

Modern Slavery

Statement FY21

1 Oct 2020 – 30 Sep 2021



Nourishing
communities that help
the planet thrive

Chartwells



Eurest

medirest

DeltaFM

RA

ESS
Support Services Worldwide

OMEGA
SECURITY SERVICES

Foodbuy



Our Commitment



This FY21 Modern Slavery Statement reflects our organisational commitment, values and responsibility to make an enduring and positive contribution to the health and wellbeing of our team members, customers, the communities we work in, and the world we live in. We remain committed to using our influence as an industry leader to learn, share, action and promote activities that support the principles of eradicating modern slavery including those contained in the *Modern Slavery Act 2018* (Cth) and the UN Declaration on Human Rights.

We place these commitments at the heart of everything we do and proudly share, and actively invest in, our expectation that our people and our supply base must also embrace the same high ethical standards and values.

Since publishing our policy 'Eradicating Modern Slavery in our Supply Chains' in March 2019 and our subsequent FY20 Modern Slavery Statement, we have continued our investment in the evolution of our capability, processes and partnerships required to implement best practices in the detection, investigation and mitigation of risks across our operations and supply chain. We do so, knowing we have the support of our parent company Compass Group PLC, which is listed in the UK and is committed to complying with the *Modern Slavery Act 2015* (UK).

Our passionate approach to the eradication of modern slavery from our supply chain includes:

1. leveraging technology to support Compass Group Australia in assessing risk: specifically, the targeted roll-out of the Supplier Ethical Data Exchange (**Sedex**) and the refresh of our supply chain risk assessment technology;
2. the continual review and refresh of our sourcing, contracting, supplier selection processes and technologies through our centralised and globally recognised procurement business, Foodbuy Pty Ltd;
3. the active communication of our expectations to all our suppliers and enforcement through our contracts alongside our broader industry engagement;
4. conducting supplier assessments through own people, and through partnerships with industry expert organisations (including leveraging those conducted overseas through our peer Compass Group global entities);
5. our investment in targeted training to our teams, supported by our active membership of and the learnings from Compass Group's global, multi-disciplinary Human Rights Working Group;
6. providing our people with access to our independently operated helpline "SpeakUp" to report any concerns relating to modern slavery;
7. investigating and addressing concerns that are identified with formal review at the very highest levels of our Australian Executive Leadership; and
8. working with our clients across Australia to support their respective policies, aims and commitments with regard to ethical sourcing.

As market leaders in our industry, we are completely aligned with the intentions behind and are committed to complying with the *Modern Slavery Act 2018* (Cth) and will continue to both invest and take action, with the ultimate goal of eradicating modern slavery worldwide.

A handwritten signature in black ink, appearing to read "Denham Mack".

Denham Mack
Managing Director (Acting)
Compass Group (Australia) Pty Ltd

A handwritten signature in black ink, appearing to read "Andrew Brightmore".

Andrew Brightmore
Executive Director
Foodbuy Pty Ltd

1. Introduction

This statement has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) (**Act**). It describes the steps Compass Group (Australia) Pty Ltd (ABN 41 000 683 125 of 35-51 Mitchell Street, McMahon's Point, NSW 2060) (**CGA**) and its wholly owned or controlled subsidiaries have taken between 1 October 2020 to 30 September 2021 (**Reporting Period**) to identify, assess, and take action to eradicate potential modern slavery risks in Compass Group Australia's operations and supply chain.

CGA and the following wholly owned subsidiaries of CGA are considered reporting entities under the Act:

- Compass Group Remote Hospitality Services Pty Ltd (ABN 98 113 561 363);
- Compass Group B&I Hospitality Services Pty Ltd (ABN 82 089 388 143);
- Compass Group Defence Hospitality Services Pty Ltd (ABN 80 089 388 134);
- Compass Group Education Hospitality Services Pty Ltd (ABN 60 129 203 998);
- Compass Group Healthcare Hospitality Services Pty Ltd (ABN 79 114 320 615); and
- Delta FM Australia Pty Ltd (ABN 64 157 852 054)

(Reporting Entities).

