

MODERN SLAVERY STATEMENT 2021

Introduction and overview

This joint modern slavery statement is made pursuant to section 14 of the *Modern Slavery Act 2018 (Cth)* (**Act**) for the financial year 1 January 2021 to 31 December 2021 (**FY21**) for Kilcoy Global Foods Australia (**KGF AU**).

Each company in the KGF AU group is a subsidiary of Kilcoy Global Foods Ltd, which is the parent of a multinational group of companies (**Kilcoy Global Foods**).

Kilcoy Global Foods is a leading global premium food solutions provider that develops, produces, and delivers an extensive range of premium protein products including branded beef products and value-added solution products, such as value-added fresh products, ready to cook products, ready to eat products and meal kits.

During FY21 and following the acquisition of the Hardwicks meatworks business in Victoria on 2 July 2021, KGF AU operated two sites in Australia, Kilcoy Pastoral Company (**KPC**) and Hardwicks.

Accordingly in FY21, KGF AU focussed its efforts on continuing operations of the newly acquired business, refining its modern slavery framework, whilst minimising impacts from COVID. Generally, COVID did not materially affect business continuity or operational performance related to meatworks processing in the supply chain or workforce.

The purpose of this modern slavery statement is to outline KGF AU's approach to minimise the risks of modern slavery across KGF AU's operations and supply chain.

Criteria 1 (s16(1)(a) of the Act) – Identify the reporting entity

KGF AU's reporting entities include:

- Blacqua Pte Ltd ARBN 169 810 011
 - Kilcoy Industries Australia Pty Ltd ACN 125 927 308
 - Kilcoy Pastoral Company Limited ACN 009 671 112 (**KPC**)
 - Kyneton Food Solutions Pty Ltd ACN 650 391 530*
 - Hardwick Brothers Wholesale Pty Ltd as trustee for the Hardwick Brothers Wholesale Unit Trust ABN 38 384 732 025*
 - Hardwick Processors Pty Ltd ACN 005 920 678*

*These reporting entities joined KGF AU on 2 July 2021, following the acquisition of the Hardwicks meatworks business in Kyneton, Victoria. For the purposes of this statement, these entities are referred to as "**Hardwicks**". Hardwicks is in the process of aligning its company policies, practices and systems with those of KGF AU.

This statement has been prepared for KGF AU as a whole. To the extent of any material differences in application of the criteria to a reporting entity (i.e. Hardwicks, KPC or otherwise), these have been noted accordingly.

Note also:

MODERN SLAVERY STATEMENT 2021

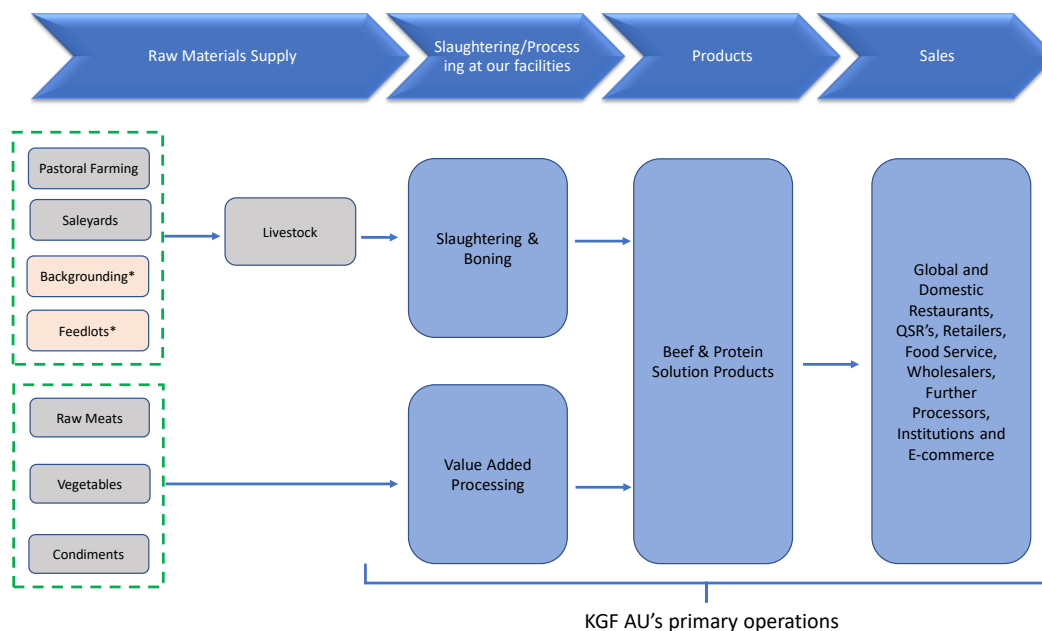
- Blacqua Pte Ltd is a holding company and head of the Australian tax group;
- Kilcoy Industries Australia Pty Ltd is a related non-operating company which hold shares in the operating entities (namely, KPC and Kyneton Food Solutions Pty Ltd);
- Kyneton Food Solutions Pty Ltd is a non-operating company that holds shares in the relevant Hardwick entities.

