



# 2021 MODERN SLAVERY STATEMENT





# ABOUT OUR MODERN SLAVERY STATEMENT

This statement has been prepared pursuant to section 14 (1) of the Modern Slavery Act 2018 (Cth) (the Act) by Ingenia Communities Group (Ingenia or Group). The Group comprises Ingenia Communities Holdings Ltd, Ingenia Communities RE Ltd, Sungenia (a development Joint Venture between Sun Communities and Ingenia) and Eighth Gate (Fund management platform) and sets out the actions taken by the Group to address modern slavery risks in our business and supply chain over the financial year 1 July 2020 to 30 June 2021.

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.

## Approval of statement

This statement was approved by the Board of Directors of Ingenia Communities RE Limited on behalf of the reporting entities on 16 December 2021 and signed by:



**Simon Owen**  
Chief Executive Officer,  
Ingenia Communities Group

Dated: 16 December 2021

# REPORTING CRITERIA FROM THE ACT

## Key Initiatives

Identify the reporting entity and describe its structure, operations, and supply chain

Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity and entities it owns or controls

Describe the actions taken by the reporting entity and any entities that it owns or controls to assess and address these risks, including due diligence and remediation processes.

Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

Describe the process of consultation with any entities the reporting entity owns or controls

Any other relevant information

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## KEY INITIATIVES FY21

Establishment of  
Modern Slavery  
working group  
(MSWG)



Understanding our  
Tier 1 suppliers  
through  
additional risk  
and opportunity  
assessments



Supplier Code  
of Conduct  
drafted



Development  
of Modern  
Slavery supplier  
questionnaire



Testing  
implementation  
of questionnaire  
to small number  
of tier 1 suppliers



Ongoing  
engagement and  
screening of our  
supply chain



Modern Slavery  
training program  
rolled out to key  
employees



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# 04

## OUR BUSINESS AND OPERATIONS

Ingenia is a property and financial services organisation employing more than 800 employees 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 innovative products and affordable housing options (typically for over 55s) in the form of locally constructed homes as well as 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 100 parks and communities across Australia with the vast majority of those located on the east coast.

### **Our core operations include:**

- Development of our lifestyle parks and 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 of land and associated facilities
- Planning and development activities with local councils and government for development applications, local consultation and master planning
- Operating 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 and ethically and socially responsible business practices, including those related to human rights, our aim is to ensure that human rights are understood, respected and upheld with all of our suppliers in all locations.

Recognising the diverse nature of the business and the regional locations of our residential communities, we proactively seek to engage and support local businesses and we do so in a way that prevents the risks associated with modern slavery and other abuses of human rights.

Our suppliers are from a range of sectors including Information Technology, Property Services, Construction and providers of 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 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.



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## MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

As a property and financial services organisation based in Australia, Ingenia considers the risk of modern slavery within its direct business operations and workforce to be low where strict employer/employee regulations exist, 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.

During the period, we undertook a detailed risk and opportunity assessment of the supply chain, with suppliers categorised according to their contribution, significance to the Group and by potential risk. This identified the following areas of concern for 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 (including the right to form and join a trade union).

In addressing these potential risks, Ingenia employs a robust risk management and due diligence process.



## OUR ACTIONS TO ASSESS AND ADDRESS OUR MODERN SLAVERY RISKS

### Governance, policy and training

Ingenia does not tolerate slavery, human trafficking, forced or child labour or child exploitation of any kind and uses the same governance structure to manage its environmental, social; and governance (ESG) risks and opportunities.

To ensure a consistent approach towards modern slavery responsibilities, Ingenia has established a cross functional working group. The group is comprised of key executives from Ingenia, Sungenia and Eighth Gate to oversee and direct activities across the business, this includes continuous improvement, ongoing awareness, transparency and accountability and supply chain evaluation and management.

Consistent with this Statement, Ingenia has a number of company policies which all 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
- Grievance Policy
- Diversity and Inclusion Policy
- Supplier Code of Conduct
- Outsourcing Policy
- Vulnerable Person Policy

Ingenia understands that social and governance risks relating to suppliers will vary depending on their industry,

the geographic location and company size and attempts 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 all forms of Modern Slavery that Ingenia may be exposed to. We recognise that training and employee awareness is a key component in addressing the risk of modern slavery, both internally and within our supply chain.

During the period training was implemented for key leadership roles and additional training has been developed to be rolled out across all employees to not only ensure they are educated on their own rights but also ensure key staff within our parks and communities are alert to potential risk and escalate any occurrences accordingly. This will complement the training already completed by the key leadership team and will be delivered through the online INA Learning Academy in the first half of 2022.

In 2021, all relevant policies were reviewed, updated, approved by the Board as necessary and communicated to all relevant employees.

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## Risk Management and Due Diligence

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) Development of a Supplier Code of Conduct
- (ii) Set up of a working group dedicated to Modern Slavery
- (iii) Assessment of supply chain risks and opportunities, including identifying categories or individual suppliers with whom there may be a risk
- (iv) Review of policies and procedures associated with employee behaviour and standards, anti-corruption and bribery measures, and processes for engaging and validating suppliers.

The results of our risk and opportunity assessment have allowed us to categorise our suppliers according to the four tiers below, identifying the suppliers which represent the greatest priority with respect to Modern Slavery. The ongoing management of our supply chain will be integrated into existing business systems and processes to ensure the residual risk of modern slavery is monitored by key executives.

Group	Risk Rating	Examples
TIER 1	High risk, high spend	Building and construction contracts
TIER 2	High risk, low spend	Cleaning and security contractors (not employed by Ingenia), IT equipment (e.g. computers and phones) marketing goods e.g. promotional material & uniforms, external catering
TIER 3	High spend, low risk	Civil construction contracts
TIER 4	Low spend, low risk	Most other suppliers

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

The Development Director and their direct reports are responsible for ongoing review of development and construction contracts and managing the risks associated with this area of the business.

