

Message from our Chief Executive Officer

I am pleased to publish the Modern Slavery Statement for the 2023 financial year (**Reporting Period**), which outlines the steps the Patties Food Group (**PFG**) has taken to identify, manage, and mitigate the risks of modern slavery in its operations and supply chain.

This Reporting Period has been a period of significant growth and change for PFG. In January 2023, Patties Foods merged with Vesco Foods – another leading Australian food manufacturer - after a new shareholder acquired the two businesses.

The Executive Leadership Team of the newly merged group reviewed the corporate ESG strategy earlier in the year and agreed to continue to include 'Ethical Supply Chain' as a key focus area.

I am proud of the actions we have taken this Reporting Period to mitigate the risk of modern slavery in our operations. Most notably, we have gained access to much better data concerning the risk of unethical labour practices in our supply chain, via SEDEX buyer membership. Earlier in the year we invested in a trip for members of our Procurement and Quality teams to travel to China to physically inspect the farms and facilities some current and prospective ingredient suppliers. We have also moved towards direct sourcing of ingredients and reduced our reliance on brokers, to give us better oversight of the source of ingredients procured outside Australia.

Notwithstanding, there remains work to be done in this space, to better understand the suppliers we have acquired as our business has grown. We are committed to a journey of continuous improvement to eliminate modern slavery in the global economy, and working with both our suppliers and customers towards this common goal.



Paul Hitchcock

Chief Executive Officer and Director

Piranha Holdco Pty Ltd (ACN 662228373), holding company of the Patties Food Group.



1 Reporting entities

The Reporting Entity preparing this statement is Piranha Holdco Pty Ltd (ACN 662228373), c/o PAG Private Equity, '02' SE 22 L 22 60 Martin Place Sydney, NSW, 2000.

Piranha Holdco Pty Ltd is the holding company of the Patties Food Group, comprising the entities listed below:

Australian entities (together, the 'Reporting Entity')

- Patties Foods Pty Limited (main trading entity)
- Piranha HoldCo Pty Ltd
- Piranha MidCo Pty Ltd
- Piranha BidCo Pty Ltd
- Australasian Foods Holdco Pty Limited
- Australasian Foods Finco Pty Limited
- Australasian Foods Bidco Pty Limited
- Patties Foods Australasia Pty Ltd
- Herbert Adams Pty Ltd
- Louis & Marie Pty Ltd
- Piper Partners Proprietary Limited
- Boscastle Pastries and Foods Pty. Ltd.
- Australasian Chilled Foods Bidco Pty Limited
- Australasian Chilled Foods Finco Pty Limited
- Reerac & Lliks Pty Ltd
- AWF (Asset Services) Pty Ltd
- AWF (AS1) Pty Ltd
- Australian Wholefoods Pty Ltd
- AWF (Direct) Pty Ltd
- Alaska Foods Pty Ltd
- Heat to Eat Holdings Pty Ltd
- Heat to Eat Pty Ltd
- Vesco Foods Holdings Pty Ltd
- Vesco Foods Pty Ltd
- Cook Freeze Pty Ltd



New Zealand entities (non-reporting entities)

- Australasian Foods HoldCo NZ Limited
- Australasian Foods TopCo NZ Limited
- Food Partners Limited
- Kauri Coast Kumara Limited
- Leader Products Limited
- Southern Pacific Epicurean Limited

USA entity (non-reporting entity)

- Patties Foods USA (LLC)

Please see Appendix A for the group's structure See Structure Chart, with ACN details.

2 PFG Corporate Group Structure and Operations

PFG is a food manufacturer, comprising a portfolio of iconic Australian and New Zealand snacking and ready meal brands such as Four 'n Twenty, Herbert Adams, Nannas, Super Nature, On the Menu, Fitness Outcomes and Ruffie Rustic Foods. PFG is a trusted manufacturing partner of all major Australian based retailers, as well as Lean Cuisine and Annabel Karmel ready meals, and Leggos pasta and sauces. PFG has longstanding customer relationships in the retail, petrol and convenience, food service, and QSR channels, and a growing export business – to the United States, Japan, Singapore, Thailand, Hong Kong, Taiwan and Korea.

By the end of the Reporting Period, the group had six manufacturing facilities across Australia and New Zealand.

While the Head Office of the holding company is located in Sydney, Australia, the head office of the main operating and trading entity – Patties Foods Pty Ltd - is located in Melbourne, Australia.

