

Shayher Group Modern Slavery Statement FY22

1 Introduction

This modern slavery statement is prepared and issued by Shayher Properties Pty Ltd (ACN 095 416 578) (**Shayher Properties**) under section 13 of the *Modern Slavery Act 2018* (Cth) (**Act**) for the financial year ending 30 June 2022 (**FY22**).

Shayher Group consists of several entities, one of which qualifies as a reporting entity under the Act, being Shayher Properties.

This is Shayher Properties' first modern slavery statement (**Statement**). This Statement describes the steps taken by Shayher Properties, and the entities it owns or controls, to assess and address modern slavery risks in its operations and supply chains. In this Statement, the collective expressions “we”, “us”, “our”, “ourselves”, “Shayher Group”, and “the Group” are used where reference is made, in general, to refer to Shayher Properties and the entities that are owned or controlled by Shayher Properties. Save where explicitly identified below, Shayher Group operates using company-wide policies and procedures to assess and address modern slavery risks.

Shayher Group recognises that modern slavery is a serious violation of human rights, and that entities such as Shayher Group have the capacity and responsibility to recognise and substantially reduce modern slavery risks.

2 Structure, Operations and Supply Chains

2.1 Structure and Operations

Shayher Group is made up of separate, individual, privately owned property development and asset management companies. These companies either own, develop or manage residential, retail and commercial properties in Queensland, New South Wales and Victoria. Although the entities are separate, they are managed and controlled by directors which are common for each entity.

The registered office of each of these entities is Level 4, 300 George Street, Brisbane, Queensland 4000.

All entities in Shayher Group are Australian entities (as defined in the Act) with Shayher Properties being the only reporting entity.

The table below includes a description of the primary operating entities which form part of the Shayher Group and activities undertaken by each of the primary operating entities.

Primary operating entities which form part of Shayher Group	Activities undertaken by these primary operating entities
Shayher Properties Pty Ltd ACN 095 416 578 as trustee for Lin Brothers Trust	Property development and asset management for commercial, retail and development land in Brisbane and Melbourne.
Shayher Developments Pty Ltd ACN 113 267 280 as trustee for JYL Trust	Property development and retail, residential and commercial asset management in Brisbane.
Shayher Alliance Pty Limited ACN 113 268 198 as trustee for the Lin Family Capalaba Unit Trust. The trustee for Lin Family Capalaba Unit Trust holds a business name of 'Capalaba Central' and 'Capalaba Central Shopping Centre'	Property development and retail asset management in Brisbane.

Primary operating entities which form part of Shayher Group	Activities undertaken by these primary operating entities
Shayher Leisure Holdings Pty Ltd ACN 168 967 511 as trustee for the Lin Brothers George Unit Trust	Asset management in Brisbane.
Shayher Alliance Pty Limited ACN 113 268 198 as trustee for Lin Family Kings Row Unit Trust	Commercial and retail asset management in Brisbane

Shayher Group is based in Brisbane. We have a diverse portfolio of assets across Queensland, New South Wales and Victoria, including residential, commercial and retail property assets.

During FY22, 51 employees were directly employed across Shayher Group.¹ Of these, 42 employees were employed on a full-time basis, 8 were employed on a part-time basis and 1 was employed as a casual worker. We also engaged two independent consultants and two independent facilities managers as independent contractors.

2.2 Nature of the supply chain

As property developers, we subcontract to building, construction and manufacturing companies to assist with the design and construction of our project developments. These companies are in tier 1 of our supply chain. These contractors then outsource work to third party subcontractors in the building, construction and manufacturing industry.

The suppliers/subcontractors of our contractors are our indirect suppliers, and form tier 2 of our supply chain. They include, for example, suppliers in the housekeeping and facilities operation industry. These tier 2 suppliers will carry out cleaning or landscaping services for our contractors. In our capacity as asset/property managers, we predominantly outsource our property management functions to other real estate service companies (or property managers), who also outsource and contract with other suppliers.

We are aware that parts of our supply chains procure goods from other countries including Germany, Spain, China and Malaysia.

Top categories of procurement spend for FY22 include:

Direct (tier 1) suppliers
Building, construction and manufacturing industry. We engage suppliers in the building construction and manufacturing industry to provide design and construction related services. This extends to build, fit outs, development and demolition works.
Housekeeping and facilities operation. Our suppliers in the housekeeping and facilities operation industry generally provide cleaning services to some of the buildings which we either manage or are in the process of developing.
Advertising, marketing, media, design and sales. We engage suppliers in advertising, marketing, media, design and sales industries as we seek to attract tenants and other interested parties to our developments.

