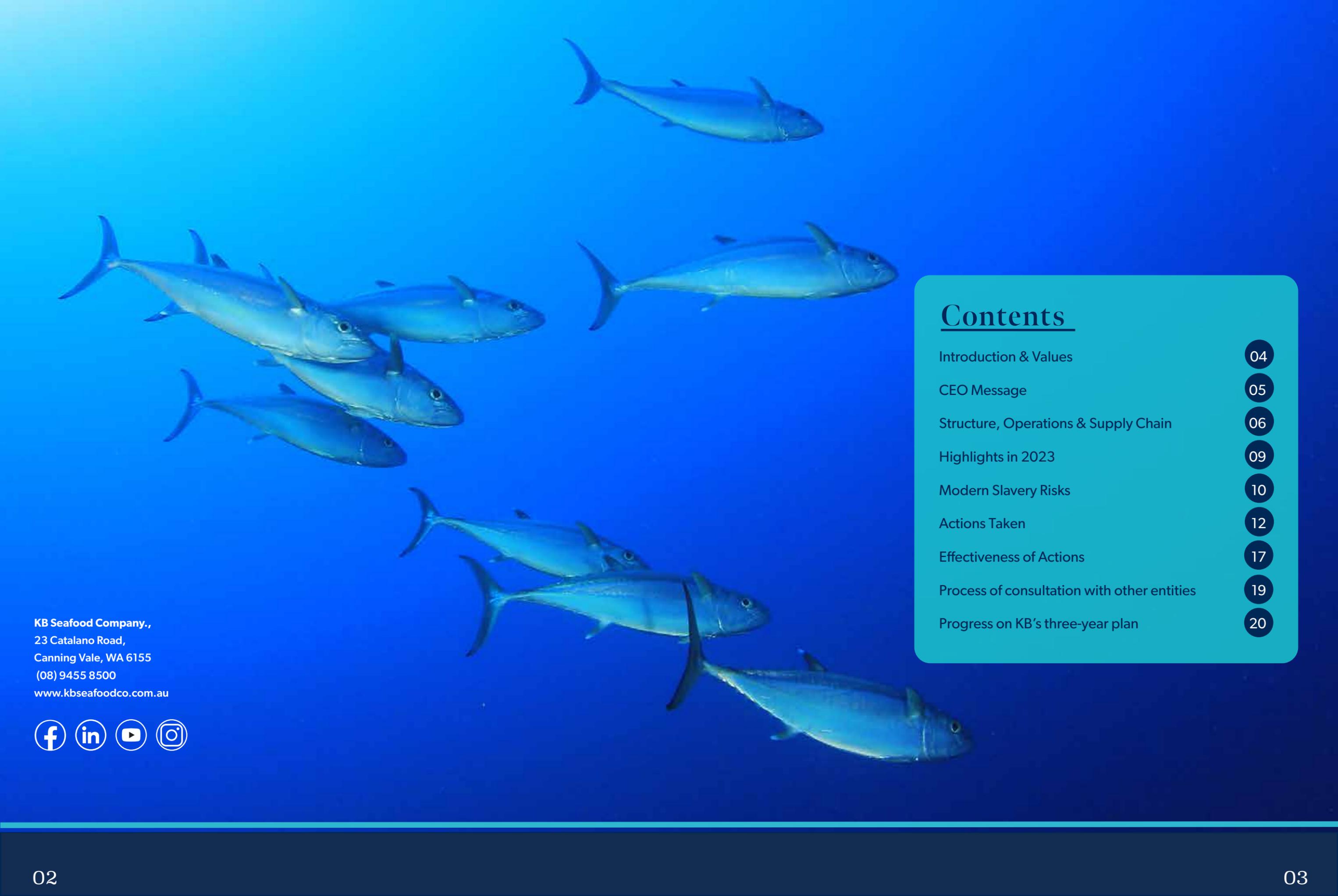




# KB Seafood Company

## Modern Slavery Statement

FY2023  
1st January - 31st December 2023



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# Introduction

KB Australia Holding Pty Ltd (KB) is the reporting entity under the Modern Slavery Act 2018 (Cth). KB is a wholly owned subsidiary of the KB Food International PTE Ltd, a company registered in Singapore. KB has its head office and registered address in Perth at 23 Catalano Road, Canning Vale, Western Australia 6155.

KB is steadfast in its commitment to combating modern slavery within its operations and global supply chains, aligning with the mandates outlined in the Modern Slavery Act 2018 (Cth). This fourth iteration of KB's Modern Slavery Statement serves as a testament to KB's ongoing efforts to address and eradicate modern slavery risks within KB's business and supply chains, covering the fiscal year ending on 31 December 2023.

KB acknowledge the gravity of human rights violations such as forced labour, servitude, child labour, deceptive recruitment practices, and debt bondage. To confront these challenges, KB remains dedicated to adhering to industry standards and upholding the principles outlined in the UN Guiding Principles on Business and Human Rights (UNGP).

