

# *Bakers Delight*

MODERN SLAVERY REPORT

2025

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## WHO WE ARE

Since 1980, Bakers Delight has been one of Australia's best known and loved bakery brands. What started out as a single bakery site in Hawthorn, Victoria has since become a highly successful franchise business with more than 700 locations across Australia, Canada, USA and New Zealand.

Today, Bakers Delight directly employs nearly 150 people, while a further 9,900 bakers and sales staff are employed under the brand to help deliver on our commitment to delicious daily fresh baked bread and delightful service to over 1.65 million customers every week. As a result, Bakers Delight owns approximately 16% of the Australian bread market and has become a significant contributor to both the Franchising sector and the wider economy, paying an estimated \$250 million in wages every year and generating a further \$250 million in business (ingredients, rent, power etc.) for our network of suppliers.

Bakers Delight also plays an important role in the local community by donating bread to local sports clubs and schools and giving away end of day stock to the many charities offering support to families in need. In 2025, we celebrate 25 years of supporting Breast Cancer Network Australia. Since the partnership began, Bakers Delight and our network of Franchisees have supported BCNA with over \$27 million worth of funds and pro-bono services.

## THE SEVEN MANDATORY CRITERIA

### CRITERIA ONE: Identify the Reporting Entity

Founded on May 1st 1980 in Melbourne, and still proudly family-owned and operated by joint CEOs Elise Gillespie & David Christie, Bakers Delight Holdings Ltd ACN 052 528 202, ABN 88 052 528 202 (**Bakers Delight**) is now Australia's most successful bakery franchise and can be found in more than 700 locations across Australia, Canada, USA and New Zealand.

**As at 1 November 2025, our portfolio includes 2 brands:**

*Bakers Delight* COBS BREAD

**As at 1 November 2025, our global network comprises:**

**739** Bakeries (est.)

**520** In Australia

## **CRITERIA TWO: Describe the Reporting Entity's Structure, Operations and Supply Chains**

### **Structure**

*(This Criteria response relates to the global business)*

Bakers Delight Holdings Ltd (ACN 052 528 202) is an Australian unlisted public company, limited by shares, governed with a Constitution. Its registered office and principal place of business is Level 1, 293 Camberwell Road, Camberwell, Victoria 3124, Australia.

Bakers Delight Holdings Ltd (ACN 052 528 202) is the reporting entity for the following entities:

- COBS USA Inc (Business ALEI 1146372), registered office: 210-1100 Melville Street, Vancouver, British Columbia, Canada.
- BD Canada Ltd (BN 882627904RC000), registered office: 2200 HSBC Building 885 West Georgia Street Vancouver BC V6C 3E8 Canada.

Collectively, the Bakers Delight Group is comprised of Bakers Delight Holdings Ltd, COBS USA Inc and BD Canada Ltd.

Pursuant to a Master Franchise Agreement which was effective on and from 30 June 2022, Bakers Delight Holdings Ltd ACN 052 528 202 granted master franchising rights for the territory of New Zealand to Bakers Delight (NZ) Limited (NZBN 9429038422706), which has a registered office located at: Unit 8 15 Accent Drive, East Tamaki Auckland, 2013 New Zealand.

Bakers Delight employs approximately 10,050 individuals across its global network. This includes approximately 9,900 franchise and bakery staff, supported by 150 employees within corporate and administrative roles.

### **Operations**

*(This Criteria response relates to the Australian business only)*

Bakers Delight operates primarily in the retail bakery and franchising sector, producing and selling fresh bread, pastries and other baked goods.

Bakers Delight is a major franchisor in the Australian retailing industry, offering its network of franchisees a broad range of support services including franchise development, marketing and brand management, training, operational support and property administration. Bakers Delight's primary revenue streams are ongoing royalties from franchise operations and sales from bakery product manufacturing.

Bakers Delight leases retail premises across metropolitan, sub-regional and regional locations. The majority of the bakeries are operated by franchisees pursuant to franchise agreements and occupancy licences, trading as Bakers Delight. There are also 6 company-owned bakeries in Australia, trading as Bakers Delight.

## Supply Chains

The majority of Bakers Delight suppliers are based in Australia. All key suppliers and importers operate from Australia, except for certain importers who source specific ingredients from overseas. Additionally, most equipment is manufactured internationally.

Through direct procurement agreements, Bakers Delight and its franchisees purchase flour, seeds, grains, dried fruits, chocolate chips, small goods, cheese, packaging, bakery equipment, and joinery for our bakeries.

