

Our Statement

This statement, pursuant to section 14 (1) of the Modern Slavery Act 2018 (Cth) (the Act), sets out the actions taken by Ingenia Communities RE Limited (Ingenia or Group) and its related bodies corporate to address modern slavery risks in our business and supply chain over the financial year 1 July 2019 to 30 June 2020.

The International Labour Organization (ILO) acknowledges that some sectors are more exposed to the issue of forced labour and human trafficking including sourcing goods and services from abroad, which is relevant to Ingenia. Across our operations and supply chain, we aim to ensure that we, along with our suppliers of goods and services and other business partners, operate in a way that is ethical, responsible and respectful of human rights.

Structure and Operations

Ingenia is a property and financial services organisation employing more than 700 employees and is headquartered in Sydney, Australia and provides a range of lifestyle communities, holiday and residential solutions for residents, guests and visitors wholly within Australia.

The Group is controlled by a single executive committee comprised of experienced senior managers with specific functional responsibility, a CEO and a Board. Local Operations Managers operate the individual parks and communities.

As a leading operator of lifestyle communities and holiday accommodation, Ingenia offers innovated products and affordable housing options (typically for over 55's) in the form of locally constructed homes as well mobile pre-fabricated buildings (cabins or homes) in our planned communities and villages. Our holiday parks and accommodation typically comprise a combination of mobile homes, caravans and camp sites. We operate more than 60 parks and communities across Australia with the vast majority of those located on the east coast.

Our core operations include:

- Development of our parks and lifestyle villages including installation and construction of new homes, roads and supporting infrastructure;
- Tourist park operations and services for guests including provision of accommodation, recreational activities and some food and beverage services;
- The acquisition and sale of land and associated facilities;
- Planning and development activities with local councils and government for development applications, local consultation and master planning;
- The physical assets, being the real property of the park or community and the fixed assets that require ongoing ground services and repair and maintenance;
- Sales, marketing and other head office functions including finance, IT, administration and human resources;
- Fund management operations.

Supply Chain

Ingenia seeks to do business with suppliers that have similar values, ethics and business practices, including those related to human rights and our aim is to ensure that human rights are understood, respected and upheld with all of our suppliers in all locations.

Our suppliers are from a range of sectors including Information Technology, Property Services, Construction and Promotional Materials. Most goods and services procured for our business are sourced from and provided by

businesses located in Australia. Other than prefabricated buildings or building materials, 'goods' procured are typically consumable items that are incidental to our core business.

As a holiday and community village operator, the majority of operational procurement activity is service-based and covers areas such as information technology, grounds and maintenance, housekeeping, pool and facility cleaning, home maintenance, local development and construction, electrical, plumbing and garbage removal.

Where Ingenia does provide prefabricated cabins or homes for residents or for rental accommodation, these are now sourced from domestic suppliers. The nature and scale of constructing prefabricated homes requires streamlined manufacturing processes to achieve economies of scale including the use of a combination of contemporary automated and/or robotic equipment along with some manual labour.

Ingenia previously sourced relocatable homes from a supplier based in Shanghai, China but ceased this in the period just prior to 1 July 2019 and the Group is now only dealing with local builders and suppliers.

Potential Risks of Modern Slavery in our Business

As a property and financial services organisation based in Australia, Ingenia considers the risk of modern slavery within its direct business operations to be low, however throughout its supply chain, it can be indirectly exposed to the risk of modern slavery by the supply of goods and services procured from third parties.

In 2019, we undertook a desktop risk assessment on Ingenia's supply chain which indicated the following potential for areas of modern slavery primarily sat with domestic exposure through the employees of suppliers' potential infringement of:

- Labour rights (forced labour, work hours, wages and benefits);
- Freedom of Association.

In addressing these potential risks, Ingenia employs the following risk management and due diligence process.

Risk Management and Due Diligence

Policies, Governance and Training

Ingenia does not tolerate slavery, human trafficking, forced or child labour or child exploitation of any kind. Consistent with this Statement, we employ a number of company policies which all of our employees must comply with that support the objectives of the Modern Slavery Act, including the following:

- Code of Conduct Policy
- Bribery and Anti-Corruption Policy
- Whistle-Blower Policy
- Procurement Policy
- Outsourcing Policy

Ingenia understands that social and governance risks relating to suppliers will vary depending on their industry, the geographic location and company size. We attempt to ensure risks are mitigated and business integrity is maintained through employee education, management training and employing an in-house Group Risk and Compliance function that is overseen by the Board through the Executive Group Risk Committee and the Board Audit & Risk Committees who meet regularly.

