



"it's
finger
lickin'
good"

MODERN SLAVERY

Statement 2023

Reporting Entities:

RG Restaurants Pty Ltd

Century 101 Pty Ltd

Westpark Operations Pty Ltd

Introduction

This Statement relates to the reporting period that commenced on 1 July 2022 and ended on 30 June 2023 (“Reporting Period”) and is prepared as part of our compliance with the *Modern Slavery Act 2018 (Cth)* (“the Act”). Throughout our Reporting Period, we have continued our commitment to grow our awareness of risks of Modern Slavery across our business.

This Statement reports on the activities of RG Restaurants Pty Ltd alongside its related entities, Westpark Operations Pty Ltd as trustee for Westpark Operations Unit Trust (“Westpark Operations”) and Century 101 Pty Ltd (“Century 101”). We confirm this Statement has been reviewed and approved by the Directors of each of these companies.

As provided in our past statements, our group is predominantly a franchisee business within the KFC Brand. This Statement should be read in conjunction with the Modern Slavery Statement submitted by KFC Australia, for reasons explained in this Statement.



The Reporting Entity

RG Restaurants Pty Ltd ACN 611 108 911 (“RG Restaurants”) is an Australian private company limited by shares with its headquarters in Shepparton, Victoria.

RG Restaurants operates alongside its related entities, Westpark Operations Pty Ltd as trustee for Westpark Operations Unit Trust (“Westpark Operations”) and Century 101 Pty Ltd (“Century 101”).

RG Restaurants’ journey with KFC Australia began more than 30 years ago in Shepparton, Victoria with one Restaurant. Together with its related entities, RG Restaurants owns and operates 61 KFC Restaurants and employs more than 3,700 employees throughout Victoria at the conclusion of the Reporting Period.



Structure, Operations and Supply Chains of RG Restaurants



Structure and Operations

RG Restaurants main business is operating KFC Restaurants as a franchisee of the KFC Franchise System operated by KFC Australia and its related entities. As per conditions of the Franchise Agreement, our restaurants are run by a significant organisational structure that is supportive to the requirements of our business and creates continuous development opportunities.

Our employees range from the front-line workers within our restaurants to the support services providing finance, marketing, people and culture and other administrative support to our business. Our workplace is diverse, and no gender pay gap within our restaurants.



61

restaurants



over

3700

employees

Supply Chain



Core Suppliers

Our Core Suppliers are those which are governed by our Franchise Agreement with KFC Australia and its related entities. Due to the Franchisee and Franchisor relationship, our core items supplied by KFC Australia include the following:

- food and beverage suppliers
- packaging
- distribution partners
- delivery aggregators
- equipment
- uniform providers



Non-Core Suppliers

Beyond the Franchise Agreement, our supply chain includes non-core suppliers. Many of these suppliers are long-term and stable suppliers and include the following:

- suppliers of equipment used in our restaurants
- development and construction suppliers
- accommodation providers
- marketing agencies
- information technology
- professional services providers of legal and financial services
- human resources
- cleaning and maintenance services



Assessing our Modern Slavery Risks

With the preparation of our third report, we have continued to explore our risk of Modern Slavery in our Core and Non-Core Supply Chains.

Core Suppliers


Our core suppliers are identified as those suppliers who are critical to the operation of our restaurants such as packaging, food, and distribution. While some of our core supplies are imported from overseas, KFC Australia has reported in their 2022 Modern Slavery Statement that approximately 98% of all food suppliers are sourced locally. Our Franchisor, KFC Australia, has continued their endeavours to identify potential risks of Modern Slavery in their supply chain through third party platform and service provider, Sedex.

We have continued to support our Franchisor in their assessment, review, and audit of our core supply chain. Based on the continuous work of KFC Australia, KFC Australia reported in their 2022 Modern Slavery Statement that 92.5% of suppliers, who have completed their self-assessment questionnaire (SAQ) on Sedex, have received a “medium” or “low” combined risk rating. These results have made us more conscious there is still an apparent risk in these industries, and we will continue to work with KFC Australia in addressing these risks.

