



Modern Slavery Statement FY2021

A statement setting out what we have done to identify, manage and mitigate risks of modern slavery in our operations and supply chain.

IINGHAMS GROUP LIMITED

ACN 162 709 506

("Ingham's" or "Company")



At Ingham's, we are committed to preventing all forms of slavery, exploitation and human trafficking from our direct and indirect supply chains. To achieve this, we assess the risks of modern slavery, safeguard our workforce and monitor our supply chains against any actual or potential criminal and inhumane treatment of people in their employment.

We are committed to maintaining high standards of corporate governance to comply with all relevant local laws and regulations for our business, including a focus on preventing and addressing risk in our supply chains related to modern slavery and human trafficking. We take pride in the integrity and transparency of our people and our partners to operate in a socially ethical way.

Our company policies communicate and support ethical and professional conduct and behaviours within our business, including a Whistleblower Policy to enable our employees to speak up against any misconduct, including breaches of legislation, criminal activity and unethical behaviour. The same high standard of conduct and ethical behaviour is expected from our suppliers.

This Modern Slavery Statement relates to our actions and activities for the financial year ended 30 June 2021 and complies with the mandatory criteria requirements for modern slavery statements in line with the Modern Slavery Act.

Andrew Reeves

Chief Executive Officer and Managing Director

Ingham's Group Limited

Ingham's FY2021 highlights:

- Actions implemented in FY20 have been sustained. For example; our standard supply contract includes a clause which relates to Modern Slavery expectations, and we assess risks in our supply chain based on a supply chain heat map assessment.
- Ingham's Supplier Code of Conduct has been released to all suppliers of goods and services to Ingham's.
- The Whistleblower channel was independently audited and no significant risk implications were identified. This channel for reporting led to four separate matters being raised, however none were related to modern slavery.
- Between the end of FY21 and to date, we have established an audit process for suppliers in labour intensive categories, with the support of an external workplace relations firm, to assess compliance with labour law requirements.



Compliance with modern slavery reporting requirements

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1. Identification of the Reporting Entity

This Modern Slavery Statement is a joint statement made by Inghams Group Limited and on behalf of its subsidiaries, which are Reporting Entities as set out in [Appendix 1](#) (each a “Reporting Entity”) (“Ingham’s Group”). This Statement has been prepared in consultation with each Reporting Entity covered by the Statement in the manner referred to in section 6 of this Statement. For each Reporting Entity, the Statement is approved by Inghams Group Limited, which is a higher entity and in a position to influence or control each Reporting Entity covered by the Statement. As regards to Inghams Group Limited, the Statement is approved by its Board of Directors.

2. Description of Ingham’s structure, operations and supply chains

Ingham’s is a leading Australian and New Zealand poultry food processing company listed on the Australian Securities Exchange (ASX) and employs approximately 8,000 people. Ingham’s produces and supplies poultry, value-added protein products and feed products to a broad range of customers, including major retailers, quick service restaurant (QSR) operators, food service distributors, poultry wholesalers and animal feed customers.

2.1 Ingham’s operations

Our scale and operations span the entire value chain from farming to processing and distribution. Our poultry supply chains are vertically integrated within the business. We source our goods and services from more than 4,000 direct suppliers (Tier 1), predominantly based in Australia and New Zealand. The supply chain industries that we procure from are varied and span from feed, packaging, ingredients, consumables and uniforms to services such as cleaning, distribution and freight.

Our website – at ingham.com.au – provides information on our company, purpose and products.