At KB, its vision and values guide the business endeavor to become the preferred seafood supplier, operating with unwavering commitment to ethical, sustainable, and responsible practices in collaboration with both internal and external partners.

This statement has undergone extensive consultation with key KB stakeholders, external advisory review and approved by the director of KB Australia Holding Pty Ltd on 14 June 2024.

# Our Values

## RESPECT

We support, encourage and appreciate all team members and stakeholders.

## CREATIVITY

We focus on looking for alternative ways to solve problems, generate new ideas and concepts to make a positive difference.

## INTEGRITY

We do the right thing even when no-one is watching and deliver on our promises.

## ACCOUNTABILITY

We uphold the highest standards and take ownership for all of our actions.

## COURAGE

We pursue our duties and responsibilities with determination and tenacity. We embrace speaking up and being heard.



# From Our CEO:



I am proud to announce this is KB's fourth publication of our Modern Slavery Statement, a testament to our unwavering commitment to combating modern slavery in all its forms.

At KB we firmly believe that every individual has the right to work in conditions free from exploitation and coercion. Our dedication to upholding these principles is not just a legal requirement; it is a moral imperative that guides everything we do.

Over the past year, we have made significant strides in our efforts to prevent and address modern slavery within our operations and supply chain. From rigorous risk assessments to robust due diligence processes, we have implemented comprehensive measures to ensure compliance with the Modern Slavery Act.

But our commitment goes beyond mere compliance. We are actively working to create a culture of transparency, accountability, and respect throughout our organisation and supply chain. We recognise that eradicating modern slavery requires a collective effort, and we are committed to working collaboratively with our partners, stakeholders, and industry peers to drive positive change.

As we reflect on our progress and accomplishments, let us also acknowledge the challenges that lie ahead. The fight against modern slavery is far from over, and we must remain vigilant and proactive in our efforts to combat this abhorrent crime.

I urge each and every one of our stakeholders to familiarise themselves with our Modern Slavery Statement and to continue to uphold the highest standards of ethical conduct in everything you do. Together, we can make a meaningful difference and help to build a future where modern slavery is eradicated once and for all.

**Tim Storey**  
Chief Executive Officer  
14 June 2024

This statement was approved by the principal governing body of KB Australia Holding Pty Ltd on 14 June 2024 and is signed by Tim Storey, CEO.

# Structure, Operations, & Supply Chains

## Structure & Operations

KB is one of the major Australian seafood companies with operations spanning the entire supply chain, from processing to import, exporting, and wholesaling.

Wholly owned Australian entities include KB Food Company Pty Ltd, KB Seafood Company Pty Ltd, National Fisheries Pty Ltd and Worldwide Importers Pty Ltd.

KB's head office is located in Canning Vale, Western Australia, and operates as part of the privately-owned KB Food International Pte Ltd, headquartered in Singapore.

In late 2023, KB Seafood Company Pty Ltd commissioned a new processing facility in Queensland.

KB now operates three sites—Canning Vale in WA, Coolaroo in VIC, and Morningside in QLD—employing up to 290 people across Australia.

KB has an established office in Thailand where it partners with some of Southeast Asia's largest food processors. KB's brands include KB Seafood Co, KB's, Just Cook, Just Caught, BlueLine and By George.

KB supplied over **31,500 tonnes** of seafood annually to leading food service operators and major supermarkets. In 2023, KB spent **\$416 million** on goods and services from **749 tier one suppliers** sourced from **15 countries and regions**.



Operating facilities (includes transport)  
217



Administrative/Office (includes Sales)  
73



290 Direct Employees



Coolaroo, Melbourne



Canning Vale, Perth



Morningside, Brisbane



## Supply Chain

KB's supply chain involves sourcing goods and services from both local suppliers in Australia and international suppliers to meet customer demand. KB's procures goods and services:

Categories/Types	Suppliers providing
<b>Goods for resale (GFR)</b> Includes fresh, & frozen products.	<b>GFR1 - All goods under KB's &amp; customer's own brands.</b>
	<b>GFR2 - All goods under suppliers' proprietary brands.</b>
<b>Goods/services not for resale (GNFR)</b> Includes technology, logistics, warehousing, transport services.	<b>All goods and/or services not intended for sale to customers.</b>
<b>Indirect suppliers:</b>	<b>All goods and/or services to KB's suppliers.</b>

KB sources 39% of its materials from Australia and the remaining 61% from overseas, while almost of its service providers are based in Australia. In 2023, KB sourced goods and services from 15 countries and regions, with the highest spend in Australia, Vietnam, Norway, Thailand, and Taiwan.

Figure 1 shows the ranking of top five countries and regions from which KB purchased goods or services from in FY2023 from top % (highest spend) to bottom % (lowest spend).

Suppliers are selected based on key criteria such as pricing, quantity, quality, lead times, availability, accreditations, ethical sourcing, and alignment with KB's values. They undergo evaluation through our approved supplier program, which includes measures to manage and mitigate modern slavery practices.

