



Hulon Aquaculture Group Pty Ltd

Modern Slavery Statement

For Financial Year Ended 30 June 2021

Introduction

This joint modern slavery statement is made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) by Hulon Aquaculture Group Pty Ltd ACN 114 456 781 (the Company) on behalf of itself and its reporting entity subsidiaries for the financial year ending 30 June 2021. The Company and all of its subsidiaries are referred to in this report as Hulon or the Hulon Group.

Hulon opposes all forms of slavery and forced labour in its operations and the operations of its suppliers. We are committed to improving our practices to combat slavery. The purpose of this statement is to outline Hulon's approach to ensure that the business has robust frameworks and processes in place to minimise the risk of modern slavery practices within our operations and supply chain.

This is the second Modern Slavery Statement for Hulon.

Structure

Hulon was founded in 1986 in Southern Tasmania by a local Hulon Valley farming family, the Benders. Hulon now has operations across Australia, and during the reporting period employed over 797 people and is a fully vertically-integrated operation incorporating hatching, farming, processing, sales and marketing of Atlantic salmon and ocean trout.

During the reporting period, Hulon was governed by a Board of five members, three independent directors and two executive directors, Peter and Frances Bender. Peter Bender was CEO and Managing Director during the reporting period.

Hulon was listed on the Australian Securities Exchange (ASX) under the code 'HUO' during the reporting period.

Hulon has been acquired by JBS Australia Pty Ltd on 17 November 2021, and it will form part of the JBS Group program from the date of acquisition.

Operations

Hulon's supply chains are both national and international, and include those supply chains specific to its farming and processing activities and those of its general business activities.

The vast majority of Hulon's supplies of raw materials and operational equipment is procured from within Australia. Supplies and equipment are also sourced internationally, and in our extended supply chains it may be that a modern slavery risk is present.

Hulon's supply chain is extensive and includes:

- Service providers assist us and our suppliers in conducting business. These providers operate in a wide range of industries such as:
 - recruiting and labour solutions
 - cleaning, security, maintenance and construction
 - engineering, IT, marketing, health and other professional support services



- transport, logistics and cold storage
- Direct and indirect suppliers of goods to Huon that we either use to incorporate into our finished goods, farmed salmon and ocean trout, to keep the food we produce safe, to keep people safe and operate and maintain various facilities and offices. These goods include:
 - packaging
 - ingredients like spices, sauces and salt etc
 - feed, medicines and other products needed to farm salmon
 - salmon farming, production and other mechanical equipment and parts
 - chemicals, for example for use in cleaning and aquaculture operations
 - uniforms and specialist safety equipment
 - ICT hardware and software
- Financial institutions and insurers
- Landlords under leases or licensing arrangements
- Utilities and other providers of water, electricity, gas and other fuels
- Regulatory and other bodies which for example provide the licences and certifications the Group and its suppliers needs to operate.

Huon engages with suppliers through different forms of contracts, ranging from, purchase orders with standard terms and conditions to one-off short-term contracts to long term umbrella arrangements.

Modern Slavery Risks

Huon recognises that there is a risk that modern slavery practices may be present within its extended supply chain. Such practices may include:

- providers adopt certain strategies to reduce labour costs
- suppliers are based in jurisdictions with relaxed labour and safety regulations, or limited enforcement capabilities
- providers of low value high volume support services adopt certain strategies to be competitive in highly price competitive sectors (for example cleaning services and offshore IT support).

Huon has determined that the risk of modern slavery practices existing within its operations is low. This determination is based on the majority of Huon's operations being within Australia and subject to strict governance and regulatory policies and procedures.

Huon has tailored its risk processes to ensure that Huon is focusing its efforts where there is an elevated risk within its supply chain.

All Huon sites and operations have comprehensive risk assessments in which the risk of modern slavery practices are considered.



Actions taken to assess and address Modern Slavery Risks

Huon has an Anti-Slavery Policy which sets out our commitment to limiting the risks of modern slavery occurring within Huon, infiltrating its supply chains, or through other business relationships.

Huon have a robust Approved Suppliers System and additional Contractor Controls in both of which social responsibility in general and labour relations in particular, including modern slavery, can be considered.

Huon is certified to the Global Gap International Farm Assurance Standard and complies with all the standard's requirements for worker health, safety and welfare. As part of this certification, Huon are assessed against the Global Gap Risk Assessment on Social Practice (GRASP) which specifically considers labour relations and compliance to International Labour Organisation (ILO) core labour conditions 29 and 105 on forced labour.

Huon has always achieved a 100% score on this Risk Assessment on Social Practice. In addition, our third-party suppliers of fish are also certified to the Global Gap International Farm Assurance Standard and have completed the GRASP assessment, also achieving 100% scores. Huon's feed supply companies have, and continue to do, a significant amount of work to secure supply chains to eliminate any connection with unethical or illegal conduct. The feed companies have management systems and global supplier auditing programs to ensure all suppliers adhere to their Code of Conduct with regards to working against Anti-Slavery and Human Trafficking.

Huon have established reporting procedures and mechanisms where employees and third parties can report any concerns regarding unethical or illegal conduct, including instances relating to Modern Slavery and Human Trafficking. Employees can report to their manager, or if they wish to remain anonymous, employees and third parties are able to report through our Whistleblower system and processes. No reports were made through the Whistleblower system during the reporting period.

Huon considered and responded to a number of customer questionnaires during the reporting period.

Measuring effectiveness of actions to address Modern Slavery Risks

All policies and risk assessments are reviewed annually and updated as required and annual audits of the business to the Global Gap International Farm Assurance Standard and GRASP module ensures risks of modern slavery in the business and the effectiveness of action to reduce risks are continually addressed. Through these actions the level of understanding of the nature of and risks pertaining to modern slavery has been elevated through the business and have culminated in this Statement.

Future Vision

Huon has been acquired by JBS Australia Pty Ltd, and it will form part of the JBS Group program from the date of acquisition.

Governance

Some of the consultation activities performed within the Group in preparing this Statement include engaging with the board of directors of the Company prior to and throughout the reporting period, collaborating with the Group's various shared service teams (including People and Culture, Procurement, Internal Audit, Legal and Company Secretary), and ensuring directors of all reporting entities covered by this report were satisfied with its contents.



The following Group entities are considered reporting entities under the Modern Slavery Act, and this statement has been approved by the Board of Directors of each of these companies:

- Huon Aquaculture Group Pty Ltd 21 June 2022
- Huon Aquaculture Company Pty Ltd 21 June 2022
- Springfield Hatcheries Pty Ltd 21 June 2022

Brent Eastwood

Hugh Brent Eastwood, Director

Huon Aquaculture Group Pty Ltd (ACN 114 456 781)

Huon Aquaculture Company Pty Ltd (ACN 067 386 109)

Springfield Hatcheries Pty Ltd (ACN 118 533 887)

Date: 28 June 2022