

# Modern Slavery Statement FY23/24





# Introduction

‘Modern Slavery’ is an umbrella term used to describe serious exploitative practices including human trafficking, slavery, servitude, forced labour, worst forms of child labour, debt bondage, deceptive recruiting and forced marriage. These abuses are considered serious crimes under Australian law.

*“Modern slavery is not an isolated phenomenon. It exists on a spectrum of labour exploitation and abuse. Widespread wage theft and excessive working hours can quickly deteriorate into modern slavery through threats and coercion, with some workers particularly vulnerable to slavery-like conditions.”<sup>1</sup>*

Modern slavery can be found in all countries and industries, although there is a heightened risk with:

- Domestic and international migrant labour
- Agency workers, contractors and casuals
- Vulnerable groups such as lower caste, the indigenous and people with disabilities
- Young or student workers
- Women and girls
- Low-skilled and low-paid workers

We acknowledge risks of modern slavery will be in all tiers of our supply chain and we will take steps to assess and address these risks as part of our due diligence process.

This Modern Slavery Statement addresses modern slavery risks in our business operations and our supply chain over the financial year ending 30 June 2024 and in compliance with the Commonwealth *Modern Slavery Act 2018*.

Thinking Works are not formally required to publish a Modern Slavery statement, as we don’t meet the turnover threshold but have chosen to report voluntarily under the Act.

Thinking Works wishes to acknowledge the Traditional Custodians of Country throughout Australia and recognises their continuing connection to their rich culture, land, water, and community. We recognise their strength and resilience and pay our respects to their Elders past, present, and emerging.

# Message from the Managing Director

I'm very pleased to present the fifth Thinking Works Modern Slavery Statement, which outlines our actions to assess and address modern slavery risks within our business operations and supply chains.

Our journey towards addressing modern slavery and human rights was initiated not as a response to social trends, but because I truly believe it is the right thing to do. We are not a huge business, but we are ambitious. We're determined to make a positive impact, and we understand this will take time, passion and commitment. We also understand that addressing modern slavery is challenging and complex, due to the fact that it is largely hidden.

Thinking Works has been a signatory to the UN Global Compact since 2016. For eight years we have been developing our human rights due diligence system to address not just modern slavery and labour exploitation, but also anti-corruption.

We want to be part of the solution and create meaningful change to ensure better outcomes for workers in our supply chain, not just in our first tier of supply chain, but also in tier two and three. We appreciate how important supplier engagement is to achieving these outcomes.

As Managing Director, I take pride in caring for my employees, and ensuring that workers in our supply chains have decent conditions and are not exposed to exploitative work practices.

Sincerely yours,



Dean Kuch  
Managing Director

November 2024



## Our Structure, Operations and Supply Chains

This Modern Slavery Statement has been prepared in line with the requirements of the Commonwealth *Modern Slavery Act 2018* and covers the entities Thinking Ergonomix Pty Ltd, (Australia) and Thinking Ergonomix Ltd (United Kingdom). These two single entities, trade as Thinking Works and are owned and controlled by the Managing Director Dean Kuch.

Thinking Ergonomix Pty Ltd, the main entity (ABN 63 095 989 638) carries out all business operational activities for the Australian operations including employment, manufacturing, assembly and sourcing of products and components from local and overseas suppliers. Thinking Ergonomix Ltd (07085655) UK, although operational does not employ staff or source products or materials from the UK. This is handled by our Australian operations.

Thinking Works is a leading manufacturer of commercial office furniture, supplying height-adjustable workstations, smart table programs, acoustic furniture, quirky seating solutions, and convenient add-ons like power-boxes and monitor arms. Our furniture is designed to solve problems in the most beautiful, practical and sustainable of ways.

Our head office and main manufacturing site is located in Moorebank, Sydney, Australia, with a showroom also based in Sydney. Thinking Works products are sold to Office Furniture and Workstation companies and are marketed to the architectural and design industry worldwide.

We have long standing relationships with most of our product and material suppliers.



Facts and Figures for FY24



Our Supply Chain

We source a wide range of furniture components and items across six product categories, which include:

- Metal and Timber Products
- Metal, Plastic and Timber Components
- Chairs
- Monitor Arms
- Power Boxes
- Textiles
- Electrical Components
- Acoustic Panelling

Operational Procurement

We procured goods and services for our business operations across a number of different sectors, including:

- Third Party Labour Hire
- Warehousing (3PL)
- Logistics and Transport
- IT Support Services
- Energy and Utilities
- Electronics
- Fleet Management
- Marketing
- Cleaning and Catering
- Packaging
- Professional Services

Sourcing Countries for Business Operations and Tier 1 Suppliers

We source products and services from seven countries. The below list shows where the business operations and product and material facilities are located:



Modern Slavery Risk Assessment

Modern Slavery Risks in our Business Operations and Supply Chain

In 2019, we engaged the services of an external independent expert to conduct a risk assessment of our business operations and Tier 1 suppliers to determine risk and to prioritise next steps.

