

# **OUR COMMITMENT**

The commitment of Red Bull Australia Pty Ltd (Red Bull Australia) to mitigate the risk of modern slavery practices within our business operations is stronger than ever. Our fourth statement confirms the actions we have taken in 2023 along with our plans for implementation during 2024.

As an organisation we reject modern slavery in all its forms (including human trafficking, forced or compulsory labour, child labour, debt bondage, work under threat of punishment and other forms of human exploitation) and we are committed to maintaining appropriate safeguards against the mistreatment of persons within our operations and supply chain. We aim to keep our supply chain transparent. Our suppliers are contractually obliged to manage modern slavery risks and we are constantly monitoring measures in place to ensure these requirements are being met and improved whenever necessary.

As a global company, Red Bull GmbH (Red Bull Australia's parent company) also complies with its obligations regarding modern slavery. This includes providing statements of compliance with local modern slavery legislation where required by law.

# **REPORTING CRITERIA 1 & 2: ABOUT RED BULL AUSTRALIA**

#### OUR ORGANISATIONAL STRUCTURE

Red Bull Australia is a wholly owned subsidiary of Red Bull GmbH, based in Austria. Red Bull Australia does not own or control any subsidiaries. Our Red Bull Australia modern slavery initiatives and statement is approved by the directors of Red Bull Australia.

#### OUR PEOPLE

The Red Bull Australia team during this reporting period comprised approximately 235 permanent employees across sales, Marketing, Operations, Finance and Human Resources. In addition, Red Bull Australia employs a part-time workforce, primarily across marketing execution activities.

Employees undertake duties across all Australian States and Territories, with most of our workforce residing within major Australian capital cities. Diversity and inclusion are a fundamental part of our ethos, and we seek out talent with different backgrounds. As a member of the Diversity Council of Australia, we continue to be committed to ensuring Red Bull Australia is a diverse and equal place for all employees to work.

Red Bull Australia's national headquarters is located in Alexandria, New South Wales, with State offices in Brisbane, Melbourne, Adelaide and Perth.

#### OUR OPERATIONS

As of 2023 Red Bull Australia's core business is the purchasing, importation, marketing, and sale of a range of Red Bull Energy Drink non-alcoholic beverage products. The domestic distribution of these products continues to be managed via a third-party logistics partner in all Australian States and Territories.



To support the above, we continued to undertake activities including the organisation and hosting of Red Bull events, partnership with athletes and sporting teams and partnerships at third-party events, such as music festivals, media and content production, as well as advertising.

Red Bull Australia, both directly and indirectly, covers a variety of routes to market, with our customers predominantly falling into the Retail, Convenience and On-Premise channels. These customers are supplied product either directly via our third-party logistics provider, or indirectly through our Australian Wholesaler and Distribution partners.

#### OUR SUPPLY CHAIN

Red Bull Australia's supply chain involves the purchase of Red Bull beverages and associated items from our parent company, Red Bull GmbH. This subsequently involves the importation and transportation of energy drinks and associated items into Australia to various customers and business partners. These customers include several Australian based third-party logistics partners who manage the transportation and logistics of the aforementioned elements.

Our supply chain can be divided into two distinct categories:

- 1. finished goods and point of sale material purchased from Red Bull GmbH (the **Red Bull Products**); and
- 2. products and services procured locally within Australia

# Finished goods and Point of Sale material purchased from Red Bull GmbH

In 2023 all Red Bull finished goods produced for the Australian market were manufactured via third party manufacturers within Austria and Switzerland. These finished goods are subsequently purchased from Red Bull GmbH who are headquartered in Austria. Products are then imported into Australia predominantly via sea freight and warehoused and distributed by local third-party logistics partners. In addition to the requirements which Red Bull Australia has in place to manage operational risks, the mutual commitment of our suppliers is also at the core of all our partnerships.

The range of finished goods purchased from Red Bull GmbH includes Red Bull Energy Drink, Red Bull Sugarfree, Red Bull Zero and the Red Bull Editions range (referred to as "Red Bull Energy Drinks"). The purchase of Red Bull Energy Drinks from Red Bull GmbH is Red Bull Australia's predominant business and makes up most of our annual procurement. Marketing products are also predominantly purchased from Red Bull GmbH, with some local instore marketing material produced by third parties where domestically relevant. Within this statement, the actions of Red Bull GmbH with respect to it's suppliers, are covered to the extent that they relate to the Red Bull Products (including Red Bull Energy Drinks) as supplied by Red Bull GmbH to Red Bull Australia.



