



# LEADING ANIMAL NUTRITION

Modern Slavery Statement 2023



# Modern Slavery Statement 2023

This fourth Modern Slavery Statement (**Statement**), in response to the *Modern Slavery Act 2018 (Cth)*, is made jointly by Ridley Corporation Limited (**Ridley**), Ridley AgriProducts Pty Ltd (**RAP**), CSF Proteins Pty Ltd (**CSF**) and Ridley Corporation (Thailand) Co Ltd (**RCT**) in respect of the period from 1 July 2022 to 30 June 2023 (**Reporting Period**).



Ridley Corporation Limited (ACN 006 708 765) is a public company incorporated in Australia and listed on the Australian Securities Exchange (**ASX**). Ridley has its headquarters in Melbourne and is the parent entity of the Ridley consolidated group of entities (**Ridley** or **Ridley Group**).

The information in this Statement is accurate as at 30 June 2023.

## Guiding Principle

At Ridley, we respect human rights as fundamental to our business and the communities in which we operate. Within our sphere of influence, we seek to put in place processes to support Sustainable Development Goal (SDG) 8.7 to work towards global eradication of forced labour, modern slavery and human trafficking. This means seeking to protect against all forms of modern-day slavery including human trafficking, forced labour and child labour both within our organisation and as part of our supply chain.

We recognise that managing these risks is a key social responsibility for Ridley.

## Our business

Since listing on the ASX in 1987, Ridley has grown to become Australia's leading provider of premium quality, high-performance animal nutrition solutions.

As an integrated animal feed manufacturer, we serve a diverse mix of species and lifecycles. Ridley is one of the largest domestic consumers of Australian-grown cereal grains and a significant employer in farming communities where our facilities are located.

Our integrated capability and scale spans the production and sourcing of raw materials, specialised nutrition formulation,

feed manufacturing and on-ground sales support. We cater to a diverse range of customers, from commercial farms to backyard enthusiasts in the dairy, poultry, pig, aquaculture, sheep and beef industries, and to the equine, canine and home layer markets in the retail sector.

Ridley's feed manufacturing facilities consist of an extrusion plant, supplements plant and 13 feed mills located across South Australia, Victoria, New South Wales and Queensland. From our extrusion plant, supplements plant and feed mills, Ridley produces bulk feed as well as packaged feeds for our major brands including Barastoc, Rumevite, Cobber, Primo, Propel and Food for Dogs.

In addition to our bulk stock and packaged feeds businesses, Ridley operates two ingredient recovery plants in Victoria and New South Wales. From these sites we produce protein meals and animal fats, which are a source of most of Ridley's own animal feed requirements and also supply the stockfeed, pet food and biofuel industries, both domestically and internationally.

Internationally, Ridley has a production site in Chanthaburi, Thailand. At this site, Ridley produces a single specialised ingredient "NovaqPro®".

## Our structure

Ridley is the ultimate parent entity of the Ridley consolidated Group and operates through a number of subsidiaries, including Ridley AgriProducts Pty Ltd (ACN 006 544 145), CSF Proteins Pty Ltd (ACN 000 499 918), both of which are incorporated in Australia, and Ridley Corporation (Thailand) Co Ltd (**RCT**) in Thailand. RAP is a wholly owned subsidiary of Ridley and directly conducts all of the non-ingredient recovery

operations of the Group. CSF is a wholly owned subsidiary of RAP and conducts the Group's ingredient recovery operations. RCT is a wholly owned subsidiary in Thailand. RCT is the primary business and trading entity in Thailand with Pen Ngern Feed Mill Co Ltd (**PNFM**) responsible for the supply of manufacturing services to RCT.

This Statement is made jointly on behalf of Ridley, RAP, CSF and RCT for the Reporting Period. All entities within the Ridley Group operate broadly within the same sectors and share a management structure, operating systems and policy framework regarding operations and compliance (other than some minor differentiation for our Thailand operations).

RAP, CSF and RCT are aware that Ridley has prepared this Statement and have participated in its preparation to the extent required. There are no significant differences between the processes of Ridley, RAP, CSF and RCT.

