

Modern Slavery Statement for the 2021 – 2022 Financial Year

This statement has been prepared in accordance with section 14 of the Australian Modern Slavery Act (Cth) 2018 and outlines the steps that Crop Smart Pty Ltd (“Crop Smart”, “we”, “us”, “our”) has taken, and is continuing to take, to assess and reduce risks of modern slavery within its business and its supply chain, and its plans for review and improvement.

Any form of modern slavery has no place in our business or supply chain or the businesses that we work with.

Overview

The purpose of this statement is to outline our approach to ensuring that Crop Smart has comprehensive frameworks and processes in place to minimise the risks of modern slavery in our business operations and supply chain. Crop Smart acknowledges that slavery can occur in many forms as detailed in the Act including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, child labour and deceptive recruiting. Crop Smart is committed to operating responsibly and establishing and adhering to the highest ethical standards with a goal of identifying and working with its supply chain to eradicate the various forms of slavery.

Crop Smart has embraced its responsibility to understand labour exploitation and to effectively address it and wherever possible; we will influence our business partners (including those involved in our supply chain) to reduce the risk of it occurring in our operations and supply chain.

We expect all of our business partners, including suppliers and the manufacturers of those products that we range to uphold the rights of employees and contractors in the supply chain, including the rights of freedom of association, collective bargaining, and a living wage.

Our Business & Operations

Crop Smart is an Australian manufacturer and distributor of high-quality agricultural chemicals and adjuvants, with over 60 employees across SA, VIC and NSW.

We believe there is no risk of modern slavery in our directly employed workforce, as the labour market in Australia is highly regulated, strict regulations apply to the chemical manufacturing and agricultural chemical sectors, and the presence of regulatory bodies such as Fair Work who represent employees in a variety of matters relating directly to labour and employment conditions.

Our Supply Chain

The long-term relationships we have built with our key suppliers equip us with an operational focus that promotes and facilitates workspaces that are ethical in their treatment of all people, and which do not tolerate or endorse direct or indirect modern slavery practices. These relationships also promote stability in our supply chain and procurement processes.

Crop Smart procures goods and services needed for our business’s day-to-day operations from many contracted and preferred suppliers operating in Australia and overseas. A significant number of our supplier’s operations are based in Australia, and we believe these suppliers have a lower risk of modern slavery occurring in their supply chains. As their operations are based in Australia, they too are required to comply with the Modern Slavery Act within their own supply chains.

Our supply chain spend includes suppliers from the following key areas:

- **Professional services** includes the provision of financial and legal services.
- **Property** includes office leasing, car parking, and maintenance services
- **Insurance** includes coverage of all major forms of general, public, and professional insurance, including professional indemnity insurance
- **IT & communications** includes the purchase of IT equipment and software, as well as the procurement of IT services
- **Corporate and Operational** includes goods and services required for our day-to-day requirements such as stationery, cleaning, membership fees, general consumables, and uniforms
- **Transport.** Crop Smart engages many different transport companies to deliver finished goods and also to collect used IBCs and drums from our customers.
- **Raw materials and finished goods** from local and overseas suppliers.
 - Our overseas suppliers must provide certification of GMP and be registered with [APVMA](#)
- **Recruitment and labour hire companies.** Crop Smart engages labour hire services to supply workers in addition to directly hiring employees and we have assessed the risks with the labour hire companies we use. We have determined that the modern slavery risks attached to those arrangements are low:
 - employees are only selected if they have the relevant work Visa for Australia;
 - employees are provided with a letter of offer that outlines work conditions, hours, rate of pay; and
 - the labour hire organisation assesses host employers for occupational health and safety prior to placing candidates.

Modern Slavery risk identification & remediation

We have identified that the key area of risk for modern slavery in our operations and supply chain is associated with raw materials sourced from medium to high-risk countries. We have used the [Global Slavery Index](#) to classify what constitutes a 'medium' or 'high' risk country.

- Materials sourced from Singapore or Australia are considered to be low-risk
- Materials sourced from China, Indonesia, India and Malaysia are considered to be medium to high-risk

Where any actual or suspected circumstance of modern slavery is identified, Crop Smart will promptly seek an explanation from the relevant supplier and if appropriate, work with the supplier to develop an approved remediation plan. If a remediation plan is not appropriate in the circumstances, the supplier fails to satisfactorily implement the remediation plan, or the remediation plan fails to address the issue, Crop Smart will review its relationship with the supplier with a view to terminating the contractual relationship and engaging alternative suppliers who share a commitment to the eradication of modern slavery.

In FY22, a review of direct employees and independent contractors was completed. An assessment of these areas revealed that the relevant individuals were compensated at or above industry award rates and had satisfactory working conditions or maintained a high level of autonomy over their working conditions.

Evaluating effectiveness & future risk management

As a result of what has already been put in place and as our modern slavery practices and procedures evolve, Crop Smart will:

- Continue to research our supply chain and assess the potential for modern slavery.
- Develop a Modern Slavery Policy and communicate this to employees.
- Assess remediation measures that are implemented by the organisation when a modern slavery risk is identified, to ensure that the implemented measure (which could include removal of a supplier) has been effective.
- Collaborate with suppliers to extend information collected, potentially by including specific criteria related to modern slavery.
- Draft a Crop Smart Supplier Code of Conduct and modern slavery questionnaire for new and existing suppliers.
- Review of our procurement policy and procedures to ensure inclusion of modern slavery clauses; and
- Update of our standard procurement agreements to include contractual obligations to address modern slavery compliance so that all new suppliers commit to adherence to the new modern slavery requirements.

Crop Smart will continue to review the potential risk of modern slavery practices across our operations and supply chain and develop our approach to modern slavery compliance. We intend to carry out a more comprehensive risk assessment of our operations and supply chain in the future, with a view of looking deeper into the risks attached to our supply chain (including indirect supply chain) in particular.

Board Approval

This statement has been approved by Crop Smart's board of directors.

Signed: Date: 23 December 2022

A handwritten signature in black ink, consisting of a stylized 'M' and 'D' followed by a horizontal line extending to the right.

Matthew Durden
CEO