# Products and services procured locally within Australia

Our Australian supply chain includes services that contribute to our daily operations, including, but not limited to, cleaning, event logistics, contract packing, merchandise, marketing and security that service Red Bull Australia's national offices, State offices and event sites.

Following on from our progress in the last two years with evaluating our suppliers' risk profile utilising an accredited third-party risk management provider, CM3; in 2023 we completed the assessment of those suppliers that had failed to submit their responses in due course and followed up on the later recommendation for suppliers developed by CM3.

# **REPORTING CRITERIA 3: MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAIN**

# **Operational Risks**

# SUPPLY CHAIN RISKS

Following our previous analysis detailed in earlier modern slavery statements, we continue to assess the risk of modern slavery practices across our suppliers and supply chain with special focus on the following categories:

- **Industry sector**: specific industry sectors deemed as high risk in international and national guidance documentation.
- **Commodity/product**: specific products and commodities deemed as high risk by the United States Department of Labor's 2018 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI) and other international guidance materials.
- **Geographic location**: based on estimated prevalence of modern slavery and the government responses as outlined in the 2018 GSI and our consultant's proprietary risk profiles based on 13 country risk indices such as corruption, freedom of speech, worker rights, and migrant workers. While we predominantly use suppliers based in Australia, we recognise that the goods and services they use (our Tier 2 suppliers) may come from geographic locations that could be deemed as high risk.
- **Workforce profile**: In undertaking our supplier analysis we considered the type of labour involved in the production of our goods and services, particularly where low skilled, vulnerable, or migrant labour is used, or where the work is deemed as '4D' work (Dirty, Dull, Dangerous or Degrading).

# CATEGORY RISK

The ten supply categories we have identified as posing a potential risk for modern slavery are:

- Events & event logistics
- IT
- Travel & accommodation
- Textiles & merchandise
- Building & construction
- Plumbing & electrical



- Sales & distribution
- Cleaning & security
- Office supplies
- Packaging materials

# **REPORTING CRITERIA 4: ACTIONS TAKEN TO ASSESS AND ADDRESS RISK**

#### RED BULL AUSTRALIA'S ACTIONS

In 2021, Red Bull Australia engaged with CM3 Contractor Management Pty Ltd, an accredited risk management partner, to undertake a review of a selected group of category A suppliers (other than Red Bull GmbH) representing approximately 50% of our third party spend. In 2022 we extended the modern slavery review to other category B suppliers representing in total approximately 95% of our third-party spend. As detailed further within the statement, various positive actions have been taken following the 2021 CM3 report. Additionally, CM3 made new recommendations corresponding to the 2022 risk assessment which are also detailed below.

CM3's assessment in 2021 and 2022 did not reveal any obvious modern slavery risk. However, some of these suppliers belong to industry sectors, or provide goods and services known to present higher risks for modern slavery in both Australia and internationally. Based on this, Red Bull Australia will focus its attention on continuing to carry out due diligence on these suppliers; ensuring they comply with their contractual obligations as well as with our policies and standards. This compliance will be secured by holding suppliers accountable to our contractual requirements.

The assessment report generated by CM3 in the 2021 and 2022 assessments included recommendations for both Red Bull Australia and the suppliers that participated in the assessment. The recommendations corresponding to the participating suppliers were specific and targeted to each supplier. Red Bull Australia has addressed these recommendations during the suppliers' performance review meetings and also in ad-hoc meetings.

Agenda items that are included in performance review meetings include;

- Staff awareness and responsibilities, supported by providing education.
- Improving visibility of total supply chain to support ethical sourcing.

Red Bull Australia undertook the following actions to address modern slavery risk during the 2023 calendar year. A number of these are fundamental to our standard business practice.

#### OUR POLICIES

Red Bull Australia maintained several policies and processes in 2023 to help identify and manage potential modern slavery and labour rights risks within the business and its supply chain. These policies are reviewed annually as a minimum (and more regularly should circumstances require it), by the relevant functional Department or Australian Leadership Team.



The following policies reference our commitment to responsible and ethical business practices and enable grievances to be raised primarily by employees, but also business partners, without fear of retribution. The Global Supplier Code of Conduct included below is a global Red Bull policy mandated by our parent company Red Bull GmbH, which is implemented across our suppliers. With the appointment of a dedicated Red Bull Australia Procurement Manager, supplier compliance to this code is an integral element of the responsibilities of this role.

