

Modern Slavery Act Statement

As at 30 June 2022



We feed the world with purpose, creativity and care

Statement

AgTrade’s vision is to feed the world with purpose, creativity and care. In accordance with the Modern Slavery Act 2018, AgTrade has continued to embed respect for human rights and upholding human rights principles within our operations and sphere of influence. AgTrade seeks to be a socially responsible organisation and is committed to preventing and addressing modern slavery in supply chains.

AgTrade is an Australian-owned livestock, genetics and food security group based in Brisbane, Australia. Our vision is to feed the world with purpose, creativity and care. We own and operate a diversified portfolio of agribusinesses developed over almost 50 years. A shared common purpose of all our businesses is to create, build and nurture long-term sustainable and premium export markets for Australian primary producers. We are an important source of farm income for many primary producers, farming families and contribute to the prosperity of rural communities.

In the first reporting period (being the financial year ended 30 June 2021), AgTrade undertook activities to form a foundational understanding of our key operational and supply chain modern slavery risks. This included conducting tier one supplier risk assessments, and operational risk assessments for AgTrade. We have continued to build on these assessments focusing on the areas of higher risk that were identified.

We are committed to looking for ways to improve our own understanding of and controls for identifying and managing potential risks, as well as reviewing our approach and assessing the effectiveness of our efforts to date. We acknowledge that this will result in ongoing progress in future years. Our planned activities for future years include:

- Identifying effectiveness measures for our modern slavery actions. For example, following up with suppliers who we have engaged with previously about modern slavery to see what actions they have taken to address risks and understand what other leverage points we have.
- Further investigating risks in the agricultural supply chain, including assessing effectiveness of recently created grievance mechanisms.
- Training to ensure the relevant policies are understood by staff, particularly the Whistleblower Policy and the Code of Conduct.
- Expanding modern slavery training to all staff to raise awareness in all areas of the organisation, rather than just focusing on procurement functions.
- Embed supplier categories into our procurement system so we are better able to understand which suppliers are providing high risk products and respond when there are reported instances of modern slavery overseas.
- Ongoing monitoring of our Tier 1 suppliers and going beyond Tier 1 where reasonably practicable.
- Creating an internal roadmap as part of our ESG strategy that outlines our future actions and when these will be achieved.

Criteria 1: Identify the reporting entity

This is a joint modern slavery statement under section 14 of the Modern Slavery Act 2018 (Cth) (“the Act”) for the reporting period 1 July 2021 to 30 June 2022 (“Reporting Period”).

The statement covers the following entities:

- AgTrade International Pty Ltd (ACN 139 280 461)
- AgTrade Holdings Pty Ltd (ACN 627 070 606)
- Australian Rural Exports Pty Ltd (ACN 009 933 831)

In addition, AgTrade International Pty Ltd and AgTrade Holdings Pty Ltd own and control other subsidiaries who are non-reporting entities under the Act. For the purpose of this statement the above entities and all the non-reporting entities will collectively be referred to as the “AgTrade Group” or “AgTrade” and references to “we”, “us” and “our” are inclusive of the same. The information set out in this Statement is provided as a consolidated description for the AgTrade Group.

Criteria 2: Describe the reporting entity’s structure, operations and supply chains as at 30 June 2022

AgTrade International Pty Ltd is the parent company of the Group which controls a number of subsidiaries, operating as autonomous businesses with equity and debt capital provided by the Group. These businesses operate in accordance with AgTrade Group investment, finance and risk management requirements, including social and environmental responsibility and governance. We have a range of reporting structures and systems in place directed at assuring and supporting effective and pro-active AgTrade oversight.

The key businesses operated by these companies during the 2022 financial reporting period are:

- Paradigm Foods- an Australian-processed premium beef and protein export business
- AgTrade Animal Nutrition - an Australian based animal nutrition product business that trades animal feeds domestically and internationally; and
- AUSTREX – comprised of three businesses being:
 - Global breeder cattle and genetics
 - Elite breeding
 - Feeder and finisher cattle
- Technology and other investments

AgTrade’s tier one supply chain comprises approximately 1,600 suppliers across numerous industry categories and ranging in size from small family-owned businesses to large corporations. Our top categories by spend include:

- Procurement of agricultural commodities, including cattle, hay and other products
- Transportation via road, rail and ocean
- Processing costs relating to meat and hay production
- Animal management services such as agistment, feedlots, veterinary and other costs

Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls

Our Operations and Supply Chains

The supply chains of our businesses encompass every point from on-farm livestock to delivery of product to customer at end destination. The longevity of our business and the strength of our brand relies heavily on assuring the high-quality of our products, along with origin traceability and animal welfare standards where applicable.