The scope of our modern slavery risk assessment review included:

- Product, Material, Sector and Country Risk
- Business Services Risk
- Risk to Vulnerable Workers

The modern slavery risks that we have identified are:

- Forced Labour
- Child Labour
- Deceptive Recruitment
- Bonded Labour

We acknowledge that the definition of child labour in terms of the Act refers to the ‘worst forms of child labour.’ Article 3 of ILO Convention No. 182 defines this as ‘work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.’<sup>2</sup>

Our risk assessment only identified child labour, not the ‘worst forms of child labour’. We understand the manufacturing sector has numerous processes that include hazardous work practices. These practices may harm a child’s health and safety. As such, we are treating the risk of child labour as the ‘worst forms of child labour’.

The table below (Table 1) outlines how we identified risk for our two procurement functions.

Procurement Function	Risk Identification
Product and Material Suppliers	Country risk analysis, review of factory-level risk, material type, business model and vulnerable worker type.
Business Operations ( <i>goods and services procured for our operational purposes</i> )	Country risk analysis, sector and product risk and vulnerable worker type.

Table 1

Business Operational Risk

The majority of Thinking Works business operational suppliers are based in Australia and although Australia is considered low to medium risk, it is not exempt from modern slavery.

Our team members are directly employed on permanent contracts, which lowers the risk with our direct team. Therefore, in terms of operational risk, our risk assessment focused on suppliers who used contracted and third-party labour hire providers.

We understand that industries that use outsourced labour hire, such as hospitality and cleaning, are at a higher risk of exploitative work practices. These workers may not be aware of their rights and may not be covered under typical employment arrangements. It is typically low-skilled, low-paid and migrant workers who are particularly vulnerable to modern slavery.

The following products and sectors have been identified as high risk in our business operations:

- Logistics and Transport
- Electronics
- Motor Vehicles
- Cleaning
- Catering and Hospitality
- Apparel
- Third Party Labour Hire

Supply Chains

We mapped our first tier of suppliers and collected data for supplier categories across our material and product manufacturers and operational suppliers.

Table 2 below outline the potential high risk of modern slavery associated with Thinking Works sourcing countries for our product and material suppliers and business operations. It also documents sectors that are classified as high risk.

Summary of Modern Slavery Risks

Summary of Modern Slavery Risk by Country	Types of Modern Slavery and Their Risk Indicators	Sectors, Products and Materials Deemed High Risk
China	<div>— Forced / bonded labour</div> <div>— Deceptive recruitment</div> <div>— Exploitation of migrant workers</div> <div>— Child labour</div> <div>— Excessive overtime</div> <div>— Underpayment of wages</div>	<div>— General manufacturing</div> <div>— Textiles</div> <div>— Plastics</div> <div>— Wood products</div> <div>— Metals</div> <div>— Electrical components</div> <div>— Apparel</div>
Vietnam	<div>— Forced / bonded labour</div> <div>— Deceptive recruitment</div> <div>— Exploitation of migrant workers</div> <div>— Child labour</div> <div>— Excessive overtime</div> <div>— Underpayment of wages</div>	<div>— General manufacturing</div> <div>— Furniture</div> <div>— Timber</div> <div>— Metals</div>
Taiwan	<div>— Forced Labour</div>	<div>— General manufacturing</div> <div>— Plastics</div>
Australia	<div>— Forced / bonded labour</div> <div>— Exploitation of migrant workers</div> <div>— Underpayment of wages</div>	<div>— Transportation</div> <div>— Cleaning</div> <div>— Catering and hospitality</div> <div>— Motor vehicles / fleet management</div> <div>— Electronics</div> <div>— Third party labour hire</div> <div>— Textiles</div>

Table 2

Migrant workers are vulnerable to forced labour, deceptive recruitment and debt bondage.

We conducted a country risk analysis of our suppliers to determine modern slavery geographical risks. China and Vietnam have been identified as high risk. Table 3 outlines the risk associated with each sourcing country in the manufacturing sector.

Country/Risk	Low	Medium	High
Australia	X		
New Zealand	X		
Germany	X		
Taiwan		X	
Hungary		X	
China			X
Vietnam			X

Table 3

Assessing and Addressing Risk

Our Due Diligence

Our response to modern slavery includes a due diligence process which is based on continual improvement of policies and processes to ensure we identify, prevent and mitigate actual and potential modern slavery impacts. Our process also ensures that we track and monitor our performance and communicate what our company is doing to assess and address identified risk.

Our first priority in terms of mitigation is working with our Tier 1 suppliers that have been identified as high risk.