KB partners with suppliers who follow ethical sourcing practices, including undergoing third-party ethical and social compliance audits. KB emphasises building strong relationships with both internal and external business partners.

In FY23, KB actively engaged with Tier 1 (T1) GFR suppliers, offering support to those found non-compliant to help them meet KB's standards. Additional details are available in the relevant section of this statement.

**KB T1 Suppliers Spend FY23**

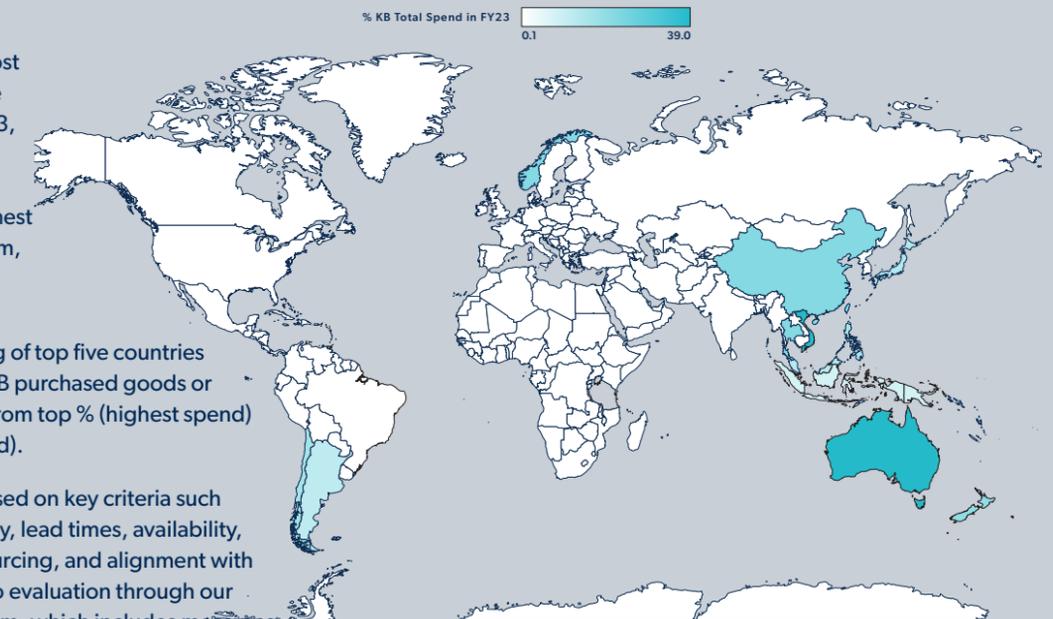


Figure 1 - This map visually represents the countries and regions where KB's T1 Suppliers are located with the % total spend in 2023.

# Risks of Modern Slavery Practices in the operations & supply chain

The seafood industry is particularly vulnerable to several modern slavery risks due to its complex and often opaque supply chains. Modern slavery risks do exist in the countries and regions KB associates with. In Australia within the seafood processing industry some risks are present, though perhaps less pronounced than in some other countries, due to Australia's stronger regulatory framework and higher labour standards. However, vulnerabilities still exist, particularly for migrant workers and in more remote operations. Here are the key areas of concern:

• **Forced labour:**

Individuals being compelled to work through coercion, threats, or physical force. In the seafood industry, this can include situations where workers are deceived, trapped, or forced to work under exploitative conditions, often with little to no pay.

• **Debt bondage:**

Migrant workers often incur large debts to pay recruitment fees, leading to situations where they are forced to work under exploitative conditions to repay these debts.

• **Human trafficking:**

Recruitment, transportation, and exploitation of individuals through force, fraud, or coercion. In the context of the sea food industry, this can occur when individuals are trafficked across borders and subjected to forced labour or other forms of exploitation.

• **Child labour:**

Employment of children in work that is harmful to their physical or mental development. In the seafood industry, child labour can involve children being engaged in hazardous work, working long hours, or being deprived of education and basic rights.

• **Working and living conditions:**

Exploitative working and living conditions can be considered a form of modern slavery. This includes inadequate wages, poor housing, unsafe working environments, and denial of basic labour rights in the seafood industry.

• **Temporary visa issues:**

Visa conditions where workers are on temporary visas may face restrictive conditions that tie them to a single employer, increasing their vulnerability to exploitation. Fear of deportation or non-renewal of visas can deter workers from reporting abuses, allowing exploitative practices to continue unchecked recognises these forms of modern slavery can overlap, and individuals may be subjected to multiple types of exploitation simultaneously. Addressing these requires comprehensive efforts and collaboration across the seafood industry to ensure ethical and responsible practices are implemented and enforced throughout the supply chains.



**KB's Operations:**

The risk of modern slavery within KB's own operating facilities is considered low, as the majority of KB's team members are covered by enterprise agreements and employment contracts. For more information on the verification process, please refer to the Actions Taken section.



