



FINANCIAL YEAR  
2023

# Modern Slavery Statement

Ameropa Australia Pty Ltd  
ACN 009 504 394



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- Modern Slavery Statement

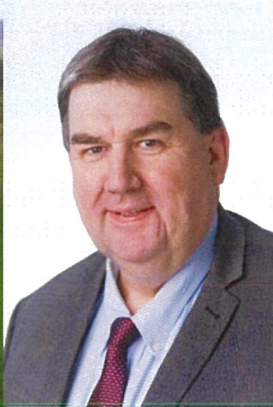


# Introduction

Ameropa Australia Pty Ltd (trading as Impact Fertilisers and Brown's Fertilisers) is committed to corporate social responsibility and to acting ethically and with integrity in all our business dealings and relationships; and to implementing and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in our own business or in any of our supply chains.

This Statement sets out all the steps and measures we are putting in place to reach this goal.

Jim Mole  
Chief Executive Officer





# Ameropa Australia Pty Ltd ACN 009 504 394

## Modern Slavery Statement

This statement is made in accordance with the requirements under the *Modern Slavery Act 2018* (Cth) (**Act**). This statement addresses and assesses modern slavery risks in the operations and supply chain of Ameropa Australia Pty Ltd (ACN 009 504 394) ("**Ameropa**", "**us**", "**we**" or "**our**") during the 2023 financial year (which ended on 31 December 2023).

Ameropa is a privately held company incorporated in Australia and registered in Tasmania, Australia. This statement is made on behalf of Ameropa Australia Pty Ltd (ACN 009 504 394) as the reporting entity. We do not own or control any other entities.

| Criteria required under the Act   | Page reference in this statement |
|---|----------------------------------|
| <i>Identify the reporting entity</i>  | 4                                |
| <i>Describe the reporting entity's structure, operations, and supply chain</i>  | 4 - 5                            |
| <i>Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns and controls</i>   | 8 - 10                           |
| <i>Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes</i>                 | 11 - 13                          |
| <i>Describe how the reporting entity assesses the effectiveness of these actions</i>  | 13                               |
| <i>Describe the process of consultation with any entities that the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)</i> | 14                               |

## Our Structure, Operations and Supply Chains

Ameropa is a wholly owned subsidiary of Ameropa Trade Holding AG, and part of the Ameropa Group, a global business with its Head Office located in Binningen, Switzerland.

Ameropa Group is a privately owned international agribusiness, specialising in the trading and distribution of fertiliser, food, and feed products.

Ameropa distributes fertiliser products within Australia through its brands 'Impact Fertilisers' and 'Brown's Fertilisers'.



## **Impact Fertilisers**

Impact Fertilisers is a wholesale distribution business, which sells its products and services through an extensive dealer network in Eastern Australia. There are nine Impact Fertilisers' distribution depots on the mainland of Australia and seven depots in Tasmania, providing a convenient dispatch footprint for wholesale customers. Our infrastructure also includes a Single Super Phosphate manufacturing plant in Hobart, Tasmania.

Impact Fertilisers supplies dealers with a wide range of quality fertiliser products that the dealers on-sell to Australian growers. Our products include Urea, Single Super Phosphate, Mono-Ammonium Phosphate, DiAmmonium Phosphate, Muriate of Potash, and Sulphate of Ammonia, together with a range of specialty products designed to improve farming productivity even further such as: ZincStar®, and N-Protect®.

Impact Fertilisers offers blending services and can provide product as bulk or bagged, depending on the depot of dispatch.

## **Brown's Fertilisers**

Brown's Fertilisers (**Brown's**) is a retail and fertiliser spreading business. Brown's has been operating in North East Victoria and the South and West Gippsland areas for over 35 years. Brown's has three depots across Gippsland, a depot in Northeast Victoria and their own small fleet of trucks.

Services include soil testing and agronomy; fertiliser and lime spreading; compost and manure spreading; fertiliser bins; bulk and 25kg bags and bulk cartage.

## **The Company**

Ameropa currently has 193 employees, with approximately 38 based at the Melbourne Head Office.

Ameropa's largest category of spending was on fertiliser.

The supply chain of products and services that contribute to our operations include:

- Sourcing raw materials from overseas and shipping those products to Australia;
- Unloading product from ships and storing it;
- Wholesale and retail distribution of products;
- Distributing products to customers;
- Manufacturing products; and
- Agronomy and spreading services.



## Key Areas of Focus in 2023

Ameropa has continued to develop and enhance its policies and processes which aim to protect human rights and reduce the risk of modern slavery in its operations and supply chain.