Specifically, our Global and local policies remain as follows:

Policy	Intent
Global Code of Business Conduct (employees)	In January 2023, our updated Global Code of Business Conduct was reissued with all employees to review and sign to acknowledge the reading and understanding of the Code. The Global Code of Business Conduct continues to be required to be read and signed annually by all existing global employees of any Red Bull subsidiary and is mandatory for any new employees joining Red Bull Australia to agree to the Code.
'Speak Up' whistle- blower policy	The Red Bull 'Speak Up' Ethics Alert Procedure (whistle-blower policy) contains details of how to make a report under the policy via external and internal whistle-blower grievance channels. Our externally provided whistle-blower hotline is accessible by our team members, suppliers, the external community, and stakeholders while our internal 'Speak Up' channel connects to our internal audit team in Austria and encourages a 'Speak Up' culture, where employees feel comfortable with raising issues and concerns without fear of retaliation.
Global Supplier Code of Conduct	The Global Supplier Code of Conduct (SCOC) forms the basis of all business relationships with Red Bull and applies to Red Bull itself as well as to all our suppliers. It is expected that our business partners communicate the principles and requirements of this code to their suppliers and to ensure their suppliers comply with them as well. We expect our Business Partners to take the SCOC into account during the selection process of their suppliers. Our SCOC is based on the core principles as set out in the Business Social Compliance Initiative (BSCI), the conventions of the International Labor Organization (ILO), the United Nations Universal Declaration of Human Rights, the U.N. Convention on the Rights of the Child and the U.N. Conventions for Elimination of All Forms of Discrimination, the principles of the U.N. Global Compact as well as the OECD Guidelines for Multinational Enterprises. The SCOC includes a requirement for suppliers to comply with Red Bull's key principles to mitigate the risks of discrimination, coercion, forced labour, child labour, wages & benefits, working hours, safety and health, hygiene, housing/dormitories, freedom of association, bribery and corruption and environmental protection. In October 2022 the SCOC was updated to cover all ESG areas, with



	special focus on ethical and sustainable practices in our supply chain and communicated to our suppliers and contractors. Every new supplier and contractor must sign the SCOC.
Bull of Rights	The Bull of Rights is the 'playbook' for working at Red Bull Australia; it contains information about our company's history and values, our over- arching philosophy, and commitments, along with the more practical detail on the policies and procedures that help our employees operate safely, ethically, and effectively within our roles. The Bull of Rights also specifically details Red Bull Australia's intolerance of modern slavery across all areas of our business, both internally and externally. This document is provided to all Red Bull employees on commencement, reviewed and redistributed annually and updated as and when policies, laws or procedures change. In January 2023, all employees were required to read and sign the document to confirm they have read and fully understand the contents.

#### MODERN SLAVERY STAFF TRAINING

Compulsory recorded internal modern slavery web-based training for all Red Bull Australia employees. Embedded mandatory training into onboarding process and bi-annual training refreshers for staff on identifying and combatting modern slavery risks.

#### SUPPLIER MANAGEMENT

Included Modern Slavery questions in the contract review form that staff are encouraged to use during supplier performance reviews for ongoing assessment on modern slavery practices.

#### ACTIONS FROM CM3 RECOMMENDATIONS

Our 2022 Modern Slavery statement comprised a list of recommendations from our contracted risk management provider CM3, as well as other improvement opportunities. In response to this, over the past 12 months we have implemented a series of initiatives aiming to educate our teams and suppliers, to raise awareness and to gain a better understanding of our suppliers' risk profile in relation to modern slavery.

- Suppliers who failed to respond to the 2022 ethical sourcing screening questionnaire, or whose response was deemed inadequate, were requested to complete the questionnaire.
- We have followed the recommendations from CM3 in their 2021 and 2022 reports. Examples of this include:
  - including modern slavery discussions in our suppliers' performance review meetings, aiming to identify potential risks.
  - $\circ~$  setting the expectation to suppliers on strengthening modern slavery controls within their operation
  - promoting internal and external training on modern slavery practices, to raise awareness among staff and business partners.
  - o Increased focus on CSR during sourcing events and supplier performance review meetings.



