



FOR THE GREATER GOODNESS

# MODERN SLAVERY STATEMENT

2022/2023



## *Executive Summary*

In 2022, we set out to improve our supplier engagement, expand our training programs, and improve our policy framework. This year, we've made tangible progress in these areas, as we have been actively working to strengthen our defences against modern slavery, reflecting our strong commitment to our company values. We have implemented a holistic and proactive approach that focuses on strengthening our engagement with suppliers, improving operational protocols, and providing robust staff training programmes. These initiatives are aimed at promoting ethical sourcing and empowering our workforce to be vigilant.

### **Some of our key achievements include:**

- **Supplier Engagement:** We are pleased to share that we have effectively implemented self-assessments for high-risk suppliers. This initiative has led to a notable improvement in compliance and has further strengthened our commitment to ethical sourcing mandates.
- Our risk management framework has been enhanced through the implementation of improved assessment tools and an increase in the frequency of audits. These upgrades will help us efficiently identify and address risks promptly.
- We are pleased to inform you that our training programmes have been expanded to include modules on diversity and modern slavery. Our goal is to promote a culture of vigilance and communication among our staff.
- We have made significant improvements to our Human Rights Policy, ensuring that it is in line with international standards. These principles are now an integral part of our decision-making process across all aspects of our business.

Harris Farm Markets is dedicated to continuously improving and exceeding our obligations under the Modern Slavery Act 2018. The upcoming implementation of a new core system will indeed enhance our compliance monitoring capabilities.

See the details of this statement for a complete picture of our actions, commitments, and strategies for the future year.

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## MESSAGE FROM OUR CO-CEOS

Our dedication to eradicating modern slavery goes hand in hand with our unwavering commitment to compliance. At Harris Farm Markets, we don't view the Modern Slavery Act as a mere legal requirement; we embrace it as an essential framework that guides our actions. This statement is not a mere checkbox exercise; it's a testament to our proactive stance on addressing modern slavery.

*"we're fair dinkum about fighting modern slavery – it's about real action, not just ticking boxes" Luke*

As we prepare this statement in accordance with the Australian Modern Slavery Act 2018 Cth, we recognise the significance of this legislative tool in the fight against modern slavery. It provides us with a structured approach to assess, address, and continually improve our practices to ensure that slavery has no place in our operations or supply chains. Compliance with the Modern Slavery Act isn't an endpoint for us; it's a steppingstone on our journey to make a real, lasting impact. We see this act as an opportunity to engage with stakeholders, drive positive change, and set a gold standard for ethical business conduct. In this section, we'll outline how we adhere to the Act's provisions and exceed its requirements, embodying our commitment to not just meet standards but to continuously raise the bar in our pursuit of ethical excellence.

*"We're truly committed – for us, it's about making meaningful changes, not just going through the motions." Angus*



Our commitment to sustainability is integral to our identity at Harris Farm Markets. We see environmental responsibility as a principle that directs our daily operations.

## Introduction and Ethical Framework

### 1. COMPANY OVERVIEW

Harris Farm Markets is known for providing Australians with the finest and freshest fruit and vegetables. More than just a grocery store, we operate 27 sites across Sydney, Brisbane, and in key regional areas like Newcastle, Orange, Bathurst, and Albury. Our presence makes us an integral part of the communities we serve as we reconnect Aussies with the natural joy of food.

### 2. WHO WE ARE & OUR VALUES

At Harris Farm Markets, we take great satisfaction in leading sustainable practices and environmental initiatives. Our innovative energy can be seen through being the first to market with our "Imperfect Picks". This campaign is where we promote the nutritional value of "odd-shaped" produce to cut down on food waste and assist our Aussie farmers. This initiative not only helps reduce the environmental impact but also celebrates the uniqueness of nature's bounty, encouraging our customers to embrace all forms of produce without discrimination. By choosing Imperfect Picks, our customers join us in a movement towards sustainability, supporting a food system that values resources and hard work of our local farmers. This is an example of how we bring community and environmental practices together.

