

MODERN SLAVERY STATEMENT

2025

Introduction

Modern slavery encompasses situations where individuals are exploited through coercion, threats, or deception, resulting in the loss of their freedom. Hong Australia Corporation Pty Ltd is committed to upholding human rights and takes active measures to identify, assess, and reduce modern slavery risks across our operations and supply chains.

Our Approach

1. Reporting Period:

- This statement relates to the financial year ending 30 June 2025 and outlines the actions undertaken during this period to address modern slavery risks.

2. Legal Framework:

- We comply with the Modern Slavery Act 2018 (Cth) and apply its requirements throughout our business and supply chain. This commitment ensures our operations are conducted with integrity, accountability, and transparency.

3. Risk Assessment:

- Hong Australia Corporation regularly evaluates potential modern slavery risks within both our internal operations and external supply chains. Our ongoing assessment process includes identifying high-risk areas, strengthening due diligence, and maintaining active engagement with suppliers.

4. Transparency:

- We aim to minimise exposure to modern slavery by promoting transparency, awareness, and vigilance across our organisation and supply network. We openly communicate our efforts and collaborate with stakeholders, suppliers, and the wider community to support ethical business practices and protect human rights.

By embedding these principles into our operations, Hong Australia Corporation Pty Ltd seeks to foster a safe, fair, and responsible environment for all individuals connected to our business.

Structure, Operations, and Supply Chain

Hong Australia Corporation Pty Ltd is an Australian-registered company with five subsidiaries. Our head office in Sydney, New South Wales, oversees the development and implementation of modern slavery policies, procedures, and reporting.

With over 180 employees, including permanent, part-time, and casual staff, Hong Australia Corporation Pty Ltd operates under several trading companies across different states. The registered business names include:

1. **NSW** - Hong Australia Corporation (HAC)
2. **NSW** - JLS Food and Bakery Supplies
3. **NSW** - SCS Southern Cross Supplies
4. **NSW** - Epic Cash and Carry
5. **VIC** - Merchant Australia
6. **QLD** - Garboro Foods

For over five decades, Hong Australia Corporation Pty Ltd has supplied groceries to supermarkets and food service businesses across Australia. Our product range now exceeds 10,000 items, including well-known national and international brands, as well as our own private-label products—**Royles, HAC, and Epic**—sourced from manufacturers committed to food safety.

As an importer of food products and ingredients from countries such as Thailand, Singapore, Malaysia, China, Vietnam, Canada, Italy, and Germany, Hong Australia Corporation Pty Ltd ensures that all suppliers comply with modern slavery regulations.

To maintain high service standards, Hong Australia Corporation Pty Ltd also outsources various services to support its operations, including:

- Independent food safety and hygiene certification
- Equipment servicing and repairs
- Monthly truck maintenance
- Warehouse pest control and cleaning

This integrated approach ensures we maintain high service standards while upholding ethical and safety obligations.

Potential modern slavery risks within operations and supply chains

Risk that Hong Australia Corporation Pty Ltd May Cause:

While the risk is considered low, we regularly review internal policies and procedures to ensure compliance with current regulations. We also provide ongoing training to enhance employee awareness. Recruitment processes are transparent and include verification of working rights, hours, and compliance with Australian employment laws. Employee feedback is encouraged and valued.

Risk that Hong Australia Corporation Pty Ltd May Contribute To:

Unintentional contribution to modern slavery risks may occur due to limited awareness or incomplete information. To mitigate this, we maintain direct communication with most customers, suppliers, and manufacturers.

Risk that Hong Australia Corporation Pty Ltd May Be Directly Linked To:

Our supply chain may expose us to modern slavery risks through business relationships. Key risk areas identified include:

- **Industry/Sector Risks:** Raw material harvesting and similar activities.
- **Geographic Risks:** Suppliers located in low- and middle-income countries with higher modern slavery prevalence.

By addressing these risks and maintaining vigilance in our operations, we strive to uphold ethical standards throughout our supply chain.

Action taken to assess and address potential modern slavery risks

Assessing Risk:

1. **Review Existing Information:**
 - Continuously analyse internal data, reports, and documentation to identify potential risks.
2. **Map Key Parts of Operations and Supply Chain:**
 - Identify areas most vulnerable to modern slavery, including indirect suppliers.
3. **Develop Tools and Policies:**
 - Create practical tools and policies aligned with industry best practice to detect and address risks.
4. **Assign Responsibility:**
 - Designate individuals or teams within the organisation who are responsible for assessing and addressing modern slavery risks. This ensures accountability and focus on the issue.
5. **Establish Safe Reporting Channels:**
 - Provide secure, confidential avenues for employees and stakeholders to report concerns.
6. **Engage with Workers and Potentially Affected Groups:**
 - Communicate directly with workers and potentially impacted groups to better understand risks and inform solutions.

Changes to Policy and Processes:

1. **Make Modern Slavery Policy Publicly Available:**
 - Make our policy publicly accessible to demonstrate transparency and commitment.

