



2024 Modern Slavery Act Statement

Pro-Pac Packaging Limited

Pro-Pac is dedicated to upholding human rights in all we do. We strive to ensure that dignity and fairness are at the heart of our operations and values.

At Pro-Pac, we believe that how we deliver our products is just as critical as the products and services themselves. We are committed to positively shaping our supply chain by upholding the highest ethical standards and working to eradicate modern slavery.

We are proud to be a member of the United Nations Global Compact (UNGC), which further reinforces our dedication to ethical business practices. In line with this commitment, we fully support the recent recommendations from the Modern Slavery Review, including legislative changes to enhance modern slavery reporting standards and enforce compliance obligations. To this end, we have already launched several improvement initiatives to align with rising stakeholder expectations and uphold our high standards.

Our Modern Slavery Statement, which details the actions we have taken for the financial year ending June 30, 2024, is published in accordance with Australia's Modern Slavery Act 2018.

Addressing modern slavery requires ongoing commitment, vigilance, and leadership. Pro-Pac is dedicated to advancing these efforts throughout the 2025 financial year.

John Cerini
Chief Executive Officer
& Executive Chairman

1. Introduction



This Modern Slavery Statement, is made pursuant to the Modern Slavery Act 2018 (Cth), and sets out the actions taken to assess and address modern slavery risks in our operations and supply chain for the financial year ended 30 June 2024 ("Reporting Period"). The reporting entities are Pro-Pac Packaging Limited and Pro-Pac Group Pty Limited. There are no other entities that we own or control that require us to consult for this statement.

We are dedicated to operating our business with the highest standards of ethical conduct and sustainable governance.

Our corporate governance strategy underscores our commitment to accountability and aligns with our company's values, mission, and purpose. We are resolute in embedding responsible corporate behavior throughout all facets of our operations. As a leading manufacturer, importer, distributor, and supplier of packaging products and services in the Asia Pacific region, we recognise our customers' expectations for ethically sourced products and are committed to meeting those expectations.

We encourage our team to "Do the Right Thing" and as part of our Code of Conduct, Pro-Pac is committed to:

- Conducting business fairly, truthfully and honestly
- Acting in the best interests of our customers, shareholders and fellow colleagues
- Meeting the highest standards of ethical behaviour
- Being respectful, friendly and safe
- Protecting company assets, information and reputation
- Complying with the law and with company policies.

Our Core Values



Deliver sustainably



Unite



Innovate and simplify



Win/Win relationships



Integrity and accountability

2. Our Structure, Operations & Supply Chain

2.1 Our Structure

Pro-Pac Packaging Limited is a public company listed on the Australian Securities Exchange (ASX: PPG). Our registered office and principal place of business is located at 83-85 Banbury Road, Reservoir VIC 3073.

In this report we refer generally to the Pro-Pac Group's activities as a whole, and our reporting encompasses both reporting entities.

The following entities met the reporting threshold during the Reporting Period:

- Pro-Pac Packaging Limited ABN 36 112 971 874; and
- Pro-Pac Group Pty Limited ABN 50 095 393 776

