



Modern Slavery Statement

January 2022- December 2022

Gourmet Food

1 Introduction

This joint statement is made by the reporting entities of the Gourmet Food Group pursuant to the *Modern Slavery Act 2018* (Cth) (*Modern Slavery Act*) and sets out the actions taken by the Gourmet Food Group (together, “us”, “we” and “our”) to assess and address modern slavery risks in our business and supply chain in the period from 1 January 2022 to 31 December 2022 (Reporting Period).

Gourmet Food Group consists of the following registered entities.¹ The reporting entities of the Gourmet Food Group under the *Modern Slavery Act* are asterisked:

- Gourmet Food Holdings Pty Ltd, registered in Australia*;
- Gourmet Food Finance Pty Ltd, registered in Australia*;
- Gourmet Food Operations Pty Ltd, registered in Australia*;
- Fine Food Holdings Pty Ltd (Fine Food), registered in Australia*; and
- Gourmet Food New Zealand Limited, registered in New Zealand.

Gourmet Food Group recognises that there is a legislative and corporate responsibility to report on how we identify, assess and address risks of modern slavery within our operations and supply chain. We also recognise the importance of ensuring that our people are treated with respect and enjoy a safe workplace where they are adequately compensated for their work. We endeavour to work with suppliers and customers that share these values.

This Statement sets out the actions we have taken in respect of the Reporting Period to assess, address and mitigate modern slavery risks in our business.

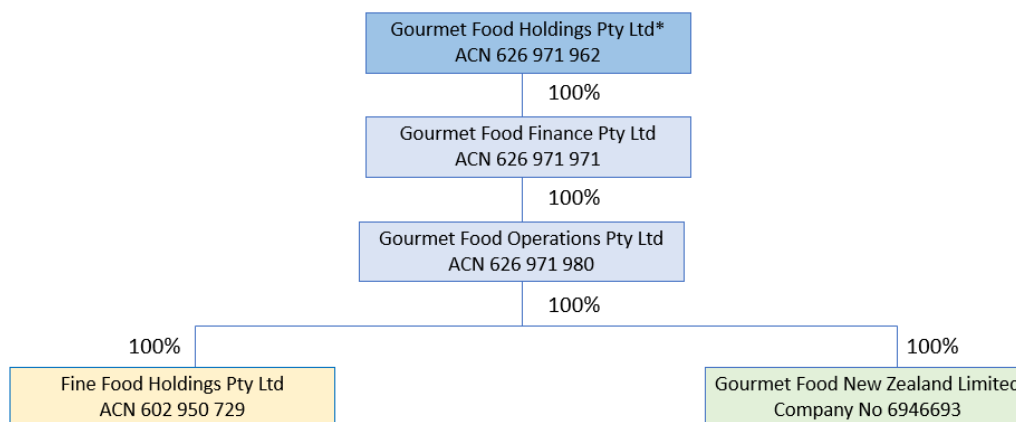
2 Description of our business

2.1 Our structure and operations

As Australia’s ‘entertaining’ specialist, we have a focus on quality. We are a fast moving consumer goods business, operating in the import and production of packaged foods.

During the Reporting Period, Gourmet Food Group had the corporate structure as illustrated below.

¹ MaxFoods Pty Ltd, which previously formed part of our operations and was included in our last modern slavery statement, was sold prior to the Reporting Period.



* On 1 April 2021, Mondelēz Australia Pty Ltd (Mondelēz Australia) acquired 100% of the ordinary share capital and preference shares in Gourmet Food Holdings Pty Ltd. Mondelēz Australia is an indirect subsidiary of Mondelēz International, Inc. (Mondelēz International), a global food company headquartered in Chicago, Illinois, United States. While Gourmet Food Group is wholly owned and operated by Mondelēz Australia, we are a different brand with distinct systems and policies from Mondelēz Australia. Separate modern slavery statements will be published for each group for the time being, as we work towards an integrated approach with Mondelēz Australia in future years.

