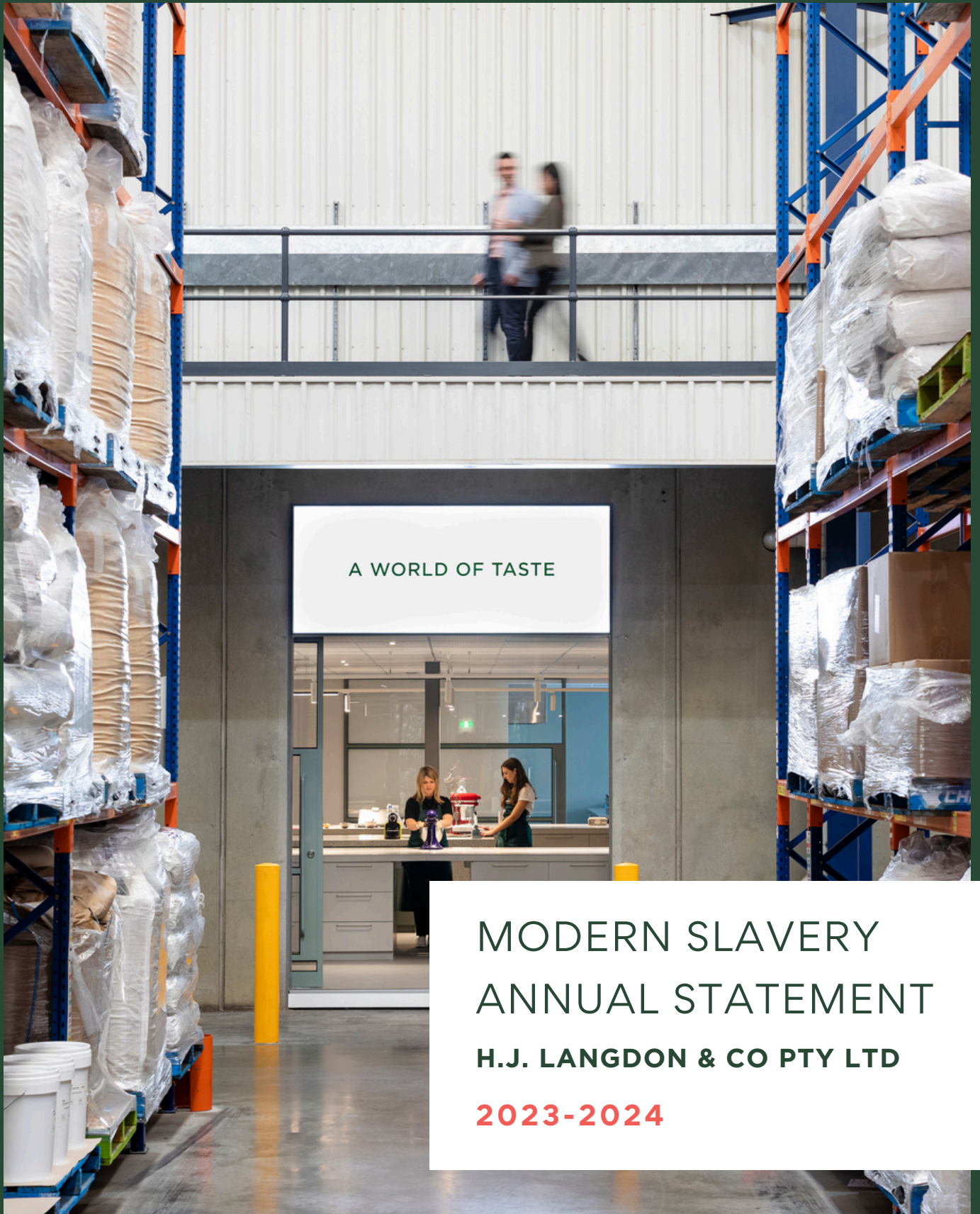


ESTD 1852

LANGDON

A WORLD OF TASTE



MODERN SLAVERY ANNUAL STATEMENT

H.J. LANGDON & CO PTY LTD

2023-2024

hjangdon.com

Australia | New Zealand | United Kingdom | Ireland | Singapore | Thailand

MODERN SLAVERY REPORT

SPEAK UP WITH CONFIDENCE - SPEAK UP LANGDON

In our commitment to fostering an open and transparent workplace, we encourage you to raise any concerns that may affect our adherence to company values. To report a concern:



A senior manager you
feel comfortable with



Leave a confidential message
at (+61) 3 8360 1987



speakup@hjangdon.com

All reports are treated with utmost confidentiality, unless express permission for disclosure is granted by the reporter. **Your voice matters; help us uphold our commitment to a safe and ethical workplace.**

OUR COMMITMENT

We are a fifth generation family owned enterprise. Throughout our rich history, we've fostered a global community, uniting premium ingredients and product trends with creative minds and innovators worldwide. Embracing both tradition and continuous innovation, we feel privileged to hold a significant role in the dynamic food industry.

