

### **BEAK&JOHNSTON**

## MODERN SLAVERY STATEMENT FY23/24





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## INTRODUCTION

Section 1



### Introduction

### ACKNOWLEDGEMENT OF COUNTRY

Beak & Johnston acknowledges Traditional Owners of Country throughout Australia and recognises the continuing connection to lands, waters, and communities.

We pay our respect to Aboriginal and Torres Strait Islander cultures; and to Elders past and present.





## **CEO Message**





It is a pleasure to present our FY23/24 Modern Slavery statement. In this statement, we have outlined the steps we are taking to ensure that, as much as possible, slavery and human trafficking do not occur within our supply chain or any part of our business.

Over 50 million people worldwide were estimated to be living in modern slavery in 2021, with nearly 28 million of those subjected to forced labour\*.

We feel that as a leading business we have a growing responsibility to ensure that our sourcing practices are ethical and legal.

We understand our business impacts extend far beyond our employees, facilities, and transportation. Therefore, we are dedicated to identifying and eliminating any instances of modern slavery within our operations and supply chain.

We continue to raise awareness about this critical issue throughout our organisation. This empowers our employees, regardless of their roles, to recognise and understand potential modern slavery issues and take appropriate action to create a better future for all.

CEO, Ray Hanly



# Our approach and values

Beak & Johnston is deeply committed to the advancement and safeguarding of human rights and equality throughout our operations.

Our central and unwavering focus lies in championing the health, safety, and overall wellbeing of every individual connected with Beak and Johnston, aligning closely with our core values.

In pursuit of this objective, we not only strictly adhere to all applicable laws and regulations pertaining to workers' rights, but we also proactively seek out opportunities to make a positive impact on the lives of those who are integral to Beak and Johnston.

This commitment is not only recognised but also celebrated through the active promotion of our company's core values.

### **PEOPLE MATTER**

We are fully dedicated to ensuring the safety and well-being of our colleagues. It is our top priority. All our decisions are based on colleague input. We are committed to colleague growth and we foster a highly engaged culture.

**CREATE A BETTER FUTURE** 

We pursue success and strive for

innovation. Our vision is fueled by

financial strength, flexibility, and

new thinking. We believe that

taking calculated risks is part of

our enterprising spirit. We are

our

committed to delivering

productive future.





#### **COLLABORATE FOR SUCCESS**

We embrace cultural diversity and creativity. We understand and respect the unique contributions of our colleagues and suppliers. We celebrate new ideas because they strengthen our competitive edge. Through teamwork everyone wins.

#### ACT WITH INTEGRITY

We are responsible for meeting the expectations of all stakeholders. Understanding these expectations helps us demonstrate responsible behavior. We hold ourselves accountable for constructive dialogue and active listening. We act with authority and make empowered decisions.

### BEAK JOHNSTON Modern Slavery Statement FY23/24

### **Our Group Structure**

BEAK & JOHNSTON PTY LTD IS A LEADING FOOD MANUFACTURER IN AUSTRALIA. WE PRODUCE READY-TO-REHEAT CONVENIENCE MEALS, SAUCES, SOUPS, PASTRY, AND DUMPLINGS FOR RETAIL AND FOOD SERVICE.

Our company structure consists of several trading entities:

- Beak & Johnston Holdings Pty Ltd is the reporting entity for the Modern Slavery Statement FY24.
- Beak & Johnston Pty Ltd is 100% owned by B&J Holdings.
- B&J City Kitchen Pty Ltd is 77% owned by B&J Holdings and 23% owned by Woolworths Ltd.
- Alors Holdings Pty Ltd is 100% owned by B&J City Kitchen Pty Ltd.
- Beak and Johnston NZ Pty Ltd is 100% owned by B&J Holdings and operates in New Zealand.



