



MODERN SLAVERY STATEMENT

2024



COMPANY OVERVIEW

Australian Food & Fibre (AFF) is a regionally based, vertically integrated agribusiness that focuses on producing high quality Australian cotton for international markets.

As well as being one of Australia's largest cotton growers, with farming operations located in all of NSW's major cotton growing valleys, we also operate modern cotton ginning, warehousing and classing facilities to process our own, and our grower customers' cotton to valued markets around the world. We're also a major supplier of cottonseed to the domestic market and supply cottonseed to international markets.

We have an extensive range of facilities that allows us to maintain control of our supply chain and ensure accurate accountability and traceability of our product from the paddock to the mill. We prioritise producing cotton in an ethical, sustainable manner and recognise the need to continue adapting our practices to further improve our efficiencies and limit impact on the environment.

We're a local minded business that works to support the communities in which we operate, including partnering with local growers to produce some of the world's best cotton.

AFF has operated as a joint venture between the Robinson family and PSP Investments since July 2017, and prior to this AFF operated in the agricultural industry for over 40 years under various holdings. AFF is a privately owned business.

This statement covers the activities of AFF for the **period 1 July 2023 to 30 June 2024.**

COMPANY STRUCTURE



This statement is being submitted on behalf of the reporting entity AFF Holdco Pty Ltd (ACN 656 668 665) as trustee for AFF Holding Trust (the “Company”) and its wholly owned subsidiaries, which are listed below:

- AFF Properties No. 1 Pty Ltd (ACN 618 730 322) as trustee for AFF Operations Trust
- AFF Land Pty Ltd (ACN 618 730 304) as trustee for AFF Land Trust
- AFF Water Pty Ltd (ACN 618 730 331) as trustee for AFF Water Trust
- Bengerang No. 1 Pty Ltd (ACN 629 739 402)
- Bengerang Pty Ltd (ACN 127 984 123)
- Australian Food & Fibre Pty Ltd (ACN 008 436 011)
- Australian Food & Fibre Properties Pty Ltd (ACN 000 753 793)
- Auscott Marketing Pty Ltd (ACN -002 970 667).

Together “AFF”.

OPERATIONS

AFF operates eleven farms spanning across New South Wales (NSW). The regions in which AFF operate are the Border Rivers, Gwydir, Namoi and Macquarie Valleys, as well as the Barwon Darling and Murrumbidgee regions.

AFF head office is located in the regional town of Moree, with AFF committed to contributing to the regional communities that it operates in. Supporting its farming operations, AFF has six cotton gin sites across the valleys in which it operates in NSW, with cotton and other commodity storage facilities at Warren and Narrabri. The cotton classing facility is located in Sydney, with an office in the Sydney CBD supporting the marketing and shipping operations of the business. AFF predominately exports cotton lint and cottonseed.

The business also produces a range of grains, oilseeds and pulses and grazes a herd of cattle. Produce from these operations is sold primarily into the domestic market to merchants and end users.



PEOPLE



AFF is a large sized employer in the agricultural sector that has multiple working locations across regional NSW and in Sydney. AFF has a permanent workforce of approximately 240 employees, and up to an additional 300-400 casual employees during peak season, with irrigation from September to March, and ginning from April through to October. AFF predominantly employs local workers but will use seasonal workers, often from overseas, to help support an increased workload at peak times during the season – namely cotton irrigation and cotton ginning. AFF also engages contractors on an as needs basis where specific services are required.



SUPPLY CHAIN

AFF sources a range of primary goods and services for its farming, ginning and logistics operations:

- Production inputs including fertiliser, chemicals, seed, fuel and plastic wrap.
- Cotton ginning inputs including gin strap and bags.
- Cotton modules from other growers which are processed and/or marketed through AFF gins.
- Farming services from local contracting services such as planting, spraying and harvesting.
- Vehicles and machinery such as light vehicles, tractors and forklifts.
- Plant and equipment maintenance services such as gin equipment repair and irrigation infrastructure maintenance.
- Logistics, including third-party logistics services, including road, rail and ocean freight.
- Safety and personal protective equipment including clothing, footwear and other safety consumables.
- Office based support and professional services including office equipment, legal, accounting and consulting services, IT hardware, stationary and other miscellaneous goods and services.

