

Aurora Dairies Holdings Pty Ltd

(Aurora Dairies)

Modern Slavery Statement

December 2023

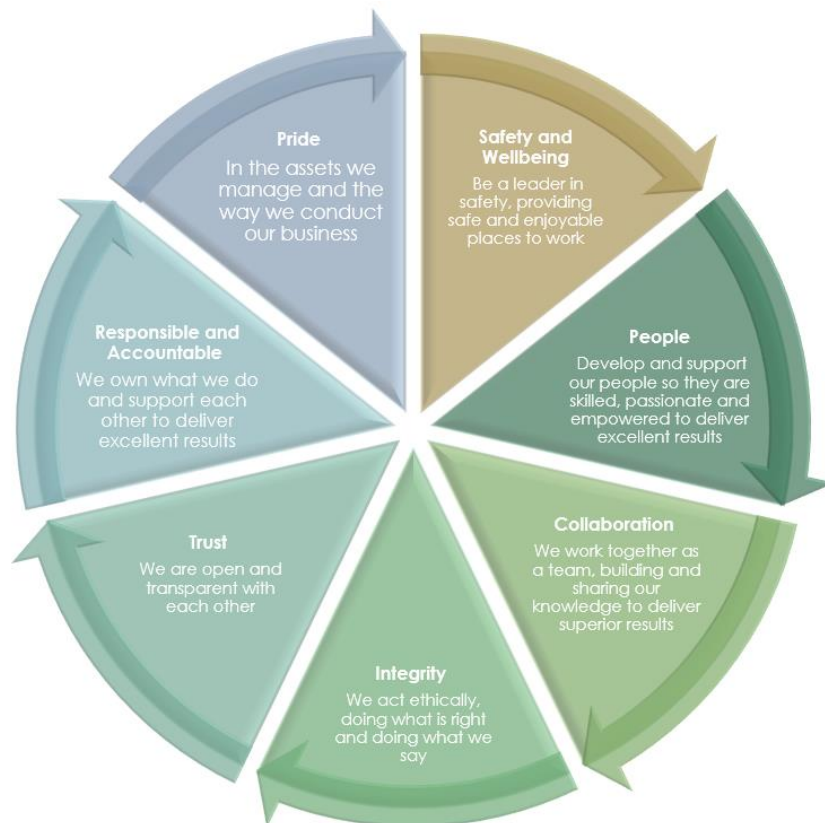


1. Introduction

This statement is made by Aurora Dairies Holdings Pty Ltd and its subsidiaries Aurora Dairies Pty Ltd (ADPL), Australian Dairy Pastures Operating Trust, (ADPOT), Global Herd NZ Limited and its wholly owned subsidiaries (GHNZL) (collectively referred to as “Aurora Dairies”) in accordance with section 14 of the Modern Slavery Act 2018.

Aurora Dairies conducts its business in a way that is open and accountable to its stakeholders. Our corporate governance and business practices are rigorous and adopt a standard of continually maintaining and adhering to the highest levels of honesty, integrity and ethical standards. At the heart of our company values we believe in equity, fairness and respect for all individuals including the rights of our people, customers, suppliers and contractors to be free from practices of modern slavery.

