



30 June 2023

MODERN SLAVERY STATEMENT

FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2022

This statement is made in accordance with the *Modern Slavery Act 2018* (Cth) by Hilton Foods Australia Pty Limited ACN 613 035 500 (**Hilton Foods Australia**).

Hilton Foods Australia operates meat processing and packaging facilities in Australia. It is wholly-owned by Hilton Food Group plc (**HFG plc**), a company headquartered in Huntingdon, United Kingdom and listed on the London Stock Exchange (LON code: HFG).

This is Hilton Foods Australia's third Modern Slavery Statement and outlines the actions and progress made during the financial year ending on 31 December 2022 to both identify and address modern slavery risks in our operations and supply chain.

1. STRUCTURE, OPERATIONS AND SUPPLY CHAINS

1.1 Overview of Operations

HFG plc is a leading international multi-protein food producer dedicated to serving customers and millions of consumers over the world with high-quality meat, seafood, vegetarian and vegan foods, and ready-to-eat products. HFG plc was established in the United Kingdom in 1994 and listed on the London Stock Exchange in May 2007. HFG plc conducts business in 13 markets across the UK, Europe, Australia and New Zealand operating 24 technologically-advanced food processing facilities. Further information related to HFG plc can be found at the following link: <https://www.hiltonfoods.com/who-we-are/>.

Hilton Foods Australia was established in June 2016 to supply Woolworths Limited (**Woolworths**) stores in Australia. Our business model is to process and pack both natural and value-added meat and plant based raw material products for the Australian retail markets. Processing takes place across meat processing facilities in Bunbury (Western Australia), Heathwood (Queensland) and Truganina (Victoria). Hilton Foods Australia supplies packaged meat and food products to over 1,000 Woolworths stores across Australia.

1.2 Structure

Hilton Foods Australia is a proprietary company incorporated on 16 June 2016 in Victoria, Australia. The company is 100% owned by Hilton Foods Asia Pacific Limited, a company incorporated in the United Kingdom. Hilton Foods Asia Pacific Limited is wholly-owned by HFG plc.



Approximately 1,250 people are employed by Hilton Foods Australia on a permanent, full-time basis. This is an increase from approximately 1,120 in 2021. A further 1,076 people are employed through agency contracts. The permanent employee distribution effective up to 31 December 2022 was:

<i>Australia</i>	Baulkham Hills, New South Wales	11
	Bunbury, Western Australia	168
	Heathwood, Queensland	567
	Truganina, Victoria	504

1.3 Supply Chain

Woolworths sources the meat and meat products processed by Hilton Foods Australia. All food ingredients and packaging materials are sourced by Hilton Foods Australia from Australian and international suppliers. Our supply chain is inclusive of labour hire and the procurement of specialised consulting services. We manage approximately 2,500 suppliers to support our operations.

All materials procured for production are sourced from approved suppliers who are required to provide all required documentation to support product and materials traceability in accordance with company's procurement requirements.

Modern slavery is unacceptable within our business and our wider supply chain, therefore, in 2022, we further improved our supplier assurance program to strengthen compliance with ethical trading principles in line with SEDEX standards. SEDEX is an internationally recognised supply chain transparency platform used to manage and monitor the sustainability of a supply chain. This is inclusive of monitoring and managing labour standards, health and safety, environment and business ethics practices. We have embedded these principles across our operations and are working to achieve the same outcomes with our suppliers.

2. RISKS OF MODERN SLAVERY PRACTICES IN HILTON FOOD AUSTRALIA'S OPERATIONS AND SUPPLY CHAINS

To inform the actions to manage any potential modern slavery risks, several mitigation strategies have been implemented following on the actions identified in the 2020 Modern Slavery Statement. These include:

- Revised procurement frameworks and standard purchasing agreements which explicitly reference the requirements to identify and manage any modern slavery risks. All suppliers working with Hilton Foods Australia are required to acknowledge and comply with these requirements. In 2022, our Supplier Social Responsibility Code of Conduct was introduced and it is now part of our global supplier onboarding process and a condition to supply to our business. In addition, our Supplier Social Responsibility Compliance Requirements outlines the criteria that suppliers must meet to comply with the code.



