

31st January 2024

Modern Slavery Report – ARYZTA Australia Pty Ltd

ARYZTA Australia Pty Limited (**ARYZTA Australia**) provides this Modern Slavery Statement **relevant to the period 1 August 2022 – 31 July 2023** to the Department of Home Affairs, Modern Slavery Business Engagement Unit.

ARYZTA Australia has taken steps to review and audit its supply chain arrangements and has compiled the necessary information to prepare a Modern Slavery Statement in accordance with the Modern Slavery Reporting Requirement pursuant to the *Modern Slavery Act 2018* (Cth).

As ARYZTA's financial year is from 1 August – 31 July, and this Report covers ARYZTA's full reporting period for the purposes of the Reporting Requirement.

ARYZTA's Australian business has an annual consolidated revenue of more than AUD\$100 million and is therefore required to comply with the national reporting requirements.

1. The Reporting Entity

ARYZTA Australia is a subsidiary of ARYZTA AG (**ARYZTA**), ARYZTA is an international food business with a leadership position in frozen B2B bakery. ARYZTA's customer channels consist of a mix of large retail, convenience and independent retail, Quick Serve Restaurants ('QSR') and other foodservice categories.

ARYZTA Australia recognises that modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking; all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.

ARYZTA Australia is committed to ensuring that their practices are designed to combat slavery, servitude, forced and compulsory labour and human trafficking.





2. ARYZTA Australia's Structure, Operations and Supply Chains

ARYZTA Australia's registered office is at: 5A L1 62 Hume Highway, Chullora, NSW and is wholly owned by ARYZTA AG, which is a public listed company. ARYZTA is listed on the Switzerland Stock Exchanges.

ARYZTA Asia Pacific (APAC)

In APAC, ARYZTA operates seven bakeries across five countries, with an extensive sales and distribution network that spans across twenty countries within the region. ARYZTA's innovative and customizable food portfolio includes croissants, danishes, breads, artisan breads, cookies, donuts, pastries, cakes, muffins, buns, pizza, flatbreads, patisserie and many more. ARYZTA also offers a comprehensive Food Solution Service, supporting the sector with equipment and service options to satisfy all bakery needs.

ARYZTA Australia

ARYZTA Australia supplies to all the major quick serve restaurants, Hotel/Restaurant/Café (HORECA) and retail channels. ARYZTA has 500 employees in Australia, split across three bakeries (NSW & VIC) and two distribution centres (SA & QLD).

ARYZTA Australia both makes products in Australia using both Australian ingredients and imported ingredients and also imports finished products from Europe and America.

ARYZTA Australia's supply chain consists of relationships with external businesses for the sourcing of raw materials as well as the suppliers of services to ARYZTA Australia. As part of their commitment to combating modern slavery and human trafficking, their supplier approval process and due diligence incorporates a review of the controls undertaken by the supplier. The level of management control required in respect of these sources will be continually monitored.

Whilst the majority of ARYZTA Australia's suppliers are based in Australia, the business does have suppliers based in other countries.



3. Risks of Modern Slavery Practices in Operations and Supply Chains

Through a detailed review of companies in ARYZTA Australia’s supply chain to identify where its suppliers in turn source ingredients, products and other materials from, ARYZTA has identified that suppliers source products from a wide range of countries across the world, including:

| Asia Pacific | Europe | Americas |
|--------------|----------------|-----------|
| China | Ireland | USA |
| India | UK | Canada |
| Pakistan | Belgium | Mexico |
| Philippines | France | Brazil |
| Thailand | Hungary | Guatemala |
| Sri Lanka | Serbia | Venezuela |
| Vietnam | Poland | |
| Indonesia | Germany | |
| New Zealand | Denmark | |
| Australia | Netherlands | |
| Singapore | Italy | |
| Malaysia | Spain | |
| South Korea | Czech Republic | |

Whilst the majority of ARYZTA’s Australia’s ingredients and other materials necessary to its production and packaging processes are sourced from Australia (i.e. flours, sugar, starches, fruit, dairy, confectionary, plastics and wrapping), ARYZTA Australia has identified that some of its suppliers source products from countries reported to have a significant prevalence of modern slavery by international organisations and NGOs.