#### Changes to the Business Structure in FY23/24:

There were no changes to the business structure in FY 23/24

#### \* BEAK & JOHNSTON NZ PTY LTD IS EXCLUDED FROM THIS STATEMENT

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### Governance



### WAYS OF WORKING

We are firm in our belief that robust governance processes are imperative to construct effective defense systems against modern slavery. It is crucial for the wider business to consistently receive comprehensive information and training in all aspects of Modern Slavery and Ethical Sourcing.

### BOARD &

### CHIEF EXECUTIVE OFFICER

Responsible for overseeing and approving our Modern Slavery Statement, including key Policies and Procedures

### SUPPLY CHAIN AND PROCUREMENT

Responsible for procurement of goods and services following the B&J Policies and Procedures

#### GROUP SUSTAINABILITY MANAGER

Responsible for educating all leadership levels in the identification and

procedures related to Modern Slavery within the business and supply chain.

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### **Partnerships**



### Partners since 2018

Woolworths Ltd remains to have a 23% share in the B&J The City Kitchen Pty Ltd entity. The Human Rights team within Woolworths continues to consult with Beak & Johnston and provide guidance to a framework for identifying and assessing modern slavery risks in our operations and supply chain.



#### Member since 2019

Sedex is one of the world's leading supply chain sustainability service provider. Sharing tools and enabling community network to help industries to improve their responsible sourcing and sustainability precocities.

### Member since 2023



The Roundtable on Sustainable Palm Oil (RSPO) is a notfor-profit, international membership organisation that unites stakeholders from the different sectors of the palm oil industry, to develop and implement global standards for sustainable palm oil production.





Beak & Johnston Pty Ltd manufactures the brands below. Brands make up 30% of our business and the remaining 70% is predominantly retail private label. Our distribution channels are 30% food service and 70% retail.











Section 2

# **IDENTIFYING RISK** & MITIGATION

### **Identifying Risk & Mitigation**



The table below provides an overview of how we categorise the modern slavery risks associated with our supply base and the risk mitigation we apply:

AREA	KEY RISK FACTORS	MITIGATION
COMMODITY RISKS	Certain products and services have higher risks of modern slavery due to the raw materials used in their manufacturing or production.	<ul> <li>The company has skilled product development team, purchasing department, and Compliance Officer to perform risk assessments and review the commodity risks.</li> </ul>
INDUSTRY OR SECTOR RISKS	Suppliers operating in sectors or industries that are known to be inherently at high risk of modern slavery, such as agriculture, commercial cleaning and laundry services, meat processing, and logistics services, including freight and distribution.	<ul> <li>Due diligence questionnaire sent to all new suppliers.</li> <li>Onboarding controls in place.</li> </ul>
GEOGRAPHICAL RISKS	Some goods or services may come from jurisdictions known to have a particularly high risk of modern slavery, as indicated by the Global Slavery Index.	<ul> <li>Buy local first.</li> <li>When it's not possible the Purchasing and Approved Supplier Program is in place to assess modern slavery risks.</li> </ul>
WORKFORCE RISKS	Certain categories of personnel are more vulnerable to modern slavery practices, both overseas and within Australia. For instance, migrant workers, base-skilled workers, and workers employed through labour hire arrangements can be more susceptible to modern slavery practices.	<ul> <li>A review process is in place for suppliers and contractors to ensure they comply with its Human Rights and Modern Slavery Policy, Code of Conduct, and related policies.</li> <li>Due diligence questionnaire sent to suppliers.</li> </ul>

### Our Supply Chain Overview



Modern slavery can exist in any country, but it is especially prevalent in specific regions, including areas where our suppliers operate.

This prevalence is influenced by various risk factors, such as the strength of labor rights protections, the presence of a large migrant workforce, and the effects of conflicts and natural disasters.

While geographic risk assessments play a crucial role in understanding modern slavery, they can be quite complex. For instance, sectors typically viewed as lower-risk, such as cleaning may still face significant modern slavery issues.

On the flip side, some suppliers in higher-risk countries might have already established robust risk management processes, effectively lowering their overall risk. By conducting thorough country risk assessments, we can identify these complexities.



Source: "Global Slavery Index 2023 Dataset, Minderoo Foundation, available from: www.globalslaveryindex.org".

