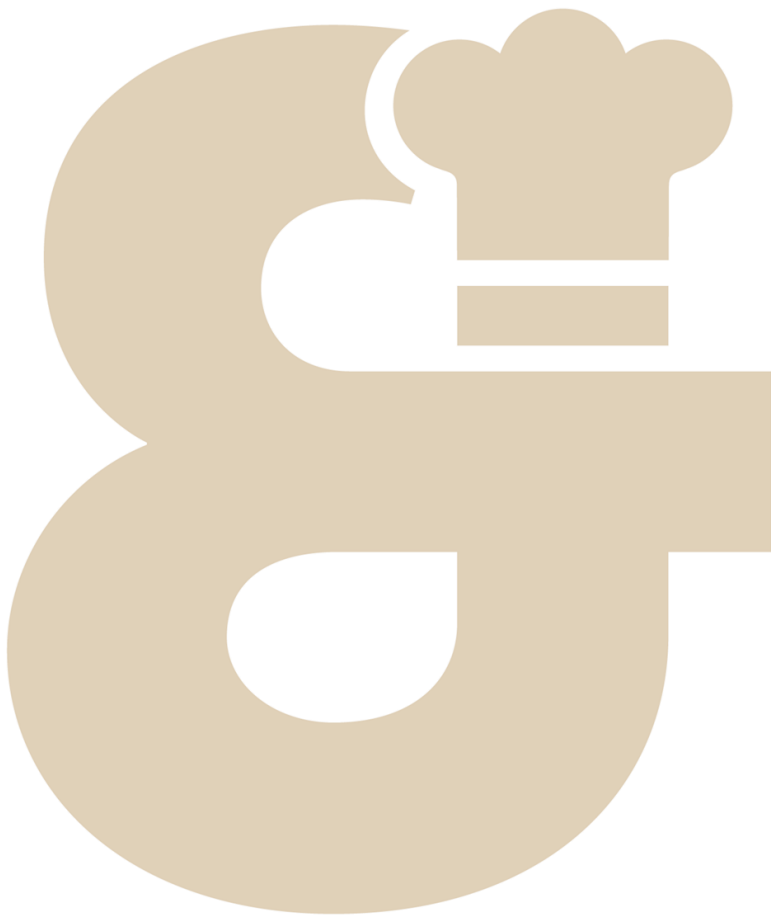


# Modern Slavery Statement 2020

Beak & Johnston Pty Ltd

March 2021



*Signed and approved 31 March 2021*

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## 1. INTRODUCTION

### Our Approach & Values

This is the first Modern Slavery Statement for the Beak & Johnston Pty Ltd Group. It outlines where we currently are and what our plans are to identify and mitigate risks in modern day slavery within our own operations and our supply chain.

Food manufacturing, more specifically, value-added convenience food, depends on ingredients and packaging that are appealing to the end consumer. **We strive to “improve everyday lives with delicious inspiring food.”**

We acknowledge that we have a complex supply chain and therefore we are committed to understand our supply chains as best as possible in order to identify and mitigate modern slavery risks.

We underpin this commitment through our B&J Values:



**PEOPLE MATTER** - We are totally committed to the safety and wellbeing of our colleagues. It is our no.1 priority. All our decisions are founded on colleague involvement. We are focussed on colleague development and we promote a highly engaged culture



**COLLABORATE FOR SUCCESS** - We embrace cultural diversity and creativity. We understand and respect the unique contributions of our colleagues and suppliers. We celebrate new ideas because they strengthen our competitive edge. Through teamwork everyone wins.



