

Modern Slavery Statement

FY21



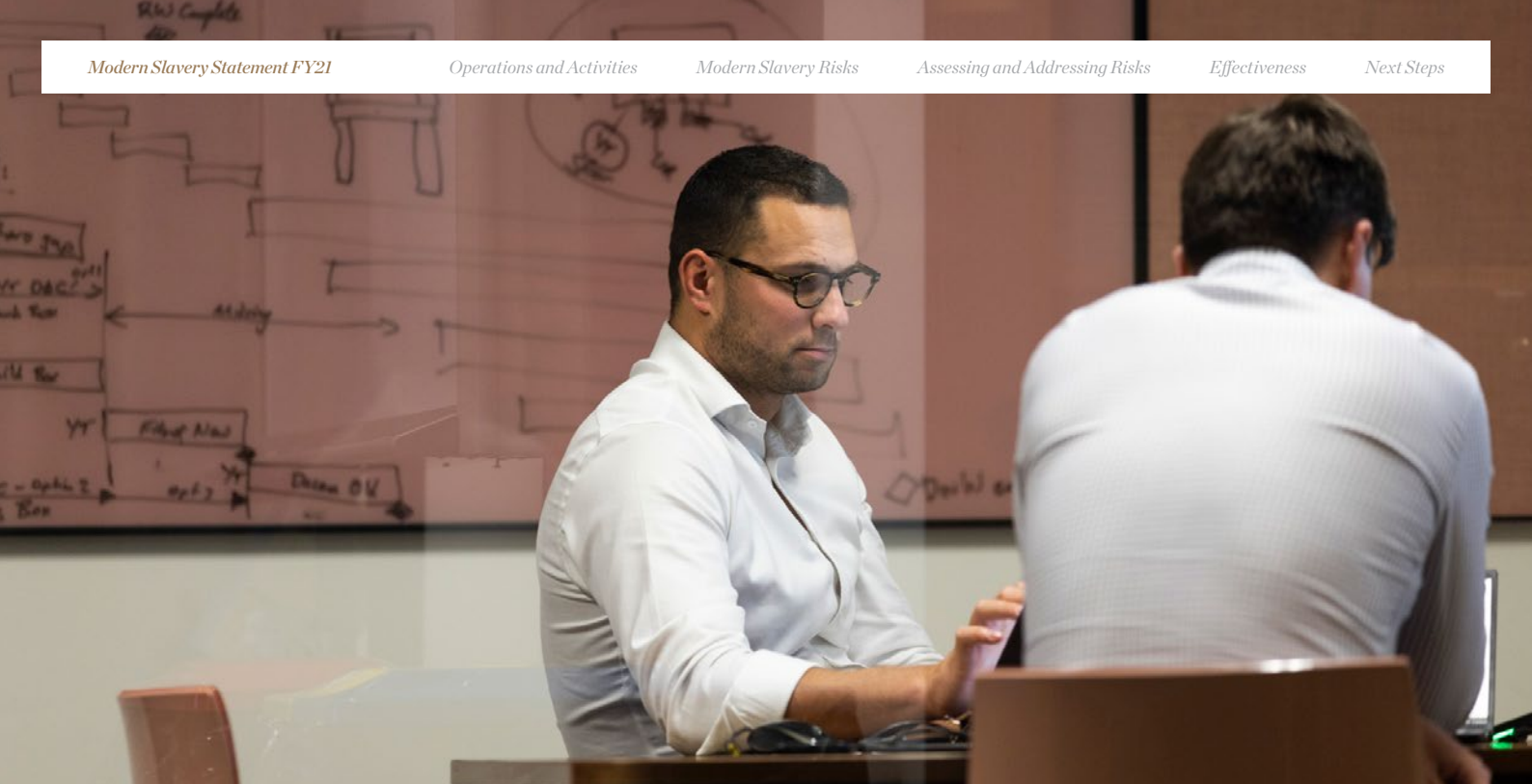
This statement has been approved
by the board of The Trust Company
Australia Limited.