#### RED BULL GMBH's ACTIONS

As a global company that supplies all Red Bull subsidiaries internationally, Red Bull GmbH has a global supply chain. Ingredients, primary packaging, secondary packaging, other finished goods and point of sale material are sourced from a variety of global jurisdictions and suppliers. At Red Bull GmbH, the aim is to create awareness and increase transparency, and ensure compliance regarding specific human rights and environmental topics with a focus on the suppliers which have the highest contribution and influence. For Red Bull Australia, Red Bull GmbH is a Tier 1 supplier of finished products. To manage the risk of modern slavery for suppliers contracted to Red Bull GmbH, the following modern slavery mitigation measures were adopted and implemented by Red Bull GmbH during the 2023 calendar year, in relation to the Red Bull Products:

#### **Global Supplier Code of Conduct**

Agreements with global suppliers that may incidentally supply Red Bull Australia are negotiated and directly managed by Red Bull GmbH. Rigorous standards and contractual obligations for managing, mitigating, and verifying modern slavery risks are applied to suppliers of Red Bull GmbH.

Red Bull GmbH suppliers and partners are required to agree in writing and comply with Red Bull GmbH's Global Supplier Code of Conduct. The Global Supplier Code of Conduct (which as noted above, is utilised also in Red Bull Australia) is regularly reviewed and updated, with the last review taking place in October 2022. To ensure that modern slavery risks are managed throughout Red Bull GmbH's supply chain, there is a requirement on suppliers to Red Bull GmbH, to include corresponding modern slavery clauses (as noted in the SCOC) in the contracts they negotiate with their own suppliers.

# Auditing and verification of modern slavery compliance

Red Bull GmbH conducts regular internal and field audits in relation to compliance against the Global Supplier Code of Conduct. These audits are conducted proactively and form part of Red Bull GmbH's procedures.

#### Supplier risk assessments

Red Bull GmbH is aware that there are certain sectors and countries where there is a higher likelihood of human vulnerability in the workplace and where potential risks could exist. Our awareness is drawn from human rights focused indices, as well as through expertise which specifically focus on the livelihoods, safety and the overall protection of people. Using such human rights focused indices, we are able to identify particular potential risks, at a sector and country level.

In 2023, Red Bull GmbH engaged with a top tier accountancy, audit firm and accredited risk management partner to undertake specific, additional risk assessments to assess human rights and environmental topics. The aim of the risk assessments is to identify, analyse and assess the risk of modern slavery, forced labour, child labour as well as other human rights and environmental topics with a selected group of suppliers, in



accordance with renowned global indices and studies and in alignment with internationally accepted standards for human rights due diligence. The suppliers considered represent approximately 80% of Red Bull GmbH's total spend, across the key categories of spend which includes ingredients, primary packaging, secondary packaging, other finished goods and point of sale material.

The risk assessment considered the following criteria:

#### 1.Country

Red Bull GmbH used publicly available indices which are compiled at country level with the aim of identifying risk areas for individual countries. Some of the individual indices can be directly assigned to human rights or environment-related risks. In addition, indices serve as indicators for determining the risk profile of a selected country.

#### 2. Industry sector

The risk assessment considered industry-specific risks.

#### 3. Partnership

We considered the commercial relationship, including factors such as the quality of services, supplier performance, and duration of the partnership.

Following the first stage of the assessment, a shortlist of suppliers was then used to conduct the second assessment, which involved a deep dive into operational processes within the supply chain. This additional assessment was done on in-scope suppliers when potential risks were identified in relation to those suppliers based on the abstract risk assessment.

The second stage of the assessment consisted of a supplier self-assessment questionnaire to give suppliers an opportunity to examine their own operations and provide transparency to Red Bull GmbH. This questionnaire was shared with a group of selected suppliers to evaluate their maturity level regarding their understanding of human rights, including modern slavery practices in their operations and how potential risks are managed. It also helps to identify any immediate risks across specific human rights topics.

The supplier self-assessment questionnaire aims to focus not on the impact to human rights or environmentrelated risks on Red Bull GmbH, but rather on the (potentially negative) impact on the rights holder. Particular attention is paid to those human and environmental rights that are at most risk, resulting from the company's activities or business relationships.

Each supplier completing the questionnaire was given sufficient time to provide feedback and given the opportunity to discuss their comments. The evaluation of the supplier response was then completed using a 4-eye principle (within Red Bull GmbH) and a rating was provided between 1 - 5, depending on the severity and likelihood of occurrence of any known risks or issues.

