



JBS Foods Group

Modern Slavery Statement 2020

*This joint modern slavery statement is made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) by Baybrick Pty Ltd (ACN 067 220 017) (the **Company**) on behalf of itself and its reporting entity subsidiaries for the financial year starting 30 December 2019 and ending 27 December 2020. The Company and all of its subsidiaries are referred to in this report as the **JBS Foods Group, JBS Foods or the Group**.*

Our Commitment

The JBS Foods Group 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.

About Our Group

Our Group is Australia's largest and most respected meat and food processor with a strong portfolio of leading beef, smallgoods, lamb, pork and value-added branded products. JBS Foods is a major supplier of animal protein to Australia and the world, providing strong local employment, career opportunities and exporting dollars for the Australian economy. We source product and inputs from Australia and around the world to support our food production business.



Structure

JBS Foods is a group of private companies controlled or majority owned by JBS SA, a company incorporated and listed in Brazil.¹ The group includes:

- JBS Australia Pty Ltd
- Primo Foods Pty Ltd
- Andrews Meat Industries Pty Ltd
- White Stripe Foods Pty Ltd

The main activities of the Group take place in Australia and New Zealand where the Group employs more than 11,000 team members, who have a diverse range of skills and a strong team culture. There are subsidiaries of our robotics and automation business which operate in Germany, Belgium, the Czech Republic, UK, France, China, the United States of America and Uruguay.

Operations

JBS Foods' main operations are its meat and food processing and manufacturing facilities. The Group also runs feedlots, processes sheep and lamb skins, trades in meat, by-products and other commodities, sells to the public from our retail butcher stores and is a major shareholder in leading automation company, Scott Technology Limited, which specialises in the design and manufacture of advanced automation systems for manufacturers and processors globally. JBS Foods Group has corporate and customer support functions, research and development and engineering teams, is involved in the distribution of our products and associated sales, marketing, transport (direct and contracted) and logistics including the operation of cold storage facilities. The Group also has investments in off-shore sales focused businesses.

Supply Chain

JBS Foods' supply chain is extensive and includes:

- Farmers and operators of feedlots that supply livestock to JBS Foods' feedlots and processing facilities or supply livestock directly or indirectly to the Group's suppliers of meat and by-products
- 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 the Group that we either trade, use to incorporate into our finished goods, raise livestock, to keep the food we produce safe, to keep people safe and operate and maintain various facilities and offices. These goods include:
 - packaging
 - meat and by-products
 - ingredients like spices
 - grain, animal feed, medicines and other produced needed to rear livestock
 - farming, production and other mechanical equipment and parts

¹ For more details about the reporting entity and the Group's structure, see the Governance section at the end of this report.

- chemicals, for example for use in cleaning and agriculture
- 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.

The majority of participants in JBS Foods’ direct supply chain (by spend) are incorporated in Australia or have operations here. On occasion, services (for example, IT and recruitment) are delivered off-shore. Some products such as packaging, production equipment, ICT hardware, logistics and pork can be produced overseas.

JBS Foods engages with suppliers through different forms of contracts, ranging from one-off short-term contracts to long term umbrella arrangements.

Modern Slavery

Policies and Processes

JBS Foods manages modern slavery risks by:

- having in place a Code of Conduct and Ethics which forbids the use of child or forced labour and servitude
- entering into its form of procurement agreements and purchase order terms and conditions with its suppliers, where feasible, that require compliance with laws, and JBS Foods’ policies, including but not limited to its social responsibility policy which prohibits the use of modern slavery practices
- having suitably qualified subject matter experts, processes and procedures in place to ensure JBS Foods’ compliance with employment and safety laws
- employees being employed subject to an appropriate award or employment contract that complies with employment laws
- operating a ‘hotline’ that enables JBS employees to ask questions, identify risks, and report breaches of policies and law



While not all non-wholly owned businesses within the Group operate under a common set of governance policies and programs, a core team of executives and subject matter experts are available to assist each of the businesses within the Group. Through this leadership and shared service model the Group is able to instil the Group’s key values and principles of doing business.

Risks

JBS Foods recognises that there is a risk that its operations and supply chains have the potential to cause, contribute to, or be directly linked to modern slavery practices such as where:

- 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).

JBS Foods has determined that the risk of modern slavery practices existing within its operations is low. This determination is based on the majority of JBS Foods' operations being within Australia and New Zealand and subject to the policies and procedures above.

