

Henley Properties Group

Modern Slavery Statement
2022



Henley▲

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About this Statement

This Modern Slavery Statement is made by Henley Arch Pty. Ltd. (ABN 15 007 316 930) as trustee for the Henley Arch Unit Trust (ABN 61 415 474 786), on behalf of ourselves and the reporting entities detailed in Table 1.

The statement was prepared and submitted in accordance with the Modern Slavery Act 2018 (Cth) and relates to the calendar year ending 31 December 2022.

Throughout this statement, "Henley" is used to describe both the Henley Arch Unit Trust, and the subsidiaries outlined in our company structure in Table 1.

Introduction

We recognise that modern slavery is a growing and intricate challenge that can only be addressed through collaborative efforts and continuous improvement within our trusted industry and supply partnerships. We take our role in this effort seriously and are committed to identifying and understanding the impacts that our operations and supply chain have on people and the planet.

This statement highlights the measures we've taken to create processes, policies and standards that reduce the risk of modern slavery within our business, alongside our future objectives and goals.



Who We Are

Our History

Our business was founded in 1989 by three friends in Victoria with a vision to make home ownership more affordable for Australian families.

Over the next 20 years, we expanded our business to include local offices in Sydney, Brisbane and Adelaide and entered a partnership with Sumitomo Forestry Australia Pty Ltd. - a wholly owned subsidiary of Sumitomo Forestry Co. of Tokyo Japan.

That initial vision has today realised into more than 50,000 families who call a Henley, Plantation or Edgewater home, their home.

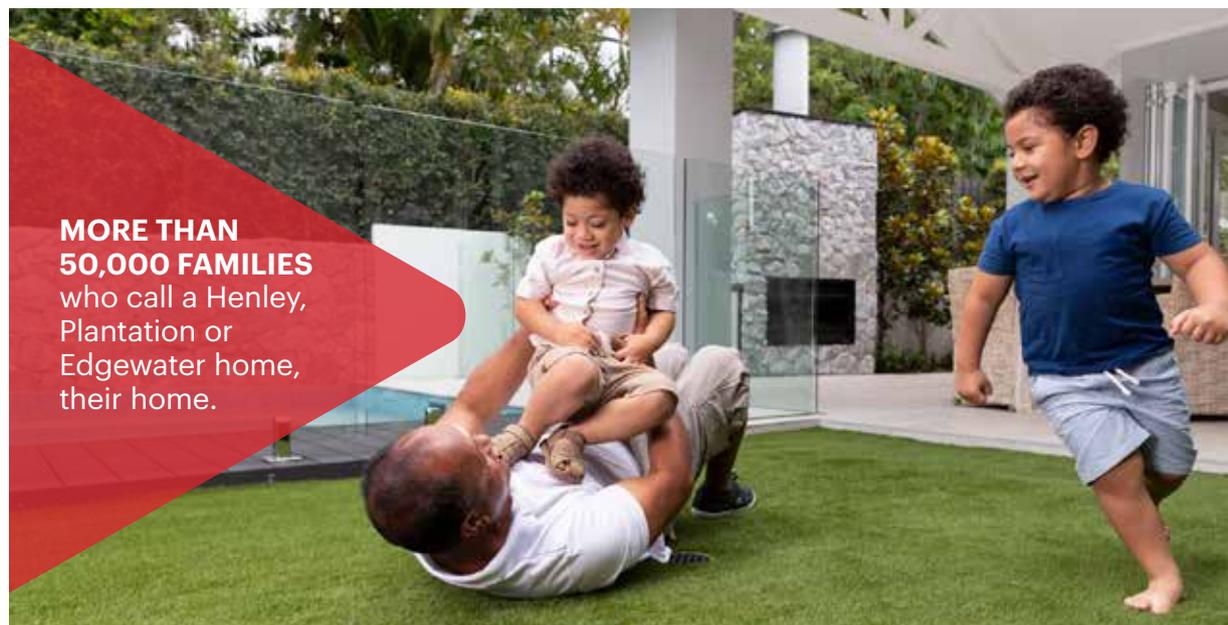
Sumitomo are an advocate for human rights, with their values based on Sumitomo's Business Spirit, which places prime importance on fairness and integrity for the good of society. They are also a formal signatory to the United Nations Global Compact, whose principles are based on globally established agreements including the Universal Declaration of Human Rights, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

With a shared commitment to these values, we take great pride in drawing inspiration from their exemplary business practices and advocacy for human rights.

Our Legacy

Our goal has never been to be the biggest builder, but to deliver homes with a sustainable business model to a consistently high-quality standard.

While our speciality is the sale and construction of residential homes and townhouses, our purpose is to create happier, and healthier environments for families. We don't just build homes; we help change and improve lives.



