



January 2024

Arnott's ANZ purchases 100% segregated, certified sustainable and traceable palm oil

Arnott's ANZ is proudly committed to responsible supply chain management that upholds human rights and eliminates modern slavery and, sustainably practises to source all our ingredients including palm oil.

The palm oil we use is certified sustainable and 100 per cent traceable. And we only work with suppliers who can ensure its supply chain is free from forced labour.

This statement applies to our purchases of palm oil as a total ingredient, which makes up 95% of the total palm oil (by volume) we use in our products and does not apply to other ingredients we purchase that may include palm oil from other suppliers.

Specifically, how Arnott's ANZ upholds our commitments:

1. Membership of the Roundtable on Sustainable Palm Oil

Arnott's and our palm oil supplier are active members of the Roundtable on Sustainable Palm Oil (RSPO).

2. Beyond RSPO – 100 % traceable and segregated supply

We source palm oil from a supplier which has engaged with an independent sustainability partner to support and engage its supply chain to continually improve sustainable farming practices.

While Arnott's requires all our suppliers adhere to applicable environmental laws, we further encourage our suppliers to surpass baseline requirements to reduce the environmental impact of their operations.

We are committed to ensuring no deforestation, no peat destruction and no exploitation of local communities and workers in the communities in which our palm oil supply originates.

Our palm oil supplier:

- Follows free prior and informed consent (FPIC) principles in the palm oil supply chain. This means there is informed, non-coercive, negotiations between it and local communities prior to oil palm farms being established and developed;
- Has controls in place to ensure its supply chain is free from forced labour.
- Operates a smallholder program to ensure it deals with a range of growers of different size. Smallholder farmers account for roughly 40% of its palm oil supply. Please see here for further details: <https://www.cargill.com/sustainability/palm-oil/palm-smallholder-programs>

3. Sourced from Peninsular Malaysia

Palm oil used by Arnott's in its Australian-made products is sourced from Peninsular Malaysia only, from land which has been used to produce palm oil or other agriculture crops. This is not an area experiencing deforestation issues and orang-utans are not found in the

wild on the peninsula. As one of the major food companies in Australia, Arnott's aims for industry-leading policies that reflect our commitment to conduct business in a manner that respects and protects the environment.

4. Commitment to Human Rights and eliminating Modern Slavery

We have established Modern Slavery Guidelines that set out key requirements that are conditions of engagement with all our suppliers. Under the guidelines suppliers must:

- Uphold the principles and commitments of our Human Rights and Sustainability Statement.
- Have supplier membership with Sedex, and a Sedex relationship with the Arnott's Group.
- Comply with our Responsible Supplier Sourcing Code (RSCC) and Base Requirements and Expectations Manual.
- Annual certification of compliance with the requirements of our RSCC if requested.

These are minimum commitments required in our supplier contracts and purchase terms. Arnott's has been proudly baking biscuits in Australia for more than 157 years, and 99% of Arnott's ANZ products are made in Australia at our three bakeries in Marlestone, SA; Huntingwood, NSW; and Virginia, QLD. The statements above pertain to all Arnott's biscuits made at these sites.