Signature

31/12/2021

Date

Rodney Garth Ellwood,
Director



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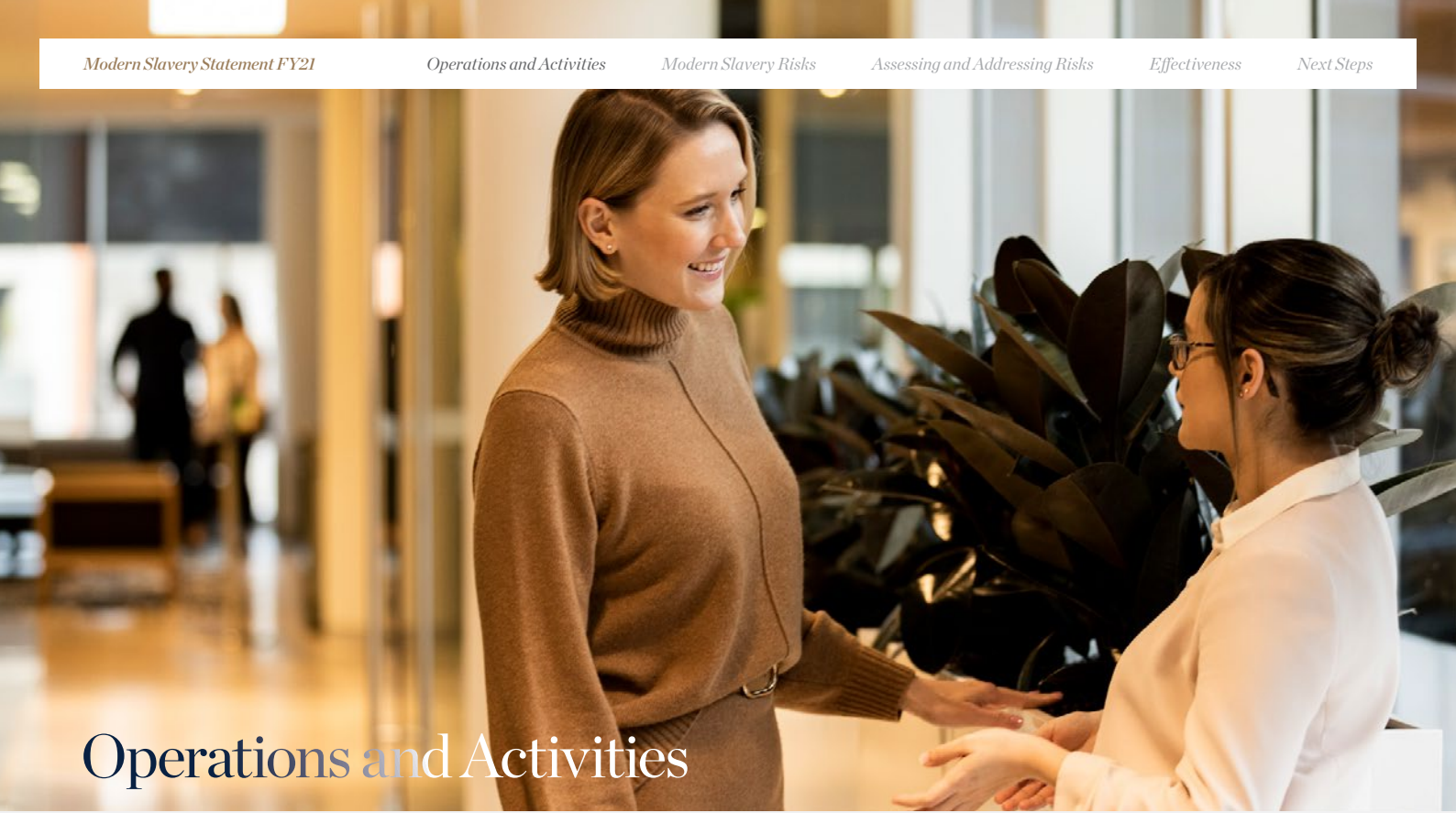
ACKNOWLEDGMENT OF COUNTRY

LAT acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners of the lands and waters of Australia. We recognise that we all live, work and play on the traditional lands of Aboriginal and Torres Strait Islander peoples and we pay our respects to Elders past and present.

ABOUT THIS REPORT: This is a statement to cover The Trust Company (Australia) Limited ABN 21 000 000 993 as trustee for Leader Auta I Trust (ABN 40 115 425 906) (LATI), the Trust Company Limited as Trustee for Leader Auta II Trust (ABN 60 834 163 237) and other entities over which LATI has control for accounting purposes for the year ending 30 June 2021 (FY21) (together for the report, references to 'LAT', 'Group', 'we', 'us' and 'our' refer to LATI and its controlled entities as a whole). LATI is a sub-trust that is controlled by China Investment Corporation. This Modern Slavery Statement has been published in accordance with the Modern Slavery Act 2018 (Cth) (Act). This is an FY21 Modern Slavery Statement and references in this report to a 'year' relate to the financial year ended 30 June 2021.

This statement has been approved by the board of the Trust Company (Australia) Limited.

CONSULTATION WITH ENTITIES: This document was prepared by Mirvac's Anti-Slavery Committee (ASC), which includes senior managers from across Office and Industrial, Retail, Residential, Design, Marketing & Sales, Construction and Group functions, including HSE, HR, Risk, Procurement and Sustainability who are tasked with representing their divisions and areas of expertise. When preparing this document, senior managers were required to consult with their relevant business units.



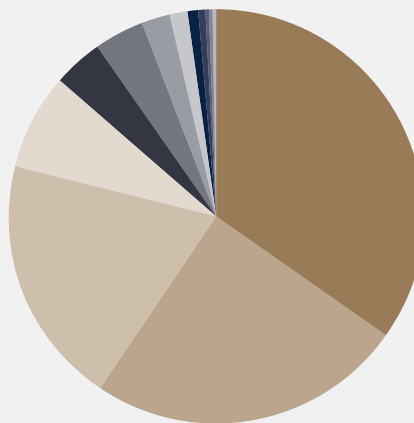
Operations and Activities

ABOUT LAT

LAT owns office assets in Sydney, Melbourne and Brisbane. LAT's supply chain relates to property management, property development and investment management of these assets. Mirvac Limited and its related bodies provide these services.

Mirvac has, for almost 50 years, focused on creating sustainable, connected and vibrant urban environments for people to work, shop, live and play. Mirvac has a workforce of approximately 1,400 employees and operates primarily in Australia's four key cities of Sydney, Melbourne, Brisbane and Perth. Mirvac will also publish its FY21 Modern Slavery statement.

