



Modern Slavery Act Statement

As at 30 June 2023



Statement

AgTrade is an Australian-owned livestock, genetics and food security group based in Brisbane, Australia with a vision to *feed the world with purpose, creativity and care*. We own and operate a diverse portfolio of agribusinesses with the shared purpose of building and nurturing long-term sustainable export markets for Australian primary producers. We are an important source of farm income for many primary producers, farming families and contribute to the prosperity of rural communities in Australia and abroad. As such, we recognise our responsibility to be a socially responsible organisation that shows real commitment to preventing and addressing modern slavery risks across our supply chains.

Since our first report for FY2021, AgTrade has sought to build on our foundational understanding of the modern slavery risks within our supply chain, including through tier-one supplier and operational risk assessments,

In this, our 50th year of operations, and in accordance with the Modern Slavery Act 2018, AgTrade has continued to embed respect for human rights and the upholding of human rights principles within our operations and sphere of influence.

We are committed to broadening our understanding of potential risks and improving controls for managing them, and will aim for continuous improvement as we review our approach and assess the effectiveness of our efforts to date. Our planned activities for future years include:

- Expanding modern slavery training to all staff to raise awareness in all areas of the organisation, rather than just focusing on procurement functions.
- Ongoing training to ensure the relevant policies are understood by staff, particularly the Whistleblower Policy and the Code of Conduct.
- Embed supplier categories into our procurement system so we are better able to identify high-risk suppliers and respond when there are reported instances of modern slavery overseas.
- Ongoing monitoring of our Tier 1 suppliers and going beyond Tier 1 where reasonably practicable.
- Identifying effectiveness measures for our modern slavery actions. For example, following up with any suppliers we have previously engaged with about modern slavery to assess what actions they have taken to address risks and understand what other leverage points we have.
- Creating an internal roadmap as part of our ESG strategy that outlines our future actions and when these will be achieved.

Criteria 1: Identify the reporting entity

This is a joint modern slavery statement under section 14 of the Modern Slavery Act 2018 (Cth) (“the Act”) for the reporting period 1 July 2022 to 30 June 2023 (“Reporting Period”).

The statement covers the following entities:

- AgTrade International Pty Ltd (ACN 139 280 461); and
- AgTrade Holdings Pty Ltd (ACN 627 070 606),

as well as all majority owned subsidiaries who may be non-reporting entities under the Act. For the purpose of this statement, the above entities and all non-reporting entities will collectively be referred to as the “AgTrade Group” or “AgTrade” and references to “we”, “us” and “our” are inclusive of the same. This Statement is provided as a consolidated description for the AgTrade Group.

Criteria 2: Describe the reporting entity’s structure, operations and supply chains as at 30 June 2023

AgTrade International Pty Ltd is the parent company of the Group which contains a number of wholly and partially owned subsidiaries, operating as autonomous businesses with equity and debt capital provided by the Group. These businesses operate in accordance with AgTrade Group investment, finance and risk management requirements, including social and environmental responsibility and governance. We have a range of reporting structures and systems in place directed at assuring and supporting effective and pro-active AgTrade oversight.

The key operating businesses for the 2023 financial reporting period are:

- Paradigm Foods – an Australian premium beef and lamb processing and export business
- Hay Australia – an Australian hay processing and export business that also trades animal feeds domestically and internationally
- AUSTREX – an exporter of premium livestock and genetics, including dairy and beef cattle

AgTrade's tier one supply chain comprises over 1,800 suppliers across numerous industry categories and ranging in size from small family-owned businesses to large corporations. Our top categories by spend include:

- Procurement of agricultural commodities, including cattle, hay and other products
- Transportation costs relating to road, rail, air and ocean freight
- Processing costs relating to meat and hay production
- Animal management services such as agistment, feedlots, veterinary and other related costs

The supply chains of our businesses reach from farm gate to final delivery of product to customers at end destination either domestically or internationally. The longevity of our business and the strength of our brand relies heavily on assuring the high-quality of our products, along with origin traceability and animal welfare standards where applicable.

