

Pact Group Holdings Ltd  
ABN: 55 145 989 644

# Modern Slavery Statement 2021





# Pact's entities

Headquartered in Melbourne and listed on the ASX, Pact Group employs 6,000 people in over 100 locations across 15 countries. Pact has four divisions that work as one across the circular economy.

This Modern Slavery Statement ("**Statement**") covers the activities of Pact Group Holdings Limited (ABN 55 145 989 644) (a reporting entity under the Modern Slavery Act 2018 (Cth)) (the 'Act') and the following other group entities that are also reporting entities for the purposes of the Act:

Pact Group Holdings (Australia) Pty Ltd ACN 107 959 900

Pact Group Industries (ANZ) Pty Ltd ACN 147 260 848

VIP Plastic Packaging Pty Ltd ACN 095 313 705

Skyson Pty Ltd ACN 113 852 823

Jalco Group Pty Ltd ACN 075 091 806

Jalco Powders Pty Ltd ACN 092 756 888

VIP Steel Packaging Pty Ltd ACN 095 314 195

Viscount Plastics Pty Ltd ACN 005 647 389

Pact Group Industries (Asia) Pty Ltd ACN 166 188 058

as well as their controlled entities as outlined in the below section which describes our structure, operations and supply chain. For the purposes of this Statement, references to "**Pact**" are references to each of the reporting entities listed above.



# Pact's commitment

Pact is committed to the global movement towards the reduction and ultimately the eradication of modern slavery practices. Within its group, Pact is committed to managing and reducing the risk of modern slavery in its operations and supply chain. The purpose of this Statement is to outline Pact's approach to understanding and identifying modern slavery risks, and addressing and remediating such risks should they arise.

At Pact, we recognise that modern slavery can occur in many forms, including servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting for labour or services. Pact is fully committed to operating responsibly and establishing and adhering to the highest ethical standards across our group, and is actively implementing processes to reduce the risk of all forms of modern slavery arising in its supply chain.

# Pact's structure, operations and supply chain

Pact is a publicly listed company, incorporated and domiciled in Australia under the *Corporations Act 2001 (Cth)*. The group has over 6,000 employees with operations in 15 countries around the world. Pact's vision is to lead the circular economy through packaging, reuse and recycling solutions.

For the purposes of this Statement, the entities owned or controlled by the Pact reporting entities for Financial Year 2021 (**controlled entities**) are as follows:

## Controlled Entities

<b>Australia</b>		
Australian Pharmaceutical Manufacturers Pty Ltd	Viscount Plastics (Australia) Pty Ltd	Brickwood (Dandenong) Pty Ltd
Pact Group Finance (Australia) Pty Ltd	Viscount Rotational Mouldings Pty Ltd	Brickwood (NSW) Pty Ltd
Power Plastics Pty Ltd	Viscount Logistics Services Pty Ltd	Brickwood (QLD) Pty Ltd
Pascoes Pty Ltd	Viscount Pooling Company Pty Ltd	Alto Manufacturing Pty Ltd
Bidware Pty Ltd	Viscount Pooling Systems Pty Ltd	Baroda Manufacturing Pty Ltd
Middleton Asset Financing & Leasing Pty Ltd	Pact Retail Accessories (Australia) Pty Ltd	Salient Asia Pacific Pty Ltd
Alto Packaging Australia Pty Ltd	Plaspak Contaplas Pty Ltd	Plaspak Closures Pty Ltd
Summit Manufacturing Pty Ltd	Plaspak (PET) Pty Ltd	Plaspak Pty Ltd
Astron Plastics Pty Ltd	Jalco Automotive Pty Ltd	MTWO Pty Ltd
Sunrise Plastics Pty Ltd	Jalco Plastics Pty Ltd	Snopak Manufacturing Pty Ltd
Impact Innovation Pty Ltd	Jalco Australia Pty Ltd	Viscount Plastics (China) Pty Ltd
Cinqplast Plastop Australia Pty Ltd	Jalco Care Products Pty Ltd	Ruffgar Holdings Pty Ltd
Steri-Plas Pty Ltd	Packaging Employees Pty Ltd	Davmar Investments Pty Ltd
Sulo MGB Australia Pty Ltd	Jalco Cosmetics Pty Ltd	Plaspak Management Pty Ltd
VIP Drum Reconditioners Pty Ltd	Jalco Promotional Packaging Pty Ltd	Plaspak Minto Pty Ltd
Vmax Returnable Packaging Systems Pty Ltd	Brickwood (VIC) Pty Ltd	Sustainapac Pty Ltd
<b>New Zealand</b>		
Pact Group Holdings (NZ) Ltd	Pacific BBA Plastics (NZ) Ltd	Alto Packaging Ltd
Pact Group (NZ) Ltd	Stowers Containment Solutions Ltd	Viscount FCC Ltd
VIP Plastic Packaging (NZ) Ltd	Pact Retail Accessories (New Zealand) Ltd	Astron Plastics Ltd
Auckland Drum Sustainability Services Ltd	Pact Group Finance (NZ) Ltd	Viscount Plastics (NZ) Ltd
Tecpak Industries Ltd	VIP Steel Packaging (NZ) Ltd	Sulo NZ Ltd
<b>China</b>		
Guangzhou Viscount Plastics Co Ltd	Dongguan Top Rise Trading Co. Ltd	Pact Group Closure Systems (Guangzhou) Co. Ltd
Changzhou Viscount Plastics Co Ltd	Ningbo Xunxing Trade Co. Ltd	Pact Group Packaging Systems (Guangzhou) Co. Ltd
Pact Group Closure Systems (Tianjin) Co. Ltd	Langfang Viscount Plastics Co Ltd	Regent Plastic Products Ltd
<b>Bangladesh</b>		
TIC Trading (Bangladesh) Ltd	TIC Industries (Bangladesh) Pty Ltd	TIC Manufacturing (Bangladesh) Ltd
<b>Hong Kong</b>		
Pact Group Holdings (Hong Kong) Limited	TIC Group Ltd	Fast Star International Holdings Ltd
TIC Group (HK) Ltd	Roots Investment Holding Private Limited	
Talent Group Development Ltd	TIC Group (Asia) Ltd	
<b>India</b>		
Pact Closure Systems (India) Private Limited	AMRS Business Services Private Limited	
<b>Indonesia</b>		
PT Plastop Asia Indonesia	PT Plastop Asia Indonesia Manufacturing	
<b>Korea</b>		
Pact Group Closure Systems Korea Ltd		
<b>Nepal</b>		
Pact Group Closure Systems Nepal Private Limited		
<b>Philippines</b>		
Plastop Asia Inc	Pact Closure Systems (Philippines), Inc	
<b>Singapore</b>		
Asia Peak Pte Ltd		
<b>United States of America</b>		
Pact Group (USA) Inc	PGH Services LLC	
<b>United Kingdom</b>		
<b>TIC Group (Europe) Ltd</b>		

**PACT**  
PACKAGING

**PACT**  
REUSE

**PACT**  
RECYCLING

**CONTRACT MANUFACTURING**



# Pact's structure, operations and supply chain

## Packaging

Pact Packaging is a market leader in rigid plastic packaging in Australia and New Zealand, with a growing platform in Asia. The division has regional scale with an extensive manufacturing footprint supported by innovation and a customer-centric structure.

## Reuse

Pact Reuse is the largest provider of returnable produce crate pooling services in Australia and New Zealand and the largest supplier of garment hanger and accessory reuse services globally. The Division is also a leading supplier of plastic materials handling products and custom moulded infrastructure products.

## Recycling

Pact Recycling is a leading supplier of recycling and sustainability services in Australia and New Zealand.