Non-Core Suppliers

Our Non-Core Suppliers provide services outside of our Franchise Agreement. The table below maps our Non-Core Suppliers and our assessment of risk:

Category	Risk Assessment	Findings
Marketing Services	Low	Risk considered low in professional agencies and activation events. Additional consideration on how we verify the sourcing of our merchandise such as promotional shirts may be required.
Professional services for legal, financial & accounting	Low	Risk considered low due to the nature of these services provided and the demographic of workforce. These areas are also heavily governed by Fair Work Australia for those professional services that are administrative based.
Human Resources	Low	Risk considered low due to the nature of services provided and demographic of workforce.
Cleaning Services	Medium/High	Given the nature of this industry and demographic of workforce, there is a need to establish onboarding and monitoring procedures for these providers. We are building commentary and information in our contracts around Modern Slavery to educate those involved.
Maintenance Services	Medium/High	Given the nature of this industry and demographic of workforce, there is a need to establish onboarding and monitoring procedures for these providers. We are building into our Contracts various commentary and information around Modern Slavery to educate those involved.
Uniform for Administration and Support Office Staff	Low/Medium	Whilst uniform procurement is often medium risk, we have taken the opportunity to engage with companies who pride themselves on adhering to Modern Slavery requirements. We have considered this low risk as we made a conscious effort to source from likeminded companies.
Accommodation Providers	Low/Medium	The accommodation sector is often vulnerable to Modern Slavery risks due to the use of low skilled or migrant workers and their supply chains. We do have longstanding relationships with some of our accommodation providers and believe that the risk of Modern Slavery is low. However, we are mindful of accommodation providers that we might not have the same relationship and the need to establish greater transparency beyond the tier one provider.
Equipment	Medium/High	We source most of our equipment directly from our Franchisor, who ultimately sources from various other countries.
Development and Construction	Medium/High	We have longstanding relationships with our tier one companies within this industry. Due to those relationships, we believe the risk of Modern Slavery is low. However, we are mindful that due to the nature of subcontracting and lack of visibility beyond tier one, there is a need to establish onboarding and monitoring procedures for these providers.

A person wearing a red shirt is pushing a metal shopping cart through a grocery store aisle. The cart is filled with various items, including a large white bag and several boxes. The background shows shelves stocked with products. The entire image has a semi-transparent red overlay.

The findings shown in the table have remained relatively unchanged from our previous Statements, as our business prides itself on using local suppliers and products where possible. Many of our Non-Core Suppliers (Tier One), we have a long-standing relationship and know they are locally owned and produced within Australia.

We have acknowledged in our past reports that Our Tier one suppliers may source goods and services overseas. Our focus over the past 12 months was to continue in improving our visibility beyond our Tier One suppliers

Our Actions

to assess and address Modern Slavery Risks

Given our industry, Modern Slavery is an ongoing concern and as a business we must ensure that we reflect on actions we have taken over the past twelve (12) months and actions we would like to take in the future.

Actions taken in the past twelve months

Looking Beyond Tier One

We have acknowledged in our past statements we have limited visibility beyond our tier one suppliers and the need to improve in future reporting periods.

One of our primary means by which we assess and address the potential risk of Modern Slavery is through our contracting processes with our Non-Core Suppliers.

In our past statement, we took our first step in creating greater visibility beyond our tier one suppliers.

We took the opportunity to look beyond and source uniforms for our administrative and support employees from an Australian owned Supplier. This Supplier is registered with Sedex and is BSCI certified.

We continue in our steps to reduce potential Modern Slavery risks by engaging with companies that ethically source their materials and product.

This year, we have continued to take steps in areas of procurement to look beyond our tier one suppliers to help us better map our supply chain for future reporting periods.

Strengthening Supplier Relationships

With the rising costs of goods and services due to inflation, we have set out to strengthen and build relationships with our external partners; in bid to support each other and limit any potential risk of Modern Slavery.

The development and construction plans of our organisation have continued to expand more than ever before, creating new employment opportunities through these difficult times.

We have continued to review our contracts and update when required. These measures have reduced pressures on our contractors, making it easier for them to comply with their contractual obligations and reducing the incentive to resort to Modern Slavery practices.

Delivery Aggregators (Core Supplier)

As provided in our previous statements, we acknowledged the inclusion of Modern Slavery clauses in our Contracts doesn't negate the risk within the Delivery Aggregator industry.