## Our operations

During the Reporting Period, Ridley had manufacturing sites across Australia which produced in the vicinity of 1.9 million tonnes of finished feeds and feed ingredients. These feeds are provided to animals in the dairy, poultry, pig, beef, horse, sheep, laboratory research, pet food and aquaculture industries in Australia and other countries, predominantly in Asia.

During the Reporting Period, Ridley operated at the following locations and with the following business unit structure:

# Modern Slavery Statement 2023 continued

Diagram 1: Location and sectors



**Bulk Stockfeeds**

- 
- 

Business Unit	Monogastric	Ruminant
<b>Products</b>	Pellet, meals, concentrates and premixes for poultry and pigs.	Pellet, meals, concentrates and premixes for dairy cattle, beef cattle and sheep.

**Packaged Feeds and Ingredients**

- 
- 
- 
- 
- 

Ingredient Recovery	NovaqPro®	Packaged Products	Supplements	Aquafeed
Rendered poultry, red meat and fish products for the pet food, stockfeed, aquaculture and biofuel sectors.	Novel value-adding feed ingredient being commercialised for sale into prawn feed globally.	Bagged poultry, dairy, dog, horse and lifestyle animal feed.	Block and loose lick supplements.	Extruded and steam pelleted products for all major fin fish and prawns.

As at 30 June 2023, Ridley engaged 660 employees within Australia with a further 24 employees at its Thailand production facility. Of these employees, 98% are engaged on a permanent full-time or permanent part-time basis, with 2% on fixed-term contract or casual arrangements. Approximately 45% of Ridley employees are employed under

a certified Enterprise Agreement. Ridley, like many other businesses, has been impacted by the current skills shortage in Australia, and engages labour hire employees where a permanent resource is not available as well as to balance fluctuating labour requirements in response to changes in production demand.

At its production site in Chanthaburi, Thailand, Ridley manufactures a single product (NovaqPro®) on land and in saline water ponds. A detailed case study on our Thailand-based manufacturing operations can be found in our Modern Slavery Statement 2022.

# Modern Slavery Statement 2023 continued

## Our supply chain

Ridley has a large, diverse supplier base. During the reporting period, we engaged with over 9,000 suppliers and sourced over 600 different ingredients and raw materials to manufacture our animal feed products.

We source our ingredients and raw materials across a range of suppliers from Australian farmers to multi-national corporations. While most of our materials are sourced domestically, around 25% of

total volume is imported either directly from overseas manufacturers or via locally based importers. The table below summarises the main input and ingredient groups used to manufacture our stockfeed:

Input/ ingredient group	Items	Typical origin
<b>Grains</b>	Wheat, barley, canola seed, maize, oats, peas, faba beans	Australia
<b>Vegetable protein meals and oils</b>	Soybean meal, Specialty GM Free Soy Protein Concentrate (SPC), canola meal, dried distiller grains with solubles, canola oil	Argentina (Soybean meal), Brazil (GM Free SPC) and the remainder from Australia
<b>Animal protein meals and fats</b>	Meat and bone meal, poultry meal, tallow Fish meal, fish oil	Australia Australia, Peru, Chile, Thailand, New Zealand, American Samoa, PNG, Uruguay, Costa Rica
<b>Feed additives</b>	Amino acids, vitamins, minerals, colourings, medications, enzymes, probiotics and others	UK, Europe, India, China, USA, various South American countries
<b>Packaging</b>	Cartons, 20kg bags, bulka bags, pallets	Australia, China, Vietnam, India and Sri Lanka

In addition to raw material ingredients, Ridley procures a range of other goods and services in connection with its production operations, including: logistics, maintenance and cleaning services, pest control services, new plant and equipment (including information technology) and spare parts, energy and utilities, personal protective equipment and uniforms, office consumables, chemicals and casual labour hire. We have a mixture of short and long-term procurement arrangements, depending on the nature of the purchase.

Ridley has two group functions which manage procurement, the Merchandising team, which manages all raw materials procurement, and a non-stock procurement function, which manages other supply arrangements.



