

Introduction

SPC Global Ltd (ACN 633 389 394) is the parent company of SPC Operations Pty Ltd (ACN 633 532 162), formerly Shepparton Partners Collective, (together, **SPC**). SPC use the same policies and processes, operate in the same sector and have many shared suppliers and provide this statement jointly to satisfy both entities reporting obligation under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**). This Statement sets out a consolidated description of SPC’s actions to address modern slavery risks it is operations and supply chain and SPC’s commitment to respect human rights.

SPC is a global agribusiness with Australian heritage and a vision for delivering innovative and sustainable products to consumers. SPC is committed to the role it plays in ensuring its operations and supply chain are aware of modern slavery risks and SPC endeavours to continue improving its processes to remain effective in preventing and remediating modern slavery.

As one of the biggest employers in the Goulburn Valley region, SPC is proud to support the local community and others through its day-to-day business activities as well as a wide range of philanthropic contributions and community programs. Agricultural supply chains are becoming increasingly complex, and SPC is determined to ensure that its impact outside of its immediate community is consistent with the values that have guided SPC for over 100 years.













SPC business operations and structure

SPC’s largest manufacturing site is based at Shepparton in the Goulburn Valley region of Victoria, Australia. SPC has an additional two other manufacturing sites located at Ardmona, Victoria and Emu Plains, NSW. SPC’s head office is based in Essendon Fields where office staff such as Sales, marketing and IT are located.

SPC employs approximately 520 permanent staff, with between 200 - 500 casual/seasonal employees engaged subject to production demand. In this reporting period, SPC also engaged approx. 22 factory workers in its Pomlife factories over a 12-week period. These workers were engaged through a local labour hire company, Recruitment Select.

SPC’s operations include the manufacture and distribution of fruit and vegetables, food products and fruit juice. In 2021, SPC introduced the manufacturing and distribution of healthy beverages through its new brand, Helping Humans, and ready to eat meals through its new brands, the Kuisine Co and the Good meal Co.

SPC Brands

 <p>Packaged fruit, fruit snacks, tomatoes Also baked beans and spaghetti (BBSG)</p>	 <p>Premium & innovative packaged fruit</p>	 <p>Australia's premium tomatoes and cooking fruit</p>	 <p>High quality pomegranate products</p>
 <p>Food solutions for the food and beverage and catering industries</p>	 <p>Provider of ready made frozen meals delivering direct to NDIS customers</p>	 <p>Delicious meals (delicious)</p>	 <p>Healthy Beverages – e.g.: kombucha & tonics</p>
 <p>Food for consumers who require more care, eg: hospitals, aged care & disabled</p>	 <p>Ready made frozen meal & functional foods</p>	 <p>Functional foods and naturally enhanced fruit-based snacks designed to be easy to open and accessible</p>	 <p>Healthy beverages e.g.: hemp kombucha & hemp infused teas and products</p>

SPC Supply Chain

As a food manufacturer, SPC’s primary suppliers are:

- Contract packagers
- Packaging suppliers
- Raw material suppliers
- Growers

In 2021, SPC has reduced the percentage of international suppliers and increased its Australian based suppliers. The below table outlines a comparison of SPC’s primary suppliers from 2020 to 2021.

Origin of Primary Suppliers	
2020 Reporting Period	2021 Reporting Period
36% Australia	57% Australia
11% USA	9% China
10% China	6% USA
5% Thailand	>4% Thailand
3% Germany	2% Vietnam
3% Indonesia	>2% Canada
Remaining 32% from various parts of Asia, Europe, the Pacific and the Middle East	Remaining 20% from various parts of Asia, Europe, the Pacific and the Middle East

In addition to the above suppliers, SPC also engages a number of secondary goods and service providers such as consultants, freight providers, high-risk work contractors and sales providers. These providers are subject to the conditions of the short form and long form sales agreements (details below) that make specific reference to the contractor’s compliance with the Modern Slavery Act and their cooperation with SPC in fulfilling its obligations under the Modern Slavery Act.

Risks of modern slavery practices

As part of the 2020 reporting period, SPC became a member of Sedex, to better understand the risks, and to gain better visibility, of modern slavery practices in its supply chain. In 2021, SPC maintained this membership and continues to build a greater understanding of the risks of modern slavery practices across its entire supply chain.

SPC has 12 international suppliers linked on Sedex and 77 Australian companies, with a total of 124 sites. The most recent report from Sedex shows no major risks and no evidence of modern slavery across SPC’s supply chain.

SPC is continuing to enhance its systems to map risks of modern slavery practices in its supply chain and across its operations. SPC recognises the following specific risks:

- supply shortages and shipping delays due to COVID-19 impacts
 SPC has been pragmatic with respect to possible global supply and shipping issues as a result of COVID-19 by focusing on production planning, allowing generous lead times for imported materials, and increasing Safety Stock to alleviate constraints with global shipping restrictions and shortages. SPC nevertheless endured some items being out of stock due to excessive sales, far over SPC’s selling forecast, and incurred increased expenses for commodities and shipping due to global shortages in ingredients and shipping delays.

- no evidence of child labour policies

The Sedex report has identified three companies within SPC's supply chain that currently do not have evidence of child labour policies or sufficient records to assist in the auditing of modern slavery practices. While no actual evidence of child labour within SPC's supply chain been identified,

and these companies are either a no spend or a low spend (low-risk), SPC considers this to be an area to monitor with the actions closed however will engage directly with those suppliers identified to confirm they are compliant. If the companies cannot provide evidence of such policies, SPC will re-consider engagement with them.

