



**craveable
brands.**

Modern Slavery Statement

This is the Modern Slavery Statement of the Craveable Brands group. It operates to examine the risks of Modern Slavery that may exist in our operations and supply chain, our efforts to manage these risks and our ongoing dedication to ensuring that we have a business, restaurants and workplaces free from Modern Slavery where people can thrive in a safe and respectful environment.

WHO WE ARE

This statement is a joint statement made pursuant to the *Modern Slavery Act 2018* (Cth) on behalf of the following entities:

PAGAC Chicken Tenders Holdings IV Pty Ltd ACN 634 718 602

PAGAC Chicken Tenders Holdings III Pty Ltd ACN 634 719 458

PAGAC Chicken Tenders Holdings II Pty Ltd ACN 634 720 068

PAGAC Chicken Tenders Holdings I Pty Ltd ACN 634 495 275

Craveable Brands Pty Ltd ACN 151 143 065

QSRH Borrowing Midco Pty Ltd ACN 151 149 834

QSRH Borrowing Co Pty Ltd ACN 151 147 518

Quick Service Restaurants Holdings Pty Ltd ACN 124 415 041

Quick Service Restaurants Finance Pty Ltd ACN 124 415 032

Australian Fast Foods Pty Ltd ACN 008 647 907

Red Rooster Foods Pty Ltd ACN 008 754 096



craveable
brands. **WE
LOVE
FOOD**

Craveable Brands Pty Ltd (**Craveable Brands**) is the parent company of Oporto, Red Rooster and Chicken Treat; the businesses conduct franchising operations in the fast food industry in Australia and elsewhere.

The majority of Oporto, Red Rooster and Chicken Treat restaurants are franchised restaurants with approximately 2% of restaurants operated by Craveable Brands. Collectively these restaurants form the Craveable Brands Network.

As of December 2021, there are a total of 580 restaurants within the Craveable Brands Network comprised of:

339 Red Rooster
restaurants

183 Oporto
restaurants

58 Chicken Treat
restaurants

Within the Craveable Brands Network, there are more than 12,000 employees working across all Australian States and Territories.

OUR VALUES

craveable brands. **WIN TOGETHER**

We share different ideas, expertise, knowledge and cultural backgrounds in order to exceed the needs of our people, our partners, our customers.

Behaviours

Be Present • Be Generous
Be Respectful • Be Collaborative

Competencies

Relationship Building • Partnering
Flexibility • Interpersonal Skills

craveable brands. **MAKE A DIFFERENCE**

We have real impact on our partners' and customers' lives by questioning the status quo, innovating solutions and remaining agile to their changing needs.

Behaviours

Be Inventive • Be Nimble
Be Inquisitive • Be Bold

Competencies

Creativity • Innovation
Strategic Thinking • Conflict Management

craveable brands. **OPEN & HONEST**

We communicate with our people, partners, customers and each other with transparency and respect.

Behaviours

Be Attentive • Be Inclusive
Be Truthful • Be Constructive

Competencies

Integrity & Honesty • Accountability
Stakeholder Challenges

craveable brands. **CUSTOMER FANATICS**

We deeply understand our customers and use that knowledge to better serve and delight them on every occasion.

Behaviours

Be Supportive • Be Innovative
Be Engaging • Be Curious

Competencies

Service Motivation • Cultural Awareness
Customer Service

OUR SUPPLY NETWORK

The Craveable Brands supply chain can be segmented into 2 categories, core and non-core suppliers.

CORE

Food & Ingredients
Beverage
Packaging
Distribution / Logistics
Delivery Aggregators

NON-CORE

Equipment (Sales & Repairs)
Uniforms
Utilities
Marketing Services
IT Products and Services
Construction & Fit-Out Products & Services
Janitorial Products and Services
Professional Services / Consultants

The core supply chain is critical in the operations of the Craveable Brands Network across Australia.

Our Franchisees must purchase all core 'approved' products:

1. directly from Craveable Brands approved core suppliers
2. from Craveable Brands approved 3rd party warehouse & distribution partner/s

An overwhelming majority of the food purchased by our franchisees and sold through our restaurant network is produced in Australia by local suppliers and using predominantly domestically grown produce.

Craveable Brands require all our food and packaging suppliers to trace all ingredients used in Craveable Brands products to ensure ethical practices are observed through to raw material origins. All core suppliers are risk assessed and are managed according to the risk level they pose to the business which may include 3rd party on-site audits which includes reviewing social accountability policy and controls. All prospective core suppliers are required to agree to the “Craveable Brands Business Partner Code of Conduct” policy prior to being granted status as Craveable Brands approved supply.

Craveable Brands aims to make a positive impact across our supply chain from the farmer right through to the team members in our restaurants. We believe that with our strong supplier relationships combined with great systems and policies, we can improve the standard of labour practices around the world.

An overwhelming majority of the food purchased by our franchisees and sold through our restaurant network is produced in Australia by local suppliers and using predominantly domestically grown produce.

Risks of Modern Slavery

In considering the risks of Modern Slavery in our Operations and Supply Chain we have considered the Global Slavery Index and the Global Estimates of Modern Slavery (2017).

