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Published in November 2023.

## Introduction

This statement is published in accordance with Section 13 of the *Modern Slavery Act* 2018 (Act) and is the fourth statement for Meat and Livestock Australia Group (MLA) which includes its subsidiaries, MLA Donor Company (MDC) and Integrity Systems Company (ISC).

MLA and its subsidiaries are committed to strengthening our work in this area year on year.

MLA has a zero-tolerance approach towards any conduct that may constitute modern slavery and expects commitment to the principles set out in our Code of Conduct by all organisations with which we do business with.

We will not support or do business with any individual or organisation that is knowingly involved in modern slavery practices.

#### **Our commitment**

MLA recognises that it has a responsibility under the *Modern Slavery Act 2018* (Cth) and is committed to preventing slavery and human trafficking in our business and supply chain.

The purpose of this statement is to present MLA's actions in understanding potential modern slavery risks related to its business, and in developing steps that are aimed at ensuring it has robust frameworks and processes in place to minimise the risk of modern slavery in its own operations and supply chains.



## **Our business and structure**

MLA is the declared industry marketing body and the industry research body under sections 60(1) and 60(2) of the *Australian Meat and Livestock Industry Act 1997*, and is a public company limited by guarantee.

MLA's head office is located at Level 1, 40 Mount Street, North Sydney, NSW, Australia, and has offices in Brisbane, Armidale, and Perth.

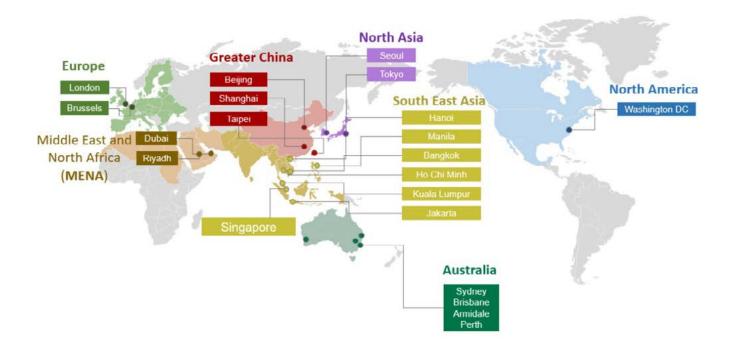
MLA also operates across several international locations such as the United States of America, Japan, South Korea, China, Taiwan, Singapore, Indonesia, the United Kingdom, Brussels and the United Arab Emirates.

MLA also has a presence through local agents in Malaysia, Thailand, Saudi Arabia, the Philippines, and Vietnam. Contact details for these international offices can be found on the MLA website.

As on 30 June 2023, MLA had 290 employees (262 permanent and 28 fixed term contractors) both domestically and internationally.

MLA's workforce profile reflects a balanced gender profile and age distribution across the organisation. More than 55% of MLA employees are women.

MLA employees are based strategically to leverage the best possible access to all stakeholders and to drive demand for red meat in our key markets.



#### **Our purpose**

MLA's purpose is to deliver world leading outcomes that fuel global competitiveness, sustainability, and producer profitability.

To achieve this, MLA collaborates with stakeholders to invest in research, developments and marketing initiatives that contribute to our vision to foster enduring prosperity for the Australian red meat and livestock industry.

Through our subsidiary companies, we also accelerate innovation across the value chain and deliver the industry's integrity and on-farm quality assurance programs.

#### **Our subsidiaries**

MLA owns two operating subsidiary companies, both located in MLA's head office in North Sydney:

**MLA Donor Company (MDC)** 

accelerates innovation across the value chain so that the Australian red meat and livestock industry can remain competitive on the world stage. It does this by attracting commercial investment from individual enterprises and others that have a mutual interest to co-invest in innovation that will benefit the industry.

Integrity Systems Company (ISC) is responsible for delivering the red meat and livestock industry's traceability and quality assurance systems: the Livestock Production Assurance (LPA) program, National Vendor Declaration (NVD) and the National Livestock Identification System (NLIS).

