

# GOODMAN FIELDER PTY LIMITED RESPONSIBLE SOURCING CODE Working in Partnership with our Suppliers



# RESPONSIBLE SOURCING CODE

## INTRODUCTION

At Goodman Fielder (GF), we are working to ensure that our business is fit for the future and we know our success is reliant upon thriving, productive supply chains. We have a goal to source 100% of our ingredients sustainably by 2030. Our suppliers are critical partners for this ambition and we welcome opportunities to work collaboratively to achieve our collective sustainability goals.

## PURPOSE AND SCOPE

The purpose of this Responsible Sourcing Code of Conduct (the Code) is to set out GF's expectations in relation to sustainability, human rights, business ethics and health and safety and the environment.

This Code applies to all co-manufactures, suppliers, vendors, contractors, consultants, agents and other providers of goods and services to GF (Suppliers). All suppliers must comply with the requirements set out in this Code and apply these requirements to their own supply chain, suppliers, contract labour providers, and approved sub-contractors who they work with to supply goods and services to GF.

This Code forms part of GF's supplier selection process and are subject to ongoing monitoring. If GF and a Supplier have a pre-existing agreement in place, it is GF's intention that this Code forms part of any Agreement with such a Supplier.

## LEGAL COMPLIANCE

Suppliers must fully comply with all applicable local and international laws, regulations, ordinances and protocols relating to, without limitation, human rights, labour, health, safety and the environment.

## MODERN SLAVERY

The Australian Modern Slavery Act 2018 took effect on 1 January 2019, and requires GF to make annual public reports (Modern Slavery Statements) on our actions to address Modern Slavery risks across our operations and supply chains. Suppliers must not use modern slavery practices in their operations or supply chain. Modern Slavery includes trafficking in persons, forced labour, slavery, servitude, debt bondage, the worst forms of child labour, forced marriage or deceptively recruiting workers for labour or services. Suppliers must actively

support the abolition of modern slavery by taking measures to identify and mitigate modern slavery risks along their supply chain.

1.1 Suppliers must promptly respond in a transparent, honest and clear manner to any request for information about its supply chain including in relation to any raw material sourcing practices, employment and hiring practices etc. that it receives from GF. If GF is not satisfied with the response received from the Supplier, the Supplier must as soon as practicable provide any supplementary information requested by GF.

1.2 Suppliers must disclose to GF any confirmed or suspected breaches of human rights in the Suppliers' supply chain as soon as reasonably practicable upon after becoming aware of such confirmed or suspected breach. Such disclosure should include, at a minimum, the nature of the confirmed or suspected breach, the remediation steps or proposed remediation steps that the Supplier intends on implementing, the timeframe for implementation and any other applicable information relating to the confirmed or suspected breach.

## 2. Forced/ Bonded or Indentured Labour

2.1 Suppliers shall eliminate forced, bonded (including debt bondage) or indentured labour, slavery and trafficking of persons, and restrictions on workers' freedom of movement

2.2 Workers must be free to leave employment without penalty on the provision of reasonable notice.

2.3 Workers shall retain possession of their own original identification papers or personal things (e.g. passports, visas, ID cards, bank cards etc.). Exception: Only with written consent and upon request from workers can suppliers retain documentation for safekeeping reasons. Suppliers are to ensure that workers have access to their documents at all times.

2.4 Suppliers shall ensure ethical recruitment such that workers do not incur any recruitment fees at any stage of the recruitment process and similar requirements should be complied with by third-party recruitment agencies engaged by Suppliers.

## 3. Freedom of Association and Collective Bargaining

3.1 Suppliers acknowledge that workers, without distinction, have the right to join or form trade unions of



their own choosing and to bargain collectively.

3.2 Suppliers are required to adopt an open attitude towards the activities of trade unions and their organisation activities. No workers shall be subjected to harassment, intimidation or retaliation for exercising their right to freedom of association and collective bargaining. Workers representatives should have access to carry out their representative functions in the workplace.

3.3 Where the right to freedom of association and collective bargaining are restricted under law, parallel means of independent and free association and bargaining should be made available to all such personnel.

#### 4. Child Labour

4.1 Suppliers shall adhere to minimum age provisions defined by applicable national labour laws and regulations; or by International Labour Organisation (ILO) Convention 138, whichever is higher. Convention 138 concerns the minimum age for admission to employment and work.