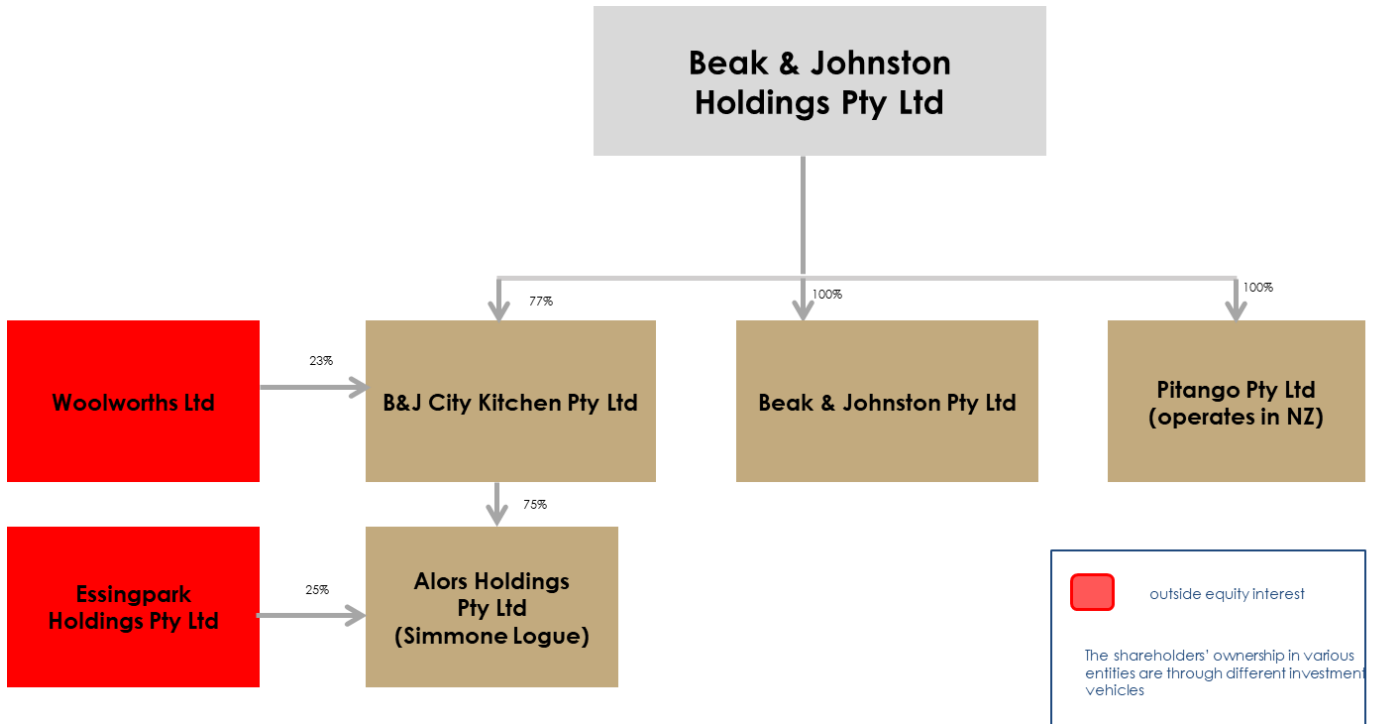
**ACT WITH INTEGRITY** - We are responsible in pursuing the expectations of all stakeholders. Understanding what's expected helps us demonstrate responsible behaviour. We hold ourselves accountable for constructive dialogue and listening. We act with authority and make empowered decision.



**CREATE A BETTER FUTURE** - We seek opportunities for success & strive for innovation. Our vision is driven by financial strength, flexibility, & new thinking. We believe considered risk taking is part of our enterprising spirit. We are accountable for delivering our productive future.

**2. OUR BUSINESS STRUCTURE**

Beak & Johnston Pty Ltd is a leading food manufacturer in Australia. Our company structure is made up of several trading entities



We employ 650 staff across the group with two manufacturing facilities in Sydney and one facility in Auckland, New Zealand. Our Auckland operations manufactures soups and slow cooked ribs under our Pitango and Beak & Sons brands.

Beak & Johnston Holdings Pty Ltd is the reporting entity for the purposes of the Australian Modern Slavery Act. For this first statement we will exclude our New Zealand operations from our report.

**Partnerships**

Woolworths Ltd has a 23% share in the B&J City Kitchen Pty Ltd entity. The Human Rights team within Woolworths have been consulting with Beak & Johnston and provided guidance to a framework for identifying and assessing modern slavery risks in our operations and supply chain.

## Our Brands

Beak & Johnston Pty Ltd manufactures the following brands:



Brands make up 20% of our business and the remaining 80% is predominantly retail private label. Our distribution channels are 10% Foodservice and 90% retail.