Our supply chains typically start on farm (predominantly in Australia and New Zealand) where we source cattle and other livestock, as well as commodities such as hay, from primary producers.

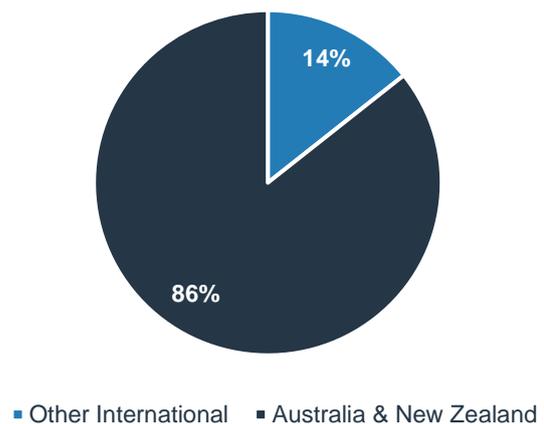
The breeding livestock we purchase are agisted on over 60 rural properties across south-eastern Australia; we also maintain our own breeder cattle herd in Tasmania. To prepare our livestock for either domestic processing or export markets, we contract the services of a range of rural businesses, including feedlots, quarantine facilities, veterinarians and other animal health providers. These services are utilised in locations across Australia and New Zealand.

We contract the services of select Australian abattoirs to process our beef, and specialist sea, land and air transport providers to deliver our livestock and animal nutrition products to our customers. In the case of our breeder livestock and genetics, we provide our international customers with further post-sale technical support, such as veterinary and other animal husbandry services, in-country.

In the reporting period, our tier 1 suppliers were based across 18 countries, however the bulk of these suppliers were based in Australia and New Zealand. The international suppliers largely provide transportation services relating mainly to ocean freight.

Our customer-focused business is made possible by our team of approximately 240, headquartered in Brisbane, Australia, with employees in all States and the Northern Territory. We also employ some offshore team members, predominantly in Indonesia (further details below).

Supply chain spend by Location



Risks of Modern Slavery Practices

A risk assessment on AgTrade's supply chains was performed to identify possible exposure to modern slavery. This assessment has concluded the overall **risk level to be low**. The main points noted in reaching a low overall risk assessment include:

- The positive responses of a number of significant AgTrade suppliers, some of whom have produced their own Modern Slavery Act statements or other assurance materials
- A risk-based approach was undertaken to analyse our suppliers' country of origin against the risk of modern slavery within that country. Each country's risk rating was based on the Global Slavery Index 2018, published by The Mindaroo Foundation and Transparency International's Corruption Perceptions Index. From this analysis, 99.95% of our purchases for the reporting period were from countries where the risk of modern slavery was determined to be low.
- Our employment contracts in Australia and internationally establish clear employment terms and conditions that comply with applicable labour laws and regulations in each jurisdiction

While risk was assessed to be low overall, some of the possible risks identified in our supply chains arise from the lack of visibility into the operations and supply chains of our suppliers. Accordingly, AgTrade will continue to engage with suppliers to gain more visibility within its supply chains to better understand the risks of modern slavery.

AgTrade's Board acknowledges good governance leaves no room for complacency and so requires all businesses in the AgTrade Group to demonstrate appropriate vigilance. To that end, AgTrade has rolled out mandatory training through its online learning portal to educate staff on how to recognise modern slavery and actions to take. All staff are required to complete this training, and it forms part of all staff inductions.