Our Operation & Structure

We see ourselves as leaders in new home design and innovation, with a focus on sustainable business and building practices. We have a strong social compass and are continually finding ways to give back to the communities in which we work.

We specialise in:

- The design and construction of new and completed homes.
- Fixed price house and land packages.
- Knockdown and rebuild solutions.
- Developing new land communities.
- Home Loan Services.

We are proud to employ over 650 team members and partner with 1,500 suppliers and contractors in the four states in which we operate.

Our board is made up of founding directors Peter Hayes (on behalf of the Hayes Family Trust) and Robert Bowen (on behalf of the Bowen Family Trust), alongside representatives from Sumitomo Forestry Australia. An overview of our corporate ownership structure is outlined in Table 1.

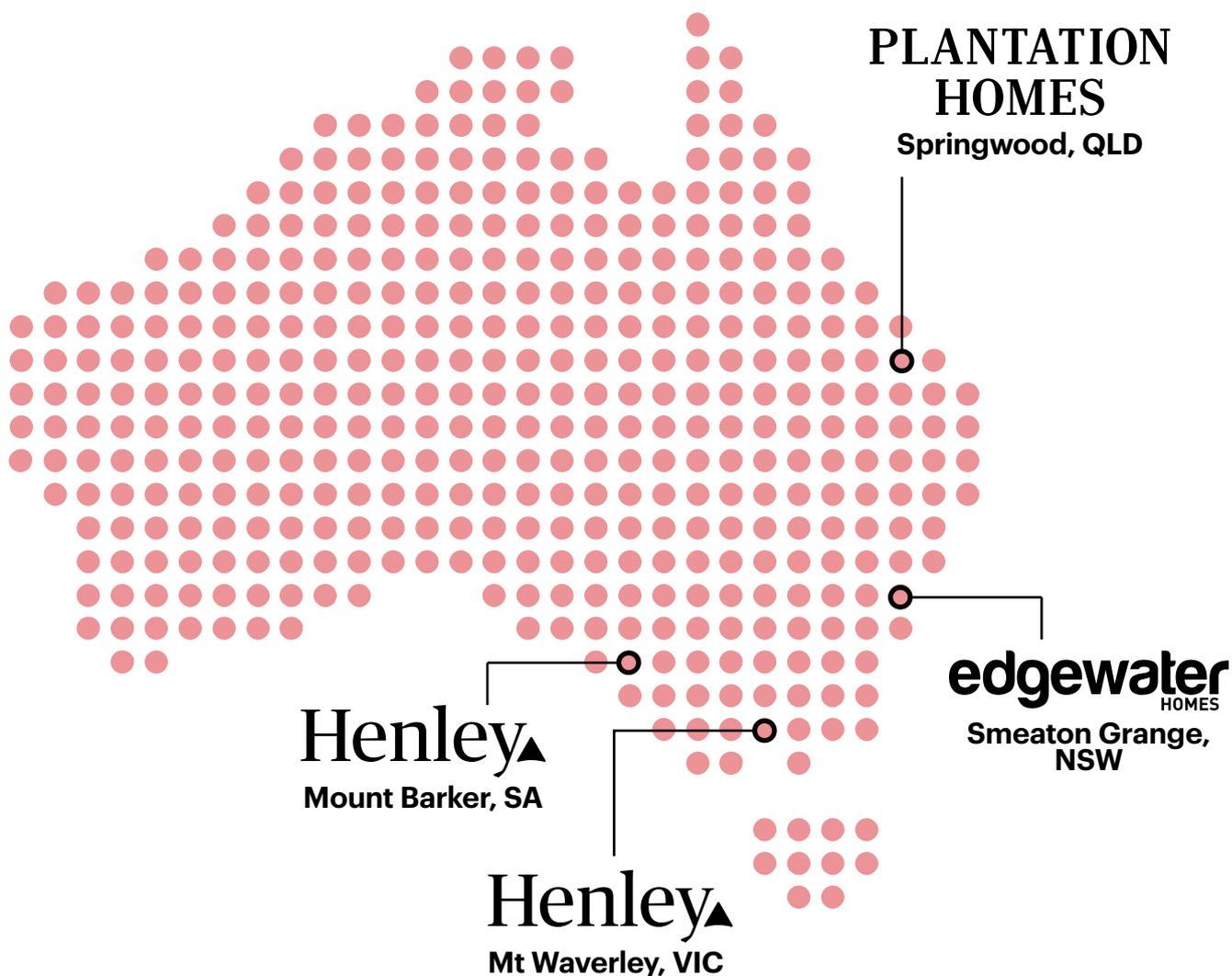


Table 1. Company Structure at 31 December 2022



Our Supply Chains

Our supply chain spans various products and services including:

- The procurement of building and construction goods and materials, technology and office consumables.
- The engagement of sub-contractors and professional services from local and international suppliers.

