

# Modern Slavery

Statement 2023







Serve a better future  
by enriching people, communities and the planet.





# Acknowledgment of Country



Image Credit: "Compass Group's Journey" by Chern'ee Sutton – contemporary Indigenous Artist from the Kalkadoon people.

Compass Group Australia wishes to acknowledge the Traditional Custodians of the lands and waters throughout Australia.

We recognise their strength and resilience and pay our respects to their Elders past and present, and emerging. Compass Group Australia extends that respect to all Aboriginal and Torres Strait Islander people and recognises their rich cultures and their continuing connection to land and waters.

Aboriginal and Torres Strait Islander people are advised that this report may contain names and images of people who are deceased. All references to Indigenous and First Nations people in this report are intended to include Aboriginal and/or Torres Strait Islander people.

### *Forward-looking statements*

*This statement contains forward-looking statements in relation to Compass Group Australia, including statements regarding Compass Group Australia's opinions, targets, commitments and expectations, market and industry conditions and risk management practices. Such forward-looking statements are based on management's current information, assumptions and projections (including financial, market, risk, regulatory and other relevant environments that may affect Compass Group Australia in the future), and by their nature subject to known and unknown risks, uncertainties and assumptions. Actual results, performances and developments may be materially different from the forward-looking statements expressed in this Statement.*

# Contents



<b>Our Commitment</b> .....	5
~ Our Modern Slavery Focus Areas.....	7
~ In FY23 Reporting Period.....	9
<b>1. Introduction to Compass Group Australia</b> .....	10
~ Our Structure and Operations.....	11
~ Modern Slavery Governance Framework.....	13
~ Our Operations.....	14
~ Our Services.....	15
~ Our Supply Chain.....	16
<b>2. Our Modern Slavery Risk Areas</b> .....	17
~ Internal Operating Factors.....	18
~ External Operating Factors.....	19
<b>3. Actions to Assess and Address Risk</b> .....	20
~ Addressing Risks in our Internal Operating Environment.....	20
~ Policy and Standards.....	22
~ Addressing Risks in our Supply Chain.....	23
~ Training and Awareness.....	26
<b>4. Assessing the Effectiveness of our Actions</b> .....	27
~ Our Supply Chain.....	28
<b>5. Consultation Process</b> .....	29



# Our Commitment



## Serve a better future

by enriching people, communities and the planet.

As a global leader in food services, Compass Group always strives to do what's right; for our people, our customers, our shareholders, the planet, and the communities we serve.

In 2023, we launched our official purpose: *"At Compass Group Australia, we serve a better future by enriching people, communities and the planet."*

This purpose is at the core of what we do and the key driver behind our strategic framework, containing our promises, ambitions, goals, values and commitments.

Our purpose reflects our four key beliefs that:

- Everyone should be seen and nourished as a whole person
- Great service starts with understanding what people value most
- To positively impact a community, we must respect what makes it unique
- Positive change for our planet's future starts with better choices today

To achieve this, we are committed to maintaining strong governance and high ethical standards throughout our global operations, to conduct business with integrity, to never compromise on safety, and to treat others with kindness and respect.

Compass Group's success and future growth depends on everyone upholding these commitments. Because, whatever our role in Compass Group, how we act and behave can affect how we are viewed and impact the trust that our stakeholders have in us.





This is Compass Group Australia's fourth Modern Slavery Statement and showcases the evolution of our systems and processes, designed to support our "Eradicating Modern Slavery in our Supply Chains" policy first issued in 2019. Since then, we launched and continue to grow our WorldFirst™ ethical sourcing framework, supporting our operations and our clients through our ethical procurement policies, processes and supply chain investments.

We continue to invest in our strategies, tools and processes to identify and mitigate potential risks of modern slavery across our operations and supply chain including our continued progress with Sedex (Supplier Ethical Data Exchange) and our newly introduced Third Party Integrity Due Diligence policy. We continue to be supported and guided in these endeavours by our ultimate parent company, Compass Group PLC, which is listed in the UK and is committed to complying with the Modern Slavery Act 2015 (UK).

We are proud to share the continuing practices and progress we have made in the key focus areas identified at the onset of our modern slavery eradication journey and in alignment with our Compass Group Australia Purpose.