#### **Our funding**

MLA is primarily funded via transaction levies paid on livestock sales by producers and these levies are used to support marketing, research, and development activities.

MLA also receives funding through funding co-contributions matching levy investments through the Australian Government, unmatched grants, and other funding streams

Integrity Systems Company also receives additional income via the sale of national vendor declaration books and the Livestock Production Assurance program accreditation fees.

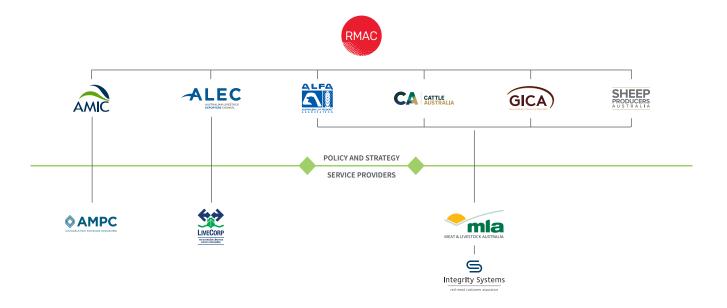


## Our operations and supply chain

MLA works in partnership with the red meat industry and government to deliver marketing, research and development products and services to the Australian beef cattle, sheep, and goat sectors, with the core purpose of fostering the prosperity of the rest meat industry.

The Australian Government sets high-level priority research and developments covering community, industry, and environmental concerns. MLA works closely with peak industry councils and service providers to address issues and opportunities for the industry.

The structure of the overall red meat industry is set out below:



MLA's key operations are broadly categorised as follow:

#### **Key operations**

#### Research, development, adoption, and extension activities

- MLA invests in on-farm, off-farm and value chain information research, development, adoption, and extension programs to boost the productivity, sustainability, and profitability of the Australian red meat industry.
- Our research, development, adoption, and extension activities aim to invest in current and emerging industry leaders, innovators, and scientists to enhance professional and business skills in the red meat industry.
- In addition to these activities being funded through producer levies, MDC accelerates innovation across the value chain by attracting commercial investment from individual enterprises and others that share a mutual interest to co-invest in innovation that will benefit the industry.

#### **Supply chain**

We collaborate with peak industry councils (PICs), rural research and development corporations (RDCs), government bodies and state departments, universities, producer groups, pastoral groups, breeder societies, meat processors and retailers etc. to conduct these activities.

Key operations Supply chain

#### Traceability, integrity systems and programs

- MLA, through its subsidiary ISC, delivers the red meat and livestock industry's traceability and quality assurance systems such as National Livestock Identification System (NLIS), National Vendor Declarations (NVDs), Livestock Production Assurance (LPA) program.
- These activities aim to protect the Australian red meat and livestock industry by helping to protect its disease-free status and provide product assurance to customers and consumers.

ISC collaborates with government bodies and state departments, technology providers, producers, processors, transporters, professional services consultants (including industry trainers, auditors, and accreditation bodies) to ensure we maintain the industry's integrity and assurance programs.

#### Marketing and industry insights programs (domestic and international)

MLA is focussed on demand generation by:

- Building awareness and preference for Australian red meat products through data insights, consumer marketing campaigns and partnering with exporters through marketing development partnership arrangements.
- Maintaining and improving access to global markets, through customised in-market consumer marketing and market access activities.

We engage a range of professional agencies to help implement marketing strategies, including advertising, marketing, event management, branding, design, social media, public relations, and market research.

#### **Communication activities**

- Our communications programs are committed to foster industry prosperity by ensuring MLA's marketing, adoption, extension, research and development products and services are known and accessible to levy payers and stakeholders (government, state farming organisations, the community and MLA members, as well as the industry corporate affairs).
- It also seeks to build confidence in the industry through strong stakeholder engagement, publication of magazines, print and social media presence, and industry events.

We engage a range of consultants and professional agencies to undertake public relations, copywriting, events management, media, and social media management, as well as printing of industry materials.