### 3. Our Commitment to Sustainability

At Harris Farm Markets, we prioritise sustainability as it aligns with our values of respecting human rights and conducting ethical business practises. Building upon our 2022 initiatives, this year's sustainability efforts have been closely aligned with our modern slavery mitigation strategies. We have integrated environmental sustainability into our supply chain audits, ensuring that our suppliers not only meet our ethical standards but also contribute positively to environmental strategy. This approach reinforces our commitment to a responsible and transparent supply chain."

**Reflecting on 2022:** We took the initiative to strengthen our Human Rights Policy by integrating it as a key pillar in our Sustainability Plan. We are committed to continuously improving our business practises to have a positive impact on our operations and community engagements.



**Progress in 2023:** We have made significant progress this year by actively engaging with global supply chain monitors including Sedex and Walk Free. This has allowed us to improve our oversight of modern slavery risks and ensure that our vendors and service providers are on the same journey with us as we have implemented our learnings through our vendor onboarding program.

**Our future plans:** We are fully committed to sustainability. Our goal is to integrate sustainability into all aspects of our operations, turning it into a tangible reality rather than just a policy. Moving forward, we will continue to align our Human Rights Policy with our Sustainability Plan, with the aim of benefiting both people and the planet in all our endeavours.

## Human Rights and Corporate Governance

### 1. Human Rights Policy

Our Human Rights Policy at Harris Farm Markets, which was established in 2020, is an essential part of our ethical framework. In 2023, we conducted a thorough review and made improvement to this policy in order to better align with our expanding business and our constant commitment to protecting human rights. Our policy is based on international standards, such as the Universal Declaration of Human Rights and the principles of the International Labour Organisation. It serves as a guide for our operations and helps us prioritise respect for human rights throughout our company and supply chain.

In 2023, we have made consistent efforts to maintain and strengthen our Human Rights Policy, ensuring that its principles are incorporated into all our operations. We are committed to upholding human rights in all aspects of our operations, including our internal processes and supply chain networks. We expect our suppliers to adhere to the same high standards and share our zero-tolerance approach towards any violations of human rights.

### 2. Governance and Accountability

In line with our commitment for, the role of the Head of Sustainability, formed in recent years, has been pivotal in integrating our human rights agenda into our broader sustainability goals. This role has enabled a more focused approach towards environmental stewardship, ethical sourcing, and social responsibility, aligning these areas with our human rights commitments.

Our governance structures, including the Board and executive leadership, continue to play a crucial role in overseeing and implementing our Human Rights Policy. Regular reviews, risk assessments, and audits are conducted to ensure compliance and to identify areas for improvement. In 2023, we reinforced our governance mechanisms to include more rigorous oversight and accountability measures, ensuring that our commitment to human rights is upheld at every level of our organisation.

## Strategic Framework and Operations

### 1. Structure, Operations and Supply Chain

Harris Farm Markets maintains a complex supply chain structured to ensure efficiency and adherence to ethical standards; from production to point of sale. Here's an overview of its core elements:

- **Local Sourcing:** A majority of our produce is sourced from Australian farms, minimising transportation times and supporting local economies. We select suppliers based on both quality of product and ethical labour practices, reinforcing our commitment to social responsibility.
- **Ethical Standards:** We mandate compliance with the Modern Slavery Act and our internal Human Rights Policy across our supply network. Our procurement process includes thorough vetting for ethical practices, and we have established mechanisms for regular review and enforcement of these standards.
- **Inventory Management:** Utilising sophisticated supply chain software, we optimise stock levels, ensuring minimal waste and efficient restocking. Our inventory management system allows for forecasting and tracking, which helps to maintain the balance between supply and demand.
- **Distribution Network:** Our distribution is managed through our central warehouse in Sydney and a satellite facility in Brisbane, which covers our store network effectively. We employ a just-in-time delivery model to reduce storage needs and ensure product freshness.
- **Quality Control:** At every stage, from farm to shelf, quality control checks are implemented. Our QA team monitors for compliance with food safety regulations and our quality benchmarks.
- **Sustainability Initiatives:** We have integrated sustainable practices such as waste reduction, recycling programs, and optimised delivery routes to reduce our carbon footprint.
- **Supplier Engagement:** We conduct regular supplier audits, site visits, and assessments to ensure ongoing compliance with our policies. These activities are documented and reviewed at the management level, with findings reported to the Board of Directors.
- **Risk Management:** Our risk management strategy includes mapping our supply chain to identify potential risks, monitoring supplier performance against our ethical and quality criteria, and developing contingency plans for supply chain disruptions.



