

# KFC MODERN SLAVERY STATEMENT

2023

1 JANUARY 2023 – 31 DECEMBER 2023

The reporting entities for the purposes of this modern slavery statement are:  
Kentucky Fried Chicken Pty Ltd ACN 000 587 780 (KFCPL),  
KFC ADCO Limited ACN 083 047 992 (KFC Adco) and  
ACN 085 239 998 Pty Ltd ACN 085 239 998 (ACN 085),  
Collectively **KFC Australia** or **KFC** for the purposes of this statement.  
Please refer to slide 4 for further details on the entities and the scope of this statement.



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The information contained in this statement is current to 30 May 2024

# GENERAL MANAGER'S MESSAGE



**KRISTI WOOLRYCH**  
**GENERAL MANAGER**  
**KFCPL**

A handwritten signature in blue ink, appearing to read 'KWoolrych', written over a light blue horizontal line.

On behalf of KFC Australia, I am pleased to share this fifth iteration of KFC Australia's modern slavery statement. This statement covers the important work undertaken by KFC Australia for the period 1 January 2023 to 31 December 2023.

As a people first culture, KFC Australia is committed to conducting business ethically, legally, and in a socially responsible manner. As part of our obligations under the Modern Slavery Act 2018 (Cth) (MSA) and building on KFC Australia's last modern slavery statement, we continue to build on the foundational commitments established by our modern slavery working group to effectively identify and mitigate the risk of modern slavery occurring within our operations and supply chain.

Throughout 2023, our modern slavery working group continued to build on the successful initiatives that it committed to in our 2022 statement. These efforts included embedding modern slavery awareness training for all new KFC Australia RSC team members within six (6) weeks of onboarding, and the continuation of our commitment to require compulsory modern slavery awareness training every two (2) years for all KFC Australia RSC team members.

Further to this, the working group strengthened our internal governance processes around modern slavery by implementing a revision to KFC Australia's supply partner onboarding process, under which the majority of new supply partners seeking to do business with KFC Australia are required to register with Sedex, connect with KFC Australia and complete a self-assessment questionnaire (SAQ) before being set up for payment. This is in addition to our ongoing work with existing supply partners to engage with Sedex and complete the registration process. By building a meaningful partnership with Sedex, KFC Australia believes that it has achieved an impactful milestone in its journey over the last 5 years to mitigate modern slavery risks in its supply chain and operational activities.

On behalf of the KFC Australia leadership team, I would like to thank KFC Australia's modern slavery working group, franchise partners, and supply partners for their ongoing commitment and efforts to KFC Australia's modern slavery mitigation strategy.

Thank you.

Kristi Woolrych  
General Manager of Kentucky Fried Chicken Pty Ltd

KFC Australia acknowledges the Traditional Owners of Country throughout Australia, and pays respects to Elders past, present and emerging.

# WHO WE ARE



KFC Australia is a part of Yum! Brands, Inc. (**Yum! Brands**), and brand which has a rich, decades-long history of success and innovation. It all started with one cook, Colonel Harland Sanders, who created our world-famous Kentucky Fried Chicken recipe more than 75 years ago – a list of 11 secret herbs and spices scratched out on the back of his kitchen door. Today, the brand still follows his formula for success, with real cooks breading and freshly preparing delicious chicken by hand.

Yum! Brands is listed on the New York Stock Exchange, and is based in Louisville, Kentucky. It is the world's largest restaurant company, with a combined global system of more than 58,000 restaurants in over 155 countries and territories, across the KFC, Pizza Hut, Taco Bell and The Habit Burger Grill brands.

While each of the reporting entities covered in this statement is a subsidiary of Yum! Brands, specifically we note:

1. **ACN 085** is a franchisor of the KFC brand in Australia and the

holding company of KFCPL. This is a non-trading entity.

2. **KFCPL** is the primary franchisor of the KFC brand in Australia and New Zealand. KFCPL owns and operates company-owned restaurants in Australia. KFCPL owns 4 entities that are non-trading entities: Northside Fried Chicken Pty Ltd, Ashton Fried Chicken Pty Ltd, Gloucester Properties Pty Ltd and Newcastle Fried Chicken Pty Ltd. KFCPL has restaurant support centres (**RSC**) in New South Wales, Victoria and South Australia. These RSCs work closely with the KFC franchise

network across Australia and New Zealand.

3. **KFC Adco** is primarily involved in the management of marketing and advertising spend for its members, and the promotion of the KFC brand in Australia. The members of this company are KFCPL and KFCPL's franchise partners in Australia.



**1968**

First KFC opened in 1968 in NSW. There are 790 restaurants in Australia including 54 company owned stores.



**48,000**

KFC restaurants employ approximately 48,000 team members between KFCPL and KFC franchise partners.



**4400**

KFCPL employs 4400 direct staff across its company owned stores and its restaurant support centres in NSW, VIC and SA.



**51**

Franchisor of 51 franchise partners who own 93% of KFC restaurants in Australia.



**58,000**

KFC Australia and its related entities are subsidiaries of Yum! Brands. Yum! Brands has over 58,000 restaurants in 155 countries and territories and is listed on the New York Stock Exchange.



**\$9.524m**

The KFC Youth Foundation in Australia has raised over \$9,524m since 2018.

# OVERVIEW OF OPERATIONS

KFCPL's operating business consists of operating both the KFC restaurants that KFCPL owns directly, and licensing, in its capacity as franchisor, the KFC system, system property and trademarks to KFC franchise partners in Australia and New Zealand. KFCPL's operations also include the provision of certain supply chain management services for franchise partners and the provision of certain advertising and marketing services for KFC Adco. In addition, from time to time, KFCPL sources information systems, equipment and services for KFC restaurants, along with building and construction materials and maintenance services.