Our legacy has endowed us with unparalleled experience, a heritage we carry forward. Leveraging our history and knowledge, we aim to make a meaningful impact on our customers, our planet, and our people. Looking ahead, we are committed to implementing initiatives and practices that uphold ethical and sustainable standards throughout the entire supply chain, from source to plate, on a global scale. With each generation, our responsibility for ethical sourcing evolves, and we take pride in collaborating with the industry to fortify our supply chain against Modern Slavery.

This Modern Slavery Statement is made in accordance with the Modern Slavery Act 2018 Australia. This report was prepared for fiscal year 2023-2024. This is H. J. Langdon & Co Pty Ltd's fifth statement.

The purpose of this statement is to fulfil reporting obligations demonstrating our comprehension of the risks associated with Modern Slavery within both our organisation and the extended supply chain, as well as outlining the measures implemented to mitigate these risks.

This statement has received approval from the Board of H.J. Langdon & Co Pty Ltd, referred to herein as the "Company." We acknowledge that our corporate and social responsibilities extend beyond our internal operations to encompass our supply chain. Thus, we consistently strive to ensure that the ingredients and services we procure adhere to ethical production standards. Our approach involves collaborating with suppliers to positively influence our social, ethical, and environmental performance.

To assess supplier adherence to these standards, we utilise tools such as the Langdon Supplier Code of Conduct, Modern Slavery & Vendor Risk Review, and the Supplier Ethical Data Exchange (SEDEX) program. These platforms serve as effective means for evaluating suppliers' social and environmental practices.

ABOUT H.J. LANGDON & CO PTY LTD

H.J. Langdon & Co Pty Ltd, a **fifth-generation family-owned enterprise**, was founded in Melbourne, Australia, in 1852. Renowned as one of the leading distributors and importers in the region, we specialise in a **diverse array of food ingredients** sourced from Europe, Africa, the U.S.A, South America, and Asia. Our **expanding blending** and **packing facility** caters to intermediate and finished food blends, serving both food manufacturers and retail-ready products.



The Company is a **subsidiary of Langdon Group Limited** which operates in:

- Australia
- New Zealand
- United Kingdom
- Ireland
- Thailand
- Singapore

The Company employs approximately 150 employees in Australia. Our workforce spans various departments overseeing supply chain activities, including procurement, finance, transport, warehouse, production, regulatory affairs, and quality assurance.



Our supply chain encompasses a mix of **food ingredient manufacturers and traders**, focusing on key product categories such as herbs, spices, functional ingredients, flavours, colours, sweeteners, frozen goods, fruits, vegetables, dried fruits, nuts, seeds, ancient grains, beans, pulses, dehydrated vegetable ingredients, botanicals, teas, and organics.

The end products traded or blended by the Company undergo a complex journey within our supply chain. **Originating from agricultural growing, harvesting, and primary processing**, they undergo refinement to achieve specific conditions. Some items are synthetically produced, plated, or blended to meet precise specifications. The global procurement process involves navigating an intricate web of processors, sellers, and re-sellers, with contributions to the final product coming from numerous suppliers and geographical locations.



POTENTIAL RISKS OF MODERN SLAVERY

The Company has a strong reputation in supplying **high quality, ethically sourced ingredients supported by global certifications**. We understand key risk indicators for modern slavery to be;

- Countries marked by conflict
- Countries with state imposed force labour
- Countries with higher migrant populations or base skilled workers
- Operations that rely on third party labour sources
- Complex supply chain across several high-risk geographic areas (raw material supply)



The Company acknowledges that the primary exposure to the risk of modern slavery lies within its ingredient supply chain. The food supply chain, characterised by its complexity and global reach, poses varying levels of risk for different commodity items. This risk may be attributed to factors such as the lack of visibility in the supply chain or the geographic origin of the items.

Breaking down the food supply chain into four main tiers reveals additional intricacies:

- Direct Suppliers
- Secondary Suppliers
- Primary Processing & Manufacturers
- Raw Materials

Within each tier, there is further complexity due to the involvement of numerous farms, primary processes, distributors, and the passage of products and components before reaching the end customer.