Our Values



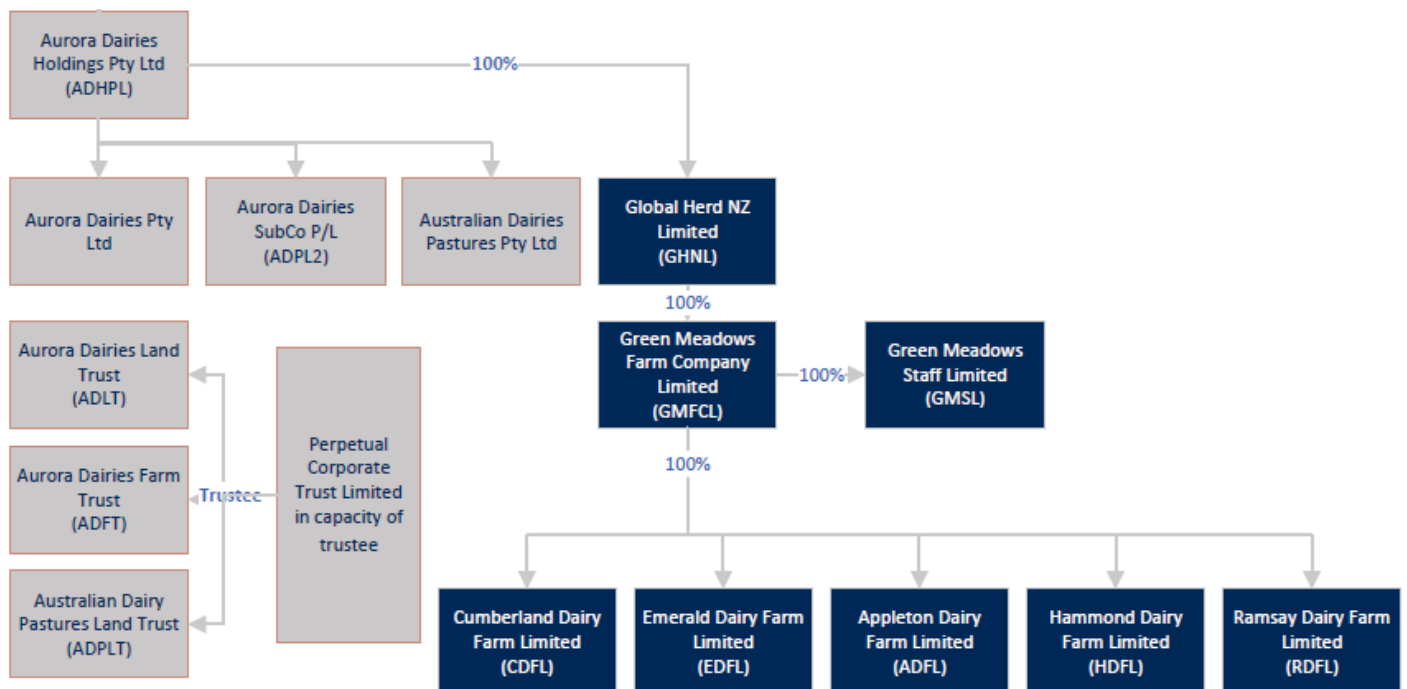
Aurora Dairies is committed to complying with the labour rights standards, legislation and statutory requirements, and provides this first Modern Slavery Statement covering the period 1 July 2022 to 30 June 2023, which describes the actions taken to address modern slavery risk in its operations and supply chain for this period.

2. About Us and Our Structure

Aurora Dairies was established in February 2019, with the objective to build, develop and operate a leading Australian dairy farming business which delivers superior investment performance in a safe and sustainable manner. Aurora has a demonstrated commitment to long-term investment in the dairy industry, and today has a diversified portfolio of dairy farms spanning 54 dairy farms across 6 regions. This equates to more than 23,000 hectares of farms and an annualised milk production of over 272 million litres.

In Australia, Aurora Dairies operates and manages dairy farms and water assets owned by related unit trusts, Aurora Dairies Land Trust, Warakirri Dairies Land Trust, Australian Dairy Pastures Land Trust and Aurora Dairies Water Trust. The Australian farming operations spans across the southwest, northern and Gippsland regions of Victoria, southeast South Australia and Tasmania.

In June 2023, Aurora Dairies commenced dairy operations in New Zealand (NZ) with assets of wholly owned NZ incorporated entities namely, Global Herd NZ Limited and its subsidiaries, Cumberland Dairy Farm Limited, Emerald Dairy Farm Limited, Ramsay Dairy Farm Limited, Hammond Dairy Farm Limited and Appleton Dairy Farm Limited.



3. Our Operations, Supply Chains and Associated Risks

As described in section 2 of this statement, Aurora Dairies' operations spans across Australian and New Zealand. Our operations are supported by a large network of advisors, nutritionist, veterinarians and suppliers of our inputs.

3. Our Operations, Supply Chains and Associated Risks (cont.)

For the reporting period ending 30 June 2023, Aurora Dairies' portfolio comprised of 54 dairy farms across a total of 23,000 hectares, over 24,250 heifers and bulls and milking over 45,000 cows producing a total of 272m litres of milk.

