

MODERN SLAVERY STATEMENT

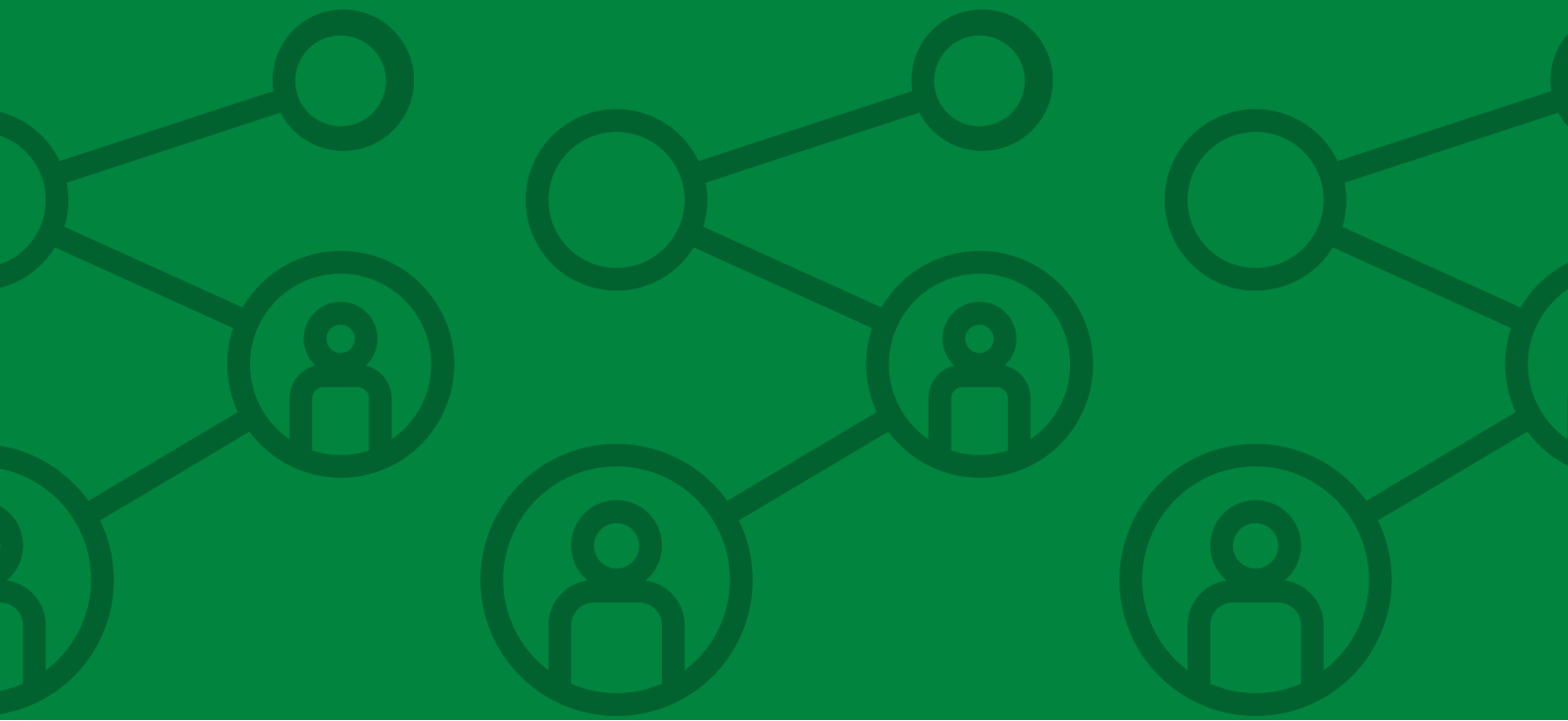


Table of Contents

- 01** Table of Contents
- 02** Statement Summary
 - Introduction
 - Reporting Entities
- 03** Structure, Supply Chain and Logistics
 - Locations
 - Employees
 - Operations
 - Supply Chain
- 05** Risks of Modern Slavery
 - Risk Assessment
 - Risks in our Operations
 - Risks in our Supply Chain
- 07** Addressing the Risks
 - Internal Policy Framework
 - Supplier Monitoring and Visibility
 - Labour Practices and Standards
 - Increasing Awareness
- 12** Assessing Effectiveness
 - Annual Review
 - Goals and Actions
- 13** Statement Approval