This statement is made by CGA on behalf of the Reporting Entities and all of CGA's other wholly owned or controlled subsidiaries (**Compass Group Australia**).

CGA's Board and Australian Leadership Team have approved this statement and support Compass Group Australia's efforts to eradicate modern slavery.



Note: on 17th May 2022, the list of Reporting Entities above was corrected to refer to 'Delta FM Australia Pty Ltd', which is the correct revenue earning entity under the Act and for the purposes of this statement



COMPASS GROUP'S STRUCTURE AND OPERATIONS

Compass Group Australia is one of Australia's largest food and support service companies operating at approximately 600 locations nationwide. Our team of 11,000 people provide a broad portfolio of services including food and beverage catering, facilities management, hospitality services, cleaning and laundry, business support, and security services. Our operations are extensive, national and across industry sectors. Our client base is diverse, encompassing offshore and remote facilities, prestigious venues, cultural institutions, hospitals, schools and universities, hotels, aged care facilities, workplaces for business and industry, and defence sites.

CGA is a subsidiary of Compass Group PLC, a global catering company which is listed in the UK. Compass Group PLC shares Compass Group Australia's goal to set the highest standards for responsible business practice and to make a material contribution to the fight to eradicate modern slavery. Compass Group PLC reports each year on its modern slavery commitments and actions under section 54 of the *Modern Slavery Act* 2015 (UK) and its most recent statement can be accessed through the [www.compass-group.com](https://www.compass-group.com/content/dam/compass-group/corporate/Who-we-are/Policies/Modern%20Slavery%20Act%20Statement%202021%20-%20FINAL.pdf) website or the following link: <https://www.compass-group.com/content/dam/compass-group/corporate/Who-we-are/Policies/Modern Slavery Act Statement 2021 - FINAL.pdf>.



COMPASS GROUP'S STRUCTURE AND OPERATIONS



SCHOOLS & UNIVERSITIES: operating under the brand 'Chartwells', Compass Group Australia operates high school cafes and university dining halls, including providing live-in college/boardings school meals and special event catering, as well as providing facilities services such as cleaning.



BUSINESS & INDUSTRY: operating under the brand 'Eurest', Compass Group Australia delivers a range of catering and facilities support services to business and industry clients throughout Australia. This includes providing catering, facilities, cleaning and concierge services to offices and other workplaces.



VENUES & EVENTS: operating under the brand 'Restaurant Associates', Compass Group Australia provides food and hospitality services at venues as well as providing in-house catering services to a portfolio of corporate clients.



HOSPITALS & AGED CARE: operating under the brand 'Medirest', Compass Group Australia provides specialist food, hospitality and support services to residents and patients in public and private hospitals and senior living/aged care facilities. This includes catering, cleaning, housekeeping, reception, garden maintenance and security services.



FACILITIES MANAGEMENT: operating under the brand 'DeltaFM', Compass Group Australia services defence organisations, offshore projects and remote industries and provides them with end-to-end facilities management and project management services.



SECURITY: operating under the brand 'Omega Security', Compass Group Australia provides clients with tailored security services including security personnel, electronic monitoring, emergency response, access control, and risk management.



ENERGY, RESOURCES & DEFENCE: operating under the brand 'ESS Support Services Worldwide', Compass Group Australia provides workplace support in large-scale accommodation centres for companies operating the oil, gas, mining, construction and defence sectors.



COMPASS GROUP'S SUPPLY CHAIN: PURPOSE DRIVEN PROCUREMENT

As a leader in the food and services industry, Compass Group Australia understands its responsibility to ensure its business decisions are ethical and reflect the standards that our customers, shareholders, employees and the communities we operate within expect of an organisation of its scale.

