

## Forest One Group Pty Ltd

*For the period from 1st July 2022 to 30th June 2023*

### **Background**

Modern slavery includes the most severe forms of employment exploitation. It is defined as an umbrella term to encompass situations where employees are not free to leave their employment due to a real fear of reprisals, be they economic, physical, or mental.

Modern slavery describes situations where offenders use coercion, threats, or deception to exploit victims and undermine their freedom.

Practices that constitute modern slavery can include:

- Human trafficking
- Slavery
- Servitude
- Forced labour
- Debt bondage
- Forced marriage
- The worst forms of child labour

Modern slavery is a term used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers, though these practices are also harmful and may be present in some situations of modern slavery.

The Commonwealth Modern Slavery Act 2018 (the Act) entered into force on 1 January 2019. The Act established a national Modern Slavery Reporting Requirement (Reporting Requirement).

This Reporting Requirement applies to large businesses and other entities in the Australian market with annual consolidated revenue of at least AUD\$100 million.

Entities required to comply with the Reporting Requirement must prepare annual Modern Slavery Statements.

These statements must set out the reporting entity's actions to assess and address modern slavery risks in their global operations and supply chains. The Australian Government publishes these statements through an online central register.

## **Modern Slavery and Human Trafficking Policy**

ForestOne is committed to promoting working environments and in its supply chains that are free from Modern Slavery.

Modern Slavery does not encompass regular employment statutory obligation breaches. All employers have a legal right to direct and control how work is done.

This policy applies to conduct in ForestOne's workplaces and supply chains where work is performed by someone against their will, and they are unable or fearful to leave their employment situation.

This policy applies to:

- Suppliers
- All ForestOne employees including casuals
- Contractors

who are referred to in this document as "Stakeholders".

The following activities and actions are expressly prohibited by Stakeholders:

- Engaging in all forms of forced labour, human trafficking, and modern slavery
- Engaging in child labour
- Withholding worker identity or immigration documents,
- Using recruiters that do not comply with local labour laws of the country in which the recruiting takes place
- Charging workers or potential workers fees for them to secure employment
- Procuring commercial sex acts during the length of the contract

The following actions must be taken, where applicable, by Stakeholders:

- The provision of return transportation for all foreign migrant workers at the end of their period of work
- Housing provided for workers that meets host-country housing and safety standards
- Workers must be able to cancel their work contracts at any time with no financial penalty, subject to giving reasonable notice in accordance with local law or a collective agreement
- Wages must meet applicable host country legal requirements
- Workers are given detailed and accurate work agreements or similar work papers in a language understood by the worker
- Document checks (including proof of age documents) must be conducted of all workers before they begin working to confirm they can work according to legal standards and applicable organization policies

## **Modern Slavery and Human Trafficking Disclosure Statement**

### **The Reporting Entity (Mandatory Criteria 1)**

This Modern Slavery and Human Trafficking Policy and Disclosure Statement (Statement) is made pursuant to the Modern Slavery Act 2018 (Cth) (the Act) by the **Forest One Group** (ForestOne) comprising Global Wood Pty Ltd (ACN 632 960 206) and its wholly owned subsidiaries:

- Forest One Group Pty Ltd (ACN 004 560 605)
- Forest One Australia Pty Ltd (ACN 004 051 003)
- Crown Timber Australia Pty Ltd (ACN 609 154 592)
- Forest One International Pte Ltd (UEN 201532174R)

### **About ForestOne: Structure, Operations and Supply Chains (Mandatory Criteria 2)**

ForestOne is an Australian, privately-owned wholesale distributor of wood panel, timber, and decorative surface materials. The business is located in all major Australian capital cities including Melbourne, Sydney, Brisbane, Perth and Adelaide, as well as Cairns and Townsville. The Group's presence extends internationally with wholly owned ForestOne International satellite offices in Singapore, Kuala Lumpur and London servicing wholesale companies throughout Asia and Europe.

The supply chain for ForestOne includes the forestry industry within the areas of harvest across the globe and within the global timber manufacturing industry in countries where the materials are transformed into construction materials. The operation of ForestOne's offices and warehouses involves supply from various building maintenance industries and office consumable businesses. ForestOne's supply chain includes the purchase of international transportation and customs services for its products.

ForestOne meets the reporting criteria under the Australian Commonwealth's Modern Slavery Act 2018.