The General Manager People and Culture, in conjunction with the General Manager Tourism and General Manager Residential Communities, are responsible for the spot annual review of domestic contractor service arrangements. They all personally conduct location reviews as part of the contractor review process.

Reviews conducted to date have shown that contractors used by 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, forced labour or any other modern slavery practices with our domestic contractors.

## Remediation

In risk and opportunity assessments undertaken to date in relation to Ingenia's supply chain, no cases of modern slavery or human trafficking have been 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 for Ingenia is in cleaning services, which continues to be closely monitored.

Ingenia also has a number of policies referred to earlier including a Supplier Code of Conduct, Whistle-Blower and a Grievance policy 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.



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## ASSESSING THE EFFECTIVENESS

During the reporting period to 30 June 2021, Ingenia Communities did not receive any complaints nor identify any breaches of our Modern Slavery obligations through our domestic contractors or suppliers of goods and services.

Our business is committed to fostering strong collaborative relationships with our suppliers and therefore in accordance with the diverse nature of the business and the regional locations of our residential communities, we have developed close and long-standing relationships with local service providers at a local management level. Our employees and key suppliers are aware of our policies and procedures and the mechanisms for concerns or breaches to be raised and escalated.

In accordance with this, 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 escalated in the Risk & Compliance Report for review by the Audit & Risk Committee, a sub-committee of the Ingenia Communities Board.

## CONSULTATION WITH ANY ENTITIES THE REPORTING ENTITY OWNS OR CONTROLS

As mentioned in the introduction, this statement covers the following Ingenia Communities Group entities and their subsidiaries:

- Ingenia Communities Holding Limited
- Ingenia Communities RE Limited as Responsible Entity for Ingenia Communities Management Trust and Ingenia Communities Fund
- Eighth Gate Capital Management Pty Ltd
- Eighth Gate Pty Ltd as Trustee and AFSL holder for Eighth Gate residences No.3-8
- Sungenia Land Co Pty Ltd as trustee for Sungenia Land Trust
- Sungenia Op Co Pty Ltd as trustee for Sungenia Operations Trust
- Sungenia Development Pty Ltd

Consultation with Eighth Gate and Sungenia has been undertaken throughout the reporting period through the working group which comprises executive members of all entities.

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## COVID-19

The COVID-19 pandemic presented many challenges across both the operating business and our supply chain. In responding to the pandemic Ingenia's priority was to protect the health, safety and wellbeing of our employees, residents and guests as well as our wider stakeholder group.

We understand the pandemic and the resulting restrictions on travel, movement and economic activity may have had an adverse impact on people in our workforce who may already be vulnerable, including low skilled workers, women, migrant workers, people who are subject to discrimination for other reasons and those with underlying health issues.

During the pandemic Ingenia reviewed its vulnerable person policy and made sure the business was acting in accordance with that policy. All employees were regularly updated and encouraged to discuss and escalate any suspicion activity within their supply chain.

Management also worked through identifying new vulnerabilities including the health of employee's, residents and guests as well as the possibility of any additional types of labour exploitation. Measures were put in place to manage the risk of infection, including hygiene, social distancing and identifying and managing the risk of any COVID-19 case that may occur. Security in our communities was increased and all specific PPE requirements were met.

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## FUTURE PLANNING

### FY22 Objectives

During 2022 Ingenia will work to further refine the Group's processes and framework and to enhance the Group's approach to the important issue of modern slavery.

We will continue to engage with our suppliers around our expectations, and collaboratively work with them to address any areas of concern.

Ongoing communication regarding best practice and procurement methodologies, along with training and due diligence will help continue to overcome any exposure to and unintended involvement in modern slavery. To this end we continue to work on the following key initiatives.

FY20	FY21	FY22
• Discussions at Audit and Risk Committee and Board meetings	• Establishment of Modern Slavery working group (MSWG)	• Engage external consultant to review framework
• Desktop risk and opportunity assessment of supply chain	• Understanding our Tier 1 suppliers through additional risk and opportunity assessments	• Ongoing review of the level of risk amongst suppliers
• Key corporate policies were reviewed updated and communicated to relevant employees	• Supplier Code of Conduct drafted	• Supplier Code of Conduct approved and rolled out to the business • Standalone Human Rights Policy drafted
• Key corporate HR policies were reviewed, updated and communicated to all employees	• Development of Modern Slavery supplier questionnaire	• Rollout of Modern Slavery supplier questionnaire

FY20	FY21	FY22
• Annual management reviews of domestic contractor service arrangements	• Testing implementation of questionnaire to small number of tier 1 suppliers	• Ongoing implementation of questionnaires to all suppliers through contractor management platform
• Initial screening of supply chain	• Ongoing engagement and screening of our supply chain	• Continue to engage with key suppliers and contractors
• UTS Modern Slavery training program rolled out to key executives	• Modern Slavery training program rolled out to key employees	• Annual Modern Slavery training program rolled out to all employees

## CONCLUSION

Understanding Ingenia's broader supply chain is a complex process due to the diverse nature of suppliers required to support our business. Ingenia's Modern Slavery working group will continue to develop our response towards the identification and monitoring of modern slavery within our operations and supply chain, and to monitor the effectiveness of our actions moving forward.

As time goes by, we also expect supplier transparency and business practices external to Ingenia Communities to improve allowing us to continue to uphold our responsibility to not tolerate slavery, human trafficking, forced or child labour or child exploitation of any kind.



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