# Modern Slavery Statement 2023 continued

## Snapshot

### Our national procurement contracting practices

In March 2023, Ridley entered into a new national agreement for waste management services. A key inclusion was our modern slavery clause, including warranties in relation to compliance with Modern Slavery Laws, our Modern Slavery Policy and the Ridley Supplier Code of Conduct. Around the same time, Ridley varied and extended a long-standing agreement with our national supplier for 1 tonne and 20kg bags for outgoing finished and packaged feed. A key variation was inclusion of Ridley's modern slavery clause, including warranties in relation to compliance with Modern Slavery Laws, our Modern Slavery Policy and Supplier Code of Conduct, to bring the agreement in line with our expectations.

Modern Slavery Laws means *Modern Slavery Act 2018* (Cth), *Modern Slavery Act 2018* (NSW), *Divisions 270 and 271 of the Criminal Code Act 1995* (Cth) and any other anti-modern slavery laws or legislation in force in Australia from time to time.



## Risk identification

### Assessment of risks

Using the guidance provided in the GSI, the following risks have been identified in past reporting periods:

#### (a) Geographic risks

- I. Ridley conducts the manufacturing of its NovaqPro® product in Thailand, which has been identified in the GSI as having one of the highest rates of modern slavery in South East Asia.
- II. Ridley imports products from a number of countries, some of which are identified as high risk under the GSI.

#### (b) Sector and industry risks

- I. Ridley operates in the agricultural and manufacturing sectors. Agriculture is recognised as a high-risk industry globally. Migrant and/or itinerant labour may be used by our suppliers (through both contracted services such as cleaning, or labour used in the production of our ingredients), and on farms supplying raw materials such as grains and oilseeds.

#### (c) Products and services risks

We remain focused on the following key categories:

- I. Goods:
  - raw materials (particularly fish meal/oil and molasses);
  - personal protective equipment and uniforms;
  - packaging; and
  - electronics.
- II. Services:
  - cleaning services;
  - IT procurement;
  - shipping and freight;
  - contract maintenance services; and
  - contractors and casual labour hire.

#### (d) Entity risks

- I. Given the large number of ingredients and products procured by the Ridley Group, we use a significant number of local suppliers who import products for on-supply to Ridley (for example packaging). There is a risk that because we do not have full visibility of the supply chain, we may be inadvertently

supporting modern slavery practices.

- II. We also identified that our tender or negotiation processes for ingredients and other items may have the potential to pressure suppliers to submit prices that are so low as to encourage inhumane labour practices in the supply chain in order to make a profit from the transaction.

Combining the geographic risks with the product risks above, we identified that the potential high-risk areas for Ridley are:

- NovaqPro™ operations, particularly purchases of molasses, packaging and uniforms;
- imported Fish Meal and Oils from South East Asia and South America;
- imported PPE clothing and equipment from China and Malaysia; and/or
- imported laptops, computers and mobile phones from China and Malaysia.

# Modern Slavery Statement 2023 continued

## Risk mitigation and controls

In FY23, KPMG conducted a Modern Slavery Benchmark Survey for Ridley to help us understand our progress on our modern slavery journey. The self-assessed survey is informed by, and aligns with, the UN Guiding Principles on Business and Human Rights and other international standards and frameworks.

Our FY23 benchmarking shows that across all 12 areas assessed, our already informed processes, systems and controls have been refined and become proficiently managed. Process improvement has been achieved through various initiatives in connection with our human rights commitment,

management systems and control, and grievance and remediation mechanisms.

The results of the FY23 Modern Slavery benchmark (in comparison to the results of the FY21 Modern Slavery Benchmark) are summarised in Diagram 2 below.

Diagram 2

Element	FY21 Results	FY23 Results
<b>Human rights commitment</b>		
Modern slavery policy		↑
Framework and standards		↑
Stakeholder engagement		↑
Policy implementation		↑
<b>Management systems and controls</b>		
Accountabilities		↑
Risk assessment		↑
Supplier engagement		↑
Capability building		↑
Monitoring		↑
Reporting		↑
<b>Grievance and remediation</b>		
Operational grievance mechanisms		↑
Remediation		↑

Scale:



**Ad hoc**

Processes at this level are in a state of dynamic change, tending to be driven in an ad hoc and reactive manner, providing an inconsistent response to the same events.



