

Chobani®

Modern Slavery Statement 2021





Reporting entity

Chobani Pty Ltd (ABN 53 096 731 467) is the reporting entity for the purposes of the Modern Slavery Act 2018 (Cth) ('the Act'). Chobani Pty Ltd's registered office is located at 18-20 Quality Drive, Dandenong South, VIC, 3175 (previously 453-455 Hammond Road, Dandenong South, VIC, 3175).

The Statement covers the reporting period 1 January 2021 to 31 December 2021 pursuant to the obligations under the Act.

The report relates to operations of Chobani Pty Ltd only, not its parent company Chobani Global Holdings, LLC (or any other entities comprised in the broader Chobani Global Holdings, LLC group outside of Australia), which was formed and is headquartered in the United States of America (USA). References to 'Chobani' denote the Australian business entity – Chobani Pty Ltd.

To find out more about our company, visit www.chobani.com.au

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At Chobani, we strive to make a difference using food as a force for good. This extends to how we make our products, how we treat our people and how we conduct business. Our commitment to respecting the rights of everyone in our operations and supply chain is integral to achieving this purpose.



We believe that business can be one of the most powerful forces for good in the world. Businesses like ours must do everything we can to ensure that work empowers people. We have a responsibility to manage the risk of modern slavery in our operations and supply chain and ensure that everyone within these structures is treated with dignity and respect.

This belief extends outside of just our company. As business partners of ours, we expect direct suppliers, as well as their suppliers upstream, and all parties who provide goods and services to Chobani to join our commitment and conduct business

in a manner that reflects and adheres to the principles and ethical standards on which our company was built.

Chobani is committed to respecting human rights and preventing modern slavery. We focus on a continuous improvement approach, with the aim of driving change together with our suppliers and partners throughout our supply chain.

We are proud to share our second Modern Slavery Statement, which has been written with a focus on increasing transparency of our operations and supply chain for our stakeholders, our business partners and our consumers.

The Statement reflects the steps Chobani has taken in 2021 to identify, manage and mitigate risks of modern slavery in our operations and supply chain.

A handwritten signature in black ink that reads 'Lyn Radford'.

Lyn Radford
Managing Director
Chobani Pty Ltd



Company overview

Structure and operations

Chobani was founded on the belief that people have great taste, they just need great options. It is this belief that brought Chobani to Australia – home to a nation of people passionate about food and some of the best milk in the world.

Hamdi Ulukaya established Chobani, a privately held company, in Australia in 2011 through the acquisition of Victorian dairy company Bead Foods. In November 2011 the first pot of Chobani yogurt, which was flown in from the USA, was sold in Australia, before local production commenced in our Dandenong South factory in December 2012.

Chobani’s core business is producing and selling food products, primarily yogurt, under the Chobani and Gippsland Dairy brands, as well as non-dairy products, such as oat milk, under the Chobani brand.

Our mission has always been about making good food for more people, and we do this by not only making delicious, nutritious, natural products, but also by ensuring they are accessible to everyone - different consumers, in different markets, through different channels. Chobani’s products are sold in major retailers across Australia, including Woolworths, Coles and Aldi, as well as independent retailers and foodservice channels. We currently export some of our products to China, Singapore, Thailand, Malaysia, the Maldives and Bangladesh.

Our Dandenong South manufacturing facility operates a 24/7 production schedule 360 days of the year and the business has more than 260 dedicated employees.

Chobani is a subsidiary of Chobani Global Holdings, LLC, a limited liability company formed in Delaware in the USA, with its headquarters in New Berlin, New York. The company was founded by Mr Ulukaya in New Berlin, New York in 2005 and launched in 2007. In 2012 Chobani Global Holdings, LLC opened a second plant in Twin Falls, Idaho as well as a café in SoHo, New York City. Chobani Global Holdings, LLC is part of the food manufacturing industry, producing and selling yogurt, oat milk, dairy and plant-based creamers, ready-to-drink coffee and plant-based probiotic drinks. Chobani Global Holdings, LLC products are available nationwide in the USA, as well as in Mexico, Canada and in countries across Latin America.