Key Initiatives in the 2023 financial year:

### 1. Supplier Code of Conduct

In October 2023 Ameropa issued an *updated* Supplier Code of Conduct (**the Code**), to align with latest ethical and social responsibility expectations.

The Code defines how we do business and demonstrates our commitment to corporate social responsibility. In support of this commitment, the Code sets out the ethical standards we expect, the level of integrity required in our business dealings and additional human rights requirements including a zero-tolerance approach towards modern slavery. In turn, we expect all our suppliers to share the commitment to meeting these standards and values.

We provide the Code to all new suppliers during our onboarding process, regardless of the nature of product/service being provided, size of supplier or spend. Ameropa encourages and expects all our suppliers (existing and new) to establish and maintain appropriate standards to ensure alignment with the Code. The Code was distributed to all employees.

In the event of non-compliance and/or unwillingness to act ethically or uphold appropriate standards that align with the Code, Ameropa reserves the right to impose consequences upon suppliers which may affect Ameropa's ongoing relationship with the supplier and lead to termination of a supply contract.

### 2. Modern Slavery Questionnaire to Suppliers

Ameropa continues to assess and monitor its suppliers in relation to potential modern slavery risks. The technology service provider we work with provides an online platform which we use to manage the distribution and assessment of a Modern Slavery Questionnaire (**Questionnaire**). The platform has been created in collaboration with an international law firm and provides a modern slavery risk assessment tool that we rely on to conduct our supplier due diligence each year.

The platform has an underlying risk algorithm which provides an overall modern slavery risk rating based on the answers provided by suppliers who complete the Questionnaire. The algorithm draws upon international databases, including the US Department of Labor List of Goods Produced by Child Labor or Forced Labor, World Bank Governance Indicators, Global Slavery Index, and International Work Group for Indigenous Affairs.

We use the platform as a sieve to assist us in adopting a pragmatic approach to identifying the suppliers that we need to focus on for further engagement.

### 3. Modern Slavery Policy

In October 2023 Ameropa reviewed and *updated* its Modern Slavery Policy (**Policy**) to ensure the highest levels of ethical behavior, including zero tolerance for unethical, corrupt, or undesirable conduct.



Our Policy is accessible on our intranet by all persons working for or on behalf of Ameropa. The Policy is an enhancement to our existing frameworks and policies and sets out clear expectations for team members, contractors, and other representatives. Notification of the update and the new policy was distributed to all employees.

#### **4. Internal Training, Awareness and Policies**

Ameropa maintains a continuous focus on training and collaboration to improve awareness and knowledge amongst our team members.

Our onboarding training process involves specific modern slavery training to ensure all new employees and contractors are educated on modern slavery, its potential risks. In addition to this, our existing employees and contractors are required to refresh their knowledge of our internal policies annually and provide confirmation that they have done so as a compliance activity.

Ameropa continues to develop our internal training program for employees and contractors, the training extends to fundamental governance principles which are to be adhered to across all business operations. In addition to this, the training and awareness program includes an overview of Ameropa's Code of Conduct, Conflict of Interest, Grievance Resolution Policy, Whistleblower Policy, and workplace ethics.

In 2023, Ameropa reviewed and *updated* our Code of Conduct, Discrimination Harassment and Bullying Policy and the Grievance Resolution Policy.

#### **5. Strengthening of contract clauses**

Ameropa has developed clauses that contractually require suppliers to comply with our modern slavery obligations, Anti-Bribery and Corruption laws and Supplier Code of Conduct. These clauses are incorporated in its standard purchase order terms and conditions and standard works agreement and will be included into supplier contracts when feasible. These contractual clauses demonstrate to our suppliers the importance Ameropa places on minimising the risk of modern slavery in its supply chain and to ensure we collaborate with organisations that share similar objectives.

#### **6. Following up with moderate or high-risk suppliers**

In 2022, Ameropa conducted a review of its direct suppliers taking into consideration the suppliers' industry, product, geographical location, and the suppliers' own supply chain. Ameropa confirmed that majority of its supply chain are not considered high risk with only one (1) supplier being considered high risk, and 32 suppliers being considered a moderate risk. In 2023, Ameropa undertook communications with these suppliers to further understand their operations.

Ameropa made specific enquiries regarding responses to our Questionnaire and requested documentary evidence of their modern slavery risk mitigation practices. By conducting due diligence, Ameropa will be able to take an informed approach with these suppliers and work collaboratively to assist in implementing appropriate actions to reduce modern slavery risk.



