

Modern Slavery Statement

**Fraser's Property Australia, Fraser's Property Industrial Australia
and FLT Australia Trust Modern Slavery Statement FY 2020**



This Statement has been published in accordance with the Modern Slavery Act 2018 (Cth) for Frasers Property Australia Pty Ltd ABN 89 600 448 726 (Frasers Property Australia), Frasers Property Industrial Australia Pty Limited ABN 22 107 356 454 (Frasers Property Industrial) and Frasers Property Funds Management Limited as trustee of FLT Australia Trust ABN 73 542 867 051 (FLT Australia Trust) including their subsidiaries and trusts (hereby referred to as 'Frasers Property' or 'we'/'our'). It identifies the steps Frasers Property has undertaken to identify the risks of modern slavery within our supply chain and the actions taken to reduce those risks during the year ending 30 September 2020 (FY 2019/20).

Contents

Introduction	4
Message from the CEOs	4
About Frasers Property Our structure, operations, and supply chain	5
Consultation with controlled entities	6
Supply Chain	6
Identifying risks of modern slavery practices	7
FY2019/20: Mitigating and remediating risks of modern slavery	9
Policies	10
Supply Chain Assessment Questionnaire and Corrective Action Plan	10
Partnerships	11
Due Diligence	11
Remediation	11
Assessing the effectiveness of actions	11
Impact of COVID-19	12
Looking forward	13
Appendix	14

Frasers Property acknowledges the Traditional Custodians of the land on which our business operates, and recognises their continuing connection to land, waters and community. We pay our respects to Aboriginal and Torres Strait Islander Elders past, present and emerging.

Introduction

With an estimated 40.3 million people currently trapped in modern slavery around the world, this is a significant and systemic human rights issue. Modern slavery is defined as “situations of exploitation that a person cannot refuse or leave because of threats, violence, coercion, deception, and/or abuse of power”.¹

This statement outlines the steps taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

Due to the complexity of our supply chains and ties to the Asia Pacific region, where most global forced labour cases occur, Australia’s property industry has a major role to play in identifying and mitigating modern slavery. This ties in well with the Group’s shared purpose, “Inspiring Experiences, Creating Places for Good”. We are committed to continuous improvement so that the processes and interventions that are implemented remain effective in preventing and remediating modern slavery.

In 2015, Frasers Property launched *A Different Way* in Australia, outlining our vision for a more sustainable future. We have committed our business to creating places where resources are re-used, recycled and restored, to fostering new ideas and undertaking tangible initiatives to help people lead better, healthier lives. In 2020 and beyond, we continue to deliver on that commitment. We realise that our impact extends beyond our operations to our supply chain. That is why we are focused on sourcing safe, renewable and responsible materials, while working with our supply chain to make this a reality.

Message from the CEOs

Forced, bonded and compulsory labour are serious human rights violations, and it is incumbent upon us to use our leverage, both as individuals and as part of organisations, to eliminate these unacceptable forms of mistreatment.

Frasers Property takes its role as a sustainability leader in the property industry in Australia seriously. We believe that we have both the opportunity and the responsibility to create the right balance of social, environmental and economic conditions for our customers, partners, employees and suppliers, now and in the future.

As such, we are proud to publish our first Modern Slavery Statement. While this is our first public disclosure in accordance with the requirements of the Modern Slavery Act (Cth) 2018, we have been committed to the improvement of the rights and wellbeing of people across our operations for several years, particularly those of Indigenous Australians.

Our core values drive everything we do. A commitment to respect and promote human rights is an essential part of our business activities and stakeholder relationships, and this is appropriately reflected in our corporate policies and procedures published both internally and externally.

While we are vigilant, modern slavery has the potential to exist within business and through a variety of circumstances in our supply chains. In particular, the deeper layers of our supply chains can pose unknown risks of modern slavery. We are committed to eliminating modern slavery in all our business dealings, and do not tolerate behaviour that is in breach of the law or that is non-compliant with our corporate policies.