## Our Supply Chains

Our supply chain is made up of a large diverse group of business partners and stakeholders. Our finished products are all distributed within Australia across various retail and foodservice channels. Currently Beak & Johnston are not exporting any of its products, however this may become a future capability which will be reported on in subsequent statements.

Our principle raw materials are predominantly Australian made or produced, apart from spices and some dry ingredients such as starches. Over the last 3 years Beak & Johnston have focussed on working with Australian packaging suppliers to produce more of our packaging locally. We use substantial amounts of cardboard, plastic (PP, PET, CPET) trays and pots, foil trays and films in our operations. Currently, 20% of our packaging volume is imported from abroad. We continue to work with suppliers to further reduce this proportion.

### 3. IDENTIFYING RISKS

#### Risks in our own operations

The risk of modern slavery in our own operations is low due to policies and practices that align to local Human Rights legislation and also to our B&J Value of “People Matter”. We have strong auditing programs and as part of our retailer Terms of Trades, made ourselves visible on Sedex to any customer that requires visibility.

We run regular colleague communication and engagement sessions and pride ourselves on participation rates that are industry leading. All feedback, positive or negative is taken on board and we either build on the good or implement actions to improve. We often celebrate success through various initiatives such as staff BBQ’s or team lunches during work hours for our factory colleagues.

We participate in various local charity events and donations over the year.

#### We donate food helping feed those in need on a weekly basis

We donate fresh quality ready meals produced at City Kitchen to FoodBank and Golden Manna for distribution in the local Blacktown region to support feeding the community.



#### Through various partnerships we are enriching our social surrounds



Our desire and passion to give drives us to support local charities such as PanKind, Woolies of Wheels, OzHarvest and Fast Australia.

We have fed over 30,000 walkers and cyclists who are raising money to support the fight against cancer.

Our people are provided with paid leave to participate in charitable events. From Tough Mudder obstacles, CEO cook offs and feeding the needy with warm hot soup over winter.



#### Clean Up Day at City Kitchen is an annual event to improve the Arndell Park environment

Our people proudly collect over 30 bags of litter each year from the local area, removing harmful rubbish and waste from the streets.



#### Risks in our ingredient and packaging supply chains

Although we only use approved ingredient and packaging suppliers, we do recognise that we currently have less visibility of their supply chains than our own operations and therefore we have highlighted this as a potential risk.

A proportion (15%) of our raw material suppliers also supply directly into the Australian retail market and are therefore also visible on Ethical Sourcing risk platforms.

For suppliers sourced through the Beak & Johnston Supplier Assurance Program, we have incorporated modern slavery risk assessment questions into our approval process for all new suppliers to the Group. This is aimed at identifying potential risks in our suppliers’ supply chains.

We are working with our existing portfolio of suppliers to complete the mapping of their supply chains with the aim to have this completed by the end of 2021.

Our current supply base is made up of the following *(Jan 2021 – Australian Operations)*

|                    | Australian Suppliers | Oversees Suppliers | TOTAL |
|--------------------|----------------------|--------------------|-------|
| <b>Ingredients</b> | 230                  | 5                  | 235   |
| <b>Packaging</b>   | 47                   | 5                  | 52    |

By the end of 2021 we will complete our risk assessments of the ingredient supply base chains and the packaging supply base by June 2022. Findings from these risk assessments will be used to develop our actions plans.

### Impact of COVID-19

Beak & Johnston was one of the first food manufacturing businesses in Australia to publish its COVID safe plans and controls. Our internal Covid Response framework is designed to be one level higher than the recommended local government guidelines. This framework allows us to respond swiftly to local clusters by moving up or down our restriction level, depending on the local severity.

