

MODERN SLAVERY REPORT 2021

MONDE NISSIN AUSTRALIA



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STATEMENT OF ENDORSEMENT

As with 2020, 2021 was a challenging year with ongoing lockdowns impacting our people and suppliers, and increased public health measures across the country and our sites to protect our people, their health, livelihood and business operations. Against this back drop we developed our new sustainability strategy where human rights and supply chain transparency are a core focus. We have been making steady progress on the modern slavery risk control work commenced in 2019 - 2020 with our highest risk international suppliers. However through the development of our holistic sustainability strategy, we have placed significant focus on the understanding our baseline data, analysis and developing clear initiatives that will be the basis for our modern slavery program into the future.

Our vision of being “Simply Good for People and Planet” is ingrained within our culture and as such we are committed to ensuring human rights and fair labour practices are upheld within our business and within our supply chain. We fully support the Modern Slavery Act and associated mandatory reporting.

The Monde Nissin Australia Board of Directors and Executive Leadership team approves this statement, our Modern Slavery 2020 - 2021 report, and I sign on their behalf.



Hadrianus S
Chief Executive Officer
Monde Nissin Australia

STATEMENT ON THE REPORTING ENTITY MONDE NISSIN AUSTRALIA (ABN: 25 169 518 325) IS AN AUSTRALIAN PRIVATE COMPANY. THE COMPANY IS REGISTERED AT **LEVEL 3 / 6 NEXUS MULGRAVE VIC, ADDRESS AUSTRALIA**. THIS STATEMENT HAS BEEN PUBLISHED IN ACCORDANCE WITH THE MODERN SLAVERY ACT 2018 (CTH) (MSA OR ACT). IT IDENTIFIES THE STEPS MONDE NISSIN AUSTRALIA UNDERTOOK DURING YEAR ENDING 30 DECEMBER 2021.

section 1

COMPANY INTRODUCTION

Monde Nissin Australia (MNA) sources, manufactures, stores and distributes some of Australia's most loved brands, including Nudie, Black Swan, Wattle Valley, Peckish and Quorn. We understand the importance of corporate social responsibility and human rights and work together to ensure our vision of:

'Simply Good for People and Planet'

Is reflected in activities we undertake as well as across our operations and supply chain.

Our company values reflect our belief in the rights of all individuals to have fair and just working conditions:

Care; Teamwork; Excellence; Fun



Care

We are passionate about the work we do, and act with integrity and honesty. We value and support each other with empathy and genuine respect, creating a workplace that is mentally and physically safe.



Teamwork

We respect and acknowledge all team members ideas and always have each others backs. We communicate openly, aligned to achieve our common goals, celebrating wins along the way.



Excellence

We plan for success through considered and balanced decision making. We operate with discipline, attention to detail and agility and have the courage to speak up to understand the WHY.



Fun

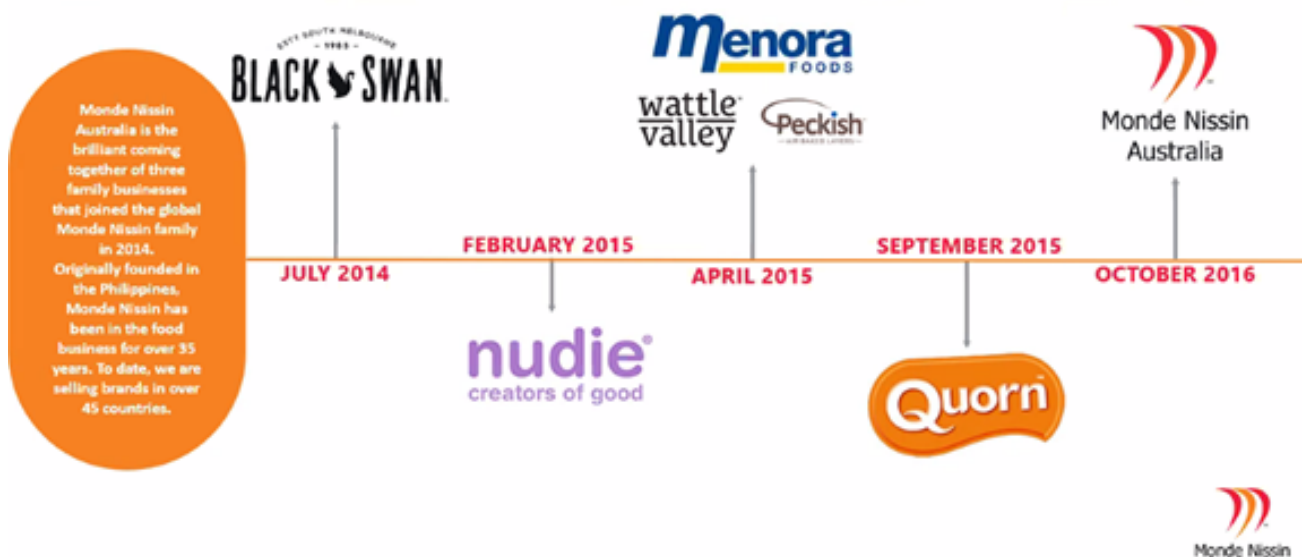
We recognise each others wins, big or small and celebrate with our colleagues. We have a laugh and don't take ourselves too seriously or worry about things we can't control.

section 2.1

COMPANY STRUCTURE

Monde Nissin Australia Pty Ltd (ABN 25 169 518 325) is an Australian Private Company that has been operating since 2014. We currently employ 348 individuals across VIC, NSW, WA & QLD, with the majority of employees in VIC and NSW.