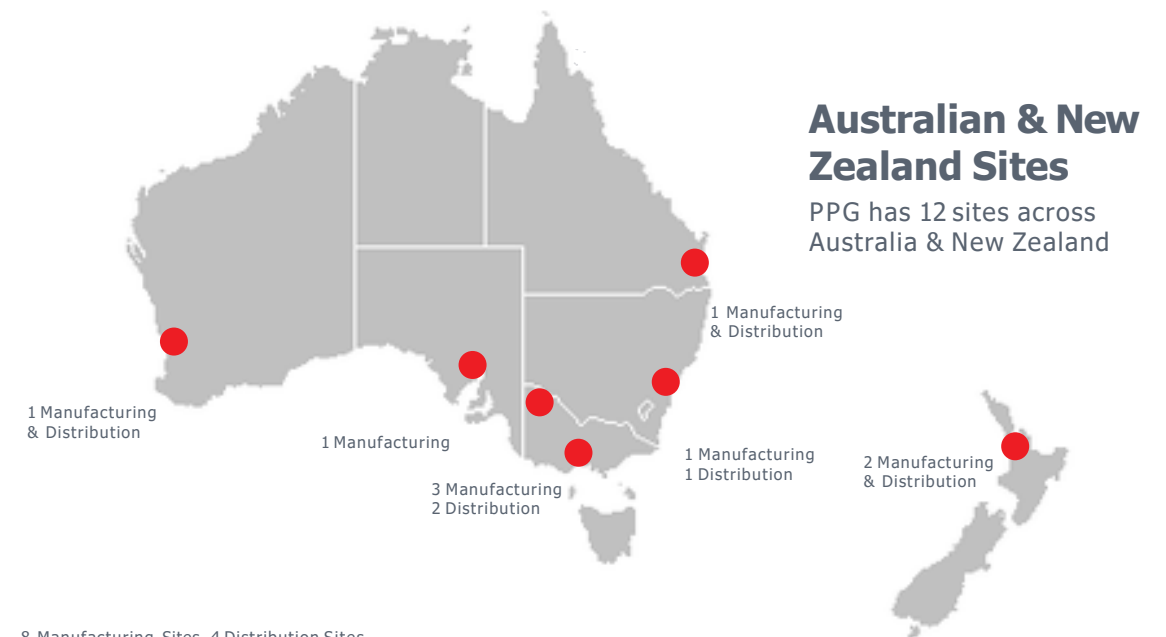
2.2 Our Operations

Pro-Pac is a leading Australian provider of comprehensive packaging solutions, offering a diverse range of manufacturing and distribution services. We serve various industries, including industrial, food and beverage, produce and horticulture, agriculture and e-commerce. Our expertise spans across primary packaging—directly in contact with the product; secondary packaging—grouping multiple products for shipping; and tertiary packaging—protecting and securing the entire package during transit.

Our diverse product range meets a wide array of packaging needs, including corrugated cartons, trays, protective packaging, flexible and printed films, bags and liners, pallet wrap, and silage wrap.

We are an accredited supplier for major retailers such as Coles, Woolworths, Arnott's, Asahi, CCEP and Nestlé. With over 50 years of experience in design, manufacturing, and supply, our team is highly skilled and knowledgeable.

Our corporate office in Melbourne manages our operations across Australia and New Zealand. We have warehousing, sales, and customer service facilities in capital cities and key regional areas.



In Australia, we have 2 divisions:

Flexibles Division

Our Flexibles Division, operating under the brands Integrated Packaging and Perfection Packaging, specialises in the manufacture and distribution of stretch film, printed films, PVC food films, agricultural packaging, and related packaging products.

Integrated Recycling, a branch of our business, produces Duratrack railway sleepers and the Envire parkscape range of composite recycled plastic products at our Mildura factory in northwestern Victoria. We focus on collecting and recycling waste plastics, primarily from local agricultural sources such as grapevine covers, which would otherwise be disposed of or burned, to create our Duratrack and Envire products.

In New Zealand, our operations within the Flexibles Division cater to the local market with a focus on manufacturing and distributing stretch film, food wrap film, agricultural packaging, and related packaging solutions.



Specialty Packaging Division

Our Specialty Packaging Division specialises in supplying and distributing a variety of packaging solutions, including corrugated materials, pallet wrap, void fill, and tapes. A significant focus of this division is serving the food industry, with products such as Modified Atmosphere Packaging trays designed to extend the shelf life of poultry products.



2.3 Our People

Our workforce consists of operational, non-operational, and enabling employees:

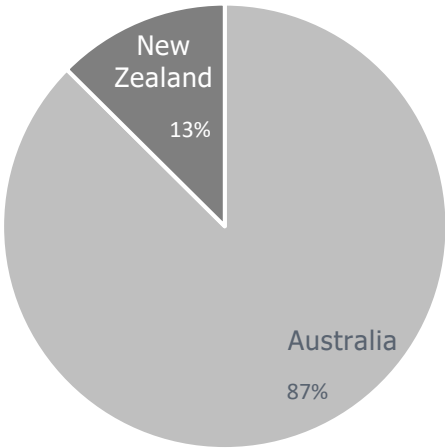
- Operational employees handle manufacturing and warehousing roles and may be engaged directly by the Company or through third-party labor hire companies.
- Non-operational and enabling employees, who are directly employed by the Company, include those in Sales and Commercial roles, as well as those in enabling functions such as Finance, People & Culture (which also encompasses Safety and Environment), IT, Sustainability & Innovation, Legal & Risk and Management.