Statement Summary

Introduction

Established in 1991, Fresh Produce Group is one of Australia's largest and most innovative produce suppliers. From wholly owned farms to joint ventures, a continued vertical integration strategy underpins our approach. Our farms and growers in Australia and around the world provide our domestic and international customers with quality fresh produce. The business comprises growing, packing, exporting, importing, wholesale, pre-packing, ripening, logistics and marketing of produce in Australia and around the world.

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery can include human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage, and forms of child labour. Fresh Produce Group is committed to identify, eliminate and prevent modern slavery in our operations and supply chains.

This Statement has been published in accordance with the Modern Slavery Act 2018 (Cth) for our 2022 to 2023 financial year reporting period. It aims to summarise our assessment of the risks in our operations and supply chains and outline the actions we will take to address those risks.

Reporting Entities

This Statement applies to Fresh Produce Group of Australia (ABN 87 055 359 601), Fresh Produce Group Western Australia (ABN 81 152 973 932), Treviso Farm Management (ABN 31144 899 276), Tumut Grove Farm Management Pty Ltd (ABN 46 619 756 115), Smart Berries Pty Ltd (ABN 39 164 122 945), Smart Berries Mundubbera (ABN 30 164 124 903), SB Tasmania Pty Ltd (ABN 25 605 860 017), Fruitico Pty Ltd (ABN 49 608 313 604), Fruitico Farms Pty Ltd (ABN 51608 318 921), Kimberley Table Grapes Pty Ltd (ABN 17 635 953 187) and Kimberley Asparagus Pty Ltd (ABN 69 609 891 287), collectively referred to in this statement as 'Fresh Produce Group', 'FPG' or 'The Company'.

The above entities are managed collectively under the same policies procedures and guidelines and, as such, we have decided to provide a joint statement. This statement is submitted on behalf of and prepared in consultation with all of the related entities named above.



Structure, Supply Chain and Operations

Locations

Fresh Produce Group has farms, packing sheds, distribution warehouses, and offices around Australia.



Sydney Head Office, Warehouse and Wholesale Stand

FPG's Head Office is located in Sydney Markets, New South Wales. This office is home to our Corporate, Technical and Commercial teams. Based at this location is also wholesale stand and distribution warehouse. Our warehouse is where we receive, treat, ripen, pack and distribute produce to our customers.



Brisbane Distribution Warehouse

FPG have a distribution warehouse located in Brisbane Markets, Queensland. Similar to Sydney, this is where we receive, treat, ripen, pack and distribute produce to our customers.



Farms

FPG have nine farms which are wholly owned or joint ventures, located in Victoria, Tasmania, Queensland and Western Australia. Our farms are where we grow, pack and distribute table grapes, berries, citrus and asparagus.



Employees

Fresh Produce Group employs approximately 600 full time, part time and casual employees in our core labour force around Australia. In addition to this, our workforce increases with the seasonal demands of our business, and can include up to 1200 seasonal employees per year across our farms and distribution centres.

Our workforce includes Seasonal Workers directly employed through the Australian Government Pacific Australia Labour Mobility (PALM) Scheme. Across our farms we employ up to 300 Seasonal Workers from the Pacific Islands and Timor-Leste.

Operations

We are a leading supplier of fresh produce to major Australian supermarket chains and independent retailers. We source produce from various channels, including our own farms and international growers and shippers, to meet the demand of our customers and consumers. Our produce is distributed across Australia, as well as exported to our network of international customers.

At our core, we are dedicated to delivering the highest quality and freshest produce. We specialise in counter-seasonal supply by leveraging our network of international buyers, growers, packers, freight forwarders, and distribution hubs. This enables us to offer our customers and consumers access to their favourite fresh produce year-round.

To support our operations, we have purpose-built distribution centres and continuously invest in upgrading our systems and packing sheds across our farms. These investments facilitate faster and more efficient processes, including growing, harvesting, packing, handling, cold storage, and dispatch. In addition to our own produce, we extend our expertise in supply chain management, logistics, and customer reach to benefit other Australian and international produce companies. Our facilities and knowledge enable us to provide tailored solutions to meet the unique needs of our suppliers and customers.

