



2021

Forced labour,
modern slavery and
human trafficking
statement.



This Forced labour, modern slavery and human trafficking statement is made pursuant to the *Modern Slavery Act 2018* by Bidfood Australia limited (Bidfood) (ABN 33 000 228 231) in respect of Bidfood Australia and its related bodies corporate. This statement demonstrates our commitment to ethical trading, tackling modern slavery and the steps being taken to increase transparency within our supply chain and our own operations.

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Introduction: company commitment and pledge.

Modern slavery is the umbrella term used to encompass the offences of slavery, servitude, forced or compulsory labour and human trafficking.

The term extends to slavery-like practices such as debt bondage, sale and exploitation of children and forced or servile marriage. It is widespread and recognised to be a growing issue, given the rapid rise in global migration. It exists in every region and every type of economy - industrialised, developing or in transition. No sector or industry is untainted. Modern slavery thrives

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on vulnerable and unprotected workers, and is driven by discrimination, inequality, poverty and greed for financial gain.

According to the International Labour Organisation (ILO), in 2016 an estimated 40.3 million people were victims of modern slavery. Of these, 16 million people were in forced labour in the private sector, including manufacturing (15%), agriculture and fishing (11%). Modern slavery is an unquestionable and indefensible violation of an individual's basic human rights. Bidfood Australia recognises that modern slavery is a crime that can take many forms and as a commercial organisation we have a moral and social

responsibility to take a zero-tolerance approach to modern slavery in all forms.

We are committed to preventing slavery and human trafficking in our corporate activities, and to putting effective systems and controls in place to safeguard against any form of modern slavery within our business and supply chains. Ensuring, as far as we are able, that our supply chains are free from slavery and human trafficking.

Bidfood is committed to ensuring there is transparency in its own business and in its approach to tackling modern slavery and human trafficking throughout its supply chains, consistent with its disclosure obligations under the *Modern Slavery Act 2018*.



Our business structure, operations and supply chains.

Bidfood Australia Ltd is a subsidiary of Bidcorp Limited which is listed on the Johannesburg Stock Exchange. Bidcorp operates foodservice distribution businesses throughout Europe, South Africa, the Middle East, South East Asia, South America, as well as New Zealand and Australia.

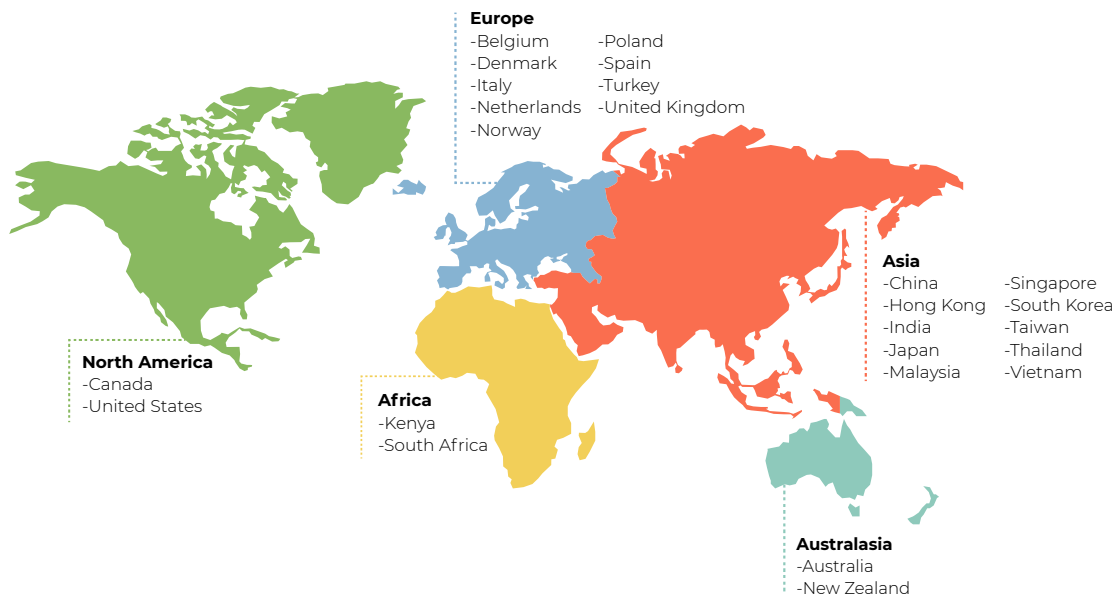
Bidfood Australia's corporate offices are located in Sydney, Brisbane and Adelaide and we operate more than 40 foodservice distribution facilities and four processing facilities, as well as an imports division that sources product from around the world. Bidfood offers the most comprehensive range of products and services to the Australian foodservice market. Bidfood's strategy remains to create value by focusing on supplying the right product to the customer, at the right price, and on time.

