



MODERN SLAVERY
STATEMENT 2021
Olam Australia



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1 Introduction

This modern slavery statement, made pursuant to section 14 of the *Modern Slavery Act 2018* (Cth) ("Act"), is a joint Statement covering Queensland Cotton Corporation Pty Ltd (ACN 010 944 591) ("Queensland Cotton"), Olam Orchards Australia Pty Ltd (ACN 139 442 532) ("Olam Orchards") and their subsidiaries (collectively, "Olam Australia", the "Reporting Entities", "we" or "our") / (the "Statement").

Olam Australia is part of the Olam Group ("Olam"), a leading food and agri-business supplying food, ingredients, feed and fibre to 25,000 customers worldwide. Olam spans over 60 countries and its value chain includes farming, processing and distributions operations, as well as an estimated sourcing network of 5 million farmers (direct and indirect procurement).

Olam is present in five segments: Edible Nuts and Spices; Confectionary and Beverage Ingredients; Food Staples and Packaged Foods; and Industrial Raw Materials, Infrastructure and Logistics.

Doing business in an ethical, socially responsible and environmentally sustainable manner is embedded in every aspect of Olam's business. Respecting labour and human rights is an intrinsic part of Olam's Purpose of Re-imagining Global Agriculture and Food Systems to enable prosperous farmers, thriving communities and health ecosystems to coexist.

Olam Australia is committed to providing a workplace where all employees are treated with dignity and fairness, and to respecting the rights of people and communities where we operate. We have zero tolerance for slavery, forced labour or human trafficking in our organisation and our supply chains.

As a member of a leading global food and agriculture business, we are engaging with suppliers, customers, civil society, governments and communities to eliminate and prevent abuses across our value chains, and in the markets, where we operate and have influence.

Challenges, such as poverty, labour practices and human rights issues, persist within the food and agricultural sector. We acknowledge the role we can play and we believe it is essential that public and private sector stakeholders work together to tackle discrimination, eliminate unsafe and illegal labour practices for children and adults, promote fairness and equality, and support inclusion and diversity, while continuing to improve the livelihoods of farmers and communities.

2 Our Structure

The Reporting Entities are proprietary limited companies incorporated in Australia under the *Corporations Act 2001*(Cth). Queensland Cotton was incorporated on 13 June 1989 and Olam Orchards was incorporated on 14 September 2009. The head office of the Reporting Entities is located in Brisbane, with regional offices located within Queensland, New South Wales and Victoria. As at the date of this Statement, Queensland Cotton and Olam Orchards have 127 and 170 permanent employees, respectively.

Queensland Cotton has a 50% interest in two cotton related joint venture companies, Cotton JV Pty Limited and Coleambally Ginning Pty Ltd, and a 20% interest in a cotton classing business, ProClass Pty Ltd. In addition, both Queensland Cotton and Olam Orchards have wholly owned non-operational subsidiaries which were incorporated for historical purposes.

The Reporting Entities are ultimately owned by Olam, a company domiciled and registered in Singapore, listed on the Singapore Exchange and parent company of the Olam Group.

Olam is a leading global supply chain manager and processor of agricultural products and food ingredients. Olam operates an integrated supply chain for 47 products in 60 countries, delivering these products to over 25,000 customers worldwide. Olam, through the Reporting Entities, operates integrated supply chains in Australia for cotton, almonds, pulses and cocoa.



3 Our Operations

3.1 Queensland Cotton's Operations

Queensland Cotton's business extends to trading, storing and handling cotton lint, cottonseed, cocoa products and pulses. Queensland Cotton also operates 9 cotton gins throughout Queensland and New South Wales, including one joint venture gin with a local grower.

Cotton and cottonseed

The Queensland Cotton brand is part of Olam's global cotton business. Queensland Cotton sources cotton from all production regions in Australia and delivers to customers in over 20 of the major cotton consuming destinations. Queensland Cotton's cottonseed trading business is complementary to its ginning business. Queensland Cotton trades cottonseed both domestically and into export markets along with supplying local feedlots and stock producers across Queensland and New South Wales.

Cocoa products

As a fully integrated cocoa business, Olam is the leading originator of cocoa beans and a globally leading processor of cocoa. Queensland Cotton, through its Olam Cocoa brand, imports and trades finished cocoa products, being cocoa powder, butter and liquor.

Pulses

Our pulses, mainly chickpeas and mungbeans, come from a wide geographical area, from the Central Queensland Highlands through to the Darling Downs and border areas, south as far as Warren in New South Wales and west to Walgett in New South Wales. Queensland Cotton has over 15,000 tonnes of upright storage across two sites at Mount Tyson and Pittsworth. In addition, our Pittsworth facility produces a range of value-added dahl products from domestic and export markets.









3.2 Olam Orchards' Operations

Olam Orchards has an established business growing, processing and trading almonds and operates thirteen farms throughout Victoria and New South Wales and an almond processing facility located at Carwarp in Victoria. Olam Orchards' products are traded both in Australia and internationally. Olam has its own established marketing and distribution network in all major almond consuming regions, which enables it to provide superior customer services in all markets.







