



Fresh
Produce
Group

MODERN SLAVERY STATEMENT

2022



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STATEMENT SUMMARY

This Statement has been published in accordance with the Modern Slavery Act 2018 (Cth) for our 2021 to 2022 financial year reporting period. It aims to summarise our assessment of the risks in our operations and supply chains and outline the actions we will take to address those risks.

Reporting Entities

This Statement applies to Fresh Produce Group of Australia (ABN 87 055 359 601), Fresh Produce Group Western Australia (ABN 81 152 973 932), Treviso Farm Management (ABN 31144 899 276), Tumut Grove Farm Management Pty Ltd (ABN 46 619 756 115), Smart Berries Pty Ltd (ABN 39 164 122 945), Smart Berries Mundubbera (ABN 30 164 124 903), SB Tasmania Pty Ltd (ABN 25 605 860 017), Fruitico Pty Ltd (ABN 49 608 313 604), Fruitico Farms Pty Ltd (ABN 51608 318 921), Kimberley Table Grapes Pty Ltd (ABN 17 635 953 187) and Kimberley Asparagus Pty Ltd (ABN 69 609 891 287), collectively referred to in this statement as 'Fresh Produce Group', 'FPG' or 'The Company'.

The above entities are managed collectively under the same policies procedures and guidelines and, as such, we have decided to provide a joint statement. This statement is submitted on behalf of and prepared in consultation with all of the related entities named above.

Fresh Produce Group of Australia

Shed X, Sydney Markets
NSW 2129 Australia

T 02 9704 8300

E info@fpg.com.au

W fpg.com.au



STRUCTURE, SUPPLY CHAIN & OPERATIONS

Introduction

Established in 1991, Fresh Produce Group is one of Australia's largest and most innovative produce suppliers.

From wholly owned farms to joint ventures, a continued vertical integration strategy underpins our approach. Our farms and growers in Australia and around the world provide our domestic and international customers with quality fresh produce. The business comprises growing, packing, exporting, importing, wholesale, pre-packing, ripening, logistics and marketing of produce in Australia and around the world.

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage, and forms of child labour. Fresh Produce Group is committed to identify, eliminate and prevent modern slavery in our operations and supply chains.

Locations

Fresh Produce Group locations around Australia are in New South Wales, Victoria, Tasmania, Queensland, and Western Australia.

These locations include nine farms across these states, which are wholly owned or joint ventures. Our farms grow, pack and distribute table grapes, berries, citrus and asparagus.



Operations

We supply a range of produce to major Australian supermarket chains and leading independent retailers. We source produce from our own farms, as well as international growers and shippers, to meet the demand from our customers and consumers. Our produce is distributed across Australia, as well as exported to our network of international customers.

Committed to providing the best quality and freshest produce, we specialise in counter-seasonal supply through leveraging our network of international buyers, growers, packers, freight forwarders and distribution hubs and chains to achieve this. We are pioneers in this field and are able to ensure our customers and consumers can access their favourite fresh produce, year-round.

We have purpose-built distribution centres are located in Sydney and Brisbane. We are investing in new or upgraded farming systems and packing sheds across our farms to enable faster and more efficient growing, harvesting, packing, handling, cold storage and dispatch. In addition to produce we grow, we extend our supply chain management, logistics and customer reach expertise for the benefit of other Australian and international produce companies. We utilise our facilities and expertise to provide a range of tailored solutions to meet the needs of other suppliers and customers.

Fresh Produce Group also operates a wholesale stand at the Sydney Markets. Our wholesale stand maintains close connections with independent retailers, providing market insights into the changing tastes and demands of consumers. These insights provide vital information to better service our customers, both locally and internationally.



Employees

Fresh Produce Group employs approximately 600 full time, part time and casual employees in our core labour force around Australia. In addition to this, our workforce increases with the seasonal demands of our business, and can include up to 1200 seasonal employees per year across our farms and distribution centres.

Our workforce includes Seasonal Workers directly employed through the Australian Government Pacific Australia Labour Mobility (PALM) Scheme. Across our farms we employ up to 300 Seasonal Workers from the Pacific Islands and Timor-Leste.



Supply Chain

Fresh Produce Group values strong relationships with long term suppliers and customers, both domestically and internationally. We partnered with approximately 1000 trade and non-trade suppliers in the 2021/2022 financial year. Our largest traded commodity in this period was fresh table grapes.

