

2024 Modern Slavery Act Statement

Introduction

This Modern Slavery Act Statement (**Statement**) has been prepared by Rural Funds Management Limited as responsible entity of Rural Funds Group. This statement has been prepared in accordance with the *Modern Slavery Act 2018* (Cth) (the **Act**) for the period 1 July 2023 to 30 June 2024.

Pursuant to the UN Guiding Principles on Business and Human Rights (UN Guiding Principles), we are committed to “taking the appropriate steps to prevent, investigate, punish and redress such abuse through effective policies, legislation, regulations and adjudication.”¹

The Statement highlights our commitment to addressing modern slavery and human trafficking risks in our supply chain and operations, and our continual efforts to understand potential risks and effective responses in the event of such risks being realised.

This is the first Modern Slavery Act Statement for the Rural Funds Group.

The Rural Funds Group may be referred to in this Statement as ‘**we, us or our**’.

The numbered sections of this Statement correspond with each of the reporting criteria under the Act.

The Statement is current as 17 December 2024 and has been approved by the Board of Directors of the Responsible Entity.



David Bryant
Managing Director

¹ Foundational Principles I.A 1., *UN Guiding Principles on Business and Human Rights* (‘UN Guiding Principles’).

Criteria 1: Reporting Entities

The reporting entity for this Statement is Rural Funds Group (RFF) (**the Fund**).

RFF is a stapled security comprising of:

- Rural Funds Trust ARSN 112 951 578 (**RFT**) and
- RF Active ARSN 168 740 805 (**RFA**).

Rural Funds Management Limited ACN 077 492 838 (**RFM**) is the responsible entity for the Fund (**the Responsible Entity**). RFM holds an Australian Financial Services Licence authorising it to operate the Fund.

Under the Australian Accounting Standards AASB 10 *Consolidated Financial Statements* control test, RFM does not control RFF and any of RFF's other associated entities.

Further details regarding RFF can be found in the [2024 RFF Annual Report](#).

Criteria 2: RFF's structure, operations and supply chains

Structure

The Rural Funds Group is a stapled security, comprising of RFT and RFA; each are registered managed investment schemes under the *Corporations Act 2001* (Cth) (**the Corporations Act**).

The Fund is listed on the Australian Stock Exchange, trading under the code **ASX:RFF**.

In accordance with Accounting Standard AASB 3 *Business Combinations*, the stapling arrangement referred to is regarded as a business combination with RFT identified as the parent for preparing the Funds' Consolidated Financial Reports.

RFT is an attribution managed investment trust (AMIT). RFA is a public trading trust and taxed as a company. RFT owns all the units on issue in the Trustee for RFM Australian Wine Fund ARSN 099 573 485 (AWF) and its wholly owned subsidiary Agricultural Income Trust Fund 1 ARSN 093 804 276 (AIT). AWF is a subsidiary of RFT and is the head of separate tax consolidated group.

AWF and AIT, hold the Group's vineyard assets, are wholly owned subsidiaries of RFT.

All entities within the Group are tax residents in Australia.

The Responsible Entity employs over 250 staff located in the Australian Capital Territory, New South Wales, Victoria and Queensland. RFM seeks to maximise returns through its experienced management team including specialist fund managers, finance professionals, horticulturists, agronomists and other agricultural managers. The average tenure of the operations and management teams is 11+ years.

As at 1 August 2024, RFM employed 11 workers on an Australian working visa.

Operations

The Fund is an agricultural real estate investment trust which owns a diversified portfolio of high quality Australian agricultural assets. Most of these assets have long-term leases with experienced agricultural operators.

RFF's investment objective is to generate a stable income stream derived from leasing its assets to suitable counterparts and generating capital growth through appreciation in the value of those assets.

The Responsible Entity has a depth of experience accumulated over 27 years acquiring, developing and operating Australian farmland, agricultural infrastructure and other assets. Sector experience includes almonds, poultry, macadamias, cattle, cropping, viticulture and water. Assets are located throughout New South Wales, Queensland, South Australia, Western Australia and Victoria.

RFM's company culture is informed by a precision-based approach to asset management and its longstanding motto of "*Managing good assets with good people*". The Responsible Entity oversees a robust governance framework through which it is committed to addressing all forms of modern slavery and human trafficking.

During the reporting period, the Fund also operated unleased macadamia, cattle and cropping properties in Queensland.

Supply Chain

RFF operations are solely in Australia which enables the supply chain and operational risks to be closely monitored by the Responsible Entity.

Our supply chain assurance is an area of due diligence for our corporate and operational management teams. This seeks to ensure that RFF continues to source suppliers and labour hire that does not pose modern slavery or human trafficking risks.

