

Modern Slavery Statement

For the Reporting Period

1 January 2020 to 31 December 2020

1. Introduction

The Bellamy's Group welcomes the introduction of the Modern Slavery Act 2018 (Cth) (the **Act**). We take human rights seriously and strive to improve the ethical standards both within our business and in our supply chain by working in partnership with our suppliers to minimise the risk of modern slavery.

This Statement is made on behalf of the entities listed in Section 2 which are part of the Bellamy's Group (referred to as '**Bellamy's**' or '**we**'). This Statement was prepared in accordance with the Act and describes the steps that Bellamy's has taken during the 2020 calendar year (**Reporting Period**) to identify, assess and address the risks of modern slavery in our business and supply chains and our assessment of the effectiveness of these steps.

2. Our organisational structure

This Statement is made on behalf of the following entities within the Bellamy's Group which are reporting entities under the Act as they are Australian entities or carry on business in Australia with a consolidated revenue of over \$100 million during the Reporting Period:

- Bright Treasure Pty Ltd;
- Wise Journey Pty Ltd;
- Bellamy's Australia Limited; and
- Bellamy's Organic Pty Ltd, (together, the **Reporting Entities**).

The Bellamy's Group also includes the following wholly-owned subsidiaries which are not reporting entities for the purposes of the Act:

- A.C.N. 619 661 611 Pty Ltd;
- Camperdown Powder Pty Ltd;
- Yum Mum Pty Ltd;
- Bellamy's Organic (South East Asia) Pte., Ltd;
- Bellamy's Organic (Hong Kong) Company Limited; and
- Bellamy's Organic Food Trading (Shanghai) Co., Ltd.

Since December 2019, Bellamy's has been wholly-owned by China Mengniu Dairy Company Limited, which is listed on the Hong Kong stock exchange.

3. Our operations and supply chain

Bellamy's is Australia's leading organic infant formula brand and is in the market of producing organic baby food and formula. Our operations span across Australia, China and South East Asia and we have offices in Melbourne, Launceston, Braeside, Shanghai, Hong Kong and Singapore. As at the last day of the Reporting Period, the Bellamy's Group employed a total of 195 people across all of our offices and locations.

Bellamy's core business involves the marketing, distribution and sale of organic baby food and infant formula. We partner with distributors and trade partners predominantly in Australia, China and South East Asia to distribute our products. Separate to our core business is Camperdown Powder, an infant formula canning facility located in Braeside, Victoria. Camperdown Powder cans infant formula for Bellamy's and other infant formula brands.

Bellamy's supply chain is expansive and can be broadly categorised as follows:

Category	Description	Key Locations
Ingredients and manufacturing	Suppliers of raw ingredients and packaging materials, co-packers and manufacturers	Australia, New Zealand, Austria, UK, US, Canada, Colombia, South Korea, China, Thailand, India, Sri Lanka, Chile, Ecuador
Distribution	Distributors, transport/logistics and warehousing providers, ecommerce platforms	Australia, China, Singapore, Vietnam
Marketing services	Suppliers of advertising, design and marketing services	Australia, China, Singapore, Vietnam, Malaysia
Business support services	Suppliers of insurance, IT, finance, HR, legal, business consultancy and other professional services	Australia, China, Singapore
Utilities and consumables	Suppliers of utilities (such as electricity, water and telecommunications) and consumables (such as printing, stationery and PPE) to support the day-to-day operations of our offices and canning facility	Australia, China, Singapore

4. Modern slavery risks for Bellamy's

During the Reporting Period, we conducted a risk assessment of our operations and supply chain to identify areas which were more at risk of modern slavery practices. In undertaking this assessment, we looked at the geographical location and industry in which the relevant activity was being undertaken.

We consider that there is a low risk of the Bellamy's Group causing modern slavery practices within our own operations, but a moderate risk of the Bellamy's Group being directly linked to modern slavery practices through our suppliers. The following types of suppliers have been identified as being more susceptible to modern slavery risks than others in our supply chain:

- suppliers of ingredients and other goods in higher risk countries such as Thailand, India, China, Colombia, Ecuador and Sri Lanka, based on their prevalence and vulnerability rankings and estimated proportion of the population living in modern slavery as published in the 2018 Global Slavery Index; and
- suppliers of certain ingredients such as fruit, spices and oils, due to the known occurrence of forced labour and exploitation of seasonal and migrant workers in these industries, including in countries that are generally considered to be at low risk of modern slavery such as Australia and New Zealand.

5. Actions taken to assess and address modern slavery risks

GOVERNANCE AND POLICY

During the Reporting Period, Bellamy's established an internal Modern Slavery Working Group to identify and assess modern slavery risks in our supply chain, promote awareness of modern slavery to the broader business, help business leads screen against modern slavery risks and guide Bellamy's modern slavery response.

