



Modern Slavery Statement 2022-23

Acknowledgement of Country

Forestry Corporation of NSW acknowledges the traditional custodians of the land on which we live and work, and pay our respects to Elders past, present and future.

We recognise the connection to their land, their waters and surrounding communities and acknowledge their history here on this land.

We also acknowledge our Aboriginal and Torres Strait Islander employees who are an integral part of our diverse workforce and recognise the knowledge embedded forever in Aboriginal and Torres Strait Islander custodianship of Country and culture.

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06/23

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This statement covers Forestry Corporation’s commitment towards avoiding slavery within our supply chain and the communities we operate in. It covers the reporting period for FY23.

Introduction

This is the first Modern Slavery Statement produced by Forestry Corporation as a statement in compliance with the *Modern Slavery Act 2018* (Cth) (the “Act”). It sets out the actions taken by Forestry Corporation to address modern slavery and human trafficking risks in our organisation and supply chain for the financial year ending 30 June 2023.

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

Forestry Corporation does not tolerate any forms of modern slavery in our business or supply chain.



About Forestry Corporation of NSW

Forestry Corporation of NSW has been managing State-owned native and plantation forests for more than a century. Forestry Corporation is a State Owned Corporation that has been appointed to manage environmental conservation, community access, tourism, fire, land management and renewable timber production across two million hectares of public land on behalf of the NSW Government.



Governance and policy framework

Forestry Corporation is committed to high standards of corporate governance. Our board and executive provide the direction and leadership for appropriate levels of governance across the organisation.

Forestry Corporation employees are expected to display the highest ethical standards at all times and to operate within the organisations policies and procedures. We have a number of documents in place which assist in protecting the human rights of employees and provide a framework for protection against modern slavery.

These include:

- Code of Conduct.
- Equity and Diversity Policy.
- Bullying, Harassment and Discrimination Policy.
- Grievance Policy.
- Health and Safety Policy.
- Procurement Manual.

These documents outline our values and ethical position, guiding the way we treat our employees and work with our customers, suppliers and partners.

Our operations and supply chain

Forestry Corporation spends approximately \$300 million across more than 1,500 direct suppliers. We procure a diverse range of goods and services to support our business activities. Key areas of expenditure are shown below:

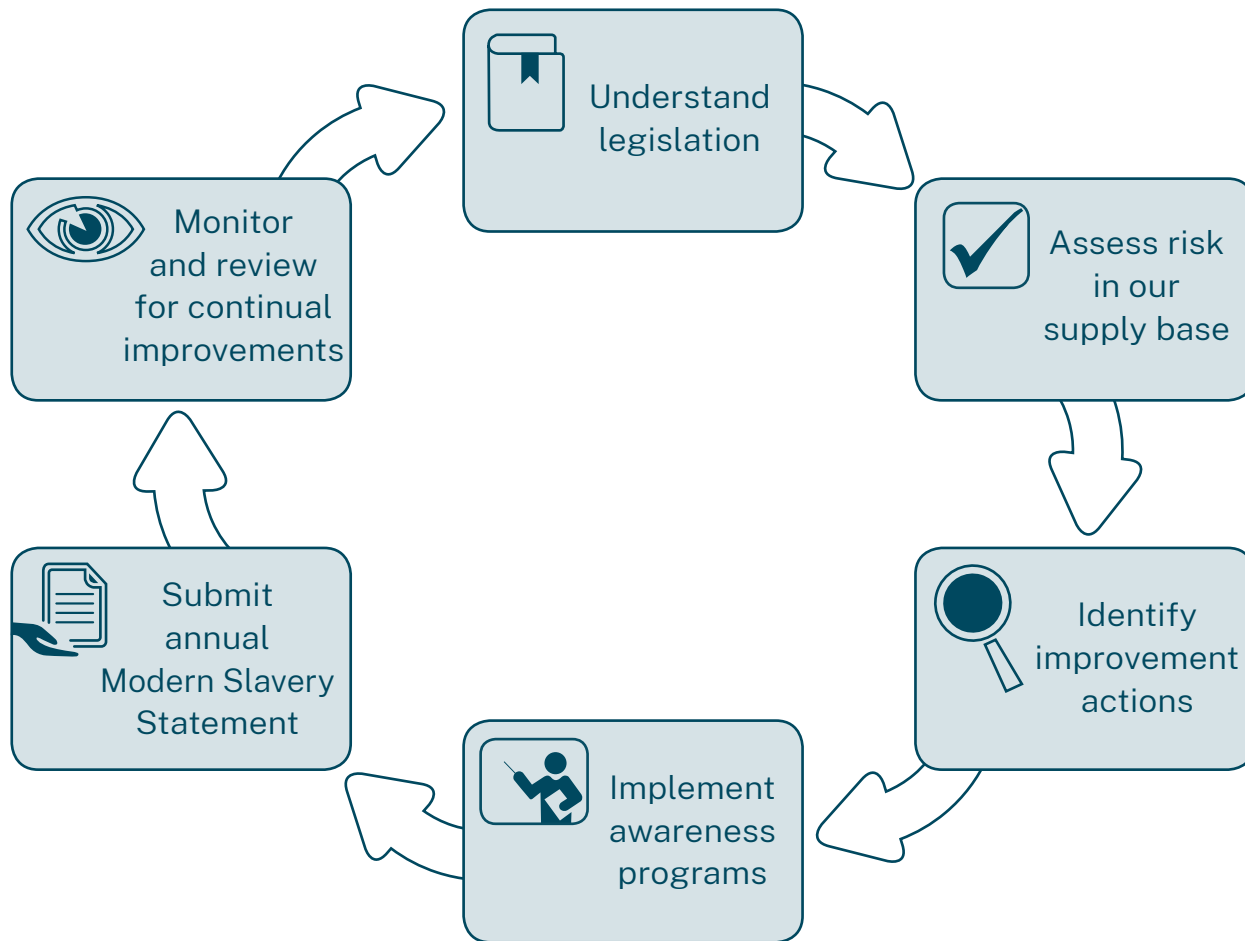
1500+ **DIRECT SUPPLIERS** 

Expenditure category	Typical goods and services
Forest operations services	<ul style="list-style-type: none"> Harvest and haulage. Silviculture including seed supply, site preparation, planting and seedlings. Roading. Pest control and herbicide application. Fire including hazard reduction burning and fire suppression.
Equipment and associated services	<ul style="list-style-type: none"> Vehicles and plant including acquisition, maintenance and fuel. Property maintenance services and equipment. Waste management services. Cleaning services.
Communications and technology	<ul style="list-style-type: none"> IT hardware. IT software and systems services. Telecommunications services.
Corporate services and equipment	<ul style="list-style-type: none"> Labour services. Safety equipment and workwear. Stationery and corporate equipment. Catering.



Actions taken to assess and address risks of modern slavery

Forestry Corporation has implemented a framework of actions for compliance with the Act, applying a continual improvement approach as shown below.



Assessment of risk in our supply chain

A risk assessment of our supply chain has been conducted based on the categories in table 1. This used the following rationale to determine high risk categories:

- Whether raw material was sourced overseas.
- Whether goods or parts were manufactured overseas.
- Where services provided may use low-skilled labour or have opaque worker contracting arrangements.
- % of expenditure on goods and service categories.

The results of this risk assessment provide focus areas for actions to prevent modern slavery in our supply chain. Higher risk areas of focus are:

- Contracted forest operations services – where low-skilled labour and contracting is used.
- Equipment – particularly where parts are manufactured overseas.
- Corporate services and equipment – particularly where labour services, safety equipment or workwear are sourced / manufactured overseas.
- Property services – cleaning and security services.
- Supply chains for third party commercial activities on State forest.

Identify improvement actions to minimise risk of modern slavery and improve awareness

The following actions are planned for FY24 as continuous improvement in modern slavery prevention in the Forestry Corporation supply chain.

Area	Action
Policies and procedures	<ul style="list-style-type: none"> ■ Review relevant policies and procedures to account for identifying and managing the risks associated with modern slavery. As a priority, Code of Conduct and Procurement Manual.
Supplier assurance and due diligence	<ul style="list-style-type: none"> ■ Review standard terms and conditions of purchase to ensure they have clear compliance requirements around modern slavery. ■ Roll out Subcontractor’s Statement Regarding Worker’s Compensation, Payroll Tax and Remuneration to all sub-contractors where Forestry Corporation is considered the principal contractors in accordance with s 127 <i>Industrial Relations Act</i>. Note this was rolled out to native forest north coast harvest and haulage contractors in March 2022. ■ Develop and implement a Supplier Assurance Questionnaire for other contractors not described above. ■ Review tender process and documentation to ensure it incorporates Supplier Assurance Questionnaire and any other relevant documentation.
Awareness and education	<ul style="list-style-type: none"> ■ Communicate the requirements of modern slavery to employees and contract principles. ■ Review existing whistleblowing and reporting of wrongdoing procedures to ensure their use for reporting modern slavery is explicit. ■ Review existing complaints procedures to ensure they accommodate investigations of any reports of modern slavery. ■ Deliver training for key relevant staff involved in governance, procurement and contract management.

Assessing the effectiveness of our actions

Forestry Corporation is committed to implementing the improvement actions identified in this statement.

The effectiveness of our actions will be assessed by monitoring:

- Reporting on completion of identified improvement actions for FY24;
- Completion rates for the Subcontractor’s Statement Regarding Worker’s Compensation, Payroll Tax and Remuneration and Supplier Assurance Questionnaire; and
- Monitoring and resolution of any complaints that arise.

Consultation

Forestry Corporation does not own any subsidiary entities involved in operations in Australia.

Approval

This statement is submitted to the Board of Forestry Corporation for approval.



Stefanie Loader

Chair
Forestry Corporation of NSW



Anshul Chaudhary

Chief Executive Officer
Forestry Corporation of NSW



Other relevant information

The NSW Parliament passed an amendment Act which fixed 1 January 2022 as the commencement date of the *Modern Slavery Act 2018* (NSW) (the NSW Act). The NSW Act makes provisions with respect to slavery, slavery-like practices and human trafficking and provides for the appointment and functions of an Anti-slavery Commissioner.

The NSW Act places the following further obligations on Forestry Corporation as a state-owned corporation:

- a statement to be included in our Annual Report on the steps taken to ensure goods and services procured were not the product of modern slavery and addressing any issues raised by the Anti-slavery Commissioner;
- publish a copy of the Modern Slavery Statement on our website each year;
- give the Anti-Slavery Commissioner written notice that the statement has been published on our website.

The NSW Treasury Guidelines on Annual Reporting also require information on modern slavery prevention to be included in our Annual Report.

[forestrycorporation.com.au](https://www.forestrycorporation.com.au)