Gourmet Food Group operates an end to end manufacturing operation. This includes functions such as Sales, Marketing, Finance, HR, Procurement, Manufacturing & Operations, Quality, HSE, payroll, Transport and Logistics, Warehousing, Demand and Supply, Supply Chain, Engineering, R&D, and Business Development.

Major brand names associated with Gourmet Food Group are:

- Gourmet Food;
- O.B. Finest;
- Olina's Bakehouse;
- Crispbic;
- Gullon (imported from Gullon SA in Spain); and
- Belmont.

Gourmet Food Operations Pty Ltd is the parent entity over both Fine Food Holdings Pty Ltd and Gourmet Food New Zealand. Gourmet Food Operations Pty Ltd is an overhead entity which operates as a cost centre for the office-based staff. It does not manufacture or sell goods. Gourmet Food New Zealand is a services entity which employs two sales managers on behalf of the business, who manage customer relationships in New Zealand. Gourmet Food Holdings and Gourmet Food Finance are dormant holding companies without operations or supply chains.

Our only trading entity for the Reporting Period is Fine Food, which manufactures premium crackers, wafers, and snacking products. Our customers are primarily major and independent supermarket chains. The manufacturing process includes procurement of raw



materials (including agricultural products), mixing, baking, slicing and packaging products for consumption. Finished products are despatched by our warehouse team and delivered through third party logistics providers. The majority of products are manufactured at our Australian manufacturing site, which was constructed specifically for our operations.

Gourmet Food Group exports to New Zealand, USA, Chile, Canada, Singapore, Thailand, South Korea, China, Japan and the UK. The goods exported to these markets are manufactured in Australia.

Our trading entity, Fine Food, produces premium cracker products, including the 'OB finest', 'Olina's Bakehouse', 'Crispbic', and following the transfer from MaxFoods, the 'Gullón' and 'Belmont' brands.

Gourmet Food Group employed 229 employees during the Reporting Period. Our employees are primarily located in Australia, with a small number of workers in New Zealand. The majority of our workforce is located in Victoria and based in our head office at 10 Fox Drive, Dandenong South Victoria 3175. Their employment conditions are in compliance with local laws and regulations, including any applicable modern awards. Over 67% of our workforce has been with the business for over 12 months.

The majority of our employees are production/warehouse staff located in our manufacturing site in Dandenong South. A number of other employees are also located in the same office performing management roles, with a number of other staff employed in field sales who are based in Queensland, New South Wales, South Australia and New Zealand.

We operate our own manufacturing facilities within Australia, which is generally assessed as a low risk jurisdiction for modern slavery. Nonetheless, we recognise that modern slavery risks can be present in any business, irrespective of a low country risk profile. The food processing industry is associated with increased modern slavery risks by virtue of the reliance on base skilled workers, young workers and migrant workers supporting the factory and warehouse operations. However, we consider that the modern slavery risks in our operations is low, given the comparatively stronger legal framework in Australia and New Zealand (as compared to other jurisdictions) that governs worker entitlements and conditions.

2.2 **Our supply chain**

As a manufacturer and importer of food products, we procure from a range of local and international suppliers, each of whom also have their own supply chains.

Our largest supplier spend (by Fine Food) throughout the Reporting Period was on labour hire services.

The majority of raw materials sourced (by Fine Food) are from suppliers in Australia, however these suppliers may source ingredients from overseas, and we also directly engage some overseas suppliers of other smaller products. Raw materials sourced from Australia include nuts, seeds, fruits, flour, honey and dairy products, while overseas suppliers primarily provide us with seeds and dried foods including nuts, fruits and herbs.

Aside from suppliers in the food processing and importing industry, we also engage companies in the packaging and logistics industries. Further procurements include our lease of premises, utilities and services such as gas, electricity, cleaning, financial services such as tax and insurance, accounting fees and office stationery. Other suppliers include capital purchases suppliers (repairs and maintenance, capital asset acquisition) as well as other general operational and non-operational professional/corporate suppliers such as creative agencies, IT services, management consultant services and technical services.



