



DARWALLA GROUP

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Modern Slavery reporting – Darwalla Group

1. Reporting entity

The Darwalla Group (Darwalla) is made up of the following Australian Private Companies, all of which are wholly owned and operated as one entity under the banner of the 'Darwalla Group' or simply 'Darwalla':

| | |
|---------------------------------------|--------------------|
| Darwalla Poultry Distributors Pty Ltd | ABN 20 009 717 873 |
| Darwalla Poultry Producers Pty Ltd | ABN 62 009 698 622 |
| Darwalla Egg Producers Pty Ltd | ABN 47 009 698 560 |
| Golden Egg Producers Pty Ltd | ABN 34 009 761 228 |
| Darwalla Milling Company Pty Ltd | ABN 64 009 698 631 |
| Golden Cockerel (1962) Pty Ltd | ABN 22 009 717 882 |
| Darwalla Farming and Plant Pty Ltd | ABN 60 009 709 942 |
| Benfer Holdings Pty Ltd | ABN 35 009 699 316 |

All entities above have their registered address as:

1, 5, 5A or 56 Darwalla Road,
Mount Cotton, Queensland, 4165, Australia.

2. Darwalla structure, operations, and supply chains

Structure

Darwalla is a privately owned family business with poultry operations located wholly within Australia. Darwalla was founded in Mt Cotton in 1933 by the late Adolph (Dolf) Benfer, with current ownership remaining within the Benfer family.

Operations

Darwalla's main operations are poultry production and our operations across the Group include:

- The direct employment of 150 employees (as at 31 December 2020)
- The production of poultry feed
- The maintenance of our infrastructure
- The rearing of breeder chicks, the production of fertile eggs, the hatching of those eggs and the rearing of broiler chickens

Locations

Darwalla owns and operates sites located throughout South East Queensland:

- Rearing farms in Laidley and Killarney,
- Breeder production farms in Back Plains, Mt Molar, Hendon and Victoria Hill,
- Hatchery in Allora,
- Broiler farms in the Redlands, Logan and Lockyer districts,
- Feed Mill and Weighbridge in Mt Cotton, and
- Office and support staff located in Mt Cotton.

Supply Chains

Darwalla's supply chains include the purchase of products supplied by third party entities, including:

- Day-old breeder chickens,
- Wood shavings for bedding,
- Raw feed materials including grains, vitamins and feed additives,
- Poultry infrastructure materials, including shedding, nesting, hatching and transportation crates,
- Chemicals for cleaning,
- Fuel and gas,
- Consumables such as uniforms, office supplies and personal protective equipment,
- Packaging.

The services which are undertaken by third parties which support and contribute to Darwalla's production include:

- Feed production,
- Cartage and transportation of goods,
- Contract growing of poultry,
- Catching and transportation of poultry,
- Professional consultancy (such as legal, accounting, training),
- Labour hire,
- Internal contractors such as electricians, cleaners, maintenance, and delivery drivers,
- Vehicle, machinery, and specialist equipment servicing,
- Pest control,
- Earth moving and construction,
- Waste removal.

Owned entities

Darwalla owns 50% of two poultry processing plants, with which we supply live poultry:

1. Golden Cockerel Pty Ltd ABN 84 009 906 432
2. Toowoomba Poultry ABN 12 162 583 851

Golden Cockerel is registered at and operates from 1483 Mount Cotton Road, Mount Cotton QLD 4165. Darwalla supplies 50% of Golden Cockerel's live birds, making them Darwalla's main customer. Golden Cockerel's main operations include the processing, sale, and distribution of fresh and frozen poultry meats.

Toowoomba Poultry is also registered at 1483 Mount Cotton Road, Mount Cotton QLD 4165 and operates from 840 Greenwattle Street, Harristown QLD 4350. Toowoomba Poultry is the processing plant for breeder and layer poultry. Darwalla is a supplier to Toowoomba Poultry of our redundant breeder chickens. Toowoomba Poultry's operations include the processing, sale and distribution of frozen poultry meats.