KFCPL's operations in Australia require the support of various internal departments, primarily located at KFCPL's RSCs. These departments include development, operations, food innovation and technology, quality assurance, marketing, supply chain, legal, information systems (IS), corporate affairs, finance and human resources.

KFCPL franchise partners do not form part of KFCPL's operations and supply chain for the purposes of MSA reporting but do provide fees to KFC Australia through the payment of royalties, and advertising and supply chain contributions pursuant to their franchise agreements.

KFC Adco's operational activities are completed by KFCPL, and as such KFC Adco's operations should be considered in conjunction with KFCPL for the purposes of this statement

ACN 085 is non-trading holding company, and as such does not have any operations required for consideration as part of this statement.



# OVERVIEW OF SUPPLY CHAIN

Under the KFC franchise agreements, to ensure the quality and consistency of KFC products sold throughout the KFC franchise system, KFC franchise partners are required to use goods and services that have been approved by KFCPL to prepare, market and sell products in their KFC restaurants.

In order to assist with this consistency, KFCPL conducts sourcing and purchasing negotiations for food, packaging, equipment and other items for its own restaurants and also on behalf of KFC franchise partners. This is done via the centralised supply chain team within KFCPL, that negotiates supply and distribution arrangements to be made available by approved supply partners to KFCPL's restaurants, as well as KFC franchise partners. Please see slide 7 for a diagram illustrating KFCPL's supply chain.

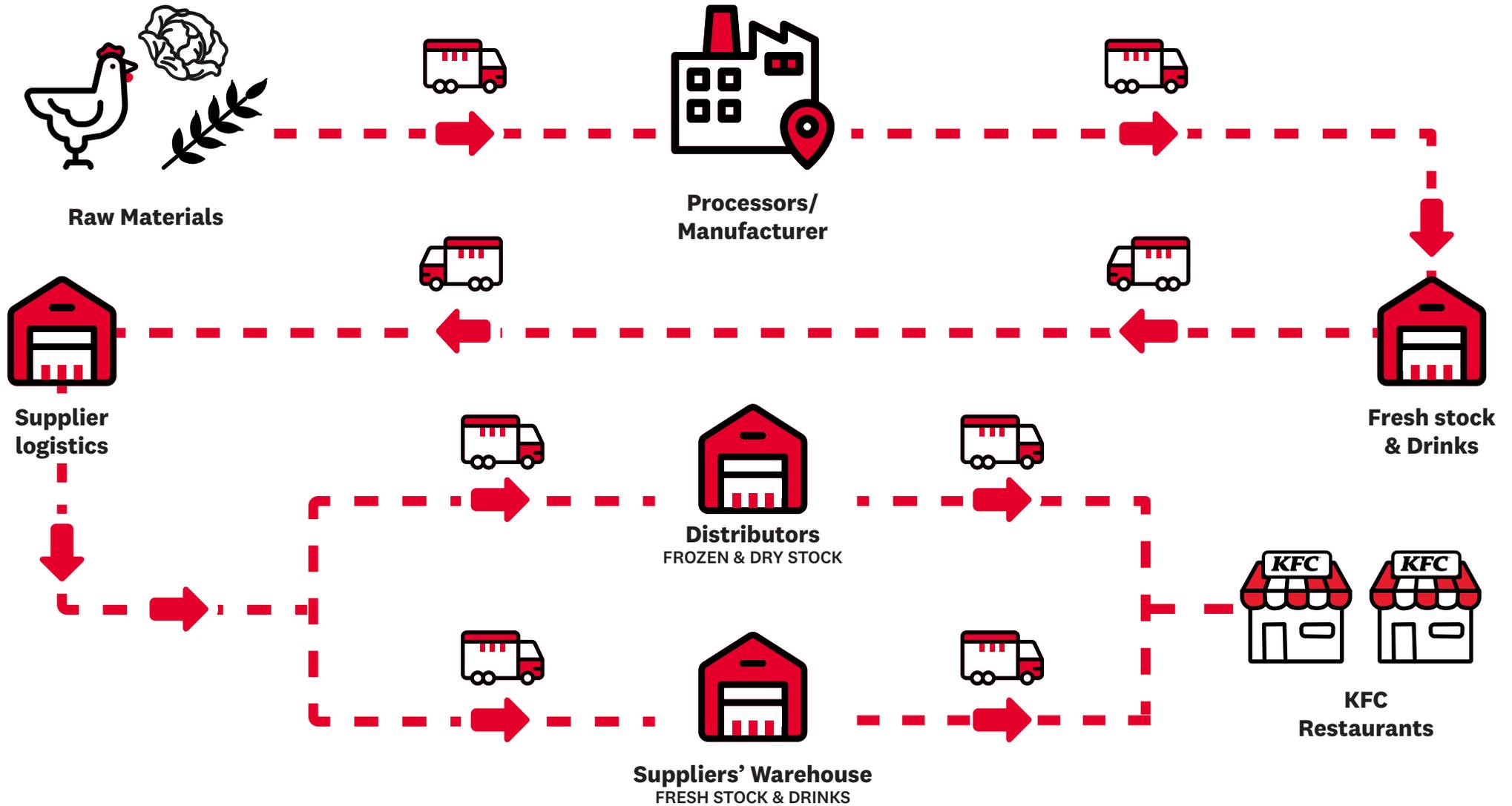
Based on a high-level review of KFC Australia's supply partners, please see slide 8 for a map detailing the location of KFC Australia's key supply partners.

