducted under the Achilles Ethical Business Program, and 1 labour practices audit of a General Contractor in Asia (Malaysia)
 <p><b>Supplier performance</b></p>	Establish measures to assess performance and inform capacity building support in tackling modern slavery risks with suppliers	Progressing implementation and adoption of Supply Chain Information Portal (SCIP)	<b>SCIP:</b> EU: 100% complete Asia: Rollout in progress AU: Rollout in progress (commenced post FY22) US: Planning underway	Enable operational consistency across regions
		Consistency of approach to Supplier Performance reviews	<b>Performance Reviews:</b> EU: 100% complete Asia: Adopted for nominated projects and categories AU: Commencing FY23 US: Planning underway	
 <p><b>Engagement and training</b></p>	Progress training across our operations and engage in multistakeholder dialogues to support industry responses to modern slavery risks	Rollout of Modern Slavery e-Learning Training Module, with targeted completion requirements for roles with greater exposure to modern slavery risk	100% complete Targeted employee completion of training ongoing	Reinforce awareness of modern slavery risks for targeted employee cohorts
		Ongoing awareness raising activities across sites i.e. contractor training, posters, team talks etc.	Initiative ongoing	Reinforce awareness of modern slavery risks and avenue to raise concerns for site-based workers and sub-contractors
		Industry engagement	AU: site sub-contractor awareness briefings reaching around 100 contractors nationally Asia: posters and toolbox talks EU: posters and toolbox talks Americas: bespoke poster campaign <ul style="list-style-type: none"> <li>Property Council of Australia Supplier Platform Modern Slavery Working Group (Australia)</li> <li>Sustainability Supply Chain School (Australia, UK)</li> <li>Cleaning Accountability Framework (Australia)</li> <li>UN Global Compact Network Australia</li> <li>Social Responsibility Alliance (international)</li> <li>Design for Freedom (US)</li> </ul>	Consortium led approaches for industry level change in tackling modern slavery risk in the property and construction sector

1. Cumulative total since inception of supplier registration

# Consultation processes

Lendlease Group’s modern slavery risk mitigation reporting and compliance is overseen at Board level as the principal governing body, channelled through the Board Sustainability Committee. It is driven globally by the Head of Responsible Sourcing in Group Supply Chain, who also supports Regional Modern Slavery Communities of Practice (MSCoPs).

Development of this Statement has involved engagement with a range of stakeholders across our operations, mainly through our Modern Slavery Communities of Practice (MSCoPs) for joined entities. This includes representatives from managed entities such as trustees from wholesale funds and UK stakeholders who oversee compliance with the UK modern slavery legislation.

Through MSCoPs, regional Directors of Operations (DOOs) sponsor the implementation of Regional/Business level Modern Slavery Risk Mitigation Action Plans, which are endorsed by Regional Leadership Teams/Managing Directors of Businesses.

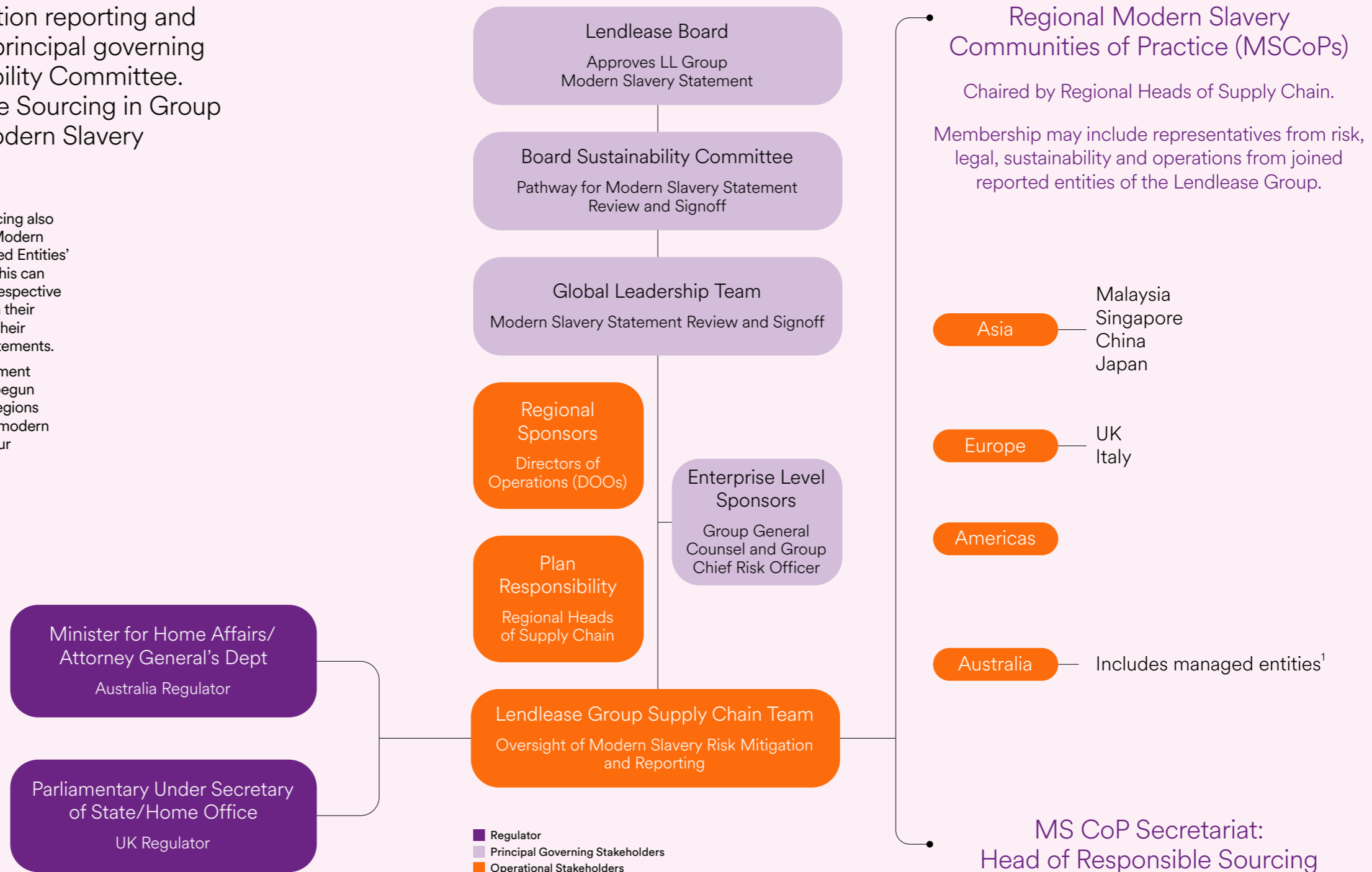
Regional Heads of Supply Chain are responsible for their respective Plans and chair the MSCoP meetings

