



Chrisco[®]

THE CHRISCO GROUP
AUSTRALIA • NEW ZEALAND

Modern Slavery Statement FY21



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1. *Reporting and Consultation*

We have prepared this statement to meet reporting requirements under the *Australian Modern Slavery Act 2018* (Cth). The statement outlines the actions that have been taken by Chrisco to identify, assess, and address modern slavery risks across our operations and supply chains in the financial year ending 30 June 2021 (FY21).

Chrisco makes this single joint modern slavery statement on behalf of the following entities:

- Chrisco Hampers Australia Limited (NZBN 9429037963507, ABN 41080852535);
- Chrisco International Holdings Limited (NZBN 9429045898129);
- Chrisco Hampers Limited (NZBN 9429037333386);
- Chrisco Distribution Limited (NZBN 9429035341345); and
- Chrisco IP Limited NZ (NZBN 9429034998274).

Whilst some of the entities listed above may not be reporting entities for the purposes of the Act, we have adopted a 'business-wide approach', and this statement applies to all of Chrisco's operations.

Consultation

Chrisco has policies, systems and procedures that apply broadly across our business.

Our modern slavery working group consulted relevant management, procurement and buying teams from entities we own or control.

We gathered some information about the supply chains and operations from each of those entities and reviewed the processes that they have in place to monitor and address modern slavery risk. This modern slavery statement was also circulated to relevant members of our leadership team for comment prior to being put to the Board of Chrisco for review and approval.

This modern slavery statement was approved by the Board of Chrisco on November 24th, 2021.

2. From Our CFO

I am pleased to present Chrisco's second modern slavery statement.

Chrisco has set clear goals of identifying and taking steps to mitigate any instances of modern slavery or serious exploitation of workers that may be present in our operations or supply chains. This includes any trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

Chrisco is committed to an ongoing due diligence process to discover, fully understand, and address our modern slavery risks.

During FY21 we have worked on developing resources and establishing systems across our business that will allow us to continue to work towards our anti-modern slavery goals. This work has included the development of a new online modern slavery training module for our staff and the integration of modern slavery clauses into our Supply and Trading Terms Agreement.

This important work has been done at a time when supply chains all over the world, including ours, have been impacted and as a result of Covid-19 pandemic. We have had to work closely with our suppliers during this difficult time, and we have reported on the challenges of this situation, and our response to those challenges, in this statement.

We look forward to continuing our anti-modern slavery work in FY22, and to continue to do our part to address this global challenge.



Geoff Spong
Chrisco CEO & Managing Director



3. Modern Slavery Statement Overview

The *Modern Slavery Act 2018* section 16 mandatory criteria and reporting requirements have been addressed in this statement as follows:

Identification of the reporting entity

This is addressed in on page 3.

Description of the process of consultation with any entities the reporting entity owns or controls

This is addressed on page 3.

Description of our structure, operations, and supply chain

This is addressed on pages 6-10.

Description of the risks of modern slavery practices in our operations and supply chains and any entities we own or control

This is addressed on pages 11-20.

Description of the actions we have taken to assess and address these risks

This is addressed on pages 21 -26.

How we assess the effectiveness of our actions

This is addressed on page 27.



4. Our Structure, Operations and Supply Chains

The Chrisco Group is a privately-owned company and acts as the purchasing agent for Chrisco Hampers Australia Ltd. Chrisco is a company registered in New Zealand that has been operating in Australia since 1997, with our head office located in Granville (Sydney), New South Wales. Chrisco offers a broad range of goods including food hampers, merchandise, gift cards, furniture, appliances, toys, gifts and homewares and other merchandise to consumers predominantly via lay-by typically over a 52-week period.

Chrisco does not operate physical retail outlets, but instead promotes and sells its goods via a catalogue and its website at www.chrisco.com.au. Consumers can place orders for hampers and other merchandise from Chrisco by completing an order form (available from a catalogue or by downloading and printing it from the Chrisco website), making an online order via the Chrisco website, or placing an order over the telephone.

Chrisco has operations in Melbourne, Brisbane, and Sydney, where a wide range of products are received and packed into hampers to be sent to our customers. In certain circumstances a 'depot collect' is established where Chrisco cannot deliver directly to the customer. Chrisco employs 67 full time staff in New Zealand and Australia.



Chrisco sells and delivers Christmas Hampers containing foodstuffs and wider consumer goods to 100,000+ customers in Australia (80%) and New Zealand (20%). Its core capabilities are the procurement, sale, purchasing and distribution of quality products against regular purchase savings plans (layby).