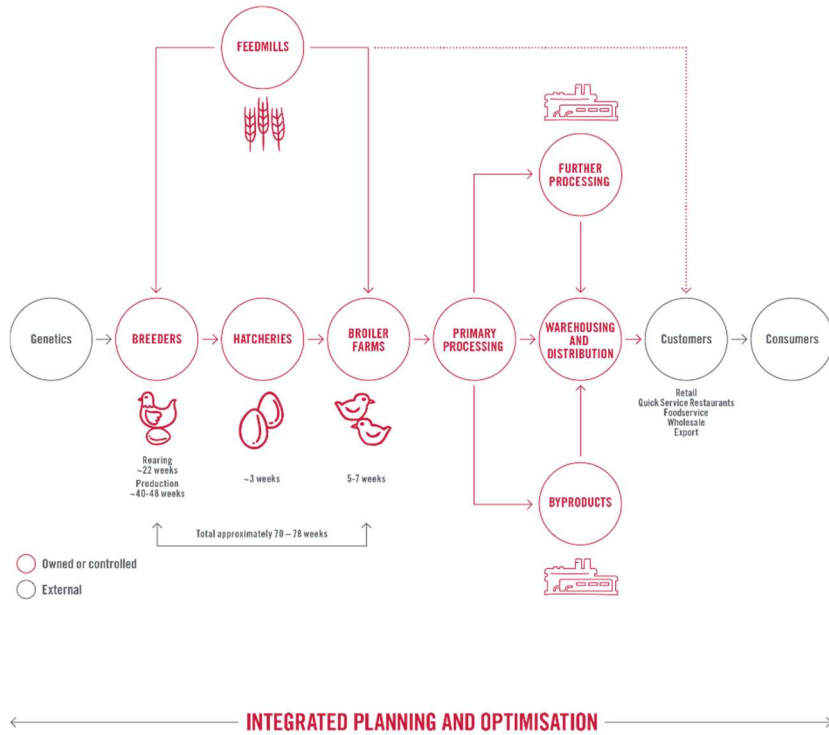
Ingham’s is comprised of the following vertically integrated business units, which are in all states and territories across Australia and in New Zealand.

Our key operations are:

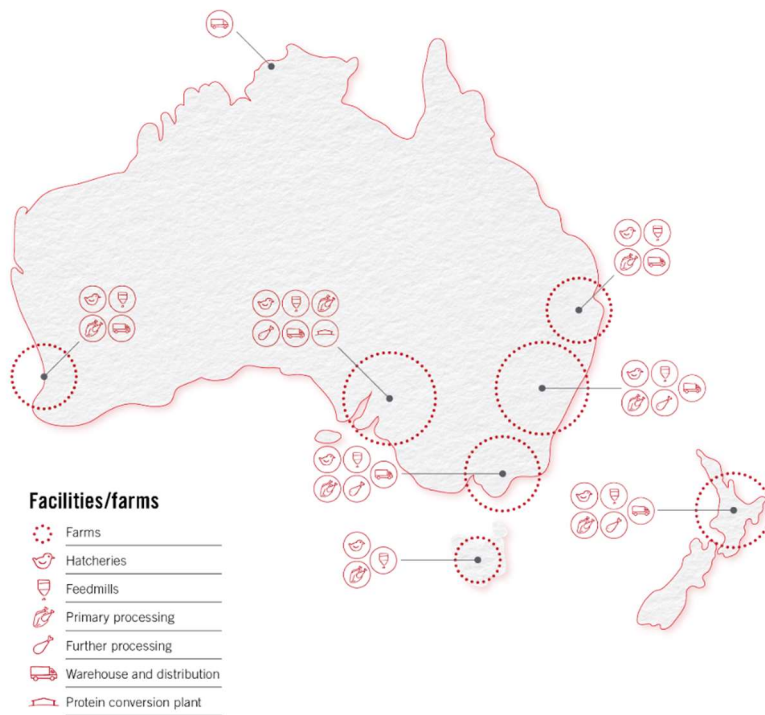
- **Farming:** includes breeder farms for fertile egg production as well as hatcheries and the broiler farms (independent contractors) for the growing of meat chickens.
- **Feed milling:** production of stockfeed, the majority of which is for internal use in Ingham’s poultry business, with sales to other customers in the poultry, pork and dairy sectors.
- **Poultry processing:** primary and further processing of chickens and turkeys into products for sale to major retail customers, QSRs, food service and wholesale customers.
- **Distribution:** warehousing and distribution of poultry products to customers.



Ingham's fully-integrated operating model



Ingham's network map





The information of the percentage distributions of Ingham’s employees by geographic location and business unit is shown in Figures 1 and 2.