## Contract Manufacturing

Pact Contract Manufacturing is a leading supplier of services in Australia for the home, hygiene, personal care and health and wellness categories with manufacturing capability for liquid, powder, aerosol and therapeutic nutraceutical products.

## Pact's Supply Chain

Pact's supply chain primarily comprises the purchase of resin and colourants, packaging, chemicals and steel. It also includes the purchase of transport and logistics, labour hire, machinery and equipment, including maintenance and repair services, utilities and facilities related services such as cleaning, waste management and security, and professional services such as accounting, IT services and legal services.

## Policies

Pact has a broad range of policies that support and embed our commitment to reduce the risk of modern slavery in Pact's operations and supply chain. Pact's Anti-bribery & Corruption Policy, Code of Conduct, Modern Slavery Policy, Global Procurement Policy, Supplier Code of Conduct and Whistleblower Policy provide a framework for ensuring our workforce, operations and supply chain are managed in an ethical, socially responsible and compliant manner.

During FY21, Pact updated its group Code of Conduct and Supplier Code of Conduct to more comprehensively set out Pact's standards in relation to, amongst other things, ethical conduct and labour and human rights, including modern slavery. The Supplier Code of Conduct imposes expectations on Pact's suppliers to identify, address and report on modern slavery risks in their operations and supply chains.

Pact's Quality Policy is in place to ensure the Group continues to meet the requirements of its customers as well as meeting and exceeding international standards of responsible operation.

In accordance with Pact's procurement policy, when Pact engages with potential vendors via a formal tender process, Pact requires threshold confirmation from tenderers that they can comply with Pact's Code of Conduct and Supplier Code of Conduct.

Pact's standard procurement contracts also require compliance with Pact's policies and codes of conduct, as well as requiring suppliers to declare all instances of outsourcing.

Pact's Modern Slavery Policy, which applies to all individuals who work for or on behalf of the Group, in any capacity, including employees, agency workers, contractors, consultants and any other third-party representative, has the purpose of educating all staff, directors and officers about the Act, its application, and the risks of modern slavery, and setting out Pact's standards for acceptable conduct.



# Areas of risk

Pact's supply chain is relatively streamlined due to the nature of its business as a supplier of sustainable packaging solutions and reuse and recycling solutions, with resin being a key raw material input for Pact's packaging division.

Temporary labour accounts for approximately 8% of Pact's expenditure with third parties, and of this, 90% of expenditure is highly concentrated across three reputable providers who have rigorous anti-slavery processes in place.

Pact acknowledges that there is a risk of modern slavery being present in its extended supply chain (including the supply chain of its controlled entities). However, Pact has also identified that the bulk of its procurement does not occur in industries or countries that typically carry a high risk of modern slavery.

As can be seen from the table below, Pact sources almost 80% of its inputs from countries that carry a low risk of modern slavery according to the Global Slavery Index.

In all countries in which Pact operates, materials and labour hire are sourced locally wherever practicable. By sourcing from within the regions in which its businesses are operating, Pact has greater visibility over the organisational structure, processes and practices of its suppliers and is better placed to monitor their activities. This also ensures that Pact is well positioned to identify suppliers whose values and approach to modern slavery align with Pact's expectations.

Pact Source of Supply - Country	% of FY21 Spend	Risk Rating
Australia*	58%	Low
New Zealand*	12%	Low
China*	10%	High
Singapore*	5%	Moderate
Thailand*	4%	High
South Korea*	2%	Low
Philippines*	1%	High
Germany	1%	Low
United States Of America*	1%	Low
United Arab Emirates	1%	Low
Italy	1%	Low
Saudi Arabia	1%	Low
India*	<1%	Moderate
Japan	<1%	Low
Hong Kong*	<1%	High
United Kingdom*	<1%	Low
Indonesia*	<1%	Moderate
Canada	<1%	Low
Netherlands	<1%	Low
Austria	<1%	Low
Nepal*	<1%	Moderate
Czech Republic	<1%	Low
Malaysia	<1%	Moderate
Taiwan	<1%	Low
Denmark	<1%	Low
Switzerland	<1%	Low
Belgium	<1%	Low
France	<1%	Low
Suriname	<1%	Low
Ireland	<1%	Low
Spain	<1%	Low
Vietnam	<1%	Moderate
Mexico	<1%	Low
Barbados	<1%	Low
Turkey	<1%	Moderate
Sri Lanka*	<1%	Low
Greece	<1%	Low
Bahrain	<1%	Low
Qatar	<1%	Low
Bangladesh	<1%	Moderate