These assessments consider both specific commodities or sectors and the distinct characteristics of individual sites. Moreover, it is essential to remember that suppliers in one country may rely on resources or services from another, which can significantly shift their risk profile.

Addressing these factors is vital in our commitment to combat modern slavery in all its forms.

### **BEAK&JOHNSTON**

Modern Slavery Statement FY23/24

### Our Supply Chain Our Ethical Sourcing Standards



As a part of our commitments from Modern Slavery Statement FY22/23, we have completed the review and update of the Purchasing and Supplier Approval Program to include detailed procedures related to modern slavery risks.

ALL SUPPLIERS TO BEAK & JOHNSTON MUST COMPLY WITH THE SET STANDARDS.

### COMPLIANCE WITH LOCAL LAWS

- ✓ All Suppliers must fully comply with all local laws and regulations regarding labour and human rights, health, safety, and the environment. Suppliers must also fully comply with the legal requirements of the countries in which they operate in addition to all elements of the Policy.
- ✓ Beak & Johnston reserves the right to audit suppliers to ensure compliance with all local laws, the Policy, and the Approved Supplier Program. Beak & Johnston reserves the right to exercise its rights under the relevant supply or services agreement which may include suspension of orders or termination of the agreement.
- ✓ Where there is a dispute regarding compliance with local law, Beak & Johnston may seek independent legal advice, or obtain direction directly from the relevant Regulatory authority.

### **MODERN SLAVERY**

- ✓ All Suppliers must comply with all modern slavery laws and regulations relevant to their jurisdiction and any other law applicable to the supply of goods or services to Beak & Johnston including compliance with any reporting requirements.
- ✓ All Suppliers must have appropriate controls in place to avoid modern slavery practices in their operations and supply chains and must not knowingly deal with third parties who engage in modern slavery practices.
- ✓ All suppliers must have in place and maintain adequate policies and procedures in relation to business ethics and compliance to ensure compliance with modern slavery laws and to enforce all relevant policies and procedures where appropriate. This includes policies for reporting, investigating, and remediating suspected or known breaches of modern slavery laws.

### Modern Slavery as defined in Modern Slavery Act 2018, including the following types of exploitation:

- **Trafficking in people** the recruitment, harbouring, and movement of persons for the purposes of exploitation through modern slavery. This includes sexual exploitation, forced labour or services, and slavery and practices similar to slavery.
- **Slavery** when a person exercises power of ownership over another.
- Servitude a situation where an individual's freedom is significantly restricted, for example, they are not free to stop working or to leave their place of work.
- Forced/ Bonded labour –where violence or other methods (for example accumulation or debt, retention of identity papers) are used to coerce victims to work.
- Forced marriage where an individual is forced or deceived into marrying.
- **Debt bondage** where a victim's services are pledged as security for a debt and the debt is excessive, the length and nature of services are not defined or the value of the services is not applied against the debt.
- Deceptive recruiting for labour or services where a victim is deceived about the conditions in which they will be working.
- Child labour situations where children are subjected to slavery or similar practices, or engaged in hazardous work which could harm their health and safety.

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### **Our Supply Chain**

As a part of the Commitments from Modern Slavery Statement FY22/23, we have completed the investigation and Risk assessment of Tier 2 suppliers and incorporated modern slavery risk assessment with the existing database.

In our supplier risk assessment FY23/24 we placed primary focus on the inherent modern slavery risks in the countries that we source our products from.

However, we are aware that lower-risk countries can contain industry sectors with an increased risk of modern slavery issues.

We have used the Global Ranking Index 2023 Dataset in our review of Tier 2 suppliers. We have focused on the geographical profile of the countries of origin of our raw materials. We have assigned the score of the estimated prevalence of modern slavery by country (estimated prevalence per 1,000 population f**o**r the 10 countries with the highest prevalence).

The only country that Beak and Johnston is purchasing material from and its ranking in the top 10 high-risk countries it's with a 15.6 score is Turkiey.