Our portfolio:

SOUTHEAST SOUTH AUSTRALIA

- **Farm Names:** Bonney View, Canunda Park, Port Mac Top Dairy, Port Mac Bottom Dairy, Mirembeek, Kurleah, Ashwood, Landour, Kingsley Estate
- **Area:** 3368 hectares
- **Cows:** 7284
- **Production:** 52 million litres

SOUTHWEST VICTORIA

- **Farm Names:** Orford Wells, Patrick's Day, Warwillah, Ballyduggen, Slatterys Road
- **Area:** 2718 hectares
- **Cows:** 4293
- **Production:** 29 million litres

WESTERN DISTRICT VICTORIA

- **Farm Names:** Coradjil Place, Glenfarm, Poorinda, Welbourne
- **Area:** 1214 hectares
- **Cows:** 2046
- **Production:** 14 million litres

GIPPSLAND VICTORIA

- **Farm Names:** Bangalay, Peneplain, Tarqua, Barnett, Field, Segafredo, Finch, Hillview, Roys, Riverview, Papic, Missens, Scotts, Wheelers, McAinch, Harris Road, Charlecote, Hughes, Benedicts, Tarraville
- **Area:** 7088 hectares
- **Cows:** 15044
- **Production:** 79 million litres

NORTHERN VICTORIA

- **Farm Names:** Maritana
- **Area:** 10878 hectares
- **Cows:** 683
- **Production:** 4 million litres

TASMANIA

- **Farm Names:** Astells, Lacrum, Lirra Lirra, Westhaven, Ashburton, Blythe Vale, Midlothian, Springvale, Bulger Hill, Oxberry, The Avenue, Forest Farm, Parkham
- **Area:** 5067 hectares
- **Cows:** 10598
- **Production:** 66 million litres

NEW ZEALAND

- **Farm Names:** Cumberland, Emerald, Appleton, Hammond, Ramsay
- **Area:** 2839 hectares
- **Cows:** 5762
- **Production:** 29 million litres

Aurora Dairies categorises its business as follows:

- **On Farm Operations:** consists of our employees and consultants including, but not limited to, animal nutritionists, veterinary services and breeding services used across the portfolio to execute farming activities.
- **Farming Inputs:** the products that we source and use in our farming operations including feed grains, fodder, fertiliser, agriculture chemical herbicides/pesticides, and cleaning chemicals. This category also covers the uniform and personal protective equipment used in our operations.
- **Milk and Livestock Production:** including storage, transportation and end customers of our milk and livestock produce.

An assessment of modern slavery risk has been completed across the above categories to consider whether Aurora Dairies is causing, contributing, or directly linked to modern slavery practices. In determining the risks associated with each of our business categories, we have also engaged and consulted with Dairy Australia, an Australian dairy industry body, to understand the human rights risks (including the risk of modern slavery) across the dairy supply chain. We have leveraged the work undertaken in conjunction with Dairy Australia to identify the types of risks caused or contributed by our operations and supply chain as outlined in each category on the following page.



Our Farm Operations

Aurora Dairies' operation is built on a vision to be a safe, sustainable, innovative best in class dairy business, which delivers superior outcomes for its investors, people, communities, animals and environment. The farming operations across Australia and New Zealand are managed by approximately 460 employees, assisted by local expertise who are engaged to support operational and animal health management requirements.

The service network (e.g., veterinarians, breeding services, agronomists, nutritionists, dairy technicians and providers of equipment) are local to the regions in which we operate. These are strong relationships forged through local communities and made up 25% of our total expenditure for the period ending 30 June 2023.

Our employees and expert networks are critical to the ongoing operations of our business and great emphasis is placed on developing highly skilled, passionate and empowered people who work collaboratively as a team. In managing its operations, Aurora Dairies is committed to identifying and reviewing the risk of modern slavery, and has identified the following risks of modern slavery which may be **inherent** in our 'On Farm Operations' category during the reporting period:

- Sector and Industry risks
 - We may be required to rely on third-party contracting services during peak operational periods or where there is staff shortage.
- Products and Services risks
 - Our employees consist of visa holders who may have language barriers and may lack understanding of their rights and with low awareness of, or access to, grievance procedures.
 - We may, from time to time, experience labour shortages resulting in some employees working longer hours, increasing the risk of fatigue and physical injury.
 - Our operational timeframes i.e., milking, are time critical and may require employees and contractors to engage in overtime work.
 - Our employees may be at risk of significant physical injury due to the inherent risk in associated with our operations.
- Geographic risks
 - Our farms are located in remote communities which may necessitate some of our employees to live at residences owned and controlled us.
 - Our farms are located in remote regions which may result in our employees feeling isolated and experience poor mental health and wellbeing.