We have continued to observe our Delivery Aggregators by monitoring issues in the media to better understand the risks over the past twelve (12) months. During the Reporting Period, there have been no concerns or risks brought to our attention.





Our path moving forward for the next twelve (12) months

Embracing Sustainability Initiatives

With our passion to work towards the implementation of more sustainable alternatives, we will work with our Non-Core Suppliers in educating and procuring materials or goods from ethically sourced suppliers.

We aim to continue to improve our modern slavery due diligence, especially where materials or goods may be sourced from countries with potential risks of Modern Slavery and the inclusion of a serious misconduct termination event in our Contracts and Agreements.

Delivery Aggregators Core Suppliers

Whilst we have monitored our Delivery Aggregators in the past twelve (12) months, we are mindful that the industry is vulnerable to Modern Slavery risks due to the employment of low skilled and migrant workers.

We feel that it is important to continue to monitor our Delivery Aggregators, given the cost of living and increase of goods and services continue to rise due to inflation.

Education and Training

As our organisation grows, we aim to expand our Modern Slavery awareness beyond those employees managing our supplier contracts to all employee within our supply chain.

By empowering our employees with greater knowledge and awareness of Modern Slavery in our supply chains, it will provide greater opportunity for our organisation to identify potential risks.

In addition, we will continue to educate our employees of their working rights as part of our centralised training centre.

Partnering and Collaboration

Due to our reliance on our Franchisor, KFC Australia, to negotiate and source our core suppliers, there is a greater importance in partnering and collaborating to reduce Modern Slavery in these supply chains.

The next twelve (12) months, we aim to create a working group with KFC Australia and other Franchisees to share learnings, enhance Modern Slavery Statements and implement greater oversight in our respective supply chains.

Assessment of the effectiveness of our actions

At the date of this Statement, we have not identified any concerns that could be linked to Modern Slavery in our Operations or Supply Chain.

We do acknowledge that whilst there are no identifiable concerns, there may be risks within our Supply Chains that we are not privy to.

We will continue to monitor our effectiveness of our approach and commitment to eradicate Modern Slavery in years to come.

We will continue to implement strategies and anti-Modern Slavery measures in areas within our operations and supply chain that have an inherent risk of Modern Slavery.

We will set short term goals each year to improve different aspects of our Supply Chain, both for our Core and Non-Core Suppliers.

By setting and achieving these short-term goals, we aim to have a long-term impact on eliminating Modern Slavery. Our work and commitment remain ongoing.

Consultation Process

The Reporting Entity making this statement, and its associated, owned, or controlled entities, have been consulted in its preparation.

The Executives across the Reporting Entity and associated entities have provided input in relation to our operations, management, and supply chain.

We have engaged with our Franchisor, KFC Australia, in preparation of this Statement, who is also required to comply with the Act.

This is an ongoing commitment by the Reporting Entity and associated entities to gain visibility and awareness into the risks of Modern Slavery in our operations and supply chain.

We aim to embed processes within our business to strengthen our management controls to mitigate these risks for our future operations and supply chains.

Appendix

- ... Page 1 || INTRODUCTION
- ... Page 2 || THE REPORTING ENTITY
- ... Page 3 || STRUCTURE, OPERATIONS AND SUPPLY CHAINS
- ... Page 5 || ASSESSING OUR MODERN SLAVERY RISKS
- ... Page 8 || ACTIONS TAKEN BY RG RESTAURANTS
- ... Page 9 || FOCUS AREAS FOR THE NEXT TWELVE MONTHS
- ... Page 10 || ASSESSMENT OF THE EFFECTIVENESS OF OUR ACTIONS
- ... Page 10 || CONSULTATION PROCESS
- ... Page 12 || SIGN OFF





SIGN OFF

This statement was approved by the Boards of each of the three reporting entities covered in this statement. This statement was approved by the Board of RG Restaurants Pty Ltd (ACN 611 108 911) on 19 December 2023, and approved by the Boards of Century 101 Pty Ltd (ACN 147 149 646) and Westpark Operations Pty Ltd (ACN 084 391 864) on 19 December 2023.

This statement is signed by Stephen Retzos in his role as the managing director of RG Restaurants Pty Ltd

A handwritten signature in blue ink, appearing to read 'Stephen Retzos'.

Stephen Retzos
Managing Director