Chrisco has over 100 different Christmas Hampers and gift items and customers are able to pick and choose their hampers - from a wide range of food, electronics, toys, and household wares - up to 14 months in advance of delivery. Regular payment plans allow the cost of purchases to be spread over an extended period.



Our Products

Chrisco provides our customers with a wide, varied and constantly updated range of products which include the following:



In terms of expenditure, the products that we spend the most on are usually sourced from major brands that have their own modern slavery measures and initiatives in place. Most of these businesses are required to issue their own modern slavery reports. For example, we source the following types of products from our brand suppliers:

Gift Cards – We source gift cards from major retailers who are required to have their own modern slavery reporting processes and have issued modern slavery statements. These include Coles Group Limited, JB Hi Fi, Harvey Norman, Supergifts, Woolworths, EB Games, Myer, Just Group Ltd, Priceline, Blackhawk Network Australia Pty Ltd (City Beach, Cotton On) and Big4 Holiday Parks.

Meat (Beef, Chicken, Pork)

We use Australian meat producers and suppliers with whom we have well-established, long-term relationships. These suppliers are mostly family-owned businesses that specializing in high quality meat sales to the domestic and export market. Some of our meat suppliers,

including Bartter Enterprises (Steggles Brand), Pacific Meats (Tara Valley Brand), and (B.E Campbell (NSW) Pty Ltd (Bruemar Brand & Zammit).

Seafood – We source tuna products from John West, and cooked prawns from our Australian wholesaler who sources locally and from overseas.

Coffee and Chocolate – we source from a range of suppliers including Nestle, Lindt, and Cadbury Chocolates.

Electronics – We source products from Nintendo, Harvey Norman Commercial (Dyson), Bissell Australia Pty. Ltd., Fisher & Paykel Australia Pty Limited, JB Hi Fi Group, Panasonic Australia Pty Ltd and Stanley, Black & Decker (Australia) Pty. Ltd. and we are a certified Apple reseller.

Consumer Goods – We sell quality toys and sporting goods that are sourced from leading major international brands including Sony, Lego, Crayola and NERF. Most of these large businesses also report on their modern slavery compliance or have their compliance information published online.



Goods not for re-sale

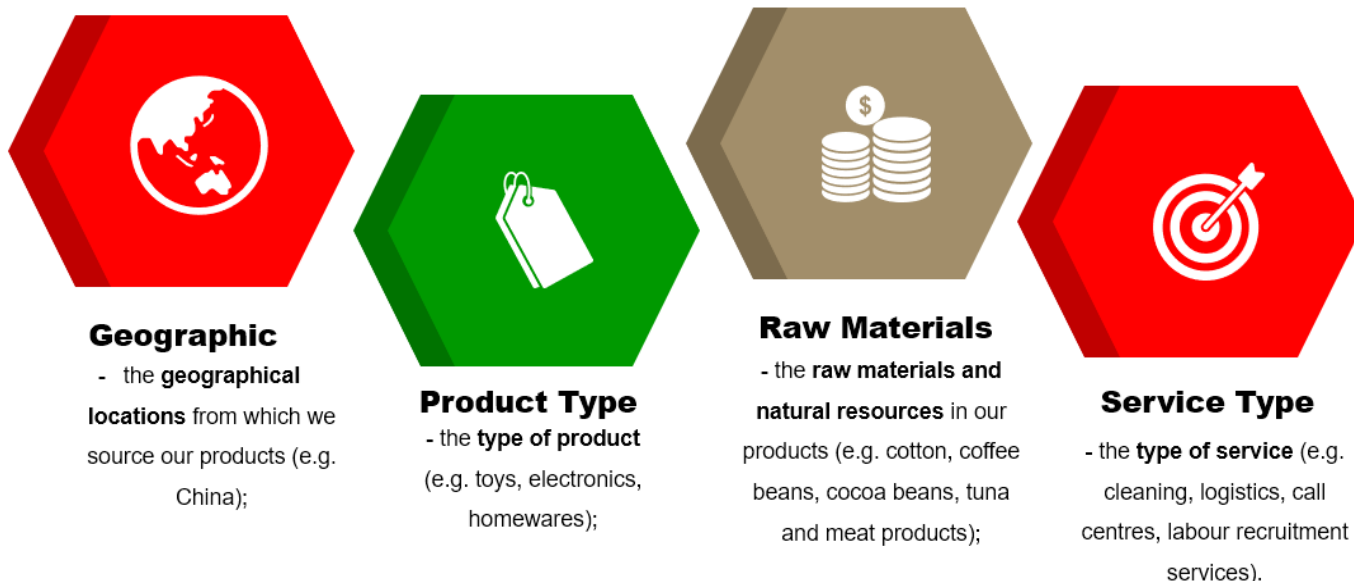


To support our head offices, warehouses, and local operations we also procure the above type of goods not for re-sale (services) and have included these in our modern slavery risk assessment process.



