

Modern Slavery Statement

For the Reporting Period

1 January 2023 to 31 December

2023

1. Introduction

The Bellamy's Group are pleased to provide this Statement outlining our continuous action to address and support the requirements of the Modern Slavery Act 2018 (Cth) (the **Act**). Bellamy's is committed to improving the ethical standards within our business operations and supply chain by working together and supporting our suppliers to minimise the risk of modern slavery exposures. Bellamy recognises the importance of our social and economic responsibility and continuously strives to improve our management of human rights risks.

This Statement is made on behalf of the entities listed in Section 2, which are part of Bellamy's Group (referred to as '**Bellamy's**' or '**we**'). This Statement was prepared in accordance with the Act. It describes the steps that Bellamy has taken during the 2023 calendar year (**Reporting Period**) and assesses the effectiveness of these steps.

2. Our organisational structure

This Statement is prepared in accordance with the Australian Modern Slavery Act 2018 and covers the following entities within the Bellamy's Group. The following are either Australian entities or carry on business in Australia and had a consolidated revenue of over \$100 million during the Reporting Period:

- Bright Treasure Pty Ltd;
- Wise Journey Pty Ltd;
- Bellamy's Australia Pty Ltd; and
- Bellamy's Organic Pty Ltd (together, the **Reporting Entities**).

The Bellamy's Group also includes the following wholly owned subsidiaries, which are not reporting entities for the purposes of the Act:

- A.C.N. 619 661 611 Pty Ltd;
- Camperdown Powder Pty Ltd;
- Yum Mum Pty Ltd;
- Bellamy's Organic (South East Asia) Pte. Ltd.;
- Bellamy's Organic (Hong Kong) Company Limited; and
- Bellamy's Organic Food Trading (Shanghai) Co., Ltd.

Since December 2019, Bellamy's has been wholly owned by China Mengniu Dairy Company Limited, which is listed on the Hong Kong Stock Exchange.

3. Our Operations

Bellamy's is a leading Australian organic infant formula brand and is in the market of producing organic baby food and formula. Our operations span across Australia, China and South East Asia and we have offices in Melbourne, Shanghai and Singapore. As of the last day of the Reporting Period, the Bellamy's Group employed roughly 139 people across all our offices and locations. Our operations also include indirect workers, service contractors, and labor-hire agencies supporting the company.

Bellamy's core business involves the marketing, processing, manufacturing, distributing, and selling of organic baby food and infant formula. We partner with distributors and trade partners predominantly in Australia, China and South East Asia to distribute our products. Separate from our core business is Camperdown Powder, an infant formula canning facility located in Braeside, Victoria. Camperdown Powder cans infant formula for Bellamy's and other infant formula brands.

4. Our Supply Chain

During the Reporting Period, Bellamy worked with approximately 201 vendors and suppliers, 88.50% of which were based in Australia and 11.50% of which were based overseas. The majority of the suppliers are engaged by Bellamy's supply of goods and services, such as ingredients, milk powder, and packaging supplies. These materials were used for Bellamy's manufacturing operations for our infant formula, toddler milk drink products, and baby food.

Bellamy prides itself on utilizing Australian ingredients where possible and, during the reporting period, sourced over 80% of dairy milk powders from Australia; remaining dairy milk powders are sourced from New Zealand. Of the other ingredients used to manufacture our products, majority were sourced mainly from the European Union.

From the direct suppliers described above, there are also many other suppliers that contribute to Bellamy's supply chain through the provision of goods and services. Bellamy acknowledges that there may be a higher level of modern slavery risk beyond our direct suppliers. Therefore, we are developing a more robust risk assessment process to ensure these modern slavery risks are managed accordingly.

Bellamy's supply chain is expansive and can be broadly categorised as follows:

| Category | Description | Key Locations |
|--------------------------------------|--|---|
| Ingredients and manufacturing | Suppliers of raw ingredients and packaging materials, co-packers and manufacturers | Australia, New Zealand, Austria, Colombia, China, Thailand, India, Italy, Chile |
| Distribution | Distributors, transport/logistics and warehousing providers, e-commerce platforms | Australia, China, Singapore |
| Marketing services | Suppliers of advertising, design and marketing services | Australia, China, Singapore, Vietnam, Malaysia |
| Business support services | Suppliers of insurance, IT, finance, HR, legal, business consultancy and other professional services | Australia, China, Singapore |
| Utilities and consumables | Suppliers of utilities (such as electricity, water and telecommunications) and consumables (such as printing, stationery and PPE) to support the day-to-day operations of our offices and canning facility | Australia, China |

5. Modern slavery risks for Bellamy's

During the 2023 Reporting Period, we have conducted ongoing risk assessments of our operations and supply chain to identify areas that may be at risk of causing, contributing to, or directly linking to modern slavery practices. We continue to monitor our environment for risks through a combination of compliance checklists, supplier screening, and monitoring. In undertaking this assessment, we looked at the geographical location, sectors, industry, and product categories in which the relevant activity is being undertaken.

