

THOMAS **FOODS**[®]
INTERNATIONAL



MODERN SLAVERY STATEMENT

2020



**FAIR WORK
CONDITIONS**



**RIGHT TO
REPRESENTATION**



**UNIVERSAL
HUMAN RIGHTS**



**EQUAL PAY
FOR EQUAL WORK**



**SAFE WORK
CONDITIONS**

Feeding families globally



FOREWORD

Thomas Foods International (TFI) is a family business founded and built upon strong family values which we still hold in the highest regard today.

TFI is committed to ethical and socially responsible business practices which encompass **human rights** as set out in the *United Nations ('UN') Universal Declaration of Human Rights*, fundamental labour standards established by the *International Labour Organisation ('ILO')* and as set out in relevant *ILO Conventions*, fair and safe working conditions, environmental compliance and ethical behaviour.

TFI is a company that strives to remain free from exploitation, discrimination, bullying, harassment or the marginalisation of others. We celebrate in our diversity and treat each other as equals, regardless of background or circumstance.

TFI is respectful and supportive of the communities in which we work and partner. We work in close collaboration with local communities and businesses, acknowledging and upholding local customs, and remaining sensitive to cultural needs and requirements.

TFI expects its suppliers and customers to share and demonstrate the same commitments.



It is my great honour to lead and work alongside an exceptional team that goes about its business with integrity, responsibility and compassion. I look forward to upholding our company values and traditions, and in doing so, continuing to prevent, detect and mitigate the risk of modern slavery in our operations and supply chains.

A handwritten signature in black ink, appearing to read 'Darren Thomas'.

Darren Thomas

Chief Executive Officer and Managing Director

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THE REPORTING ENTITY

ABOUT THOMAS FOODS INTERNATIONAL

Thomas Foods International (TFI) is first and foremost a family business. TFI has grown from small beginnings to become Australia’s largest family-owned food business – producing, processing, distributing and selling premium meat and seafood all over the world. With teams in Australia, the US, China and Japan, TFI has a global presence and continues to successfully grow and expand the business through new brands and business partnerships.

Our mission is to **feed families globally** through premium quality food products, exceptional customer service and sustainable, innovative practices.

As a family business, we’re driven by our strong values. Our commitment to providing the best customer service is only matched by our commitment to consistently high-quality products. With strict hygiene and handling standards and a fierce belief in doing things the right way, we never compromise on quality.

But we’re also acutely aware of our responsibility to the people and communities with whom we work and partner and the livestock upon which our livelihood depends. Human rights, worker safety and well-being, animal welfare, environmental sustainability and corporate social responsibility are all part of the fabric of the business and are integrated into everything we do.

TFI strives to be free from exploitation, discrimination, bullying, harassment or the marginalisation of others. We celebrate in our diversity and treat each other as equals, regardless of background or circumstance.



we treat one another
EQUALLY and
respect HUMAN RIGHTS

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OUR STRUCTURE, OPERATIONS, AND SUPPLY CHAINS

OUR BUSINESS FAMILY AND OPERATIONS

TFI's primary production and processing operations are based in Australia. Our supply operations (i.e. secondary processing operations and sales and distribution operations) are located in Australia, the United States, China and Japan. We also have an equity interest in a meat wholesale business, however, the latter is not wholly owned or controlled by TFI and has therefore been excluded from the scope of our Modern Slavery Statement.



\$2 BILLION
ANNUAL GLOBAL TURNOVER

2,400
GLOBAL TEAM MEMBERS

50
COUNTRIES SERVICED

4
CONTINENTS SPANNED

1
GLOBAL BUSINESS FAMILY

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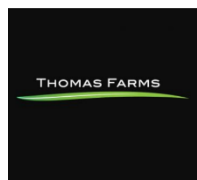
OUR PRODUCTS & SERVICES

TFI produces and sources premium meat and seafood products for local, national and global markets. We also provide products, services and logistics for boxed food delivery services. Our customer base includes food wholesalers, distributors and retailers; major supermarket chains; butcher shops; restaurants; commercial caterers; hotels, pubs and clubs; aged care facilities; and e-commerce.

PREMIUM MEAT AND SEAFOOD



Our retail products are promoted and sold under our flagship brands Thomas Farms and Angus Pure Premium Beef.



170,000 TONNES
PREMIUM PRODUCTS PER ANNUM

3400
KEY CUSTOMER ACCOUNTS

2500
QUALITY SUPPLIERS

1
RECIPE FOR SUCCESS

OUR SUPPLY CHAINS

TFI procures a wide variety of goods and services in support of its business operations. Examples include – product ingredients, production packaging and consumables, chemicals, fertiliser, seed, fuel, plant and equipment, personal protective equipment (PPE), contract services, and maintenance contractors. We also buy livestock (lamb, sheep, cattle, goats), fresh and frozen seafood, pork and chicken and red meat products as required from third parties.

We support Australian suppliers and partner with quality suppliers that share our commitment for socially responsible and sustainable products and services.