Risk Identification and Assessment

Our modern slavery risk assessment included:

— Product, material, business services and sector risk

— Geographical risk

— Review of risk in terms of how we may ‘cause, contribute or be linked to’ potential modern slavery risks

— Vulnerable worker types and groups

We use a range of tools to determine human rights and modern slavery risk and continue to conduct annual review of current human and labour rights, and modern slavery reports. The resources include:

- The Global Slavery Index (GSI)

— US Department of Labor’s 2023 List of Goods Produced by Child and Forced Labor

— Social Hotspots Database

— 2024 International Trade Union Confederation (ITUC) Global Rights Index

— Desktop research and analysis

— Internal in-house knowledge and external expertise

Assessing and Addressing Modern Slavery Risks

The following actions outline what we have achieved in assessing and mitigating modern slavery risk in the FY24 reporting period:

Training - Raising Awareness

August 2023

At Melbourne Saturday in Design, we hosted several educational sessions focused on guiding designers on how to specify sustainable products. These sessions not only addressed the environmental impacts associated with products and materials but also delved into the social impacts, with a particular focus on labour exploitation and modern slavery within the design industry’s supply chains, including those of product manufacturers and retailers.

November 2023

Managing Director Dean Kuch, alongside our Sustainability Advisor, Libby from Sustainable Business Matters, conducted an in-house education and awareness session with one of Australia’s largest architectural firms. The session, Introduction to Modern Slavery, aimed not only to present facts and figures on modern slavery but also to offer architects and designers a clearer understanding of what meaningful action looks like and how we collaborate with our suppliers to address modern slavery and labour exploitation.

Engagement and Collaboration

Product Material Supplier

In 2023, we onboarded a new supplier in Vietnam. Our Design Manager, with support from our Sustainability Advisor, conducted an on-site inspection of the factory to review both ethical operating practices and labour standards. Additionally, our Sustainability Advisor performed a detailed desktop assessment and analysis of the supplier’s labour policies, practices, and procedures prior to engagement to better understand risk and opportunities associated with working with the supplier.

Freight Forwarding Suppliers (Shipping)

The shipping industry is well-known for labour exploitation, modern slavery, and human rights violations. While we recognize that we have limited direct control or influence over the shipping lines themselves, we have begun collaborating with our freight forwarding partners to identify which shipping companies are responsible for transporting our products and materials.

As part of our due diligence process, we asked targeted, industry-specific questions, such as whether the shipping lines operate under a state flag, comply with the Maritime Labour Convention (MLC), and are signatories to the Neptune Declaration. Additionally, we provided our freight forwarding companies with a Supplier Code of Conduct, emphasizing compliance with MLC standards and the Neptune Declaration.

In FY 24/25, we will strengthen our due diligence efforts to gain a more thorough understanding of our shipping partners’ commitments to human rights and labour standards. This will include a review of their Modern Slavery Statements, Policies, and Sustainability Reports. Additionally, we will investigate whether these shipping lines are listed with the ITF Seafarers’ Inspectorate or are members of the Sustainable Shipping Initiative (SSI) and the Institute for Human Rights and Business (IHRB) – Seafarers’ rights and welfare Code of Conduct for shipowners, operators, charters and cargo owners.

Detailed Risk Assessment of Potential High-Risk Suppliers

In 2019 and 2020 we conducted detailed assessments of product and material suppliers that were deemed ‘high and medium risk’ within our high-level risk assessment process. We reviewed individual suppliers to determine their level of understanding and implementation of practices that address modern slavery, human and labour rights. We also wanted to determine where they source their materials, so we can understand the potential human rights risks amongst our tier two suppliers. Our supplier self-assessment includes questions relating to:

Human and Labour Rights, including Modern Slavery preventative practices
Company and product certifications
Employment questions
Workplace health and safety
Third party labour hire
Hiring and recruitment of migrant workers
Fair working hours and compensation
Grievance mechanisms
Freedom of association & collective bargaining
Modern Slavery Preventative Practices
Anti-discrimination, bullying and harassment
Working with their supply chain on human rights
Anti-corruption and bribery

Risk Assessment

Annually, we conduct a desktop review of human rights, modern slavery, and labour exploitation reports, utilising a range of current resources (refer to page 10: Risk Identification and Assessment) to assess ongoing risks.

Policy Framework

For several years, we have developed a comprehensive set of policies, procedures and codes that express our values, expectations and principles. Thinking Works has been a signatory to the UN Global Compact since 2016, which sets a framework for our company to address not just modern slavery, but also other fundamental human and labour rights.

Table 4 outlines the policies that are most relevant to preventing modern slavery for our employees, contractors and suppliers.