We introduced a new Modern Slavery Policy, which applies to all entities within the Bellamy's Group. The policy confirms our commitment to human rights and mitigating the risks of modern slavery in our supply chain, and sets out procedures that must be followed by Bellamy's staff in respect of all existing and new suppliers with the aim of managing and mitigating modern slavery risks. As part of introducing our new Modern Slavery Policy, we have also developed a new Supplier's Code of Conduct, which sets out minimum standards that we expect of our suppliers, including minimum standards in respect of working hours and conditions, treatment of migrant workers, discrimination and hiring of minors. We plan to work with all of our transport and warehousing suppliers, ingredient suppliers, manufacturers and brokers to implement this new Supplier's Code of Conduct in future reporting periods.

Our new Modern Slavery Policy is supported by our Speak Up Policy, which encourages current and past employees, officers, contractors, suppliers and associates (amongst others) to speak up about any suspected or actual misconduct, including a breach of Bellamy's Code of Conduct or other Bellamy's policies or a breach of any laws or regulations.

SUPPLIER MANAGEMENT

We undertook a detailed mapping exercise of all of our ingredients, packaging, manufacturing and logistics suppliers for all of our infant formula and food products to identify suppliers operating in high risk industries and geographical locations. We reviewed our supply arrangements with these suppliers to understand the extent of potential risks and how they could be mitigated. In undertaking this review, we took into consideration relevant factors such as whether or not the supplier subscribed to the Fairtrade Standards.

We included contractual provisions in relevant contracts requiring our suppliers to comply with all relevant labour laws and not to engage in practices that would facilitate modern slavery.

In respect of our ingredient suppliers, manufacturers, warehousing suppliers and testing laboratories, we introduced new questions in our supplier audit checklist which aim to identify and manage modern slavery risks, including questions relating to the supplier's treatment of its employees and how the supplier is minimising modern slavery risks in its operations and supply chain. Our quality assurance team undertakes supplier audit reviews each time a new ingredient, manufacturing, warehousing or testing supplier is onboarded and annually for all existing suppliers in these categories. During the Reporting Period, the COVID-19 pandemic and associated travel and lockdown restrictions impacted our ability to conduct in-person audits of our local and international suppliers. As a result, we were limited to conducting only desktop audits. Prior to COVID-19, Bellamy's had conducted in-person audits of all of our key local and international suppliers (including suppliers of major ingredients and suppliers considered as being high risk). As at the date of this Statement, we have already resumed in-person audits of some of our local suppliers, and we plan to resume in-person audits of our international suppliers once international travel becomes more viable.

We did not identify any risks during the Reporting Period that required further remediation action to be taken.

OUR PEOPLE

Within the Bellamy's Group, all of our staff are employed in accordance with applicable legislation and paid above the prevailing minimum wage in the country in which they are employed and, where applicable, paid in accordance with the position's relevant award. This is verified annually by our external auditors.

Our Employee Assistance Program (**EAP**) gives our employees access to a 24/7 external counselling and reporting line. Employees may utilise the EAP for support on various personal and work-related issues, which are all treated on a confidential basis.

6. Assessing the effectiveness of our actions

We were unable to undertake a proper assessment of the effectiveness of our actions detailed above as many of these actions were newly introduced during the Reporting Period. However, these actions, together with the initial risk assessment we have undertaken, provide a baseline that can be used to assess the effectiveness of our actions in future periods as we continue to improve and mature our processes.

We have also attended, and plan to continue attending, professional development programs relating to modern slavery to benchmark our practices against industry best practice and keep abreast of new developments for minimising modern slavery risks in our supply chain and operations.

7. Next steps

Bellamy's is committed to continuously improving the ethical standards within our operations and in our supply chain. In 2021, we plan to:

- further educate our staff on modern slavery and how it could be prevalent in our supply chains and everyday life, by incorporating modern slavery training into our broader employee training program which must be completed by all new staff as well as existing staff on a periodic basis;
- promote continuous dialogue and information sharing between Bellamy's and our suppliers, by reviewing and improving the contractual provisions relating to modern slavery risks that were introduced into relevant contracts during the Reporting Period; and
- investigate new measures that could improve our supplier due diligence processes and assist with identification of modern slavery risks.

As stated above, once international travel becomes more viable, Bellamy's will resume our high standard of quality assurance by auditing all major and high-risk international suppliers in person (in addition to local Australian suppliers). In the meantime, we will continue to monitor the impact of COVID-19 on the risk of modern slavery in our supply chain and operations.

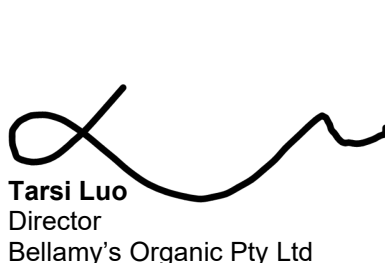
8. Consultation and approval

This Statement has been prepared by Bellamy's internal Modern Slavery Working Group in consultation with key staff and senior management from each of the entities within the Bellamy's Group, who provided relevant information and contributed to the verification and review of this Statement.

This Statement has been approved by the Board of each of the Reporting Entities and is signed by Graham Mulligan and Tarsi Luo as directors on behalf of the entities listed below.



Graham Mulligan
Director
Bright Treasure Pty Ltd
Wise Journey Pty Ltd
Bellamy's Australia Limited



Tarsi Luo
Director
Bellamy's Organic Pty Ltd