



Bega Cheese Limited

2024 MODERN SLAVERY STATEMENT



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SECTION 1: THE REPORTING ENTITY

BEGA
CO - OPERATIVE
CREAMERY CO LIMITED

ABOUT THIS STATEMENT

This Statement has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) (MSA or 'the Act'). This is a joint statement made by Bega Cheese Limited (ABN 81 008 358 503) of 23–45 Ridge Street, North Bega, New South Wales, 2550 and covers the wholly owned or controlled subsidiaries listed in Appendix 2 as reporting entities (Bega Group Structure).

This Statement describes the efforts made by Bega Cheese Limited and its reporting entities, to assess, mitigate and remediate risks of modern slavery in their operations and supply chain for the reporting period from the 1st of July 2023 to 30th of June 2024 (FY2024).

In this Modern Slavery Statement (this Statement), the terms "Bega", the "Company", "Reporting Entity", "the Group", "our business", "organisation", "we", "us", and "our" refer to Bega Cheese Limited, unless otherwise stated. Bega Cheese Limited is a publicly listed company on the Australian Securities Exchange (ASX Code: BGA). To find out more about our business, you can visit www.begagroup.com.au

ABOUT MODERN SLAVERY

Modern slavery refers to extreme forms of labour exploitation. It describes situations where coercion, threats, or deception are used to exploit victims and undermine or deprive them of their freedom.¹ Modern slavery is an umbrella term that captures a spectrum of exploitation ranging from deceptive working practices, forced marriage, forced labour, and the worst forms of child labour to human trafficking, slavery and servitude. Modern slavery is a crime resulting in the violation of a range of human rights. Modern slavery is often covert and difficult to detect.

According to the latest estimates from the International Labour Organisation (ILO), more than 50 million people globally live in modern slavery. Of these, forced labour accounts for 27.6 million and 22 million are in forced marriages.² More than half of all people experiencing forced labour – over 13.8 million people – are in upper-middle or high-income countries, and 17.6 million people in forced labour are exploited in the private sector.

The ILO estimates that the prevalence of modern slavery has risen in the last five years, with the rate of forced labour growing from 3.4 to 3.5 per thousand people in the world.

Modern slavery can have a profound and devastating impact on victims and their families and communities. Ending modern slavery is fundamental to achieving sustainable global development.

¹ *Modern Slavery Act 2018* (Cth), Attorney-General's Department.

² *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage*, ILO 2022.

FY2024 HIGHLIGHTS

100%
of new suppliers risk-assessed via our ethical sourcing questionnaire.

99.9%³
palm oil responsibly sourced

7
Bega sites audited against SMETA standards

Strengthened internal governance mechanisms

Strengthened the supplier onboarding risk management process

Developed protocols to support incident remediation

Implemented Bega's Supplier Responsible Sourcing Code

³ 99.93% of all palm oil was responsibly sourced.

What we've learned this year

Key learnings from identifying, assessing and managing our modern slavery risk include:

- **Accurate data is critically important to inform risk.** This has led us to improve the way we collect supply chain data, so that we are able to more accurately identify country of origin and address data gaps (see page 20).
- **Responding to and remediating potential impacts is a complex, multi-stakeholder process.** We are implementing a modern slavery remediation process. Our first step was to create an incident response mechanism required to trigger the remediation process. This is nearly complete and will be implemented in FY2025 (see page 32).
- **Our ability to manage risk is enhanced when we add modern slavery considerations and requirements into all stages of the contracting process,** from purchasing to onboarding to monitoring. We have added modern slavery and ethical sourcing considerations to our commercial contracts, tendering system, audit schedule and ethical sourcing questionnaire.
- **Policies are more effective when minimum expectations are clearly communicated.** We have updated key policies and procedures.
- **Aligned governance is critical to improving our approach.** We have strengthened the governance processes for our Modern Slavery Working Group and other key mechanisms to support accountability and decision making (see page 22). We've also tightened governance of our buying processes, and updated our purchasing policy and who has authority to negotiate new contracts.

Our goals for FY2025

In FY2025, we will continue to evolve our response to modern slavery and human rights risks by:

- continuing to focus on internal and external education and awareness programs
- progressing risk mitigation and management of known high risk categories: namely coffee, cocoa, and peanuts
- undertaking due diligence deep dives for certain procurement categories: fruit, logistics, marketing and labour hire
- revising of ethical sourcing policies, and implementing sourcing policies for coffee and cocoa
- continuously improving risk management of supplier onboarding
- continuing to strengthen data governance and improve risk assessment.

CEO REFLECTIONS

We are pleased to present our fifth annual Modern Slavery Statement.

Within the reporting period, we restructured the business to focus on our core growth categories. We delivered against our six strategic priorities which include supporting our commitments to sustainability. This includes a focus on human rights and ethical sourcing to understand and mitigate modern slavery within our supply chain.

A benefit of our organisational redesign has been the simplification of decision-making processes, delivering improved internal collaboration and alignment to our sustainability priorities. This allows for greater awareness and discussion across multiple Environmental Social and Governance (ESG) platforms with suppliers, customers and industry partners and has helped streamline modern slavery due diligence work.

We are proud of the progress achieved against our modern slavery action plan, including onboarding fewer suppliers, improving risk profiling, establishing clear purchasing requirements, and making sure high-risk suppliers are managed using tools like Sedex.

Improving data governance has been a focus in FY2024 and continues to be a key priority for FY2025.

We have taken a proactive approach in our own operations; with seven of our sites audited to Sedex standards and closing out 69% of non-conformances raised ahead of agreed timings. We recognise that labour hire is a significant area for due diligence, and we commenced work to strengthen our controls in this space. We will continue to focus on this going forward.

Finally, we understand the importance of education and awareness, rolling out internal training, focusing on increased competencies across our buying groups.

As our key learnings and future ambitions demonstrate, we recognise the need and opportunity for continuous improvement to mature our approach, learn and adjust, and to address new modern slavery challenges.

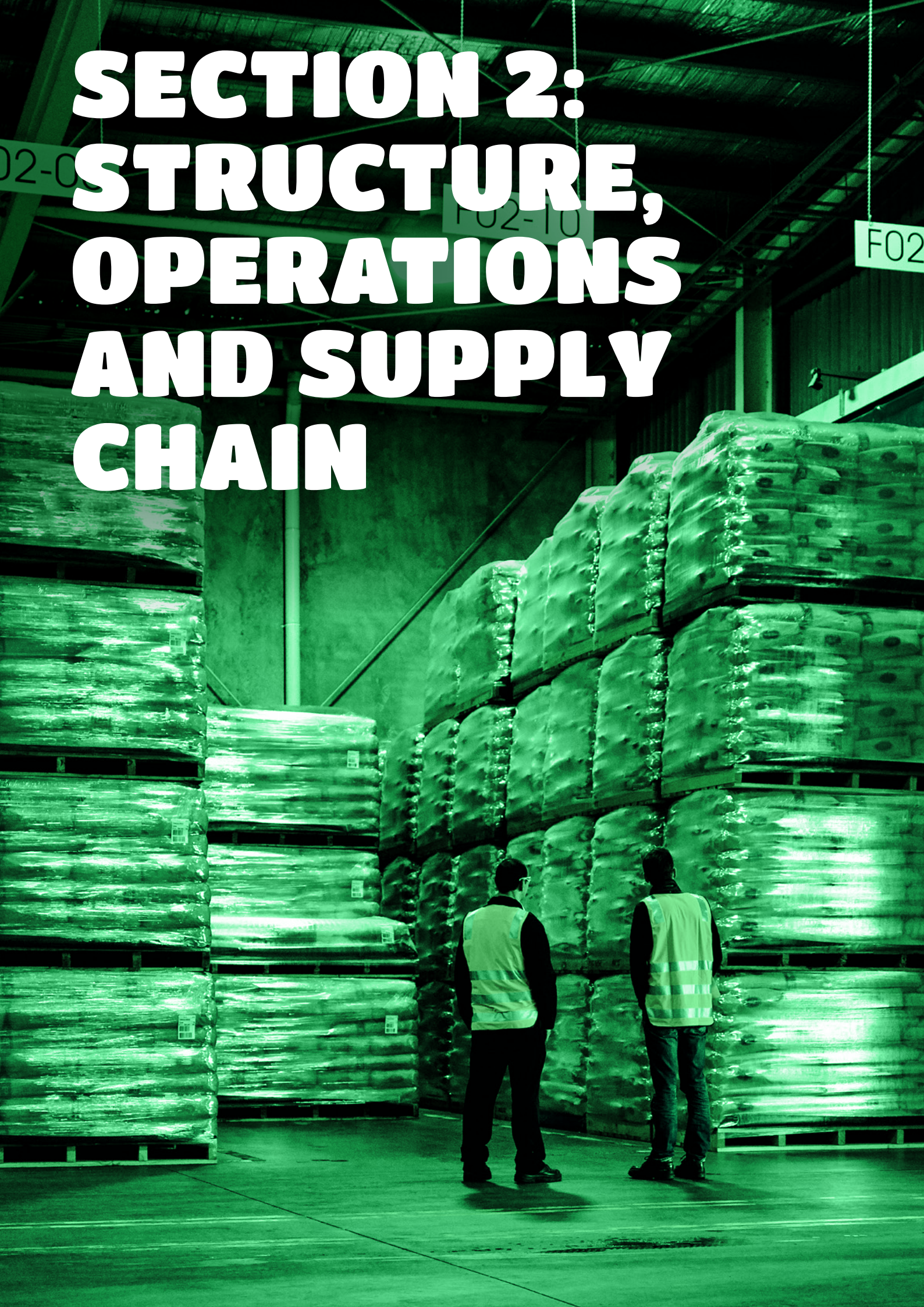
We remain committed to our purpose to create great food for a better future, by ensuring that we embrace a broader approach to addressing potential human rights impacts across our supply chain to allow ongoing delivery of our iconic brands to our customers and consumers.



Peter Findlay
Chief Executive Officer



SECTION 2: STRUCTURE, OPERATIONS AND SUPPLY CHAIN



OUR PURPOSE

BEGA HAS BEEN PROUDLY AUSTRALIAN OWNED FOR OVER 125 YEARS. OUR PURPOSE IS TO CREATE GREAT FOOD FOR A BETTER FUTURE.

This purpose connects us to our people, customers, consumers, suppliers and the communities in which we operate. Similarly, it drives our strategic direction, decision-making, values and behaviours.

Our Greater Good Strategy, developed in 2019 and aligned to the United Nations Sustainable Development Goals, details our focus and commitment to sustainable development.

Throughout FY2024 we have refreshed the sustainability strategy around three focus areas – Circularity, Community and Collaboration. You can read more about this, and how the strategy encompasses our modern slavery response in our [2024 Sustainability Report](#).



OUR STRUCTURE (including reporting entities)

























Our structure comprises a listed holding company (Bega Cheese Limited) and a number of wholly owned or controlled subsidiaries. Our reporting entities are outlined in greater detail in Appendix 2.

Not all entities in the Group have reporting obligations under the *Modern Slavery Act 2018* (Cth). However, because we take an enterprise-wide approach to what we do, all entities in the Group comply with relevant modern slavery policies and procedures (with limited exceptions, as noted in this Statement).

We have a portfolio of leading iconic brands in seven consumer categories. Many of these brands have become trusted household names by generations of consumers. The core branded product categories of the Bega Group are: white and flavoured milks, yoghurt and culinary, non-dairy beverages and spreads.

Our brands and category mix is shown in Figure 1 below.⁵

Figure 1

Grocery category	Bega market share ⁶	Bega market position	Bega brands
Milk-based beverages	50%	1	    
Yoghurt ⁷	25%	1	  
Spreads	29%	1	   
Fresh white milk	11%	3	    
Chilled juice and drinks	22%	2	  
Creams and custards	8%	4	 
Water ice	85%	1	 

⁵ Please note our cheese products branded under Bega are excluded as the manufacturing and distribution of these are managed by Fonterra Australia Pty Limited. We also have cheese products retailed to our international customers through the brands Dairymont, Melbourne, Royal Victoria and Tatura. These products are not sold in Australia and therefore not included above.

⁶ Data sourced from Circana Market Edge (AU grocery and structured convenience) 12 months to 30 June 2024 based on data definitions provided by Bega.

⁷ Yoplait brand used under licence.

