

MODERN SLAVERY STATEMENT 2021

Collins Foods Limited

This is our second Modern Slavery Statement (**Statement**) for Collins Foods Limited (**CFL**) and its owned or controlled entities (**Group**) which is made pursuant to the requirements of the *Modern Slavery Act 2018* (Cth) (the **Act**). It relates to the reporting period that commenced on 4 May 2020 and ended on 2 May 2021 (**Reporting Period**).

This joint Statement covers the activities of CFL and the Group as outlined in Section 2. This Statement has been reviewed and approved by the Directors of each of the reporting entities.

The content of this Statement describes the risk of modern slavery in the operations and our supply chains of the reporting entities, and their owned or controlled entities, during the Reporting Period and details the steps taken to assess and address the risk. The risks of modern slavery in our supply chains are complex, and we have adopted a multi-year initiative to develop our understanding of, and response to, this risk.

This Statement should be read in conjunction with the modern slavery statement submitted by Kentucky Fried Chicken Pty Ltd (KFC Australia) for the reasons explained in Section 3.

1 About our business

1.1 Collins Foods Limited is a KFC franchisee in Australia and Europe, a Taco Bell franchisee in Australia as well as the franchisor for Sizzler in Asia. The KFC and Taco Bell brands are two of the world’s largest restaurant chains and are owned globally by Yum!



1.2 Six core values underpin everything we do. Our ongoing efforts to assess and address the modern slavery risks in our operations and supply chains are consistent with our values and our mission of Restaurants Done Better.



Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

- 1.3 Within Australia, we are the largest franchisee of KFC restaurants. We currently own and operate 252 KFC restaurants throughout Australia. We also own and operate 46 KFC restaurants within Germany and the Netherlands.
- 1.4 We also operate 16 Taco Bell restaurants in Queensland and Victoria. During the Reporting Period, we closed the remaining 9 Sizzler restaurants in Australia.
- 1.5 In addition, we are a franchisor of the Sizzler brand in Asia, with 54 franchised restaurants, 4 Sizzler kitchens and 6 Sizzler kiosks. The restaurants are predominantly in Thailand, but also there are 10 restaurants in Japan. During the Reporting Period, 11 Sizzler restaurants in China have been closed, with the last restaurant being closed on the 17 June 2020.

2 Reporting entities

- 2.1 CFL is a publicly listed ASX company (ASX:CKF), with our headquarters in Brisbane. The reporting entities pursuant to the Act are listed below, and all references to “CFL Group”, “we”, “us”, or “our” in this Statement refers to the reporting entities collectively, unless stated otherwise:
- (a) Collins Foods Limited (ACN 151 420 781);
 - (b) CFG Finance Pty Limited (ACN 151 677 351);
 - (c) Collins Foods Holding Pty Limited (ACN 113 801 648);
 - (d) Collins Foods Finance Pty Limited (ACN 113 833 391);
 - (e) Collins Foods Group Pty Limited (ACN 009 937 900);
 - (f) Collins Restaurants Queensland Pty Limited (ACN 009 988 381);
 - (g) Fiscal Nominees Company Pty Limited (ACN 166 936 278);
 - (h) Collins Restaurants West Pty Limited (ACN 009 701 179); and
 - (i) Collins Restaurants South Pty Limited (ACN 612 129 781).
- 2.2 As at 2 May 2021, the CFL Group had 37 subsidiaries across our countries of operation. The subsidiaries were wholly owned and controlled by the Group, with one entity being a 50% joint venture. Our reporting entities and functions are listed in Appendix 2.

3 Our structure, operations and supply chain

- 3.1 Our operating business includes the following:
- (a) **CFL Group** - the Group employs over 17,000 people in Australia, Germany, and the Netherlands. Our workforce is diverse with a 51% female profile and no gender pay gap¹. The number of staff we employ by country and in our Restaurants or support centres includes:

Country	Restaurants level staff	Restaurant Support Centres
Australia	15,157	202
Netherlands	1,548	29
Germany	499	16
 - (b) **KFC Australia** - we own and operate 252 KFC restaurants under a franchise agreement with Kentucky Fried Chicken Pty Limited (**KFC AUS Franchisor**).
 - (c) **Taco Bell** - Taco Bell is a quick service restaurant that offers Mexican-inspired food. We are a franchisee in Australia operating 16 restaurants under a franchise agreement with Taco Bell Asia Franchising LLC (Taco Bell Franchisor), based in the USA.

