

GOODMAN FIELDER PTY LIMITED

MODERN SLAVERY STATEMENT

2022



INTRODUCTION

At Goodman Fielder we know our role in ensuring that food is a force for good is an important one and one that we take very seriously. We strive for sustainability in our operations and are committed to doing business in a way that is ethical, respectful and ensures the most vulnerable are protected from exploitation.

This joint Modern Slavery Statement covers the period of 1 January 2022 to 31 December 2022 (**CY22**). This Statement will describe the structure, operations, supply chain, risks of modern slavery, and actions to assess, and address those risks and consultation processes for the reporting entities.

This Statement has been prepared by Goodman Fielder Pty Limited in its own capacity and on behalf of the following entities, which it owns and that are reporting entities under the *Modern Slavery Act 2018 (Cth)* (**the Act**):

- Goodman Fielder Pty Limited;
- Goodman Fielder Consumer Foods Pty Limited; and
- Quality Bakers Australia Pty Limited

(Together **Goodman Fielder** or **GF**)

Internal stakeholders of each of the above entities were consulted and have provided input into this Statement. The Board of Goodman Fielder Pty Limited approved this Statement on 26 June 2023 on behalf of all entities that it owns or controls that are reporting entities under the Act as at 31 December 2022.



Matthew Albion
Managing Director

OUR ORGANISATIONAL STRUCTURE, OPERATIONS AND SUPPLY CHAIN

OUR STRUCTURE

Goodman Fielder Pty Limited is a privately-owned company, registered in Australia. It is an indirect, wholly owned subsidiary of Wilmar International Limited (**Wilmar** or **Wilmar International**), Asia's leading agribusiness group. As at 31 December 2022, Goodman Fielder Pty Limited had 36 subsidiaries, operating in 4 jurisdictions (the **Subsidiaries**) and is a leading regional food company across Australia and New Zealand. Operations in Australia and New Zealand include 2 major offices (with associated R&D facilities), 23 manufacturing sites and a network of 94 depots. These operations are supported by a national sales and distribution network in each country. GF also has a small presence in Hong Kong.

Goodman Fielder Pty Limited and its subsidiaries share centralised governance, procurement, finance and legal functions together with common policies and procedures.

OUR OPERATIONS

Goodman Fielder manufactures, packages, distributes, markets and sells a wide range of food products in Australia, New Zealand and internationally. Together with our offering of retail and consumer products, GF also services the industrial and food service segments across Australia and New Zealand, including in the hospitality, healthcare and government spaces.

Goodman Fielder has a significant portfolio of over 90 brands, including MeadowLea, White Wings, Helga's, Praise, Molenberg, Edmonds and Meadow Fresh. Goodman Fielder's leading product offering is supported by efficient and effective distribution networks that enable delivery to over 30,000 outlets every day including supermarkets, dairies, service stations, cafes and restaurants.

While Goodman Fielder manufactures the majority of its products internally and typically in the market in which they are sold, some GF products are manufactured outside of the market and in some instances, by third party manufacturers. To manufacture its products, Goodman Fielder works closely with over 4,000 suppliers globally. Goodman Fielder employs more than 3,300 people across the Subsidiaries.

OUR SUPPLY CHAIN

Goodman Fielder's supply chain is diverse, with more than 500 direct suppliers and 3,000 indirect suppliers across 40 countries. While most of Goodman Fielder's key ingredients are sourced locally, for example flour, sugar, grains and milk, our broader supply chain extends into Asia, North America, Europe and South America. The top two countries of supply for GF ingredients, based on spend, are Australia and New Zealand; we source 74% of our ingredients from Australia and New Zealand.

Globally, our supply chain includes the procurement of:

- Raw ingredients;
- Manufacturing equipment and parts;
- Externally manufactured finished goods;
- Packaging;
- Indirect materials such as uniforms and personal protective equipment;
- Maintenance, cleaning and other services;
- Warehousing, linehaul and logistics services; and
- Professional services including IT, recruitment, travel and marketing.

Where feasible, Goodman Fielder endeavours to partner with related entities from the Wilmar International Group. Generally, this provides us with greater oversight of the materials/ingredients being sourced.



MODERN SLAVERY RISKS

In CY21, Goodman Fielder conducted a thorough analysis of our supply chains and considered our potential to cause, contribute or be directly linked to modern slavery risks.

From our CY21 review, we identified certain third-party suppliers as having the highest potential for modern slavery risks. These suppliers included:

- Logistics providers
- Cleaning providers
- Third-party labour
- Suppliers of the following commodities:
 - Cocoa powder;
 - Rice; and
 - Palm Oil.