KFC Adco's supply chain is focused exclusively on KFC Australia's marketing activities in Australia. KFC Adco's supply arrangements are primarily with marketing agencies. While not without risk, we consider KFC Adco's supply chain to be of low modern slavery risk. Notwithstanding this, please note that KFC Adco's supply chain is included in all mitigation actions outlined in our path forward, and KFC Adco is in the process of seeking Sedex registration by each of its marketing agencies.

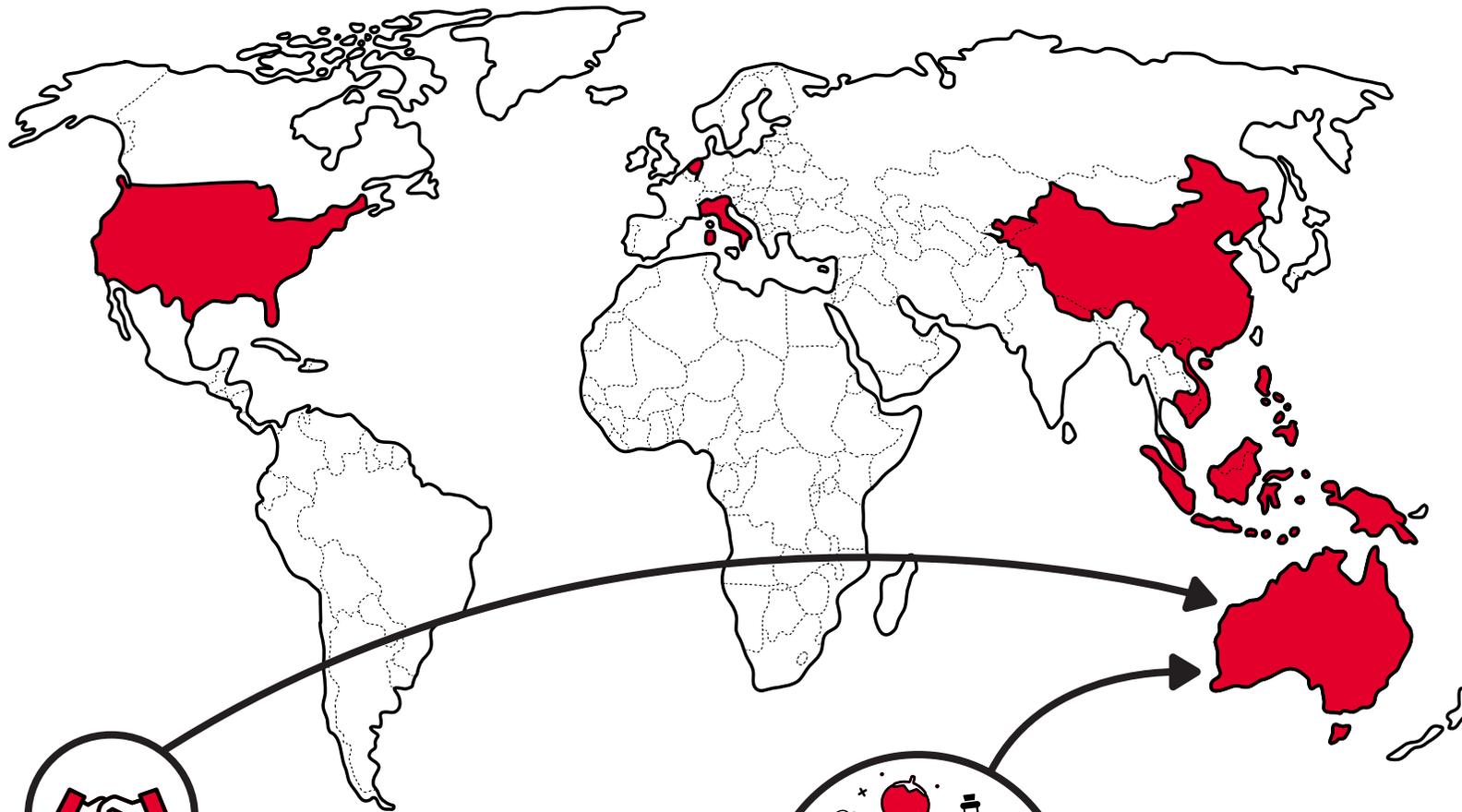
ACN 085 is non-trading holding company, and as such does not have any supply chain considerations for this statement.



# DIAGRAM OF SUPPLY CHAIN



# MAP OF SUPPLY CHAIN



## Packaging

- Australia
- China
- Vietnam
- Hong Kong
- Indonesia
- Malaysia
- USA



## Chips

- Australia
- New Zealand
- Netherlands



## Uniforms & Merchandise

- China



## Equipment

- USA
- Italy
- China
- Germany



## Smallwares

- South East Asia
- North America



- Delivery aggregators
- Development and construction
- Accommodation providers
- Marketing services

- Merchandise
- IS providers
- Professional services for legal financial and accounting
- Human resources
- Cleaning and maintenance services



- Chicken (100% Australian sourced)
- Lettuce, Tomato, Coleslaw (100%)
- Flour (100%)
- Bread (predominately manufactured in Australia)

- Beverages (bottled in Australia)
- Oil (predominantly Australian grown)
- Sauces and seasonings (100% Australian - excluding LTOs)

\*Map has been modified

# RISKS OF MODERN SLAVERY IN OPERATIONS

## Risk Assessment and Mitigation Actions – Operations

Utilising KFC Australia’s internal risk assessment tools, we have assessed there to be an extremely low risk of modern slavery occurring amongst KFC Australia’s team members who are employed within the RSCs, or the KFCPL owned KFC restaurants in Australia.