Our approach includes a commitment to progressive improvement as we increase our understanding and awareness of modern slavery risks.

Anthony Boyd, CEO Frasers Property Australia

Reini Otter, CEO Frasers Property Industrial

Robert Wallace, Director FLT Australia Management Pty Ltd for FLT Australia Trust

This collective statement was approved by the Boards of Frasers Property Australia, Frasers Property Industrial and Frasers Property Funds Management Limited as trustee of FLT Australia Trust Boards, March 2021.

¹International Labour Office (ILO) and Walk Free Foundation, 2017, ‘Global Estimated of Modern Slavery’.

About Frasers Property | Our structure, operations, and supply chain

Frasers Property Australia

Since 1924, Frasers Property Australia has created stronger, smarter, happier neighbourhoods. We are one of Australia's leading diversified property groups and an Australian division of Frasers Property Limited.

We develop residential land, housing, and apartments and have delivered over 140,000 homes during our legacy; and develop build-to-rent, commercial, retail and mixed-use properties. Our activities also encompass the ownership and management of investment property, incorporating property and asset management services.

We work sustainably to ensure the places we create leave a positive environmental legacy and enhance the way people live life together. Frasers Property in Australia has certified over 3.4 million square metres of Green Star space across our communities, and our commitment to reduce carbon has been approved by the global Science-Based Targets initiative. We are also certified by the Australian Government's Climate Active initiative. Frasers Property Australia owns Real Utilities, a licensed Australian energy retailer that owns and manages energy infrastructure within some of our communities with the mission to be greener, cheaper and simpler.

We value diversity and firmly believe that together, we're better. We employ over 500 people nationally and are recognised as an Employer of Choice for Gender Equality by the Australian Government's Workplace Gender Equality Agency.

Frasers Property Industrial

For decades, Frasers Property Industrial has built a powerful reputation as a market leader in the industrial, logistics and commercial property sectors. Working with customers and partners, our proven experience and rigorous expertise has delivered industry-leading solutions covering millions of square metres of premium space. A dedicated business unit of the global Frasers Property Limited brand, our multi-national experience spans Australia, Germany, the Netherlands and Austria. From creating and managing industrial and logistics facilities, to warehousing and commercial offices, our focus is on helping our customers grow in the smartest and most sustainable ways. Our culture and our success are built on applying the insights, ideas and innovation designed to lead the world to a more rewarding future.

With a portfolio of 149 properties equating to 3.8 million sqm of GFA valued at S\$8.7 billion in FY20, Frasers Property Industrial achieved a profit before interest and tax of S\$351 million in FY20. The business unit also provides property management services to Frasers Logistics & Commercial Trust ("FLCT") across logistics and industrial properties concentrated within Australia, Germany and the Netherlands.

Frasers Logistics & Commercial Trust

Frasers Logistics & Commercial Trust ("FLCT") is a Singapore-listed real estate investment trust with a portfolio comprising 99 industrial and commercial properties, worth approximately S\$6.0 billion, diversified across five major developed markets – Australia, Germany, Singapore, the United Kingdom and the Netherlands. FLCT was listed on the Mainboard of Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 June 2016 as Frasers Logistics & Industrial Trust and was subsequently renamed Frasers Logistics & Commercial Trust on 29 April 2020 following the completion of a merger with Frasers Commercial Trust. FLCT's investment strategy is to invest globally in a diversified portfolio of income-producing properties used predominantly for logistics or industrial purposes located globally, or commercial purposes (comprising primarily CBD office space) or business park purposes (comprising primarily non-CBD office space and/or research and development space) located in the Asia-Pacific region or in Europe (including the United Kingdom). FLCT is sponsored by Frasers Property Limited.

FLT Australia Trust is a subsidiary of FLCT. FLT Australia Trust operates within Australia and holds 59 properties. The property manager for the Australian properties is Frasers Property Management Services Pty Limited, a wholly-owned indirect subsidiary of FPA.