## Risks of Modern Slavery Practices in our Operations and Supply Chains

Ameropa sources products from Australian and international suppliers. In the case of international purchases, Ameropa obtains products via a related entity, Ameropa Asia Pte Ltd, as well as several other overseas suppliers (some of our top product suppliers are listed in the table below).

Procuring supplies from other countries inherently involves some modern slavery risk in Ameropa's direct (tier 1 suppliers) and indirect supply chain (tier 2 suppliers). Further complexity exists for Tier 2 suppliers as less transparency exists throughout a multi-tiered supply chain.

In due course, Ameropa is aiming to conduct a review into its tier 2 supply chain to ensure that these suppliers align with Ameropa's ethical standards and assess any potential modern slavery risks. Ameropa is committed to protecting human rights throughout our entire supply chain. We manage our business and commercial relationships closely and therefore also understand that the likelihood of Ameropa directly contributing to modern slavery risks to be low.

We have outlined the location of some of our top overseas key suppliers, the products, or services we source from these suppliers, whether directly or indirectly and our view of the possible modern slavery risks attached to those arrangements.

| COUNTRY      | RISK  | EXAMPLE OF PRODUCT/ SERVICE   | DIRECT OR INDIRECT SUPPLY   |
|--------------|---|---|---|
| Canada       | Fair working conditions and training                      | Muriate of Potash   | Direct dealing with Ameropa                                       |
| China        | Forced labour, fair working conditions                    | Urea, Rock Phosphate, Ammonium Phosphates, Surveying, and Inspection services | Dealing via Ameropa Asia  |
| India        | Migrant labour exploitation, Forced Labour                | FIBC Packaging  | Dealing with an Australian based Company, that sources from India |
| Indonesia    | Migrant labour exploitation, bonded labour                | Urea  | Dealing via Ameropa Asia  |
| Malaysia     | Forced Labour, bonded labour, migrant labour exploitation | Urea  | Dealing via Ameropa Asia  |
| Saudi Arabia | Migrant labour exploitation, forced labour                | Urea, Ammonium Phosphates, Sulphur  | Dealing via Ameropa Asia  |



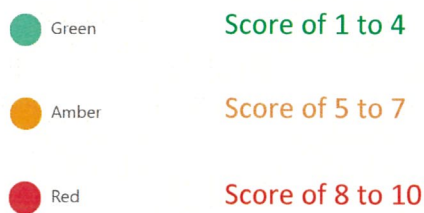
|             |  |                    |   |
|-------------|--|--------------------|---|
| South Korea | Forced Labour                              | Sulphur            | Dealing with an Australian based Company, that sources from South Korea |
| Taiwan      | Forced labour                              | Sulphate of Potash | Direct dealing with Ameropa   |
| Togo        | Migrant labour exploitation, forced labour | Rock Phosphate     | Direct dealing with Ameropa   |

### Third Party Risk Management Overview

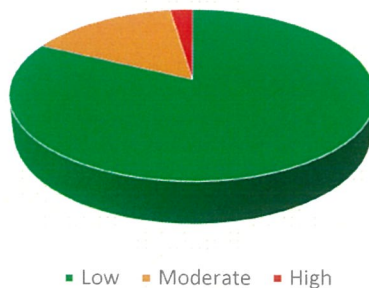
By way of overview, the Questionnaire we issue to suppliers contains approximately 19 questions designed to assess the modern slavery risks in our suppliers’ business and supply chains. The responses to the questions are weighted based on data analytics driven by global indices on modern slavery and human rights risks. The scoring focuses on five areas:

- Jurisdiction (where a supplier operates and sources from)
- Policies, processes, and systems (risk mitigating controls)
- Activity (inherent industry risk)
- Workforce profile (utilisation of potentially vulnerable workers)
- Human rights (training, audits, and assessments on human rights)

Upon completion of the Questionnaire, the suppliers were allocated an overall risk rating between 1 to 10 with 1 presenting a lower modern slavery risk and 10 presenting a higher risk of modern slavery.



During the 2023 reporting period, the Questionnaire was sent to 222 suppliers. In summary, 38% (84) of suppliers completed the Questionnaire and of those that completed it, 82% (69) received a low-risk rating, 15.5% (13) received a moderate risk rating and 2.5% (2) received a high-risk rating.





Overall, we observed that:

- 1) risk rating average was low.
- 2) all suppliers agreed to comply with our Supplier Code of Conduct; and
- 3) there were no suppliers that disclosed that they were the subject of a negative human rights audit.