¹ https://www.collinsfoods.com/wp-content/uploads/2021/07/J0711_CFL-Sustainability-Report-2021_FINAL_web.pdf

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

- (d) **Sizzler Australia** - Sizzler was a dine in restaurant that provided steak, seafood, chicken dishes, BBQ ribs, combination meals and burgers. This included a salad bar that offered soup, salad, pasta, fresh fruit and a desert bar. We owned and operated nine restaurants within Australia during the Statement period. All Australian Sizzler restaurants were closed on 15 November 2020.
- (e) **Sizzler Asia** - Collins Foods is the franchisor for Sizzler restaurants in Thailand and Japan. Franchise agreements are in place with the Minor International Public Company Limited (**Sizzler Thailand**) and Royal Food Service Company Ltd (**Sizzler Japan**) whom operate these restaurants. We do not operate any restaurant in Asia, nor do we purchase any core supplier products. We have two employees based in Australia that provide professional management support for this business.
- (f) **KFC Europe** - The Group own and operate 46 KFC restaurants in Germany and the Netherlands under franchise agreements with the franchisor (**KFC Europe Franchisor**). Companies are registered in the United Kingdom with branches in the Netherlands, Germany, and consolidation into Collins Foods Holding Pty Ltd.
- (g) **Restaurant Support Centres** - Our Restaurant Support Centres (**RSC**) support our restaurants owned by the Group, by providing finance, human resources, information technology, marketing, construction and maintenance, supply chain and food safety services. Our RSCs are located in Brisbane, Amsterdam and Dusseldorf.

Franchisee partners

- 3.2 KFC and Taco Bell are subsidiaries of Yum! Brands, Inc., based in Louisville, Kentucky. As a franchised business for KFC and Taco Bell, our franchisors provide support for marketing, development, food innovation, supply chain and information technology services in exchange for service fees.
- 3.3 **KFC Australia** - Our KFC Australia restaurants' supply chain for core items is co-ordinated by KFC AUS Franchisor. CFL holds the administration relationship with each supplier and has oversight in the selection of core suppliers used. Pursuant to our franchise agreement with the KFC AUS Franchisor, the franchisor conducts sourcing and purchasing negotiations for core supply chain items (as listed below). Our KFC AUS Franchisor also provides to CFL certain advertising and marketing services, the provision of IT equipment and services for our restaurants, along with building and construction materials and maintenance services.
- 3.4 **Taco Bell International** - We have a franchise agreement with Taco Bell International. Our core suppliers for Taco Bell are managed in partnership with Taco Bell International.
- 3.5 **KFC Europe** - Our Europe KFC restaurants' core suppliers are managed by KFC Europe Franchisor. We do not transact directly with these core suppliers. KFC Europe core suppliers are required to register with SEDEX and complete Self-Assessment Questionnaires (SAQs). The results of the SEDEX risk assessments are described in section 4.12.

Our supply chain

- 3.6 Our supply chain includes the following products and services:
 - (a) **Core suppliers** that provide product and services to our restaurants, including:
 - (i) food and beverage suppliers;
 - (ii) packaging;
 - (iii) distribution partners and delivery aggregators; and
 - (iv) uniform providers.
 - (b) **Non-core suppliers**, including:
 - (i) suppliers of equipment used in our restaurants;
 - (ii) development and construction suppliers;
 - (iii) accommodation providers;
 - (iv) marketing agencies;

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

- (v) information technology;
- (vi) professional services providers of legal and financial services;
- (vii) human resources; and
- (viii) cleaning and maintenance services.