Food commodities reported to have a high prevalence of Modern Slavery such as Cocoa, Palm oil, Coffee, Soy, and Rice which are procured by Langdon are often sourced through a recognised certification scheme where available (RSPO, RFA) or undergo additional due diligence.



Tier 1 Direct Suppliers

- Manufacturers
- Distributors
- Traders



Tier 2 Secondary Suppliers

- Blending and Packing Facility (intermediate and finished blends)
- Secondary Processing Plants (e.g. refining, processing)



Tier 3 Primary Processing & Manufacturers

- Manufacturing (intermediate & finished)
- Sorting, cleaning, grading



Tier 4 Raw Materials

- Agricultural Growers Harvesting Operations
- Primary Processing (sorting, cleaning, grading)

POTENTIAL RISKS OF MODERN SLAVERY

The challenges associated with food production and demand dynamics often include cost pressures, with labour representing a significant expense at many stages of the process. Human labour remains integral to most steps in the supply chain. However, the food and beverage sector often relies on low-skilled workers, many of whom are employed on a short-term or seasonal basis. This reliance on temporary labour can increase vulnerabilities to forced labour and the exploitation of child labour.



During the fiscal year 2023-24, **we upgraded our SEDEX membership to an AB level**, providing access to a more advanced risk assessment tool. This tool evaluates both the inherent risks associated with specific countries and commodities, as well as the actual business controls and performance measures in place. By combining self-reporting data with independent audit assessments, **Langdon** has been able to **enhance its understanding** of modern slavery risks and **prioritise verified concerns more effectively**.



While we have not yet fully integrated all suppliers into the SEDEX model, our risk management approach in 2023-24 adopted a hybrid methodology. For suppliers not linked to SEDEX, we assessed risk based on geographic and commodity-specific vulnerabilities. For fully linked SEDEX suppliers, we utilised self-assessment and independent audit data.

Using data from the Walk Free Global Slavery Index 2023 and the SEDEX database, **the company identified 26 high-risk suppliers**. Independent SEDEX SMETA audits found **no evidence of modern slavery practices among these suppliers**. Any non-conformances identified during these audits have been or are in the process of being addressed as part of our continuous improvement initiatives.

OUR ACTIONS

The Company remains steadfast in its **commitment to socially and ethically responsible practices** across all facets of our operations, including administration, procurement, sales, and production. We strongly oppose any form of Modern Slavery and are dedicated to promoting transparency and accountability within our supply chain.



In 2023-24, we achieved 4 out of the 6 Modern Slavery Continuous Improvement commitments outlined in our 2022-23 report. Key accomplishments include:

- Upgrading to SEDEX AB membership as our digital platform for enhanced risk management.
- Expanding due diligence processes for labour hire.
- Broadening the reach of Modern Slavery awareness training.
- Meeting our Environmental, Social, and Responsibility (ESR) annual goals by enhancing policy support training, expanding our support for food charities and launching Langdon Green, our dedicated environmental program.

While we have made significant progress, embedding SEDEX into our Vendor Assurance process has required substantial effort. As a result, we have not yet been able to fully assess Tier 2 supplier levels or leverage data consistently across the Langdon Group. These remain key areas of focus for the future, and we are committed to exploring and advancing these approaches over time.



To uphold the principles of the Modern Slavery Act 2018, we have implemented the following measures:

Environmental & Socially Responsible Framework (ESR): Our goal-oriented ESR framework is pivotal in shaping our cultural emphasis on social matters.

Policy and Procedure Revision: Our governing policies and procedures incorporate Modern Slavery legislation and outlines Langdon values & expected ethical conduct of all employees. Employees receive refresher training on the following:

- PR33-015 Modern Slavery
- POL33-013 Langdon Code of Conduct
- POL33-39 Langdon SUPPLIER Code of Conduct
- POL33-038 Whistleblower Policy
- POL33-006 Diversity and Inclusion Policy
- POL33-010 OH&S Policy
- POL33-015 Bullying and Harassment Policy

Modern Slavery Risk Assessment: Our Vendor Approval process for both new and existing suppliers change integrates to integrated (and add) with SEDEX AB membership tool allows for robust risk analysis. **Langdon Suppliers are encouraged to become SEDEX members** or, alternatively, complete our Antislavery Principles Commitment Form and Modern Slavery Questionnaire.

OUR ACTIONS



SMETA 4 Pillars Standards: As a SEDEX member, our adherence to the SMETA 4 Pillars standards has been verified through audits. This standard is also applied to suppliers categorised as High risk.