We have assessed the **residual** risk of modern slavery in our **On Farm Operations** category to be **low - medium**. This assessment is based on the strong controls we have in place to counter the above identified inherent risk factors including, but not limited to:

- All employees have entered into an employment agreement directly with our business.
- Employees are remunerated in accordance with the National Employment Standards (NES) or the relevant award applicable to the employee's role including superannuation contributions in accordance with the superannuation guarantee legislation but not exceeding in respect of the maximum contributions base.
- Accrued time-off in lieu (TOIL) allowance for periods that may require employees to engage in increased working hours.
- Promotion and provision of safe working environment and positive safety culture with shared accountability for employees, contractors, advisors and families. This is supported by a Health and Safety policy that outlines our health and wellbeing with initiatives around mental and physical health, including, but not limited to, the implementation of Fatigue Management Guideline. Aurora Dairies is proudly the 2021 winner of the WorkSafe Victoria's award for the category of 'Commitment to Workplace Health & Safety on a Farm'.
- Translation of on-farm safety procedures into different languages to suit the demographic of our on-farm teams.
- Dedicated human resources team who are committed to develop and empower employees across the business and embedding several initiatives focused on growing our own leaders within farm and corporate teams.
- Promoting and enhancing diversity, specifically gender diversity and be recognised as an employer of choice by fostering a healthy, positive and inclusive culture.
- Internal grievance procedures and independent and tailored Employee Assistance Program for employees and their families offering a wide range of services in areas of physical and mental wellbeing, career, conflict resolution, money management and legal assistance.
- Established grievance mechanisms and Whistleblower policy.
- The majority of services engaged for our 'On Farm Operations' are covered by detailed service agreements which stipulate service level expectations, roles and responsibilities including the obligation for our service providers to adhere to uphold strong professional standards and meet all legal requirements.
- We have agreement in place with third-party contracting services which requires the contractor to pay workers in accordance with any relevant industrial instruments (i.e., a modern award or relevant enterprise agreement) and is complying with the relevant pay slip and record keeping requirements in accordance with the Fair Work Regulations.



Farming Inputs

Due to the scale and geographic spread of our operations, we have a large network of suppliers across grain and hay supply, fertiliser and spreading and fuel. For the reporting period, Farming Inputs accounted for 41% of Aurora Dairies operational costs, with 65% (by value) of the suppliers in this category are assessed as tier 1 suppliers and directly contracted by us. The remaining 29% of suppliers in this category are either indirectly contracted (through multi-national parent entity) or non-contracted services required for fuel or the supply and spread of fertiliser on farms. All contracted and non-contracted suppliers are Australian domiciled businesses.

During the reporting period, Aurora Dairies has identified the following risks of modern slavery which may be **inherent** in our 'Farming Inputs' category:

- Sector and Industry risks
 - Our suppliers have reported the potential use of unskilled, temporary, or foreign labour in their workforce.
- Products and Services risks
 - There is a heightened risk of child and forced labour associated with raw materials sourced from overseas including the underlying supply chains of our suppliers of fertiliser.
- Geographic risks
 - We have assessed those regions from which the supply of our fertiliser originates, may have inadequate protections for workers, including no or weak capacity to effectively monitor workplace standards and enforce compliance with national standards.