Our structure

Frasers Property Australia, Frasers Property Industrial's and FLCT's operations in Australia share key resources, such as Health, Safety, Environment and Human Resources functions. This also includes resources responsible for the development of policies and procedures.

Each company has a CEO and Executive Leadership Team, projects (new development) and owned assets (tenanted buildings).



Figure 1: Frasers Property's business structure, as relevant to this Modern Slavery Statement. With the relevant functions shared between them, this Statement covers Frasers Property Australia, Frasers Property Industrial's operations in Australia and FLT Australia Trust.

Both Frasers Property Australia and Frasers Property Industrial's operations in Australia are registered at Level 2, 1C Homebush Bay Drive, Rhodes, NSW, Australia. In Australia, Frasers Property Industrial and Frasers Property Australia collectively employ approximately 600 people. Corporate, development and property management activities are primarily located within the boundaries of Sydney, Melbourne, Brisbane and Perth. Our staff are employed in development, planning, design, construction, finance, sales and marketing, property and building management and customer service, as well as corporate roles which service business operations.

Consultation with controlled entities

A working group was established to identify the risks of modern slavery within our supply chain, and to develop the processes and procedures required to reduce this risk. Members of the working group were employed within the Corporate function, equally across Frasers Property Australia and Frasers Property Industrial's operations in Australia during the reporting period. Therefore, all items detailed within this Statement are applicable across both entities; from the initial risk-scoping exercise conducted with the assistance of external partners, to the Supply Chain Assessment and subsequent risk-reduction policies and procedures.

Supply Chain

As a property developer, owner and manager of a diverse asset portfolio, Frasers Property's procurement spend is therefore related to the supply of goods and services relevant to the built environment. The suite of suppliers includes, but is not limited to:

- ◆ Goods, including building materials (such as timber, steel and appliances), and those consumed by our staff (such as stationery and marketing materials);
- ◆ Services, including specialty trades, building services contracts (such as cleaning, landscaping, and waste removal) and consultants (such as architects); and
- ◆ Frasers Property's operations, including information technology.

Our supply chain is diverse and comprises of global multi-national Tier 1 organisations through to small individually run businesses. For the majority of our development projects, construction is managed through a third-party principal contractor.

We note that our direct suppliers have their own complex and diverse supply chains that extend beyond Australian borders. We are committed to working with our suppliers and extended supply chain to identify and address modern slavery.

Identifying risks of modern slavery practices

As part of our focus on sustainability performance, and as noted in our sustainability strategy, A Different Way, Frasers Property conducted an assessment and mapping of our supply chain to better understand key risks and opportunities, and to identify how best to work with suppliers to manage environmental and safety hazards in our projects.

Frasers Property acknowledges the following modern slavery risks as most relevant in our supply chains:

- ◆ Forced labour: restrictions of movement, intimidation, threats, including human trafficking.
- ◆ Debt bondage: the payment of excessive recruitment fees or associated costs, and retention of identity documents.
- ◆ Deceptive recruiting for labour: workers falsely promised certain jobs, benefits or conditions.

In 2018/19, Frasers Property met with industry experts to design and establish a commitment to responsible sourcing in order to integrate responsible sourcing considerations into procurement and to use the procurement process to increase awareness and capacity amongst key stakeholders, including employees and suppliers.

Assessing the level of risk associated with a product, service and/or individual supplier is important in creating an effective supplier engagement program. Frasers Property has implemented a risk-based approach to supplier management. This approach is similar to the approach taken by large organisations who have many suppliers and complex supply chains, providing a practical way to filter through a large volume of suppliers and prioritise those which present the greatest risk.

Following our review, ten product and service categories were identified as high risk, based on known labour risk factors such as high use of base skill or migrant workers, high environmental impact and a risk to Frasers Property's reputation.

