

# MODERN SLAVERY STATEMENT 2023

Flavour Makers is committed to exercising ongoing due diligence to identify and address the risk of modern slavery practices across our business and supply chain.

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Modern Slavery Statement 2023

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# 1. INTRODUCTION & APPROVAL

The purpose of this statement is to outline our approach to ensure processes are in place to minimise the risk of modern slavery in our business operations and supply chain. As this is an annual report, we will report on the progress of our action plan. We will also give consideration to any material changes to our operations that may impact the level of modern slavery risk.

Flavour Makers Group is a family-owned, food development and manufacturing business that is committed to conducting business in a sustainable, ethical and socially responsible manner. For Flavour Makers, the notion of family extends beyond our own business operations, to include our supply chain partners and our customers.

We are dedicated to creating amazing food and we genuinely believe in the role we play in providing better food, for a better future. A future where human rights and the environment are respected.

This is the fourth Modern Slavery Statement prepared by Flavour Makers. This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) and sets out the steps we have taken during the year ending 30th June 2023 to assess and address the risks of modern slavery in our business and associated supply chains.



Nick White  
CEO

We are fully committed to the highest ethical standards across our business and we will continue to train our employees and raise awareness of this important issue across our businesses. This training, irrespective of the job role or function helps our team to recognise and understand the potential modern slavery issues and take appropriate action.

This statement was approved by the Board of Flavour Makers Group.



## 2. STATEMENT

Flavour Makers Pty Ltd	ABN 65 005 953 168
Flavour Makers Australia Pty Ltd	ABN 61 145 820 220
Flavour Makers Equipment Pty Ltd	ABN 65 145 820 739
Flavour Makers HR Pty Ltd	ABN 89 145 821 209
Navati Pty Ltd	ABN 82 056 563 681
Flavour Makers IP Holdings UT	ABN 27 113 180 927
Passage Foods Unit Trust	ABN 67 518 795 244
Celebrate Health Unit Trust	ABN 78 595 400 153
AOFC Organic Pty Ltd	ABN 57 622 831 270
Cleanfit Unit Trust	ABN 79 161 854 072
Tricolore Imports Pty Ltd	ABN 29 162 732 578
Powered by Plants Pty Ltd.	ABN 63 605 242 573
*Grifm Culinary Pty Ltd	ABN 50 603 646 831
*Grifm JV is 50% owned and managed by Flavour Makers	

This Modern Slavery Statement, published in accordance with the Modern Slavery Act 2018 (Cth), sets out the steps taken by Flavour Makers Group to identify and address its modern slavery risk over the period 1 July 2022 - 30 June 2023 (FY23).

### Consultation

Flavour Makers Group operates as an integrated group of companies with policies, systems and approaches that apply broadly across the group. To prepare this joint statement, Flavour Makers Group engaged with each of the reporting entities covered by this statement and together we consulted the entities we own or control. We gathered information about the supply chains and operations for each of the reporting entities and entities that we own or control and reviewed the processes that they have in place to monitor and address modern slavery risk.

We recognise that key risk indicators are commonly associated with the food and beverage industry, including:

- Prevalence of base-skilled workers, with a high population of migrant backgrounds;
- Common utilisation of third-party labour arrangements;
- High-risk product and service categories (eg raw material supply); and
- Operations within high-risk geographies



### 3. STRUCTURE & OPERATIONS

Flavour Makers Group currently employs approximately 300 staff via individual employment agreements or via enterprise agreement (Flavour Makers Collective Enterprise Agreement). A new, three year Enterprise Agreement was collectively and collaboratively negotiated within this term, with ongoing Joint Consultative Meetings are held to discuss matters.

1. FM Collective Agreement
2. Process Improvement
3. Performance Management Systems
4. Communication and Education
5. Conditions of Employment
6. Employee Well-being
7. Training & Development
8. Improving working hours for new and/or vacant positions
9. Career Paths



Flavour Makers was established in 1992 and is a food development and manufacturing business. The Flavour Makers Group provides a comprehensive end-to-end food development and manufacturing solution specifically designed to meet individual customer or brand requirements. We pride ourselves on innovation, agility and building partnerships to deliver food that tastes amazing.

Our capabilities include spice blends, seasonings, nutritional blends, plant based proteins, meal replacement shakes, batters and coatings, functional marinades, baby food, soups, sauces, condiments, shelf stable meals; right through to the manufacture for our brands such as Passage Foods Indian Simmer Sauces and Australian Organic Food Co Soups, Juice and Purees made from 100% Australian organic ingredients. Flavour Makers currently operates out of three main manufacturing plants and a warehouse, all based in the south east of Melbourne.