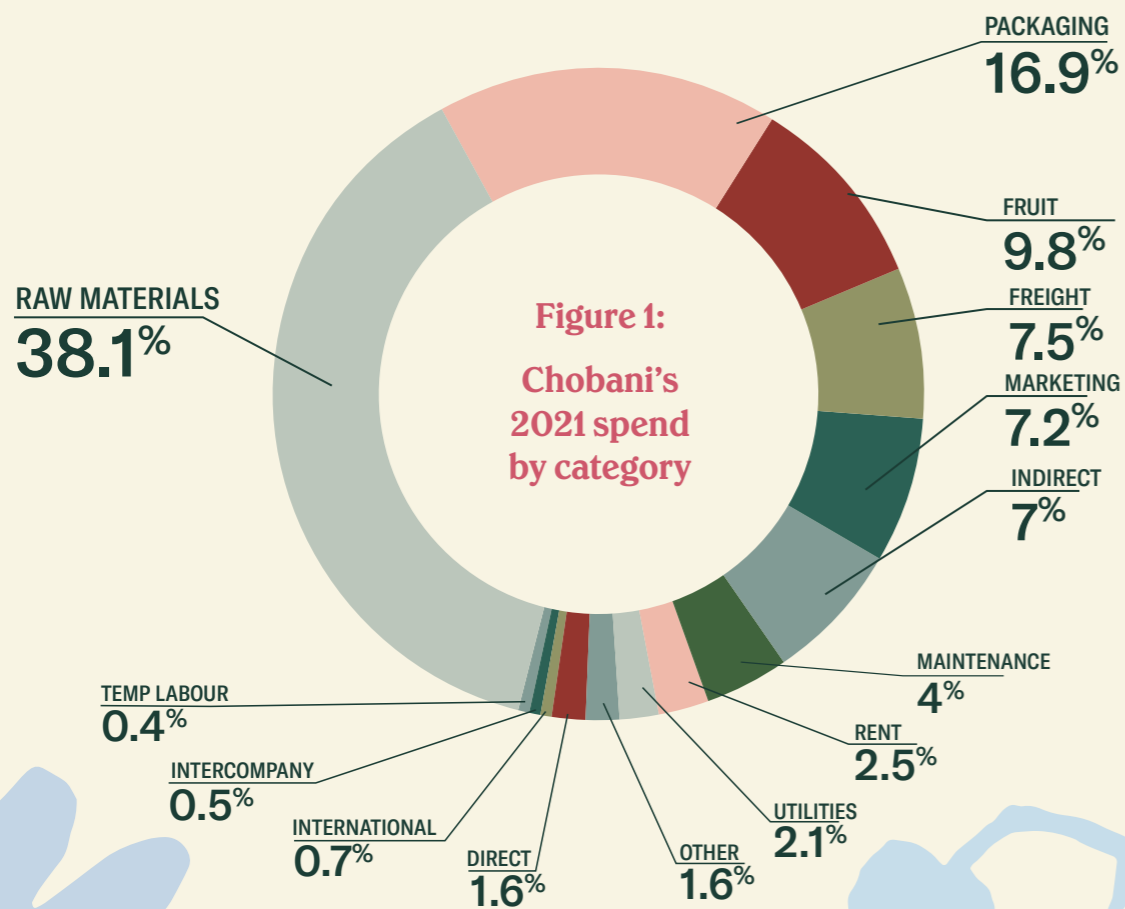
All figures above relate to Chobani Pty Ltd only, not Chobani Global Holdings, LLC.



Supply chain

Many aspects of the global supply chain were disrupted during 2021 driven by factors including shipping delays, raw material shortages and capacity constraints due to the lack of available labour. Chobani's procurement strategy, which focuses on creating collaborative, long-term relationships with supplier partners and supporting Australian suppliers where possible, enabled us to greatly minimise the impact of these disruptions. Our Procurement team worked closely with suppliers to understand their operations in order to ensure reliable supply of the raw materials and services required to keep our production facility operating.