Table 1: High risk categories in Frasers Property's supply chain

Category	Definition
Branded & unbranded goods not for resale	Includes branded and unbranded goods used for promotional and internal purposes, such as: pens, hats, notepads etc.
Carpet	Includes all carpet textile floor covering procured by Frasers Property teams.
Cleaning services	All contractors, direct employees and labour hire companies employed to provide cleaning services in Frasers Property's properties.
Concrete	Includes concrete sundries, HD bolts, concrete works, premixed concrete supply.
Specialty / trade works	Contractors hired by Frasers Property's principal contractors to complete smaller trades work. Also, smaller companies directly contracted by Frasers Property to complete works.
Bathroom materials	Products installed in bathrooms including taps, vanities, toilet suites, baths, shower heads and kitchen appliances.
Security services	All contractors, direct employees and labour hire companies employed to provide security services (e.g. guards, camera installation, monitoring).
Timber / lumber	Timber boards used for flooring in Frasers Property's properties.
Waste management	Includes waste bins, waste removal, transport services, waste processing (e.g., recycling / organic waste).
Windows	Includes window frames and glass as well as installation services procured by teams for Frasers Property's properties, including through a principal contractor.

Our staff are employed directly, lowering the risk of modern slavery within our direct team. Therefore, the highest risk services within the operations of our assets refer to those where Frasers Property has less direct visibility and control over these workers and their employment terms. This includes third-party contracting on our developments and assets, including labour, security, cleaning, landscape maintenance and waste contractors. Many of these workers are immigrants, temporary migrant workers, international students, or other vulnerable groups, who may be less aware of their rights and, consequently, susceptible to exploitation.

With many of our projects constructed by third-party builders, Frasers Property does not have direct control over the procurement of materials on these projects. Of the materials procured, concrete and steel are our largest direct spend. As we further develop our response to reducing the risk of modern slavery, working with our supply chain to dive deeper will be a focus. That is why we are starting with our Category 1 suppliers this year and increasing the scope of our investigations on an annual basis. In working closely with our Category 1 suppliers, we will be collaborating with them and their own major suppliers via our Corrective Action Plan (see below).

Table 2: Frasers Property's suppliers and contractor categories

	Category 1	Category 2	Category 3	Category 4
Detail	High risk, high spend	High risk, low spend	High spend, low risk	Low spend, low risk
Annual spend (AUD)	>\$5 million	<\$5 million	>\$5 million	<\$5 million
Vendor type	Built form construction/ maintenance contracts, cleaning, security, IT electronics, marketing goods, catering, landscape maintenance, labour hire, waste removal, fit-out contractors		Civil construction contracts, all remaining vendors	All remaining vendors

FY2019/20: Mitigating and remediating risks of modern slavery

Our approach to managing modern slavery risks follows a robust methodology for identifying, mitigating, remediating modern slavery cases, and assessing the effectiveness of these actions (Figure 2, Table 3).