Overall, we have assessed the residual risk of modern slavery in our Farming Inputs category to be **low - medium**. This assessment is based on the controls we, or our suppliers, have in place to counter the above identified inherent risk factors including, but not limited to:

- We have entered direct contracts with 67% of the suppliers of our Farming Inputs which include service level expectations, roles and responsibilities and an obligation for our service providers to uphold strong professional and to, at all times, meet all health & safety and other legal requirements. This includes the requirement to pay their employees in accordance with any relevant industrial instruments.
- During the reporting period, we reviewed and amended contracts for 67% of the suppliers assessed in this category to include a 'modern slavery clause' that places an obligation on our suppliers to actively identify and report on any indication of modern slavery within its operations and supply chain.
- Some of our major suppliers are large-scale businesses that are bound by legislative requirements to issue annual modern slavery statements outlining the risks in each area of their business operations and supply chains. In turn, we strive to source responsibly and sustainably and actively seek to understand our supplier's operations and their underlying supply chain and during the reporting period, we have undertaken a review of the statements issued by these suppliers who had this requirement to better understand the risk of modern slavery across their operations and supply chain.

Milk and Livestock Production

Aurora Dairies has a concentrated number of customers for the sale of its produce (milk and livestock). During the reporting period, Aurora Dairies has identified the following risks of modern slavery which may be **inherent** in our 'Milk Sales' category:

- Sector and Industry risks
 - Use of unskilled, temporary, seasonal or foreign labour by our customers who may use contractors to provide transportation or storage services.
 - There is a heightened risk of child and forced labour associated with raw materials sourced from overseas including the underlying supply chains of our suppliers of fertiliser.
- Products and Services risks
 - Some of the milk collection timeframes may result in our customers and / or their contractors to engage in overtime work.
- Geographic risks
 - The countries from which our customers source materials from to produce the end product, may have inadequate protections for workers, including no or weak capacity to effectively monitor workplace standards and enforce compliance with national standards.

Overall, we have assessed the residual risk of modern slavery in our Milk and Livestock Production category to be **low**. This assessment is based on the controls we, or our customers, have in place to counter the above identified inherent risk factors including, but not limited to:

- We have contract agreements in place with all of the customers of our milk production which includes service level expectations, fair payment terms and an obligation for the contractor to pay their workers in accordance with any relevant industrial instruments (i.e., a modern award or relevant enterprise agreement);
- The customers of our livestock sales are primarily multi-national organisations who are reporting entities and have an obligation to issue annual modern slavery statements outlining the risks in each area of their business operations and supply chains. During the reporting period, as part of our risk management measures, we evaluated the modern slavery statements of those customers who were required to report in order to better understand and assess the actions taken by our customers to combat the risk of modern slavery within their supply chains.
- Our major customers are large-scale businesses that are bound by legislative requirements to actively identify and report on any indication of modern slavery within their operations and supply chains and to issue an annual modern slavery statement outlining the risks in each area of their business. We have reviewed all of the modern slavery statements of our customers to better understand how our customers may be causing, contributing, or being directly linked to modern slavery practices. Whilst our customers have reported a low risk of modern slavery within their operations and supply chain, we will continue to monitor their progress on actions to address modern slavery risk.

4. Risk Management Progress and Future Actions

Risk management is an important part of Aurora Dairies' normal business operations, processes, and strategy. The approach to risk management is not intended to eliminate risk completely, rather providing a sound framework to identify and manage risks, maximize opportunity, minimise adversity and to achieve overall improved outcomes based on informed decision-making. Aurora Dairies has implemented a Risk Management Strategy and Program (RSMP) that is in line with AS/NZ 31000. The RSMP documents the process for identifying, monitoring, and management of material risks associated with Aurora Dairies' business activities. We manage the identified risks, including the risk of modern slavery, by implementing controls designed to mitigate those risks to an acceptable level as defined by the Board's risk appetite.

Aurora Dairies made significant progress in identifying and implementing several measures and controls (as outlined in section 3 of this statement) to address modern slavery risks identified in its operation and supply chains. As part of the risk management process undertaken during the period, we have identified additional controls and other measures to enhance the mitigation of modern slavery risk across our On Farm Operations, Farming Inputs and Milk Production categories.

