

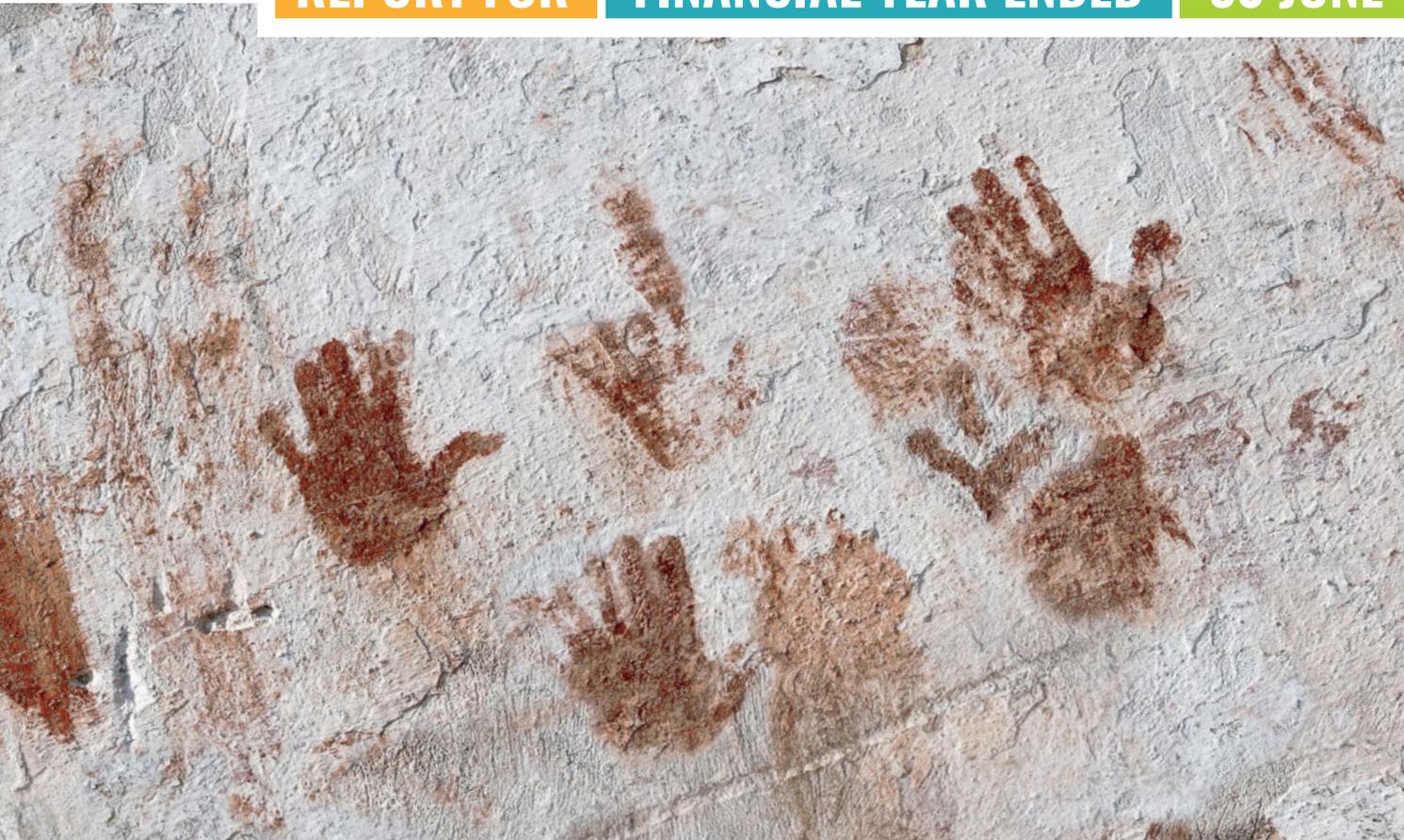
# MODERN SLAVERY STATEMENT

REPORT FOR

FINANCIAL YEAR ENDED

30 JUNE

2025



Australian Health & Nutrition Association trading as Sanitarium Health Food Company (**Sanitarium**) (ABN 63 096 452 872) publishes this Modern Slavery Statement (**Statement**) pursuant to the Modern Slavery Act 2018 (Cth).