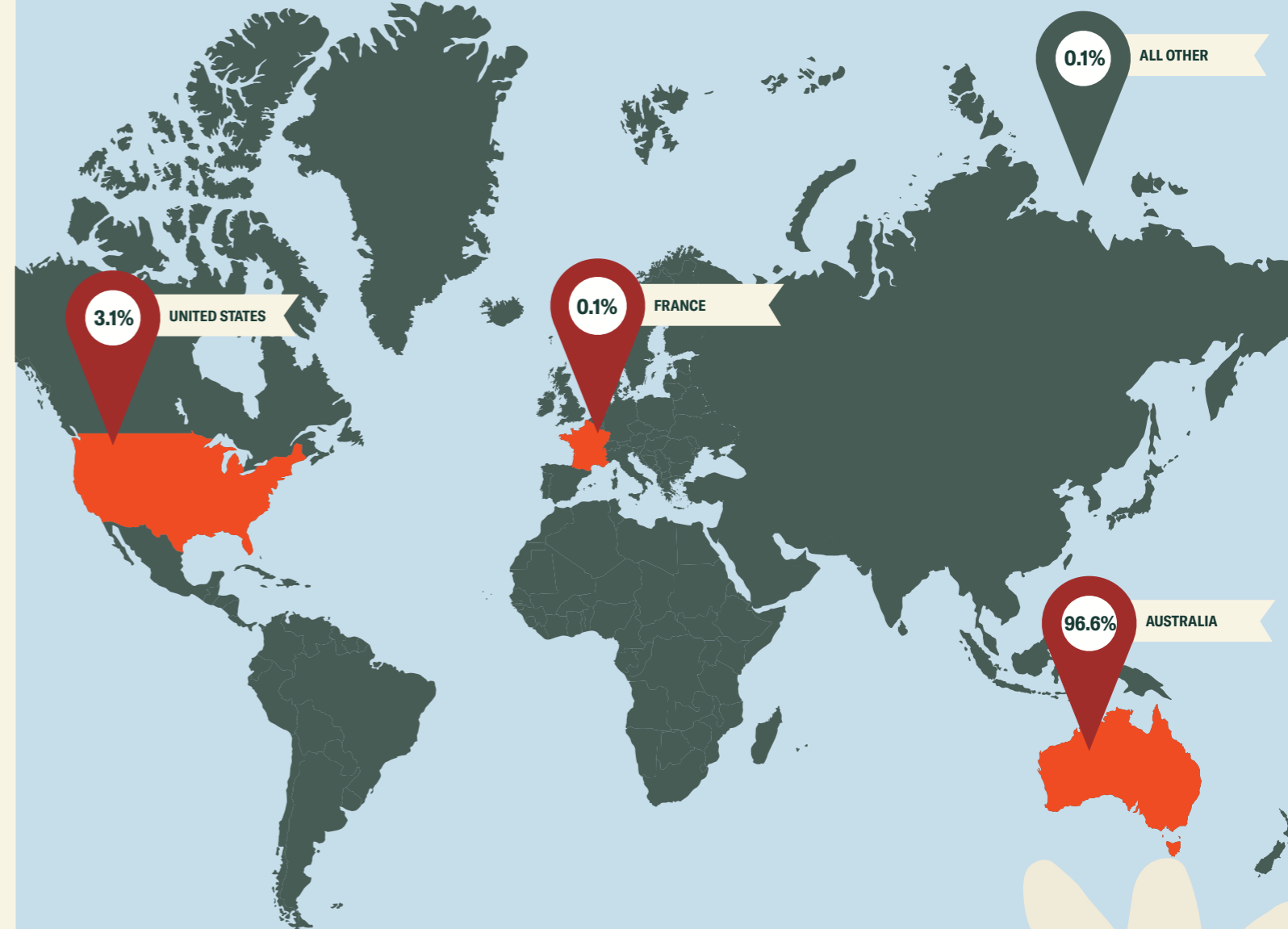
In 2021, we sourced products and services from more than 600 suppliers across categories including ingredients (covering both dairy and non-dairy ingredients), packaging, freight, indirect categories and utilities. While the total supplier base is large, our top 30 suppliers accounted for 82.5 per cent of our overall spend, with 65 per cent of our spend in ingredients and packaging specifically.



In 2021, 96.6 per cent of Chobani's spend was with Australian-based suppliers. This represents a small year-on-year reduction, which is attributable to sourcing raw materials to support new business from North America that will be sourced locally from 2022 and beyond. While the vast majority of our suppliers are located in Australia, we recognise that in some circumstances production of materials or ingredients take place in overseas facilities.

Detailed information on production sites and locations for each supplier is captured as part of our Supplier Ethical Data Exchange (Sedex) Radar assessment, which is in line with Chobani's Ethical Sourcing Policy and is referenced in the *Our approach* section of this Statement.

Figure 2: Chobani's 2021 spend by supplier location



Understanding our modern slavery risks

Since conducting our first risk assessment in early 2020, the profile of our business and core activities have not changed significantly, despite a very uncertain global context.

The COVID-19 pandemic, and related inflationary and other geopolitical pressures, has created uncertainty in the global supply chain and Chobani acknowledges that this has likely increased the risk of modern slavery in areas of the global supply chain.

In 2021, we again used the independent third-party Sedex platform to assess our 600 plus suppliers against labour standards, human rights, and business ethics.

This assessment identified the following areas of potential inherent high risks in our operations and supply chain:

- agricultural products (raw ingredients)
- packaging manufacturing (plastic, cardboard)
- merchandise, maintenance parts, personal protective equipment
- outsourced services (freight, cleaning, labour hire, waste management).