In this respect, ARYZTA Australia has identified that there are products sourced through its supply chain from a small number of countries (identified in the table above in red) that are generally considered to be high risk for modern slavery, indentured servitude and/or forced child labour practices¹.

In terms of industries identified as having a high prevalence of modern slavery practices that ARYZTA Australia may have exposure to in its supply chain, ARYZTA Australia is aware that the cocoa production industry in sub-Saharan Africa has been identified as a high risk industry. ARYZTA Australia’s suppliers of cocoa-based products for production do not source cocoa from any African countries.

¹ See for example *Global Slavery Index* (2018) <https://www.globallslaveryindex.org/> and Verisk Maplecroft *Modern Slavery Index* (2016) <https://www.maplecroft.com/insights/analysis/modern-slavery-index-2016/>



Actions Taken by ARYZTA Australia to Assess and Address Modern Slavery Risks

ARYZTA Australia has a stable long-term relationship with the majority of its major suppliers.

ARYZTA Australia is committed to ensuring that modern slavery is not present within their supply chains. Modern slavery, particularly in the form of forced labour and debt bondage is often hidden from plain sight and is a concerning and growing practice in a number of industries, including agriculture and food manufacturing.

ARYZTA globally has introduced a Modern Slavery and Human Trafficking Policy, which ARYZTA Australia has provided to their suppliers in order that they adhere to the same high standards. ARYZTA's Modern Slavery and Human Trafficking Policy demonstrates their commitment to acting ethically and with integrity in all their business relationships, and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in their supply chains.

Global Supplier Code of Conduct

ARYZTA Australia audits its suppliers from a range of quality control perspectives to ensure products meet ARYZTA Australia's specifications. Additionally, all ARYZTA Australia's suppliers are required to comply with ARYZTA's Global Supplier Code of Conduct, which addresses business practices, modern slavery, adherence to labour laws, and other related expectations:

- Reflects their commitment to conduct their business activities in full compliance with applicable laws and regulations.
- ARYZTA Australia expects its suppliers and all supplier employees to adhere to ARYZTA's Code of Conduct in all business dealings. To ARYZTA Australia's knowledge, all purchased volume from suppliers is compliant with their Code of Conduct and policies
- Key Components:
 - Anti-bribery, anti-corruption requirement
 - Compliance with US Foreign Corrupt Practices Act and all other corresponding European and International laws
 - Avoidance of conflicts of interest
 - Strict policies on gifts, entertainment and hospitality
 - Close regulation of compliance with all environmental laws
 - Compliance with all product quality and safety, laws and regulations, and ARYZTA specifications
 - Freedom of association and respecting the right of workers
 - No forced or compulsory labour
 - Prohibits slavery and human trafficking



- Enforces strict child labour policy
- Employee work hours in compliance with all local laws and regulations; voluntary overtime opportunities for employees
- Fair compensation
- Non-discrimination in the workplace
- Safe and healthy working conditions
- Confidential reporting mechanism for violations of ARYZTA policy
- Through their third-party auditing, any violations relating to child labour or forced/compulsory labour are required to be addressed by the supplier through a formal corrective action plan process
- ARYZTA has had no grievances regarding human rights from their supply chain

Global Employee Code of Conduct

All ARYZTA employees globally are required to sign and comply with ARYZTA's Global Employee Code of Conduct, which relevantly includes:

- ARYZTA's Non-Discrimination Policy
- Guarantee of Freedom of Association
- Anti-Bribery & Corruption Policies
 - All operations are assessed for risks related to corruption
 - Conduct training with mid- and senior-level employees on anti-corruption policies
- ARYZTA's Whistleblower Program
- Prohibition of forced or slave labour
- Political involvement policy
 - ARYZTA makes no contributions to any political party or affiliation
- Employees are trained on human rights policies, sexual harassment, slavery, anti-corruption and human trafficking and other aspects that are relevant

Global Child Labour Policy

ARYZTA has also implemented a Global Child Labour Policy which covers the following:

- Compliance with all established government regulations and standards



- Recognises and supports the United Nations “Rights of the Child”
- Prohibits hiring anyone under the age of 15
- These policies apply to temporary employees along with ARYZTA employees

ARYZTA Australia Supplier Self-Assessment Questionnaire (SAQ)

As part of ARYZTA Australia’s commitment to address modern slavery risks, ARYZTA Australia is taking steps to identify and eliminate the risk of modern slavery occurring within its operations and supply chains. One of the steps ARYZTA Australia has taken in 2022 was to ask all suppliers to complete or update a detailed SAQ. The SAQ addresses, amongst other criteria, a range of questions in relation to compliant labour practices, including:

- worker hygiene and facilities
- compliance with applicable minimum wage and labour laws
- exposure to hazardous materials
- health and safety training
- immigration compliance
- freedom of association and collective bargaining,
- compliance with minimum working age requirements
- policies on prevention of child labour
- maximum working hours requirements
- compliance with anti-discrimination laws

4. Assessing the Effectiveness of Actions to Address Modern Slavery Risks

As at the date of this report, just over 95% of ARYZTA Australia’s suppliers have responded to the SAQ (either by completing the SAQ in the format provided by ARYZTA Australia or by providing their own version or report addressing the stated criteria). ARYZTA Australia is actively working to get the remaining 5% of their suppliers to respond to the SAQ.



Following a detailed review of ARYZTA Australia's supply chain arrangements as part of the SAQ process returned by suppliers, ARYZTA Australia can confirm that there have been no modern slavery risks identified or highlighted to date.

Risk and Compliance

ARYZTA Australia will evaluate the nature and extent of their exposure to the risk of modern slavery occurring in their supply chain on an ongoing basis and will track their activities through the following means in order to measure how effective they have been ensuring that slavery and human trafficking is not taking place in any part of their business or supply chains:

Internal Audit once a year of:

- Payments for minimum wage requirements
- Training records
- Code of Conduct receipts

In the event of risk, they will implement mitigating strategies such as supplier audits and spot checks.

Training

To ensure a high level of understanding of the risks of modern slavery and human trafficking in their supply chains and in their business, ARYZTA Australia will provide ongoing training to employees through their annual Code of Conduct training.

5. Consultation with Entities that ARYZTA Australia Owns or Controls

Not applicable.

6. Other Relevant Information

Nothing further in addition to the above.



On behalf of the Board of Directors of ARYZTA Australia PTY Ltd, and in accordance with section 13 of the Modern Slavery Act 2018 (Cth), we submit the ARYZTA Australia Modern Slavery Statement dated 31 January 2023.

This Statement is submitted by the reporting entity, ARYZTA Australia Pty Limited (ARYZTA Australia) and covers ARYZTA Australia's reporting for the financial year 1 August 2022 – 31 July 2023. ARYZTA Australia does not own or control any other entities.

ARYZTA Australia recognises that modern slavery is a crime and a violation of fundamental human rights. ARYZTA Australia is committed to ensuring that our practices across our global operations are designed to combat slavery, servitude, forced and compulsory labour and human trafficking.

This Statement was approved by the Board of Directors of ARYZTA Australia PTY Ltd, the principal governing body of the reporting entity, on 13th of February 2024.

ARYZTA Australia Board Member

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Sean Masterson
Chairman

ARYZTA Australia Board Member

A handwritten signature in black ink, appearing to read "Nick Schilling", written over a horizontal line.

Nick Schilling
Board Director