

TOGA MODERN SLAVERY STATEMENT 2020

Introduction & Reporting Entities

This modern slavery statement (**statement**) is made by Toga Pty Ltd ACN 000 926 947 (**Toga Pty Ltd**), being the parent company of the TOGA group of companies (**TOGA**) pursuant to the *Modern Slavery Act 2018* (Cth) (**Act**) for the financial year of 1 July 2019 to 30 June 2020 (**first reporting period**). Toga Pty Ltd is a reporting entity pursuant to section 5 of the Act.

The purpose of this statement is to outline TOGA's approach to minimising the risk of modern slavery in our business operations and supply chains. The statement sets out the actions taken by TOGA during the first reporting period to reduce the risk of modern slavery practices in our business operations and supply chains as well as how TOGA intends to continually improve its processes.

TOGA does not tolerate any form of modern slavery including human trafficking, slavery, servitude, forced or child labour, debt bondage, forced marriage or exploitation. As an organisation, we understand the value that diversity and equal opportunity brings, and we ensure through our processes and policies, that all employees and sub-contractors are entitled to their rights under relevant legislation.

TOGA is committed to reducing the risks of modern slavery in our business operations and supply chains, and to responding to incidents where they might occur. This commitment has become increasingly important to us over 2020/21 as the impacts of COVID-19 were felt across the world.

TOGA's response to modern slavery risk assessment and mitigation across our group of companies is managed by the TOGA Supply Chain and Capital Works leadership team, supported by the Group General Counsel, and reported through to the Executive Leadership Team and the Board.

Our Structure and Operations

TOGA is a fully integrated property developer with 58 years' experience in the industry. TOGA is a family company built on a strong foundation of values which are the guiding principles for the way we work.

TOGA comprises a range of entities which contributed to its annual consolidated revenue as at 30 June 2020. The key entities comprising TOGA include:

- Toga Development Finance Pty Ltd ACN 615 320 137 – Toga Group Hub Finance entity (51 employees)
- Toga Project Services Pty Ltd ACN 000 965 515 – Provision of construction development and project management services (43 employees)
- Toga Constructions NSW Pty Ltd ACN 143 154 045 – NSW construction entity (29 employees)

- Robert Edwards Real Estate Pty Ltd ACN 000 605 818– operating entity for Toga Sales & Leasing (9 employees).

TOGA's diverse activities include the development of medium to high density residential, commercial, hotel and retail projects in Sydney, New South Wales. We have a highly skilled and specialised property team with capabilities from site selection to concept planning and design. We engage with community groups, residents, and authorities, combine innovative and proven construction techniques, ensure cost and quality control, and provide leasing and property management services.

Our supply chains

TOGA's business involves the following primary supply chains:

1. Consultants – including architects, structural, services, façade, environmental and geotechnical consultants involved in the design process
2. Construction subcontractors – including plumbing, electrical, waterproofing, early works and demolition trades
3. Suppliers of goods, services, and materials for all stages of the construction cycle – including construction materials, prefabricated elements and finishes
4. Sale of residential apartments - including conjunction agents, marketing and PR firms
5. Management of commercial and retail premises - including facilities management, security and property managers
6. Information technology infrastructure and services
7. Professional services including legal, tax, accounting, audit and insurance providers
8. Outsourced offshore services such as accounts payable, treasury and IT support services

Modern slavery risks in our operations, supply chains and controlling subsidiaries

TOGA's developments are solely in Australia, with employees engaged pursuant to applicable workplace and immigration laws.

Notwithstanding the above, the construction industry has been identified as a high-risk industry due to the prevalence of migrant labour and labour hire agencies within its workforce. This risk is also relevant to TOGA's commercial and retail management operations, which require the engagement of services with a higher rate of migrant and and/or low skilled labour, such as facilities management, security and cleaning.

TOGA also considers that the sourcing of construction materials and furnishings from low-cost countries (like China and India where manufacturing processes are deemed to be predominantly manual in nature), carries an increased risk of lack of supply chain transparency.

In its first reporting period, TOGA internally reviewed its operations and supply chains to identify areas of modern slavery risks. From this assessment, we have identified the following areas in our operations and supply chains to be particularly at risk of modern slavery practices:

- **Construction Subcontractors**

In our Construction operations, we consider there is a risk of subcontractors engaging low skilled or overseas student workers under unfavourable conditions. TOGA engages subcontractors who are monitored closely on site by our project managers. We engage a family of subcontractors who are assessed before and after each project to ensure they provide high quality services, including well established safety, quality and labour practices. We aim to set realistic cost targets and delivery timeframes for all subcontractors and suppliers in our supply chain.

- **Suppliers of goods, services, and materials for all stages of the construction cycle**

Our developments include certain off-site prefabricated elements or products sourced overseas. We have identified this as a risk where the materials come from low-cost countries. Upon review of our key suppliers, we have identified a high-risk group based on geography (examples include manufacturers of hard and soft furniture, rugs, curtains etc.) and to mitigate this risk, we will require future suppliers in this high-risk group to obtain independent external verification to ascertain if there is modern slavery, dangerous or substandard working conditions, corruption or environmental damage in their supply chain.