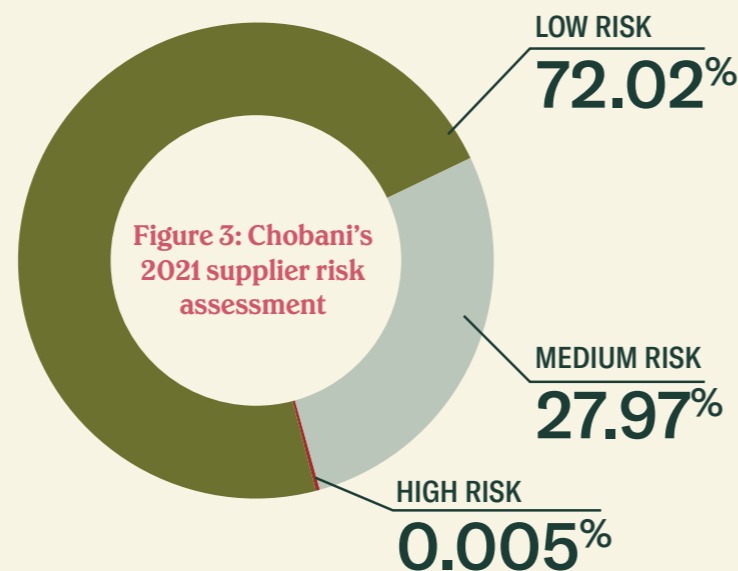
We also acknowledge that Chobani exports some products to higher risk jurisdictions and our goal in the coming years is to map our entire supply chain, including suppliers from all tiers, to identify and manage potential modern slavery risks in our supply chain.

How is the level of risk defined?

Risks of modern slavery are assessed based on the combination of a geographic location where activities take place and a specific sector in which a given supplier operates. The level of risk is determined by key drivers identified by international agencies such as the United Nations Development Program, the International Labour Organisation or actual cases reported by reputable non-governmental organisations.

When a supplier is identified as medium or high risk, this does not mean that modern slavery is effectively occurring in its operations, but rather that more due diligence and risk mitigation measures are required as the organisation operates in a sector or location where modern slavery tends to be more likely.

In this assessment, risk is always considered from the worker's perspective, not the business. In both our supply chain and our own operations, risks of modern slavery are mostly driven by the presence of manual labour potentially being carried out by vulnerable workers (migrants or casual workers).



Inherent risks of modern slavery

Based on a scale of 0-10 (10 being high risk), our overall inherent risk score across our supply chain is 3.1.

Table 1: Potential inherent risks of modern slavery practices identified in our supply chain

Medium risks
Freedom of association
Existing but lower risks
Regular employment
Forced labour
Working hours
Health and safety
Discrimination
Gender risk
Children & young workers
Wages
Business ethics

Our approach

At Chobani, we recognise and take very seriously the risk of modern slavery in our operations and supply chain. Given the complexity of modern slavery and its ability to take various forms, Chobani has a dedicated cross-functional team working to assess and mitigate potential risks. The team has diverse expertise, with representatives from Chobani's Procurement, Quality Assurance, People & Culture, Health & Safety, Sustainability, Corporate Affairs and Legal teams. This section describes the actions taken by Chobani to assess and address identified potential modern slavery risks in our operations and supply chain.

Chobani's operations

Self-assessment

In 2020, Chobani conducted a thorough self-assessment of potential modern slavery risks in our own operations. The self-assessment was developed by a reputable third party (Sedex) and covered freedom of association, grievance mechanisms, employment contracts, wages, labour practices, business ethics, and purchasing practices.

Although this self-assessment questionnaire did not reveal any major gaps in our policies and procedures, it did highlight some opportunities for improvement, which the team has worked to address in 2021.

Measuring our own performance is key to ensuring we are able to continue to identify and address potential risks of modern slavery in our operations. This year, we made great progress in tracking more accurate and systematic data about our own workforce.

In 2021 Chobani introduced a Code of Conduct, which all employees are required to comply with. The topics set out in the Code of Conduct cover a wide range of business practices and procedures, including conflict of interest, equal opportunity, anti-bribery and corruption.

Chobani is committed to providing a workplace that promotes and protects our employees' health, safety and wellbeing. In 2021 we launched a Mental Health Policy and Procedure, which enables our employees to access confidential education and counselling services, in addition to the existing Employee Assistance Program services, for the purpose of improving their personal wellbeing.

Our people and policies

At Chobani we pride ourselves on adhering to the highest applicable legal and ethical standards. Our business is conducted in compliance with all applicable laws and unwavering integrity of each employee is vitally important.

All employees are engaged pursuant to clear and comprehensive contracts in line with National Employment Standards under the Fair Work Act 2009 and/or industry awards and requirements. We recognise that a 24/7 production schedule presents potential risks to employee welfare and wellbeing, so have in place appropriate shift structures and pay schedules to mitigate these risks.

Unless otherwise stated, the policies and procedures outlined on the next page are internal and applicable to all Chobani employees.



