

ORIENTAL MERCHANT

PTY LTD

ABN 34 007 368 925

**MODERN
SLAVERY
STATEMENT
2021**



Your Asian Food Specialist

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1. MESSAGE FROM THE CEO

Oriental Merchant Pty. Ltd. recognises that modern slavery is an emerging global issue and is committed to addressing the risks of modern slavery in its operations and throughout its supply chains.

This second modern slavery statement is made by Oriental Merchant pursuant to the *Modern Slavery Act 2018 (Cth)* for the reporting period of 1 January 2021 to 31 December 2021.

This Statement reports on the steps taken by the company to address potential modern slavery risks in its operations and supply chains during the reporting period. While Oriental Merchant recognises the complexity of the issue, the company remains firmly committed to continually improving its processes for identifying, managing and reducing modern slavery risks in its operations and supply chains.

This statement was approved by the Board of Directors of Oriental Merchant Pty Ltd on 30 June 2022.

Bernard Yiu



Chief Executive Officer

30 June 2022



2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Oriental Merchant was formed in 1990 as a business concentrating on the wholesale, distribution and marketing of authentic Asian groceries throughout Australia. Today, the company has grown from this domestic base to a global presence with operations distributing and marketing Asian food in New Zealand, United Kingdom, Europe and Canada.

Oriental Merchant currently employs 268 staff in Australia. With its operations centralized in its head office in Melbourne, the company distributes through its warehouses and offices in Victoria, New South Wales, Queensland and Western Australia, and operates globally through its warehouses and offices in New Zealand, the Netherlands, Canada, and through offices in the United Kingdom and Japan.

The company is a highly professional importer and distributor of Asian food and ingredients, and offers a very comprehensive range of Asian food products including rice, noodles, sauces and condiments, instant noodles, snacks and ready to drink beverages, as well as frozen ready to eat foods and frozen ready to cook foods to the Australian market. In addition to these sales and distribution functions, Oriental Merchant also supports its manufacturers, retailers and business partners with effective marketing solutions to promote awareness, trial and repeat purchases from consumers as well as retail solutions to strengthen brand visibility and consumer offtake in stores.

Oriental Merchant has vast warehousing and supply chain capabilities, importing thousands of containers of reputable Asian food products each year for distribution in Australia. It has one of the strongest supply chains in the industry to ensure consistent supply and on-time delivery across the country. The company supplies products to every major supermarket chain in Australia including Woolworths, Coles, Metcash and other independent retailers. In addition, it proudly services over 95% of Asian grocery retailers in Australia.

3 THE POTENTIAL MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

The global food, agriculture and fisheries systems are very diverse and highly complex. As an active global operator, Oriental Merchant recognises that there may be parts of its supply chain and operations that are vulnerable to the risk of being infiltrated by modern slavery practices.

During the reporting period, Oriental Merchant continued to conduct risk assessments in the following areas within its operations and supply chains where there was the possibility of modern slavery risks:

1. operations throughout Australia:
 - a. Labour, employment and recruitment practices
 - b. Corporate policies and procedures relevant to modern slavery
 - c. Occupational health and safety for staff

2. supply chains:
 - a. The goods purchased for distribution across Australia from local and international suppliers
 - b. The goods used and service providers engaged by the company

4. ACTION TAKEN TO ASSESS AND ADDRESS THE RISKS

A. Oriental Merchant Internal Risk Assessment

Oriental Merchant revisited its earlier risk assessments in its own operations and took the following actions to ensure continuous proactive attention to address and manage potential modern slavery risks:

I. Review of Recruitment and Selection Procedures

The company reviewed its existing recruitment and selections procedures to ensure continuing compliance with Australian employment and labour laws and regulations. The current system of checks including right-to-work checks and visa checks mitigate modern slavery risks in its recruitment process and fulfill its responsibility to respect human rights.

II. Review of Remuneration and Salary review guide

The company completed a remuneration and salary review during the reporting period and implemented a wage increase for employees to reward fairly and competitively their contribution toward the delivery of Oriental Merchant's objectives. The remuneration

strategy reflects individual and company performance, job responsibilities, and individual contribution.