### B&J COVID-19 Response Framework

| Level | NSW Health Description   | B&J Response  |
|-------|--|---|
| 1     | Watch - Level 1, Virus no longer present (zero cases). Continue to practice usual hygiene precautions  | <ul style="list-style-type: none"> <li>Enhanced hygiene &amp; hand sanitisation</li> <li>Social distancing remains in place</li> <li>Mandatory temp testing on entry to site</li> <li>Face masks discretionary</li> </ul>   |
| 2     | Alert - Level 2, Low levels of transmission. Practice social distancing and lower levels of caution  | <ul style="list-style-type: none"> <li>Enhanced hygiene &amp; hand sanitisation</li> <li>Social distancing remains in place</li> <li>Mandatory temp testing on enter to site remains</li> <li>Face masks mandatory if social distancing is hard</li> </ul>  |
|       | Alert - Level 3, Virus in present in population via community transfer. Practice enhanced social distancing, Covid 19 precautions for visitors to site | <ul style="list-style-type: none"> <li>Enhanced hygiene &amp; hand sanitisation</li> <li>Social distancing remains in place</li> <li>Stagger meal breaks</li> <li>Face masks mandatory in area where social distancing is an issue</li> <li>Temp testing on enter to site remains</li> <li>Limit site visitors</li> </ul> |

|   |   |  |
|---|---|--|
| 3 | Warning - Level 4, Rising level of community transmission. Enforced social distancing, avoid nonessential travel.         | <ul style="list-style-type: none"> <li>● Enhanced hygiene &amp; hand sanitisation</li> <li>● Contact cleaning on hard surface during the day</li> <li>● Social distancing remains in all areas</li> <li>● Face masks compulsory</li> <li>● Temp testing on enter to site remains</li> <li>● Stagger meal breaks &amp; Split breaks across all shift</li> <li>● Shift handover segregation</li> <li>● Staff traceability across the plant in place</li> <li>● No visitors</li> <li>● Team rosters and WFH options in place</li> </ul> |
| 4 | Extreme Warning – Level 5. Material risk of healthcare services being overwhelmed. Extreme social distancing and lockdown | <ul style="list-style-type: none"> <li>● Enhanced hygiene &amp; hand sanitisation</li> <li>● Contact cleaning on hard surface during the day</li> <li>● Social distancing remains in all areas</li> <li>● Face masks compulsory</li> <li>● Temp testing on enter to site remains</li> <li>● Stagger meal breaks &amp; Split breaks across all shift</li> <li>● Shift handover segregation</li> <li>● Staff traceability across the plant</li> <li>● No visitors</li> <li>● Remote working for support function</li> </ul>            |

As the food manufacturing industry is seen as an “essential” during the pandemic, our sites were operating as normal and remained fully operational. We consulted and communicated with our colleagues on a weekly basis to ensure total engagement throughout.

Our Simone Logue entity that operated out of Marrickville, Sydney was the most effected as a large proportion of it’s products were supplied to the airline industry. As a result, we have successfully integrated that part of the business into our existing Greenacre manufacturing facility in January 2021.

Most of our ingredients and packaging are locally sourced and produced. We have seen some disruption in ingredient supply during lockdown periods but no more than during recent events such as the drought, bushfires and strikes at Sydney ports. This resulted in delays in deliveries, but alternative, contingency supply was available to us.

**4. RISK MITIGATION**

Our responsible sourcing audit questionnaire findings are risk assessed prior to entering into supply agreements with new suppliers. We will work with new and existing suppliers in helping to identify and remediate non compliances against human rights, health, safety and the environment. Going forward, these non-compliances will be trended for governance and continuous improvement.

**5. ASSESSING THE EFFECTIVENESS OF OUR ACTIONS**

By the end of 2021 we will complete our assessment of identifying risks in our supply base. We anticipate that interpreting some of these supplier responses will be complex. Through our partnership with Woolworths, we will collaborate with their Human Rights team in ensuring we effectively assess strengths and opportunities. We are setting up a cross functional team that will meet on a monthly basis to assess progress and the effectiveness of mitigation controls put in place.



## 6. THE WAY FORWARD

We are comfortable about our own operations in Australia; however, we will never become complacent. We will continue to engage with 3<sup>rd</sup> party auditing bodies to measure our own policies and practices against combatting modern slavery.

We will continue to conduct bi-annual staff surveys to ensure we do the right thing for our colleagues and act where improvements can be made.

Our plan to identify modern slavery risks in our supply base for ingredients and packaging is where our current focus is. Our plan is to have this completed by the end of 2021 for existing suppliers and will continue to assess any new suppliers as part of our Supplier Approval Process.

We will continue to increase employee awareness to enhance our human rights policies and integrate this into our day-to-day operations of the business.

Hereby signed,



Ray Hanly  
Group CEO Beak & Johnston Pty Ltd