Criteria 2 (s16(1)(b) of the Act) – Describe the reporting entity’s structure, operations and supply chain

General

KGF AU’s operations relate to the procurement of livestock (beef and sheep) for slaughter, boning and further processing into “Beef and Protein” (Food) solution products within its manufacturing operations. KGF AU further sells, markets and distributes its food solutions products to both domestic and export customers across numerous sales channels including restaurants, food retailers, wholesalers and distributors, further processors, quick serve restaurants (QSRs) and e-commerce.

The following flowchart illustrates the Kilcoy Global Foods business model with respect to food solution products within the industry value chain:



In addition to purchasing livestock from third party suppliers, Hardwicks operates its own backgrounding and feedlot operations to supplement the supply of livestock into its processing operations. KPC does not operate any livestock supply operations.

KPC

KPC is one of the original trading companies of the KGF AU group with its slaughtering and beef processing facility in Winya, Queensland. Established in 1953, KPC is now one of Australia’s largest beef

MODERN SLAVERY STATEMENT 2021



processors with a world-class production facility capable of processing 2,000 head of cattle per day and 230,000 metric tonnes of beef per year. KPC employs over 1,600 people.

KPC purchases from approximately 150 third party feedlots across Queensland and, to a lesser extent, New South Wales, to secure and obtain a stable supply of high-quality cattle livestock. KPC's feedlot partners comprise a mix of large companies, private-equity backed feedlots, as well as independent, family-owned feedlots. For a portion of KPC's cattle, it also transacts with station agents who act on behalf of numerous feedlot providers, and who receive a commission fee paid by the feedlots.

Hardwicks

KGF AU acquired the Hardwicks business on 2 July 2021.

Hardwicks operates a beef and small stock (lamb, sheep, goat) processing facility in Kyneton, Victoria and sells and distributes carcass, boxed meat, skins and hides to its domestic and export customers.

Hardwicks employs approximately 400 people with capability to process 300 head of cattle and 5,500 small stock per day. Hardwicks procures its livestock from a network of saleyards, livestock agents, and pastoral farms across Victoria, Tasmania, South Australia and New South Wales. The majority of livestock procured come directly to its processing facility for slaughter, however some livestock is backgrounded and put into contract feedlots to improve quality and smooth out supply volumes.

Other

KGF AU uses packaging material such as cartons, bulk bins, plastic bags, and soaker pads. KGF AU maintains a panel of suppliers of major packaging raw materials across its operations.

KGF AU's criteria for including any new supplier on its panel includes, but is not limited to, the supplier's industry ranking, creditworthiness, operational scale, and stable product quality. When KGF AU explores partnership opportunities with a potential new supplier, it carries out a stringent risk assessment including site inspections when necessary. KGF AU's major packaging suppliers have operations with a global imprint, each of which are addressing modern slavery risk within their operations and supply chains.

Criteria 3 (s16(1)(c) of the Act) – describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls

KGF AU recognises that there is risk in its operations and supply chain that may have the potential to cause, contribute to, or be linked to modern slavery practices.