LAT'S SUPPLY CHAIN – NUMBER OF SUPPLIERS PER CATEGORY



- Subcontracted services 42
- Professional services 38
- Materials supply / supply & install 15
- Head Contractor - external 6
- Marketing 5
- Information technology & communications 5
- Equipment purchase & rental 4
- Premises 4
- Office supplies, PPE & postage 4
- Human resources 2
- Other 6

OUR SUPPLY CHAIN

In FY21, LAT's supply chain consisted of approximately 200 suppliers across development management and construction.

In FY21, 100 per cent of LAT's procurement spend (by value) was with Australian entities. LAT recognises that these suppliers may procure materials from outside of Australia, and as such, Mirvac (on behalf of LAT) completed further assessments of the supply chain as described in the Risk Assessment section of this statement.



Understanding our Modern Slavery Risks

LAT recognises there is a need to review our modern slavery risk profile regularly so that we can continue to identify new or emerging areas of risk.

No sector or country is immune from modern slavery, and we understand that entities operating in the Australian property sector may be exposed to a range of modern slavery risks through their operations and supply chains. Globally, it is estimated that 18 per cent of those in forced labour work in the construction industry and another 22 per cent within manufacturing, forestry, mining and quarrying, all of which supply raw materials and components for construction.¹ Australia's construction industry is also considered higher risk because of the complexity of its supply chains and links to the Asia Pacific region, which is reported to have 66 per cent of the world's forced labour.

We assess potential modern slavery risks in our operations and supply chains in a range of ways, which includes considering information from external sources such as the [Social Hotspot Database](#), literature evidence, spend-based risk, and our high exposure spending categories.

MODERN SLAVERY RISKS IN OUR OPERATIONS

We consider that modern slavery risks in our direct operations are comparatively low. Mirvac's workforce (LAT's key service provider) is located in Australia, primarily provides professional, office-based services, and is employed in accordance with Australian workplace law. Mirvac also has a comprehensive suite of policies in place to contribute to a safe and fair working environment for our workforce.

Mirvac's policy framework, outlined on page 7, details who our policies apply to, with the majority relevant to all Workplace Participants. Workplace Participants are defined as employees, directors (both executive and non-executive), contractors, labour hire employees, suppliers, apprentices and work experience students.

MODERN SLAVERY RISKS IN OUR SUPPLY CHAINS

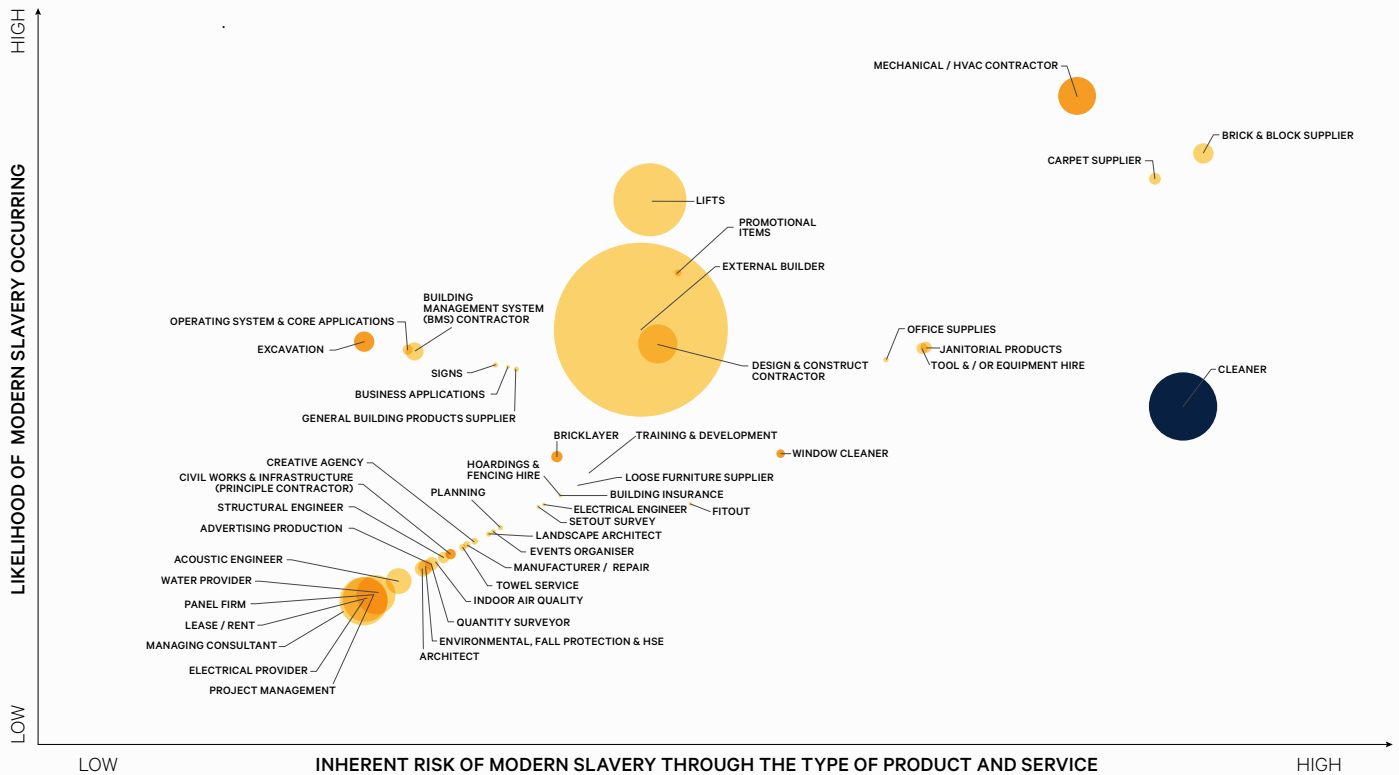
In FY20, Mirvac created a snapshot of its highest levels of potential risk exposure based on geographic origins and spending categories in our supply chain.

