

# JFC Modern Slavery Statement

This Modern Slavery Statement, pursuant to the *Australian Modern Slavery Act 2018* (Cth) , is made by the JFC Australia Co Pty Ltd (ACN: 003 080 260) ("**JFC Australia**") and its subsidiary company to address modern slavery risks in our business and supply chain for the financial year 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020.

## Introduction

Modern slavery is a heinous crime and a morally reprehensible act that deprives a person's liberty and dignity for another person's gain. It is a real problem for millions of people around the world, including many in developed countries, who are being kept and exploited through various forms of slavery. Every company is at risk of being involved in this crime through its own operations and its supply chain.

At JFC Australia, we have a zero-tolerance approach to modern slavery and are committed to preventing slavery in our operation and supply chain. We have taken concrete steps to tackle modern slavery, as outlined in our statement. This statement sets out the actions that we have taken to understand potential modern slavery risks related to our business, and to implement steps to prevent slavery during the next few years.

## About our business and supply chains

### *Structure*

JFC Australia is jointly owned by JFC Japan Inc. and its Japanese parent company, Kikkoman Corporation. JFC Australia and JFC Japan Inc. jointly own a foreign subsidiary, JFC New Zealand Ltd., incorporated in New Zealand.

### *Operations*

JFC Australia and JFC New Zealand Ltd as a group company ("**JFC Group**") is a Japanese grocery importer and whole sale services organisation providing a range of Japanese food products in Australia and New Zealand with a head office in Sydney and branches in Brisbane, Gold Coast, Melbourne, Perth, Adelaide, Canberra, Auckland, Wellington and Christchurch. In addition to the Japanese groceries provided under the JFC brand, we wholesale Japanese liquor under the "Sake Ichiban" brand (Liquor License: LIQP770017171).

The JFC Group employs 206 direct employees and engages with 3 contractor companies as of 31<sup>st</sup> March 2020.

### *Supply chains*

JFC Group has a global supply chain made up of around 610 contracted suppliers. Our supply chain relationships include suppliers from the following sectors: oversea wholesalers (including JFC Japan Inc. and Kikkoman Corporation), oversea producers, Australian producers; hospitality; retail services; information, communications, and technology; property services (including facilities management, utilities, cleaning, waste management and security); logistics and correspondence; consulting services;

marketing; print and promotional goods and services; fleet management; office supplies; and corporate clothing.

We establish a relationship of trust and integrity with our suppliers, which is built upon mutually beneficial factors. Our employees are required to select suppliers in accordance with our internal purchasing policy including factoring into due diligence of the supplier's reputation, respect for the law, compliance with health and safety and environmental standards.

To the present we have not been made aware of any allegations of human trafficking/slavery activities against any of our suppliers, however in the case we were, we would immediately take action against the supplier and report as such to the relevant authorities.

## Risk assessment

In order to minimise modern slavery risks, we request that our major suppliers complete a questionnaire which contains questions relevant to modern slavery and human trafficking. Responses to this questionnaire will provide us with a greater understanding of the risk of modern slavery and human trafficking within a supplier's supply chains or operations. It will also enable us to work with a supplier to reduce any identified risks. We will actively improve our understanding and oversight of all tiers of our supply chains.

Whilst the majority of our products are supplied by headquarters in Japan, we recognise that certain sectors and industries, such as agriculture, are globally recognised as high risk industries. We will further strengthen our risk assessment program through analysis of our supply chain by product category, segment and production tier.

## Actions taken

### *Policies*

JFC Group has implemented a Modern Slavery Policy which covers the following topics to identify and prevent modern slavery in our operations:

1. What is the purpose of this policy?
2. Who does this policy apply to?
3. What is modern slavery?
4. What are some indicators of modern slavery practices?
5. Why we want to eliminate risks of modern slavery practices?
6. What are our responsibilities?
7. What are your responsibilities?
8. How do I report slavery concerns?
9. Who is responsible for this policy?

### *Questionnaire to major suppliers*

In March 2020, the JFC Group sent letters to suppliers to seek engagement regarding assessment of modern slavery. The letter consists of a comprehensive explanatory statement about modern slavery

and 44 questions to the suppliers for assessment of risk of modern slavery. The letter and questionnaire were sent to suppliers whose trading amount with JFC Group in the financial year 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020 exceeded AU \$7,000,000 (gross).

### *Training*

JFC Group implemented the Modern Slavery Policy which is incorporated within the company's Employment Policy. The Modern Slavery Policy covers:

- Various forms of modern slavery in which people can be held and exploited
- The scale of the problem and the risk to our organisation
- How employees can identify the signs of slavery and human trafficking, including unrealistically low prices
- How employees should respond if they suspect slavery or human trafficking
- What external help is available for the victims of slavery

All JFC Group employees are provided with the Modern Slavery Policy. Each employee must read the Policy and prove their understanding of our role and their responsibilities under the Policy by declaring so in writing or via JFC's employee portal system.

JFC Group has defined a set of key performance indicators and controls to combat modern slavery and human trafficking in our organisation and supply chain. These include:

- How many employees have completed mandatory training by completing active reading of Modern Slavery Policy?
- What percentage of suppliers have filled out our ethics questionnaire?
- How many reports have been made by our employees that indicate their awareness of and sensitivity to ethical issues?

JFC Group will collect records of these numbers each year to assess our performance annually. The first assessment date is 1<sup>st</sup> April 2021 for the fiscal year of 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021.

### **Consultation with subsidiary**

JFC Australia has regular meetings with JFC New Zealand and ensures that JFC New Zealand is aware of our policy on modern slavery. JFC Australia invites JFC New Zealand to participate in the preparation of this statement to raise awareness within the JFC Group and gain insight from them.

This statement covers the period between 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020 and has been approved by the board of JFC Australia Co Pty Ltd at the board meeting held on 29<sup>th</sup> Dec 2020.

[Signature]

[Date] 29/12/2020



MANAGING DIRECTOR

Shigeru Ogawa

Managing Director