Our supply chains typically start on farm (predominantly in Australia and New Zealand) where we source livestock and other commodities, such as hay, from primary producers. The breeding livestock we purchase may be placed on agistment at one of over 60 third-party rural properties across south-eastern Australia. We also maintain our own breeding cattle herds in Tasmania and Queensland.

To prepare our livestock for either domestic processing or export markets, we contract the services of a range of rural businesses, including road trains, feedlots, quarantine facilities, veterinarians and other animal health providers. These services are utilised in locations across Australia and New Zealand.

Specialist sea, land and air transport providers are contracted to deliver our livestock and animal nutrition products to our customers. In the case of our breeder livestock and genetics, we provide our international customers with further post-sale technical support, such as veterinary and other animal husbandry services, in-country. For our processed beef, we contract the services of select Australian abattoirs.

Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls

In the reporting period, our tier 1 suppliers were based in over 20 countries. The majority of these suppliers (measured by supply chain spend) were based in either Australia or New Zealand (refer chart to left).

Our customer-focused business is made possible by our team of approximately 240 which is headquartered in Brisbane, Australia, with employees based in all States and the Northern Territory. We also employ some offshore team members, predominantly in Indonesia (further details available under *Criteria 4* below).

Our international suppliers largely comprise of sophisticated specialist transportation providers of mainly ocean and air freight services.

A risk assessment on AgTrade's supply chains was performed to identify possible exposure to modern slavery; using a risk-base approach we analysed our supplier's country of origin against the prevalence of risk of modern slavery within that country. Each country's risk rating was based on the Walk Free's Global Slavery Index 2023, published by The Mindaroo Foundation.

From this analysis, we have determined that of our purchases during the reporting period, 99.15% were from countries of low risk of modern slavery, 0.06% were from countries of medium risk of modern slavery and 0.78% were from countries of high of risk of modern slavery. Through this assessment we conclude that our overall **risk level to be low**.

Additional points noted in reaching this result include:

- The positive responses of a number of significant AgTrade suppliers, some of whom have produced their own Modern Slavery Act statements or other assurance materials.
- Our employment contracts in Australia and internationally establish clear employment terms and conditions that comply with applicable labour laws and regulations in each jurisdiction.

While risk was assessed to be low overall, some of the possible risks identified in our supply chains arise from lack of visibility into the operations of our suppliers and their subsequent supply chains.



Criteria 4: 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

Due diligence, systems and related actions

Area	Status and actions
Australian and New Zealand farms and primary producer properties	We share this supplier class in common with other Australian consumer supply chains including supermarkets and abattoirs. We note substantive work undertaken by several counterparties in these supply chains and will continue to engage with those fellow off-takers and with industry associations in pursuit of global best practice.
Transport (air, land and sea)	Many of our major air and sea transport providers have provided us with Modern Slavery Act statements or other Board-level assurances. AgTrade continues to engage and communicate with its suppliers to encourage them to review their own supply chains and join us in pursuit of global best practice.
Recruitment and Selection Policy	AgTrade gains assurance from our third-party HR Business Partners (part of our annual audit) to ensure our recruitment and selection processes are efficient, robust and delivered in a manner that ensures candidates are treated fairly, equitably and consistent with legislative requirements and stakeholder expectations.
Employment and engagement terms	AgTrade regularly obtains legal and other professional advice in Australia and New Zealand to ensure that employment and other team engagement terms are appropriate. All team members are engaged under employment contracts or negotiated agreements. While most of our approximately 240 team members are located in Australia and New Zealand, we also have a team of 14 in Indonesia.
Employee education and awareness	All staff must complete an online learning module on Modern Slavery through the AgTrade Learning Portal. This module forms part of the induction process.
B-Corp Certification	During the reporting period, Paradigm Foods (one of AgTrade's subsidiary businesses) became a Certified B Corporation. B Corp certification is a rigorous process and requires the business to meet high ongoing standards of social and environmental impact, measured against five stakeholder-focused impact areas: workers, environment, customers, community and governance.