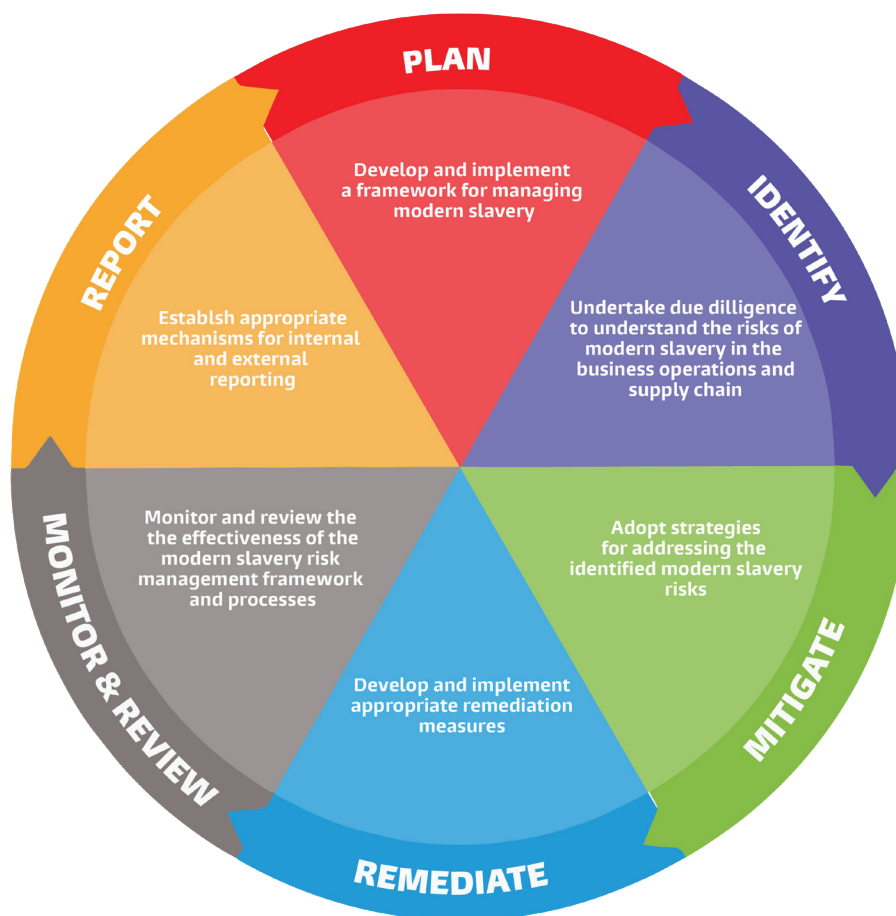


Figure 2: Frasers Property's strategy for managing modern slavery

In FY2019/20, key actions taken to ensure that processes and procedures, supported by company policy, is in place to manage potential and/or actual risks of modern slavery in the supply chain, include:

- ◆ Development of a draft Responsible Sourcing Policy
- ◆ Development and strategic staging of a Supply Chain Assessment Questionnaire
- ◆ Development of a Corrective Action Plan
- ◆ Establishing consistent procedures to mitigate the potential risk of modern slavery and embedding these into existing business processes.

Frasers Property's approach to managing modern slavery, listed in the table below, is based on best practice management and our strategy for managing modern slavery; starting at the highest level of governance commitment setting and progressing down to implementable tools and processes. This includes working with the existing HSE management systems to take a risk-based approach to managing modern slavery, establishing consistent processes for supplier data management, and reporting and in defining allocation of accountabilities across the business. The implementation of these processes and procedures is supported by training programs for staff and suppliers.

Table 3: Frasers Property's approach to managing modern slavery

Stage	Supporting process and/or procedure
Plan	Responsible Sourcing Policy Modern Slavery Risk Procedure
Identify	Monitoring responses to the Supply Chain Assessment Questionnaire
Mitigate	Corrective Action Plans Promote grievance mechanisms
Remediate	Incident Management Procedure
Monitor & Review	Assurance process
Report	Modern Slavery Statement Communicate with all stakeholders regularly and transparently

Policies

Frasers Property has a comprehensive set of policies and procedures to articulate our values, ways of working and expectations of employees and suppliers. These policies ensure that our employees and suppliers clearly understand our expectations and understand how to raise a grievance or complaint. A Responsible Sourcing Policy, which clearly stipulates our commitment to procuring goods and services responsibly, as well as our expectations of suppliers, is in development.

Table 4: Frasers Property's policies relevant to preventing modern slavery

Policy	Purpose
Anti-Bribery Policy	This Policy sets out the policy and procedures that have been put in place to prevent the occurrence of bribery and corruption. Frasers Property has a zero-tolerance approach to bribery and corruption.
Code of Business Conduct	This provides clear guidelines on ethics and relationships, thereby safeguarding the reputation and interests of Frasers Property and its stakeholders and governing the conduct of every employee.
Grievance & Dispute Resolution Policy	Frasers Property employees may raise and discuss work-related matters of concern to them with a view to resolving issues as quickly as possible.
Risk Management Policy	This Policy seeks to identify, assess, monitor, and manage risks across the organisation. Frasers Property will ensure that risk management is an integral part of its decision-making process and will use risk management to take advantage of potential opportunities while managing potential adverse effects.
Responsible Sourcing Policy (in progress)	This Policy sets out Frasers Property's commitment to procuring of goods and services, responsible sourcing, and its expectations of suppliers in this regard.

