



MODERN SLAVERY STATEMENT

D'Orsogna Limited (ACN 063 427 752)
Financial Year 2019-2020

This Modern Slavery Statement is prepared and issued by D'Orsogna Limited, ACN 063 427 752 (hereinafter referred to as D'Orsogna) and is made pursuant to the *Modern Slavery Act 2018* (Cth) in respect of D'Orsogna and refers to the period 1 July 2019 to 30 June 2020.

MESSAGE FROM THE MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER

Dear Stakeholders,

As one of Australia's largest small goods manufacturers, D'Orsogna engages with a diverse range of suppliers of goods, services, equipment, and information technology. An integrated supply chain is essential to the production and distribution of our quality products to our nationwide customer base.

With a proud history and heritage, D'Orsogna is committed to excellence in all we do, from the food we produce to our relationships with employees, customers, partners, consumers and shareholders. We achieve this through the highest standards of safety, quality, innovation, respect and integrity.

An integral part of the D'Orsogna business culture is the respect of the human rights of our team members and of every worker that is employed within our supply chain. We have integrated human rights into the way we go about our business and in the decisions we make with this purpose at the forefront of mind.

We fully support the *Modern Slavery Act 2018* and condemn all forms of modern slavery. Since the beginning of the 2020 Financial Year, the D'Orsogna Board and Senior Management Team have been developing a framework to ensure Modern Slavery compliance across all aspects of our business.

Our Modern Slavery Statement outlines the steps we have taken to identify, manage and mitigate the risks of modern slavery in our operations and supply chain. Our ongoing commitment is one of continuous improvement to ensure that our processes and interventions remain effective in preventing and assisting in the elimination of modern slavery.

We would like thank our suppliers for their support, cooperation and transparency in this initiative. We will continue to work with our suppliers to continually improve and develop our Modern Slavery Compliance Framework. A framework that will play a meaningful role in making this world a better and safer place for the vulnerable members of our community.

This Statement was approved by the Board of Directors of D'Orsogna Limited on 29 January 2021.

Greig Smith
Managing Director and Chief Executive Officer
January 2021

INTRODUCTION

A. About our business

D'Orsogna is a food manufacturing company employing over 750 employees which operates in Australia at two locations, Western Australia (Head Office) and Victoria. D'Orsogna's core business is providing a range of processed meat products across Australia.

D'Orsogna operates primarily in the retail industry selling D'Orsogna branded and private label products for retail sale through various supermarket supply chains, including Woolworths, Coles and Aldi.

D'Orsogna seeks to do business with suppliers that have similar values, ethics and sustainable business practices, including those related to human rights. D'Orsogna recognises that as a large purchaser of goods and services, the business conduct and performance of its suppliers can have a significant impact on its performance and reputation within the communities in which it operates.

B. Key policies and principles to manage Modern Slavery Risks

D'Orsogna understands that the risks relating to suppliers will vary depending on their industry, geographic location and company size, and therefore, the scope of D'Orsogna's suppliers' policies, processes and systems are expected to reflect their specific risks.

One of D'Orsogna's key values is 'respect for people'. As stated in our Ethical Conduct Policy, D'Orsogna does not tolerate slavery, human trafficking, forced labor or child exploitation of any kind.

In addition to the Ethical Conduct Policy, D'Orsogna has various other policies which assist in managing human rights across our business and supply chain including the following:

- Code of Conduct
- Procurement Policy which incorporates a Supplier Code of Conduct
- Risk Management Policy
- Whistle Blower Policy
- Employment Policy which includes labor hire management
- Grievance Policy

C. In our operations

In financial year 2020, D'Orsogna completed an initial desktop assessment of the risk of modern slavery in its own operations. The risk of modern slavery in our operations was assessed as low.

We have human resources controls and processes in place for on-boarding new employees, frequent review of employee wages and employment conditions, auditing compliance in relation to work rights, employees have access to unions and training on employment matters and a stringent safety system in place to ensure the welfare of our employees.

MODERN SLAVERY ACT 2018 COMPLIANCE

Risk management and due diligence processes

D'Orsogna recognises that through its supply chain and operations, it can be directly or indirectly exposed to the risk of modern slavery and human trafficking. In order to mitigate those risks and meet compliance with the Act, the company has taken the following actions:

- Developed a D'Orsogna Preferred Supplier Program that is monitored through the company's Quality Management System to manage risks within its supply chain relationships.
- Implemented a risk management processes to identify, assess, monitor and mitigate potential risk areas where the company could be exposed to human rights concerns, including modern slavery and human trafficking. The risk management process includes use of a Supplier Questionnaire, Risk Assessments and 'High Risk sectors and sensitive areas list', which is used to determine suppliers that may have a higher risk of modern slavery issues.
- Modern Slavery Act 2018 compliance was an agenda item at both Senior Management and Board meetings.
- Reviewed and improved our current policies.
- Provided information, training and instruction within the organisation and supply chain.