**Informed**

Processes at this level are unlikely to be rigorous, however, processes are informally established and understood, providing some consistency in response to the same events.



**Defined**

Processes at this level are, in some key functions, standard processes that may be subject to some infrequent degree of improvement over time. This provides mostly consistent practices and outcomes in response to the same events.



**Managed**

Processes at this level have a common and consistent understanding, having been formalised and subject to continuous improvement, providing consistent practices and outcomes in response to the same events. Such processes are typically integrated within wider organisational processes.



**Optimised**

Processes at this level are focused on continuous improvement of the organisational response to the same events through both incremental changes and innovation, and are recognised as a high value add function of the organisation.

# Modern Slavery Statement 2023 continued

## Progress

Since undertaking the initial FY21 survey, Ridley has taken positive steps over the intervening period to develop more mature management systems and controls, implementing:

- **Modern Slavery Working Group:** Since late 2021, we have established a cross-functional working group, sponsored by two Lead Team members, that convenes to address actions to be taken and to review progress against modern slavery objectives.
- **Supplier Due Diligence:** This includes a process that asks modern-day slavery compliance questions with analysis of responses. Currently Ridley has received responses from 98.6% of suppliers to our bulk stockfeeds business (excluding domestic farmer suppliers). The process is undertaken on new suppliers and every one to two years for approved suppliers, subject to the identified level of quality risk.
- **Remedial Actions** where appropriate to either (1) clarify ambiguity in Supplier responses including requesting further information e.g. Sedex Report; and (2) in certain cases, where a supplier has refused to respond to the questionnaire, the option of ceasing to deal with a supplier.
- The **Supplier Code of Conduct** and **Modern Slavery Policy** have been released.
- **Standard Terms and Conditions of Supply** that expressly reference modern slavery obligations, the Ridley Modern Slavery Policy and our Supplier Code of Conduct. Ridley also has a standard form clause for inclusion of supplier contract where a Ridley-based template is not used.

## FY23 progress

**Learning and Development:** In FY23, we consolidated the above actions with a comprehensive modern-day slavery learning and development module. The module was rolled out to Ridley employees who deal with our suppliers, have accountability for teams that deal with our suppliers or who are Lead Team members with enterprise oversight. The module requires an 80% pass mark. In addition to general awareness training, the module focuses on Ridley-specific initiatives "What we do at Ridley" covering our Supplier Code of Conduct (setting expectations in relation to modern-day slavery with suppliers); Supplier Due Diligence; and our Modern Slavery Policy (sets out our human rights position and how to make a disclosure). The module explains how to make a modern-day slavery disclosure under the Modern Slavery Policy or our Speak Up Policy as well as how potential instances of modern-day slavery will be investigated.

**Supplier Management Deep Dive:** During FY23, Ridley reviewed its internal systems for "approved" supplier management with opportunities for improvement identified. The deep dive was sponsored by General Manager Merchandising. A key recommendation was clearer signposting of Ridley's Modern Slavery Policy and Supplier Code of Conduct on the external website, an initiative to be addressed in the coming year.

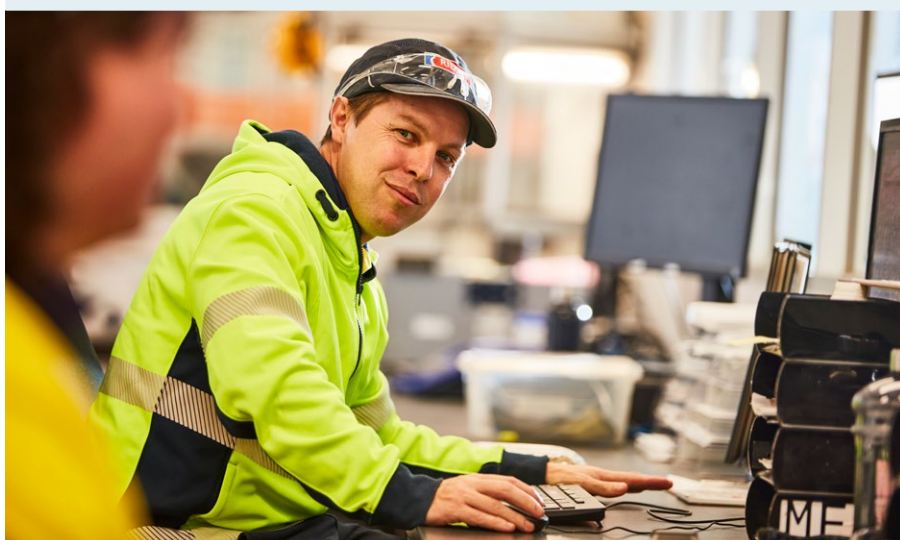
**KPMG Benchmarking:** A follow-up KPMG Modern Slavery Benchmarking Survey was carried out in FY23.

