

Modern slavery & human trafficking statement

Date: 21 03 23

1. About Loscam

Loscam Australia Pty Ltd (**Loscam**) is a trusted provider of pooling and returnable packaging solutions. The business was founded in 1942 and now operates in 12 regions throughout the Asia-Pacific. Loscam delivers high-quality and environmentally sustainable solutions and fit-for-purpose systems and procedures to these regions.

Loscam has operations in Australia that extend to Hong Kong, Indonesia, Mainland China, Malaysia, Myanmar, New Zealand, Philippines, Singapore, Taiwan Region, Thailand and Vietnam. In Australia, Loscam operates nationally supplying packaging solutions to various sectors including retail, food, beverage and grocery manufacturers.

As Loscam operates internationally, it recognises the increasing globalisation of its industry, particularly relating to operations and supply chains. With over \$100 million in consolidated revenue in the last financial year, Loscam is formally required to maintain and update a modern slavery & human trafficking statement. In line with the requirements of the *Modern Slavery Act 2018* (Cth), Loscam has compiled this statement, which is intended to assist in reducing modern slavery and human trafficking.

Loscam understands the importance of protecting human rights and is vigilant to the risk of modern slavery and human trafficking in all aspects of Loscam's business and business relationships. Further, Loscam is committed to conducting business with honesty and integrity, and in full compliance with all applicable laws. Loscam has established clear ethical standards and guidelines for how it does business and well-established accountability. Loscam is committed to respecting and promoting human rights and ethical standards and sourcing.

2. Loscam's structure, operations and supply chains

Structure

Loscam's organisation and governance structure is represented by the diagram in **Appendix 1**.

Loscam is an Australian proprietary company, led by an Executive Vice President Australia and New Zealand overseeing day to day operations of the company. Underneath the Executive Vice President, there is the Core Leadership Team who oversee Line Managers. Delegation of authority principles exist to enable leadership across all levels of the business.

Key stakeholders for Loscam Australia include but are not limited to: Loscam shareholders, business partners, Government and regulators, employees, and more generally the wider community.

Overarching Loscam's organisation and governance structure is the company's policies and procedures, culture and values and business processes and risk management.

Loscam currently employs 225 employees across its network.

Operations

Loscam primary operation is providing returnable packaging solutions to over 3000 local customers primarily supporting the grocery and general retail supply chain. Loscam operates nine depots, a regional head office and engages 30 outsourced agents.

Supplier chain

Loscam appreciates a range of key supply chain constituents and their various products and services (including labour) that contribute to the company's effective operations. These suppliers include domestic and international organisations with a varying range of products and services.

Loscam has a global supply chain of contracted suppliers. Our supply chain relationships include suppliers from the following sectors: Timber, Product Manufacturing, Consulting Services, Fleet Management, Information Communications and Technology, Logistics and Transport, Marketing, Office Cleaning, Office Supplies, Print and Promotional Goods and Services, and Property Services.

As a proud and integral business in the Australian supply chain, Loscam is committed to engaging local suppliers wherever possible.

Loscam recognises the range of suppliers detailed as critical to its own products and services.

When working with Loscam, suppliers are required to act ethically, fairly and honestly in all dealings.

3. Loscam Policies and Procedures

Loscam understands the importance of protecting human rights and is committed to protecting the rights and health and wellbeing of all people. Loscam has no tolerance for any activity associated with modern slavery. Loscam has key policies and procedures in place to assist in protecting human rights, including the following;

- Employee Code of Conduct;
- Modern Slavery

Loscam has also successfully obtained the independent Sedex Supplier Membership, an ethical trade membership organisation, which actively works with businesses to improve working conditions in global supply chains.

4. Risks of Modern Slavery Practices in the operations and supply chains of Loscam

Loscam is committed to supporting the elimination of modern slavery in all its forms and to achieving the highest standards of ethical behaviour in the conduct of our business.

Loscam understands that all forms of modern slavery have in common, the deprivation of a person's liberty by another to exploit them for commercial or personal gain and amount to a violation of an individual's fundamental human rights.

