

MODERN SLAVERY ACT 2018

2020 SORBENT PAPER COMPANY STATEMENT

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1. Letter from the Directors

As the resident Australian Director, it is my solemn duty to present the company's statement on Modern Slavery and Human Trafficking. I am proud to report that the company is in full compliance with the provisions contained within the Australian Modern Slavery Act 2018.

Sorbent Paper Company is a leading producer of personal care products having leading brands in the bathroom, facial, napkin and kitchen towel plus many more products across a variety of categories. We manufacture the mainstream of our products at our Box Hill Victoria plant and operate many of our distribution and warehousing sites across the length and breadth of Australia. We operate in close partnership with our strategic supply partner, and through this, enjoy the sound security of a reliable and responsible supply chain.

The gross injustice of slavery in these modern times is reprehensible. It is our moral duty to ensure that such practices are never permitted, excused or condoned - especially not within our own house. Sorbent Paper Company directors, executives and employees all follow a strict "Code of Conduct and Ethics". Implicit in this code is the commitment of all parties to be vigilant in always ensuring our supply chain and our overall business conduct compliant with Modern Slavery Act. Much of how we achieve this is contained in our detailed disclosure statement.

I am pleased to present to all stakeholders this presentation of our disclosure statement together with the attendant requirements of due diligence and transparency.

Signed,



Steve Nicholson

Director
The Sorbent Paper Company
June 2020

2. Notice of Disclosure

Sorbent Paper Company Pty Ltd (“Sorbent”) is a reporting entity under the Australian Modern Slavery Act of 2018. This is Sorbent’s first mandatory Modern Slavery Statement.

Sorbent is keenly aware of the perils of modern slavery, especially in highly globalised and opaque supply chains. We are deeply committed to playing our part to prevent any form of modern slavery in our operations, and across our supply chains.

The following document is intended to meet both the disclosure requirements under Australia’s Modern Slavery Act 2018, in both letter and spirit. This statement covers all the entities within Sorbent for the 2019 Financial Year, including our manufacturing, marketing and distribution arms, as well as the many suppliers that allow our business to operate.

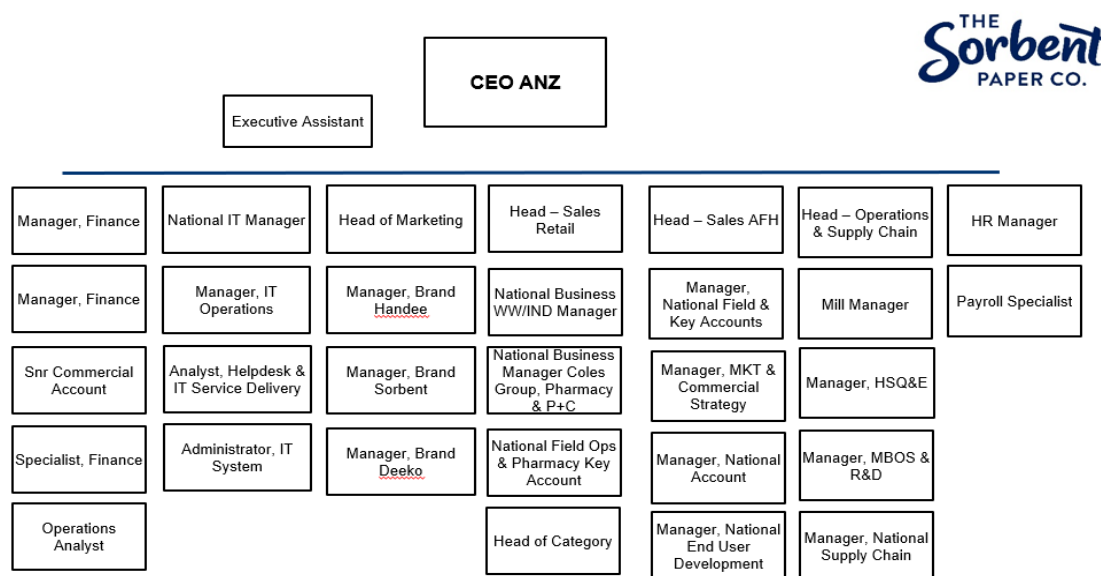
3. Business Profile & Organisational Structure

Sorbent Paper Company Pty Ltd (“Sorbent”), formerly Asaleo Care Limited, is a leading personal care and hygiene company that manufactures, markets, distributes and sells essential everyday consumer products, across the, Consumer Tissue and product categories.