The management and staff are all passionate about service and entrenching Bidfood's position as the leading foodservice distributor in Australia. They provide a wealth of experience and their passion and commitment truly sets Bidfood apart

from its competitors. Bidfood Australia employs more than 2,000 people. The company operates its own fleet of modern refrigerated vehicles, with all product being delivered free into store for local customers.

Bidfood is the preferred supply partner for over 30,000 customers who operate in education, healthcare, hotels, pubs, restaurants, contract catering and leisure sites. Our comprehensive product range includes the best of own brand and leading foodservice brands, everything from store-cupboard ingredients to ready-to-serve solutions, frozen and chilled food. We also offer a comprehensive range of carefully selected wines, beers, ciders and spirits, as well as quality catering equipment and supplies, including cutlery, cookware, cleaning and disposables.

We have supply chain food partners located around the world. Our range includes over 20,000 food and non-food products across core range branded and own brand lines.



Our culture and values.

Our code of conduct.

We are committed to conducting healthy business practices which support our company values of respect, honesty, integrity and accountability, ensuring a stable employment environment and the ongoing success of Bidfood.

We believe in empowering people, building relationships and improving lives. Entrepreneurship, incentivisation, decentralised management and communication are the keys.

We subscribe to a philosophy of transparency, accountability, integrity, excellence and innovation in all our business dealings.

Our people.

The Board recognises that the development of intellectual capital serves not only the economic interests of the group, but also the broader society within which Bidfood operates. It means ensuring not only that team members have skills to deliver on strategy, but also that statutory and social obligations in relation to challenges such as racial, gender and disability demographics are met.

Our employees work in entrepreneurial environments, where being the best and paying attention to detail are imperative.

Teamwork is critical and is reinforced at every level of the organisation.

We aim to:

- Empower our employees with the training, the authority and the responsibility to enable them to achieve their targets
- Enable employees to realise their potential through training and development of their skills
- Create a culture on non-discriminatory employment practices and the promotion of employees
- To create a safe and productive work environment

Our corporate citizenship.

Bidfood operates throughout Australia and recognises that it is an integral part of the communities and environment in which it operates.

We aim to:

- Fulfil our obligations to the environment and communities within which we operate
- Be a respected member of those communities
- Be an employer of choice

Relevant policies.

We operate the following policies that assist our approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in our operations:

- Modern Slavery Policy – all employees are instructed on this policy upon commencing employment. All local and foreign suppliers are required to agree to, and abide by, this policy
- Whistleblowing policy – we encourage all our employees, ex-employees, suppliers and other stakeholders to report any concerns relating to unlawful conduct, malpractice, dangers to the public or the environment and any other matter of a serious nature through our dedicated tip-off hotline
- Approved suppliers program – we are committed to ensuring that our suppliers adhere to the highest standards of ethics. Suppliers are required to declare that they adhere to the terms and principles of our policies and ensure that they provide safe working conditions, treat workers with dignity and respect, and act ethically and within the law in their use of labour
- BidValues statement – our statement sets out the core values which we expect to be observed throughout the company. This includes the expected highest standards of integrity and



behaviour in all its dealings with its stakeholders and society at large

- Anti-fraud policy – we are committed to zero tolerance for corrupt conduct, fraudulent activities or maladministration and operate with the highest possible standards of openness, transparency and accountability in our affairs. We promote a culture of honesty and opposition to fraud in all its forms

Employee conduct and ethics.