Fresh Produce Group also operates a wholesale stand at the Sydney Markets, where we foster close relationships with independent retailers. This allows us to gain valuable market insights into the evolving tastes and demands of consumers. Such insights play a vital role in enhancing our service to customers both locally and internationally.

Fresh Produce Group has always sought out the finest growing areas, optimal conditions, and dedicated farmers. When we identify ideal conditions, we invest in these areas. As a result, our produce is sourced from a collection of wholly owned farms and joint ventures located throughout Australia. Our farms are equipped with pre and post farm-gate infrastructure, including state-of-the-art cold storage and on-site packing facilities. Our farmers are constantly striving to innovate by introducing new varieties, packaging and pre-packaging innovations, and improving our supply chain.

Supply Chain

Fresh Produce Group values strong relationships with long term suppliers and customers, both domestically and internationally. In the 2022/2023 financial year we partnered with approximately 1000 trade and non-trade suppliers and our largest traded commodity was fresh table grapes.

Our produce is sourced through direct and indirect relationships with domestic and international growers. Outsourced services used across our supply chain includes logistics, transport, distribution, labour, and information technology.

Maintaining strong relationships with suppliers is critical to the longevity of our business and we communicate to them all legal and customer requirements in Australia and overseas.

Risks of Modern Slavery

Risk Assessment

Fresh Produce Group has undertaken a comprehensive risk assessment of our operations and supply chain to identify any potential risks associated with modern slavery practices. While we are committed to identifying, eliminating, and preventing modern slavery within our operations and supply chain, we acknowledge the presence of potential risks.

Risks in our Operations

Fresh Produce Group has policies and procedures in place to safeguard the rights of our employees, aiming to minimise the risk of modern slavery. As a result, the risk of modern occurring in our direct workforce is low due to our control over recruitment and employment practices.

Given the labour shortages in the horticulture industry and regional areas, we rely heavily on seasonal migrant workers. Many of these workers are engaged in seasonal or casual work and hold temporary visas. Some of our migrant workers are employed under the PALM Scheme, where their temporary visa is linked to their employment and sponsored employer in Australia. We identify that the employment of migrant workers poses potential risks due to language barriers and their limited understanding of their human rights.



Risks in our Supply Chain

We recognise that our complex supply chain, which also extends beyond Australia, may expose us to risks associated with our indirect suppliers, where visibility is often limited. Within our supply chain, we have identified specific areas that carry a higher risk of contributing to modern slavery practices.

Although we partner closely with our suppliers and have monitoring processes in place to ensure compliance, there is still a risk in contributing to modern slavery practices where there is limited visibility and control.



Third-Party Service Suppliers

Fresh Produce Group outsource logistics, transport, distribution, and information technology services from third-party suppliers.



Third-Party Labour Hire

Fresh Produce Group utilises the services of labour hire providers to supply temporary workers for seasonal tasks across our locations.



Domestic and International Produce Suppliers

Fresh Produce Group sources produce directly and indirectly from growers and suppliers across Australia and from overseas.

Addressing the Risks

Internal Policy and Procedure Framework

Fresh Produce Group's policy framework encompasses various policies that emphasise our commitment to ethical business conduct. These policies are applicable across all our locations and undergo annual reviews. The following policies, in particular, play a crucial role in mitigating the risks associated with modern slavery.

Code of Ethics

The FPG Code of Ethics states our commitment to meeting all obligations towards honesty, integrity and the health and safety of staff, customers, and consumers. We hold ourselves accountable in every aspect of the business including staff, customers, suppliers, and community.

Ethical Sourcing Policy

This policy sets out FPG's commitment source products in a responsible and consistent manner while working with suppliers to improve their social and environmental practices.

Freedom of Association Policy

This policy sets out our commitment to upholding the legal rights of employees and independent contractors to choose whether or not to join a union. We recognise and respect the freedom of association, as provided by the laws of Australia.