**KB's Supply Chain:**

KB recognises the presence of modern slavery risks in specific geographical areas where both KB and its suppliers operate. These risks are widespread globally, especially in labour-intensive, low-profit industries where cost-cutting is crucial. Political and social conflicts can lead to unrest, extreme poverty, and migration in search of employment. Unfortunately, such displacement can make vulnerable individuals susceptible to human trafficking and exploitation due to their desperate circumstances.

KB conducts annual risk assessments of modern slavery within its supply chain, using information from the Sedex platform to identify high-risk countries, sectors, and suppliers.

In 2023, KB began assessing service providers with elevated modern slavery risks, such as labour hire agencies for its operating facilities. Insights from the Sedex platform have helped KB focus on areas to achieve the best outcomes. This assessment evaluates suppliers' social compliance status through internal and external audits and assesses risk levels based on the country of origin, considering national policies and institutional capacity.

## Highlights in 2023

- KB continue with its commitment and stopping goods from being purchased from suppliers who failed to demonstrate a commitment to meet KB's expectations.
- KB has worked on some materials on basic Modern Slavery training e.g., ETI base code to improve understanding of KB team members.
- KB improved the grievance tools by introducing the employee assistance program (EAP).
- In the second consecutive year, two KB operating facilities underwent SMETA 4 Pillar audits. Both sites showed improvement, with fewer non-conformances identified, as the business continues to learn and apply industry best practices where needed.
- Rolled out KB Whistle-blowing policy to all KB's goods suppliers (international).
- Key KB personnel completed external training on ESG, enhancing their understanding of sustainability's importance in social compliance, which will support the commitment to modern slavery prevention and agreed actions.



KB believes modern slavery risks are dynamic and evolve over time. Changes occur as the business expands, partnering with different suppliers, or source materials from various countries or regions. External factors like inflation, supplier locations, climate change, and conflict can also impact our global risk profile.

For instance, rising fuel prices might reduce logistics companies' margins, potentially leading to increased risks of excessive working hours or underpayment. In certain contexts, such as operating or sourcing from remote areas, KB finds the ability to choose among suppliers or monitor their practices can be limited. Additionally, broader external factors like climate change, differing national laws, and conflict can influence KB's modern slavery risk profile, especially when they contribute to increased migration of vulnerable populations.



The map highlights the inherent country risks, considering factors such as forced labour, national employment laws, freedom of association, health and safety, child and young worker protections, wages, working hours, discrimination concerns. Also displays the top five countries and regions where KB sourced goods and services from.



Figure 2 – This map visually represents the countries and regions and sectors most prevalent (% spend) in KB's supply chain and the associated Modern Slavery Risks or indicators of modern slavery in 2023.

# Actions Taken

## Risk Assessments

In 2023, KB advanced its risk assessment process to uphold social compliance, ethical practices, and prevent human rights violations within its operations and supply chains. This initiative enabled KB to thoroughly map its operations and supply chains, facilitating detailed risk assessments. Factors considered to mitigate country-level risks were based on internationally recognized standards and tailored to the specific business under review. For example, a supplier located in a high-risk country lacking strong national laws but having robust policies, ethical practices (including anti-modern slavery measures), and verification by an independent third-party auditing body, would be assigned a medium risk rating.

The following were some of the key tools utilised to assist KB's risks assessments:

### References:

- **Sedex:** <https://www.sedex.com/>
- **The Global Slavery Index :** <https://www.walkfree.org/global-slavery-index/>  
<https://www.walkfree.org/reports/global-estimates-of-modern-slavery-2022/>
- **Organisation for Economic Co-operation and Development (OECD):** <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>
- **International Labour Organisation (ILO):** <https://www.ilo.org/global/lang-en/index.htm>
- **Under current news:** <https://www.undercurrentnews.com/>
- **Global Fishing Watch:** <https://globalfishingwatch.org/blog/new-study-unveils-risk-of-forced-labor-in-fisheries>
- **Global Compact Network Australia:** <https://unglobalcompact.org.au/>
- **Verite Forced Labour Commodity Atlas:** <https://verite.org/commodity-atlas/>
- **Supplier's 3rd party audit reports** via Sedex
- **Supplier's 3rd party audit reports (non-Sedex)** Request suppliers for access to audit.
- **Supplier's Self-Assessment Questionnaire (SAQ)** via KB's own SAQ



Sedex (Supplier Ethical Data Exchange) is a global membership organisation dedicated to driving responsible and ethical business practices in global supply chains. Founded in 2004, Sedex provides a collaborative platform for sharing data on supply chain practices, enabling companies to manage and improve their ethical performance. It focuses on key areas such as labour rights, health and safety, the environment, and business ethics.

Sedex offers a variety of tools and services, including the Sedex Advance platform, which facilitates data sharing, risk assessment, and reporting. This helps companies to identify and mitigate risks related to modern slavery, child labour, and other unethical practices. Additionally, Sedex conducts SMETA (Sedex Members Ethical Trade Audit) audits, which are widely recognised for assessing supplier compliance with ethical standards.