We have strict HR policies and standards in place to ensure compliance with legislation and fundamental rights at work including freedom of association, dignity at work and prevention of discrimination throughout employment. Prior to recruitment, we check the work eligibility of all our employees in Australia. We comply with all Australian employment legislation.

Our policies and standards are readily available to our employees through our intranet and notice boards. We operate a Preferred Supplier List (PSL) for the provision of agency labour and expect agencies that provide staff to Bidfood to adhere to the same strict standards. All of our PSL agencies undergo assessment prior to being added to the PSL to check their compliance with applicable laws and regulations.

We have in place a comprehensive code of conduct which includes fairness, non-discriminatory reporting, respect for human dignity and human rights, social justice, health and safety and ethics.

Our values are referenced frequently in internal communications and are constantly reinforced in our team as part of our culture. If any employee's behaviour falls short of our expected code of conduct, we have a performance management approach that includes everything from coaching and guidance right up to termination of employment. If any employee has a concern that they feel they can't raise at work, they can contact our external and independent 24-hour whistleblowing hotline.

Code of conduct for suppliers.

We're committed to working with our suppliers to operate ethically and to build greater transparency within our supply chains. We aim to act dutifully and always within the law and regulations within Australia.

As a minimum, we expect all suppliers to comply with national and international laws. This would include not only suppliers of our food and non-food products, but also suppliers of items which are not for resale i.e. used and/or consumed internally within Bidfood.



Prior to trading, all suppliers undergo a supplier approval process and are expected to provide documented evidence of compliance with Bidfood's Food Safety and Legality standards, and, where applicable, their modern slavery statement. Additionally, social standard certifications such as BSCI, SA800 or a membership to ETI or SEDEX are also preferred. Suppliers of our own brand products are subjected to further risk assessment and due diligence checks.

Where appropriate, and specifically for large expenditure items, Bidfood will conduct a tender process. Such tenders are conducted with transparency and openness as our core value.

Failure by a supplier to meet our standards may jeopardise their ability to continue to do business with us and are addressed on a case-by-case basis. If, following an in-depth investigation, the supplier still refuses to cooperate with Bidfood's due diligence process, we will cease trading with that supplier. If modern slavery or human trafficking is identified in our global supply chain, appropriate investigations will be conducted internally and the relevant authorities would be contacted.

The risks of modern slavery in our business.

Bidfood Australia has investigated all the areas where it may cause or contribute to modern slavery. It has assessed these risks into three broad categories.

- In our own operations throughout Australia:
 - Through our own labour and employment practices
 - Through the services we utilise
- In our supply chains:
 - Through the goods we purchase for resale (both domestically and from overseas)
 - Through the goods we use in everyday operations
- In our related parties throughout the



world and their supply chains:

- Through the related parties we indirectly own throughout the world
- Through our sister companies around the globe

The food industry in which we operate unfortunately has many opportunities for exploitation in its supply chain, particularly around agriculture and fishery workers.

The 2018 Global Slavery Index compiled by the Walk Free Foundation identified the following as the top five imported products at risk of modern slavery in Australia:

- Laptops, computers and mobile phones
- Apparel and clothing accessories
- Fish
- Rice
- Cocoa

All of these form part of our business and we recognise that we must take action to mitigate the risk of modern slavery in these areas.

This does not take away from the rest of our product supply chain and service providers, these too have areas where there could be exploitation or modern slavery practices. Geographically, there are several countries which are part of the greater Bidfood group, as well as part of our supply chain which are considered to have high modern slavery risks.



We also recognise that circumstances brought about by the global COVID-19 pandemic can lead to exploitative practices. When people become desperate for survival they become open to being exploited in the worst possible ways.



Due diligence processes.

Current activity.

