

Modern Slavery Statement

For the Period 1 July 2024 to 30 June 2025



**Sustainable
Timber
Tasmania**

Document Summary

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Statement of Sustainable Timber Tasmania's Commitment

Sustainable Timber Tasmania:

- is committed to operating its business lawfully and ethically and in working with suppliers that are aligned to its values;
- expects its suppliers to operate in accordance with all applicable modern slavery laws including those prohibiting human slavery and slavery like practices, human trafficking, and child labour;
- values and observes all laws regarding corporate social responsibility, environmental and workplace safety protection and employee inclusion and diversity; and
- has a zero-tolerance approach to slavery and human trafficking and is committed to the extent possible that there is no modern slavery or human trafficking in its supply chains or in any part of its business.

1. Reporting entity

Forestry Tasmania (the Forestry Corporation), trading as Sustainable Timber Tasmania is a Tasmanian Government Business Enterprise responsible under State legislation for:

- sustainably managing approximately 800,000 hectares of public production forest (Permanent Timber Production Zone land); and
- undertaking forest operations for the production and sale of forest products from these forests (including making available at least 137,000 cubic metres of high-quality eucalypt sawlogs and veneer logs per annum).

In addition to the *Forest Management Act 2013*, Sustainable Timber Tasmania is also required to operate in accordance with a number of other statutes including the *Government Business Enterprise Act 1995*, the *Forest Practices Act 1985* and the *Forestry (Rebuilding the Forest Industry) Act 2014*.

In accordance with the *Government Business Enterprise Act 1995*, a Ministerial Charter has been prepared by the Minister for Resources and the Treasurer following consultation with Sustainable Timber Tasmania. The Charter sets out the Government's broad policy expectations and requirements for Sustainable Timber Tasmania.

Sustainable Timber Tasmania's forest management is currently certified to conform with the Australian/New Zealand Standard for Sustainable Forest Management (AS/NZS 4708: 2021), which is internationally recognised, under the Programme for the Endorsement of Forest Certification, as being an independent assurance of legal and sustainable timber supply.

2. Sustainable Timber Tasmania's structure, operations & supply chains

Structure

Sustainable Timber Tasmania's structure is made up of:

1. the Sustainable Timber Tasmania Board;
2. the Executive team; and
3. two main areas of operations:
 - i. Land Management which manages the Permanent Timber Production Zone land (PTPZ) for multiple uses on behalf of the government as a service to the people of Tasmania, and



- ii. Operations which commercially produces wood products that are sold domestically and overseas.

Sustainable Timber Tasmania is identified by its ABN number 916 287 693 59.

Sustainable Timber Tasmania has a wholly owned and controlled subsidiary company, Newood Holdings Pty Ltd (ACN 103 220 426). Newood Holdings has one subsidiary: Newood Huon Pty Ltd (ACN 103 219 861).

Employment

Sustainable Timber Tasmania directly employs around 164 full time equivalent employees and procures services from a relatively large number of third-party providers, many of which are small and medium sized enterprises (SMEs) located in Tasmania.

Financial Investments

Sustainable Timber Tasmania has direct financial investments and utilises Australian Authorised deposit-taking institutions licensed by the Australian Prudential Regulatory Authority (APRA) for any banking requirements. Sustainable Timber Tasmania has appointed JB Were as its external investment adviser. JB Were has an Australian Financial Services License (AFSL). Sustainable Timber Tasmania has Investment Policy statements which govern responsible investment and JB Were's performance is managed and reviewed by the Board pursuant to a service level agreement.

Operations and Supply Chain

Sustainable Timber Tasmania and Newood Holdings Pty Ltd (Newood) only operate within Tasmania.

Sustainable Timber Tasmania sells logs to solid wood processing businesses in Tasmania, woodchips to Australian businesses who supply them to pulp and paper companies outside of Australia, and a much smaller volume of logs via Australian intermediaries to offshore processors.

Newood operates as landlord of a wood processing centre at Southwood in Southern Tasmania. Newood's procurement is undertaken by Sustainable Timber Tasmania.

Sustainable Timber Tasmania's harvesting and transport services are procured from contractors based in Tasmania, as are the services for land management activities such as tree planting and pruning, forest road construction and maintenance, firefighting equipment and services, including aviation services, pest control and ancillary services.

To support Sustainable Timber Tasmania 's operations, it purchases a varied range of other goods, works and services ranging from office supplies, telecommunications services, corporate clothing, and professional services.

Sustainable Timber Tasmania also financially contributes to a range of research projects from time to time undertaken by credible Australian research bodies to advance and improve future productivity and adaption of its forest estate.



