



# MODERN SLAVERY STATEMENT 2022

SEPTEMBER 2021 – SEPTEMBER 2022  
3RD REPORTING STATEMENT



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[www.greenlitbrands.com.au](http://www.greenlitbrands.com.au)

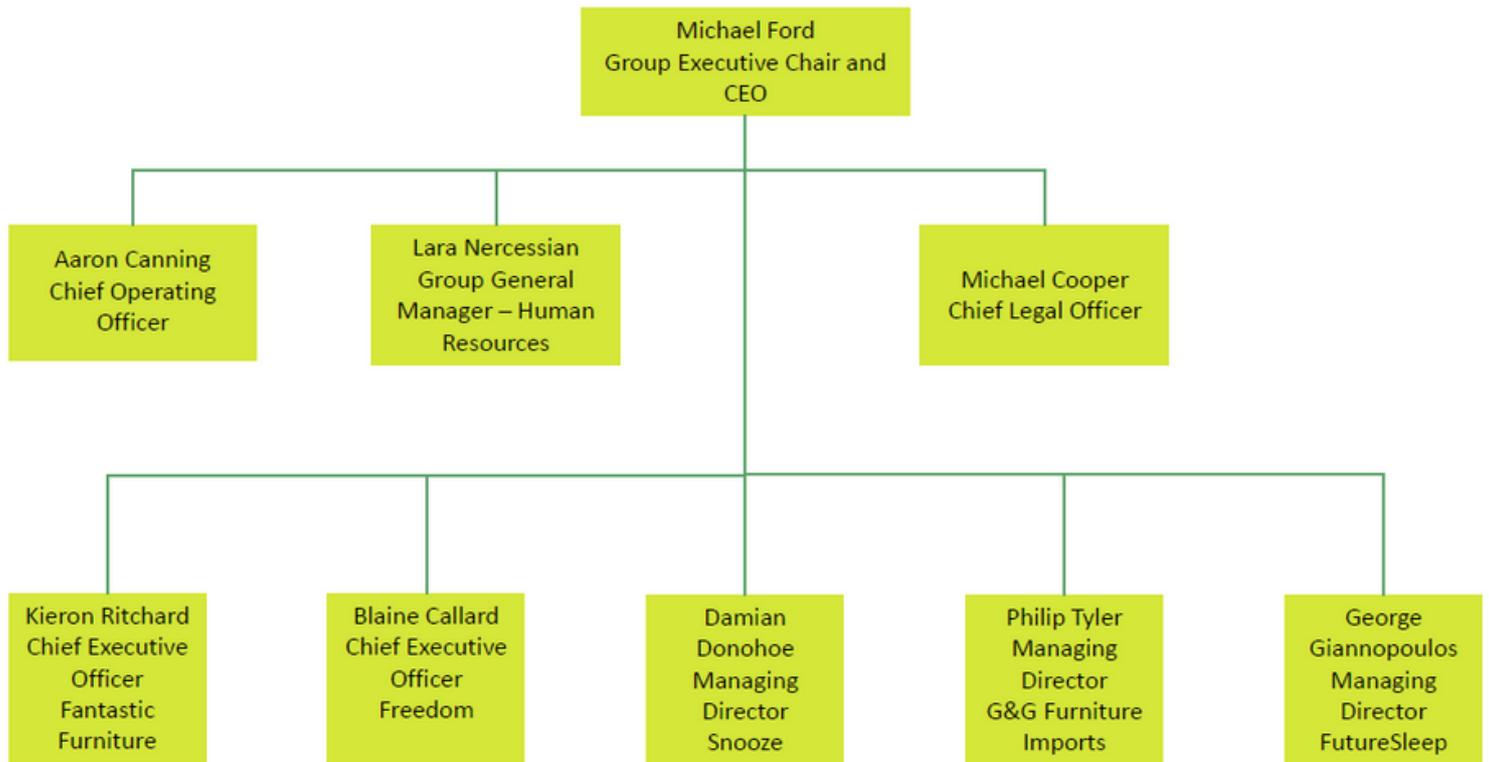
This is Greenlit Brands Pty Limited's third modern slavery statement under the Modern Slavery Act 2018 (Cth). This modern slavery statement covers each reporting entity that is a subsidiary of Greenlit Brands Pty Limited or FF HoldCo Pty Ltd. This statement covers the same reporting entities as outlined in the September 2020–September 2021 Modern Slavery Statement, except for Original Mattress Factory Pty Limited (which was sold and is no longer a subsidiary of Greenlit Brands Pty Limited) and Unitrans Asia Pacific Pty Limited (the operations of which have been decentralised to other subsidiaries and no longer satisfies the requirements to be a reporting entity).