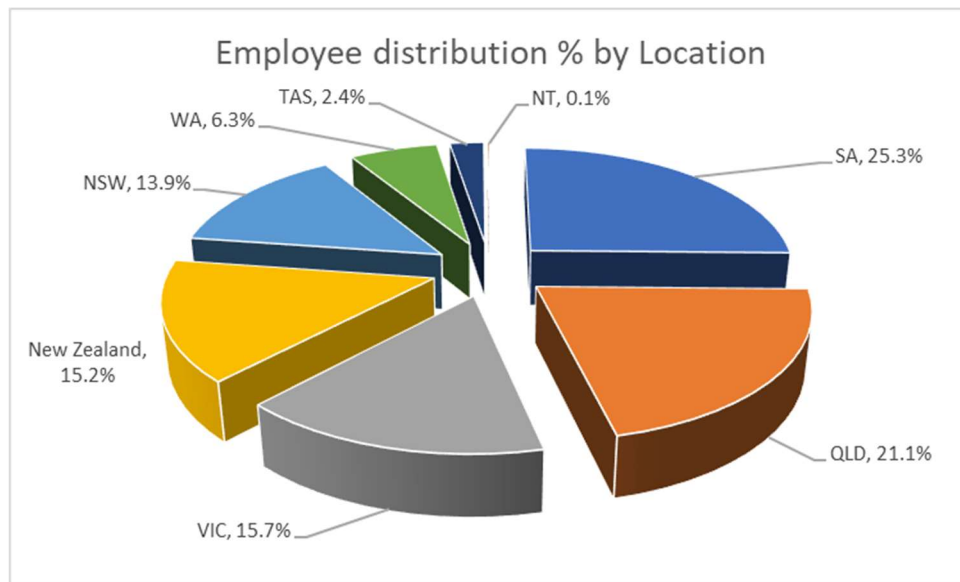


Figure 1: Percentage distribution of employees by geographic location

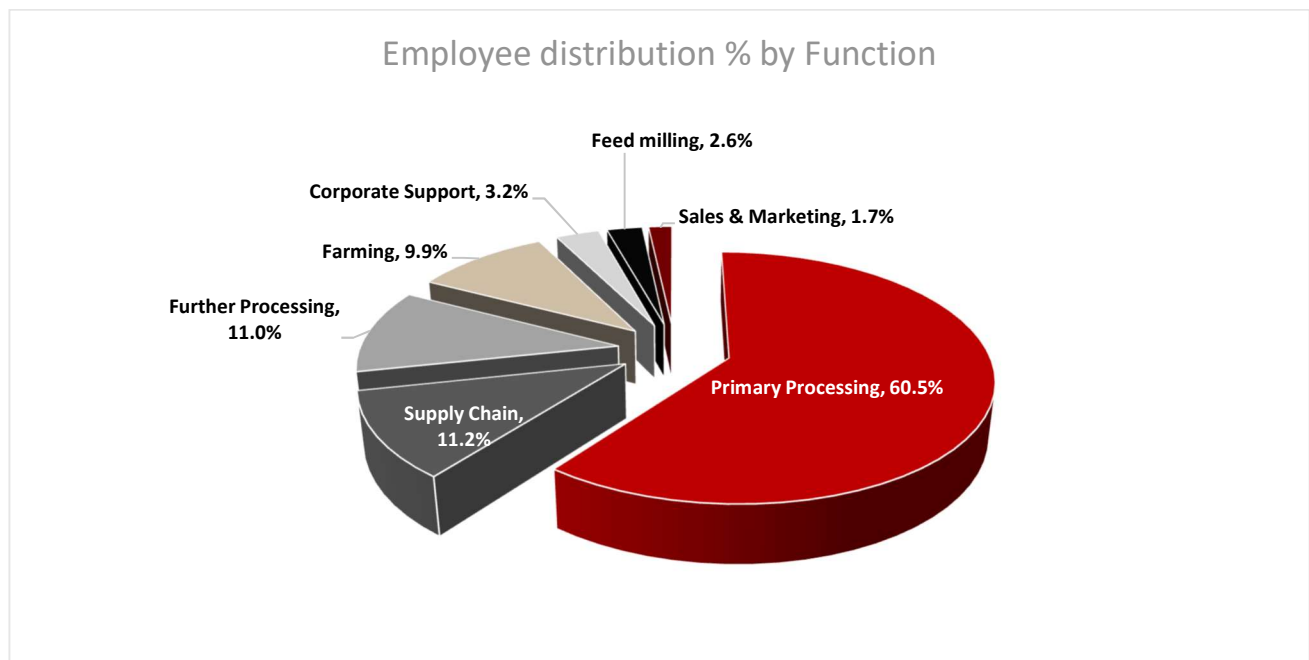


Figure 2: Percentage distribution of employees by business unit



2.2 Our supply chains

In FY21, Ingham’s sourced goods and services from more than 4,000 direct suppliers (Tier 1), which includes low spend and one-time vendors. Of these, approximately 2,500 