- **Continuous Improvement:** We are committed to the continuous improvement of our supply chain operations. This includes staying abreast of industry best practices, evolving our processes as necessary, and adopting new technologies that can enhance transparency and efficiency.

While our 2022 statement focused on initiating supplier self-assessments, this year's focus has been on embedding the learnings into our operations, leading to a refinement of our supplier engagement process and the establishment of more stringent compliance mechanisms. Through these structured efforts, Harris Farm Markets ensures that our supply chain not only delivers quality to our customers but also upholds our ethical commitments and drives positive impacts within the communities we source from.

Harris Farm Markets provides customers with an exceptional shopping experience, underpinned by a robust business foundation that ensures the highest quality of fresh and gourmet foods. In the heart of Sydney Markets Flemington we make a selection of Harris Farm Markets' favourites. From creamy yogurt and crisp salads to refreshing juices and freshly cut vegetables, all "market made" to guarantee the freshest produce while supporting our local suppliers.

Additionally, we operate a central Groceries and Perishables warehouse in Sydney that expands our range of offerings.

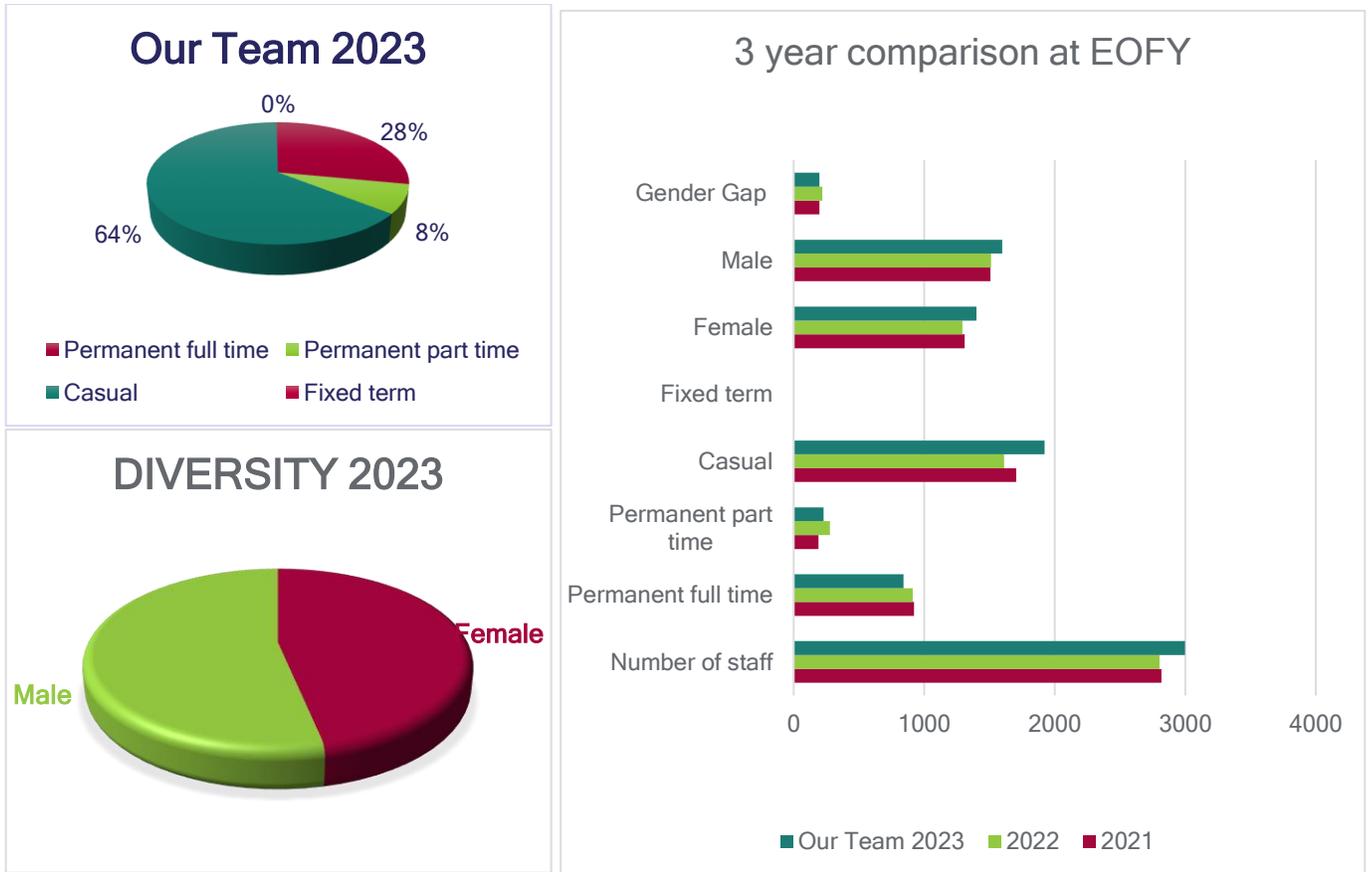
This key facility is essential for optimising our logistics and distribution, ensuring we constantly maintain a diverse array of products to satisfy our customers' diverse needs. We partner with local third-party logistics to ensure fresh and daily deliveries to all our stores. We have taken this model to the Brisbane Markets to service our Queensland stores. This map illustrates our operational footprint across the Eastern Border.

