

Modern Slavery Statement 2019-2020

Introduction

This statement outlines the actions taken by the OneFortyOne Group to identify and mitigate modern slavery risks in our business and supply chains, over the year ending 30 June 2020. This statement has been prepared to comply with the requirements of Sections 14 and 16 of the *Modern Slavery Act 2018* (Cth). This statement is provided by OneFortyOne Plantations Holdings Pty Ltd (**OneFortyOne**, a reporting entity within the meaning of the Act) and covers the following other reporting entities within the OneFortyOne Group:

OneFortyOne Plantations Holdings No. 2 Pty Ltd

OneFortyOne Plantations Pty Ltd

OneFortyOne Wood Products Pty Ltd

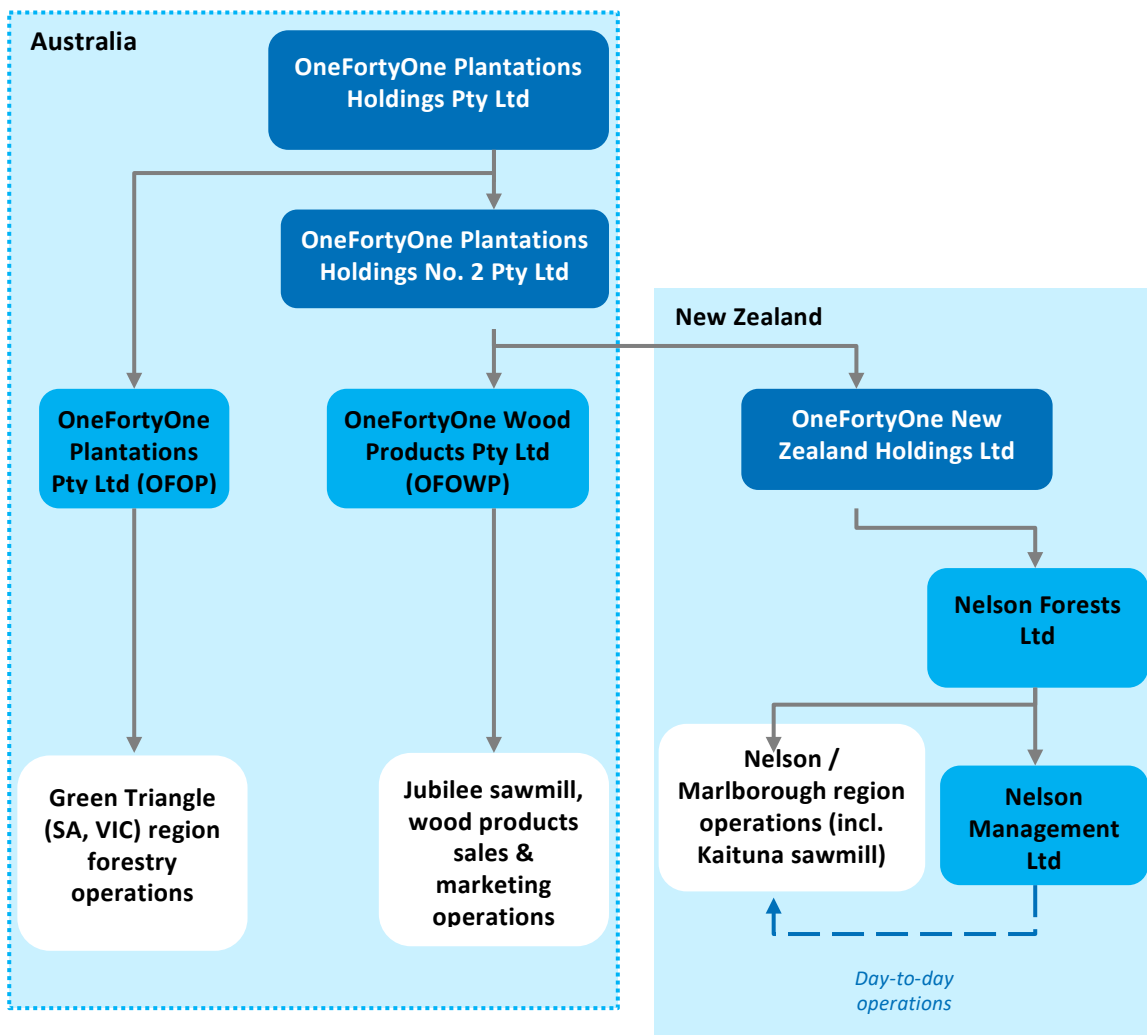
OneFortyOne is committed to operating responsibly and establishing and adhering to the highest ethical standards across our Group. We will not tolerate any forms of modern slavery in our business.