The two main risks identified for KGF AU in FY20, were reconfirmed in the FY21 year. These being:

- employment practices; and
- procurement of raw materials in the supply chain processes.

There were no new material risks of modern slavery presented in the operations and supply chain of KGF AU during FY21.

MODERN SLAVERY STATEMENT 2021



The employment risk remains low. During FY21, Australian border restrictions remained in place, and as such, KGF AU experienced a predictable and stable workforce in the year.

The supply chain risks remain low. This is mainly due to:

- KGF AU's forward procurement model for raw material livestock for meat processing. This remained unchanged with 100% source traceability confirmed within Australia.
- KGF AU's extended long-term contracts with existing packaging suppliers to procure goods used in the packaging of finished goods for meat products. This model continues to be overseen by KGF AU's central procurement manager. Direct goods purchased include cryovac bags, cardboard boxes and barrier bags.

In addition, KGF AU's risk assessment is based on the premise that the majority of KGF AU's operations are in Australia, and subject to the policies, procedures and regulations outlined in this statement. KGF AU recognises the risk may increase where our operations and supply chain involve overseas suppliers.

Hardwicks

Hardwicks' key supply chain operations for livestock processing are contained within KGF AU, and hence are under the direct management and control of KGF AU. Its livestock and procurement are considered low risk in line with the KPC operations with domestic supply of livestock.

Criteria 4 (s16(1)(d) of the Act) – 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

KGF AU has adopted a multi-prong approach to assess and address these risks, including due diligence and any remediation.

Noting that Hardwicks only joined KGF AU on 2 July 2021, a tailored/tiered approach was taken in FY21, the key elements of which are set out below:

1. Governance

- Dedicated cross-functional modern slavery working groups continued to assess, monitor and detect risks associated with modern slavery.
- Training and education for awareness and tone within KGF AU was conducted to increase awareness of potential of modern slavery practices across our operations and supply chains.

2. Compliance

- A modern slavery questionnaire was developed and rolled out to new suppliers who transacted with KPC, to better help understand risk related to our supply chain.
- A supplier Code of Conduct was created and appended to all purchase orders for KPC. This code of conduct set out KGF AU's culture and commitment to fair dealings and the highest standards of ethical behaviour based on:

MODERN SLAVERY STATEMENT 2021



- zero tolerance for corruption;
- compliance with applicable laws and regulations on anti-money laundering;
- avoiding conflicts of interests;
- upholding human and labour rights in accordance with applicable laws and regulations, including health and safety, condemning the use of child labour and exploitation of human labour, equal opportunities, fair compensation, collective bargaining and free from harassment;
- protecting the environment, including the introduction of and release of an ESG policy committing to carbon neutrality in operational sites.

3. Culture

- KGF AU continued its membership of Sedex, the Supplier of Ethical Data Exchange, a not-for-profit organisation charged with improving ethical and responsible practices across global supply chains. Whilst not in FY21, Sedex successfully conducted its first audit of KPC in H1 of FY22.
- KGF AU created and reviewed various policies (see summary below) to help set the tone and culture on modern slavery practices throughout KGF AU.
- Board reporting was refined, to enhance a culture and 'tone at the top' for business application of modern slavery frameworks and policies.

4. Raw materials

- All cattle consigned to KGF AU continued to be identified and tracked through the National Livestock Identification System (**NLIS**).

The NLIS ensures that lifetime movements of cattle can be identified and recorded to ensure disease control, food safety and market access. Cattle arriving at KGF AU's processing sites have NLIS devices scanned upon arrival, with identification details available for traceability through the NLIS database. No livestock processed through KGF AU sites have been imported from countries external to Australia. The ability to trace origin of cattle mitigates the modern slavery risk for cattle supply chain sourcing.

Policies

KGF AU's code of conduct and company policies set out the company's values and expectations as to how workers should conduct themselves, and embeds respect for human rights, labour rights, and ethical behaviour across the business. Relevant policies include sexual harassment, bullying, anti-discrimination/equal opportunity, performance and behavioural standards, work health and safety, and most relevantly:

- Child labour policy; and
- Forced labour (modern slavery) policy.