Overall, Sedex aims to create a more transparent, fair, and sustainable supply chain by promoting continuous improvement and accountability among its members.

KB is a member of Sedex and acknowledges that not all suppliers are members. Therefore, KB uses its own Supplier Self-Assessment Questionnaire (SAQ) to facilitate the process. The results from these questionnaires enable KB to assess the risk level of each supplier and manage those risks accordingly.

## Governing Policies & Procedures

KB Policies	Purpose
Code of Business Conduct	Provide a concise set of guidelines outlining expected behaviour and ethical standards for employees and stakeholders. This framework ensures ethical and responsible conduct within KB, promoting transparency, integrity, and accountability. The Code of Business Conduct helps foster a positive organisational culture and maintain trust with all stakeholders. It covers conflicts of interest, legal compliance, fair competition, confidentiality, responsible resource use, and employee treatment.
Fraud, Bribery & Corruption	Promote ethical conduct, integrity, and compliance with laws and regulations. Set clear expectations for employees, contractors, and stakeholders to prevent and report fraud, bribery, and corruption.
Workplace Health & Safety	KB is committed to providing a safe and healthy work environment for all employees, contractors, visitors, and stakeholders. This policy outlines the framework for managing and promoting occupational health and safety, ensuring compliance with relevant laws, regulations, and standards.
Responsible Sourcing	Outlines supplier requirements for worker welfare, health, safety, and environmental impact, supporting KB's commitment in its annual Modern Slavery statement.
Approved Supplier	Overarching program that manages the approval of suppliers within KB, looking at compliance in food safety, quality, regulatory and responsible sourcing. Expectations are conveyed to all suppliers (current and potential) as part of the onboarding process.
Whistle - Blower	Framework that encourages and protects individuals who report suspected wrongdoing or unethical behaviour within the organisation. Aims to create a safe and confidential environment for whistle-blowers to come forward without fear of retaliation.
Grievance, Dispute & Complainants	Provides a mechanism on how KB team member can lodge a grievance, dispute and/or complaint, ensuring problems and grievances are resolved promptly.

# Surveillance

KB adheres to the UN Guiding Principles on Business and Human Rights, establishing clear expectations for its own operations and suppliers. Suppliers in KB's supply chains are required to thoroughly review their operations and supply chains to identify and mitigate any risks related to modern slavery or human rights violations.

KB remains aware of the ongoing challenges in preventing modern slavery within its operations and supply chains. Throughout the reporting period, KB consistently:

## Supply Chain

- Reach out to suppliers, especially high-risk suppliers regarding KB's expectations, ensuring actions are effective and executed within the agreed time frames.
- Increased in surveillance in the approval of suppliers especially in countries with inherent risks.
- Continue risk mitigation by identifying and assessing current and potential modern slavery risks and human rights impacts with our existing suppliers.
- Evaluate suppliers' performance against KB's expectations using external auditing bodies and/or internal auditors, ensuring timely execution of required actions.
- Collaborating with KB's major customers to share emerging insights, focus areas, and jointly address any modern slavery risks. Working with KB's retail customers with emerging insights, areas of focus and working together to mitigate any modern slavery risks.
- Strengthening relationships with key stakeholders by fostering trust and enabling regular, open conversations with suppliers to address challenging social compliance issues collaboratively.
- KB has maintained its policy of discontinuing partnerships with suppliers that fail to meet its expectations in mitigating modern slavery risks. Reporting on KB's own actions, plans and commitment each year via the annual modern slavery statement.
- In 2023, KB rolled out its whistle-blowing policy to all goods suppliers, providing a platform for both internal staff and external suppliers to raise awareness and report grievances.
- Annually reporting KB's actions, plans, and commitment in the modern slavery statement.

## Own Operations

- KB continues providing comprehensive employee contracts and ensures compliance with relevant agreements such as Enterprise Agreements or the Fair Work Modern Award. Team members have the freedom to resign voluntarily.
- Compensation for work outside regular hours follows relevant penalty rates. Overtime is voluntary and monitored to prevent excessive working hours.
- Our Recruitment and Selection policy adheres to equal opportunity principles and legal requirements regarding candidate age and working rights.
- In 2023, KB two operating sites underwent their second annual SMETA audits. Throughout this period, KB continued to identify and implement improvements in compliance. In 2022, numerous concerns were raised regarding labour hire service providers. Over the past year, KB has diligently addressed these issues, resulting in significant improvements. The success of these measures is evident in the reduction and elimination of several non-conformances identified in the 2022 audits.
- KB operating facilities continued with undergoing additional social compliance audits in 2023, including assessments of labour standards to ensure human rights are upheld. These audits encompass standards such as BAP (Best Aquaculture Practices) and MSC/ASC (Marine Stewardship Council/Aquaculture Stewardship Council).
- KB's multiple verification controls maintain low risks of modern slavery and human rights breaches at KB's operating sites.