\*Pact has operations in these countries.



# Pact's actions

**This section of the Statement explores the actions taken by Pact and its controlled entities during the reporting period to assess and address the risks identified above.**

Pact has zero tolerance for any form of modern slavery. Pact is a signatory to the United Nations Global Compact and upholds its 10 principles, including those in relation to human rights and labour.

## Due diligence

Pact's process of conducting tenders and requests for proposals from significant suppliers requires suppliers to participate in a due diligence process, which includes Pact's Modern Slavery Supplier Questionnaire, Code of Conduct and Supplier Code of Conduct, and a declaration in relation to all proposed subcontracting and outsourcing. Pact's sourcing team assesses the responses as part of their due diligence exercise and suppliers that are assessed as high risk will not be successful in proceeding to the next stage of the RFP process unless the relevant risks are addressed. The due diligence process enables Pact to identify and manage risk in both its direct and indirect supply chains.

The majority of suppliers who successfully progress through Pact's tender processes have sophisticated and/or mature approaches to modern slavery, human rights and ethical business practices.

A key focus for Pact's procurement team has been to ensure that open and transparent dialogue is maintained with personnel and suppliers regarding modern slavery risk such that Pact's expectations are clear from the outset, risks are managed, and Pact makes well informed sourcing decisions.

## Supply chain management

Pact's standard agreements for the procurement of goods and services contain provisions including:

- a. requirements that Pact's suppliers act in an ethical and socially responsible manner;
- b. requirements that Pact's suppliers become signatories to and adhere to the principles of the United Nations Global Compact;
- c. requirements that Pact's suppliers comply with Pact's applicable policies and codes of conduct;
- d. warranties that Pact's suppliers will ensure that no forced labour, slavery, servitude or similar practices are in any way involved in the supply of goods or services to Pact;
- e. warranties that Pact's suppliers will maintain appropriate policies and procedures to ensure compliance with the modern slavery legislation;
- f. warranties that Pact's suppliers will supply all information and evidence reasonably requested by Pact to demonstrate compliance with the above;
- g. the right for Pact or an independent auditor appointed by Pact to audit the supplier to verify the supplier's compliance with its warranties;
- h. the right for Pact to terminate agreements with suppliers on the basis that the supplier has not complied with its obligations in relation to modern slavery;
- i. prohibitions on outsourcing without oversight as to the employment conditions of the contractor or subcontractor; and
- j. prohibitions on subcontracting the provision of goods or services without Pact's prior written consent.

Where not contracting on Pact standard terms, provisions addressing modern slavery risks are incorporated into our contracts with suppliers.



## Ongoing risk assessment

Pact's procurement team maintains live data covering Group suppliers (geography of supply, nature of product and modern slavery risk assessment based on available data) as well as responses to our Modern Slavery Supplier Questionnaire. This data is updated and monitored as required to assess and address risk.

## Modern Slavery Questionnaire

During this reporting period, Pact introduced a Modern Slavery Supplier Questionnaire for use in large scale procurement activities. The questionnaire is embedded in Pact's request for quotation process, requiring the supplier to answer various questions designed to identify whether the supplier's operations or supply chain present modern slavery risk. Suppliers are required to confirm their agreement to comply with Pact's policies and procedures including the Modern Slavery Policy and Supplier Code of Conduct.