3 Description of the risks of modern slavery practices in our operations and supply chains, including risk assessment exercise

We recognise that we, like all businesses, can cause, contribute to and be directly linked to modern slavery risks, and actual instances of modern slavery, through our activities and business relationships.

For the Reporting Period and in preparing this statement, we conducted a desktop modern slavery risk assessment of the top 10 suppliers for the Fine Food (up until December 2022) business.

Our methodology involved assessing our top 10 suppliers for the business against their location/source country, industry, products/supplies and cost. We then compared these findings against government-sourced data or industry bodies (eg. the Global Slavery Index) to determine the resulting inherent risk rating for each supplier.

3.1 Fine Food Holdings Pty Ltd

Labour hire services

As noted above, our largest supplier spend (by Fine Food) throughout the Reporting Period was on labour hire services. We recognise that there are increased modern slavery risks associated with the labour hire industry, irrespective of the country risk profile,² due to a combination of factors such as:

- the prevalence of outsourcing
- reliance on a migrant workforce with limited local language competency and temporary visa arrangements, particularly in the agricultural sector
- multiple sub-contracting arrangements with informal agreements
- low barriers for entry for labour hire providers
- dangerous or substandard working conditions, including conditions in which:
 - workers are not paid fairly or their entitlements are withheld
 - workers may be required to work excessive hours
 - workplace safety concerns

We did not detect any modern slavery concerns within our labour hire workforce during the Reporting Period.

Agricultural products

As a manufacturer of food products, we have numerous suppliers in the food industry being primarily wholesalers of agricultural products. The agricultural industry has been identified as a high risk sector for modern slavery, with key risk factors such as the prevalence of base-skilled and migrant workers, the prevalence of contract labour arrangements, and high risk product categories.

Our agricultural suppliers are primarily located in Australia, which is considered a low risk jurisdiction for modern slavery. We do recognise that there are modern slavery risks in the Australian agricultural sector, which is heavily reliant on contract labour and migrant and foreign workers.³ Other international locations of our agricultural suppliers include Germany,

² See, for example, Commonwealth of Australia, 'Hidden in Plain Sight, Final Report of the Inquiry into Establishing a Modern Slavery Act in Australia': https://parlinfo.aph.gov.au/parlInfo/download/committees/reportjnt/024102/toc_pdf/HiddeninPlainSight.pdf;fileType=application%2Fpdf. Website references throughout this document are provided for convenience only. We assume no liability for any third-party content contained on the referenced websites.

³ According to the recent Human Rights Law Centre report 'Paper Promises? Evaluating the early impact of Australia's Modern Slavery Act': see <https://www.hrlc.org.au/reports/2022/2/3/paper-promises-evaluating-the-early-impact-of-australias-modern-slavery-act>.



Spain, Iran, India, Türkiye, Bulgaria, Vietnam, USA, Morocco, South Africa, New Zealand, China, Thailand, Egypt, Greece, France, the Netherlands, Albania, Austria, Hungary, Poland, Malaysia and Sri Lanka. Of these locations, Iran, Türkiye, Bulgaria, Vietnam, China, India, Thailand, Egypt, Greece, Albania, Hungary, Poland, Malaysia and Sri Lanka have been assessed as having a higher risk of modern slavery.⁴

High product risks exist for fruit and nuts from Türkiye, Malaysia and Vietnam. It has been reported that there are risks of child labour in the production of these products in those jurisdictions.⁵

Biscuit products

As mentioned above, the 'Gullón' and 'Belmont' businesses operated by MaxFoods were transferred to Fine Food before the divestment of the MaxFoods business from the Gourmet Food Group. Some of our finished biscuit products are procured from Spain, which was assessed by the Global Slavery Index as having low to moderate modern slavery risks, with an estimated prevalence of 2.31 people per 1000 living in modern slavery and ranking 136 out of 160 on the 2023 prevalence index⁶. Combined with the high risk of modern slavery found in the broader food industry, we consider finished biscuit products from Spain to be of moderate inherent risk. This risk may be mitigated by the fact that we primarily engage with a small number of suppliers for biscuit products, allowing us to work closely with those suppliers to assess and address modern slavery risks.