4 Modern slavery risks

4.1 In seeking to identify the modern slavery risks in our operations and supply chain, we aligned our assessment with the United Nations Guiding Principles (UNGPs) on the potential for our business to cause, contribute to, or be directly linked to modern slavery. In doing so, we looked at the risk that our:

- (a) operations may directly result in modern slavery practices;
- (b) operations and/or actions in our supply chains contribute to modern slavery; and
- (c) operations, products or services are connected to modern slavery through the activities of another entity, including business partners.

Our operations

4.2 Our owned and operated sites in Australia, the Netherlands and Germany are considered low risk jurisdictions for modern slavery risks according to the Global Slavery Index. Furthermore, the risk of modern slavery occurring in our employment of workers in these locations are also low having regard to our compliance with the respective legal frameworks regulating employment practices, and the fact that we do not use labour hire in Australia, the Netherlands and Germany. By way of summary, our employees are paid in accordance with market conditions in which the work and we have in place processes to ensure that employees are legally entitled to work, including that they are of legal working age.

4.3 Our franchisor in Australia co-ordinates third party audits across our restaurants that verify that the brand standards and food safety practices are adhered to at all of our restaurants. These audits are carried out on a quarterly basis. The auditors have powers to inspect files on team members and can conduct random checks to ensure that team members are of working age.

4.4 For the reasons described in this section, we consider that the risk that our operations of restaurants and RSCs have caused or contributed to modern slavery risks during the Reporting Period is low.

Sizzler Asia operations

4.5 In Japan and Thailand, we are a franchisor only, which means that we do not operate restaurants. At noted previously, we have two employees performing office-based roles in Australia.

4.6 The Global Slavery Index has identified Thailand as a country with a higher risk of modern slavery. Our staff however, fulfil professional and administrative roles and are located in Australia.

4.7 Japan is considered a low risk country for modern slavery. This is in part attributable to Japan's highly regulated industrial relations framework governing illegal workers, child labour and servitude. Our franchisee in Japan is a publicly listed Japanese company and has a number of policies and procedures in place to mitigate the risks. These are explained in further detail in the next section of this Statement.

4.8 Accordingly, we consider that there is a low risk of modern slavery in our operations in Asia.

Our supply chain

4.9 Our most salient risks of modern slavery are in the later tiers of our supply chain. The supply chains for the food, beverage and agriculture sector, in general, tend to have inherently higher risks of modern slavery due to the nature of the work necessary in the production, processing, packaging and transport of the products. Modern slavery risks, such as forced labour, deceptive recruiting for labour or services, debt bondage and the worst forms of child labour, become more acute during the production, packaging and processing stages, which is when the highest amount of seasonal, base-skilled labour is required. By virtue of sectors in our

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

supply chain, we are at risk of being directly linked to modern slavery through the business practices of companies in the later tiers of our supply chain. In light of the salient risks of modern slavery in our supply chain, we have sought to address this reporting criteria in more detail in this Statement by describing the results of our risk assessments in our core suppliers and non-core suppliers, as well as the risks of our supply chain supporting our operations in Asia.