During the Reporting Period, the Company employed a total of 597 people—522 in Australia and 75 in New Zealand. Of these, 99% were permanent employees, while 1% were on casual or temporary terms.

In Australia, our operational employees are covered by five Enterprise Agreements and five Awards. Non-operational employees are under common law contracts.

In New Zealand, operational employees are covered by individual contracts aligned with a Collective Agreement and one Industry Agreement. Our non-operational employees are covered by Individual Employment Agreements.

We regularly review our employee data, payroll information, and employment conditions to ensure compliance with both local employment laws and our internal policies. In all markets, we provide wages that exceed the minimum requirements through a combination of collective agreements and individual contracts. In Australia, we benchmark salaries for salaried roles against market data to ensure competitive compensation.

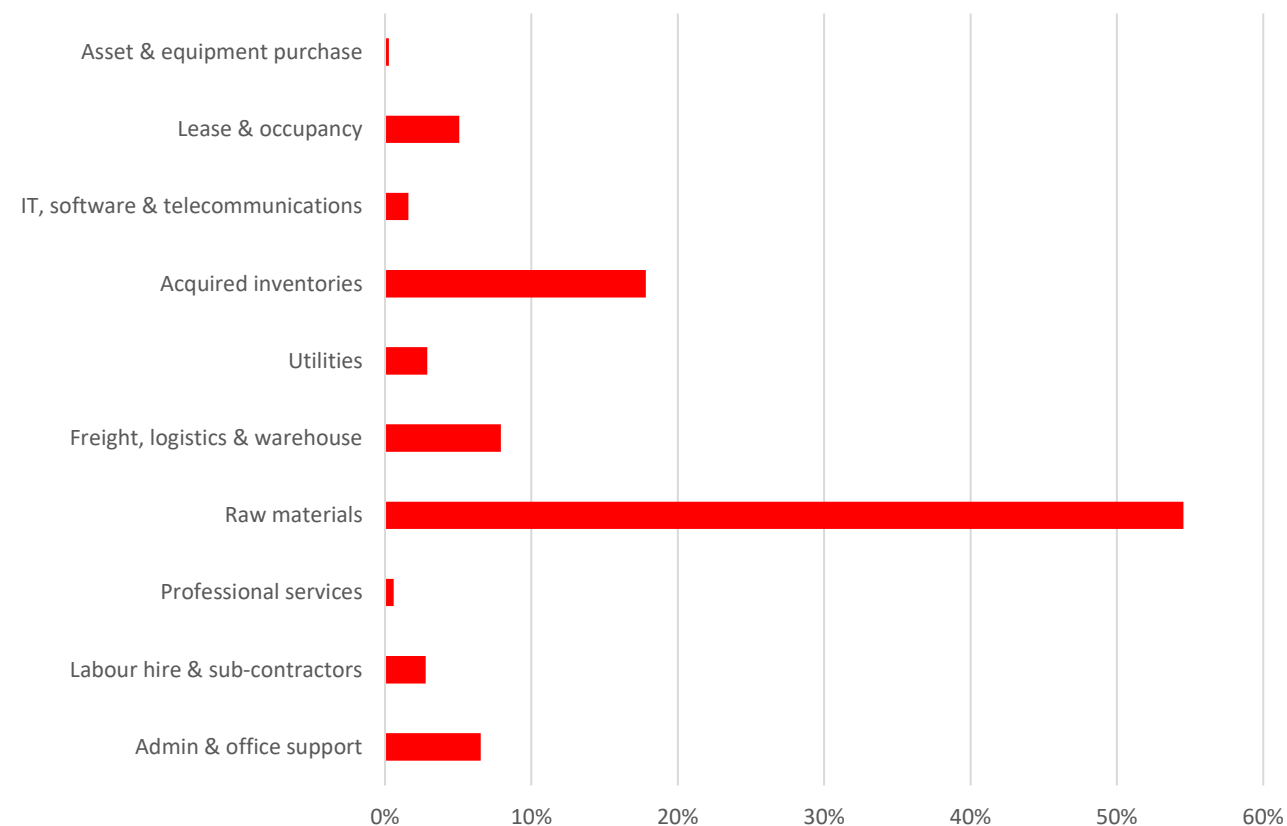


Pro-Pac Packaging Employees

During the Reporting Period, the Company employed 597 people across our locations depicted in the chart.