Our produce is sourced through direct and indirect relationships with domestic and international growers. Outsourced services used across our supply chain includes logistics, transport, distribution, labour, and information technology.

Maintaining strong relationships with suppliers is critical to the longevity of our business and we communicate to them all legal and customer requirements in Australia and overseas.

RISKS OF MODERN SLAVERY

Risk Assessment

Fresh Produce Group has conducted a risk assessment of our operations and supply chain to identify risks of modern slavery practices. Although we strive to identify, eliminate and prevent modern slavery within our operations and supply chain we recognise that potential risks do exist.



Risks in our Operations

Fresh Produce Group has policies and procedures in place to protect the rights of our employees. This includes processes and checks to minimise the risk of modern slavery.

As a result, there is a low risk of modern slavery occurring within our direct workforce, due to our direct control over recruitment and employment practices.

We rely heavily on seasonal migrant workers due to labour shortages the horticulture regions and industry. Many migrant workers are on temporary visas carrying out seasonal or casual work. Some of our migrant workers are employed under the PALM Scheme where their temporary visa is connected with their employment and sponsored employer in Australia. The employment of migrant workers has been identified as a potential risk, as some may have language barriers and a limited understanding of their human rights.

Risks in our Supply Chain

We acknowledge that because we have a complex supply chain that extends beyond Australia, we may be exposed to risk via our indirect suppliers due to less visibility. We have identified the following areas in our supply chain where there is greater risk in contributing to modern slavery practices.

Third-Party Service Suppliers

Fresh Produce Group outsource logistics, transport, distribution and information technology services from third-party suppliers.

Third-Party Labour Hire

Fresh Produce Group utilises the services of labour hire providers to supply temporary workers.

Domestic and International Produce Suppliers

Fresh Produce Group sources produce directly and indirectly from growers and suppliers across Australia and from overseas.

Although we partner closely with our suppliers and have monitoring processes in place to ensure compliance, there is still a risk in contributing to modern slavery practices where there is limited visibility and control.



ADDRESSING THE RISKS

Policy Framework

As part of Fresh Produce Group's policy framework, there are several policies that outline our commitment to business conduct and ethics. These policies apply to all of our locations and are reviewed annually. The below policies are those most relevant to mitigate modern slavery.

Human Rights and Ethical Trading Policy

This policy sets out our commitment to ethical and responsible trading practices, consistent with local laws and the international standards outlined in the Ethical Trading Initiative Base Code (ETI Base Code). As part of this policy, our suppliers are notified of our expectations that they ensure their practices respect human rights and to implement the principles of the ETI Base Code in their own organisations and suppliers.

Whistle Blower Policy and Reporting Procedure

This policy provides a process for the reporting of wrongdoing and protections to support individuals reporting wrongdoing. This policy and procedure encourages individuals, including current or former employees, suppliers, and others they are associated with, to report unethical behaviour and conduct.

Young Worker and Child Labour Policy

This policy sets out our approach to young labour and child labour with the ultimate aim of ensuring the safety and protection of children.

Verification of Entitlement to Work Policy

This policy sets out our commitment to ensuring all workers engaged have the legal right to work in Australia. This is done by only employing individuals with the right to work in Australia, verifying every individual's working rights before they commence work, and strictly complying with any visa restrictions, limitations or conditions.

Labour Practices and Standards

Fresh Produce Group directly employs workers in all of our locations where possible. Where employees are engaged directly, we have control over recruitment and employment processes to prevent modern slavery practices. Our centralised payroll system oversees all payments, deductions and work hours being performed. In addition to this, all new employees must:

- Engage willingly into employment,
- Provide evidence of their Australian working rights,
- Provide evidence of their age and identity, and
- Complete induction and onboarding processes.

Seasonal demands across our business require us participate in the PALM Scheme and also partner with labour hire providers that source temporary workers.

Labour Hire Providers

Fresh Produce Group have internal management systems and procedures to ensure good labour practices and working conditions are implemented. All labour hire providers must have a current labour hire agreement or service contract to partner with Fresh Produce Group. Before an agreement is achieved, labour hire companies must provide documentation (including labour hire licences and insurances). Once engaged, we conduct regular internal audits to maintain visibility and compliance. To mitigate the risk of modern slavery practices by labour hire providers, we regularly communicate our expectations and requirements, and where expectations are not being met, cease those partnerships.