**Joanne Taylor**  
Managing Director  
Compass Group Australia  
21<sup>st</sup> March 2024



**Andrew Brightmore**  
Executive Director  
Foodbuy Australia  
21<sup>st</sup> March 2024



## OUR MODERN SLAVERY FOCUS AREAS

FOCUS AREAS	STATUS/PROGRESS
<p>1. Continually reviewing and assessing our sourcing, contracting, supplier selection processes and technologies through our centralised and globally recognised procurement business, Foodbuy Pty Ltd.</p>	<p>Compass Group Australia piloted the new Third Party Integrity Due Diligence policy, through a newly developed tool leveraging the global OneTrust platform. This has added an additional source of supply chain data and is now mandatory for all new supplier engagements as part of our procurement, sourcing and mid-contract supplier risk assessment processes.</p>
<p>2. Actively communicating our expectations to our suppliers and enforcing standards through our contracts.</p>	<p>Our dedicated Supply Chain Sustainability &amp; Risk team leads our relationship and progress with the Sedex organisation including the design and hosting of specific training events and guidance webinars, the most recent event attended by 120 representatives across 97 suppliers.</p>
<p>3. Conducting targeted audits through third parties and partnerships with industry expert organisations.</p>	<p>We continue to use Sedex, suppliers' ethical certifications, and third-party audit findings, to assess the risks of modern slavery. During the Reporting Period, we focussed on SMETA audits which resulted in identifying non-compliances in various suppliers. We actively work with our suppliers to ensure that adverse findings are proactively addressed and take appropriate action where high risks are identified.</p> <p>Our approach includes a requirement for our strategic suppliers to commit to a formal SMETA audit as part of their contractual terms with our business coupled with additional audits during the contract life-cycle when trading conditions and risk profiles may change.</p>



## OUR MODERN SLAVERY FOCUS AREAS (cont)

FOCUS AREAS	STATUS/PROGRESS
<p>4. Investing in targeted training for our teams, supported by the learnings from Compass Group's global, multi-disciplinary Human Rights Working Group.</p>	<p>Modern slavery awareness training is mandatory for everyone in our procurement business, and we continue to maintain 100% training completion rates for our procurement team.</p> <p>Modern slavery awareness training for the wider Compass Group team continues to be rolled out via Compass Group's global training platform with a focus on leaders though a risk-to-role basis, and also through internal legal compliance training sessions.</p> <p>Best practice and learnings continue to be shared amongst Australia and the global Compass Group community via the multi-disciplinary HRWC (Human Rights Working Group) which meets monthly.</p>
<p>5. Providing our people with access to the independently operated helpline <i>SpeakUp!</i> to report any concerns relating to modern slavery.</p>	<p><i>SpeakUp!</i> continues to be used as the confidential and anonymous (if preferred) channel to raise sensitive concerns. In the Reporting Period there were no modern slavery-related concerns raised through <i>SpeakUp!</i>. It is provided to both our own employees and extended to those across our supply chain in addition to being available through our Foodbuy website.</p>
<p>6. Investigating and addressing concerns that are identified at the very highest levels of our Australian Leadership Team.</p>	<p>The Australian Leadership Team is accountable for investigating all relevant matters, whether raised from internal or external sources.</p>

As market leaders in our industry, Compass Group Australia continues to be aligned with the aims of, and remains committed to, complying with the *Modern Slavery Act 2018* (Cth), and will continue to both invest in and work towards the ultimate goal of eradicating modern slavery worldwide.





## IN FY23 REPORTING PERIOD:

- 100% of our national Foodbuy team have been trained in modern slavery risk awareness through both initial induction with our new starters through to continual refresh training
- Targeted modern slavery training delivered to mid- and senior-level management across Compass Group Australia
- Launched Compass Group's new Third Party Integrity Due Diligence Policy, including dedicated training sessions for the Procurement team
- In line with our published strategy, we've reviewed 79% of our high-risk categories spend for modern slavery risks
- Continue to progress against our four-year Modern Slavery Plan, including review of our designated high-risk categories and the next phase of supplier auditing
- Presented a webinar on Sedex to 120 representatives from 97 suppliers, led by the Supply Chain Sustainability & Risk Manager, to encourage the awareness, onboarding and use of Sedex across all suppliers
- Continued commitment, attendance and participation in the global Human Rights Working Group in sharing both best practice insights and case studies with our global Compass Group peers
- Implemented the requirement for formal and independent SMETA audits to be conducted by our strategic suppliers as part of our standard supply contracts
- Financially investing with select suppliers, including both SME and social enterprises, to undertake and complete SEDEX SAQ alongside independent SMETA auditing.

# 1. Introduction to Compass Group Australia

This statement has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) (**Act**). It describes the steps Compass Group (Australia) Pty Ltd (ABN 41 000 683 125 of 35-51 Mitchell Street, McMahon's Point, NSW 2060) (**CGA**) and its wholly owned or controlled subsidiaries have taken between 1st October 2022 to 30th September 2023 (**Reporting Period**) to identify, assess, and take action to eradicate potential modern slavery risks in Compass Group Australia's operations and supply chain.

The following CGA subsidiaries are Reporting Entities for the purposes of the Act.

- Compass Group B&I Hospitality Services Pty Ltd  
ABN 82 089 388 143
- Compass Group Defence Hospitality Services Pty Ltd  
ABN 80 089 388 134
- Compass Group Education Hospitality Services Pty Ltd  
ABN 60 129 203 998
- Compass Group Healthcare Hospitality Services Pty Ltd  
ABN 79 114 320 615
- Compass Group Remote Hospitality Services Pty Ltd  
ABN 98 113 561 363
- Delta FM Australia Pty Ltd  
ABN 64 157 852 054

This joint statement is made by CGA on behalf of the Reporting Entities and all of CGA's other wholly owned or controlled subsidiaries (**Compass Group Australia**).