Products purchased from Turkiye include roasted red peppers, dates, bay leaves, and dried thyme leaves.

We have found none of the materials we have purchased were in the top 5 high-risk modern slavery categories. Our Supplier Approval Program includes a Modern Slavery Risk Questionnaire.



#### BEAK AND JOHNSTON SUPPLIERS RANKING BASED ON GEOGRAPHICAL RISK OF MODERN SLAVERY

Country of Origin	Estimated prevalence of modern slavery per 1,000 population
Türkiye	15.6
India	8
Philipines	7.8
Peru	7.1
Hungary	6.6
Mexico	6.6
Sri Lanka	6.5
Greece	6.4
Malaysia	6.3
Thailand	5.7
Brasil	5
Egypt	4.3
Vietnam	4.1
China	4
South Korea	3.5
Italy	3.3
USA	3.3

BEAK&JOHNSTON

Modern Slavery Statement FY24

### **Our Supply Chain**



### AS A PART OF OUR COMMITMENT OUTLINED IN MODERN SLAVERY STATEMENT FY22/23, WE HAVE REVIEWED DECARBONIZATION PRESSURES VS MODERN SLAVERY RISK RELATED TO RENEWABLE ENERGY SOURCING AND REFRIGERATION.

Over the past few decades, consumerism has significantly increased. This growth has been driven by various factors, including rising incomes, greater access to credit, and advancements in technology and ecommerce.

The COVID-19 pandemic further accelerated the trend of online shopping as people sought to avoid physical stores due to social distancing measures. This resulted in a surge in demand for products such as electronics, home office equipment, and household goods.

The rise of consumer culture and the demand for goods have both positive and negative impacts. On the positive side, this growth can stimulate economic development, foster innovation, create jobs, and provide people with access to goods and services that enhance their quality of life. Conversely, it can also lead to environmental degradation, social inequality, and unsustainable consumption patterns and waste. Additionally, it raises concerns about the sale of goods produced using forced labor, which are consumed globally.

### **RENEWABLE ENERGY PRODUCTS - Overview**

As global demand for immediate action on the climate crisis continues to grow, many businesses are proactively adapting their operations to embrace renewable energy practices. This shift towards sustainable energy presents a valuable opportunity to promote responsible and ethical labor practices across industries such as mining, agriculture, and manufacturing.

It is essential to address the challenges faced by vulnerable workers in these sectors. Recent reports have highlighted the need for increased awareness and measures to prevent human rights abuses associated with the extraction of crucial minerals for renewable energy products, including cobalt, copper, lithium, manganese, nickel, and zinc.

Reports of unpaid wages, underpayment, exploitative hiring and firing practices, child labor, and discrimination based on gender, sexuality, race, caste, or religion underline the urgency for change. Notably, solar panels are among the top five products at risk.

Polysilicon, a key component in solar panel production derived from quartz sand, plays a vital role in the renewable energy transition. This journey toward sustainability must be accompanied by a firm commitment to protecting human rights.

TOGETHER, WE CAN BUILD A MORE SUSTAINABLE FUTURE THAT PRIORITISES BOTH ENVIRONMENTAL AND HUMAN RIGHTS.

### **Our Operation**



**Beak and Johnston** is a vibrant and diverse workplace, proudly employing individuals from **46** distinct cultures, which enriches our organizational fabric.

We provide stable and rewarding employment opportunities, fostering a supportive environment where every employee can thrive.

Our commitment to gender equality is a cornerstone of our values, and we are thrilled to have achieved a balanced workforce with a split of male and female employees, reflecting our belief in fairness and inclusion.

With two modern production sites located in Australia, Beak & Johnston operates at the heart of the local manufacturing landscape. We take pride in employing our team members, with their terms and conditions clearly outlined in an enterprise agreement, a modern award, or an employment contract, ensuring transparency and fairness in our workplace practices.

To uphold our commitment to ethical labour practices, the company has put in place comprehensive policies and processes aimed at eliminating the risk of modern slavery from our operations.

