



MODERN SLAVERY STATEMENT 2022





MODERN SLAVERY STATEMENT

D'Orsogna Limited (ACN 063 427 752)
Financial Year 2021-2022

This Modern Slavery Statement is prepared and issued by D'Orsogna Limited, ACN 063 427 752 (hereinafter referred to as D'Orsogna) and is made pursuant to the *Modern Slavery Act 2018* (Cth) in respect of D'Orsogna and refers to the period 1 July 2021 to 30 June 2022.

This is D'Orsogna's third Modern Slavery Statement.

MESSAGE FROM THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Dear **Stakeholders**,

D'Orsogna's approach to identifying and managing the risk of modern slavery is guided by our commitment to respect human rights across our operations and supply chain.

We are committed to achieving the important objectives we set for ourselves in establishing an effective and robust modern slavery program at D'Orsogna. We shall continue to monitor and action any failures and successes and establish a clear commitment to improving our practices within our operations.

In addition to our commitment to our team members, D'Orsogna seeks to partner with suppliers and business partners which share our values, including respect for human rights.

We believe that respecting human rights across all our business activities upholds our core values which we proudly display and communicate to our internal teams, suppliers and business partners.

Modern Slavery is an ongoing world-wide issue. The impacts of COVID-19 in the reporting period has had a significant effect to supply chains and the D'Orsogna business. Resources were allocated to managing this issue. However, the national border restrictions imposed during the reporting period has not allowed all modern slavery risk activities to be undertaken.

D'Orsogna is committed to a continuous improvement process. We recognise that we need to continue to make improvements to ensure that we eliminate modern slavery risks within our business. This shall be an area of renewed focus in the FY2023 reporting period.

This Statement was approved by the Board of Directors of D'Orsogna Limited.

Greig Smith
Managing Director and Chief Executive Officer
23 December 2022

INTRODUCTION

A. About our business

D’Orsogna is an Australian owned and operated food manufacturing company employing more than 750 employees which operates in Australia at two locations, Western Australia (Head Office) and Victoria. D’Orsogna’s core business is providing a range of processed smallgoods across Australia.

D’Orsogna is a single entity and operates primarily in the retail industry selling D’Orsogna branded and private label products for sale through various national supermarket supply chains within Australia, including Woolworths, Coles, Costco, Aldi and the Metcash.

B. Key policies and principles to manage modern slavery Risks

D’Orsogna understands that the risks relating to suppliers will vary depending on their industry, geographic location and company size. The scope of D’Orsogna’s suppliers’ policies, processes and systems are expected to reflect the specific risks pertinent to that business.

D’Orsogna’s core values were developed and endorsed by D’Orsogna’s Management and Board of Directors. These core values were communicated, actively promoted and monitored throughout our business and in our business relationships with our suppliers and customers.



D’Orsogna seeks to do business only with suppliers of goods and services that have a similar value system and business ethic, which includes respect of human rights and sustainable business practices. D’Orsogna recognises that as a large purchaser of goods and services, the values and ethical practices of its suppliers can have a significant impact on our performance and reputation within the communities in which we operate.

In order to promote and monitor ethical behaviour in our operations, during the reporting period, policies, procedures and processes were formulated, reviewed, updated and recommunicated.

Policies, Procedures & Processes	Undertaken
Ethical Conduct & Sourcing Policy	● ●
Procurement Policy <i>which includes supplier code of conduct</i>	● ●
Preferred & Approved Vendor SOP Register	●
Risk Management Policy	● ●
Whistle Blower Policy	● ●
Employee Code of Conduct	●
Employment Policy <i>which includes labour hire management</i>	●
Grievance Policy	●
Vendor Contracts renewal includes reference to ethical practices	●
Business Partner Requirements include reference to modern slavery compliance	●

● Updated ● Reviewed ● Re-communicated

D’Orsogna has cooperated positively in all audits of our Business including Sedex Members Ethical Trade Audit (SMETA) which was performed in May 2022. The audit tested the four key areas:- labour standards, health & safety, environment and business ethics.

C. In our operations

In the 2022 financial year, D’Orsogna continued to review the risks of modern slavery in our operations. The risk within our operations was assessed as being low.

