



A.B.N. 57 143 025 307



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Brighann Cotton Marketing Pty Ltd

Modern Slavery Statement 2022

Introduction

This Modern Slavery Statement is pursuant to the Modern Slavery Act 2018. Brighann Cotton Marketing Pty Ltd (ABN 57 143 025 307) is the Reporting Entity defined by the Act. We do not own or control any other entities.

Brighann Cotton Marketing Pty Ltd is a privately owned, Australian cotton merchandising company committed to adhering to high ethical standards and practices across its operations.

This statement outlines our approach to minimising the risk of modern day slavery from occurring in the supply chain in the reporting period ending 31 March 2022.

Structure

The Brighann Cotton Marketing Pty Ltd (BCM) registered head office is located at 1500 Watercourse Road, Moree NSW 2400. We are an international enterprise with a family farming heritage. We have created a robust, all-encompassing marketing service that connects a myriad of cotton farmers to overseas markets.

We employ over 10 employees situated across Moree, Brisbane, Sydney, and China.

Operations

Cotton Lint

BCM is an exporter of cotton lint. We pride ourselves on exceptional quality in our products and services by having specialist knowledge in shipping, warehousing, and farming practices. We have operations in Australia and Brazil.

Here in Australia, we source from growers all over New South Wales and Queensland to help market their cotton into major global markets via our supply chain. We source from responsible growers such as those that are part of the Better Cotton Initiative; world's leading sustainability initiative for cotton that has a multi-stakeholder commitment to the environment, gender equality and the elimination of child and forced labour.

Cottonseed

We supply the domestic market with cottonseed for local feedlots and livestock producers. We are also an exporter, supplying seed crushers and refineries overseas.



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Supply Chain

BCM's supply chains include local growers, storage, and transportation to facilitate the export of cotton. We have an international supply chain, but the majority of our suppliers are local growers in Australia and Brazil, where we source our raw cotton. We also purchase from local traders.

Logistics is another major spending, which include inland freight, warehousing and ocean freight. Other sources of services include our permanent office staff, technology program providers and services, and agents around the world who liaison with our buyers.

Risks in Our Supply Chain

The majority of our operations occur in Australia, which is one of world's best countries in terms of upholding human rights and the lowest in modern slavery prevalence. Therefore, the risk where we directly contribute to modern day slavery is extremely low. The remainder of our supply chain is located primarily in Brazil. Although Brazil has a higher slavery risk than Australia, it is still rated among the world's lowest in terms of slavery prevalence according to the Global Slavery Index. Nevertheless, BCM has identified the following risks in our supply chain:

- The use of seasonal workers in the agricultural sector is inherent to the way the industry operates. Temporary labour often comes in the form of foreign workers and populations more susceptible to modern day slavery.
- Inland freight companies demanding unreasonable and dangerous work hours from its drivers.
- Seafarers in the maritime shipping and transport being subjected poor work conditions and many more unethical workplace practices.

Our Actions (including Due Diligence and Risk Management)

We understand the intentions of the Act, which is to constantly review and monitor the supply chain and eliminate or prevent modern day slavery. BCM fully intends to adhere to the requirements of the Act and its principles. In 2020, BCM committed to the Better Cotton Initiative (BCI) by becoming a supplier and manufacturer member. We abide by the BCI Code of Practice and are dedicated to the Mission Statement, both of which are on their website www.bettercotton.org.

Senior management oversees the procurement of ocean freight companies to ensure their values and principles align with ours. We do so by evaluating their code of conduct and their own Modern Day Slavery Statement.

Having the majority of our suppliers in Australia also allows senior management to monitor and examine their practices to ensure they are upholding BCM's commitment to the eight fundamental conventions values of decent work and human rights set by the International Labour Organization. It is a commitment we take seriously through our membership in the BCI.

Where we lack oversight is when sourcing cotton from local growers in Brazil. BCM combats this by buying BCI accredited cotton bales whenever it is possible. Bales with BCI credits costs more, but attached are traceable credits that ensure the grower go through the necessary due diligence to abide by BCI standards. These include processes such as annual audits.



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In short, BCM has high creditability and a reputation to uphold in the cotton industry. Our senior management is actively on the lookout for suppliers that are in breach of our standards. Operations can be suspended with suppliers that have unethical labour practices.

In the future, BCM aims to work closely with suppliers to increase awareness around modern day slavery by educating farmers and providing resources on this issue. We plan to implement internal policy frameworks and internal audits, as well as audit/questionnaires for suppliers to better minimise the risk.

Measuring our Effectiveness

Senior management is unaware of any cases of modern slavery in the current reporting year. We are currently limited in ways of measuring how effective we are at minimising modern day slavery. Our BCI commitment is our only measureable KPI on this issue. BCM will use BCI credits purchased throughout the year as a clear measurement of our impact.

However, we are aware there needs to be more infrastructure around the detection, measurement, and methods of resolution around modern day slavery in our supply chain. Therefore, BCM is committed to establishing a whistle-blower system in the future, as well as creating the abovementioned policies and audit processes. BCM is actively reviewing and improving in this area.

Board Approval

This statement has been reviewed and approved by the Board of Brighann Cotton Marketing

A handwritten signature in black ink, appearing to read 'Ian McDonald'.

Ian McDonald

Director