This includes thorough pre-employment screening to verify the working rights of prospective team members. These proactive measures significantly increase the awareness of modern slavery risks among our direct team members, allowing us to maintain a safe and ethical working environment.



### **Our Operation**



Beak and Johnston is committed to promoting human rights, and equity, and creating a safe environment. This commitment is embedded in the 'Love for People' Pillar of our Sustainability Strategy.

### SUSTAINABILITY STRATEGY PROGRESS

### CARE FOR EMPLOYEES Sustainability Strategy.

- > Mental Health First Aider Program, Acacia Employee Support Program
- > Safety Strategy rebranded and launched WITH 6 Safety Principles
- ➢ 48% of Females employed by B&J
- > EDI Policy in Place (46 cultures represented )
- > Physio and Massage available for Employees on site
- ➤ Free Flu shots available
- > 'Me Day' initiative to support employees to achieve work-life balance

#### **PARTNER WITH SUPPLIERS**

- > Ethical Sourcing Policy in place
- Modern Slavery Statement published annually
- > Grievance mechanism and reporting process to be developed
- > Partnering with suppliers to support sharing scope 3 information

### **SUPPORT COMMUNITY**

- Working with local charities to fight food insecurity by regular donations and support
- Active collaboration with Foodbank on providing meal solutions to be distributed through Foodbank and other networks

### **BEAK&JOHNSTON**

Modern Slavery Statement FY23/24





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#### CARE

As a team we care about all our people & everything we do. We want to improve safety.

#### PRIORITISE

We prioritise and promote safety. We proactively identify, report and action safety hazards, concerns and opportunities to improve safety & wellbeing.

#### LEADERSHIP

We lead by example. We set the standard. We work as a team to engage & learn. Everyone can be a safety leader.

#### OWNERSHIP

We take responsibility & accountability for our actions. We do things right the first time. We keep our promises & follow through.

#### COURAGE



6

2

3

We have the courage to speak up & look out for others. We challenge the status quo.

#### RECOGNITION

We celebrate & recognise great safety performance & behaviour.



Section 3

## GRIEVANCE AND REMEDATION

### **Grievance and Remediation**



AS A PART OF OUR COMMITMENT OUTLINED MODERN SLAVERY STATEMENT FY22/23 WE HAVE SET A CLEAR GRIEVANCE PATH AND MODERN SLAVERY RISK GUIDELINES FOR BOARD AND SUPPLY CHAIN.

#### **Grievance Mechanisms and Remediation**

Our Ethical Sourcing Policy, together with our Approved Supplier Program set out our expectations of our suppliers regarding labour rights, human rights, environment, health and safety, and business integrity.

We require our direct suppliers to cascade standards outlined in the Policy and the supporting requirements to their own supply chains and ensure these requirements are integrated into relevant supplier operations and agreements to assess and address risks of breach of human rights throughout the supply chain.

Suppliers are to provide appropriate channels for worker and community grievances, and these channels are to be effectively communicated (for example, in spoken languages, in physical and electronic forms). These channels should be communicated in addition to building capacity and awareness around social and labour practices. Complainants are to be informed throughout the process informed of their options for escalation.

Beak & Johnston supports open and transparent working relationships, where concerns can be safely voiced. We encourage all our stakeholders to raise concerns where they observe or suspect adverse impacts on people, communities, or the environment within its supply chain.

All concerns raised are assessed to determine how they should be investigated. Where remedy is necessary, this may be provided by Beak & Johnston directly, or in collaboration with third parties. We provide several mechanisms for concerns and complaints to be raised confidentially and/or anonymously.

OUR MODERN SLAVERY AND HUMAN RIGHTS BREACH GRIEVANCE PROCESS FLOW ALLOWS A CLEAR ESCALATION PATH TO BE FOLLOWED IN THE INSTANCE OF ANY REPORTS OF HUMAN RIGHTS AND MODERN SLAVERY BREACHES.