We understand that addressing the problem of modern slavery is a continuous journey. The business has developed a road map for due diligence to help navigate the risks associated with modern slavery.

This due diligence includes:

- Fully understanding the employment laws and working conditions where we operate.
- Getting an understanding of the origin of our products, including understanding our supplier's response to modern slavery
- Understanding our supply chain so as to identify and assess product-specific or

geographic risks of modern slavery and human trafficking

- Evaluating modern slavery and human trafficking risks in our supply chain through the completion of our Approved Supplier Questionnaire and our Supplier Declaration

We undertake this process when considering taking on new suppliers and are reviewing our existing suppliers.

In addition to the above, Bidfood provides safe and fair working conditions for all its employees and ensures that no child labour is employed, in line with minimum age laws, within areas that it operates. Bidfood expects the same standards from



all of its contractors, suppliers and other business partners. Part of the contracting process includes specific prohibitions against the use of forced, compulsory or trafficked labour or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same standards.

In our business.

An annual business risk assessment by the Risk and Audit Committee evaluates all internal and external risks Bidfood might face and assigns priorities based on the relevant business department. Tackling modern slavery remains a priority for us. We aim to strengthen our understanding of modern slavery within the business and supply chain and implement effective controls to mitigate it.

In our supply chain.

Compliance and adherence to the *Modern Slavery Act 2018* remains a top priority. We have reviewed our approach to mitigate this risk and divided our supply chain in to multiple tiers.

- Tier 1 includes manufacturing sites supplying product directly to us
- Tier 2 includes manufacturing sites supplying via their distributors to us (external sites under agents and brokers)
- Tier 3 includes our service providers or providers of capital goods

This has allowed us to identify the countries our supply chain extends to and to comprehend the complexity of it.

Although the vast majority of our goods come from within Australia we still recognise the importance of monitoring our global supply chain.

In June 2019, we became members of the Supplier Ethical Data Exchange (SEDEX). We are in the process of identifying tier 1 and 2 members of our supply chain that are already members of this platform. This will illustrate to us their commitment to ethical trading and together we can work to address the risk of modern

slavery more effectively and improve our responsible sourcing practices.

We know that forced labour is difficult to identify but we are aware of the 11 key indicators identified by the ILO that help us to identify the risk of workers are being exploited. As part of our supplier review process we are on the look out for these indicators to help guide our decision making.

We have utilised information gathered through SEDEX to identify countries that have a higher number of indicators of forced labour. We endeavour to make sure that all our tier 1 suppliers from these countries are reviewed to ensure the likelihood of worker exploitation is reduced.



Monitoring and remedial action.

Within our business.

Often employees are the first people who realise that there may be something seriously wrong within an organisation but often they don't express their concerns. This may be because they feel that speaking up may be seen as being disloyal to colleagues and the organisation, or fear that they may be victimised as a result. Our whistleblowing policy aims to encourage and enable our employees to raise serious concerns within Bidfood through approved channels, rather than overlooking a problem. We have a 24-hour whistleblowing hotline that anyone can call (employee, visitor or agency worker) if they suspect malpractice and this is well advertised across all Bidfood sites. Our whistleblowing procedure is designed to make it easy for anyone to make disclosures without fear of retaliation. They can telephone, email or log an issue via the website, all in multiple languages.

We operate a corporate risk committee, which includes members of our Board of Directors and entails the review of all risks on a quarterly basis as well as the updating of actions to mitigate those risks. Modern slavery and exploitation within our operations are included on the risk register, which means we are regularly reviewing our current ways of working and how to improve them.

We are proud of the diverse background of our workforce, with nearly 15% of our people being migrant workers. Through our centralised HR function we have identified workers from countries where exploitative practices may be used against our migrant workforce to impact their welfare.

