

FLETCHER INTERNATIONAL EXPORTS PTY LTD



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Fletcher International Exports Pty Ltd- Modern Slavery Statement

This Statement has been made in accordance with section 16 of the Modern Slavery Act 2018 (Cth) and is published by Fletcher International Exports Pty Ltd for the reporting period 1 July 2020 to 30 June 2021.

The purpose of this statement is to outline the approach the business is taking to minimise the risks of modern slavery across our business and supply chain. Modern slavery is a range of serious forms of exploitation including human trafficking, debt bondage, forced labour and child labour.

Structure, Operations and Supply chain

Fletcher International Exports Pty Ltd (Fletcher's), is a privately owned company, and a reporting entity as defined in the Modern Slavery Act 2018 (Cth).

Fletcher's operates two efficient sheep processing plants strategically located across the east and west coasts of Australia which export the highest quality Australian sheep meat to the world. Together with these plants, Fletcher's is a vertically integrated commodities business, operating two sheep breeding and feeding farms, mixed farming operations, a grain trading business, and an intermodal freight terminal. As a compliment to the freight terminal in Dubbo, Fletcher's operate a freight train service from Dubbo to Sydney.

The business proudly employs over 1,200 team members throughout Australia who are fundamental to our operations.

Our supply chain is predominantly comprised of Australian primary producers, and their agents as we purchase sheep and lambs sourced entirely within Australia. Fletcher's purchase international container shipping freight from global container shipping companies as we sell Australian processed sheep meat around the world. In addition, and to a lesser extent, grain, oilseed and pulses are purchased from primary producers, and other key inputs include packaging, utilities, and maintenance products and services which are purchased mostly from Australian suppliers.

Modern slavery risks in Fletcher's operations and supply chains

Operations

In the processing and agricultural sectors there is inherent risk due to the employment of more vulnerable workers caused by a necessary reliance on migrant and itinerant workers. Fletcher's predominantly employs team members directly, however we also work with two Australian based and operated labour hire companies for some specialised workforce components within the processing plants.

All processing plant team members are covered by EBA's (Enterprise Bargaining Agreements) that are approved by the Fair Work Commission. Every employee is offered permanent employment on or before 6 months of paid employment, and we work very closely with our specialised labour hire companies to ensure that all workers are remunerated correctly, and that appropriate accommodation is provided (where it may be required).

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Supply Chain

Fletcher's supply chain is mainly comprised of Australian primary producers. The agricultural sector can have an inherent risk of employing vulnerable workers; however, livestock production enterprises in the sheep meat sector, as well as the grain, oilseed and pulse sectors tend to have low employee numbers when compared to outputs. We have a large network of buyers and agents that interact directly with this, our most significant supply chain, and the corporate group assesses the risk of modern slavery in these key purchase inputs supply chains to be low.

International container shipping is a major input to our supply chain as we export Australian produce directly to global markets. Our relationship with these suppliers has continued now for decades and we deal only with long established and leading businesses with an Australian representation in this space. These businesses are also working to ensure the international shipping sector's human rights challenges are positively actioned. For our main supplier this includes reporting under the UK Modern Slavery Act of 2015, reporting annual Modern Slavery Transparency Statements detailing their actions in this regard.

Other significant inputs to Fletcher's include including utilities, packaging, and maintenance goods and services. These are sourced mainly from Australian based suppliers. In terms of supply chain these other inputs are a much lower level of purchasing in overall value than items noted above, and risk is mitigated through the focus on locally based suppliers.

Assessing & addressing modern slavery risks

Our policies and controls

At Fletcher's we take pride in maintaining high ethical standards with regards the recruitment, management and compensation of our fundamental resource, being our people. Fletcher's intention is to ensure compliance throughout our business, and within our suppliers, to processes that remove modern forms of slavery, human trafficking or child labour.

We are committed to working with our suppliers and other stakeholders to understand potential areas of risk and to increase transparency. This business imperative is reflected in our development of company policies such as:

- Social Accountability Policy;
- Standard Supplier Terms and Conditions;
- Purchasing Policies and Procedures;
- Bullying and Harassment Policy.

Current processes

As a meat processor, Fletcher's is a highly regulated business that must be transparent across many facets of the business to operate in Australia, and export internationally. Individual business units at Fletcher's have mature and comprehensive management teams that incorporate risk management procedures.

To address modern slavery risks in our business and supply chain we are assessing the current risk management procedures in place. After analysis and documentation of the existing processes, we will collaborate internally to ensure a comprehensive strategy is in place to monitor and improve risks of modern slavery within our own business as well as in our supply chains. Documentation of a comprehensive strategy will incorporate methods for ongoing assessment of risk as well as how to address these risks.

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Assessing effectiveness of our policies and controls

Operating in a highly regulated industry and being an export business demands that we have effective internal controls for many aspects of our business. These policies and controls are assessed for effectiveness through both internal and external audits.

We are audited regularly for compliance with our customer's social accountability including SMETA (Sedex Members Ethical Trade Audit) in our processing plants. These audits review operational conditions with specific reference to modern slavery in the work practices and compensation of team members and other workers. Fletcher's are transparent on these matters for our customers' requirements, and work to ensure the high level of compliance required for these audits.

The effectiveness of policies and controls for Fletcher's supply chain will be assessed through reviewing compliance with requests for assurance and transparency from our suppliers. We will provide reporting on these assessments of effectiveness in future statements as we work to directly address the risk of modern slavery, while acknowledging that existing processes have reduced or mitigated risks in past periods.

Consultation with controlled entities

Fletcher International Exports Pty Ltd has 4 direct subsidiaries or controlled entities. During the reporting period these companies were all dormant and did not trade. If any subsidiary or controlled entity commences trading then Fletcher's will ensure the company policies and controls are implemented to mitigate the risk of modern slavery as defined in the Act occurring in the entities operations or supply chains.

Approval

The Fletcher's Modern Slavery Statement was considered and approved by the Fletcher International Exports Pty Ltd Managing Director on 31st May 2022.



Roger Fletcher
Managing Director