- **Outsourced offshore services**

Our outsourced services are located in India, which is acknowledged by the Global Slavery Index to be a high-risk jurisdiction for modern slavery. We have therefore engaged a tier one supplier under strict contractual obligations in relation to compliance with applicable laws, and who has proactively issued a global modern slavery statement detailing the full extent of safeguards it has in place to prevent modern slavery in its supply chain and operations.

We believe the mitigation processes set out in this statement are positive steps towards reducing these risks. However, TOGA is committed to continuously improving its processes and response to potential modern slavery risks in its operations and supply chains.

In the financial year to 30 June 2020, TOGA did not identify any instances of modern slavery associated with its operations.

Actions taken to assess and address those modern slavery risks, including due diligence and remediation

In its first reporting period, TOGA has implemented several processes across its suppliers to integrate modern slavery risk mitigation into our operations. This includes a requirement for all suppliers in future to:

- Annually provide a **Modern Slavery Statement** detailing the steps they have taken to minimise modern slavery practices within their own supply chain, including a COVID-19 response
- Attach the **TOGA Modern Slavery Policy Statement** to their own Modern Slavery Statement
- Affirm that they agree and comply with our **Minimum Supply Requirements** upon tender. These are the minimum mandatory health, safety, environment, community, human and business conduct requirements, for all TOGA suppliers.
- Complete the **Self-Assessment Questionnaire (SAQ)** upon execution of any contract with TOGA. The SAQ is designed to assist suppliers to identify types of modern slavery related risk, collaborate with customers to address these risks, improve transparency across shared supply chains and identify areas for further due diligence. Part A focuses on supplier's details and Part B on the risk assessment. All questions must be completed.
- Obtain **Independent Certification** from an independent audit provider such as Bureau Veritas if requested.

In addition, TOGA internally assessed suppliers who source or outsource offshore materials and identified 12 suppliers that may require on site auditing if we engage with them on future projects. COVID-19 has unfortunately suspended all on site due diligence audits, and we are therefore considering virtual external audits for all new potential high-risk suppliers until international borders are re-opened.

Finally, TOGA has various policies in place which are an integral aspect of our commitment to managing human rights and underscore our commitment to reducing the risk of modern slavery practices in our supply chains and operations. These policies include the following:

- Code of Business Conduct and Ethics
- Whistleblowing Policy
 - supports and reflects TOGA's values and code of conduct
 - sets out procedures and avenues available to report unethical, corrupt, illegal or otherwise inappropriate conduct, as well as potential breaches in relation to modern slavery
 - ensures disclosures of wrongdoing are dealt with appropriately and promptly
- Procurement Policy
 - Employees making commercial commitments on TOGA's behalf must:
 - seek to reduce adverse social and environmental impacts from the supply chain; and
 - take reasonable steps to ensure that people in the supply chain are treated with respect, have adequate working conditions, and work in a safe and healthy environment
- TOGA Modern Slavery Policy Statement
 - High level policy statement outlining TOGA's position on modern slavery
- Contractors and Subcontractors Policy

- outlines policies regarding performance on human rights, health & safety and environmental issues when engaging contractors, and applies TOGA policies to its contractors (including suppliers)
- requires all contractors and subcontractors to comply with applicable Australian and international laws regarding employment practices and benefits, anti-discrimination and work, health and safety
- requires contractors to ensure that they do not, and that their supply chain does not, engage in any 'modern slavery' practices including forced labour, exploitation, debt bondage and deceptive recruiting for labour or services
- Work, Health and Safety Policy
 - implements and maintains mandatory safe working conditions for all team members and contractors
- Appropriate Workplace Behaviour Policy
 - prohibits workplace bullying, harassment or discrimination in any form
- Anti-Corruption, Bribery and Political Donations Policy
 - prohibits any activities associated with corruption or bribery, and setting clear criteria for permissible political donations

The commitments made in these policies apply to all employees of TOGA and our consultants, contractors, suppliers and their employees.

Assessing the effectiveness of our actions

Our first reporting period provided a welcome opportunity for TOGA to introduce several new processes and procedures to combat the risks of modern slavery within our operations and supply chains. As we progress through FY21, TOGA expects to continue to implement and improve these processes with the benefit of experience, and hopefully without the restrictions of COVID-19 in place.

We will continue to work collaboratively with our peers to understand what we can do both as a company as well as an industry to better improve our processes moving forward.

No instances of modern slavery have been identified in TOGA's operations or supply chains to date. However, the TOGA Supply Chain and Capital Works leadership team, supported by the Group General Counsel, will continue to monitor and assess our actions to address modern slavery risks and take necessary action in response to risks that are identified.

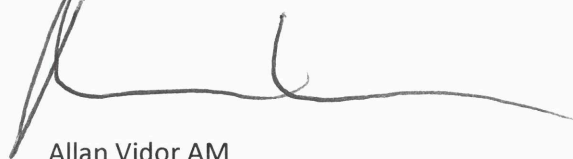
Consultation process with subsidiaries in preparing this statement

TOGA maintains one leadership team across each of its subsidiaries and there is therefore one management team responsible for coordinating TOGA's response to modern slavery risks in its operations

and supply chains. The preparation of this statement and all actions referred to in it have been managed by the TOGA Supply Chain and Capital Works leadership team, supported by the Group General Counsel.

Approval

In accordance with section 13 of the Act, this statement was approved by the Board of Toga Pty Ltd on 25 March 2021.



Allan Vidor AM
Managing Director, TOGA
25 March 2021