MODERN SLAVERY STATEMENT 2025/26

This statement is in accordance with the Modern Slavery Act 2015. It outlines the steps taken by Australian Bakels to prevent modern slavery and human trafficking in its business and supply chains.

Introduction
Australian Bakels employs around 200 people and are committed to upholding the rights of workers. Modern slavery and human trafficking are unacceptable practices, and we are committed to eliminating the risk of it in our organisation and our supply chains.

Our Business
Australian Bakels are a technically based bakery ingredients company with nearly 75 years' knowledge, experience and expertise in the bakery industry. Our core objective is to assist our customers to develop, produce and sell (more) bakery products. Bakels work within three main sectors of the food industry;
• In-store bakery (supermarket)
• Industrial Bread and Confectionery Manufacturers
•Craft and Wholesale customers

Our Ethics Policies
Australian Bakels endorses and is committed to ethical trading and adheres to the Ethical Trading Initiative Base Code. Bakels are a member of SEDEX (Supplier Ethical Exchange Data) and have completed the self-audit questionnaire. We have a zero-tolerance approach towards the use of forced, bonded or involuntary labour in our own operations. There are a number of key policies that set out the requirements of our labour standards; these are signed off at Director level and include the following:

• Bakels Ethical Trading Policy Statement – sets out the ethical code that we operate by
• Our Equal Conduct Policy
• Our Business Code of Conduct policy
• Our Whistleblower Policy
• Our Equal Opportunity and Anti-Discrimination Policy
• Bakels Standard Conditions of Supply which informs our suppliers of the requirements for Ethical trading

Operations and Supply Chain

Our Operations
Australian Bakels manufactures, packages, distributes and sells a wide range of products, primarily to the baking industry and to a lesser extent the general food industry in Australia, New Zealand and internationally.

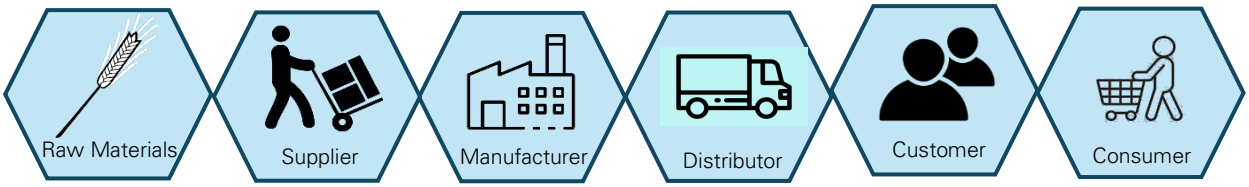
AB services and sells in the business-to-business segment, including large, medium, and small bakeries, food service and specialty food manufactures across Australia. AB

sells predominantly to the baking industry but does not participate in the baked goods market or compete against customers.

Australian Bakels manufactures over 600 different product offerings of which 90% are manufactured in Australian with most other goods manufactured by other associated Bakels companies worldwide.

AB has 36 qualified baker technical sales representatives to service the Australian market who are supported by a Development and Application team of Food Technologists. AB often works closely with customers to develop and manufacture specialised ingredients and products to suit various market niches.

With over 2,750 customers, AB manufactures 42,000 tonnes of bakery ingredients annually at its Silverwater site in NSW.



Our Supply Chain
Australian Bakels Supply Chain including Procurement covers all elements of Storage and Distribution (owned and operated, including contract third party sites), production planning and raw ingredient sourcing through a combination of AU vendors combined with intercompany/international procurement where local cannot be achieved (preferred).
Distribution warehouses operate in NSW, QLD, VIC, SA & WA. 3PL Storage Pick and Pack (perishable) operates nationally for perishable range out of four separate 3PL's and states. Cold Chain freight partners are used by the company nationally.

- Product range consists of 600 SKU's into local and export markets.
- Supplying products to 2,700 customers nationally.
- 110 suppliers for raw materials, packing and finished products.
- 70 finished products sourced through intercompany purchases.
- Our direct imports are from (1) New Zealand (2) Netherlands (3) Belgium (4) Malaysia (5) China.
- Export into 18 countries (associates and agents).

AB Bakels is committed to responsible sourcing and ethical business practices. We participate in ethical sourcing program (SEDEX) to drive improvements in our supply chain and avoid unfair and unsafe labor practices, including slavery and human trafficking.