PFG currently has over 1,700 employees across its business operations in Australia, New Zealand, and the USA. Production workers at each of the five Australian factories are employed and paid in accordance with site-specific Enterprise Agreements. As a group, PFG has transitioned away from labour hire in recent years and currently relies on fewer than 50 labour hire workers to support production each week.

The annual consolidated revenue of PFG is over \$100 million AUD.



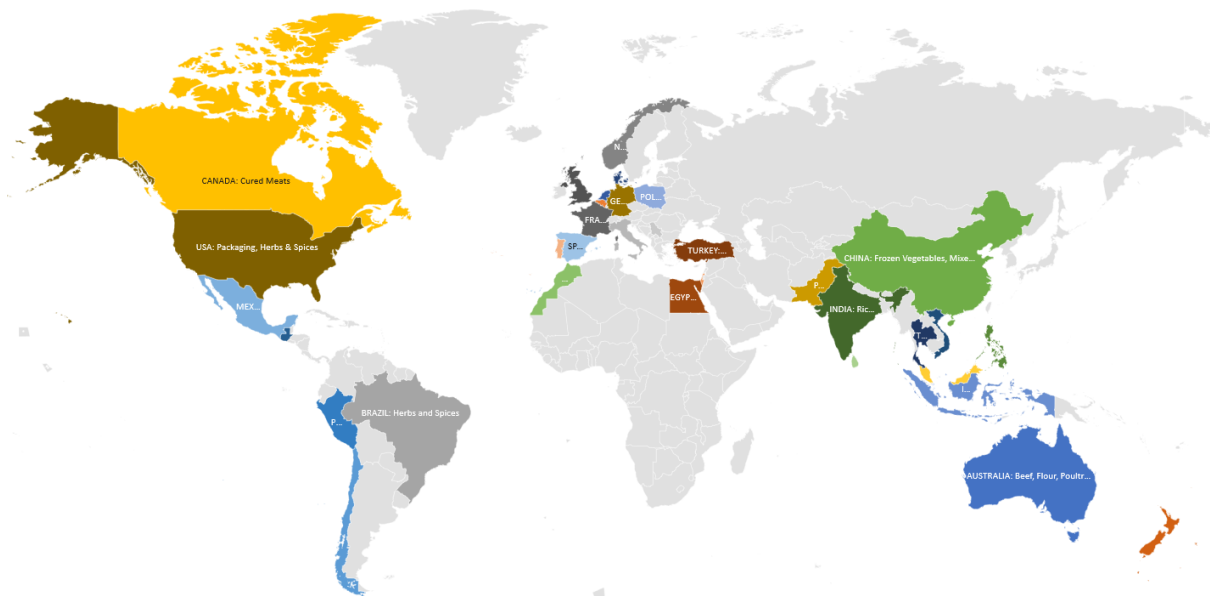
3 PFG Supply Chain

PFG’s operations are supported by a large supply chain which, along with the business, has significantly grown and diversified in recent years.

During the Reporting Period, goods and services were sourced from over 800 different suppliers¹ across the merged group’s operations.

The group’s raw material and packaging supply base alone spans over 35 different countries. (See Appendix B – Country of Origin table.)

PFG Raw Ingredients and Packaging Supply Chain Map



Notwithstanding the above, the main ingredient procured across Australian operations, and biggest raw material spend, is beef.

PFG only buys 100% Australian beef for its Australian operations, and proudly supports local primary producers as one of the largest non-retail buyers of Australian beef.

All flour, sugar, oats, poultry, eggs, lamb, dairy, cheese, fresh fruit & vegetables, pasta, and cardboard based packaging is also sourced directly from Australian primary producers or manufacturers.

¹ Defined by threshold spend of >\$10,000K AUD per annum.



Australian operations are further supported by many indirect suppliers, including cleaning and security services, transport and logistics providers, warehouses, waste disposal companies, and professional services such as advertising and accountancy. Other than IT consultants, these are all Australian or New Zealand based.

4 Consultation Process

Representatives of all PFG trading entities, and other key stakeholders such as the Board of Directors, CEO, CFO and Vendor Assurance and Procurement Managers have been consulted in preparing this statement.