are key ongoing suppliers. The Tier 1 suppliers are predominantly based in Australia and New Zealand, with most of the remaining suppliers based in the USA and Europe (Figure 3).

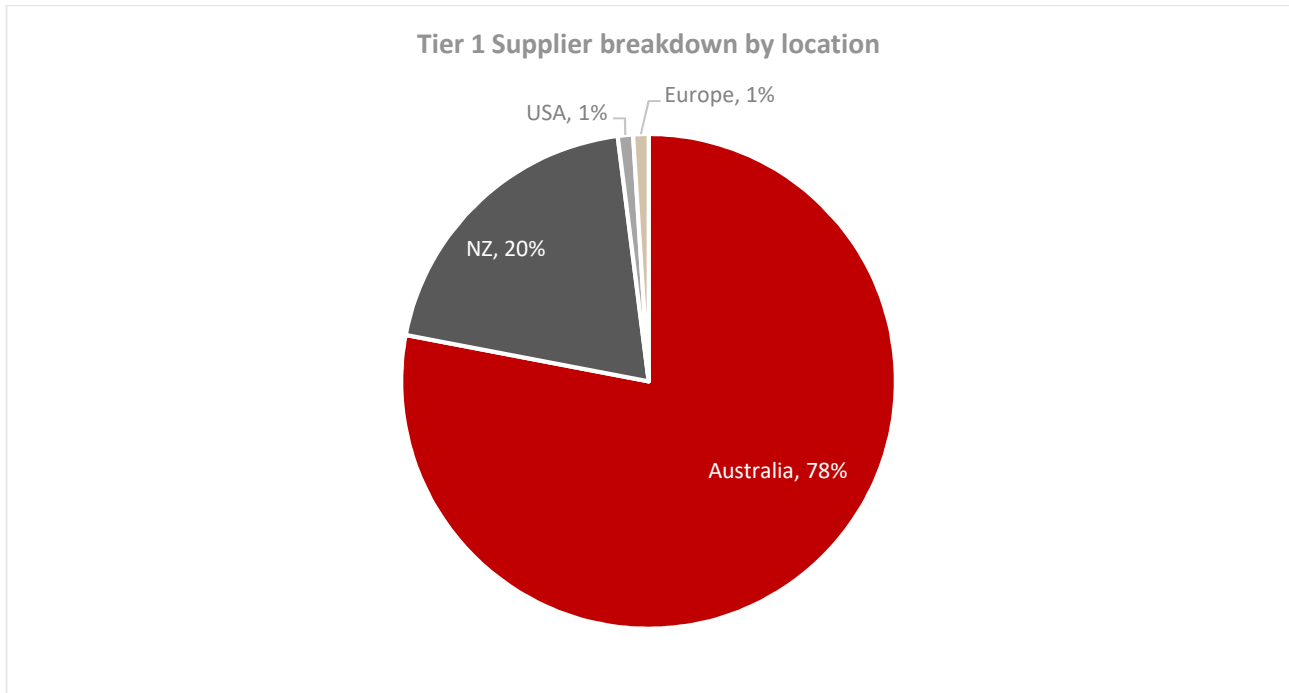


Figure 3: Tier 1 supplier breakdown by location based on the entity we procure from. Note this data represents FY2019 information, which will not have changed significantly for the FY2021 period.

