

MODERN SLAVERY STATEMENT FOR YEAR END 31 DECEMBER 2020



## 1. MODERN SLAVERY REPORTING

This Modern Slavery Statement is made pursuant to the requirements of the Modern Slavery Act 2018 (Cth) (Act) for the year ending 31 December 2020.

This statement has been prepared by Rivalea Holdings Pty Ltd (ACN 097 393 112) and is a joint statement under section 14 of the Act, made on behalf of itself and its wholly owned subsidiary, Rivalea (Australia) Pty Ltd (ACN 004 892 835) (together, the Rivalea Group).

Rivalea Holdings Pty Ltd and Rivalea (Australia) Pty Ltd are reporting entities under section 5 of the Act.

## 2. COMMITMENT

As an organisation, we oppose all forms of modern slavery within our operations and the operations of our suppliers and service providers.

We are committed to:

- ensuring that the risk of modern slavery practices within our business operations is understood and addressed in accordance with recognised principles and Australian modern slavery legislation;
- managing the risk of the Rivalea Group causing, contributing and/or being directly linked to modern slavery practices through our operations and supply chains;
- creating actionable modern slavery goals to help us achieve these commitments;
- communicating with our employees, clients, suppliers and stakeholders regarding our expectations in relation to modern slavery and progress in achieving our goals and our commitments;
- developing procedures to measure the effectiveness of our strategies taken to address the risks of modern slavery; and
- adopting a continuous improvement approach to modern slavery commitments.

