

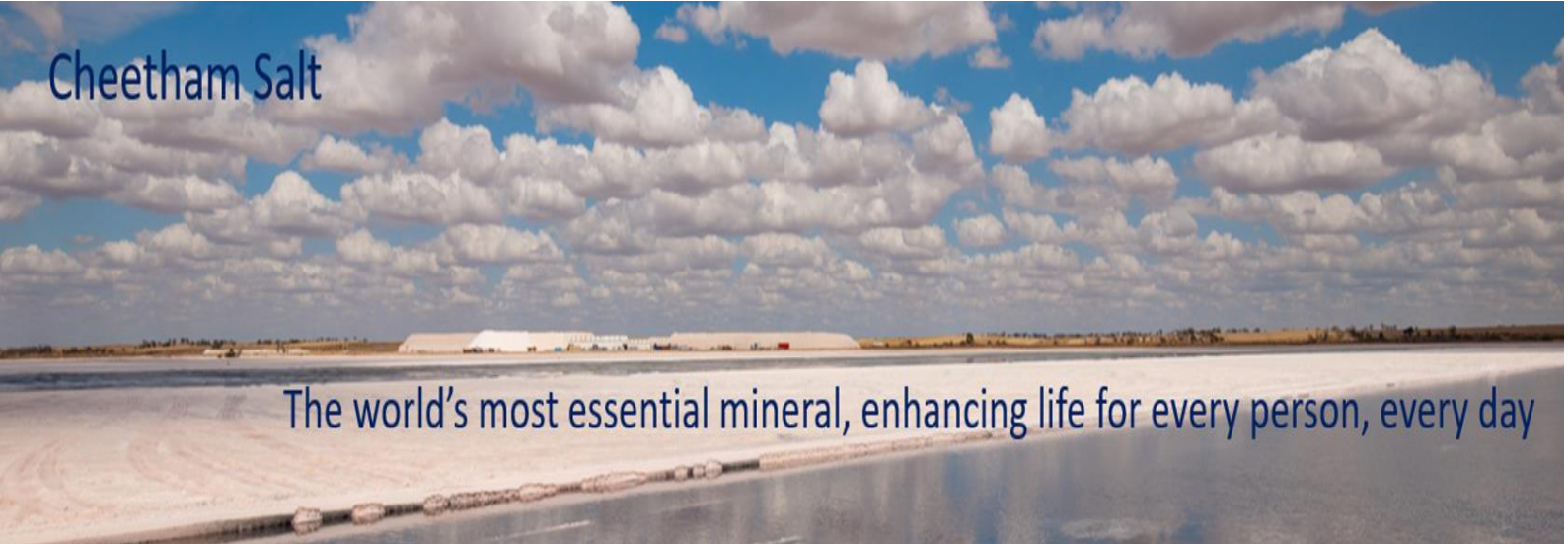


**Cheetham Salt**

# **Modern Slavery Statement 2021**

Cheetham Salt Limited ABN 81 006 926 487

Cheetham Salt



The world's most essential mineral, enhancing life for every person, every day

# Contents

<b>Modern Slavery Statement 2021</b>	<b>3</b>
<b>Introduction</b>	<b>3</b>
<b>Our Business, Operation and Supply Chains</b>	<b>3</b>
Operations	3
Additives and Packaging Supply Chains	3
Services Supply Chains	3
<b>Identifying Risks</b>	<b>4</b>
Operation	4
Sector and Industry Risk	4
Products and Services Risk	4
<b>Mitigation and Remediation</b>	<b>5</b>
<b>Assessing Effectiveness</b>	<b>6</b>
<b>COVID-19</b>	<b>6</b>
<b>Future Focus</b>	<b>7</b>

**Cheetham Salt Limited (ACN: 006 926 487). This statement is published in accordance with the Modern Slavery Act 2018 (Cth). It identifies the steps undertaken by Cheetham Salt Limited to identify, manage and mitigate risks of modern slavery within our operations and supply chains. This Statement is in respect of financial year ending 31st December 2021.**

# Modern Slavery Statement 2021

## Introduction

This is Cheetham Salt Limited's (CSL) Modern Slavery Statement for year ending 31st December 2021, which outlines the steps taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

Modern Slavery is a term that covers a range of exploitive practices including human trafficking, slavery, servitude, forced labour, debt bondage and forced marriage. Modern Slavery is a growing global issue with an estimated 40.3 million people affected and around 16 million people in

forced labour within the private economy. CSL is committed to ensuring these abhorrent activities do not occur within our supply chain or operations.