# Contents

Section 1: Leadership structure	4
Section 2: Our structure, operations, and supply chains	5
Section 3: Risks of modern slavery in our operations and supply chains	8
Section 4: Actions to assess and address modern slavery risks, including due diligence and remediation	9
Section 5: Assessing the effectiveness of our actions	15
Section 6: Process of consultation	16

# Section 1: Leadership structure



## Section 2: Our structure, operations and supply chains

Greenlit Brands Pty Limited and FF HoldCo Pty Ltd and their subsidiaries (together the Group) are integrated retailers importers, wholesalers, and manufacturers of household goods across Australia and New Zealand. Our brands have been in operation for several decades. Across our brands, we sell a range of household consumer goods, including lounges, homewares, rugs, mattresses, bedding, upholstery cleaning products, tables, and chairs. The Group operates the following five brands:

- Fantastic Furniture
- Freedom
- FutureSleep
- G&G Furniture
- Snooze

The Group is part of the Steinhoff International Group which is required to report under the United Kingdom's Modern Slavery Act 2015.

We operate in:

223 stores  
5 factories  
11 distribution centres

These premises are located throughout Australia and New Zealand. Our operations obtain a range of services from third parties, including cleaning services, waste services, property management, uniforms, transport and freight, security services, information technology services and products, communications and marketing, financial and superannuation services, and website and cloud storage.

The countries that we directly source and manufacture materials, products, and services from include Australia, China, Malaysia, Germany, India, Taiwan, Singapore, Denmark, Vietnam, United States, Algeria, Indonesia, and Turkey. Our tier two and three supplier countries include Australia, China, Saudi Arabia, Finland, Malaysia, Pakistan, Germany, Vietnam, Indonesia, Netherlands, Japan, Thailand, South Korea, Italy, United Kingdom, Argentina, Costa Rica, and Brazil.



Greenlit Brands Pty Limited is supported by a Group Services Team, including an Executive Team and several departments - Finance, Human Resources, Payroll, Safety, Internal Audit, Information Technology, Property, Legal, and Administrative Support. The Group Services Team is primarily involved in overseeing strategic objectives for the operating businesses and acts as a support to the five brands with operational requirements and initiatives.

46 full time  
 0 part time  
 0 casual  
 1 contractor  
 0 stores  
 0 factories  
 0 distribution centres



Snooze's Managing Director oversees a leadership team comprising of five General Managers and a Chief Financial Officer. The GM's respective remit includes the following - Marketing, Operations, Products, Finance, People, and Technology. Within the reporting period, there were 81 Snooze-branded stores nationally but this number was reduced to 79 stores. Two of Snooze's principal suppliers are FutureSleep and G&G Furniture Imports.

79 full time  
 10 part time  
 19 casual  
 0 contractors  
 79 stores  
 0 factories  
 0 distribution centres  
 31 suppliers



G&G Furniture has a Managing Director who is responsible for the overall direction of the company with the support of the Financial Controller. There are two Sales Coordinators, a Customer Service Officer, a Logistics Coordinator, Warehouse Manager and warehouse staff. This year, G&G utilised a Warehouse Manager and warehouse staff as a result of the changes.

13 full time  
 0 part time  
 1 casual  
 7 contractors  
 0 stores  
 0 factories  
 1 distribution centres  
 16 suppliers



Fantastic Furniture is led by a Chief Executive Officer with the following departments reporting directly: People and Safety, Supply Chain and Manufacturing, Legal, Property and Risk, Marketing and Digital, Information Technology, Finance, Retail Operations, Products and Planning, and Customer Excellence.