During the next reporting period we commit to undertake the following additional actions:

CATEGORY	ACTIONS
On Farm Operations	<ul style="list-style-type: none"> – Training of employees with direct responsibility for managing procurement to increase their understanding of modern slavery risk. – Implementation of a whistleblower and grievance hotline enabling reporting of issues or concerns.
Farming Inputs	<ul style="list-style-type: none"> – Extend the procedures for our selection, appointment and monitoring of service providers / contractors, to include initial and ongoing assessment of modern slavery risks, with consideration to the following risk factors; jurisdiction, sector and industry, product & service and geographical location. – Determine how Aurora Dairies can influence its small-scale supplier's approach to understanding and mitigating modern slavery risk. Some meaningful methods may include questionnaires designed to understand prevalence of modern slavery in our suppliers supply chains. – Aurora Dairies has a modern slavery clause in its commercial contracts with many of its suppliers which places a requirement on suppliers to actively monitor and report on modern slavery risks. We will continue to expand the number of suppliers who we contractually engage with in this way.
Milk and Livestock Production	<ul style="list-style-type: none"> – Continue to review the Modern Slavery Statements issued by our customers to better understand the risk of Aurora Dairies causing, contributing, or being directly linked to modern slavery practices. – Engage with customers to determine the feasibility of modern slavery clause to be included in contracts requiring the timely notification to us upon identifying instances of modern slavery risks within their operations and supply chain.

Additionally, Aurora Dairies has implemented policies which assist in the effective management of modern slavery risks.

Policies and Guidelines:

Aurora Dairies has implemented the following policies and guidelines which have been identified as relevant for the effective management of modern slavery risk. These following policies and guidelines are easily accessible by all employees and available to contractors:

- **Code of Ethics and Conduct:** to ensure high standards of corporate and individual behaviour by all employees and that stakeholders have confidence in the integrity, trust and collaboration of Aurora Dairies.
- **Remuneration Guideline:** outlines the remuneration framework for corporate, farm and casual employees to ensure employee's remuneration, short term incentives and long-term incentives, are reviewed and communicated in a fair and transparent manner with the appropriate levels of confidentiality.
- **Whistleblower Policy:** aims to provide employees, contractors and agents with a supportive working environment in which they feel confident to be able to raise issues of legitimate concern to them and to Aurora Dairies.
- **Complaints Handling Policy:** to ensure fair, efficient and accessible avenue for expressing dissatisfaction and resolve complaints fairly and efficiently.
- **Compliance Reporting Policy:** to ensure that any matters that have occurred which may be in contravention of applicable laws and regulations, Aurora Dairies' processes, policies, guidelines or contracts or agreements with third parties are identified and appropriately reported.
- **Human Resources Policy:** a framework for human resource arrangements which is supported by guidelines for talent acquisition, remuneration, unacceptable behaviour and grievance procedures.
- **Health, Safety and Environment Policy:** establishes Aurora Dairies' commitment to ensuring all employees, contractors and visitors experience a healthy and safe work environment, enabling them to return safely home each day. The policy provides an overview of the workplace health, safety and environment (HS&E) management system which deals with the management of HS&E risks associated with Warakirri Cropping's business operations, including but not limited to implemented procedures to deal with fatigue management.

All policies reviewed and updated at regular intervals by Aurora Dairies' Investment Committee or Warakirri Asset Management's Audit, Risk and Compliance Committee and approved by the relevant Board.



5. Consultation and Review Process

In drafting this Modern Slavery Statement, we coordinated a consultation process with input from key personnel within Aurora Dairies and Warakirri Asset Management who have extensive knowledge of the business operations, supply chain and an understanding of our obligation to identify modern slavery risks and the protect human rights of the people in our business operation and supply chain.

This Modern Slavery Statement will be reviewed annually by Aurora Dairies Investment Committee to ensure it complies with relevant laws and remains relevant and effective.

The Modern Slavery Statement was reviewed and approved by the Aurora Dairies Investment Committee in their capacity as principal governing body of Aurora Dairies on 20 December 2023.



James McKay
Director – Aurora Dairies Holdings Pty Ltd



Aurora Dairies
Level 17, 140 William Street
Melbourne VIC 3000

Appendix – Mandatory Criteria

REF	MANDATORY CRITERIA	SECTION NUMBER
A	Identify the reporting entity.	Sections 1 and 2
B	describe the reporting entity's structure, operations and supply chains.	Section 2
C	describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Section 3
D	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.	Sections 3 and 4
E	describe how the reporting entity assesses the effectiveness of these actions.	Sections 3 and 4
F	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).	Section 5
G	provide any other relevant information.	Section 4