CGA's Board and Australian Leadership Team have approved this statement and support Compass Group Australia's efforts to eradicate modern slavery.







## OUR STRUCTURE AND OPERATIONS

Compass Group Australia operates several brands, including ESS, Omega Security, Medirest, Eurest, Chartwells, Delta FM, Rapport, Morrison Living, 28 Villages and Restaurant Associates. We provide a broad range of food and beverage catering and facilities management services, including employee and student dining and food halls, retail and vending solutions, corporate and events catering, fine dining and concierge services, front of house and reception services, client site maintenance, cleaning and accommodation management, patient and resident meals, security and facilities management and supply chain design and management services.

Our operations across Australia are extensive and include both onshore and offshore facilities, reflecting our diverse client base encompassing schools and universities,

hotels and cultural institutions, major venues, the energy, resources and Defence sectors, hospitals & aged care facilities, and business & industry. Compass Group Australia also has a small operational presence in Timor-Leste.

CGA and the Reporting Entities are companies incorporated in Australia. CGA's ultimate parent company is Compass Group PLC, which is listed in the UK and has operations throughout the world. Compass Group PLC shares our goal of eradicating modern slavery and has published its own Modern Slavery Statement pursuant to the provision of section 54 of Modern Slavery Act Statement 2023 (UK), found [here](https://www.compass-group.com/content/dam/compass-group/corporate/Who-we-are/Policies/modern-slavery-act-statement-2023.pdf)\*

\*<https://www.compass-group.com/content/dam/compass-group/corporate/Who-we-are/Policies/modern-slavery-act-statement-2023.pdf>



**AS COMPASS AUSTRALIA, WE...**

# Serve a better future

by enriching people, communities and the planet.

**And we do this because we believe that...**



Everyone should be seen and nourished as a whole person



To positively impact a community, we must respect what makes it unique



Great service starts with understanding what people value most



Positive change for our planet's future starts with better choices today





## MODERN SLAVERY GOVERNANCE FRAMEWORK

As one of the largest catering and support services companies in Australia, we recognise and value both our responsibility and the positive role we can play in helping to eradicate modern slavery. We are aware of the inherent

risks modern slavery can pose from the internal and external operating factors and have embedded ethical business practice requirements both through our policies and organisational structure.

Figure 1: Compass Group (Australia) Pty Ltd's modern slavery governance framework





## OUR OPERATIONS



## Our Australian Footprint

Hundreds of thousands of people around Australia rely on us to not only provide their breakfasts, lunches and dinners but a full range of support services. We partner with our clients to create tailored service solutions that deliver exceptional quality and value for money for their customers and employees.



**40** countries with more than


**500,000** employees serving

**5.5** billion meals
 

delivering the same superior standards of service globally, daily, personally.



## OUR SERVICES



Canteens & Food Halls



Security Services



Retail & Vending solutions



Venues & Events



Fine Dining



Corporate Catering



Patient & Resident Services



Facilities Management



Design & Construction



Cleaning & Accommodation Management



Health & Wellness



Airline Lounge Passenger Service



Logistics & Transport Services



Guest Services



### VENUES & EVENTS

Providing catering, special event and support services to leading leisure venues including galleries, museums and zoos.



### BUSINESS & INDUSTRY

Meeting the food and support service needs of clients from consumer retail to in-house staff canteens.



### FACILITIES MANAGEMENT

Offering our clients both hard and soft FM services, supported by Intelligent FM technology.



### EDUCATION

Providing specialist food, hospitality and management services to schools and universities throughout Australia.



### SECURITY SERVICES

A specialist division providing clients with tailored security services including personnel, electronic monitoring and emergency response.



### OFFSHORE & REMOTE

Supplying food and associated support services to remote mining and construction camps and offshore platforms.



### DEFENCE

Supplying food and associated support services to the Australian Department of Defence.



### HEALTHCARE & SENIOR LIVING

Providing non-clinical services to hospitals and residential aged care homes including catering, cleaning, laundry and maintenance.



## OUR SUPPLY CHAIN

Compass Group Australia's operations rely on an extensive and complex supply chain of over 3,500 suppliers and subcontractors. To ensure best practice and procurement due diligence, Compass Group Australia operates a wholly owned and dedicated centralised procurement and supply chain business, [Foodbuy Pty Ltd](https://foodbuy.com.au/)<sup>†</sup>. Foodbuy Australia is responsible for sourcing, contracting, and providing the technology and capability to appropriately manage the supply of products and services used across Compass Group Australia's operations in addition to separate Foodbuy Australia clients. This includes food and beverage production and distribution, cleaning consumables and supplies manufacturing and distribution, vehicles, IT equipment,

PPE, logistics, labour hire, and services provided by subcontractors such as trades. We hold our suppliers to the same ethical standards and expectations as we do our direct operations.

Both Compass Group Australia and Foodbuy Australia recognise the shared values of their Australian-based producers and suppliers, Aboriginal and Torres Strait Islander businesses, and Small and Medium Enterprise supply partnerships. Despite all efforts to procure locally, some of the products we use are sourced from international suppliers, and we acknowledge that our direct Australian-based suppliers may rely on their own complex international supply chains.