¹ No employees were employed directly by the reporting entity.

Indirect (tier 2) suppliers
<p>Building, construction and manufacturing industry. Our subcontractors further subcontract and outsource to other contractors in the building construction and manufacturing industry. This includes trades such as joiners, plasterers, carpentry, mechanics and those which specialise in concreting and concrete pumping. This could also include plumbers and those suppliers which assist with supplying and installing kitchen equipment for our property developments.</p>
<p>Electronics and electrical product manufacture. Our subcontractors will also subcontract to trades or companies which offer a range of electrical services to the commercial, domestic and industrial sectors including maintenance and construction work.</p>
<p>Housekeeping and facilities operation (including cleaning). Like our direct suppliers in this industry category, indirect suppliers in this industry category generally provide cleaning services to some of the buildings which we either manage or are in the process of developing. Some indirect suppliers in this category would also assist with waste management services.</p>

3 The risks of modern slavery practices in our operations and supply chains

3.1 Our workforce

Our workforce is primarily based in Australia, which is considered a jurisdiction with a lower prevalence of modern slavery.

Our workforce is predominantly office based. All our employees have written employment contracts, and we take steps to comply with all applicable employment laws (including modern awards) and workplace health and safety laws.

Shayher Group does not hold any of its workers' original travel or identification documents, and when we use recruitment companies to fill vacancies, we only engage companies with which we have long-standing relationships, are reputable and who never charge employees any fees for any job.

We therefore consider the risk of modern slavery in our workforce to be low.

3.2 Property development and property management

For the purpose of this Statement, we conducted a high-level desktop review of our supply chain for FY22. The review considered both direct suppliers (tier 1 suppliers) and a review of some of our subcontractors (being our indirect, tier 2 suppliers) using the information available to us. The outcomes of this high-level risk assessment are set out in the table below. We used the Global Slavery Index 2018 Risk Assessment Tool to assist us with this risk assessment.

Based on the risk assessment, we have identified suppliers in certain procurement categories as having a potentially higher exposure to modern slavery risks based on their industry and the types of services they provide. The procurement categories with a higher potential risk of modern slavery are those in the building, construction and manufacturing industry, and those suppliers which assist with housekeeping and facilities operation (including cleaning).

More than 80% of our total spend is within the building, construction and manufacturing industry. That means that, as appropriate, we may have leverage to meaningfully influence an uplift in standards within an industry with higher modern slavery risks.

The higher risk of modern slavery arises in these industries because, generally, there is an increased demand for a base-skill workforce who may be more vulnerable to exploitative practices, and for raw materials that may be sourced from higher risk geographies. Whilst we are not directly involved in these higher risk jurisdictions or activities, we recognise that they have known modern slavery risks. Although

these industries are considered higher risk from a modern slavery perspective, we consider that the risk is lessened by the fact that we, all of our direct (tier 1) suppliers, and the indirect (tier 2) suppliers that we assessed, are based in Australia.

However, we are aware that some of our suppliers have their own complex and diverse supply chains. We recognise that many of our goods and services from indirect suppliers may come from higher risk jurisdictions, over which we have limited visibility.

Industry Category (tier 1 and 2 suppliers)	Jurisdiction risk assessment ² (all suppliers assessed are based in Australia)	Industry/services risk assessment ³	Overall risk assessment
Advertising, marketing, media, design and sales	Low risk jurisdiction	Low risk industry category	Low risk
Arborist	Low risk jurisdiction	Low risk industry category	Low risk
Architect and design services	Low risk jurisdiction	Low risk industry category	Low risk
Artist, art consultant and/or art curation	Low risk jurisdiction	Low risk industry category	Low risk
Economic consulting	Low risk jurisdiction	Low risk industry category	Low risk
Engineering	Low risk jurisdiction	Low risk industry category	Low risk
Entertainment	Low risk jurisdiction	Low risk industry category	Low risk
Environmental audit works	Low risk jurisdiction	Low risk industry category	Low risk
Land planning, land works and land surveying	Low risk jurisdiction	Low risk industry category	Low risk
Legal services	Low risk jurisdiction	Low risk industry category	Low risk
Printing	Low risk jurisdiction	Low risk industry category	Low risk
Strategy and design	Low risk jurisdiction	Low risk industry category	Low risk
Building, construction and manufacturing	Low risk jurisdiction	High risk industry category	Moderate risk
Electronics and electrical products manufacture	Low risk jurisdiction	High risk industry category	Moderate risk
Housekeeping and facilities operation (including cleaning, pest control, waste management and landscaping)	Low risk jurisdiction	High risk industry category	Moderate risk
Kitchen appliance industry (including procurement of stones, granite, limestone)	Low risk jurisdiction	Low risk industry category but supply chain likely includes goods sourced from high risk jurisdictions	Moderate risk
Plumbing	Low risk jurisdiction	Low risk industry category but supply chain likely includes goods sourced from high risk jurisdictions	Moderate risk

² The analysis was based on data from the Global Slavery Index 2018.

