

# Westfield Corporation

## Slavery and Human Trafficking Statement

Financial Year Ended 31 December 2016

Westfield Corporation Limited  
(ABN 12 166 995 197)

Westfield America Management Limited  
(ABN 66 072 780 619)

August, 2017

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### **Related Westfield Policies**

Modern Slavery Policy

UK Recruitment Policy

UK Referral Policy

Whistleblower Policy

## SECTION 1

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# Introduction and Background

Westfield supports the objectives of the United Kingdom's (the "UK") Modern Slavery Act 2015 (the "Modern Slavery Act"); to detect and prevent the crimes of slavery, servitude, forced or compulsory labour, human trafficking and related and equivalent offences in the UK and worldwide (collectively the "Offences"). Westfield supports the related drive to encourage transparency in the supply chains of commercial organisations so that the commission of Offences can be more easily detected and prevented.

Westfield also respects and supports the objectives of the International Labour Organisation's eight fundamental conventions with respect to freedom of association, forced labour, discrimination and child labour.

This Slavery and Human Trafficking Statement (the "Statement") relates to Westfield's activities for the financial year ended 31 December 2016 (the "Financial Year").

In this Statement, references to "Westfield" are to Westfield Corporation Limited and each of its controlled entities during the Financial Year, which included Westfield America Trust and WFD Trust.

## SECTION 2

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# Westfield Overview

### Westfield's Structure

Westfield has business activities in the UK, mainland Europe and the United States of America (the "US"), and the information in this Statement relates to those business activities.

### Westfield's Business

Westfield's business is to develop, design, construct and operate flagship assets in leading markets that deliver great experiences for retailers, brands and consumers. At the end of the Financial Year, Westfield had 35 shopping centres in operation across the UK and the US, with a development site in Milan, Italy. Westfield's total turnover derived from its business activities for the Financial Year was approximately US\$1.8 billion.

### Westfield's Supply Chains

Westfield's business involves a number of different supply chains, with the principal supply chains being:

1. Development, design and construction ("DD&C"):
  - a. development, design and construction consultants and advisers;
  - b. construction contractors and sub-contractors;
  - c. suppliers of goods, services and materials for all stages of the construction cycle; and
  - d. suppliers of plant and machinery.

2. Operations/centre management (“**Centre Management**”):
  - a. security, cleaning and other contractors; and
  - b. suppliers of temporary and fixed-contract staff (head office and centre management).

Although, as noted in the *Global Slavery Index’s* findings, the UK, mainland Europe and the US are at only moderate risk of incidences of Offences (relative to other geographies), the prevalence of overseas workers in the construction industry, generally, makes Westfield more susceptible to Offences occurring in their businesses and supply chains.

Westfield’s approach to risk assessment, due diligence and ongoing monitoring with respect to consultants, advisers, contractors, sub-contractors, suppliers and other service providers providing goods or services to Westfield (collectively, “**Suppliers**”) is described in more detail throughout this Statement.

## SECTION 3

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# Westfield’s Modern Slavery Act Policies

## Westfield’s Culture

Westfield is committed to conducting its business in a moral, ethical and sustainable way, and recognises the need to establish and maintain corporate governance policies and business practices which reflect legal requirements in the UK, mainland Europe, the US and other countries in which Westfield operates, together with the requirements of market regulators and the expectations of its stakeholders.

To that end, Westfield has various policies, codes of conduct and practices directed at ensuring that high standards of corporate governance, ethical behaviour and legal compliance are maintained.

The principal policies, codes of conduct and practices which Westfield employees are required to comply with are either included or incorporated by reference in Westfield’s employee handbooks in the US and the UK (the “**Employee Handbook**”), and are accessible on Westfield’s intranet. When joining Westfield, each employee is required to read the Employee Handbook for their jurisdiction and confirm that they will comply with the Employee Handbook during their employment with Westfield.

Of particular relevance to the detection and prevention of the Offences in Westfield’s business and supply chains are Westfield’s cultural change project, the ‘*Westfield EDGE*’, Westfield’s global ‘*Whistleblower Policy*’, Westfield’s ‘*Modern Slavery Policy*’ in the UK and Westfield’s ‘*Recruitment Policy*’ in the UK, each described in more detail below. These policies remain under constant review as legal requirements, regulation and good governance practices evolve.