<sup>†</sup><https://foodbuy.com.au/>



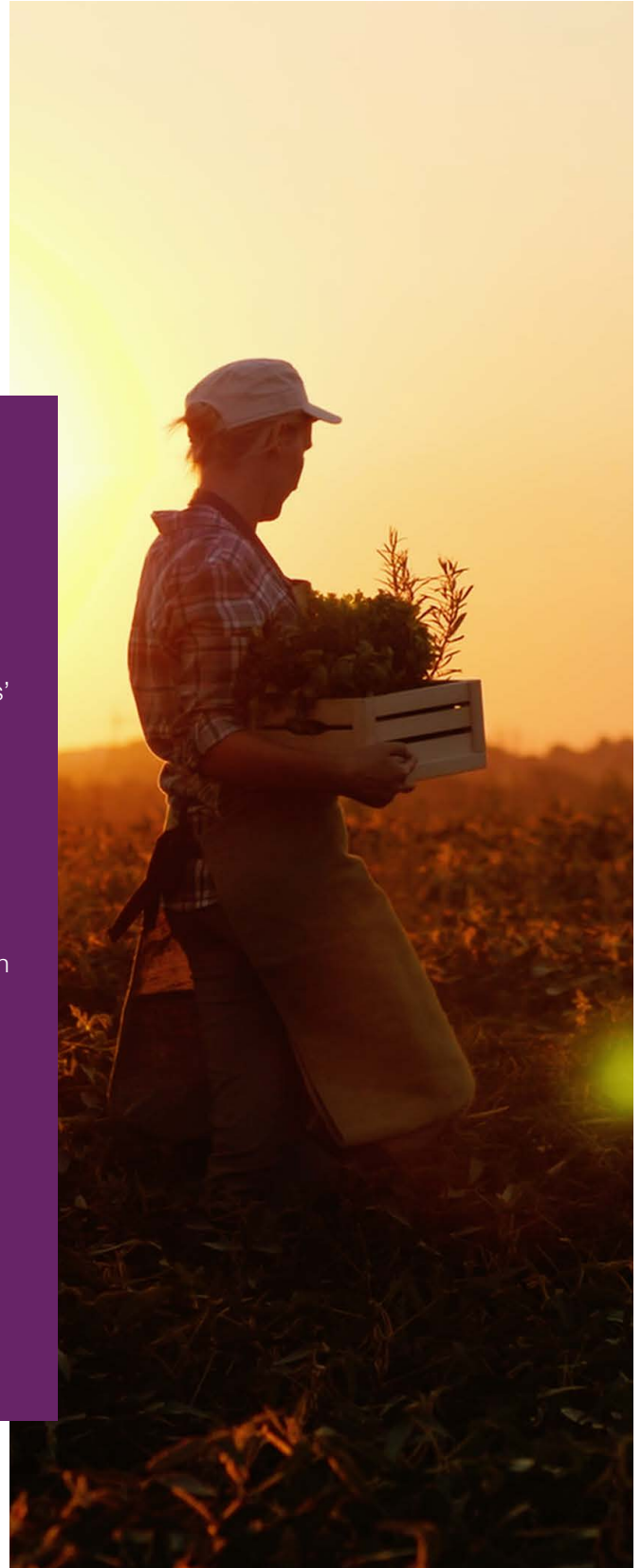
## 2. Our Modern Slavery Risk Areas

The nature of our operations is associated with delivering hospitality and support services, which are recognised by the International Labour Organization (ILO) as potentially posing higher risk of modern slavery, compared with some other industries.

In identifying and assessing the risks of modern slavery within our operations and supply chain, we utilise an extensive risk-based approach and a set of tools, processes, and information, including:

- The International Labour Organization's publications and research, including the Ethical Trade Initiative Base Code for Labour Standards
- Sedex (Supplier Ethical Data Exchange) risk assessment tools and supplier self-assessment questionnaire
- SMETA (Sedex Members Ethical Trade Audit) audits and other third party labour audits conducted at our suppliers' facilities
- A mandatory and robust internal Supplier Risk Assessment conducted prior to onboarding a new supplier, including our new Third Party Integrity Due Diligence policy
- Regular supplier visits and performance reviews conducted by our Procurement team in collaboration with the Health, Safety, Environment, and Quality teams
- Guidance and learnings from Compass Group PLC's Global Human Rights Working Group
- Outcomes of publicly available relevant investigations
- Engagement with consultants and specialist subject matter experts to assess internal labour hire and payroll systems
- Information and escalation from our *Speak Up!* anonymous whistle-blower program available to all Compass Group employees and suppliers.

Compass Group Australia identifies and assesses modern slavery risk arising from internal and external operating factors separately, allowing for flexible and targeted risk management, monitoring, and prevention.