All our key ingredients such as flour, meats, cheese, and yeast are locally produced in Australia. Other commodity ingredients are largely sourced from Turkey, various European countries, China, and India. For equipment, we primarily procure from Europe and New Zealand, while most packaging materials are sourced from China and Malaysia.

The following article outlines the supply chain process of one of our major suppliers The Manildra Group:

<https://www.bakersdelight.com.au/blogs/news/the-long-road-from-farm-to-bakery>

**CRITERIA THREE: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls**

*(This Criteria response relates to the Australian business only)*

Bakers Delight operates a network of retail bakeries across Australia supported by a centralized procurement and distribution model.

Bakers Delight operations are primarily based in countries with highly developed systems and processes in place in relation to maintaining high standards of labour practices and human rights. Australia is considered a low-risk geography according to the Global Slavery Index.

In relation to our supply chain, Bakers Delight predominately purchases from established and trusted suppliers with well-developed systems and processes to reduce the risk of modern slavery and human rights violations within our supply chain. Many of our suppliers are or have Australian-based subsidiaries and as a result, most of our direct spend is within our regional proximity.

Our supply chain operations primarily involve:

- Direct procurement of core ingredients: Flour, grains, seeds, dairy products, yeast, and other bakery inputs sourced predominantly from Australian suppliers.
- Commodity ingredients and specialty items: Certain dried fruits, dehydrated and frozen vegetables and seeds are sourced from overseas markets including Turkey, Europe, China, and India, through local importers. These regions and agricultural sectors are known for potential labour exploitation risks.
- Equipment and fit-out: Bakery equipment and joinery is procured mainly from Europe, New Zealand and China. While risk is generally lower in these regions, certain components may originate from higher-risk countries through sub-suppliers.
- Packaging materials: Sourced from China and Malaysia, where manufacturing and processing industries can have elevated modern slavery risks.
- Logistics and distribution: Managed through domestic 3PL transport networks for delivery to bakeries.

Suppliers may be assessed as having an elevated modern slavery risk due to either their geographic location (for example, operating in countries identified as high risk by the OECD) or the category of spend. Within our supply chain, we recognise limited visibility in certain areas that present heightened risk:

- Uniforms and textiles: Staff uniforms are sourced through third-party suppliers, and we currently lack detailed information on where and how these garments are manufactured. Textiles are globally recognised as a high-risk sector.

- Imported seeds and dried fruits: Certain commodity ingredients sourced from India, China, and Turkey involve complex supply chains with limited transparency, making them areas of potential risk.

For suppliers operating in these higher-risk categories, Bakers Delight has established processes to identify potential incidences of modern slavery or human rights violations. These processes include ongoing monitoring, supplier self-assessment questionnaires, risk scoring, and the integration of country–industry risk filters to strengthen oversight and accountability.

**CRITERIA FOUR: Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes**

*(This Criteria response relates to the Australian business only)*

The primary tool Bakers Delight uses to identify risk in its operations and supply chain is Informed 365, an external ESG platform designed to strengthen transparency, efficiency, and collaboration. The platform establishes processes that ensure regulatory compliance, improve data quality, and support accurate reporting on modern slavery risks.

Informed 365 enabled the generation of significant volumes of supplier information, including individual responses, progress tracking, and data visualisation. To support this process, we collaborated with an external consultant to design a tailored self-assessment questionnaire (SAQ), which was distributed via the platform. The Informed 365 SAQ included identifying inherent risk, for labour standards as well as business ethics, environment, supplier management and health and safety. Supplier responses were automatically scored, with adjustable weightings and ratings aligned to our risk appetite.

The platform also integrates a risk filter that applies country, industry, and combined country–industry assessments using the Informed 365 Modern Slavery Risk Index. It enables ongoing monitoring by tracking supplier progress, issuing automated reminders, and supporting the upload of evidence.

In this reporting period, we issued the questionnaire to 38 tier-one direct suppliers and achieved a response rate of 65.79%, with an overall engagement rate of 100%. All of the 38 suppliers who have responded to date have been categorised as “medium” risk by Informed 365’s platform, as shown in the image below.



At this stage, we have not yet undertaken formal remediation processes. However, these areas have been identified as priorities for future action. We are actively investigating and researching best practices to strengthen our approach, with the objective of developing a comprehensive framework that addresses modern slavery risks across our operations and supply chain.

