



30 June 2021 - Modern Slavery Statement

Modern Slavery Statement

This second modern slavery statement (**Statement**) under the *Modern Slavery Act 2018* (Cth) is made jointly by Ridley Corporation Limited, Ridley AgriProducts Pty Ltd and CSF Proteins Pty Ltd in respect of the period from 1 July 2020 to 30 June 2021 (**Reporting Period**).

Introduction

At Ridley, we are serious about social responsibility. Since listing on the Australian Securities Exchange (**ASX**) in 1987, we have become the nation's largest commercial provider of high performance animal nutrition solutions.

Our success brings with it responsibilities for safety, quality, community, people, sustainability and environment. We are proud to be Australian and pride ourselves on providing outstanding products and services to our customers, as well as our commitment to deliver value to our shareholders.

Ridley seeks to protect against all forms of modern slavery or human trafficking within the organisation or as part of the supply chain.

The information in this statement is accurate as at 30 June 2021.

Structure, Operations and Supply Chain



Structure

Ridley Corporation Limited (ACN 006 708 765) (**Ridley**) is a public company incorporated in Australia and listed on the ASX. Ridley has its headquarters in Melbourne and is the parent entity of the Ridley consolidated group of entities (**Ridley Group**).

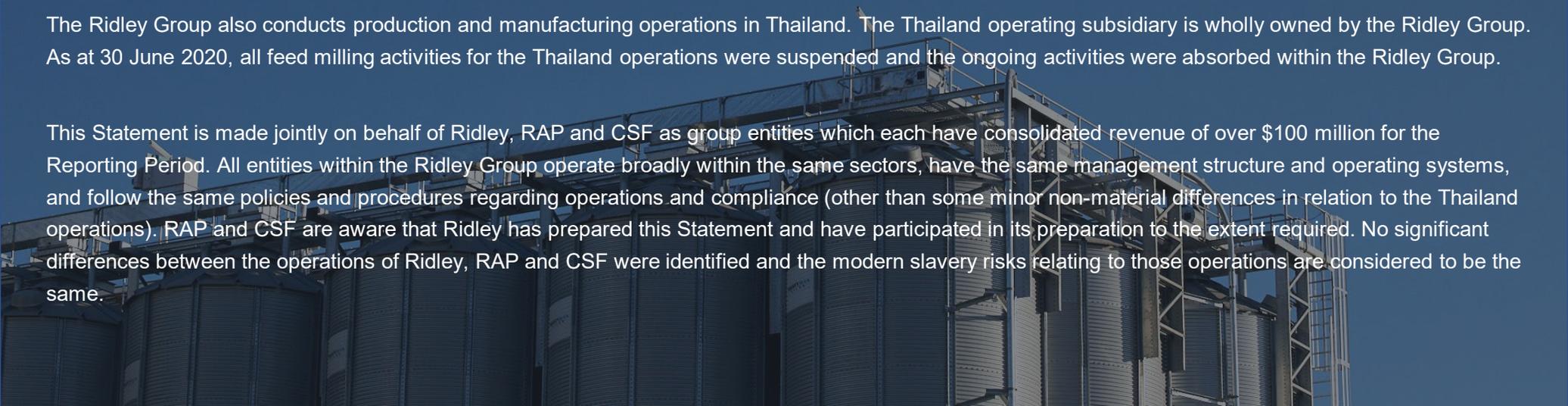
Ridley Group provides animal nutrition solutions and has approximately 600 employees across its manufacturing operations in Australia, plus a further 15 employees in Thailand. 96% of our employees are employed on a permanent full-time or part-time basis, with 4% on fixed-term or casual arrangements.

Approximately 45% of Ridley Group employees are employed under a certified Enterprise Agreement. At some operational sites, Ridley Group engages a small number of labour hire employees to balance fluctuating labour requirements to meet changing production demand throughout the year.