Supply Chain Assessment Questionnaire and Corrective Action Plan

In contributing to, and in conjunction with, the Property Council of Australia's (PCA) Modern Slavery Working Group, Frasers Property has developed the Supply Chain Assessment Questionnaire. In FY19/20, the group developed a standard Self-Assessment Questionnaire, which provides a mechanism for companies to assess their suppliers. This was done jointly across the industry to lessen the burden of completing assessments on our suppliers.

Of the 57 questions within the Supply Chain Assessment Questionnaire, 19 were identified as posing a higher risk of modern slavery occurring, as determined with the PCA Modern Slavery Working Group and Frasers Property's internal risk team. Where a supplier submits a response that is deemed to indicate a higher risk, a Corrective Action Plan is developed to mitigate that risk. Actions required of contractors include education on the risks of modern slavery and showing a deeper understanding of their own supply

chain. Our approach is to build supplier capability to meet the requirements within the Corrective Action Plan before any punitive measures are taken.

Following a pilot of 40 suppliers undertaken in FY19/20, Frasers Property has taken a staged approach, commencing with Category 1 suppliers in FY20/21, to effectively manage the roll-out of initiatives. We will require suppliers to resubmit the Supply Chain Assessment Questionnaire on an annual basis, to ensure its ongoing relevance.

Partnerships

We recognise modern slavery cannot end with our involvement alone. Frasers Property therefore seeks to collaborate with the wider industry and other like-minded organisations to share knowledge, resources and to reduce the burden of modern slavery reporting on our suppliers and contractors.

Table 5: Frasers Property's partnerships

Initiative	Purpose of partnership
Property Council of Australia (PCA) Modern Slavery Working Group	Frasers Property joined the PCA Modern Slavery Working Group to collectively create a Supply Chain Assessment Questionnaire. Reducing the burden of reporting on our suppliers and contractors is incredibly important to us and means that we have the capacity together to work closely with our suppliers to reduce any risks of modern slavery occurring.
United Nations Global Compact (UNGC)	Frasers Property Limited (parent company) is a signatory to the UNGC, the world's largest corporate sustainability initiative, reporting annually on the Company's progress towards the implementation of these principles.

Due Diligence

During FY19/20, Frasers Property Australia's risk assessments were focused on suppliers that the Company had a direct contract with. This work will continue to be the focus in FY20/21.

Remediation

Frasers Property is committed to the highest standards of conduct and ethical behaviour in all its business activities, and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.

We have in place several mechanisms for employees and third parties to make complaints or to report suspected or actual illegal activity or breaches, particularly the Frasers Property Whistle-blower Policy and Guide to Making a Disclosure. This Policy details the framework for receiving, investigating, and addressing allegations of criminal, dishonest or unethical behaviour where that behaviour concerns the activities of Frasers Property or current and former directors, officers, agents, employees and contractors. An offence under the Commonwealth law, including the Modern Slavery Act, is defined as a disclosable matter. Each whistle-blower disclosure received is investigated and reported to the respective Executive Management Team.

Frasers Property's external grievance procedure aims to ensure all grievances are managed in a systematic, fair, timely and transparent matter.

Assessing the effectiveness of actions

We endeavour to continuously improve our approach to managing modern slavery within our supply chain and to embed any lessons learnt into our existing process. As is essential for continuous growth and learning, Frasers Property has established a suite of responses to assess the effectiveness of the actions that are being implemented.

