



PFD 2023 Modern Slavery Statement

Financial Year 2023 – 1 July 2022 to 30 June 2023



PFD 2023 Modern Slavery Statement

Contents

1. A message from our PFD CEO
2. Introduction
3. PFD Structure and Operations
4. Modern Slavery Risks
5. Action Taken to Address Modern Slavery Risks
6. Next Steps





CEO Message

I am pleased to share an update on our financial year reporting for 2023. PFD Food Services (PFD) continues its dedication to combating modern slavery, as outlined in our Modern Slavery Statement. This document details the proactive measures taken by PFD to mitigate the risks of modern slavery in both our business operations and supply chain.

As a prominent organisation in Australia, we recognise our responsibility to uphold human rights. At PFD, this entails conducting ourselves ethically for the benefit of our customers, valued workforce, and the communities in which we operate. To fulfill this commitment, we have implemented specific policies in the business to address instances of modern slavery within our operations and supply chain.

However, it is important to acknowledge that, despite our diligent efforts, modern slavery remains an ongoing risk, not only for PFD Foods but numerous other organisations. Our commitment to risk assessments and process enhancements remains unwavering.

In the current year, our focus has centered on advancing and refining our policies and procedures, aiming for seamless integration into our day-to-day operations.

Our approach involves continuous learning and a commitment to understanding how we can progressively improve ourselves as we move forward.

Angus McPherson

Angus McPherson

INTRODUCTION

This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) (MS Act) on behalf of PFD Food Services (ACN 006 972 381) and its wholly owned subsidiary PFD Seafood (together referred to as PFD, we, us or our).

It outlines the actions undertaken in the financial year ending 30th June 2023 to identify, understand and mitigate any modern slavery risks in operations and supply chain. It also outlines key areas for future focus.

PFD is committed to respecting the right of all workers and communities across our supply chain and operation. Our goal is to assess and address our human rights impact.

We recognise that various forms of slavery, such as human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, child labour, and deceptive recruitment, can exist as outlined in the Act. We strongly oppose the practice of modern slavery and are committed to ongoing efforts to identify and eliminate any risks of modern slavery within our business operations.

Additionally, we work closely with our supply chain partners to mitigate the risk of modern slavery.

Our actions are guided by our core values: Customer Focus, Respect, Passion, Simplicity, and Leadership. These values shape our interactions with both our customers and our colleagues.



Customer Focus

Internal or external, know your customer, gain and then preserve their confidence. We can only be successful if our customers are successful.



Respect

Treat other people at work and in the community, as they would like to be treated. Do what you say you are going to do and act safely, responsibly and ethically.



Passion

Share the passion of making us a successful and dynamic company.



Simplicity

Let's minimise the complications of doing business so we provide services to our customers that are on time, accurate and reliable.



Leadership

All of us can be leaders in our day to day working lives. Bring out the best in yourself and the people around you.



STRUCTURE, OPERATIONS AND SUPPLY CHAIN

PFD – Structure and Operations

<p>Our National Office is situated in Victoria, Australia, and we maintain a network of regional warehouses throughout the country. These regional warehouses play a vital role in facilitating our operations.</p>			
Supply Partners	Operations		Employees
<p>988 Active Supply Partners</p>	<p>49 Distribution Facilities 5 Seafood Processing Facilities 2 Meat Processing Facilities</p>	<p>830 Fleet Vehicles</p>	<p>Total Employees 2,748 2,239 Permanent 392 Casuals 117 Part time 128 Contractors</p>





PFD's evolution spans multiple decades, commencing in 1943 within the vibrant atmosphere of the Melbourne Fish Markets. Presently, it boasts a strategically positioned network of branches throughout Australia, equipped with facilities for processing both fresh seafood and meat.

The organisation has fostered a flat and inclusive structure, ensuring active involvement of senior management in daily operations and overarching business strategy. State General Managers oversee various activities such as customer service, distribution, sales, and operations. Essential support is provided by PFD National Office, offering shared services in Human Resources, Technology, Finance and Accounting, Compliance, and Operations.

PFD Foods Ltd operates a national network platform within Australia, with its corporate office located in Knoxfield, Victoria. Overseeing forty-nine foodservice distribution facilities and seven processing facilities, the company has emerged as a key player in satisfying the diverse demands of the Australian foodservice market.

PFD Foods' overarching strategy revolves around creating value through a steadfast commitment to prioritising customer needs. This commitment is reinforced by the establishment of a resilient supply chain network, with supply partners spread across the entirety of Australia. The product portfolio includes over 20,000 items, encompassing both food and non-food products, forming a comprehensive selection designed to effectively address diverse market and customer requirements.

In June 2021, Woolworths Group acquired a 65% equity stake in PFD. This strategic partnership symbolises a shared commitment to ongoing innovation, customer-centricity, and continued investment in the food industry.



PFD – RISK

Risk in Our supply chain

PFD has a large supply chain with over 900 direct suppliers. Currently our modern slavery risk assessment does not include our tier two suppliers. In line with PFD’s present focus on managing modern slavery risks with our direct suppliers we intend in future to scope the inclusion of tier two suppliers in our risk assessments to ensure we assess all potential risk areas.

All of PFD’s direct suppliers are located in Australia or New Zealand. We have conducted a country level risk assessment of our direct suppliers by reviewing publicly available and reputable sources such as the Global Slavery Index to understand whether any of our direct suppliers operate in inherently higher risk countries. Through this we have established that none of our direct suppliers are in countries that the Global Slavery Index or the Trafficking in Persons Report has rated as a high risk country for modern slavery risk.

