



# Modern Slavery Statement FY20

# MODERN SLAVERY STATEMENT FY20

## Overview

Consolidated Pastoral Company Pty Ltd (ACN 010 080 654) (“CPC”) is a socially responsible organisation and is committed to preventing and addressing modern slavery as defined in the Modern Slavery Act 2018, in the supply chain.

## Who is Consolidated Pastoral Company Pty Ltd?

CPC is an Australian managed, UK owned Agri-food business with an enterprise value in excess of \$750 million. CPC operates a portfolio of 9 cattle stations with a carrying capacity of 300,000 head of cattle across 3.6m hectares of land in Australia.

The company also holds a 90% interest in PT Juang Jaya Abdi Alam (JJAA) which owns and operates two feedlot businesses in Indonesia.

CPC has five core values: Health and Safety, Trust, Leadership, Community and Value Creation.

## CPC’s Structure, Operations and Supply Chain

### **Structure at 31 March 2020**

CPC is owned by Terra Firma Capital Partners III, a United Kingdom private equity Fund.

Lake Woods Holdings Pty Ltd is the Australian parent company of several controlled entities in Australia including CPC. A full listing of the controlled entities is included at Annexure A. CPC is responsible for the operations of the business in Australia and the other controlled entities in Australia exist only for historical reasons. JJAA is responsible for business operations in Indonesia. For the purpose of this report, “CPC” refers to all businesses within the group.

### **Operations and Supply Chain**

The CPC Australian operations are located across northern Australia with 9 cattle stations which breed and grow beef cattle. The administrative office is based in Brisbane.

CPC Australia is very customer focused with its direct sales channels primarily involving selling cattle and beef to Asian consumer markets, domestic feedlots or processors, and exporting live cattle.

The feedlots in Indonesia are located in Lampung (South Sumatera) and Medan (North Sumatera). The Lampung feedlot has a one time optimal capacity of 19,800 head, while the Medan feedlot has a one time capacity of 7,200 head; both facilities are “best in class” operations. Cattle are sold from these feedlots to customers who process the cattle. We maintain strong links through the supply chain from feedlot to market with animal welfare and marketing officers visiting customers and processing facilities daily.

Further information on operations available at: <https://www.pastoral.com>



## Risks of Modern Slavery Practices in CPC's Operations and Supply Chain

A risk assessment has been completed on the CPC supply chain to identify possible exposure to modern slavery.

Some of the possible risks identified in our supply chain are:

- Supply of materials and products coming from countries where reported to have a high prevalence of modern slavery or other human rights violations.
- Marine transport of livestock which may require suppliers to engage in excessive working periods at sea or unfavourable working conditions.
- Contract labour hire for services provided to CPC where practices may include forced labour or questionable employment practices.
- Lack of supply chain traceability and transparency creates a risk with the degree of integrity to meet acceptable practices at lower levels in the chain harder to review and understand.

## Actions Taken to Assess and Address Modern Slavery Risks

### *Policies and Procedures*

CPC has a comprehensive policy framework and operating procedures in place to ensure that our employees and contractors clearly understand our expectations plus also provide them with our commitments to how they will be treated at CPC.

Policy/Procedure	Purpose
<b>Code of Conduct</b>	Outlines a minimum set of standards and behaviour required of all CPC Employees, Contractors and Directors
<b>Anti-Bribery Policy</b>	Affirms that CPC has never tolerated, and will not tolerate, any form of bribery and corruption within its business
<b>Anti-discrimination, Bullying and Harassment Policy</b>	Outlines the relevant definitions, principles and obligations in relation to unlawful discrimination, bullying and harassment, as well as CPC's expected standard of conduct in these areas.
<b>Whistleblower Policy</b>	Encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving CPC and provides protections and measures so that those persons who make a report may do so confidentially and without fear of intimidation, disadvantage or reprisal.
<b>Recruitment and Selection Policy</b>	To make certain that the recruitment and selection processes conducted by CPC are efficient, robust and delivered in a manner that ensures candidates are treated fairly, equitably and in a manner that is consistent with legislative requirements and stakeholder expectations
<b>Enterprise Agreement</b>	Over 60% of the Australian team are covered by an Enterprise Agreement



### **Due Diligence and Remediation**

Other steps taken to assess and address modern slavery risks include the following:

#### *Employees*

- CPC's team of employees consists of approximately 140 employees in Australia, all engaged under employment contracts, and approximately 165 employees in Indonesia who are engaged under employment contracts or negotiated agreements.
- The terms and conditions of the CPC Enterprise Agreement (Australia) are developed through employee consultation and negotiation including taking a team vote.

#### *Service Providers and Suppliers*

- CPC is communicating with its suppliers to encourage them to also review their supply chains, particularly for overseas sourcing of raw materials used in livestock feed products
- Supply chains for fodder materials sourced for the Indonesian feedlots have been and continue to be reviewed
- A CPC agent is reviewing practices impacting workers on livestock marine transport vessels, this review will continue into FY22

## **Measuring Effectiveness**

Effectiveness of actions taken have been measured through a range of activities including our risk management and assessment process, policy reviews, supply chain disclosures, site visits and team engagement. CPC is further developing the process to measure effectiveness.

## **Consultation with Controlled / Owned Entities**

Within the Australian entities listed at Appendix A, there is only one entity which is an employer and undertakes operations, being Consolidated Pastoral Company Pty Ltd, therefore consultation was not required with the other entities. All Australian entities share the same Company Secretary who has been involved in the preparation of this statement.

JJAA has been consulted in the preparation of the statement and Directors of JJAA have knowledge of this statement.

## **Next Steps**

The next steps to be taken include the following:

- Issue Self-Assessment Questionnaires to suppliers of high-risk products
- Add a modern slavery clause into supplier contracts for products or services with a higher level of modern slavery risk
- Team member training on modern slavery, prioritising those people managing higher risk activities
- Develop and set key performance indicators to measure the effectiveness of our actions to assess and address modern slavery risks



## Our Commitment

CPC is committed to working collaboratively with our suppliers, customers, employees and external stakeholders to increase our understanding of modern slavery risks and how we can address them.

This statement is our first Modern Slavery Statement, being for the FY20 financial year ending March 2020 made pursuant to the Modern Slavery Act (2018). It has been approved by the Board of Lake Woods Holdings Pty Ltd on 21 December 2020.

Signed in accordance with a resolution of directors.



Troy Setter  
**Director and CEO**

Dated 21 December 2020



## Annexure A

### Wholly Owned Subsidiaries of Lake Woods Holdings Pty Ltd (ACN 134 351 134)

#### Registered office:

Newcastle Waters Station, Drovers Drive,  
Newcastle Waters, Northern Territory, Australia 0862.

Company Name	ACN
Baines River Cattle Company Pty Ltd	009 603 516
Consolidated Pastoral Company Pty Ltd	010 080 654
Consolidated Pastoral Property Pty Ltd	009 624 159
CPC (China) Pty Ltd	153 136 951
CPC (SE Asia) Pty Ltd	604 035 225
Crosswalk Pty Ltd	009 448 739
Lake Woods Acquisitions Pty Ltd	134 353 192
Lake Woods Group Pty Ltd	134 352 104
Laverton Nominees Pty Ltd	009 639 623

### 90% Owned International Subsidiary of Lake Woods Holdings Pty Ltd (ACN 134 351 134)

Company Name	Country of Registration	Company Number
PT Juang Jaya Abdi Alam	Indonesia	8120 20372 2061