A. Core suppliers - Australia and Europe

- 4.10 Our core suppliers comprise the major food, packaging, and distribution suppliers that are critical for the operation of our KFC and Taco Bell restaurants. This ranges from the supply of Australian sourced chicken and beef, fresh produce from Australian farms to locally supplied bread products, beverages, and seasonings, supported by a network of Australian based distribution services. The supply chain also includes a variety of overseas sourced products for our Taco Bell restaurants including a selection of sauces from Mexico and packaging and staff uniforms from USA. All of the aforementioned categories of procurement have increased risks of modern slavery in their respective supply chains by virtue of the industry risk (e.g., agriculture, manufacturing and transport) and country risk in some instances.
- 4.11 During the risk assessment of our core suppliers during the Reporting Period, one of our core suppliers for our Taco Bell operations returned a high risk rating based on their responses to the SAQ. The high risk rating was attributable to the inherent risk of the fruit grower combined with their utilisation of labour hire. This supplier has undergone a third party SEDEX Members Ethical Trade Audit (SMETA) audit and a follow up audit is scheduled.
- 4.12 KFC Australia and KFC Europe performed risk assessments of their food and paper direct suppliers registered on SEDEX. These are the same suppliers that CFL utilises. Food and paper direct suppliers were selected because of the industry risk profile. KFC Australia and KFC Europe’s review of food and paper suppliers found that the majority of the suppliers in these categories achieved a low or medium rating for the risk of modern slavery. There was one supplier that received a high risk rating and has since completed a SMETA audit. A corrective action plan was prepared and all actions have been remediated.
- 4.13 The Group use five distribution suppliers that provide our food distribution services to our restaurants in Australia and Europe. These contracts are managed by our franchisors. One of the largest transport suppliers is required to comply with the Act. In addition, two of our transport suppliers are required to comply with the UK modern slavery legislation. We have considered the statements published by the transport suppliers, where available, as part of our own risk assessment.
- 4.14 We acknowledge there may be modern slavery risks in the operations and supply chains of some of the delivery aggregator services that provide delivery service from our restaurants to our customers. These contracts and review of performance are managed by our franchisors, KFC AUS and KFC EU, and we rely on the assessments and actions taken by KFC AUS and KFC EU in this regard. Nevertheless, we have considered the statements published by the delivery aggregator services, where available, as well as the issues reported in the media, to better understand the risks and the measures being taken by the services.

B. Non-core suppliers - Australia and Europe

- 4.15 Our non-core group of suppliers provide non-food goods and services. We mapped the first tier of our non-core supply chain for our Australian and European operations and performed a high-level risk assessment in respect of our direct suppliers. The risk assessment was based on sector and supplier country of domicile risk, the risk relating to the product and services provided and the procurement spend. An overview of the results of the risk assessment is shown below in Table 1:

High risk supplier categories	Description of products and services	% of spend
Construction	Construction and fit-out projects in our restaurants	31.06%
Machinery and Equipment Repair and Maintenance (Other Services)	Maintenance and repairs on machinery in our Restaurants	25.03%

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

High risk supplier categories	Description of products and services	% of spend
Manufacturing <ul style="list-style-type: none"> • Computer and electronic equipment including Restaurant technology • Signage • Furniture • Specialised machinery and equipment 	IT and telecommunications hardware, restaurant POS, digital menu boards, signage, restaurant equipment	14.38%
Building Cleaning, Pest Control and Gardening Services	Cleaning, pest control and gardening at our Restaurants and Restaurant Support Centre	13.75%
Waste Collection Services	Waste collection for our Restaurants and RSC	9.35%
Information Media and Telecommunications	Telecommunications, ISP, data processing and web hosting	2.99%
Accommodation and Food Services	Corporate travel and hotels	2.61%
Transportation Services	Postal and Courier Pick-up and Delivery Services	0.84%

B1. Australian operations

- 4.16 Our direct (tier one) suppliers are predominately located in Australia (99.75%). However, we recognise that our suppliers source goods and services from overseas. At this stage we have limited visibility in relation to our non-core supply chain beyond the first tier. We recognise the need to improve our visibility beyond tier one in future reporting periods. Our industry risk assessment takes into consideration that some industries have inherent risk in their supply chains.
- 4.17 A further modern slavery risk assessment was performed on our material Australian building cleaning, pest control and gardening suppliers, given the increased risk profile of this procurement category. The included modern slavery questionnaires being sent to this supplier group, in addition to some suppliers being onboarded onto SEDEX. The results of the questionnaire indicated the larger operators had made progress in assessing and addressing modern slavery risks in their operations and supply chains. Some had introduced relevant policies and procedures commensurate to the risks and confirmed that they do not use outsourced labour. However, some of the smaller operators were only able to confirm their compliance with staff payments in accordance with the applicable awards. Suppliers generally had limited visibility of their supply chain beyond their direct suppliers.
- 4.18 Overseas suppliers of non-core products (0.25%) sourced for our Australian operations related to supplies procured from Germany, India, Mexico, Netherlands, Norway, USA, and United Kingdom during the Reporting Period. This included four payments to one supplier based in India that provided digital marketing and website development to our Taco Bell brand; and 2 payments to a supplier based in Mexico for Taco Bell sauce packets. Both India and Mexico are considered higher risk countries for modern slavery according to the Global Slavery Index. However, both of the aforementioned suppliers were vetted for risks and approved by our franchisor, Taco Bell International.