- Our relationship with labour hire suppliers has been further strengthened which allows us to identify and eliminate the possibility of deceptive recruitment for labour practices, forced labour, debt bondage or child labour. Furthermore, the processes implemented to work with our labour hire partners reflects our own recruitment processes and policies to ensure the suitability of workers for their role and the provision of a safe work environment. This is inclusive of working rights and visa requirements assessments when applicable. The processes to manage labour hire suppliers was audited as part of the SMETA assessments.
- Targeted training and education programs were rolled out to provide training and education tailored to meet the needs of specific groups of employees. All our senior managers have received training detailing the legal framework of the *Modern Slavery Act*.
- We have continued to utilise Foods Connected to manage records and communications with suppliers. Foods Connected allows us to share revised policies with all our suppliers, monitor acknowledgement and acceptance of policies and to conduct desktop assessments of suppliers as part of our due diligence practices. The onboarding of our suppliers to Foods Connected has also increased.
- We have continued collaborating and sharing knowledge and processes with ethical trading experts based in the United Kingdom to support the implementation of best practice across our operations and supply chains.

At Hilton Foods Australia we keep abreast of emerging modern slavery risks and consider how emerging modern slavery risks may be relevant to our operations and supply chain. In particular, we continue to manage the ongoing impact the COVID-19 pandemic has had on the livelihood of our personnel, which can increase the vulnerability of workers in our operations and supply chain to modern slavery risks. Consequently, we have implemented a number of initiatives to support employees and suppliers during the COVID-19 pandemic and successfully managed to maintain the continuity of food supply to supermarkets. We have a robust Employee Assistance Program (EAP) to provide support to our employees on a 24/7 basis.

3. THE ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS OF MODERN SLAVERY

At Hilton Foods Australia we are committed to maintaining best practice in the identification and management of the risks associated with modern slavery in our operations and in our supply chain. We are committed to acting ethically and with integrity in all of our direct and indirect business relationships. The actions to assess and address the risks of modern slavery throughout our operations and supply chains incorporate administrative and operational controls as detailed in this section.

We recognise and acknowledge the potential modern slavery risks associated with the supply chain we manage and the industry sector in which we operate. In response to these risks, we have proactively developed a suitable policy framework to underpin our



compliance with internationally recognised standards and codes including:

- The UN Universal Declaration of Human Rights.
- The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.
- The UN Guiding Principles on Business and Human Rights.
- The UN Global Compact 10 Principles.
- The Base Code of the Ethical Trading Initiative (ETI Base Code).
- The United Nations Convention on the Rights of the Child.

3.1 Policies

Hilton Foods Australia's commitment to respect and honour human rights is clearly articulated in our procurement policies, the Human Rights Policy, the Supply Chain Social Responsibility Policy and in the Hilton Food Group Corporate Social Responsibility Strategy (**Policies**). These Policies are periodically reviewed to assess and address risks of modern slavery and have been published and communicated to our suppliers and stakeholders. These policies include:

(a) Human Rights Policy

In accordance with the Human Rights Policy, Hilton Foods Australia is committed to upholding international human rights standards, ethical trading processes and socially responsible business practices. This policy demonstrates our commitment to ensuring that the human rights of our workers in our own operations and supply chains are respected and protected. This commitment extends to our agency workers.

Every employee has access to fair grievances and resolution programs in accordance with the Human Rights Policy. This policy and access to these programs is communicated to every employee as part of the induction process. We encourage all our employees, including agency workers, to access the support systems we have in place, inclusive of whistleblowing mechanisms. In 2021, we introduced the option for workers to raise anonymous whistleblowing concerns with a competent third-party should a situation emerge requiring additional support.

The Human Rights policy is available [here](#).

(b) Supply Chain Social Responsibility Policy

In accordance with the Supply Chain Social Responsibility Policy, Hilton Foods Australia will take all reasonable steps to ensure that products are sourced only from suppliers who demonstrate and maintain, satisfactory working conditions, pay their employees a fair wage, comply with the relevant local health and safety laws and conform to the following principles (amongst others):

- Employment is freely chosen;
- Freedom of association and the right to collective bargaining are respected;
- Working conditions are safe and hygienic and take considerations to wellbeing;



- Wages are paid in accordance with local employment legislation and markets; and
- No discrimination is practiced.

The Supply Chain Social Responsibility policy is available [here](#).