Goodman Fielder is committed to prioritising ongoing targeted assessments of our third-party suppliers which fall into the above categories, with a view to identifying any actual modern slavery risks and mitigating these risks as required.

KEY ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

Goodman Fielder has made an ongoing commitment to support and uphold human rights, and to take measures that will mitigate modern slavery risks in our operations and supply chain. Goodman Fielder is guided by the United Nations Guiding Principles on Business and Human Rights, specifically:

- A policy commitment to respecting human rights;
- An ongoing human rights due diligence process to identify, prevent, mitigate and account for how the business addresses impacts on human rights;
- Processes to enable the remediation of any adverse human rights impacts the business has caused or contributed to; and
- A process for reporting and continuous improvement.

In CY22, we took some key actions to address our modern slavery risks, which are explained in detail below.

OUR OPERATIONS

Goodman Fielder's focus for CY22 was to strengthen the modern slavery framework that we built in CY21. This framework will ensure GF is fully prepared to identify and respond to modern slavery risks across our operations and supply chain on an ongoing basis by implementing appropriate measures.

Across our Australia and New Zealand operations, GF sites completed a total of thirteen (13) Supplier Ethical Data Exchange (SEDEX) self-assessment questionnaires (**SAQs**) in CY22. We also continued to use SEDEX as a tool to review our supply chain risks by utilising the Pre-Screen Assessment Tool.

In our Modern Slavery Report last year, GF committed to review its Enterprise Bargaining Agreements in Australia for compliance with the Ethical Trading Initiative Base Code requirements in relation to excessive working hours. This review was completed in CY22 and 95% of the agreements are compliant, with a plan in place to update the remaining agreements to ensure full compliance.

OUR SUPPLY CHAIN

In CY21, Goodman Fielder carried out a thorough assessment of our supply chain against a risk framework, which looked at risks such as inherent commodity/material/service risk, source location and category of spend. This exercise enabled Goodman Fielder to prioritise its efforts towards the highest risk suppliers in our supply chain, which was our focus in CY22. In response to this, Goodman Fielder engaged with some of our suppliers as a matter of priority and used the SEDEX Platform to onboard and audit the social and business practices of these suppliers.

GF Suppliers on SEDEX – SAQ and SMETA (Sedex Members Ethical Trade Audit) completion rates

In CY22, Goodman Fielder increased the number of suppliers we are linked with on SEDEX by 55% and eighty nine (89) of those suppliers completed SAQs in CY22. We are continuing to work with suppliers to increase this number, which will be done through collaboration and prioritisation of higher risk suppliers.

A priority for CY22 was to increase SMETA audit completion rates for potentially high-risk suppliers, which we have achieved, as forty-six (46) SMETA audits were carried out at supplying facilities; this is a 53% increase on CY21. This number includes ten (10) suppliers with a medium risk rating and one (1) supplier assessed as being high risk. The SMETA audit that was conducted on the high-risk supplier in December 2022 revealed five (5) non-conformances, none of which were indicators of modern slavery and two (2) of which have already been remediated. GF will continue to track the status of the supplier's corrective action plan.



Focus on Commodity Risks

Rice

Goodman Fielder does not source directly from primary producers; however, we have made considerable progress in engaging with our rice suppliers to investigate any instances of modern slavery in the rice supply chain.

In CY22, one of GF's major rice suppliers in India underwent a SMETA audit. Four (4) non-conformances were identified, none of which were indicators of modern slavery, and all of which have since been resolved. GF will continue to work with our suppliers to identify potential risks across the rice supply chain.

Cocoa Powder

Goodman Fielder procures cocoa powder for use in Edmonds, White Wings and private label products. In CY22, for some GF product ranges, GF made the decision to commence sourcing cocoa (used in chocolate and cocoa powder) from suppliers who are certified by either the Rainforest Alliance or Cocoa Horizon's programs. This gives GF confidence of the ethical sourcing credentials of our suppliers for these products because it means that the cocoa was produced using methods that support the three (3) pillars of sustainability: social, economic and environmental.

GF is committed to continuing to ensure that suppliers have appropriate policies, procedures, systems and codes of conduct in place for their suppliers to manage potential modern slavery risks associated with the supply of cocoa, and it continues to consider its position with regard to the sourcing of cocoa powder for the remainder of its product range.