Ridley is the ultimate parent entity of the Ridley Group and operates through a number of subsidiaries, including Ridley AgriProducts Pty Ltd (ACN 006 544 145) (**RAP**) and CSF Proteins Pty Ltd (ACN 000 499 918) (**CSF**), both of which are incorporated in Australia. RAP is a wholly owned subsidiary of Ridley and directly conducts all of the non-Rendering operations of the Ridley Group. CSF is a wholly owned subsidiary of RAP and conducts the Ridley Group's Rendering operations.

The Ridley Group also conducts production and manufacturing operations in Thailand. The Thailand operating subsidiary is wholly owned by the Ridley Group. As at 30 June 2020, all feed milling activities for the Thailand operations were suspended and the ongoing activities were absorbed within the Ridley Group.

This Statement is made jointly on behalf of Ridley, RAP and CSF as group entities which each have consolidated revenue of over \$100 million for the Reporting Period. All entities within the Ridley Group operate broadly within the same sectors, have the same management structure and operating systems, and follow the same policies and procedures regarding operations and compliance (other than some minor non-material differences in relation to the Thailand operations). RAP and CSF are aware that Ridley has prepared this Statement and have participated in its preparation to the extent required. No significant differences between the operations of Ridley, RAP and CSF were identified and the modern slavery risks relating to those operations are considered to be the same.



Operations

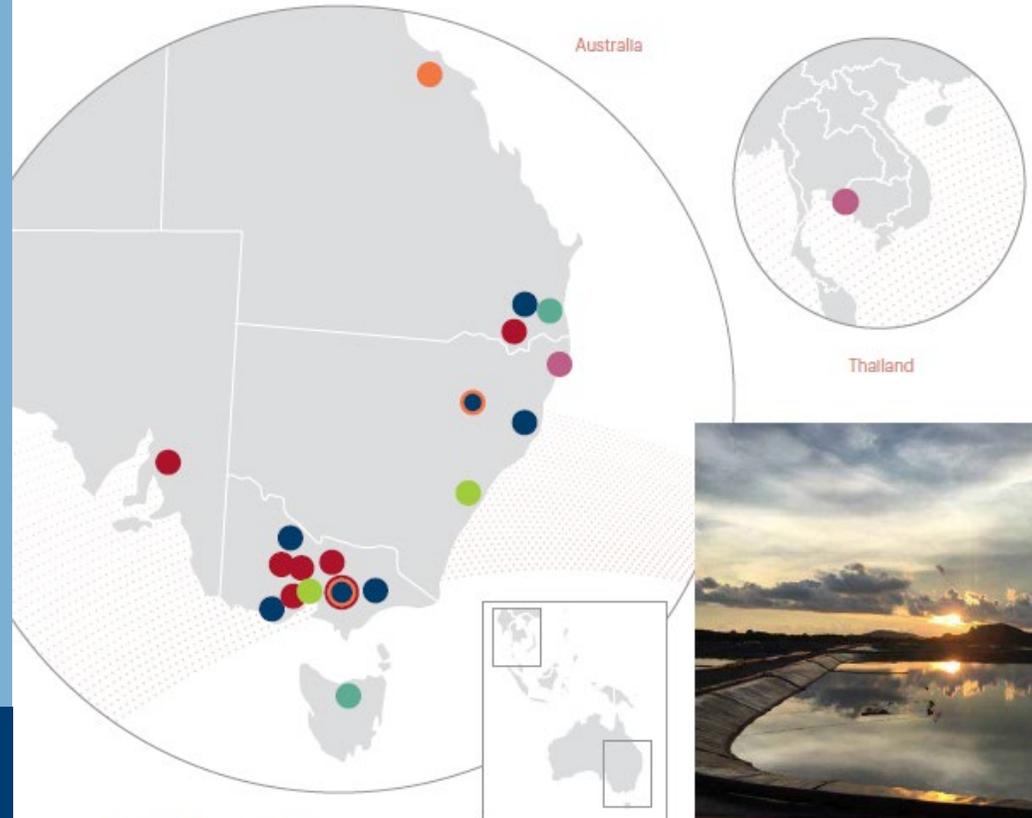
Ridley Group is Australia's largest commercial provider of high-performance animal nutrition solutions. During the Reporting Period, Ridley Group had 19 manufacturing sites across Australia which produce in the vicinity of 1.8 million tonnes a year of finished feeds and feed ingredients based on Australian grown cereal grains. These feeds are provided to animals in the dairy, poultry, pig, beef, horse, sheep, laboratory research, pet food and aquaculture industries in Australia and other countries, predominantly in Asia. During the Reporting Period Ridley Group operated at the following locations and with the following business unit structure:

Ridley Group's manufacturing operation in Chanthaburi, Thailand produces Novacq™ products.