4.2 Suppliers must be able to verify the age of all employees to ensure no child labour is used. Goodman Fielder refers to the International Labour Organization's Minimum Age Convention, 1973 (No. 138 definition and guidance on child labour) in the absence of strong legislative child labour protections.

4.3 Where young people under the age of 18 are employed, Suppliers will ensure that their work is not likely to be harmful to their health and/or development, including no working under hazardous conditions and ensuring compliance with all applicable laws.

#### 5. Wages and Benefits

5.1 Suppliers are required to ensure that wages and benefits paid for a standard working week meet, at a

minimum, national legal standards.

5.2 Suppliers must ensure that all workers are provided with written and understandable information about their specified employment conditions, especially in respect to wages before they enter employment and about the details of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted with Deductions from wages not provided for by national law must also not be permitted without the express permission of the worker concerned. All disciplinary measures must be notified to the employee and be recorded in writing.

#### 6. Working hours

6.1 Suppliers must provide for working hours that comply with national laws and industry standards in the country in which the Supplier operates. Regular hours worked shall not typically exceed sixty hours per week, (including overtime) and workers will be provided with a minimum one day off in every seven-day period or, where allowed by national law, 2 days off in every 14 day period.

6.2 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where all of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety;
- the employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

- Record keeping on hours worked must be accurate, complete and transparent at all times.

6.3 Overtime shall be voluntary and compensated in line with legal requirements. Suppliers shall ensure that workers have the right to refuse overtime work without fear of retaliation or disciplinary actions.

## 7. No discrimination or harsh or inhumane treatment

7.1 Suppliers must maintain a workplace free of any kind of harassment and/or discrimination including in relation to ethnic origin, gender, national origin, age, social class, religion, sexual orientation, gender identity, union membership, political affiliation, disability, or other similar factors.

7.2 Suppliers must ensure that their employees are afforded an employment environment that is free from any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse.

7.3 The basis for recruitment, advancement, training and compensation should be relevant qualifications, performance, skills and experience.

## 8. Regular employment

8.1 To every extent possible, work performed must be based on recognised employment relationship established through national law.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

## 9. Safe and Hygienic Working Conditions

9.1 Suppliers must ensure that health and safety procedures comply with all applicable laws and regulations.

9.2 Suppliers shall provide a safe, healthy and hygienic working environment. Adequate steps shall be taken to prevent incidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

9.3 Where appropriate and/or required by local laws and regulations personal protective equipment must be

supplied, and workers shall be trained in its use.

9.4 Safeguards on machinery must meet or exceed local laws, requirements or industry standards (whichever provides the greatest protection from employees).

9.5 Suppliers must ensure that workers receive regular and recorded health and safety training, and such training shall be repeated for new or reassigned workers.

9.6 Suppliers must provide access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

9.7 Where provided, accommodation, must be clean, safe, and meet the needs of the workers.

9.8 Suppliers shall provide adequate safeguards against fire and shall ensure strength, stability and safety of buildings and equipment (including accommodation for workers, where provided).

9.9 The Supplier shall have a documented emergency plan including notification and evacuation procedures, fire detection and suppression equipment, adequate number of clearly marked, and easily accessible exits as well as appropriate first aid supplies

9.10 The Supplier shall identify hazardous materials, chemicals and substances, and ensure their safe handling, movement, storage, recycling, reuse and disposal. All applicable laws and regulations related to hazardous materials, chemicals and substances shall be strictly followed.

9.11 Suppliers must assign responsibility for health and safety to a senior management representative

## 10. Environmental Protection and Climate Change

10.1. Suppliers must maintain an effective environmental management system that identifies environmental impacts including and not limited to waste, water, wastewater, energy, air emissions, hazardous materials, and other significant environmental risks.

10.2 Suppliers must make progressive improvements in their operations and through adoption of good operating practices, to ensure resource efficiency, cleaner production, pollution prevention and where applicable the minimisation of food waste.

10.3 Suppliers must measure, monitor, minimise and report material environmental impacts associated with their products and services, and from their operational footprint where relevant, including greenhouse gas



impacts, biodiversity impacts and lifecycle impacts of products and services and packaging.

10.4 Where required, suppliers must assist GF in achieving environmental goals including provision of data including greenhouse gas emissions, food waste data and packaging data.

## 11. Complaints and Grievances

11.1 Suppliers must maintain and provide grievance mechanisms to enable workers to raise any concerns through confidential means.

