

Rivalea Holdings Pty Ltd

Modern Slavery Statement

For Financial Year Ended 31 December 2021

Introduction

This joint modern slavery statement is made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) by Rivalea Holdings Pty Ltd ACN 097 393 112 (the Company) on behalf of itself and its reporting entity subsidiary, Rivalea (Australia) Pty Ltd ACN 004 892 835 for the financial year ending 31 December 2021. The Company and its reporting entity subsidiary are referred to in this report as Rivalea or the Rivalea Group.

Rivalea opposes all forms of slavery and forced labour in its operations and the operations of its suppliers. We are committed to improving our practices to combat slavery. The purpose of this statement is to outline Rivalea's approach to ensure that the business has robust frameworks and processes in place to minimise the risk of modern slavery practices within our operations and supply chain.

This is the second Modern Slavery Statement for Rivalea.

Structure

The Rivalea Group operates within the agricultural sector, producing pork meat and stockfeed products. The ultimate parent company of the Rivalea Group during the reporting period was QAF Limited, which has its head office in Singapore. The Rivalea Group has been acquired by Primo Foods Pty Ltd, a JBS group entity on 10 January 2022, and it will form part of the JBS Group program from the date of acquisition.

The Rivalea Group employs over 800 employees in New South Wales and Victoria.

The Rivalea Group is comprised of the following business units:

- **Pig production** involving the breeding and raising of pigs across 7 company owned farms and around 30 contract grower and leased farms across southern New South Wales and Victoria using 3 types of rearing systems: (i) eco-shelter bedded group housing, (ii) indoor housing and (iii) free range. Ownership of all livestock remains with Rivalea throughout the pig farming process. Rivalea also operates a genetics development and improvement program and sells genetics to third parties under the Primegro Brand.
- **Diamond Valley Pork and Corowa meat processing.** Once they have achieved market age and weight, the pigs are sent to one of Rivalea's two processing facilities. Rivalea operates a slaughtering and processing facility in Laverton, Victoria and another facility in Corowa, NSW. In addition to processing some of Rivalea's pigs, the Victorian facility also offers services on a fee basis to independent third-party customers. The NSW based plant only processes Rivalea pigs. The facilities produce a range of meat and by-products, including 'value-added products' incorporating additional ingredients.
- **Stockfeed production** involving the conversion of raw materials into stockfeed diets for Rivalea's pigs, as well as stockfeed for various animal species that is purchased by third-party customers.
- **Sales and Distribution** of our stockfeed, processed meat, livestock and carcasses to wholesale customers, supermarkets, premium butchers, foodservice focused customers, and smallgoods producers.

The Rivalea Group has five key product groups:

- **Branded pork:** branded value-added products, sold to butchers, wholesalers, supermarkets and also exported.

- Boxed pork: boned, chilled and frozen pork products, sold to supermarkets, wholesalers and manufactures, includes minced meat sold to Japan.
- Pork carcase: sold to supermarkets, wholesalers, and butchers, and also exported.
- Offal and others: sold for human consumption and pet food. Domestic customers include wholesalers and pet food manufactures, with major sales to Asia.
- Stockfeed: external stockfeed sales for dairy cattle, sheep, pig, beef cattle and poultry, sold in both bulk and bagged formats.

Operations and Supply Chains

The Rivalea Group partners with a wide range of suppliers and service providers to support our business from pig growing to sales. Our key procurement areas are expanded on below but broadly encompass raw materials for our stockfeed production, labour, veterinary care, transport and logistics, packaging and marketing.