CSL are members of Sedex and our operations are audited under the SMETA Pillar 4 audit scheme. CSL is committed to continuous improvement and recognises there is much to be done to eradicate Modern Slavery from supply chains, globally. Australia is not immune from the risk and through our ethical trading commitment we will educate our team, discover, mitigate and remediate any risks of modern slavery within our operation and supply chains.

## Our Business, Operation and Supply Chain

Cheetham Salt Limited has been in business since 1888 and is now Australia's largest producer of salt products. CSL also has a salt business in Indonesia which is a wholly owned subsidiary of CSL.

Salt is one of the world's most important minerals and it is essential for life. We all come into contact with salt every day, and it makes our lives better. It preserves and enhances the flavor of our food, it is essential for health and it plays a vital role in the production of medicine and in many other industries.

Cheetham Salt is a vertically integrated business producing solar salt from sea and lake water. Our salt is harvested, washed, dried, sized and packed in accordance with Good Manufacturing Practice, under a quality system that complies with international ISO 9001 Standards. Annually, Cheetham Salt deals with about 1300 suppliers who provide ingredients, additives, packaging and services to our operation.

### Operations

Cheetham Salt's workforce in Australia is made up of around 200 employees and in Indonesia 290 employees consisting of full time, part time and casual arrangements. Our employees are employed either under Contract or Enterprise Award conditions. We engage a small number of labour hire employees to balance fluctuating labour requirements to meet changing production demand throughout the year.

Cheetham Salt operates six solar fields and four refineries throughout Australia with capacity to produce 800,000 tonnes annually. In Indonesia, we operate two solar fields and one refinery with 50% salt from Australian imports and 50% from local sources. Together, the fields and refineries supply salt for every need, from consumer size packs of cooking and table salt to bulk salt for manufacturers to entire shiploads of industrial salt.

### Additives and Packaging Supply Chain

CSL does not have a complex supply base and uses very few additives as inputs into the manufacturing of salt. Additives and packaging are sourced from suppliers ranging from Australian manufacturers to overseas corporations. Foreign based suppliers make up around 2.9% of total number of suppliers, and those consumables are imported either directly from overseas suppliers or through locally based importers, with further processing in Australia or Indonesia.

### Services Supply Chain

CSL sources services to support the operation. These can include information technology, 3PL warehouse and distribution, utilities, pest management, PPE equipment, maintenance and machinery suppliers, general contractors, and specialised services such as auditors, legal and technological specialists.

## Identifying Risks

During the reporting period, CSL developed the process to review and assess modern slavery risks in our operations and supply chain. While the risk of Modern Slavery within CSL's operations is low, there exists inherent risks in our supply chain. CSL will continue to explore opportunities for further improvement in its processes to ensure risk is appropriately managed.

### Operation

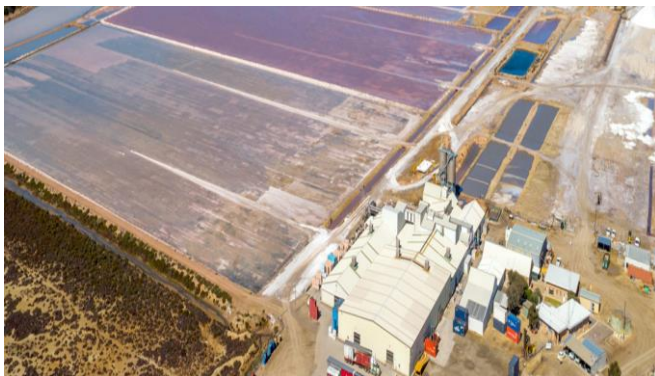
#### **Employment Risk**

CSL is committed to treating employees and prospective employees fairly. CSL already has several processes and policies in place to ensure there is no risk of Modern Slavery within its operation. These include:

- Pre-employment screening, including confirming rights to work in Australia and Indonesia and an understanding of Visa restrictions and requirements (if applicable).
- Employment Contracts and Enterprise Agreements which are in line with Fair Work Australia and Indonesian labour regulations.
- A number of policies which ensure the fair and equitable treatment of CSL employees, contractors and suppliers. These policies are described below under "Mitigation and Remediation."
- Sedex SMETA Pillar 4 audits of our operation.