Global Modern Slavery Awareness Training: Annual Modern Slavery Awareness training is provided to Procurement and Technical team members, encompassing Australia, New Zealand, and the UK.



Ongoing Supply Chain Monitoring: Our commitment extends to the continuous monitoring of the supply chain in relation to conflict, climate change, economic, and sustainable challenges. This is carried out through commodity reporting, Horizon scans, SEDEX reports and various industry memberships.

Labour Hire Compliance Audits: Rigorous audits are conducted to ensure compliance with Labour Hire standards. Audits review the compliance to Australian labour laws including payroll compliance, hours worked, eligibility to work in Australia and child labour controls.



Whistle-Blower Program & Grievance Process (Effectiveness Review): Anyone working within our organisation, employee, supplier, visitor, contractor etc can report any concerns including human rights infringement. Reports are dealt with confidentially and investigated independently by our Whistle-Blower Officer. All Grievances are managed in accordance with our Grievance process. We conduct an annual review to gauge the effectiveness of both programs.

Supplier Remediation: Suppliers identified to have potential Modern Slavery risk or conduct concerns are promptly engaged in a remediation process, guiding them toward improved practices. These actions underscore our dedication to eradicating Modern Slavery and fostering a responsible, ethical, and sustainable business environment.

EVALUATING THE IMPACT OF OUR INITIATIVE

The foundation of Langdon's Modern Slavery mitigation efforts lies in our ESR Framework and Vendor Management system. We are committed to assessing the effectiveness of our actions through the following measures:



SMETA and Customer Compliance Audits: Rigorous social responsibility audits, including SMETA audits and customer compliance assessments, serve as benchmarks for gauging the impact of our initiatives. As we transition our risk assessment process to the SEDEX platform, we have enhanced our ability to understand and address supply chain risks.

OUR ACTIONS



By leveraging a universal global tool, we have reduced the administrative burden for both our team and suppliers, minimising duplication of industry-related questions and variations across different company questionnaires. This streamlined approach fosters consistency, improves clarity, and facilitates a more efficient process for all stakeholders.

The adoption of SEDEX also enables us to gather higher-quality data, which supports trend analysis and more targeted risk management. Additionally, it provides the capability to delve deeper into both general and specific risks, identifying opportunities for improvement and driving meaningful change across our supply chain.



Responsible Sourcing and Rain Forest Alliance Compliance: Membership in and adherence to Responsible Sourcing Palm Oil and Rain Forest Alliance principles are integral components of our evaluation strategy.

Internal Policy and Procedure Audits: Regular audits of our internal policies and procedures ensure alignment with our commitment to combating Modern Slavery. Our process ensures policies and procedures remain relevant to evolving business models and compliance with legislation.



Annual Modern Slavery Review: An annual review dedicated to assessing our efforts in addressing Modern Slavery provides valuable insights into our progress and areas for improvement. With the investment in SEDEX to help evaluate suppliers we have significantly improved our process by streamlining risk assessments and improving data quality.

Monitoring Supply Chain Risks: Vigilant monitoring of reports concerning Modern Slavery risks, breaches, or emerging concerns within our supply chain enables us to proactively address potential challenges.



Effectiveness of Remediation Process: The success of our remediation process, aimed at guiding suppliers toward improved practices, is a critical metric in evaluating the overall impact of our initiatives.

These evaluation mechanisms underscore our dedication to continually enhance the effectiveness of our actions in the pursuit of eradicating Modern Slavery from our operations and supply chain. Drawing from our 2023-24 data we will continue our focus toward High risk suppliers and their immediate actions.

CONSULTATION & NEXT STEPS

H.J. Langdon & Co Pty Ltd is a collaborative organisation. Further development and continuous improvement of our ESR framework including Modern Slavery is managed through consultation with all key stake holders within our business and in our supply chain.

Over the next reporting period, we will;

- Support High risk suppliers to reduce their risk exposure.
- Develop a plan to leverage supplier data from all entities within Langdon Group and providing access to the SEDEX RADAR analysis.
- Analyse SAQ's of all Medium and High risk rated suppliers to identify collective opportunities for improvement
- Continue our Labour Hire compliance audits.
- Complete SMETA 4 Pillar audit for Derrimut Australia H. J. Langdon site.
- Continue to deliver on our ESR annual Goals.

Approval

This statement was approved by the Board of H.J. Langdon & Co Pty Ltd and signed by a responsible member of H.J. Langdon & Co Pty Ltd on 24/12/24.



Chris Langdon
Director & CEO of H.J. Langdon & Co Pty Ltd