We have a proud heritage of more than 60 years and every day, our products are used in households and businesses across Australia.

Sorbent in Brief

As a sustainable and responsible company, Sorbent is committed to ensuring that its operations, across our entire value chain, are aligned with our company’s commitments to best practices in environmental and human rights. As part of our commitment in these areas, we have established a clear and comprehensive view of the constituents of our supply chain.



4. Values

Sorbent is a leading tissue paper company that manufactures, markets, distributes and sells everyday consumer products across the Tissue paper product categories.

Care, comfort and confidence every day is our purpose.

We demonstrate a difference through market-leading product innovation such as new product features, packaging and marketing that adds value for our customers and consumers.

We maintain an intense focus on delivering the best quality, value and benefit for our customers and our consumers.

We are guided by our values - Pride - Integrity - Courage. We know we are successful when we exceed our customers and consumers expectations and we create a workplace where our people perform at their very best, every day.

5. Code of Conduct

“Modern Slavery” describes the crimes of human trafficking, slavery and slavery-like practices such as servitude, forced labour, forced or servile marriage, the sale and exploitation of children, and debt bondage.

The United Nations (UN) and Walk Free Foundation estimate there are approximately 40 million victims of modern slavery around the world. 16 million of these victims are exploited in the private economy. Australia is not immune from modern slavery. The Australian Government (the Government) estimates there were 1,567 modern slavery victims in Australia between 2015 and 2017. Modern slavery can occur in every industry and sector. It is also often linked to other crimes and activities that adversely impact human rights, such as corruption and environmental damage.

We have a corporate responsibility to take an active role to address potential modern slavery risks associated with our business. This statement sets out the steps aimed to identify and mitigate modern slavery in our supply chain, in accordance with the criteria in the Australian Modern Slavery Act 2018.

6. Risk Assessment

As a packaging brand that externalises manufacturing activities in Asia, it is important that we consider how our extended supply chain could potentially be linked to modern slavery. Some of the possible risks identified in our operations and supply chains are:

- Supply Chain traceability and transparency: the degree of integrity to meet ethical practices at lower levels in the chain is harder to control (tier two -and lower- suppliers provide materials and products to the supplier at the next higher level). The accessibility of information relies on the relationships formed with manufacturers and requires shared values and full transparency.
- Supply coming from countries where it is reported to have

a high prevalence of modern slavery or labour rights violations, other human rights violations. • Working with suppliers in regions that employ temporary, seasonal and/or immigrant workers. • Delivery timeframes that might require suppliers to engage in excessive working hours, make cost savings on labour hire or rapidly increase workforce size

Modern slavery, as described by the Australian Modern Slavery Act 2018, are situations where coercion, threats or deception are used to exploit victims, and undermine or deprive them of their freedoms. The term is used to describe serious exploitation across eight factors:

- Trafficking in Persons
- Slavery
- Servitude
- Forced Marriage
- Forced Labour
- Debt Bondage
- Child Labour
- Deceptive Recruiting

All Sorbent employees are hired through a Recruitment & Selection process, in strict compliance with Australian Labour Laws. Aside from ensuring that our employees are legally eligible to work, they are also afforded all protections under relevant laws relating to wages, working hours, the freedom to unionise and the right to health and safe workplaces.

To detail specific laws and applicable certifications.

While our direct operations in Australia are well documented and regulated, Sorbent also maintains a global supply chain over which we have no direct control.

The areas of risk we are exposed through our suppliers include:

- Human trafficking
- Forced labour
- Child labour
- Land rights conflicts

These are potentially serious breaches of our responsibilities under the Australian Modern Slavery Act. To prevent these issues within our supply chain, we require all suppliers to meet our own stringent requirements outlined in our Code of Conduct. Any supplier that fails to meet our expectations must be excluded from our supply chain.