#### **Sector and Industry Risk**

CSL operates in the agricultural and manufacturing sectors. Agriculture is recognised as a high-risk industry globally. Our operation does not utilise migrant and/or itinerant labour. We do deal with several contracted companies within our operation. All employees working for contracted companies are required to comply with all CSL policies and Codes of Conduct.



#### **Products and Services Risk**

In Australia, where possible, CSL deals with Australian based companies. Other businesses and contractors engaged by CSL are generally Australian based and the risk of modern slavery within these companies is considered low.

Foreign sourced products such as additives and packaging may present a risk because we do not have full visibility of the supply chain, and we may be inadvertently supporting modern slavery practices. The geographic location where many of these supply partners operate from are deemed to be high risk under the guidance provided by Global Slavery Index (2018) (GSI).

We also identified that our approved supplier process does not have sufficient rigour in assessing modern slavery risks.

#### **Identified Potential Risk**

We identified that the potential high risk areas for CSL are:

- Our approved supplier program and ongoing review of associated modern slavery risk.
- Finalisation of our Vendor commitment to our policy on ethical sourcing and responsible trading for high-risk vendors.
- Education and awareness training on our policies can be bolstered and made more visible throughout our workplace.

We made significant progress across these areas in 2021 and the above risks will continue to be reviewed and refined over future reporting periods.



## Mitigation and Remediation

We believe in the fair and equitable treatment of all employees and supply partners we work with. We work hard every day to ensure that we provide a workplace that everyone is proud of. The employment conditions and remuneration of each employee is in line with all employment legislation and industrial awards.

CSL also invests heavily in the health and wellbeing of our employees through several programs and policies.

CSL expects any organisations or supply partners we deal with will place the same value on ethical workplace conditions.

CSL has a number of policies in place which underpin our desire to be a reputable company where the fair and ethical treatment of people is at the core of what we do. Training is provided on these policies. Compliance issues with these policies and remediation is captured in our compliance data base system and properly investigated.

### CSL Ethical Sourcing Responsible Trading Policy

This policy sets out the minimum standards of behaviour that we expect of our team members, customers, contractors and suppliers.

At CSL we are committed to sourcing products and services, and conducting business in an ethical and responsible manner. We do this by considering the welfare of workers, health and safety and potential environmental impacts in the locations where we operate.

This policy is based primarily on Ethical Trade Initiative (ETI), International Labour Organisation (ILO) Convention and Modern Slavery Act.

We recognise that there will be supply partners in some industries and geographic locations that will find it more difficult to meet our policy. In those cases, we will expect such partners to demonstrate continuous improvement and be transparent with us about issues they identify.

### Anti-Bribery and Anti-Corruption Policy

CSL anti-bribery and anti-corruption policy sets out the standards required of all CSL employees to refrain from any activity that is, or could be alleged to be, corrupt including in the nature of a bribe or otherwise inappropriate payment or inducement.

### CSL Whistleblower Policy

CSL is committed to the highest standards of conduct and ethical behaviour in all business activities and to promoting and supporting a culture of honest and ethical behaviour, corporate compliance and good corporate governance.

CSL encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving CSL and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.

The whistleblower policy provides a guide to report any unethical and inappropriate conduct or concerns such as fraudulent, corrupt, illegal activity, or a complaint related to modern slavery. Complaints can be made anonymously, and we have appropriate measures in place to protect any whistleblower. All allegations received are investigated by an independent and objective investigation team. The investigations are conducted to maintain both the confidentiality of the matter investigated and to protect the identity of the whistleblower. The outcomes of investigations are reported to senior management. Under the policy, all whistleblowers are protected from detrimental conduct, such as reprisals and retaliation.

During F21, our subsidiary company received one report of concern regarding allegations of improper conduct. The matter was investigated and remediated in line with our policy.

### SEDEX (Membership No. ZC1062159)

CSL is a member of Sedex, which stands for Supplier Ethical Data Exchange, which is an online system that allows companies to maintain data on ethical and responsible practices and allows this information to be readily shared with stakeholders.

CSL were audited in F21 under the SMETA Pillar 4 Standard, which is Sedex's social auditing methodology, enabling businesses to assess their sites and suppliers to understand working conditions in their supply chain. We are pleased to share that no major non-conformances were raised.

What is social auditing? A social audit is one of the best ways to understand the working conditions at a workplace. An independent auditor physically attends the site, or workplace, of a business, enabling the auditor to assess the conditions on the ground. Social audits enable businesses to assess their suppliers, monitor health and safety for workers, and zero tolerance of human rights abuses such as child and forced labour.