B2. European operations

- 4.19 Our direct suppliers of non-core suppliers for our European operations are predominately based in the Netherlands, Germany, United Kingdom, Australia, Belgium, France, Poland and Sweden. The majority of our international spend relating to our European operations is in countries with low prevalence of modern slavery according to the Global Slavery Index 2018. However, we recognise that there are modern slavery risks in some higher risk sectors, as listed in Table 1 above, even if the goods or services are procured from entities operating in lower risk countries.

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

C. Sizzler Asia operations

- 4.20 Our Sizzler Asia employees share the same non-core supply chain with our Australian operations and the risks are the same as our Australian operations.
- 4.21 **Supplier Onboarding** - As a franchisor in Asia, we have a supplier approval process in place that includes a framework to assess, review and audit food suppliers. Although these entities are not our suppliers, given our role on approving these suppliers, we accept that we may be linked to modern slavery as a result of our approval process. As part of the supplier onboarding process, Collins Foods reviews the results of the Approved Supplier Questionnaire and has the right to refuse working with a supplier. The Approved Supplier Questionnaire provides information on the suppliers accredited food safety system, risk management, customer complaints, auditing, insurances, and information on where the products are manufactured. We are currently considering how modern slavery risk assessment can be incorporated into this onboarding process.
- 4.22 Some of the food and agriculture suppliers that supply the Sizzler Asia restaurants may have a higher risk due to the countries where they manufacture, process or source raw materials.² We recognise the potential to become linked to modern slavery risks arising from approval of food and beverage suppliers with operations in higher risk countries.
- 4.23 We also accept that our business relationship with our Sizzler Asia joint venture partners may link us to modern slavery risks. Our review of our joint venture partner’s policies has demonstrated a commitment to managing modern slavery risk. We will continue to review their performance pursuant to our franchise agreements. For example:
- (a) our joint venture partner in Thailand conducted a review of 100% of Thailand’s local critical and high impact food and packaging suppliers. No high risk suppliers were identified during the 2020 reporting year.
 - (b) our joint venture partner in Japan conducted a supplier due diligence process for the onboarding of suppliers which included a review of human rights concerns. As part of this process, each supplier was given a copy of the Procurement Policy which requires suppliers to ensure there is no illegal, forced labour or servitude in their supply chain.
- 4.24 We have assessed that there is a risk that CFL may be linked to potential modern slavery in the supply chain of our Franchise partner. However, we are not aware of any actual instances of modern slavery.