2.4 Our Supply Chain

Top spend categories:



\$235,500,000

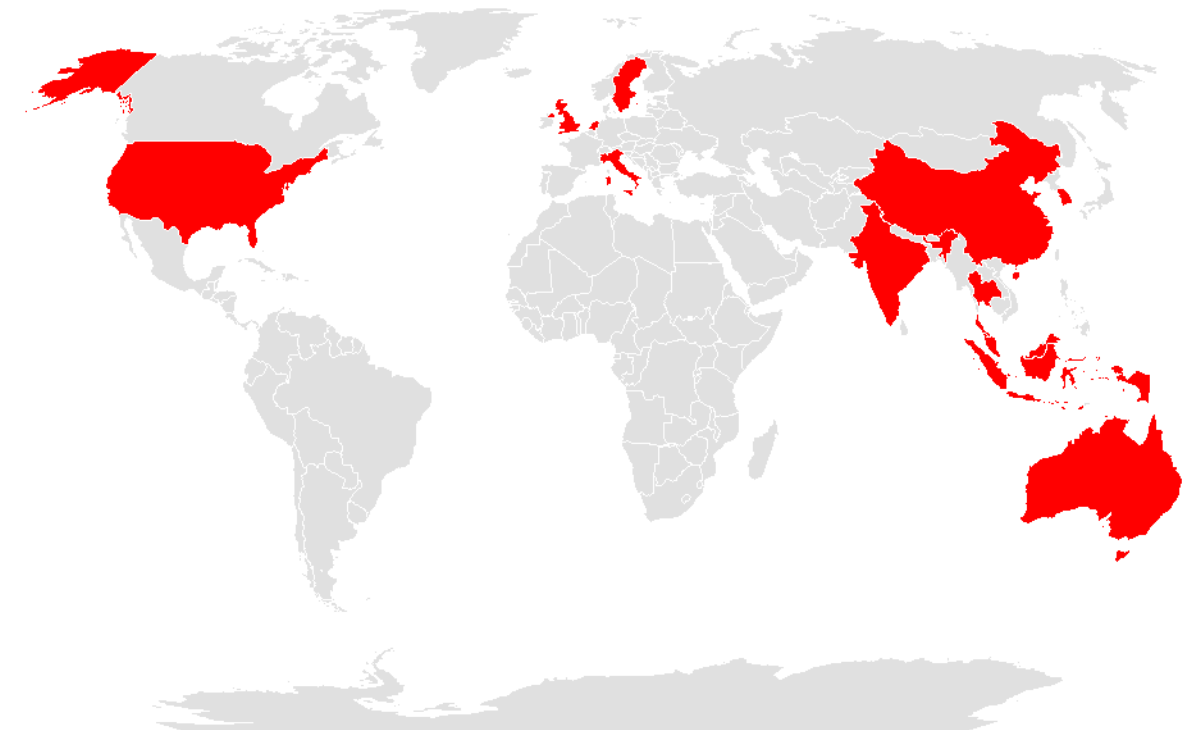
Our total annual procurement spend was over \$235.5m

53.6%

Our Top 20 suppliers make up 53.6% of our total procurement spend.

The countries of origin of raw materials, finished products and other packaging products were as follows:

Australia, China, United Arab Emirates, India, Indonesia, Italy, Malaysia, Netherlands, Singapore, South Korea, Sweden, Thailand, UK and USA.



3. Modern Slavery Risks



We consider Modern Slavery risks from four perspectives:



Sector and
industry risks



Geographic
risks



Supply chain
model risks



Product and
service risks

3.1 In Our Operations

We assess that the risk of modern slavery in our Australian and New Zealand sites remains low. This evaluation is largely based on the Global Slavery Index (GSI), which classifies both Australia and New Zealand as low-risk countries for modern slavery. Currently, Australia scores 7 out of 100 and New Zealand scores 8 out of 100 for vulnerability, with higher scores indicating greater vulnerability.