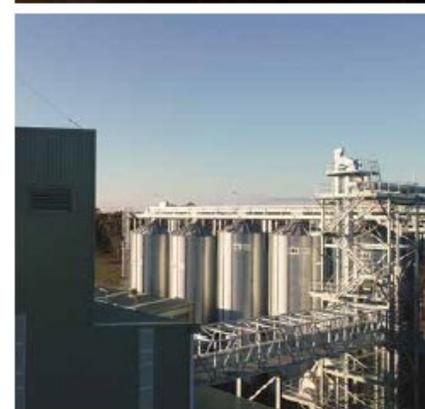
The Ridley Group trades under major brands including Ridley, Barastoc, Rumevite, Cobber and Primo.



Ridley Locations and Sectors



Business Unit	Structure
Bulk Stockfeeds	
● Monogastric	Pellet, meals, concentrates and premixes for poultry and pigs
● Ruminant	Pellet, meals, concentrates and premixes for dairy cattle, beef cattle and sheep
Packaged Feeds and Ingredients	
● Packaged Products and Supplements	Bagged poultry, dairy, dog, horse and lifestyle animal feed, and block and loose lick supplements
● Aquafeed	Extruded and steam pelleted products for all major fin fish and prawns
● Novacq™	Novel value-adding feed ingredient being commercialised for sale into prawn feed globally
● Rendering	Rendered poultry, red meat and fish products for the petfood, stockfeed and aquaculture sectors