Routine progress updates are overseen by the Group Chief Risk Officer and Group General Counsel.

Following organisational changes during FY22, the following diagram shows the updated governance structure.

The Head of Responsible Sourcing also supports the development of Modern Slavery Statements by ‘Managed Entities’ (as identified in Appendix 1c). This can include engagement with the respective boards and leadership teams in their consideration and approval of their respective Modern Slavery statements.

Externally, mapping of engagement opportunities with NGOs has begun across Lendlease’s operating regions to better understand localised modern slavery risks that may impact our operations.



1. Compliance reporting is overseen by Group Supply Chain

# Other relevant information



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

Stakeholder	Lendlease role
Supply Chain Sustainability School (UK and Australia)	Partner in UK arm. Board member of Australian arm. Member of Construction and Property Services Working Groups reviewing education content to support improved access and awareness of content for (small) businesses
Social Enterprise – UK	Partner and corporate member of ‘Buy Social’ Corporate Challenge
Business in the Community – UK	Participating in the ‘responsible business tracker’ audit for inclusive employment and good work
ResponsibleSteel	Founding member. NGO focuses on standard setting and improving all aspects of responsible sourcing and reduce risk in the steel supply chain. FY22 engagement continues to include considerations of social risks in the supply chain
Modern Slavery Expert Advisory Group, Department of Home Affairs	Head of Responsible Sourcing is a member. The forum considers industry’s implementation of the Australian Modern Slavery legislation

# Looking ahead

During FY23, Lendlease will look to continue to progress supply chain transparency with a focus on the following areas:



**Embed policies, standards and risk governance**

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



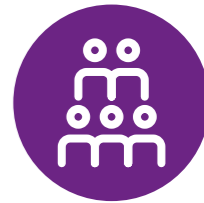
**Responsible sourcing due diligence**

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**

Engage key suppliers and stakeholders to advance ‘good practice’ industry norms tackling macro-level modern slavery risks



This Statement for financial year 2022 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: 13th December 2022

# Appendix 1

## a) Reporting Scope – Parent Entity

This Statement recognises the reporting entities of the Lendlease Group and each of its subsidiaries and other controlled entities for the purposes of the *Australian Modern Slavery Act 2018 (Cth)*.

The information provided in this Statement applies to:

- (a) all of the reporting entities
- (b) all their subsidiaries
- (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.

The Lendlease Services business, comprising Lendlease Services Pty Limited, was the subject of a sale process, which was completed on 1 November 2021 and is excluded from this Statement.

Refer to the [Lendlease Group Annual Report 2022](#) for further details.