Moreover, our employees in both countries benefit from strong contractual and industrial protections that safeguard their rights.

In early 2024, we also underwent a SMETA 4-Pillar assessment at two of our largest manufacturing sites. This audit assessed our operations for risks against the below criteria:

- Universal rights covering UN Guiding Principles
- Management systems and code implementation
- Responsible recruitment
- Entitlement to work and immigration
- Sub-contracting and home working
- Environment
- Business ethics
- Suppliers code

The results of these assessments can be viewed in the case study on page 21.

3.2 In Our Supply Chain

In our supply chain, we have a medium level of modern slavery risk. This risk level is determined by several factors including:

- Industry – The manufacturing industry has an inherent level of modern slavery risk.
- Geography – Our supply chain extends globally, however a large part of it resides in South East Asia where some of the highest levels of risk occur.
- Supply model risks – We are a large importer of products from South East Asia which increases our modern slavery risk.
- Products – A small volume of the products and materials we procure are from high-risk categories such as timber, rubber and cotton.

In 2024, we implemented a new supplier management system that enables us to better assess the modern slavery risks within individual supplier operations. This system enables us to survey suppliers against multiple criteria such as:

- Business operations and goods/services
- Workforce
- Indigenous people
- Controls and policies
- Health and safety
- Human rights training
- Anti-bribery and corruption controls

By assessing both our supply chain and individual supplier modern slavery risks, we can ensure our actions, monitoring and remediation is appropriate.

Launching Supplier Assessments Through ETHIXBASE 360

During the Reporting Period, we rolled out Ethixbase360 as our supplier due diligence platform. This platform enables us to better assess our individual supplier risks by:

- Completing instant due diligence checks on suppliers against watchlists, sanctions and enforcements.
- Coordinating and improving supplier response rates to a best practice modern slavery self-assessment questionnaire.
- Quantifying questionnaire scores to prioritise higher risk suppliers and determine an overall supplier risk profile.

We have currently added our top 50 suppliers to the platform which equates to over 60% of our total procurement spend.

4.Actions Taken To Assess & Address Modern Slavery Risks

4.1 Improvement Activities

During this Reporting Period, our Modern Slavery Working Group delivered several key improvement activities, which include:

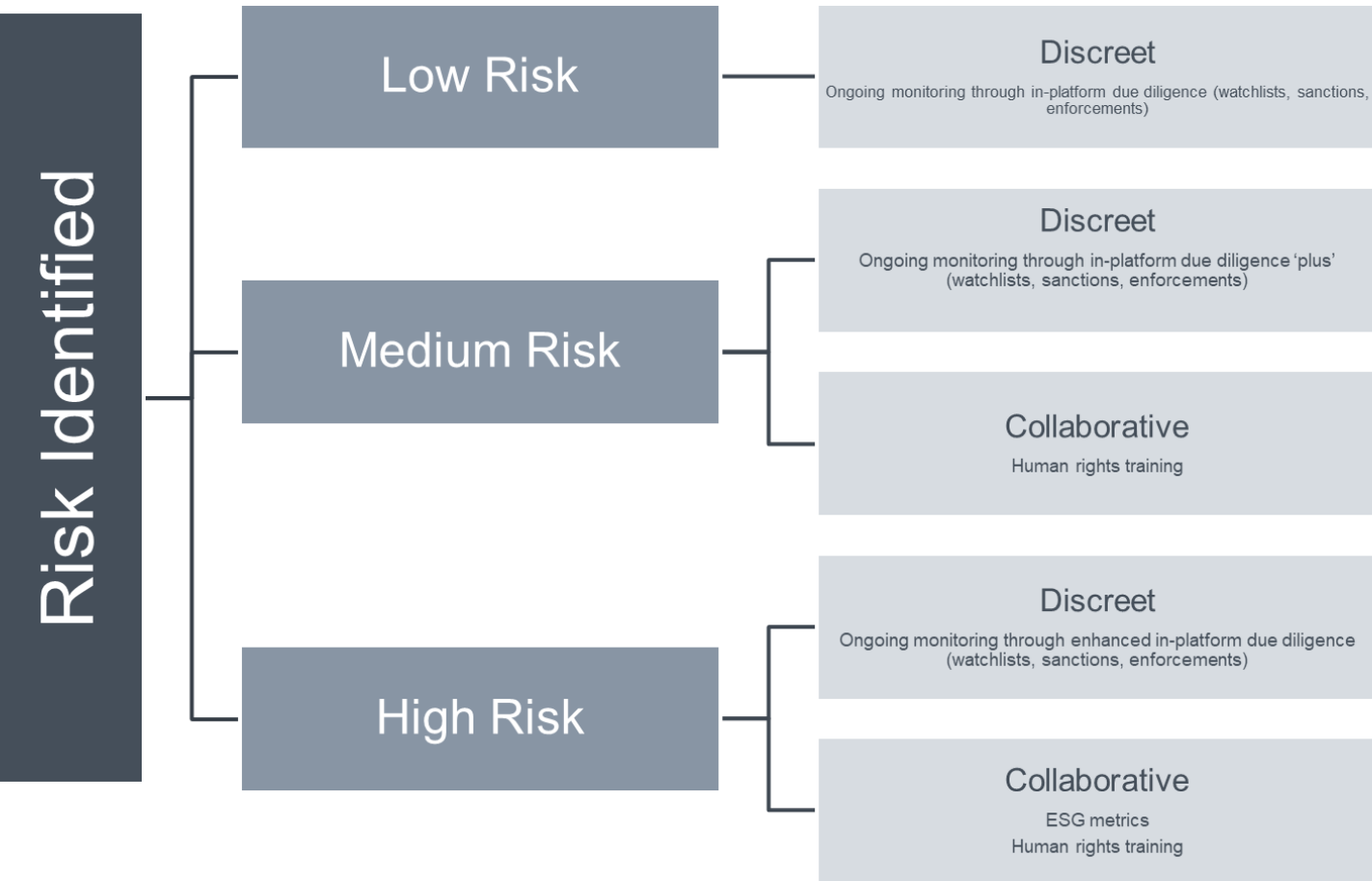
- Scoping, developing and implementing a dedicated supplier modern slavery platform – Ethixbase360.
- Rolling out the two tranches of our supplier assessment program.
- Reviewing and updating key policies and procedures.
- Undergoing SMETA 4-pillar audits for our two largest manufacturing facilities.
- Conducting internal SMETA gap analyses on our third largest manufacturing facility
- Researching and implementing a remediation framework for high-risk suppliers.
- Developing a modern slavery dashboard with short and longer-term KPIs.

In addition to the activities mentioned, we provided monthly progress reports to our board, highlighting any significant risks identified.

We also continued to use our database to record all potential or actual breaches, along with our investigations and subsequent actions. Maintaining this database enables us to learn from past incidents, monitor our impact, and drive continuous improvement.

Remediation Framework

Our Remediation Framework works alongside our supplier modern slavery platform to escalate actions based on risk and cooperation from the supplier:



4.2 Ongoing Activities

During the Reporting Period, we continued to advance our modern slavery compliance efforts and processes, which include the below activities that we deliver on an ongoing basis:

Annual Compliance Training

We provide mandatory online training on modern slavery and anti-bribery to our employees annually, achieving a 99% completion rate this period.

Audit Business Risks and Compliance Committee

Our Committee received regular compliance reports from the management team, detailing adherence to legislative obligations and identifying any emerging or existing modern slavery risks.

Code of Conduct

Our Code of Conduct ensures that team members engage with suppliers who adhere to our Ethical Sourcing Policy or equivalent policies, including commitments to combat modern slavery.

Board Governance

Our Board actively oversees our modern slavery activities and associated risks, ensuring robust governance and compliance across our operations. Monthly reports are provided to the Board, highlighting progress and any emerging risks, reinforcing our commitment to ethical practices and accountability.

Customer Surveys

We regularly respond to surveys requesting details about our customers' products, upstream supply chain, and modern slavery commitments. We ensure prompt and thorough responses to all customer inquiries.

