

Modern Slavery Statement

FY DECEMBER 2023

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Together, Let's Grow!

The identity of the reporting entity:

Marnco Pty. Ltd. in Australia and Marnco Limited in New Zealand specialize in importing and distributing bulk and containerised fertilizer across Australasia. We are dedicated to enhancing sustainability within our industry and uphold high standards of integrity throughout our operations. This Modern Slavery Statement aligns with the Modern Slavery Act 2018, detailing our efforts to eliminate modern slavery in our operations, supply chain, and supply network.

In January 2024, we expanded our operations to New Zealand, with a Marnco-operated facility in Mount Maunganui, NZ. We are also partnering with a third-party operated facility in Timaru, NZ. We are extremely proud of the growth we have experienced over the last year and recognise expansion increases the potential for modern slavery risks to arise. We remain vigilant in mitigating these risks as we grow as a business, ensuring our commitment to excellence and ethical conduct is maintained across all locations.

This statement has been conducted to meet mandatory reporting criteria set out by the Modern Slavery Act 2018 as well as to aid Marnco in its ESG initiatives. Through recent expansion, we have integrated various modern slavery safeguards within our locations, hiring process, and policy making. We have also begun making our policy known to business partners, landlords, contracting agents, and consultants. The below table identifies the location of mandatory reporting criteria, and where it can be found in Marnco's 2023 Modern Slavery Statement:

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Group structure, operations, & supply chains of the reporting entity:

We are committed to upholding ethical practices and mitigating risks related to modern slavery within our operations and supply chains. Our recent expansion to New Zealand underscores our dedication to maintaining high standards of operation and employee welfare both locally and internationally.

Group Structure:

Marnco Pty. Ltd in Australia is a large proprietary enterprise, while Marnco Limited in New Zealand is an SME. Both entities, though separate, share the same shareholders and will be collectively referred to as Marnco in this statement due to their interconnected operations and supply networks.

Operations:

Australia:

Head Office: Melbourne, VIC.

Import Activities: In FY 2023, Marnco imported fertiliser from China, Vietnam, Morocco, Malaysia, Thailand, Indonesia, Germany, and Brunei.

Port Operations: Received shipments at multiple ports, including Kwinana, Esperance, Geraldton, Wyndham, Adelaide, Geelong, Melbourne, Brisbane, Mount Maunganui (NZ), and Timaru (NZ).

Sustainability Efforts: Procured recycled fertiliser from a Queensland manufacturer to support local product acquisition and ESG goals.

New Zealand:

Port of Tauranga: Manages bulk and container shipments of fertiliser, handled by Marnco employees and third-party contractors. Products are stored in a Marnco-leased shed and distributed to on-site customers.

Timaru: Similar operational setup to Geelong, managed by third-party entities to ensure efficiency and compliance with high standards.

Supply Chains:

Our upstream supply chain includes mineral mining, fertiliser manufacturing, road and maritime shipping, port employees, seafarers, warehouse laborers, and office staff. Downstream, it involves major distributors, fertiliser spreaders, and farmers. Various contractors provide essential services such as IT, account management, and consignment discharge assistance.

Workforce and Expansion:

Our team has grown from four to ten employees over the past year, reflecting our expanding operations. In New Zealand, we have added key positions: Operations Manager, Commercial Manager, Operations and Execution Specialist, and Leading Hand. These roles are vital for managing expanded operations and ensuring compliance with health and safety standards, supported by local consultants.

Risk Atlas:

Type: Good/ Service	Description	Associated/ Potential Risks
Fertiliser	<p>Marnco imports and distributes bulk and containerised fertiliser from international manufacturers to the Australian and New Zealand agriculture markets. Our operations involve receiving shipments at various ports, including Kwinana, Esperance, Geraldton, Wyndham, Adelaide, Geelong, Melbourne, Brisbane, Mount Maunganui (NZ), and Timaru (NZ). We also procure recycled fertiliser from a Queensland manufacturer to support local product acquisition and our ESG goals.</p>	<p>Exploitative Labour Risks: The mining and manufacturing of fertiliser often occur in regions with vulnerable groups susceptible to modern slavery. This includes forced labour, child labour, and other exploitative practices.</p> <p>Regional Risks: We source fertiliser from countries identified as high-risk for modern slavery, including China, Indonesia, Malaysia, Thailand, and Vietnam, according to the Walk-Free Index. These countries have higher incidences of forced labour, making vigilance in monitoring and mitigating risks crucial.</p> <p>Supply Chain Complexity: The complexity of our supply chain, which includes multiple stages such as mineral mining, manufacturing, and international shipping, increases the challenge of monitoring for modern slavery practices.</p> <p>Monitoring and Compliance: Ensuring all suppliers and contractors adhere to our modern slavery standards is critical, especially in regions with higher risks.</p>
	<p>Progress From 2022 MS Statement:</p>	<p>Since our MS Statement last year, we have identified and partnered with an Australian producer of recycled, organic fertiliser made from waste materials. This initiative not only supports our environmental sustainability goals but also reduces reliance on high-risk regions for fertiliser procurement.</p> <p>We have initiated discussions with our main procurement supply chain to express our concerns regarding modern slavery in the manufacturing sector. Our goal is to ensure that our suppliers share our commitment to ethical practices and are taking proactive steps to address modern slavery risks within their operations.</p> <p>Policy Development: We engaged consultants in both Australia and New Zealand to assist in developing robust policies that align with our Modern Slavery Principles, Health & Safety, and Quality Assurance. These policies are designed to support our commitment to creating a positive impact within our organization and our supply chain. We continue to refine and enforce our procurement policies, integrating modern slavery safeguards to ensure ethical practices throughout our supply chain.</p>

<p>Contractors</p>	<p>Marnco imports and distributes bulk and containerised fertiliser from international manufacturers to the Australian and New Zealand agriculture markets. We utilize contractors to operate our shed in Geelong and Timaru (NZ), and occasionally in Mount Maunganui (NZ) to aid in discharging and receiving products when ships arrive with our consignments. Additionally, we employ contracted companies to transport our products.</p>	<p>Subcontracting Risks: The use of subcontractors can further obscure the working conditions of our suppliers. This includes the potential for wage exploitation, poor working conditions, and inadequate workplace health and safety standards.</p> <p>Wage Exploitation and Working Conditions: Contractors, especially in international contexts, might engage in exploitative practices such as underpayment or withholding wages. Ensuring fair wages and safe working conditions across all contractors is challenging but essential.</p> <p>Workplace Health and Safety: Contractors may not always adhere to the same health and safety standards as Marnco. This disparity can lead to unsafe working environments and increase the risk of accidents and injuries.</p> <p>Recruitment and Debt Bondage: There is a risk of exploitative recruitment practices, including debt bondage, among employees hired by the contractors we engage. Workers may be subjected to unfair recruitment fees or loans, leading to debt bondage, and forced labour.</p> <p>Regional Risk Variability: While we believe these risks are relatively low within Australian supply chains due to stricter regulations and enforcement, they are higher in international contexts where oversight and enforcement may be weaker.</p>
	<p>Progress From 2022 MS Statement:</p>	<p>Policy Development: We engaged consultants in Australia and New Zealand to develop robust policies aligning with our Modern Slavery Principles, Health & Safety, and Quality Assurance. These policies support our commitment to creating a positive impact within our organization and supply chain.</p> <p>Supplier and Contractor Audits: We enhanced audit processes for suppliers and contractors to ensure compliance with our ethical standards, focusing on fair wages, safe working conditions, and ethical recruitment.</p> <p>Training and Awareness: We expanded training programs to include modules on modern slavery risks and ethical recruitment practices, helping recognize and address potential subcontracting issues.</p> <p>Local Focus: Most subcontractors are based in Australia, where risks are lower due to stricter regulations. However, we continue to monitor and address potential risks in our international operations.</p> <p>Supplier Engagement: We initiated discussions with our main procurement supply chain to express our</p>