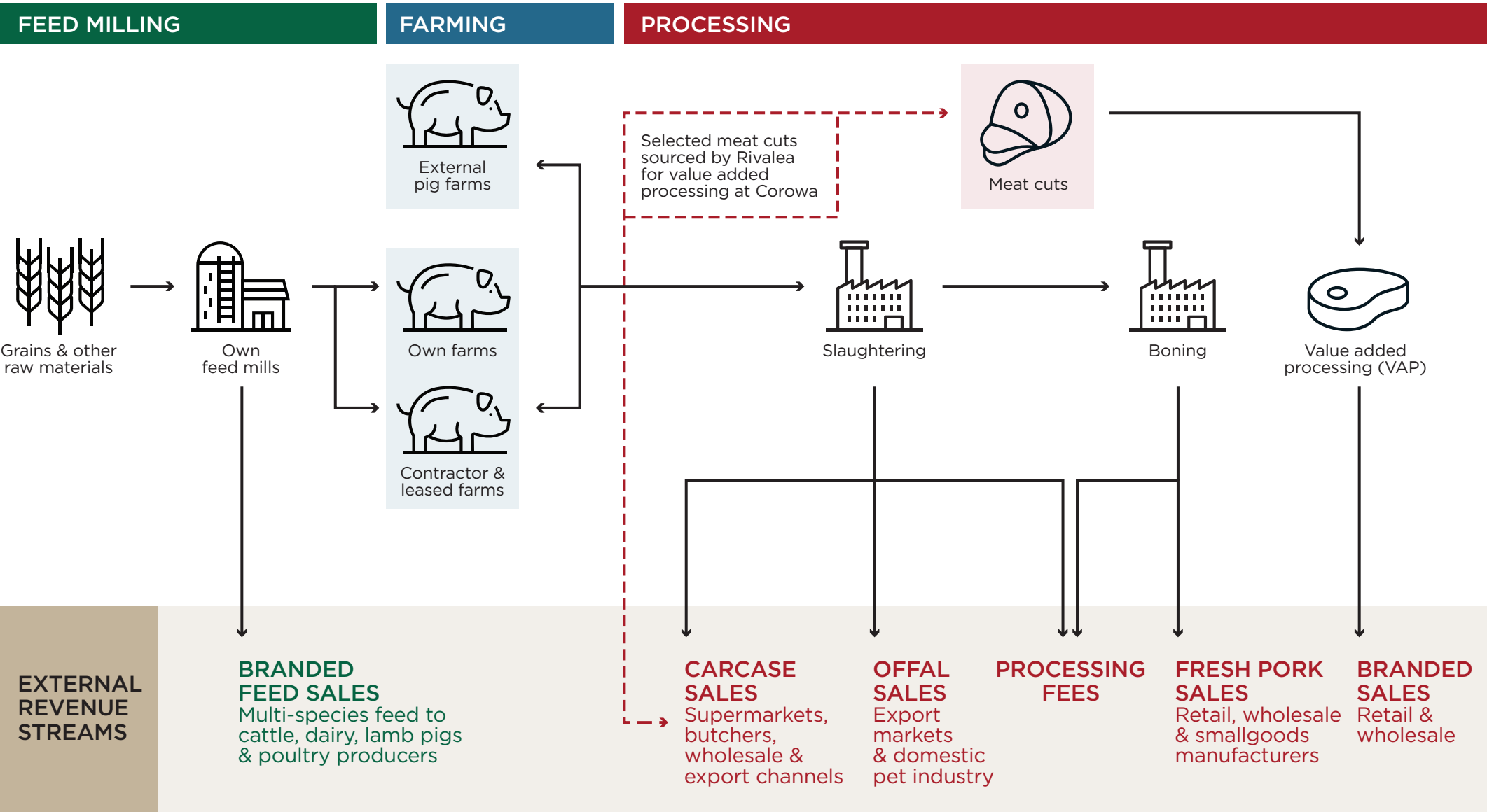
## 3. ORGANISATION STRUCTURE

The Rivalea Group operates within the agricultural sector, producing pork meat and stockfeed products. The ultimate parent company of the Rivalea Group is QAF Limited, which has its head office in Singapore.

The Rivalea Group employs over 800 employees in New South Wales and Victoria.



# 4. OUR OPERATIONS



The Rivalea Group is comprised of the following business units:

**Pig production** involving the breeding and raising of pigs across 7 company owned farms and around 30 contract grower and leased farms across southern New South Wales and Victoria using 3 types of rearing systems: (i) eco-shelter bedded group housing, (ii) indoor housing and (iii) free range. Ownership of all livestock remains with Rivalea throughout the pig farming process. Rivalea also operates a genetics development and improvement program and sells genetics to third parties under the Primegro Brand.

**Diamond Valley Pork and Corowa meat processing.** Once they have achieved market age and weight, the pigs are sent to one of Rivalea's two processing facilities. Rivalea operates a slaughtering and processing facility in Laverton, Victoria and another facility in Corowa, NSW. In addition to processing some of Rivalea's pigs, the Victorian facility also offers services on a fee basis to independent third-party customers. The NSW based plant only processes Rivalea pigs. The facilities produce a range of meat and by-products, including 'value-added products' incorporating additional ingredients.

**Stockfeed production** involving the conversion of raw materials into stockfeed diets for Rivalea's pigs, as well as stockfeed for various animal species that is purchased by third-party customers; and

**Sales and Distribution** of our stockfeed, processed meat, livestock and carcasses to wholesale customers, supermarkets, premium butchers, foodservice focused customers, and smallgoods producers.

The Rivalea Group has five key product groups:

**Branded pork:** branded value-added products, sold to butchers, wholesalers, supermarkets and also exported.

**Boxed pork:** boned, chilled and frozen pork products, sold to supermarkets, wholesalers and manufactures, includes minced meat sold to Japan.

**Pork carcass:** sold to supermarkets, wholesalers, and butchers, and also exported.

**Offal and others:** sold for human consumption and pet food. Domestic customers include wholesalers and pet food manufactures, with major sales to Asia.

**Stockfeed:** external stockfeed sales for dairy cattle, sheep, pig, beef cattle and poultry, sold in both bulk and bagged formats.



The Rivalea Group supplies a cross section of large and small retailers, wholesalers and processors in the Australian market, offering a wide range of products in the fresh pork segment. Many of the pork products are sold under the following brands:



The Rivalea Group's stockfeed is manufactured in our own mills in NSW. Two thirds of the feed produced is supplied to the Group's own pig farming business unit, while the remaining one third is sold to dairy cattle, sheep, pig, beef cattle and poultry customers. Some of our key stockfeed brands are:



## 5. OUR SUPPLY CHAINS

The Rivalea Group partners with a wide range of suppliers and service providers to support our business from pig growing to sales. Our key procurement areas are expanded on below but broadly encompass raw materials for our stockfeed production, labour, veterinary care, transport and logistics, packaging and marketing.