Part of the function of the Group Risk and Compliance Manager is to ensure that employees are aware of the potential exposures and breaches that may be exposed. Training and information is facilitated by the Group Risk and Compliance Manager to executive managers to ensure that they are aware and apply necessary procedures to ensure risks are minimised.

In 2019, all of Ingenia's corporate human resources policies were reviewed, updated and scheduled to be communicated through the company to all employees.

Risk Management, Due Diligence & Remediation

Our approach to detecting risk in our supply chain is based on our knowledge of and relationships with our suppliers, the geographic location of suppliers, the origin of the goods or services and the types of goods and services.

The following actions were taken to mitigate the risks associated with engaging with supplier(s):

- (i) A supply chain Risk Assessment on key domestic suppliers, identifying categories or individual suppliers with whom there may be a risk;
- (ii) Review of policies and procedures associated with employee behaviour and standards, anti-corruption and bribery measures, and processes for engaging and validating suppliers.

In order to identify and mitigate any breaches, relevant executives have personal responsibility for auditing key categories of suppliers and/or supplier agreements deemed to be in areas of risk.

The General Manager People and Culture, in conjunction with the General Manager Operations, is responsible for the spot annual review of domestic contractor service arrangements and also personally conducts location reviews as part of the contractor review process. Reviews conducted to date have shown that contractors in our parks are typically, a combination of small family run businesses or sole traders. Where they do employ staff, those staff are paid award or above award rates. There are no known instances or reports of any forms of exploitation or modern slavery with our domestic contractors.

Remediation

In risk assessments undertaken to date in relation to Ingenia's supply chain, no cases of modern slavery or human trafficking were identified and thus no remediation has been required as yet. However, as a result of the risk analysis referred to above, we have adopted a category audit approach to supplier risk management and found that the most likely area where modern slavery may occur is in the cleaning services domestically, which will continue to be monitored.

Ingenia also has a number of policies referred to earlier including Whistle-Blower and Grievance policies which allows employees and contractors to raise concerns in a confidential manner and this channel is available for reporting modern slavery concerns, harassment, bullying and working under duress.

Assessing Effectiveness of Actions

Audits & Supplier Interaction

Each month our Group Risk and Compliance Manager conducts an internal audit of breaches and notifications which includes notifications of whistleblowing and grievance lodgement. Where a breach is material, that detail is documented and included in a report that is reviewed by the Audit Committee which includes at least one member of the Board.

Our business is committed to fostering strong collaborative relationships with our suppliers and therefore, we have developed close and long-standing relationships with local service providers at a local management level. Our key

suppliers are aware of our policies and procedures and the mechanisms for concerns or breaches to be raised and escalated.

In 2020 financial year there were no breaches or grievances reported relevant to our domestic contractor or suppliers of goods and services, nor were any notifications received.

Future Planning

In the 2019 financial year, Ingenia drafted its first Modern Slavery statement which also covered Ingenia's Human Rights obligations. This statement is scheduled for lodgement covering the 2020 financial year.

In late 2019, senior executives of the company were informed of new modern slavery legislative requirements, in addition to this, managers responsible for procurement of goods and services have now attended training on Ingenia's modern slavery obligations. The training included how to mitigate the potential risks through appropriate due diligence and risk assessment procedures, along with ethical procurement practice.

Ingenia has been in operation since 2012 and has been growing rapidly and as such, realises that our demand for goods and services will increase and with that so too does the potential to encounter modern slavery, particularly abroad as we search for new partners.

Communicating our priorities regarding best practice with our suppliers, procurement methodologies and our supply chain, along with training and due diligence process will help overcome our exposure to and unintended involvement in modern slavery. To this end we have developed the following priorities that align with our rapid expansion and therefore exposure.

- i. Ongoing Modern slavery awareness training for all relevant employees including development, operations, procurement and human resources functions;
- ii. Supply chain training for procurement and development professionals;
- iii. Establishment of formalised procurement due diligence processes including ongoing auditing.

Any queries or questions regarding this statement can be directed to the Group Risk and Compliance Manager or GM Investor Relations on 1300 132 946

Authorised by Ingenia Communities RE Ltd Board



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Signature:

Simon Owen

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