Operations

The Global Estimates of Modern Slavery report points out that almost one in four victims of forced labour were exploited outside their country of residence. We acknowledge that there remains a risk of vulnerable workers in our industry, many of our Franchisees and the employees in our Restaurant Network were born outside of Australia and we are proud to have a particularly multi-cultural workforce. There is a risk that our labour force may be subjected to modern slavery practices although we consider the risk of this in our operations to be low.

We also recognise that the COVID-19 pandemic has had a significant impact on vulnerable populations within our society broadly, in terms of health, mental health and economically. This can increase their susceptibility to exploitation.

Craveable Brands is committed to ensuring that all employees are treated with respect, dignity and fairness and that our working environment is free from unlawful discrimination and harassment. To protect and support our workforce we have established policies such as:

1. The Equal Opportunity, Anti-Discrimination and Diversity Policy
2. Grievance Policy
3. Recruitment and Selection Policy
4. Equal Opportunity Policy
5. Code of Conduct Policy
6. Diversity Policy
7. Anti-Bribery and Corruption Policy
8. Whistleblower Policy

Our Franchisees are required to comply with all Australian employment laws, including those governing payment of wages, when employing staff for the Craveable Brands Network and this is a contractual term of their Franchise Agreement. Furthermore, we regularly engage a third party to undertake Industrial Relations Audits of our Franchisee operations to ensure compliance with Employment Agreements, payroll obligations, employment records and compliance with the obligations under any legislation including the Fair Work Act (2009).

We have ensured that the Whistleblower reporting opportunities are both free and easily accessible by a website form and a freecall phone number.

Supply Chain

While most of our food supply sourced for our restaurants is produced here in Australia it is important that we work with our local manufacturers to ensure their labour hire practices meet the minimum legal standards required of them in Australia. Notwithstanding above, we see our biggest risks of modern slavery coming from exposure to products not sourced from Australia. These include food ingredients & other raw materials, uniforms, equipment, construction and fit out material.

To manage these risks, we have policies in relation to our core supply chain such as:

1. Code of Conduct: Supply Partners
2. Supplier Social Accountability & Ethical Sourcing
3. Supply Agreements

We understand there is work to be done in partnering with all our suppliers to identify and mitigate potential risks throughout our supply network in particular those sourcing products and/or ingredients outside of Australia.

How we assess the effectiveness of our actions

We will be assessing our effectiveness by:

1. The percentage of staff and Franchisees who have been trained or informed in relation to the risks of modern slavery
2. Sedex Forced Labour Indicator Reports.

As we develop our risk management processes we will continue to increase the engagement and feedback from the Group and will use that to drive our further development in this area.

Consultation

We have consulted with our franchisors in Australia, **Red Rooster Foods Pty Ltd** ACN 008 754 096, **Oporto (Franchising) Pty Ltd** ACN 083 011 349 and **A.F.F Franchising Pty Ltd** ACN 009 370 594 in relation to the requirements in our operations and in relation to our shared suppliers.

Actions taken to address Risks of Modern Slavery

Over the past year:

We have been working to update our existing policies to ensure that they address the risks of modern slavery.

We are working with Sedex to implement their platform and begin to assess our suppliers and their risk profile.

We are preparing a new company policy addressing our Group's position in relation to Modern Slavery.

We have implemented processes for Franchisees and Employees to report on any risks of Modern Slavery that they identified.

Our plan is to keep increasing our knowledge and our commitment as an organisation and the visibility of this issue within our organisation to ensure that the risks of modern slavery within the Craveable Brands Network are diminished.

Next year (1 July 2021 – 30 June 2022)

- Create a new Environmental Social and Governance (ESG) Committee to focus on the risks of Modern Slavery in our operations and supply chain and to drive change within the Craveable Brands Network
- Regularly report and discuss Modern Slavery risks with the internal Risk Management Committee.
- Ensure our core suppliers are supplier members in Sedex and utilize the platform to understand our opportunities for improvement.
- Include in new supply chain contracts a provision to require suppliers to comply with the Modern Slavery legislation and to take responsible steps to identify, assess and address the risks of Modern Slavery practices in their organisation.

Beyond next year

- Develop ESG Strategy which sets out a path for the Group to systematically ensure that everyone in our supply chain and operations are treated with equality and dignity which may include:
 - Internal training for all Craveable Brands employees on the Modern Slavery policy to ensure they understand the red flags for modern slavery practices, particularly for those employees that engage with our franchisees.
 - Updating Craveable Brands Supplier Risk Identification Matrix to include human welfare practices and review all suppliers using the updated criteria.
 - Engagement with suppliers to build their capacity to identify and address risks in their supply chain in relation to modern slavery.

This statement was approved by the Board of Craveable Brands Pty Ltd and is signed by Karen Bozic, CEO of Craveable Brands Pty Ltd ACN 151 143 065 on behalf of all of the reporting entities.



Karen Bozic
CEO Craveable Brands Pty Ltd
Date: 21 December 2021