Despite our internal risk assessment tools confirming a significantly low modern slavery risk existing in relation to our Australian team members, we recognise that the quick service restaurant industry employs a large proportion of vulnerable categories of workers such as young people. As such, we have implemented a number of measures to mitigate the risk of any modern slavery occurring within KFC Australia’s operations. These measures are outlined on the next page.



# RISKS OF MODERN SLAVERY IN OPERATIONS

## Risk Assessment and Mitigation Actions – Operations

In an effort to identify and mitigate the risk of modern slavery in KFC Australia's operations, we note the following.

- 1** KFC Australia is a people-focused business. We are committed to ensuring the highest standards of safety and employment both at its company owned restaurants and at the restaurants owned and operated by its franchise partners. KFC Australia has a robust framework in place for communication and training on workplace rights and conditions, and mandates compliance with all relevant labour legislation and standards within its franchise agreements.
- 2** KFC Australia's team members are all paid according to market conditions or the relevant award and applicable legislation. We have in place processes to ensure that staff are legally entitled to work, including that they are of legal working age.
- 3** In 2020, KFC Australia and its franchise partners implemented a workforce management software solution that manages time and attendance functions for all KFC restaurants. This system aims to ensure that all of our team members, and the team members of our franchise partners, are paid correctly in accordance with the KFC National Agreement 2020.
- 4** KFC Australia has centralised training programs that train our team members on how to operate our equipment in restaurants, provide world-class customer service and also on ethical behaviour and our KFC service standards. These training programs include a compulsory national onboarding training program which trains team members on both the

whistleblowing policy and KFCPL's open-door policy. These policies are supported by posters in restaurants providing contact phone numbers for anyone looking to raise concerns, and compulsory annual refresher training on these policies.

- 5** Building on the work conducted in 2020, in 2021 KFC and its franchise partners commenced the implementation of a safety management software solution that manages vendor and contractor compliance with aspects of the Workplace Health & Safety Act 2011 (Cth). This program provides risk information to ensure worker competence and safety. In addition, the system assesses insurance coverage to ensure that it is adequate and valid for the work they are conducting. This system allows criteria to be developed into a workflow management system which can then assess risk and accountability, and generate corrective actions where required. A national roll out of this system has been completed by KFC Australia.
- 6** To support compliance, KFC has third-party auditors that verify that KFC brand standards and food safety practices are adhered to at all of its restaurants. These audits are carried out at all KFC restaurants quarterly. These auditors have been trained to inspect team member files and conduct random checks to ensure that team members are of working age. In addition, our people excellence coaches assigned to our KFC Australia restaurants review these records, check that team members are of working age and conduct reviews of staff rosters in stores.

# RISKS OF MODERN SLAVERY IN SUPPLY CHAIN

## Risk Assessment and Mitigation Actions – Supply Chain

KFC Australia has continued to refine its internal risk assessment criteria and practices around modern slavery when considering entering into agreements with new supply partners.

These risk assessments are undertaken by appropriately qualified personnel at KFC Australia across industries including food, beverages, packaging, restaurant development and maintenance, IS, marketing, merchandise, office contractors, finance and delivery aggregators. This risk assessment process involves KFC Australia's team members having conversations with supply partners according to an internal risk assessment toolkit that has been developed in conjunction with the legal and compliance department. The toolkit guides teams during their risk assessment processes to ensure an effective engagement with suppliers to understand practices and mitigation strategies that may be in place or be required to be implemented as a result of the risks identified through the assessment process. With consideration given to the annual expenditure

of KFC Australia with the relevant supply partner, and the results of the internal risk assessment, KFC Australia requires all significant supply partners, and those supply partners that are deemed to be of medium to high risk in the context of the internal risk assessment, to register with Sedex. Sedex is the world's largest collaborative platform for sharing responsible sourcing data on supply chains.

While we began to ask food and paper supply partners to register with Sedex in March 2019, we have now extended Sedex registration, and the completion of the Sedex self-assessment questionnaire (**SAQ**), to both:

- 1 the supply partners that are of significant size and value to KFC Australia, and
- 2 those smaller supply partners deemed to be of medium to high risk from the results of our internal risk assessments.

This process is now supported with the launching of the new supply partner form in 2023. This form requires compliance with the above criteria being a supply partner is eligible to be established in KFC Australia's payment systems.



**Kentucky  
Fried Chicken**

# RISKS OF MODERN SLAVERY IN SUPPLY CHAIN

## Risk Assessment and Mitigation Actions – Supply Chain

For context, the Sedex SAQ process collects data on four areas: labour standards, health and safety, business ethics and environment. Following the completion of SAQs by the supply partner, Sedex assesses the supply partner's responses and each site receives a "combined risk rating" to provide an indication of a supply partner's potential modern slavery risk. KFC Australia uses these ratings to understand the risk of modern slavery associated with each of its supply partners. Our supply partners are regularly being asked to review their data captured in Sedex and provide regular updates to our teams on where risks have been identified and how these risks have been mitigated or eliminated.

To ensure that modern slavery prevention remains a regular discussion point with KFC Australia's supply partners, modern slavery and Sedex is a standing item agenda for all quarterly and annual business reviews. We continue to partner with all supply partners and maintain a continuous dialogue and focus on modern slavery across KFC Australia's supply chain.

Please see slide 13 for further details on Sedex.

Apart from our internal risk assessment toolkit, mitigation plans and Sedex registration requirement, we include contractual provisions in our supply chain contracts that require our supply partners to comply with modern slavery legislation and our Code of Conduct.



# SEDEX - MAPPING SUPPLY CHAIN



The SAQs collected data from suppliers on above four pillars.