The two suppliers that received a high-risk rating operated in higher risk industries and in higher risk jurisdictions with limited risk mitigating controls in place, including the absence of human rights training, assessments, or audits. Despite the results, we were pleased to see that both suppliers accepted our Supplier Code of Conduct. We plan to conduct further engagement with the suppliers based on their acceptance of our Code and identifying the areas of their business that requires alignment with our standards.

The breakdown of the driving factors of risk across the five areas in the Questionnaire are shown below:

Supplier 1



Supplier 2



The suppliers that received moderate risk ratings also typically operated in higher risk industries such as construction, agriculture, manufacturing, wholesale trade and mining but the overall risk was moderated down by factors such as operations in lower risk countries, presence of risk mitigating controls, implementation of measures to protect the health and safety of workers and agreement to comply with our Supplier Code of Conduct. Just over half of those that received a moderate risk rating were reporting entities themselves which aligns with the increased sophistication in the risk mitigating controls they have in place, including the provision of human rights training for employees.

The suppliers that received low risk ratings were mostly Australian domiciled countries with operations in mostly lower risk countries. There was a mixture of industries, but the common theme was the proportion of suppliers with risk mitigating controls in place and not employing potentially vulnerable categories of workers.



## The actions we take to assess and address these risks.

There are several actions that Ameropa has taken during the 12-month reporting period to assess and address the risks of modern slavery in Ameropa's operations and supply chains.

### 1. Modern Slavery Focus

Ameropa's Executive Leadership Team (ELT) has maintained a focused approach to modern slavery risks. In addition to the preparation of an Ameropa Modern Slavery Statement, the ELT works to identify modern slavery risks in Ameropa operations and supply chain to find ways to reduce or mitigate these risks, to develop practices to enhance Ameropa's response to modern slavery.

### 2. Our Policies

Ameropa has a longstanding set of policies in place that contribute to reducing the risk of modern slavery. These policies are reviewed annually and promptly updated if necessary. In addition to Ameropa's Modern Slavery Policy and Code of Conduct, our other policies include an Anti-Bribery and Corruption Policy, Whistleblower Policy, Discrimination, Harassment and Bullying Policy, Grievance Resolution Policy, and Counselling and Disciplinary Policy and Conflict of Interest Policy. Collectively, these policies are referred to as our **Policies** in this statement.

These Policies ensure that our employees and suppliers are dedicated to managing social, ethical, and environmental issues in a responsible manner and consistent with our Company Values.

At Ameropa, we value education and transparency and each of our employees and suppliers is made aware of the expectation that they will be familiar with and comply with all relevant policies. Compliance education and training for employees includes review of and signing off on the Code of Conduct, Conflict of Interest, Modern Slavery and Whistleblower policies on an annual basis.

We believe that strong internal policies and systems are a key aspect of how we manage and mitigate the risk of modern slavery in our operations and supply chains.

### 3. Due Diligence

Ameropa has sought the completion of the Questionnaire which is designed to determine the risk of modern slavery in suppliers' operations. Whilst the response rate in 2023 has been disappointing Ameropa remains committed to seeking continuous disclosure from our suppliers about the modern slavery risks in their supply chains.

Ameropa plans to continue to conduct further due diligence into the suppliers considered high risk and moderate risk from our 2023 Third Party Risk Management Overview. This involves Ameropa requesting further evidence of their modern slavery risk mitigation practices and assessing the best approach to ensure the risk is mitigated.

### 4. Employee Education and Compliance

Throughout this reporting period, Ameropa has taken steps to increase employee awareness and engagement regarding modern slavery through its Modern Slavery Policy which was updated in 2023, distributed to all employees and is available to all employees on our intranet and through our employee education program.

Ameropa has robust employee policies and procedures in place with respect to the hiring of employees, to ensure that slavery, forced labour and unethical hiring practices are not occurring in Ameropa's hiring process or employment relationships.



## 5. Industry discussions

In 2023, Ameropa continued its dialogue with several of its key suppliers and customers as well as Industry groups such as Fertiliser Australia and International Fertilizer Association (IFA) regarding the way the risk of modern slavery can be addressed and reduced.

## 6. Managing supplier contracts

In 2023 we were not made aware of any relevant breaches by any of our suppliers. However, if a supplier were to be found in breach of the terms stipulated in their contract with us in relation to modern slavery, we could suspend or terminate the contract with that supplier. We would take any breach involving a risk to human rights seriously and address it promptly with the ultimate outcome to reduce or remove the risk altogether.

## The Objectives for 2024

The ELT has set out the below objectives that it intends Ameropa to meet by the end of the 2024 financial year in addressing modern slavery risks.