5 Our actions to assess and address modern slavery risks

Operations

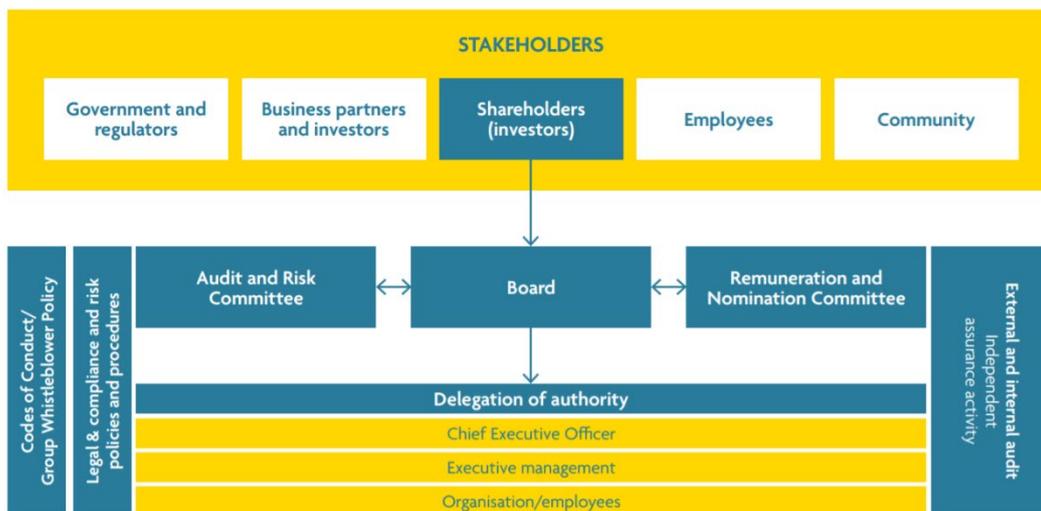
- 5.1 During the Reporting Period, CFL placed significant focus on the issue of underpayment of wages and sought to ensure that our restaurant staff are paid to their applicable enterprise award agreements. External assurance reviews have been conducted in our Australian operations to review our processes, and no material findings were noted. In addition, within our European operations, external assurance was undertaken in relation to the processes in place for the recruitment of our employees working within our restaurants and restaurant support centres in our Netherlands and Germany operations and the right to work in the European Union.
- 5.2 As noted in our first modern slavery statement, we have a robust framework in place for communication and training on workplace rights and conditions, and mandate compliance with all relevant labour legislation. All our policies are available on the Collins Foods intranet sites and have been listed in the annexure to this Statement.
- 5.3 We have delivered training to key personnel on modern slavery and how to assess risks with procurement with suppliers and understand the key signs of modern slavery. In addition, relevant staff have undertaken SEDEX training to help with the risk analysis of suppliers.

² For example, there is a high risk of modern slavery associated with the fishing industry, and particularly in Thailand.

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

Governance

- 5.4 CFL’s board and management adopts high standards of corporate governance. Our Board recognises risk management and internal compliance are key elements of strong corporate governance. Maintaining ethical standards in all of our business activities is a foundation belief.



- 5.5 Our approach to managing modern slavery risk is supported by a number of policies and procedures and is included in our Positive Impact Sustainability Report. Our policies and procedures are available on our website, intranet and also published on our supplier portals (Rapid Global) and are listed in Appendix 1 of this Statement. These include Group policies and individual Australian policies and procedures. Further harmonisation of these policies and procedures within our European operations is in progress and an update will be provided in our Year 3 Statement.

Supply chain

- 5.6 Our Procurement Policy provides the guidelines for procurement being undertaken in a manner that ensures our integrity and reputation and promotes continuous improvement; and includes our Procurement Principles.
- 5.7 One of the primary means by which we assess and address the potential risk of modern slavery arising in our supply chain is through our contracting process with our suppliers. We recognise that our leverage with suppliers is strongest at the time of negotiating a contract. During the Reporting Period, we onboarded a number of suppliers onto our contractor onboarding system, Rapid Global. We also updated the contract terms and conditions for a number of key suppliers specifically including modern slavery considerations.
- 5.8 Our Supply Chain Management Code of Conduct (Code) outlines the rules and standards of conduct that apply to third parties in the Group’s food production and supply chain. It prohibits unlawful use of child labour and forced labour. The Code was provided to the suppliers onboarded in Australia via Rapid Global and written confirmation of compliance was required to complete onboarding. The Code was also provided to suppliers at the time of entering new contracts or renewing existing contracts.
- 5.9 Similarly, our Australian Purchase Order Terms and Conditions were updated to require suppliers to comply with the requirements under our Code.
- 5.10 During the Reporting Period, we continued registering our Australian operations core suppliers on SEDEX, including food and beverage suppliers, packaging, distribution partners and uniform providers. Suppliers are required to complete Self-Assessment Questionnaires (SAQs).
- 5.11 Our Europe core suppliers that receive a SEDEX risk score that is above “low”, are now required to have an independent third-party SMETA audits performed. During the Reporting Period, the franchisee in Europe not only onboarded food and paper suppliers but added suppliers of uniforms and chemicals to SEDEX.

