



**Solomons**  
Flooring

## MODERN SLAVERY STATEMENT

Carpet Call (Holdings) Pty Ltd ABN 78 010 037 144 ("Carpet Call") makes this statement pursuant to, and for the purposes of, the Modern Slavery Act 2018 (Cth).

### 1. REPORTING ENTITY

The reporting entity is Carpet Call which through its wholly owned subsidiaries carries on the Carpet Call & Solomons Flooring businesses in Australia.

Carpet Call recognises the importance of protecting human rights and is committed to a legal and responsible approach to conducting business.

This statement is in respect of the period from 01 July 2020 through 30 June 2021.

### 2. STRUCTURE, OPERATIONS & SUPPLY CHAINS

#### (1) *Structure*

As mentioned above, Carpet Call carries on the Carpet Call and Solomons Flooring businesses in Australia through its wholly owned subsidiaries. Carpet Call itself is ultimately owned by Group Managing Director James L Smith.

#### (2) *Operations*

Carpet Call was established in 1975 and is currently one of the largest participants in the Australian flooring industry. Its core functions are the wholesaling and retailing of flooring products both on its own account and through franchised stores. In so doing it provides a wide range of products including carpet, timber, laminate, vinyl plank, rugs, blinds and window coverings.

The Group's retail operations currently comprise approximately 50 company owned and operated retail stores and 70 franchised retail stores (trading either as "Solomons" or "Carpet Call") which are independently owned and operated by franchisees.

Additionally, Carpet Call also supplies flooring through its Builders' Division to some of Australia's home builders.

### (3) **Supply Chains**

Carpet Call does not own or operate any production facilities either in Australia or overseas.

The products it uses or sells in its business are sourced both locally and overseas with the majority of the flooring products including rugs being obtained from outside Australia.

We have spent many years building long term relationships with our trusted suppliers and have confidence in them.

As Carpet Call sources all flooring products directly from the relevant manufacturers and therefore our processes have so far been focused on managing issues and risks at that level but we also recognise that our supply chains have some level of complexity as the raw materials for the products we purchase are themselves bought in by the product manufacturers before being formed, or incorporated, into the finished flooring product.

We recognise that there is a need to explore and better understand any risks further down the supply chain.

## 3. **MODERN SLAVERY RISKS IN OUR OPERATIONS & SUPPLY CHAINS**

Carpet Call acknowledges the risk of modern slavery and is committed to ethical practices which recognise and take into account the welfare and well-being of those who are, or would likely be, impacted by our actions. In particular, Carpet Call recognises the increased likelihood of modern slavery being involved in supply chains which originate in certain countries outside Australia and acknowledges in such cases both possible lack of transparency and also the possibility/likelihood of different attitudes, values and ethics applying.

### (1) **Our Operations**

There is negligible, if any, risk of modern slavery in our own operations. All our operations occur in Australia and Carpet Call complies with all applicable Workplace Health & Safety legislation and with all applicable Industrial legislation and awards. Our divisional managers are well aware of, and trained in respect of, that legislation and those awards and are required to observe and implement them in so far as applicable to their areas of control and satisfactorily doing so is an element of their performance reviews.

### (2) **Supply Chains**

#### (a) **Australian Suppliers**

Our Australian suppliers are established and reputable companies and we have confidence in them and the way in which they conduct their operations. We believe that they, like us, comply with all applicable legislation and conduct

their operations in appropriate conditions. Added confidence in the modern slavery context is achieved in that many of these operations are “unionised”.

Those suppliers themselves, however, import some of the raw materials for the finished products which we purchase and in that case the situation is more opaque and less certain.

(b) ***Overseas Suppliers***

Carpet Call’s overseas suppliers are based in various part of the world. The majority of these suppliers manufacture their products in highly automated factories many of which we have visited and inspected which imparts a certain level of confidence.

However, it is recognised that those suppliers also buy in raw materials in the production process and, again, that situation is more opaque and the risk of unacceptable practices cannot necessarily be excluded.

**4. NOTE**

The foregoing repeats similar sections of our 31 March 2021 Modern Slavery Report (“2020 Report”) as the various matters referred to therein remain the same during the year under review. The legislation requires the repetition.

**5. ACTIONS TO ASSESS & ADDRESS ABOVE RISKS**

As foreshadowed in our 2020 Report, we completed construction of a detailed Questionnaire addressed to major suppliers in respect of their operations and supply chains and issues which might be relevant to risks of modern slavery therein.

This Questionnaire was distributed to, and responded to by, major Australian suppliers and the responses we received were such as to engender confidence in the activities of those suppliers – being themselves significant business entities they had, as might have been expected, a mature and conscientious approach to the issues involved and the measures they had taken in respect of their own operations and suppliers gave us enhanced confidence in the accuracy of their Questionnaire responses.

We continue to raise awareness of modern slavery issues generally with our senior personnel involved in areas where the risks might be expected to be encountered and/or to be possibly higher. That awareness training is implemented under the joint authority of the Managing Director and the Chief Financial Officer.

Having so far concentrated on Australian suppliers, during the 2021-2022 financial year we intend to broaden our approach to embrace discussions and enquiries of overseas suppliers where, as noted above, risks might be higher.

**6. COVID-19**

As in the previous financial year, our activities in this space were adversely affected by lockdowns and restrictions (including travel restrictions) imposed by National and State

(and international for that matter) governments as part of their response in dealing with the pandemic. We are hopeful that in the 2021-2022 year those restrictions and limitations will have been lifted to an extent sufficient to allow us to have better interaction, including face to face meetings, with our business counterparts in relation to this issue.

We are also committed to supporting our suppliers and business counterparties, as appropriate, in their efforts to deal with issues arising in the modern slavery context

#### **7. EFFECTIVENESS OF ACTIONS**

We consider that the results of the Questionnaire exercise are, as mentioned above, sufficiently satisfactory to enable us to deal with the relevant suppliers with confidence.

#### **8. CONSULTATION WITH ENTITIES**

Carpet Call's operating subsidiaries are centrally managed under common management and there has been all necessary consultation with, and amongst, all entities.

#### **9. AUTHORITY**

This Statement is authorised by the Board of Directors of Carpet Call and issued under the hand of

A handwritten signature in black ink, appearing to read 'James L Smith', written over a faint, illegible stamp or watermark.

**JAMES L SMITH**  
**MANAGING DIRECTOR**

17 December 2021