Palm Oil

GF is a member of the Roundtable on Sustainable Palm Oil (**RSPO**) and has been since 2005. We continue to adhere to RSPO's Principles & Criteria, which include human rights standards that help to mitigate modern slavery risks. GF supports the production of sustainable palm oil and in 2014, Goodman Fielder committed to sourcing certified sustainable palm oil (**CSPO**) for all Goodman Fielder products in Australia and New Zealand using the mass balance supply chain model. In support of this commitment, we have achieved supply chain certification for all GF manufacturing sites in Australia and New Zealand that handle ingredients containing palm oil.

This commitment is supported by the adoption of Wilmar's No Deforestation, No Peat and No Exploitation Policy which applies to all Goodman Fielder operations. Goodman Fielder tracks the progress of major palm oil suppliers against this (or their equivalent) policy.

RSPO conducts an annual multi-site certification audit and following the CY22 audit, GF received one (1) non-conformance. The non-conformance was administrative and not an indicator of modern slavery. It was remediated and GF received its RSPO certification for CY22.



Focus on Third Party Service Providers

Logistics Providers

GF relies on independent contractors as part of our logistics network. GF's evaluation of risk in this area identified an increased risk of unfavourable working arrangements, particularly in the areas of working hours, working conditions, wages and workplace health and safety. To combat this, GF utilises its ongoing monitoring and audit program which seeks to identify and mitigate risks, including those related to modern slavery.

Following on from the CY21 audit where forty-five (45) independent contractors were reviewed, in CY22, GF conducted audits on seventy-five (75) independent delivery driver contractors in Australia, who are engaged by GF to deliver daily fresh bread from our distribution centres to our customers. We identified seventy-four (74) contractors as low risk, with only one (1) contractor being identified as medium risk. GF worked with this contractor to put a remediation plan in place to reduce their risk rating.

Cleaning

GF engages external cleaning companies to ensure its facilities are maintained to the highest standards of hygiene and cleanliness. The use of unskilled and sometimes temporary labour in this area by external cleaning companies, together with high labour intensity and low oversight increases the potential for adverse working conditions. To counteract this, from June 2022, GF's default position in Australia is that it will include targeted modern slavery clauses in any new agreements with cleaning companies.

Third-party Labour

GF identified an increased risk of unfavourable working arrangements among workers who are employed by third-party labour hire companies or through complex labour value chains. Third-party labour hire companies may be contracted to provide operational support, cleaning or IT services. In an effort to mitigate the risk of modern slavery in this area, since June 2022, GF's default position in Australia has been to include targeted modern slavery clauses in any new labour hire agreements.

GOVERNANCE AND POLICES

Goodman Fielder understands the importance of a robust governance system to support our commitment to upholding fundamental human rights. In CY22, we took the steps described below to enhance our existing governance framework.

Modern Slavery Policy

GF is committed to doing business in a way that is ethical and respectful and ensures that the most vulnerable are protected from exploitation. In order to deliver on this, GF is committed to ensuring that all laws and regulations relating to modern slavery are upheld in both our workplaces and supply chains.

In CY22, we drafted our standalone Modern Slavery Policy, which consolidates our position and outlines the mechanisms and controls that GF has employed to identify and mitigate modern slavery risks in its supply chains and operations. Our Modern Slavery Policy contains a list of commitments that GF will undertake, including measuring the effectiveness of and continuously reviewing and seeking to improve our modern slavery initiatives. It also complements existing policies that are relevant in this space including our Ethical Employment Policy and Whistle-blower Policy.

Our Modern Slavery Policy will be fully rolled out across the business in CY23.

Grievance Procedure

The Grievance Procedure, which is integral to the new Modern Slavery Policy, was drafted in CY22. The Grievance Procedure is a comprehensive procedure that provides internal and external stakeholders with the information necessary to enable them to raise a grievance against any party in the Goodman Fielder supply chain and/or our owned operations. The Grievance Procedure also acts as a framework for the business to ensure clarity and consistency in the event a grievance is raised.

Our Grievance Procedure will be fully rolled out across the business in CY23.

Responsible Sourcing Code of Conduct

GF is working to ensure that our business is fit for the future, and we know that our success is reliant on thriving, productive supply chains. We have a publicly-stated goal to source 100% of our ingredients sustainably by 2030 and our suppliers are critical partners for this ambition. We welcome opportunities to work collaboratively with our suppliers to achieve our collective sustainability goals, and our Responsible Sourcing Code of Conduct (**Code of Conduct**) is one example of this.

In CY21, GF reviewed and updated our Code of Conduct. It was strengthened to ensure that modern slavery, human rights and business ethics risk are explicitly taken into account.

