



KILCOY
Global Foods

MODERN SLAVERY STATEMENT 2023



INTRODUCTION AND OVERVIEW

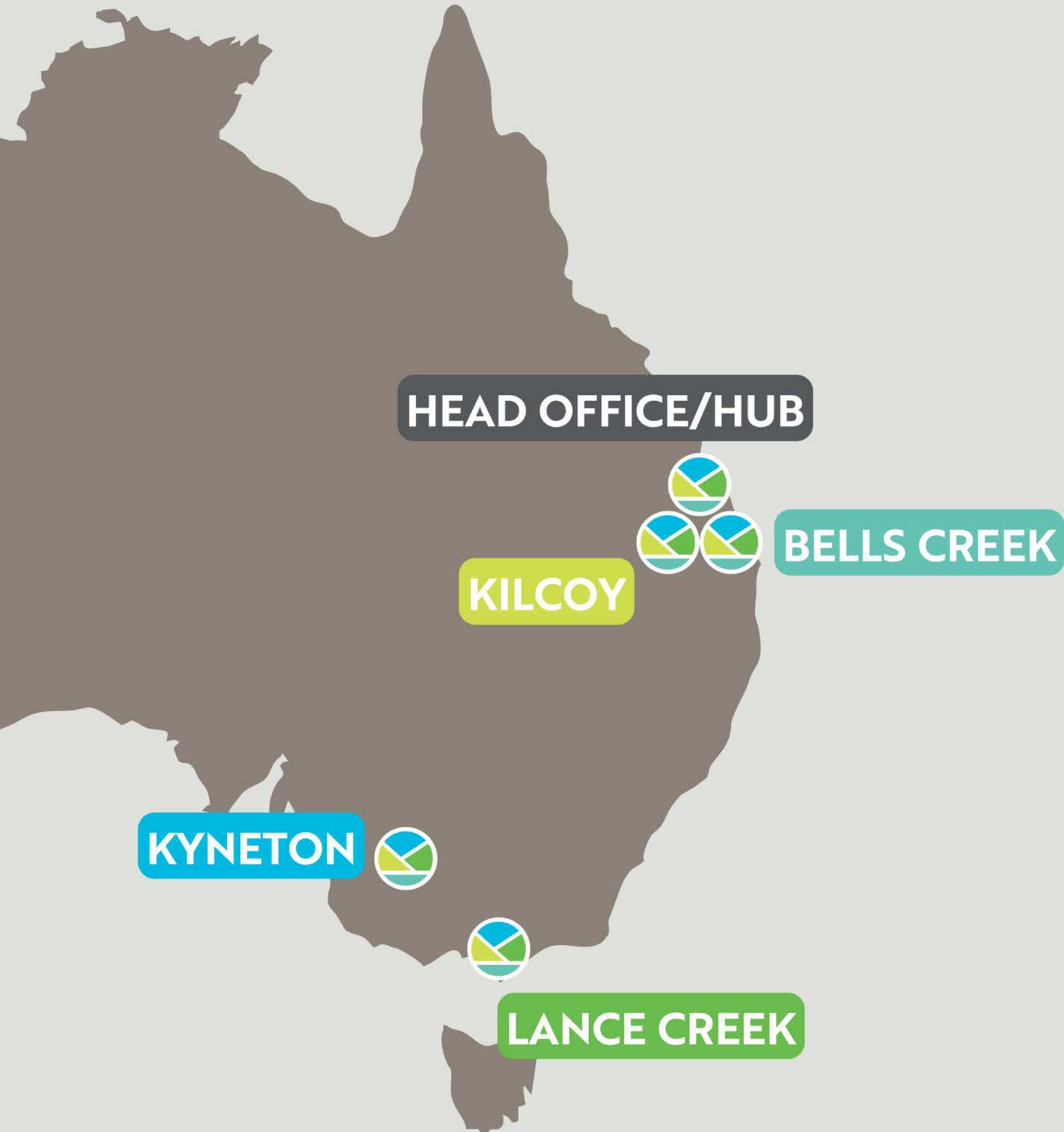
This joint modern slavery statement is made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) (**Act**) for the financial year 1 January 2023 to 31 December 2023 (**FY23**) for the Kilcoy Global Foods Australia Group (**KGF AU**).

Kilcoy Global Foods is a leading global premium food solutions provider that develops, produces and delivers an extensive range of protein products, including branded beef products and value-added solution products, such as value-added fresh products, ready to cook products, ready to eat products and meal kits.