To achieve this, Compass Group Australia invests in its supply chain through a wholly owned, dedicated and centralised procurement and supply chain business, Foodbuy Pty Ltd (www.foodbuy.com.au). Foodbuy is responsible for sourcing, contracting and providing the technology and capability to appropriately manage both the supply chain for Compass Group Australia in addition to external Foodbuy clients.

This supply chain consists of more than 2,000 supplier relationships to source more than \$657m+ of hospitality related products and services annually including food, beverages, retail, consumables, labour, cleaning products, safety equipment, food preparation equipment, smallwares and professional services.

Compass Group Australia remains committed to supporting local businesses, growers and manufacturers, alongside Aboriginal and Torres Strait Islander owned suppliers, Australian Small and Medium Enterprise and social purpose supply partnerships. Aligned with our philosophy of “Grown here, not Flown here”, Compass Group Australia is proud that its supply chain is predominately sourced domestically but also cognisant of the fact that a proportion of these suppliers necessarily rely on multi-tiered supply chains which may extend internationally.

IN THE 2021 FINANCIAL YEAR:

93%

of fruit and vegetables for WA sites were domestically sourced from Australian growers

70%

of all fruit and vegetables for QLD and NT sites were sourced from QLD and NT growers

56%

of all fruit and vegetables for WA sites were sourced from WA growers

The remaining **7%** was imported from overseas



COMPASS GROUP'S SUPPLY CHAIN: COMMITMENT TO WORLDFIRST™

During the Reporting Period, Foodbuy continued to invest and develop its dedicated WorldFirst™ platform which provides its clients, including Compass Group Australia, with insight, knowledge share, access to the relationships and the products and innovation to support socially and ethically responsible supply chains.

The WorldFirst™ framework consists of 8 key pillars within which Foodbuy develop specific programs, engage with supply partners and invest in industry relationships. Combatting modern slavery is a key pillar of this framework.



2. Compass Group Australia's Modern Slavery Risk Areas



The COVID -19 pandemic has led to the most significant and sustained disruption to both domestic and global supply chains in recent history. Response measures such as lockdowns, rapid changes in manufacturing demand, the overnight emergence of new PPE product sourcing and consumer behaviour has resulted in volatility across the global supply chain, key shortages in the flow of certain raw materials and finished goods, unprecedented labour shortages across multiple industries and the emergence of new safety, health and medical products and new sources of supply. These uncertain supply conditions and the significant competing global demand have only increased the need for robust supply chain risk, governance and management action.

Compass Group Australia responded to this evolving environment in the Reporting Period with the careful review and approval of any new supply sources supported with relevant information from its expert external partnerships and the shared knowledge and learnings from Compass Group's operations in other markets. Compass Group Australia also took the opportunity to reassess the potential for its operations and supply chain to cause, contribute to or be directly linked to modern slavery.

Utilising our in-house capability and technology, external expert partnerships and the extensive work done at a global Level by Compass Group PLC, we identified the following potential risk areas in the Reporting Period:

1. COVID PPE products such as face masks and gloves manufactured outside Australia and for which there were significant shortages in supply due to the surge in global demand coupled with multiple new sources presenting themselves
2. Other imported consumables manufactured in developing countries such as textiles in workwear and packaging where labour volatility/risk may be higher
3. Australian sourced fresh produce such as sugar, fruit and vegetables where the normal prevalent use of migrant workers in these industries has been significantly impacted due to closed state and international border controls and the change in labour profile
4. Overseas harvested commodities such as coffee, tea, cocoa and tobacco
5. Seafood sourced from overseas
6. Labour hire arrangements involving individuals who have relocated from overseas.



CASE STUDY: LEVERAGING OUR GLOBAL ORGANISATION

Through the global Compass Group supply chain network, we received notification that US Customs and Border Protection had issued a formal ban on all imports from a specified glove supplier into the US market due to concerns that the manufacturer(s) may exhibit forced labour within their Malaysian facilities. Upon becoming aware of this ban, Compass Group PLC immediately activated its global supply chain teams to undertake a co-ordinated and formal review of each country's tier one and extended supply chains to understand whether the named manufacturer was part of Compass' supply chain.