## Using Sedex to gain greater transparency on our supply chains

In order to better our understanding of the potential risks of modern slavery in our supply chains, in February 2019 KFC Australia became a member of responsible business organisation Sedex. We engaged with Sedex's team to help us shape the development of the KFC Australia anti-modern slavery compliance project, and we continue to engage with Sedex on a regular basis to understand best practices in the area of anti-modern slavery.

## What is Sedex?

Sedex is a responsible business trade membership organisation acting to improve working conditions in global supply chains by helping businesses achieve end-to-end supply chain transparency. It began in 2004 as a data platform to help suppliers share data with multiple customers. "Sedex" stands for "Supplier Ethical Data Exchange". Sedex is now a global company and network, servicing almost 75,000 members across 170 countries.

Sedex provides a standardized risk assessment framework involving three tiers of risk information. At its broadest level this information includes high level country, sector and commodity risk. More specifically individual suppliers can be subjected to a risk assessment utilizing a standardized self-assessment questionnaire to understand their particular circumstances in relation to areas such as labour, environmental considerations, occupational health and safety and corporate ethics. The third and most targeted information level is obtained via on site audits utilising the Sedex SMETA methodology. The audits are aimed at identifying specific deficiencies or areas of non-compliance within the audited supply partner. These audits form the basis for remediation plans in respect of areas of non-compliance.



# ASSESSING RISK – SUPPLY CHAIN AND OPERATIONS

From the results of our risk assessments, we are cognisant of the inherent and apparent risks in the textile, agriculture and meat processing industries, and by extension, our supply partners who operate in those industries due to the vulnerable nature of their workforce, the repetitive production process and the competitive pressures of those industries.

We are also aware that we do not have sufficient data on those supply partners who have not yet registered with Sedex, completed their SAQ and been audited by Sedex.

We also recognise that reliance on the combined risk rating alone is limited to the extent that it looks at the potential risk of modern slavery at the site level of each of our direct supply partners, but does not offer enough insights into the supply chains and operations of our supply partners. This risk is coupled with the fact, that until an independent audit is completed by Sedex, we are reliant on our due diligence and the information shared by our supply partners.

Further we have assessed that there is a risk that KFC Australia may be linked to potential modern slavery in the operations and supply chains of its KFC franchise partners. However, we are not aware of any actual instances of modern slavery and have provided information to our largest franchise partners about modern slavery and their obligations under the MSA. We will continue to engage with our largest franchise partners on embedding anti-modern slavery processes and procedures.

We recognise that there will inevitably be modern slavery risks below our first-tier supply partners that will be difficult to detect, and we are exploring ways of extending our reach beyond our first-tier supply partners. Our goal in the short term is that our influence on our direct supply partners in our first-tier supply chain will influence the level of modern slavery risks in the lower tiers of their supply chain.



# ASSESSING RISK – SUPPLY CHAIN AND OPERATIONS

In 2019, KFC Australia mapped its supply chain relating to our non-core supply partners. We engaged external advisors to assist us with this analysis. We assessed the non-core supply partners against three contextual categories:

- 1** Country and sector context;
- 2** Workforce demographics; and
- 3** The characteristics of risk management processes or controls.

While the majority of our non-core supply partners are based in Australia, providing goods and services to our RSCs and KFC restaurants in Australia, these supply partners are now subject to our internal risk assessment process, and required to register with Sedex as appropriate.



## KFC'S NON-CORE SUPPLY PARTNERS

Category	Origin
Equipment	Italy, U.S.A, China, India and the Philippines
Development and Construction	Australia – mapping further
Key raw materials and construction materials used in our KFC restaurants	Australia – mapping further
Accommodation providers	Australia
Marketing Services	Australia
Merchandise	Australia, China
Information and technology service providers that provide direct support to KFC's restaurants and RSCs and support our ecommerce channels	Australia
Professional services for legal, financial and accounting	Australia
Human resources	Australia
Cleaning and maintenance services	Australia
Delivery aggregator services	Australia

Category	Risk Assessment	Findings
Equipment	Medium/High	We have requested that identified high/medium risk supply partners register with SEDEX for further risk assessment.
Development and Construction	Medium/High	We are focused on risks in the area of construction and development due to the nature of the workforce and subcontracting in this industry. We have prepared a training video for use in this area.
Accommodation providers	Medium	Given the nature of this industry and the demographic of the workforce, our teams use KFC Australia's internal risk assessment toolkit to assess these providers.
Marketing Services	Low	Risk considered low in professional agencies and activation events. We are seeking Sedex registration by merchandise providers.
Information and technology service providers that provide direct support to KFC's restaurants and RSCs and support our ecommerce channels	Low	IS hardware and software support services are subject to the new vendor process, and we are seeking Sedex registration by the majority of these providers.
Professional services for legal, financial and accounting	Low	Risk considered low due to the nature of services provided and demographic of the workforce.
Human resources	Low	Risk considered low due to the nature of services provided and demographic of the workforce.
Cleaning and maintenance services	Medium/High	Given the nature of this industry and the demographic of the workforce, our teams use KFC Australia's internal risk assessment toolkit to assess these providers.
Delivery aggregator services	Medium/High	To address this risk, we have included contractual provisions requiring compliance with modern slavery legislation and our Code of Conduct. In addition, in an effort to monitor contractual compliance we have engaged with the aggregator service providers in an effort to improve their policies and procedures relating to anti-modern slavery.

# ADDRESSING RISKS - SUPPLY CHAIN AND OPERATIONS



SEDEX

**1** KFCPL began membership of Sedex in 2019, and remains a member.

**2** In 2019 KFC Australia invited direct food and paper supply partners to join Sedex. This invitation has since been extended to new food and paper supply partners.

**3** The work of encouraging new and existing supply partners to register with Sedex will be an ongoing workstream.

**4** KFCPL was previously a member of the SEDEX Advisor Group. This provided KFC Australia with an opportunity to learn best practice across industries for addressing modern slavery risks.