Policy/procedure

Overview

Whistle-blower Policy

Chobani is committed to the highest standards of legal, ethical and moral behaviour and does not tolerate unethical or unlawful conduct that is not in line with Chobani's values. Employees are able to report allegations to an external independent provider or Chobani's Whistle-blower Committee.

Grievance Policy

Chobani aims to resolve problems and grievances promptly and as close to the source as possible, with graduated steps for further discussion and resolution at higher levels of authority as necessary. This policy provides guidelines for the resolution of workplace grievances at Chobani and applies to all employees, including contractors and casual staff.

Bullying, Harassment and Discrimination Policy

Chobani is committed to providing a work environment that supports diversity and the wellbeing of all our employees. Behaviours constituting discrimination, harassment or victimisation are unlawful and contrary to Chobani's values. These behaviours are not acceptable at Chobani, and this policy applies to all Chobani employees, including contractors and casual staff.

Recruitment Policy

Attracting great talent to join our team ensures the future prosperity of our organisation. Our recruitment approach is based on merit, which is the collective review of skills, experience and alignment with company values. All candidates are considered based on their merits and the best person for the job is selected accordingly. We are committed to equal opportunity at every stage of the recruitment process and aim for a well-planned, fair and equitable hiring process.

Anti-collusion Practices Training

Some of our employees may be required to work alongside direct or indirect competitors. Anti-collusion training is available and recommended for all relevant employees.

Occupational Health and Safety Policy

The safety of our employees and communities is our highest priority. This is especially critical for our manufacturing and logistics sites where employees have access to machinery, equipment and vehicles that could cause risk to their health and safety. Appropriate health and safety training is provided to all our employees.

Values

We're a food company that consciously chooses to do things differently. Our company values of *people, integrity, craftsmanship and giving back* highlight the actions and behaviours we expect of our employees as representatives of our business. We strive to maintain the highest standards of employee conduct and ethical behaviour when operating and managing our supply chain.

Code of Conduct *New*

The topics set out in our Code of Conduct include a wide range of business practices and procedures and cover basic principles to guide all employees of Chobani. Such topics include anti-bribery and corruption, bullying, harassment and discrimination and standards of conduct.

Mental Health Policy and Procedure *New*

Chobani is committed to providing a workplace environment that promotes and protects our employees' health, safety and wellbeing. We provide employees access to education and confidential counselling services for the purpose of improving their personal wellbeing.



Chobani's supply chain

Chobani utilises Sedex, which is one of the world's leading ethical trade membership organisations, to assess inherent risks of modern slavery in our supply chain and track our performance against labour standards, environmental practices, health and safety and business ethics. In 2021, we conducted an assessment of new business partners for the reporting period in addition to prioritising key areas of focus.

Table 2: Approach to mitigate potential modern slavery risks in Chobani's supply chain

Category	Supplier profile	Objective and approach	Timeline	Number of suppliers	% of spend
Category 1: Priority suppliers	<ul style="list-style-type: none"> Suppliers who contribute directly to our product (ingredients, packaging) or its distribution (storage, freight) Medium/long-term agreement in place Most of these suppliers are large businesses, which are also subject to the <i>Modern Slavery Act 2018</i> requirements Low to medium risk suppliers 	Objective: Engage - map supply chain and increase transparency Approach: For new contracts or contract renewals: <ul style="list-style-type: none"> Acknowledge Chobani's Ethical Sourcing Policy Join Sedex platform as a Supplier (B) member Complete Self-Assessment Questionnaire (SAQ) within three months of signing commercial agreement with Chobani 	2020 and beyond	37	74%
Category 2: Recurring suppliers	<ul style="list-style-type: none"> Regular business partners supplying indirect products (merchandise, personal protective equipment, maintenance parts) or services to Chobani Typically smaller businesses not subject to the requirements of the <i>Modern Slavery Act 2018</i> More than five transactions with Chobani per year Low to medium risk suppliers 	Objective: Evaluate - understand status of small-medium suppliers Approach: Depending on the contractual structure of our relationship and where orders are ad-hoc but recurring, suppliers are sent a questionnaire to enable Chobani to understand their supply chain and how they assess and mitigate risks of modern slavery	2021 and beyond	231	22%
Category 3: Once-off vendors	<ul style="list-style-type: none"> Once-off vendors used occasionally (catering, hotels) and representing a low spend for Chobani Less than five transaction per year Includes three high risk suppliers due to country of operation Low to medium risk suppliers 	Objective: Scope - establish best approach for ad-hoc suppliers Approach: Dependent on level of risks, company leverage and available resources	2023 and beyond	357	4%

Category 1 suppliers

To date, 20 of the 37 Category 1 suppliers (representing 58 per cent of our total annual spend) have connected with Chobani on Sedex. This will enable Chobani to continue to map our supply chain and improve transparency in the value chain. We have also modified our pre-screening review process for prospective Category 1 suppliers, which now includes questions about membership of Sedex or an equivalent platform, self-assessments and third-party audits against labour standards, human rights, and business ethics. Additionally, compliance with Chobani's Ethical Sourcing Policy remains a requirement of all new commercial agreements. As part of our continuous improvement approach, new contracts or contract renewals require our Category 1 suppliers to join the Sedex platform as a Supplier (B) member. Chobani aims to connect with all Category 1 suppliers by the conclusion of the next reporting period.