Compass Group Australia through its centralised procurement and supply chain organisation, Foodbuy, undertook an immediate detailed review in partnership with domestic suppliers, distributors and importers. Within 24 hours, Compass Group Australia was able to confirm that its supply chains did not include this risk.

CASE STUDY: ENGAGING OUR PEOPLE

Compass Group Australia engages labour through labour-hire agencies from time to time, where appropriate for the role to support its own internal recruitment activities. Such arrangements make up a very small part of our workforce. Compass Group Australia undertakes background checks before engaging any new agency and audits their files within the first 4-8 weeks of service, focussing on checking that working rights are in place and that people are being paid appropriately.

In the rare instances where labour is sourced from overseas, Compass Group Australia may seek an introduction to candidates from an overseas recruitment agency. However, to mitigate risk, Compass Group Australia hires such individuals directly and engages its own immigration lawyers to work through the visa process with the candidate.

3. Compass Group Australia's Actions to Assess and Address Risk

In May 2021, Compass Group Australia published a four-year Modern Slavery Strategy, to formalise the roadmap for future actions to assess and address modern slavery risk with the vision of leading our market in supporting our clients and supply partners in eradicating modern slavery from the supply chain.

USING THE LATEST TECHNOLOGY TO ASSESS RISK

Our priority projects for the Reporting Period were targeted at leveraging technology to support Compass Group Australia in assessing risk: specifically, the targeted roll-out of the Supplier Ethical Data Exchange (**Sedex**) and the refresh of our supply chain risk assessment technology.

SEDEX - THE SUPPLIER ETHICAL DATA EXCHANGE



Compass Group PLC has over recent years has utilised its partnership with Sedex globally to improve visibility of its supply chain and undertake structured risk assessments, to enhance multi-tier supply chain transparency and inform its action in managing supply chain risks.

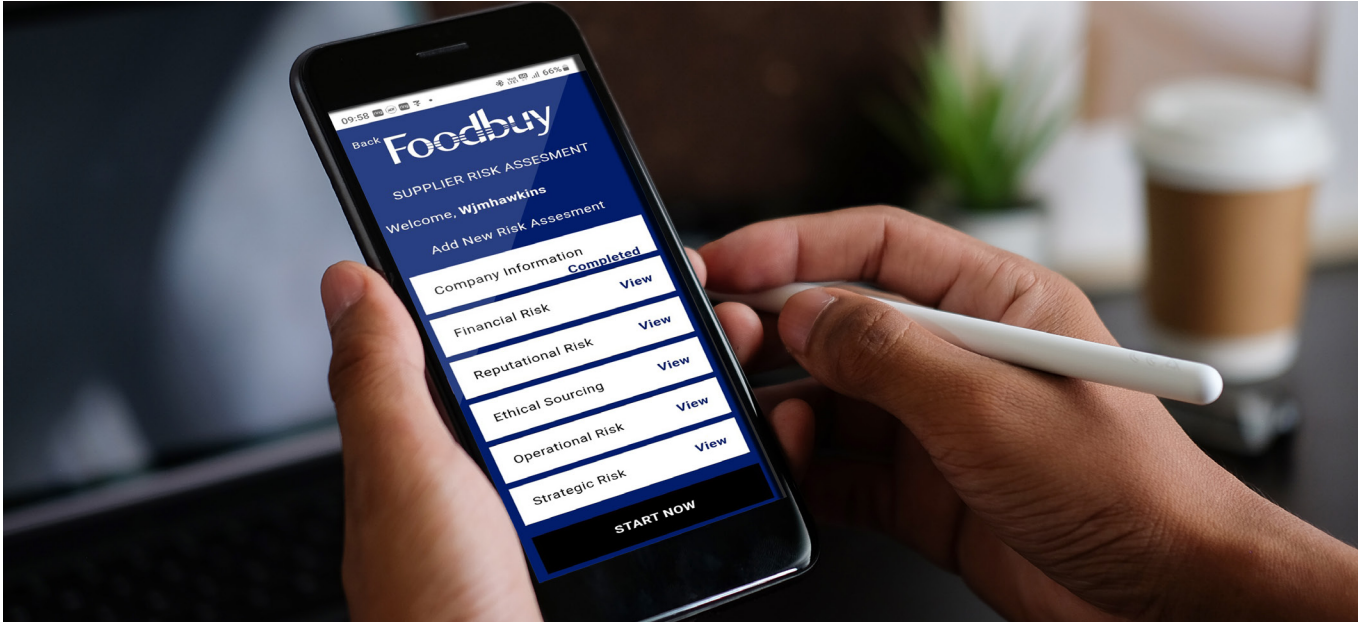
Sedex is a long-established and globally recognised not-for-profit organisation dedicated to driving improvements in responsible and ethical business practices across global supply chains with experience and integration already established in the food and consumer goods industry. Compass Group PLC has identified that there are synergies available where multiple Compass Group markets employ the same ethical data exchange platform to improve the visibility of their supply chains and undertake risk assessments to inform their actions in managing supply chain risks.

