



MODERN SLAVERY STATEMENT

SCALZO FOODS 2021

This statement has been created to address “Modern Slavery Act 2018 (The Commonwealth Act)” and “The Modern Slavery Act (NSW act)” for Scalzo Foods.

The legislation has been set out to address the risk of modern slavery practices occurring in the supply chains of goods and services in the Australian market.

Scalzo Foods has developed a plan to:

Identify key risk origins and industries we work within.

Raise awareness with our key stakeholders.

Work on continuous improvement in our supply chains.

Scalzo is committed to do business the right way. We hold the highest level of respect for human rights in our supply chains.

Scalzo opposes slavery in all forms. This statement will outline steps taken by Scalzo to identify and minimise the risk of slavery occurring in our supply chains.

We recognise that the supply chains we operate within are extremely complex. We are on an ongoing journey to identify and mitigate risks within our supply chains and we are committed to continuous improvement.

OUR BUSINESS

Scalzo Foods is a privately owned business that began operations in 1977. Our capabilities in ingredient supply and manufacturing expertise have fuelled our development. We're an agile, growth-orientated food business that focuses on innovation and adding value to drive mutually beneficial partnerships.



Our head office is located in Melbourne and we have a further network of offices, warehouses and production facilities across Australia and New Zealand. Our team consists of over 300 employees.

Since 1977, we've been busy building close working relationships with an international network of suppliers across 40 countries. We also work with over 100 suppliers in Australia and New Zealand.

We treat our suppliers the way we like to be treated ourselves. We search for supplier partners that share similar ethics and values.

As representatives of Scalzo, we strive to operate with honesty, fairness and loyalty. We actively seek suppliers who share our core values and commitment to excellence.

Our Scalzo Foods Vendor Assurance Program delivers additional peace of mind. The adherence to strict quality and ethical standards translates to the highest quality ingredients and products. Our strict auditing program ensures we understand risks in our supply chains and we work with our suppliers to uphold the same core values.



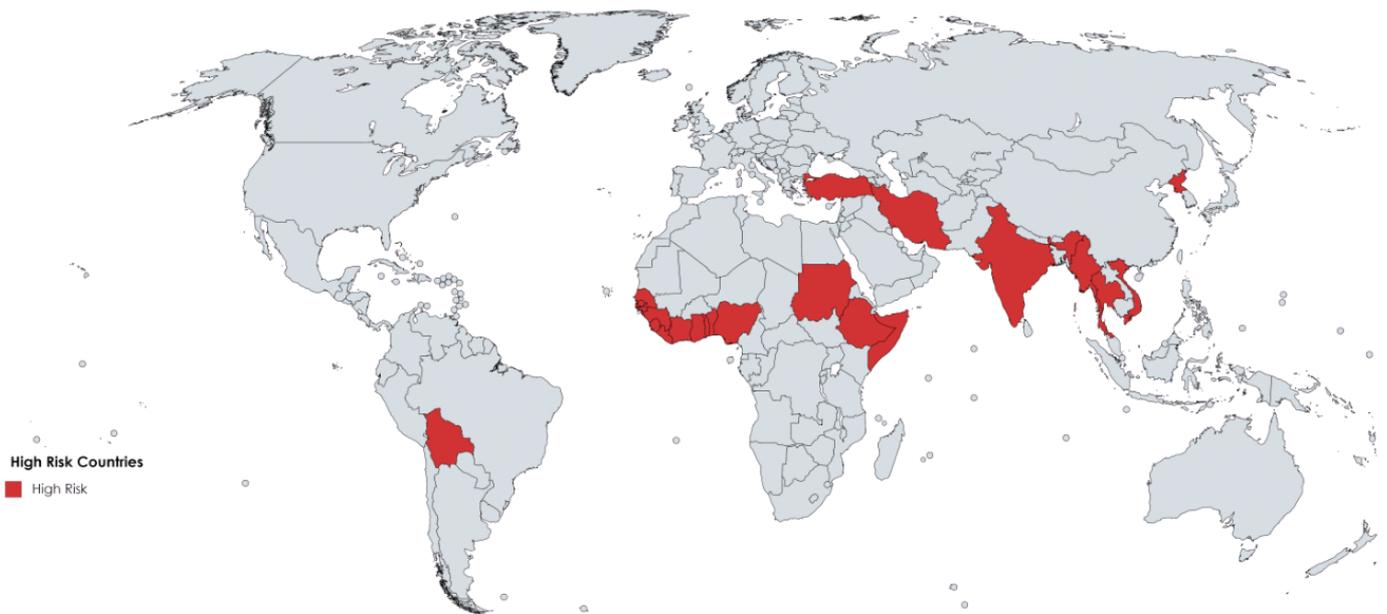
Given the vast volume we import, we believe that our business should create a positive impact on the communities we work within.

