**Report to the United Nations Global Compact (UNGC)**

**Communication on Progress (COP) for September 2019**



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**Statement of continued support**

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1st September 2019

Dear Stakeholders,

I am pleased to report that Paper Force Pty Ltd once again reaffirms its support for the ten principles of the United Nations Global Compact (UNGC) in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress (COP), we describe our actions to continually improve the integration of the UNGC and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our external stakeholders.

As a key requirement for participation in the UNGC, the following COP describes our company’s efforts to implement the ten principles. One of Paper Force’s notable achievements in 2019 was marked by the ability to offer Carbon Neutral products. This followed a rigorous Life Cycle Assessment (LCA) conducted by the Carbon Reduction Institute (CRI).

We support public accountability and transparency across our operations and within our supply chain, and therefore commit to reporting our progress annually according to the UNGC COP policy.

Yours sincerely,

Larry Jackson

CEO

Paper Force

**Human Rights Principles**

## **PRINCIPLE 1: Businesses should support and respect the protection of internationally proclaimed human rights**

## **PRINCIPLE 2: Make sure that they are not complicit in human rights abuses**

## **Assessment, Policy and Goals**

Paper Force supports and respects the protection of internationally proclaimed human rights through upholding our performance and monitoring any potential risks. Our business activities continue to be low risk in relation to direct complicity in human rights violations, being an Australian small to medium enterprise (SME) business with 20 employees.

Paper Force ensures that such rights are implemented for employees at all levels by promoting a culture of respect for the law, and respect of all members associated with our business, including employees and other stakeholders.

All employees have access to the company’s Code of Conduct, with the purpose of ensuring that they have a fair and transparent process available to them through which their concerns regarding equal opportunity can be promptly and appropriately addressed.

## **Implementation**

Implementation of Paper Force’s own human rights risk management is based on our Code of Conduct which is introduced to all Paper Force employees through our induction process and is fully implemented across the business.

Paper Force is committed to the principles of Equal Employment Opportunity and will use its best

endeavors to support the creation of working conditions to ensure that all employees have an equal chance to seek and obtain employment, promotion, training and the benefits of employment. This position reflects our desire to enjoy a workplace free of discrimination where each person has the opportunity to progress to the extent of their ability.

Our policy acknowledges under Federal and State anti-discrimination laws, discrimination against

employees, contractors, customers, visitors or suppliers on the following grounds is against the law:

* Sex
* Relationship or parental status
* Race
* Religious belief or activity
* Political belief or activity
* Disability
* Trade union activity
* Lawful sexual activity
* Pregnancy
* Breastfeeding needs
* Family responsibilities
* Gender identity
* Sexuality
* Age

Personal grievances are treated confidentially, seriously and expeditiously. If a member of staff believes they have not been treated equitably in accordance with our Code of Conduct, they are encouraged to make a complaint as outlined in our Grievance Procedure.

The individual also has the right, at any time, to refer the matter to the Australian Industrial Relations Commission, the Equal Opportunity Commission and/or any other appropriate body for conciliation.

An employee who feels they have been treated unfairly or unreasonably should immediately advise their supervisor or manager at Paper Force who will be able to give them information in respect to the grievances process and available options.

Paper Force continues to demonstrate its commitment to work health, safety and the well-being of employees. This commitment has been reinforced with zero (0) working days without a lost time incident as was our previous year. Paper Force uses its “Think Safe. Act Safe. Be Safe.” safety slogan to promote safety, health and wellbeing amongst employees.

In previous years Paper Force has partnered with a variety of community groups such as SEVIC (South East Asia Victoria Lodge) and the Box Hill Secondary College and Youth Education Support. All support has been successful in building its community standing from a Social Responsibility standpoint. We also supported St Marks Community Center in Fitzroy successfully being part of a team that donated $30K toward the refurbishment of their outreach center for the homeless and disadvantaged.

During 2019, Paper Force is looking to align with “Think Pink”. The Think Pink Foundation is an independent, volunteer-based charity that declares its efforts and the funds it raises to provide practical support for people diagnosed with breast cancer.

Paper Force’s main focus is to connect with one of the key copy paper buying demographics (females in both corporate and government are one of the key decision makers in the copy paper/ stationery field) and align this with its Mill Brand A-One, which will be expanded in the next 12 months. Paper Force sees Think Pink as a strong and possibly long-term connection to help build the brand’s overall value proposition in Australia.