Ethical Sourcing Policy

When onboarding major suppliers, our selection criteria evaluate their competence and alignment with our values. Our Ethical Sourcing Policy and Supplier Code of Conduct are included in our tender materials. Suppliers who demonstrate strong compliance with our Ethical Sourcing Policy may earn "preferred supplier status" and receive priority for new business opportunities.

Whistleblower Policy

Our Whistleblower Policy and third-party-managed reporting channels are closely monitored. These channels are available for anonymously reporting unethical conduct, legal breaches, and violations of the Code of Conduct. No reports were received during this Reporting Period.

5. Assessing the Effectiveness of Our Actions



5.1 Measuring Effectiveness

Over the Reporting Period, we focused considerable effort on improving our data to better understand our risks and effectiveness. We now measure our effectiveness in several ways described below.

Compliance training completion rates	Measures the breadth of awareness on key topics of modern slavery and anti-bribery within our operations.
SMETA 4-Pillar audit results	Measures the effectiveness of controls and policies in our operations and in our supplier operations
Ethixbase360 dashboard	Measures the response rate, average supplier risk rating and supplier risk breakdown
Company KPIs	Developed and overseen by the Working Group, the KPIs measure the proportion of suppliers by spend covered by Ethixbase and our new supplier engagement program, and percentage of breaches resolved

5.2 Previous Commitments

2023 Commitment	2024 Status
Evaluate PPG IT systems to ensure relevant supplier and Modern Slavery data is being captured.	Completed.
Review all Modern Slavery documentation and policies. Integrate the reviewed policies into existing processes.	<p>In progress.</p> <p>All key documentation has been reviewed and updated. Integration into existing processes will be delivered in FY25.</p>
Deliver key person training on PPG’s Modern Slavery policies and practices.	<p>In progress.</p> <p>Key stakeholders have undergone training to utilize our new supplier modern slavery platform. Further team training on updated policies and procedures will be conducted in FY25.</p>
Assess and update current Modern Slavery platform memberships such as Sedex.	Completed.
Conduct SMETA or similar audits on PPG’s 3 largest sites.	<p>In progress.</p> <p>Two major sites completed, with remaining major site undergoing a gap analysis.</p>
Continue to monitor high risk product categories.	This is an ongoing activity.

SMETA 4-Pillar Audits

In 2024, we conducted two semi-announced SMETA 4-Pillar audits on our two largest manufacturing sites in Australia, being our Reservoir (Victoria) and Kewdale (Western Australia) Integrated Packaging facilities.