Category 2 suppliers

In 2021 our team has had to pivot our approach to Category 2 suppliers, based on the contractual structure of the relationship. We have developed a survey to assess the supplier's level of understanding of and commitment to the identification and mitigation of modern slavery risks. Although our ability to trigger significant change with Category 2 suppliers is variable, we trust that asking these questions and starting the conversation about ethical sourcing practices will increase transparency and drive change in their own supply chain over time.

Supporting smaller suppliers

While most of our direct suppliers are large companies with global operations that are subject to similar reporting requirements under international frameworks, for some of our smaller local suppliers the concept of modern slavery compliance and the SAQ is new. The SAQ can be quite extensive for businesses with manufacturing sites and manual labour, which can be challenging to manage with limited resources. In these cases, Chobani provides support and training for Sedex onboarding and SAQ completion.

Understanding and improving our own practices

Chobani has partnered with FairSupply, a global ESG data provider and consultancy, to train employees who are regularly involved in the purchasing of goods and services. Our Procurement team, along with frequent buyers in the business, including members of our Sales, Marketing, Maintenance, Quality, and Health and Safety teams, have completed a bespoke training module that outlines the requirements of the *Modern Slavery Act 2018*. The training also identifies how employees may involuntarily contribute to modern slavery through their regular purchases. These employees are now better equipped to identify red flags from suppliers or sectors, and they understand how to avoid at-risk practices such as unrealistic expectations on timeline or costs.



Assessing our progress

Operations

At Chobani, we are committed to continuously improving and evolving our approach to identifying and managing potential modern slavery risks. Our key actions for the 2021 reporting period focused on increased engagement with Chobani's Category 1 suppliers. Having successfully engaged with more of these suppliers on the Sedex platform, Chobani is satisfied that this progress will enable us to map our entire supply chain in coming years, including suppliers from all tiers, to eliminate risks of modern slavery and improve workers' conditions.

In order to capture and account for changes in our operations, such as new employees, new activities or new policies, our team updates and completes our SAQ annually. This exercise allows us to assess ongoing progress and identify further opportunities for improvement.

The Sedex Members Ethical Trade Audit (SMETA), which we planned to undertake in 2021, has been delayed due to COVID-19 restrictions and will now occur in the 2022 reporting period. This audit, which will be conducted by an accredited third party, will enable Chobani to truly assess the effectiveness of our policies and procedures at identifying and addressing our modern slavery risks, the outcomes and impact of which will be included in our 2022 statement.

Supply chain

Chobani's Ethical Sourcing Policy and its associated requirements, which were introduced in 2020, has been progressively implemented with the establishment of new contracts or renewal of existing contracts. With each new or renewed supplier, our team conducts a monthly review of their status in Sedex, including whether their membership is still active and their SAQ is up to date (completed within the past 12 months). We use the Sedex status of our Category 1 suppliers as the key metric to assess our progress towards increasing transparency with these suppliers. During the reporting period, 20 of our 37 Category 1 suppliers, which is the equivalent of 58 per cent of our total annual spend, were captured in our Sedex supply chain mapping, which represents positive progress in this space.

Our approach to Category 2 suppliers focuses on a questionnaire that will enable Chobani to better understand their supply chain and how they assess and mitigate risks of modern slavery. As this approach only commenced late in the reporting period, it is too early to assess the effectiveness of this tool. Chobani will assess the level of engagement and quality of responses to determine whether to continue this approach or revise the strategy for the 2022 reporting period.



Impact of COVID-19

The ongoing COVID-19 pandemic has increased the vulnerability of workers in local and global operations and supply chains to modern slavery. In 2021 Chobani continued to closely monitor these increased risks and adapted our protocols, policies and processes, as needed, to protect our people, our sites and our communities.

The COVID-19 pandemic has created uncertainty across the global supply chain, and while Chobani’s own supply chain has been impacted, we have been able to contain the impact thanks to our strong supplier relationships. Maintaining open communication with our suppliers about potential COVID-19 risks and impacts enabled us to reduce the risk of supply disruptions and determine how Chobani could further support our suppliers.