Human Rights and Ethical Trading Policy

This policy sets out our commitment to ethical and responsible trading practices, consistent with local laws and the international standards outlined in the Ethical Trading Initiative Base Code (ETI Base Code). As part of this policy, our suppliers are notified of our expectations that they ensure their practices respect human rights and to implement the principles of the ETI Base Code in their own organisations and suppliers.

Labour Hire Compliance Policy and Procedure

The policy and procedure outlines the approach of the company in managing the risks associated with engaging labour hire agencies. The company recognises the value of engaging with labour hire companies to support its operations and aims to establish long-term partnerships. However, it is also committed to ensuring that all labour hire companies engage in a lawful and ethical manner, comply with all relevant legislation and standards, and maintain the necessary insurances and licences.

Verification of Entitlement to Work Policy

This policy sets out our commitment to ensuring all workers engaged have the legal right to work in Australia. This is done by only employing individuals with the right to work in Australia, verifying every individual's working rights before they commence work, and strictly complying with any visa restrictions, limitations or conditions.

Whistle Blower Policy and Reporting Procedure

This policy and procedure outlines the process for the reporting of wrongdoing and protections to support individuals reporting wrongdoing. This policy and procedure encourages individuals, including current or former employees, suppliers, and others they are associated with, to report unethical behaviour and conduct.

Young Workers and Child Labour Policy

This policy sets out our approach to young labour and child labour with the ultimate aim of ensuring the safety and protection of children.

Supplier Monitoring and Visibility

Fresh Produce Group is an A/B member of Sedex, an online data exchange platform that facilitates the sharing of company information encompassing work health and safety, business ethics, and environmental management. We utilise Sedex tools and services to effectively manage operational and supply chain risks. Our commitment to utilising Sedex tools and services extends to both our existing suppliers and the onboarding process for new suppliers serving major Australian domestic retailers.

Our primary warehouse and farm locations undergo annual 4-pillar Sedex Member Ethical Trade Audits (SMETA). These audits serve to assess our site and supplier compliance with labour standards, health and safety, environment and business ethics. Australian growers within our supply chain, who provide produce to major domestic retailers, are required to be Sedex members and actively participate in SMETA audits. Over 20 of FPG's suppliers have been participated in SMETA audits over the last 12 months. Similarly, international growers in our supply chain are expected to have management systems in place to ensure quality assurance and ethical practices.

Fresh Produce Group maintains an Approved Supplier Program, which includes internal audits conducted through on-site visits and our Horticulture Produce Agreements. Approved Suppliers within this program must adhere to our Ethical Sourcing Policy and meet our expectations and requirements, including compliance with local laws and international standards as outlined in the ETI Base Code.

Labour Practices and Standards

Fresh Produce Group strives to directly employ workers in all our locations whenever feasible. By engaging employees directly, we maintain control over recruitment and employment processes, ensuring the prevention of modern slavery practices.

We have visibility of all aspects of payments, deductions, and work hours through our centralised payroll system. Also, all new employees must engage willingly into employment, provide evidence of their Australian working rights, provide evidence of their age and identity, and complete induction and onboarding processes. These measures contribute to fostering a transparent and fair work environment.

Given the seasonal demands within our business, we actively participate in the PALM Scheme and partner with labour hire providers to source temporary workers. These sources of labour allow us to effectively manage workforce needs.

Labour Hire Providers

Fresh Produce Group has established internal management systems and procedures to ensure labour hire providers are complying with our expectations and standards of labour practices and working conditions. To partner with us, all labour hire providers are required to have a current labour hire agreement or service contract in place. Prior to reaching an agreement, these providers must provide documentation, including valid labour hire licenses and appropriate insurances.

To maintain visibility and compliance, we conduct regular internal audits of labour hire providers. We perform spot checks, quarterly reviews and annual reviews of each labour hire company. These audits allow us to monitor their practices and ensure adherence to our standards. We proactively communicate our expectations and requirements to mitigate the risk of modern slavery practices by labour hire providers. In cases where these expectations are not met, we take action by terminating those partnerships.



PALM Scheme

Since 2018, Fresh Produce Group has actively participated in the Pacific Australia Labour Mobility (PALM) Scheme, a program regulated by the Australian Government. Under this program, Seasonal Workers are sponsored by Fresh Produce Group entities, enabling them to work in Australia on temporary working visas that are tied to their employment.