**5** Yum! Brands has become a Sedex member at a global level, allowing KFC Australia to leverage the scale of Yum! Brands to drive Sedex registration and SAQ completion by global supply partners.

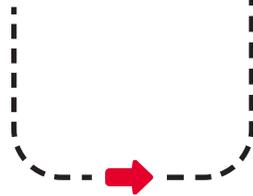
**6** Expanded the Sedex registration requirement to all of KFC Australia's supply partners who meet the registration threshold, capturing the areas of development, operations, food innovation and technology, quality assurance, marketing, supply chain, legal, IS, corporate affairs, finance and human resources.

**7** In 2023 KFC Australia partnered directly with Sedex, in authorising Sedex to reach out directly to KFC Australia's supply partners to explain the benefits of Sedex, and requesting registration by those supply partners with Sedex on KFC Australia's behalf.

# ADDRESSING RISKS - SUPPLY CHAIN AND OPERATIONS



## WORKSHOPS AND TRAINING



### 1 KFC Australia has:

- Facilitated modern slavery workshops and Sedex training for food and paper supply partners,
- Arranged and held training (refresher and updates) for the SCM, marketing, IS, development and finance teams on preventing modern slavery and utilising Sedex,
- Delivered Sedex training to the KFC Australia supply chain team, and
- Delivered modern slavery training and risk assessment training to the modern slavery working group.

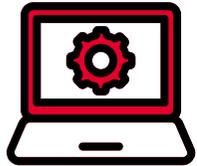
**2** KFC Australia has had each member of its RSCs complete a compulsory online modern slavery training course, developed in consultation with an external party. This course is compulsory for all new starters in the KFC Australia RSCs, and is intended to be completed by all RSC staff every two (2) years. This training provided information on KFC Australia's policies and processes, and is expected to greatly assist implementation, governance and accountability in relation to modern slavery.

**3** KFC Australia requires all team members to complete an annual compliance program which includes materials and training on whistle-blowing, and KFC Australia's open door policy.

**4** In 2023 KFC Australia developed a training video that can be shared with supply partners and on-site contractors, reminding these parties of the importance of compliance with KFC Australia's policies and procedures, including in relation to modern slavery and Sedex registration.

**5** In 2023 KFC Australia had each new team member complete compulsory online modern slavery training within six (6) weeks of commencing their employment. All KFC Australia RSC team members also completed the compulsory online modern slavery training in 2023.

# ADDRESSING RISKS - SUPPLY CHAIN AND OPERATIONS



## SUPPLIER REVIEWS AND RISK ASSESSMENTS

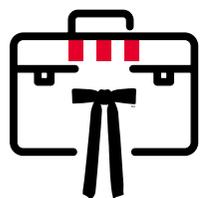
**1** KFC Australia is continually reviewing its supply partners to identify potential modern slavery risk areas across its supply chain and operations. This work is conducted via annual risk assessments and quarterly and annual business reviews held with supply partners.

**2** In support of the above, KFC Australia has updated the standing agenda for quarterly and annual business reviews with supply partners to capture a review of modern slavery risks and mitigation strategies. This ensures that modern slavery, the KFC Supplier Code of Conduct and the supply partner's SAQ results remain a constant discussion point between the parties. This procedure gives the parties a formal avenue for discussing and managing responses to modern slavery risks.

**3** KFC Australia has integrated its standard form modern slavery questionnaire and risk assessment process into the new supply partner onboarding process. This ensures that all new supply partners are subject to modern slavery review at the time of their engagement with KFC Australia.

**4** KFC Australia has strengthened its internal governance processes in the area of modern slavery prevention by implementing a revised new supply partner form for finance. This revised form requires that the supply partner and relationship manager verify that the supply partner has registered with Sedex, where required, and completed the SAQ, before being eligible for payment and the commencement of services.

# ADDRESSING RISKS - SUPPLY CHAIN AND OPERATIONS



## POLICIES, STATEMENTS AND CONTRACTS

**1** KFC Australia developed a modern slavery roadmap and drafted KFC Australia's first modern slavery policy. This has been followed up with the submission of three (3) further statements.

**2** KFC Australia conducted a GAP analysis of KFC Australia's policies and procedures for modern slavery risk.

**3** In January 2020, KFCPL and KFC Adco adopted a formal Modern Slavery Policy and Whistleblowing Policy which made available a completely confidential helpline and confidential disclosure form online available 24/7 to encourage our team members to whistle blow in safety. KFC Australia has worked to raise awareness of these policies across its business units, with the annual compliance training being a valuable tool in ensuring the team members are aware of these policies and tools.

**4** KFCPL updated the KFC Supplier Code of Conduct to specifically address compliance with modern slavery, illegal workplace practices and illegal workers. It is KFC Australia's expectation that supply partners comply with the KFC Supplier Code of Conduct.

**5** The Franchise Policies Manual, being the KFC brand's operational manual in Australia, has been amended to require KFCPL's franchise partners to provide their supply partners with a copy of KFC's Supplier Code of Conduct.