At a local Australian level, adoption of Sedex commenced in December 2020. This was quickly followed by a targeted roll-out of the Sedex technology solution across Compass Group Australia's high-risk tier one suppliers to systematically track and monitor these suppliers. By October 2021, suppliers equating to spend by Compass Group Australia, of over AUD\$141 million were connected via the system.

Compass Group Australia intends to continue to evaluate high-risk tier one suppliers, especially for COVID-related products, whilst medium-risk and high-risk tier two suppliers will be progressively added to the platform.

SEDEX IN ACTION

Sedex conducts SMETA audits (**Sedex Members Ethical Trade Audit**) to consistently assess labour standards, health and safety, environment and business ethics to recognised global standards and expectations. As part of the audit, an independent auditor physically attends supplier locations to assess conditions on the ground, collect and review supplier information and to form recommended corrective actions for both supplier and customer adoption. Suppliers who are members with Sedex often volunteer to have SMETA audits conducted at their sites. As a Sedex member, Compass Group Australia receives alerts from Sedex relating to the outcomes of the SMETA audits across the suppliers we use (and their own suppliers).



INVESTING IN TECHNOLOGY FOR SUPPLY CHAIN RISK ASSESSMENT

On behalf of Compass Group Australia, our centralised procurement and supply chain organisation Foodbuy conducts formal supplier risk assessments (**SRA**) on both new suppliers and during existing contractual periods to ensure those suppliers meet our required standards in terms of safety, quality, certainty of supply, and social and ethical standards.