According to our risk assessment methodology described above, approximately a third of our total supplier purchase spend (excluding biscuit products) for the Reporting Period went to inherently high risk services and goods, including agricultural products and labour hire services. Another approximate third of spend went to low risk goods and services, such as Australian-based packaging suppliers, site leases and professional services.

3.2 Other risks

As with many businesses, we also acknowledge that modern slavery risks can arise in 'hidden' functions which support the primary business (for example, in cleaning, facilities operations, and IT hardware).

Each of our suppliers have their own supply chains. We recognise that the supply chains of our suppliers may expose us to modern slavery risk in the deeper tiers of our supply chain. For example, our supplier of office supplies may use a supplier of their own that sources their raw materials from a third party that is at risk of using forced labour. We attempt to understand the secondary/tertiary suppliers of our higher risk contracts and continue to uplift this process (for example, through the implementation of audit rights into supplier contracts under the Procurement Policy).

It is common for onsite and office employees to work overtime in the manufacturing industry. It is the nature of the industry, nature of the company and nature of most roles in manufacturing. For example, our operations ordinarily run Monday to Friday. However, if there is a volume increase in our workload, or if production was stopped during the week (for example, due to a mechanical fault) and production needs to make up that volume on the weekend, we would seek volunteers to work overtime on the Saturday or Sunday to ensure our customer orders are met. While overtime worked by our factory operators are paid at the relevant overtime rates required, time pressures are a known risk factor for modern slavery.

⁴ According to the Global Slavery Index; alongside our internal risk assessment profiles.

⁵ USA Department of Labour report - [List of Goods Produced by Child Labor or Forced Labor | U.S. Department of Labor \(dol.gov\)](#).

⁶ <https://www.globalslaveryindex.org/2018/data/country-data/spain/>.



While our statement is largely focused on our supply chains and operations, we are also cognisant of product stewardship and the modern slavery risks our customers may have. Many of our customers are large and sophisticated entities with their own modern slavery policies, programs and frameworks, which we endeavour to comply with at all times.

Additionally, COVID-19 disrupted our supply chains, which is a known modern slavery risk.

4 Actions taken to assess and address the risks of modern slavery in our operations and supply chains

4.1 Supplier engagement

We did not have to discontinue or change a supplier relationship in the Reporting Period due to the identification of modern slavery risks. Following our planned integration with Mondelez Australia, in future reporting periods we aim to continue to include anti-slavery provisions within our supplier contracts, providing another mechanism to address modern slavery risks in our supply chain.

We also acknowledge the potential modern slavery risks labour hire can present. We believe our risk is lessened by maintaining a strong and engaging relationship with our labour hire providers, including an account manager on site regularly (from a provider) to support workers and open lines of communication with our operations team. For example, one of our key labour hire agreements includes obligations on the supplier to ensure that they comply with all applicable laws, regulations and procedures, including but not limited to any occupational health and safety, workers' compensation, superannuation, employment, discrimination and migration laws. These safeguards disrupt some of the precursors to modern slavery. Going forward, we intend to take steps to further align with the practices adopted by Mondelez Australia.

In 2022 we also began to update all of our supplier contracts to include modern slavery clauses as well as audit rights, and ensuring that these clauses are included in our supplier contract templates. The terms contained in our purchase orders, which are sent to all suppliers at the commencement of the ordering process, as well as with agency staff service agreements, also include obligations related to modern slavery.

4.2 Training

Gourmet Food Group developed and implemented a plan to roll out training sessions to its employees on topics including appropriate workplace behaviour and human rights issues, including modern slavery. We also provided training on our codes of conduct and policies, which act as safeguards against some modern slavery risk factors. These training sessions formed part of a training plan which we developed in 2022 and were delivered to relevant employees in 2023. We also provided training sessions on health and safety topics during the Reporting Period.

In 2022, Gourmet Food Group also conducted a policy refresher on Workplace Behaviours and its Code of Conduct which includes processes on how to raise general grievances or complaints in the workplace on a range of topics, including issues relating to modern slavery if they arise.