5. Risks of Modern Slavery Practices

Chrisco's supply chains and operations are extensive, and we understand that it will take some time for us to fully scope out all our modern slavery risks. We also understand that modern slavery exists across all large businesses, and that it is therefore likely to exist in some parts of our supply chains and operations. Some of the products and services that we source have an inherent risk of modern slavery due to the locations from which they are sourced, the type of product or service they are, or because of the raw materials that are used in their production.



Geographic Risk

The majority of Chrisco's products are sourced from agents (our tier 1 suppliers) in Australia, with the majority of our tier 2 suppliers (other than food suppliers) based in China. We have also, to date, identified a small number of Tier 2 suppliers in Vietnam and the USA.

Australia

As most of our staff are employed in Australia or New Zealand, this lowers the risk of modern slavery risk in regard to our direct workforce. This is due to the strong regulatory frameworks in both those countries.

We are however aware that there may be modern slavery risks for us when we source and contract for communications, cleaning services, security arrangements, freight, distribution, construction, store fit outs and logistics locally. Some of the types of service providers that we

may use, often rely on a workforce that often include migrants, low-skilled workers, or people from cultural or linguistically diverse backgrounds which we understand increases our modern slavery risks. Chrisco also relies on recruiters or third-party labour hire services, which we know as an industry, has been linked to modern slavery practices in Australia. These modern slavery risks will be further investigated and addressed during our FY22 review of suppliers of services and goods not for resale.

China

Chrisco is aware that there are widely reported modern slavery risks in China, which include the possible use of forced or bonded labour, deceptive recruitment, child labour, exploitation of migrant workers and the underpayment of workers in the Xinjiang Uyghur Autonomous Region (XUAR).

The *Global Slavery Index 2018* (GSI) reports that forced labour mainly occurs in the production of labour-intensive goods for export, including in the manufacturing sector. We are also aware of allegations of forced labour being used in Chinese factories in the Xinjiang and Dandong regions.

Our Supply and Trading Terms Agreement, which we require all our suppliers to agree to and sign, includes the requirement that suppliers (and their subcontractors) agree to not use forced, bonded or prison labour and that they ensure that workers' freedom of movement shall not be unreasonably restricted. The Agreement also includes other modern slavery and social responsibility requirements that are relevant to the issues that have been identified in some regions of China.

Chrisco will continue to monitor the situation in this region. Our modern slavery training for staff has detailed information available on the issues that have been highlighted, and also provides access to resources prepared by the US Department of Labor and the Australian Strategic Policy Institute on this situation. If we become aware that any factories or other raw material suppliers that form part of the Chrisco supply chain are linked to forced labour or exploitation of the Uyghur people in the Xinjiang region, we will address this and putting appropriate remediation processes in place.

Product Type

Toys and Sporting Goods

Chrisco sells quality toys and sporting goods that are sourced from leading major international brands including Sony, Lego, Crayola and NERF. Most of these large businesses publish modern slavery statements or provide their compliance information online.

During one of our earlier supplier reviews, we obtained detailed information from one of our suppliers of licensed/ branded products including Disney, Ravensberg, Eurotrike, Schleich and Galt. Our investigations revealed that our supplier has a very good understanding of its product supply chain, is an AB SEDEX platform member, and that an Ethical Sourcing Policy (ESP) is provided to their suppliers (tier 2). Our modern slavery risks in relation to toys and sporting goods will be further investigated and addressed during our FY22 review of suppliers.

Electrical & Homewares Suppliers

Chrisco sells quality electrical and homewares products that we source from leading major international brands including Sony, Samsung, Breville, Hisense, Panasonic, Haier, Dyson, Wiltshire, Sleepmaker, Sealy and Tefal.