Westfield’s Whistleblower Policy encourages all Westfield employees to report any matter or behaviour that they believe contravenes any of Westfield’s policies, codes of conduct or any applicable law, including any matter or behaviour which risks harm to the health or safety of any Westfield employee.

The Whistleblower Policy identifies specific Whistleblowing Protection Officers to whom incidents can be reported, and assures employees of anonymity when reporting such incidents.

During 2017, Westfield will be updating its Whistleblower Policy to specifically highlight reporting of matters and behaviours already included in the Whistleblower Policy, matters and behaviours which may indicate the commission of an Offence.

### **Modern Slavery Policy**

Following the introduction of the Modern Slavery Act, Westfield's UK team has produced a *Modern Slavery Policy* (the "**Modern Slavery Policy**") for inclusion in the Employee Handbook in the UK.

The Modern Slavery Policy:

1. provides an overview of the Modern Slavery Act;
2. outlines Westfield's expectations of its Suppliers with respect to the detection and prevention of the Offences;
3. explains training available to Westfield employees in the UK with respect to the detection and prevention of the Offences;
4. outlines Westfield's UK employees' responsibilities with respect to compliance with the Modern Slavery Act;
5. details what a Westfield UK employee should do if they suspect the Modern Slavery Act is not being adhered to; and
6. summarises the implications for Westfield's UK employees in the event of any breach of the Modern Slavery Policy.

### **Recruitment Policy and Processes**

Westfield adopts recruitment policies and processes which reflect industry practice in the jurisdictions in which they operate.

Following the introduction of the Modern Slavery Act, Westfield's UK team has reviewed its '*Recruitment Policy*' (the "**UK Recruitment Policy**"), '*Employee Referral Policy*' (the "**UK Referral Policy**") and employment contract (the "**UK Employment Contract**") to assess what improvements could be made to them, in order to assist in the detection and prevention of the Offences. Following this review, those policies and contracts have been updated to ensure that:

- UK recruitment costs remain a business cost and will not be charged to Westfield's workers in the UK, directly or indirectly;
- a large number of employee referrals coming from one employee in the UK will be monitored and investigated;
- Westfield's support of the objectives of the Modern Slavery Act is acknowledged along with our goal to detect and prevent the Offences;
- upon application for a role at Westfield in the UK and again on obtaining a position, all candidates are required to certify that they are applying for the role of their own free will have not paid anyone to allow them to apply for work; and
- Westfield's UK team runs regular reports ensuring that one bank account is not used for payment of more than one UK employee's wages and also to identify where multiple employees reside at one address.

## Supplier Code of Conduct

In order to enhance Westfield's diligence and risk-management procedures, Westfield is developing a code of conduct which will set out our expectations of Suppliers with regard to the detection and prevention of Offences generally but, in particular, in Westfield's supply chain (the "Supplier Code of Conduct"). Each Supplier will be required to confirm compliance with the Supplier Code of Conduct Code as a precondition to being engaged by Westfield. Westfield will continue to monitor each Supplier's performance in order to assess compliance with the Supplier Code of Conduct.

### SECTION 4

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## Westfield's Due Diligence Procedures

It is expected that all Suppliers to Westfield are reputable, have good financial standing and are sufficiently well-resourced to enable them to comply with the demands of working within our centres or construction projects. As part of the procurement process, Westfield establishes a procurement strategy having assessed the risks associated with that supply or service.

Whenever we propose to appoint a Supplier on a new engagement, Westfield follows strict assessment procedures appropriate to the level of risk identified having regard to industry practice in the relevant jurisdiction. In the UK, Westfield takes the following steps:

### Pre-Tender:

- *Tender selection:* we select a group of potential Suppliers to tender for the engagement;
- *Pre-qualification:* each potential Supplier is required to complete a pre-qualification questionnaire (the "PQQ") which addresses a number of areas, including health and safety, environment and general competency;
- *Interview:* we interview each potential Supplier to assess their competency and the strength of their internal policies, including those with respect to their employees, contractors and suppliers;
- *References:* each potential Supplier is required to provide references from existing clients; and
- *Site Visit:* where appropriate, we also visit and inspect the Supplier's facilities including their head office.