Our Business

OneFortyOne is a vertically integrated, trans-Tasman business with forests and sawmills in Australia and New Zealand. We proudly grow the ultimate renewable, harvesting and replanting millions of pine trees each year. Our products are used every day, including structural timber for housing construction.

OneFortyOne is majority owned by Australian superannuation and sovereign wealth funds. In the Green Triangle, we operate and manage 82,000 hectares (ha) of plantation area with most of our forests subject to a 105-year lease with the South Australian Government. We also own the Jubilee sawmill, one of the largest sawmills in Australia and the largest private employer in Mt Gambier, with approximately 360 direct employees and over 400 contractors. We are one of several forest owners and managers in the Green Triangle (GT) region.

In New Zealand OneFortyOne owns and operates almost 80,000 hectares of plantation forest in the Nelson Tasman and Marlborough regions. We also own and operate Kaituna Sawmill in the Marlborough region. We directly employ almost 120 people in New Zealand as well as support more than 300 contractors and suppliers.



Operations and Supply Chain

OneFortyOne considers the risk of modern slavery within its operations to be low. However, OneFortyOne recognises through its supply chain it could be indirectly exposed to the risk of modern slavery practices.

OneFortyOne's worksites are located in Australia and New Zealand. Our manufacturing facilities are covered by either an enterprise bargaining agreement or a collective bargaining agreement. These agreements appropriately cover usual matters such as wages, overtime, allowances, leave and redundancies. OneFortyOne engages with the CFMEU, an Australian industry employee trade union, in respect of represented Australia employees and First Union, a New Zealand industry employee trade union, in respect of represented New Zealand employees. There have been no disputes with any trade unions involving any modern slavery type allegations. OneFortyOne's other employees are employed under and in compliance with relevant industry awards or individual contracts. No Australian employees are temporary visa workers. In New Zealand, we have 7 temporary visa workers employed under our collective bargaining agreement at Kaituna sawmill.

Our supply chain is made up of a large number of third-party providers many of which are small and medium sized enterprises but also include multinational corporations. We procure a range of goods, from uniforms and PPE through to timber milling equipment, and engage a range of service providers to perform harvesting, silviculture, forest road maintenance, export log marketing, engineering, maintenance, transport, and logistics. The majority of suppliers are located in Australia and New Zealand, with a smaller portion based in the US and Canada.

OneFortyOne has performed a risk assessment of our tier 1 suppliers against known modern slavery risk factors relating to sectors, products and business models. This risk assessment identified the following

procurement areas as being of potentially higher risk in terms of modern slavery practices: seasonal labour-hire arrangements; raw materials (wood chips); export sales and marketing services; cleaning and security at our sites; IT services and equipment; and the purchase of PPE.

We have also reviewed the geographical profile of our tier 1 supplier base using the Global Slavery Index 2018 and did not find there to be any material exposure to suppliers who are based in countries that have a high risk of modern slavery. We acknowledge that some of our tier 1 suppliers may source products from higher risk geographies (such as China) and / or subcontract services and we are committed to expanding our analysis to tier 2 suppliers in future years.

Managing Modern Slavery Risks

Governance

The OneFortyOne Board has responsibility for governance and oversight of modern slavery risks and approval of this statement. OneFortyOne has a risk management policy and framework in place in order to identify and manage risks that impact or threaten to adversely impact our business, customers, people, assets and the public. The Board is responsible for ensuring that the Executive Leadership Team manages risk effectively and the Board Audit and Risk Committee oversees risk management activities. OneFortyOne's senior management ensures that the Board is adequately informed of significant risk management activities and mitigating actions to manage risks on a regular basis.

Supplier engagement and management

The majority of OneFortyOne's suppliers are well reputed local companies, with which OneFortyOne has had regular and close dealings over a long period of time. Suppliers working at OneFortyOne's operated assets are required to comply with our health, safety and environmental standards and fair employment practices.

OneFortyOne has taken steps to implement modern slavery clauses in supplier contracts where possible and updated contract templates to include modern slavery provisions.

OneFortyOne has also sought and received written declarations from all higher risk suppliers confirming that they take all reasonable steps to comply with workplace obligations including industrial instruments, anti-discrimination, employment, workplace safety, laws and regulations. OneFortyOne will continue to monitor supplier compliance with workplace obligations and seek renewed declarations on a bi-annual basis.

Our policies

OneFortyOne is committed to ethical business practices throughout its businesses and this commitment is supported by our company policies including:

Code of Conduct

Our code of conduct requires compliance with the letter and spirit of fair employment practices and can apply to suppliers in certain circumstances.