In most cases, the responsibility for procuring our building materials is centrally managed and sourced through Australian suppliers. We acknowledge that some of these partners may source their raw materials, components or labour from suppliers based overseas where modern slavery risks may be higher. Our ongoing goal is to deepen the knowledge and understanding of these supply chains.



Risk Identification

Direct Operations

We have determined that our direct operations present a low risk of modern slavery. Our Employees and Sub-Contractors are located in Australia and therefore have employment conditions that are regulated and governed by the Fair Work Act and Australian workplace law. We employ professionals with legal, safety and industrial relations expertise to ensure our pay and working provisions are compliant. Similarly, our sub-contractors are bound by the same workplace laws.

Supply Chain

The complex nature of the building industry's supply chain poses a heightened risk of modern slavery. We are aware of this challenge and committed to identifying and addressing such risks. Through collaboration, partnership, and regular monitoring, we prioritise transparency and accountability to ensure the protection of human rights throughout our supply chain.

The sourcing of building materials involves local Australian suppliers who may obtain materials or components from their international supply chains, where modern slavery risks may be higher. To support our direct operations, we engage international suppliers to provide professional services such as drafting and design, estimating, accounting and IT. During the reporting period, these suppliers included businesses located in China, Philippines, Vietnam, Thailand, Sri Lanka and the United States.

During the procurement process for both building materials and professional services, we undertake thorough due diligence activities to assess modern slavery risks, as well as including contractual terms that:

- Forbid modern slavery practices.
- Require suppliers to embed practices that avoid the risk of modern slavery.
- Require the disclosure and notification of any breaches or investigations.
- Require current Modern Slavery statements be provided to us on an annual basis.

Risk Management

We are committed to addressing modern slavery and managing the direct risks within our control. We recognise that this commitment is ongoing, requiring continuous improvement and sustained attention. This will remain our goal throughout the next 12 months.

A summary of our actions during the reporting period is as follows:

- Commenced a review of our Modern Slavery Policy to ensure it strongly communicates our stance on the issue and empowers our team to speak up if they have concerns or suggestions.
- Continued the inclusion of Modern Slavery as an agenda item at Executive Team Meetings, to bring awareness and maintain focus.
- Reviewed and embedded a Modern Slavery clause in all new and renewed supplier and sub-contractor agreements, stating they must assess their manufacturing supply chain/s to ensure compliance with all Anti-Slavery Laws and provide training and education to their officers and workers.
- Obtained and reviewed the Modern Slavery Statements of Henley's tier-one Suppliers.
- Provided practical training to Henley's Officers, Executive Team, Managers and Team Leaders on Modern Slavery compliance and practices.
- Reviewed and updated training for new employees on the risks and impacts of modern slavery through internal training and onboarding programs.

Planned Actions & Next Steps

- Establish an annual professional development day for all team members, aimed at renewing understanding of compliance matters including Modern Slavery and Human Rights.
- Continue to raise awareness of the different types of modern slavery among suppliers through regular dialogue and clear guidelines and policies;
- Continue the use of Modern Slavery clauses in all new and renewed supplier and sub-contractor agreements stating they must assess their manufacturing supply chain/s to ensure compliance with all Anti-Slavery Laws and provide training and education to their officers and workers.
- Map supply chain and undertake a detailed risk assessment of higher risk suppliers.
- Include information on Modern Slavery in regular all-team updates.

Effectiveness of Actions

We continue to evaluate the effectiveness of actions taken to prevent Modern Slavery. This includes a comprehensive assessment of our policy reviews and annually when preparing our Modern Slavery Statement. These evaluations contribute to our developing approach to combat modern slavery are effective and aligned with our commitment to ethical practices.

Group Consultation Process

We have prepared this statement in consultation with our leaders who are responsible for Legal Counsel, Procurement, Health, Safety and Compliance and Human Resources.

Our Executive Team takes collective responsibility for achieving action plans and implementing initiatives affecting their specific suppliers. They are actively involved in the activities and outcomes detailed in this Statement. Through shared accountability, we ensure that our Executive Team remain engaged in the efforts to eliminate modern slavery in our supply chain.

All companies under our ownership or control (as outlined in Table 1) are overseen by the same executive team and business policies. This governance ensures that all employees and businesses operate under the same policies and procedures.

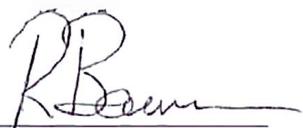


Our Commitment

We value transparency in our supply chains to prevent the exploitation and mistreatment of human rights. We are committed to ensuring that our business operations foster ethical practices and do not contribute to or profit from the exploitation of workers, both domestically and internationally.

Approval

This statement was approved by the board of Henley Arch Pty Ltd on 30 June 2023.

A handwritten signature in black ink, appearing to read 'R. Bevan', written over a horizontal line.

Director

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