



MODERN SLAVERY STATEMENT

WESBEAM PTY LTD

ABN: 89004268017

1 July 2020 – 30 June 2021

INTRODUCTION

This Modern Slavery Statement has been prepared by Wesbeam Pty Ltd (**Wesbeam**) in accordance with the *Modern Slavery Act 2018* (Cth) (**Act**) for the reporting period commencing on 1 July 2020 and ending on 30 June 2021 (**Reporting Period**).

Wesbeam is committed to maintaining and improving systems and processes to avoid complicity in modern slavery or human rights violations related to our own operations and supply chain. We understand that modern slavery can occur in many forms, such as forced labour, child labour, domestic servitude, sex trafficking, workplace abuse and human trafficking. In this statement, the terms “modern slavery” and “slavery and human trafficking” encompass these various forms of coerced labour.

Wesbeam does not tolerate any forms of slavery and human trafficking in our operations and supply chain.

This is the first Modern Slavery Statement prepared by Wesbeam.

STRUCTURE

Wesbeam is an Australian-owned unlisted public company with operations in all major cities in Australia. Commencing production in 2004, Wesbeam is Australia’s only LVL manufacturer and distributor, with a world class manufacturing facility based in Western Australia and distribution centres based in all major cities.

OUR OPERATIONS AND SUPPLY CHAIN

Operations

Wesbeam operates in Australia with one manufacturing facility located in Neerabup, Western Australia as well as four distribution centres located throughout Australia.

Wesbeam had 266 direct employees across Australia as of 30 June 2021; the majority of those employees are based at our manufacturing plant.

Furthermore, Wesbeam’s employees are employed under Fair Work Australia – approved enterprise bargaining agreements or under individual workplace agreements (permanent, casual, full-time, fixed-term, or part-time contracts) that meet or exceed the minimum requirements under an applicable modern award.

Wesbeam also engages with the CFMEU and the CEPU; both Australian industry employee trade unions, in respect to certain employees across Australia. There have been no disputes with any trade unions involving any modern slavery type allegations.

Labour is also provided to projects by subcontractors as part of the services required by the organisation. Wesbeam uses standard conditions of subcontract to hold subcontractors accountable for meeting

legislative requirements, including the *Fair Work Act 2009* (Cth). Wesbeam also engages with third-party labour providers to provide temporary labour across all of its sites when required.

Supply Chains

All major expenditure is procured in Australia from a small number of large contractors and suppliers who are Australian entities with sophisticated procurement policies and procedures. Some suppliers do form part of a multinational group that have large supply chains in multiple foreign countries. We acknowledge that there may be modern slavery risks within these supply chains however we expect that reporting under the Modern Slavery Act 2018 (Cth) to result in greater transparency of the actions taken by these key contractors and suppliers.

Wesbeam does endeavour where possible to support local businesses and contractors within the local communities within which it operates. Some of our suppliers are therefore local businesses be they large organisations or small businesses. In general, these suppliers are locally based and operate wholly under Australian law.

Wesbeam's procurement consists predominantly of the following major expenditure:

- Raw materials;
- Lease and occupancy;
- Freight and logistics;
- Sub-contractors;
- Labour-hire;
- Utilities;
- Clothing and PPE;
- Office supplies; and
- Professional services.


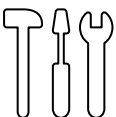
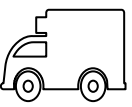

RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS & SUPPLY CHAIN

Operations

In Australia, we consider that the level of risk of modern slavery amongst our employees is low. We follow set protocols in the way we recruit people into our organisation via our stringent recruitment practices. This process includes verifying qualifications, conducting reference checks and verifying the right to work in Australia. Wesbeam also conduct regular audits on minimum award rates, annualised salary arrangements, hours of work, overtime and penalties to ensure that our employees are adequately compensated, and we monitor any excessive work patterns with strict fatigue management protocols. Wesbeam do not employ people who are classified as underage in accordance with the applicable enterprise agreement or modern award.

Supply Chains

In the 2021 reporting year, Wesbeam identified the following areas of its business that may entail modern slavery risks in its supply chain.