3. What are the risks of modern slavery practices in Sustainable Timber Tasmania's supply chains?

The main risk of Sustainable Timber Tasmania's involvement in modern slavery has been identified as unacceptable upstream supply chain employment practices by Sustainable Timber Tasmania's contractors or suppliers.

Operating in a domestic environment in which typically 98% of Sustainable Timber Tasmania's purchases are paid to Tasmanian businesses, the risk of unacceptable modern slavery practices in its upstream supply chain is considered low.

However Sustainable Timber Tasmania acknowledges that:

- visibility of the risks of modern slavery practices in its downstream supply chains overseas is limited;
- modern slavery risks to Sustainable Timber Tasmania will change over time as operational requirements change and understanding of its supply chains improves;
- there is a risk that identified contracts/supply chains may have links to modern slavery further down the supply chain that are outside of Sustainable Timber Tasmania's visibility and control; and

The risk of inappropriate practices for direct employees exists but is considered low as all Sustainable Timber Tasmania direct employee terms and conditions of employment are governed either by an industrial instrument which complies with National Employment standards, or an employment contract.

Uniforms and personal protective equipment (PPE), the majority of which are imported, are recognised as higher risk for modern slavery due to labour practices in the harvesting and processing of raw materials. These items are sourced from a supplier who completes a Modern Slavery Report which is lodged on the Department of Foreign Affairs and Trade Modern Slavery Register.

4. What actions are taken to assess and address the risks?

Assessing the Risks

Sustainable Timber Tasmania regularly assesses its risks as required under its Risk Management Framework which is aligned to ISO31000. Under the Framework, management is responsible for identifying and reporting risks to the Board.

Addressing the Risks

Sustainable Timber Tasmania primarily addresses the risks of modern slavery practices occurring in its operations and supply chains through its procurement and operational procedures.

Employment Practices

Sustainable Timber Tasmania conducts employment practices in accordance with laws and awards. Employee terms and conditions of employment complies with the National Employment Standards (NES), which set out the minimum employment entitlements that must be provided to all employees. In addition, most employees are covered by an Enterprise Bargaining Agreement (EBA), which details minimum pay and conditions for employees. The remaining number of direct employees have individual employment contracts, which provide additional conditions to those employees, but cannot reduce or remove the minimum entitlements detailed under the NES.



Sustainable Timber Tasmania has a range of policies and procedures to mitigate inappropriate conduct and potential modern slavery within its workforce including:

- Code of Conduct (direct employees);
- Fraud and Corruption Policy;
- Gifts, Benefits and Hospitality Procedure;
- Conflict of Interest and Duty Policy and Procedure;
- Whistleblower Policy;
- Public Interest Disclosure Policy and Procedures; and
- Complaints Policy.

Sustainable Timber Tasmania publishes these Policies and Procedures in a document library on the intranet which can be accessed by all employees.

Procurement Policy and Procedures

The Sustainable Timber Tasmania Procurement Framework incorporates principles that require compliance with sound sustainability practices including the maintenance of safety, environmental and regulatory standards, and having regard to social responsibility and ethical sourcing.

Sustainable Timber Tasmania's Procurement Policy and Framework requires employees making the procurement to "Know STT's Supplier", with a strong preference for suppliers that have been successfully prequalified before doing business with Sustainable Timber Tasmania. Suppliers are required to maintain performance standards and compliance if selected.

For Sustainable Timber Tasmania employees, non-compliance with the Procurement Policy and Framework is considered a breach of STT's values and the Code of Conduct.

Contracts with Suppliers

Supply chains are controlled through contracts developed by Sustainable Timber Tasmania and policies that incorporate significant compliance obligations on contractors such as:

- the specific requirement to engage, direct and pay each employee and subcontractor engaged by the contractor to perform the contract services;
- contractors being required to warrant that they will obey all Federal, State and Local Government laws, including all regulations, codes of conduct, codes of practice, by-laws, and laws of any relevant jurisdiction, including but not limited to:
 - Work Health and Safety Act 2012(Tas)
 - Public Interest Disclosure Act 2002 (the Act)
 - Forest Management Act 2013 (Tas)
 - Work Health and Safety Regulations 2012 (Tas)
 - current industrial awards
 - all relevant STT directions, safety prescriptions and policies
 - any applicable Federal, State and Local Government laws relating to workplace health and safety or the performance of the Contract Services;
- Sustainable Timber Tasmania also maintains policies which extend to some contractors including:
 - Fraud and Corruption Policy
 - Whistleblower and Public Interest Disclosure Policy and procedures.