		<p>concerns regarding modern slavery in the manufacturing sector, aiming to ensure our suppliers share our commitment to ethical practices.</p>
<p>Transport Logistics (International-Maritime)</p>	<p>Marnco purchased consignments are organised by a shipping broker and/ or logistics company depending on the type of vessel (bulk or containerised). Brokers and logistics companies organise the delivery of the consignment from Port of receipt to Australia and .or New Zealand Ports.</p>	<p>The use of international maritime shipping introduces several modern slavery risks, particularly concerning exploitative labour practices. Vulnerable seafarers, often from developing countries, may face harsh working conditions, unfair wages, and inadequate living conditions.</p> <p>The recruitment process for these workers can also involve deceptive practices, leading to debt bondage and forced labour. The complexity and international nature of maritime logistics make it challenging to ensure compliance with ethical standards across the entire supply chain.</p> <p>Countries where these risks are higher include China, Indonesia, Malaysia, Thailand, and Vietnam, identified through the Walk-Free Index as having higher rates of modern slavery.</p>
	<p>Progress From 2022 MS Statement:</p>	<p>Since our Modern Slavery Statement last year, we have diversified our channels for acquiring consignments and partnered with an international logistics company to manage vessels more effectively.</p> <p>Collaboration with our partners has deepened our understanding of modern slavery risks and mitigation strategies. We found that container vessels generally offer better safeguards against modern slavery risks. However, it is unrealistic to assume these risks are fully mitigated when using container consignments.</p> <p>Given that we rely predominantly on bulk shipping, which has more companies and thus potential for modern slavery risks, we plan to apply lessons and processes from our container shipping collaborations to better address these risks in bulk shipping.</p> <p>To further address these concerns, we have partnered with The Mission to Seafarers. We are committed to working closely with them in the ports we operate to ensure the well-being and voices of seafarers in our supply network.</p> <p>We have developed a questionnaire and initiated conversations with our logistics partners to further assess and enhance our practices. This proactive engagement demonstrates our commitment to continuously improving our efforts to combat modern slavery within our supply chain.</p>
<p>Transport Logistics (Road)</p>	<p>Marnco hires various road distribution companies to collect fertiliser from ports and deliver</p>	<p>Marnco recognises that the transport industry has the potential for exploitative conditions but believes that</p>

	products to storage facilities in Australia and New Zealand.	<p>Australian labour laws and unions support workers' rights.</p> <p>We believe the companies with whom we work maintain high operational standards. Safeguards and reporting mechanisms are being implemented to identify any issues that may persist with our transport companies.</p>
	Progress From 2022 MS Statement:	<p>Recognizing that the workforce in Australia for road logistics is of lower risk compared to our international shipping operations, we have implemented a comprehensive policy that clearly outlines our stance on modern slavery. This policy has been circulated to relevant stakeholders and business partners to ensure widespread understanding and compliance.</p> <p>We are direct in our stance on fair work practices within our business and the businesses with whom we contract.</p> <p>We have strengthened our relationships with road distribution companies, ensuring they adhere to high operational standards and comply with Australian labour laws and union regulations. Feedback mechanisms have been implemented for workers within our transport companies to report any concerns about exploitative conditions.</p>
Professional Services	Marnco uses a variety of professional services, including lawyers, accountants, and other relevant industry consultants	<p>While professional services are generally considered low risk for modern slavery, there is still a potential for exploitative practices, particularly in lower-tier subcontracted services such as cleaning, security, and catering within these professional environments. Outsourcing, Global operations and inadequate labour and diversity practices carry risks in professional services.</p>
	Progress From 2022 MS Statement:	<p>Since our Modern Slavery Statement last year, we have implemented a company-wide policy to support our operations, contractors, and employees. We strengthened relationships with professional service providers, ensuring they comply with high operational standards and relevant laws.</p> <p>Staff have been trained on modern slavery risks and ethical standards, and feedback mechanisms have been introduced for reporting concerns about exploitative conditions. These measures demonstrate our commitment to maintaining high ethical standards across all our professional service engagements.</p> <p>As a part of our rebrand, we partnered with a local design team, as a part of our rebrand, we repurposed deadstock to mitigate wastage, and used a Melbourne based printing company who sources AS Colour for our new merchandise. AS Colour has 100% traceability in</p>