**Speak Up Policy:** The roll-out of our new Speak Up Policy (which is the Ridley whistleblower policy) occurred in FY23. The Speak Up Policy encourages reporting of modern slavery practices in our operations and supply chain and sets out the investigation process and potential outcomes. Since rolling out the new Speak Up Policy, Ridley has received and has actioned disclosures reported under this Policy. As yet, none of the disclosures received related to alleged instances of modern slavery.

## Snapshot

### How Ridley will investigate reports of suspected modern-day slavery?

If we receive a disclosure alleging an instance of modern-day slavery in our supply chain, Ridley will work with a supplier to investigate the disclosure, which may involve the options of conducting an audit and/or implementing any corrective or remedial action. If appropriate, Ridley has the option to consider termination of an agreement with a supplier and may notify relevant authorities. We will respect a disclosers request for anonymity and undertake investigations on a confidential basis if necessary.



# Modern Slavery Statement 2023 continued

## Our policies

Ridley's governance framework incorporates key policies and procedures that address modern-day slavery risk and assist us to provide more effective management of that risk. These policies also reflect the minimum standards of behaviour expected of Ridley employees and other stakeholders.

- (a) **Ridley Corporate Governance Statement:** Our Corporate Governance Statement (year ended 30 June 2023), outlines the corporate governance framework established by our Board and which has operated throughout FY23.
- (b) **Modern Slavery Policy:** The Modern Slavery Policy ([https://www.ridley.com.au/wp-content/uploads/2022/04/Modern-Slavery-Policy\\_updated-April-2022.pdf](https://www.ridley.com.au/wp-content/uploads/2022/04/Modern-Slavery-Policy_updated-April-2022.pdf)) is one of a range of measures designed to strengthen our human rights commitment and to provide a clear and independent reporting mechanism (Stopline) for disclosure of instances of modern slavery in our operations as well as our supply chain. The Policy operates across our Australian and Thailand operations, is publicly available and has been published to all staff along with clear guidelines as to the purpose of the Policy and the disclosure mechanisms offered.
- (c) **Supplier Code of Conduct:** The Supplier Code of Conduct (<https://www.ridley.com.au/wp-content/uploads/2023/06/FINAL-Supplier-Code-of-Conduct-June-2023.pdf>) establishes Ridley's commitment to a range of matters including the protection against all forms of modern slavery and serious exploitation. We expect our Suppliers to share this commitment and this Code sets out the minimum standards expected of all our Suppliers. Compliance with the Code is a contractual requirement under our standard terms and conditions of purchase. Code compliance includes self-assessing against the Code and taking necessary actions to correct non-compliance. Under the Code, Ridley may request evidence and confirmation of compliance with the Code and may cease dealing with any supplier found to have acted in non-compliance, illegally or unethically.