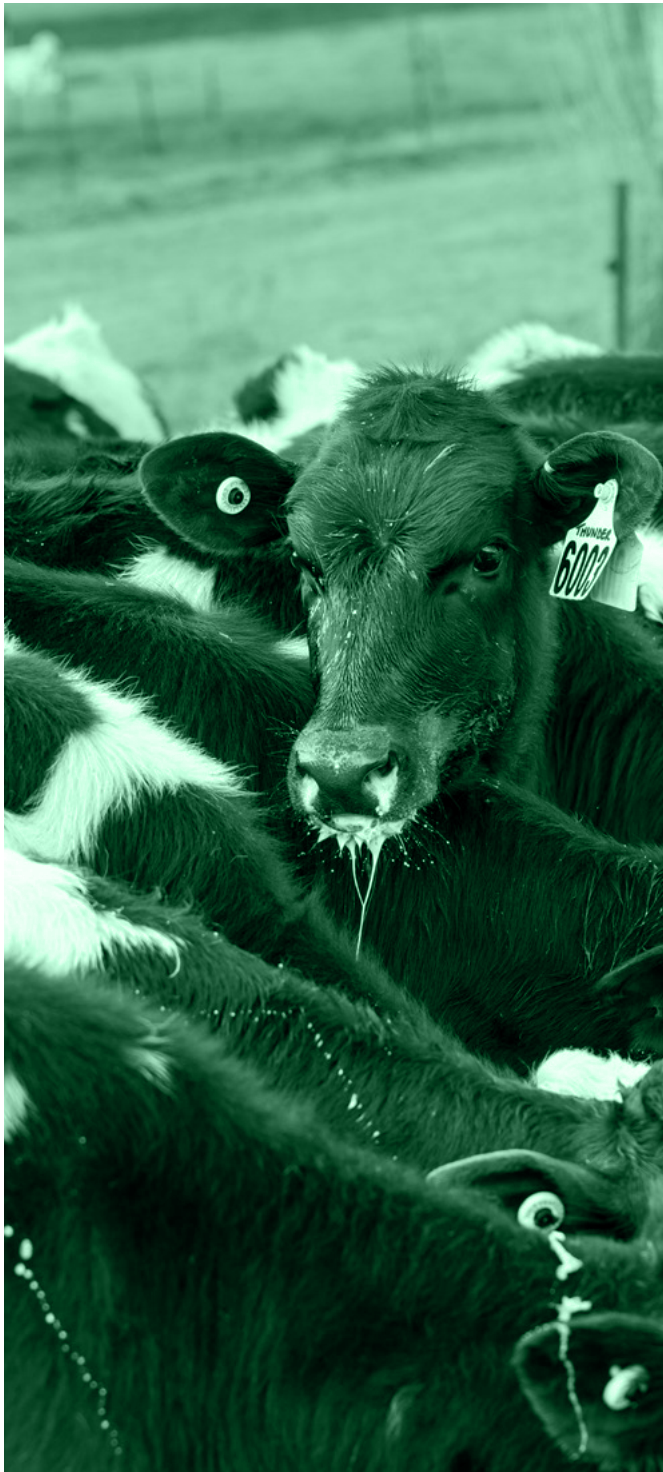
Our growth and changes

There has been no change to Bega entities in FY2024. The Group acquired several new dairy brands including Betta Milk, Real Milk and Meander Valley Dairy.

During the reporting period, the Group restructured to support six strategic priorities, including a focus on delivering against our ESG commitments. These strategic priorities focus on our most important product categories and simplify decision processes. More details on this can be found in the [Bega Group 2024 Annual Report](#).

OUR VALUE CHAIN

Many of our brands occupy market-leading positions, meaning the sustainability measures we put in place in relation to such products can have an impact at scale.



Our operations

We are a leading Australian food and beverage company that sources, produces, manufactures, sells and distributes a range of consumer goods, across four key product categories: white and flavoured milks, yoghurt and culinary, non-dairy beverages and spreads. We operate across multiple geographies with a presence in Australia, Japan, China, Southeast Asia and the Middle East.

We operate across two business segments: branded, which includes many of our products under the brands listed on page 9, and bulk, which includes nutritional powders and dairy ingredients used by our branded segment and sold primarily to food manufacturers.

Our people and places

As of 30 June 2024, our team consists of more than 3,700 people employed across our Australian-based head office, our Australian manufacturing and processing sites, and our international sales offices.

Our registered office is in Bega, New South Wales, Australia. Across our other sites we have teams who work in marketing, sales, research and development, quality management, procurement and category management, safety, as well as administrative support services such as human resources, legal and information technology. Approximately 20% of our employees work at our administrative offices, with the remaining 80% linked to production activities.

We have 19 manufacturing and processing sites across Australia, as detailed in the diagram on the following page. Our technical team members work at these sites, with responsibility for production, maintenance, quality assurance and food safety.

Outside of Australia, we also have three international sales offices based in the United Arab Emirates, China and Malaysia. There are 12 team members employed across these offices. All of these workers are based out of co-working spaces.

Of our 3,700 team members, 93% are full-time or part-time permanent employees and 7% are contingent workers, including temporary, casual, agency or contracted workers. Our contingent workforce is discussed in greater detail in the table of operational risks on page 17.

Our operations did not materially change over the reporting period, and remain consistent with the FY2023 reporting period.

Section 2: Structure, operations and supply chain

Figure 2: Site Map

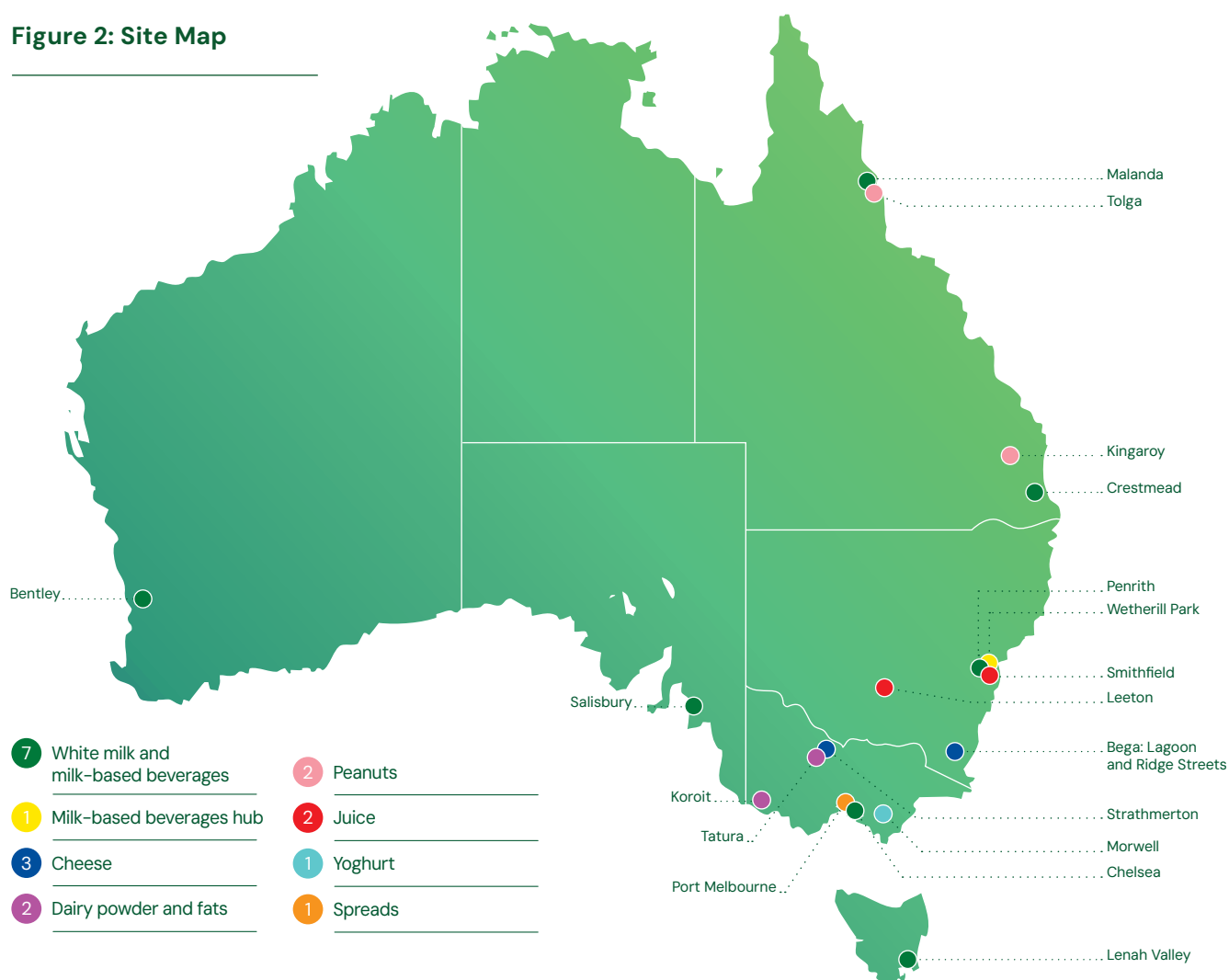


Figure 3: Workforce

Measure – workforce	FY2024				
Workforce by employment type and gender	Female	Male	Non-binary	Undeclared	Total
Total workforce	1,097	2,619	4	3	3,723
Full time	879	2,383	3	3	3,268
Part-time	157	98	1	0	256
Permanent	1,004	2,447	4	3	3,458
Fixed term	32	34	0	0	66
Casual	61	138	0	0	199
Workforce by region and gender	Female	Male	Non-binary	Undeclared	Total
Australian Capital Territory	3	16	0	0	19
New South Wales	288	801	0	1	1,090
Northern Territory	1	1	0	0	2
Queensland	99	264	1	0	364
South Australia	26	148	0	1	175
Tasmania	8	49	0	0	57
Victoria	652	1,261	3	1	1,917
Western Australia	20	78	-	-	98
Other – Dubai	0	1	0	0	1

Section 2: Structure, operations and supply chain

Our supply chains

Our supply chain is large and diverse. It consists of more than 7,000 direct suppliers. Our suppliers provide us with a variety of goods and services, both locally and offshore, which enable us to offer our range of food and beverage brands. We recognise that the location of our suppliers plays a major role in driving the inherent modern slavery risk that may be present in our supply chain.

Over the course of FY2024, our procurement spend totalled \$2.6 billion. Expenditure on raw materials and ingredients, equates to nearly 50% of total spend when combined. A breakdown of our total procurement spend is shown in Figure 4.

Our sourcing footprint is primarily local, with over 90% of our total supply chain expenditure being with Australian suppliers. We are able to build and maintain higher levels of visibility over our supply chain by having Australia as a preferred source country, which in turns helps us to manage our modern slavery risk profile.

Our overseas spend is primarily from the United States, Argentina, China, New Zealand and Singapore. More information about the geographic distribution of our spend is shown in the chart below.

We also have third-party manufacture (TPM) agreements, through which we engage suppliers to produce Bega branded products (finished goods), which we then distribute. Our 20 TPM partners manufacture our branded products on an exclusive basis to our quality standards and ingredient requirements.

Figure 4: Supply chain expenditure by category⁸

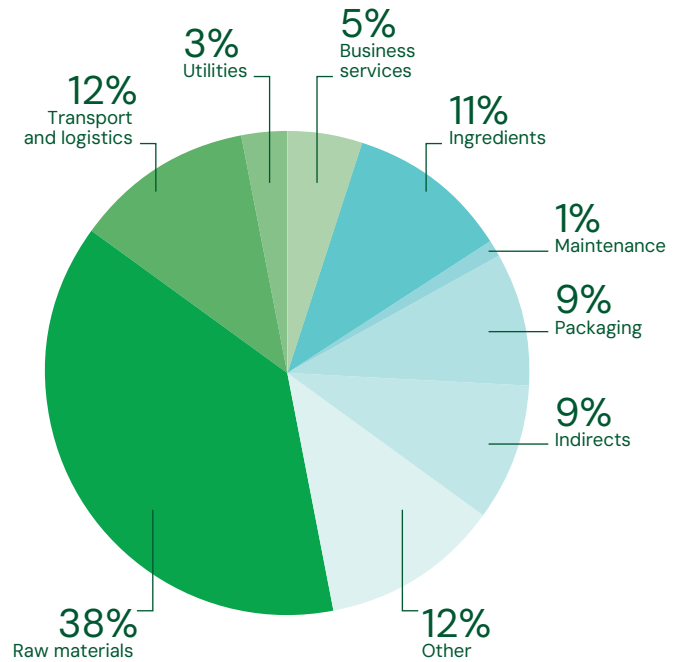


Figure 5: Domestic vs international breakdown

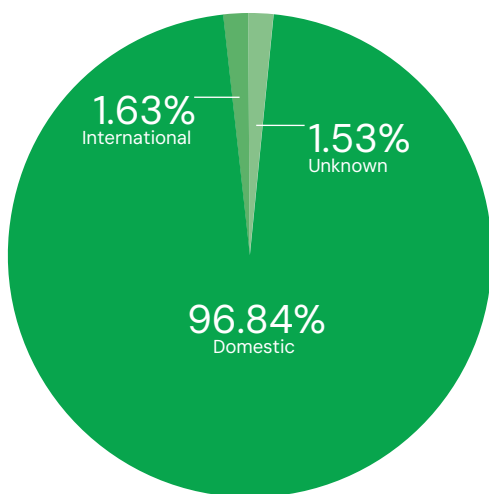
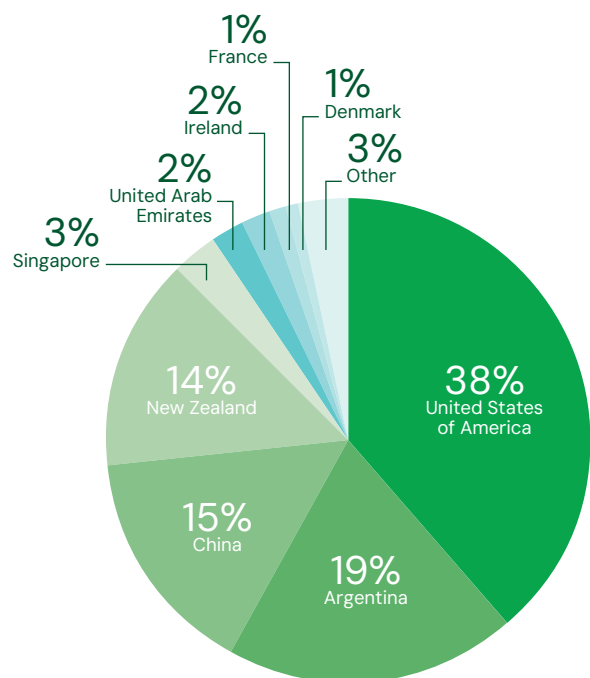


Figure 6: Top 10 countries for international supply



⁸ Imported peanuts are included in ingredients while domestic peanuts are included in raw materials.