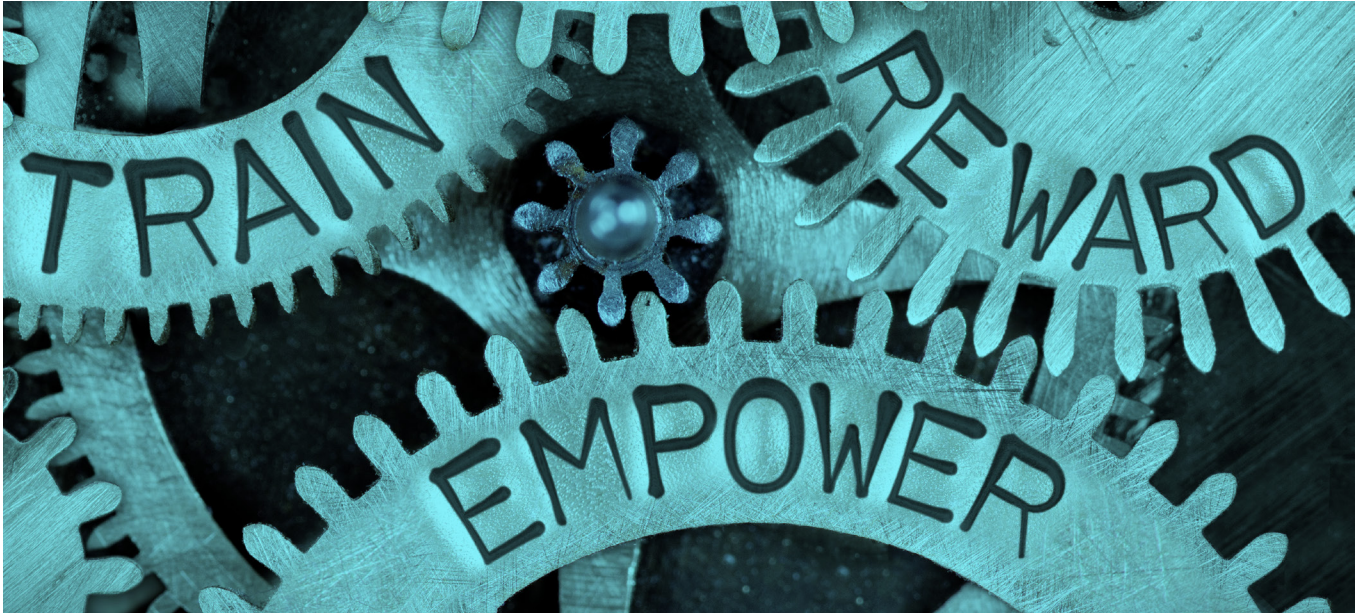
During the course of 2021, Foodbuy commissioned and fully redesigned the pre-existing Compass Group supply chain SRA platform to a new web-based application to support our buyers and category managers in being able to efficiently conduct SRAs and enable a high volume of such assessments. The application has been developed to work on mobile, desktop and tablet devices and

includes questions and qualification/approval criteria for modern slavery and ethical sourcing, such as the requirement for suppliers to disclose if they or their subsidiaries use any forced, bonded, or involuntary prison labour and agree to comply with the ETI Base Code. Modern slavery risk will be a distinct component of the assessment criteria and the resultant and standardised supplier scorecard output from the new SRA application.

The refreshed SRA technology will be rolled out to all of Foodbuy's national procurement category teams in 2022 as part of the existing global and domestic supplier pre-selection standards and "in-flight" procurement review processes.

CASE STUDY: FRUIT & VEGETABLE AND SEAFOOD TENDER ASSESSMENTS

In March 2021, Foodbuy invited 38 potential suppliers to tender for its Australian seafood supply and in October 2021, reassessed 3 potential suppliers when retendering for its fruit and vegetable supply in Queensland. In both of these instances, respondents were required to proactively specify how modern slavery risk is addressed in their organisation which formed a key part of the pre-qualification criteria.



ENGAGING AND INVESTING IN OUR PEOPLE

As a people business, we recognise that the key to achieving quality outcomes is by not only equipping our teams with the right tools but also the right information and training to make help them make socially and ethically responsible decisions and to raise their concerns if something doesn't feel right.

Compass Group Australia includes modern slavery risk management and mitigation training alongside broader Code of Business Conduct training as part of the ongoing capability development and investment in our procurement, legal, people and operational teams with up-to-date awareness material delivered through our internal learning platform. To further embed these learnings and global case studies/experience in support of Compass Group Australia's social and ethical procurement commitments, members of the Foodbuy procurement team and Compass Group Australia's legal team, also attended a human rights risk impact assessment workshop in November 2020 run by Compass Group PLC. The Workshop had two aims: (1) to provide further training on modern slavery and human rights considerations in Compass Group Australia's supply chains and operations; and (2) to identify possible risks and suggestions for improvement.

To ensure our people are more easily able to highlight any concerns they may have, our long-standing and independently managed Compass Group's "Speak Up" platform and "We Are Listening" programme was relaunched and rebranded globally as "Speak Up, We're Listening" from 1 October 2021 with a coordinated roll out and engagement campaign, including in Australia. A dedicated page on this programme can be found on the Compass Group PLC website, personally endorsed by the Group Chief Executive Officer. Further information can be found at: www.letintegritybeyourguide.com.