Chobani acknowledges that the logistics and shipping industry has been significantly impacted by COVID-19 in 2021 due to additional border controls, reduced capacity, increased costs and congestion and delays in ports. We will continue to work with relevant suppliers to understand the steps they are taking to mitigate the increased risks to human rights and determine how we can support their approach.

COVID-19 has also significantly impacted the availability of labour in the Australian horticulture industry, which raises the risks of human rights abuses of modern slavery of workers in these supply chains. In response to these challenges, Chobani has continued to support its local

suppliers of raw-ingredients to identify risks and ensure appropriate protocols are in place to protect the health and safety of their workers. We primarily supported these suppliers by offering advice about our approach to protect our people, our products and our facilities, enabling them to access our experience to embed similar protocols in their own operations where applicable. On a number of occasions we also adjusted our raw material planning to suit revised shift patterns of our suppliers.

The impact of COVID-19 has, in some instances, limited Chobani’s capacity to evolve our approach to modern slavery. Wherever possible, we have adapted our approach while always maintaining the health and safety of our people and our products. As noted earlier in this statement, COVID-19 has temporarily delayed the SMETA, which will now be undertaken in the 2022 reporting period.



Using food as a force for good

At Chobani we believe the most important thing we make is a difference; we do this by volunteering our time, donating our products and supporting impactful charitable projects and programs. Chobani is proud of its long-standing partnership with Foodbank, having donated the equivalent of more than one million meals for Aussie families in need since 2012.

COVID-19 has changed the face of food insecurity in Australia and Chobani felt it was important to not only continue to support Foodbank during these challenging times but to give even more.

In 2021 we continued our commitment to guaranteed regular weekly donations, whereby we produced yogurt specifically for Foodbank, ensuring a longer shelf-life and the ability to distribute product to charities across Australia. In 2021, we donated the equivalent of more than 264,000 meals and supported employee groups to volunteer at Foodbank Victoria’s warehouse to help pack food orders, which were distributed to dozens of charities throughout Victoria.

Looking ahead

At Chobani, we are proud of our progress to identify and address potential modern slavery risks in our operations and supply chain.

We recognise that there is more work to be done and we are committed to partnering with our internal and external stakeholders and suppliers to continuously improve and evolve our approach to modern slavery, as we learn more about our risks and identify ways to mitigate them. In the

2022 reporting period we plan to reassess the effectiveness of how we address modern slavery in both our operations and our supply chain, which will inform our future approach and commitments.



Key focus area	Objective
What gets measured gets managed	With each update of our SAQ we identify new areas for improvement of data collection. Across the business, we will continue refining data accuracy and automate data collection.
Increased transparency	Transparency in our supply chain is crucial to the identification and mitigation of potential modern slavery risks. Our goal is to have 100 per cent of our Category 1 suppliers, including new suppliers, in Sedex or an equivalent platform by the end of 2022.
Third-party verification	Having the right policies and procedures in place is great, but it's important that these are not only understood but also enforced in order to be effective. Chobani will undertake a SMETA audit in 2022 to assess the effectiveness of our policies and processes. The results will be shared with our business partners in Sedex, which will increase transparency of our own practices.
Supplier auditing process	Supplier pre-screening and onboarding processes are now in place. The next step for us is to determine how to track suppliers' third-party audits to determine whether they have taken place and understand whether identified non-compliances have been addressed.
Category 2 suppliers	Our approach to Category 2 suppliers commenced at the end of the 2021 reporting period. The engagement level and quality of responses to the questionnaire will be used by Chobani to assess the effectiveness of this approach and consider whether this strategy requires adjustment.
Category 3 suppliers	At this stage, Chobani has not identified opportunities that can be leveraged to drive change among Category 3 suppliers. We have decided to prioritise Category 1 and large Category 2 suppliers at this stage of our modern slavery journey.
Beyond Tier 1	Our supply chain is made up of tiers; Tier 1 suppliers are those with whom we have a direct relationship, Tier 2 represents the suppliers of our Tier 1 suppliers, and Tier 3 represents the suppliers of Tier 2, and so on. We acknowledge that, although 96.5 per cent of our Tier 1 (direct) suppliers are located in Australia, a country with a lower risk factor for modern slavery according to The Global Slavery Index 2018, our supply chain is global. We are committed to assessing our supply chain beyond Tier 1 in 2022 to identify and prioritise key high-risk commodities or services.
Executive Leadership Team training	Our Executive Leadership Team will complete modern slavery awareness training in 2022. While the team already has a sound understanding of Chobani's responsibilities and approach to modern slavery, it is important that they are able to continue to educate their teams and identify any potential risks.