## **Our People**

Our team is the backbone of our success. In 2023, Harris Farm Markets is home to a diverse and dynamic workforce, committed to fostering an inclusive environment where everyone has a role to play. Our employment structure is a blend of permanent full-time, part-time, casual, and fixed-term positions, ensuring flexibility and growth for all our team members.

The pie charts and bar graphs depicted in our internal reports illustrate not only the composition of our team but also our ongoing commitment to gender equality and employment diversity. We believe that our strength lies in our differences, and this diversity is what enables us to continue providing exceptional service to our customers.

At Harris Farm Markets, we are family. We invite you to be a part of our journey as we continue to grow, innovate, and serve our community with the same enthusiasm and dedication that have been our hallmarks since the beginning.



## 2. Risk Identification and Management

Risk Identification and Management is an important aspect of any project or business. It involves identifying potential risks and developing strategies to manage and mitigate them. By proactively identifying risks, we can take appropriate measures to minimise their impact. In 2023, Harris Farm Markets continued to utilise the effective risk identification strategy that had been established in previous years. The Head of Risk and Sustainability, along with the Finance team, has been instrumental in coordinating and supervising compliance assessments; especially during Vendor Assurance and On-Boarding procedures. By collaborating, we can ensure a comprehensive approach to identifying the risks of modern slavery in every aspect of our business and supply chain.

Our strategy focuses on the timely detection of instances of non-conformance and the prompt implementation of corrective measures. Verification results that do not meet the required standards are promptly communicated to the Senior Leadership Team,



ensuring swift and effective actions can be taken to address any concerns related to modern slavery.

In 2023, Harris Farm Markets continued to build upon the efforts implemented in the preceding year. We continued to enhance our initiatives aimed at eliminating modern slavery. This included implementing supplier self-assessment protocols and targeted interventions in high-risk areas. We have been continuously working together to strengthen the resilience of our supply chain to address the risks associated with modern slavery.