During FY23, KGF AU continued to operate two applicable sites in Australia, Kilcoy Pastoral Company (**KPC**) in Kilcoy, Queensland and Hardwicks (**Kyneton**) in Kyneton, Victoria. In FY23, KGF AU focused its efforts on continuing its operations whilst refining its modern slavery framework.

Towards the end of FY23, KGF AU commissioned two further sites in Australia, Kilcoy Cuisine Solutions in Bells Creek, Queensland and Tabro Meat in Lance Creek, Victoria.

The purpose of this modern slavery statement is to outline KGF AU's approach to minimising the risks of modern slavery across KGF AU's operations and supply chain.



Criteria 1 (s16(1)(a) of the Act) – Identify the reporting entity

The KGF AU Group refers to the companies listed below, which are ultimately subsidiaries of Kilcoy Global Foods Ltd, the parent company of a multinational group (Kilcoy Global Foods).

The KGF AU Group includes:

- Blacqua Pte Ltd ARBN 169 810 011
 - o Kilcoy Industries Australia Pty Ltd ACN 125 927 308
 - Kilcoy Pastoral Company Limited ACN 009 671 112 (KPC)
 - Kyneton Food Solutions Pty Ltd ACN 650 391 530*
 - Hardwick Brothers Wholesale Pty Ltd as trustee for the Hardwick Brothers Wholesale Unit Trust ABN 38 384 732 025*
 - Hardwick Processors Pty Ltd ACN 005 920 678*
 - Hardwicks Meat Works Pty Ltd as trustee for the Hardwick Brothers Meatworks Trust ABN 48 001 844 734*
- *For the purposes of this statement, these entities are referred to as "Kyneton".
- Tabro Meat Pty Ltd ACN 656 063 562 (non-reporting entity under the Act)
 - Kilcoy Cuisine Solutions Pty Ltd ACN 655 738 695 (non-reporting entity under the Act)

This statement has been prepared for the reporting entities of KGF AU as a whole. To the extent of any material differences in application of the criteria to a reporting entity (i.e. Kyneton, KPC or otherwise), these have been noted accordingly.

Note also:

- Blacqua Pte Ltd is a holding company and head of the Australian tax group.
- Kilcoy Industries Australia Pty Ltd is a related non-operating company which hold shares in the operating entities (namely, KPC and Kyneton).
- Kyneton Food Solutions Pty Ltd is a non-operating company that holds shares in the relevant Kyneton entities.

Criteria 2 (s16(1)(b) of the Act) – Describe the reporting entity's structure, operations and supply chain