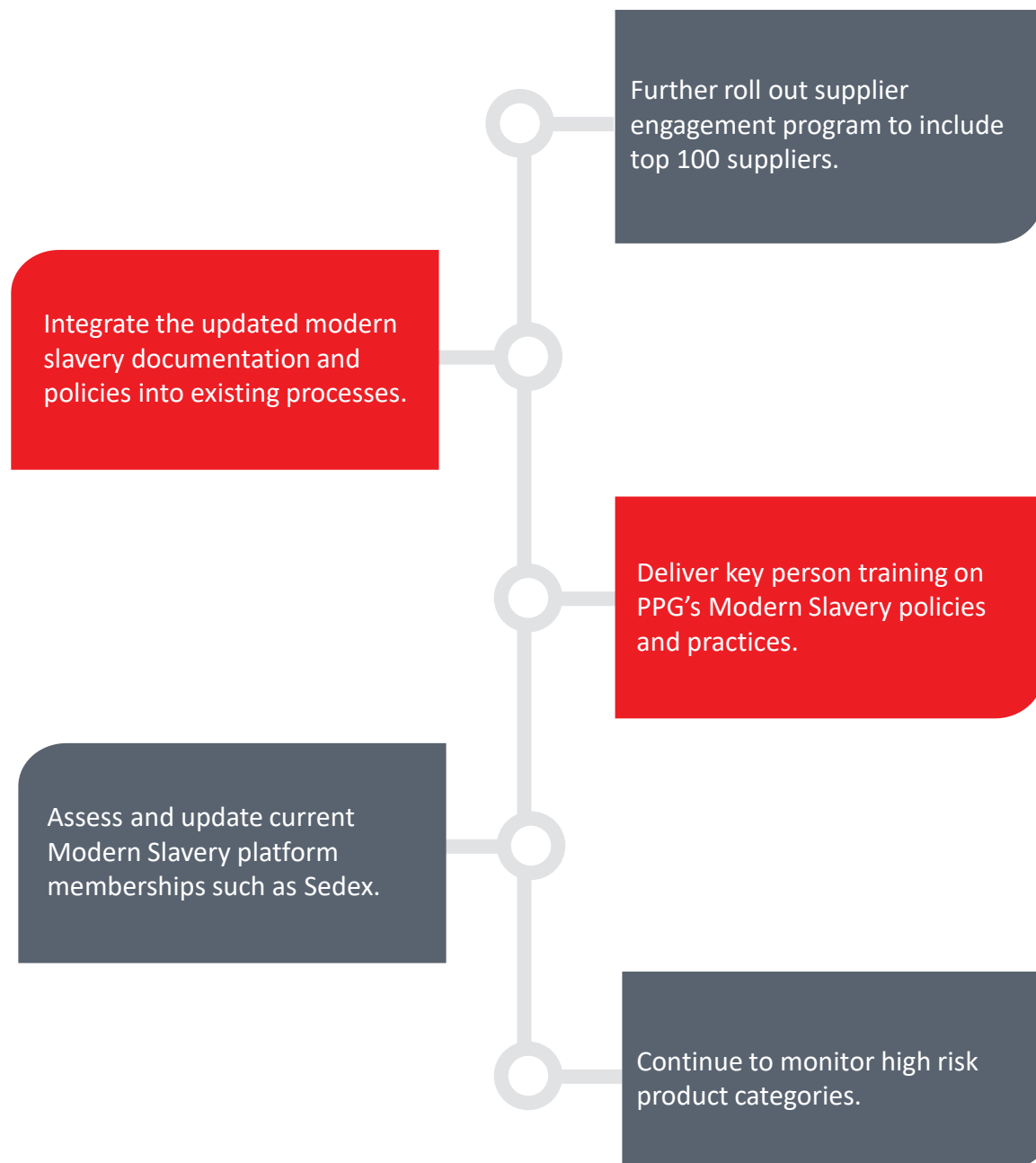
To prepare for these audits, we conducted thorough gap analyses to identify potential weaknesses and rectify them prior to our formal assessment.

Both facilities passed their 4-Pillar audits with each having several minor improvements to make. All improvements were closed within 3 months to the auditor's approval.

The Company is now focusing on its next two major sites in Dandenong and Adelaide and will conduct gap analyses in FY24 and FY25.

5.3 Future Commitments

In addition to our ongoing activities, we will concentrate on the following improvement initiatives over the next Reporting Periods:



6. Other Information

We are a member of the United Nations Global Compact (UNGC), a voluntary initiative where participating companies align strategies and operations with universal principles on human rights, labour, environment and anti-corruption.

We are also an A/B member of Sedex. The Supplier Ethical Data Exchange (Sedex), is a not-for-profit membership organisation dedicated to driving improvements in responsible and ethical business practices in global supply chains.

We are a member of the Australian Packaging Covenant and support and report on our commitment to the 2025 National Packaging Targets annually.

We are also HACCP and ISO 9001 certified with two sites also being FSSC 22000 certified.



7. Consultation & Approval

The Reporting Entities consist of Pro-Pac Packaging Limited, and its wholly owned subsidiary Pro-Pac Group Pty Limited, which is the principle trading entity within the Pro-Pac group of companies. John Cerini is the director of Pro-Pac Group as well as the Chief Executive Officer and Executive Chairman of the parent entity. Kathleen Forbes is the Company Secretary of both Reporting Entities and every Australian subsidiary within the Pro-Pac group of companies. She has taken an active role in the preparation of this Modern Slavery Statement and ensuring that there has been knowledge sharing and collaboration between the management of the Reporting Entities.

This Statement was approved by the Board of Pro-Pac Packaging Limited on 21 November 2024.

Signed,



John Cerini
Chief Executive Officer and Managing
Director
25 November 2024



Pro-Pac is an Australian and New Zealand business that is focused on using its investment and manufacturing expertise in plastic packaging to capitalise on key industry trends including innovation and sustainability.

Pro-Pac is listed on the Australian Securities Exchange (ASX:PPG).

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