In the next reporting period, Pact intends to implement these processes in respect of both large and smaller scale procurement activities.

## COVID-19 impact

Pact has continued to face challenges associated with COVID-19, including impacts on transport and logistics, input prices and demand. Some activities, such as additional training for all staff and supplier engagement activities, have been delayed.

Pact has implemented stringent protocols and effective business continuity measures to ensure its businesses can continue to operate and meet customer commitments, while protecting the health and safety of its employees and contractors.

## Remediation Processes

In the event of Pact becoming aware of modern slavery risk in its operations or supply chain, it will expeditiously take all relevant steps to address the risk, which may include terminating supplier relationships.

The Modern Slavery Supplier Questionnaire and Modern Slavery Policy are critical tools for Pact to identify modern slavery in its supply chain. In the event that supplier responses to the Modern Slavery Supplier Questionnaire raise concerns, or should a potential supplier refuse to confirm compliance with Pact's Modern Slavery Policy, any dealings between Pact and that particular supplier will be suspended until the concerns are addressed.

Pact's Modern Slavery Policy outlines the processes to be taken by staff who have concerns relating to modern slavery within Pact or its supply chain. All staff are required to familiarise themselves with these processes, and prompt action is taken in the event that staff come forward with relevant information.

# Effectiveness of Pact's actions

Pact is committed to maintaining and improving its systems and processes in order to reduce the risk of modern slavery within its operations and supply chain. Pact's risk, compliance and governance teams continue to use Pact's existing enterprise risk management framework to identify, address and monitor modern slavery risk, and to assess the effectiveness of Pact's actions in this regard.

Pact is committed to implementing additional checks and balances to consider whether the processes and practices currently in place are making a difference. In this regard, Pact is considering additional ways to meaningfully monitor and assess the effectiveness of these

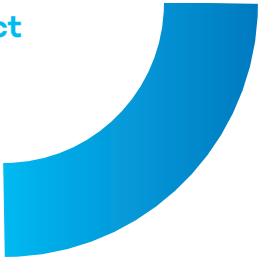
measures, including the introduction of reporting by Pact's procurement team on matters such as the number of suppliers that were not approved during tender / on-boarding processes due to modern slavery risk, and the suppliers against whom Pact took action to remediate any modern slavery risks (including the outcome of the remediation action). Pact also considers that while it has been active in rolling out its Modern Slavery Questionnaire and Modern Slavery Policy in FY20, training on processes associated with these documents can be provided to a wider range of team members.



# Pact's future focus



During FY22, Pact's focus will be to:

- Continue to review and update its policies and governance control measures relating to modern slavery risk.
  - Enhance and increase stakeholder engagement on modern slavery risks, including delivery of training sessions to relevant Pact staff and contractors.
  - Expand the use of Pact's Modern Slavery Supplier Questionnaire to cover more procurement activities including renewals (regardless of size).
  - Continue to revise and develop Pact's approach to modern slavery compliance.
  - Identify any suppliers in Pact's existing supply chain that carry a moderate to high risk of modern slavery and implement measures to reduce that risk or replace such suppliers.
  - Appoint a primary modern slavery contact officer.
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# Collaboration and engagement

Personnel from all reporting entities have worked together in the preparation of this Statement, and the activities of all controlled entities have been considered.

This Statement has been reviewed, considered and approved by the Board of Pact Group Holdings Limited.