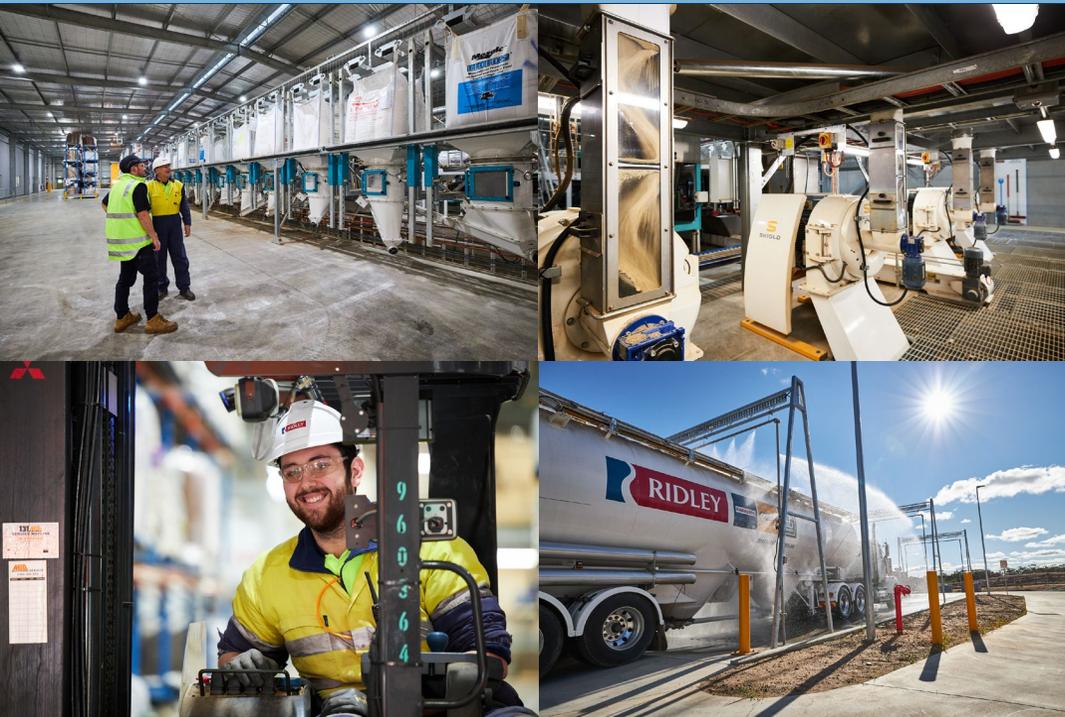
Our Supply Chain



Ridley Group has a large and diverse supplier base. In FY21, we used over 9,000 suppliers and sourced over 600 different ingredients to manufacture our animal feed products. Ingredients are sourced from suppliers ranging from Australian farmers to large multi-national corporations, with the majority sourced domestically, and around 25% of total volume imported either directly from overseas manufacturers or via locally based importers.

The following table summarises the main input and ingredient groups used to manufacture our stockfeed:

Input/ Ingredient Group	Items	Typical origin
Grains	Wheat, barley, canola seed, maize, oats, peas, faba beans	Australia
Vegetable Protein Meals and Oils	Soybean meal, canola meal, dried distiller grains with solubles, canola oil	Argentina, Brazil and Australia
Animal Protein Meals and Fats	Meat and bone meal, poultry meal, fish meal, tallow, fish oil	Australia, Peru, Chile, Thailand, New Zealand, American Samoa, PNG, Uruguay, Costa Rica
Feed Additives	Amino acids, vitamins, minerals, colourings, medications, enzymes, probiotics and others	UK, Europe, India, China, USA, various South American countries
Packaging	Cartons, 20kg bags, bulka bags, pallets	Australia, China and Vietnam



In addition to raw material ingredients, Ridley Group procures a range of other goods and services in connection with its production operations, including: logistics, maintenance and cleaning services; new plant and equipment (including information technology (IT)) and spare parts, energy and utilities; personal protective equipment (PPE) and uniforms; office consumables; chemicals; and casual labour hire.

We have a mixture of short and long term procurement arrangements, depending on the nature of the purchase. Ridley Group has two group functions which manage procurement, the Merchandising team which manages all raw materials procurement and a non-stock procurement area which manages other supply arrangements.

During the FY19 reporting period, Ridley Group prioritised the identification of the highest risk supply chains and service providers. This assessment is still applicable for the FY21 reporting period. Using the guidance provided in the Global Slavery Index (2018) (**GSI**), the following risks were identified in FY19 and reaffirmed in FY21:

Geographic risks

Ridley Group conducts part of its Novacq business operations in Thailand which, according to the GSI, has one of the highest rates of modern slavery in SE Asia.

Ridley Group imports products from a number of countries, some of which are deemed to be high risk under the GSI.

Sector and industry risks

Ridley Group operates in the agricultural and manufacturing sectors. Agriculture is recognised as a high risk industry globally. Migrant and/or itinerant labour may be used by our suppliers, (through both contracted services such as cleaning, or labour used in the production of our ingredients) and on farms supplying raw materials such as grains and oilseeds.

Products and services risks

In conducting our risk assessment, we focussed our initial review on the following key categories:

Goods:

- Raw materials (particularly fish meal/oil, molasses, HP2 and DFS)
- PPE and uniforms
- Packaging
- Electronics

Services:

- Cleaning services
- IT procurement
- Shipping and freight
- Contract maintenance services
- Contractors and casual labour hire

Entity risks

Given the large number of ingredients and products procured by the Ridley Group, we use a significant number of local suppliers who import products for on-supply to Ridley Group (for example packaging). There is a risk that because we do not have full visibility of the supply chain, we may be inadvertently supporting modern slavery practices.

We also identified that our tender or negotiation processes for ingredients and other items may have the potential to pressure suppliers to submit prices that are so low as to encourage inhumane labour practices in the supply chain in order to make a profit from the transaction.