### **Risks of Modern Slavery Practises in Operations and Supply Chains (Mandatory Criteria 3)**

ForestOne recognises that Modern Slavery concerns everyone. It can be found in all industries and across all countries. ForestOne recognises that its entities may incur some risk of contributing to Modern Slavery within the global construction materials industry, within the countries where it source materials and within the manufacturing industries where the forestry and construction products are transformed. ForestOne also notes there may be a risk involved in the supply chains associated with Forest One's operating branches and warehouses in relation to maintenance and consumables.

**Actions taken to assess and address modern slavery risk, including due diligence and remediation processes (Mandatory Criteria 4)**

ForestOne conducts its business in compliance with relevant laws and regulations within the countries it operates and expects its suppliers to do the same.

ForestOne maintains a comprehensive Due Diligence System for all regulated timber-related imports in accord with the Group's Responsible Sourcing Policy and the Illegal Logging Prohibition Act 2012 (Australia). This Due Diligence System is a good basis to expand supply chain auditing into higher risk areas/products associated with modern slavery risks as and when they are identified.

Part of the Due Diligence System includes specific questioning of suppliers about Modern Slavery.

In the context of FSC<sup>®</sup> certification and PEFC certification, ForestOne complies to comprehensive social, environmental and management standards which are integrated to the Group's systems and processes. Many of the Group's suppliers adhere to these same forestry certification scheme principles. This form of certification assists in mitigating modern slavery risk within ForestOne's supply chains.

Many of ForestOne's products are sourced and tested to stringent ISO certification and building standards and reflect suppliers' commitment to proper sourcing, production and selling processes. This also mitigates modern slavery risk.

Additionally, many of ForestOne's suppliers adhere to extensive standards under their respective countries of origin forestry laws, such as European Union Timber Regulation and Timber Legality Assurance Scheme in Indonesia.

Furthermore, ForestOne is determined to not participate in supply chains where Modern Slavery may exist. To this end, the company is:

- Developing a framework to identify and rank modern slavery vulnerabilities within supply chains to better focus efforts towards high-risk products and geographic regions.
- Assessing how to expand the scope of illegal logging Due Diligence System to include modern slavery into high-risk areas/products as identified.
- Committed to working with suppliers to constructively address any Modern Slavery risk that might be identified in ForestOne's supply chains.

These activities are still underway, though slowed down somewhat by the impact of the global COVID pandemic.

No instances of Modern Slavery have been identified as yet.

### **Assessing effectiveness of modern slavery risk management (Mandatory Criteria 5)**

ForestOne is committed to constantly improving our understanding of modern slavery risks. We also understand the importance of regularly evaluating our efforts to address these risks. To achieve this, we will keep doing the following:

- Reviewing our Modern Slavery Policy every year to ensure that it clearly outlines our responsibilities and strong commitment to managing the risk of Modern Slavery.
- Conducting annual reviews of our Modern Slavery training for our Supply Chain, Purchasing, and Recruitment teams.
- Continuing to perform audits and spot checks in our supply chain and with our suppliers.

ForestOne will also keep a close watch on changes and advancements in the modern slavery rules, trends in the industry, and the main modern slavery risks that affect our business.

### **Process of Consultation with Owned Entities on Preparing a Joint Statement (Mandatory Criteria 6)**

All owned entities share the same business operations and supply chains, so the actions undertaken at ForestOne will apply to all owned entities.

The latest update on Modern Slavery will be shared with our employees and senior management across our organization. ForestOne will continue to provide relevant teams throughout the company with training. This ensures that employees understand their responsibilities according to this policy and can recognize modern slavery risks within ForestOne and its supply chain.

We will review this statement and our efforts to assess and tackle Modern Slavery risks in our supply chain annually.

During the reporting period this statement covers, we actively engaged and consulted with all companies we own or control in the development of this statement (entity's outlined in mandatory criteria 1). We discussed details of the Modern Slavery Act 2018's reporting requirements; information regarding the actions we intend to take to address these requirements and provided them with relevant materials and updates.

### **Other Relevant Information (Mandatory Criteria 7)**

This statement was approved by the board of Forest One Group Pty Ltd in their capacity as principal governing body of Forest One Group Pty Ltd on 3<sup>rd</sup> November 2023.



**Ian Fankhanel**  
**Managing Director**  
**3<sup>rd</sup> Nov 2023**