## Supplier Engagement

In 2023, KB remained committed to a collaborative approach under the Modern Slavery Act, engaging both internal and external suppliers to align on requirements. Priority was given to suppliers with the highest assessed risk, with discussions involving KB's Procurement, Sales, and Compliance teams.

Focus was on supplier commitment has changed from the previous two years, re: pandemic recovery, now more related to climate change, differing national laws, and conflict can influence KB's modern slavery risk profile, especially when they contribute to increased migration of vulnerable populations, to ensure compliance with modern slavery and human rights standards.

KB continues on exerting efforts aimed to foster transparency and support non-compliant suppliers with action plans and financial assistance for third-party audits, aiming to educate and mitigate human rights breaches.

### Case study:

**This is an update on the one of the cases reported in KB's previous statement FY22.**

**In FY23, KB continued its collaboration with major retailers and suppliers in Thailand to address excessive working hours, a key industrial challenge.**

**Building on successful efforts in FY22 to rectify health and safety issues, KB supported a supplier by working with the supplier in implementing measures to reduce hours and ensure at least one rest day per week.**

**This included introducing automation and mandating a Sunday rest day, a significant departure from Thailand's national labour laws.**

**While not a direct modern slavery breach, this initiative reflects KB's commitment to ethical practices and supplier compliance, mitigating the risk of such practices. KB appreciates supplier commitment in addressing these challenges and remains dedicated to achieving positive outcomes.**



## Effectiveness of the actions taken

KB has set up several processes on assessing the effectiveness of actions:



### Social Responsibility Ethical Audits

KB believes social responsibility ethical audits form part of KB's holistic approach in continually assess, review and adapt the right solution in identifying and remediating issues to protect the people working within KB's supply chain. KB expects all suppliers to undergo social responsibility ethical audits to assess risks of modern slavery and human rights breaches. For suppliers not audited by third parties, KB conducts second-party audits using the SMETA 4 Pillar scheme.

FY2023 saw improvements in four of the top five countries and regions where KB's suppliers are based (Figure 3). Efforts to raise supplier expectations proved effective in three countries and regions, notably in Taiwan, where suppliers fully committed to third-party social compliance audits. The focus for FY24 is to enhance compliance with the Modern Slavery Act among Australian service providers, given Australia's low to medium risk rating due to socioeconomic factors and governing laws like the Fair Work Act.

KB's operations have shown improved compliance performance through annual social audits, evidenced by fewer non-conformances. This indicates a better understanding of compliance requirements, reducing the risk of modern slavery activities.

Over the past three years of reporting, KB has observed year-on-year improvements in engaging suppliers to adhere to KB's commitment to ethical social compliance practices. While the increase may not be substantial, KB acknowledges the considerable effort from both internal and external stakeholders in achieving these results and will continue to work on further improvement target in the coming years (Figure 4).

**% of second & third-party ethical audit completion - KB's top 5 countries and regions (highest \$ spent) supplying goods and services in FY23.**

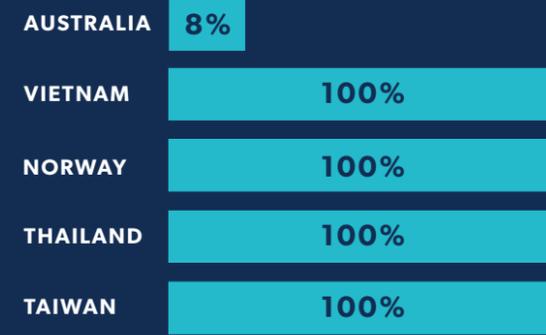


Figure 3 – This graph represents KB's top five countries and regions spend and the % of suppliers that undergo social compliance audits (second- and third party) in 2023.



Very slight increase in % of Australian suppliers with third-party/second party audits (FY22 9%)



Vietnam, Norway, and Thailand have sustained their compliance with number of suppliers fully participating in their third-party social compliance audits. Taiwan has increased its % compliance to 100%. (FY22 Vietnam 100%, Norway 100%, Thailand 100%, Taiwan 50%)

Figure 3 – This graph represents KB's top 5 countries and regions spend and the % of suppliers that undergo social compliance audits (second- and third party) in 2023.

**Year-On-Year Improvement with % 2nd & 3rd-Party Ethical Audit completion with KB's Suppliers.**

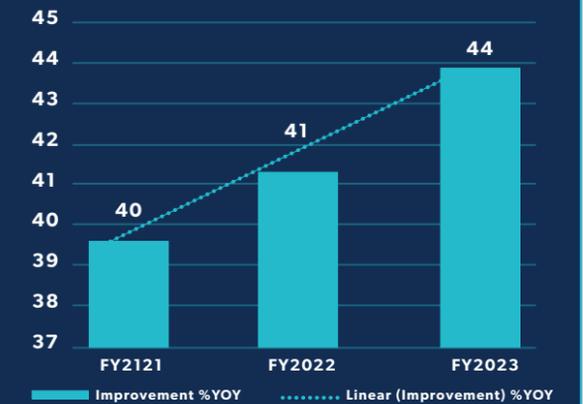


Figure 4 – This graph represents the Year-On-Year improvement KB suppliers with completing second and third-party ethical audits.