#### **Operational Support**

MLA's business activities are supported operationally by an in-house corporate services team performing functions relating to:

- Finance
- Monitoring and Evaluation
- Office Services
- Human Resources
- Information Technology
- Knowledge and IP Transfer
- Projects and Process Improvement
- Financial Planning and Analysis
- Legal
- Contracts
- Risk and Compliance

More information on MLA's programs and deliverables can be found in our Annual Report 2022–23.

#### Our operations and supply chain continued

62% of total costs were related to research, development, adoption and extension activities, 32% related to marketing, market access and insights activities, and 6% related to corporate services costs.

Approximately 85% of MLA's total spend during FY23 was with suppliers located in Australia.

Our largest categories of spend were made to suppliers and partners operating in the following sectors, totalling 58% of all spend categories:

- Research and Development Corporations (approximately 19%)
- Universities (approximately 18%)
- Professional services and consultancy firms (approximately 9%)
- Advertising (approximately 7%)
- Government agencies (approximately 5%).

Of the 15% of overseas spend, the majority of the costs were related to direct marketing activities (69%) and administrative support costs (31%).

Reputable advertising and marketing agencies, professional services and consultancy firms, PR and media consultants, data insights, and brand strategists were engaged in delivering marketing activities in our overseas regions.

Our top suppliers by value with total of 41% of FY23 total expenditure were:

- Australian Meat Processor Corporation (R&D investments)
- University of New England (R&D, adoption, and extension investments)
- Department of Regional NSW (R&D, adoption, and extension investments)
- Universal McCann (media and advertising activities)
- Commonwealth Scientific and Industrial Research Organisation (CSIRO) (R&D, adoption, and extension investments)
- University of Queensland (R&D, adoption, and extension investments)
- Department of Agriculture Fisheries (R&D, adoption, and extension investments)
- Murdoch University (R&D, adoption, and extension investments)
- Macdoch Foundation Limited (R&D, adoption, and extension investments)
- University of Southern Queensland Agriculture (R&D, adoption, and extension investments).



## Potential risks in our operations and supply chains

In FY23, MLA engaged approximately 1,585 suppliers from five regions (spanning Australia, Asia, North America, the Middle East, the UK, and Europe) with 65% of suppliers rated as low for modern slavery risks and 35% of suppliers rated medium risk.

MLA has identified a potential for higher risks of modern slavery practices in the following sectors that form part of its business relationships:

- Farming and feed lotting
- Meat processing
- Food manufacturing, food services, catering, and hospitality
- Manufacturing (machinery, clothing, uniforms, and promotional items)
- Commercial cleaning
- Information technology
- Logistics (relocation)
- Recruitment.

A majority of MLA's business relationships with its supply chain is in the capacity of collaborating on research, development, adoption, extension, and marketing activities with universities, professional services, government entities, research centres as well as businesses in the food, beverage, and agriculture (FBA) sectors.

There are multiple modern slavery risk factors present in the FBA sector, such as high demand for base-skilled labour in production, processing, packaging, transport, and services.

Numerous instances of exploitation have been found in the labour sourcing industry and the FBA sector more broadly.

MLA recognises that there is risk that MLA may be directly linked to modern slavery practices through operations of business partners in countries and sectors reported to have a higher prevalence of modern slavery.

In FY23, MLA continued to review its supply chain and refined risk assessments of service providers and suppliers engaged by MLA and its subsidiaries.

The risk assessments considered factors that may possibly cause, contribute, or be directly linked to modern slavery practices as outlined in the Attorney-General's Department's Commonwealth Modern Slavery Act (2018) Guidance for Reporting Entities.



## Our operations and supply chain

MLA has implemented a framework to assist in addressing the modern slavery risks associated with our operations and supply chains. This framework establishes our business processes in respect to modern slavery and human trafficking concerns.