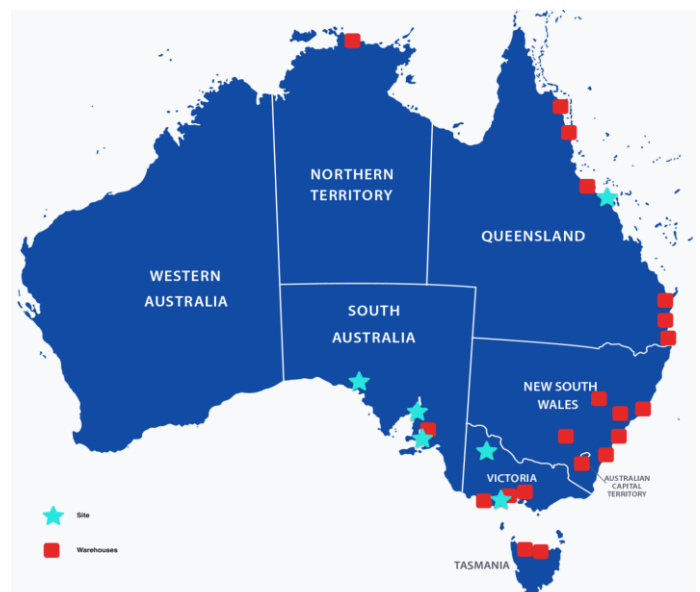
## Assessing Effectiveness

We will continue to develop and modify the approach we take to identify and manage modern slavery risk. CSL has identified ways to measure effectiveness of our endeavors undertaken to minimise the risk of modern slavery within its supply chains and operation, and these are tabled below.

Workstream	Activity	Measurement
<b>Governance</b>	<ul style="list-style-type: none"> <li>• Board Oversight</li> <li>• Team Member Training</li> <li>• Policy Reviews</li> <li>• Vendor commitment</li> <li>• Sedex SMETA audits</li> <li>• ISO45001 Safety audits</li> </ul>	<ul style="list-style-type: none"> <li>• Add to management meeting</li> <li>• % of team trained on relevant policies</li> <li>• Complete annual policy reviews</li> <li>• % of Vendor's commitment to our policy</li> <li>• Maintain independent 3<sup>rd</sup> party audit program</li> <li>• Maintain independent 3<sup>rd</sup> party audit program</li> </ul>
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>• Supplier Onboarding and Risk Assessment</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier risk-based assessments and performance measures</li> </ul>
<b>Monitoring</b>	<ul style="list-style-type: none"> <li>• In-house audits</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance audits completed annually</li> </ul>
<b>Grievance Mechanisms</b>	<ul style="list-style-type: none"> <li>• Channels and mechanisms for grievances to be raised</li> <li>• Cases remediated</li> </ul>	<ul style="list-style-type: none"> <li>• Total number of issues raised</li> <li>• Number of cases remediated</li> </ul>

## COVID-19

The COVID-19 pandemic continued to increase the vulnerability of workers in our operations and supply chains. CSL priorities focused on protecting the health and wellbeing of our people and keeping our operations open to ensure the delivery of essential goods and job security. Up to 30% of staff had been infected with the COVID-19 virus, despite extensive protective measures deployed. Almost all were community transmissions. There have been no acute or chronic illness associated with these cases. All but one F21 commitments were completed with more work required in our employee education program.



CSL site locations in Australia

## Future Focus

CSL is committed to identifying and remedying modern slavery risks within our supply chain and operations.

### F22

---

- Ongoing review of current approved supplier program and risk assessments (questionnaire and vendor commitment declaration)
- Continue awareness raising programs for team members and training on policies
- Complete re certification audits against Sedex Smeta Pillar 4 Standard in our subsidiary Indonesian operation
- Conduct annual review of our Ethical Sourcing Responsible Trading Policy
- Attain ISO45001 Safety Certification
- Streamline ESG reporting
- Continue WGEA (Workplace Gender Equality Act) reporting and implementing initiatives

**This statement was approved by the board of Cheetham Salt Limited on 30 June 2022.**

---



**Andrew Speed – Director**

**Cheetham Salt Limited**

30 June 2022

Cheetham Salt Limited

Level 6,565 Bourke Street, Melbourne, VIC 3000

Ph: +61 3 8624 6800 | Fax: +61 3 8624 6880

Toll Free: 1800 032 046 | [www.cheethamsalt.com.au](http://www.cheethamsalt.com.au)