(c) **2025 Sustainable Protein Plan**

At Hilton Foods Australia, sustainability is at the core of all our operations. We have worked closely with our peers at HGF plc to support the review and redevelopment of our CSR Strategy, which is now known as the 2025 Sustainable Protein Plan.

The 2025 Sustainable Protein Plan introduces robust targets and focus our actions into three pillars: People, Planet and Product. This revised strategy supports a business-wide alignment to deliver long-term benefits for both people and planet while using our scale to drive transformational change. The 2025 Sustainable Protein Plan pillars are presented below.

PEOPLE	PLANET	PRODUCT
VALUING PEOPLE	REDUCING EMISSIONS	BALANCED HEALTHY DIETS
RESPECTING HUMAN RIGHTS	ENHANCING ANIMAL WELLBEING	CIRCULAR PACKAGING
DEVELOPING POTENTIAL	NATURE POSITIVE	RESOURCE EFFICIENCY

The People pillar encompasses our efforts to become a fair and inclusive employer, while safeguarding the welfare and just treatment of all people in the communities where we operate. We also focus on growing and developing our people and ensuring our business is ready for the future. The 2025 Sustainable Protein Plan is ambitious, but we are confident we can achieve the targets set in the plan through close and effective collaboration with our people, our customer and our supply partners.

More information related to the 2025 Sustainable Protein Plan can be found in the 2022 annual report [here](#).

Other policies across our business which address the multifaceted elements of modern slavery are:

- Anti-Bribery and Corruption Policy ([here](#))
- Whistleblowing Policy ([here](#))
- Operational-level Grievance Policies and Mechanisms



- Children's Rights and Child Labour Remediation Policy
- Hilton Foods Accommodation Standard

3.2 Managing Suppliers

At Hilton Foods Australia we have implemented a robust system that reflects our core values and in accordance with our policies to manage our complex supply chain. All suppliers are engaged under either individual service agreements or standard service conditions which incorporate conditions to meet the requirements outlined in the *Modern Slavery Act 2018*. Our requirements and expectations of suppliers is clearly communicated through our service agreements. Furthermore, suppliers are required to warrant and represent that they take all reasonable steps manage modern slavery risks in their operations and supply chains. Any supplier engaged to provide products or services to Hilton Foods Australia agrees to comply with these requirements.

Supplier documentation is managed utilising the web portal Foods Connected which supports auditing, policy sharing and acknowledgement functionality. Foods Connected is used for routine supplier monitoring, due diligence checks and supplier risk assessments.

We are supportive of the work led by HFG plc to develop global ethical risk assessment processes to identify and manage human rights and modern slavery risks within our supply chain and our operations. The preferred risk assessment route to manage suppliers will continue to be SEDEX RADAR in accordance with company and customer requirements. Where suppliers are identified as high risk, they will be prioritised for SMETA (SEDEX Members Ethical Trade Audit) for further assurance. We wish to work collaboratively with our suppliers to eradicate modern slavery and improve working conditions globally.

We actively look to identify actual or potential modern slavery risks in our processing sites to allow us to remediate these where any cases are identified. At the time of the preparation of this statement, we had zero recorded instances of modern slavery cases recorded within our supply chain or our operations.

3.3 Employee Education, Training and Compliance

Our training and education processes have been reviewed in respect to the 2020 plan and training has been provided to all members of the senior management team. This training module is compulsory for all senior managers and refresher training is offered to ensure all senior managers are kept up to date with any changes in processes or requirements.

4. ASSESSMENT OF THE EFFECTIVENESS OF ACTIONS TAKEN TO ADDRESS THE RISKS OF MODERN SLAVERY

We reconsidered the methodology contemplated in 2020 to assess the effectiveness of the actions taken to address the risks of modern slavery and determined that focusing on the continuous review of management practices, risk management practices, incident reporting and monitoring were aligned with the transition to an implementation plan to manage modern slavery risks more holistically. The actions completed during 2022 are summarised below:



Activity	Measurement of effectiveness
Risk identification and mapping	<ul style="list-style-type: none"> ▪ Definition of a framework to identify risks across the supply chain aligned with SEDEX principles. ▪ Identification of high-risk areas within operations and the supply chain and mitigating the risks. ▪ Implementation of trackers to document and trend grievances raised by any employee. ▪ Communication of requirements and policies to suppliers. ▪ Proactive engagement of agency labour providers to verify compliance with our policies and service agreements.
Supplier assurance programs	<ul style="list-style-type: none"> ▪ Self-assessments and documentation checks in Foods Connected. ▪ Suppliers acknowledgement of reviews to policies and the requirements to comply with updated policies: <ul style="list-style-type: none"> ○ 100% of primary suppliers agree to HFG plc Supplier Social Code of Conduct; ○ 100% of new primary suppliers are screening using social criteria; and ○ 100% of high-risk primary suppliers are audited. ▪ High-risk suppliers identified, risks clearly defined, mitigation plans developed and rectifications verified.
Training and education	<ul style="list-style-type: none"> ▪ Training strategy implemented. ▪ Modern slavery awareness training is extended to managerial colleagues.
Supporting continuous improvement and embedding best practice	<ul style="list-style-type: none"> ▪ Continuous engagement with peers to implement best practice. ▪ Completion of internal and external SMETA assessments and the development of action plans to address any gaps or deficiencies. ▪ Best practice communication across the business. ▪ Development and rollout of core HFG plc Agency Labour Standards.

5. PROCESS OF CONSULTATION WITH SUBSIDIARIES OR COMPANIES CONTROLLED BY HILTON FOODS AUSTRALIA

Hilton Foods Australia has developed a process to manage modern slavery risks across all operations. The processes and this Modern Slavery Statement have been developed in consultation with key functional leaders representing areas of operation where risks could be identified.

During the 2022 reporting year Hilton Foods Australia did not own any subsidiaries.

6. LOOKING FORWARD AND KEY ACCOMPLISHMENTS

We are transitioning to operating under the “new norm” in a world post the COVID-19 pandemic. As part of the processes implemented to comply with SEDEX standards, we



have gained several valuable insights on operational best practice related to human rights. Consequently, our management systems are stronger, and our employees feel more connected to our core values. A number of the support mechanisms implemented to manage the effects of the COVID-19 pandemic remain in place and have become a permanent fixture in our business. These include:

- Flexible work arrangements leveraging the implementation of remote work capabilities for support and non-essential personnel.
- Implementation of rapid antigen testing (RAT) onsite – to support the health and safety of essential personnel attending our facilities, a third party was engaged to conduct over 4,500 RATs per week. This screening process ensured our personnel could attend work whilst limiting the possibility of COVID-19 infection.
- Implementation of vaccination hubs onsite – in close collaboration with the State Health Authorities, vaccination clinics were established onsite to vaccinate personnel against COVID-19 as well as against the flu. Vaccinations were voluntary and deployed free of charge.
- Implementation of additional leave entitlements – personnel who may have been directly or indirectly impacted by COVID-19 received additional support.

The positive outcome of these programs was that all operational facilities continued to operate during the COVID-19 pandemic without disruption. This provided employment stability and certainty to our workforce and could have prevented vulnerable workers from exposing themselves to unfavourable working conditions should Hilton Foods Australia have ceased employment with them.

We are continuing to learn about best practice from our collaborative engagement and ethical assessments. Our Global CSR Strategy continues to evolve, and we have developed a set of CSR Strategic Goals that focus on the implementation of the strategy within the Australian context. Specific actions include:

- Completion of internal and external SMETA assessments across all our Australian facilities by December 2022.
- Continuously review our procurement standard agreements and support our suppliers to meet their modern slavery obligations.
- Building transparency tools based on global interoperable traceability systems integrated with ethical assessment criteria.
- Advocacy for improved collaboration with our customer and suppliers to further embed best practice.

We will continue to work with our customer and our suppliers across the markets we service. Our approach to managing the risk of modern-day slavery within our business and supply chain will focus on continuing to building processes and systems that allow us to respond to changing and emerging risks. We will act immediately to address any mistreatment or non-conformances in safety or welfare standards. Where we identify instances of modern slavery, we will ensure remediation to address the cause.



Our culture of sustainability and ethics is vital, and it reflects some of the core values of our strategic compass, including providing an inclusive working environment where everyone at our sites and within our supply chains are valued, respected and able to fulfil their potential.

This Modern Slavery Statement was approved by the Management Board of Hilton Foods Australia Pty Ltd on 21 June 2023.

A handwritten signature in black ink that reads "Melanie Chambers".

Melanie Chambers
APAC Chief Executive Officer
Hilton Foods Australia Pty Limited