#### Policies and processes

MLA has established a suite of policies to support our modern slavery responses. Our policies clearly articulate the standards we expect from our people, our suppliers, and our business partners, including in relation to preventing and addressing modern slavery risk to ensure MLA has fair and ethical practices in place and is compliant with workplace laws. Our policy framework includes:

- Code of Conduct: A set of guiding principles and minimum standards of ethical behaviour expected of staff when conducting business activities, including zero-tolerance towards any conduct that may constitute modern slavery.
- Whistleblower Policy: Our Whistleblower Policy supports our commitment to maintain an open working environment, in which staff may raise or report concerns of business and personal ethics being breached while performing duties and responsibilities. In addition to internal reporting channels through our Whistleblower Protection Officer, senior management or the Board, MLA has also made available an independent and confidential whistleblower service for its staff, contractors, and other stakeholders to enable reporting of any issues and grievances that may adversely affect MLA, its people, or its reputation.
- Diversity and inclusion policy: This policy is in place to outline our commitment to value and respect the unique contributions of people with diverse backgrounds.
- Anti-Bribery and Corruption Policy: This policy articulates our commitment to complying with laws and regulation addressing fraud, bribery, and corruption in each country we conduct business.
- Procurement Policy: This policy prohibits modern slavery practices and reiterates the Code of Conduct.

This procedure is in place to handle grievances and resolve disputes at work. Employees may informally or formally raise grievances related to work or the work environment where they think any act, omission, situation, or decision is unfair, discriminatory, or unjustified. The resolution steps are also outlined in the procedure to provide

transparency to the process. In FY23, the procedure

was updated to include human rights and modern

slavery-related disputes as part of the procedure.

#### Recruitment

MLA's staff is largely employed in professional roles, delivering research, developments and marketing programs for the industry. 67% of our staff are subject to an Enterprise Agreement, including administrative and support staff. Our Recruitment Policy underpins our commitment to a fair and transparent process, with recruitment strategies developed with the Human Resources team. Candidates are sourced either via external advertising on notable job boards, social channels, and forums, or through reputable recruitment agencies, which are vetted for modern slavery risks.

MLA has in place a Remuneration, People and Culture Committee that has oversight of strategic human resources policies to ensure they are appropriate and consistent with MLA's objectives and values. Furthermore, MLA has in place a Consultative Committee and a Work, Health and Safety Committee that meet on a quarterly basis, with representation across all levels of the organisation. All staff are invited to put forward their thoughts, opinions and ideas on matters relating to terms and conditions of employment, the workplace, MLA's operations, safety, and wellbeing initiatives

#### Due diligence

MLA operates a zero-tolerance approach to modern slavery and is committed to acting ethically in all our business dealings and relationships. MLA has adopted a risk-based approach in our modern slavery due diligence, by applying risk factors, such as sector, industry, types of products and services, geographic locations and entity risks as part of assessments.

In FY23, MLA continued to utilise its implemented systems and controls to record modern slavery risk assessments that were consistent with approved modern slavery risk management methodology. All MLA staff with procurement and project management duties were required to assess suppliers and business partners prior to engagement. New suppliers, as well as renewing suppliers were subjected to due diligence prior to onboarding.

Where suppliers were flagged as being of higher risk for modern slavery practices, due diligence questionnaires were issued and assessed by the Risk and Compliance team. As part of the assessment process, MLA referred to information from reliable sources such as the Attorney-General's Department, the UN Guiding Principles on Business and Human Rights, the Global Business Initiative on Human Rights, the Business and Human Rights Resource Centre and the Global Slavery Index. In FY23, 80 questionnaires were issued to suppliers and business partners flagged for higher risk of modern slavery practices, where information was not readily available. Some of these suppliers and business partners operated in industries such as agriculture, food manufacturing, meat processing, meat wholesale, telecommunications and cleaning. Additional information provided by the identified entities noted adequate governance, policies and controls in place to manage modern slavery risks.

The modern slavery risk management framework is regularly reviewed, and its activities are reported to the Audit, Finance and Risk Committee and the MLA Group Boards on an annual basis.

#### Service provider contracts

MLA has included contractual terms in our standard agreements relating to the requirement for service providers to adhere to Ethics Laws, including the *Modern Slavery Act 2018* (Cth). These agreements are made available on MLA's website.