Whistle-blower Policy

Our whistle-blower policy commits to the highest standards of conduct, ethical behaviour, and full compliance with the law, is applicable to suppliers, is publicly available and provides for confidential and anonymous reporting of 'concerns', which encompasses modern slavery practices. Delegated officers under the whistle-blower policy must do all that is possible and practicable to ensure the identity of any individual making a disclosure of a concern in relation to modern slavery practices is kept confidential,

and ensure the concern is thoroughly investigated, with the outcome of such investigation to be reported to the whistle-blower (if appropriate).

Sustainable Forest Management

Our sustainable forest management policy requires OneFortyOne to operate in a socially responsible manner.

Commitment to FSC and PEFC Chain of Custody

Our commitment to FSC and PEFC Chain of Custody demonstrates OneFortyOne's commitment to avoiding trading or sourcing logs or wood fibre from forests which violate traditional and human rights in forestry operations or violate any of the International Labour Organisations (ILO) Conventions as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998. More information on the certification process is set out below.

Our Certification

We are strongly committed to the regional forest industries and the communities of which we are a part. Our Australian forest estate is certified to the internationally recognised Responsible Wood Certification Scheme (AS4708), which is endorsed by the Programme for Endorsement of Forest Certification (PEFC). This scheme requires OneFortyOne to demonstrate that all forest workers are engaged freely, are duly compensated and in compliance with legal obligations creating minimum employee entitlements.

Our New Zealand forest estate is certified to the internationally recognised Forest Stewardship Council Certification (FSC-STD-NZL-01-2012 New Zealand plantations EN). The standards required by FSC certification impose certain standards in relation to workers' rights including the requirement to promote and realise the principles outlined within International Labour Organisations Conventions (ILO Conventions).

Our sawmills in both Australia and New Zealand maintain a chain of custody system that complies with all the relevant requirements of FSC Chain of Custody Standards (FSC-STD-40-004) and PEFC ST 2002:2013. This means that OneFortyOne avoids trading or sourcing logs or wood fibre from forests managed in a way which violates traditional and human rights and/or any of the ILO Conventions (as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998). The Chain of Custody Standards also impose the requirement to promote and realise the workers' rights outlined within ILO Conventions.

Plans for FY21

Our respect for human rights underpins the way we do business. We are committed to constantly striving to identify and understand potential human rights impacts in our supply chain and exercise leverage to manage these impacts where possible.

OneFortyOne currently has in development a revised procurement policy and philosophy which will seek to embed the consideration of modern slavery risk factors during the supplier selection process in addition to our typical due diligence on suppliers and implementation of modern slavery risk assessments (where necessary). This will also include training and awareness sessions for our employees in relation to the policy and modern slavery.

COVID-19 Impacts

During the reporting period, OneFortyOne took action to mitigate the impact of COVID-19 on its supply chain by honouring contracts with suppliers and not cancelling any services or orders placed with suppliers as a result of COVID-19.

The disruption to OneFortyOne's supply chain due to COVID-19 has impacted the timing of the preparation of this statement and caused some delays with the roll out of our compliance program such as the procurement policy and training of all employees.

Assessment and Effectiveness

Being our first Modern Slavery Statement, our level of understanding of the nature of and risks pertaining to modern slavery has been elevated through the process of completing the risk assessments that have culminated in this Statement.

OneFortyOne monitors the effectiveness of steps taken to address modern slavery risks in our operations and supply chains by engaging with suppliers and also soliciting feedback from relevant internal stakeholders. As our modern slavery compliance program matures, we intend to formalise the way in which we measure progress and impact. We will be better placed to report on those efforts in our next modern slavery statement.

Consultation

OneFortyOne has engaged the support of external advisers and consulted with subject matter experts within its Australian and New Zealand entities including our human resources, risk, procurement, operations and finance teams. The OneFortyOne Board was also given the opportunity to review and comment on the draft statement.

OneFortyOne will continue to consult with employees to review policies, processes and supplier contracts going forward to ensure the measures in place support and further OneFortyOne's commitment to combatting the risks of modern slavery in our business and supply chain.

This statement was approved by the OneFortyOne Plantations Holdings Pty Ltd Board of Directors (in accordance with section 14(2)(d)(ii) of the Act) on 10 February 2021.

OneFortyOne Plantations Holdings No. 2 Pty Ltd

OneFortyOne Plantations Pty Ltd

OneFortyOne Wood Products Pty Ltd



John Gilleland

Board Chair