Mirvac updated this risk snapshot in FY21 to reflect activities and spend over the financial year. The findings are summarised in the risk map below, which highlights modern slavery risks at a material and subcontractor level. The horizontal axis looks at the inherent risks of the industry and product, while the vertical axis shows the likelihood (including geography) of the potential risk. The size of the bubble indicates our relative spend, while the colours indicate whether actions could cause, contribute to, or be directly linked to modern slavery in line with the UN Guiding Principles on Business and Human Rights (UNGPs). We explain how the UNGPs have been used to understand the potential involvement in modern slavery and inform the risk assessment process.

1. https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf
ILO report on Global Estimates of Modern Slavery: Forced Labour and Forced Marriage

Understanding our Modern Slavery Risks *continued*

RISK MAP: RISK ANALYSIS SHOWING RELATIVE RISK OF MODERN SLAVERY OCCURRING



HOW WE USE THE UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS TO UNDERSTAND OUR POTENTIAL INVOLVEMENT IN MODERN SLAVERY

The UNGPs are the global standard for preventing and addressing adverse human rights impacts by businesses, such as modern slavery. As recommended by the Australian Government’s guidance about the Modern Slavery Act, Mirvac uses the UNGPs to understand and explain how it may be at risk of involvement in modern slavery and to guide our risk management response, including as manager of LAT.

The UNGPs set out a three-part continuum of involvement that outlines how businesses can be involved in adverse human rights impacts, including modern slavery:

- > **CAUSE:** a business can cause an adverse human rights impact where its actions or omissions directly result in the impact occurring. For example, a construction company could cause modern slavery by exploiting its workers.
- > **CONTRIBUTE:** a business can contribute to an adverse human rights impact where its actions or omissions substantially contribute to the impact occurring. This includes acts or omissions that may incentivise or facilitate the impact. For example, a cleaning company could contribute to modern slavery by placing unrealistic cost requirements or timeframes on its subcontractors, which could likely only be met using exploited labour.
- > **DIRECTLY LINKED:** a business can be directly linked to modern slavery where it is directly connected to modern slavery through the activities of another entity that it has a business relationship with, such as a sub-supplier. For example, a security company may purchase uniforms for its staff made by a supplier with textiles produced by a third supplier using modern slavery.

Mirvac uses this continuum to understand how it may be at risk of involvement in modern slavery, as shown in the risk map below. Importantly, Mirvac also uses this continuum to help identify how it should respond to potential modern slavery risks, based on its involvement in the risk. For example, under the UNGPs Principle 19, a business that is at risk of contributing to modern slavery should take action to stop contributing to the risk, provide for or cooperate in remediating any impacts it identifies it has contributed to, and use its leverage to mitigate any remaining risk to the extent possible.

Mirvac also draws on other elements of the UNGPs to help shape its approach to assessing and managing modern slavery risks. For example, the UNGPs Principle 17 highlights the importance of ongoing risk assessment as part of human rights due diligence and explains businesses should focus on those areas of their business activities and relationships with the highest risk of adverse human rights impacts. The UNGPs Principle 24 also recommends that, where necessary, businesses prioritise responding to the risks of human rights impacts that are most severe (or where delayed response would make them irredeemable).



Assessing and Addressing Risks

Consistent with the expectations for human rights due diligence set out in the UNGPs, Mirvac's modern slavery risk management approach, which applied to LAT, includes the following components:

- > clear governance structures, including a cross-functional Anti-Slavery Committee, to integrate and coordinate our actions to manage modern slavery risks across our business;
- > a comprehensive policy framework to support a safe and fair working environment for our workers and our suppliers;
- > action to assess potential modern slavery risks, which includes collaboration with industry peers;
- > engagement with suppliers through a due diligence process;
- > training for our workforce; and
- > a framework to enable the identification and remediation of potential modern slavery incidents.

This section outlines the steps Mirvac has taken over the reporting period to progress its modern slavery response in these areas.



What is Human Rights Due Diligence?

Under the UNGPs, the term 'human rights due diligence' refers to an ongoing management process to identify, prevent, mitigate and account for how an entity addresses actual and potential adverse human rights impacts in their operations and supply chains, including modern slavery.

FY21 SNAPSHOT

In FY21, Mirvac's focus was on continuing to implement and assess the effectiveness of the first wave of activity (identification of risks, building a governance framework and building capability), which was primarily attended to through an audit. Mirvac also focused on building its modern slavery intelligence and connectedness through stakeholder networks of both experts and other businesses learning more about the issue.



Assessing and Addressing Risks *continued*

GOVERNANCE

Mirvac established its cross-functional Anti-Slavery Committee in 2019 to oversee modern slavery risk management activities in the Group's operations and its supply chain. The Committee is focused on strategy creation and execution, statement input and approvals, incident management and remediation.