This Statement covers the reporting period from 1 July 2024 to 30 June 2025\* (**current reporting period**) and it is Sanitarium's sixth Statement. Sanitarium recognises that changes in how we do business and how we operate impact our supply chains and that focus is required to assess the risks of modern slavery through such changes.

The purpose of this Statement is to document Sanitarium's approach to ensuring its business operates in a way that is proactive in its efforts to address modern slavery.

Sanitarium remains committed to minimising modern slavery risks in its supply chains and continues to build on the steps it has already taken in order to achieve this aim.

## REPORTING ENTITY

1. Sanitarium is registered as an Australian Public Company with annual revenue that exceeds \$100-million. Sanitarium is wholly Australian owned and operated and is a registered charity with the Australian Charities and Not-for-profits Commission.
2. Sanitarium has approximately 1,050 direct employees, all of whom are based in Australia.
3. Sanitarium does not own or control any other entities.

## STRUCTURE AND OPERATIONS

4. Sanitarium is a manufacturer and wholesaler of a variety of health food products, which are all plant-based or vegetarian. The main Sanitarium brands include Weet-Bix, UP&GO, So Good, The Alternative Dairy Co. and Vegie Delights. Sanitarium is proud to be able to contribute to the health and wellbeing of Australians by continuing to create great breakfast cereals, dairy free milks, spreads and vegetarian foods.
5. Sanitarium enjoys being able to give back to the community by contributing to a number of charitable activities including educational and community programs which improve the health and wellbeing of Australian communities.

## SUPPLY CHAINS

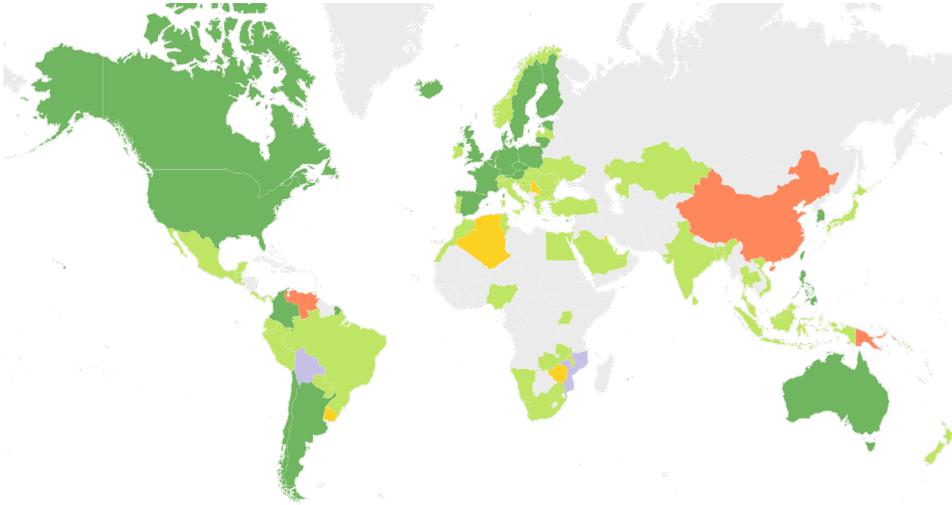
6. Sanitarium has supply chains that are specific to its manufacturing activities, for example suppliers of raw materials, and also supply chains relevant to its general business activities.
7. Sanitarium procures a range of raw materials, the vast majority of which are from within Australia, including its supply of wheat.
8. Aside from wheat, Sanitarium's supply chains consist of a range of suppliers who supply a variety of goods and services including other raw materials such as dairy products, flavours, vitamins, packaging materials, transport, machinery, and business services such as marketing and computer software and services.

## SANITARIUM'S RISKS OF MODERN SLAVERY PRACTICES IN ITS OPERATIONS AND SUPPLY CHAINS

9. While Sanitarium considers its overall risk of modern slavery to be relatively low, it accepts that there is a risk of modern slavery deeper within its supply chains and operations, which is more difficult to identify.
10. Our suppliers operate, produce, and source across several different sectors, and these suppliers operate in different regions and countries. Some of these sectors, regions and countries can be described as high-risk, based on a range of factors known or potential links to modern slavery practices.