Table 6: Frasers Property's mechanisms to assessing the effectiveness of actions

Item	Assessment
Supply Chain Assessment Questionnaire	Percentage of our suppliers who have completed the Supply Chain Assessment Questionnaire. Percentage of our suppliers who have reduced from non-preferred to preferred (lower risk) responses to the Supply Chain Assessment Questionnaire. Audit supplier responses to ensure that the responses submitted are accurate.
Corrective Action Plans	Working with suppliers to monitor how they are progressing against corrective actions that have been determined to address risks.
Modern Slavery Risk Procedure	Clear procedure to ensure relevant actions have been implemented.
Collaboration	Continue to work with the Property Council of Australia, industry peers, and other organisations and businesses to share learnings and build capabilities.
Assurance and Effectiveness	Review the current assurance process to ensure it meets best practice. Further develop mechanisms to assess the effectiveness of actions undertaken.

Impact of COVID-19

The global economic shifts resulting from the COVID-19 pandemic have created unprecedented challenges for businesses. Frasers Property is acutely aware of the possible adverse impacts facing our suppliers. For a property owner, developer and manager like Frasers Property, the pandemic has also increased the need for essential services such as cleaning and security. Our values are unchanging even during the COVID-19 outbreak – a responsible supply chain continues to be a priority for business operations.

Looking forward

We are committed to identifying and remedying modern slavery risks in our supply chains and operations.

Table 7: Frasers Property's priorities for FY20/21.

Item	Targeted action
Item	Targeted action
Policy review	Review the current policy framework to ensure it meets best practice.
Re-assessment of key risks	Review our risk assessment to ensure that we are continuing to target the riskiest elements of our supply chain. Review the highest-risk supplier and contractor categories to better understand the volume and scope of business within these categories and conduct further due diligence to mitigate identified risks.
Process and procedure review	Review existing processes and procedures to ensure their efficacy, and to identify opportunities to improve. This includes the consideration of a supplier pre-qualification system, adapting accounting software to consolidate supplier data and identifying opportunities to inform the tender process.
Training	Communicating the risks of modern slavery and the relevant procedures to staff and contractors.
Engagement	Engage with suppliers to ensure they understand their requirements and assist them through the processes to build capabilities. Amendment of relevant precedent contracts to include clauses relevant to modern slavery.
Collaboration	Continue to work with the Property Council of Australia, industry peers, and other organisations to share learnings and build capabilities.
Assurance and Effectiveness	Review the current assurance process to ensure it meets best practice. Further develop mechanisms to assess the effectiveness of actions undertaken.

Signed

Member of the Boards



Anthony Boyd



Reini Otter



Robert Wallace

Appendix

This Statement was prepared to meet the mandatory reporting criteria set out under the Modern Slavery Act.

The table below identifies where each criterion is disclosed within the different sections of the statement.

Modern Slavery Act criteria	Modern Slavery Statement 2020
Identify the reporting entity	Introductory paragraph (pg. 4)
Describe the reporting entity's structure, operations, and supply chains	About Frasers Property our structure, operations, and supply chain (pg. 5)
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Identifying risks of modern slavery practices (pg. 7)
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	FY2019/20: Mitigating and remediating risks of modern slavery (pg. 9)
Describe how the reporting entity assesses the effectiveness of these actions	Assessing the effectiveness of actions (pg. 11)
Describe the process of consultation with any entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	Consultation with controlled entities (pg. 6)
Provide any other relevant information	Introduction and CEOs' messages (pg. 4) Partnerships (pg. 11)

Frasers Property Australia, Frasers Property Industrial and FLT Australia Trust

Level 2, 1C Homebush Bay Drive

Rhodes, NSW, 2121

(02) 9767 2000

Frasers Property Australia:

<https://www.frasersproperty.com.au/>

Frasers Property Industrial:

<https://www.frasersproperty.com/industrial>

Our key contacts regarding this Statement:

Nicholle Sparkes | General Manager – Delivery and Operations

Olivia Leal-Walker | Innovation Manager

Adel Miskovich | Corporate Marketing Manager