2020 Actions

In 2020 the Group was focused on improving its understanding and capabilities to identify potential modern slavery risks in its operations and supply chains, improving its policies, and starting to engage with its suppliers to communicate expected standards of behaviour in partnering with us.

The key actions undertaken in 2020 to identify, assess and address modern slavery risks within our operations and supply chain were:

- establishing a Modern Slavery Steering group to understand and identify modern slavery risks that might exist within JBS Foods' operations and its supply chains
- implementing a new "Supplier Code of Conduct" detailing JBS Foods' expectations of its suppliers, which includes the expectation that suppliers will investigate and mitigate the risk that workers may be subject to any form of modern slavery practices.

As set out above, the Group's operations are, and its supply chain is, extensive and diverse. With a focus this past year on the Group's meat and food processing and manufacturing operations in Australia, we also:

- developed and provided training to all members of the Modern Slavery Steering Group and the Company's directors to enable them to understand the risk associated with modern slavery practices
- identified risk categories and further within these groups identified higher risk areas that might exist within JBS Foods' operations and its supply chain
- commenced the staged rollout of the "Supplier Code of Conduct" to the top 200 suppliers managed by Group procurement (by value)
- included a modern slavery update as part of the Company's Board reporting requirements
- responded in detail to a number of questionnaires received from customers.

Measuring Success

JBS Foods will measure the effectiveness of its strategies and actions through:

- quarterly meetings of its Modern Slavery Steering Group which will review existing policies and procedures to ensure that JBS Foods is continuously meeting best practice

- recording the number of modern slavery breaches reported through the Group's hotline, and successful actions taken by JBS Foods to assist a supplier to remedy those breaches
- recording the number of JBS Foods employees that have participated in the Group's internal training programs.

Future Vision

JBS Foods will endeavour to:

- map JBS Foods' supply chain in more detail to identify higher risk suppliers who source product or services from identified high risk countries or regions
- implement a due diligence questionnaire for those suppliers identified as being within a 'high risk' category
- introduce compliance sign-offs from key suppliers
- develop and provide training to all members of the procurement team to enable them to identify and report modern slavery risks and breaches
- develop and roll out training sessions to other teams within the Group to enable employees to better identify and report modern slavery risks and breaches
- ensuring relevant policies, codes and other elements of the compliance framework are rolled out to all Group companies.



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, Sustainability and Corporate Affairs), discussions with management of non-wholly owned subsidiaries 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 on:

The Company (Baybrick Pty Ltd)	21 June 2021
JBS Australia Pty Ltd	21 June 2021
Primo Foods Pty Ltd	21 June 2021
Andrews Meat Industries Pty Ltd	25 June 2021
White Stripe Foods Pty Ltd	25 June 2021
Industry Park Pty Ltd	21 June 2021
Australian Consolidated Food Holdings Pty Ltd	21 June 2021
Premier Beehive Holdco Pty Ltd	21 June 2021
JBS Australia Finance Pty Ltd	25 June 2021
JBS Australia Finance 1 Pty Ltd	25 June 2021



Hugh Brent Eastwood, Director
Baybrick Pty Ltd (ACN 067 220 017)
Date: 28 June 2021



Hugh Brent Eastwood, Director
JBS Australia Pty Ltd (ACN 011 062 338)
Date: 28 June 2021



Hugh Brent Eastwood, Director
Primo Foods Pty Ltd (ACN 002 781 142)
Date: 28 June 2021



Hugh Brent Eastwood, Director
Andrews Meat Industries Pty Ltd (ACN 600 428 537)
Date: 28 June 2021



Matthew Lyne, Director
White Stripe Foods Pty Ltd (ACN 105 781 977)
Date: 28 June 2021



Hugh Brent Eastwood, Director
Industry Park Pty Ltd (ACN 007 256 215)
Date: 28 June 2021



Hugh Brent Eastwood, Director
Australian Consolidated Food Holdings Pty
Ltd (ACN 152 947 101)
Date: 28 June 2021



Hugh Brent Eastwood, Director
Premier Beehive Holdco Pty Ltd (ACN 609
698 606)
Date: 28 June 2021



Hugh Brent Eastwood, Director
JBS Australia Finance Pty Ltd (ACN 609
765 371)
Date: 28 June 2021



Hugh Brent Eastwood, Director
JBS Australia Finance 1 Pty Ltd (ACN 609
968 989)
Date: 28 June 2021