Whilst no major concerns or incidents of modern slavery were identified, SPC is aware that these areas are at a higher risk of modern slavery practices and its due diligence in this space will continue to be an area of focus.

Assessing and addressing the risks of modern slavery

SPC has undertaken a risk-based approach to addressing the risks of modern slavery in its supply chain and across its operations. The first phase of its strategy was to conduct an analysis and review of its supply chain through Sedex. This survey did not result in any high or moderate risk classification however, SPC will continue to monitor risk levels through its ongoing due diligence processes.

SPC has implemented a new Supplier Code of Conduct (described in detail below) which specifically requires the supplier's compliance with its obligations under the Modern Slavery Act and extends to the supplier's cooperation with SPC's audits and requests for information on the Supplier's supply chain. SPC maintains a close working relationship with its suppliers and encourages transparency and clear communication about modern slavery risks.

SPC has surveyed its suppliers, starting with any suppliers identified as high-risk, in order to better understand the strength of its management systems with respect to modern slavery risks, and compliance with other matters of ethical concern. This process did not identify any modern slavery practices. SPC is committed to ongoing monitoring of its supply chain in order to ensure that its operations are consistent with SPC's requirements and take any further action as necessary.

With respect to its Australian horticulture growers, SPC monitors risks of modern slavery by requiring all growers to provide an annual declaration that they have paid at least the award rate for all employees in the production and harvest of fruit and vegetables delivered to SPC. Growers are also required to notify SPC of any changes in the details provided in their annual declaration.

SPC has field officers conducting inspections monitoring general practices amongst the Orchardists and is commencing its annual modern slavery training in May 2022 for all staff that manage suppliers, contractors, freight providers and Growers.

Effectiveness

SPC has seen the effectiveness of these measures first-hand over the last 12 months and have been better equipped and educated in relation to modern slavery risks in SPC's operations and supply chains. These measures are regularly reviewed by the Board's Regulatory and Compliance Committee, which has responsibility for compliance related matters including with respect to modern slavery.

Where necessary, including by utilising the tools provided by Sedex and considering the actions taken by industry peers, SPC will continue to update its policies and practises to ensure the effectiveness of the measures that it has implemented to address the risks of modern slavery.

SPC Policies

SPC currently has 16 company-wide policies that are applicable to all staff, suppliers, contractors and consultants engaged with SPC. These include our Employee Code of Conduct Policy, Health Safety and Wellbeing policy, Human Rights Policy and Whistleblower Policy.

Focusing on SPC's supply chain, in 2021 SPC implemented a new Supplier Code of Conduct (**Code**), with a goal to have all existing suppliers sign up to the amended policy by mid-June 2022.

The Code sets out SPC's expectations that its customers, contractors, suppliers and sub-tier suppliers will adhere to the same high standards and values when conducting their business and business with SPC in relation to modern slavery risks. Under the Code, suppliers are required to adhere to all applicable laws and regulations and use their best efforts to comply with the principles set out in the Code. The code makes clear that any intentional disregard for the provisions of the Code, or failure to meet the standards set out therein, may have an impact on the supplier's business relationship with SPC.

While SPC's Whistleblowing Policy (**Policy**) is mentioned above in relation to ensuring SPC's business operations are free from modern slavery risks, SPC also considered the Policy a key policy in identifying potential modern slavery risks in its supply chain. The Policy provides SPC's people, suppliers and growers with the confidence to talk freely about information that may have negative impacts on others. The Policy is part of SPC's commitment to ensure the systems, processes and accountabilities are in place to fully support individuals who report wrongdoing or suspected wrongdoing, including with respect to matters relating to modern slavery.

In 2021, SPC has also included a contractual obligation in its supply of products agreements greater than \$250k and its services agreements of less than \$250k, requiring counterparties to comply with their obligations under the Modern Slavery Act, and to provide any information required by SPC to enable SPC to comply with its obligations under the Modern Slavery Act.

Consultation

This statement has been prepared in consultation with all of SPC's brands (listed above), its procurement teams and related suppliers. SPC Global's Board has provided governance across the entities with respect to this modern slavery statement and SPC's policies and procedures. The results of the Sedex and SMETA audit reports have been shared with the executive team.

In 2022, SPC will be tabling Corporate Social Responsibility as a standing board agenda item where all risks, discussion and actions will be documented.

Additional information

Community participation

As one of the biggest employers in the Goulburn Valley region, SPC is proud to support the local community and others through its day-to-day business activities as well as a wide range of philanthropic contributions and community programs. SPC is proud to be involved in the following community organisations:

	<p>SPC has been the naming rights sponsor of this community initiative adventure playgrounds for over 20 years.</p>
	<p>Ganbina is a NPO based in Shepparton dedicated to empowering young Indigenous people to achieve true social and economic equality. SPC has been participating in work experience and workplace mentoring programs since 2016.</p>
	<p>SPC partners with GoTAFE to provide 6 x TAFE scholarships and food technology training and development.</p>
	<p>SPC partners with FoodBank on many programs to distribute food to welfare agencies to feed the hungry and by donating products around Australia for disaster relief.</p>

This statement was approved by the Board of SPC Global Ltd (which owns or controls SPC Operations Pty Ltd) on 23 December 2021.



Hussein Hani Rifai
Chairman