Risks were recorded and actions were managed together with the relevant suppliers, as required. This undertaking is paramount to understand our suppliers' actions to reduce their risk profile and to ensure compliance with the Global Supplier Code of Conduct. In case of the occurrence of any identified and



assessed human rights risks, Red Bull GmbH implements preventive measures (such as those set out in this statement as well as supplier screening and due diligence) and remedial measures (including but not limited to termination of suppliers in breach of their obligations) in line with internal policies.

Care is taken to ensure that risk management is part of our supplier management and when required further review and monitoring is undertaken to track progress in risk management.

In calendar year 2023, Red Bull GmbH was not aware of any specific cases, of modern slavery or forced labour within any supplier operations, directly supplying the Red Bull Products, based on the actions noted above.

# **REPORTING CRITERIA 5: EFFECTIVENESS ASSESSMENT**

In order to assess Red Bull Australia's actions taken in response to the potential risk of Modern Slavery, Red Bull has undertaken the following:

- (a) **Ethical events lead:** Appointed an ethical lead to support Red Bull Australia's events, with special focus on managing the environmental, social and ethical impact of our events.
- (b) **Continued employment of Procurement Manager**: Red Bull Australia's Procurement Manager leads the delivery of actions identified in Red Bull Australia modern slavery commitments.
- (c) **Undertaken policy updates**: Red Bull Supplier Contracts, Global Supplier Code of Conduct, 'Speak Up' Policy and 'Bull of Rights' maintained and updated where relevant.
- (d) **Building on Global Learnings**: International participation within internal Red Bull global Modern Slavery workshops to build on global learnings and understand our company wide approach to incoming similar supply chain legislation in Europe.
- (e) **Implemented a Procurement Policy**: The Procurement Policy introduced at Red Bull Australia in January 2023 includes guidance regarding Sustainability and Ethical Procurement.
- (f) Events: The selection of suppliers and contractors for events follows a thorough process that include: selection of local Australian businesses with proven professional track record with no Modern Slavery; collection of relevant insurance policies and safe work method statements (if applicable), execution of a service agreement; development of the corresponding event management plan which describes the work hours per day and breaks, access to meals, water or refreshments, sunscreen, toilets and PPE. For every event a risk management plan is also developed.
- (g) **Improved Governance:** Developed multiple procurement reports to track procurement policy compliance and to assess performance on all areas of procurement, including ethical and sustainable procurement, and identify suppliers to review.
- (h) Givvable: Explored multiple technology solutions in the market and selected new partner, Givvable, for the screening of a selected group of suppliers (accountable for 80% of Red Bull Australia's total domestic spend) across 6 key ESG areas (Environmental, Ethical, Diversity and Inclusion, Governance, Community and Social impact). The use of a data platform like Givvable, gives Red Bull the opportunity to proactively identify improvement opportunities in the assessment of modern slavery risks in our supply chain, and address any gap more effectively. The initial assessment resulted in 24% of the screened suppliers holding credentials across the 6 key ESG areas. Out of the 160 screened suppliers, 22% indicated alignment with our objectives.



(i) Improved Sourcing process: Embedded ESG assessments (with a focus on modern slavery awareness and practices) in tender processes (and resulting supplier evaluation and selection), contract negotiations and regular supplier performance reviews. Included Red Bull's Global Supplier Code of Conduct in all purchase orders and contracts.

# We have identified the following opportunities and areas for further attention during the subsequent reporting periods based on a review of the effectiveness of Red Bull Australia's 2023 actions:

- Extend and leverage Red Bull's global network to learn and implement from best practice from other markets.
- Reduce the number of suppliers, allowing for better control over their ethical business practices.
- Increase supplier education through learning modules available on Givvable's supplier portal.
- Scale the use of Givvable for supplier screening, supplier training, sourcing events and reporting.
- Continue embedding the ongoing and new activities described in this statement to assess and address risk.
- Red Bull GmbH will continue to manage supplier risks ongoing.

We see this assessment component to be an ongoing process and paramount to driving meaningful change across both internal (employees) and external (partners and suppliers) elements of Red Bull Australia. As such we remain committed to not only positive impacts, but also ongoing compliance, as we continue this journey.

# REPORTING CRITERIA 6: PROCESS OF CONSULTATION WITH ENTITIES OWNED OR CONTROLLED

Red Bull Australia Pty Ltd does not own or control any subsidiaries or related entities.

This statement was approved by the board of Red Bull Australia Pty Ltd on 26<sup>th</sup> June 2024.

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Sam Mostapha Managing Director 27<sup>th</sup> June 2024