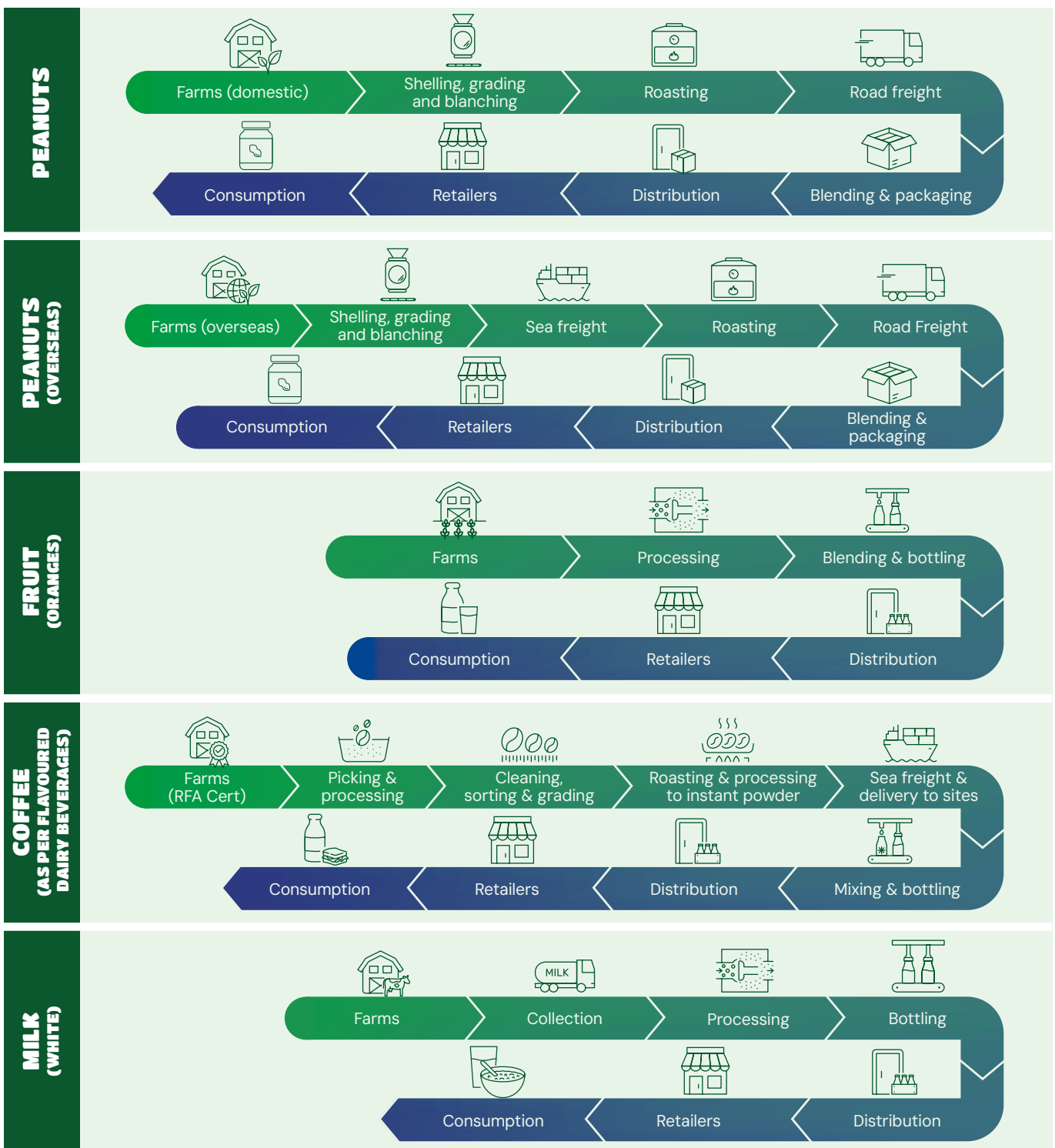
Section 2: Structure, operations and supply chain

Our upstream supply chain

During the reporting period we made efforts to map the supply chains for some of the most significant commodity items we purchase. We did this to improve our understanding of the upstream chain of activities for these items, which in turn supports visibility of risk factors across a range of issues including modern slavery.

Outlined below are representations of the product value chains for milk, coffee, juice and peanuts. In section 3 we discuss risks in some of these commodities.

Figure 7: Value chain diagram



SECTION 3: RISKS IN THE REPORTING ENTITY'S OPERATIONS AND SUPPLY CHAIN



HOW WE UNDERSTAND OUR MODERN SLAVERY RISKS

Our risk assessment approach draws on relevant guidance, research and evidence including the *Commonwealth's Guidance for Reporting Entities*⁹ as well as drawing on reputable sources such as the Global Slavery Index (GSI),¹⁰ the Global Rights Index (GRI),¹¹ International Labour Organization (ILO) data, and the US Department of Labor reports (USDOL).¹² We also obtain insights from our own monitoring data, advice from external consultants and industry bodies, participation in external expert workshops, and internal consultation.

When conducting risk assessments, we are primarily concerned with identifying three kinds of risk factors or indicators:

- geographic risk (source country of the goods or services)
- inherent industry and/or category risk
- spend risk (size of procurement spend or spend with a supplier).

Our relationship to identified risks informs our management approach.

As in previous years, we reported on the potential modern slavery risks in our operations and supply chain through the lens of the Continuum of Involvement, a concept taken from the United Nations Guiding Principles on Business and Human Rights (UNGPs) which looks at a company's causal relationship to potential harm and negative human rights impacts.¹³

The continuum states that an organisation's involvement in modern slavery practices will fall into one of three distinct categories:¹⁴

- **Cause:** the business' operations (activities including omissions) directly result in modern slavery practices
- **Contribute:** the business' operations or actions in its supply chain may contribute to modern slavery, including through acts or omissions that facilitate or incentivise slavery
- **Directly linked:** the business' operations, products or services may be connected to modern slavery through the activities of another entity with which it has a business relationship with.

Our risk assessment activities

We conducted a full reassessment of our entire operations and supply chain in FY2023. The results of that reassessment are discussed in detail in our [2023 Modern Slavery Statement](#) and remain current.

We recognise that our risk is not static and we will continue to regularly review our operations and supply chain to ensure the ongoing relevance and accuracy of the risks identified and monitor the emergence of new risks.

Throughout the year we continuously monitor and verify known existing risks, and aim to identify new or emerging risks, to ensure our understanding of our risk profile is as accurate and current as possible. Some of the ways in which we assessed supply chain risk during FY2024 include:

- internal screening of new suppliers and third-party manufacturers
- periodic review and update of internal risk ratings against Sedex Radar data, and
- revision of our category risk definitions.

Priority risk areas for future action

Areas we want to prioritise for deeper risk assessment in future reporting periods are:

- direct and indirect labour hire
- marketing services and sourcing of promotional goods
- fruit and fruit products
- logistics and third-party warehousing.

We will focus on building our understanding of our extended supply chain risk through mapping of tier 2 and tier 3 suppliers in identified high-risk raw material and ingredients procurement.

⁹ Commonwealth Guidance for Reporting Entities, Australian Government (2023).

¹⁰ Global Slavery Index, WalkFree (2023).

¹¹ Global Rights Index, International Trade Union Confederation (2023).

¹² List of Goods Produced by Child Labor or Forced Labor, US Dept. of Labor (2022).

¹³ United Nations Guiding Principles on Business and Human Rights, Principles 13 and 16.

¹⁴ Modern Slavery Risk Management - A playbook for Australian SMEs to identify, manage and mitigate modern slavery risks, Global Compact Network Australia (2023).

RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

In this year's statement, we deepened our understanding of our modern slavery risks by reviewing how our risk management approach mitigates identified risks through the lens of our involvement to those risks. This analysis has been split into operational and supply chain risks, outlined on pages 17-19.

A comprehensive risk assessment was undertaken in FY2023. The following table sets out our level of potential involvement, using the UNGP's 'cause, contribute, linked' framework detailed in Figure 8 as well as how we integrate these risks into our risk management approach.

CASE STUDY

Review of our internal risk weightings against Sedex ratings



At Bega we periodically review our internal supplier country risk weightings to ensure these remain accurate and are consistent with the latest research from the Sedex Radar ratings.

Our review in FY2024 revealed that updates to the risk weightings were required for 115 countries. This resulted in a recategorisation of the risk rating which was applied to 78% of suppliers onboarded in FY2024, bringing the total number of moderate-risk and high-risk suppliers to 293 in FY2024.

We also reviewed our category risk ratings against industry risk measures. Through this process we discovered that goods purchased to enhance our marketing activations have a higher inherent modern slavery risk profile than the services utilised by the marketing team to promote our brands. We had previously treated both as one procurement category. We decided to separate these into two separate categories (marketing services and marketing goods) in FY2024 to reflect the difference in risk profile. Changes were communicated with the internal marketing team and used as a live training example for the importance of spending with preferred suppliers who hold the appropriate compliance accreditations.



Section 3: Risks in the Reporting Entity's operations and supply chain

Figure 8


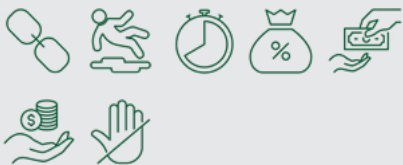
Potential risks in our operations			
Sector / industry	Product / service	Risk description and potential involvement	Integration of risk into our management approach
Cause			
Sales and marketing	Direct workforce – based overseas	<p>We directly employ team members based in overseas geographies where there are moderate-to-high risks of modern slavery due to weak or limited protection for labour and worker rights in these regions.</p> <p>We have the potential to cause this modern slavery risk through our employment of workers in jurisdictions with limited labour protections or oversight of workers' rights.</p> <p>Common types of exploitation include:</p> 	<p>We mitigate the risks associated with our overseas-based direct employees by:</p> <ul style="list-style-type: none"> • hiring employees instead of contractors and utilising our existing policies to manage their employment conditions • onboarding contracted preferred suppliers with appropriate accreditations to manage the employee onboarding process in market • setting up co-sharing offices to increase team member collaboration and communication • employees are engaged on individual contracts.
Contribute			
Horticulture, agriculture, facilities management (including cleaning, security services, and grounds management), maintenance and operations services, maintenance equipment servicing	Indirect workforce including labour hire, operations services workers, temporary and seasonal workers, contingent workforce	<p>We engage indirect workers to perform work on our sites including to complete a range of services tasks such as facilities management and operations services tasks.</p> <p>The indirect workforce in Australia, particularly labour hire workers and temporary and seasonal workers, is known to pose a higher risk of modern slavery given the widespread use of temporary or base-skill labour, reliance on migrant workers, work often occurring at night or in remote locations, and higher risk business practices such as subcontracting and tighter industry margins.</p> <p>We have less visibility and control over how these workers are engaged, treated and remunerated as they are not directly employed by us.</p> <p>We may contribute to this modern slavery risk through outsourcing services to labour hire agencies.</p> <p>Common types of exploitation include:</p> 	<p>We mitigate the risks associated with indirect workers through:</p> <ul style="list-style-type: none"> • preferentially using labour hire workers from preferred contracted suppliers who have demonstrated they meet our standards (relating to policies, codes and governance) • rigorously vetting all prospective agency partners to ensure compliance with our policies • contractually obligating labour hire suppliers providing labour to us to ensure that workers receive terms and conditions aligned to our EBA employees • training all our staff from whom it is relevant on risk indicators • embedding worker condition requirements in labour hire agency contracts.
Linked			
		None identified	

Section 3: Risks in the Reporting Entity's operations and supply chain

Figure 9

Potential risks in our supply chain			
Sector / industry	Product / service	Risk description and potential involvement	Integration of risk into our management approach
Cause			
Agriculture, horticulture	Labour hire and contingent workers	Refer 'Risks in our operations', page 17	
Contribute			
Agriculture, forestry, fishing	Ingredients and raw materials including cocoa, coffee, vanilla, palm oil, peanuts, fruit and fruit-based products	<p>Certain ingredients and raw materials are high-risk for modern slavery given the industry is often characterised by higher proportions of migrant and lower skilled workers, use of child and forced labour, and a majority of the workforce being present in countries with limited or no labour protections and with high rates of people living in poverty. Complex and opaque supply chain arrangements and downward price pressure also exacerbate risks of exploitation.</p> <p>We may contribute to this risk as we source certain ingredients and raw materials known to be high-risk for modern slavery.</p> <p>Common types of exploitation include:</p> 	<p>We mitigate the risks associated with indirect workers by:</p> <ul style="list-style-type: none"> preferentially using labour hire workers from preferred contracted suppliers who have demonstrated they meet our standards (relating to policies, codes and governance) rigorously vetting all prospective agency partners to ensure compliance with our policies contractually obligating labour hire suppliers providing labour to us to ensure that workers receive terms and conditions aligned to our EBA employees training all of our staff for whom it is relevant on risk indicators embedding worker condition requirements in labour hire agency contracts.
Manufacturing	Safety and personal protective equipment (PPE)	<p>Major global manufactures of PPE such as gloves and masks have been found to be engaging in forced labour and exploiting factory workers. General risks also exist in the broader manufacturing sector and overlaps with geographic risk.</p> <p>We may contribute to this risk as we have a close and often direct relationship with suppliers and business partners who are at high risk of operating exploitative practices.</p> <p>Common types of exploitation include:</p> 	<p>We mitigate risks associated with procuring from high-risk manufacturing sectors through:</p> <ul style="list-style-type: none"> sourcing from contracted preferred suppliers who are Sedex registered reviewing and updating supplier risk profiles requiring independent SMETA audits, and monitoring of non-conformances and their resolution including ethical sourcing and modern slavery topics in supplier quarterly business reviews (QBRs) periodic vendor engagements to understand modern slavery management approach and best practises within governance frameworks.