The Committee reports into the Executive Leadership Team and is chaired by Mirvac's Chief Financial Officer. To ensure their response to modern slavery is inclusive and comprehensive, members have been selected to represent their divisions, as well as provide subject matter expertise in their field.

The Committee includes representatives from Procurement, Construction, Sustainability, Risk and Audit, Health, Safety and Environment, HR, Retail, Legal, Finance, Design, Marketing and Sales, Technical Services and Operations. In FY21, the Committee met twice.

In FY22, the role of the ASC will become more clearly defined as Mirvac formalises its charter, and reclarifies the purpose of the Committee and the roles and responsibilities of its members.

ASC GOVERNANCE FRAMEWORK



Assessing and Addressing Risks *continued*

MIRVAC'S POLICY FRAMEWORK

Mirvac has a comprehensive policy framework to support its commitment to respect human rights, including the human right to freedom from modern slavery. These policies apply to the services carried out by Mirvac on behalf of LAT.

It is aimed at supporting a safe and fair working environment, as well as setting clear expectations for their workers and suppliers. The key policies relevant to modern slavery are set out below. For more information on these, please visit the corporate governance section on Mirvac's website at www.mirvac.com/about/corporate-governance.

- > Mirvac's **Code of Conduct** articulates the standards of behaviour that Mirvac expects of all Workplace Participants. Any materially adverse conduct that is inconsistent with the values, the Code, or desired culture of the Group is reported to the Board. This includes any conduct where human rights violations, including modern slavery, have been identified. Training on the Code of Conduct is completed by all employees annually.
- > Mirvac's **Human Rights Commitment** describes the steps that Mirvac is taking to address human rights risks, such as those relating to modern slavery, across the organisation and global supply chain, and sets out plans for future improvements. The future priorities outlined in the Commitment include increasing supplier awareness and engagement, and further investing in collaborative opportunities with peers and other stakeholders. Mirvac's first Commitment was published in February 2021. It has been shared with employees and is available on Mirvac's Intranet and the Group's website. It will be reviewed annually.
- > Mirvac's **Risk Management Policy & Framework** outlines the processes they have in place to safeguard the achievement of strategic and operational objectives. This framework demonstrates the systematic identification, assessment, management, monitoring and communication of all material risks associated with Mirvac's business operations. Modern slavery risks are assessed within this framework as outlined on page xx in a description of Mirvac's internal audit process. It is available on Mirvac's Intranet and Group website, and is reviewed annually.
- > Mirvac's **Whistleblower Policy** is outlined in the Remediation Processes section on page 10. In FY21, some grievances were raised and resolved (unrelated to modern slavery) using the Whistleblower Hotline and Mirvac's internal incident management procedures which has helped to determine the processes' overall effectiveness.
- > Mirvac Group **Crisis and Incident Management Plan** is an internal document that assists in the management of incidents with a high severity level. It details the individuals that need to be involved in the process and guidelines for them to follow.
- > The **Group Procurement Policy** is outlined in the Vendor Journey on the next page and is available on Mirvac's Intranet.
- > The **Vendor Code of Conduct** is outlined in the Vendor Journey section on the next page, and is available on the Group website and Intranet.
- > Mirvac's **Conflicts of Interest and Related Party Transactions Policy** sets out guidance for Mirvac entities and employees to identify and manage conflicts of interest and related party transactions. If not addressed, conflicts of interest can undermine the integrity of our workplace and relationships with suppliers, which may increase exposure to modern slavery risks. It is available on Mirvac's Intranet and website. All Workplace Participants are trained annually on this policy and it is reviewed at least every two years.
- > Mirvac's **Health Safety Environment Policy** sets out the guiding principles and Mirvac's commitment to protect and improve the health, safety and wellbeing of employees, suppliers and communities and provide healthy, safe and productive places. Mirvac recognises that unsafe workplaces may be linked to an increased likelihood of modern slavery occurring, such as in the supply chain. Mirvac's vision is to pursue safety excellence and move beyond preventing harm and ill health to improve the overall wellbeing of employees, suppliers, communities and the environment, including mental, social and psychological wellbeing. Training on Mirvac's Health Safety Environment Policy is completed annually by all employees.
- > Mirvac's commitments to diversity, anti-discrimination, equal employment opportunity, as well as inclusion are outlined in its **Inclusion Policy**, which applies to Mirvac's employees, service providers, contractors, and consultants. Inclusion represents acceptance and respect of the characteristics that make one individual different to another, noting that victims of modern slavery are often from vulnerable or minority communities. Training on the Inclusion Policy is undertaken as part of Mirvac's employee induction process.

More broadly, Mirvac also has a number of policies which demonstrate the robust nature of its corporate governance and its commitment to its people and respecting their human rights. These are:

- > Grievance Resolution Procedure
- > Fraud, Bribery and Corruption Policy
- > Recruitment and Selection Policy
- > Bullying Harassment Prevention Policy
- > Leave Policy
- > Shared Care Parental Leave Policy
- > Flexibility Policy
- > Privacy Policy
- > Remuneration Policy
- > Injury Management and Return to Work Policy
- > Managing Unacceptable Workplace Performance and Behaviour

Assessing and Addressing Risks *continued*

SUPPLIER ENGAGEMENT AND DUE DILIGENCE

LAT recognises that a key challenge in implementing its response to modern slavery is assessing and addressing risk in its supply chain, including where modern slavery risks may be present in its extended supply chains below tier one suppliers.