OUR BUSINESS HISTORY



The following business units make up Monde Nissin Australia:

- Black Swan
- Nudie Foods
- Novus Manufacturing
- Menora
- Supply Chain and Logistics (Monde Nissin 3PL)
- Food Solutions and Strategic Projects

These business units are supported by a shared service departments that includes the functions of finance, people & culture and business excellence (safety, quality and sustainability).

COMPANY OPERATIONS AND SUPPLY CHAIN

OPERATIONS

Monde Nissin Australia core operations consist of procurement of both raw materials and retail food products, food processing and production, food storage and distribution. Currently our retail products are distributed domestically and into 15 international markets. Other core operations include the employment of 348 employees across the business.

Monde Nissin Australia Head Office:

- Mulgrave Victoria

Production - we operate 3 manufacturing sites:

- Clayton South, Victoria - Black Swan
- Cheltenham, Victoria - Novus Manufacturing
- Eastgardens, New South Wales - Nudie

Warehousing and Distribution - we operate 3 Distribution Centres:

- Noble Park, Victoria
- Smithfield, New South Wales
- Perth Airport, Western Australia

SUPPLY CHAIN

The Monde Nissin Supply Chain includes the procurement of raw materials, finished products and services:

We source a wide range of raw materials, the majority of which are procured from domestic suppliers. These include:

- Fruit Juices
 - Dairy product, including Australian Cream Cheese and Milk Powders
 - Primary and Secondary packaging materials
-

We also procure finished retail product from both domestic and international (East and South East Asia; UK and European Union) suppliers, including:

- Rice Crackers
- Meat Replacement Products
- Dairy products, including butter, cheese and dairy based deserts
- Condiments, including mustards, sauces and jams

The services we procure are mainly domestic and include:

- Domestic and International logistics and transport services
- Laboratory testing services
- Cleaning services
- Payroll consultants

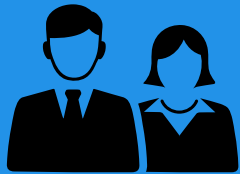
For all materials and services sourced our procurement team, in consultation with subject matter experts within the business, ensure safe, quality and continuous supply from reputable companies.

MODERN SLAVERY RISK ASSESSMENT

From the initial review of our operations completed with our first Modern Slavery Statement, we built the foundation for a robust supply chain analysis and in 2021 we engaged an external consultant company to extend upon our initial risk assessment work. A comprehensive supply chain risk assessment was completed to understand potential modern slavery risks by procurement category utilising four different databases that provide indicators and scores relating to modern slavery risks per sector and country. The fifth source of information was a literature review which provides insight into risks specific to the Australian context or sub-categories of products and services. From this we have assessed 99% of our FY2020 procurement spend distributed across 22 specific procurement categories rating them from very high to low risk for modern slavery.

The full extent of modern slavery risks throughout the supply chain mapped to spend by individual supplier, has not yet been fully completed, however the following were deemed key risks types. These risks have been considered as part of the development of our approach to addressing the risk of modern slavery within our operations and supply chain.

KEY SUPPLY CHAIN RISKS



Labour rights and low visibility in local and overseas contracted and subcontracted business-related services and professional services, such as transport and logistics, packaging and advertising and marketing.



Labour conditions in the cultivation, harvesting and processing of food products



Labour conditions and child labour in the overseas supply chain of materials such as paper and plastic.

INTERNAL

Although we deemed modern slavery risks as low for our direct employees, due to our People & Culture team and internal governance policies and procedures, there were significant employment law changes that lead us to conducting an assessment of our payroll processes. Several improvement areas were identified in this review which were due to a legacy process issues as a result of the acquisition of three different businesses when MNA was formed.

ACTIONS TAKEN TO CONTROL IDENTIFIED RISKS

Supply Chain

GOVERNANCE CONTROLS

Through 2021, we consulted widely when developing our new sustainability strategy, conducting over 150 engagements through surveys and interviews to develop a meaningful initiatives and document our action plan. The supply chain 'hot spot' risk assessment described in section 3 was part of this strategy development. We have placed development of a comprehensive and structured Modern Slavery and Human Rights program as a key priority in our sustainability strategy based on this risk assessment and review of existing controls established in 2020. We recognised that we needed greater governance to ensure we were clearly communicating our expectations and controlling for risk across the full supplier base. Work to develop the program documentation and supplier self-assessment tools commenced in late 2021. We recognised that we had many small spend suppliers and an effective process was needed for these partners. This will allow us to reach all parts of our supply chain utilising a self-assessment tool and then continue to use the SEDX platform for larger strategic suppliers and those identified as the highest risk.

