

2020 MODERN SLAVERY STATEMENT

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This statement is in respect of the financial year ended 30 April 2020 and represents the first Modern Slavery statement by Metcash under the Modern Slavery Act 2018.

Metcash is committed to complying with relevant Modern Slavery legislation including respecting and upholding human rights across our operations and supply chains and implementing policies and practices to minimise the risk of modern slavery.

We oppose any form of modern slavery such as servitude, human trafficking, child labour and enforced labour and recognise that we have the opportunity to influence our supply chains and make positive changes to people’s lives.

Our approach to human rights is founded on the United Nations Framework and Guiding Principles on Business and Human Rights and the eight International Labour Organization (ILO) fundamental conventions.

ABOUT OUR COMPANY, OPERATIONS AND SUPPLY CHAIN

Metcash is Australia’s leading wholesaler and distributor, supplying and supporting approximately 5,000 independent retailers which form part of our bannered network, as well as several other un-bannered businesses across the food, liquor and hardware sectors. Our operations are primarily in Australia, and to a much lesser extent New Zealand, through a small Liquor operation.

We operate a low-cost wholesale distribution model that enables independent retailers to compete against vertically integrated retail chains and other competitors. Our core competencies include; procurement, logistics, marketing, retail development and retail operations support. We operate major distribution centres in all the mainland states of Australia, as well as a number of smaller warehouses and a portfolio of corporate stores.

In Food, we proudly support a network of over 1,600 independently owned stores Australia-wide including the well-known IGA and Foodland brands. The stores that we support sit at the heart of the local community, sourcing a range of the best products from local producers and contributing to the local community.

In Liquor, we are the largest supplier to independent liquor retailers and the largest broad range liquor wholesaler in Australia. Through our IBA banner group we support ~2,700 stores across leading independent retail brands such as Cellarbrations, the Bottle-O, IGA Liquor, Duncan’s, Thirsty Camel, Big Bargain and Porters Liquor.

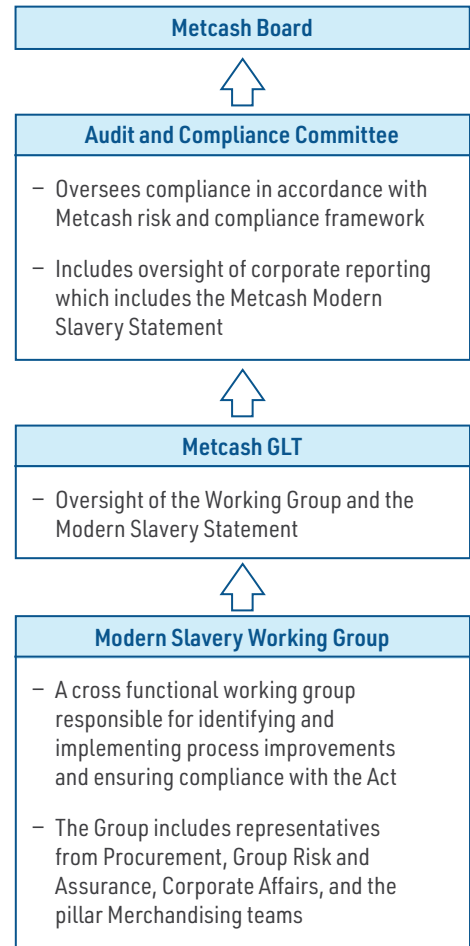
In Hardware, we support the largest independent hardware group in Australia and are a leader in servicing the Trade market. Our independent retailers operate under the leading brands of Mitre 10 and Home Timber & Hardware, along with Hardings, Thrifty-Link Hardware and True Value Hardware. We supply more than 1,500 stores nationwide.

We have complex global supply chains that include, but are not limited to, activities in; logistics, hardware for construction, home repairs and alterations, agriculture, seafood, forest products, and apparel. We source goods and services from over 2,200 suppliers. Our global supply chains include thousands of direct and indirect suppliers who grow, manufacture and move thousands of raw materials and finished goods.

In addition, we contract ancillary suppliers to help keep our premises secure, maintained and clean, and we outsource some Group accounting and IT functions to overseas service providers.

GOVERNANCE

We have established the following governance process to provide the Board with oversight on our efforts to reduce the risk of modern slavery in our operations and supply chains, and compliance with the Modern Slavery Act 2018.



OUR POLICIES AND PROCEDURES

In line with our commitment to minimising the risk of modern slavery and upholding human rights in our operations and supply chains, the company has prepared a separate Group policy on Modern Slavery and Human Trafficking. This can be found on the company website at Metcash.com.

Metcash also has policies and procedures in place that are intended to promote ethical and legally compliant conduct. Where appropriate these have been updated to reflect our commitment to prevent modern slavery and violations of human rights.

These include:

- Code of Conduct
- Speak Up Policy
- Group Procurement Policy
- Supplier engagement terms
- Supplier on-boarding procedures
- Anti-Slavery Policy

ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

Risk analysis

We have implemented risk management processes to identify, assess, mitigate and monitor potential risk areas for modern slavery and human rights.

A high-level assessment of the company's supply base was undertaken to identify payments to suppliers and service providers in known areas of human rights violations and modern slavery risk. This included converting procurement data into a heatmap that was generated using social risk metrics such as labour rights, human rights and governance. The assessment took into considered risk by country of origin, industry, product and spend level with reference to the Social Hot Spots Database, The Forced Labour Index, the International Trade Union Confederation Global Rights Index, and the US Department Bureau of Democracy, Human Rights and Labor.