Examples of categories which are sourced in our supply chain include; packaging, ingredients, transport and logistics, uniforms and personal protective equipment (PPE), waste services and cleaning services. While the majority of our direct suppliers are based in Australia and New Zealand, our suppliers may source goods from overseas. An example of this is the uniforms, which are procured locally with washing services managed within Australia, however the garment is manufactured overseas.



3. Description of modern slavery risks in our supply chains

3.1 Risks in our operations

Ingham's operations and each Reporting Entity are considered to have a low risk of modern slavery practices for the reasons set out below. Ingham's and the Reporting Entities have no operations outside of Australia and New Zealand.

The vast majority of Ingham's employees at its own operations are directly employed. In this regard, the risk of modern slavery is considered low. Employees who are directly employed in Ingham's operations are typically covered by the terms of collectively negotiated enterprise agreements approved by the Fair Work Commission in Australia and are approved and signed by the applicable trade union in New Zealand. The agreements stipulate minimum conditions for wages, hours of work, overtime conditions, additional remuneration, leave entitlements and redundancy benefits. Where the relevant employees are not covered by enterprise agreements, in Australia they are typically employed under the terms of modern awards, on above-award wages, and in New Zealand they are employed under the terms of individual employment agreements. For more senior positions, these are commonly engaged under the terms of common law contracts. All Australian employees remain subject to the minimum conditions in the National Employment Standards and New Zealand employees remain subject to the minimum conditions of the Employment Relations Act. These minimum conditions are supported by a range of policies providing additional benefits, such as paid parental leave. Ingham's employment practices comply with all local laws in Australia or New Zealand (as relevant).

Our recruitment process has strong governance. Employment decisions are based on the principle of merit, with no instances of forced labour. All employees must demonstrate their legal right to work in Australia.

In Queensland, Victoria and South Australia, labour hire workers are provided through appropriately licenced agencies. Across Australia, Ingham's is developing and implementing a preferred supplier list of labour hire agencies, with terms of engagement which require that labour hire agencies eliminate modern slavery. From FY22, Ingham's has introduced a program of auditing a representative sample of labour hire and other labour intensive suppliers (e.g. cleaning contractors and road transport providers), to ensure compliance with all relevant workplace, immigration law requirements.

3.2 Risks in our supply chains

Ingham's sources products and services from suppliers ranging from small independent farmers to large multi-nationals, predominantly sourcing from Australia and New Zealand. We are a member of SEDEX (Supplier Ethical Data Exchange) and share information on our performance with our customers.

Ingham's maintains a high ethical standard across its own operations. It is our policy to ensure that the ethical standards that apply within our own sites are also adhered to in our supply chain. The identification of risk within our large and complex supply chain is a key initial step to understanding what is required and prioritising subsequent actions.

We recognise the leverage we have within our supply chain is often limited and to initiate meaningful and sustainable change we need to collaborate with our supply chain partners to develop initiatives which improve the working conditions of their employees and suppliers.

While Ingham's sources goods and services predominantly from within Australia (Tier 1), there are inherent risks further along the supply chain in Tiers 2 and 3 suppliers. An example of this is the uniform requirements at our facilities. While uniform washing services are managed locally in Australia, the garment manufacturing generally occurs overseas where modern slavery risks are identified as a higher risk. Another example is the electronics category which is procured locally in Australia, however tin and tungsten ores used in electronics are mined in the Democratic Republic of the Congo where forced labour has been identified as a risk.



3.3 Risk assessment process

Ingham’s modern slavery risk assessment process categorises Ingham’s supply chain into the following three groups:

- Tier 1 – suppliers providing goods or services directly to Ingham’s
- Tier 2 – suppliers providing goods or services to Tier 1 supplier, and
- Tier 3 – suppliers providing goods or services to Tier 2 suppliers.

Our primary focus is with Tier 1 suppliers whom we directly source from. However, we conducted a deeper assessment across our supply chain to identify risks throughout the supply chain.