2. Review and Improve Existing Policies and Procedures:

- Regularly update policies and procedures to reflect new insights and regulatory changes.

3. Increase Staff and Management Awareness:

- Provide ongoing training to ensure all personnel understand modern slavery risks and prevention responsibilities.

4. Prepare Respond Plans:

- Develop clear procedures for investigating and addressing modern slavery incidents.

Supplier Engagement:

1. Improve Supplier Awareness:

- Provide training and educational materials to help suppliers understand modern slavery risks.

2. Communicate Expectations Clearly:

- Outline required standards and ethical obligations for all suppliers.

3. Develop Supplier Engagement Strategy:

- Implement audits, assessments, and collaborative initiatives to strengthen supplier compliance.

By implementing these actions, Hong Australia Corporation Pty Ltd can better assess, prevent, and address modern slavery risks within its operations and supply chain, while also fostering stronger relationships with suppliers and stakeholders.

Assessing the effectiveness of Hong Australia Corporation Pty Ltd modern slavery actions

As Hong Australia Corporation Pty Ltd continues to raise awareness and identify potential areas where modern slavery may arise, monitoring the effectiveness of implemented measures is crucial. Below are some key indicators to track, along with a brief explanation of how they contribute to evaluating progress:

1. The Number of Modern Slavery Training and Awareness Raising Programmes:

- **Purpose:** This indicator tracks the frequency and scope of training sessions and awareness programs provided to employees, management, and suppliers.
- **Monitoring Strategy:** Keep a record of the number of training sessions conducted, the number of participants, and the content covered. This helps assess how well the company is educating its workforce and partners on modern slavery issues.
- **Target:** Regular training with increasing participation.

2. Proportion of Complaints Resolved:

- **Purpose:** This indicator measures how effectively the company handles reports or complaints related to modern slavery or other ethical concerns.
- **Monitoring Strategy:** Track the total number of complaints received and the proportion of those that have been investigated and resolved. This will help assess the company's responsiveness and the effectiveness of its reporting mechanisms.
- **Target:** High resolution rates with timely outcomes..

3. The Number of Actions Taken with Suppliers to Improve Their Response to Modern Slavery Risks:

- **Purpose:** This indicator evaluates the company's proactive measures in working with suppliers to mitigate modern slavery risks.
- **Monitoring Strategy:** Document the number of corrective actions, audits, or improvement plans implemented with suppliers. This includes actions such as supplier training, policy reviews, and compliance checks.
- **Target:** Ongoing increases in supplier engagement and compliance improvements.

Additional Monitoring Suggestions:

- **Employee Feedback:** Regularly gather feedback from employees on their awareness and understanding of modern slavery issues after training sessions.
- **Supplier Compliance Rate:** Track the percentage of suppliers that comply with the company's modern slavery policies and requirements after being engaged.
- **Impact Assessments:** Conduct qualitative assessments to understand the impact of training and actions on reducing modern slavery risks.

By monitoring these indicators, Hong Australia Corporation Pty Ltd can better assess the effectiveness of its modern slavery prevention efforts and continue to make necessary adjustments to improve outcomes.

Consultation

In preparing this report, Hong Australia Corporation Pty Ltd consulted with its wholly owned Australian subsidiary, Epic Trading Company Pty Ltd. Epic Trading Company Pty Ltd is an asset-holding entity that does not undertake trading activities; its sole source of income is rental income. As a result, no modern slavery risks or breaches were identified for reporting.

Hong Australia Corporation Pty Ltd also consulted with a cross-functional working group comprising employees responsible for procurement, legal, and risk oversight across the business. This collaborative

approach helps ensure that the company's practices remain aligned with relevant industry standards and regulatory requirements. The working group is focused on the following ongoing activities:

1. Reviewing and Developing the Content of Questionnaires:

- **Purpose:** To ensure that questionnaires used to assess suppliers and business partners remain relevant and aligned with current food safety and modern slavery standards.
- **Actions:** Regularly updating questionnaire content to reflect legislative changes, industry best practices, and emerging risks relating to food safety and modern slavery.
- **Outcome:** Maintaining up-to-date questionnaires enables the company to more effectively assess supplier compliance with food safety and ethical standards.

2. Reviewing and Updating Risk Assessments:

- **Purpose:** To ensure risk assessments accurately reflect the current risk environment, particularly in relation to procurement and supply chain activities.
- **Actions:** Conducting periodic reviews of existing risk assessments, incorporating new information, stakeholder feedback, and changes in the operating environment, including risks related to modern slavery, food safety, and legal compliance.
- **Outcome:** Current and robust risk assessments support the proactive identification and mitigation of risks, helping to safeguard the business and its stakeholders.

Through these ongoing review processes, Hong Australia Corporation Pty Ltd enhances its risk management capabilities, upholds industry standards, and maintains responsible and ethical business practices.

This statement has been prepared by Hong Australia Corporation Pty Ltd in accordance with its obligations under the *Modern Slavery Act 2018* and was authorised and approved by the Board of Directors of Hong Australia Corporation Pty Ltd on 23 December 2025.



John Yee

Managing Director