### 3. STRUCTURE & OPERATIONS

As a family-owned group, we have a strong commitment to employee welfare and comply with all relevant employment legislation. We believe in the fair and equitable treatment of all employees and we work hard every day to ensure that we provide a workplace that everyone is proud of and that the employment conditions and remuneration of each employee is in line with all employment legislation. We invest in the health and wellbeing of our employees and have developed a comprehensive suite of policies outlining our human rights expectations for our team while offering clear guidance on how grievances within the workplace can be raised. Our People team plays a pivotal role in implementing these policy commitments, offering specialised guidance to team members on various human resources concerns. Among our policies, the following are particularly focused on preventing modern slavery within our team:

- Code of Conduct
- Gender Equality
- Discrimination Bullying Harassment
- Incidents and Complaints Policy
- Sex Based Harassment and Discrimination Policy
- Recruit and Select
- Remuneration & Benefits
- Starting employment
- Ending Employment
- Equal Opportunity, Diversity and Inclusion
- Work Related Psychological Health and Safety
- Talent and Succession

We have proudly launched a Reward & Recognition Platform called Zest, which also serves as a communication platform and hosts our Employee Assistance Program Benestar. We aim to reward, recognise and support our employees, and their families. The importance of mental health and wellbeing of our people is paramount and we are proud of the positive role we can play.

We believe that the risk of modern slavery within our direct team is low due to the strong policies, ongoing monitoring, and team member training that we have implemented as key controls to mitigate this risk in our operations. We are committed to upholding ethical practices and human rights, providing a safe and inclusive workplace.

While we have taken comprehensive measures within our direct team, we also acknowledge the importance of extending these controls throughout our supply chain and indirect operations. We conduct supplier assessments and due diligence on our partners to identify and address potential risks of modern slavery.

Collaboration with stakeholders, industry peers, and relevant organisations is a priority for us as it provides valuable insights and best practices to further fortify our efforts against modern slavery. We are continuously updating and evolving our policies and controls to adapt to emerging risks and changing circumstances, ensuring a robust framework against modern slavery across all aspects of our operations.

#### FLAVOUR MAKERS FOLLOWS THE RESPECT@WORK FRAMEWORK

Leadership - Develop a governance framework to reflect the responsibility of leaders and the board for addressing sexual harassment

Risk Assessment & Transparency - cyclical

Culture - Ongoing development of a safe, inclusive and respectful workplace culture

Knowledge - Ongoing and cyclical training

Support - Building a support system that supports a victim after a report of sexual harassment

Reporting - Developing a good practice reporting framework for responding to reports of sexual harassment in the workplace

Measuring - Cyclical data collection, analysis, communication

## 4. SUPPLY CHAIN

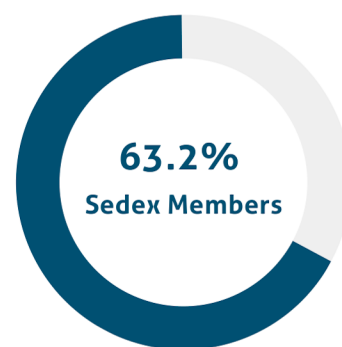
Flavour Makers has over 270 active supply partners, with the majority (223) being direct raw material suppliers. Whilst Flavour Makers endeavours to source locally wherever possible, these are from 68 sourcing countries. Flavour Makers supply chain includes over 30 indirect suppliers supporting our operations including activities such as pest control, labour hire services, cleaning services, logistics services, maintenance and equipment services.

During the period of this report, there have been no material changes to our organisational structure, operations or supply chain that would impact the level of modern slavery risk.

Flavour Makers works closely with our suppliers to develop relationships that support mutually beneficial outcomes and strengthen our combined approach to human rights. These relationships are fundamental to identifying and mitigating modern slavery risks.

Flavour Makers Supplier Approvals process is managed as a part of our Quality Management System that provides a method of evaluating and rating (approving) companies who supply or who wish to supply products and services to Flavour Makers to ensure they meet the necessary quality, food safety and ethical standards required by Flavour Makers. Supply chain monitoring is undertaken by our procurement professionals and our Quality departments.

Flavour Makers employs the Supplier Ethical Data Exchange (SEDEX) program to assess supplier adherence to these standards, to assess social and environmental aspects. To reaffirm our supplier's commitment to modern slavery, existing and new suppliers are required to review and sign our Ethical Trading Policy. This policy was developed in accordance with the internationally recognised Ethical Trading (ETI) Base Code codes of practice.



63.2% (141 out of 223 members) are Sedex Members.