SUPPLY CHAIN

A. Analysis of supply chain to identify risk

Our supply chain relationships include suppliers from the following sectors: equipment; information, communications and technology; maintenance services (including facilities management, utilities, labor hire, waste management and security); transport and logistics, dry goods procurement, raw meat procurement, office supplies; and clothing/personal protective equipment suppliers.

B. The process

Firstly, we conducted an internal review to identify if any Modern Slavery issues were found within our own operations. This was an important part of the process as we employ individuals where English is second language and also employ some visa workers whom may be deemed as vulnerable workers.

Secondly, it was communicated to the Senior Management team the requirements of the program and we ran a review on actual spend for the financial year by supplier, then ranked from highest spend to lowest. We then issued questionnaires to our suppliers to commence our risk assessment process. The process also included the supplier advising of other third party suppliers in their supply chain.

On receipt of the returned questionnaires, we developed a supplier risk register and entered information provided. From that process we could then identify the supply chain risks in regards to modern slavery.

On review of data we found majority of D'Orsogna's supply chain spend is with meat suppliers, who are predominantly located in Western Europe, Australia and North America.

C. Effectiveness of actions taken

We believe that involvement from the leadership team is fundamental to its ultimate success by "leading from the top down". Therefore, we have introduced modern slavery risks into our business risk matrix that is discussed and addressed at periodic management and board meetings.

The clear expectation is that each area of the business is responsible for identifying and assessing their own operations and supply chain for human rights (and other) risk and to

implement appropriate controls with support from our risk team.

Therefore, in financial year 2020 the focus was on mapping and understanding its supply chain in more detail to help close the risk knowledge gaps identified above, and for the Senior Management Team to put the necessary processes in place to implement a detailed and thorough risk assessment program.

The program is still in development, but assessments and monitoring conducted to date, have indicated that the team is aware of the risks of modern slavery and the process has identified where we can make improvements in our supply chain.

RISKS OF MODERN SLAVERY PRACTICES IN D'ORSOGNA'S OPERATIONS AND SUPPLY CHAINS

A large portion of our supplier and procurement spend is with suppliers based in countries, like Australia and Denmark, that have a lower risk of experiencing modern slavery practices, as identified by the Global Slavery Index (GSI). However, there are some suppliers that fall in a higher vulnerability to modern slavery category, such as China. Whilst geography is only one factor used in assessing the overall risk of a supplier, it has been an important starting point for the business to understand its level of risk and mitigation strategies.

Impact of COVID-19 on modern slavery risks

As felt by many other companies around the world, COVID-19 presented a range of new challenges for D'Orsogna Ltd and for our extended supply chain.

D'Orsogna recognises that COVID-19 has impacted on modern slavery risks as we have been restricted in our ability to fully assess and address risks within our supply chain. The main cause of this being the unavailability of key contacts to provide the required information within a timely manner due to restriction of movements as set by the relevant governments in the areas our suppliers operate in.

This resulted in some instances, suppliers requiring longer lead times or inability to complete their required actions due to disruptions to their business operations.

Suppliers that did not provide the required information were brought to the attention of the Managing Director for review and action.

In summary, we have assessed that there is a risk of modern slavery being present in our extended supply chain due to the geographical locations from which products and raw materials are sourced.

In the next reporting period, D'Orsogna intends to conduct further review and assessments based on those findings and impacts.

FUTURE ACTIONS TO BE TAKEN TO ADDRESS MODERN SLAVERY RISKS

D'Orsogna is committed to continuous improvement in the area of Modern Slavery therefore a number of actions including training and awareness will be implanted over the next 12 to 18 months.

Actions planned

- Team members who deal with our suppliers will be required to complete a training program that will cover modern slavery and ethical sourcing.
- Supplier Contracts to be reviewed to ensure the supplier meets the supplier code of conduct.
- Continue with information collation and risk assessment process.
- Investigate the use of third party such as SEDEX.
- Internal worker education on key employment rights and minimum conditions.
- Continue with internal auditing processes.
- Training programs on employment related policies and procedures for our internal management team.

REMEDIATION

Where a legitimate concern or issue is raised through one of our grievance mechanisms we are committed to work with our suppliers,

government and worker representative bodies to ensure appropriate remedy is provided.

Our grievance mechanisms

We respect the rights of individuals therefore to support this we provide a number of grievance mechanisms.

A. Whistle Blower Policy

Our Whistleblower Policy encourages the reporting of any suspected unethical, illegal, fraudulent or undesirable conduct, including suspected adverse impacts on people, communities or the environment within our supply chain. The Whistle Blower Policy includes an external hotline number to PWC who also monitor and provide quarterly reports.

B. Internal Grievance Procedures

To support this, we provide several methods such as inductions and re-fresher inductions to communicate this procedure. The procedure includes the process of accessing government bodies such as Fair Work Australia if remedy is found non-satisfactory.

This Modern Slavery Statement is prepared in accordance with the criteria set out in the *Modern Slavery Act 2018* (Cth).