Most of these large businesses make modern slavery statements or have their compliance information published online. Some of our smaller electrical suppliers have indicated that they conduct factory audits using their own staff, and independent third-party contractors for China and New Zealand and independent auditors for factories in Taiwan, Israel, the United States, the United Kingdom, Germany, and Brazil. We will be conducting further review of our electrical and electronic product suppliers during FY22.

Cotton and Textiles

Chrisco is also aware that some of our homeware products (such as towels, bed linens, rugs and pillows) have an inherent high risk of modern slavery in their production due to the nature of the product, the work involved in their manufacture, and because cotton is a raw material that is often linked to incidences of modern slavery. More information on this modern slavery risk is outlined below, and we will continue our review of our higher risk products moving forward in FY22.



Raw Materials

Chrisco is aware that there are modern slavery risks that are inherent in the products we sell based on the raw materials used to produce them. During FY21 the following key products have been identified for further investigation during our FY22 product review:

- Cotton and Textile products;
- Finished Goods;
- Meat (beef, chicken, pork);
- Seafood; and
- Palm oil.

Cotton and Textiles

Chrisco sells a range of products that use cotton as their raw material including towels, bed linen, sleeping bags, rugs, pillows, and other homewares. As we source these items from our direct suppliers as finished products, we do not necessarily have full transparency over the supply chains and operations that are involved in their production. We also do not have full details about where the raw materials that go into their production are sourced from.

We are aware that there are modern slavery risks associated in some key cotton growing areas where agricultural labourers are reported to be at risk of exploitation. These include the Xinjiang Uyghur Autonomous Region (XUAR) in China, Turkmenistan and Uzbekistan. We are also aware of reports that China and Bangladesh are still accepting cotton from these regions, and that there is a risk that this cotton could feed back into supply chains.

During FY22, we will be looking further into the sourcing and supply of the raw material cotton that are used to make the products that we sell. If we become aware that any factories or other raw material suppliers involved in the Chrisco supply chain are connected with the use

of forced labour, exploitation of workers or other modern slavery practices, we are committed to addressing this and putting appropriate remediation processes in place.

Finished Goods

Our business has been preparing for our full product supply review that we will conduct in FY22, following the roll out of our new training modern slavery training module for staff. We are aware that some of the finished goods that we sell are of a type that have been linked by the US Department of Labor to modern slavery practices, although we are not aware currently of any specific modern slavery issues with the products that we sell. When we do our full product review in FY22, we will be checking on any finished goods we may source that have been noted as higher risk (or that contain raw materials) from:

- **China** – including artificial flowers, Christmas decorations, footwear, fish, garments, gloves, hair products, nails, thread, yarn, tomato products, cotton, electronics, fireworks, textiles and toys.
- **India** – including brassware, cotton, fireworks, footwear, gems, glass bangles, incense (agarbatti), leather goods and accessories, locks, matches, mica, silk fabric, silk thread, soccer balls and thread, yarn, carpets, embellished textiles, garments and rice.
- **Vietnam** – including cashews, coffee, fish, footwear, furniture, leather, pepper, rice, rubber, sugarcane, tea, textiles and timber.
- **Pakistan** – including carpets, cotton, sugarcane and wheat.
- **Malaysia** – including electronics, garments, palm oil and rubber gloves.

Meat (Beef, Chicken, Pork)

We use Australian meat producers and suppliers with whom we have well-established, long-term relationships.

We are however aware that there have been reports of labour exploitation by some businesses operating in the meat processing sector in Australia, and that action has been taken against

some abattoirs by the Fair Work Ombudsman. These cases have involved underpayment of migrant workers and exploitation of casual workers who were on short term visas.

When we do our full product review, we will be checking on the worker related policies and processes that are in place within our meat processing businesses. This will include asking if our suppliers have any relevant independent audit reports or certifications. We will also be asking if they have written policies on matters such as wages, compensation, discrimination, harassment in the workplace, health and safety, freedom of association, no child labour, no forced labour, checks to be done on suppliers of raw materials and a grievance system for workers.

Seafood

The *Global Slavery Index* has identified China, Japan, Russia, Spain, South Korea, Taiwan, and Thailand as having a high prevalence of modern slavery in their respective fishing industries. We are aware there have been ongoing reports of human rights abuses and the use of forced labour in the Thai fishing industry, with reports that some of the seafood produced, is used by big, multi-national brand seafood products.