795 full time  
 353 part time  
 213 casual  
 1 contractor  
 84 stores  
 1 factory  
 4 distribution centres  
 105 suppliers

## FUTURESLLEEP

FutureSleep's structure comprises of three main groups working with the Chief Executive Officer. The Innovation and Design Team consists of Brand Account Management, Research Design and Innovation, Construction Methods and Pricing, Sourcing and Purchasing, and Supplier Relationships. The Operations Team includes manufacturing staff, Facilities Management, Customer Service and Logistics. The Professional Services Team includes Finance and Administration, Component Sourcing and Purchasing, Human Resources, and People and Safety.

183 full time  
5 part time  
59 casual  
17 contractors  
0 stores  
4 factories  
Distribution centres are part of manufacturing sites  
30 suppliers

## FREEDOM

Freedom's leadership team comprises a Chief Executive Officer, a Chief Financial Officer, and General Managers in Marketing, People and Transformation, Retail Operations, Information Technology & Logistics, Digital and Visual Merchandising, Merchandise Director, General Manager of Planning, Supply and Shipping, and General Manager of Marketing. Freedom also comprises of a Managing Director and Chief Financial Officer for its New Zealand operations. Freedom operates 46 stores across Australia.

612 full time  
402 part time  
86 casual  
39 contractors  
38 company stores in Australia  
8 franchise stores in Australia  
0 factories  
6 distribution centres  
suppliers

## Section 3: Risks of modern slavery in our operations and supply chains

There are several risks of modern slavery across the Group where we may cause, contribute to, or be directly linked to modern slavery in our operations and supply chains.

### Supply Chains

The two main modern slavery risks remain as forced labour and child labour in the manufacturing of products for retail sale or of raw materials such as textiles, foam, metals, timber, plastics and adhesives sectors, or associated sectors where the material is used in product manufacturing. There is also the risk of corruption across material-sector-countries that we source from. We understand that modern slavery is not limited to these sectors, materials or countries, and can occur at any time and place.

The Group are on the path of continual improvement. We see risk where there are gaps in our management systems and supplier management systems aimed at addressing human and labour rights.

Social audits this year identified additional modern slavery risks in suppliers' geographical areas:

- where fees can be used for recruitment and holding of passports (debt bondage)
- where contractual agreements are not written in employee's local language
- where prison labour is used (although this was legal in the country of operation).

### Operations

There is a lack of visibility in operational supply chains beyond tier one, including unknown contractors and sub-contractors.

Blue Rock is a major supplier to Freedom and G&G Furniture and acts as a sourcing agent. This means these brands do not have direct control over certain areas of sourcing in their supply chain. The risk is mitigated but not eliminated through a detailed SLA between the relevant brands and Blue Rock and ongoing communications.

An indicator of modern slavery includes workers who are more vulnerable which can lead to exploitation. Vulnerability can include, but is not limited to, workers who experience discrimination or marginalisation, those who work in substandard conditions, and workers who live in countries that do not adopt international conventions, or who have not established laws, unions, and policies to protect human and labour rights. Vulnerability of workers can mean they are exposed to deceptive recruiting and debt bondage, among other modern slavery risks. COVID-19 continues to increase worker vulnerability in our supply chains and impact all regions. As a result of COVID-19, visits to international factories were limited or did not occur.