### 1. Continue due diligence activities.

In 2024 Ameropa will initially be sending an updated Questionnaire to 265 suppliers with whom it spends over \$20,000 annually or if they are deemed as a high-risk supplier e.g. cleaners etc.

The list of those receiving the updated Questionnaire will include new suppliers, suppliers that have already answered an earlier version of the Questionnaire (to ensure that we have up to date knowledge of their operations) and those suppliers who have thus far not responded to the Questionnaire. More Questionnaires will be sent out throughout the year to new suppliers when they are onboarded.

All suppliers are required to complete the Questionnaire to continue to work with Ameropa. We now have a designated employee who will be working to ensure high response rates.

If, during this process, Ameropa discovers that a supplier is non-compliant with our Supplier Code of Conduct or does not present adequate measures to protect its own operations or supply chain from potential modern slavery risks, Ameropa will work with this supplier to take appropriate steps to remedy this issue. If this supplier demonstrates an unwillingness to address the issue, Ameropa will consider ceasing its commercial relationship with this supplier and replace this supplier with a supplier that presents a lower modern slavery risk and/or meets Ameropa's expectations regarding ethical behaviours.

We plan to conduct further engagement with the suppliers identified as having high and moderate risk of modern slavery in their supply chains and identifying the areas of their business that requires alignment with our standards.

### 2. Management of pre-qualification for new suppliers.

Ensuring that all suppliers complete satisfactory responses to the Questionnaire and agree to our Supplier Code of Conduct.

### 3. Continue training and awareness building.

Ameropa is committed to spreading awareness and promoting transparency in relation to modern slavery within its organisation. Ameropa will continue to require employees to read and understand our Modern Slavery Policy annually.

Going forward, specific modern slavery training will be provided annually to ensure all employees and contractors are continually educated on modern slavery and its potential risks.



#### 4. **Work towards assessing modern slavery risks in the indirect supply chain.**

Ameropa continues to work closely with external experts to enhance its modern slavery due diligence. Ameropa's response to modern slavery risks develops and matures, we will continue to endeavour to expand our focus to our indirect supply chain as soon as practicable. This will assist Ameropa in obtaining visibility across its broader supply group.

#### 5. **Reporting concerns**

Ameropa promotes all individual concerns to be raised via our complaints and grievance process and our Whistleblower Policy. Ameropa is committed to addressing any concerns and taking appropriate action where necessary.

This allows community members and other interested stakeholders, such as our suppliers, to raise issues directly with our local operations managers.

We respond to all complaints and grievances and aim to resolve any issue as soon as possible. We will also continue to send communications to all employees about modern slavery risks to increase awareness and inform them of the pathways available to them for reporting undesirable practices.

### **How we assess the effectiveness of the actions we take to address the risks of modern slavery**

The effectiveness of the measures Ameropa takes to address the risks of modern slavery are assessed by Ameropa through the following means:

1. **Responsibility and accountability for modern slavery Issues** –The ELT and the General Managers acknowledge that it is their responsibility to assist in addressing modern slavery issues in Ameropa's operations and supply chain. Modern slavery is discussed in ELT meetings. Going forward we will continue to gather, collate and act where appropriate based on information provided by our suppliers through our Questionnaire.
2. **Supply chain mapping and risk assessment** continued in 2023. Modern slavery issues are communicated and integrated into risk management program under our Risk Management framework.  
  
Building on this, the responses to our 2023 Questionnaire will enable us to identify areas of risk and enable us to consider improvements to our risk profile and identify areas of improvement and the possibility of engagement with medium and high-risk suppliers to minimise risks.
3. **Awareness:** through our Modern Slavery Policy, training, ongoing risk assessment, and other communications, we have established a strong awareness of modern slavery risks and the importance of minimizing them across our organisation. Ameropa will continue to use these tools to improve its modern slavery processes and ensure all stakeholders in connection with Ameropa's services work collaboratively to address modern slavery risks and combat modern slavery entirely.
4. **Our Grievance Resolution Policy and Whistleblower Policy** is available to address modern slavery concerns. Assessments of the number and nature of any complaints and grievances will be conducted to determine the effectiveness of actions taken to address modern slavery risk.



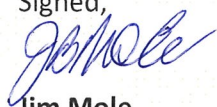
## Consultation

Ameropa does not own or control any other entities therefore it did not consult with any other entities in the preparation of this statement.

Ameropa did consult with a number of internal stakeholders across the business in the preparation of this statement.

This statement was approved by the Board of Ameropa.

Signed,



**Jim Mole**

**Director, Ameropa Australia Pty Ltd**

Date *6/6/2024*