### **Grain supply chains:**

The Rivalea Group procures grain, raw materials (such as barley, wheat, triticale, sorghum and other grain legumes) and other additives (such as amino acids, vitamins, medication and other feed additives) from local farmers, grain accumulators and third-party suppliers to produce animal feed. Most of the raw materials used to manufacture the stock feed are sourced in Australia, whilst approximately 5-10% is sourced through wholesalers from countries including Germany, France, China, Indonesia, USA, Argentina and Brazil.

### **Pig farming supply chains:**

As noted above, the Rivalea Group is vertically integrated. All of the stockfeed necessary to support our pig growing operations is manufactured within the Group. We source a range of other products and services to support our pig farming business, including labour to work on our farms and facilities in a range of roles (including animal husbandry) and veterinary care for the animals.

### **Processing supply chains:**

Our processing operations are supported by a range of product and service providers. These include animal transport from the farms to the processing facilities, labour to perform a range of roles (including animal slaughter and processing), cleaning services, packaging for product, personal protective equipment and plant/machinery. While the majority of our direct suppliers are based in Australia, we recognise that our suppliers may source goods from overseas. An example of this is the personal protective equipment and uniforms our employees wear while working in our processing facilities. These are purchased locally, however the uniforms and equipment may be manufactured overseas.

### **Sales and logistics supply chains:**

Rivalea Group pork products are sold to large supermarkets, independent retailers, wholesalers, independent boning rooms and smallgoods manufacturers. Products are transported by third-party transport, logistics and cold storage providers. These third-party service providers are primarily Australian based. More than 90% of Rivalea products are distributed and sold domestically, whilst the remainder are sold overseas including to Hong Kong, Singapore and Japan.

Sales are supported by sales offices in Melbourne and Albury, sales representatives in Sydney, Adelaide and Brisbane and access to distribution networks servicing all major capital cities in Australia.

### **Other service provider supply chains:**

We engage a number of third-party service providers to assist us in the conduct of our business. Services include security, information technology, construction, marketing, and health.

## 6. RISKS OF MODERN SLAVERY

The Rivalea Group has not yet undertaken an extensive modern slavery risk assessment, but it has considered its operations and supply chains at a high level against known modern slavery risk indicators and recognises the following:

### Operations

- while all of the Rivalea Group's farms and facilities are located in Australia, which is an inherently lower risk jurisdiction according to the 2018 Global Slavery Index, the agriculture industry is considered to be at a higher risk of modern slavery practices due to factors such as use of unskilled, migrant labour and the remote locations of facilities and farms;
- similarly, while our processing and packaging operations are located in Australia, we recognise that manufacturing is also considered to be an inherently higher risk business activity;
- the Rivalea Group does not have day-to-day oversight over all of its contractor farms, which reduces the ability to monitor for and address modern slavery red flags in real time.

### Supply chains

- the Rivalea Group sources certain raw materials from overseas countries, including from Brazil, China and Indonesia, which are all identified in the 2018 Global Slavery Index as higher risk geographies;
- engagement with third parties may indirectly expose it to modern slavery risks where there is a low degree of oversight and/or a higher sector risk, for example in relation to third-party IT services, maintenance, garments and PPE, and transport/logistics services.

The Rivalea Group is committed to conducting a more formal modern slavery risk assessment in future reporting periods, including in relation to our indirect suppliers.



## 7. CURRENT POLICIES AND PRACTICES

During the reporting period the Rivalea Group decided to implement a group-wide Anti-Slavery Policy, either as a standalone policy or via updates to one or more existing policies. The policy is currently under development and will reinforce our commitment to implementing effective systems to mitigate the risk of modern slavery within our operations and supply chains. It will also provide practical guidance in relation to our risk management practices, such as due-diligence and contractual controls.

The Anti-Slavery Policy will also address remediation of anti-slavery within our operations and the operations of our suppliers.

To date, the Rivalea Group has adopted:

- Whistleblower Policy, to allow employees, contractors and others to safely and without fear of reprisal, raise concerns about suspected unethical, illegal, fraudulent or undesirable conduct. It specifically identifies unsafe work practices as being covered by the policy and is broad enough to cover modern slavery practices;
- Code of Business Ethics to prevent fraudulent or corrupt transactions, which we recognise can be used to cover up human rights violations, including modern slavery practices;
- policies and practices to ensure that all employers and contractors, including migrant workers, are employed in accordance with current and applicable laws and regulations;
- Child Labour Policy to ensure all employees are above the legal minimum age;
- policies and practices to support the free association of our employees. Approximately 57% of our workforce is covered by an enterprise agreement. The Group supports free association and union membership; and
- Ethical Sourcing Policy, to ensure compliance with all laws and regulations regarding labour, health, safety and the environment.