We recognise the importance of involving our suppliers as a crucial element of our strategy. We have been actively engaging with our suppliers through more frequent and thorough conversations to ensure a clear understanding and adherence to our strict anti-slavery rules. We can assist in facilitating workshops, sharing exemplary methodologies, and providing support to aid providers to ensure alignment with our human rights obligations. Our approach focuses on fostering collaboration and building partnerships to create an efficient and ethically responsible supply chain.

### 3. Actions Taken to Address Modern Slavery

Reflecting on our 2022 goal to audit 50% of our high-risk suppliers, we are proud to report a significant achievement in 2023, with 60% of our high-risk suppliers audited, prioritising high-risk sectors. These audits have led to meaningful improvements in supplier practices, directly contributing to our fight against modern slavery."

In 2023, Harris Farm Markets continued to strengthen our actions against modern slavery, building upon our achievements from the previous year.

Our proactive approach included:

- **Initiatives and Programs:** We have expanded our efforts in conducting comprehensive audits across 60% of our suppliers, with a special focus on high-risk sectors. This rigorous auditing process led to a notable 25% reduction in identified risk factors related to modern slavery.
- **Supplier Engagement:** Our engagement with suppliers has become more strategic and collaborative. We initiated quarterly meetings to discuss challenges and explore innovative solutions for addressing modern slavery risks. A highlight of this effort was our successful collaboration with a key produce supplier, resulting in significant improvements in their labour practices.

#### 4. Supplier Engagement and Compliance

- **Compliance Policies:** In 2023, Harris Farm Markets continued to enforce and refine our comprehensive compliance policies. Building on our 2022 initiatives, we enhanced our policies to include more stringent requirements and regular reviews, ensuring our suppliers adhere to our high standards of ethical practice and human rights.
- **Supplier Assessments:** We intensified our supplier assessment processes with more rigorous and frequent evaluations. This includes on-site audits, in-depth reviews of supplier practices, and continuous monitoring for compliance.

#### 5. Training and Development

Recognising the importance of awareness and education, we have significantly increased our investment in training and development:

- **Workforce Training:** In 2023, we successfully trained 95% of our workforce on modern slavery awareness and prevention, marking a 10% increase from the previous year. This demonstrates our ongoing commitment to education and ensuring that our team is equipped to identify and respond to modern slavery risks.
- **Corrective Actions:** Our continuous monitoring and vigilance have led to the implementation of 30 corrective action plans across various supply chain tiers. These plans are designed to ensure compliance with our ethical standards and reinforce our zero-tolerance policy towards modern slavery.

These actions represent our enduring commitment to combating modern slavery and highlight our progression from the initiatives started in 2022. We remain dedicated to refining our strategies and enhancing our practices to ensure a slavery-free supply chain and ethical business operations.

## Impact and Future Planning

Our 2022 initiatives set a target for supplier training and audits.

### 2023 Metrics at a glance:

- High Risk Supplier Audits: 60% (Increase from 2022's 50%)
- Employee Training: Over 95% workforce trained in modern slavery awareness.
- Compliance Rate: Achieved a 90% compliance rate among audited suppliers.

### 1. Performance Review and Impact Assessment

- **Effectiveness of Strategies:** Our strategies in combating modern slavery have shown positive results, reflected in reduced risk factors and enhanced supplier compliance. Regular performance reviews have helped us identify areas for improvement and refine our approaches.
- **Key Achievements:** Notable achievements include a significant reduction in risk factors associated with modern slavery in our supply chain, and the successful implementation of corrective actions in identified high-risk areas.

### 2. Future Plan and Commitment

- **Upcoming Initiatives:** Harris Farm Markets plans to introduce new initiatives aimed at further reducing the risk of modern slavery in our operations, including advanced training programs and technological enhancements in our monitoring systems.
- **Long-term Goals:** Our long-term goals include achieving a fully transparent and ethical supply chain, continuously improving our social impact, and leading the industry in sustainable and ethical practices.

### 3. Feedback Mechanism and Reporting

Incorporating feedback from our stakeholders, we have made strides in our initiatives this year. Responses from our 2022 engagements have shaped our strategies, leading to the development of more targeted training programs and enhanced supplier communication protocols in 2023.

