



2020-2021 MODERN SLAVERY STATEMENT



MODERN SLAVERY STATEMENT

This first modern slavery statement (Statement) under the Modern Slavery Act 2018 (Cth) is made jointly by Ridley Corporation Limited, Ridley AgriProducts Pty Ltd and CSF Proteins Pty Ltd in respect of the period from 1 July 2019 to 30 June 2020 (Reporting Period).

INTRODUCTION

At Ridley, we are serious about social responsibility. Since listing on the Australian Securities Exchange (ASX) in 1987, we have become the nation's largest commercial provider of high performance animal nutrition solutions.

Our success brings with it responsibilities for safety, quality, community, people, sustainability and environment. We are proud to be Australian and pride ourselves on providing outstanding products and services to our customers, as well as our commitment to deliver value to our shareholders.

The Company seeks to protect against all forms of modern slavery or human trafficking within the organisation or as part of the supply chain.

STRUCTURE, OPERATIONS AND SUPPLY CHAIN



STRUCTURE

Ridley Corporation Limited (ACN 006 708 765) (Ridley) is a public company incorporated in Australia and listed on the ASX. Ridley has its headquarters in Melbourne and is the parent entity of the Ridley consolidated group of entities (Ridley or Ridley Group).

Ridley provides animal nutrition solutions and has approximately 615 employees across its manufacturing operations in Australia, plus a further 18 employees in Thailand. 95% of our employees are employed on a permanent full-time or part-time basis, with 5% on fixed-term or casual arrangements.

Almost 50% of Ridley employees are employed under a certified Enterprise Agreement. At some operational sites, Ridley engages a small number of labour hire employees to balance fluctuating labour requirements to meet changing production demand throughout the year.

Ridley is the ultimate parent entity of the Ridley consolidated Group and operates through a number of subsidiaries, including Ridley AgriProducts Pty Ltd (ACN 006 544 145) (**RAP**) and CSF Proteins Pty Ltd (ACN 000 499 918) (**CSF**), both of which are incorporated in Australia. RAP is a wholly owned subsidiary of Ridley and directly conducts all of the non-Rendering operations of the Group. CSF is a wholly owned subsidiary of RAP and conducts the Group's Rendering operations.

The Ridley Group also conducts production and manufacturing operations in Thailand. Until February 2020, the Thailand operations were conducted as a joint venture. In February 2020, RAP acquired the remaining 51% interest in, and full control and ownership of, the operating subsidiary however all feedmilling activities were suspended as at 30 June 2020 and the ongoing activities were absorbed within the Ridley group.

This Statement is made jointly on behalf of Ridley, RAP and CSF as group entities which each have consolidated revenue of over \$100 million for the Reporting Period. All entities within the Ridley Group operate broadly within the same sectors, have the same management structure and operating systems, and follow the same policies and procedures regarding operations and compliance (other than some minor non-material differences in relation to the Thailand operations). RAP and CSF are aware that Ridley has prepared this Statement and have participated in its preparation to the extent required. No significant differences between the operations of Ridley, RAP and CSF were identified and the modern slavery risks relating to those operations are considered to be the same.

OPERATIONS

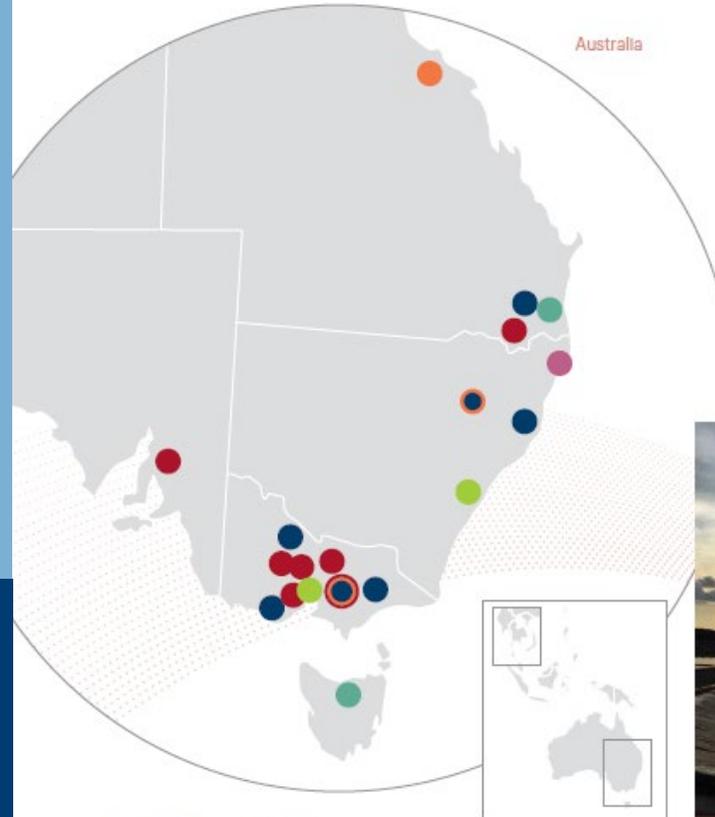
Ridley is Australia's largest commercial provider of high performance animal nutrition solutions. During the Reporting Period, Ridley had 19 manufacturing sites across Australia which produce in the vicinity of 1.8 million tonnes a year of finished feeds and feed ingredients based on Australian grown cereal grains. These feeds are provided to animals in the dairy, poultry, pig, beef, horse, sheep, laboratory research, pet food and aquaculture industries in Australia and other countries, predominantly in Asia. During the Reporting Period Ridley operated at the following locations and with the following business unit structure:

RIDLEY'S MANUFACTURING OPERATION IN CHANTHABURI, THAILAND PRODUCES NOVACQ™ PRODUCTS.

THE RIDLEY GROUP TRADES UNDER MAJOR BRANDS INCLUDING RIDLEY, BARASTOC, RUMEVITE, COBBER AND PRIMO.



Ridley Locations and Sectors



Business Unit	Structure
Bulk Stockfeeds	
● Monogastric	Pellet, meals, concentrates and premixes for poultry and pigs
● Ruminant	Pellet, meals, concentrates and premixes for dairy cattle, beef cattle and sheep
Packaged Feeds and Ingredients	
● Packaged Products and Supplements	Bagged poultry, dairy, dog, horse and lifestyle animal feed, and block and loose lick supplements
● Aquafeed	Extruded and steam pelleted products for all major fin fish and prawns
● Novacq™	Novel value-adding feed ingredient being commercialised for sale into prawn feed globally
● Rendering	Rendered poultry, red meat and fish products for the petfood, stockfeed and aquaculture sectors

OUR SUPPLY CHAIN



Ridley has a large and diverse supplier base. In FY20, we used over 9,000 suppliers and sourced over 600 different ingredients to manufacture our animal feed products. Ingredients are sourced from suppliers ranging from Australian farmers to large multi-national corporations, with the majority sourced domestically, and around 35% of total volume imported either directly from overseas manufacturers or via locally based importers. The following table summarises the main input and ingredient groups used to manufacture our stockfeed:

INPUT/ INGREDIENT GROUP	ITEMS	TYPICAL ORIGIN
Grains	Wheat, Barley, Canola Seed, maize, oats, peas, faba beans	Australia
Vegetable Protein Meals and Oils	Soybean meal, Canola meal, DDGs, Canola oil	Argentina, Brazil and Australia
Animal Protein Meals and fats	Meat and Bone meal, Poultry meal, Fish meal, Tallow, Fish Oil	Australia, Peru, Chile, Thailand, New Zealand, American Samoa, PNG, Uruguay, Costa Rica
Feed Additives	Amino Acids, Vitamins, Minerals, Colourings, Medications, Enzymes, probiotics and others	Europe, India, China, USA, various South American countries
Packaging	Cartons, 20 kg Bags, Bulka bags, Pallets	Australia, China and Vietnam



In addition to raw material ingredients, Ridley procures a range of other goods and services in connection with its production operations, including: logistics, maintenance and cleaning services, new plant and equipment (including information technology) and spare parts, energy and utilities, personal protective equipment and uniforms, office consumables, chemicals and casual labour hire. We have a mixture of short and long term procurement arrangements, depending on the nature of the purchase. Ridley has two group functions which manage procurement, the Merchandising team which manages all raw materials procurement and a Non-stock procurement area which manages other supply arrangements.

During the reporting period, Ridley began the process to review and assess the modern slavery risks in our operations and supply chains.

Our global supply chain is complex and accordingly, for this first Statement, we prioritised identification of the highest potential risk supply chains and service providers. Using the guidance provided in the Global Slavery Index (2018) (GSI), the following risks were identified:

Geographic risks

Ridley conducts part of its Novacq business operations in Thailand which, according to the GSI, has one of the highest rates of modern slavery in SE Asia. Ridley imports products from a number of countries, some of which are deemed to be high risk under the GSI.

Sector and industry risks

Ridley operates in the agricultural and manufacturing sectors. Agriculture is recognised as a high risk industry globally. Migrant and/or itinerant labour may be used by our suppliers, (through both contracted services such as cleaning, or labour used in the production of our ingredients) and on farms supplying raw materials such as grains and oilseeds.