### **Grievance and Remediation**



### Case Study (Forced labour Claims in Xinjiang region, China, November 2023)

Beak & Johnston received information from a customer regarding forced labour claims being investigated in the Xinjiang region (northwest China). These claims, highlighted in the media, focus on Forced Labor Programs allegedly targeting Uyghurs and other minorities in the Xinjiang Uyghur Autonomous Region.

Beak & Johnston is indirectly purchasing raw materials from the manufacturer based in the Xinjiang area. No direct allegations have been made against the Manufacturers of the product supplied to Beak & Johnston.

The case was escalated to the Group Leadership Team. The decision was taken to put the supply of products from the Xinjiang area on hold.

The investigation highlighted breaches in human rights in specific sectors and industries like textiles, and electronics. The Bureau of International Labor Affairs (ILAB) added five goods produced by forced labour by Muslim minorities in China to the 2020 edition of the List. These goods included gloves, hair products, textiles, thread/yarn, and tomato products.

Manufacturing of Tomato paste based in the Xinjang region is almost entirely automated and done mechanically from the agricultural side and harvesting to their production facilities, making the claims irrelevant to the supply. The Manufacturer is a global corporation with extensive Human rights and Modern Slavery prevention programs, is a Sedex member, completed third-party Sedex audits, and annually reports to the CSR (Corporate Social Responsibility) Framework.

In February 2024, the International Labor Organisation (ILO) issued updated guidance on state-imposed forced labor, which refers to forms of forced labor imposed by state authorities, agents acting on behalf of state authorities, and organisations with authority similar to the state.

Even though the claims were not related to the product supplied to Beak and Johnston, it was decided that materials originating from the Xinjiang region are not used in any finished goods supplied.



THE XINJIANG CASE STUDY PROMPTED US TO REVIEW OUR ESCALATION PROCESS AND THE NEED FOR A CLEAR GRIEVANCE PATH AND MODERN SLAVERY RISK GUIDELINES FOR THE BOARD AND SUPPLY CHAIN.



Section 4

# ASSESING EFFECTIVENESS OF OUR ACTIONS



Our commitment to reducing the risk of modern slavery is managed through a range of policies and procedures. We are committed to operating in a transparent manner that satisfies all legal and regulatory requirements and our corporate and social responsibility commitments.

Our Purchasing and Supplier Approval Program now includes the Human Rights and Modern Slavery Policy and Ethical Sourcing Policy.



Modern Slavery Statement FY23/24



### Engaging with Entities across the Group

We are implementing a coordinated approach to effectively address modern slavery risks across the entire group.

This statement has been developed through extensive consultation with cross-functional teams across all entities.

Furthermore, the statement has undergone rigorous review and has been officially approved by the Beak & Johnston Board in full compliance with the Modern Slavery Act 2018.







Section 6

**NEXT STEPS** 

### ACTIONS



### Status of actions since last year's Modern Slavery Statement FY22/23

Extended the investigation and Risk assessment to Tier 2 suppliers and incorporating modern slavery risk assessment with existing data base.	Review and update of the Purchasing and Supplier approval Program to include detailed procedures related to modern slavery risks.	Continue to engage with our small and medium suppliers to offer training and the support in identification of modern slavery risk and mitigation.	Review decarbonisation pressures vs modern slavery risk related to the renewable energy sourcing and refrigeration.	Clear grievance path and modern slavery risk guidelines for Board and Supply Chain.
COMPLETED	COMPLETED	COMPLETED	COMPLETED	COMPLETED

Commitments for our Modern Slavery Statement FY24/25

Roll out Ethical Sourcing Policy and Human Rights and Modern Slavery Policy as a part of the Terms and Conditions of supply agreement. Include Human Rights and Modern Slavery code of conduct in the legal contract agreements and condition of supply to Beak and Johnston. Roll out mandatory training program for staff and contractors

Including onboarding and annual training refresher. Continue to engage with our small and medium suppliers to offer training and the support in identification of modern slavery risk and mitigation.

BEAK&JOHNSTON Modern Slavery Statement FY23/24