Section 3: Risks in the Reporting Entity's operations and supply chain

Potential risks in our supply chain			
Sector / industry	Product / service	Risk description and potential involvement	Integration of risk into our management approach
Linked			
Merchandising and licensing relationships	Point of sale materials, premiums and branded merchandise	<p>We have several commercial relationships with other companies related to merchandising and the licensing of some of our products and brands. Manufacturing can be a high-risk industry, and contract manufacturing can present risk as it involves third parties and reduces our visibility of labour conditions.</p> <p>We may be directly linked to this risk as we purchase finished products that may have been made under conditions of forced labour, or which the materials were sourced or processed under conditions of forced labour.</p> <p>Common types of exploitation include:</p> 	<p>We mitigate risks associated with procuring from high-risk manufacturing sectors through:</p> <ul style="list-style-type: none"> sourcing from contracted preferred suppliers who are Sedex registered obligating preferred suppliers to only purchase from Sedex registered suppliers reviewing and updating supplier risk profiles requiring independent SMETA audits, and monitoring of non-conformances and their resolution including ethical sourcing and modern slavery topics in supplier quarterly business reviews periodic vendor engagements to understand modern slavery management approach and best practices within governance frameworks.
Manufacturing in high-risk sectors	Textiles (uniforms), machinery, pallets, IT equipment	<p>These products carry significant modern slavery risk in their manufacture, due to the sourcing of raw minerals and materials from highly exploitative industries and regions. The production of raw materials and other inputs for the manufacture of these products has been linked to significant human rights abuses in countries with large populations of low-skilled workers and a history of exploitation. Manufacturing also tends to involve low profit margins and a tiered production system which can exacerbate modern slavery risk.</p> <p>We may be directly linked to this risk, as ongoing procurement of the goods contributes to sustained demand for the products.</p> <p>Common types of exploitation include:</p> 	<p>We mitigate risks associated with procuring from high-risk manufacturing sectors by:</p> <ul style="list-style-type: none"> risk assessing all proposed new suppliers of these goods and services prior to onboarding requiring suppliers to read and comply with our Supplier Responsible Sourcing Code reviewing and updating supplier risk profiles against Sedex Radar risk profiles requiring current suppliers to register with Sedex requiring high-risk and moderate-risk suppliers to complete independent SMETA audits, and monitoring of non-conformances and their resolution implementing preferred suppliers via an RFX process where modern slavery considerations are mandatory for all tender participants incorporating modern slavery clauses in our contractual arrangements with successful bidders from the RFX and obligating them to include modern slavery requirements in their supply chain sourcing activities.



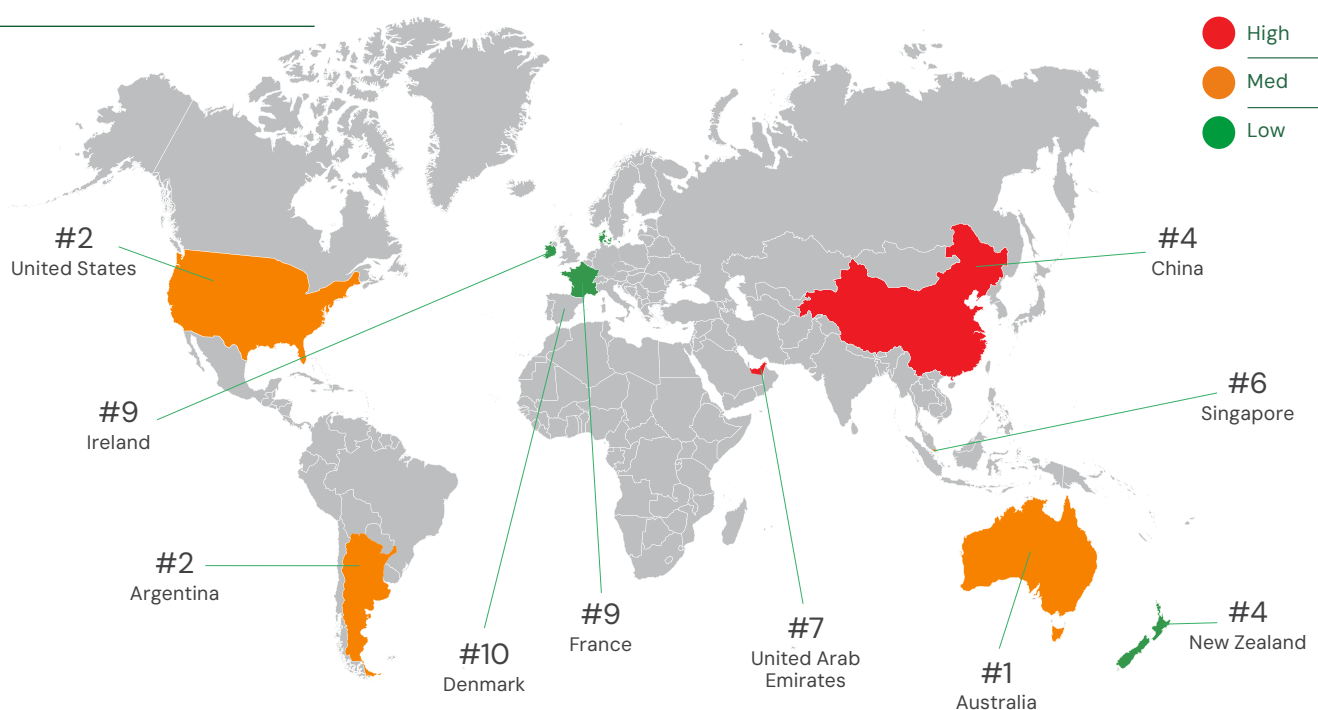
Geographic risk

Geographic risk means that some countries may have higher risks of modern slavery, due to factors including poor governance, weak rule of law, conflict, migration flows, and socioeconomic factors like poverty. This is determined by reference to third-party, public research and reporting which evaluates governance, corruption, the rule of law, and worker protections in countries around the world. Examples include the WalkFree Global Slavery Index¹⁵ and ITUC Global Rights Index.¹⁶

Following further review of our FY2023 spend data, we have updated the top 10 geographic locations of our direct suppliers. The risk profile for the top 10 sourcing countries is detailed below.

More information about the geographic distribution of our spend is provided in the chart below. This sets out the main countries where our international procurement spend occurs, the number of suppliers in each and the geographic risk level for each country.

Figure 10



Rank	Country	% FY2023 spend	GSI vulnerability ¹⁷	GSI ranking ¹⁸	Risk considerations
1	Australia	96.98%	6.8	3	The vast majority of our expenditure is with Australian suppliers across a wide variety of products, ingredients, and services, with varying levels of risk depending on sector. See the next section for further detail on specific products and services.
2	United States of America	0.62%	24.5	4	Systematic violation of workers' rights, especially in manufacturing, agriculture, and distribution sectors.
3	Argentina	0.31%	35.5	3	Medium-risk goods procured from Argentina.
4	China	0.24%	45.5	5	High-risk ingredients and goods purchased from China.
5	New Zealand	0.23%	7.8	2	Low and medium risk services and medium-risk products procured from New Zealand.
6	Singapore	0.05%	24.4	2	Low-risk services and medium-risk ingredients.
7	United Arab Emirates	0.04%	39.5	5	High vulnerability to modern slavery and no guarantee of rights.
8	Ireland	0.04%	9.3	1	Low-risk services.
9	France	0.02%	13.3	2	Low-risk services.
10	Denmark	0.02%	5.7	1	Low-risk services and medium-high-risk products.

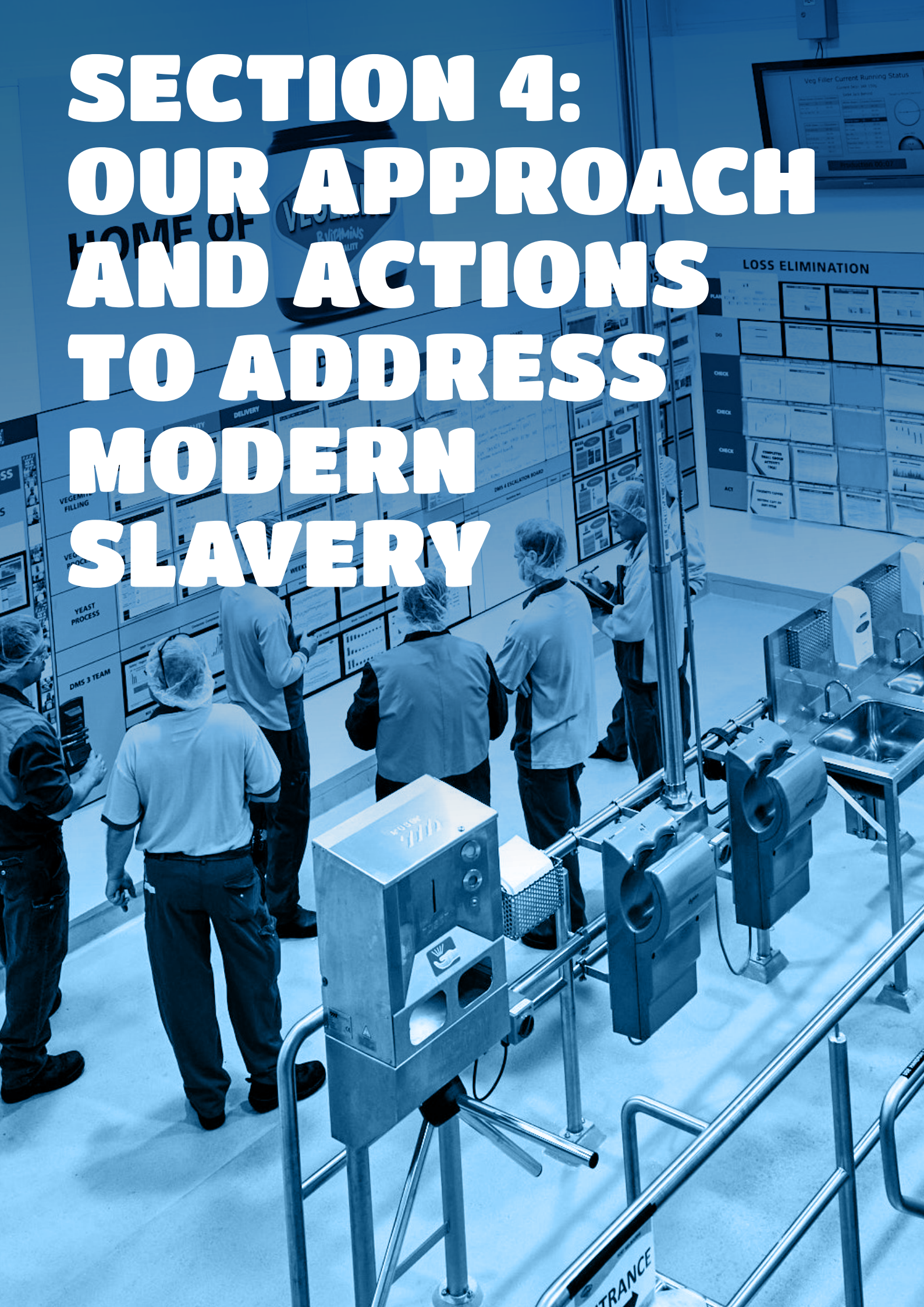
¹⁵ Global Slavery Index, WalkFree (2023)

¹⁶ Global Rights Index, International Trade Union Confederation (2023)

¹⁷ Indicates proportional vulnerability out of 100 to modern slavery, where a higher score indicates higher vulnerability.

¹⁸ Measures labour rights violations of countries on a scale of 1 to 5, where a score of 1 indicates good protections for workers and a score of 5 indicates no guarantee of rights.

SECTION 4: OUR APPROACH AND ACTIONS TO ADDRESS MODERN SLAVERY



GOVERNANCE FRAMEWORK

During the reporting period, we focused on strengthening our governance framework, which is the main mechanism through which we build our organisational capacity to manage modern slavery challenges. This has included balancing operational and commercial perspectives into the Modern Slavery Working Group (MSWG).

Our MSWG is a cross-functional group of senior managers with responsibility for Bega’s commercial, legal, operational and supply chain activities. The MSWG’s purpose and functions were discussed in detail in our [2023 Modern Slavery Statement](#).

In FY2024, we strengthened the role of the MSWG through the creation of a Terms of Reference which clearly define its mandate and decision-making remit. We improved organisational oversight of modern slavery risk and controls by increasing and formalising the frequency of MSWG meetings to monthly (these were previously ad-hoc) and establishing a cadence of quarterly reporting to the Risk and Sustainability Board Committee on the progress of the MSWG’s modern slavery response. Additionally, the MSWG has instigated a process whereby supply chain risks or issues beyond the control of Group procurement are escalated to the MSWG in the monthly meetings for review and resolution.

Figure 11: Modern slavery working group structure



Figure 12: Modern slavery management, roles and responsibilities

Metric	Procurement	MSWG	RSC	Board
Supplier onboarding and management	Development, risk management and reporting	Escalations and decision		
NCs / CAPAs – internal	Reporting	Escalations and decision		
NCs / CAPAs – external	Reporting	Escalations and decision		
Risk analysis and management	Development and reporting	Escalation and decision	Inform	
Action planning	Development and reporting	Escalation and decision	Inform	
Incident management	Reporting	Escalation and decision	Endorsement	
Modern slavery strategy	Development	Decision	Endorsement	
Policy review	Development	Escalation and decision	Endorsement	Signatory
Regulatory reporting	Development	Decision	Endorsement	Signatory

Section 4: Our approach and actions to address modern slavery

OUR POLICIES

Our policies are part of our governance system which helps us drive action on modern slavery. We operationalise our commitment to reducing modern slavery risks to people through our comprehensive set of policies. Those policies also provide transparency of the standards we expect.

Policies are reviewed biannually against changes in global best practice, domestic legislation and wider industry expectations. Our employees are required to complete refresher training on core policies biannually, and changes to policies are communicated to the whole company on its communications site.

All new employees must read and acknowledge the policy suite as a requirement of the onboarding process. All new policies developed are subject to multiple rounds of internal consultation prior to launch. Our policies relating to modern slavery, ethical sourcing and business ethics are available on our Group website under [Business Conduct](#).