\* While prepared for the reporting period, the Statement also reflects ongoing engagement with suppliers and relevant updates that occurred after 30 June 2025 and prior to submission, including data extracted from the iPRO Modern Slavery Assessment Tool.

11. The geographical regions where our supply chain partners operate are shown in the map below, with risk grading provided by the iPRO Modern Slavery Assessment Tool (the 'Platform').



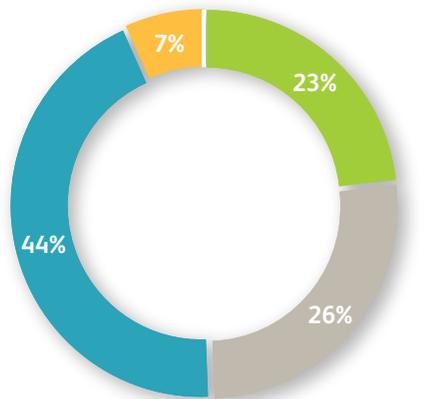
12. Sanitarium's Modern Slavery Framework (the 'Framework') outlines the process that we use to assess Sanitarium's compliance with modern slavery legislation and enables us to follow a systematic approach to reducing the risk of modern slavery. In 2024 Sanitarium revised its Framework to reflect a new, strengthened supplier assessment process. This new process was further embedded and build upon in 2025 through an assessment of a greater number of our suppliers.
13. For the reporting period, Sanitarium conducted a thorough analysis of its supply chains by the assessment and screening process outlined below. Sanitarium was able to then undertake further targeted assessment and mitigation measures. This included liaising directly with the potentially high-risk suppliers identified, and supporting those suppliers with actions to seek to rectify and address potential risks.
14. Consistent with the approach throughout this Statement, Sanitarium has maintained the anonymity of its suppliers who have completed an assessment, which ensures that commercial confidence is preserved and maximises the likelihood of meaningful participation by suppliers in modern slavery risk assessment and mitigation activities.

## ASSESSMENT AND SCREENING PROCESS

15. Sanitarium utilises a third-party tool, the iPRO Modern Slavery Assessment Tool ('Platform'), to assess modern slavery risks in our supply chain. We used the Platform to conduct a bulk assessment of 257 of our suppliers. We significantly broadened the number of suppliers assessed compared to 2024, which was when we first deployed the Platform. To do so we conducted a screen of our suppliers to identify additional suppliers for assessment based on factors such as total spend, whether suppliers were modern slavery reporting entities themselves, and whether suppliers were one-off or recurring. We intend to carry this process forward as part of the regular assessment of our supply chain, and thereby grow our assessment and screening process to cover as many suppliers as possible over time
16. Participating suppliers completed a self-assessment questionnaire online and their responses were assessed to determine their modern slavery risk scores and associated risk category. Each supplier is assigned one of the following risk categories:
- High-risk (high levels of inherent risk)
  - High-risk (inadequate risk control)
  - Medium-risk (partial risk control)
  - Low-risk (adequate risk control)
  - Low-risk (low levels of inherent risk)
17. In order to assign a risk category, the Platform evaluates a supplier's responses for risks inherent to that supplier's operations, production, and sourcing. This is referred to as the Inherent Risk Score, and includes considerations such as geographical, type of goods, industry sector, and workforce parameters.
18. The Platform also assesses the Unmitigated Risk Score which is based on a supplier's policy and procedure responses on the questionnaire, and measures whether they were categorised as having inadequate, partial, or adequate risk control.
19. Sanitarium can then track its overall Aggregated Inherent Risk Score and an Aggregated Unmitigated Risk Score for that part of the overall supply chain that was assessed using the Platform.

