



Focus on Furniture Pty Ltd 2021 Modern Slavery Statement

Focus on Furniture Pty Ltd (Focus) is a privately owned company. Focus is a vertically integrated omni-channel furniture and bedding retailer offering well designed, functional and on-trend products at great value for money through its network of stores in Australia and its online channel. Focus is characterised by its attention to customer service, support, quality and range. The company employs over 150 members and has a network of 23 retail outlets and 3 distribution centres. Focus' head office is in Melbourne, Australia.

Modern Slavery

Modern slavery is a crime resulting in an abhorrent abuse of the human rights of vulnerable persons. It can take various forms. The *Modern Slavery Act 2018 (Cth)* defines modern slavery as including the following eight forms of serious exploitation: servitude, forced labour, debt bondage, child labour, trafficking in persons, forced marriage, slavery and deceptive recruitment for labour or services. Identifying potential victims of modern slavery can be a challenge because the crime can manifest itself in many different forms and there can be a spectrum of abuse.

Focus however accepts that it has a responsibility through its due diligence processes to ensure that vulnerable persons are not being exploited, that they are safe and that their human rights are being adhered to.

Focus takes a zero-tolerance approach to any form of modern slavery including servitude, forced labour, debt bondage and child labour. We are committed to an ethical and transparent approach to business. We ensure effective systems and controls are in place to safeguard against any form of modern slavery within our business operations including our supply chain. This statement is part of our Modern Slavery Policy, and forms part of those systems and controls.

The Risks

Sourcing products is an important part of the Focus business. The Company currently sources its products from a range of countries, the largest of which is China, followed by Malaysia and Vietnam.

Focus recognises the importance of ensuring that no modern slavery exists in its supply chain and across its business. This begins with a clear understanding of the risks that may be prevalent across its entire business operations including its sourcing model. Focus acknowledges the need to engage industry experts with an ethical sourcing specialisation and has commenced work to undertake a Modern Slavery Risk Assessment across the Company's entire business, including sourcing markets and supply chain. This assessment will be used to identify and concentrate on areas requiring the greatest attention and will be completed in financial year 2022.

The Actions

Prior to the impact on travel caused by COVID-19, Focus had undertaken regular in person factory visits across the supply chain. These were conducted by members of the Product and Management team and are an important step in the modern slavery mitigation and investigation process. During COVID19, given the ability for

Australian based teams to travel was significantly reduced and later stopped, this required new strategies and processes to manage our supply chain and ensure our risk programs were maintained.

To further supplement these programs, Focus will now require all of its factories to supply a current social compliance audit, completed by an independent and appropriately qualified third party. These audits involve worker interviews in both a group and individual settings by experienced specialists who have the knowledge and skill to identify any weaknesses or problem areas.

Supply chains are complex structures, particularly when they cross country borders and involve multiple levels of suppliers and sub-contactors across the production process. These complexities raise the risk of modern slavery. To mitigate and protect against unethical practices in areas such as labour recruitment, unskilled labour and seasonal work, Focus commenced the development of a supplier Code of Conduct which all suppliers are required to sign up to and which includes strong governance requirements to protect against these risks.

A supplier will often be required to sub-contract production to other factories at arms-length to our operations for activities or finishes the supplier may not be able to provide. Given the practical limitations on Focus having direct management of, or involvement in, the lower levels of its supply chain, the Company places the onus for managing subcontractors on all aspects of its Code of Conduct on its upstream suppliers. These suppliers have a direct relationship with the relevant sub-contractor and are expected to visit sub-contractor factories frequently to monitor and ensure compliance with the Focus Code of Conduct and the Company's business expectations at all times. Focus recognises that the risks of modern slavery increase the further downstream an operation exists within its supply chain. Regardless of where a sub-contractor sits in the supply chain the Company seeks to have all sub-contractors identified and approved by it before any sub-contracting work can commence.

At times the Focus sourcing model requires our suppliers and sub-contractors to engage deeper levels of the supply chain such as sourcing raw materials. Focus recognises this raises the potential risk of modern slavery as suppliers effectively act on the Company's behalf when undertaking these activities. To counter this risk the Company continues to build on work already done to achieve complete supply chain transparency, and therefore be able to provide the appropriate level of governance and support across all stages of production. It is only by achieving this transparency and governance framework that Focus can protect workers at all levels of its supply chain against modern slavery

Scope

To support this statement and associated actions, Focus has developed a Modern Slavery Policy that applies to any person or organisation who is:

- an officer of Focus;
- an employee of Focus;
- a supplier, sales agent or wholesaler of Focus;
- a contractor or consultant of Focus; or
- an employee of a supplier, sales agent, wholesaler, contractor or consultant of Focus.

We expect all persons and organisations who have, or propose to have, a business relationship with Focus to read and adhere to our Modern Slavery Policy and to act in a way which is consistent with it. We will only undertake business with persons and organisations who comply with our Modern Slavery Policy (or who demonstrate verifiable steps towards such compliance).

Commitment

Focus has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all our business operations. We are committed to implementing and enforcing effective systems and controls to ensure no form of modern slavery is present in our business

operations. We expect the same high-level standards in all of our business partners including our suppliers, sales agents, wholesalers, contractors and consultants (and we expect those persons and organisations to hold their business partners to the same high-level standards).

We will not engage, or continue to engage, with any business partner where there is evidence that modern slavery exists or where there are insufficient processes in place to detect and minimise the risk of modern slavery.

Compliance

The prevention, detection and reporting of modern slavery in any part of Focus' business operations is the responsibility of all those working for Focus or under Focus' control.

Team members and those we do business with are encouraged to raise concerns about any issue or suspicion of modern slavery in any part of Focus' business operations as soon as possible. We aim to encourage openness and will support anyone, both internally and externally who raise genuine concerns in good faith in accordance with our Modern slavery Policy.

Breaches

Any officer or employee who breaches our Modern Slavery Policy will face disciplinary action, up to and including summary dismissal for gross misconduct.

Focus may terminate its commercial relationship with any business partner including any supplier, sales agent, wholesaler, contractor or consultant if they breach this our Modern Slavery Policy or are found to have been involved in modern slavery

Responsibility

The Chief Financial Officer will be responsible for preparing periodic reports on the effectiveness of this statement and monitoring the number /types of suspected instances of modern slavery within our business operations. These reports will be tabled to the Board of Directors to ensure they are kept informed about the effectiveness of Focus' processes and procedures.

The Board has overall responsibility for monitoring this statement and adherence to our Modern Slavery Policy and ensuring that this statement complies with Focus' legal and ethical obligations.

Approval

This Modern Slavery Statement was approved by the board of Focus on Furniture Pty Ltd on the 16th December 2021.



Robert Santalucia
Chairman/CEO

16/12/2021