Signed,



**Sanjay Dayal**

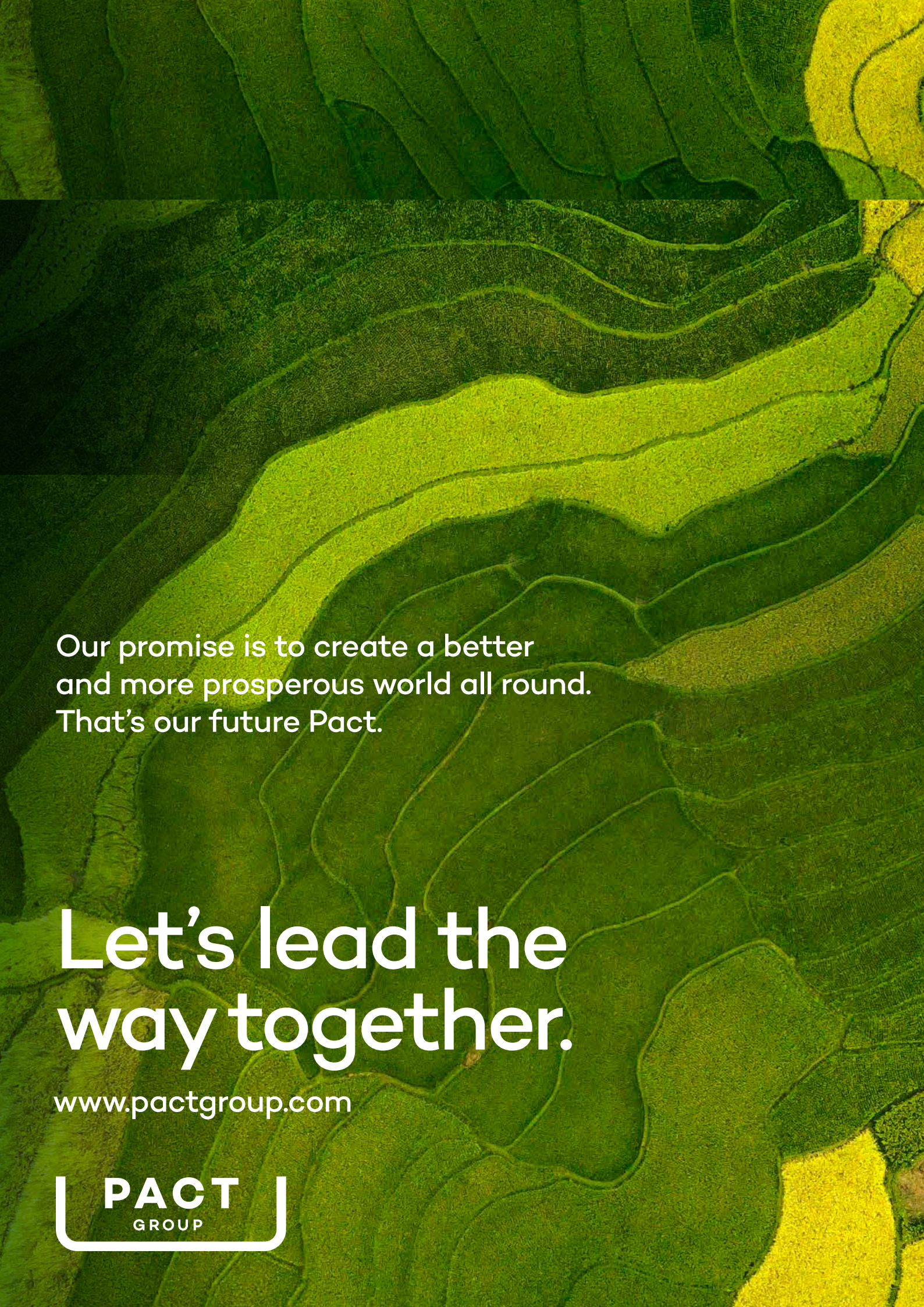
Managing Director and Group CEO  
Pact Group Holdings Ltd



An aerial photograph of a dense forest with a circular overlay in the center. The overlay is a semi-transparent circle with a darker blue tint, and the text "Leading the circular economy" is written in white inside it. The background shows a mix of green and brown, indicating a natural landscape.

# Leading the circular economy





Our promise is to create a better  
and more prosperous world all round.  
That's our future Pact.

Let's lead the  
way together.

[www.pactgroup.com](http://www.pactgroup.com)