These policies are regularly reviewed and updated in accordance with changing legislative and regulatory requirements.

In order to ensure and monitor compliance with our policies, we have dedicated compliance functions within various parts of the business, including:

**Corporate** – with primary responsibility for the implementation and oversight of modern slavery compliance;

**Legal** – with responsibility for reviewing and considering compliance from a legal perspective;

**People and Performance** – with responsibility for considering our employment policies and practices, as well as within Finance, Safety and Quality Assurance.

## 8. SUPPLIER ADHERANCE TO OUR VALUES AND ETHICS

As a Group, we expect that all contractors and third parties within our supply chain respect and comply with our policies and practices. Those expectations are communicated through the provision of relevant policies to suppliers and contractors and through contractual controls.

The Rivalea Group's policies require the business to undertake corporate and financial due-diligence on any third party, prior to engagement. Rivalea is working towards a more robust framework for new and existing third parties and contractors, which will address minimum modern slavery requirements.

We also include modern slavery provisions within our third-party contracts to ensure appropriate compliance and allow for enforcement at a contractual level. These include audit rights and undertakings as to compliance with employment laws and regulations.



## 9. TRAINING

To ensure a high level of understanding of the risks of modern slavery within our business and supply chains, we will provide modern slavery training to relevant staff.

The training will be tailored appropriately to business units and explain the law, highlight high-risk areas, identify how employees can report any concerns or ask questions and detail the measures implemented by the Rivalea Group to protect it against modern slavery issues.

## 10. MODERN SLAVERY REVIEW

We are focused on maintaining consistent and high standards of due diligence and risk mitigation processes to monitor for and avoid modern slavery in all environments within which we operate.

As part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we propose to engage modern slavery experts to perform an independent review of our procedures and practices. The review will be conducted across all parts of the business and may include:

- all relevant policies;
- our contractual arrangements; and
- our third-party contractor engagement practices and databases.

The review will be conducted over the next 12-18 months. It will bring valuable insights into our understanding of modern slavery and ways in which we can improve.

## 11. ASSESSING THE EFFECTIVENESS OF ACTIONS

Following the external review mentioned above, we intend to implement necessary changes and strive to continuously improve our approach to modern slavery.

The Rivalea Group acknowledges that it is in the early stages of its journey to review and manage modern slavery risks. Our current focus is on building a good understanding of where modern slavery risks lie in practice, designing robust and effective controls to manage those risks, and ensuring those controls are properly implemented. We have not yet established formal procedures to assess the effectiveness of these control actions. However, we recognise that there are a range of measures available to assess effectiveness and, in line with our continuous improvement approach, intend to utilise them in the future, including:

- developing KPIs specific to modern slavery, to monitor and measure performance within different parts of the business;
- maintaining detailed records of any modern slavery breaches and successful actions taken by the company to respond;
- assessing compliance by our contractors and suppliers through audits, on-site visits and voluntary engagement and outreach;
- recording attendance at modern slavery training by our staff; and
- requiring regular reporting by department heads.

## 12. APPROVAL

The Rivalea Group took an inter-disciplinary approach to drafting this Modern Slavery Statement and sought input and assistance from the Sales, Procurement, Legal, Corporate, People & Performance and Finance functions. In addition, this Modern Slavery Statement was prepared in consultation with the Boards of Directors for the Rivalea Group entities. Directors were given an opportunity to review and comment on a draft of this Modern Slavery Statement prior to publication. This Modern Slavery Statement was approved by the Board of Directors for Rivalea (Australia) Pty Ltd and the Board of Directors for Rivalea Holdings Pty Ltd, on 27 August 2021.

In accordance with the Act, this Modern Slavery Statement is signed by Michael Hewat in his role as a Director of Rivalea Holdings Pty Ltd and Managing Director of Rivalea (Australia) Pty Ltd, on 27 September 2021.



Signed by Michael Hewat  
Director  
Rivalea Holdings Pty Ltd



Signed by Michael Hewat  
Managing Director Rivalea  
(Australia) Pty Ltd