The modern slavery risk was assessed as low due to the following factors:

- Dedicated Human Resources Department led by the HR Manager who is part of the Senior Management Team.
- Human resources controls and processes in place, including:
 - Inductions and on-boarding for new employees. This includes providing information on employee wages, employment conditions and entitlements.
 - Audit compliance in relation to ensuring our employees have work rights, old enough to work and working at D’Orsogna Ltd at their own free will.
 - Employees have access to unions, consultation and grievance raising mechanisms.
 - Company is required to meet Compliance with Australian Employment laws and external auditing is conducted to ensure we meet compliance and employment standards.
 - Safety and Health system in place to ensure the health and welfare of our employees.

MODERN SLAVERY ACT 2018 COMPLIANCE

Risk management and due diligence processes

D’Orsogna recognises that through its external supply chain and internal operations, it can be directly or indirectly exposed to the risk of modern slavery and human trafficking. In order to mitigate these risks and achieve compliance with the Act, the company has taken the following actions during the reporting period.

- Participated in a 2-day external SMETA audit of our operations.
- Reviewed alternative risk management tools such as Modern Slavery App to improve the risk management process and improve our reporting of risks within our supply chain.
- Continued to develop and improve on D’Orsogna’s Preferred Vendor Program which is monitored through the company’s Quality Management System to manage risk within our supply chain relationships.
- Reviewed and amended the Ethical Conduct and Sourcing Policy and the Procurement Policy to improve on our risk management processes.
- Reviewed the vendor list to identify any new vendors or vendors that have been

discontinued or reduced supply and re-assessed the risks associated with these vendors.

- Reviewed all vendor and supplier related procedures to ensure consistent messaging.
- Modern Slavery Act 2018 compliance was an agenda item at both Senior Management and Board meetings.
- Provided information, training and instruction within the organisation and supply chain.
- Our website was updated during the reporting period and includes transparency in relation to the country of origin of our main raw material providers.

SUPPLY CHAIN

A. Analysis of supply chain to identify risk

Our supply chain relationships include suppliers/vendors from the following sectors: information, technology & Communications, maintenance services, maintenance parts, labour hire, security services, logistics, dry goods and packaging procurement, raw meat procurement, office supplies, personal protective clothing/protective equipment and medical supply suppliers.

B. The process

Internal modern slavery Risks

During the reporting period we conducted an internal audit our employment practices and grievance reports to identify any modern slavery issues within our own operations. This was an important part of the process as we employ individuals where English is a second language and visa workers who may be deemed as vulnerable workers. During the period, we participated in a 2 day SMETA audit conducted by external auditors and which tested our own business practices based on the Ethical Trade Initiative (ETI) Base Code of the International Labour Organisation. No modern slavery issues were identified during the reporting period.

External modern slavery risks

During the reporting period, we conducted the following activities:

- Conducted a review of Vendors on the preferred vendor list to identify potential modern slavery risks and updated key contact information.

- Conducted a review on actual spend for the 2022 financial year by supplier, then ranked our suppliers from highest to lowest spend.
- Issued questionnaires to new or proposed vendors in order to conduct a risk assessment. The process included having the supplier to advise of any other third party suppliers within their supply chain. During this process, we recognised that we needed to improve in this area in order to improve our risk assessment and corrective actions processes.
- Updated the Supplier Risk Register and Preferred Vendor Register and identified the supply chain risks in regards to modern slavery.
- Monitored any news/announcements in relation to our vendors on any ethical issues being reported.
- Improved supplier contract review process to ensure that relevant clauses with respect to human rights and relevant measures against modern slavery were included in the supplier's obligations.
- Reviewed risk assessment criteria to ensure it was current.
- On review of current data, we noted that most of D'Orsogna's direct supply chain spend continues to be with meat suppliers, who are located in Western Europe, Australia and North America. This is followed by packaging materials spend some of which is sourced from China.

C. Effectiveness of actions taken

During this reporting period, our focus was to obtain a better understanding of our modern slavery risks and how these risks may present in our operations and supply chains.

Our review of the current reporting period identified that we need to improve on our review and assessment process to allow us to adequately assess the full effectiveness of the measures we have implemented and undertaken. We are in the 3rd year of the implementation of the *Modern Slavery Act of 2018* and we recognise that our review and assessment process has limitations in identifying and addressing our modern slavery risks within our operations and across our supply chain. We are committed to continue to improve our review and improvement process which may include investment in technology in order to improve data collection and risk assessment tools. We believe that the involvement of our Senior Management Team and the Board of Directors is

fundamental to the ultimate success in the implementation of the *Modern Slavery Act of 2018* by "leading from the top down". We have introduced the modern slavery risks into our business risk matrix. These will be discussed and addressed periodically at Management and Board meetings.