Figure 13: Bega policies

Policy	Intent and relevance to modern slavery risk	Actions taken to operationalise/implement in the reporting period
Code of Conduct	The Code outlines requirements with which suppliers must comply including child labour and forced labour, working hours, safety and health, wage and benefits, non-discrimination, harassment and abuse, and disciplinary practices.	Updated in FY2024 with minor revisions to language used, to ensure consistency across policies. Awareness raising initiatives in FY2024 included: <ul style="list-style-type: none"> presentations to many of our functional teams on the requirements of the Code, Ethical Sourcing Policy and Supplier Responsible Sourcing Code.
Ethical Sourcing Policy	Our Ethical Sourcing Policy outlines the standards to be met by our suppliers of goods and services and the obligations of our staff to work with our suppliers to meet those standards.	Planned for full strategic review in FY2025. Awareness raising initiatives in FY2024 included: <ul style="list-style-type: none"> adherence to the policy as a mandatory step within the supplier onboarding process referencing the policy in all commercial contracts referencing mandatory compliance with the policy in all RFXs linking the policy into internal training sessions for key functional buying groups making the policy externally available on the our website.
Supplier Responsible Sourcing Code	Our Supplier Responsible Sourcing Code provides greater details of the minimum standards we expect of suppliers and includes a focus on human rights.	New policy implemented in FY2024, including the details of our whistleblower mechanism which is also available for all suppliers' employees. Awareness raising initiatives in FY2024 included: <ul style="list-style-type: none"> making the policy externally available on the our website including the policy as a mandatory step within the supplier onboarding process referencing the policy in all commercial contracts and including it as a signed appendix in contracts with key high-risk suppliers referencing mandatory compliance with the policy in all RFXs linking into internal training sessions for key functional buying groups.
Sustainable Palm Oil Sourcing Policy	Our Sustainable Palm Oil Sourcing Policy commits to sourcing palm oil in a socially and environmentally responsible manner, adopting the Roundtable on Sustainable Palm Oil as our standard for palm oil.	Updated in FY2024 to more clearly detail the minimum expectations for suppliers, as well as TPMs regarding sourcing requirements and associated accreditations Awareness raising initiatives in FY2024 included: <ul style="list-style-type: none"> making the policy externally available on the our website referencing the policy in all relevant supplier contracts communicating the policy internally via our company-wide communications channel.
Purchasing Policy	Our Purchasing Policy is what governs all of our spending. It sets out which of our team members have the authority to act as buyers and approve spending on our behalf.	The policy was updated in FY2024 to include stricter governance requirements. Awareness raising initiatives in FY2024 included: <ul style="list-style-type: none"> linking into internal training sessions for key functional buying groups communicated the Policy internally via our company wide communications channel specialist SharePoint site with training manuals, FAQs and helpdesk support.

Section 4: Our approach and actions to address modern slavery

We are currently developing dedicated sustainable sourcing policies for coffee and cocoa, which we expect to implement and finalise in FY2025. Other policies were updated and communicated to internal and external stakeholders during the period, including:

- Whistleblower Policy
- Food Safety and Quality Policy
- Health and Safety Policy
- Respect Statement
- Diversity, Equity and Inclusion Policy
- Environment and Sustainability Policy
- Compliance and Integrity
- Anti-Fraud and Corruption Policy.



CASE STUDY

Purchasing Policy

In FY2024 we strengthened our Purchasing Policy which governs all our spending. This required internal collaboration, engagement and communication. Key changes relevant to strengthening modern slavery due diligence included:

- establishing a pilot group of buyers who manage site purchasing, and are upskilled with ethical sourcing and modern slavery knowledge
- establishing limits, role clarity and governance/ethical sourcing requirements in relation to supplier onboarding
- updating buying systems so our existing vetted suppliers are automatically preferred suppliers
- establishing more stringent requirements for one-time purchases
- developing and communicating the annual supplier activity review process, to enhance supplier management, reduce risk and deliver on our supplier rationalisation goals
- communicating changes via the company intranet, with training planned for FY2025.

These changes will help us increase overall adherence to ethical sourcing and modern slavery requirements.

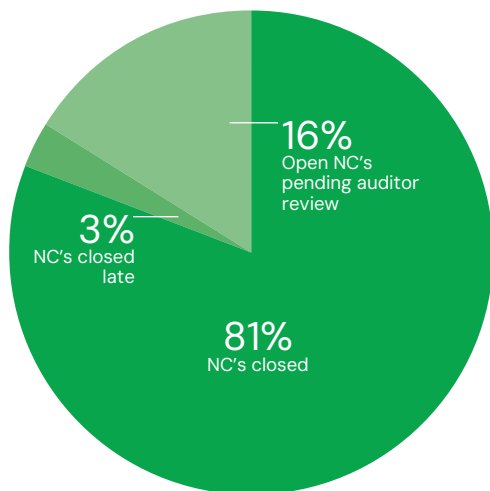
RISK MANAGEMENT IN OUR OPERATIONS

We are committed to strong labour and human rights safeguards throughout our operations. We have a range of controls and mitigation activities in place to protect our direct and indirect workforce and mitigate our operational modern slavery risk. Our main mitigation activities are outlined below, in addition to the policy refresher trainings described in the preceding table on page 23.

Audits

Seven of our operational sites were audited against Sedex SMETA standards in FY2024. The results of these audits are detailed in the chart below.

Figure 15: FY2024 Bega site SMETA audit outcomes¹⁹



Third-party SMETA audits were undertaken at 57 of our Sedex-linked supplier sites in FY2024, including 8 at high-risk suppliers.

Within the suppliers audited in the reporting period, 317 instances of non-conformance (NCs) were raised by third party auditors:

Figure 17: Bega supplier SMETA audit non-conformances by criticality

FY2024 Supplier SMETA ²⁰					
	Business critical	Critical	Major	Minor	Total
Q1	0	12	47	15	74
Q2	0	8	37	21	66
Q3	1	8	44	7	60
Q4	0	22	75	20	117
	1	50	203	63	317

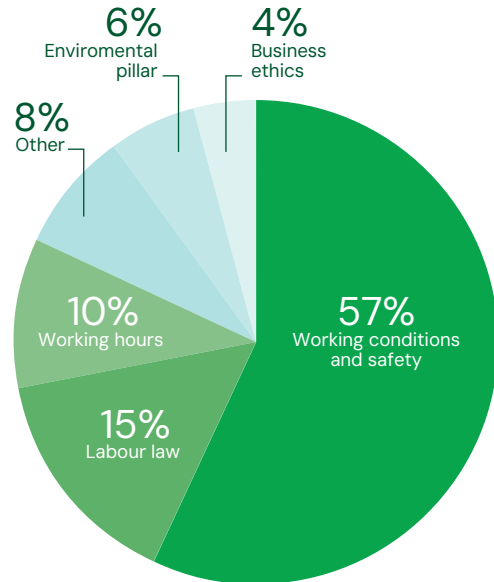
¹⁹ FY2024 Bega site SMETA audit outcomes.

²⁰ FY2024 supplier SMETA audit outcomes.

²¹ FY2024 Bega supplier SMETA audit outcomes.

²² Bega FY2024 Sustainability Report – Page 68.

Figure 14: Bega supplier SMETA audit non-conformances by pillar²¹



As at 30 June 2024, the following non-conformance outcomes were achieved for high-risk suppliers.

Figure 16: Bega supplier SMETA audit non-conformances status

Measure – ethical sourcing supplier audits ²²				
Non-conformance outcomes	Business critical	Critical	Major	Minor
Resolved	0	3	15	11
Open	0	15	29	11

Reporting definitions can be found in Appendix 4 on page 48.

To improve visibility of business critical and critical open non-conformances in the Sedex platform, they are now reported to the MSWG monthly. In FY2024 a process was developed to support supplier managers, procurement and the suppliers themselves to address and close these non-conformances.

Section 4: Our approach and actions to address modern slavery

Labour hire

Our primary means of managing labour hire risk is through our “inside first” approach to recruitment, meaning we prioritise direct employment wherever possible.

We are in the process of renegotiating the contract with our preferred suppliers of labour hire. Approximately 20% of our total workforce is employed through these preferred partners. The renewed contracts will include key performance indicators (KPIs) related to worker protections, including requirements to onboard employees, maintain records, assess fitness for work, and review visa status.

These are outlined in Figure 18 below.

We are aware that labour hire-like conditions and associated risks can arise outside of formal labour hire arrangements. We intend to continue to systemically review and investigate arrangements at our sites, including governance structures, to ensure that individual team members are adequately protected.

Our Modern Slavery Working Group has endorsed labour hire as a key area for our FY2025 Action Plan.

Figure 18: Labour hire contract KPIs

Deliverable	Measure
Supplier to provide a workforce that meets shift requirements to the locations as requested	<ul style="list-style-type: none"> 98% of the time
Supplier to assist or maintain roster for the requested sites	<ul style="list-style-type: none"> Rosters to be confirmed and returned by 6:00pm every Friday based on sites providing the planned roster by 4:00pm Wednesday for the following week
Supplier response time	<ul style="list-style-type: none"> Respond to requests within 60 minutes of Company order and confirm status
Supplier to maintain an adequately sized labour pool to meet the requested site requirements	<ul style="list-style-type: none"> At all times
Supplier reporting	<ul style="list-style-type: none"> Maintain a rolling summary of invoice breakdown, employees and total hours Breakdown of all employee costs Live employee on premises Live week to date hours Actual to rostered shifts
Supplier to ensure pre-employment requirements are completed	<ul style="list-style-type: none"> 100% of candidates are inducted and have completed all pre-employment requirements
Supplier to develop and maintain skills matrices for each site as well as for each candidate	<ul style="list-style-type: none"> All sites to have up to date role matrices
Supplier to maintain records of candidate skills, training and experience and manage compliance with legal and regulatory on boarding rules for all work candidates. i.e. Visa status, eligibility for work, qualifications, licenses, literacy information, signed medical screening questionnaire, and recent photograph of worker	<ul style="list-style-type: none"> Compliance information to be provided to Company upon request and is to contain verification of 100% of the relevant checks completed
Supplier to be responsible for talent pool development, including upskilling and cross-training of workforce	<ul style="list-style-type: none"> 100% of the time
Training procedures and competency sign-off requirements are to be reviewed quarterly	<ul style="list-style-type: none"> Identify which parts of the training process could be completed during the pre-placement procedure and deliver them through the suppliers training division
Maintenance of the time and attendance software application	<ul style="list-style-type: none"> 100% of the time
Scheduled reporting per site requirements (monthly)	<ul style="list-style-type: none"> Reports to be provided to sites 100% availability unless 48 hours' notice given of a scheduled maintenance
Account management	<ul style="list-style-type: none"> To be supplied at each site Changes to account management to be notified ASAP directly to site
Monthly performance reviews to be conducted for each site and a continuous improvement plan to be developed and maintained for each site	<ul style="list-style-type: none"> 100% of sites conducting a face-to-face monthly performance review all with a continuous improvement plans in place
Issue resolution	<ul style="list-style-type: none"> Acknowledgement within 24 hours If not resolved immediately a resolution plan to be implemented including timings to be developed within 48 hours
Workforce diversity and inclusion	<ul style="list-style-type: none"> The supplier and Company to work collaboratively to increase the Company's workforce diversity and inclusion Growth of 5% year on year for the duration of this agreement aiming to reach a target of 40% female to 60% male ratio Supplier to update in the quarterly review process
Innovation, legislative and regulatory compliance	<ul style="list-style-type: none"> Supplier will monitor the marketplace and make appropriate recommendations of possible areas of improvement and requirements for change

Enterprise bargaining agreements review

Around 57% of our team members are employed through enterprise and union bargaining agreements (EBAs). The risk associated with EBAs arises due to the potential for compliance issues in relation to minimum rates of pay, and terms and conditions. We audit our EBAs every 12 months following the federal minimum wage review and adjustment, to ensure they remain compliant with national minimum wage rates.

When compliance issues are identified, these are raised with the Head of Workplace Relations, who reports to the Executive General Manager of People and Capability on compliance. The Executive General Manager further reports on compliance issues to the relevant board committee on a discretionary basis.