As part of Paper Force’s Corporate Social Responsibility, we strive to build partnerships and support community initiatives that are aligned with the values of Paper Force and aim to educate, make a positive contribution and promote social change.

Paper Force is committed to respecting human rights throughout the business. This extends to our affiliation with our preferred pulp supplier Asia Pulp and Paper (APP) and its mills. APP mills are also members of the United Nations Global Compact and adopt the United Nation’s “Protect, Respect and Remedy” framework, acting responsibly and with due diligence to avoid infringing on the rights of others. This forms an essential part of APP’s Sustainability Roadmap commitments and Forest Conservation Policy.

## **Measurement of outcomes**

Paper Force had no reports of investigations, legal cases, rulings, fines or other events related to human rights abuse in the workplace in the last 12 months.

Each year, all staff policies, processes and procedures relating to human rights are revisited and reviewed. Paper Force continually reviews these to ensure they are suitable, relevant and up-to-date to meet the needs of our employees.

**Labour Principles**

## **PRINCIPLE 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining**

## **PRINCIPLE 4: The elimination of all forms of forced and compulsory labour**

## **PRINCIPLE 5: The effective abolition of child labour**

## **PRINCIPLE 6: The elimination of discrimination in respect of employment and occupation**

## **Assessment, Policy and Goals**

Paper Force upholds the rights of its employees in relation to freedom of association and collective bar- gaining. Paper Force further recognises the importance of having a well-balanced team through its policies that support diversity and non-discrimination. The nature of Paper Force’s work means that labour related risks referred to in Principles 4 and 5 on forced and compulsory labour, and child labour are not applicable to Paper Force, nor do we engage where there are known risks relating to these areas.

Paper Force acts within the laws of Australia in providing a free and fair workplace for all and has systems in place to monitor and manage labour rights within the business.

Paper Force creates a safe and secure workplace for its employees, with all having access to the Health and Safety Policy. Paper Force consults with employees on health and safety matters through the working group health and safety representative and the health and safety committee. Each employee has a responsibility to their colleagues and the organisation to report and act upon any potential workplace hazard or incident.

In addition, Paper Force supports the elimination of employment discrimination as stated in its Code of Conduct.

APP, Paper Force’s preferred supplier, does not tolerate any form of discrimination. Its Employee Welfare Policy includes commitments covering harassment and discrimination, and each mill emphasises this commitment in their Collective Labour Agreements, which also include mechanisms to report any grievances or harassment of any description.

## **Implementation**

Paper Force engages both internal and external stakeholders on the revisions of policies and other documentation that governs labour practices. Changes are clearly communicated to all employees in a timely manner through toolbox talks, safety notices, safety alerts and/or the monthly health and safety committee meetings. Additionally, any changes to legislation that cover employee rights, such as changes to worker’s compensation, are shared through regular team meetings.

The health and safety of employees is ensured with a report completed after any Occupational Health and Safety incident. This is a very important step to track the incidents and use the data to make the working environment safer for employees. Accurate documentation and reporting of all details enables both the organisation and employees to learn from past incidents and may prevent a similar incident or event from reoccurring.

The health and safety of our employees is paramount. This is reinforced every quarter during our Safety and Wellbeing Week and employees are encouraged to adopt safe practices on a daily basis – Think Safe. Act Safe. Be Safe.

Paper Force is committed to social sustainability. This means supporting a highly engaged and capable workforce and contributing to a more sustainable and inclusive society for our employees and broader community. Our range of development and training programs show our commitment to not only developing talented people, but also ensuring all our employees understand our expectations and their obligations in the workplace.

Paper Force employees are encouraged to complete legal training and health and safety courses, including first aid on an annual basis. We have also installed a defibrillator and provided training and given access to all other companies in our vicinity through the online register.

Paper Force has also established a compensation program that supports the company’s vision and values. The program strives to develop exemplary employment practices for attracting and retaining quality staff, and assists in the professional development of a talented and diverse workforce.

## **Measurement of outcomes**

The health and safety of our employees is monitored on an ongoing basis, with incident reporting shared at regular team meetings.

There are no investigations, legal cases, fines or other relevant events to report in the last 12 months.