Criteria 4: Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

Due diligence, systems and related actions

Area	Status and actions
Australian and New Zealand farms and primary producer properties	We share this supplier class in common with other Australian consumer supply chains including supermarkets and abattoirs. We note substantive work undertaken by a number of counterparties in these supply chains and will continue to engage with those fellow offtakers and with industry associations in pursuit of global best practice.
Transport (air, land and sea)	Many of our major air and sea transport providers have provided us with Modern Slavery Act statements or other Board-level assurances. AgTrade continues to engage and communicate with its suppliers to encourage them to review their own supply chains and join us in pursuit of global best practice.
Recruitment and Selection Policy	AgTrade gains assurance from our third-party HR Business Partners (part of our annual audit) to ensure our recruitment and selection processes are efficient, robust and delivered in a manner that ensures candidates are treated fairly, equitably and consistent with legislative requirements and stakeholder expectations.
Employment and engagement terms	AgTrade regularly obtains legal and other professional advice in Australia and New Zealand to ensure that employment and other team engagement terms are appropriate. All team members are engaged under employment contracts or negotiated agreements. While most of our approximately 240 team members are located in Australia and New Zealand, we also have a team of 14 in Indonesia.
Employee education and awareness	All staff must complete an online learning module on Modern Slavery through the AgTrade Learning Portal. This module forms part of the induction process.

Policies and Procedures

AgTrade has comprehensive policy frameworks and operating procedures in place to ensure that our employees and contractors clearly understand our expectations while also providing them with our commitments to how they will be treated at AgTrade.

Policy/Procedure	Purpose
Code of Conduct	Outlines a minimum set of standards and behaviour required of all AgTrade Employees, Contractors and Directors.
Anti-Bribery Policy	Affirms that AgTrade will not tolerate any form of bribery and corruption within its business.
Anti-discrimination, Bullying and Harassment Policy	Outlines the relevant definitions, principles and obligations in relation to unlawful discrimination, bullying and harassment, as well as AgTrade's expected standard of conduct in these areas.
Whistleblower Policy	Encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving AgTrade and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.

Planned initiatives and actions for FY23

As we embark on our third year of reporting on our commitment to preventing and addressing modern slavery in supply chains, we have planned to continue to build on our current practices and to take additional actions as set out below:

FY23 Initiatives	Actions to be taken
Continue to seek Modern Slavery Act assurances and commitments from our suppliers where adjudged appropriate.	AgTrade continues to engage and communicate with its suppliers where appropriate, and pleasingly we have received written modern slavery assurances back from a financially significant subset of our suppliers.
Add a modern slavery clause into supplier contracts for products or services with a higher level of modern slavery risk.	Continuous improvement: This is a permanent standing action item to be considered as contracts come up for renewal.
Team member training on modern slavery, prioritising those people managing higher risk activities.	Modern Slavery e-learning module now part of mandatory training for all staff and included in on-boarding for all new staff.
Develop and set key performance indicators to measure the effectiveness of our actions to assess and address modern slavery risks.	Critical Result Areas (CRAs) continue to be set by each business leader.
Expand the supplier master information to capture a key procurement category to improve the modern slavery risk monitoring and reporting	Expand the supplier master information to capture a key procurement category to improve the modern slavery risk monitoring and reporting.
Supplier onboarding	Additional contractual and screening tests to be developed and applied to new suppliers
Develop a formalised review and implementation of initiatives	Develop a formalised Modern Slavery framework document to manage and monitor progress and outcomes from the identified initiatives.

Criteria 5: Describe how the reporting entity assesses the effectiveness of these actions

Effectiveness of actions taken will be measured through a range of activities including our risk management and assessment process, policy reviews, supply chain disclosures to the AgTrade Board, site visits and team engagement. AgTrade will continue to monitor our compliance with our overseas workforce obligations, in partnership with our payroll and tax advisory teams located in each jurisdiction.

Criteria 6: Describe the process of consultation with any entities the reporting entity owns or controls

All entities are controlled by the same executive leadership team, all of whom were involved in the preparation and/or review of this Statement.

Criteria 7: Provide any other relevant information

Our Commitment

Given the prevalence of modern slavery, we acknowledge that it is not always possible to achieve full transparency and oversight of modern slavery risks within our operations. We recognise that tackling the risk of modern slavery in our supply chains will require ongoing commitment. AgTrade is committed to working collaboratively with our stakeholders to increase our understanding of modern slavery risks and how we can address them. In line with our efforts to ensure continuous improvement, for the FY23 reporting period we will look to build on our responses as set out in this statement.

This annual Modern Slavery Act Statement made pursuant to the Modern Slavery Act (2018) was approved by the Board of AgTrade International Pty Ltd [acting as a higher entity under section 14(2)(d)(ii)] on behalf of all AgTrade Group members.

Signed in accordance with a resolution of Directors.



Justin Slaughter
Managing Director and Chief Executive Officer

19 December 2022