20. For the current reporting period, the process followed by Sanitarium commenced during the reporting period, continued after the reporting period and concluded prior to this report being published. The results were as follows:

- 23.17% were identified as Low-risk (no inherent risk)
- 26.22% were identified as Low-risk (adequate risk control)
- 43.9% were identified as Medium-risk (partial risk control)
- 6.71% were identified as High-risk (inadequate risk control)
- 0% were identified as High-risk (high levels of inherent risk)



- Low-risk (no inherent risk)
- Low-risk (adequate control)
- Medium-risk (partial risk control)
- High-risk (high inherent risk)
- High-risk (inadequate control)

Distribution is stable year-on-year despite broader screening

## ACTIONS TAKEN BY SANITARIUM TO ASSESS AND ADDRESS THESE RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION PROCESSES

21. Based on the outcome of the assessment and screening measures through the Platform, Sanitarium undertakes further scrutiny of the highest risk suppliers and make further risk-based assessments for possible mitigation actions.

- Suppliers that completed the self-assessment were given action items to complete post-assessment. The action items provided to each supplier were based on their responses to the questionnaire, and if implemented, will reduce the unmitigated risks identified during the assessment.
- Action items were also aggregated, giving Sanitarium a focused view of the most impactful actions that could be taken by suppliers across the supply chain.
- We conduct a supplier follow-up initiative to further discuss the action items and address the risks identified through the assessment. We have formally engaged with the initial 14 potentially high-risk suppliers and of the majority of these suppliers have undertaken to consider the issues flagged in the assessment. We will continue to engage and follow up with all high risk suppliers. Three suppliers, after updating their policies, resubmitted their assessment and are no longer categorised as high-risk (resulting in the final total of 11 'high risk' supplier's that are reported in the percentage breakdowns in this report). We are pleased to confirm that following our engagement, no 'high risk' suppliers from the 2024 reporting period remain high risk in the current reporting period.

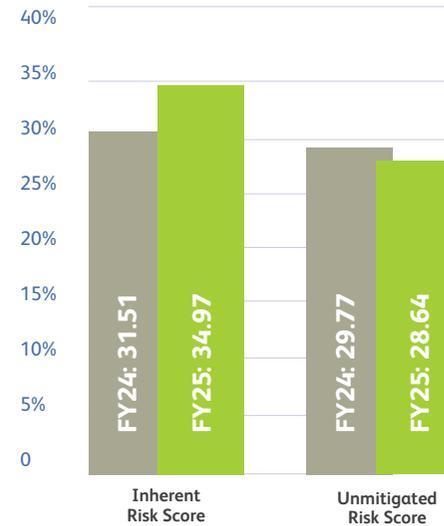
22. In addition to the updated assessment and analysis of Sanitarium's supply chains as described above, Sanitarium has taken several steps during the current reporting period to further mitigate the risk of modern slavery in its operations.

- Supplier Documentation - Sanitarium ensures that each of its raw material and packaging suppliers is provided with a copy of its Supplier Code of Conduct, which details the standards it expects suppliers to adhere to. Any supplier could be subject to Sanitarium audits and/or selected for further modern slavery-related assessment at any time.
- Supplier Assistance - we assist the higher risk suppliers with information on adequate policies and procedures necessary to mitigate inherent risks in their businesses. Some of the policies we are encouraging suppliers to assess include:
  - o Supplier modern slavery risk compliance policies.
  - o Recruitment policies
  - o Risk identification and assessment processes.