# **Environmental Principles**

## **PRINCIPLE 7: Businesses should support a precautionary approach to environmental challenges**

## **PRINCIPLE 8: Undertake initiatives to promote greater environmental responsibility**

## **PRINCIPLE 9: Encourage the development and diffusion of environmentally friendly technologies**

## **Assessment, Policy and Goals**

Paper Force supports the three environmental principles of the UNGC and is committed to the sustainable development of our business. We place environmental and social responsibility at the heart of everything we do.

Paperforce in conjunction our supplier PT Pabrik Kertas Tjiwi Kimia Tbk conducted a Life Cycle Assessment audited by The Carbon Reduction Institute and we are no able to supply a range of Carbon Neutral/Offset products under the NCOSS standard.

It is our environmental responsibility to ensure that the raw materials we use in our products come from sustainably managed sources. This is achieved through the implementation of best practices such as Chain of Custody systems and Sustainable Forest Management certification.

Paper Force has PEFC Chain of Custody (CoC) certification which is the world’s largest forest certification system and ensures 100 percent of the raw material in our products is either PEFC certified or non-controversial under PEFC guidelines. In the last 12 months, Paper Force’s Chain of Custody was audited and its certification renewed as a result.

Paper Force has met the due diligence requirements of the Australian Government’s Illegal Logging Prohibition Bill 2012 and to August 2019 has received zero non-compliance outcomes as a result of our first compliance assessment. As an importer of raw materials and paper products, Paper Force and many other importers of timber based products in Australia, are asked to carry out reasonable due diligence to ensure our products do not originate from illegally logged timber.

We continue to support our preferred supplier APP and its Forest Conservation Policy (FCP), which since February 2013 has seen the introduction of a moratorium on all-natural forest clearance, and

assessments to identify High Carbon Stock (HCS) and High Conservation Value (HCV) areas within its supplier concessions. All of which will be protected as part of APP’s Integrated Sustainable Forest Management Plan.

## **Implementation**

As an environmentally conscious business, we encourage our staff to adopt environmentally friendly

practices in the workplace. These are introduced to staff during induction and we ensure training in this area is ongoing.

Since the announcement of APP’s Forest Conservation Policy (FCP) in February 2013, Paper Force has made it a priority to update both staff and customers on the progress being made in implementing this policy. This has been carried out through hosting events, distributing regular updates and holding one-on-one meetings to share the significant FCP developments with our key stakeholders.

An extension of the FCP has been APP’s commitment to support the protection and restoration of one million hectares of tropical rainforest in Indonesia, which it announced in April 2014. This is one of the most ambitious conservation commitments ever made by a private company.

## **Measurement of outcomes**

In January 2014, international environment organisation, the Rainforest Alliance, agreed to conduct an external evaluation of the progress APP has made in implementing its FCP commitments through an independent audit. This evaluation is complete and a report released in February 2015 concluded that APP has made moderate progress towards meeting its commitments.

APP and Paper Force welcomed the report as it recognised the progress APP has and shows its efforts to achieve zero deforestation are on the right track.

The report also highlighted a number of areas that require additional focus. Its findings, along with feed- back from other stakeholders, have been used to inform APP’s FCP implementation plan for 2015 and beyond.

The above has been reported to Paper Force staff and customers as part of our regular updates. There are no investigations, legal cases, fines or other relevant events to report.

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**Anti-Corruption Principles**

## **PRINCIPLE 10: Businesses should work against corruption in all its forms, including extortion and bribery**

## **Assessment, Policy and Goals**

Paper Force considers the risk of corruption within its business as low, however we expect all Paper Force employees to achieve a high standard of personal, ethical and professional conduct. This is clearly explained in our Code of Conduct. As a signatory to the UNGC, we support the United Nations Convention against Corruption and are commit- ted to ensuring Paper Force is not involved in any corruption, extortion or bribery in its business dealings.

## **Implementation**

Initiatives in place to combat corruption and extortion have included staff training by our Legal Advisors and our whistleblower line. Paper Force’s Code of Conduct is fully implemented within the business and includes all staff in an annual performance review. This ensures employees maintain ethical and professional standards within the business. Specific responsibility for monitoring the conduct of staff formally lies with senior management and informally with all staff at Paper Force.

## **Measurement of outcomes**

There have been no investigations, legal cases, rulings, fines or other relevant events related to corruption and bribery in the last 12 months.

End of 2019 report, September 2019