Award and award-free contracts review

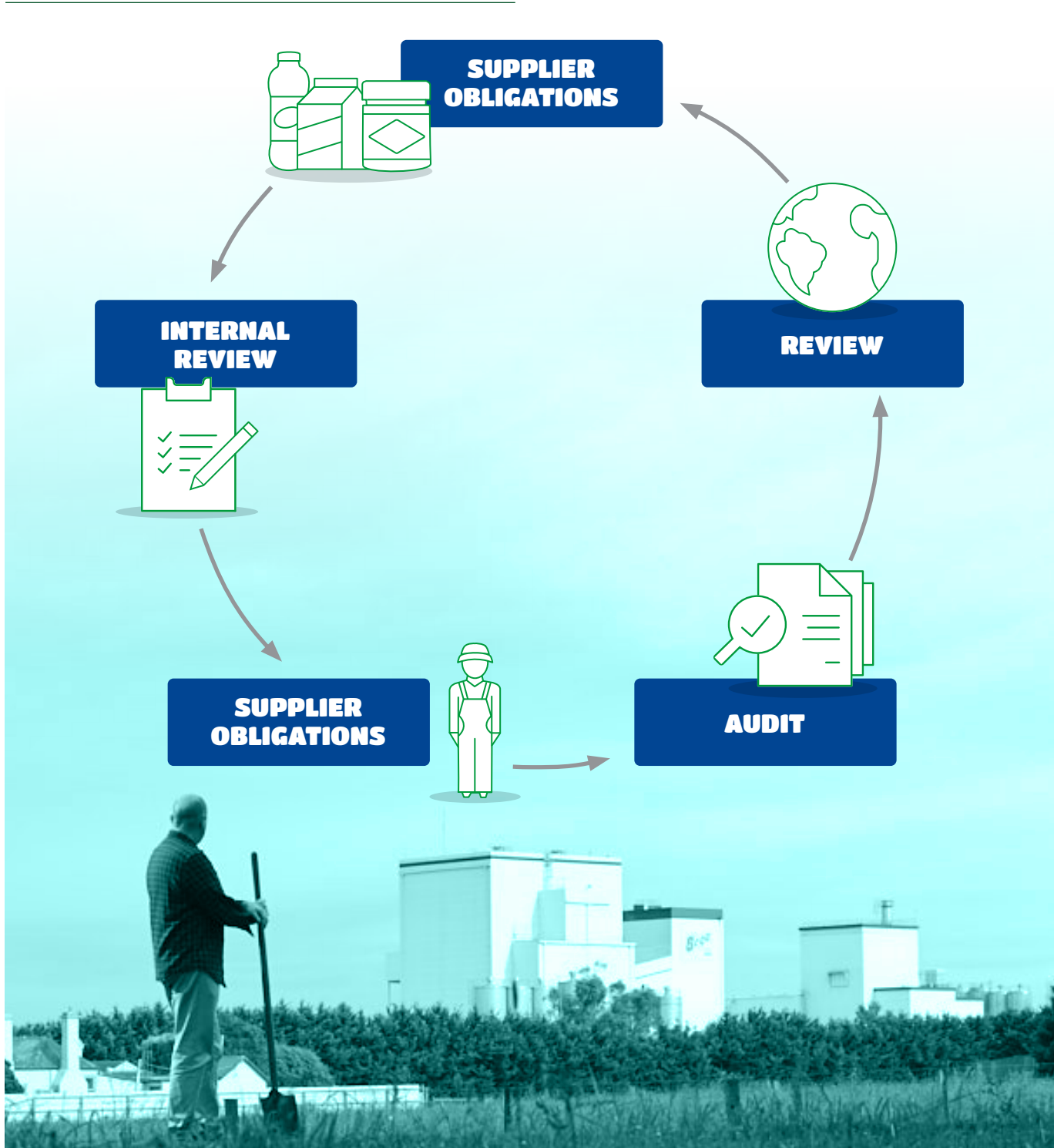
Around 43% of our team members are covered by modern awards, or are award free ("salaried team members"). Risk arises due to the potential for compliance issues in relation to minimum rates of pay, and terms and conditions.

We audit salaried team members every 12 months following the federal minimum wage review, to ensure their rates of pay remain compliant with the increases to rates of pay in modern awards and increases to the national minimum wage rate.



RISK MANAGEMENT IN OUR SUPPLY CHAIN AND PROCUREMENT

Bega Group supply chain due diligence



Section 4: Our approach and actions to address modern slavery

Our Responsible Sourcing Program

Responsible sourcing is one of the ways through which we seek to respect human rights in our value chain. Our Responsible Sourcing Program sets out who we work with, and how we want to work with them to promote decent working conditions and to ensure there are no instances of forced and child labour and modern slavery within and beyond our first-tier suppliers.

The due diligence components of the program are focused on the high-risk and moderate-risk materials and countries in our supply chain, so that our risk mitigation efforts are targeted to the prevention in those areas that are of greatest potential harm.

Pre-contract due diligence: supplier obligations and internal review

All of our suppliers are required to submit responses to an ethical sourcing questionnaire during onboarding which is a mandatory step in our Source to Pay (S2P) solution for all new suppliers during onboarding. Our procurement team then conducts an internal risk review that considers geographic risk, category risk and annual spend to determine our internal risk rating.

During the reporting period we implemented our Supplier Responsible Sourcing Code (SRSC), which sets out the standards expected of suppliers. Once it was implemented, we updated the existing ethical sourcing questionnaire to include an acknowledgement of, and agreement to comply with the new code. Acceptance of this code is a mandatory step in the onboarding process. In FY2024, we screened approximately 600 new suppliers. Of these, around 10% were determined to be high-risk based on their responses to the ethical sourcing questionnaire and their risk weighting screening.

Supplier self-assessment and audit

All suppliers identified as moderate to high-risk (8+ rating) through our internal review process must be onboarded to Sedex, or an equivalent global data exchange platform where they are required to complete an annual ethical sourcing self-assessment questionnaire (SAQ). This is a contractual requirement in our commercial agreements. The Sedex SAQ requires completion of self-assessment with respect to four pillars including: labour standards, health and safety, environment, and business ethics.

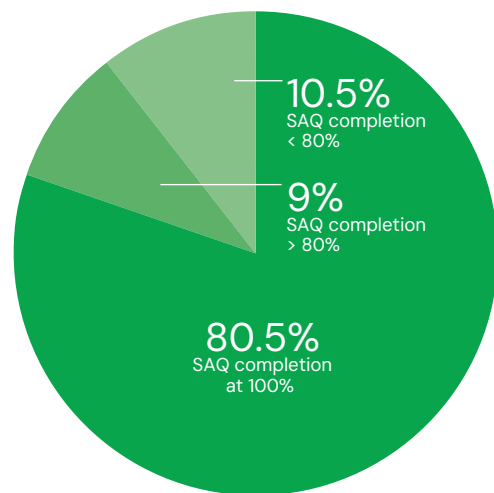
We are linked via the Sedex reporting platform to 346 suppliers, across 413 Sites. The risk profiles for these sites are set out in Figure 19.

Figure 19: Bega supplier risk profiles

Sedex combined risk score ²³		
Risk level	Site count	% of sites
High	29	7.0
Medium	133	32.2
Low	79	19.1
No risk*	172	41.6
* Risk not recorded in Sedex database.		413

The chart below provides details of the extent to which, in FY2024, our linked suppliers complied with the requirement to complete SAQs.

Figure 20: FY2024 Supplier SAQ outcomes²⁴



This year, we onboarded 33 new suppliers to Sedex. Suppliers who receive a moderate-risk or high-risk rating based on their SAQ responses may then be asked by us to complete a further independent social compliance SMETA audit. The requirement to complete a SMETA audit is based on the risk rating allocated by Sedex, and on the supplier’s response to the SAQ. Our quality team can also require our direct suppliers to undergo a SMETA audit in line with their quality and risk results.

We did not direct any suppliers to complete a SMETA audit within the reporting period. However, of our newly linked suppliers, nine were automatically identified by Sedex for further investigation and had audits completed in the FY2024. The results of those are listed below:

Of the non-conformances uncovered 54% are still open or pending auditor verification of corrective actions.

Figure 21 : Sedex audit outcomes for ‘new’ Bega suppliers

SMETA audit outcomes FY2024 ²⁵						
Risk rating	Site count	Business critical	Critical	Major	Minor	Total
Low	1	0	0	0	0	0
Medium	4	0	0	2	0	2
High	4	0	5	13	4	22
	9	0	5	15	4	24

²³ FY2024 Bega supplier reporting outcomes.

²⁴ FY2024 Supplier SAQ outcomes.

²⁵ FY2024 Supplier SMETA audit outcomes.

Section 4: Our approach and actions to address modern slavery

Supplier review

Our Group quality team conducts periodic site visits and audits to monitor our suppliers. Suppliers are audited against our Supplier Quality Expectations (SQE) which were updated during the reporting period to include questions specific to modern slavery and business ethics. Our SQE is available on our website. In FY2024, our team completed audits of 57 suppliers.

Our quality audit outcomes within the reporting period are set out in Figure 22.

Figure 22: Bega quality audit outcomes

Bega quality audit NCs criticality FY2024 ²⁶				
Severity	Closed	Not yet due	Overdue	Total
Critical	5	0	2	7
Major	22	10	14	46
Minor	95	32	51	178
Total	122	42	67	231

Ethical sourcing and modern slavery clauses for tenders and contracts

This year we added mandatory steps to our tender process which require participants to confirm they understand and adhere to our modern slavery requirements. This is a gated approach, and participants who do not agree to meet our minimum standards are not progressed in the tender process.

We also updated our master commercial contract templates to include the SRSC and standardised modern slavery and ethical sourcing clauses. When a supplier's risk profile was moderate based on the category of spend, the SRSC can now be included as an executed appendix to the commercial contract. This change is designed to improve compliance.

Procurement governance

Procurement data governance

Our 2023 modern slavery risk assessment revealed that around 25% of our spend data did not identify the country of origin or source country, because of limitations in the way our procurement spend data is categorised. Expenditure is allocated to a broad or unknown category, or the 'invoice country' is used to determine source country, which may not correspond to the country of origin (manufacture, processing or supply) where goods contain internationally sourced ingredients. This could affect our modern slavery risk exposure.

We began work in FY2024 to improve data collection and management across our supply chain data. As an early outcome of this project, we were able to identify over 20% of the previously unknown source countries from the original FY2023 data set.

In FY2024, our key initiatives included the initiation of an organisational wide data governance and management project which will deliver improved processes for more standardised approaches for recording country of origin data for our direct materials.

Now these systems are being embedded, our focus for FY2025 will be to continue to reduce the proportion of procurement spend recorded with unknown country of origin.

Better Farms

Our Better Farms Program continued through the reporting period.

All of our dairy suppliers are eligible to be a part of our Better Farms Program. The program aims to support suppliers by providing access to grant funding for professional advice, training and on-farm capital works improvements. We place particular focus on supporting suppliers to meet their regulatory requirements, as well as improve the long-term resource sustainability and efficiency through industry recommended practice adoption.

Over \$3million in grant funding has been invested through the Better Farms Program from its inception in April 2018 to June 2024. Approximately \$200,000 of capital grants accessed have been used by farmers to improve labour conditions for workers.

While the Better Farms Program has supported our farmers and us well to date, we are reviewing data on sustainable agriculture practises to better serve the needs of our farmers and the land on which we depend. A revised Better Farms Program, focusing on the transition to a low carbon economy, and broader circularity principles is in development.

²⁶ FY2024 Bega Supplier Audit Outcomes.

ADDRESSING OUR HIGH-RISK INGREDIENTS

Our 2023 risk assessment identified several high-risk commodities, on which we reported in our FY2023 Modern Slavery Statement refer page 22.

Our responsible sourcing process aims to achieve deepened traceability and an additional layer of assurance within our supply chain. By partnering with our preferred suppliers for these ingredients, we are working collaboratively to source goods with identified supply origins. We acknowledge, however, that the risks of modern slavery for these commodities are more likely to occur on farm or during initial processing, many tiers beyond our direct influence. We will continue to explore opportunities to use certifications for the high-risk ingredients we have now identified.

Coffee

This year we maintained our work with the Rainforest Alliance to certify over 90% of the coffee used for Dare Iced Coffee to the certification standard. Of the total coffee powder by weight sourced by us, 72.7% was Rainforest Alliance certified in FY2024. This excludes coffee powders pre-mixed by suppliers for Dare Iced Coffee which has also been certified as part of chain of custody requirements. Rainforest Alliance Certified coffee means our supply chain partners are addressing human rights abuses like child and forced labour, low wages, poor working conditions, and gender inequality. We will continue to seek opportunities to ensure more of the coffee we purchase is certified.

Cocoa

This year we sustainably sourced 100% of the cocoa in our chocolate flavoured milks and yoghurt products. In FY2025, we intend to maintain this position and implement a new Cocoa Sourcing Policy to formalise our requirements with our suppliers.

Palm Oil

In FY2024, we have continued working towards meeting our commitments in our Sourcing Policy, with more than 99% of palm oil now Roundtable on Sustainable Palm Oil (RSPO) certified. Of this, 96.6% is identity preserved or segregated which means the chain of custody is known by our suppliers. We have been an associate member of the RSPO since December 2019 and adopted a Sustainable Palm Oil Sourcing Policy in 2020. This policy was updated in FY2024, as discussed on page 23.

GRIEVANCES AND REMEDIES

We recognise that effective grievance mechanisms are essential to enable workers to raise concerns and seek remediation. Grievance mechanisms can be a useful early warning system for where human rights are at risk in our value chain.

Our grievance framework consists of:

- an independent whistleblower mechanism, which is accessible by all our direct and indirect team members including supply chain workers, and through which allegations of suspected modern slavery can be submitted. The service is fully outsourced, and complaints can be lodged 24 hours a day, 7 days per week.
- a consumer care hotline, through which consumers of our products can lodge feedback or complaints. Contact 1800 571 833 or ConsumerCare@bega.com.au

To progress this framework, in FY2024 we:

- continued to operate the whistleblower mechanism
- incorporated the whistleblower mechanism into our Supplier Responsible Sourcing Code, which is provided to all suppliers
- continued to operate a customer hotline.

The United Nations Guiding Principles on Business and Human Rights (UNGPs) state that the right to an effective remedy includes the remediation of harm for the person or people affected by modern slavery. The right also includes access to a grievance mechanism. The purpose of remediation is to 'set things right' for the person who has experienced harm and restore them to the position they would be in had the harm not occurred. Through this, we have continued to learn and improve our approach.

We understand that for our business, this means establishing systems and processes to appropriately recognise and respond to potential adverse human rights impacts which we cause, to which we contribute, or to which we are directly linked, including incidents of modern slavery.

During FY2024 we made efforts to develop the first stages a remediation protocol for modern slavery. This included:

- establishing incident response requirements
- setting out how we triage, escalate and manage a suspected or reported incidence of modern slavery
- setting out how we will deal with the supplier involved in the incident.

Section 4: Our approach and actions to address modern slavery

Figure 23: Bega incident remediation protocol



²⁷ Relationship to harm as defined by the UN Guiding Principles on Business and Human Rights 'continuum of involvement'.

Section 4: Our approach and actions to address modern slavery

Our focus for the next reporting period will be to finalise and embed the incident response protocol in our internal processes and via a company policy commitment. Going forward, we will also work to further align our approach to remediation, including our grievance frameworks, to the requirements of the UNGPs. This includes:

- reviewing complaints mechanisms – and other avenues for worker voice – with the aim of providing safe access for workers to speak freely and raise complaints and concerns
- strengthening our remediation process to actively focus on protecting the rights and wellbeing of any affected persons and on the prevention of harm.