LAT and Mirvac work to address this challenge by taking a robust approach to supplier engagement and due diligence based on strong internal procurement processes, while continuing to leverage collaboration with industry peers through the Property Council of Australia (PCA). Mirvac has also engaged Givvable, a company that tracks supplier sustainability, to assist in supplier analytics.

LAT and Mirvac value strong relationships with their key suppliers. Their aim is to ensure that all suppliers respect human rights, and that they are committed to taking meaningful action to manage modern slavery risks. Outlined below is Mirvac’s Vendor Journey, which also applies to vendors engaged by Mirvac on behalf of LAT.

THE VENDOR JOURNEY

PROCUREMENT POLICY AND GUIDELINES

The Group Procurement Policy outlines Mirvac’s standards for all procurement activity and ensures consistent practices across the Mirvac Group.

The Procurement Guidelines sit underneath the Policy. They inform business unit specific requirements in the procurement process and ensure compliance to the overarching Policy.

Combined, the policy and guidelines outline:

- > Mirvac’s procurement philosophy, in which they support the Ten Principles of the United Nations Global Compact, including International Labour Organisations Conventions Responsible Sourcing requirements, as well as incorporating the assessment of potential modern slavery risks and the actions taken to assess and address this risk.
- > Mirvac’s vendor relationship management process, which outlines Mirvac’s commitment to working with its supply chain to actively encourage:
 - innovation and development of products that meet Mirvac’s aspirations around minimising environmental and social impacts;

- educating and learning from their supply chain on sustainability and innovation;
 - community benefits and social cohesion;
 - compliance with the Vendor Code of Conduct; and
 - collaboration to take steps to ensure that slavery and human trafficking are not taking place, and that processes are in place to ensure it is difficult for it to occur; and
- > areas such as payment of vendors, principles of procurement, compliance, and consequence management.

VENDOR CODE OF CONDUCT

Mirvac’s Vendor Code of Conduct (VCoC) defines Mirvac’s commitment to, and its expectations of, its suppliers and the way they conduct business together. It is referenced in their contracts and on Mirvac’s purchase orders.

The VCoC includes requirements relating to human rights, including modern slavery. It specifically requires suppliers to comply with relevant labour and employment laws (including

developing written labour policies), and to provide a formal complaints management process for their workers, the local communities in which they operate, and workers in their supply chain. Acknowledging that not all suppliers will have their own Whistleblower service, Mirvac’s Whistleblower Hotline is available to all suppliers. The VCoC also requires Mirvac’s suppliers to not knowingly use modern slavery of any form.

In the creation of contracts, suppliers must agree to adopt the VCoC or have their own document supporting the same concepts as Mirvac. Mirvac’s suppliers are required to share their modern slavery approach, or share Mirvac’s, with their sub-contractors at the outset of contractual engagements. Mirvac’s aim is to partner where possible with its suppliers, however, if necessary, Mirvac can choose not to work, or cease work, with suppliers who do not act to meet these expectations.

DUE DILIGENCE TOOLS

Mirvac’s supplier due diligence process, as guided by the policies and guidelines outlined above, includes a range of pre-qualifications checks, contractual arrangements, and ongoing monitoring as appropriate. The tools used are dependent on category of spend, source country and other risk factors. This process can help Mirvac to identify potential areas of concern relating to suppliers, which could include issues relating to modern slavery.

Additional due diligence tools include:

- > Sustainability questionnaire
- > PCA supplier questionnaire
- > Vendor due diligence process
- > Sanctions checks
- > Audits
- > Site/factory visits
- > Training resources
- > Contracts
- > Ongoing supplier performance management

This example illustrates the onboarding journey when Mirvac procure directly from an offshore supplier for construction materials:



Assessing and Addressing Risks *continued*

PCA AND SUPPLIER ASSESSMENTS

Mirvac's due diligence activities in relation to modern slavery are also informed by its work to leverage opportunities for collaboration with its industry peers through the PCA.

Mirvac is a member of the PCA's Modern Slavery Working Group, which meets monthly to share updates and lessons learned. In addition, the group works to evolve the PCA online supplier platform that hosts the supplier self-assessment. The self-assessment enables suppliers to answer a set of questions, outlining their knowledge and the actions they are taking to assess and address human rights and modern slavery. The objective is that each supplier answers these questions just once, and results are then available to be shared across the Working Group, with the suppliers permission. Each Working Group member determines which suppliers they require to complete the assessment. The group is supported by Better Sydney for subject matter expertise and project management, and the Supply Chain Sustainability School for educational resources, with Informed 365 providing the technical expertise on the supplier platform and a follow up service to assist with supplier self-assessment completion.

The initial group of 15 founding partners (including Mirvac) has grown to 37 participating organisations (representing a total of over \$1.5 trillion in funds under management), with nearly 4,500 suppliers engaged, compared to 370 this time last year. Of these 4,500 suppliers, 41 per cent have completed or are completing the supplier self-assessment, and many are shared by multiple organisations. This includes Mirvac's direct suppliers who represent 25 per cent of Mirvac's spend. This enables Mirvac and the PCA Working Group to identify higher risk areas where Mirvac can partner with its suppliers on finding solutions. Suppliers are also invited to enter information about actions they are taking to assess and address modern slavery.

