

Modern Slavery

Modern slavery is of grave concern given potential impact across people and industries across the world, including the snack foods industry in Australia. Despite efforts to combat it, SnackBrands recognise that there may still be a risk of modern slavery existing within the upstream and downstream supply chains and operations of SnackBrands. Here are some key areas where modern slavery risks could arise:

1. **Raw Material Sourcing:** SnackBrands rely on a diverse range of raw materials such as potato, oils, spices, flavours, nuts, and packaging materials which are often sourced from countries where modern slavery may exist. The risk arises when suppliers in these regions employ forced labour, child labour, or engage in human trafficking to produce or harvest these raw materials.
2. **Manufacturing Facilities:** SnackBrands manufactures finished goods themselves, with some peripheral outsourced goods nationally and internationally. Modern slavery risks can arise if these facilities do not adhere to ethical labour practices, such as providing fair wages, safe working conditions, and prohibiting the use of forced labour.
3. **Transportation and Logistics:** The transportation and logistics sector plays a critical role in the snack industry's supply chain. There is a potential risk of modern slavery when transport providers or intermediaries involved in the distribution process exploit workers, particularly in regions where regulatory oversight may be weak.
4. **Subcontracting and Sub-tier Suppliers:** Modern slavery risks can also emerge through subcontracting arrangements, where suppliers further down the supply chain may not adhere to responsible sourcing practices. Lack of visibility and control over these sub-tier suppliers makes it challenging to ensure compliance with anti-slavery measures.

To mitigate these risks, SnackBrands in Australia have recently started to utilise the online platform SEDEX as a due diligence tool. SEDEX (Supplier Ethical Data Exchange) is an online platform that enables companies to monitor and assess their supply chains for responsible sourcing practices. By utilizing SEDEX, SnackBrands can gain visibility into their suppliers' practices, identify potential modern slavery risks, and work towards eradicating them.

In addition to SEDEX, SnackBrands has recently implemented the global Intersnack responsible sourcing policy (RSP), and supplier codes of conduct Scoc). These policies outline the expectations and standards regarding ethical labour practices, including the prohibition of modern slavery. These documents serve as guidelines for suppliers to ensure compliance and enable brands to hold them accountable.

To effectively address the risk of modern slavery in supply chains and operations, SnackBrands is establishing robust monitoring and auditing mechanisms, to conduct regular



supplier assessments, provide training and capacity-building initiatives, and foster collaborative relationships with suppliers. This holistic approach, together with the external parties mentioned above, will help in identifying, addressing, and preventing modern slavery from infiltrating the SnackBrands Australia supply chain.

Consultation process: Modern Slavery

The process of consultation and development of the statement regarding modern slavery and responsible sourcing within SnackBrands Australia involves supply chain and procurement as well as the executive team within SBA. Below is an outline about how this has come about:

1. **Internal / External Assessments:** SnackBrands Australia initiate an internal assessment to evaluate their current (internal and external) practices and identify any potential risks related to modern slavery within their supply chains and operations. This assessment involves engaging relevant departments such as procurement, sustainability, legal, quality, and human resources. External auditing parties are also employed especially when potential overseas suppliers are being sought. This, together with already available current certification (BRC, etc) is reviewed to complete the supplier assessment.
2. **Research and Benchmarking:** The company has conducted research and benchmarking exercises to understand the industry practices, legal requirements, and global standards (for instance looking at our European company colleagues, Intersnack) concerning responsible sourcing and combating modern slavery. This research has helped in shaping the approach and policies related to initiating the SEDEX auditing platform as a buyer, the responsible sourcing policy (RSP) as well as the Supplier code of conduct (Scoc) for the company.
3. **Stakeholder Engagement:** SnackBrands Australia has engaged with various stakeholders, both internally and externally, to gather insights and learnings from previous experiences in this area. This has involved consultation with suppliers and the global Intersnack company. These stakeholders have provided valuable input on identifying risks, establishing priorities, and shaping the company's approach to addressing modern slavery.
4. **Policy and Code of Conduct Development:** Based on the findings from the internal assessment and stakeholder engagement, SnackBrands Australia has used the global Intersnack Responsible Sourcing Policy and a Supplier Code of Conduct. These documents outline the company's commitment to preventing modern slavery, the standards it expects from suppliers, and the consequences for non-compliance.
5. **Collaboration with SEDEX:** SEDEX is applied as a due diligence tool and SnackBrands Australia partners with SEDEX to implement their systems and tools for monitoring and



assessing suppliers' ethical practices. This collaboration involves setting up SEDEX accounts, training relevant employees on SEDEX usage, and establishing data-sharing mechanisms.

6. **Drafting the Statement:** Based on the internal assessment, stakeholder input, and policy development, SnackBrands Australia drafted a comprehensive statement of intent on modern slavery (and responsible sourcing). The statement highlights the company's commitment, objectives, and actions to combat modern slavery and ensure responsible practices throughout its supply chains.

7. **Internal Review and Approval:** The statement on modern slavery will undergo review and updating involving key stakeholders within the organization in a timely review basis. This review ensures the accuracy, clarity, and alignment of the statement with the company's values, goals, and legal requirements.