Risks of modern slavery practices means the potential for causing, contributing, or being directly linked to modern slavery through operations and supply chains. Modern slavery has the potential to exist in Loscam's supply chain in a number of ways, including by child labour, debt bondage, forced labour and human trafficking.

Loscam appreciates the following risks in its operations and supply chains:

1. Risks that Loscam may *cause* modern slavery practices;
2. Risks that Loscam may *contribute* to modern slavery practices; and
3. Risks that Loscam may be directly *linked* to modern slavery practices.

Loscam considers the third risk the most likely (if any), that Loscam may be directly linked to modern slavery practices.

Loscam is highly aware of the risk that its operations, products or services may be connected to modern slavery through the activities of another entity Loscam has a business relationship with, including those suppliers which maintain most operations outside Australia. These business relationships include all entities in the Loscam supply chain, including entities Loscam may not have a contractual relationship with. It also includes all business partners and investees and borrowers but does not include customers who purchase Loscam's products and services.

Loscam considers products and services arising from the foreign supply equipment and materials supply sector to be of the highest risk of modern slavery in Loscam's supply chain. Loscam appreciates its most severe modern slavery risks may not align with the volume or cost of the products and services procured.

Further, Loscam realises products and services procured from some countries may constitute some of the highest modern slavery risks. This is due to a variety of factors including some countries maintaining poor governance, weak rule of law, conflict, migration flows, and socio-economic factors like poverty.

Loscam is committed to continually improving how they work with business, government, suppliers and society to meet moral and ethical obligations to combat modern slavery and human trafficking. Loscam is strongly committed to working with its suppliers to eliminate modern slavery from its supply chain.

5. Due Diligence and Risk Management

Loscam considers the risk of modern slavery within its direct business operations to be relatively low, particularly given the degree to which its products are sourced in Australia. However as foreshadowed above, Loscam recognises its supply chain and customers can be indirectly exposed to modern slavery and human trafficking risks.

Loscam works with its stakeholders to identify and understand the impacts of its activities. Due diligence is implemented to prevent and mitigate adverse impacts arising from Loscam's activities. This due diligence refers to an ongoing management process to identify, prevent, mitigate and account for how Loscam addresses actual and potential adverse human rights impacts in its operations and supply chains.

The due diligence process is initiated by a risk identification and assessment of suppliers prior to any contracting. Loscam has implemented risk management processes to identify, monitor, assess and mitigate potential risk areas where Loscam could be exposed to human rights concerns.

Loscam then integrates findings from the risk assessment across the company, taking actions, as appropriate, to address impact. These include measures through good governance, contractual arrangements, access to remedies through effective grievance mechanisms, training and communications, and the use of statutory declarations. These measures are discussed in more detail below. Loscam being a

mid-sized Australian enterprise understands its ability to use its leverage to minimise modern slavery risks may be limited, particularly when engaging with large conglomerate organisations further down its supply chain.

Loscam has begun tracking its performance to consider whether impacts are being addressed. Loscam intends to conduct internal audits of its supplier screening. Loscam also intends to conduct internal audits of its supplier screening. Loscam will update its human rights approach based on periodic assessments, as well as on going due diligence and monitoring, including, where possible, publicly commenting on its actions.

Governance

Good governance is essential to the long-term sustainable success in eliminating modern slavery. Good governance is ingrained at Loscam and is the collective responsibility of all levels of management and even more widely extends to all employees.

The risk of modern slavery in Loscam's operations and supply chain is assessed within Loscam's corporate-wide governance and risk management framework. Responsibility for assessing and addressing modern slavery risks have been assigned to a senior manager, and Loscam's board is briefed regularly and appropriately.

Contractual Arrangements

Through contractual arrangements and procurement principles, Loscam suppliers and contractors are required to comply with Loscam Policies. Loscam's standard terms and conditions also require minimum standards in ethical business practices, safety, and environmental protection.

Grievance and feedback

Loscam has several mechanisms for stakeholders and other third parties to anonymously report suspected or actual illegal activities, breaches of human rights, and/or company policies.

In addition, Loscam clients, suppliers, and third parties can raise modern slavery related concerns via our webpage:

<https://www.loscam.com/en>.