The revised Code of Conduct outlines the standards and principles that GF expects our suppliers to adhere to when conducting business with us. It was fully rolled out in CY22 together with updated contract provisions targeting modern slavery risks. The Code of Conduct forms part of GF's supplier selection process and suppliers are subject to ongoing monitoring to ensure continued compliance.

Training

Goodman Fielder understands the importance of our employees having a solid knowledge and awareness of modern slavery. In order to achieve this, in CY22 we commenced working with an external specialist training provider to develop a bespoke training course that is tailored specifically to the Goodman Fielder business. This training will be finalised and rolled out in CY23 to staff at GF's head office. Further bespoke training will then be progressively rolled out to employees at GF sites.

GF is working closely with the external training provider to develop an enhanced training program that will be delivered to employees dealing directly with suppliers and third parties, such as the Procurement Team. This will be rolled out in the second half of CY23.

The training will build awareness of modern slavery for all GF employees and will enable our staff to identify potential and actual risks in our operations and supply chain. It will also ensure that all employees are familiar with our Modern Slavery Policy, Grievance Procedure and Code of Conduct.

EFFECTIVENESS MEASURES AND CONTINUOUS IMPROVEMENT

Goodman Fielder is committed to an ongoing review of our modern slavery program by continuously assessing the effectiveness of the measures we implement.

We have assessed the actions we committed to in our CY21 statement and provide the following summary of three of the key actions we have taken:

Modern Slavery Policy

In CY22, GF drafted our stand-alone Modern Slavery Policy, which will be rolled out across the business in CY23.

Training

Rather than adopting a generic, off-the-shelf training program, GF sees the benefit of providing bespoke training which is focused on the risks that are specific to our business. In CY22, we commenced working closely with an external provider of modern slavery training to develop a tailored suite of training programs, which will be rolled out in CY23 across all levels of the business.

Targeted initiatives: third party service providers

GF completed a number of key actions in relation to third party service providers in CY22. This includes adding targeted modern slavery clauses into labour-hire and cleaning contracts from June 2022. We also conducted an audit into independent contractors in our logistics network, which included entering into a collaborative remediation plan with one supplier to mitigate risk.



Goodman Fielder's priorities for CY23 will be as follows:

	2023 Action	Effectiveness Measure
Governance and Management Frameworks	<ul style="list-style-type: none"> Launch and embed Modern Slavery Policy. Launch and embed Grievance Procedure. 	<ul style="list-style-type: none"> Modern Slavery Policy rolled out and included in training program. Grievance Procedure rolled out and included in training program.
Risk Assessment/ Due Diligence	<ul style="list-style-type: none"> Continue to increase number of suppliers on SEDEX and increase SMETA audits rates for those suppliers. 	<ul style="list-style-type: none"> Number of suppliers added to SEDEX and audits completed.
Training	<ul style="list-style-type: none"> Roll out Modern Slavery Training Program. 	<ul style="list-style-type: none"> Training program rolled out to staff at GF's Head Office, employees at GF sites and specialised training for employees dealing directly with suppliers and third parties.
Targeted initiatives	<p>Focus on the following identified risk areas:</p> <p>A. Design and commence audit program for cleaning service providers.</p> <p>B. Enhance the current logistics contractor audits with a specific modern slavery section and commence rollout.</p>	<p>A. Number of audits completed and (where applicable) remedial action taken by supplier.</p> <p>B. Completion of update to logistics contractor audit questions and number of contractors audited.</p>

CONSULTATION

Goodman Fielder's Modern Slavery Statement has been developed in consultation with the Senior Executives of Goodman Fielder Pty Limited, each of whom oversees a group-wide function. The Senior Executives provided their feedback on the Statement prior to it being provided to the Board of Goodman Fielder Pty Limited, for final review and approval on behalf of Goodman Fielder and its subsidiaries. GF has also consulted with the Group Sustainability function of Wilmar International, being GF's parent company. Wilmar International carries out regular consultation with external global stakeholders on Human Rights related matters.

APPENDIX

This Statement was prepared to meet Goodman Fielder's reporting requirements. The table below references where the mandatory criteria set out in the Act are addressed in this Statement.

MANDATORY CRITERIA	LOCATION IN DOCUMENT
Criteria 1. Identify the reporting entity	Page 2
Criteria 2. Describe the structure, operations and supply chains of the reporting entity	Page 3
Criteria 3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Page 4
Criteria 4. Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Page 4 - 9
Criteria 5. Describe how the reporting entity assess the effectiveness of such actions	Page 9 - 10
Criteria 6. Describe the process of consultation with any entities that the reporting entity owns or controls	Page 10

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2022**