### Training Requirement and Compliance

In 2023, KB prioritised training and education initiatives. Through effective communication and collaboration with suppliers, KB emphasised the

importance of Modern Slavery Act compliance, highlighting its role in safeguarding workers, managing risks, and ensuring adherence to labour laws and regulations.

During the SMETA audits of KB operating sites, KB continuously learned about best social practices and addressed any gaps in social and ethical responsibilities, health and safety regulations, labour, and environmental laws. Although the audits revealed no signs of modern slavery or human rights breaches, they identified opportunities for further improvement.

The implemented training program in FY22 has proven effective; during the audits, team members demonstrated a clear understanding of KB's policies, including our commitment to human rights standards, ensuring employee protection.

As part of the FY22 action plan, KB successfully implemented its Whistle-blowing policy across all international suppliers.

Throughout the reporting period, KB remained committed to offering training opportunities to its suppliers, providing them with industry-leading tools and resources to mitigate social compliance risks, including those related to modern slavery and human rights.

Building on initiatives launched in FY20, KB continued to leverage support from its Asian team to assist suppliers in high-risk areas. This ongoing collaboration has been particularly effective with challenging suppliers, such as those in Thailand, who face issues with excessive overtime and lack of rest days.



### Verification

KB's management team continued semi-annual formal reviews of high-risk suppliers. During the reporting period, the focus was on suppliers' progress in addressing agreed actions. Recognising the ongoing crisis and

its impacts, KB provided continuous support to supplier.

KB's internal operations benefit from the insights gained through audits at our operating sites. This has enabled the management team to identify improvement opportunities and better understand challenges from the suppliers' perspective.

In 2023, reports surfaced about squid being processed in China using forced labour. KB conducted a comprehensive investigation (with internal and external stakeholders) and confirmed that the implicated suppliers were not part of KB's approved list. KB provided feedback on this matter when questions arose within the seafood industry.

KB continued with its regular reviews of suppliers initiated in FY22, focusing on high-risk ones amid economic disruptions. Despite supply chain challenges, KB emphasised the importance of social responsibilities to prevent modern slavery breaches. While some objectives were partially completed or delayed due to the economic issues, no instances of modern slavery breaches were found, thanks to ongoing communication between KB and its suppliers.



## Process of consultation with other entities

Since KB's owned or controlled entities primarily serve corporate or financial purposes and are not actively engaged in business operations, it was deemed unnecessary or unproductive to consult with those entities.



# Moving Forward - KB's three-year plan

KB began enhancing the ethical and social compliance of its internal operations and supply chain, culminating in the publication of its inaugural modern slavery statement in 2020.

FY23 was the fourth year of the rolling three-year plan, KB was able to continue with the ongoing improvements and executed the agreed key actions such as:

- Roll out its Whistle-blowing policy to incorporate access to external stakeholders, i.e., international suppliers.
- Recruited an extra resource with supporting on monitoring with social compliance and environmental metrics to drive further improvements within the business.
- Delivered improved closure of agreed actions with the top high-risk suppliers with regular follow ups and support provided.
- KB continued with revising its key governing policies and implemented new policies to improve on the monitoring of the compliance for its own operations and external stakeholders.
- KB's supplier approval process includes the requirement of supplier's commitment towards KB's modern slavery compliance agenda, positive results evident from the audit completion for four of the top five countries and regions KB with highest spend.
- Completed KB's second external SMETA audits for two operating sites gained and use insights to support other KB's suppliers.
- KB implemented a new method on how to verify team members' identification to ensure there is no illegal employment or employment of illegal personnel (not eligible to work in Australia).
- Expanded the scope to include other sustainability standards incorporating social compliance/responsibility, such as Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), and Best Aquaculture Practices (BAP) for all operating sites.
- Part of continuous improvement and commitment, KB invested externally in Environment Social Governance (ESG) training in better educate the business on sustainability as a whole business.
- Made some progress with the T1 GNFR suppliers in the past two years, however recognised from risks perspective, they are categorised as low.

## FY24 (Fifth year)

- Develop an action plan to initiate conversations with KB's service providers based in Australia.
- Engage T1 suppliers in discussion about expectations for their supply chains (T2 and T3) regarding ethical sourcing policies.
- Establishing a governance structure and form a working group with key internal stakeholders.
- Evaluate the current supplier Self-Assessment Questionnaire.
- KB's third operating site to perform its first SMETA audit, as part of the business' commitment and agenda.
- Work with industry leading training providers to check if training materials can be improved and customised to target specific internal and external stakeholders.
- KB to initiate the concept of Environmental, Social, and Governance (ESG) and developing a comprehensive sustainability plan that encompasses general social compliance.
- Start developing specific Key Performance Indicators (KPIs) to measure the effectiveness of actions in identifying and addressing modern slavery practices such as number of suppliers completing internal and external SAQs, percentage of training completion (internal and external) and time frame of responding to complaints raised (if any).