## INTERNAL OPERATING FACTORS

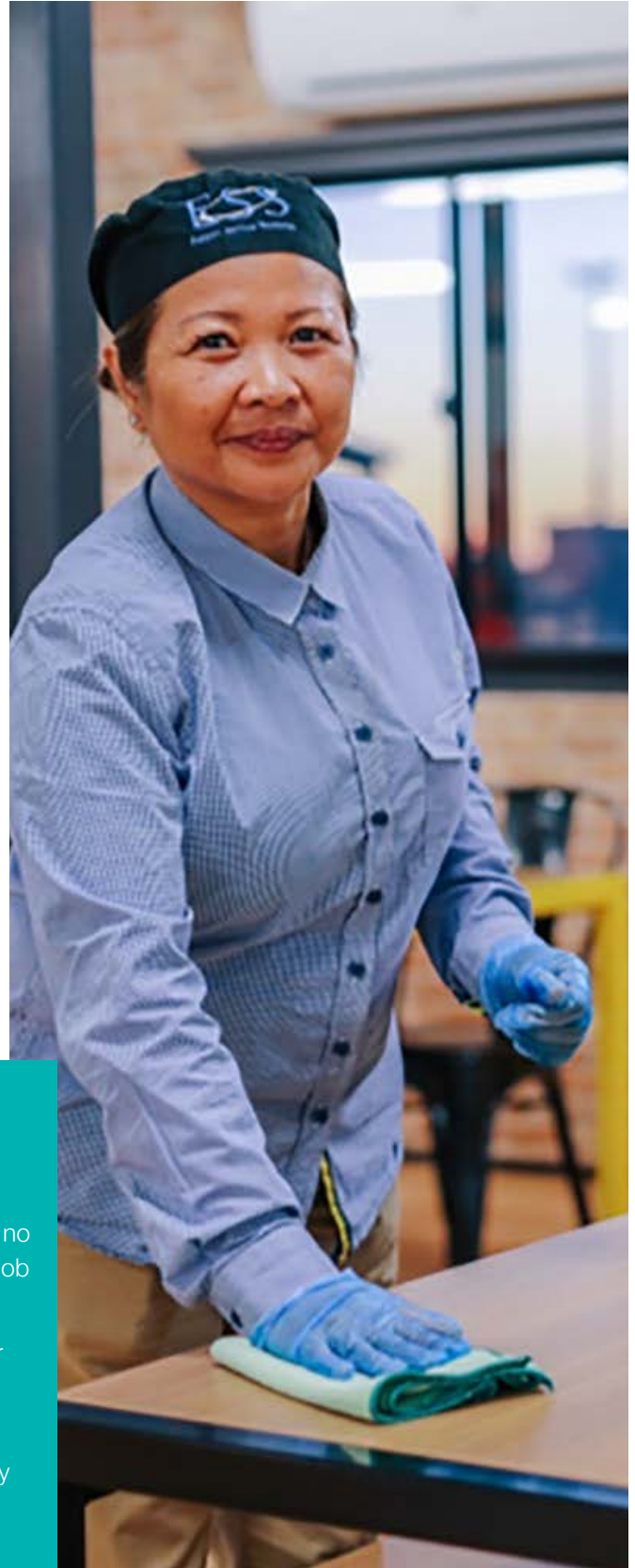
We continually assess and review the recruitment and working conditions within our own operations and client sites under our management. This includes regular review of our human rights policies and frameworks in relation to the communities where we operate, safeguarding workers' rights, Indigenous Peoples' rights and community wellbeing.

During the Reporting Period, we focussed on the following identified potential risk areas within our internal and external agency recruitment process:

- Verification of age
- Entitlement to work
- Language competency
- Labour hire
- Payment accuracy
- Excessive hours and overtime
- Salary bondage.

Reflecting on the significant changes in the Australian labour market and employment environment since the early 2020s (predominantly due to the COVID pandemic), our operations have required an increased use of labour agencies to ensure the continuity of service provision to our clients. Since the use of labour hire agencies is inherently associated with a higher risk of modern slavery, compared to sourcing through our own recruitment team, in the Reporting Period we have:

- ✓ Developed and embedded additional strategies and processes to further clarify our ethical sourcing requirements to our contracted labour hire agencies; including contract enhancements, right to audit, and expectations around the Employer Pays Principle, where no worker should have to pay any recruitment fees to get a job
- ✓ Completed a review of our labour hire agencies' risk profile, which led to amendments being introduced in our Compass Group Australia agency agreement terms and conditions with audits conducted when required
- ✓ Enhanced and increased our internal recruitment capacity and capability to reduce the ongoing requirement for external labour hire agencies across our business.







## EXTERNAL OPERATING FACTORS

As a leader in the Catering industry who source from a large diverse supplier base, we recognise that there are risks of modern slavery existing within our domestic and international multi-tiered supply chain due to the complexity, size and variety of products and services we source.

We understand that our direct and indirect supply chain includes industries such as agriculture, food production and distribution, as well as products and services associated with entry-level workers in hospitality and facilities management services, which may have a heightened risk of modern slavery.