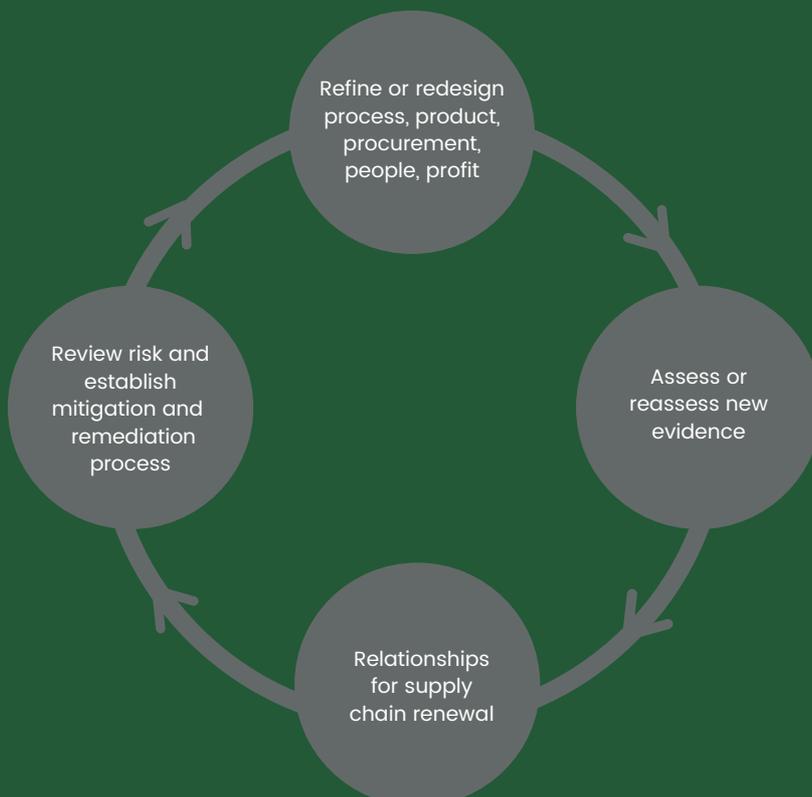
## Section 4: Actions to assess and address modern slavery risks, including due diligence and remediation

This section of our statement outlines each of our brands' actions and priorities to remedy situations where they may cause, or contribute to, modern slavery or modern slavery risks. Specific actions addressed in this section include:

- Dedicated roles
- Training
- Internal management systems
- Supplier's management systems
- Supplier self-assessment questionnaires
- Social auditing
- Third-party social certifications and initiatives
- Partnerships and Initiatives

Each brand is responsible for its actions and planning and therefore may differ from one other. Each of our brands' goals and targets will continue to evolve and become even more individually orientated as our brands continue to build their knowledge of modern slavery risks associated with their business and operations.

### Our process for continual improvement



As mentioned in our first modern slavery statement, we understand that if, or when, we find modern slavery occurring in our brands' operations or supply chains we need to ensure it is handled delicately and in a manner that does not jeopardise anyone's safety. For severe cases, we understand our responsibility to contact local authorities.

## Dedicated roles to modern slavery

While we understand that modern slavery is everyone's business across the Group, we are committed to ensuring we allocate time and resources to roles that drive and implement our actions. Each brand has implemented either allocated roles or working groups.

- G&G Furniture Imports' Managing Director continues to be responsible for the sourcing of the products supplied to its retail customers, ensuring factories are operating ethically.
- FutureSleep experienced COVID-19 disruptions to the business as well as staff changes that impacted the ability to establish the Working Group as planned (reported in last year's modern slavery statement). However, the Executive Leadership Team has re-committed to the formation of a Modern Slavery Working Group, comprising representatives from Operations, Product, and Procurement, and chaired by People & Safety. The Working Group will examine FutureSleep's response to the legislative requirements, guide planning, and ensure KPIs are met. The Working Group will be established by end of H1 CY2023.
- Fantastic Furniture has created a new role of Audit and Document Controller to book supplier audits, review the outcomes and work with the factories on corrective and preventative actions (CAPAs). Fantastic Furniture's Quality Assurance team reviews the audits based on their minor and major critical ratings to develop corrective actions and works with the products team (buyers) to discuss any findings. Any escalation is reported to Chief Supply Chain Officer or Chief Merchandise Officer.
- Freedom has committed to a modern slavery review within their Product Safety and Quality meetings, chaired by the Quality of Control Manager, Merchandise Director, Customer Service Manager, and Safety Officer. Third-Party sourcing agents within Asia will be involved to ensure discussion and action across their supplier network. In the future, Freedom will ensure that its Quality of Control Manager spends time with key stakeholders and that regular meetings are scheduled, an actions register is created and minutes documented.
- Snooze appointed a senior manager to be responsible for leading modern slavery work and actions at Snooze along with two senior category managers from the product department.