The risk of modern slavery practices in the Bellamy's Group within our own Australian operations remains low for this Reporting Period. However, there remains a moderate risk of Bellamy's Group being directly and indirectly linked to modern slavery practices through our suppliers.

The following types of suppliers have been identified as being more susceptible to modern slavery risks than others in our supply chain:

- suppliers of ingredients and other goods in higher-risk countries such as Thailand, India, China, Colombia and Chile, based on their prevalence and vulnerability rankings and estimated proportion of the population living in modern slavery as published in the 2023 Global Slavery Index; and
- suppliers of certain ingredients such as fruits, rice and palm oils, due to the known occurrence of forced labour and exploitation of seasonal and migrant workers in these industries, including in countries that are generally considered to be at low risk of modern slavery, such as Australia and New Zealand.

Whilst the 2023 Global Slavery Index identified that there had been positive developments and progress globally in tackling modern slavery, Bellamy acknowledges there is still a significant risk in engaging suppliers from more vulnerable locations. Whilst we aim to source many of our ingredients from Australia, which has shown a strong global response score to modern slavery, the above-mentioned higher-risk countries recorded a response score of between 30% and 60%. This represents the respective national legal, policy and pragmatic responses to irradiating modern slavery practices.

Bellamy acknowledges the increasing number of modern slavery practices, which were driven by the social and economic issues caused by the ongoing COVID-19 pandemic. We also recognise that there have been significantly more human rights risks realised during this time, which may result in Bellamy's Group having heightened risk and susceptibility to such practices. These risks may include the increased supply of high-demand items such as PPE, which is predominately used in our production facilities, as well as other COVID-related safety equipment.

6. Actions taken to assess and address modern slavery risks

GOVERNANCE AND POLICY

Bellamy recognises the necessity of creating an environment with clear expectations and standards. This is achieved through the implementation and the progressive monitoring of our policies. Bellamy continues to update our Modern Slavery Policy annually, which is available to all employees and suppliers involved with Bellamy's Group. This Policy confirms our commitment to human rights and mitigating the risks of modern slavery in our operations and supply chain. This Policy also sets out procedures that must be followed by Bellamy's staff with respect to all existing and new suppliers with the aim of managing and mitigating modern slavery risks.

Our Supplier's Code of Conduct is regularly reviewed by key stakeholders in the Bellamy's Group to ensure that it sets out the minimum standards we expect when identifying potential or actual modern slavery practices, including minimum standards in respect of working hours and conditions, treatment of migrant workers, discrimination and hiring of minors. Our Supplier's Code of Conduct is informed by various international standards and guidance documents such as the Core Conventions of the International Labour Organisation. Bellamy also actively monitors the most recent Global Slavery Index to assess geographical vulnerabilities. We continue to work with all of our transport and warehousing suppliers, ingredient suppliers, manufacturers and brokers to implement this Supplier's Code of Conduct in future reporting periods.

Our Modern Slavery Policy is supported by our Speak Up Policy, which encourages current and past employees, officers, contractors, suppliers and associates (amongst others) to speak up about any suspected or actual misconduct, including a breach of Bellamy's Code of Conduct, other Bellamy's policies or a breach of any laws or regulations. In addition to our Speak Up Policy, we have created a 'Guide to Potential Recipients' document for any recipient who may be contacted by a person wishing to make a disclosure about potential misconduct. This document provides a step-by-step action plan to appropriately respond to disclosures and ensure that the correct action is taken to protect the discloser and investigate the misconduct according to the law.

Bellamy does not tolerate any form of bribery or corruption. Our Anti-bribery and Corruption Policy identifies the ethical, professional and legal standards Bellamy's expects from all directors, officers and employees of the Bellamy's Group, as well as all third-party agents such as consultants, suppliers and distributors. This Policy clearly outlines all obligations and procedures regarding potential bribery and corruption, which may ultimately facilitate modern slavery practices.

SUPPLIER MANAGEMENT

We undertook a detailed mapping exercise of all our ingredients, packaging, manufacturing and logistics suppliers for all our infant formula and food products to identify suppliers operating in high-risk industries and geographical locations. We reviewed our supply arrangements with these suppliers to understand the extent of potential risks and how they could be mitigated. In undertaking this review, we took into consideration relevant factors such as whether or not the supplier subscribed to the Fairtrade Standards.

We included contractual provisions in relevant contracts requiring our suppliers to comply with all relevant labour laws and not to engage in practices that would facilitate modern slavery.

In respect of our ingredient suppliers, manufacturers, warehousing suppliers and testing laboratories, we introduced new questions in our supplier audit checklist, which aim to identify and manage modern slavery risks, including questions relating to the supplier's treatment of its employees and how the supplier is minimising modern slavery risks in its operations and supply chain. Our quality assurance team undertakes supplier audit reviews each time a new ingredient, manufacturing, warehousing or testing supplier is onboarded and annually for all existing suppliers in these categories if they are identified within the high-risk category.