During the Reporting Period and in line with our structured risk assessment framework and our four-year strategy, we continue to focus our activities across the following potential high-risk supply chain categories:

- Horticulture and meat processing, involving both domestic and migrant seasonal workers
- Food products warehousing and distribution
- Engagement with small and medium-sized subcontractors and service providers (including domestic and international labour hire agencies)

We understand the increased risks of modern slavery within our indirect supply chain, particularly with suppliers whose operations are based internationally and can be more difficult to assess. We have identified the following key product categories as having increased risk, and most present within our operations:

- Coffee and cocoa
- Seafood
- Sugarcane, meat, nuts, corn and sunflower products, palm oil, sesame and beans, and rice
- Textiles and clothing
- Tobacco products
- Consumables

We use Sedex to support our assessment of inherent risks associated with new suppliers' location and commodities. In the Reporting Period, aligned to our Global Supplier Code of Conduct, we implemented a requirement for new strategic suppliers to either confirm membership with Sedex or obtain a Sedex membership, alongside commitment to complete the Sedex Self-Assessment Questionnaire, in order to increase supply chain transparency and accountability. We also updated our standard supply agreements to include the requirement for a formal and independent SMETA audit within the first year of trading with Foodbuy.

The above risks are reviewed yearly with the Modern Slavery Working Group and input from Compass Group Ethics and Integrity team.

In addition to using Sedex as an assessment tool, Foodbuy Australia's Procurement team and Compass Group Australia's Health and Safety teams conduct risk assessments on all prospective suppliers. Our existing suppliers are subject to regular performance reviews, which include conversations about working conditions, and audits where required.

### 3. Actions to Assess and Address Risk

---



#### ADDRESSING RISKS IN OUR INTERNAL OPERATING ENVIRONMENT

We continually work to identify, assess, manage, and mitigate risk within our payroll, recruitment and associated Human Resources processes. Specifically, our recruitment processes and approved Enterprise

Agreements capture and cover the associated risks in our people onboarding and payment process. Our risk assessment and remediation are covered by the following protocols:

- Our continued investment in a dedicated internal recruitment and payroll team
- Collection and verification of working rights and identification documentation
- Validation of international applications working rights via <https://immi.homeaffairs.gov.au/> online visa verification tool
- Integrated recruitment and payroll systems which capture work rights status
- Efforts to reduce agency labour through utilising CGA-specific casual labour pools
- Monthly spot checks on new hires to validate recruitment process adherence

Our recruitment team have established a quarterly risk management review process where key risks associated with modern slavery are assessed (e.g. labour hire suppliers' compliance with our anti-modern slavery

contractual provisions and reporting obligations). This risk management cadence will lead to ongoing action and improvement planning as we test and assess these risks.



As part of our commitment towards Indigenous communities, we regularly engage with companies such as Ashburton, Bloodwood Tree, Workforce Australia, Creating Communities and many others. This allows us to better understand the needs of communities unique to themselves, identify candidates within those local communities and provide assistance throughout the recruitment process, thus creating positive pathways towards mainstream employment for more vulnerable workers. It is imperative that we continue to work alongside Aboriginal and Torres Strait Islander leaders and their communities to ensure we continue to operate with utmost respect and recognition of their deep-rooted culture of more than 60,000 years. This also ensures we create culturally safe workspaces for First Nations

employees and that our employment standards consider and respect necessary cultural practices that remain embedded and faithfully practiced.

Additionally, around 44 per cent of the Compass Group's Australian workforce (about 6,048 team members) is employed under enterprise agreements, with the others employed through individual contracts or Modern Awards. Agreements confer minimum pay and entitlements and typically provide for consultation regarding significant operational changes. Compass Group recognises the rights of team members to negotiate collectively, with or without the involvement of third parties.



---

## POLICY AND STANDARDS

The following policies provide minimum standards and guidance to all members of Compass Group Australia and partners with regards to Human Rights and Modern Slavery:

- Code of Business Conduct (Compass Group PLC) — refreshed and re-launched in June 2023, provides principles-based guidance for our businesses
- Supplier Code of Conduct (Compass Group PLC) — launched in 2022 and applies to all of Compass Group's supply chain partners globally. It sets out the high ethical standards, principles and behaviours expected from Compass Group's supply chain partners
- Human Rights Policy (Compass Group PLC) — states our commitment to the four core conventions of the ILO, and reinforces our global commitments to respecting the human rights of all vulnerable groups
- Global Supply Chain Integrity Policy (Compass Group PLC) — is applicable to all Compass Group procurement activity, and sets out how Compass Group encourages compliance with the ETI Base Code
- Employee Code of Conduct (CGA) — last updated November 2023 and outlines CGA's policy and procedure for appropriate behaviour standards for all employees
- Whistleblower Policy (CGA) — Last reviewed/updated May 2023: CGA is committed to fostering a culture of ethical behaviour and good corporate governance and supports the reporting of improper conduct
- Recruitment Policy (CGA) — last reviewed December 2022: Outlines the management of recruitment, transfers, secondments and other contract variations for new and existing employees