SEDEX

Supplier Ethical Data Exchange (SEDEX) is one of the world's largest ethical trade service providers. Monde Nissin Australia is member of the SEDEX platform. We have continued to utilise this platform with our key international suppliers, reviewing the results of their audits and communication of improvements undertaken.

As part of this membership our largest manufacturing site, Clayton, completed a Self-Assessment Questionnaire (SAQs) on business ethics, labour standards and Health, Safety and Environmental (HSE) practices and a independent SMETA and shared this information about performance with key customers. The SMETA audit found (x2) non conformances and (x3) observations which were rectified shortly after receiving the audit results. We share this information with our business partners through the SEDEX platform.

Internal

PAYROLL REVIEW

In late 2021, MNA kicked off an important initiative to review our internal processes and systems in order to ensure we meet our mandatory legal and industrial responsibilities and requirements and also ensure we operate our business lawfully and with the safety and wellbeing of our people in mind.

Through this initiative, MNA engaged with an external auditor to assess and review all aspects of our payroll processes and systems. This has been a significant undertaking and has been important to us to ensure we identify and correct any process errors or system defects that may have occurred or been in place prior to the three company acquisitions which created the MNA of today.

As part of this review, we identified some unintentional errors had occurred in how we have processed entitlements for some roles across our business. MNA is working hard to resolve and reimburse any errors and implement process improvements across our business to ensure these issues to do not occur in the future.

AWARD MAPPING

During 2021, the People & Culture team also worked on various other projects to ensure our internal processes for engaging employees met all the suitable, necessary and legally required standards and conditions. This included a complete Award Mapping project identifying each employees award and the minimum award conditions relating to their role in our business and also ratification of a new Enterprise Bargaining Agreement for our key manufacturing sites.

ASSESSMENT OF EFFECTIVENESS OF CONTROL MEASURES

MNA acknowledges that we are still the identifying Modern Slavery risks and developing governance structures stage of implementing our Modern Slavery Program. As such we have not significantly assessed the effectiveness of the control measures at this time. As we move into a wider implementation phase across our supplier base we will set metrics to assess the effectiveness of our control measures. We expect to include the following metrics:

- Percentage of employees trained in policies, grievance mechanisms and modern slavery awareness
- Percentage of suppliers that have accepted the MNA Human Rights Policy and Responsible Supplier Code
- All new supplier contracts to include Modern Slavery and Human Rights compliance clauses

Internally, we conducted anonymous staff engagement surveys in late 2021 where all feedback is assessed and considered as part of our ongoing continuous improvement programme. We have set targets around employee engagement and will review this in the coming year in the specific engagement target areas. A steering committee is in place to monitor the payroll governance process and ensure all legislative requirements are met systematically.

section 6

CONSULTATION

To compile this report, a cross function working group from People & Culture, Procurement and Business Excellence departments was established and consulted with. This group provided valuable insights and was able to provide feedback into the report prior to submission. Wider consultation through the General Leadership Team that head group wide functions occurred for final review prior to CEO and Board approval.

section 7

FUTURE PLANNING

Our new sustainability strategy 2022-2025 has prioritised building a comprehensive and transparent human rights and modern slavery program, leveraging on the work already completed in 2021. This will involve development of our Human Rights policy and Responsible Supplier Code of Conduct with a due diligence framework to further assess our supplier base against procurement risk categories, incorporating our spend data with suppliers. We will continue to utilise the SEDEX platform for our highest risk category suppliers to share ethical sourcing information and corrective actions monitoring in a collaborate manner. Associated awareness training is planned to educate our people on modern slavery awareness and grievance mechanisms as we implement our policy.

Internally, work will continue on our award mapping and payroll projects to improve our processes.

APPENDIX

COMPLIANCE ELEMENTS FOR THE STATEMENT

This Modern Slavery Statement was prepared in accordance with the criteria set out in the Modern Slavery Act 2018 (Cth) (Australia). The table below outlines where information related to each mandatory reporting criteria can be located within the report.

MANDATORY REPORTING CRITERIA	LOCATION IN DOCUMENT
Criteria 1. Identify the reporting entity	statement of endorsement
Criteria 2. Describe the structure, operations and supply chains of the reporting entity	Section 1, 2.1 and 2.2
Criteria 3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	Section 3
Criteria 4. Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	Section 4
Criteria 5. Describe how the reporting entity assess the effectiveness of such actions	Section 5
Criteria 6. Describe the process of consultation with any entities that the reporting entity owns or controls	Section 6