



QUALITY INGREDIENTS TO THE FOOD INDUSTRY
Frutex Australia Pty Ltd | www.frutex.com.au | ph (612) 95026500 | fx (612) 95026511
ABN 35 050 854 034 | Locked Bag 5100 | 18 St Albans Rd | Kingsgrove NSW 2208 Australia



Frutex Australia Modern Slavery Act Annual Statement 2022 Modern Slavery Act 2018 (Cth)

Introduction

This is Frutex Australia's (ABN 35 050 854 034) Modern Slavery Statement provided under the Modern Slavery Act (Cth) 2018 (the Act). It represents Frutex' reporting obligations for the financial year ending 30 June 2022.

Continuing in its statutory obligation to carry out due diligence on its supply chain, in order to reduce and/or minimise the occurrence of modern slavery, Frutex has a modern slavery program implementing initiatives in order to satisfy this objective.

Modern slavery is an indefensible violation and exploitation of an individual's basic human rights. To eradicate it globally, a united approach by industry and anti-slavery NGOs, civil society and Governments is essential. Amongst its various forms includes forced labour, child labour, debt bondage, domestic servitude, human trafficking and extreme working conditions such as low wages, or non-payment of wages and extensive long working hours without any recreational breaks. All of the aforementioned, concern the deprivation of a human's liberty and exploitation of their vulnerability.

Overview and structure

Frutex is a privately owned business that commenced operations in 1968. Frutex is a quality food ingredient company supplying a diverse range of food ingredients to a cross-section of manufacturers and food service businesses in Australia. Operations include:

1. Sourcing
2. Processing
3. Steam sterilisation
4. Spice seasonings
5. Manufacturing fruit blends
6. Bread improvers, vitamins and minerals premixes

Area of Operations and Supply Chains

Frutex head office which includes its warehousing, distribution, and manufacturing facilities is located in Kingsgrove, NSW, Australia.

Frutex has approximately 180 workers on site employed as part of its operations. The business has an annual consolidated revenue of more than AUD \$100 million and is therefore required to comply with the national reporting requirements.

Frutex quality food ingredients are distributed locally in the Sydney metropolitan area, through its fully owned fleet of trucks and nationally using freight forwarding companies.



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Frutex operational supply chain as a quality food ingredient supplier, carries inherent characteristics of potential risk exposure to modern slavery. Its brands include:



Modern Slavery Risks to be Actioned

Frutex Modern Slavery management plan is a journey of ongoing and continuous improvement. The updated Modern Slavery program is supplemented with compliance policies and procedures together with continual ongoing training and improvement. Our Quality Assurance department continues to deliver the Ethical Sourcing and Supply Code of Conduct and Modern Slavery Declaration to all Frutex suppliers as a pre-cursor to the suppliers' business relationship. These are further addressed below in more detail.

The impact of global issues on the Frutex Supply Chain

In 2021 Covid-19 had a significant impact on the global supply chain. This was due to several factors including a concentrated amount of shipping containers being concentrated at major shipping ports awaiting clearing e.g., Shanghai and Singapore, resulting in increased cost of transporting. The last 12 months global issues which have impacted the global supply chain include the effect of the Ukraine/Russian conflict resulting in increased energy costs.

Shortage of raw materials globally can also be attributed to weather fluctuations which have either destroyed crops or reduced crop yields. Extreme flooding in Australia has also impacted domestic supply issues.

Labour shortages in Australia are beginning to ease since the Covid pandemic and productivity has increased exponentially. Notwithstanding, Frutex has continued to meet its contractual obligations to its customers through continuity of supply, forward planning and supplier sourcing alternatives.

Continuous Improvement and Assessing Ongoing Effectiveness

Frutex commitment to continuous ongoing improvement to identify and mitigate risks in its supply chain is demonstrated through a robust compliance program.

Frutex has over the last twelve months, increased its workforce in what has been a struggling labour shortage market in Australia. As a result of hiring a new Work Health Safety and HR Manager, a significant number of new policies and procedures have been implemented to support the existing compliance structure. Frutex updated its existing policies and procedures:

- Workplace Gender Equality, Equal Opportunity, Discrimination & Harassment Policy
- Code of Conduct
- Anti-Bribery and Anti-Corruption Policy
- Victimisation Policy
- Environmental Policy
- Ethical Labour Policy



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- Privacy Policy
- Corporate Responsibility Statement
- Work Health Safety Policy
- Workplace Anti-bullying Policy
- Sexual Harassment Policy
- Work Health Safety Policy

Frutex also introduced a tranche of new policies and procedures:

- Grievance Policy
- Whistle-blower Policy
- Recruitment and Termination Policy and Procedure
- Reward and Disciplinary Action Policy and Procedure
- Stop Work Order Policy

Going forward

Frutex will be implementing a formal Environmental Management System after having a formal risk assessment and environmental impact analysis completed. In addition, Frutex is transitioning from the UTZ Cocoa Program to the Rainforest Alliance 2020 standard.

Frutex will continue to make improvements and implement any recommendations as directed by its Ethical Compliance Officer and new WHS and HR Manager, according to appropriate timelines.

This Statement is made pursuant to section 14(1) of the Act and approved by Panagiotis Magiros as owner, CEO and Sole Director of Frutex Australia Pty Ltd ATF The Frutex Australia Trust (ABN 3505085403)

Panagiotis Magiros CEO
Frutex Australia Pty Ltd
30 December 2022