		their supply chain, which was a deciding factor in using their products.
Utilities	Marnco hires various utilities and trades to deliver necessary energy and fuel-related services in our Australian and New Zealand based operations.	The complex nature of utility supply chain delivery presents significant risks. Materials used in the delivery are difficult to track, and the diverse network of suppliers and contractors creates significant challenges in fully comprehending the network of people at risk. Understanding the reputation of our providers and their use of outsourced labour is critical for driving our decision-making regarding utility delivery.
	Progress From 2022 MS Statement:	No progress was made regarding tracking modern slavery within our utilities-related demand supply chain. However, we will begin to delve deeper into how we can better assess this area in the next fiscal year, particularly focusing on our new operations in New Zealand.
Office management, supplies, and equipment	Various office supplies rented and purchased for the delivery of office-based work, such as computers, printers, and other office-based management.	<p>Manufacturing and Sourcing Risks: Many office supplies and electronic equipment are produced in countries with higher risks of modern slavery, such as forced labour and child labour. This includes regions known for inadequate labour rights and poor working conditions.</p> <p>Supply Chain Transparency: The complex and multi-tiered nature of supply chains for office supplies and equipment makes it challenging to trace the origin of materials and labour practices involved in production. This lack of transparency increases the risk of inadvertently supporting exploitative practices.</p> <p>Third-Party Vendors: Engaging third-party vendors for maintenance, cleaning, and other office services can obscure labour practices, making it difficult to ensure compliance with ethical standards. Risks include unfair wages, poor working conditions, and inadequate health and safety measures.</p>
	Progress From 2022 MS Statement:	Since our Modern Slavery Statement last year, we have made progress in addressing potential risks associated with office management, supplies, and equipment. We engaged in a conversation with the building management company that services our head office to discuss their policies on modern slavery. They informed us that they also issue a Modern Slavery Statement. Through this collaboration, we have gained confidence that there is little to no risk of modern slavery within our office environment.
IT - Tech Support	Marnco uses a contracted IT - team that delivers necessary tech-related support, software, and hardware to our company	We utilise an Australian based IT firm to assist in the internal system operations that provide tech support, software, and hardware. We understand risks in global electronics manufacturing and the raw materials used to create products we use in our day-to-day operations.
	Progress From 2022 MS Statement:	We are working toward sending out questionnaires to our various service platform providers to inquire about the types of work they outsource. This proactive step

		aims to increase transparency and ensure that our service providers are not engaging in any exploitative labour practices.
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The risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls:

Marnco recognizes several potential modern slavery risks within its operations and supply chains. These include exploitative labour practices in the mining and manufacturing of fertilizer, particularly in high-risk regions like China, Indonesia, Malaysia, Thailand, and Vietnam.

Forced labour, child labour, and other exploitative practices are prevalent in these areas. The complexity of our supply chains, which involve multiple stages such as mineral mining, manufacturing, and international shipping, adds to the challenge of ensuring compliance with ethical standards.

The use of subcontractors can obscure labour conditions, leading to risks such as wage exploitation, poor working conditions, and inadequate health and safety standards.

The actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks:

Since our last Modern Slavery Statement, Marnco has implemented several measures to assess and address modern slavery risks. We partnered with an Australian producer of recycled, organic fertilizer to reduce reliance on high-risk regions. We initiated discussions with our procurement supply chain to express concerns about modern slavery in manufacturing, ensuring suppliers align with our ethical standards.

In our logistics operations, we partnered with an international logistics company and The Mission to Seafarers to better manage risks associated with maritime shipping. We developed a questionnaire to assess the outsourcing practices of our service providers and engaged in conversations with them to enhance transparency and ethical practices.

We discussed modern slavery policies with the building management company of our head office, gaining confidence in the low risk of modern slavery within our office environment. We also made sure to avoid wastage in our rebrand by re-purposing deadstock, and partnered with a Melbourne based merchandise provider who uses 100% traceability across their garment suppliers aligning with BSCI Standards.

How the reporting entity assesses the effectiveness of such actions:

We are continuously working to integrate modern slavery safeguards into our operations, to make meaningful progress in mitigating risks within our supply chain. Over the past year, we

have implemented some actionable strategy to address these risks and measure the effectiveness of our actions.