Further training was provided on health and safety complaints, hazards and injuries, as well as on how people can report an issue.

4.3 Policies and governance

Another method to reduce the risks of modern slavery is through our framework of policies. Gourmet Food Group has several policies in place to govern the way in which employees conduct themselves as well as outline processes and expectations to ensure operations



are run in a consistent manner. Policies are reflected in our SOPs and systems which guide employees through a range of procedures. Key policies which relate to modern slavery are our Procurement Policy, Modern Slavery Policy, and Whistleblower Policy.

Procurement Policy

Our Procurement Policy, which was updated in December 2021, ties the corporate and social responsibility expectations of Gourmet Food Group to Mondelez International policies and standards. For example, suppliers may be required to submit a “Third Party Ethical Practices Audit” (Sedex Member Ethical Trade Audit – SMETA or similar) based on risk assessments conducted by Gourmet Food Group. Suppliers may also be required to disclose or provide updates in relation to modern slavery on an ongoing basis.

The Procurement Policy also requires Gourmet Food Group to complete a supplier due diligence process to evaluate suppliers and assess risk, including modern slavery risks. For example, a component of this due diligence process includes Restricted Party Screening, where Gourmet Food Group must screen a potential supplier (before entering a contract) against a register of prohibited parties that present a higher risk to the Gourmet Food business. As the Procurement Policy was implemented in December 2021, Gourmet Food Group will endeavour to uplift its supplier due diligence process to match this policy requirement in future reporting periods.

Modern Slavery Policy

We also updated our Modern Slavery Policy in March 2021. This Policy outlines our commitment to addressing modern slavery risks within our business and supplements our employment policies and standards. The Policy outlines the ways in which we seek to address modern slavery risks, including:

- seeking to ensure our employees are engaged voluntarily and paid at least minimum wage;
- conducting an annual assessment of our operations for modern slavery risks;
- seeking to engage contractors and suppliers who uphold our commitments to address modern slavery risks, including requirements to comply with our policies and contractual terms regarding modern slavery controls and procedures;
- undertaking supply chain due diligence to identify and address any modern slavery risks;
- making our whistleblower mechanism available to our suppliers and their workers where appropriate; and
- engaging with persons that may be impacted by modern slavery and working with our suppliers to remedy adverse impacts.

Prior to the roll out of the Modern Slavery Policy, our managers received a training session in February 2021 covering the basis of the policy and its implementation within the Gourmet Food Group.

Gourmet Food Group has a range of standard operating procedures and systems that guide employees through various procedures in accordance with its Policies to ensure the processes are correctly followed.

Whistleblower Policy



We acknowledge that grievance mechanisms are an important way to identify and address modern slavery risks.

Our Whistleblower Policy is published on our website (<https://gourmetfood.com.au/whistle-blower-policy/>).

It provides a grievance mechanism for third parties, including our suppliers, their workers and labour hire contractors.

The Whistleblower Policy outlines an example list of eligible disclosures, including any criminal acts which is broad enough to capture modern slavery related concerns.

Potential indicators of modern slavery, whether past, current or future, may be reported in accordance with the Whistleblower Policy (as provided for in our Modern Slavery Policy, referenced above). The Whistleblower Policy also outlines how we will handle any reports made using the policy, including investigation procedures and outcomes.

There is periodic training provided to both employees (on their rights and obligations under the Policy) and eligible recipients/those dealing with reports (on how to handle, respond and address reports).

4.4 **Due Diligence**

Gourmet Food Group engages third parties to conduct a range of compliance audits, including Simple Information Security Audit Process ('SISAP') and SMETA audits.

In 2022, a SMETA audit was conducted at our site. We used Sedex's SMETA audit protocol to evaluate our manufacturing site against a common set of corporate social responsibility standards developed for the consumer goods industry. The SMETA audit was performed by APSCA certified independent social compliance auditors from [Bureau Veritas](#). The audit requirements are based on the [Ethical Trade Initiative \(ETI\) Base Code](#) and cover risks that are relevant to the manufacturing sector, including child and forced labour, and recognise the vulnerability of migrant and temporary workers to such risks. As part of the SMETA audit in 2022, excessive overtime was also assessed. No major issues were identified from the 2022 SMETA audit.