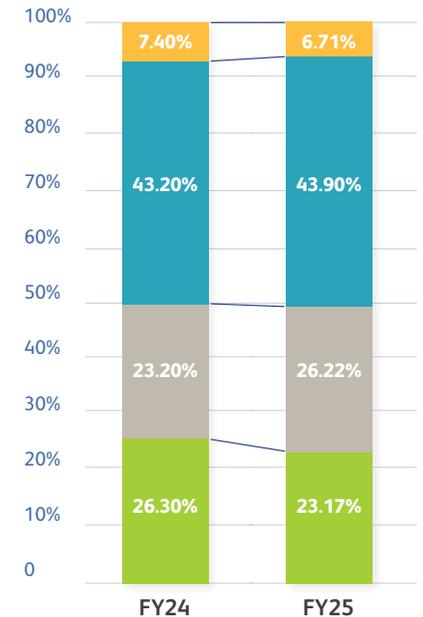
- Training – Sanitarium conducts targeted modern slavery training for employees. These employees typically cover the major areas of the business that are likely to be involved in procurement and other areas that could intersect with modern slavery. Further training will be conducted in FY26.
- Framework Review – as noted above, Sanitarium reviewed and updated its Framework as part of a scheduled review in FY24 (which involved the rollout of the Platform). The Modern Slavery Oversight Committee will review the Framework further during 2027 and recommend changes to the Board if required.
- Supplier Audit Process – Sanitarium conducts a regular audit program of key suppliers based on risk assessments of the type of input / material and environmental and geographical risk factors of each input / material. This risk assessment process informs the frequency of review and audit which could range from annually, to once every three years. While the focus of these audits is usually quality and technical, on-site operational audits allow us to observe the conditions of workers on those key supplier sites that we visit. If any potential issues relating to modern slavery were observed during these audits, they would be immediately escalated to senior management for review and engagement with suppliers. All staff participating in on-site supplier audits also participate in the modern slavery training program.

## FY25 KPIS

### AGGREGATE RISK SCORES



Broader FY25 coverage raised inherent risk, but stronger supplier controls delivered a larger risk reduction, lowering risk year on year.



- Low-risk (no inherent risk)
- Low-risk (adequate control)
- Medium-risk (partial risk control)
- High-risk (high inherent risk)
- High-risk (inadequate control)

## HOW SANITARIUM ASSESSES THE EFFECTIVENESS OF THESE ACTIONS

23. The iPro Platform provides Sanitarium with a practical way to make assessments of the effectiveness of our processes for each reporting period and also trends across multiple reporting periods. This ability to utilise the KPIs from the Platform to assess the effectiveness of our actions over time is a significant feature of our modern slavery processes.
24. Sanitarium remains confident that the steps it has taken to identify modern slavery risks in its supply chains are working. A key indicator of the effectiveness of the actions taken by Sanitarium is that the majority of the suppliers that were assessed were determined to be low to medium risk.
25. A further indication that the steps Sanitarium has taken have been effective is the awareness that the business now has about modern slavery generally. This means that modern slavery is a real consideration for employees undertaking procurement activities.
26. The Inherent Risk Score has increased from FY24 to FY25 (+11%) primarily due to the increased number of suppliers screened and assessed. It follows that by increasing the pool of suppliers that are assessed might give rise to an increase in the Inherent Risk Score. We would expect that this Inherent Risk Score will increase again in FY26 as we screen and assess even more suppliers.
27. The more important metric is the Unmitigated Risk Score as it seeks to measure how effective our suppliers are at reducing their inherent risks, and by extension, our overall supply chain risk.
28. Despite the increase in the Inherent Risk Score from FY24 to FY25, over the same period the Unmitigated Risk Score decreased. To put another perspective on this assessment, for FY24 the various risk controls in place at our assessed suppliers reduced the Inherent Risk Score by 1.74 points or 5.5%. By contrast, even though we assessed more suppliers for the FY25 assessment, the Inherent Risk Score reduced by 6.3 points or 18.1%.
29. The risk profile remained stable: the proportion of suppliers rated medium to high risk was ~ 50.6% in both years, despite the larger sample in FY25.
30. These results indicated that while broader screening surfaced more inherent risk, control effectiveness improved year on year, reducing residual exposure across our assessed suppliers.

## CRITERIA 7: ANY OTHER RELEVANT INFORMATION

31. No additional information is available for this reporting period.



**SANITARIUM  
REMAINS  
COMMITTED  
TO MINIMISING  
MODERN SLAVERY  
RISKS IN ITS SUPPLY  
CHAINS AND CONTINUES  
TO BUILD ON THE STEPS  
IT HAS ALREADY TAKEN  
IN ORDER TO ACHIEVE  
THIS AIM**



*This statement has been endorsed by the Board of  
Australian Health & Nutrition Association Limited.*

**Kevin Jackson**  
Chief Executive Officer and Board Member  
22 October 2025

Australian Health & Nutrition Association Limited,  
trading as Sanitarium Health Food Company.

ABN 63 096 452 872