Through these programs and certification, we assess and audit our suppliers and service providers on their ethical sourcing performance as per the SEDEX SMETA 4 Pillar

assessment framework. This framework includes Labour Standards, Health & Safety and Business Ethics.

Policies

Our Modern Slavery Statement, Ethical Conduct Policy and Business Code of Conduct Policy together indicates Australian Bakels commitment and expectation when doing business with Bakels, these policies align with our core values and ensures that we detect the highest standards of fair work practices, respect, integrity, and dedication in our day-to-day business operations.

Human Rights

Australian Bakels (AB) is committed to the highest level of human rights wherever we do business and in all communities in which we are present. We believe in fair employment standards and do not tolerate or practice any form of exploitation or engage with suppliers who do not adhere to a strict anti-slavery policy.

Whistleblower Policy

AB whistleblower policy is established through Human Resources or through our internal Bakels Portal. Employees can confidentially disclose information if any illegal or improper actions are being conducted on our sites.

Environmental Protection Policy

AB is committed to protecting the environment and ensuring that our operations have a minimal impact on the planet. We will do this by conserving water and energy, reducing waste, using sustainable packaging and practices. We will regularly review our environmental performance and make improvements where possible. We will also work with our suppliers and partners to promote environmental protection.

Risk Management

Identifying who is at risk:



Supply Chain and Operations Risks

Bakels has considered the following factors when assessing the risk of modern slavery in its supply chain and operations:

- The exposure and risks of modern slavery practices in the food industry are complex and varied, making it difficult to conduct a comprehensive assessment.

- AB is aware that sourcing from various countries with less strict modern slavery laws, especially those in Asia and parts of Europe can increase the risk of modern slavery.
- To the best of our knowledge, AB works with suppliers, whether local or international, that does not engage in any conduct that could be considered modern slavery.

Our Approach

- Conducting due diligence: This involves conducting research to identify and assess the risks of modern slavery in the supply chain.
- Use of SEDEX Radar Risk Tool to assess country risk for all suppliers and service providers.
- Regular Monitoring and auditing for internal policies, procedures, and supplier questionnaires to ensure that the business complies with the established code of conduct and is up to date on the importance of addressing modern slavery risks, and coordinate efforts to mitigate modern slavery risks.

- Raising awareness by implementing these policies we currently have in place:
  A) Business Code of Conduct
  B) Equal Employment Opportunity and Anti-Discrimination Policy
  C) Grievance Policy
  D) Whistleblower Policy
  E) Ethical Sourcing Policy
  F) Environmental Protection policy
- Choosing suppliers that are certified by a reputable organization: This could include the Fair Labor Association or SEDEX.
- Communicating Bakels expectations on complying with Modern Slavery Act 2018 and ethical supply chain to our suppliers and service provider and assessing them through a Self-Assessment Questionnaire (SAQ) which addresses a range of questions related to compliant labor practices. These questions aim to assess the supplier's commitment to preventing modern slavery and ensuring that its workers are treated fairly and humanely. By completing the SAQ, suppliers can demonstrate their commitment to Bakels Australia's zero-tolerance policy on modern slavery.

Grievance Mechanism

Bakels is committed to creating an open and honest culture where employees feel comfortable raising concerns about malpractice or wrongdoing. Our Grievance Policy and Whistleblower Policy provides guidelines for employees on how to do this in confidence.

All concerns raised through the Grievance Policy or Whistleblower Policy will be reviewed, investigated, and acted upon appropriately. The relevant functional heads

/HR will review all incidents, and will formally investigate the concerns, depending on the nature of the issue.

Measuring Progress

AB has established a set of key performance indicators (KPIs) and controls to prevent and combat modern slavery and human trafficking in our operations and supply chain. These include:

- Raising awareness by encouraging all employees to complete the Ethical Sourcing training module which includes Modern Slavery Act 2018.
- Conducting regular follow-up with suppliers to monitor and assess their progress in completing SAQ

Future Commitments

- Actively collaborating with suppliers and service providers to enhance visibility of modern slavery risks and their mitigation measures.
- Continuing awareness and capacity building for team members and business partners on modern slavery risks, issues, and mitigation activities, in the context of corporate sustainability.
- Providing ongoing training and help employees understand the company's approach on modern slavery risks, issues, and mitigation measures, in the context of corporate sustainability.



David Brown
General Manager
Australian Bakels
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