Combining the geographic risks with the aforementioned product risks, we identified that the potential high risk areas for Ridley Group are:

- Novacq™ operations, particularly purchases of molasses, packaging and uniforms;
- Imported Fish Meal and Oils from SE Asia and South America;
- Imported PPE clothing and equipment from China and Malaysia; and
- Imported laptops, computers and mobile phones from China and Malaysia.

Risk Mitigation & Remediation

In FY21, Ridley Group engaged KPMG to conduct a Modern Slavery Benchmark Survey in order to better understand where we are at in our modern slavery journey. The self-assessed survey is grounded in a systemic and evidence-based methodology and is informed by, and aligns with, the UN Guiding Principles on Business and Human Rights and other international standards and frameworks. In undertaking this process, Ridley Group seeks to determine the maturity of its approach to managing modern slavery risk related to supply chain and operations by benchmarking against established elements of international good practice in human rights due diligence. The benchmarking findings will be used to determine recommendations for Ridley Group’s approach and next steps.

The result of the KPMG Modern Slavery Benchmark is summarised in Diagram 2. Ridley Group is in the process of analysing the results to assist with prioritisation for the FY22 reporting period.

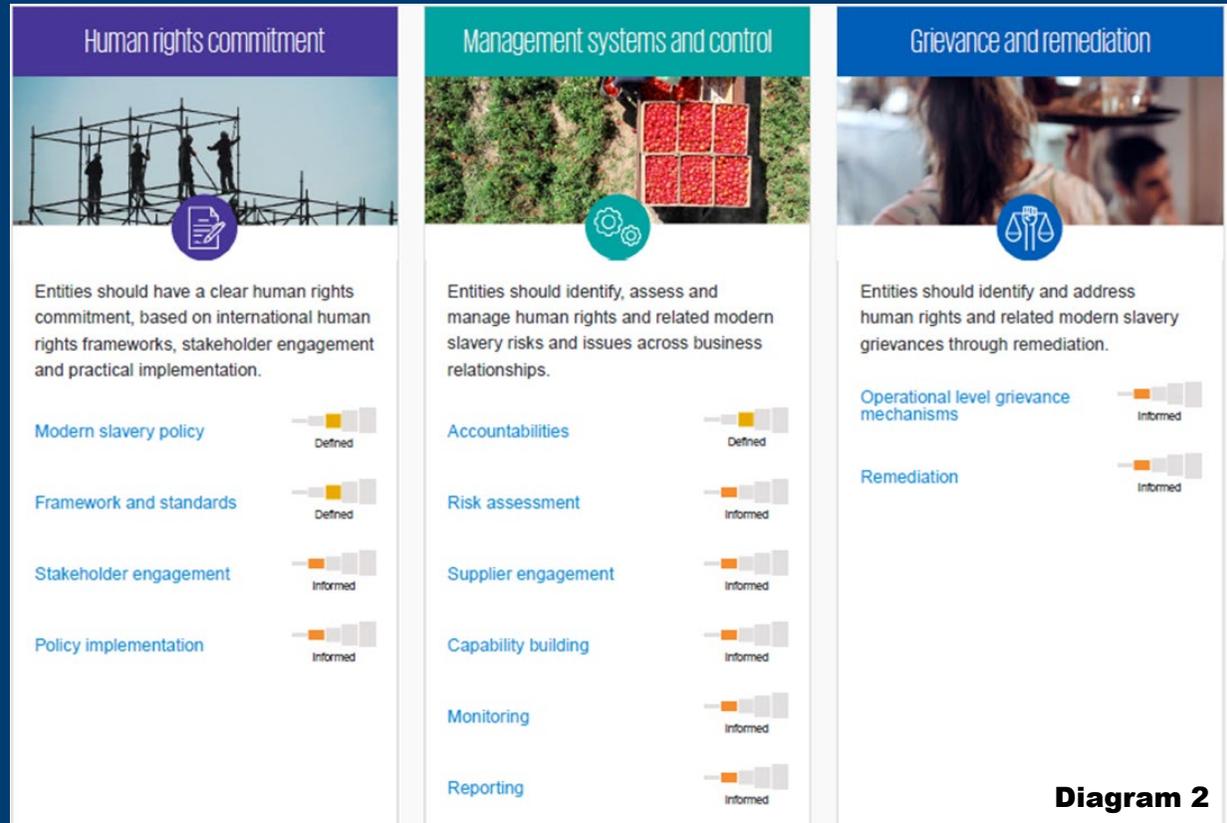


Diagram 2

During the Reporting Period, a review of Ridley Group’s existing supplier approval process was commenced, including a focus on capturing modern slavery risk in our supply chains. This review includes making further improvements to our systems and controls to improve our ability to identify and manage modern slavery risks. Ridley Group will continue to improve on engagement with higher risk suppliers to identify risk of modern slavery practices in their operations and develop awareness within the organisation about the exploitation of workers around the globe and the importance of due diligence in selecting supply chain partners.

The following policies and procedures are currently in place to support Ridley Group's governance framework and act as a control in managing modern slavery risk. These policies also reflect the standards of behaviour and professionalism required to maintain confidence in Ridley Group's integrity.

- **Ridley Corporate Governance Statement:** This Corporate Governance Statement outlines the key aspects of the corporate governance framework that has been established by the Ridley Board and which has operated throughout the year ended 30 June 2021.
- **Code of Conduct:** The Ridley Group Code of Conduct provides a clear framework within which all directors and employees are expected to operate and reflects our Values and our Strategic Plan.