11.2. Suppliers must ensure that workers are trained and made aware of available grievance mechanism options, and understand that they can communicate without fear of retaliation, intimidation, harassment, or discrimination.

11.3 The Supplier must, in no event, respond to any grievance by using threats, intimidation, harassment or discrimination.

11.4. Suppliers shall maintain a record of all grievances; raised, in progress of resolution, and resolved.

### AN EFFECTIVE GRIEVANCE MECHANISM:

Goodman Fielder believes that implementing an effective grievance mechanism is key to respecting workers' rights, upholding this Code and ensuring a successful and mutually beneficial relationship with its Suppliers. The United Nations Guiding Principles on Business and Human Rights (known as the UNGPs)

outlines eight characteristics of an effective grievance process (extracted below). Suppliers are encouraged to assess the effectiveness of their grievance process and commit to continuous improvement. An effective grievance mechanism should be:

**a. Legitimate:** enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes;

**b. Accessible:** known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face barriers to access;

**c. Predictable:** providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation;

**d. Equitable:** seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms;

**e. Transparent:** keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake;

**f. Rights-compatible:** ensuring that outcomes and remedies accord with internationally recognised human rights;

**g. A source of continuous learning:** drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms; and

**h. Based on engagement and dialogue:** consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.

## 12. Raw Materials and Sustainable Sourcing

At Goodman Fielder we believe that making food better includes using more sustainable ingredients. We know that the growing and production of our ingredients can make a positive contribution to the communities and ecosystems from which we source but we also recognise the potential for these same ingredients to have the opposite effect. We are committed to achieving greater transparency, supporting sustainable agriculture practices and promoting regenerative techniques.

12.1 Suppliers are required to be transparent about their raw material sourcing practices and will share upon request relevant traceability data and information that supports GF's broader responsible sourcing goals.

12.2 Suppliers must source and supply credible third-party certified products where contractually required (e.g. Roundtable on Sustainable Palm Oil (RSPO) certification).

12.3 Where relevant, we encourage our suppliers to work collaboratively with GF to identify and achieve improved social and environmental standards of on farm practices consistent with SAI Platform Sustainable Agriculture Principles and Practices.

## 13. Supplier inclusion & Diversity

13.1 We encourage suppliers to where appropriate, develop measurable action plans to improve inclusion and diversity in both their operations and supply chains.

13.2 We encourage suppliers to build partnerships within the local communities in which they operate to support local economies.

## 14. Business Ethics & Integrity

14.1 Suppliers and representatives shall have in place anti-corruption and anti-bribery procedures designed to prevent employees or persons associated with its business from committing offences of bribery or corruption. Suppliers and representatives will properly implement these procedures and review them regularly to ensure that they are operating effectively.

14.2 Suppliers must not directly or indirectly promise, offer or provide any improper advantage to any person or entity. Goodman Fielder employees are not allowed to accept any such advantage and we expect the same approach in business dealings from our suppliers and third parties.

14.3 Suppliers must disclose any personal relationships, economic interest or other ties to their business held by an employee or contractor at GF.

## 15. Reporting and Compliance

15.1 Supplier must be able to demonstrate compliance with this Code at the request and to the satisfaction of GF.

15.2 Compliance to this Code may be checked through our due diligence process for new suppliers; while existing suppliers may be subjected to supplier assessments (including audits) where relevant and necessary.

15.3 To assess the level of risk across its suppliers, GF requires high priority suppliers to complete the Self Assessment Questionnaire (SAQ) for all their sites that supply products of service to GF. High priority suppliers are determined on the type of transactions, country of origin and sectoral risk rating. Where requested by GF, suppliers must undergo a third-party audit (e.g. Sedex Members Ethical Trade Audit (SMETA)) at the Supplier's sole cost. Where an audit demonstrates any non-compliance, the Supplier undertakes a time-bound programme of improvement and/or remediation. In the event that the Supplier fails to implement appropriate improvement and/or remediation action, GF reserves its right to terminate any engagement with the Supplier at its discretion.

15.4 GF reserves the right to verify the Supplier's compliance with the Code. The Supplier must promptly notify GF if it becomes aware of any actual, alleged or suspected breach of or non-compliance with this Code. If GF becomes aware of any actual, alleged or suspected breach of or non-compliance with the Code, GF may direct Suppliers to undertake corrective measures. GF reserves the right to terminate, without liability, any arrangement or agreement with any Supplier who does not comply with the Code to GF's reasonable satisfaction.