We have lead and engaged in proactive discussions with our main procurement supply chain to address concerns about modern slavery. Our suppliers have responded positively, initiating conversations and actions to collectively mitigate risks. This collaborative approach strengthens our relationships and fosters a group effort in addressing modern slavery.

Our policies on modern slavery are clearly outlined, we have begun circulating these with relevant stakeholders and business partners. We will continue to monitor compliance through feedback mechanisms and regular lines of communication, ensuring that our policies are understood and implemented effectively. Tracking compliance and gathering feedback allows us to measure the success of our policies and identify areas for further attention.

We have expanded our training programs to include modern slavery risks and ethical recruitment practices. By evaluating participation rates and feedback, we gauge the effectiveness of our efforts to educate our workforce and partners. These training sessions build awareness and understanding, which are crucial in preventing modern slavery in our supply chain. Our operational staff have also begun to engage industry conferences to expand their understanding of how modern slavery affects our supply network.

Partnerships with organizations like The Mission to Seafarers provide valuable insights into the well-being of vulnerable groups in our supply chain. Working closely with these partners allows us to evaluate the impact of our initiatives and identify areas for improvement. Continuous collaboration ensures our strategies remain effective and we are able to support the some of the most vulnerable people in our supply chain.

We believe that having an ESG officer is crucial to ensure these matters are integrated into our business strategy, create engagement, share information, and to be able to comprehensively track the potential risks of modern slavery in our supply network. We want to make sure that we are doing everything we can to eliminate modern slavery in our supply chain.

The process of consultation with any entities the reporting entity owns or controls or is issuing a joint modern slavery statement with; and

To ensure a cohesive approach to mitigating modern slavery risks, we regularly consult with all entities we own or control. This process involves consistent communication and collaboration to align our policies and actions across the organization.

Regular Meetings: We hold regular meetings with key stakeholders from each entity to discuss modern slavery risks and strategies. These meetings provide a platform for sharing information, aligning policies, and coordinating efforts.

Policy Alignment: We ensure that all entities adopt and implement the same modern slavery policies. This alignment helps maintain consistency in our approach and reinforces our commitment to ethical practices across the entire organization.

Feedback Mechanisms: We have established feedback mechanisms that allow entities to report on their progress and share any challenges they face. This feedback is crucial for continuously improving our strategies and addressing any issues that arise.

Training and Education: We provide training programs for employees and management across all entities. These programs cover modern slavery risks, ethical recruitment practices, and how to identify and report potential issues. By educating our workforce, we build a stronger, more informed network of individuals dedicated to combating modern slavery.

Collaborative Initiatives: We engage in collaborative initiatives with our entities to address modern slavery risks. This includes joint audits, shared resources, and coordinated actions to ensure a unified and effective response.

Reporting and Documentation: Entities are required to report on their modern slavery risk mitigation activities and outcomes. This documentation helps us track progress, identify areas for improvement, and demonstrate our commitment to ethical practices in our annual statements.

By ensuring regular communication, policy alignment, and active collaboration, we engage all our entities in effectively combating modern slavery. This comprehensive consultation process is key to achieving our goals and upholding our ethical standards across the entire organization.

Any other information that the reporting entity, or the entity giving the statement, considers relevant.

We believe we have made significant progress in integrating modern slavery strategies into our operations. Over the past year, we have improved our understanding of the risks within our supply chain and how to address them effectively. We have greatly improved our ability to identify and mitigate modern slavery risks in our decision-making processes.

Our commitment to improving these efforts is reflected in our enhanced relationships with key partners such as Mission to Seafarers, various port authorities, our procurement channels, and logistics companies. These collaborations have been instrumental in helping us gain deeper insights into potential risks and developing more robust strategies to combat modern slavery.

We have taken specific actions to strengthen these relationships and ensure ongoing progress. For example, we have regular meetings with Mission to Seafarers to address the welfare of seafarers and ensure their needs and concerns are heard and acted upon. Our discussions with port authorities focus on improving conditions for workers and enhancing transparency in port operations.

In our procurement and logistics operations, we have initiated more detailed conversations with our suppliers and logistics partners to ensure they are aligned with our modern slavery policies. This includes assessing their practices, understanding their supply chains, and working collaboratively to implement effective safeguards.