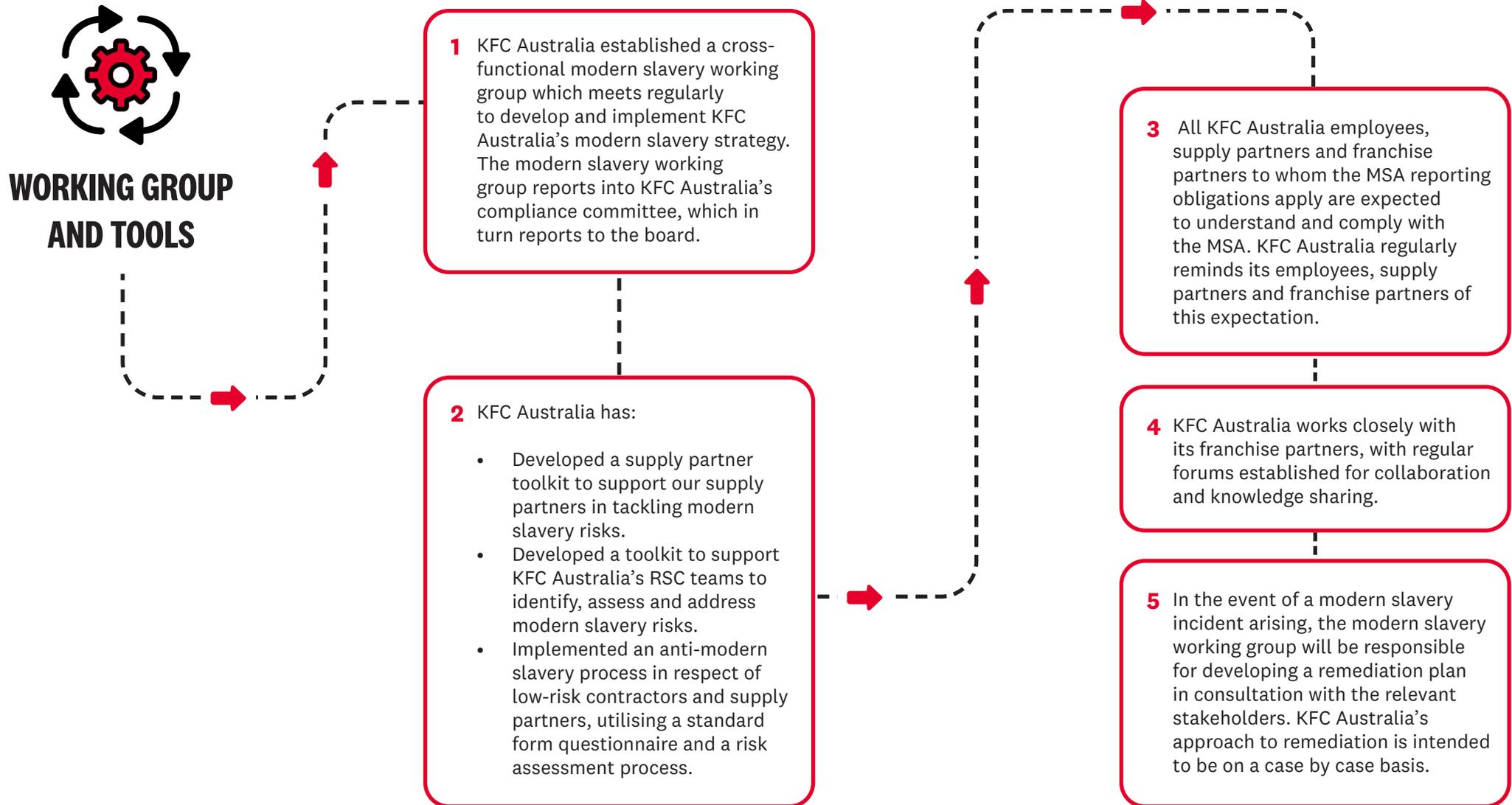
**6** KFCPL and KFC Adco has updated the terms of its template contracts, and the contracts with many of our supply partners, to include provisions requiring our supply partners to comply with the MSA and amongst other things, to register with Sedex where appropriate.

**7** In 2023 KFC Australia requested that Yum! managed template contracts be updated to incorporate requirements for supply partners to register with Sedex. The review of the global templates by Yum! is ongoing.

**8** In 2023 Yum! produced (with KFC Australia's input) the Responsible Sourcing and Sedex Playbook, which provides an overview of responsible sourcing and provides guidance and recommendations on the use of Sedex. This playbook is for use by KFC Australia, its franchise partners and supply partners.

**9** In 2023 KFC Australia reviewed and updated its whistleblower policy. A policy review project team has been established to continue this work.

# ADDRESSING RISKS - SUPPLY CHAIN AND OPERATIONS



# ASSESSMENT OF EFFECTIVENESS

## Reported Incidents

As of the date of publishing this statement, we have not been notified of any modern slavery related incidents during the period of this statement. Further, KFC Australia has not been notified of any potential claims pursuant to the whistle-blower hotline.

We acknowledge that this does not constitute a finish-line, and we will continue to implement anti-modern slavery measures and in turn also