5 Modern slavery governance

5.1 Strategy

PFG's strategic approach to modern slavery is captured within the Ethical Supply Chain pillar of the corporate ESG strategy:

At Patties Foods, we are committed to
proudly make a difference to our world
which we will do through 3 key areas...



1. Reducing our **environmental impact**, by (a) more sustainable packaging, (b) diverting waste from landfill and (c) reducing our carbon footprint.



2. Care and support for our **people** and the **communities** in which we operate, by (a) food donations, (b) workplace giving, and (c) supporting our teams.



3. Deep commitment to **doing what is right**, by (a) ethical supply chain, and (b) a world class food safety culture.

PFG Ethical Supply Chain Targets

The specific ethical supply chain targets the group is working towards are:

- 100% return rate of Patties Group Ethical Sourcing from all threshold suppliers;



- All key ingredient suppliers risk assessed via SEDEX buyer membership + internal vendor assurance team; and
- All manufacturing sites + corporate office biennially SMETA audited.

A cross functional team of representatives from the group's Legal, Quality, and Procurement departments oversees the implementation and monitoring of the strategy, and progress against targets.

5.2 Contractual Obligations and Policies

PFG sets out its expectation that all business partners be committed to identifying and eliminating modern slavery in its:

- pre-qualification questionnaire for new suppliers;
- Trading Terms and supplier contracts, and
- Ethical Sourcing policy – which all threshold suppliers are required to sign up to (or

“...will only do business with suppliers whose workers (including the workers of any sub-tier suppliers) are treated in accordance with applicable law and regulations, present voluntarily, not put at risk of physical harm, provided with a safe workplace, lawfully and fairly compensated, allowed the right of free association and not exploited in any way, including by modern slavery (trafficking, servitude, forced marriage, forced labour, debt bondage, unlawful child labour, or deceptive recruiting for labour services.) All overtime must be voluntary.”

alternatively provide equivalent assurance, such as access to their SEDEX self-assessment and audit information.)

PFG's Ethical Sourcing Policy stipulates that PFG:



In returning a signed copy of the PFG Ethical Sourcing policy, suppliers provide a formal undertaking that they will take all reasonable measures to ensure that workers in their own supply chains are treated lawfully and are not victims of any form of modern slavery; and maintain oversight of employment conditions of any labour hire and sub-contracted labour. If suppliers refuse to sign PFG's Ethical Sourcing policy, PFG Vendor Assurance and Legal teams engage with the supplier to understand their concerns and whether the supplier can provide alternative assurance. Where suppliers unreasonably refuse to sign PFG's Ethical Sourcing Policy, PFG considers discontinuing the business relationship.

5.3 Training for managers and key stakeholders

To ensure a high level of understanding of the risks of modern slavery in PFG's supply chain, training is provided to employees as required.

During the Reporting Period, as part of the integration of the Vesco Foods business into PFG during the Reporting Period, PFG's legal team provided bespoke training to the entire management team. The training was focussed on PFG systems and processes to mitigate the risk of modern slavery, strategic objectives, and expectations for alignment.

6 Risk of modern slavery in PFG operations and supply chains

6.1 Risk Assessment Process

PFG's approach to identifying and assessing risks of modern slavery in its operations and supply chains during the Reporting Period included:

- Linking ingredient and packaging suppliers with PFG on SEDEX, then reviewing each linked supplier's labour data and risk ratings;
- Cross functional analysis by vendor assurance, procurement, and legal teams of known geographical and industry related risks for modern slavery in the PFG supply chain, by reference to SEDEX data as well as Global Slavery Index data and publications;
- Annual review of return rate of signed copies of Ethical Sourcing Policy, and modern slavery risk register;



- Virtual audits and physical inspections of facilities of current and prospective international suppliers;
- Representatives from PFG's Procurement and Vendor Assurance teams physically visiting and inspecting the farms and facilities of 9 x current or prospective ingredient suppliers based in China.

6.2 Risk Assessment Findings – Executive Summary

To the best of its knowledge, during the Reporting Period, PFG's Australian operations procured no key goods or services from any of the ten countries with the highest rated prevalence of modern slavery². Furthermore, PFG assessed the risk of modern slavery within its own labour force to be very low, given the vast majority of staff members are employed under bespoke Enterprise Agreements approved by Fair Work Australia and fewer than 50 labour hire workers are presently used across Australian operations each week.