STAKEHOLDER ENGAGEMENT AND COLLABORATION

We continue to seek feedback and perspectives from a broad mix of internal and external stakeholders. Integrating different perspectives, having up-to-date information and working collaboratively across the supply chain are key to developing and improving our approach.

The modern slavery related consultation we've completed throughout the reporting period is outlined on the following page.

For details on our wider stakeholder consultation, please see page 53–57 of our [2024 Sustainability Report](#).

CASE STUDY

Engagements with high-risk vendors to learn about best practice and share knowledge

During the reporting period we piloted supplier capacity building engagements. Our Ethical Sourcing Manager engaged with key vendors with significant spend, inherent category risk, or both. These suppliers included high-risk commodity vendors (such as coffee, cocoa and fruit), and our high-value vendors within packaging, labour hire and telecommunications.

These engagements aim to understand what modern slavery governance frameworks the vendors have in place. This includes:









- their approach to, and challenges within their modern slavery risk identification and management processes
- how they approach remediation
- what education and training they offer their direct workers and broader supply chain. We seek to find commonality and share learnings with other suppliers where appropriate
- how they're adjusting their responses to new and emerging trends.

We are particularly interested in how we can work with these suppliers to reduce the compliance burden and rationalise processes for smaller, higher tier suppliers. Our focus in FY2025 will be to formalise the engagements, including the way in which we share learnings with other vendors, use the information garnered to inform how we manage supplier risk within our own systems, and to improve our processes for the benefit of our supply chain.

Section 4: Our approach and actions to address modern slavery

Figure 24: Bega stakeholders

Our stakeholders

Stakeholder group	Why its important to engage?	How we engage
Farmers 	<p>Farmers are essential to our business and our sustainability journey. It is critical that we engage with farmers to understand how we can support them and maintain productive, sustainable relationships into the future.</p>	<ul style="list-style-type: none"> • Inform directly through targeted digital communications • Consult through representative groups such as the Grower Advisory Group and Annual Growers Meeting • Support and collaborate in face to face and direct engagement with our dedicated farm services officers, building 1:1 relationship • Support by making resources available, such as the Better Farms Program, providing dairy farmers with advice and support, training and development, and capital works grants
Other suppliers and producers 	<p>Our suppliers and producers help us meet our shared commitments and build a better future through our production practises and the communities in which we operate.</p>	<ul style="list-style-type: none"> • Inform suppliers directly of our sustainability ethos, goals and objectives, and ensure alignment • Support and collaboration through face-to-face meetings, regular reviews and dedicated relationship managers
Shareholders 	<p>It is our responsibility to deliver returns for our shareholders while meeting our sustainability commitments. Its important we are transparent as to how we are minimising risks and optimising opportunities.</p>	<ul style="list-style-type: none"> • Inform in investor meetings, results presentations and sustainability reporting • Inform through ASX announcements and press releases and annual general meetings • Collaborate through ESG investment analyst surveys
Customers 	<p>Understanding and contributing to our customers' sustainability goals underpins our shared success. The only way we can deliver a better future, is by working together.</p>	<ul style="list-style-type: none"> • Inform through responses to questionnaires and quarterly updates • Collaborate through hosting customer site visits, audits and reviews • Support through access to programs such as Sedex
Consumers 	<p>It is our responsibility to do the right thing for our consumers and the communities they live in, and to meet their expectations for quality sustainable products.</p>	<ul style="list-style-type: none"> • Support through responsive customer service teams across all brands • Inform through active engagement on social media channels • Consult and involve in consumer research programs like monthly brand health listening research • Inform in general advertising across digital media, out of home signage, on pack and at store
Government and regulators 	<p>Understanding the policy position of government, engaging with reporting requirements and contributing to the development of regulations and frameworks helps ensure we are meeting our sustainability obligations.</p>	<ul style="list-style-type: none"> • Collaborate in consultative committees and periodic strategic meetings with government departments and regulators • Inform through information requests • Inform and collaborate through statutory reporting, site inspections and audits • Collaborate with export authorities
Industry associations 	<p>We work collaboratively with industry associations to develop our professional networks and a collective understanding of shared areas of interest and to support innovation.</p>	<ul style="list-style-type: none"> • Support and collaborate through membership of key industry bodies • Collaborate and inform through participation in forums and working groups • Support through representation on collective action groups and industry-led initiatives
Employees 	<p>People are the heart of our business. It is important our people are informed and supported so they are safe and engaged in the organisation.</p>	<ul style="list-style-type: none"> • Consult through regular employee surveys • Inform through town hall sessions • Support through internal recognition system • Support through employee assistance, safety and diversity programs • Collaborate and involve with opportunities to join internal communities

SECTION 5: ASSESSING THE EFFECTIVENESS OF OUR ACTIONS



Why assess effectiveness?

Modern slavery is often difficult to detect, as the behaviours can be covert or invisible. This also means it can be challenging to determine whether controls and efforts are effective at managing and eradicating it. We are committed to measuring the effectiveness of our management systems, so we can identify and mitigate the risk to people.

Assessing the effectiveness of actions taken to address modern slavery is a crucial component of any management approach, as it is the means through which we determine whether and how our actions are impacting (reducing the risk to) people. Effectiveness can be complex to measure.

Effectiveness metrics

We use both qualitative and quantitative metrics to measure effectiveness. We define effectiveness in addressing modern slavery as demonstrating the following:

- accountability, by implementing our modern slavery commitments
- investment in capability, by supporting our highest risk suppliers to strengthen their processes
- evaluation and enhancement, through continuous improvement of our due diligence processes
- a principled approach, by upholding human rights standards which prioritise respect for workers' rights, including their health, safety and wellbeing
- integration of perspectives, through actively seeking feedback from a range of stakeholders, internal and external, and using that to improve

Our Ethical Sourcing Manager is responsible for tracking these metrics. Progress is reported to the Modern Slavery Working Group via a monthly presentation and tracking deck.

We take both a qualitative and quantitative approach to measuring effectiveness, to ensure we fully understand the nature and scale of the impact of our actions.

Activities to measure effectiveness

Key actions to monitor and measure effectiveness of the period included:

- **Maturity assessment of our modern slavery approach:** We engaged an independent expert advisory firm to conduct a gap analysis and management review of our modern slavery management approach to determine year-on-year progress. This considered our maturity in key areas such as governance, risk assessment, due diligence, remediation, disclosure and engagement, and informed our priorities for future action.
- **Engagement with suppliers:** We engaged with multiple high-risk, high-volume, high-value suppliers within the reporting period to improve our understanding of their governance frameworks and approaches to managing modern slavery, to enable us to adopt best practice systems and processes where applicable. We also shared learnings from our approach to support supplier partners to evolve their systems and processes.
- **Supplier risk weightings:** We reviewed these against updated Sedex ratings for accuracy.
- **Industry capacity building:** We contributed to development of Dairy Australia's risk and remediation matrix.

Performance indicators

We have developed the indicators on the following page to measure the effectiveness of our overall management approach. These include outcomes-based indicators to support tracking of performance. This Effectiveness framework was developed at the end of the reporting period and applied retrospectively. Going forward, we intend to further develop and implement this Framework, by using it as a basis for discussion and reporting (e.g. in Modern Slavery Working Group and other relevant mechanisms) and by creating annual targets associated with the indicators.

Section 5: Assessing the effectiveness of our actions

Effectiveness framework

Figure 25: Bega framework

Element of our modern slavery framework	Indicator / metric of effective management	How we measure effectiveness against this indicator	Assessment for FY2024
Governance and accountability	Senior management and Board oversight	<p>The frequency with which minutes of Board meetings demonstrate active discussion of our modern slavery risk profile and actions.</p> <p>The number of working group meetings on modern slavery risk and actions.</p>	<p>On track</p> <p>Modern slavery included bi-monthly into Board reports.</p> <p>Working group met monthly during FY2024.</p>
	Training	The percentage completion rate of employees finishing their annual mandatory refresher compliance training, broken down by non-management, executive and Board-level completion.	<p>Developing</p> <p>In the reporting period, 95% + of applicable staff completed training.</p> <p>FY2025 Intent: Continue introductory training as part of onboarding and roll out refresher training online.</p>
	Public commitment	Policies associated with modern slavery management include a publicly available position on the organisation's approach to modern slavery management and human rights, and which are approved by senior management or the Board.	<p>Room for improvement</p> <p>Public commitment to modern slavery made, but broader human rights not in scope for the reporting period.</p> <p>FY2025 Intent: Expand commitment to human rights.</p>
Risk identification / assessment	Risk assessment	Annual review of risk assessment approach and risk profile, including as necessary additional assessment of targeted risk areas.	<p>On track</p> <p>Review and continue application of FY2023 comprehensive risk assessment methodology and findings (see Actions section).</p>
	Supplier risk screening	Maintain >95% percentage completion rate of onboarded suppliers who complete risk screening.	<p>On track</p> <p>Risk screening is a mandatory requirement and was rolled out for all suppliers in FY2024.</p> <p>Risk weighting metrics will be reviewed biannually to adjust to changing category and global risk positions.</p>
	Sedex registration	The percentage of identified high-risk and moderate-risk suppliers that have completed their Sedex registration and SAQ.	<p>On track</p> <p>All suppliers with a risk score of moderate or higher (8+ in Bega's risk matrix) were registered with Sedex or equivalent platform during FY2024.</p>

Section 5: Assessing the effectiveness of our actions

Figure 25: Effectiveness framework – continued

Element of our modern slavery framework	Indicator / metric of effective management	How we measures effectiveness against this indicator	Assessment for FY2024
Risk management	High risk category management	The percentage of identified high-risk and moderate-risk categories (identified through our internal review process) receiving mitigating actions. ²⁸	<p>Room for improvement</p> <p>50% of identified categories received concerted action focussed on modern slavery risk during FY2024. The remainder received ad hoc efforts.</p> <p>FY2025 Intent: Develop formal mitigating actions for remaining categories.</p>
	Independent social audits	<p>The percentage of high-risk suppliers audited annually.</p> <p>The percentage of corrective and preventative actions or non-conformances.</p>	<p>On track</p> <p>All high-risk suppliers completed independent social audits.</p> <p>Open corrective and preventative actions and non-conformances were reported and tracked monthly through Modern Slavery Working Group.</p>
	Risk management approach – continuous improvement	Demonstrate progress against one or more of the modern slavery management framework pillars in a year-on-year maturity assessment.	<p>On track</p> <p>We sought independent third-party reviews of our risk management approach. Refer to page 31 for more information.</p> <p>FY2025 Intent: Demonstrate continued progress in due diligence.</p>
Grievances and remedies	Trusted, accessible grievance mechanism	Grievance mechanism is communicated to suppliers and supply chain workers and is meaningfully accessible to vulnerable groups in the supply chain.	<p>Room for improvement</p> <p>A basic grievance mechanism has been in place, but updates or improvements were not in scope for the reporting period.</p> <p>FY2025 intent: Formalise grievance mechanism and response.</p>
	Investigation and remediation of modern slavery	<p>Process exists which allows investigation and remediation of allegations and instances of modern slavery and is aligned to UNGPs.</p> <p>Examples of tangible outcomes for workers are disclosed.</p>	<p>Developing</p> <p>A remediation process was developed in 2024 with a preliminary focus on internal incident management.</p> <p>FY2025 Intent: Further develop and test the remediation process and align to UNGPs.</p>
	Worker voice	<p>The percentage of our workforce which is unionised, which indicates that workers can safely raise issues.</p> <p>And</p> <p>Evidence of engagement with workers to inform modern slavery risk management (including grievance mechanisms).</p>	<p>Developing</p> <p>56.8% of employees are covered by collective bargaining agreements.</p> <p>FY2025 Intent: Undertake engagement efforts with worker cohorts outside of those directly employed, e.g. via stakeholder forums or surveys.</p>

²⁸ Bega will continue to review the supply chains for our highest risk categories, and seek to partner with suppliers who can provide certification of supply chain risk minimisation, or who work with downstream suppliers to audit supply partners to meet or exceed Sedex SMETA requirements.

Section 5: Assessing the effectiveness of our actions

Figure 25: Effectiveness framework – continued

Element of our modern slavery framework	Indicator / metric of effective management	How we measure effectiveness against this indicator	Assessment for FY2024
Public disclosure and stakeholder engagement	Supplier capacity building	The percentage of high-risk suppliers directly to build capability. Evidence that engaged suppliers are improving their modern slavery management.	Room for improvement During the reporting period, we focused on building the capacity of internal stakeholders to engage suppliers and conducted ad-hoc engagement. FY2025 Intent: Formalise processes for supplier capacity uplift.
	Tracking performance	Disclosure (in modern slavery statement) illustrates shifts in internal practice based on learning and reflection.	On track We regularly adjusted the approach based on learnings, as illustrated in the case study on page 16.
	External consultation and feedback	Number of external parties consulted on organisation's systems and mechanisms for disclosure, risk assessment, risk management. Examples of process and decision-making changes disclosed.	On track We engaged with many external stakeholders such as specialist third parties for a materiality assessment and modern slavery management review, Sedex, and Dairy Australia.

CASE STUDY

Vegemite – Assessing the effectiveness of our governance systems

In late 2023, an item purchased by us for re-sale on the Vegemite e-commerce store was identified as not having been purchased using the established responsible sourcing process.

On review of the item, and its supply chain, it was assessed as a high-risk item and escalated by the Ethical Sourcing Manager to the Modern Slavery Working Group as an internal incident and possible modern slavery risk.