Verification of responses to the assessment questions was deemed a critical part of the supplier engagement process. During 2021, the PCA Working Group worked with Informed 365 and Bureau Veritas to undertake independent, third-party reviews of the assessment responses provided by suppliers to evaluate their accuracy. This was done on a pilot scale in which Mirvac selected five suppliers from various categories to be included in the process (83 suppliers were

selected by the Working Group in total, with 69 of those relevant to Mirvac). The objective was to provide suggestions for an improved question set, reduce confusion, clarify supplier responses, and highlight trends and patterns around modern slavery and related risks with the overall intent of providing further insights into continuous improvement pathways for suppliers.

Over 10 per cent of Mirvac's supplier spend was captured in the verification process, with checks being performed on 100 per cent of its lift providers, 73 per cent of its cleaners, 71 per cent of its mechanical/HVAC contractors, 42 per cent of its guards/patrols, and 40 per cent of its electricians. The results of the verification process are currently being assessed.

SUPPLIER ANALYTICS

Of the 25 per cent of Mirvac's supplier spend represented on the platform, we have gained the following insights.

92%

of suppliers understand the basic facts around Modern Slavery, with a general awareness of where it may exist in Australian and international supply chains¹.

92%

of suppliers do not manufacture products overseas or maintain foreign operations that contribute to their delivery¹.

41%

of suppliers source via their supply chain manufactured products or services from overseas that contribute to their delivery¹.

65%

of Mirvac suppliers have done some assessment of modern slavery risks in their operations and supply chains or plan to in the next twelve months.

87%

of Mirvac's supplier organisations have a grievance mechanism or process in place (or plan to in the next twelve months) that provides an opportunity for employees, suppliers and the worker voice to be heard.

70%

of Mirvac suppliers provide training to employees or suppliers around the topic of human rights and modern slavery or plan to in the next twelve months²

Additional statistics obtained through Givvable:

23%

of supplier spend in FY21 was with suppliers who have submitted a modern slavery statement.³

70%

of FY21 spend with suppliers was with companies that have a documented workers agreement with the Fair Work Commission.³

Mirvac will incorporate this data into our supplier engagement strategy and aim to increase the number of suppliers that completed the self-assessment to provide a more holistic view of our supply chain.

1. PCA Supplier Self-assessment.

2. PCA Supplier self-assessment

3. Givvable, based on 100% of suppliers

Assessing and Addressing Risks *continued*

ENGAGEMENT AND TRAINING

In FY20, modern slavery training was provided to the ASC by Better Sydney and The Supply Chain Sustainability School. The training covered topics such as the Modern Slavery Act, grievance mechanisms and remediation, and assessing effectiveness.

This training provided an important foundation for Mirvac's response to modern slavery over FY21. In FY22, Mirvac will undertake further training on modern slavery for Committee members. With new information available following the first round of modern slavery statements submissions, including research reports from Monash University and ACSI, and with new members joining the ASC, undertaking this training in FY22 will help ensure the Committee continues to build their understanding of modern slavery. Workshops led by Better Sydney will occur in the first half of the financial year, and before and after surveys will be conducted to measure this training's effectiveness.

FY22 will also see the creation of a training strategy outlining awareness training and functional training for identified roles with a higher likelihood of encountering modern slavery.

Training in the two-step due diligence process, outlined in the FY20 Statement, was carried out in FY21 for selected employees in advance of tender activity in high-risk areas due to commence in FY22.

REMEDICATION PROCESSES

Grievance mechanisms play a vital role in enabling the identification and remediation of potential modern slavery and other human rights-related issues. Mirvac has a Whistleblower program in place which allows the following persons (both in a current or previous capacity) to safely make a disclosure regarding potentially unethical, unlawful or improper practices or behaviours, which could include modern slavery:

- > officers (including directors) of Mirvac
- > employees of Mirvac
- > suppliers to Mirvac, and employees of these suppliers
- > individuals who are associates of Mirvac
- > a relative of any of the above people, or a dependent or one of the above people or their spouse, and/or
- > any persons prescribed from time to time as being able to make a disclosure by regulations under the Corporations Act 2001 (Cth) or the Taxation Administration Act 1953.

Under the Whistleblower Policy, disclosures can be made through a Whistleblower Hotline, managed independently by YourCall. The Whistleblower Policy provides protection for individuals reporting matters in good faith, and an individual making a disclosure can choose to remain anonymous. Mirvac's Audit, Risk and Compliance Committee (ARCC) is responsible for overseeing the policy, and all material incidents and issues reported under the Whistleblower Policy are investigated by the Whistleblower Investigation Committee are reported to the Board through the ARCC.

The Whistleblower Policy, together with the Whistleblower Hotline contact number, is available on Mirvac's Intranet as well as the Group's website www.mirvac.com/about/corporate-governance. A training module for all employees outlines how Mirvac's Whistleblower protection regime works and how disclosures can be made within Mirvac. The overall effectiveness of the Whistleblower Policy and related programs is assessed every two years. No disclosures relating to modern slavery were made through the Whistleblower Hotline in FY21.

In FY22, Mirvac will explore ways to evolve its current grievance mechanism to help ensure it effectively allows for the reporting of issues relating to modern slavery, including potential barriers to access.



Effectiveness

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

Assessing the effectiveness of the actions taken to manage modern slavery risks is essential in order to continually evolve and refine the processes and approach. LAT and Mirvac also acknowledge that assessing effectiveness is complex, and we will continue to explore opportunities to strengthen our approach in this area going forward.