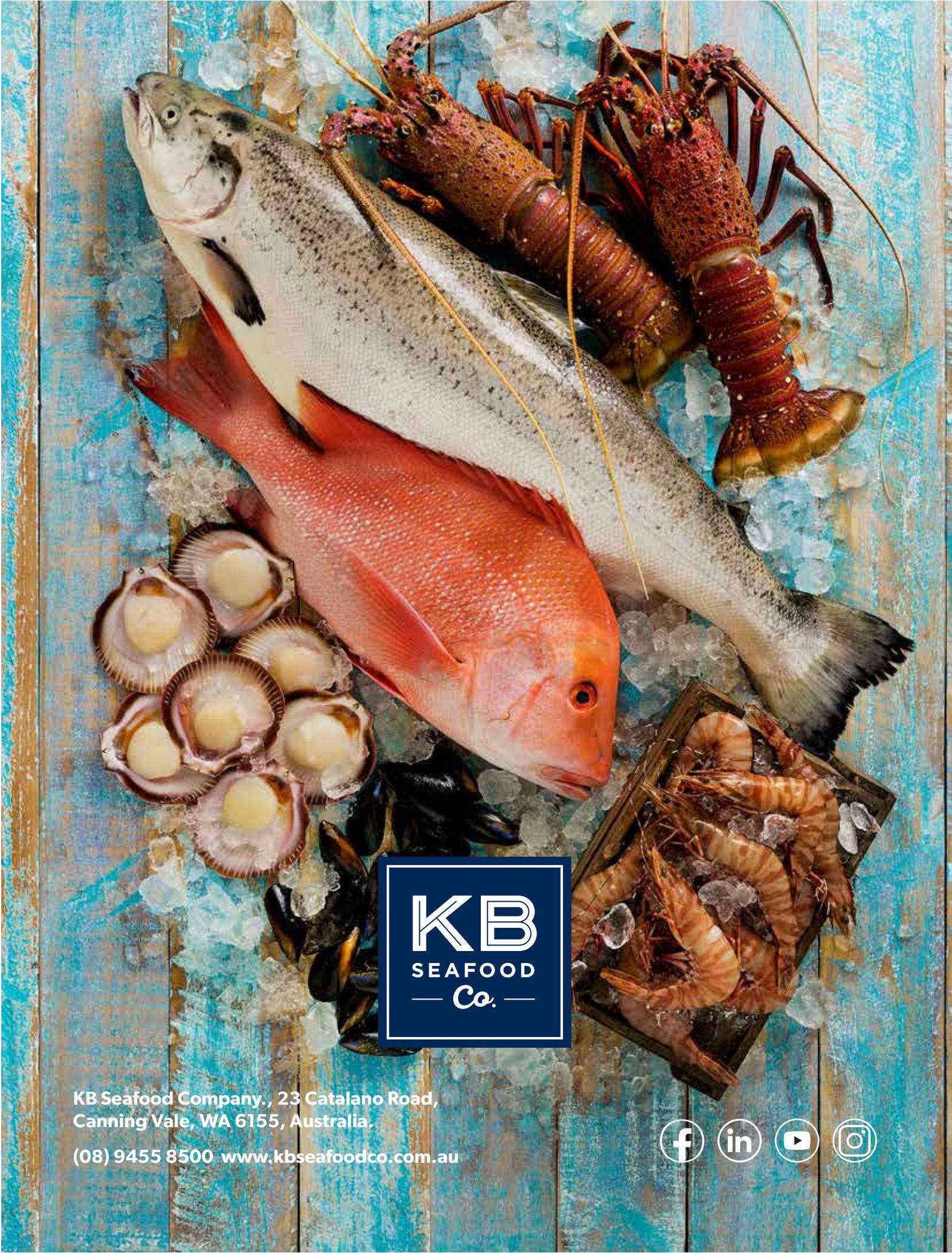


## FY24 - 25 (Fifth to sixth year)

The rolling three-year plan includes an ongoing review process to achieve year-on-year improvements by enhancing suppliers' risk ratings.

- KB will continue working and adopting industry best practices to enhance transparency, working with third-party consultants to gather real-time data for identifying modern slavery risks and high-risk countries and suppliers.
- Networking with industry leads to learn more about current issues that may affect the overall social compliance within the world especially where KB is sourcing from.
- Implement random internal verification and second-party audits for current suppliers, using insights to benefit the entire supply chain.
- Prioritise both lower-risk suppliers for goods for resale (GFR) and goods not for resale (GNFR).
- Conduct regular reviews of news and reported incidents to communicate key learnings to KB's operations and supply chain.
- Continue measuring established KPIs from previous year to ensure annual targets are consistently met.





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