We source our seafood through John West (which has published a modern statement in the United Kingdom), and we source cooked prawns from our Australian wholesaler who sources locally and from overseas. John West reported (in FY20) that it sourced from 5 main species or groups of species of seafood: tuna, salmon, sardine, mackerel and cephalopods. They reported that Thai Union is their primary processor, but that neither Thai Union or John West own any fishing vessels. The seafood raw materials used by John West are therefore sourced from suppliers from oceans and aquaculture operations around the world. In addition to seafood raw materials, they also source a variety of food ingredients, packaging materials and logistics services from suppliers based in various countries.

We will continue to take steps to review the seafood products sourced from our suppliers to identify any modern slavery related risks during FY22.

Palm Oil

Palm oil is an edible vegetable oil that comes from the fruit of oil palm trees and is used as a filler to make many food items (often used as an alternative to trans fats). Chrisco understands that some Indonesian and Malaysian palm oil plantations have been linked with deforestation and also with the use of child labour, forced labour and other serious crimes committed against workers, especially women and young girls.

The process of identifying the source of the palm oil in any products that Chrisco sells, is made very difficult by the fact that this ingredient is sometimes not properly labelled on those products (or if it is, details are not provided about the place of production). We will be making our procurement team aware during our modern slavery training that palm oil is a product risk, and that where possible efforts should be made to avoid sourcing products that are made using palm oil.

We will continue to take steps to review the products sourced from our suppliers to try identifying if they contain palm oil, and if there are any related modern slavery risks for our business.

Service Type

Cleaning

Like most major retailers, Chrisco relies on large businesses to provide cleaning and waste management services such as Shred-X, J.J. Richards, Veolia, Sanokil and Rentokil. Most of these large businesses report on their modern slavery compliance or have their compliance information published online.

Chrisco is also aware that cleaning is a high modern slavery risk sector, and that modern slavery-related issues of concern in the cleaning industry include:

- withholding of wages;
- lack of legally mandated entitlements (e.g., superannuation and leave);
- income insecurity;
- immigration-related coercion and threats (vulnerable workers on temporary work visas);
- high proportion of temporary migrant workers whose immigration status is precarious;
- deceptive recruitment;

- excessive overtime;
- debt bondage - where a person works to pay off a debt or loan, and is not paid for their services;
- confiscation of personal travel documents (e.g. passports);
- dangerous and sub-standard working conditions;
- workers with low English language competency, lack of social networks, lack of knowledge about workplace rights, and very little power to obtain redress when they experience exploitation at work; and
- Sham contracting – where companies are avoiding their lawful obligations to their workers by asking them to register as independent contractors instead of paying them as employees and providing them leave and other entitlements under the relevant Award.

During FY22, we will be specifically contacting our contracted cleaning businesses to ask more about their modern slavery related processes, including:

- Do you provide any training or awareness to your cleaners about their worker rights and entitlements?
- Are your cleaner's permanent workers or on short term contracts?
- What percentage of your workforce are migrant/ student workers?
- Are any of the cleaners that you contract sourced directly from overseas countries (using labour recruiters) or promised jobs with your business before they come to Australia?
- Are any of your cleaners working to pay off a loan or debt to your business?
- Does your business have a genuine worker grievance mechanism – where cleaners can make complaints about their working conditions or wages? If so, where can complaints be made?

We will then report on the findings of this supplier review in our next statement.

Freight and Logistics

Across Australia, we are aware that longer than normal lead times for production and import of products has put increased pressure on logistics and freight providers to deliver products to customers. We are also aware that this has most likely caused the risk of modern slavery in this

sector to increase, and that there are likely cases of excessive overtime and other issues occurring.

We are aware that the Fair Work Ombudsman in Australia has identified issues relating to poor working conditions for workers in this sector including:

- drivers been underpaid the minimum cents-per-kilometre rate;
- workers being underpaid casual loading rates under the relevant Awards;
- workers not being paid proper entitlements; and
- workers not being provided proper meal breaks.

Due to the pressure currently on this sector generally - as a result of the growth of online shopping during Covid-19, border restrictions and related issues - issues relating to worker conditions may have arisen in freight and logistics businesses that we utilise.

However, given our reliance on freight and logistics suppliers to enable our business to function, we are limited in terms of our 'possible influence' in this space. We can only do what we can to ensure our suppliers are meeting our required standards and not engaging in any modern slavery practices.

To that end, during FY22, we will be making an effort to collect detailed worker-related information from our direct freight and logistics suppliers, and we will aim to identify any issues of concern. We will report on our progress in our next statement.