Policies and Procedures

AgTrade has comprehensive policy frameworks and operating procedures in place to ensure that our employees and contractors clearly understand our expectations while also providing them with our commitments to how they will be treated at AgTrade.

Policy/Procedure	Purpose
Code of Conduct	Outlines a minimum set of standards and behaviour required of all AgTrade Employees, Contractors and Directors.
Anti-Bribery Policy	Affirms that AgTrade will not tolerate any form of bribery and corruption within its business.
Anti-discrimination, Bullying and Harassment Policy	Outlines the relevant definitions, principles and obligations in relation to unlawful discrimination, bullying and harassment, as well as AgTrade's expected standard of conduct in these areas.
Whistleblower Policy	Encourages the reporting of any instances of suspected unethical, illegal, fraudulent or undesirable conduct involving AgTrade 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.

Planned initiatives and actions for FY24

FY24 Initiatives	Actions to be taken
Continue to seek Modern Slavery Act assurances and commitments from our suppliers	AgTrade continues to engage and communicate with its suppliers where appropriate, and pleasingly we have received written modern slavery assurances back from a financially significant subset of our suppliers.
Add a modern slavery clause into supplier contracts for products or services with a higher level of modern slavery risk	Continuous improvement: This is a permanent standing action item to be considered as contracts come up for renewal.

Team member training on modern slavery, prioritising those people managing higher risk activities	Modern Slavery e-learning module now part of mandatory training for all staff and included in on-boarding for all new staff. In addition, existing staff will be required to complete a refresher training course on modern slavery risk each year.
Develop and set key performance indicators	Critical Result Areas (CRAs) continue to be set by each business leader to measure the effectiveness of our actions to assess and address modern slavery risk.
Develop a formalised review and implementation of initiatives	Develop a formalised Modern Slavery framework document to manage and monitor progress and outcomes from the identified initiatives.

Criteria 5: Describe how the reporting entity assesses the effectiveness of these actions

AgTrade’s Board acknowledges good governance leaves no room for complacency and so requires all businesses in the AgTrade Group to demonstrate appropriate vigilance. We will continue to engage with suppliers to gain more visibility within our supply chains to better understand the risks of modern slavery.

Effectiveness of resulting actions taken will be measured through a range of activities including our risk management and assessment process, policy reviews, supply chain disclosures to the AgTrade Board, site visits and team engagement. AgTrade will continue to monitor our compliance with our overseas workforce obligations, in partnership with our payroll and tax advisory teams located in each jurisdiction.

Criteria 6: Describe the process of consultation with any entities the reporting entity owns or controls

All entities are controlled by the same executive leadership team, all of whom were consulted throughout the preparation of this Statement. This statement has been approved by the Board of Directors of AgTrade International to which all majority-controlled subsidiary businesses ultimately report.

Criteria 7: Provide any other relevant information

Our Commitment

Given the prevalence of modern slavery, we acknowledge that it is not always possible to achieve full transparency and oversight of modern slavery risks within our operations. We recognise that tackling the risk of modern slavery in our supply chains will require ongoing commitment. AgTrade is committed to working collaboratively with our stakeholders to increase our understanding of modern slavery risks and how we can address them. In line with our efforts to ensure continuous improvement, for the FY24 reporting period we will look to build on our responses as set out in this statement.

This annual Modern Slavery Act Statement made pursuant to the Modern Slavery Act (2018) was approved by the Board of AgTrade International Pty Ltd [acting as a higher entity under section 14(2)(d)(ii)] on behalf of all AgTrade Group members].

Signed in accordance with a resolution of Directors.



Justin Slaughter
Managing Director and Chief Executive Officer

22 December 2023