RFF procures a large range of agricultural goods and services from both domestic and international vendors to use in its operations. During the reporting period, the Fund had a network of 518 suppliers.

Criteria 3: Risks of modern slavery practices in RFF's operations and supply chains

Modern Slavery Risks

RFF is not required to report on the modern slavery operational risks and supply chains of its lessees. Risks identified below related to those unleased properties operated on RFF's behalf.

Modern slavery risks within our supply chain are separated into various sections under the Fund structure.

1. **Employment** – Whilst RFF does not directly employ staff, operations conducted on RFF's behalf utilise labour hire workers. This aspect of our supply chain is an area of ongoing focus, with continual improvement of onboarding procedures and due diligence measures prior to workers commencing employment.
2. **Suppliers** – The suppliers engaged by RFF are those that provide the final product to the Fund. These suppliers range from small family-owned businesses to large multinational corporations. Due to the regional locations of most RFF properties, many suppliers are used due to their location, accessibility and specialist knowledge. To assist managing any modern slavery risks within RFF's supply chain, the Responsible Entity has implemented a Modern Slavery Policy, Procurement Policy and Delegations Policy, along with internal procedures, to ensure the Fund's suppliers are vetted and reviewed by qualified personnel before commencement of any services.
3. **RFF Lessees** – Due diligence of potential lessees on RFF properties are conducted prior to commencement of any lease. The Responsible Entity continuously monitors risks as they relate to RFF in accordance with its policies and procedures. This monitoring seeks to ensure they are adequately addressed, managed and minimised.

The Responsible Entity relies on Reporting Entities to advise if there has been any reported cases or allegations of modern slavery within their organisation. This information should be disclosed, at a minimum, during the annual review of suppliers undertaken by the Responsible Entity.

Criteria 4: Actions taken to assess and address Modern Slavery risks

The Company has established policies, procedures and registers to identify, assess and understand any modern slavery risks that may affect the Fund. The Risk Management Policy, and associated procedures, form an integral part of the Company's governance framework and has been integrated across the Responsible Entity's processes.

As this is the first year RFF is required to report on Modern Slavery, risk assessments in this reporting period have not been conducted for the Reporting Entity. In accordance with the Risk Management Policy, modern slavery risks are subject to annual reviews commencing financial year 2024-2025.

The Risk Management Policy will ensure the Responsible Entity identifies the accountability of risk owners along with the competency and authority to manage the risk. The Modern Slavery Policy delineates a clear understanding of the roles and responsibilities and reporting requirements in relation to managing modern

slavery risks. Nominated employees are responsible for reviewing and updating any modern slavery risk assessments relevant to their business unit.

Training and Awareness

As RFF is in its initial reporting period, ongoing training and support regarding modern slavery will be provided to all staff this current year (FY24-25). This will include training for specific employees in key risk functions and business groups who are more likely to encounter modern slavery and human trafficking risks when carrying out viability assessments of agricultural land in regional Australia.

Remediation

The Responsible Entity is committed that the Fund maintains a safe workplace, free from any discrimination, harassment and victimisation. The Responsible Entity has an established grievance procedure and resolution process that employees can access. All employees are encouraged and responsible for supporting and respecting equity and ethical practices and to help prevent unlawful and inappropriate behaviour in our workplace. Annually, all employees are made aware of these policies and procedures. Employees are advised that they can come forward and report any misconduct without fear of retribution or retaliation.

RFF will continue to enhance this ensuring there is clear communication between the business units involving modern slavery risks.

Future Commitments

The Responsible Entity will monitor any risks associated with modern slavery on RFF-owned and operated properties. This will ensure RFF appropriately monitors modern slavery and human rights-related risks in the future.

The Responsible Entity is committed to continually updating its policies and procedures to comply with best practice. This means updating all onboarding programs prior to commencement of work for suppliers and/or contractors.

Thorough background checks will continue to be utilised by RFF, as part of supplier/employee/tenant onboarding processes. This will ensure that future lessees of its properties adequately conform to this policy (and its future iterations) and all associated policies and procedures.

Continuous communication with lessees, employees and suppliers will ensure transparency between RFF and all stakeholders to identify and mitigate any human trafficking and modern slavery risks within its operations and extended supply chain.

Frequent engagement with suppliers and lessees will ensure RFF's strict contempt for any human rights related risks in its operations and supply chain and any such risk will be dealt with in accordance with best practice.