The scale of the volume we import contributes to many of our suppliers:

- Sustainable farming programs.
- Community education programs.
- Initiatives to improve quality of life.

MODERN SLAVERY IN OUR SUPPLY CHAINS:

OUR HIGH RISK REGIONS:



Based on the analysis conducted it was concluded that the countries highlighted above were deemed to be high risk for Modern Slavery and that our priority begins within these regions.

OUR COMMITMENT:

Scalzo opposes modern slavery of all forms and upholds the highest level of respect for human rights. A risk analysis was conducted across all origins and industries we buy from. This analysis categorised our suppliers into High, Medium and Low risk.

We have built this plan with assistance from the below resources:

- Outsourced expert advice from [ViaAdvisery](#).
- Considering the country of origin ranking and relevant data available on the [Modern Slavery index](#).
- Researching industries to determine any industry specific modern slavery risks - [Walk free foundation](#).
- Consulting our key stakeholders and our own experience to analyse potential supply chain risks.



Our supplier base has been notified of the new legislation and our audit schedules have been updated.

Our audit checklists and new supplier approval documentation have been updated to include a review of human rights.

Our internal policies to address modern slavery have been updated and sit within the below company statements:

Vision and values statement (**Section No.:** 3.1.1)

Business Ethics and procedures (**Section No:** 3.1.2)

Program to Introduce new suppliers (**Section No.:** 2.2.2)

Our “Human rights agenda” Sits with the Modern slavery team (Vendor Assurance Manager, Head of People Quality and Safety, Product Managers)

Scalzo foods are a member of the SEDEX platform and have undergone a SMETA audit.

Our values are aligned with internationally recognised organisations:

- [United nations declaration of human rights](#)
- <http://www.ilo.org/declaration/lang-en/index.htm>
- <https://www.ethicaltrade.org/eti-base-code>



ACTIONS UNDERTAKEN:

Scalzo Foods has implemented actions to oppose Modern Day Slavery through the following ways:

- Code of Conduct Policy training rolled out to all employees within the business.
- Supplier Approval Program which ensures all new suppliers are assessed through Scalzo Supplier Questionnaires prior to final approval.
- Supplier questionnaires which require all Suppliers to provide information related to Ethical Trading and Modern-Day Slavery.
- SMETA audits for all our sites that also covers the processes within our Supplier Chain.
- Implementing an Environmental Management System to adopt sustainability practices within our framework.
- Whistleblower Policy available to all employees to provide feedback on any aspect of the business practices that may be illegal, unethical or undesirable conduct and practices.
- New Supplier Master Specification updated with reference to Modern Slavery & Responsible sourcing clauses.
- Updated Procurement Contract terms to include references to Modern Slavery clauses.

MEASURING EFFECTIVENESS:

Scalzo Foods plans to measure effectiveness of the actions implemented to oppose Modern Day Slavery through the following ways:

- Through SMETA audits conducted at all Scalzo manufacturing sites covering processes within our Supplier Chain.
- Undertaking Self-Assessment Questionnaires.
- Member of Roundtable on Sustainable Palm Oil initiatives to eliminate forced labour and promote human rights
- MSC Certified for chain of custody of Sustainable fish sources and measures in place to eradicate forced and child labour in the fisheries and seafood supply chains.
- Member of the Rainfall Alliance for the responsible sourcing of Cocoa and Tea products.
- Grievances Policy include Modern Slavery breaches internally and externally in our supplier chain. Remedial measures in place to address these breaches.

CONSULTATION & CONTINUOUS IMPROVEMENT:

- We have prepared this statement in consultation with all entities involved across the Scalzo Trading Co Pty entities. We have implemented actions and due diligence in our practices within our Supplier Chain, Procurement, Quality Department, Corporate offices and our Manufacturing sites to include responsible sourcing and ethical code of conduct in all our activities.
- Monitor ongoing COVID-19 risks to our supplier chain through consultation with our supplier partners and through the assessment of supplier questionnaires.

- Due diligence and risk assessment of our labour hire recruitment agencies through agreed contract terms and auditing of recruitment practices. The labour hire agency must be licensed under the Australian Labour Hire Licensing Act 2018.
- All our employees responsible for working with suppliers are being trained in ethical sourcing. This specialised training provided by CIPS Australia educates the team to identify and mitigate labour related sourcing risks.



- We recognise and understand that many upstream inputs into our products and suppliers' facilities may also hold human rights abuse risks. We have added these upstream inputs onto our risk agenda with an emphasis on this area in the coming 18 months.
- We will be working closely with our suppliers, customers and the food and beverage importers association to achieve continuous improvement.

This statement was reviewed and approved by the Scalzo Board of Directors on the 21st December 2021.

A handwritten signature in blue ink, appearing to read 'Quin Scalzo', positioned above a horizontal line.

Quin Scalzo
Executive Director