To ensure Sorbent and our suppliers, including our strategic supply partners, our largest suppliers of critical raw material, meet our requirements for ethical and responsible sourcing, we rely on two key mechanisms.

Policy/Procedure	Purpose
Code of Conduct	How we expect team members to behave towards each other, our customers and the broader community
Whistle-blower & Reporting of Improper Conduct Policy	This policies & other policies for establishing standards for appropriate workplace behaviours and conduct provide the avenue for reporting incidents or improper conduct.
Workplace Health & Safety Policy	The health & safety of our employees, contractors and visitors is a top priority. This policy outlines our commitment in this area.
Enterprise Agreements (EAs)	3 EAs across Sorbent, with coverage from approximately 70% of our team members
Grievance & Investigation Procedure	Sets out our grievance procedures including assessment, investigation and remediation

Certified Material

Sorbent only sources certified material from responsible suppliers. Our fibre suppliers must be certified under the Responsible Wood / PEFC regime, which sets out specific requirements on human rights. These include compliance with the standards set out by the International Labour Organisation, as well as rules for establishing Free, Prior and Informed consent from communities in and around our supplier’s operational areas.

These certifications, including Chain of Custody certifications, provide Sorbent with the assurance that our suppliers are acting in accordance with human rights practices that are more stringent than those set out under the Australian Modern Slavery Act 2018.

Suppliers who do not have, or do not maintain their certifications will be prohibited from doing business with us.

Fair Employment & Prohibition of Forced Labour and Slavery

Sorbent and its supply partners commit to Employee Welfare policies and Collective Labour agreements that neither accept nor condone any form of forced labour. Employees are assured of full wages for regular, overtime, or public holiday work, and other compensation that is due, without unlawful deductions.

Furthermore, Sorbent and its suppliers forbid any form of harassment or discrimination, including but not limited to, gender ethnicity, religion, race or disability. Finally, we recognise that every worker has the freedom to form or join a labour association without fear of reprisal, intimidation, or harassment.

7. Risk Mitigation

Child Labour & Protection of Young Workers

The employment of children or anyone below the statutory minimum age is strictly prohibited across the supply chain. To ensure these restrictions are kept, age verification is conducted during the recruitment process.

In specific cases where suppliers employ individuals under the age of 18, the recruitment process must adhere to special terms of employment and working conditions as regulated by existing laws and regulations

Declarations of Compliance & Grievance Mechanism

Aside from certifications, suppliers must declare compliance with Sorbent's Code of Conduct and sourcing policies. We maintain a robust system for receiving and investigating non-compliance through our grievance mechanism and whistle-blower policy.

8. Due Diligence

SEDEX Annual audit

For whom?

- Suppliers who are required to share information about their ethical performance with clients
- Retailers who wish to learn more about the ethical performance of suppliers
- Companies in the middle of the supply chain who are required to share information about themselves while receiving information from their own suppliers

Gain trust, reduce risks, and improve your supplier relationships with the SEDEX Database.

The Supplier Ethical Data Exchange Database is a worldwide platform for the exchange of information on ethically sustainable production in the supply chain.

The SEDEX-Database enables its members to manage their suppliers and reduce their risks by exchanging information on ethical performance. By doing so, improvements regarding ethically sustainable business practices can be made throughout the production chain. Enterprises which perform a SEDEX-Audit according to the SMETA-Guidelines and share this information in the SEDEX-Database can prove to their customers that they respect the principles of ethically and socially sustainable production. Customers, on the other hand, can effectively manage their suppliers according to these principles, thus reducing their risk.

End of Financial Year audit - The external audit is a requirement from ASIC as we are considered as large company. The requirement is also coming from the BNI Singapore to meet the condition of the term of the loan that we received from them. Thank you.

Safety audit - AS/NZS 4801 is a specification Standard that establishes a framework primarily for enabling independent external audits and reviews of an organization's OHSMS, but it can also be used as a framework for internal audits.

Chain of Custody (PEFC) - "the Programme for the Endorsement of Forest Certification"

United Nations Global Compact Network of Australia: Sorbent Paper Company are proud to be a member and as such we closely adhere to the principals of the SDG (Sustainable Development Goals)