Grievances can also be received via direct correspondence, social media or through bodies such as the Human Rights Commission and the Department of Home Affairs.

Where concerns are raised, Loscam will conduct an investigation in accordance with regulatory requirements and applicable policies and procedures and will address any concerns as appropriate. Loscam's grievance procedures ensure all grievances are managed and investigated in a comprehensive, timely and transparent manner.

Training and Communication

This year, Loscam intends to have its direct employees complete risk awareness training which will include information on modern slavery.

Statutory Declarations

Before engagement, Loscam will be asking any suppliers to sign a declaration (or equivalent) representing an additional commitment to work with Loscam to reduce slavery from its organisation and supply chain. If this is not possible, Loscam will be clearly communicating its expectations to suppliers, including by ensuring that modern slavery issues are specifically addressed in supplier contracts, prequalification and other relevant mechanisms.

Loscam want to ensure they are well prepared to respond if they find modern slavery occurring in its operations and/or supply chains.

Entities & Consultation Requirements

We do not own or control any other Australian entities and therefore the requirement to describe the process of consultation is not applicable.

6. Actions to date

The success of Loscam is dependent on the trust and confidence we have earned from our employees, customers and shareholders. Loscam gains credibility by adhering to our commitment, displaying honesty and integrity and reaching company goals through honourable conduct. Loscam considers that the proof is in the company's actions.

Actions taken to date in order to minimise the risks of modern slavery within Loscam include:

- Membership to Sedex (Ethical Trade Platform);
- undertaking a gap analysis of Loscam's current policies and procedures against the Australian Modern Slavery Act.

How Loscam assesses the effectiveness of actions

Loscam continues to assess the effectiveness of its actions in comparison to industry standards and practices.

There are a range of ways Loscam demonstrates how they assess the effectiveness of its actions, including:

1. An established process to regularly review the actions they have taken. This includes an annual senior management review of Loscam's response to modern slavery.
2. Regularly checking risk assessment processes to ensure they remain up to date.
3. Established processes to provide for regular engagement and feedback.
4. Conducting internal audits and/or monitoring of specific steps Loscam has taken to assess and address modern slavery risks.
5. Tracking the actions taken and measuring the impact.
6. Working with suppliers to check how they are progressing, including any actions they have put in place to address modern slavery risks.

7. Looking Forward

Loscam strives to be an ethical company. We are committed to continue and improve our efforts to identify and mitigate risks of modern slavery and human trafficking from our business and supply chains.

Loscam's Anti-Slavery committee has set the following priorities for 2022-2023:

- (1) **Reviewing Policies and Procedures** – to continue to ensure Loscam's current policies and procedures are best practice and fulfil the requirements of the Australian Modern Slavery Act.
- (2) **Modern Slavery Training** – to all staff involved in or overseeing procurement to ensure they are able to identify and manage modern slavery risks.
- (3) **Due Diligence and Risk Assessment** – creating more streamlined and formalised due diligence, risk assessment and assurance processes, which may include the implementation of new software in relation to modern slavery.
- (4) **Analysing supply chains** – including through the requesting of information from direct suppliers about sub-suppliers (including country of origin), engaging with key suppliers to understand how they are addressing modern slavery risks, working with other entities to carry out joint assessments of supply chains, using traceability processes and identifying existing credible assessments.
- (5) **Engagement and Collaboration** – with suppliers to ensure they understand Loscam's requirements in avoiding modern slavery risks.
- (6) **Corporate Memberships** – become more actively involved in Corporate Associations to share information and discuss issues on human rights.
- (7) **Improve supplier awareness** – of modern slavery risks and how they may contribute to modern slavery through awareness-raising and training.

This statement was approved by the Executive Vice President – ANZ of Loscam Australia Pty Ltd (Loscam). Signed on 21/03/23



Daniel Bunnett
Executive Vice President – ANZ & Director

This statement has been approved by the Board of Directors – Loscam Australia Pty Ltd

APPENDIX 1 – LOSCAM’S ORGANISATION AND GOVERNANCE STRUCTURE