These assessments found that there is an elevated risk of modern slavery in the supply chains of our pillars, particularly in agriculture, forestry, housewares, garden care and maintenance, electronics, seafood, frozen and tinned products, electronics, wine and liqueurs. From a corporate perspective, an elevated risk was found in the supply of cleaning services, labour hire and apparel. The company commenced further assessment and supplier engagement activity in the identified risk areas in FY20 and is continuing this work in FY21. This involves identifying supplier personnel responsible for the oversight of modern slavery, requesting policies and documentation of their modern slavery due diligence, and audit reports of facilities involved in the manufacture and production of products sold to Metcash.

Supplier and service provider requirements and procedures

In addition to the review of company policies, we reviewed the adequacy of our existing supplier and service provider contractual documentation and procedures to assess opportunities for improvement to further underpin our commitment to minimising the risk of modern slavery.

The review found that while there was an awareness and understanding of our commitment to minimising the risk of modern slavery, the extent that this was embedded in our relevant supplier documentation and procedures varied across the organisations. This led to amendments to the contractual documents and procedures that further underpin our commitment to minimising the risk of modern slavery. The following will apply across the pillars and at the Group level.

- All new supplier and non-trade service agreements will include a condition that the supplier complies with the Modern Slavery Act and domestic and international labour laws
- Our supplier assessment and on-boarding process will include:
 - Provision of supplier information on labour management and practices at their operational site(s)
 - Evidence of compliance with local

labour laws and details of the systems in place to demonstrate compliance (e.g. site assessments and policy documents)

- A request for appropriate certifications
- A review of social audit documentation for private label suppliers utilising the Supplier Ethical Data Exchange (SEDEX)

Any existing supplier and service agreements that do not include appropriate modern slavery compliance requirements will be taken into account in our stakeholder engagement program as part of our due diligence process. Priority for further assessment and engagement will be given to those suppliers or service providers identified as being in elevated risk categories.

Training and employee awareness

During the year we conducted tailored workshops for our Modern Slavery Working Group, as well as procurement teams across the pillars and Group. The training focused on modern slavery and human trafficking awareness, risk identification and our due diligence processes.

Metcash employees are required to undertake online training focused on our Group policies and principles every two years, other than training on our Code of Conduct which is undertaken on an annual basis. We plan to add a separate Modern Slavery training module to our suite of online training programs in FY21. This is intended to help expand awareness and understanding of modern slavery and human trafficking across the Metcash Group, and improve our ability to identify and report issues should they arise.

REMEDIATION

We aim to address instances of modern slavery or human rights violations in line with the guidance provided under the United Nations Guiding Principles on Business and Human Rights.

In the event our program of further assessment and investigation of identified elevated risk areas results in the discovery of instances of modern slavery or human trafficking, the first step in our procedure is to work with suppliers to either resolve or substantially mitigate

the concerning practices. We are aware that ending the relationship with the supplier could lead to the livelihood of the supplier's employees being adversely impacted.

Where zero tolerance practices such as servitude, child labour, forced, bonded, trafficked or non-voluntary labour or the use of corporal punishment is found, the supplier's contract will be terminated.

Metcash's Anti-Slavery Policy details the company's role in remediation including working with the entity that caused harm to prevent or mitigate it recurring as appropriate.

The company has an established independently operated Ethics Hotline accessible by phone, post or through an online portal that can be used for grievances and the reporting of any concerns in relation to unethical or illegal behaviour, including modern slavery and human trafficking. The Ethics Hotline is available to Metcash employees and external parties including suppliers, employees of suppliers, advisers, consultants and specialists.

Metcash has prepared an internal remediation policy that outlines its role in remediating any harm to victims and the guidelines for working with the entity that caused harm to prevent or mitigate its recurrence.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

A process for evaluation and assessment of our actions to address the risk of modern slavery is being integrated into our existing reporting systems and processes.

While there is no generally accepted methodology for assessment, our monitoring program will include setting key performance indicators to help measure success. This will include tracking employee completion of the Modern Slavery training module, the number

and level of incidents identified through our risk mitigation process and the number of issues reported through our Ethics Hotline. We will also assess the level of compliance with our internal supplier on-boarding and engagement processes.

COVID-19 RISK RESPONSE

In March 2020, the COVID-19 global pandemic emerged as a risk to global and local supply chains. Metcash reset its business priorities early, recognising the potential adverse impact the pandemic could have on its people, supply chains and communities in which it operates. This included; protecting the health and wellbeing of our people, keeping our supply chains open to ensure the delivery of essential goods, and keeping our business financially strong by protecting our balance sheet.

Metcash managed these key priorities despite extraordinary demand across our businesses, particularly in Food, and the closure of a portion of our Liquor business. This included:

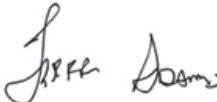
- Investing in COVID-19 safe work procedures and PPE which enabled all our facilities to remain operating throughout the crisis period
- Assisting retailers to implement a COVID-19 safe operating environment in stores
- Working closely with government to ensure supply of product, particularly to country and remote locations
- Operating our Food distribution centres 24/7 during the initial period of the crisis
- Accelerating the expansion of our digital capability and launching online offers in Food and Liquor
- Strengthening our financial position through an equity raising

LOOKING AHEAD

We recognise that modern slavery risk management is a journey and good progress was made by Metcash in FY20. Our priorities for FY21 include:

- Further assessment and supplier engagement in the areas identifies as having elevated modern slavery risk
- Development of a Modern Slavery online training module for completion by Metcash employees and suppliers
- Continuing to explore opportunities to enhance our ability to identify and mitigate modern slavery risk

This statement was approved by the members of the board of Metcash on 29 October 2021.



Jeff Adams
Metcash Group CEO