Looking ahead, we are committed to strengthening our modern slavery risk assessment framework by expanding its scope beyond tier-one suppliers. We will begin assessing indirect suppliers to ensure that they also adhere to our modern slavery policies and are incorporated into our ongoing monitoring and compliance operations. This will allow us to gain deeper visibility into the extended supply chain and address risks that may arise further upstream.

In addition, we plan to investigate other entities within Bakers Delight’s global operations, examining their supply chains and applying similar risk assessment methodologies. This will include evaluating supplier practices across different regions, industries, and jurisdictions, with a focus on identifying high-risk areas using recognised indices and risk filters.

**Our future initiatives will therefore include:**

- Implementing a remediation process.
- Indirect supplier integration: Extending questionnaires and scoring mechanisms to indirect suppliers.
- Global supply chain mapping: Reviewing Bakers Delight’s international operations to identify and assess supplier risks.
- Continuous improvement: Using data-driven insights to refine our compliance processes, strengthen collaboration, and ensure accountability across all levels of the supply chain.
- Capacity building: Enhancing internal awareness and supplier education to foster accountability and ethical practices.

**Policy Development:**

Bakers Delight will develop and implement a suite of policies that clearly set out our commitments and approach to identifying, addressing, and mitigating modern slavery risks.

Over the next three years, we will ensure the consistent application of these core policies and procedures across our global business, embedding them into governance, procurement, and compliance processes. This work will establish a unified and resilient framework that supports transparency, accountability, and ethical practices throughout our supply chain.

**Governance:**

Bakers Delight has set in place the following cross-functional governance structures to support, identify, address, mitigate or remedy modern slavery risk across our own operations and supply chain.

<b>Governance Body</b>	<b>Responsibilities</b>
Risk Management Committee	A cross-functional committee with members of the Executive group including the Joint CEOs. This entity is responsible for approving the annual Modern Slavery Statement. The Committee is also responsible for the approval of our policies to identify and address modern slavery and broader human rights risks.

<b>Governance Body</b>	<b>Responsibilities</b>
	Through this oversight, the Risk Management Committee ensures that Bakers Delight maintains robust risk management practices, strengthens accountability, and upholds its commitment to ethical and responsible business conduct in line with the modern slavery regulatory framework.
Modern Slavery Working Group	A cross-functional group comprised of the Head of Supply Chain, Head of Legal and Head of Communications and Corporate Affairs. This entity is responsible for developing Bakers Delight’s approach to addressing Modern Slavery including preparing the annual Modern Slavery Statement.

Through these measures, we aim to build a comprehensive and resilient approach to modern slavery risk management, ensuring that our commitment to ethical sourcing extends across both direct and indirect supplier relationships worldwide.

**CRITERIA FIVE: Describe how the reporting entity assesses the effectiveness of these actions**

Bakers Delight is in the early stages of its modern slavery compliance journey and as such as we are not yet at the stage where we can assess the effectiveness of the new measures being implemented. As our framework matures, we intend to expand our focus to assessing the effectiveness of the actions taken.

**CRITERIA SIX: Describe the process of consultation with any entities the reporting entity owns or controls**

Bakers Delight is in the early stages of its modern slavery compliance journey. At this stage, our consultation on modern slavery compliance has been limited to the Australian business. As our framework matures, we intend to expand engagement to include the Canadian, US and New Zealand entities within the group, to ensure consistency in modern slavery risk management.

To monitor and report holistically on Bakers Delight operations, Bakers Delight has created a cross-functional Modern Slavery Working Group lead by our Head of Legal. This group was created to ensure that all relevant functions and areas of the business were properly consulted and represented in the preparation of this statement.

In addition, specific representatives of the reporting entities covered by this statement were directly consulted during the writing and approval of this statement. This statement was reviewed and approved by Bakers Delight Risk Management Committee.

**CRITERIA SEVEN: Other relevant information.**

Not Applicable

## CONSULTATION & CONCLUSION

In preparing this statement, Modern Slavery Working Group has engaged with Bakers Delight:

- Supply chain team
- Executive leadership team
- Risk Management Committee
- Human resource and internal legal departments
- External consultants including Informed 365.

Bakers Delight recognises the need to continue our journey in addressing and reducing the risks associated with modern slavery (including without limitation slavery, human trafficking, servitude, forced labour and forced marriage) in our operations and supply chains.

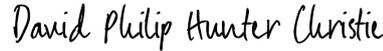
This statement has been approved on

**11 December 2025**

by the Joint CEOs of Bakers Delight,

Signed by:  
  
.....0691E8D0F1F442B.....

Elise Gillespie

Signed by:  
  
.....C3A27C8F1FED482.....

Dave Christie