

The background of the entire page is a photograph of a vast, open green field under a clear blue sky. A large herd of cattle, including many brown and some white cows, is grazing in the field. A dirt path or track runs through the grass from the foreground towards the horizon. The overall scene is bright and clear, suggesting a sunny day.

Modern Slavery Statement FY2021

MODERN SLAVERY STATEMENT FY21

Overview

This is the second Modern Slavery Statement to be issued by Consolidated Pastoral Company Pty Ltd (“CPC”) in accordance with the Modern Slavery Act 2018 (Cth) and applies to the financial year ending 31 March 2021.

CPC is committed to operating responsibly and upholding fundamental human rights and recognises the need to identify and assess modern slavery risks within business operations and the supply chain. We undertake to work with our team at CPC, our customers and suppliers to understand and minimise the risk of modern slavery.

Our Business

CPC is an Australian managed, UK owned Agri-food business with an enterprise value in excess of \$750 million. CPC operates a portfolio of 8 cattle stations with a carrying capacity of 300,000 head of cattle across 3.6m hectares of land in Australia.

Our history goes back to 1860 and our CPC agricultural property portfolio was first consolidated as a company in Australia in 1983. The company also holds a 90% interest in PT Juang Jaya Abdi Alam (JJAA) which owns and operates two feedlot businesses in Indonesia.

Our Structure, Operations and Supply Chain

Structure at 31 March 2021

In October 2020, CPC was purchased by Guy and Julia Hands through the Hands Family Office. Terra Firma (UK) (owned by Guy Hands) is the investment manager of CPC for the Hands Family Office.

CPC Group Holdings Pty Ltd is the Australian parent company of several controlled entities in Australia including CPC. A full listing of the controlled entities is included at Annexure A. CPC is responsible for the operations of the business in Australia and the other controlled entities in Australia exist only for historical reasons. JJAA is responsible for business operations in Indonesia. For the purpose of this report, “CPC” refers to all businesses within the group.

Prior to the October 2020 purchase by the Hands Family Office, the Australian parent company was Lake Woods Holdings Pty Ltd, this was the reporting entity for our modern slavery statement for FY2020.

Operations and Supply Chain

The CPC Australian operations are located across northern Australia with eight cattle stations which breed and grow beef cattle. The administrative office is based in Brisbane, Queensland.

CPC Australia is very customer focused with its direct sales channels primarily involving selling cattle and beef to Asian consumer markets, domestic feedlots or processors, and exporting live cattle.

The Hands Family Office has strong growth aspirations for the business. Their vision is to evolve the business beyond the cattle operation to one which makes greater use of our land, and to take advantage of opportunities for cropping, solar energy, hydrogen, and carbon capture.



The feedlots in Indonesia are located in Lampung (South Sumatra) and Medan (North Sumatra). The Lampung feedlot has a capacity of 19,800 head, while the Medan feedlot has a capacity of 7,200 head; both facilities are “best in class” operations. Cattle are sold from these feedlots to customers who process the cattle. We maintain strong links through the supply chain from feedlot to market with animal welfare and marketing offices visiting customers and processing facilities daily.

Further information on operations available at: www.pastoral.com

Risks of Modern Slavery Practices in Our Operations and Supply Chain

Our operations

We believe that our CPC team employed in Australia and Indonesia are at a low risk to modern slavery and consider that our HR processes, Code of Conduct and company policies further mitigate this risk. Accordingly, we believe that our greatest risk of involvement in modern slavery is being indirectly linked to it through our supply chain relationships.

Supply Chain

We have worked with our suppliers to continue our risk review of the CPC supply chain and identify possible exposure to modern slavery activities. We recognise that the due diligence of these suppliers is important; we aim to do business with like-minded businesses who share our values and are ethically and socially responsible.

Within the CPC supply chain, we have identified product and services risk and geographic risk as the more likely sources of exposure to modern slavery with the supply of materials and products coming from countries with a higher modern slavery risk profile.

We also note that the lack of supply chain traceability and transparency creates a risk with the degree of integrity to meet acceptable practices at lower levels in the chain.

Our Actions Taken to Assess and Address Modern Slavery Risks

Policies and Procedures

As reported in our FY2020 modern slavery statement, CPC has a comprehensive policy framework and operating procedures in place to ensure that our employees and contractors clearly understand our expectations plus also provide them with our commitments to how they will be treated at CPC. Our corporate policies are on a regular review cycle and presented to our Boards for approval as part of the review process.

Contractors/Service Providers

CPC is currently implementing an online contractor induction and evaluation process. This will strengthen our contractor process. The online induction also requires that contractors confirm that they comply with all relevant employment law and workplace health and safety legislation.