III. Review of Corporate Policies and Procedures

The company reviewed existing policies to ensure that it was providing a safe and non-discriminatory workplace.

Oriental Merchant worked to create awareness of its Modern Slavery Statement and Modern Slavery Policy among its employees to ensure that they have an understanding of modern slavery risks and are positioned to identify them if they arise.

Induction training was provided for new employees on the following matters relevant to modern slavery:

- Whistleblower Policy
- Work, Health and Safety
- Occupational Health and Safety
- Equal Employment Opportunity and Diversity
- Workplace Bullying
- Personal Harassment
- Employee Inductions

Employees were informed of these policies and of proper grievance procedures. Oriental Merchant is committed to promoting a safe and confidential environment where employees can raise workplace grievances without fear of reprisal or discriminatory treatment.

B. Oriental Merchant Supply Chain Risk Assessment

For the first reporting period, Oriental Merchant had developed a Supplier Questionnaire, first, to ascertain the suppliers' levels of awareness of modern slavery and, secondly, to evaluate the processes they had implemented within their operations to mitigate the risks of modern slavery practices.

As Oriental Merchant's supply chain extends across numerous countries, and as COVID-19 travel restrictions hampered any opportunities for site visits during the reporting period, the Supplier Questionnaire has remained the key basis of its assessments of modern slavery risks in the supply chain.

In particular, Oriental Merchant followed up its suppliers and service providers that responded to the 2020 Supplier Questionnaire that they did not have a modern slavery statement, policy or policies in place to deal with or to reduce the risk of modern slavery.

The purpose was to educate these suppliers and to re-emphasise the importance Oriental Merchant places on this issue.

In addition, to those suppliers that had answered positively to the 2020 Supplier Questionnaire, Oriental Merchant asked if those suppliers and service providers had made additional efforts to implement additional clauses in their own supplier/service contracts to screen for potential modern slavery risks. Once again, the purpose was to emphasise the importance Oriental Merchant places on reducing the risk of modern slavery practices occurring in its supply chain.

5. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

As mentioned above, COVID-19 travel restrictions hampered any opportunities for us to undertake site visits during the reporting period. Responses to the Supplier Questionnaires indicated a considerable level of awareness of modern slavery risks and efforts taken to screen for potential modern slavery risks.

For the suppliers and service providers with no immediate action plans to address the risk of modern slavery practices in their operations and supply chains, Oriental Merchant will continue to make them aware of its obligations and ongoing efforts in this area and provide guidance where necessary.

6. CONSULTATION

As a critical part of the company's management of potential modern slavery risks, Oriental Merchant consulted with local employees in relevant business units to track progress of the identification and management of the risks. Close consultation will remain a vital part of the company's system for managing against the risk of modern slavery practices in its operations.

7. MOVING FORWARD

Oriental Merchant will re-affirm its Modern Slavery Policy and Statement emphasising its commitment to identify, prevent and mitigate modern slavery risks in its operations and along its supply chain. The Policy also sets out its commitment to act ethically and with integrity in all its business dealings and relationships to ensure modern slavery risks in its operations and supply chain are minimised.

The company remains committed to the key initiatives identified in its internal risk assessments and recognises that implementing internal management processes to minimise modern slavery risks is an ongoing process. The process of raising awareness within the various Oriental Merchant businesses will continue by reinforcing the importance of modern slavery risks to employees through education so that employees are aware of their obligations under the company's policies and have access to further information if required.

As to the supply chain risks, Oriental Merchant will review and enhance its risk assessments to identify areas where modern slavery risks may arise. The company has commenced reviewing its approved supplier program to screen for modern slavery risks, and will monitor the countries with the highest prevalence estimates presented in the Global Slavery Index. Oriental Merchant will also progress its engagement with the company's suppliers and service providers by reviewing and enhancing its Supplier Questionnaire to ensure its effectiveness and continuing relevance.