- (d) **Code of Conduct:** The Ridley Code of Conduct provides a clear behavioural framework within which all Directors and employees are expected to operate and reflects our Values and our Strategic Plan.
- (e) **Anti-bribery and Anti-corruption Policy:** The Anti-bribery and Anti-corruption Policy sets out the standards required of all Ridley employees to refrain from any activity that is, or could be alleged to be, corrupt including in the nature of a bribe or otherwise inappropriate payment or inducement.
- (f) **Speak Up Policy:** The Ridley Speak Up Policy (replacing the Whistleblower Policy) was rolled out to all Ridley employees in February 2023. All employees were assigned a mandatory training module at the time of the roll-out. Following completion of the training, employees are expected to have an understanding of what speaking up is, know how to identify potential misconduct (which includes instances of suspected modern-day slavery in our operations or supply chain); understand the role of a Contact Person under the Speak Up Policy; understand Ridley's response to a Speak Up disclosure; and understanding the protections that can apply to a person Speaking Up.
- (g) **Workplace Gender Equality Agency:** The Workplace Gender Equality Agency 2022-2023 Compliance Program report has been submitted and is publicly available for review at <https://www.ridley.com.au/corporate-governance/>.

Each of the above policies, reports and statements are publicly available on our website at <https://www.ridley.com.au/corporate-governance/>.

Of these policies, (b) to (f) above include a clear and independent reporting mechanism (Stopline) for disclosure of instances of modern slavery practices in our operations as well as our supply chain.

As part of our program of review of relevant Group policies, modern slavery issues will continue to be considered and referenced as appropriate.

Ridley continues to update its risk-based management systems to establish suitable, adequate and effective controls in relation to modern slavery and human trafficking.

## Human rights commitment:

Ridley's human rights commitment is set out in our Modern Slavery Policy and our Supplier Code of Conduct.

## Management systems and controls:

### Supplier due diligence:

Ridley continues to review and improve its procedure for approving new suppliers of raw materials, ingredients and additives as well as for packaging. Where suppliers are identified as medium risk from a quality perspective, a supplier questionnaire must be completed in order for both current and new suppliers to be approved. The questionnaire takes the form of a declaration and contains 12 questions under the heading "Ethical, Sustainable and Social Responsibility" that directly address these categories including modern slavery policies and risks. Where answers highlight an issue or are insufficient (i.e. no human rights policies with no plans to implement), Ridley consults with the supplier including advising its intention to expect compliance within a reasonable timeframe.

### Supplier engagement and monitoring:

This is addressed under "Standard Terms and Conditions of Supply" and the "Supplier Code of Conduct". Self-assessment and reporting is built into our Supplier Code of Conduct and a protected disclosure mechanism is offered. A process for identifying higher risk suppliers and completion of questionnaires is in place.

Where we contract with suppliers, we have a modern slavery clause in our Standard Terms and Conditions of Supply. This includes the incorporation of our new Supplier Code of Conduct as a contractual requirement. In FY23, we continued to review other standard Ridley templates relating to supply to ensure suppliers are fully aware of, and accept, their obligations under the *Modern Slavery Act 2018* (Cth).

### Grievance and remediation:

Our Speak Up Policy and Modern Slavery Policy offer an independent disclosure mechanism; with the Speak Up Policy setting out how we will investigate a disclosure. Remediation and other actions flow from the investigation process. Remedial action is also incorporation in our Supplier Due Diligence processes.



# Modern Slavery Statement 2023 continued

## Looking ahead:

### In the FY24 reporting period, we seek to:

- take the learnings from the supplier approval process deep dive and extend the process to other high-risk areas within Ridley's operations and identified under "Assessment of Risk;
- continue the internal education program rolled out in FY23 and modify for suppliers; and
- create a dedicated Supplier Page on our website with a focus on the Supplier Code of Conduct, our Modern Slavery Policy and Ridley's expectations.

## Assessing effectiveness

Ridley continues to develop and modify the approach we take to identifying and managing modern slavery risk taking account of the KPMG Benchmarking Exercise to assess our effectiveness.

## Consultation and Board approvals

Ridley Corporation Limited has consulted with the management of both RAP, CSF and RCT in preparing this Statement. The Statement has also been separately approved by the Boards of each of RAP, CSF and RCT.

Approved by the Board of Directors of Ridley Corporation Limited on 25 October 2023.



**Mick McMahon**  
Chairman

25 October 2023

### Approved by Ridley AgriProducts Pty Ltd

25 October 2023

### Approved by CSF Proteins Pty Ltd

25 October 2023

### Approved by Ridley Corporation (Thailand) Co Ltd

25 October 2023