AFF primarily deal with Australian local suppliers with some consumables, machinery and other items imported from overseas suppliers. Where possible, AFF aim to support the regional suppliers in the regions in which it operates.

MANAGING OUR PEOPLE RISKS

AFF has identified a key people risk associated with the hiring of international workers and has implemented effective controls to mitigate this risk, including ethical recruitment practices and strong compliance with Australian labour laws.

The hiring of international staff is mostly conducted through direct engagement however in some cases casual workers will be employed through approved labour hire organisations. Regardless of the relationship, the company ensures that:

- a.** All workers are remunerated in line with appropriate rates in accordance with the Australian Modern Awards system.
- b.** All staff and contractors are provided with our Code of Conduct which outlines the acceptable standards and behaviour expected of all our directors, employees, contractors and third-party employees.
- c.** Health and safety of our employees, contractors and third-party labour hire is paramount. This is governed by our Work Health and Safety (WHS) Policy that is overseen by our WHS department. The policy is underpinned by WHS regulations, industry standards, and other policies and procedures within AFF. These policies and procedures apply to all people at our worksites, and non-compliance is dealt with through our Performance, Discipline and Termination Policy. Our WHS team consistently monitor the requirements of national and state based legislation to ensure suitability and effectiveness of the policies and procedures. AFF have a Work Health and Safety Management System (WSMS) which support our operations and the management of policies, practices and procedures.
- d.** Recruitment is managed through our Human Resources (HR) team, who ensure all laws and regulations relating to the federal Fair Work Act 2009 (Cth), wages, entitlements and payroll protocols are met. These also include validation of rights to work and reference checks.
- e.** Employees are paid through our centralised payroll team and contractors are paid on invoice according to the terms of their agreements via our Finance team.
- f.** All contractors undertaking on site work are required to complete an on-site induction, to have an understanding of AFF's WHS policies, and are required to complete a Contractor/Labour Hire Compliance questionnaire which includes certifications on compliance with employee related payments and rights. These requirements are covered by AFF's Contractor and Labour Hire Policy. In addition, AFF regularly monitors our suppliers for compliance with Fair Work Act and highlights any issues should they arise.
- g.** All permanent and casual staff and contractors have access to AFF's Whistleblower Policy, which has direct instructions on how to report any breaches outside of the organisation.

AFF has no tolerance for exploitation and will only hire staff who have willingly consented to employment, are of legal working age and have the correct working rights to work in Australia.





MANAGING OUR SUPPLY CHAIN RISKS

AFF has an extensive network of suppliers across areas such as seed supply, chemicals, fertilisers, fuel, transport, and machinery. Many of these goods are purchased from reputable suppliers through their local branches and dealerships. AFF also purchase cotton directly from other growers within the local regions.

AFF continues to consider what potential modern slavery risks the business contributes to, directly or indirectly, throughout our own operations and supply chain.

There are inherent limitations on transparency and oversight in the supply chain, where AFF may not always have full visibility into labour practices at every stage of the supply chain and across multiple intermediaries. Many of AFF's major suppliers are large-scale businesses bound by legislative requirements related to modern slavery and fair practices. However, residual risks include:

- Inputs sourced from international suppliers in countries where labour rights may be less regulated.

Supply from other businesses which may not have adequate controls and processes in place to mitigate modern slavery risks in the same manner as AFF.

To ensure controls are in place to address these risks, AFF has developed a Responsible Procurement Policy and a Supplier Code of Conduct. These documents are being operationalised in the business in FY25. These documents outline an expectation for suppliers to respect and comply with laws relating to labour, workplace health and safety, humans rights and anti-corruption.