We will collaborate with RFF stakeholders to continue to reduce modern slavery and human trafficking risks in operations and the extended supply chain to ensure that we continue to uphold our motto, *"Managing good assets with good people."*

Criteria 5: Assessing the effectiveness of RFF's actions

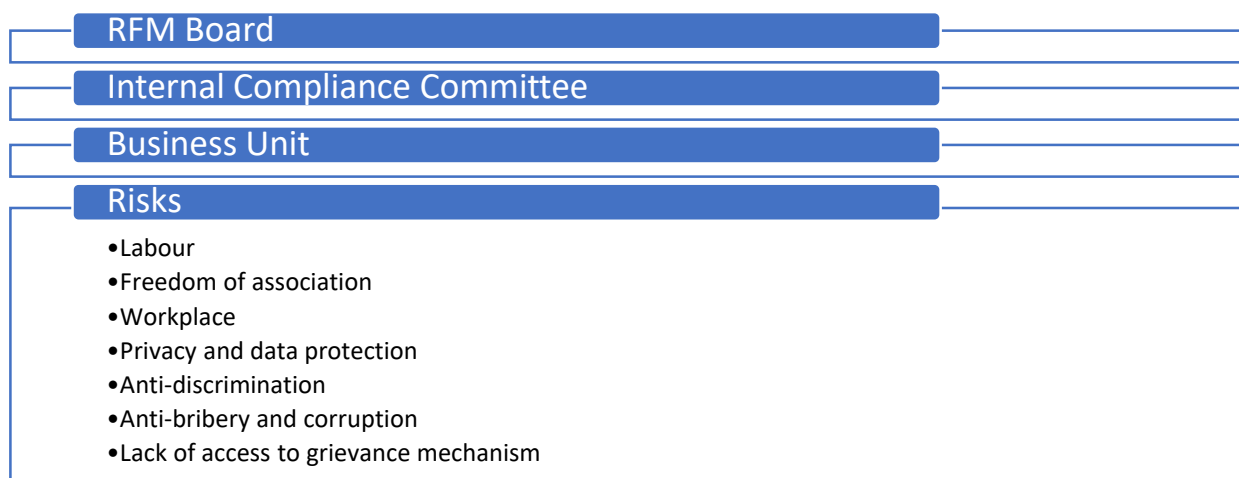
As this is the first year RFF is required to report on Modern Slavery, risk assessments have previously not been conducted. Moving forward, and in conjunction with the Risk Management Policy and the Safety Management System, modern slavery risks are subject to annual reviews commencing financial year 2024 - 2025.

The Risk Management Framework structures business units conducting annual risk identification and review meetings with key members of their team and the Compliance team. These meetings consist of reviewing and reassessing any modern slavery risks within the business unit with current controls either confirmed or updated.

Governance

RFF's supply chain governance structure ensures that any modern slavery risks encountered by business units are appropriately monitored under a hierarchical system. In accordance with RFM policies, each level of

the governance structure has a role to play in the identification and assessment of human rights related risks associated to the supply chain and business operations.



With continuous oversight of the risks that may be encountered by the business units, RFF's governance structure ensures that checks are in place to identify and manage any risks that arise. This seeks to ensure RFF's operations and extended supply chain are free from human rights related issues and there are proper governance processes in place for oversight and management by all levels of the business.

Policies and Processes

RFF has an established set of policies and processes that assist with managing potential human rights issues within its extended supply chain and operations. These policies aim to identify risks that would not otherwise be evident and enable RFF to address such risks in accordance with best practice.

RFF aims to address and mitigate risks of modern slavery, while also providing adequate countermeasures in the event of such risks being realised by way of codifying processes and procedures into the following RFM policies:

- *Anti-Bribery & Corruption Policy*
- *Code of Conduct*
- *Contractor Engagement and Management Policy*
- *Delegations Policy*
- *Diversity, Equity and Inclusion Policy*
- *Equal Employment Opportunity Policy*
- *Procurement Policy*
- *Recruitment, Retention, Remuneration and Benefits Policy*
- *Risk Management Policy*
- *Risk Management Procedures*
- *Sexual Harassment Prevention Policy*
- *Sustainability Policy*
- *Whistleblower Policy*

Objective and comprehensive governance procedures ensure RFF continues to uphold their commitment to ensuring modern slavery and human rights risks are not realised in any of its operations or extended supply chain.

RFF manages human rights related risks in accordance with its Modern Slavery Policy. This policy ensures established processes are employed to prevent risk realisation.

Criteria 6: Consultation process

The Fund, as a Reporting Entity, controls two trading trusts, the Trustee for RFM Australian Wine Fund ARSN 099 573 485 (AWF) and its wholly owned subsidiary, Agricultural Income Trust Fund 1 ARSN 093 804 276 (AIT).

As these trusts are a subsidiary of RFT and the head of separate tax consolidated group, the consultation process consists of AWF and AIT abiding by the policies authorised by the Responsible Entity.

Criteria 7: Relevant information

No further information required.