³ Data sources informing this analysis included: Commonwealth of Australia, Joint Standing Committee on Foreign Affairs, Defence and Trade, *Hidden in Plain Sight*, Final Report of the Inquiry into Establishing a Modern Slavery Act in Australia (2017); US

4 Assessing and addressing modern slavery risks

The actions identified below form a baseline and we are committed to building on this framework. We are currently strengthening our modern slavery controls which we expect to assist with identifying potential modern slavery risks in the future. This includes developing a modern slavery policy, and contractual clauses on modern slavery for use with the Group's suppliers and others involved in the leasing, construction and management of Shayher Group's properties, as appropriate..

4.1 Risk assessment of modern slavery risks

The primary measure we took to assess our FY22 modern slavery risks was the high-level risk assessment of our operations and supply chains (described further above).

The risk assessment considered the nature and location of our operations, as well as the industry and location of the Group's tier 1 suppliers and some tier 2 suppliers.

4.2 Governance and policies

We are currently developing a dedicated modern slavery policy to assist us assess and address our modern slavery risks.

Our Grievance Policy additionally sets out our process for resolving employee grievances relating to working conditions. The Grievance Policy can be utilised by employees with concerns about modern slavery practices. In FY22, no grievance related to modern slavery was raised.

We also have other policies in place that help ensure we provide a fair and safe workplace for our employees, including our:

- Sexual Harassment Policy;
- Workplace Bullying Policy;
- Anti-discrimination Policy;
- Privacy Policy; and
- Employee Assistance Policy.

Our policies are provided to all employees when they commence their employment with the Shayher Group.

4.3 Training

During FY22, we arranged a modern slavery and human rights workshop for a selection of our people involved in our governance, finance, legal, and design functions. That workshop was successfully delivered in August 2022. It covered an overview of business and human rights including modern slavery, the requirements of the Act, and ways that we could address modern slavery in our business.

4.4 Modern slavery clauses in our contracts

We are also in the process of developing modern slavery clauses for our contracts, including contracts with a selection of our suppliers. We expect to roll these out across our business in FY23.

5 Measuring the Effectiveness of our Actions

Our focus for FY22 was to gain a better understanding of our modern slavery risks, including how such risks may be present in our operations and supply chains.

We were in a position to assess the effectiveness of our actions to assess and address our modern slavery risks during FY22 by monitoring the use of our Grievance Policy. During the reporting period, no modern slavery concerns were reported through our Grievance Policy. However, we recognise that this does not necessarily mean that there was no modern slavery, or risks of modern slavery, in our operations and supply chains. We recognise that our review and assessment of our actions to identify and address our modern slavery risks in our operations and across our supply chain is an ongoing and evolving process. We are committed to building upon these processes.

We have commenced and will continue to work on developing processes to further assess the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains. To this end, we have set ourselves goals to reach so we can look back and assess the effectiveness of our approach and inform our path forward. These goals include:

- developing contractual clauses on modern slavery, and monitoring the roll out of those clauses;
- developing a policy that explicitly deals with modern slavery, and keeping records of identified non-compliance with that policy; and
- rolling out further modern slavery training within our business and keeping records of attendance at that training.

6 Consultation

We have taken a group-wide response to our modern slavery risks, including a group-wide approach in preparing this Statement. In preparing this Statement, representatives of Shayher Properties, and all entities that Shayher Properties owns or controls, consulted one another, reviewed the statement and approved its content.

7 Impact of COVID-19

The COVID-19 pandemic affected our property development business as there were increased construction delays which resulted in increased costs for our business. Our revenue was reduced during the pandemic, which was challenging. We arranged for our staff to work from home where they were required to do so by Government directions, and our Employee Assistance program was available to all our people.

8 Board Approval

This Statement was approved by the Board of Directors of Shayher Properties Pty Ltd (ACN 095 416 578) on 13 December 2022 as the principal governing body of the reporting entity covered by this Statement.



John Lin

Director of Shayher Properties Pty Ltd