PERFORMANCE AND KEY ACTIONS

As part of its commitment towards continuous improvement, AFF continues to further develop policies and improve procedures, monitor requirements, perform ongoing risk assessments and ensure frameworks that address concerns, and any issues of Modern Slavery are in place.



| Area | Actions Completed |
|----------------------------------|---|
| Policies & Governance | <ul style="list-style-type: none">• Responsible Procurement policy developed.• Supplier Code of Conduct developed.• Annual review of HR policy suite completed.• Sustainability Committee established as a standalone sub-Board Committee, meeting frequently (previously combined with Safety). |
| Awareness & Training | <ul style="list-style-type: none">• Increased communication with Board on modern slavery practices, notably involvement in policy and document review procedures.• Modern slavery addressed in key presentations to management teams to increase awareness and understanding.• Adherence to modern slavery laws and standards assessed through AFF sustainability certifications, namely Leading Harvest. |
| Risk Identification | <ul style="list-style-type: none">• Assessment of AFF vendor, grower and contractor lists to understand areas of materiality and potential risk.• Assessment of AFF P&L statements to categorise areas of spend on purchased goods and services, to understand areas of materiality and potential risk. |

In FY25 AFF will focus on notable key areas:

- Implement the Supplier Code of Conduct.
- Work with suppliers to support their understanding of modern slavery requirements, particularly growers.
- Increase internal communication of modern slavery and responsible procurement.
- Enhance governance and board reporting on modern slavery and actions being taken.
- Provide awareness training for Board Directors.
- Continue to assess the risk of first-tier suppliers.

MEASURING EFFECTIVENESS

AFF monitors the effectiveness of our actions to remove the risk of modern slavery from our operations and supply chain by:

- Ensuring the effective implementation of policies within the organisation;
- Investigating any reports received from employees, customers/suppliers, the public, or regulatory agencies that indicate the existence of modern slavery practices;
- Management and reporting of breaches identified by internal/external audit programs or Whistleblower sources;
- Engagement with stakeholders on modern slavery issues or concerns, including, suppliers, third-party auditors, providers of accreditations, financiers, and customers; and
- Quarterly review of ESG requirements including Modern Slavery practices through our quarterly Board Meetings and sub-Board Committee meetings.

Policies supporting our Commitment

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| AFF Code of Conduct | Defines what is expected of our employees and Directors in relation to their behaviour whilst working for AFF. |
| Supplier Code of Conduct | Outlines the expectations of AFF suppliers related to the procurement of goods which covers business practice related to human rights, modern slavery, safety and ethical behaviour. |
| Modern Slavery Policy | Provides an understanding of our commitment to the overarching principles on human rights by having a zero tolerance approach to modern slavery in the business that applies to employees, directors and our supply chain relationships. |
| Responsible Procurement Policy | Reflects AFFs commitment to responsible sourcing of all products and services and outlines the expectations the business has with suppliers related to ESG initiatives. It is our commitment to comply with all relevant laws and regulations related to sourcing products and services and that too is expected from supplies and partners. |
| Workplace Health & Safety Policy | Outlines our commitment to complying with legislation, regulation, codes of practice and industry standards pertaining to WHS to ensure the health, safety and wellbeing of all employees, directors, contractors and visitors that visit our operations are of the highest priority and kept safe. |
| Whistleblower Policy | Defines our commitment to operating an ethical and compliant business, providing a safe and respectable workplace for all staff offering an environment to come forward with concerns and protects employees when they do so. |



CONSULTATION & APPROVAL

AFF is committed to a companywide approach to mitigating the risks of modern slavery.

All entities are managed by the executive leadership team and Board to ensure adherence to group policies, procedures and operational standards.

This statement was approved by the AFF Board of Directors on 3 December 2024 for and on behalf of each of the Reporting Entities and signed by the Managing Director on behalf of the Board of Directors.

Joe Robinson
Managing Director
Australian Food & Fibre