Increased Modern Slavery Risk During the Covid-19 Pandemic

We are aware that during the COVID 19 pandemic, the risks of modern slavery in our supply chain may have increased, and that there has been less opportunity for these issues to be monitored or addressed by Chrisco or our direct suppliers, due to travel restrictions. We are also aware that modern slavery risks for workers may have increased across the world due to factory shutdowns, order cancellations, workforce reductions and changes to supply chains and operations.

The pandemic has had a significant impact on our supply chains. Chrisco has experienced longer than normal logistic lead times and international shipping costs have quadrupled. These longer than normal lead times have put increased pressure on our logistics and freight providers to deliver in time for Christmas across Australia.

Chrisco has been working consistently to maintain our valued supplier partnerships, and we will continue to do what we can to ensure we have responsible purchasing and payment practices in place to support our suppliers and their workers.



6. Actions Taken to Address Modern Slavery Risks

During FY21, Chrisco has worked to address our identified modern slavery risks and has taken the following actions to address those risks.

Board Level Commitment


The Chrisco Board is committed to:

- encouraging a culture of compliance within Chrisco, that includes the eradication of modern slavery from its supply chains and operations.
- ensuring that each relevant staff member in his or her business unit (e.g. buyers, procurement staff) understands this commitment and has received training on modern slavery risks;
- updating current and putting in place new procedures, systems and documentation to address modern slavery in our operations and supply chains; and
- committing resources to the preparation of modern slavery statements to meet reporting requirements.

Chrisco has a modern slavery working group, overseen by our Chief Commercial Officer and Compliance Officer, and has committed resources to continuous improvement in this space. Reports on the preparation of this statement were made to the Board during FY21.

Development of Modern Slavery Training

During FY21, Chrisco's external compliance team worked to develop a new tailored online modern slavery training program for our relevant staff or suppliers to complete. This training has been designed to assist our staff and suppliers to understand Chrisco's modern slavery risks, and to allow the identification of modern slavery related issues in our supply chains and operations. This is an update to the version of the training that we developed in FY20, and the training gives important information to our buyers and procurement teams about what they can do in



their roles to assist with the mitigation of modern slavery risk within our business.


Chrisco's new Modern Slavery Training module covers topics including:

- What is modern slavery?
- Why does Chrisco need to address modern slavery?
- COVID-19 and associated modern slavery risks;
- Chrisco's Supply and Trading Agreement;
- Practical things that staff can do to identify and address modern slavery risks;
- The importance of knowing your suppliers;
- The importance of knowing your risky products and services; and
- Product sourcing and how to gather information from providers of products and services.


This training will provide our teams with information about the business' reporting obligations under the *Modern Slavery Act 2018* and also other modern slavery legislation and initiatives around the world. Our staff will also be provided with the opportunity to ask questions and request more information about specific industry or product related modern slavery risks from our external compliance team when they complete the training module.

The roll out of this new training will commence in FY22. We will keep a record of all training offered and completed during the training roll-out.

Improving Our Transparency



In our second year of reporting, Chrisco has spent a considerable amount of time developing training of its staff and planning the process of our next supplier review. During FY21 we conducted desktop review of some of our first (and some second tier suppliers. During FY22 we will focus on this process with goal of further identifying any modern slavery risks in our supply chain and operations. We will continue to work with our first-tier suppliers to get more information about their production and facilities and also the workforce they engage (as part of their own operations or as tier 3). We will also be taking steps to identify the regions and locations from which our high risk raw materials and natural products (e.g. foodstuffs) come from.



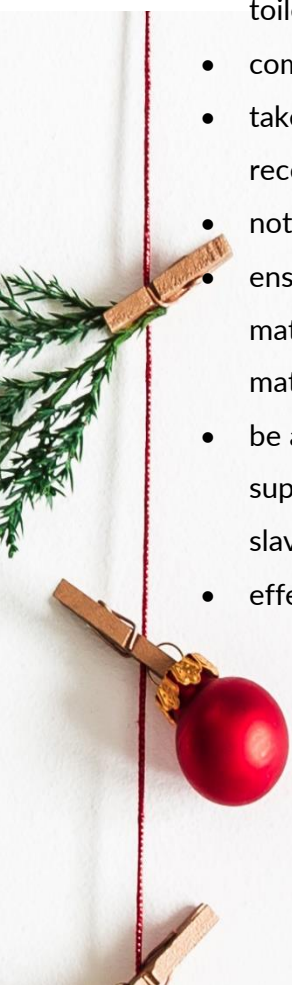
Update and Development of Internal Policies and Processes

During FY21, we have updated our range of corporate and social responsibility policies. These policies communicate our standards and requirements to the business partners in our supply chain.