- **Grain supply chains:** The Rivalea Group procures grain, raw materials (such as barley, wheat, triticale, sorghum and other grain legumes) and other additives (such as amino acids, vitamins, medication and other feed additives) from local farmers, grain accumulators and third-party suppliers to produce animal feed. Most of the raw materials used to manufacture the stock feed are sourced in Australia, whilst approximately 5-10% is sourced through wholesalers from countries including Germany, France, China, Indonesia, USA, Argentina and Brazil.
- **Pig farming supply chains:** As noted above, the Rivalea Group is vertically integrated. All of the stockfeed necessary to support our pig growing operations is manufactured within the Group. We source a range of other products and services to support our pig farming business, including labour to work on our farms and facilities in a range of roles (including animal husbandry) and veterinary care for the animals.
- **Processing supply chains:** Our processing operations are supported by a range of product and service providers. These include animal transport from the farms to the processing facilities, labour to perform a range of roles (including animal slaughter and processing), cleaning services, packaging for product, personal protective equipment and plant/machinery. While the majority of our direct suppliers are based in Australia, we recognise that our suppliers may source goods from overseas. An example of this is the personal protective equipment and uniforms our employees wear while working in our processing facilities. These are purchased locally, however the uniforms and equipment may be manufactured overseas.
- **Sales and logistics supply chains:** Rivalea Group pork products are sold to large supermarkets, independent retailers, wholesalers, independent boning rooms and smallgoods manufacturers. Products are transported by third-party transport, logistics and cold storage providers. These third-party service providers are primarily Australian based. More than 90% of Rivalea products are distributed and sold domestically, whilst the remainder are sold overseas including to Hong Kong, Singapore and Japan. Sales are supported by sales offices in Melbourne and Albury, sales representatives in Sydney, Adelaide and Brisbane and access to distribution networks servicing all major capital cities in Australia.
- **Other service provider supply chains:** We engage a number of third-party service providers to assist us in the conduct of our business. Services include security, information technology, construction, marketing, and health.

Modern Slavery Risks

Rivalea recognises that there is a risk that modern slavery practices may be present within its extended supply chain. Such practices may include:

- providers adopt certain strategies to reduce labour costs
- suppliers are based in jurisdictions with relaxed labour and safety regulations, or limited enforcement capabilities
- providers of low value high volume support services adopt certain strategies to be competitive in highly price competitive sectors (for example cleaning services and offshore IT support).

Further work will be completed to assess modern slavery risks within Rivalea's operations and supply chain as part of the Rivalea Group's integration within JBS.

Actions taken to assess and address Modern Slavery Risks

During the previous reporting period the Rivalea Group decided to implement a group-wide Anti-Slavery Policy, either as a standalone policy or via updates to one or more existing policies. However, due to operational commitments and resourcing constraints, these policies are still under development.

The Rivalea Group continues to enforce the following policies:

- Whistleblower Policy, to allow employees, contractors and others to safely and without fear of reprisal, raise concerns about suspected unethical, illegal, fraudulent or undesirable conduct. It specifically identifies unsafe work practices as being covered by the policy and is broad enough to cover modern slavery practices.
- Code of Business Ethics to prevent fraudulent or corrupt transactions, which we recognise can be used to cover up human rights violations, including modern slavery practices.
- Policies and practices to ensure that all employers and contractors, including migrant workers, are employed in accordance with current and applicable laws and regulations.
- Child Labour Policy to ensure all employees are above the legal minimum age.
- Policies and practices to support the free association of our employees. Approximately 57% of our workforce is covered by an enterprise agreement. The Group supports free association and union membership.
- Ethical Sourcing Policy, to ensure compliance with all laws and regulations regarding labour, health, safety and the environment.

To ensure a high level of understanding of the risks of modern slavery within our business and supply chains, we intended to provide modern slavery training to relevant staff. The training will be provided in the next reporting period, as it was put on hold due to the divestment process and the resulting operational limitations.

We are focused on maintaining consistent and high standards of due diligence and risk mitigation processes to monitor for and avoid modern slavery in all environments within which we operate. As part of our initiative to identify modern slavery and mitigate associated risks in our business and supply chain, we propose to engage modern slavery experts to perform an independent review of our procedures and practices. This review was also put on hold due to the sale process. It will be conducted in the next reporting period.

Measuring effectiveness of actions to address Modern Slavery Risks

The Rivalea Group acknowledges that it is in the early stages of its journey to review and manage modern slavery risks. We have been measuring the effectiveness of actions by monitoring whistleblower submissions, discussions with business managers, and monitoring any breaches of existing policies.

The Rivalea Group will form part of the JBS Australia modern slavery framework going forward.

Governance

Some of the consultation activities performed within the Group in preparing this Statement include engaging with the board of directors of the Company prior to and throughout the reporting period, collaborating with the Group's various shared service teams (including People and Culture, Procurement, Internal Audit, Legal and Company Secretary), and ensuring directors of all reporting entities covered by this report were satisfied with its contents.

The following Group entities are considered reporting entities under the Modern Slavery Act, and this statement has been approved by the Board of Directors of each of these companies on 27 June 2022 :

- Rivalea (Australia) Pty Ltd (ACN 004 892 835); and
- Rivalea Holdings Pty Ltd (ACN 097 393 112)

Signed by 

Brent Hugh Eastwood
Director
Rivalea Holdings Pty Ltd
Rivalea (Australia) Pty Ltd
Date: 28 June 2022