During the reporting period, Mirvac assessed the effectiveness of its actions through an internal audit and external benchmarking evaluation, including in relation to LAT's supply chain. These initiatives have provided a clear understanding of the steps taken to date, as well as highlighting areas for improvement.

INTERNAL AUDIT

Mirvac's Internal Audit function brings a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, controls, and governance processes. It also provides independent and objective assurance to the ARCC and Mirvac's senior management team that the controls we have in place are operating in an efficient and effective manner.

In FY21, Mirvac's Internal Audit team reviewed how Mirvac was progressing against the plans it set out in its modern slavery strategy, which covered the following focus areas: governance model and risk approach; risk assessment; capability building; operational management; engagement and collaboration; and, monitoring, measuring and reporting. This audit process included interviews with key business functions and sought input from an external expert from KPMG. Conducting such a review ensures that there is visibility of modern slavery right across the business and helps us to identify potential gaps in our implementation of our strategy.

EXTERNAL BENCHMARKING EVALUATION

KPMG were engaged as independent subject matter experts to benchmark Mirvac's modern slavery management controls against broader industry better practice and identify any areas for improvement. Managers from across the business were engaged in this process. The results of the benchmarking evaluation helped Mirvac to assess the effectiveness of the actions by enabling it to compare its current response with its peers' actions to manage modern slavery risks and identify where there may be opportunities to enhance its own response. For example, the benchmarking evaluation found that more detail could be provided on Mirvac's capability building strategy.

OUR PLAN FOR FURTHER IMPROVEMENT

A key learning from the internal audit and external benchmarking evaluation was the need to further clarify the role of the ASC and its members, as well as the next phase of our strategy. This will position LAT and Mirvac to more effectively implement our modern slavery response into the future. Additional resourcing has also been allocated to this work within Mirvac and a forward-looking strategic plan is currently in development, to complement the work already done.

MIRVAC'S KEY PERFORMANCE INDICATORS

GOVERNANCE:

- > Entities' attendance to the ASC.
- > Active governance framework being delivered.
- > Number of contracts with modern slavery obligations included.
- > Internal audit of controls.
- > Continuous improvement of the governance model.

CAPABILITY

- > Number of employees completing training, content of which has been created by modern slavery specialists.
- > Number of awareness-raising programs delivered within Mirvac and externally by Mirvac.
- > Policies and processes reviewed published and communicated.
- > Number of engagements with external experts and victim support groups.

RISK

- > Number of cases brought to the ASC.
- > Number of cases remediated.
- > Risk assessment deployment.
- > Number of collaborations.

OTHER EFFECTIVENESS MEASURES UNDERTAKEN IN FY21:

- > Through the PCA Working Group, Mirvac explored the effectiveness of the supplier questionnaire through a verification procedure conducted by Bureau Veritas.
- > Through the PCA, Mirvac contributed to developing a plan to engage external experts from civil society groups and research institutes to review the quality of the property sector's modern slavery statements.

The very comprehensive feedback will help to inform Mirvac's strategy. Examples of feedback included ensuring the businesses approach maintains focus on the risk of harm to the person and ensuring the right people have been identified for training and that training is tailored to their needs.



Next steps

As Mirvac's knowledge on human rights issues, including modern slavery grows, so does its commitment to continuous improvement. Mirvac knows this will be essential to ensure the mitigation and eventual eradication of modern slavery.

Below is a snapshot of some of the FY22 activities Mirvac has planned, some of which are already underway.

GOVERNANCE:

Mirvac will be formalising the ASC Charter, which will clearly articulate the purpose, code of conduct, and roles and responsibilities of the committee and its members. One of the ASC obligations will be to refresh the strategy and assign clear accountability to members through measurable KPI's.

RISK:

Mirvac is committed to applying the learnings from the cleaning traceability study it undertook in FY20 to its upcoming cleaning tender for more than 50 of its commercial assets, including those in the LAT portfolio, to ensure robust due diligence is incorporated into the procurement process. Mirvac will also collaborate with the University of Melbourne on their study on common high-risk areas in construction supply chains, with the view to incorporate their recommendations on improved due diligence. Mirvac is also looking to expand its current supplier engagement to take more of a partnership approach, as part of its risk management process.

CAPABILITY:

Mirvac has a goal to create a training strategy to address awareness and functional training across its business, along with a commitment to educate the ASC to maintain and update their understanding of the modern slavery landscape as it evolves. This will equip the Committee to be Mirvac's compass on arising matters, supported by external expertise as required.

GRIEVANCE AND REMEDIATION:

Mirvac will continue to explore the area of grievance and remediation in more depth. This is an area of future growth for business, Government and civil society, and we look forward to collaborating to find better solutions.

COLLABORATION:

Collaboration underpins Mirvac's approach to the mitigation of modern slavery. Mirvac works closely with various groups, attending workshops/webinars, and keeping abreast of new research. Mirvac and LAT recognise that managing modern slavery risk is not a solo journey, and we look forward to a rich exchange of learnings and ideas over the coming year with our valued partners.

“Modern slavery is one of the biggest human rights challenges of our time. With a review of the Australian Modern Slavery Act due in 2022, it will be a time for business, civil society and labour organisations to take stock of what the Act has achieved to date and what we can recommend collectively to meet SDG 8.7 on eradicating forced labour, modern slavery and human trafficking.”

Kylie Porter

Executive Director,
UN Global Compact Network Australia