The Chrisco **Supply and Trading Terms Agreement** must be signed by any supplier wishing to trade with Chrisco. This has been rolled out to our suppliers during FY21. The Agreement includes a clause on modern slavery and social responsibility which requires suppliers to take actions to address risks of modern slavery practices in any parts of their operations and supply chains, and suppliers are required to warrant and agree that they will:

- comply with all local laws, regulations and industry standards that are in place in the countries or regions in which the goods or services that they supply Chrisco are produced or sourced;
- conduct their business with honesty, integrity and with respect for human rights and worker interests;
- provide full transparency in relation to any of their relevant supply chains and operations - including disclosure to Chrisco of all sources of raw materials, manufacturing sources or other information relating to the supply of goods or services (upon request from us or our authorised representatives);
- not use forced, bonded or prison labour, and ensure that workers' freedom of movement shall not be unreasonably restricted;
- not use child labour i.e. employ a person under the age of 15 - or under the age of completion of compulsory education - whichever is higher (and follow all legal limitations regarding the employment of individuals under the age of 18);
- treat workers with dignity and respect and not (or allow any subcontractor to) use punishment, threats or any forms of sexual, psychological or verbal abuse against workers;
- provide contracts of employment to workers in their native language, clearly indicating their rights and responsibilities and conditions of employment, including wages, benefits, working hours, locations of the work, living conditions, housing and associated costs, work-related hazards, and other working and employment conditions;

- ensure that individuals working on tourist or temporary visas or migrant workers shall benefit from conditions of work no less favourable than those available to country nationals (including but not limited to wages, benefits, and accommodations);
- ensure that all workers are paid a fair living wage (which should be at least the minimum wage required by applicable laws) and that workers are provided all legally mandated benefits;
- not require workers to lodge 'deposits' or confiscate, destroy, withhold or otherwise deny workers' access to their identity or immigration documents, including work permits and travel documentation (e.g. passports);
- ensure that workers are free to leave the employment provided by the supplier or their subcontractors (with reasonable notice) and ensure that wage deductions are not used to keep workers tied to them as their employer or to their jobs;
- allow workers to associate, form and join trade unions and to bargain collectively;
- exercise non-discretionary hiring practices and not discriminate on the basis of race, caste, colour, gender, religion, political opinion, union membership, nationality, social origin, sexual orientation, age, disability or marital status;
- provide workers with a safe and healthy workplace which meets or exceeds the requirements of all relevant health and safety laws or requirements and is designed to prevent accidents or injury to workers - including the provisions of required safety equipment, safe operating procedures, access to clean drinking water, freely accessible toilet facilities, adequate lighting, proper ventilation and fire safety provisions;
- comply with all applicable working hour laws, regulations and industry standards;
- take steps to ensure overtime shall be purely voluntary, unless this is part of a legally recognised collective bargaining agreement;
- not engage out-sourcing of agreed production unless this has been authorised by Chrisco;
- ensure that any business partners used for outsourcing of production or supply of raw materials retain information and documentation to allow verification of sources of raw materials and the identification of production facilities;
- be aware that Chrisco will not under any circumstances accept products or services from suppliers, factories, sites or subcontractors that are identified as engaging in modern slavery practices; and
- effectively remediate any identified non-compliance to the above.



The Chrisco **Supplier Code of Conduct** sets out fundamental requirements for all of our suppliers and business partners (including all authorised sub-contractors or raw materials suppliers). We are aiming to have this draft Code approved and rolled out during FY22.

We are also in the process of developing a set of **Chrisco Global Sourcing Principles** which will set out the fundamental requirements and minimum standards that must be followed by Chrisco suppliers.

Once we have finalised our Code and Principles, we will start work on further developing our modern slavery compliance program and will put in place **Supplier Remediation Guidelines** to provide guidance to our staff (and any independent or external auditors) if there is a need to remediate or address issues that are identified as non-compliance with the fundamental requirements of our Supply and Trading Terms Agreement, Code of Conduct or Principles.