### Post-Tender:

- *Right to Work:* we confirm that the relevant individual has the right to work in the UK;
- *Criminal Record Checks:* where the associated risk is higher, we carry out appropriate criminal record checks on individuals;
- *Contractual Protections:* we are updating our standard supply contracts to include, where appropriate, provisions which are specifically targeted at combating the risk of Offences being committed. In summary, the contractual provisions require each counterparty to comply with the provisions of the Modern Slavery Act and notify the other of any incidences of the Offences. In the event of any actual or suspected incidences of the Offences or of any breaches of any other provisions of the Modern Slavery Act, Westfield will have the right to terminate the relevant contract. Where Westfield is made aware of the commission of any Offence, Westfield will take appropriate measures to report the incident to the proper authorities.



## Westfield's Approach to Risk

### Westfield's Approach to Risk Management

Westfield's board of directors (the "**Board**") assumes responsibility for oversight of the conduct of Westfield's business and compliance with applicable laws.

The Board is assisted by the Audit and Risk Committee in its oversight of material business risks. One of the responsibilities of the Audit and Risk Committee is to oversee the processes for identifying significant risks faced by Westfield and to monitor the effectiveness of internal controls, risk management and legal compliance.

Westfield Corporation has developed an '*Enterprise Risk Management Policy*' (the "**ERM Policy**") and '*Enterprise Risk Management Framework*' (the "**ERM Framework**") to assist and guide executives in the identification, management and mitigation of business risks. The ERM Policy is a general statement of Westfield's philosophy and objectives with respect to risk management practices.

The ERM Policy operates in conjunction with the ERM Framework. The ERM Framework establishes a framework for identifying, assessing, controlling, reviewing and reporting on risk. The ERM Framework is applied by the various business units within Westfield in order to identify, assess and manage the risks which may impact our ability to meet our business objectives. The result of the business analysis is a risk register which is a detailed analysis of the major risks in Westfield's business and how we intend to manage those risks.

As part of our ongoing risk management process, Westfield will continue to assess the risks associated with the incidence of the Offences and the effectiveness of our response to those risks, with a view to ensuring a process of continuous improvement of our policies and procedures as outlined above. Westfield will also take into account the practices and policies adopted by others in the market as other entities respond to these risks.

## Westfield's Training

Since the introduction of the Modern Slavery Act, Westfield's team in the UK has engaged '*Stronger Together*', a company that provides training and support to businesses in order to reduce the risk of the commission of Offences, generally and in Westfield's supply chain. Westfield's UK team has commenced training sessions run by '*Stronger Together*', attended by a large number of Westfield's UK managers who are responsible for contract management at Westfield in the UK, as well as external managers from key long-standing Westfield contracts (such as cleaning and security) in the UK, attending. The majority of Westfield's UK-based HR team have also attended this training.

## Westfield's Global Review

In light of the changes introduced in its UK business, during 2017/18 Westfield will review its other global policies and procedures to assess whether any changes should be made to improve detection and prevention of the Offences in Westfield's business and supply chains, globally. In particular, Westfield will seek to assess whether:

1. a policy similar to the Modern Slavery Policy introduced for Westfield's UK business should be introduced for Westfield's businesses in the US and mainland Europe;
2. improvements should be made to Westfield's supplier due diligence procedures, including considering the introduction of a supplier code of conduct, an independent PQQ and other monitoring procedures as introduced in the UK;
3. any amendments should be made to Westfield's contracts and terms of engagement in the US and mainland Europe to enhance Westfield's management of the business and supply chain in those jurisdictions; and
4. whether training courses should be run in the US and mainland Europe to ensure that the relevant managers are aware of the risks of the Offences, and how to detect and prevent these Offences occurring.

In assessing whether or not is appropriate to make any changes to policies as outlined in this Statement, Westfield will have regard to the goals of the Modern Slavery Act and the commercial and legal environment in the countries where we operate.



**Mr Steven Lowy AM**  
Chief Executive Officer  
Westfield Corporation Limited

August, 2017