Our most recent 2021 edition of 'Compass Life' magazine, which is distributed to all 11,000+ Australian team members, featured an article highlighting Compass Group Australia's ongoing global commitment to combating modern slavery and a personal request from Compass Group Australia's General Counsel to report any concerns through the platform or directly to line management or executive team members. The Speak Up, We're Listening platform, is publicly available on Foodbuy's website.

During the Reporting Period, there were no reports received by Compass Group Australia or Foodbuy through these avenues in relation to supply chain ethics or modern slavery.



LEVERAGING OUR GLOBAL KNOWLEDGE AND EXPERIENCE

Compass Group Australia continues to leverage the benefits from being part of a global business and the knowledge, resources and experiences across Compass Group PLC.

During the Reporting Period, Compass Group PLC worked with the Slave-Free Alliance to map its human rights activity and draft a strategic plan to drive progress and embed human rights principles within the business.

Compass Group Australia is already seeing some of the outcomes of that plan rolling out across the broader Compass Group as Compass Group PLC continues to strive to ensure its policies and procedures reflect best practice. To this end, an updated Global Supplier Code of Conduct and relevant local training sessions are planned for 2022.

In the meantime, Compass Group Australia continues to align with the globally developed Code of Business Conduct, Code of Ethics, Five Golden Rules, Human Rights Policy (which Compass Group PLC updated in September 2021) and Global Supply Chain Integrity Policy.

These policies are underpinned by adherence to several internationally recognised standards including the UN Universal Declaration of Human Rights, the Ethical Trading Initiative Base Code, the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, the UN Global Compact 10 principles. Each year, Compass Group leaders are required to re-declare and re-pledge their commitment to the Code of Business Conduct.

4. How Compass Group Australia Assesses the Effectiveness of its Actions

Compass Group Australia regularly reassesses the risks in its operations and supply chain and the actions it is taking to mitigate those risks to ensure that those actions remain targeted and effective. This process of re-evaluation is more important than ever, with the continuing global supply chain disruption and labour market shortages placing ongoing stress on all levels of the supply chain.

- Our global Human Rights Policy will be reviewed annually by the Corporate Responsibility Committee of the Board of Compass Group PLC.
- Our Australian 4-year Modern Slavery Plan will also be reviewed annually and approved by the Executive Director – Foodbuy to ensure there is a clear path forward to support our goal of eradicating modern slavery.
- Members of Compass Group Australia’s legal, procurement and executive teams will also continue to attend the regular monthly meetings of the Human Rights Working Group to ensure that Compass Group Australia adopts a best practice approach, leveraging the knowledge and experience of those operating in other markets within Compass Group’s global business. The Human Rights Working Group is a multi-jurisdictional, multi-disciplinary group tasked with overseeing Compass Group’s human rights strategy globally, that is led by Compass Group PLC.
- Compass Group Australia will continue to report monthly on the results of its supplier risk assessments and issue receipt volume/response performance metrics as well as operate weekly leadership governance meetings to evaluate any supply chain key risk events.
- Data from Compass Group’s global Speak Up, We’re Listening platform will also continue to keep us informed of any reported concerns identified by our people, with respect to human rights.



5. Compass Group Australia Consultation Process

In compiling and finalising this statement, we have engaged closely with:

- 1. our Australian Leadership Team on behalf of CGA's wholly-owned subsidiaries and the entities that it controls;*
- 2. members of our Foodbuy procurement and supply chain organisations responsible for supporting Compass Group Australia's procurement; and*
- 3. with the Compass Group' global Human Rights Working Group.*

The Statement was formally approved by CGA's Board and Australian Leadership Team before being signed by CGA's Managing Director (Acting) and our Executive Director – Foodbuy.



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