Chrisco has also recently updated its **Whistleblower Policy** (for Australia and New Zealand) to supports the disclosure by individuals of wrongdoing occurring within Chrisco. We support and will foster an environment in which staff and suppliers can report and raise any modern slavery-related concerns, and in which Chrisco can respond and rectify any compliance concern in a timely and appropriate way.



Development of Strong Supplier Relationships

Chrisco has a professional purchasing department with many years of experience in their areas of expertise. We consistently work with our suppliers to support and accommodate them, and to provide reasonable lead times.

Chrisco Hampers sales period runs for 52 weeks from September through to October the following year. As a result, final sales are not confirmed until November each year, after hamper production has been completed.

Chrisco provides its suppliers with forecast requirements for the current sales year, including:

- March, April & May – indicative national forecast;
- June & July – demand schedule detailing forecasted volume by location and delivery dates;
- Forecasted volume – this may fluctuate as monthly sales are updated; and
- Delivery dates – this is an indicative date not the actual delivery date and may vary to suit changes in our production schedule.

We also let our suppliers know, that if they have any issues with delivery of products within the dates provided, that they let us know as soon as possible so that we can work with them to resolve any issues.

7. Assessment of Actions Taken to Address Risks

During FY21 Chrisco has put in place measures that will allow us to assess the effectiveness of the actions we have taken so far to address the modern slavery risks in our supply chains and operations.

Modern Slavery KPIs

Chrisco has developed a set of modern slavery KPIs to allow us to report on our progress, (as measured against these), in our next statement.

Our modern slavery KPIs for FY22 are:

1. Roll out our new modern slavery training module to all relevant staff.
2. Obtain business approval for our Supplier Code of Conduct and finalise the roll-out of the Supply & Trading Term Agreement.
3. Conduct a full review of Chrisco's suppliers of products.
4. Prepare for the review of Chrisco's suppliers of services and goods not for re-sale (to be conducted during FY23).
5. Develop a set of remediation guidelines to provide guidance to our staff, suppliers and auditors if there is a need to remediate or address issues that are identified as non-compliance with the fundamental requirements of the modern slavery and social responsibility requirements that are included in our Supply and Trading Terms Agreement (to include a Corrective Action Plan and supporting documentation for staff and suppliers).
6. Identify opportunities to collaborate with relevant groups and organisations that are focused on the management and eradication of modern slavery.

We are also committed to addressing any issues that come to our attention through our Whistleblower process, and to providing and promoting an avenue for workers to bring any issues of non-compliance with our code and principles to our attention.

8. *Moving Forward*

Our FY22 Supplier Review

During FY22, we will continue the ongoing work we started in FY20, with the aim of gathering more detailed information about the sectors, countries and regions that our products come from.

- the number of suppliers by direct/indirect (or by tier 1, tier 2 etc); and
- the number of suppliers by country/ region.

We will also aim to set out some more detailed information on our supply spend by category once we have completed our supplier review process.

During FY22 we will extend the scope of our supplier review and focus on specific high risk areas, whilst also gathering more detailed information from the suppliers who were the subjects of our FY20 and 21 reviews. We have begun preparation for the process of fully reviewing its suppliers of services and goods not for resale, which will commence during FY23.

Our external compliance consultants have been preparing audit check forms to send to both our products and services suppliers for their completion. These will ask our suppliers to provide us with information including

- whether their business/ staff has done any modern slavery training;
- if they have any current independent audit reports or certification documents that may demonstrate their compliance with the relevant requirements set out in Chrisco's Supply and Trading Terms Agreement (which they will be sent and asked to adhere to);
- if they are able to provide any recent independent audit reports, certification documents or other evidence of compliance with the Code of Conduct in relation to the products that they supply to Chrisco; and
- if they have written policies on matters such as wages, compensation, discrimination, harassment in the workplace, health and safety, freedom of

association, no child labour, no forced labour, checks to be done on suppliers of raw materials and a grievance system for workers.

We will also be planning work on a review of our vendor procurement processes and working with our buyers and procurement teams to develop new ways to address our modern slavery risks. We will also be seeking opportunities to work with our overseas suppliers and community organisations. This may include the roll out of modern slavery training to our interested suppliers and meetings and factory visits (when the COVID 19 situation makes overseas travel possible).

Our modern slavery working group will also continue monitor media and news from industry groups to identify emerging human rights risks in the geographic locations from which we source our products, so that we can inform our buyers and procurement teams about current and emerging modern slavery risks. We will also begin planning the update of our website to include details about our modern slavery and corporate & social responsibility initiatives.