#### **Knowledge and awareness**

As part of the modern slavery training program to educate new staff on modern slavery risks and established processes to identify and manage such risks, MLA continued to provide targeted training via mandatory e-learning modules and trainer-led sessions to staff in Australia and in our overseas offices. Refresher training sessions were also rolled out to existing staff to ensure high understanding and strong compliance with our processes. In FY23, 90% of new employees attended mandatory modern slavery training and refresher training was also offered to existing staff.

These sessions were aimed at raising staff awareness, educating and reminding staff on their obligations in identifying, mitigating, and reporting modern slavery risks within the supply chain. Staff were also trained in performing and recording modern slavery risk assessments prior to engaging suppliers. With support from the Finance and Contracts teams, the Risk and Compliance team identifies weak compliance issues and provides additional training to ensure the process remains robust.

Staff is also frequently reminded to report to the Risk and Compliance team should they become aware of modern slavery practices in our supplier's operations, for further escalation to senior management. In addition, internal guidelines and resources were available to supplement the training provided through a dedicated modern slavery resource page on MLA's intranet.

In compliance with the *Modern Slavery Act 2018* (Cth), MLA has submitted an annual modern slavery statement to the Australian Government's Online Register for Modern Slavery Statements since FY20. The approved statements have also been published on MLA's website.

# Assessment of the effectiveness of MLA's due diligence process

We are committed to maintaining effective systems to identify, assess, address, and proactively manage modern slavery risks in accordance with relevant legislation, international human rights standards, regulatory obligations, shareholder expectations and good corporate governance principles.

During the reporting period, MLA did not identify any instance of modern slavery practices caused by our own operations, or through our supply chains.

We did not receive complaints or concerns raised through our reporting channels, including the independent whistle-blower hotline. However, we recognise that there are opportunities to improve the framework through stronger and more efficient systems and controls.

#### **Future and continuous improvements**

In FY24, the newly drafted MLA Modern Slavery Remediation Procedure will be finalised and implemented to guide the management and remediation of modern slavery incidents should we have caused or contributed to such practices in our business or in our supply chains.

MLA continues to work on the roadmap developed from an independent review of MLA's Modern Slavery Maturity level (conducted in FY21) and its readiness to comply and respond to the Act.

The outcomes of the report and progress of the roadmap were presented to the Audit, Finance and Risk Committee.

We have identified the following key

#### Key area

#### **Roadmap**

#### Modern Slavery Remediation Procedure

- Implement and communicate to staff the newly drafted Modern Slavery Remediation Procedure.
- Work with the Modern Slavery Remediation Team to clarify roles and responsibilities in accordance with the Procedure.

# Risk Assessment and Due Diligence

Reviewing modern slavery risk assessments and due diligence records in the system to ensure validity, relevancy, completeness, and currency.

## Policy and Governance

- Continue to embed modern slavery clauses in our agreements.
- We are committed to continually improving and refining MLA policies to ensure they remain fit for purpose.
- Continue to review and strengthen MLA's systems and controls to manage modern slavery risks in our operations and supply chains.
- Continue to report on the modern slavery risk management program annually to the Audit, Finance and Risk Committee and the MLA Group Boards.

#### Training and Awareness

- Continue to provide mandatory modern slavery risk training to all new employees in both Australia and overseas locations through e-learning modules and regular trainer-led sessions.
- Increase uptake of refresher training to relevant existing employees in both Australia and overseas locations to ensure compliance with MLA's modern slavery risk management processes remains robust.
- Reiterate each employee's role in identifying, assessing, and reporting modern slavery risks in our supply chain.

## **Consultation with MLA subsidiaries**

MLA has addressed the requirements under the *Modern Slavery Act 2018* (Cth). This statement was approved by the boards of each of the three reporting entities covered by this statement as below:

This statement was endorsed and approved by the MLA Board on 22 November 2023.

This statement was endorsed and approved by the MDC Board on 21 November 2023.

This statement was endorsed and approved by the ISC Board on 21 November 2023.

**Alan Beckett** 

**MLA Board Director - Chair** 

22 November 2023





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MLA's *Modern Slavery Statement* is available online at mla.com.au/modern-slavery-statement