RISK OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

MODERN SLAVERY RISK

Given the nature of our business, the structure of our operations, the jurisdictions in which we operate and the suppliers with whom we partner, it would be extremely rare for TFI to encounter severe modern slavery practices such as slavery, forced labour and bonded labour. It is possible, however, that more common instances of modern slavery with less severe consequences may exist in parts of our supply chains (e.g. deceptive labour hire practices, underpayment of wages, excessive working hours).

As part of the process of preparing our inaugural modern slavery statement, each of the TFI Group entities covered by this statement participated in a formal modern slavery survey commissioned to assess the current state of modern slavery awareness, risk and risk mitigation practices across the Group. As part of the survey, senior managers from each TFI business family entity assessed the risk of modern in their business operations and supply chains. **All TFI business family entities reported a LOW RISK of modern slavery** (i.e. rare or very unlikely to contain modern slavery practices).

OVERALL RISK OF MODERN SLAVERY

LOW

Modern slavery risk continues to be identified, assessed and controlled as part of TFI's operational risk management process. Any residual risk assessed as high or above is escalated to TFI Executive and TFI Board for consideration and action at the enterprise risk level.

KEY FACTORS CONTRIBUTING TO LOW LEVEL OF RISK

Several key factors help prevent, detect and mitigate the risk of modern slavery in our operations and supply chains and enable us to respect worker rights and entitlements and provide fair and safe conditions of work:

- ☒ **Operational jurisdiction** – TFI's primary production and processing operations are located in southern Australia. We also have long-standing partnerships with reputable farmers and primary producers throughout Australia.
- ☒ **Business expansion model** – As the TFI business family continues to grow and expand, we have recognised the importance and benefits of vertical integration as opposed to horizontal expansion of the business, as well as supply chain rationalisation and optimisation. The key principles of 'less-is-more' and 'working smarter not harder' have been pivotal to our success as we continue to grow and expand the business.
- ☒ **Governance and control** – TFI is a family-owned business with direct control over its primary production, processing and supply operations. Our Managing Director, Darren Thomas, is also our Chief Executive Officer. This enables him to retain an intimate knowledge of the business, to provide vital leadership and exercise tight control over all aspects of the business.
- ☒ **Workforce management** – TFI has taken greater control over its workforce by reducing the use of labour hire agencies, employing workers directly wherever possible, and directly sponsoring migrants/work visa holders.

ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY

MODERN SLAVERY FRAMEWORK

TFI has a robust framework in place to prevent, detect and mitigate worker exploitation and discrimination and ensure worker rights and entitlements are respected. Our framework comprises a comprehensive suite of policies and practices underpinned by our Code of Conduct and a collaborative, risk-based and quality management approach with a continual improvement focus. With the introduction of the Modern Slavery Act, we have identified the need to increase awareness of modern slavery across the business and to introduce additional risk controls and initiatives to further refine and improve our framework.

MODERN SLAVERY FRAMEWORK			
POLICY (Plan) ▶	PRACTICE (Do) ▶	AUDIT (Check) ▶	REVIEW (Act) ▶
Code of Conduct	Recruitment Due Diligence	Modern Slavery Self-Audit	Corrective and Preventative Action
Modern Slavery Policy	Approved Supplier Program	Supplier Checks & Audits	Operational Reviews & Reporting
Ethical Sourcing Policy	Enterprise Agreement	Incident & Risk Assessment	TFI Executive Annual Review
Purchasing Policy	Industry Award Rates of Pay		
HR and WHS Policies	Safe Work Conditions & Practices		
Anti-Bribery and Corruption Policy	Incident & Risk Reporting		
Conflict of Interest Policy	Training of Key Personnel		
Disclosures Policy	Workforce Education & Awareness		
EEO & Anti-Discrimination Policy	Tier 1 Supply Chain Mapping		
Workplace Grievances Policy	Modern Slavery Contract Clauses		

Legend

- Implemented
- Forward Strategy

MODERN SLAVERY POLICY

Statement of intent

Thomas Foods International (TFI) is committed to ethical and socially responsible business practices and supply chains that respect and promote human rights and prevent the exploitation of workers, including situations of modern slavery.

TFI strives to prevent modern slavery and strictly prohibits situations where a person is exploited and cannot refuse or leave work because of threats, violence, coercion, abuse of power or deception.

Objectives

The primary objectives of our Modern Slavery Policy are:

- ☒ To prevent, detect and mitigate the risk of modern slavery in TFI business operations and supply chains.
- ☒ To ensure TFI partners with suppliers who have a shared commitment to ethical and socially responsible business practices and the prevention of the exploitation of workers.
- ☒ To ensure TFI fulfils its annual reporting obligations under the *Modern Slavery Act 2019 (Cth)* and *Modern Slavery Act 2018 (NSW)* where applicable.