PALM Scheme

Fresh Produce Group has been participating in the Seasonal Worker Programme under the PALM Scheme since 2018. As part of the Programme regulated by the Australian Government, Seasonal Workers are sponsored by Fresh Produce Group entities as their Approved Employers. This sponsorship allows the workers to work in Australia under a temporary working visa, however this visa is tied to their employment with their Approved Employer. The risk of this arrangement is that Seasonal Workers are bound to employment with their Sponsor. In order to mitigate the risk of modern slavery in this arrangement, we maintain regular communication with Seasonal Workers so they understand their rights and their options to cease their employment. Workers are offered repatriation back to their home country should they wish to leave their place of work.

When Seasonal Workers are mobilised for work in Australia, Fresh Produce Group pay upfront to cover travel and visa costs. Upon arrival in Australia, Seasonal Workers authorise for these costs to be re-paid to us through payroll deductions. There is a risk that this arrangement could be considered to be debt bondage. To mitigate the risk of modern slavery in this arrangement, we provide education in our induction with Seasonal Workers on the purpose of deductions and also communicate transparently about the costs that they are repaying.

To ensure that Seasonal Workers are supported throughout their time in Australia working with Fresh Produce Group, we have dedicated staff that focus on their welfare and wellbeing. These Worker Welfare Officers work closely with Seasonal Workers to not only fulfil our obligations under the PALM Scheme, but also support them in understanding their rights. In situations where there are language barriers amongst Seasonal Workers, our Worker Welfare Officers coordinate to provide translated documents, verbal translations from Team Leaders, and connect workers with Pacific Island and Timor-Leste community organisations.



Supplier Monitoring and Visibility

Fresh Produce Group is an A/B Member of Sedex, an online data exchange platform focused on the sharing of company information including work health and safety, business ethics and environmental management. We use Sedex tools and services to manage our operations and supply chain risks. We are committed to using Sedex tools and services for existing suppliers and onboarding new suppliers for supply to major Australian domestic retailers.

Our main warehouse and farm locations undertake annual Sedex Member Ethical Trade Audits (SMETA), to monitor sites and their suppliers' compliance. Australian growers in our supply chain that supply produce to major domestic retailers also have the requirement to be members of Sedex and participate in SMETA. International growers in our supply chain must also have management systems in place for quality assurance and ethical practices.

Fresh Produce Group maintains an Approved Supplier Program which involves internal auditing through site visits and our Horticulture Produce Agreements. Approved Suppliers in this program must comply with our Ethical Sourcing Policy to meet requirements and expectations consistent with local laws and the international standards outlined in the ETI Base Code.

Increasing Awareness

Fresh Produce Group aim for all staff to be aware of the risks of modern slavery within our supply chain. To increase awareness, we have taken the following actions.

Modern Slavery Training

Modern slavery awareness training and information on our whistle blowing policy and procedure have been included in all inductions for new employees. In addition to this, existing staff in our technical compliance and produce trading departments have completed modern slavery online training modules.

Environmental, Social and Governance (ESG) Taskforce

The ESG Taskforce has been established as a vehicle for improvement with a key focus on modern slavery, human rights, employee wellbeing and business ethics. The taskforce is made up of members from our Executive Leadership team and staff across all levels of the business.

ASSESSING EFFECTIVENESS

Annual Review

Fresh Produce Group is committed to reviewing the policies and practices in place and their effectiveness in identifying, eliminating and preventing modern slavery. Over the last year we have made progress with the actions in place and we will continue to strengthen our approach into the year ahead. Annually, through our reporting mechanism, we will review our actions and risk assessments of modern slavery practices. Modern slavery is a very complex issue and we are committed to continuous learning and improvement to minimise the risks within our operations and supply chain.

Future Goals and Actions

Over the next year we have set the following goals and actions to increase awareness of modern slavery practices and further reduce risks within our operations and supply chain.

- 1** Improved training and education to increase understanding of modern slavery risks and practices for all staff.
- 2** Increased frequency of internal auditing of third-party labour hire providers to ensure maximum visibility and compliance.
- 3** Reviewed whistle blowing procedure to encourage anonymous reporting of unethical behaviour and conduct, including involvement of a third-party provider.
- 4** Continued focus on setting goals and achieving outcomes relating to modern slavery, human rights, employee wellbeing and business ethics by the ESG Taskforce.

STATEMENT APPROVAL

This statement has been approved by The Board of Directors of Fresh Produce Group on 20 December 2022.



Robert Nugan

Executive Chairman



Anthony Poiner

Executive Chairman