Although Darwalla owns and controls 50% of Golden Cockerel and Toowoomba Poultry, they are customers of Darwalla, and as such, reporting for modern slavery purposes will be undertaken by themselves separately and therefore is not included in this document.

3. Risks of Modern Slavery in operations and supply chains

As we operate a vertically integrated business within the agriculture sector, Darwalla acknowledges there are risks of adverse behaviour within our supply chain. Our operations and supply chain includes some of the risk indicators for modern slavery which will direct our actions to mitigate these risks.

Given our operations are located wholly within Queensland and our adherence to Australian workplace laws, Darwalla believes there is a very low risk of *causing* any modern slavery practices.

Darwalla believes there is a medium of *contributing to* modern slavery practices, through the unknown actions of others our extensive supply chain.

Darwalla believes there is a medium risk of being *directly linked* to modern slavery practices, through the unknown actions of others in our extensive supply chain.

| Risk type | Risk indicators | Risk rank |
|--------------------------|--|-----------|
| Industry risk | Contributing to or being directly linked: <ul style="list-style-type: none"> To the use of unskilled labour, foreign workers, labour hire, remote work in the agriculture sector; Through unknown labour and recruitment practices of companies within our supply chain. | Medium |
| Product and service risk | Contributing to or being directly linked: <ul style="list-style-type: none"> Through the purchase and use of products and services within our supply chain that support our operations. | Medium |
| Geography | Contributing to or being directly linked: <ul style="list-style-type: none"> Through the purchase of goods used within our operations from countries who do not comply with modern slavery practices. | Medium |
| Entity | Contributing to or being directly linked: <ul style="list-style-type: none"> Through entities within our supply chain not meeting modern slavery standards. | Medium |

4. Actions taken to address risks

Darwalla has already undertaken various actions to address risks of modern slavery as part of our preparation for modern slavery reporting, but also whilst meeting our obligations under other Australian legislative requirements, such as Fair Work, Chain of Responsibility, Whistleblower protections and Work Health and Safety.

| Actions taken | When | Intended outcome |
|--|------------|--|
| Independent payroll audit within Darwalla | Late 2020 | Identify any underpayments or malpractice within the payroll process |
| Industrial relations training within Darwalla | Ongoing | Prevent employer malpractice |
| Contracts of employment for all direct employees of Darwalla | Late 2020 | Employees are aware of their conditions of work and applicable Industrial Instrument |
| Payroll audits of labour hire provider | Late 2020 | Confirming compliance with |
| Whistleblowing policy implemented | 2020 | Employees have the means to provide information confidentially |
| Darwalla supplier review | Early 2021 | Scoping to determine the extent of our immediate supply chain |
| Darwalla third party supplier assurance program | Ongoing | Suppliers of goods to Darwalla are required to confirm compliance under Modern Slavery practices |
| Contractor review | Ongoing | Contractors will be required to confirm compliance with modern slavery practices as part of their induction |
| Contract review | Ongoing | Contracts with other parties will be reviewed to include reference to compliance with modern slavery practices |

5. Effectiveness of actions

Darwalla has already undertaken numerous actions as part of our commitment to reducing our risk of contributing to or being directly linked to modern slavery practices. We are committed to reviewing the actions taken above to identify further gaps and information to improve our response.

Darwalla already has a robust compliance and corrective action system in place, which is used for auditing and meeting other obligations. These same systems currently enable us to continuously assess the effectiveness of and improve those actions across our operations.

6. Process of consultation

In the preparation of this statement, Darwalla employees collaborated extensively within our operations to fulfil the actions reported above. Darwalla also consulted with various contacts from our supply chain, including suppliers, contractors and customers for their input.

It is anticipated that more extensive consultation with other parties will occur in the future as we improve our understanding of the risks of modern slavery within our supply chain.

This statement has been reviewed and approved by senior management and the board of directors of the Darwalla Group.



Kate Benfer
Director

February 2021