## b) Concurrent Reporting UK

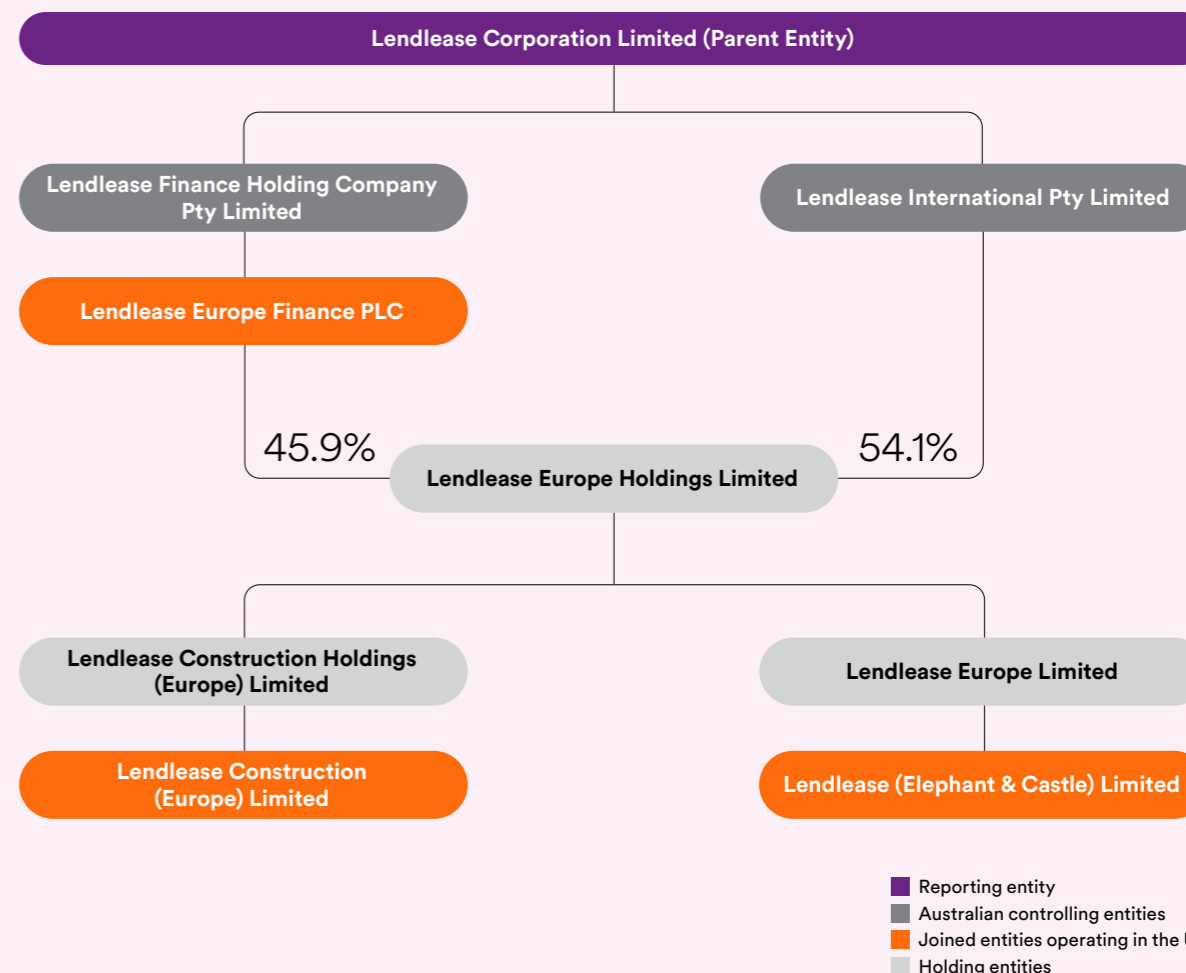
This joint Statement is intended to satisfy the requirements of both the UK and Australian Modern Slavery regulatory disclosure regimes.

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 2022.

Diagram 1:  
Wholly-owned European subsidiaries joined in the Lendlease Group Modern Slavery Statement FY22

The following identifies Lendlease entities operating in the UK which exceed the annual turnover threshold under the *Modern Slavery Act 2015 (UK)*. The structure reflects simplification of our operations during the reporting period.



## Appendix 1 continued

### c) Managed entities

'Managed entities' as listed in the table below, are reporting entities for the purposes of the *Australian Modern Slavery Act 2018 (Cth)*.

These entities are not controlled by the Lendlease Group.

Managed entities have access to Lendlease's systems, processes and resources through management agreements with subsidiaries of the Lendlease Group.

### d) 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.

### Lendlease Group engagement with managed entities

Managed Entity	Relationship Overview
APPF Commercial	Wholesale commercial property trust, and part of the Funds Management Platform of Lendlease Group.
APPF Retail	Wholesale retail property trust, and part of the Funds Management Platform of Lendlease Group.
Lendlease One International Towers Sydney Trust (LLOITST) 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.
Lendlease Retirement Living Trust	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.
Cross Yarra Partnership (CYP)	CYP is a partnership between 4 equity partners. The CEO and project staff are employed by the Lendlease Group and seconded to CYP. CYP does not own or control any other entities and does not have any employees.
North East Link (NE Link)	NE Link is a trust between 6 shareholders. NE Link does not own or control any other entities and does not have any employees. NE Link's staff are employed by the Lendlease Group and seconded to NE Link through secondment agreements.

This page intentionally left blank.

Level 14, Tower Three  
International Towers Sydney  
Exchange Place  
300 Barangaroo Avenue  
Barangaroo NSW 2000  
[www.lendlease.com](http://www.lendlease.com)