Consultation

Chobani Pty Ltd does not own or control any entities, as such no consultation with other entities was required.

Approval of statement

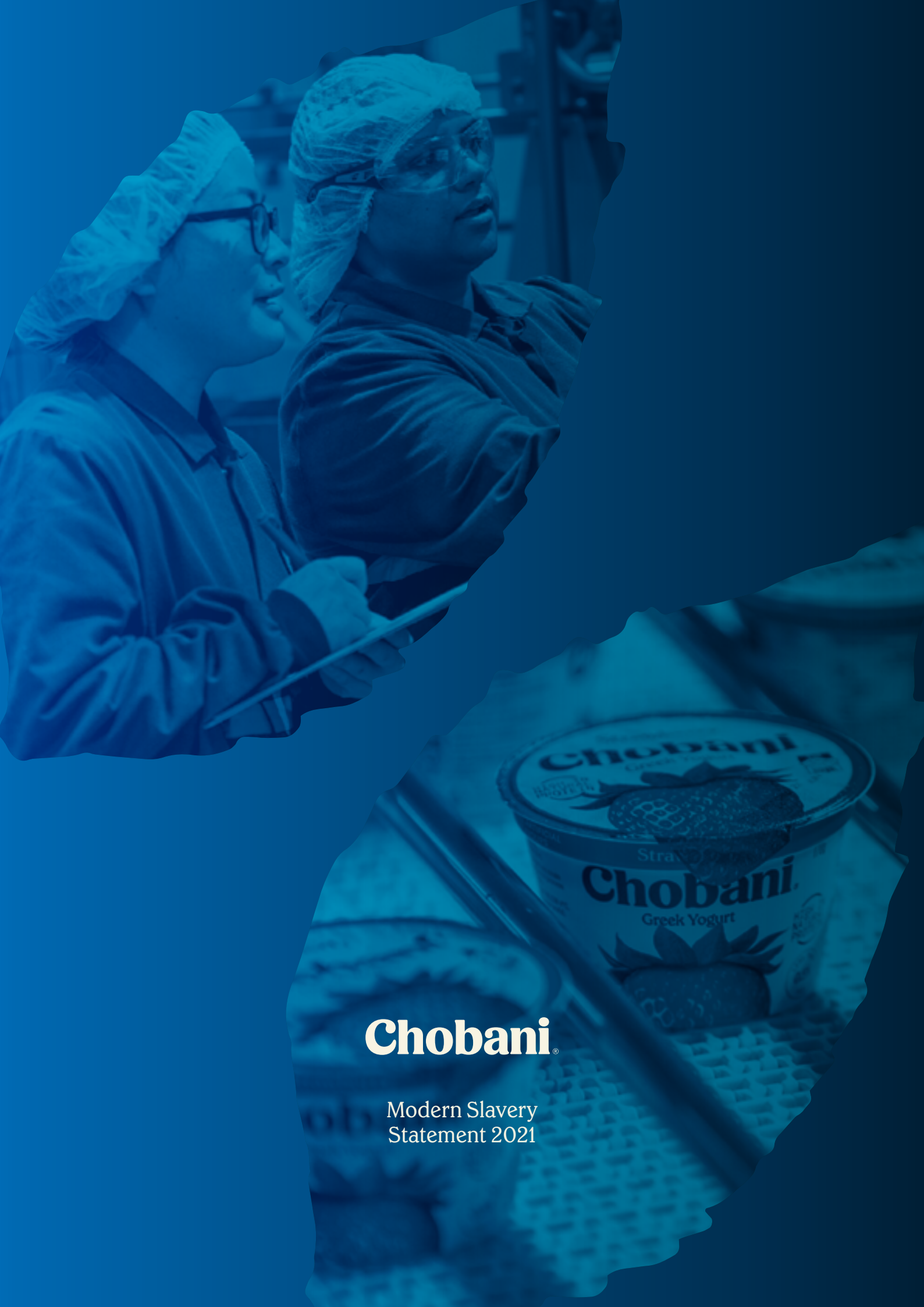
This statement was approved by Chobani Pty Ltd's board of directors (as the principal governing body of that entity) on 18 June 2022.

Lyn Radford
Managing Director
Chobani Pty Ltd

Reporting criteria

Mandatory criteria	Reference in this statement
1. Identify the reporting entity	Reporting entity (page 2)
2. Describe its structure, operations and supply chains	Company overview (page 6)
3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls	Understanding our modern slavery risks (page 10)
4. Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes	Our approach (page 12)
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Assessing our progress (page 16)
6. Describe the process of consultation with any entities the reporting entity owns or controls	Consultation (page 22)
7. Any other relevant information	Impact of COVID-19 (page 18)





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