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

- 5.12 Our COVID-19 response focused on keeping our people safe while supporting customers and other business partners including our suppliers. Europe was a challenging environment for foodservice with COVID-19 lockdowns and dining restrictions in place for most of the year.
- 5.13 The COVID-19 pandemic has had an impact from a resourcing perspective, and on our ability to engage with our suppliers, particularly our European suppliers. We are committed to further engaging with our core and high-risk non-core suppliers during the next reporting period.

Franchise Partners

- 5.14 To manage performance, audits of key suppliers are conducted annually by KFC AUS Franchisor which includes a review of the supplier’s internal processes and site visits, as required. Feedback is provided to suppliers to support and drive continuous improvement efforts. Further, we expect our suppliers to conduct audits and inspections in compliance with the Code and applicable legal and contractual standards.

Remediation

- 5.15 Employees can report to their manager if they have any concerns or issues in relation to modern slavery, or if they wish to remain anonymous, employees and third parties are able to report via CFL’s independently operated Whistleblower system. This process is outlined in the **Group Whistleblower Policy** and a **Grievance Resolution Procedure** that allows staff to raise concerns in a confidential manner. This channel is available for reporting modern slavery concerns.
- 5.16 If, hypothetically, we found that our business had caused or contributed to modern slavery, we would take guidance from the UNGPs, which provides that businesses in this situation need to remediate the impact by taking a person centred approach protecting the safety, privacy and wellbeing of the affected person. We would undertake a full investigation of the situation to ensure that an appropriate corrective action plan is implemented and assess how similar impacts could be avoided in the future. During the course of the Reporting Period, we have not identified any reports that could be linked to modern slavery.

6 How we assess the effectiveness of our actions

- 6.1 In approving this Statement, the Board of CFL received a report on the assessment of the effectiveness of actions taken from the first year of reporting pursuant to the Act.
- 6.2 In our first modern slavery statement, we indicated that, in the short term, we would assess the effectiveness of our program by virtue of the comparison of our supplier risk assessments year on year and the percentage of staff trained in modern slavery. We are pleased to report that during the Reporting Period:
- (a) we increased the number of suppliers assessed for modern slavery risks, as compared to the first reporting period, and our broader category of suppliers were included in SEDEX, as described in this Statement; and
 - (b) additional training provided to staff in modern slavery leading to greater awareness of the red flags for modern slavery risks both within our operations and in our supply chains.
- 6.3 We are working to expand the modern slavery training, with an option for an online training module, and further rollout of this training in our European operations.
- 6.4 We have expanded our metrics for assessing the effectiveness of our actions to include the following:
- (a) Updating our supplier contract terms and conditions with modern slavery clauses.
 - (b) Comparing our suppliers risk assessments year on year.
 - (c) Reviewing the trends in cases reported through our Group’s grievance mechanisms and how these cases were handled.
 - (d) For our Sizzler Asia business, we will work with our franchisees to include modern slavery questions in the supplier approval process to enhance the assessment of modern slavery risks as part of the supplier onboarding processes.

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

7 Consultation process

- 7.1 The reporting entities making this statement, and their owned or controlled entities, have been consulted in its preparation. Executives performing group level functions across our Group have provided input in relation to our operations, procurement, and supply chain. This Statement has been prepared in consultation with the CFL Executive Management team.
- 7.2 We have engaged with our franchisor in Australia, Kentucky Fried Chicken Pty Limited, who is also required to comply with the *Modern Slavery Act 2018* (Cth). We also engaged with our KFC Europe Franchisor that is required to comply under the UK laws on modern slavery.
- 7.3 We have consulted with our Sizzler Asia franchise partners to communicate our expectations, raise awareness and understand their approach in mitigating modern slavery risks.

8 Conclusion

This is an ongoing commitment by the reporting entities to gain visibility into the risks of modern slavery in our operations and supply chains and to embed processes within our business to strengthen our management controls to mitigate these risks.

This Statement was approved by the Board of Collins Foods Limited, the higher entity of the reporting entities and the directors of each of the reporting entities. The Statement has been signed by a member of the Board of Collins Foods Limited on behalf of all reporting entities.