### **Case Study: International Chef Agency review**

*We regularly work with labour agencies to identify potential candidates for roles within our operations, which may include overseas-based chefs from time to time. During the Reporting Period, Compass Group along with the Compass Group businesses across the Asia Pacific region performed a focused review of recruitment practices, specifically exploring ethical recruitment and recruitment fees. As a result of this review, Compass Group Australia decided to halt its engagement with a potential recruitment partner overseas until the recruiter adjusted its practices as the due diligence indicated that the potential partner may not fully comply with our ethical recruitment requirements.*

*In addition, all Compass Group Australia's arrangements with labour agencies used for the recruitment of overseas chefs were fully reviewed and our expectations made clear that no agent fees should be charged to candidates. This principle is now embedded in our standard labour agency contracts.*



## ADDRESSING RISKS IN OUR SUPPLY CHAIN

As part of the continued efforts to review the global and domestic supply chain risks, Compass Group Australia have conducted a review of our standardised processes and documentation for supply contracts. As a result, our contracts now include detailed expectations and auditing requirements in relation to risks of modern slavery.

This includes formal supplier risk assessments (SRA) on both existing suppliers (during ongoing contractual periods) and new suppliers, to ensure both groups meet Compass Group's required safety, quality, certainty of supply, social and ethical standards. The SRA is reviewed regularly to ensure that it remains fit for purpose and addresses and aligns with the key risks across Compass Group Australia's supply chain. The Modern Slavery Working Group reviews supply chain risks annually.

The updated Global Supplier Code of Conduct released by Compass Group PLC in the last reporting period continues to be an integral part of our approach to maintaining an effective third-party risk management framework.

In this Reporting Period, Compass Group introduced a newly developed risk assessment tool, building upon our existing risk assessment framework, the Third Party Integrity Due Diligence Policy (TPIDD Policy). Australia was one of the first Compass Group countries to pilot and subsequently fully adopt the TPIDD Policy and the "OneTrust" technology platform. The TPIDD Policy sets out expectations, requirements and minimum standards from suppliers to allow the adequate assessment and continual review of the ethical compatibility of new and existing third parties including those within Compass Group Australia's value chain.

## ADDRESSING RISKS IN OUR SUPPLY CHAIN (cont)

The TPIDD Policy sets out the risks which may exist and which would prevent a business engagement from proceeding or continuing and assists with identifying and determining the extent to which such risks are present. Business Integrity Risks under the TPIDD Policy include:



- Trade and Economic Sanctions
- Bribery and Corruption
- Anti Competitive Behaviour
- Money Laundering / terrorist financing
- Fraud and Theft
- Data privacy
- Human rights and modern slavery
- Environmental concerns (e.g. pollution and biodiversity loss)
- Enforcement action or other non-compliance

The implementation of the TPIDD Policy and technology platform has been supported by extensive training across the procurement team to understand the risks that might be identified and the escalation steps required to address those risks moving forward. The TPIDD Policy and framework now sits alongside the Sedex onboarding and review process as key incremental components of Compass Group Australia's Supplier Risk Assessment.





In addition to the above TPIDD Policy, Compass Group Australia continues to leverage the Sedex global platform through key supplier engagements, including a Sedex webinar organised to showcase the benefits and expectations to suppliers, alongside an additional focus on supplier audits (in particular SMETA—Sedex Members Ethical Trade Audit) audits) directed toward

Labour and Safety pillars. The webinar was organised by the Supply Chain Sustainability & Risk Manager and presented alongside the Sedex team to an audience of procurement team members and 120 representatives from 97 suppliers from the meat, seafood, dairy, fruit and vegetables, beverages, servicing and manufacturing industries.



### **Case Study: SMETA Audit Engagement**

*Due to the focus on SMETA audits in this Reporting Period, as part of our Sedex onboarding, the Sustainability Manager leads our review of available audits and the co-ordination of any resultant activities and response both through our procurement team and directly with the supplier. This includes audits conducted prior to being linked to Foodbuy and included as part of all new supplier selection processes, which in some instances contained discovery of overdue non-compliances and corrective actions directed by Sedex but yet to be completed.*

*For each of these suppliers, the audit findings were first reviewed in detail by the Supply Chain Sustainability & Risk Manager, before being shared with the national procurement team and the Modern Slavery Working Group. Each finding is assessed based on the nature of the finding and the associated risk profile. The supplier was then contacted to better understand the steps that have been taken (corrective actions) and the intended timeline to ensure that all non-compliances are confirmed as closed out. This was the case this year with a key pre-packaged food supplier, where we identified 11 non-compliances and worked with the supplier to ensure that all were addressed and received corrective actions within 90 days.*

*This process has ensured that both the procurement team and suppliers focused on addressing areas of concern and in the majority of instances has resulted in positive outcomes for the employees that were impacted by the non-compliances.”*

---

## TRAINING AND AWARENESS

Training and awareness are essential to identifying and addressing the risks of modern slavery. In the Reporting Period, we have invested in further training for our procurement team, reaching 100% milestone for all Foodbuy Australia team members.