Products and services risks

In conducting our risk assessment, we focussed our initial review on the following key categories:

Goods:

- Raw materials (particularly fish meal/oil, molasses, HP2 and DFS)
- Personal Protective Equipment and uniforms
- Packaging
- Electronics

Services:

- Cleaning services
- IT procurement
- Shipping and freight
- Contract Maintenance services
- Contractors and Casual labour hire

Entity risks

Given the large number of ingredients and products procured by the Ridley group, we use a significant number of local suppliers who import products for on-supply to Ridley (for example packaging). There is a risk that because we do not have full visibility of the supply chain, we may be inadvertently supporting modern slavery practices.

We also identified that our tender or negotiation processes for ingredients and other items may have the potential to pressure suppliers to submit prices that are so low as to encourage inhumane labour practices in the supply chain in order to make a profit from the transaction.

Combining the geographic risks with the aforementioned product risks, we identified that the potential high risk areas for Ridley are:

- Novacq™ operations, particularly purchases of molasses, packaging and uniforms;
- Imported Fish Meal and Oils from SE Asia and South America;
- Imported PPE clothing and equipment from China and Malaysia;
- Imported laptops, computers and mobile phones from China and Malaysia.

As we are still in the early stages of the supplier assessment process, the above assessment will continue to be reviewed and refined over future reporting periods.

Ridley is still in the process of fully assessing its risk of modern slavery practices and accordingly, at this stage is unable to fully outline risk mitigation and remediation actions taken during the Reporting Period. Ridley has an existing supplier approval process to ensure that the feed we produce is safe and made to specifications. Our suppliers are currently rated from high to low risk based on the product and supply chain risk.

Our next step will be to engage with suppliers identified as higher risk to ascertain the actual risk of modern slavery practices in their operations. We will also continue to develop awareness within the organisation about the exploitation of workers around the globe and the importance of due diligence in selecting supply chain partners. During the Reporting Period we also introduced a minimum wage audit as part of our internal audit program to ensure that all employees are remunerated at least at the minimum wage applicable for the roles and tasks being performed.

GOVERNANCE

The following policies and procedures are currently in place to support Ridley's governance framework and act as a control in managing modern slavery risk. These policies also reflect the standards of behaviour and professionalism required to maintain confidence in Ridley's integrity.

- **Code of Conduct:** The Ridley Code of Conduct provides a clear framework within which all directors and employees are expected to operate and reflects our Values and our Strategic Plan.
- **Anti-bribery and Anti-corruption Policy:** The Anti-bribery and Anti-corruption Policy sets out the standards required of all Ridley employees to refrain from any activity that is, or could be alleged to be, corrupt including in the nature of a bribe or otherwise inappropriate payment or inducement.
- **Whistleblower policy:** The Whistleblower policy covers the procedures for dealing with reports of suspected improper conduct within Ridley. It also addresses the protection of individuals making those reports and investigation of the matters raised by them.

Each of the above policies is available on our website. We intend to review all relevant Group policies to ensure that modern slavery issues are considered and referenced as appropriate.

We are also updating our risk-based management systems to establish suitable, adequate and effective controls in relation to Modern Slavery and Human Trafficking.

FUTURE FOCUS AREAS

Areas that we intend to focus on in the next reporting period to better assess and address modern slavery risks are:

- Supplier approval processes –we intend to bolster the current supplier approval process to include a specific assessment of Modern Slavery risk, and to implement controls to mitigate this risk.
- Contractual terms and Conditions – Ridley will review its standard contract and purchase order terms to ensure suppliers are fully aware of their obligations under the Modern Slavery Act 2018.
- Employment Contracts, EBAs, and Contractor arrangements – These will be reviewed to ensure that our workers and contractors are not exploited.

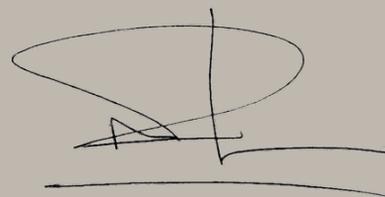
ASSESSING EFFECTIVENESS

Given the early stage of our modern slavery risk assessment process, it is also too early to clearly assess the effectiveness of any actions taken. We will continue to develop and modify the approach we take to identifying and managing modern slavery risk, particularly by comparing the number of supplier risk assessment we conduct yearly. We will also review the degree of staff awareness of modern slavery risks.

CONSULTATION

Ridley Corporation Limited has consulted with the management of both RAP and CSF in preparing this statement. The statement has also been separately approved by the Boards of each of RAP and CSF.

Approved by the Board of Directors of Ridley Corporation Limited on 23 February 2021.

A handwritten signature in black ink, appearing to be 'Mick McMahon', written over a horizontal line.

Mick McMahon
Chairman