Signed 

Name Robert Kaye SC

Role Chair, Collins Foods Limited

Date 13 October 2021

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

Appendix 1 - Our Policies

Document	Purpose
Group Code of Conduct (Group)	Our Group Code of Conduct sets the standards of responsibility and ethical conduct expected of directors and employees of the Group, and applies also, where relevant and to the extent possible, consultants, secondees and contractors of the Group. Our Group Code of Conduct is accessible to all our people and external stakeholders at www.collinsfoods.com .
Ethics and Integrity Policy (Group)	Our Ethics and Integrity Policy states that all reports of illegal or unethical conduct will be investigated where possible and refers to the Ethics and Integrity Hotline as an avenue to escalate issues for investigation.
Anti-Discrimination Policy (Group)	Outlines Collins Foods expected standards in relation to discrimination and inclusion in the workplace. Collins Foods is committed to ensuring a healthy and safe workplace that is free from discrimination.
Diversity and Inclusion Policy (Group)	Outlines Collins Foods commitment to diversity and inclusiveness and embraces a workforce that is made up of many individuals with diverse skills, values, experiences, backgrounds and attributes. Our Diversity and Inclusion Policy is accessible to all our people and external stakeholders at www.collinsfoods.com .
Bullying and Harassment Policy (Group)	Collins Foods is committed to providing an environment where everyone is treated fairly, and with dignity, courtesy and respect in the workplace.
Group Whistleblower Policy (Australia)	Outlines how to raise a concern about a suspected or actual unethical or unlawful behaviour through access to the independent Ethics and Integrity Hotline. Our Group Whistleblowers Policy is accessible to all our people and external stakeholders at www.collinsfoods.com .
Grievance Resolution Procedure (Group)	Outlines our grievance process including assessment, investigation and remediation.
Professional Code of Conduct (Australia)	Outlines Collins Foods expectations in relation to the behaviour of all employees during working hours and whilst off-duty.
Recruitment & Employment of Young Workers Policy (Australia)	Outlines Collins Foods recruitment practices for all employees, and specific employment practices as they relate to young workers.
Supply Chain Management Code of Conduct (Australia)	At Collins Foods we are committed to conducting our business in an ethical, legal and socially responsible manner. The Supply Chain Management Code of Conduct outlines the rules and standards of conduct that apply to third parties in the Group's food production and supply chain. It prohibits any form of forced or indentured servitude and use of children to perform any work or activities under the legal working age. This code of conduct is also provided to all new suppliers and provided with new and revised contracts and to all suppliers when updated. Our Supply Chain Management Code of Conduct is available to all suppliers at www.collinsfoods.com
Procurement Policy Procurement Manual (Australia)	Our Procurement Policy provides the guidelines for procurement being undertaken in a manner that ensures our integrity and reputation and promotes continuous improvement; and includes our Procurement Principles Accompanying the Policy is the Procurement Manual which outlines our modern slavery obligations

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021

Appendix 2 – CFL Reporting Entities

	Entity	Function(s)	Place of Incorporation	Proportion of Ownership
a)	Collins Foods Limited	Holding company	Australia	100%
b)	CFG Finance Pty Limited	Office administrative services Borrowing company	Australia	100%
c)	Collins Foods Holding Pty Ltd	Previous holding company. Collins Foods Europe reports into this entity.	Australia	100%
d)	Collins Foods Finance Pty Ltd	Previous finance company	Australia	100%
e)	Collins Foods Group Pty Ltd	Previous holding company	Australia	100%
f)	Collins Restaurants Queensland Pty Ltd	KFC operations in Queensland and northern NSW (Tweed region)	Australia	100%
g)	Fiscal Nominees Company Pty Ltd	Holding company for KFC operations in WA and NT	Australia	100%
h)	Collins Restaurants West Pty Ltd	KFC operations in WA and NT	Australia	100%
i)	Collins Restaurants South Pty Ltd	KFC operations in Tasmania and South Australia and Victoria	Australia	100%

Document No	Prepared by	Approved by	Date
Corporate Governance	Audit & Risk Manager	Board	October 2021