Our CPC team

CPC’s team of employees consists of approximately 140 employees in Australia, all engaged by employment contracts and approximately 165 full time employees and 400 part time and contract employees in Indonesia who are engaged by employment contracts or negotiated agreements.



Up to 60% of the Australian team are employed under the conditions of the Consolidated Pastoral Company Enterprise Agreement 2021. The Agreement was originally developed with employee consultation and negotiation including taking to a team vote. Renewed in June 2021, the current agreement achieved 100% vote of support from employees. The HR and payroll team ensures compliance to the agreement and employment contracts.

CPC Team Training

Training sessions are provided to the CPC team to promote company policy awareness and understanding. There has also been executive participation in anti-bribery and corruption training sessions. We have a strong focus on leadership development and health and wellness programs for the Australian and Indonesian CPC team.

Suppliers

During FY2021 CPC continued working with suppliers particularly where there is the geographic risk due to overseas sourcing of raw materials for livestock feed products. We are working with the feed product suppliers to better understand this supply chain risk. COVID 19 has impacted the sourcing of these materials and complicated the risk review process.

During FY2022, CPC will issue modern slavery self-assessment questionnaires to suppliers of high-risk products to further our understanding of the supply chain risks. As part of this process, we will also be reviewing the supplier's contracts for the inclusion of modern slavery clauses.

A CPC shipping manager reviewed practices impacting workers on livestock marine transport vessels and considered the processes which reduce risk in the marine transport supply chain. The processes within this supply chain include the Australian Maritime Safety Authority (AMSA) six monthly inspection of every ship that comes to Australia to confirm they comply to all International Maritime Organisation (IMO) obligations. These inspections are independently audited. Australia and another 173 countries are a signatory to the IMO obligations. It is a requirement that all marine transport operators have signed Seaman's Articles of Agreement with crewmembers, setting out the terms and conditions of their employment.

Measuring Our Effectiveness

At CPC we will continue to review the effectiveness of actions being taken to identify and assess modern slavery risks within our business operations and the supply chain. This review will occur through our risk management and assessment process, policy reviews, supply chain disclosures, site visits and team engagement and training.

Our modern slavery key performance indicators set in FY2021 to measure the effectiveness of our actions are:

- Provide modern slavery training to 100% of the Executive and Senior Management Team (includes procurement).
- Issue and evaluate modern slavery self-assessment questionnaires to 100% of CPC suppliers of high-risk products.
- Develop a Supplier Code of Conduct (Board approved). Suppliers will be provided with a copy of the approved Supplier Code of Conduct before 31 March 2023.



Consultation with Our Controlled Entities

Within the Australian entities listed at Appendix A, only one entity is an employer and undertakes operations, being Consolidated Pastoral Company Pty Ltd, therefore consultation was not required with the other entities. All Australian entities share the same Company Secretary who has been involved in the preparation of this statement.

JJAA has been consulted in the preparation of the statement and Directors of JJAA have knowledge of this statement.

Our Commitment

CPC is committed to working collaboratively with our suppliers, customers, employees and external stakeholders to increase our understanding of modern slavery risks and how we can address them.

This statement is our second Modern Slavery Statement, being for the financial year ending March 2021 made pursuant to the Modern Slavery Act (2018). It has been approved by the Board of CPC Group Holdings Pty Ltd on 14 February 2022.

Signed in accordance with a resolution of directors.



Troy Setter
Director and CEO

Dated 14 February 2022



Annexure A

Wholly Owned Subsidiaries of CPC Group Holdings Pty Ltd (ACN 644 449 758)

Registered office:

Newcastle Waters Station, Drovers Drive,
Newcastle Waters, Northern Territory, Australia 0862.

Company Name	ACN
Baines River Cattle Company Pty Ltd	009 603 516
Consolidated Pastoral Company Pty Ltd	010 080 654
Consolidated Pastoral Group Pty Ltd	644 450 457
Consolidated Pastoral Property Pty Ltd	009 624 159
CPC (China) Pty Ltd	153 136 951
CPC (SE Asia) Pty Ltd	604 035 225
Crosswalk Pty Ltd	009 448 739
Lake Woods Acquisitions Pty Ltd	134 353 192
Lake Woods Group Pty Ltd	134 352 104
Lake Woods Holdings Pty Ltd	134 351 134
Laverton Nominees Pty Ltd	009 639 623

International Subsidiary

Company Name	Country of Registration	Company Number
PT Juang Jaya Abdi Alam	Indonesia	8120 20372 2061