Sustainable Timber Tasmania undertakes prequalification assessment of general service and harvest and haulage contractors with a focus on the provision of general service and harvest contractors. The prequalification involves applicant contractors answering questions, supplying information, and verifying compliance with Federal, State and local laws.

For suppliers who are contracted, periodic reviews are completed which includes reconfirming compliance with the above.

During the reporting period, Sustainable Timber Tasmania continued to include Modern Slavery clauses in new and/or renewed supplier contracts. The inclusion of the Modern Slavery clause increases a supplier's level of awareness and their need to comply with the legislative requirements and to conduct their operations in alignment with the law in relation to Modern Slavery.

In the period 1 July 2025 – 30 June 2026, STT will roll out a code of conduct for contractors detailing behaviour and requirements to assist mitigation of modern slavery for contractor employees.

Independent Certification

The Australian/New Zealand Standard for Sustainable Forest Management (AS/NZS 4708: 2021) describes the set of requirements that forest managers need to conform with in order to be recognised as certified. The Forest Manager's conformance is assessed regularly by independent third-party auditors who are accredited by the Joint Accreditation System of Australia and New Zealand (JASANZ). The third-party auditing body makes the decision to certify the forest manager as conforming with the Standard. Once certified, the Forest Manager can make certification claims related their products and forest management. AS/NZS 4708: 2021 includes the following relevant social sustainability requirements:

- respecting human rights as defined by the Universal Declaration on Human Rights in conducting its activities;
- fostering safe working environments, developing safe systems of work, and complying with relevant safety laws and Codes of Practice;
- recognising the rights of forest workers to join a union or organization of workers; participate in collective bargaining; and associate freely;
- when collective bargaining, it takes place with representative workers' organizations where they exist, does not involve direct dealing, takes place in good faith; and involves the forest manager's best efforts to reach agreement;
- representatives of organisations of forest workers have access to employees in the workplace and have the use of such facilities in the workplace as are necessary for the proper exercise of their functions as workers representatives;
- supporting equal employment opportunities and using qualifications, skill, experience, and merit as the basis for recruitment and advancement of forest workers;
- school aged workers are only engaged where the engagement formally contributes to or does not affect their education, and where it is not harmful to their health or development. All workers are engaged freely and duly compensated;
- legal obligations relating to minimum employee entitlements and collective bargaining agreements are met;
- wages, superannuation, and other entitlements are paid on time;
- working hours to comply with legal requirements or collective agreements; and
- workers are given adequate and decent accommodation when required to work away from home.



STT has been certified to AS/NZS 4708: 2021 and its predecessors since 2003.

STT was audited against AS/NZS 4708: 2021 during 2024.

5. How is effectiveness of these actions assessed and addressed?

The Sustainable Timber Tasmania Board is ultimately responsible for oversight of risk management and internal control systems.

Sustainable Timber Tasmania's Risk Management Framework is overseen by a Board subcommittee, the Finance, Audit and Risk Management Committee and reported to the Board.

6. Process of consultation with any entities the reporting entity owns or controls

Sustainable Timber Tasmania has a wholly owned and controlled subsidiary company, Newood Holdings Pty Ltd (ACN 103 220 426). Newood Holdings has one subsidiary: Newood Huon Pty Ltd (ACN 103 219 861).

Newood company Boards are comprised of members of Sustainable Timber Tasmania's executive team. The Newood Group operates under a Governance and Operating Agreement that is supervised by the Sustainable Timber Tasmania's Board. As a result, all entities have been consulted in the development of this statement and are covered by this Modern Slavery Statement.

7. Any other relevant information

Sustainable Timber Tasmania continued the following actions during the period to protect workers in its operations and supply chains from the risks of modern slavery as a result of Covid-19:

- flexible working arrangements (home, office, and field work) for direct employees where it is safe to do so;
- provision of personal protective equipment (PPE) to employees and modification of work practices to enhance employee safety;
- commitment to pay all contractors promptly for work completed;
- commitment to consider assistance to contractors and suppliers if requested; and
- provided information to contractors on safe work practices to mitigate the risk of workers contracting Covid-19.



8. Approval

The Modern Slavery Statement has been approved by the Sustainable Timber Tasmania Board.

A handwritten signature in blue ink, reading "Rob de Fégely". The signature is written in a cursive style with a large, sweeping initial "R".

Rob de Fégely
Chair

Appendix A: Mandatory Reporting Criteria Annexure

<i>Mandatory Criteria</i>	<i>Page Number/s</i>
Identify the reporting entity.	1
Describe the reporting entity's structure, operations and supply chains.	1
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	3
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	3
Describe how the reporting entity assesses the effectiveness of these actions.	6
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	6





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