Policy	Purpose
Employment Policies	Our staff handbook outlines our expectations around issues such as harassment, discrimination and bullying, along with a Grievance procedure which outlines the process for our staff and contractors to raise grievances.
Human Rights Policy	The policy outlines our commitment to address human rights in our business operations and supply chain in line with international human and labour rights standards and conventions. This includes, but is not limited to modern slavery, forced labour, child labour, human trafficking and migrant workers.
Suppliers Code of Conduct	The code addresses international human and labour rights standards and conventions and has been issued and signed off by 25 of our key overseas suppliers.
Responsible Sourcing Policy	Our Responsible Sourcing Policy outlines our commitment to ensure we use responsible and sustainable methods to procure products and services. We require our suppliers to demonstrate that workers involved in the production and provision of goods and services receive fair wages, have safe workings conditions and all human rights are respected.

Table 4

Remediation

We understand our responsibility to provide or participate in remediation where it has been identified that we have ‘caused or contributed to’ modern slavery.

Thinking Works has established both formal and informal mechanisms where employees can raise concerns, such as our company’s Grievance Policy which outlines the process for raising and resolving grievances within the workplace. We ensure grievances are managed in a systemic, fair and timely manner.

We engaged a third-party consultant to provide our company with a Remediation Procedure and Response Plan to ensure we have processes in place when an instance of modern slavery is found. The procedure helps us understand the process of remediation and ensures we have the proper controls, resources, access to third-party partners and allocation of responsibility internally to provide support to the rights holder (victim of modern slavery).

We will continue to investigate tools, platforms and resources to ensure we are aware of workers’ grievances and issues within our supply chain.

Monitoring and Measuring Effectiveness

Evaluating the effectiveness of our due diligence system is essential to ensure our policies, programs, procedures, and training are properly integrated into our business activities. The critical question is: Are we having an impact? Are we effectively assessing risks, collaborating meaningfully with suppliers, and identifying opportunities for enhanced supplier engagement?

We use several approaches to assess our effectiveness:

1. Modern Slavery Action Plan & Evaluation Tool

This tool poses challenging questions and provides guidance for each Key Performance Indicator (KPI). Our Sustainability Advisor conducts an annual evaluation of this plan.

2. External Supplier Evaluations

We review our suppliers’ responses from the Self-Assessment Questionnaire, along with supporting evidence, using our Supplier Evaluation Scorecard to ensure thorough assessments.

3. Review of 2019 Modern Slavery Risk Assessment

In FY 23/24, our Sustainability Advisor re-evaluated our 2019 Modern Slavery Risk Assessment to identify gaps and suggest improvements. Despite scoring well (21 out of 25), key recommendations included:

- a. Conducting a new high-level risk assessment to ensure that risks remain relevant.
- b. Include sustainability questions in supplier self-assessments, covering areas like environmental impacts and anti-corruption measures.



- c. Engaging with our product suppliers, where product materials (timber, metals, plastics, textiles) have been identified as high-risk for modern slavery and labour exploitation, to assist them in assessing their own supply chains.
- d. Work with overseas suppliers to determine if any of their tier one or two suppliers appear on the UFLPA (Uyghur Forced Labor Prevention Act) Entity List.

We will continue to monitor and track our performance to assess and address the risk of modern slavery.

## Process of Consultation

Dean Kuch is the Managing Director and owner of both entities covered under this modern slavery statement. Dean has played a key role in the development of policies, understanding risk, mitigation strategies, evaluating effectiveness, remediation and due diligence.

## Future Priorities and Commitments

As part of our commitment to continual improvement, we will engage with internal and external stakeholders and industry experts, evolving our response to modern slavery.

### Our goals and commitments for FY24/25 include:

- Continue to raise awareness with our stakeholders on the importance of eradicating modern slavery
- Conduct a High-Level Modern Slavery Risk assessment of materials used in our products to gain a better understanding of risk (our Tier 2)
- Analyse current product suppliers to identify potential high-risk materials (e.g., timber, metals, textiles, plastics) sourced from regions with elevated risks.
- Engage with product suppliers, where materials have been identified as high-risk for modern slavery and labour exploitation, to support them in evaluating their supply chains.
- Update our Supplier Self-Assessment Questionnaires to include additional areas such as environmental impacts and anti-corruption measures.
- Conduct due diligence on international shipping lines to gain a deeper understanding of their compliance with human rights and labour standards, specifically regarding conditions of labour exploitation and modern slavery.

## Approval of Modern Slavery Statement

This Modern Slavery Statement relates to our financial year 2024 and has been approved by the sole director of Thinking Ergonomix, Dean Kuch on 11 November 2024 Dean Kuch is the sole director of both entities and is authorised to sign the statement on behalf of both entities.



Dean Kuch  
Managing Director

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<sup>1</sup> Nolan & M Boersma, Addressing Modern Slavery, p10, Sydney USW Press, 2019

<sup>2</sup> International Labour Organization (ILO), What is child labour, The worst forms of child labour  
<https://www.ilo.org/ipec/facts/WorstFormsofChildLabour/lang--en/index.htm>



# Furniture for the Curious