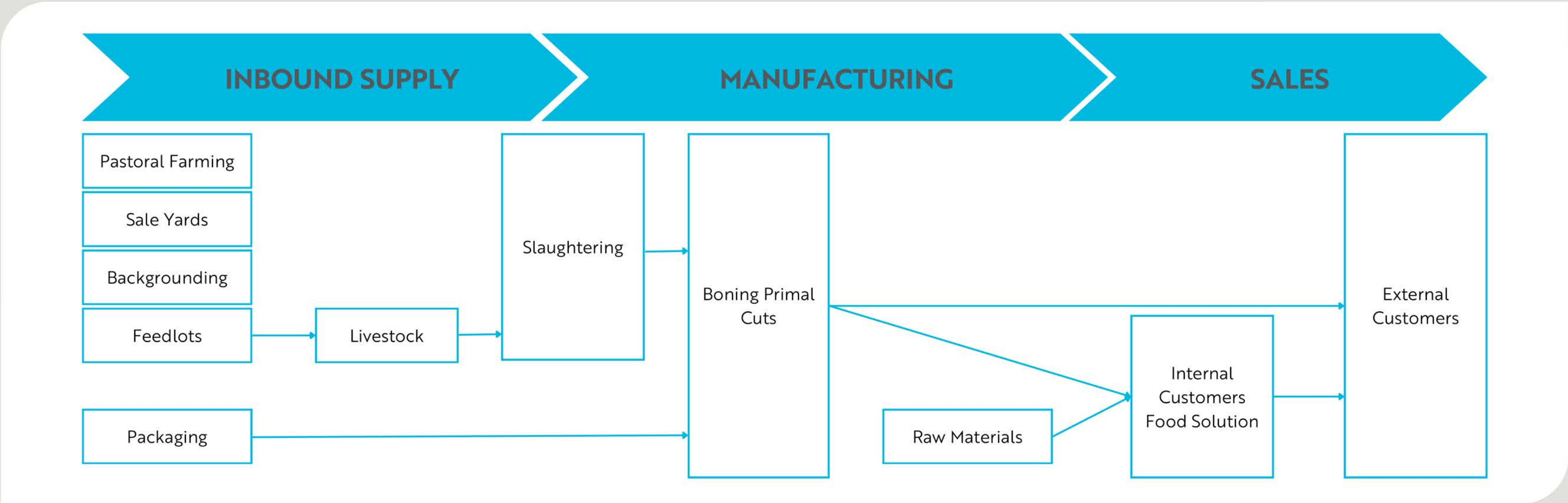
GENERAL

KGF AU's operations are underpinned by the procurement of livestock (beef, lamb, sheep and goat), packaging and raw materials, to support its slaughter, boning and further processing endeavours within its manufacturing operations for the production and marketing of beef and protein products. KGF AU's domestic and export sales and market channels include, but are not limited to, restaurants, food retailers, wholesalers and distributors, further processors, quick serve restaurants and e-commerce.



Criteria 2 (s16(1)(b) of the Act) – Describe the reporting entity’s structure, operations and supply chain

The following flowchart illustrates the KGF AU business model with respect to food solution products within the industry value chain:



In addition to purchasing livestock from third party suppliers, Kyneton engages contract backgrounding and feedlot operations to supplement the supply of livestock into its processing operations. KPC does not operate any livestock supply operations.

Criteria 2 (s16(1)(b) of the Act) – Describe the reporting entity's structure, operations and supply chain

KPC

KPC is one of the original trading companies of the KGF AU group with its slaughtering and beef processing facility in Kilcoy, Queensland. Established in 1953, KPC is now one of Australia's largest beef processors with a world-class production facility capable of processing 2,000 head of cattle per day and 230,000 metric tonnes of beef per year. KPC employs over 1,600 people.

KPC purchases from approximately 150 third party feedlots across Queensland and, to a lesser extent, New South Wales, to secure and obtain a stable supply of high-quality cattle livestock. KPC's feedlot partners comprise a mix of large companies, private-equity backed feedlots, as well as independent, family-owned feedlots. For a portion of KPC's cattle, it also transacts with stock and station agents who act on behalf of numerous feedlot providers, and who receive a commission fee paid by the feedlots.

Criteria 2 (s16(1)(b) of the Act) – Describe the reporting entity's structure, operations and supply chain

KYNETON

Kyneton operates a beef and small stock (lamb, sheep, goat) processing facility in Kyneton, Victoria and provides livestock processing services and sells and distributes carcass, boxed meat, skins and hides to its domestic and export customers.

Kyneton's operations increased in FY23, with it now employing approximately 500 people with capability to process 480 head of cattle and 8,000 small stock per day. Kyneton procures its livestock from a network of saleyards, livestock agents, and pastoral farms across Victoria, Tasmania, South Australia and New South Wales. The majority of livestock procured come directly to its processing facility for slaughter, however some livestock is backgrounded and put into contract feedlots to improve quality and smooth out supply volumes.

OTHER

KGF AU also sources packaging material such as cartons, bulk bins, plastic bags, and soaker pads, along with raw materials for its food solution products.

Criteria 3 (s16(1)(c) of the Act) – describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls



KGF AU recognises that there is risk in its operations and supply chain that may have the potential to cause, contribute to, or be linked to modern slavery practices.

The two main categories of risks identified for KGF AU in FY20, FY21 and FY22, were reconfirmed in the FY23 year. These being:

- employment practices; and
- procurement of raw materials in the supply chain process.

There were no new categories of material risks of modern slavery identified in the operations and supply chain of the reporting entities during FY23.

Criteria 3 (s16(1)(c) of the Act) – describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls

EMPLOYMENT PRACTICES

The employment practices risk remains low, noting that in FY23 KGF AU continued its overseas employment scheme. During FY23, overseas employment programs, including the Pacific Labour Scheme, were strictly governed by the Australian Government's Department of Home Affairs, with appropriate risk mitigation strategies including:

- Use of specialist agencies to recruit suitable workers;
- Company representatives traveling to particular locations to verify that workers were suitable for available positions; and
- Training and support provided to workers upon arrival, and throughout their tenure.

Positive domestic employment practices were supported by internal company policies and practices, employee support agencies, Enterprise Bargaining Agreements and the Fair Work Act. As a result, KGF AU experienced a stable workforce during the year. The Enterprise Agreements which were negotiated for KPC and Kyneton in FY22, and approved by Fair Work Australia, continued during FY23.