Our training approach is two-fold:

1. Internal ethical procurement training focussed on raising awareness and recognising signs and indicators of modern slavery, as well as the escalation processes and procedures in case a concern has been identified;
2. External training delivered in collaboration with Sedex, aimed at providing relevant tools to enable our procurement team to effectively assess risks and gain increased visibility over the extended supply chain.

Our modern slavery framework is underpinned by a four-year Modern Slavery Eradication Plan, which is subject to annual reviews and assurance gateways at the Foodbuy executive level.

During the Reporting Period, we have been made aware of, or have raised concerns in relation to specific products and suppliers through the various domestic and global processes we employ, and which have resulted in formal review and resultant action. One such example is provided as a case study below:



### Case Study:

*"In February 2023, the Compass Group Human Rights Working Group found an article alleging critical labour rights infringements identified in a location in Africa, which may impact products and brands within our supply chain. This was promptly shared with all Compass Group countries.*

*Following the notification, the Foodbuy Australia team, assisted by the Legal team, immediately launched an internal review to assess whether our supply chain had any indirect or direct links with the identified supplier.*

*A supplier with an indirect link was identified and as a result, in line with our global standards, we initiated both conversations with our existing suppliers and a subsequent transition to alternate sources through a managed tender process. This tender process included a reinforced focus on Modern Slavery Governance in our selection criteria and onboarding processes, along with additional requirements from prospective suppliers such as proof of 3rd party labour audits.*

*The decision taken to exclude the identified supplier will be subject to review on a 12-month basis to ensure our confidence in the resultant corrective actions taken in response to the allegations."*

## 4. Assessing the Effectiveness of our Actions



Our approach to assessing the effectiveness of our actions in supporting our commitment to eradicating modern slavery remains consistent and includes the following indicators which are regularly tracked by the Modern Slavery Working Group:

1. Number of human rights grievances reported by Compass Group's people via Speak Up!
2. Total number of incidents of substantiated human rights breaches and actions taken
3. Significant actual and potential adverse human rights impact in the supply chain and actions taken
4. Proportion of high-risk suppliers reviewed compared to the total high-risk spend
5. Outstanding audit non-compliances and relevant corrective actions
6. TPIDD platform adoption rate and implementation updates

Compass Group Australia closely collaborates with Compass Group PLC's Global Human Rights Working Group to enhance knowledge and information sharing across geographies.

"*Speak Up!* remains an important element of identifying and promptly addressing the risks of modern slavery in our direct operations and within our supply chain. Our suppliers and their workers have access to this confidential and independently operated multilingual whistle-blower program. Information received through *Speak Up!* is promptly addressed at the highest Compass Group executive levels of the relevant jurisdiction."

**CODE OF BUSINESS  
CONDUCT CONCERN?  
IF IT DOESN'T FEEL RIGHT,  
FOLLOW YOUR INSTINCTS**

Physical Violence | Drugs & Alcohol | Harassment | Human Rights | Bribery & Corruption | Theft & Fraud | Illegal Activities

**SPEAK UP!**  
We're listening



← Scan me for more info

**1800 950 676**

[www.letintegritybeyourguide.com/speakup](http://www.letintegritybeyourguide.com/speakup)  
24/7 365 days a year





## OUR SUPPLY CHAIN

In the Reporting Period, no human rights-related issues have been raised through *Speak Up!* In Australia. However, understanding and acknowledging the complexity and multi-dimensionality of modern slavery, we do not take the absence of *Speak Up!* contact as the evidence of lack of modern slavery-like conditions in our extended supply chain. To identify, assess, minimise, and manage risk, we are proactively engaging with Sedex and our suppliers to continually increase our overall supply chain transparency and traceability.

Through our 2023 focus programs, Supply Partners representing 79% of our annual purchasing in high risk spend categories are now fully assessed for their modern slavery governance, a great result thanks to the focus on Sedex onboarding and engagement started during the last reporting period and followed on during this reporting period. The Supply Chain Sustainability & Risk manager alongside the Procurement Team have also engaged proactively with multiple suppliers to review audit findings and corrective actions to ensure that all issues identified have been addressed.

The Modern Slavery Working Group, chaired by our Executive Director of Foodbuy Australia, meets quarterly to assess progress against the four-year plan and discuss emerging risks and lessons learned.

# 5. Consultation Process

---

All of CGA's subsidiaries and controlled entities share the common values and commitment to responsible business practice, including the efforts to eradicate modern slavery.

In compiling and finalising this statement, we have engaged and consulted with:

- *The Australian Leadership Team on behalf of CGA's wholly owned subsidiaries and the entities that it controls*
- *Members of our recruitment, payroll, HR, and health and safety teams who are engaged in ensuring compliance with our operating policies and procedures across Compass Group Australia's operations*
- *Members of our Foodbuy procurement and supply chain organisations responsible for supporting Compass Group Australia's procurement*
- *The Compass Group Global Human Rights Working Group*

This statement was formally approved by CGA's Australian Leadership Team on 21st of March 2024 before being signed by CGA's Managing Director and Executive Director – Foodbuy Australia.