8. **External Validation:** SnackBrands Australia seeks external validation of their statement through independent audits, certifications, or partnerships with organizations specializing in responsible sourcing and modern slavery prevention (SEDEX). This external validation gives credibility to the company's commitment and enhances transparency.

9. **Communication and Implementation:** Once the statement was finalized and approved, SnackBrands Australia communicated to all relevant stakeholders, including the modern slavery register. Implementation plans are being developed to ensure the integration of responsible sourcing practices and monitoring mechanisms into daily operations and supply chain management.

10. **Ongoing Monitoring and Evaluation:** SnackBrands Australia are establishing systems to continuously monitor and evaluate their supply chains and operations for modern slavery risks. Regular assessments, audits, and performance reviews will continue to be conducted to identify areas for improvement and take corrective actions as necessary.

It is important to note that the specific processes will vary based on the supplier's size, structure, industry requirements, and existing sustainability practices.

SnackBrands Australia company structure in operations and supply chain. Measuring our Progress

SnackBrands in Australia typically have a well-defined company structure in their operations and supply chain processes. The key components of this structure are:

1. **Procurement:** SnackBrands in Australia have a dedicated procurement team responsible for sourcing raw materials and ingredients from suppliers. The team, together with the quality and innovation product development team, ensures the



quality of materials being delivered, and together with the supply chain planning team, ensures availability of ingredients. Procurement further establishes relationships with reliable suppliers.

2. **Manufacturing:** The manufacturing process involves converting raw materials into finished salty snack products. SnackBrands operate their own production facilities and partially outsource some manufacturing to third-party contract manufacturers. The manufacturing team oversees production planning, quality control (with the quality team), and maintenance of machinery and equipment.
3. **Quality Control:** Quality control is crucial to ensure that the snack products meet the company's standards and comply with food safety regulations. SnackBrands quality control team conduct regular inspections, perform tests, and maintain rigorous quality control measures throughout the production process.
4. **Distribution and Logistics:** SnackBrands rely on an efficient distribution and logistics network to deliver their products to various retail outlets across Australia. This includes warehousing, transportation, and order fulfilment operations. SnackBrands have their own distribution centre, and partner with third-party logistics providers to manage these functions.
5. **Sales and Marketing:** The sales and marketing team is responsible for promoting SnackBrands products and driving sales. They develop marketing strategies, manage advertising campaigns, and work closely with retail partners to ensure product visibility and availability. Additionally, they analyse market trends and consumer preferences to identify opportunities for new product development.
6. **Supply Chain Management:** Supply chain management plays a critical role in SnackBrands' operations. It involves coordinating all activities from planning the delivery of raw materials to delivering the final products to customers. This includes demand forecasting, inventory management, production planning, and establishing effective communication channels with suppliers, manufacturers, and distributors.
7. **Innovation, Research and Development:** To stay competitive, SnackBrands invest in product development (NPD) to innovate and create new snack products. Innovation / NPD teams work on developing new flavours, improving product formulations, and exploring packaging innovations. They collaborate with the marketing team to identify consumer trends and preferences.
8. **Sustainability and Social Responsibility:** SnackBrands in Australia prioritise sustainability and social responsibility in their operations and supply chains. This includes implementing where possible eco-friendly packaging solutions, sourcing ingredients from sustainable and ethical sources, and supporting local communities through initiatives such as fair trade practices or charitable partnerships.

9. HR and Finance: HR and Finance teams provide governance to ensure that employees are treated in accordance with legislative obligations and with our values. HR partners with the relevant employee unions on matters pertaining to terms and conditions of employment, employee safety and wellbeing amongst other employment matters.

Measuring Effectiveness.

Snackbrands are working towards measures that give effectiveness to our modern slavery statements. By employing the third party SEDEX, and our own internal Responsible Sourcing Programme, including the SnackBrands Supplier Code of Conduct, we have a roadmap of sustainable measures to highlight and address areas that may be highlighted as potential areas of concern.

Together with internal training, using SEDEX as the platform for awareness for the Procurement team, and those external facing teams that may come across potential areas of modern slavery that may be of concern. Our statement is true for the factors to measure against:

1. Employment is freely chosen
2. Freedom of association
3. Working conditions are safe
4. Child labour shall not be used
5. Living wages are apaid
6. Working hours are not excessive
7. No discrimination
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

SnackBrands Australia have a structured setup that ensures the efficient functioning of their operations and supply chain. By focusing on procurement, manufacturing, quality control, distribution, sales and marketing, supply chain management, innovation, new product development, and sustainability, these functions of the business strive to meet consumer demands and deliver high-quality snack products to the market, while monitoring, investigating, and acting on the potential of Modern slavery within our Supply chains.



This statement has been approved by the Intersnack ANZ Regional Leadership Team in their capacity as principal governing body of Intersnack ANZ on 22 September 2023.

| Name | Role | Signature | Date |
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| Kurt Preshaw | Chief Executive Officer Intersnack ANZ | DocuSigned by: <i>Kurt Preshaw</i> DD50413DAC40402... | 28/9/2023 |