Criteria 3 (s16(1)(c) of the Act) – describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls



SUPPLY CHAIN

The supply chain risks also remain low. This is mainly due to:

- KGF AU's livestock forward procurement model for meat processing which remained unchanged in FY23 with 100% source traceability confirmed within Australia. Kyneton purchased its livestock using buying agents to purchase livestock directly out of Australian sale yard;
- KGF AU maintained long-term contracts with existing suppliers for the procurement of major packaging and raw materials across its operation. KGF AU has a robust preferred supplier program for exploring partnership opportunities with potential new suppliers, which is underpinned by regulatory requirements and industry recognised third party certification programs that support trade compliance; and
- KGF AU's raw material and packaging category management approach coupled with its Vendor Relationship Management (VRM) program provides ongoing transparency across compliance and performance in all key areas.

In addition, KGF AU's risk assessment is based on the premise that KGF AU's operations are in Australia, and subject to the policies, procedures and regulations outlined in this statement. KGF AU recognises the risk may increase where our supply chain involves overseas suppliers.

Criteria 4 (s16(1)(d) of the Act) – describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

KGF AU continues to adopt a multi-prong approach to assess and address these risks, including due diligence and any remediation, the key elements of which are set out below:

1. GOVERNANCE

- A cross-functional modern slavery working group continued to assess, monitor and detect risks associated with modern slavery. The working group includes members from procurement, legal, operations, finance, livestock and human resources.
- The Australian Leadership Team acted as the Steering Committee to provide direction and oversight.
- Modern slavery awareness training and refresher training continued to be conducted to increase awareness of potential of modern slavery practices across our operations and supply chains. Training was expanded into the Kyneton business.
- The existing risk assessment across KGF AU's operations and supply chain was refreshed.
- A risk matrix was developed, and a risk assessment workshop was conducted on KGF AU's top suppliers, which ultimately showed an overall low risk of modern slavery in KGF AU's tier one supply chain. The risk assessment helped to identify the highest-risk suppliers in KGF AU's supply chain to prioritise further due diligence in FY24.
- KGF AU continues to build a cohesive procurement strategy across its entities. In FY23, KGF AU's Group Procurement Manager continued to oversee, align and strengthen group procurement activities and ensure modern slavery compliance.

Criteria 4 (s16(1)(d) of the Act) – describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

2. COMPLIANCE

- The modern slavery supplier questionnaire was reviewed, refreshed and rolled out across the business to assist with greater completion rates by suppliers that are unfamiliar with modern slavery reporting requirements. The modern slavery supplier questionnaire continued to be sent to new suppliers who transacted with KGF AU, to better help understand risks related to our supply chain and create a risk profile for suppliers.
- KGF AU also conducted an annual review of its internal supplier onboarding process, including enforcing a policy of strict compliance with the completion of the supplier questionnaire.
- KGF AU's modern slavery measures and the modern slavery supplier questionnaire were fully integrated into the Kyneton business for completion by new suppliers.
- Our Supplier Code of Conduct continued to be appended to KGF AU purchase orders and supplier contracts. This code of conduct sets out KGF AU's culture and commitment to fair dealings and the highest standards of ethical behaviour based on:
 - o zero tolerance for corruption;
 - o compliance with applicable laws and regulations on anti-money laundering;
 - o avoiding conflicts of interests;
 - o upholding human and labour rights in accordance with applicable laws and regulations, including health and safety, condemning the use of child labour and exploitation of human labour, equal opportunities, fair compensation, collective bargaining and free from harassment; and
 - o protecting the environment, including an ESG commitment to carbon neutrality in operational sites.

Criteria 4 (s16(1)(d) of the Act) – describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

3. CULTURE

- KGF AU continued its membership of Sedex, the supplier of Ethical Data Exchange, a not-for-profit organisation charged with improving ethical and responsible practices across global supply chains. Sedex successfully conducted an audit of KPC in H1 of FY22.
- KGF AU regularly reviewed and amended its existing various human resource policies and added new policies to maintain good practice and standards (see summary below) to maintain the commitment to avoid modern slavery practices throughout KGF AU.
- Board reporting continued to enhance a culture and 'tone at the top' for business application of modern slavery frameworks and policies.



Criteria 4 (s16(1)(d) of the Act) – describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes



4. RAW MATERIALS

- All cattle consigned to KGF AU continued to be identified and tracked through the National Livestock Identification System (**NLIS**). The NLIS ensures that lifetime movements of cattle can be identified and recorded to ensure disease control, food safety and market access. Cattle arriving at KGF AU's processing sites have NLIS devices scanned upon arrival, with identification details available for traceability through the NLIS database. No livestock processed through KGF AU sites have been imported from countries outside of Australia. The ability to trace origin of cattle mitigates the modern slavery risk for cattle supply chain sourcing.