The supply chain heat map assessment we completed has identified risks across the end-to-end supply chain. This assessment provides a risk rating based on:

1. Geographical risk, and
2. Sector risk associated with the category which the goods and services are sourced from.

The risk assessment process identified the following key areas for consideration, together with current actions which have been taken in relation to each of those areas.

Table 1: Supply chain key risk areas and current actions

Risk areas	Risk drivers	Current actions
Service categories (e.g. cleaning contractors, contingent labour hire)	Labour intensive categories	<ul style="list-style-type: none"> • We have commenced a program in partnership with an employment law firm to conduct audits of a representative sample of these suppliers. Audits consider compliance with workplace and immigration laws. • Modern slavery clause included in contracts for new suppliers to the business. • Supplier Code of Conduct will outline the expectations of our Tier 1 suppliers to ensure appropriate measures are in place from the locations they source from.
Electronics industry	Possible risk of forced labour in the electronics manufacturing industry	<ul style="list-style-type: none"> • Supplier Code of Conduct will outline the expectations of our Tier 1 suppliers to ensure appropriate measures are in place from the locations they source from. • A desktop audit will be completed for high risk suppliers/categories.
Personal protective equipment (including uniforms)	Possible risks of exploitation of labour in garment manufacturing	<ul style="list-style-type: none"> • Supplier Code of Conduct will outline the expectations of our Tier 1 suppliers to ensure appropriate measures are in place from the locations they source from. • A desktop audit will be completed for high risk suppliers/categories.



4. Description of our policies, governance and due diligence processes

4.1 For Ingham's operations

We use labour hire providers in Queensland, South Australia and Victoria who are required to hold a labour hire license in accordance with the relevant State legislation. Ingham's has a Code of Conduct which is available on Ingham's website and outlines how the business expects its representatives to behave and conduct business in the workplace. It includes legal compliance and guidelines on ethical standards.

Utilisation of labour hire workers is limited, with the majority of workers directly employed. We are developing and implementing a national preferred supplier list of verified labour hire providers to reduce risks related to modern slavery.

Ingham's has a Whistleblower Policy which encourages reporting of misconduct including breaches of legislation, criminal activity and unethical behaviour. The Whistleblower Policy enables anonymous reporting as well as the ability to report to an externally and independently managed hotline.

Ingham's has a Child Labour Policy which prohibits the employment of child labour in contravention of minimum working age and education attendance requirements across all our operations, which are all located in Australia and New Zealand. The employment of any person under the age of 18 years also requires approval from senior leadership, including consideration of safe work practices and facilitating participation in education.

Recruitment of Australian employees is managed by a centralised recruitment team which operates within an approved framework and in accordance to set procedures. The work rights and visa status of all Australian employees is verified before commencing employment, including verification with the Department of Home Affairs for employees who are not citizens or permanent residents. All employment contracts are issued by the centralised team.

Employees are paid electronically via direct debit in accordance with an electronic time and attendance system. An internal review has indicated that the overall risk of issues that may lead to systemic underpayments is low.

4.2 For Ingham's supply chains

Ingham's developed the Supplier Code of Conduct which details our social, environmental and ethical expectations for suppliers of goods and services and was released to all Tier 1 suppliers to Ingham's. Our Code covers the following areas, but is not limited to, labour practices, human rights, business integrity and environment.

We ensure our human rights expectations are further detailed in our contracting process with our suppliers. We have updated our standard contract templates to reflect modern slavery requirements as a key component for suppliers to comply with.

Since the end of FY21, one audit was completed on payments to employees in a labour-intensive category (a road transport provider) to assess compliance and effectiveness of the existing processes and policies in consultation with an external workplace relations firm. A second audit has since been commenced and is currently underway



5. Assessment of effectiveness

The following provides a summary of the outcomes of our actions and the assessment of its effectiveness during the FY21 period.