The clear expectation is that each area of the business is responsible for identifying and assessing their own operations and supply chain for human rights risks and to implement appropriate controls with the support of our risk management team.

In the 2022 financial year reporting period, the focus was on mapping and understanding the supply chain in more detail in order to close the risk knowledge gaps identified and for the Management Team to put the necessary risk assessment and processes program in place.

This program is still under development, but based on the assessments and monitoring conducted to date, it has indicated that the D'Orsogna management team and Board are aware of the risks of modern slavery. The process has identified where we can make improvements in our supply chain.

RISKS OF MODERN SLAVERY PRACTICES IN D'ORSOGNA'S OPERATIONS AND SUPPLY CHAINS

A large portion of our supplier and procurement spend continues to be with suppliers based in countries, like Australia and Denmark, that have a lower risk of having modern slavery practices as identified by the Global Slavery Index (GSI). However, there are some suppliers that fall in a higher modern slavery risk category. Whilst geography is only one factor used in assessing the overall risk of a supplier, it has been an important starting point for the business to understand the level of risk and mitigation strategies required.

Impact of COVID-19 on modern slavery risks

As felt by many other companies around the world, COVID-19 continued to present a range of challenges for D’Orsogna and for our extended supply chain during the reporting period.

D’Orsogna recognises that COVID-19 has continued to have an impact on modern slavery risk as we have been restricted in our ability to fully assess and address risks within our supply chain. The main cause being the shortage of certain goods and/or delays within our supply chain that resulted in having to source alternative suppliers at short notice. Our assessment process was conducted based on a good faith and on the information or validation provided from the supplier. The Covid-19 disruption has taken up a significant amount of internal resources especially in managing our operations and ensuring the welfare of our people.

In summary, we have assessed that there is a risk of modern slavery being present in our extended supply chain due to the geographical locations from which products and raw materials are sourced.

In the next reporting period, D’Orsogna intends to conduct further review and assessments based on the findings and impacts with an improved modern tool for assessing risk.

FUTURE ACTIONS TO BE TAKEN TO ADDRESS MODERN SLAVERY RISKS

D’Orsogna is committed to continuous improvement in the area of modern slavery therefore a number of actions including training and awareness will be conducted over the next reporting period.

Actions planned

- Team members who deal with our suppliers will be required to complete a 6 module training program that will cover modern slavery and ethical sourcing via professional body.

1	Engaging with the issue of modern slavery
2	Responsible sourcing and purchasing
3	Identify and manage modern slavery risks
4	Developing policies to manage modern slavery risks

5	Measuring the effectiveness of actions taken to address modern slavery
6	Taking the ethical implications of modern slavery risk beyond the process

- Continuous review of Supplier Contracts to ensure that suppliers meet the supplier code of conduct.
- Continue with information collation and risk assessment process.
- Investigate the use of third parties, such as SEDEX or Modern Slavery platforms or applications, to assist with data collation and compliance with our procedures.
- Internal worker education on key employment rights and minimum conditions.
- Continue with internal auditing processes.
- Training programs on employment related policies and procedures for our internal management team.
- Participate in SMETA and promptly resolve issues requiring corrective actions.

REMEDICATION

Where a legitimate modern slavery concern or issue is raised, through one of our grievance mechanisms, we are committed to work with our suppliers, Government and worker representative bodies to ensure an appropriate remedy is provided.

Our grievance mechanisms

We respect the rights of individuals therefore to support this we provide a number of grievance mechanisms.

A. Whistle Blower Policy

Our Whistle Blower Policy encourages the reporting of any suspected unethical, illegal, fraudulent or undesirable conduct, including suspected adverse impacts on people, communities or the environment within our supply chain. The Whistle Blower Policy includes a website link and external hotline number managed by an external contractor, **Your Call**, who monitor and provide quarterly reports.

B. Internal Grievance Procedures

The company has an internal Human Resources Department and a documented grievance procedure. We communicate this grievance procedure through inductions, re-fresher inductions and visible printed copies on noticeboards and via the company intranet. The

procedure includes the process of accessing government bodies such as Fair Work Australia if the remedy is found to be unsatisfactory or Worksafe Australia in the case of safety related grievances.

This Modern Slavery Statement is prepared in accordance with the criteria set out in the *Modern Slavery Act 2018* (Cth).