Criteria 4 (s16(1)(d) of the Act) – describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

5. POLICIES

- KGF AU's code of conduct and company policies set out the company's values and expectations as to how workers should conduct themselves, and embeds respect for human rights, labour rights, and ethical behaviour across the business. Relevant policies include sexual harassment, bullying, anti-discrimination/equal opportunity, performance and behavioural standards, work health and safety, and most relevantly:
 - Child labour policy; and
 - Forced labour (modern slavery) policy.
- Child labour in this context consists of work by children that is economically exploitative or likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.
- KGF AU has a zero tolerance for the engagement of child labour or forced labour or known trafficked persons, in respect of which it requires the exercise of diligence to avoid benefit or financial gain from these practices occurring in the KGF AU supply chain and where workers are engaged by third parties to perform KGF AU core business processes.
- KGF AU's grievance and whistleblower policies provide mechanisms to hold the company and KGF AU accountable for any conduct that amounts to modern slavery.
- KPC and Kyneton regularly submit both businesses to social compliance auditing. These detailed auditing processes demonstrate KGF AU's commitment and diligence to its high standards toward ensuring any element of modern slavery does not exist within the KGF AU workforce or its practices.
- In FY23, KGF AU reviewed, updated and centralised its suite of human resources policies across KGF AU.

Criteria 4 (s16(1)(d) of the Act) – describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes

FUTURE ACTIONS TO STRENGTHEN KGF AU'S MODERN SLAVERY PRACTICES

As KGF AU grows and expands its sites, KGF AU plans to roll out its existing modern slavery framework across Australia to standardise the detection, assessment and remediation of any shortfalls.

KGF AU is committed to the following actions in FY24:

- Undertake in-depth risk assessments and further due diligence on high-risk suppliers and sectors (e.g. cleaning services, IT and packaging), including site visits if necessary.
- Continue targeted modern slavery awareness training for senior leaders, procurement teams and relevant business units.
- Refine internal controls and develop a formal policy to respond to instances of any material non-compliance by suppliers with KGF AU's framework.
- Integrate KGF AU's modern slavery measures, including the supplier questionnaire and training, into KGF AU's two new sites.
- Refresh the risk assessment across KGF AU's operations and supply chain for FY24.
- Conduct an annual review of the Supplier Code of Conduct and supplier on-boarding process.
- Conduct an annual internal review of working conditions related to any children (U18s) employed.
- Conduct a review of the effectiveness of the modern slavery governance structure including the Working Group and Steering Committee.
- Continue to respond to legislative reviews and any amendments to legislation made in FY24.

Criteria 5 (s16(1)(e) of the Act) – describe how the reporting entity assesses the effectiveness of these actions

KGF AU adopts a risk-based approach to assess the effectiveness of its actions, key elements of which are summarised below:

- The maintenance of a two-tier governance structure (in addition to the Board), which enables KGF AU to provide both strategic and operational oversight into the effectiveness of its actions.
- KGF AU conducted an internal sample review of KGF AU's modern slavery supplier questionnaire responses, along with response rates, to better understand supplier concerns and general industry awareness of modern slavery requirements. KGF AU continues to work with and educate its suppliers on its modern slavery requirements.



Criteria 6 (s16(1)(f) of the Act) - describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)

KGF AU prepared this joint statement in consultation with each KGF AU reporting entity. This consultation process included oversight and approval by the Board across KGF AU, the Australian Leadership Team, key leaders within each KGF AU reporting entity, as well as the Steering Committee and Working Group described above.

All reporting entities are represented on both the Working Group and Steering Committee.

Criteria 7 (s16(1)(g) of the Act) – provide any other relevant information

Refer above. Additional information has been included within each criteria.

Criteria 8 (s16(2)(b) of the Act) – approval

This statement was approved by the principal governing body, the Board, of each KGF AU reporting entity on 21 May 2024. Delegated authority was also provided to the Group Chief Executive Officer (who is also a Director, Chair and responsible member of each KGF AU reporting entity) to sign and submit KGF AU's modern slavery statement for and on behalf of each reporting entity.

Signed for and on behalf of each reporting entity.



Dean Goode
Group Chief Executive Officer
Kilcoy Global Foods Australia

Date: 22 May 2024