- Our Supplier Code of Conduct ensures that the suppliers of goods and services to Ingham's are meeting the necessary obligations of the Modern Slavery Act. In combination with this, our supply agreement for goods and services further outlines the expectations of a supplier to Ingham's with regard to Modern Slavery obligations and is a critical requirement of the contracting process. The supply chain assessment map provides Ingham's with visibility of low, medium and high-risk categories within our supply chain, which will inform action planning required from high risk suppliers.
- The People and Remuneration Committee of the Ingham's Board receives quarterly reporting of disclosures made under the Whistleblower Policy. The reporting also includes any complaints of bullying, sexual harassment, other forms of harassment, discrimination and any breaches of our competition law and anti-bribery and anti-corruption policies. The People and Remuneration Committee is also provided information regarding any material incidents outside the normal reporting period. A total of four matters were raised via the whistleblower channel during FY21. However, none were related to modern slavery. No complaints relating to modern slavery were raised through any other means. A further 120 matters were handled by the People & Performance Team relating to employee-related issues.
- New labour hire providers to Ingham's are audited and documentation is verified to ensure compliance with employment requirements, including labour hire licenses where applicable.
- Ingham's has partnered with an external employment law firm to develop a periodic audit program of existing suppliers of labour in industries considered higher risk. This includes contract cleaning, labour hire, road transport and security services. The audits cover compliance with workplace relations legislation and industrial instruments, as well as immigration law requirements. This program is being rolled out during FY22, with the first audit completed and a second audit underway as at November 2021. The first audit, involving a transport provider, identified some minor issues relating to industrial instrument application and these have since been remedied. We have worked with that provider on seeking education for their business on industrial instrument compliance. We were satisfied that no instances of deliberate non-compliance were identified in this first audit.
- Social Accountability external audits and surveys are conducted by customers on Ingham's employment practices. This includes sharing information through questionnaires on the Sedex platform.
- Ingham's whistle blower process allows for anonymous and confidential reporting of potential misconduct through multiple channels, including an externally operated hotline. This process was audited through an external party and was found to carry no significant risk implications.
- The whistleblower training was refreshed at the beginning of FY22, with videos and translations into multiple languages to support accessibility via our online communication app. This training will be further supported by toolbox talks to support knowledge of the whistleblower process in operational areas.



6. Consultation, collaboration and engagement

Key Ingham's management personnel that represent Sustainability, Risk, Legal, Procurement and Supply Chain, People and Performance, Compliance, and Internal Audit functions of Ingham's and its Reporting Entities (Appendix 1) have collaborated in the preparation of this Statement.

Externally, we work with supply chain partners, labour providers, customers, industry bodies and other enforcement bodies to ensure the risk of modern slavery is minimised. Ingham's has consulted with its Reporting Entities, including the New Zealand business and updated its standard contract templates to reflect the requirements of the Modern Slavery Act.

7. Approval by Principle Governing Body

The Principle Governing Body of Inghams Group Limited is the Ingham's Board, which has been consulted on and has considered and approved this Statement.

Each of the other Reporting Entities is a wholly owned subsidiary of Inghams Group Limited and is managed by the senior management team of Inghams Group Limited.

The Chief Executive Officer and Managing Director of Inghams Group Limited and the Chief Financial Officer of Inghams Group Limited are Directors of each of the subsidiary Reporting Entities. The Chief Executive Officer and Managing Director, the Chief Financial Officer, and the senior management team are responsible for managing each of the subsidiary Reporting Entities and have been consulted on, and have considered and approved, this Statement.



Appendix 1

Reporting Entities – Inghams Group Limited Modern Slavery Statement

Reporting Entity	ACN	Location
1. Inghams Group Limited	ACN 162 709 506	*Australia)
2. Ingham Holdings II Pty Limited	ACN 162 709 579	*Australia)
3. Ingham Holdings III Pty Limited	ACN 162 709 659	*Australia)
4. Adams Bidco Pty Limited	ACN 162 707 904	*Australia)
5. Ingham Enterprises Pty Limited	ACN 130 793 609	*Australia)
6. Inghams Enterprises Pty. Limited	ACN 008 447 345	*Australia)
7. Inghams Enterprises (NZ) Pty Limited	ACN 003 853 558	**NZ / Australia

* All operations in Australia. Registered office and Level 4 / 1 Julius Avenue, North Ryde, Sydney NSW 2113, Australia

** Operations in New Zealand. Registered Office at 624 Waiheke Road, RD1, Waitoa, 3380, New Zealand