Flavour Makers, in this reporting period, has conducted assessment of risk on 100% of our direct ingredient supply utilising the following:

- Sedex Data
- Flavour Makers Group Ethical Policy (in accordance with the internationally recognised Ethical Trading (ETI) Base Code codes of practice) or supplier equivalent
- Country of Manufacture
- Global Slavery Index

Based on the highest level of risk within the Modern Slavery Index, the map shows the countries that are considered to be high risk. Flavour Makers currently source 2.38% of ingredients from high risk countries. Of our direct suppliers of these ingredients are all SEDEX members, with the exception of the three suppliers which will form a strong focus for the next reporting period.



**OVER 80% OF OUR RAW MATERIALS ARE SOURCED FROM LOW TO MEDIUM LEVEL RISK COUNTRIES BASED ON THE MODERN SLAVERY INDEX**

# 5. RISK AND ACTION PLAN

## Our Operations

We consider our Australian direct workforce to be low risk to modern slavery, with policies, training and practices further mitigate this risk. We regard our greatest risk of modern slavery is through our supply chain.

Flavour Makers have established an Ethical Trading & Modern Slavery Working Group who have identified the following initiatives in order to identify and mitigate risk for the FY2023 reporting period. Implementation of our policies is monitored by our team of Human Resource professionals.

Our actions to address and mitigate Modern Slavery Risks include:

- Ethical Trading & Modern Slavery Working Group
- Sedex Membership as a Buyer/Supplier (AB) ongoing engagement
- Human Resources Platform (UKG)
- Reward, Recognition & Communication Platform (Zest)
- Complete annual policy review
- Ethical Sourcing Policy review
- Vendor assurance program
- Raw material and supplier risk assessment
- Horizon Scan database subscription
- Occupational Health & Safety Management System
- Action Plan Deployment
- Training & Awareness

## Annual Ethical Training

- Modern Slavery
- Mental Health Obligations for Managers
- Diversity and Inclusion
- Anti-Bullying and Anti-Harassment
- Anti-Competitive Conduct
- Anti Bribery and Corruption
- Consumer Protection and Unfair Business Practices
- Discrimination
- EEO (Equal Employment Opportunity) Managers
- Occupational Health and Safety
- Occupational Health and Safety (Managers)
- Racial Discrimination
- Sexual Harassment Booster
- Respect @ Work
- Respect @ Work Preventing Sexual Harassment for Leaders

We recognise that key risk indicators are commonly associated with the food and beverage industry, including:

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## 6. PLAN EFFECTIVENESS

We monitor the effectiveness of our actions to remove the risk of modern slavery from our operations and supply chain by:

- Investigating any reports received from employees, the public, or law enforcement agencies that indicate the existence of modern slavery practices;
- Flavour Makers Labour, Health & Safety, Environment and Business Ethics standards are assessed as low risk
- Engagement with stakeholders on modern slavery issues or concerns, including procurement team members, quality and regulatory;
- Annual risk assessment of our supplier base.

Flavour Makers remains committed to continuing awareness and capability for team members and business partners on modern slavery risks, issues and mitigation activities, in line with our sustainability objectives including building responsible partnerships. Always.

### Looking Ahead

Action Plan for Financial Year 2024:

- Further risk analysis and supply chain mapping including additional investigations of high risk suppliers and partners
- Mitigate future risk by continuing to build supplier capability, assisting to develop our suppliers and partners
- Conducting supplier audits for high risk suppliers
- Ongoing Industrial Relations and multi-stakeholder engagement
- Flavour Makers will continue to conduct assessment of risk to prioritise supplier engagement and modern slavery risk mitigation activities, prioritising high risk geographies identified
- Flavour Makers will extend risk assessment to include service providers
- Flavour Makers have been involved in a SEDEX member forum in this reporting period with further engagement activities planned for next reporting period
- Review Flavour Makers Group Ethical Policy (in accordance with the internationally recognised Ethical Trading (ETI) Base Code codes of practice) to gain 100% completion

To ensure our actions are effectively reducing or preventing modern slavery practices we have set up a senior management group to review our response to modern slavery. The management group will integrate the findings of Flavour Makers Ethical Trading & Modern Slavery Working Group, and the results of our Supplier Approval Program, ongoing risk assessment and planned activities. The senior management annual review ensures programs and risk assessments are relevant and up to date. The results of our consultation and review will form the basis of our Modern Slavery Statements.



## 7. OVERVIEW

**Modern Slavery Statement Overview of the mandatory criteria detailed in the Modern Slavery Act 2018 as follows:**

**Identification of the reporting entity**

This is addressed on page 4

**Description of the process of consultation with any entities the reporting entity owns or controls**

This is addressed on page 4

**Description of our structure, operations, and supply chain**

This is addressed on pages 5-7

**Description of the risks of modern slavery practices in our operations and supply chains and any entities we own or control**

This is addressed on page 8

**Description of the actions we have taken to assess and address these risks (including due diligence and remediation processes)**

This is addressed on page 8

**How we assess the effectiveness of our actions**

This is addressed on page 9