However, overall, PFG identified more risk areas during the Reporting Period compared with previous years, largely due to:

- access to better data via the SEDEX portal (PFG now linked with around 200 ingredient / packaging suppliers) and investment in physical site visits to foreign based suppliers; and
- the organisation becoming a bigger corporate group, acquiring a number of suppliers which had not previously been through the PFG Vendor Assurance program.

In particular, PFG:

- identified potential modern slavery risks in several ingredient (meat) suppliers via SEDEX data; and
- witnessed firsthand potential modern slavery risks in a Chinese based ingredient supplier (supplier relationship has since been discontinued).

PFG also acknowledges that it now has a larger supplier base to understand, which inevitably means some latent risks may exist.

By the next reporting period PFG aims to have better oversight of its total supplier base, via centralisation of procurement functions.

6.3 Risk Assessment Findings - Raw Materials (Ingredients)

Notwithstanding the meat suppliers mentioned above, PFG is satisfied overall that most key raw material suppliers³ which were used during the Reporting Period posed relatively low modern slavery risk. While there is inevitably some inherent risk across agricultural industries, the suppliers PFG works with are largely Australian based, or large international businesses, with

² Source, Global Slavery Index. (North Korea, Eritrea, Mauritania, Saudi Arabia, Turkey, Tajikistan, United Arab Emirates, Russia, Afghanistan, and Kuwait.)

³ Defined as suppliers with >\$10,000 AUD p/a spend, per PFG's Ethical Sourcing Policy.



strong governance and compliance controls and commitment to understanding and addressing their risk.

During the Reporting Period PFG's seafood – a known high risk industry - continued to be sourced from Norway and Vietnam respectively. Neither country has been identified as a high-risk location for modern slavery according to the Global Slavery Index, and PFG's specific seafood suppliers were not identified as high risk via SEDEX.

Some areas of higher vulnerability based on geographical risk were identified regarding ingredients used in PFG's ready meal products. For example, small amounts of raw materials and packaging are sourced from Pakistan, Peru, Sri Lanka, Turkey and the Philippines respectively, all of which are known higher risk areas according to the Global Slavery Index data.

Additionally, dairy was identified as an area of relative unknown risk, due to the fact that suppliers in this industry tend not to be SEDEX members. This meant PFG was unable to conduct a comprehensive risk assessment of its dairy suppliers, however it assesses likely risk to be low given all dairy is sourced domestically where workers tend to be unionised and employed under Australian enterprise agreements.

6.4 Risk Assessment Findings – Packaging

As a food manufacturer of an increasingly diverse range of products, PFG's supply chain inevitably includes large amounts of various types of packaging, with virgin materials sourced from multiple countries which have various levels of modern slavery risk. However, over 90% of PFG's key packaging suppliers have returned PFG's ethical sourcing policy during the Reporting Period, and the policy extends specific obligations on packaging suppliers to address sustainable packaging as well as addressing modern slavery risk. Overall, PFG is confident its packaging suppliers are committed to the same ethical and sustainability goals as PFG in this space.

6.5 Risk Assessment Findings – Indirect Suppliers

PFG continued to assess the risk of modern slavery in the supply chains of its transport and logistics companies, which account for the majority of the group's indirect supplier spend and requirements, to be low. Confidence in the Australian transport and logistics industry, which was already heavily unionised to protect workers, continues to be bolstered by Chain of Responsibility legislation and technological developments, such as GPS tracking, which have improved worker safety.

There is possible modern slavery risk within the supply chains of PFG's professional services providers, as identified in their own modern slavery reports due to offshore outsourcing of business support. Similarly, it is acknowledged there is possible risk of modern slavery associated with IT suppliers, due to inherent risk in the production of technological hardware, and the prevalence of outsourcing and sub-contracting in the IT industry.



In recent years PFG has further queries with its cleaning and security providers, to ensure they were made aware of our ethical sourcing obligations. However, it is acknowledged the cleaning industry in particular is a potential risk industry for unethical labour practices.

7 Actions taken to assess and address modern slavery risk

7.1 Actions (Due Diligence)

During the Reporting Period, PFG took the following actions to specifically mitigate the risk of modern slavery in its supply chain and to generally gain better oversight over its supply chain:

- Direct follow up with suppliers which had high risk labour findings on SEDEX, including the meat suppliers mentioned earlier in this statement, to understand how they plan to address their risk ratings;
- Moved to more direct sourcing of frozen vegetables rather than through brokers;
- Physically inspected multiple Chinese facilities (existing and prospective) with a Chinese speaking member of procurement team;
- Decided to not source products from Xinxiang province in China (known area of high risk of modern slavery) during tender process;
- Commenced transition of all signed Ethical Sourcing Policies onto new Solandra ingredient compliance system – so that policies are stored centrally.