During the Reporting Period, the ongoing impact of the COVID-19 pandemic and associated travel and lockdown restrictions saw a heightened risk of Modern Slavery practices on a global scale. Bellamy recognises the ways in which COVID-19 continues to affect our team and has regularly updated and educated all staff on these risks by circulating policies and mandatory online e-learning modules. Bellamy also recognises the changes in our supplier's due diligence approach and efficiency during this period. Lockdown restrictions impacted our ability to conduct in-person audits of our local and international suppliers. As a result, we were limited to conducting only desktop audits. Prior to COVID-19, Bellamy's had conducted in-person audits of all of our key local and international suppliers (including suppliers of major ingredients and suppliers considered as being high-risk).

We did not identify any risks during the Reporting Period that required further remediation action to be taken.

OUR PEOPLE

Within Bellamy's Group, all our staff are employed in accordance with applicable legislation and paid above the prevailing minimum wage in the country in which they are employed and, where applicable, paid in accordance with the position's relevant award. This is verified annually by our external auditors.

Our Employee Assistance Program (**EAP**) gives our employees access to a 24/7 external counselling and reporting line. Employees may utilise the EAP for support on various personal and work-related issues, which are all treated on a confidential basis.

7. Assessing the effectiveness of our actions

By regularly updating and circulating our company policies to all Bellamy's entities and ensuring any new employee of Bellamy's has actively read, understood, and acknowledged their

Compliance obligations in these policies, we were able to successfully raise awareness throughout the company. Bellamy also continues to develop employees' knowledge regarding modern slavery through specific online learning modules aimed to assist in identifying, assessing and addressing modern slavery and human rights risks. As at the last day of the Reporting Period, Bellamy's recorded roughly 91% of employees had successfully completed our 'Combatting Modern Slavery' learning course.

Going forward, Bellamy's will continue to develop key performance indicators (KPIs) to measure how effective these actions are over the initial 3 reporting periods. These KPIs will include training completion rates, the percentage of high-risk suppliers that have agreed to and acknowledged our Supplier's Code of Conduct and records of any complaints or grievances reported to any stakeholder in the Bellamy's Group.

We have also attended, and plan to continue attending, professional development programs relating to modern slavery to benchmark our practices against industry best practice and keep abreast of new developments for minimising modern slavery risks in our supply chain and operations. Given the restrictions associated with the global pandemic, attendance at the abovementioned professional development programs will resume in the next Reporting Period. Bellamy's continues to monitor industry best practice developments remotely.

Whilst our initial risk assessment and mapping exercise of our suppliers has provided a baseline that can be used to assess the effectiveness of our actions, the worldwide travel restrictions due to the continuing COVID-19 pandemic have impeded our ability to accurately assess how effective these actions have been for the 2023 reporting period. We will continue to review and enhance our KPIs and develop standards to assess our actions and make necessary changes to ensure there is continuous improvement in these areas.

8. Next steps

Bellamy's is committed to continuously improving the ethical standards within our operations and in our supply chain. In 2024, we plan to:

| Objective | Comments | Target |
|---|---|--------------------------------|
| Create an integrity guide for our suppliers. | To make it easier for our suppliers to understand and follow, an integrity guide can be created to explain what we expect from our suppliers, including the modern slavery policy, in a separate document to be shared with current and prospective suppliers. This needs to be made in easy-to-understand language maybe with checklists that the supplier can use in order to make it simple to follow. | To be implemented in Q3, 2024. |
| Conduct training for suppliers to ensure adherence to the same. | In order to ensure adherence to Bellamy's policies and to update them regarding the changes in policies, periodic training can be offered to "high list" suppliers. This can be used to educate them on complaint emails and resolutions for modern slavery. | To be implemented in Q4, 2024. |
| Know Your Supplier questionnaire to pre-screen new suppliers. | Creating a 'Know Your Supplier' questionnaire with modern slavery-related questions will help us screen new "high list" suppliers for adherence before onboarding them. | Implemented Q2, 2024 |
| Moderate to high-risk suppliers to register on SEDEX. | Suppliers with a moderate to high-risk rating should be asked to complete the SEDEX questionnaire. | Implemented end of 2023 |
| Refine and tailor modern slavery tender clauses in procurement processes. | In order to assess the risk of modern slavery in the provision of goods and services, there must be appropriate and specific tender clauses depending on the nature of goods, the value, risk profile and geographical location within the RFP (Request For Proposal) documents | Implemented end of 2023 |

9. Consultation and approval

This Statement has been prepared in consultation with key staff and senior management from each of the entities within Bellamy's Group, who provided relevant information and contributed to the verification and review of this Statement. The consultation process for this Statement was cross-functional and actively involved members of our People and Culture, Supply Chain and Procurement, Finance, Marketing, Sales and Legal teams.

This Statement was approved by the Board of Directors of each of the Reporting Entities on the 28th of June 2024 and is signed by Graham Mulligan as a director and Richard Gu as Chief Executive Officer on behalf of the entities listed below.



Graham Mulligan
Director
Bright Treasure Pty Ltd
Wise Journey Pty Ltd
Bellamy's Australia Pty Ltd



Richard Gu
Chief Executive Officer
Bellamy's Group