Key PFD supply chain includes the following major categories:

- Direct suppliers are those suppliers who provide goods that are integral to, or included in, the manufacturing of our products.
- Vendor suppliers refers to suppliers from whom we procure goods for distribution within our customer network.

Direct Suppliers	Meat Products
	Seafood Products
	Good and services that support. head office and regional teams. Includes, amongst other things: software, consulting, third party transport & audit services
Vendor Suppliers	Commodities, Dairy, Meat, Seafood, and fresh and frozen produce. Component and packaging

Although we recognise that certain categories of products and services in our supply chain have an inherently higher risk of modern slavery, and often these risks may be deep in our supply chain beyond our direct suppliers. For example:



- Seafood: forced labour, human trafficking and debt bondage are known modern slavery risks across the global seafood sector. The severity of the risks in seafood varies across locations, species and gear type, and may be influenced by structural challenges including illegal, unreported or unregulated fishing, flags of convenience, and transshipment.
- Meat: inherent risks to workers associated with agricultural product

While recognising the inherent risks associated with meat and seafood, we are committed to undertaking additional efforts and initiatives in 2024 to further mitigate these risks.



Risk in Our Operation

PFD has evaluated the risk of modern slavery within its supply chain. This assessment has considered several key factors:

- PFD has no operations outside of Australia.
- The majority of PFD employees are directly employed in permanent or casual positions under Enterprise Agreements or under the terms of modern awards or common law contracts.
- PFD is compliant to the legal framework that governs working conditions in Australia and are regularly assessed for compliance.
- We only engage with licensed labour hire providers.
- Our recruitment and selection process has strong governance, and all employees must demonstrate their legal right to work in Australia prior to commencement of work.
- PFD Seafood processing facilities are registered on the SEDEX platform and audited against the SMETA 4 pillar standard.
- Whilst the risk is low, we are committed to reducing the risk of modern slavery practices within our operations.

Whilst the risk is low, we are committed to reducing the risk of modern slavery practices within our operations. We will regularly review the risk in our operations and ensure regular assessment of:

- Corporate policies and procedures that are relevant to human rights and modern slavery.
- Labour, employment and recruiting practices.
- Employee modern slavery and human rights training.



ACTIONS TAKEN TO ADDRESS RISKS OF MODERN SLAVERY

In this reporting period, work to implement the Ethical Standards Policy continued from 2021.

The Ethical Standard Policy has been implemented to ensure PFD Food Services policies and procedures adheres to: -

- Bullying and harassment
- Code of conduct
- Modern slavery
- Privacy Policy
- Whistle blower policy
- Continuous disclosure policy (targeted group)
- Counselling and disciplinary policy
- Equal opportunity policy
- Independence and confidentiality policy (select roles only)
- Leave policy
- Securities trading policy (select roles only)



Remediation

Many of our suppliers are large companies with their own processes in place to manage modern slavery risks in their operations and supply chains. In F23, we distributed a modern slavery questionnaire to our direct suppliers to understand what approaches they had in place to manage modern slavery risks. To date we have received 37% of responses and have gained insights into 15% of our suppliers and their efforts in mitigating modern slavery risks.

PFD Food Services is committed to working in partnership with our suppliers to help achieve compliance with our Ethical Standards Policy and implement corrective action processes. In the event where a supplier is unwilling or unable to demonstrate continuous improvement towards full compliance with our standards, the trading agreement between PFD and the supplier will be reviewed.

Grievance Mechanism

PFD has a Whistle Blower Policy and Procedure that allows any employee who is concerned that a PFD director, employee, contractor, supplier, tenderer or other person who has business dealings with PFD has engaged in conduct ("Reportable Conduct") which is amongst other items, unethical, dishonest, fraudulent or corrupt, including bribery or other activity in breach of the PFD's policies. They can safely report the concern, without fear of intimidation, disadvantage, or reprisal, and know a process will be followed to investigate and rectify any found breach. We provide grievance mechanisms for our employees and commit to investigating all allegations of ethical misconduct.

WWW.PFDFOODS.COM.AU

SMETA auditing of PFD facilities.

In 2019, PFD became members of Supplier Ethical Data Exchange (SEDEX). This tool has been utilised to review our operational practices at all PFD seafood processing facilities. Each site has undergone the 4 pillar SEDEX Members Ethical Trade Audit (SMETA) that includes Labour Standards, Health & Safety (plus Environment 2-pillar), Environment 4-pillar, and Business Ethics.

Consultation

PFD wholly owns Fishboys Pty Ltd (ACN 164 015 749). In August 2022, the Fishboys business (including employment of employees) was fully integrated within PFD and ceased to operate as a separate operating entity. The actions identified in F22 were carried across to F23. The Fishboys Pty Ltd shell entity has no residual operations to attest to. We do not own or control any other entities and therefore this criterion is, from August 2022, no longer applicable.



Next Steps

- We will continue to include the Modern Slavery requirement in our internal compliance processes.
- Continue to Engage with suppliers through PFD's Modern Slavery Questionnaire to understand how they are addressing their modern slavery risks.
- Update supplier contracts to require suppliers to comply with all applicable Modern Slavery laws.
- Partner the with Woolworths Group to review our approach to mitigating modern slavery risks and identify any opportunities to align our programs further.

This Statement is Approved by the PFD board on 12/12/23 on behalf of all reporting entities covered by this Statement.