While this arrangement carries the risk of workers being bound to their Sponsor, we take proactive measures to mitigate the risk of modern slavery. We maintain regular communication with Seasonal Workers, ensuring they understand their rights and the options available to them should they wish to cease their employment. We provide the opportunity for repatriation back to their home country should they choose to leave their place of work.

As part of the mobilisation process for work in Australia, Fresh Produce Group covers the upfront costs of travel and visas for Seasonal Workers. Upon their arrival, Seasonal Workers authorise the repayment of these costs through payroll deductions. We acknowledge the potential risk of this arrangement being perceived as debt bondage. To mitigate this risk, we provide comprehensive education during the induction process, clearly explaining the purpose of deductions and transparently communicating the costs being repaid.

Fresh Produce Group employ dedicated Worker Welfare Officers to ensure the well-being and support of Seasonal Workers throughout their employment. These officers work closely with Seasonal Workers, not only fulfilling our obligations under the PALM Scheme but also assisting them in understanding their rights. In cases where language barriers exist among Seasonal Workers, our Worker Welfare Officers collaborate to provide translated documents, verbal translations through Team Leaders, and connections with community organisations representing Pacific Island and Timor-Leste communities.



Increasing Awareness

Fresh Produce Group aim for all staff to be aware of the risks of modern slavery within our supply chain. The following actions are taken to continue to increase awareness of modern slavery risks.

Modern Slavery Training

The induction process for all new employees includes information on modern slavery awareness and our whistle-blowing policy and procedure. This ensures that from the outset, they are well-informed about the issue and understand the methods of reporting wrongdoing. In addition to this, our existing staff members in the technical compliance and produce trading departments have undergone online training modules specifically focused on modern slavery, strengthening their knowledge and understanding of this issue.

Environmental, Social and Governance (ESG) Taskforce

To drive continuous improvement and address key areas such as modern slavery, human rights, employee well-being, and business ethics, Fresh Produce Group has established the ESG Taskforce. Comprised of members from our Executive Leadership team as well as staff across all levels of the organisation, this taskforce serves as a dedicated forum to discuss and foster positive change.

Over the past six months, the ESG Taskforce has actively set goals aimed at addressing critical issues concerning people and community. By leveraging the diverse expertise and perspectives of its members, the taskforce strives to make progress in areas crucial to our stakeholders and the overall sustainability of our operations.



Assessing Effectiveness

Annual Review

Fresh Produce Group is dedicated to regularly reviewing and assessing the effectiveness of our policies and practices in identifying, eliminating, and preventing modern slavery. Over the past year, we have made significant progress in implementing actions, and we remain committed to further enhancing our approach in the coming year.

Through our reporting mechanism, we conduct annual reviews of our actions and risk assessments pertaining to modern slavery practices. Recognising the complexity of this issue, we approach it with a commitment to continuous learning and improvement. Our goal is to continuously minimise the risks associated with modern slavery within our operations and supply chain, ensuring that our efforts align with evolving best practices and industry standards.

Goals and Actions

Since publishing our 2022 Modern Slavery Statement, we have taken the following actions to reduce the risks of modern slavery without our operations and supply chain.



Reviewed our whistle blowing policy and procedure by engaging a third-party provider to further to encourage anonymous reporting of unethical behaviour.



Established a labour hire compliance policy and procedure to ensure maximum visibility and compliance of third-party labour hire providers.



Reviewed our induction information and materials to increase awareness and understanding of modern slavery risks and practices.

Fresh Produce Group have set the following goals and actions to work towards over the next year.



Focus on continuous improvement driven by the ESG Taskforce by setting goals and achieving outcomes relating to modern slavery, human rights, employee wellbeing and business ethics.



Establish a dedicated group of key employees to develop a modern slavery roadmap to outline the future goals and actions to be undertaken our organisation.

Statement Approval

This statement has been approved by The Board of Directors of Fresh Produce Group on 30 June 2023.



Robert Nugan
Executive Chairman



Anthony Poiner
Executive Chairman





Fresh
Produce
Group

grow
WITH US.