Were an actual instance of modern slavery to be identified within our operations and/or supply chain, Gourmet Food Group would establish a Special Situation Team. The Special Situation Team would devise an immediate action plan to address the situation, and implement steps to mitigate the impacts and prevent any future recurrences.

Furthermore, the procurement of all goods and services go through a request for proposal process which includes requiring compliance with Anti-Slavery laws, as well as the integration of anti-slavery and audit rights clauses into our successful supplier contracts. We also screen potential suppliers against restricted party lists, based on human rights assessments of our own operations and supply chain, and take steps to ensure the purchased goods and services are sourced from suppliers who act ethically and comply with all applicable laws.

4.5 **Workers' entitlements**

Modern slavery can involve contraventions of workplace rights and the exploitation of labour.

During the Reporting Period, Gourmet Food Group appointed a Human Resources lead to oversee all HR matters including compliance with relevant modern awards, the National Employment Standards, national minimum wage, and the *Fair Work Act 2009* (Cth) more broadly. The HR lead works with the employee relations lead of Mondelez Australia to ensure any updates to applicable modern awards are properly implemented. Furthermore,



all of our HR employees, in both our Australian and New Zealand entities, are provided access to Employer Association subscriptions to receive timely updates on local industrial relations and work health and safety matters.

In the past, Gourmet Food Group has also engaged external consultants to undertake a payroll and timekeeping audit to ensure compliance with its Award obligations.

Our employees are also free to join any relevant union that may cover the operations on site.

Additionally, we note that the worst forms of child labour is a form of modern slavery under the Modern Slavery Act. In 2022, we did not engage any workers who were younger than 18 years of age.

5 Assessment of the effectiveness of our actions

We have developed a training plan with the functional leads across the People, Safety and Quality teams that assesses the training needs of our team so that we can assess gaps in training across sexual harassment, workplace behaviours, code of conduct, human rights (including modern slavery), and prioritise the delivery of training according to the needs and operations of the business and its workforce.

Gourmet Food Group also engages third parties to conduct a range of compliance audits such as SISAP, and SMETA. As described in the "Due Diligence" section above, a SMETA audit was conducted in 2022 and no major issues were identified and no outstanding issues are open. The data collected through these audits, for example through the review of contracts or through employee interviews, informs our view of the effectiveness of our actions to assess and address modern slavery risks in our operations and supply chains.

The initial application of our framework for modern slavery risk assessment focused on assessing suppliers who were high risk based upon their industry and jurisdiction. In this Reporting Period, we have continued to focus on managing the transition to our new ownership structure and preparing for our eventual integration with the Mondelez Australia compliance framework, including in relation to modern slavery. We have been benchmarking our current controls on the Mondelez International standards, for example, through the adoption of our Procurement Policy, and incorporation of anti-slavery provisions in future contracts. We will continue to develop the means by which we will assess the effectiveness of the steps that we have taken to manage the modern slavery risks we have identified.

6 Consultation & Approval

Gourmet Food Holdings Pty Ltd and its subsidiaries are managed by a core team including the Director, Supply Chain and Head of Finance and Integration. This team has kept, and continues to keep, the Board informed of the reporting requirements and actions taken and future goals. In preparing this statement, we also consulted with relevant personnel from our procurement and HR teams, as well as external subject matter experts.

This joint statement was approved by the Board of Gourmet Food Holdings Pty Ltd on behalf of each of the reporting entities in the Gourmet Food Group on 28 June 2023.

Signed,

DocuSigned by:
A handwritten signature in black ink, appearing to read "Darren O'Brien", enclosed in a blue DocuSign signature box.
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Darren O'Brien
Director of Gourmet Food Holdings Pty Ltd (ACN 626 971 962)
29 June 2023