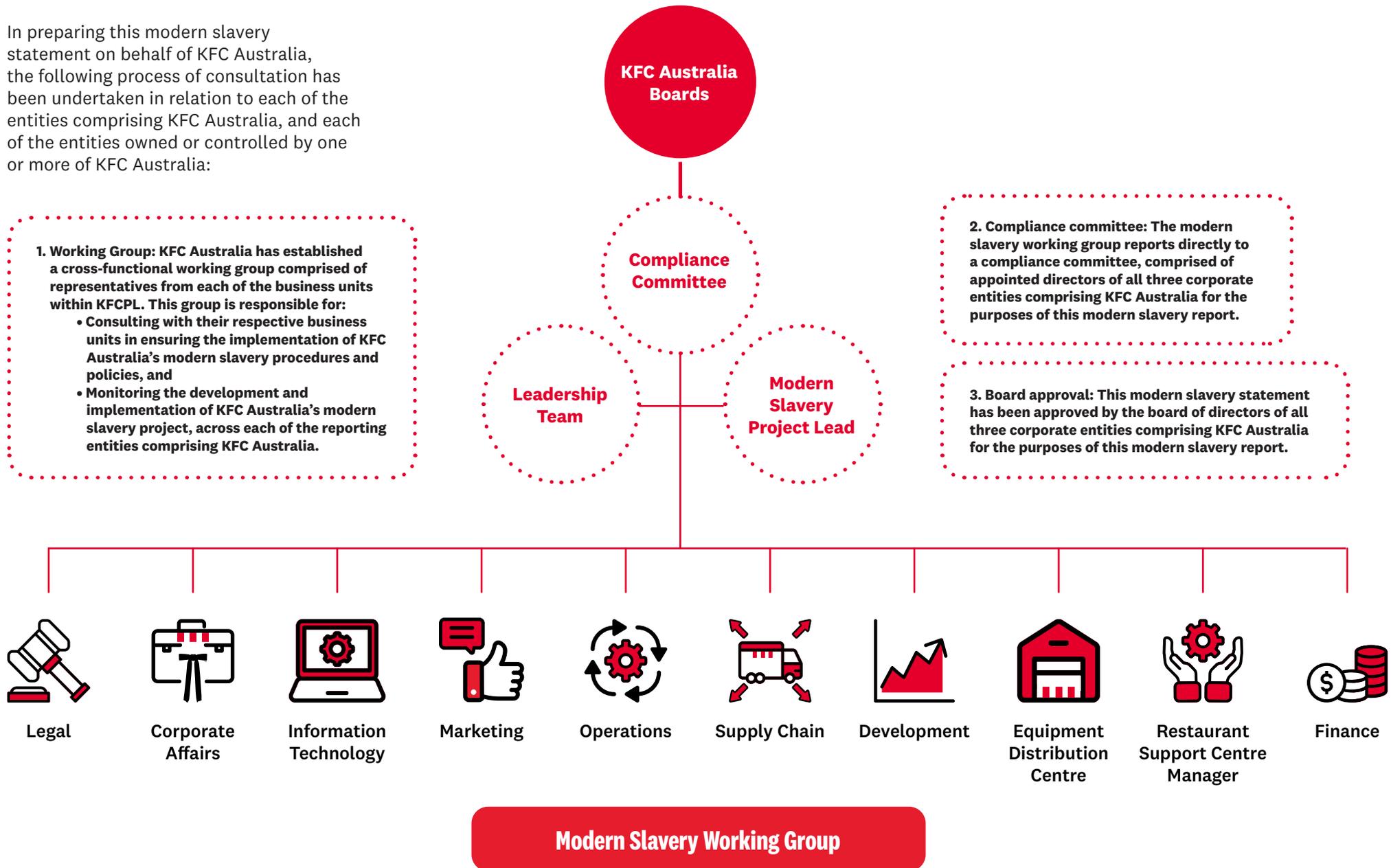
reflect on our incident reporting processes to ensure that we are made aware if there is a modern slavery related incident in our operations or supply chain.

You will note that we have committed to developing some key performance indicators in relation to our modern slavery mitigation strategies, and further develop some documented remediation processes and policies. This work remains ongoing.



# CONSULTATION PROCESS

In preparing this modern slavery statement on behalf of KFC Australia, the following process of consultation has been undertaken in relation to each of the entities comprising KFC Australia, and each of the entities owned or controlled by one or more of KFC Australia:



# OUR PATH FORWARD

KFC Australia is committed to undertaking the following work in an effort to further mitigate the risk of modern slavery occurring within KFC Australia’s operations and supply chain.

Future Action	KPI	Status
The work of encouraging new and existing supply partners to register with Sedex is ongoing.	KFC Australia’s goal is to have all supply partners, who meet the registration threshold, registered with Sedex.	This is an ongoing task that will remain relevant as new supply partners are engaged.
KFC Australia will review its due diligence system in the context of the United Nations Guiding Principles on Business and Human Rights.	Review of system completed by the time of publishing the next modern slavery statement.	This is an ongoing body of work, that KFC Australia is considering outsourcing to ensure that it is completed by the time of the next statement.
KFC Australia continues to work on developing key performance indicators in relation to our modern slavery mitigation strategies, and documented remediation processes and policies.	To have a board approved set of KPIs relating directly to modern slavery mitigation.	This is an ongoing body of work, that KFC Australia is considering outsourcing to ensure that it is completed by the time of the next statement.
Maintain compulsory modern slavery training for new starters, and annual compliance training for all team members on the whistle-blower and open policy.	KFC Australia’s goal is to ensure that all new RSC staff receive modern slavery training within six (6) weeks of commencing employment, that all RSC door staff receive modern slavery training every two (2) years, and that all team members are reminded annually of the whistle-blower and open door policy.	This is an ongoing commitment.
Complete a review of all of KFC Australia’s employment and team member related policies, applying a modern slavery prevention lens.	To have completed a review of KFC Australia’s employment and team member related policies during 2024.	This work commenced in 2023 with the whistleblower policy, and is an ongoing body of work.
Include modern slavery related provisions in Yum! (global) contract templates.	To have included in the master services agreement template being utilised at a global level provisions requiring Sedex registration by global supply partners and their subsidiaries (as appropriate).	While KFC Australia does not control this work, the request has been lodged and the work is ongoing at the Yum! level.

**SIGN OFF**

The board of Kentucky Fried Chicken Pty Ltd ACN 000 587 780 approved this statement on 30 June 2024, on its own behalf and on behalf of ACN 085 239 998 Pty Ltd ACN 085 239 998.

The board of KFC ADCO Limited ACN 083 047 992 approved this statement on 30 June 2024.



Kristi Woolrych  
General Manager of Kentucky Fried Chicken Pty Ltd