7.2 Remediation

As outlined in the actions section above, PFG's modern slavery remediation program includes directly following up with SEDEX linked suppliers with high risk (defined as critical or major) ratings. PFG's approach is to work with these suppliers in the first instance, in the spirit of continuous improvement. PFG will reassess its supply arrangements with suppliers identified as high risk in the next reporting period, if no improvements are evidenced.

Furthermore, PFG's Corporate Whistleblowing policy, available publicly via the corporate website, creates a grievance mechanism for all stakeholders to raise concerns about unlawful practices in the PFG supply chain. The summary poster of the Whistleblowing Policy, on display at all Australian facilities, cites modern slavery concerns as a specific example of the sort of complaint that could be brought under this policy.

8 PFG's effectiveness in combating modern slavery

During the Reporting Period, the principal tool used to evaluate PFG's effectiveness in mitigating the risk of modern slavery in its business or supply chains was SEDEX Radar reports. It is acknowledged at the outset that this approach is limited by the fact that PFG can only evaluate suppliers which have accepted to be linked with PFG on SEDEX. By the conclusion of the Reporting Period, PFG was linked with almost 200 suppliers.



A specific report was generated for all suppliers on SEDEX with high risk (defined as >6) labour indicator ratings due to either:

- inherent risk; or
- site characteristics risk; or
- overall risk.

Approximately 40 suppliers (NB including suppliers to NZ operations) were identified via this report, and PFG's modern slavery working group has specifically followed up with each supplier to better understand their risks and plans to address such risks.

PFG plans to continue to use SEDEX Radar reports as the basis for evaluating modern slavery risk during the next Reporting Period, as these reports are very useful and provide reliable data as determined by a combination of third-party audits and inherent supplier risk.

9 Further steps

Following a review of the effectiveness of the actions taken during the Reporting Period to understand and mitigate the risk of modern slavery in PFG's operations and supply chains, the group plans to undertake these further steps during the next Reporting Period:

- Review and update PFG's Ethical Sourcing Policy to clarify the definition of threshold suppliers and key ingredient suppliers;
- Ensure all threshold suppliers, and acquired suppliers from M&A activities, return signed copies of PFG's Ethical Sourcing Policy and are transitioned to PFG governance systems;
- Continue to leverage SEDEX as an evaluation tool for ingredient and packaging supplier risk.

This modern slavery statement is made by the Patties Food Group for the financial year ending 30 June 2023.

This statement was approved by the board of directors of Piranha Holdco Pty Ltd, being the principal governing body of the Patties Food Group, on 18 December 2023.

This statement is prepared in accordance with the requirements of section 14 of the Modern Slavery Act 2018 (Cth).



Modern Slavery Statement – Patties Food Group (F23)



This statement is signed by an authorised representative of the board of directors of Piranha Holdco Pty Ltd:

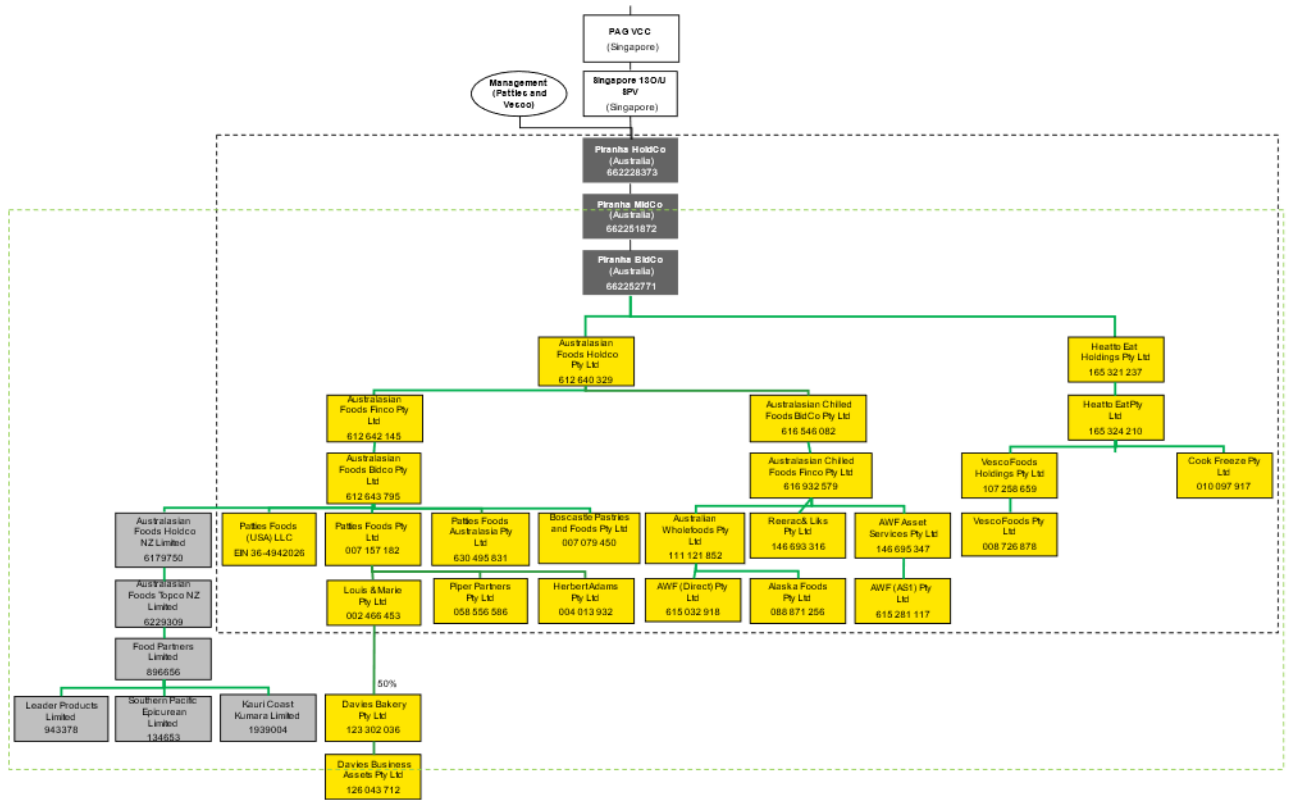
A handwritten signature in black ink, appearing to read "Paul Hitchcock".

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Paul Hitchcock, Chief Executive Officer and Director

Date: 18 / 12 / 2023
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Appendix A – Patties Food Group Corporate Structure Chart



Appendix B – Country of Origin Table, PFG Raw Materials and Packaging F23

AUSTRALIA: Beef, Flour, Poultry, Eggs, Lamb, Dairy, Cheese, Processed Meats, Fresh Fruit & Vegetables, Sugar, Salt, Oats, Pasta, Vegetable Protein, Packaging (cartons & foil)
BELGIUM: Finished Goods Vegetables
BRAZIL: Herbs and Spices, Starches
CANADA: Cured Meats
CHILE: Packaging (primary board), Frozen Berries.
CHINA: Frozen Vegetables, Mixed Herbs, Starches, Packaging (foil trays & plastics)
DENMARK: Cured Meats
EGYPT: Herbs and Spices
FRANCE: Herbs
GERMANY: Starches
GUATEMALA: Herbs and Spices
INDIA: Rice, Vegetable Protein, Herbs & Spices
INDONESIA: Herbs and Spices
ISRAEL: Packaging (plastic trays)
ITALY: Apples, Rice
MALAYSIA: Fats and Oils (Palm Oil), Packaging (grey board)
MEXICO: Herbs and Spices
MOROCCO: Herbs and Spices
NETHERLANDS: Starches, Herbs & Spices
NEW ZEALAND: Frozen & Ambient Fruits & Vegetables
NORWAY: Seafood
PAKISTAN: Dried Fruits
PERU: Quinoa
PHILLIPINES: Fruits, Packaging
POLAND: Herbs and Spices
PORTUGAL: Herbs and Spices
SERBIA: Herbs and Spices
SINGAPORE: Dry Blends
SPAIN: Herbs and Spices
SRI LANKA: Herbs and Spices
THAILAND: Rice
TURKEY: Dry Herbs and Spices, Lentils
UK: Packaging
USA: Packaging, Herbs & Spices
VIETNAM: Seafood, Herbs & Spices