Child labour in this context consists of work by children that is economically exploitative or likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.

MODERN SLAVERY STATEMENT 2021

KGF AU has a zero tolerance for the engagement of child labour or forced labour or known trafficked persons, in respect of which it requires the exercise of diligence to avoid benefit or financial gain from these practices occurring in the KGF AU supply chain and where workers are engaged by third parties to perform KGF AU core business processes.

KGF AU's grievance and whistleblower policies provide mechanisms to hold the company and KGF AU accountable for any conduct that amounts to modern slavery.

As Hardwicks was recently acquired, KGF AU frameworks continue to be embedded into the Hardwicks business.

Future actions to strengthen KGF AU's modern slavery practices

As KGF AU grows and expands its sites, KGF AU intends to roll out its existing modern slavery framework across Australia to standardise the detection, assessment, and remediation of any shortfalls.

KGF AU is committed to the following actions in FY22:

- Increasing oversight of the working group, by elevating the steering committee to be the Australian Leadership Team;
- Refreshing its risk assessment across its expanded operations and supply chain;
- Incorporating the Supplier Code of Conduct in all purchase orders and template supplier agreements for Hardwicks;
- Planning the roll out of the modern slavery supplier questionnaire to Hardwicks for completion by new suppliers;
- Refreshing the supplier questionnaire to assist with greater completion rates by suppliers that are unfamiliar with modern slavery reporting requirements;
- Continuing to roll out modern slavery awareness training across the business;
- Increase key suppliers awareness of modern slavery practices;
- Conducting an annual internal audit and review of working conditions related to any children (U18s) employed;
- Conducting an annual review of KGF AU's response to modern slavery by the Steering Committee.

Criteria 5 (s16(1)(e) of the Act) – describe how the reporting entity assesses the effectiveness of these actions

KGF AU has adopted a risk-based approach to assess the effectiveness of its actions, key elements of which are summarised below:

- The establishment of a two-tier governance structure (in addition to the Board), which enables KGF AU to provide both strategic and operational oversight into the effectiveness of its actions.
- KGF AU conducted a sample review of KGF AU's modern slavery supplier questionnaire responses to better understand supplier concerns and general industry awareness of modern slavery requirements. Generally, there was limited awareness from smaller suppliers of modern slavery requirements, indicating broader education and awareness training is required. KGF AU

MODERN SLAVERY STATEMENT 2021



intends to continue to work with and educate its suppliers on its modern slavery requirements.

Criteria 6 (s16(1)(f) of the Act) – describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)

KGF AU prepared this joint statement in consultation with each KGF AU reporting entity. This consultation process included consultation with the KGF AU Leadership Team, key leaders within each KGF AU reporting entity, as well as the Steering Committee and Working Group described above.

With Hardwicks joining KGF AU on 2 July 2021, extra consultation was had with Hardwicks' personnel to ensure a meaningful and ongoing dialogue with Hardwicks.

KGF AU also constituted a "Subject Matter Expertise" group consisting of key members of the KGF AU Leadership Team to reinvigorate its focus and continuity on KGF AU's modern slavery practices, following the departure of key management personnel in late 2021.

Criteria 7 (s16(1)(g) of the Act) – provide any other relevant information

Refer above. Additional information has been included within each criteria.

Criteria 8 (s16(2)(b) of the Act) – approval

This statement was approved by the principal governing body, the Board, of each KGF AU reporting entity on 21 June 2022. Delegated authority was also provided to the Group Chief Executive Officer (who is also a Director and Chair, and thus a responsible member of each KGF AU reporting entity), to sign and submit KGF AU's modern slavery statement for and on behalf of each reporting entity.

Signed for and on behalf of each reporting entity.

A handwritten signature in black ink that reads 'D R Goode'.

Dean Goode
Group Chief Executive Officer
Kilcoy Global Foods Australia

Date: 21 June 2022