- **Reporting Process:** We have refined our reporting process to make it more accessible and user-friendly, encouraging stakeholders to provide feedback on our practices and policies.



- **Stakeholder Engagement:** Increased engagement with our stakeholders, including employees, customers, and community members, has been a focus in 2023, ensuring open communication channels and responsiveness to feedback.

## Board Approval & Governance

**Board Statement:** The 2023 Modern Slavery Statement of Harris Farm Markets is endorsed and approved by our Board of Directors, reinforcing our company's unwavering commitment to combating modern slavery. This statement reflects our collective resolve to uphold the highest standards of ethical conduct and transparency in all our business dealings. The Board, recognising the critical importance of these issues, has been instrumental in guiding and shaping our modern slavery policies and strategies.

**Compliance and Oversight:** In 2023, the Board continued to play a pivotal role in ensuring compliance with modern slavery legislation and our own ethical standards. Building on the strong foundation established in 2022, we have further strengthened our governance mechanisms to provide a more rigorous oversight of our modern slavery initiatives.

This includes:

- Regular reviews and updates of our policies and strategies to ensure they remain effective and relevant in the face of evolving risks and challenges.
- Enhanced reporting processes, allowing for more detailed and frequent updates to the Board on the implementation and impact of our modern slavery initiatives.
- Closer collaboration with management teams across all levels of our operations to ensure that our commitment to preventing modern slavery is fully integrated into our day-to-day business practices.
- Continued investment in training and development for our Board members to ensure they remain well-informed about modern slavery issues and best practices in governance.

The insights gained from our 2023 evaluations have shaped our future strategy. We are introducing enhanced due diligence processes and real-time monitoring systems to further strengthen our systems and visibility in managing modern slavery in our supply chain.

This comprehensive approach to governance and oversight demonstrates the Board's proactive and hands-on involvement in steering Harris Farm Markets towards a more ethical and responsible future.

In 2023, our Executive Team actively reviewed and approved key policies related to modern slavery, ensuring that our governance structures are robust and responsive to the evolving challenges in our supply chain. This year, the Board has played a critical role in endorsing new initiatives and enhancing our oversight mechanisms.

**Summary of Commitments & Actions in 2024**

<b>Our Commitments</b>	<b>Our Actions</b>
<b>Commit to achieving a 30% increase in suppliers audited for compliance with our modern slavery and human rights policies.</b>	Continue to enhance and implement self-assessment protocols for high-risk suppliers. Increase the frequency of supplier audits.
<b>Aim to train 100% of our workforce on modern slavery awareness and risk factors.</b>	Expand training programmes to cover all employees, focusing on diversity, modern slavery, and risk identification. Develop and deploy more comprehensive training modules.
<b>Pledge to reduce identified risk factors in our supply chains by an additional 20%.</b>	Strengthen risk management frameworks, incorporating advanced assessment tools. Implement targeted interventions in high-risk areas of the supply chain. Continuously monitor and adapt strategies based on risk assessments and audit findings.
<b>Review and update our Human Rights Policy to ensure alignment with current international standards and best practices.</b>	Conduct a thorough review of the Human Rights Policy in line with evolving international standards. Integrate the updated policy into all aspects of our operations, including supply chain management and internal processes.
<b>Maintain strong board oversight and governance to ensure the effectiveness and relevance of our modern slavery policies and strategies.</b>	Continue regular policy and strategy reviews by the Board and executive leadership. Enhance reporting processes for detailed and frequent updates on the implementation and impact of modern slavery initiatives.

**By signing below, the undersigned Board members approve this Modern Slavery Statement on behalf of Harris Farm Markets.**

<b>Board Statement</b>	<b>Director Approval</b>
<p>This Modern Slavery Statement for the financial year ending 2023 has been approved by the Board of Directors of Harris Farm Markets. It is a true reflection of our ongoing efforts and commitment to identify, manage, and mitigate the risks of modern slavery in our operations and supply chains.</p>	 <p>Angus Harris Board Member &amp; Director</p>