Potential Risk	Relevant Context
 <p>Workforce Refers to both employees and contractors working at Wesbeam.</p>	<p>During 2020/2021, approximately 14% of our workforce was made up of contractors. We rely on local labour laws, policies and strict agreements to ensure the protection of our workforce. However, the competitive tendering process may initiate utilisation of sub-contractors, agents and vulnerable workers place the suppliers in this category at greater risk of being directly linked to modern slavery.</p>
 <p>Supplies Refers to the procurement of building supplies, IT hardware, raw materials and labour.</p>	<p>Wesbeam recognises that the supplies, IT hardware, raw materials and labour related supply chains have a high risk of modern slavery. The prevalence of sub-contracting in the building and construction industries can lead to contractual liabilities and obligations diminishing to the point where the human rights of worker on sites may not be noticed. Wesbeam recognise that the manufacture of IT equipment has also been linked to modern slavery.</p>
 <p>Logistics and transportation Refers to shipping and freight, including inland transport providers to our various regions across Australia.</p>	<p>Wesbeam recognises that the logistics and transportation supply chain have a risk of modern slavery. The utilisation of sub-contractors and agents together with the utilisation of vulnerable workers place the suppliers in this category at greater risk of being directly linked to modern slavery.</p>
 <p>Facilities management Refers to the procurement of services including cleaning, building services, fire services, gardening, security and maintenance.</p>	<p>Wesbeam are aware of the limited visibility of service-related working conditions existing across our regions, and that building, cleaning, fire services, gardening, security and maintenance services are particularly high-risk categories.</p>



Corporate goods

Refers to goods procured for use by all staff, including uniforms, PPE, branded merchandise and electronics. The PPE, garment and textile industry is at high-risk for modern slavery and labour-related issues.

Wesbeam recognises that corporate goods supply chains have a high risk of modern slavery. The higher risk of modern slavery in the supply chains supporting the textile industry is well documented. The same can be said of the mass-produced items manufactured in higher risk countries with components from numerous locations.

ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS

Wesbeam has developed policies to help support our efforts to maintain a work environment that is safe and inclusive for all. These following items outline the company's commitment to mitigating modern slavery risk in our operations and supply chains:

- **Whistleblower Policy:** this policy is Wesbeam's commitment to transparency and to building an environment in which people feel free to raise legitimate issues relating to the company's operations. The aim of the policy is to help deter wrongdoing relating to the company's operations, by encouraging disclosure of wrongdoing and ensuring that anyone who makes a disclosure can do so safely, securely and with confidence that they will be protected and supported.
- **Code of Conduct:** This policy set out Wesbeam's expectations and requirements of its employees including contractors - their responsibilities and obligations relating to various matters including confidentiality, privacy, conflicts of interest and other principles and behaviours.
- **Contractual Clauses:** In order to ensure Wesbeam has a contractual basis to engage with suppliers to address modern slavery risk in its supply chain, the company will continue to work with key suppliers to update contracts to align to the Act and Wesbeam's expectations for addressing modern slavery risk.
- **Payroll Audit:** We conducted a payroll, superannuation and enterprise agreement audit in Australia during the Reporting Period to identify any instances of underpayment or breach of awards and enterprise agreements. We identified a small number of non-systemic issues which were subsequently corrected.

Wesbeam have not received any reports of modern slavery incidents within our operations or supply chain for the year ending 30 June 2021.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

In the first year of reporting, we have focused on updating our policies to address the risk of modern slavery practices in our supply chains. In our second year and beyond, we will seek to:

- implement a Modern Slavery Policy;
- update our existing supplier terms to ensure they contain a modern slavery clause;
- create a modern slavery questionnaire to identify any modern slavery risks within our operations

- and supply chains;
- incorporate a modern slavery clause into our labour-hire contracts;
 - consider the modern slavery statements submitted by our existing suppliers and potential suppliers in order to better understand the modern slavery risks in our supply chain and to inform our purchasing decisions going forward;
 - evaluate the adequacy of our supplier risk assessment processes as part of our commitment to continuous improvement;
 - revise our Code of Conduct to specifically refer to human rights or modern slavery;
 - reviewing the responses from suppliers to its modern slavery questionnaires referred to addressing any modern slavery risks identified through those questionnaires; and
 - educating Wesbeam employees about new policies and initiatives on modern slavery.

CONSULTATION

This Modern Slavery Statement was prepared in consultation with Wesbeam senior management and procurement team members and involved collaborating on the process to understand modern slavery risks to the business and to prepare this document.

NEXT STEPS

Wesbeam is committed to identifying and continually striving towards implementing new strategies to mitigate modern slavery practices from its operations and supply chains. While Wesbeam is confident that its operations and supply chain have a low-risk exposure to modern slavery, it acknowledges that it this is only the first financial year during which it has started specifically focusing on assessing and addressing such risks.

During this reporting period, Wesbeam has focused on putting in place appropriate policies and frameworks through which to assess and address modern slavery risks. Moving forward, Wesbeam's focus will be on undertaking due diligence and risk assessments of its operations and supply chains, increasing training for employees and seeking adoption of, and compliance with, its updated supplier terms. Wesbeam's goal is to be able to confidently state that its operations and supply chain have a low risk of exposure to modern slavery and that it is adequately managing modern slavery risks in its operations and supply chain.

APPROVAL

This Modern Slavery Statement has been approved by the Chief Executive Officer and endorsed by the Board of Directors as at 30 June 2021.



James Malone
Chief Executive Officer