- **Anti-bribery and Anti-corruption Policy:** The Anti-bribery and Anti-corruption Policy sets out the standards required of all Ridley Group employees to refrain from any activity that is, or could be alleged to be, corrupt including in the nature of a bribe or otherwise inappropriate payment or inducement.
- **Whistleblower Policy:** The Whistleblower Policy covers the procedures for dealing with reports of suspected improper conduct within Ridley Group. It also addresses the protection of individuals making those reports and investigation of the matters raised by them.
- **Workplace Gender Equality Agency Report:** The Workplace Gender Equality Agency 2020-21 Compliance Program report has been submitted and is publicly available for review at www.ridley.com.au/corporate-governance/corporate-governance.

Each of the above policies, reports and statements are publicly available on our website. As part of our overarching process of review of relevant Ridley Group policies, modern slavery issues will be considered and referenced as appropriate.

Ridley Group continues to update its risk-based management systems to establish suitable, adequate and effective controls in relation to modern slavery and human trafficking.

Future Focus Areas

Areas that we intend to focus on in the next reporting period to better assess and address modern slavery risks are:

- Supplier approval processes –we intend to bolster the current supplier approval process to include a specific assessment of modern slavery risk, and to implement controls to mitigate this risk.
- Contractual terms and Conditions – Ridley Group is progressively reviewing its standard contract and purchase order terms to ensure suppliers are fully aware of, and accept, their obligations under the *Modern Slavery Act 2018* (Cth).
- Employment Contracts, EBAs, and Contractor arrangements – these will be reviewed to ensure that our workers and contractors are not exploited.

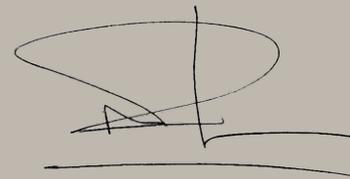
Assessing Effectiveness

Ridley Group continues on the journey to improve its awareness of modern slavery impacts in its business and supply chains. We have identified the areas of concern; however, it is too early to fully assess the effectiveness of any actions taken. We will continue to develop and modify the approach we take to identifying and managing modern slavery risk, particularly by comparing the number of supplier risk assessment we conduct yearly. We will also review the degree of staff awareness of modern slavery risks.

Consultation

Ridley Corporation Limited has consulted with the management of both RAP and CSF in preparing this statement. The statement has also been separately approved by the Boards of each of RAP and CSF.

Approved by the Board of Directors of Ridley Corporation Limited on 30 November 2021.

A handwritten signature in black ink, appearing to read 'Mick McMahon', with a horizontal line underneath.

Mick McMahon
Chairman