## Training

Ensuring staff and suppliers are aware of what modern slavery is and how to respond in incidences of modern slavery is important to us.

- FutureSleep is currently assessing the various training courses available through civil society as well as commercial educators and will confirm a preferred provider alongside a custom-built course in the first quarter of the next financial year. The Management team will all complete the appropriate training by mid-2023.
- G&G Furniture Imports' Managing Director received training in 2020 and communicates and addresses modern slavery with suppliers.

- Due to changes in the structure of the furniture team, Freedom did not undertake modern slavery training this year. Freedom aims to ensure all internal heads are fully trained by June 2023.
- Fantastic Furniture will conduct executive training in 2023.
- Snooze will be conducting modern slavery training for all Snooze employees in the next reporting year. The development of a supporting eLearning module has already been scheduled.

## Internal management systems

All brands continue to utilise the following policies which apply across the Group:

- SpeakUp! (Whistleblower) Policy
- Grievance Policy
- Anti-Bribery, Corruption and Fraud Policy
- Appropriate Workplace Behaviour Policy

The policies are addressed during orientation and all employees and a range of contractors are required to complete mandatory training (including refresher training) on their rights and obligations under the policies. Freedom and Snooze ensure the SpeakUp! Policy is available in staff public areas, such as amenities, and run 'SpeakUp! Week', training modules, and learning and education modules (mandatory for staff).

- Freedom created a group on its online platform 'Workplace' where team members can post issues, complaints, and/or improvements on day-to-day operations. The stores are also encouraged to log any incidents. Implementation of 'Workplace' has been a success in the organisation over the past year with 202 active groups. It has bridged the gap between functions, and it has made it easier for team members to express their feedback or concerns. Freedom included new clauses in its supply agreements this year dealing with modern slavery.
- Snooze aims to adopt a formal modern slavery policy within its Support Centre (as applicable); in conjunction with the Code of Conduct and the Anti-bribery, Corruption and Fraud Policy. Snooze has recognised the need to review existing SLAs to ensure existing and future partners and suppliers recognise and abide by Snooze's modern slavery requirements.
- G&G Furniture Imports' staff already undertake various training through the Snooze staff program covering these topics. G&G staff will continue to be included in any new training modules developed by Snooze.
- FutureSleep is currently finalising the re-launch of its learning management system and intranet, with plans to roll out bespoke, customised training designed to address various identified requirements across the business. This system has excellent reporting functionality and will be set up to deliver and report on the completion rates of FutureSleep's modern slavery education and training initiatives. The learning management system will be re-launched in H1 of 2023.

## Supplier's management systems

Understanding our suppliers' management systems is just as important as understanding our own as a measure to mitigate and remediate modern slavery risks in our supply chains.

- As part of Fantastic Furniture's social audit, there is a combination of document reviews, interviews, and observations that seek to understand the factory's knowledge of modern slavery including what current procedures and policies they have in place. Corrective actions have been put in place for the suppliers to establish adequate policies and processes in this area, which will be reviewed during their next audit.
- Fantastic Furniture's Quality Assurance team will work closely with its first-tier suppliers to continue to undertake modern slavery due diligence. Fantastic Furniture will continue mapping its second tier of the supply chain as well.
- G&G Furniture Imports has a small number of suppliers. They currently source from a total of 15 suppliers and seven are managed through their sourcing agent, BlueRock. BlueRock conducts factory audits on their behalf at the start of the relationship, places all orders with factories, performs ongoing quality checks before products are shipped, and makes periodic visits each year to each factory. For example, one of G&G Furniture Imports' suppliers in Malaysia shared the Self-Assessment Questionnaire that they send to their suppliers. Their survey is called Corporate Social & Sustainability Responsibility Audit For Suppliers. They found that one of their suppliers developed a Modern Slavery policy. Another supplier from Vietnam reported that they perform an annual Supply Agreement that tracks their supplier's Code Of Conduct.
- Snooze asks all its franchise stores to comply with employment relations regulations and completes an ER Declarations Checklist annually confirming compliance with minimum labour requirements in franchised operations in Australia.
- FutureSleep is finalising its supplier declaration and questionnaire. This includes a section on supplier management systems and methods used to minimise the risk of poor practices occurring.

