

HANCOCK QUEENSLAND PLANTATIONS PTY LTD
and
HQPLANTATIONS PTY LTD



MODERN SLAVERY STATEMENT 2020/2021
Published December 2021

Introduction

In accordance with the requirements of the Modern Slavery Act 2018 (Cth.) (**Act**), this statement sets out the actions taken by Hancock Queensland Plantations Pty Ltd ABN 30 142 129 342 (**Hancock Queensland Plantations**) and its wholly owned subsidiary HQPlantations Pty Ltd ABN 25 142 448 977 (**HQPlantations**) for the financial year ended 30 June 2021, to identify, address and minimise the risk of modern slavery in our business and supply chain.

Reporting entities and organisational structure

Hancock Queensland Plantations

Hancock Queensland Plantations is a holding company (i.e. it does not operate any 'business' itself) which owns all of the shares in HQPlantations. Hancock Queensland Plantations shares are owned by a number of financial institutional investors and overseas pension funds based in the UK, Denmark and the USA.

Hancock Queensland Plantations does not employ any persons, nor does it produce or procure goods, however it maintains banking facilities which are administered by HQPlantations. As a result, Hancock Queensland Plantations does not itself have any modern slavery matters upon which to report.

Hancock Queensland Plantations registered office is located at Tower 4, Level 12, 18-38 Sideley Street, World Trade Centre, VIC 3005.

HQPlantations

HQPlantations is a proprietary company with no subsidiaries.

Its registered office is located at Lake Vista Office Park, Unit 3A 2-4 Flinders Parade North Lakes QLD 4509.

Operations and supply chains

HQPlantations business is that of a plantation owner and manager, which involves the growing, maintaining, protecting and harvesting of approximately 197,000 hectares of softwood and hardwood plantations across Queensland, and the sale of timber products harvested from the softwood plantations primarily to domestic customers in Queensland and internationally as required. HQPlantations also undertakes fire protection activities, including prescribed burns and wildfire suppression, and associated land management activities.

HQPlantations has approximately 145 employees located across Queensland from the New South Wales border to the Atherton Tablelands in north Queensland. Seedlings are sourced from HQPlantations nursery in the Toolara State Forest.

The majority of HQPlantations operational workforce is contractor based. HQPlantations engages contractors to undertake nursery work, silvicultural work (eg, planting, fertilizing, spraying and pruning), road work, harvesting and haulage. Contractors also assist in fire protection activities, involving prescribed burns, fire tower observation and wildfire suppression. The contractor workforce varies throughout any given year, however, this currently totals approximately 600 persons.

Other supply chains include suppliers of chemicals, fertilisers, personal protection equipment, IT infrastructure and support, consultants and professional services, and fleet management.

Export timber sales involve HQPlantations engaging suppliers at the Port of Brisbane associated with container shipping and Port of Gladstone for bulk shipping, and freight arrangements for delivery of logs to export customers. HQP ceased its bulk log export program from the Port of Gladstone in September 2021.

Risks of modern slavery in operations and supply chains

The risk of modern slavery in HQPlantations operations is low, given they are conducted in Queensland. HQPlantations actively manages its contractor workforce involved in plantation operations and its activities are subject to independent third party review as part of its internationally recognised Sustainable Forest management certifications, which HQPlantations is required to maintain. Nevertheless HQPlantations' acknowledges that the use of low skilled and transient contractor labour is a modern slavery risk.

HQPlantations also sees the potential for risk in supply chains which involve the supply of goods or services from overseas countries, including services in connection with log exports and the supply of clothing and IT services.

Actions taken to assess and address those risks

The risk of modern slavery in HQPlantations contractor workforce is addressed and assessed through:

- Maintaining detailed standards on how contractors are engaged and their compliance with legislation;
- Incorporating modern slavery provisions in supplier contract terms;
- Issuing supplier self-assessment questionnaires to suppliers identified as having elevated risks of modern slavery in their businesses or supply chains. In 2020/21 HQP issued questionnaires to suppliers of goods sourced from overseas and to a service provider in connection with log exports
- When contractors are engaged, payment of wages and conditions of employment are assessed to ensure compliance with the *Fair Work Act 2009* (Cth) and the respective Modern Award;
- Every 2 years HQPlantations conducts internal audits of contractors to ensure workers are paid in accordance with Australian employment laws;
- HQPlantations conducts workshops with contractors on human resource and employment practice related matters 3 times per year. Our contractor workshops in May 2021 included educating them on the risks of modern slavery; and
- Annual independent third party auditor review of HQPlantations business activities as part of its internationally recognised Sustainable Forest Management certifications.

Assessing the effectiveness of such actions

The current and continuing actions outlined above provides reasonable assurance that contractor workers are paid according to their entitlements.

HQPlantations has reviewed the responses to the questionnaires issued and, in relation to those responses it considered unsatisfactory, has sent follow up emails regarding their management of modern slavery risk.

Consultation with any entities the reporting entity owns or controls

The directors of Hancock Queensland Plantations are also directors of HQPlantations. Key areas of HQPlantations business were consulted in preparing this statement, including Legal, Human Resources, Stewardship and Commercial Services groups. The Corporate Leadership Team of HQPlantations also reviewed this statement.

Other relevant information

Impact of COVID-19

HQPlantations continued to operate during the COVID-19 shut down, as the timber industry was considered an essential service industry. Employees were required to work remotely and contractor workers continued to operate in the plantations. Appropriate health and safety protocols were implemented by HQPlantations for its employees and contractor workforce.

Further action

HQPlantations will continue to develop and strengthen its response to modern slavery over time. This will include:

- continuing the education of employees and contractors about modern slavery;
- updating HQPlantations' Human Resource Management System with respect to assessing employment requirements of contractors;
- the issue of supplier self-assessment questionnaires to suppliers identified by HQPlantations having an elevated risk of modern slavery in their business or supply chains, including those with short-term workforces where the provision of accommodation and meals is a feature of their employment; and
- the continued incorporation of modern slavery provisions in contract terms.

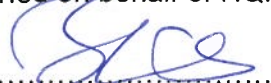
Approval of this Statement

This statement is submitted on behalf of Hancock Queensland Plantations Pty Ltd and HQPlantations Pty Ltd, pursuant to section 14 of the *Modern Slavery Act 2018* (Cth). This Statement was prepared in consultation with, and approved by, the Board of Directors of both entities on 8 December 2021.

Signed on behalf of Hancock Queensland Plantations Pty Ltd by


.....Director
Ning Nancy Zhu

Signed on behalf of HQPlantations Pty Ltd by


.....Director
Ning Nancy Zhu

Date...16/12/2021