Key strategies

TFI has implemented the following key strategies to meet the commitments and objectives of our Modern Slavery Policy:

- ☒ TFI Executive and TFI Board accountability to prevent modern slavery in TFI business operations and supply chains; and ensure prompt and decisive management action to investigate and address breaches of Policy.
- ☒ Divisional and business unit responsibility to identify, assess and control the risk of modern slavery across TFI business operations and supply chains.
- ☒ Legally compliant policies which prevent modern slavery and promote ethical and socially responsible business practices, including but not limited to: recruitment, labour hire, onboarding, procurement, contract management and supply chain management.
- ☒ A complaints mechanism for workers to raise concerns about modern slavery and a reporting mechanism to facilitate the reporting/disclosure of alleged instances of modern slavery.
- ☒ Regular monitoring, evaluation and review of TFI business operations and supply chains to ensure compliance to Policy and consistency of practices and controls.

DUE DILIGENCE AND REMEDIATION PROCESSES

Due diligence

- ☒ TFI has a **comprehensive suite of Human Resources, Workforce Management and Work Health Safety policies and practices** to ensure we respect worker rights and entitlements and provide fair and safe conditions of work.
- ☒ TFI conducts **due diligence checks of major prospective suppliers** as part of the TFI Approved Supplier Program. Suppliers are required to comply with our *Ethical Sourcing Policy*.
- ☒ **Modern slavery incidents and complaints** are reported, investigated, escalated and managed in accordance with our *Workplace Grievances Policy* or *Disclosures Policy* (for whistleblowers or confidential disclosures).

Remediation

- ☒ Corrective and preventive action is taken to address any identified non-conformance, incidents or risks in our operations and supply chains.
- ☒ TFI works in collaboration with our suppliers to address any potential risks or areas of concern. Remediation strategies may include – education and awareness, increased monitoring and reporting, visits to supplier premises and contractual reviews.
- ☒ Lessons learned are applied across the business and supply chains in line with our quality management and continual improvement approach.

FORWARD STRATEGY

Moving forward, we have identified the need to increase awareness of modern slavery across the business, to gain a greater understanding of our supply chains and to work in greater collaboration with our suppliers to prevent, detect and mitigate modern slavery risks.

Governance

- ☒ Monitoring of modern slavery performance by TFI Executive at regular intervals and the TFI Board to coincide with statutory reporting obligations
- ☒ Assign primary operational accountability for modern slavery to senior site managers

Awareness and competency

- ☒ Provide information and instruction to workers and managers on how to report and handle modern slavery incidents and risks
- ☒ Provide modern slavery training to senior managers and key personnel in procurement and human resources

Supply chain management

- ☒ Finalise Approved Supplier Lists for all TFI Group entities
- ☒ Screen major prospective suppliers for modern slavery risks, and get suppliers to give assurances about their operations and supply chains
- ☒ Commence the process of mapping our Tier 1 supply chains and further assess them for potential risks of modern slavery

Customer account management

- ☒ Provide modern slavery information and assurance to customers upon request.

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ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

The overall effectiveness of our modern slavery framework and forward strategy will be reviewed and assessed as part of the process of preparing the annual modern slavery statements required under the Modern Slavery Act. Key considerations will include:

- ☑ TFI operational compliance to the Modern Slavery Act and applicable TFI policy and practice
- ☑ Supplier performance and compliance
- ☑ Modern slavery risks, complaints and incidents, and action taken to prevent or mitigate modern slavery in our operations and supply chains
- ☑ Non-conformity and areas for improvement.

Supplier performance and compliance will be monitored and assessed as part of our procurement and contract management process. Monitoring and review mechanisms may vary depending upon contract type, significance and risk. Mechanisms may include, but are not limited to – supplier compliance reports, contractual reviews and visits to supplier premises.

As part of our forward strategy, modern slavery performance will be included as a regular agenda item at TFI Executive. High risks or issues of major concern will be escalated to the TFI Board for review and direction accordingly.



CONSULTATION PROCESS WITH ENTITIES WE OWN OR CONTROL

An external consultant was commissioned to assist TFI to assess the level of awareness and understanding of modern slavery across the business and to confirm how TFI currently identifies, assesses and addresses the risk of modern slavery in its entity operations and supply chains.

A *Modern Slavery Self-Assessment Questionnaire* was developed by the Consultant in consultation with the Group CFO & CCO and the General Manager, People and Culture. Senior representatives from TFI Group entities completed the survey in consultation with the business. Survey responses were collated and summarised in a Report of Findings with Recommendations for Forward Strategy presented to the TFI Board.

ANY OTHER RELEVANT INFORMATION

Modern slavery complaints received in past 12 months: **NIL**

Modern slavery incidents reported or detected in past 12 months: **NIL**

APPROVAL

This statement was prepared pursuant to Modern Slavery Act 2018 (Cth) and endorsed by the TFI Board.

A handwritten signature in black ink, appearing to read 'Darren Thomas', is positioned above the printed name and title.

Darren Thomas
Chief Executive Officer and Managing Director