## Supplier Self-Assessment Questionnaires

A supplier self-assessment questionnaire or declaration is a tool used by some of our brands to improve communications, actions, and due diligence with their suppliers about modern slavery. The questionnaire helps our brands to gain an understanding of their supplier's policies, processes, and procedures regarding modern slavery, labour rights, human rights, environmental compliance, anti-corruption, and quality management. The following brands utilise, or plan to utilise, the questionnaire:

- FutureSleep has positive, long-standing relationships with most of its suppliers. The business will continue to work closely with its suppliers to ensure that all have a better understanding of the risks of modern slavery in the supply chain. FutureSleep is finalising a supplier declaration to be rolled out to all suppliers, as the next step in ensuring the commitment of all parties to the tenets of the Modern Slavery legislation and FutureSleep's obligations under it. All Suppliers are to receive the declaration by 30 June 2023.
- Currently, Fantastic Furniture's quality assurance team is in the process of developing a desktop audit (which will include social/modern slavery questions) for all local wholesale vendors and drop ship vendors. This will be completed by end of March 2023.
- G&G Furniture Imports distributed a modern slavery 'Supplier Self-Assessment' to all suppliers in September 2022, either directly or via its sourcing agent, BlueRock. The majority of suppliers that responded to the self-assessment in the previous year found that 13 suppliers had whistle-blower policies in place and various systems set up for grievances and complaints to be raised in confidence without reprisals.
- Some of G&G Furniture Imports' suppliers are more advanced than others in documenting various other systems and practices they have in place. G&G Furniture Imports aims to work with these factories over the next year to encourage them to document their practices/systems/policies.
- Freedom will work with its sourcing agents to ensure that questionnaires are sent out to suppliers. Freedom will visit every factory on an annual basis and is currently working on a minimum requirements review checklist.
- Snooze sent surveys to its suppliers and collated and assessed risks in responses (2020-21). No high-risk responses were received in the reporting period. Moving forward, Snooze will assess the surveys as a group against a KPI that is deemed satisfactory by Snooze.

## Partnerships and initiatives

We understand that to combat and eradicate modern slavery and to ensure that effective support mechanisms for victims are in place, our brands need to make meaningful partnerships with external organisations, civil societies, and third-party initiatives.

Snooze is taking an active approach to submitting an application for B Corporation certification by 2024. This certification means Snooze will be audited against its social and environmental performance, governance, and transparency.

## Social Auditing

- 44 audits were undertaken by Fantastic Furniture, with 98% of all current factories having completed at least one social audit. For all first-tier suppliers, Fantastic Furniture conducts audits on a 12 (+/-) monthly basis to ensure transparency in those operations and corrective actions are implemented and agreed to.
- Whilst FutureSleep does not currently conduct any social auditing, FutureSleep will investigate the opportunity to engage a third party to do so by the end of H1 2023.
- Three factories that G&G Furniture Imports purchase from provided audit results performed by SMETA for the reporting period and one by Amfori. Two factories have SEDEX. One factory in Malaysia that provided SMETA and SEDEX also provided G&G Furniture Imports with certificates from staff who partook in training courses related to anti-bribery and corruption. The independent audits looked at suppliers' social management system, worker's involvement and protection, the rights of freedom of association and collective bargaining, fair remuneration, decent working hours, child labour, bonded labour, and ethical business behaviour. G&G Furniture Imports will use this information to encourage continuous improvement and support other factories to have independent audits completed.
- Snooze plans to conduct Social Audits with its top 15 suppliers which represent 98% of the total business.

## Third-party social certifications and initiatives

All of Snooze's timber-sourced products are FSC certified as well as carrying a PSEF certification. The Snooze Organic Stoned Washed Linen has a Global Organic Textile Standard (GOTS) certification. All Snooze branded linen, including the Cotton Percale, Bamboo Cotton, Tencel, Organic Stone Washed Cotton, and the Vintaged Washed linen ranges are OKEO-TEX Standard certified. These certifications include some social compliance criteria in their standards and verification that address human and labour rights and may mitigate modern slavery.