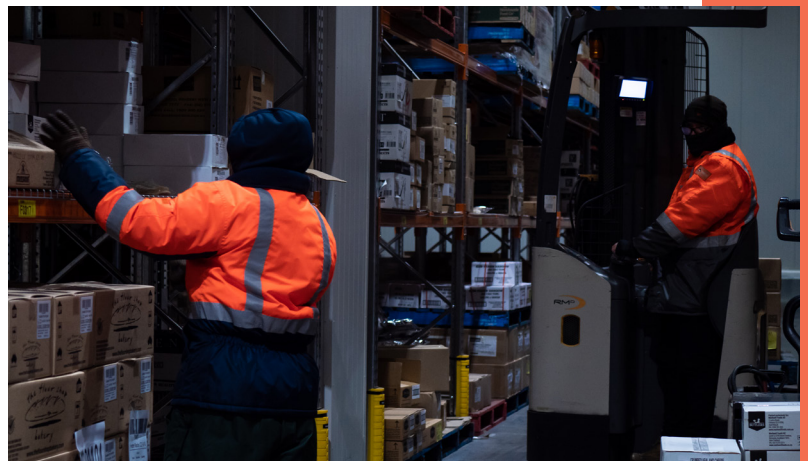
Within our supply chains.

As we continue the process of linking with our suppliers through the SEDEX platform, we internally review the information collected and identify the most effective way to use this for future risk assessments. We further evaluate any suppliers identified from the risk assessment as high risk.

Examples of the steps taken in our tier 1 supply chain include:

- Risk mapping using a risk ranking matrix tool
- Increased detail required from the supplier with regard to worker welfare issues
- In certain cases switching manufacturers/ raw material usage to lower risk profiles
- Greater adoption of third-party certified certification schemes such as the GAA Best Aquaculture Practices (BAP) scheme which covers sustainability, worker welfare and food safety

Any suppliers that are implicated in the media as associated with modern slavery issues will be subject to a full investigation to address any potential issues.





Training, consultation, raising awareness and capacity building.

Training on our policy and on the risk our business faces from modern slavery in its supply chain forms part of our company induction which all employees undertake and is reinforced as required (and as otherwise necessary).

Our zero-tolerance approach to modern slavery is communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter.



Plans going forward.

Within our business.

Our current processes and procedures have led us to assess the level of risk of modern slavery and exploitation within our operations to be low, but this doesn't mean that we should ever be complacent given that the food industry as a whole is identified to be high risk.

Our future plans to further mitigate the risk of trafficking, exploitation and slavery include the following:

- We are reviewing our ethical trading and modern slavery policies to ensure they are updated to address new standards and emerging risks
- We are conducting a full review of our HR policies to ensure there are no gaps in protecting our workers. As part of this, we are reviewing our own internal employee onboarding processes to make sure they are robust in helping to identify potential areas of concern
- We are developing training programs to ensure all of our staff can easily identify signs of modern slavery or exploitation

Within our supply chains.

We are developing a central supplier portal enabling us to risk assess and rank all our tier 1 suppliers based on all the elements of their social responsibility. This will be expanded to tier 2 and non-inventory suppliers through 2022 and beyond.

We aim to have completed the first phase of our SEDEX connections with tier 1 suppliers during 2022. Once this is complete, we will identify the gaps in our existing tier 1 supply chain and work with those suppliers to either encourage them to join as SEDEX members or establish methods to monitor their ethical practices.

We will also encourage existing SEDEX members to update and maintain their self-assessment questionnaire annually.

The future will then be focused on our tier 2 and non-inventory suppliers.

In 2022, we will review our ethical trading and other related policies to ensure they remain current for all risks identified throughout this process.

We will also start engaging with our international sister companies to ensure we all work together to create a global strategy to address the risks of modern slavery and exploitation.

To date, no modern slavery has been identified in our internal operations, nor are we aware from our audit and verification processes of any in our supply chains. We will continue to monitor the effectiveness of our existing controls internally and review annually what improvements may be made to strengthen our auditing and verification procedures.





This statement has been reviewed and approved by the Board of Bidfood Australia and will be reviewed annually.

RACHEL RUGGIERO
CEO Bidfood Australia Limited

Dated: 9 December 2021