As a result of the review, and the financial and reputational risks that the continued sale of the item posed, the following actions were undertaken:

- the item was removed from the e-commerce site within 24 hours of the incident being uncovered
- the gap in the responsible sourcing process which allowed this item to be purchased was closed
- the risk weighting matrix was updated to reflect differentiated risk profiles between marketing goods versus services
- relevant team members were re-trained on our purchasing and governance requirements
- preferred suppliers for promotional goods were identified, with contractual clauses for these goods upweighted within their agreements.

This incident highlighted the need for a formalised incident response process which led to the development of the remediation process detailed on page 32.

FUTURE PRIORITIES

The spirit of the Act is one of continuous improvement, and we are committed to continuous improvement in our ethical sourcing and modern slavery practices.

Following the findings of our gap analysis and management review, we developed a Modern Slavery Action Plan 2025 which sets out our priorities for the next few years:

- maintenance of existing governance and reporting processes including Sedex SMETA audits within group operational sites
- policy review and development – ethical sourcing and human rights
- policy review & development – category focus for coffee and cocoa
- risk assessment and category deep dives for fruit/logistics/marketing/labour hire
- learning and development – internally developed education and training for key functional teams and site groups, company-wide online refresher training and ongoing cadence of meetings with key supplier partners
- maturation of the remediation process and integration of broader human rights perspective.

SECTION 6: CONSULTATION



Section 6: Consultation

We take an enterprise-wide approach to everything we do, meaning all entities in the Group comply with relevant policies and procedures in this space. Therefore, all controlled and owned entities in the Group are subject to the same policies and management systems regarding modern slavery management, which includes ethical sourcing, employment, legal, human resources, supply chain management and other areas.

To develop this joint Statement, we sought relevant data and information from all the companies the Group owns and controls. Representatives from each of the entities were asked to verify and confirm data relied upon to produce this statement. The FY2023 Risk Assessment reviewed consolidated spend from all owned and controlled entities in the Group, so is reflective of the whole Group's risk profile. Similarly, the FY2024 Gap Analysis reviewed the common management systems in place and the findings pertain to the whole Group's approach.

To support the consultation process, we sought input from multiple cross-functional subject matter experts from within the business to develop and review this Statement.

This statement has been reviewed by the Modern Slavery Working Group, the Executive Team and the Board of Directors.

External perspectives

We continue to seek feedback and perspectives from a broad mix of internal and external stakeholders (refer Figure 24 on page 34). Integrating different perspectives, having up-to-date information and working collaboratively across the supply chain are key to developing and improving our approach. For details on our wider stakeholder consultation please see page 19 of our [2024 Sustainability Report](#).

Statement approval

This Modern Slavery Statement was approved by the Board of Bega Cheese Limited on 10 December 2024 in its capacity as principal governing body of Bega Cheese Limited, on behalf of Bega Group and all reporting entities covered by this Statement.

Signed by Barry Irvin, Executive Chairman, and Pete Findlay, Chief Executive Officer as representatives of the Board of Bega Cheese Limited.



Barry Irvin
Executive Chairman

Peter Findlay
Chief Executive Officer

APPENDICES



APPENDIX 1: MANDATORY REPORTING CRITERIA

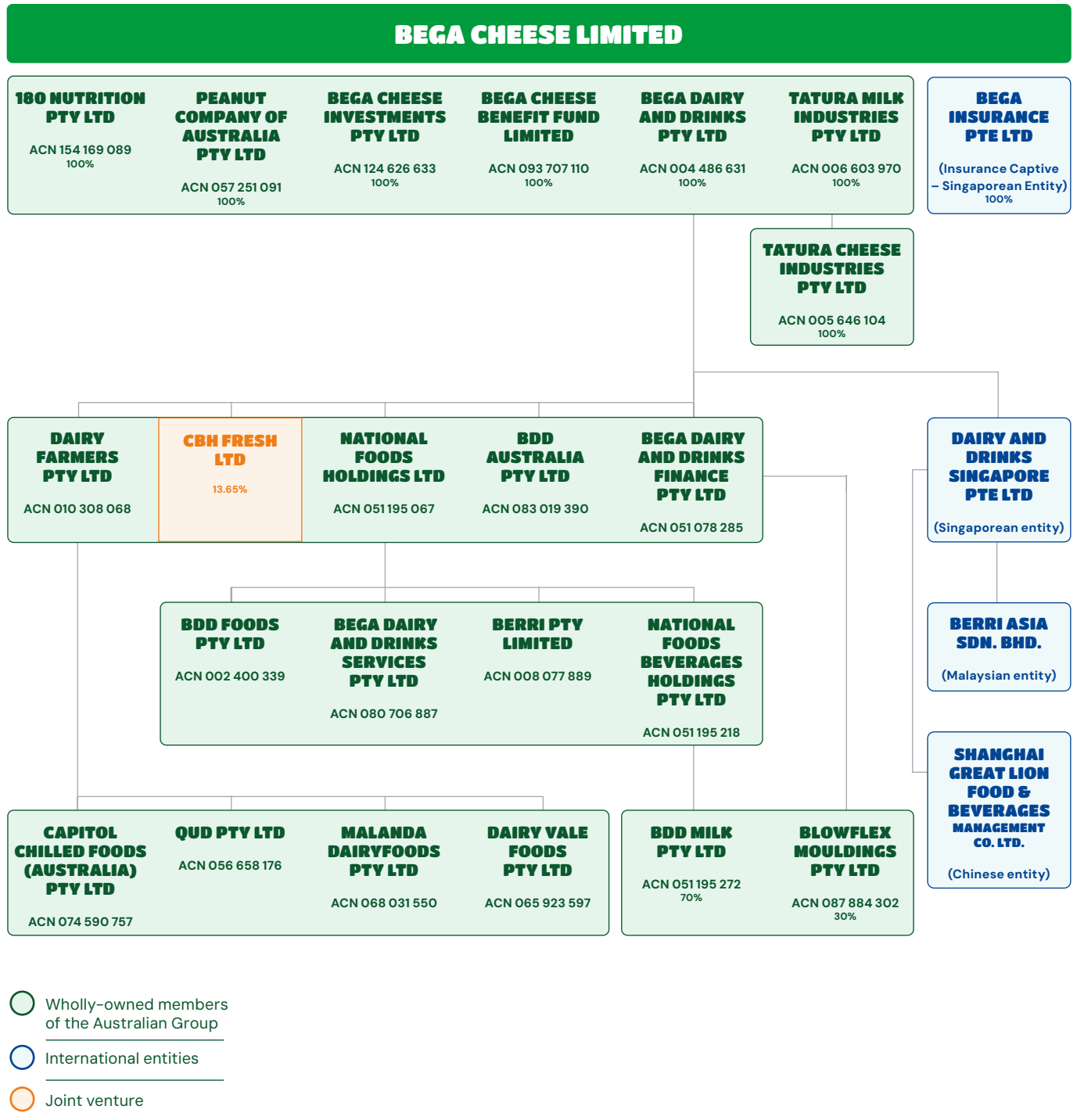
Figure 26: Reporting criteria

Section of Act	Criteria	Reference in this Statement
16(1)(a)	Identify the reporting entity	The reporting entity, page 4
16(1)(b)	Describe the structure, operations and supply chains of the reporting entity	Our structure, page 9
16(1)(c)	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entity that the reporting entity owns or controls	Our operations, pages 15, 17-19
16(1)(d)	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	Our supply chain, pages 22-34
16(1)(e)	Describe how the reporting entity assesses the effectiveness of such actions	Our modern slavery risks, pages 36-39
16(1)(f)(i)	Describe the process of consultation with: (i) any entities that the reporting entity owns or controls	Our modern slavery risks, page 42
16(1)(g)	Include any other information that the reporting entity considers relevant.	Our approach and actions to address modern slavery, page 22-34
4(a)(b)	Principal Governing Body Approval	Assessing the effectiveness of our actions, page 42
4(a)(b)(c)(d)(e)	Signature of Responsible Member	Consultation, page 42

APPENDIX 2: COMPANY STRUCTURE

as at 30 June 2024

Figure 27: Company structure



APPENDIX 3: LIST OF REPORTING ENTITIES COVERED BY THIS JOINT STATEMENT

Figure 28: Reporting Entities

Consolidated	Country of incorporation	Nature of relationship	2023 % of ownership	2022 % of ownership
180 Nutrition Pty Ltd	Australia	Subsidiary	100	100
BDD Australia Pty Ltd ²⁹	Australia	Subsidiary	100	100
BDD Foods Pty Ltd ²⁹	Australia	Subsidiary	100	100
BDD Milk Pty Ltd ²⁹	Australia	Subsidiary	100	100
Bega Cheese Benefit Fund Ltd	Australia	Subsidiary	100	100
Bega Cheese Investments Pty Ltd	Australia	Subsidiary	100	100
Bega Dairy and Drinks Pty Ltd ²⁹	Australia	Subsidiary	100	100
Bega Dairy and Drinks Finance Pty Ltd ²⁹	Australia	Subsidiary	100	100
Bega Dairy and Drinks (NZ) Ltd ³⁰	New Zealand	Subsidiary	-	100
Bega Dairy and Drinks Services Pty Ltd ²⁹	Australia	Subsidiary	100	100
Bega Insurance Pte Ltd	Singapore	Subsidiary	100	100
Berri Pty Ltd ²⁹	Australia	Subsidiary	100	100
Berri Asia Sdn Bhd	Malaysia	Subsidiary	100	100
Blowflex Mouldings Pty Ltd ²⁹	Australia	Subsidiary	100	100
Capitol Chilled Foods (Australia) Pty Ltd ²⁹	Australia	Subsidiary	100	100
Dairy and Drinks Singapore Pte Ltd	Singapore	Subsidiary	100	100
Dairy Farmers Pty Ltd ²⁹	Australia	Subsidiary	100	100
Dairy Vale Foods Pty Ltd ²⁹	Australia	Subsidiary	100	100
Malanda Dairyfoods Pty Ltd ²⁹	Australia	Subsidiary	100	100
National Foods Holdings Ltd ²⁹	Australia	Subsidiary	100	100
National Foods Beverages Holdings Pty Ltd ²⁹	Australia	Subsidiary	100	100
Peanut Company of Australia Pty Ltd ²⁹	Australia	Subsidiary	100	100
QUD Pty Ltd ²⁸	Australia	Subsidiary	100	100
Shanghai Great Lion Food & Beverages Management Co Ltd	China	Subsidiary	100	100
Tatura Milk Industries Pty Ltd ²⁹	Australia	Subsidiary	100	100
Tatura Cheese Industries Pty Ltd	Australia	Subsidiary	100	100
Vitasoy Australia Products Pty Ltd ³¹	Australia	Associate	-	49
CBH Fresh Ltd	Australia	Joint venture	11.5	13.7

²⁹ A party to Deed of Cross Guarantee dated 21 February 2021.

³⁰ Bega Dairy and Drinks (NZ) Ltd was deregistered, effective 16 May 2023.

³¹ The 49 percent interest in Vitasoy Australia Products Pty Ltd was sold, effective 13 February 2023.

APPENDIX 4: DEFINITIONS

Figure 29: Acronym definitions

Definitions	
CAPA	Corrective and preventative actions
EBA's	Enterprise Bargaining Agreements
ESG	Environmental, Social and Governance
FAQs	Frequently Asked Questions
GSI	Global Slavery Index
ILO	International Labour Organisation
KPIs	Key Performance Indicators
MRO	Maintenance, repairs and operations
MS	Modern Slavery
MSA	Modern Slavery Act
MSWG	Modern Slavery Working Group
NCs	Non Conformance (linked to Audits)
PPE	Personal Protective Equipment
QBR	Quarterly Business Review
RADAR	Sedex's supply chain risk assessment tool
RFA	Rainforest Alliance Organisation
RFI	Request for Information
RFP	Request for Proposal
RFQ	Request for Quotation
RFX	Request for Anything (including RFI, RFP or RFQ)
RSC	Risk and sustainability committee
S2P	Source to Pay
SAQ	Sedex Self Assessment Questionnaire
Sedex	Supplier Ethical Data Exchange (global data collection platform)
SMETA	Sedex Members Ethical Trade Audit
SRSC	Supplier Responsible Sourcing Code
SteerCo	Modern Slavery Working Group
Tier 1	Bega's Direct suppliers of goods or services
Tier 2	Suppliers of inputs into Bega Direct Suppliers (Tier 1)
Tier 3	Suppliers of inputs into Bega's Indirect suppliers (Tier 2)
TPM	Third Party Manufacturers
UNGPs	United Nations Guiding Principles
USDol	US Department of Labour

Figure 30: Sedex non-conformance definitions

Definitions	
Business critical non-conformance	Defined by the Sedex Members Ethical Trade Audit (SMETA) Non-Compliance Guidance as: A breach of a code item or law which presents an imminent or serious risk of life and limb, or which constitutes a severe human rights impact that could be difficult or impossible to remedy.
Critical non-conformance	Defined by the Sedex Members Ethical Trade Audit (SMETA) Non-Compliance Guidance as: A systemic, deliberate or severe breach of a code item or local law which represents a danger to workers or others, or which denies a basic human right; An attempt to pervert the course of the audit through fraud, coercion, deception or interference with the audit process.
Major non-conformance	Defined by the Sedex Members Ethical Trade Audit (SMETA) Non-Compliance Guidance as: A systemic breach of a code item, local law that could present a danger to workers or violate upon a human right.
Minor non-conformance	Defined by the Sedex Members Ethical Trade Audit (SMETA) Non-Compliance Guidance as: An isolated breach of a code item or local law which represents low risk to workers; A policy issue or misunderstanding where there is no evidence of a material breach of a code item or local law.
Open non-conformance outcome	Non-conformance report that has not yet been closed out by the vendor or is waiting an auditor's review and acceptance of the proposed corrective action plan.
Resolved non-conformance outcome	A corrective action plan has been completed and approved by the auditor with no further works to be completed.

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