# Section 5: Assessing the effectiveness of our actions

We recognise that modern slavery risk is ongoing. There has been no evidence of modern slavery across the Group's or any of its subsidiaries' operations and tier-one suppliers presented or identified in this reporting period.

Our brands have begun to formalise assessment processes. For example, some of our brands analyse the results of questionnaires and social audits for risk. However, we recognise the need to continuously improve how we address our risks and assess whether our actions are effective. Constraints to progressing this work have included our focus on responding to COVID-19 impacts.

## Greenlit Brands

- Escalation by brands of incidences of modern slavery across brands
- Number of whistleblower queries
- Quality of whistleblower queries handled

## Freedom

### Working Group

- Self-declaration through sourcing agent and factory visits will commence this financial year.

### Training

- All internal heads are to be fully trained by June 2023

### Supplier Relationships and Questionnaire

- The new head of quality will document no. and quality of visits
- Number of questionnaires sent to suppliers
- Number of questionnaires returned / quality

### Internal Management System

- No. supplier contracts are to be assessed and checked for Modern Slavery act FY23
- "Freedom to Green" group created -currently finalizing framework and plans to launch during the year

### Social auditing

- Assess BlueRock audit results and create action plan.

## Snooze

### Working Group

- Number of meetings held annually

### Training

- Training on SCOPE for all Snooze employees

### Social Auditing

- Number of social audits
- Audit on existing contracts to identify the number of suppliers who recognise modern slavery to be completed by May 2023

### Supplier Questionnaire

- Formalise process for annual Supplier Surveys (Send and response to both furniture and mattress suppliers)
- Number of supplier surveys
- Number of supplier surveys received and evaluated

### Partnerships and initiatives

- Certified B-Corp by 2023

FutureSleep

**Working Group**

- Established date as planned by the end of H1 2023
- Number of meetings held annually

**Training**

- Number of ELT & Managers trained
- Internal training program(s) developed

**Supplier Questionnaire**

- Number of questionnaires sent to suppliers
- Number of questionnaires returned / quality

**Social auditing**

- Report and recommendations

G&G Furniture Imports

**Training**

- Conduct training via Snooze for G&G staff

**Social Auditing**

- Conduct Social Audits and encourage all factories to conduct and supply independent audit results to G&G

**Supplier Questionnaire**

- Continue to conduct supplier questionnaires with all the factories and evaluate for continuous awareness and improvement

Fantastic Furniture

**Working Group**

- Establish a committee which will (amongst other things) deal with modern slavery risks and issues within the brand

**Internal Management System**

- implement a modern slavery policy within the business

**Training**

- Conduct executive training

## Section 6: Process of consultation

The process of consultation to develop our modern slavery statement for the 2021-2022 financial year is outlined in the diagram below:



This statement was approved in March 2023 by the board of directors of Greenlit Brands Pty Limited and FF HoldCo Pty Ltd, one of which is a higher entity (as referred to in section 14 of the Modern Slavery Act 2018) of each of the reporting entities detailed below. This statement is signed below by Michael Robert Stransham Ford as responsible member of both Greenlit Brands Pty Limited and FF HoldCo Pty Ltd.



Michael Robert Stransham Ford  
Executive Chairperson and Group Chief Executive Officer  
Greenlit Brands Pty Limited and FF HoldCo Pty Ltd

This statement is also signed by the Chief Executive Officer or Managing Director of each of our brands however, their signatures are not included as a responsible member for the governing body of the reporting entity.



Philip Tyler  
Managing Director  
G&G Furniture Import Pty Limited



George Giannopolous  
Managing Director  
FutureSleep Pty Ltd



Kieron Ritchard  
Chief Executive Officer  
Fantastic Furniture Pty Limited, Fantastic  
Manufacturing Pty Ltd, FHL Distribution Centre  
Pty Limited



Damian Donohoe  
Managing Director  
Snooze Management Pty Ltd



Blaine Callard  
Chief Executive Officer  
Freedom Furniture Australia Pty Limited