4 Our Supply Chain

Olam Australia has a global supply chain, using both local and international suppliers as part of its direct and indirect procurement activities. The main supplier categories, goods and services contributing to Olam Australia's businesses are summarised in the below table.

Supplier category	Goods and services				
Raw materials	 Cotton, cottonseed, pulses purchased from Australian growers and traders Cocoa products (produced from cocoa beans processed by Olam at its facilities). Cocoa beans sourced from growers across many countries including Ivory Coast, Ghana, Nigeria, Cameroon, Indonesia, Brazil, Ecuador, Dominican Republic and Columbia 				
Logistics	 Domestic road freight services Storage services Stevedoring and port terminal services Container packing services Shipping services – local agencies and foreign shipping lines Ocean freight and shipping containers Pallet suppliers 				
Labour	 Seasonal labour sourced through Australian labour providers with individuals from Australia, US and Europe 				
Packing products	 Bale bags, bale straps and other packing material sourced directly from Australian suppliers who import goods from India and USA. Direct import from China and Vietnam 				
Site & plant	 Plant and equipment, machinery, spare parts – sourced from Australia, USA and Europe suppliers Safety equipment, PPE Fuel Electricity, gas Fumigants, chemicals, fertilizers – suppliers located in Australia, China, Middle East, EU Waste removal OH&S services Consultancy – various 				
Office	 Plant and equipment Technology – hardware, software, cloud services Security Leased office space 				
Technical support	 Servicing/maintenance equipment – suppliers from Australia, USA, and EU. Equipment certification 				



5 Risk Identification

Olam Australia developed a modern slavery questionnaire for the purpose of conducting a risk assessment across its business to properly assess the modern slavery risks associated with its operations and supply chain during the relevant reporting period.

The risk of modern slavery practices in Olam Australia's own operations is considered extremely low given its primary business activities are undertaken in Australia and are subject to Olam's robust controls, policies and procedures which are designed to ensure business is conducted in an ethical manner and with respect for labour and human rights. Despite this, we have identified the following potential sources of modern slavery risks:

- Supply of products particularly through indirect suppliers risk that products or materials supplied to Olam Australia are made in particular countries where there is a high risk of modern slavery practices.
- Workforce labour the agricultural sector, by its nature, requires the use of temporary labour to support seasonal and harvest activities. Olam Australia's controls to mitigate against this risk are described in Part 6 below.
- Origination of cocoa As identified in the Global Slavery Index 2018¹, there are certain African countries including Ghana with a high prevalence of forced labour of both adults and children, as well as child labour, in cocoa agriculture. Olam sources some of its cocoa from Africa, including Ghana, for its cocoa products, which Olam Australia imports and trades. Olam has undertaken significant efforts towards addressing these key issues in the cocoa sector, described further below under Part 6.
- **Shipping logistics** engaging foreign owned shipping lines with ships using foreign crew.



¹ Discussed in detail on page 56 – 59 Global Slavery Index 2018.



6 Addressing Modern Slavery Risks

6.1 Sustainability

Respecting labour and human rights is an intrinsic part of Olam's Purpose of Re-imagining Global Agriculture and Food Systems to enable prosperous famers, thriving rural communities and healthy ecosystems to coexist.

The development and roll-out our <u>AtSource</u> sustainable sourcing platform offers the ability to track the environmental and social impact of a product. It includes social and environmental metrics aligned with the Global Reporting Initiatives and the UK Sustainable Development Goals. For example, labour related metrics cover safe and decent work, as well as diversity and inclusion. AtSource is currently being implemented across our multiple supply chains.

We address salient human rights issues through delivering positive impacts in our own operations and supply chains areas including: Economic Opportunity; Safe and Decent Work; Education & Skills, and Diversity & Inclusion. We report on progress towards our goals in our Annual Report and Global Report and Diversity & Inclusion. We report on progress towards our goals in our Annual Report and Global Report.



Sustainabil	lity Framework		A POP					
Our Purpose Re-imagining Global Agriculture and Food Systems								
Purpose Outcomes	Prosperous Farmers and Food Systems Thriving Communities			Re-generation of the Living World				
Material Areas	Economic Safe and Opportunity Decent Work	and Skills and an	rersity Climate d Action lusion	Healthy Eco- systems	Healthy Soils	Water	Reduced Waste	
Impact on UN SDGs	1 POVERTY REPORTED 2 TEND 1 HONGER 5 GENDER COMMUNICATION 5 GENDER COMMUNICATION TOTAL TOTAL	2 ZERO 10	REDUCED REDUCED REDUCED REQUIRES	15 de de la company de la comp	15 UFE OF LINE	6 CLIAN WATER MAD SANTATION	12 REPROGENT CONSUMPRIOR NO PRODUCTION OF THE PROGEST OF AN ENTRY OF THE PROGEST OF T	



6.2 Our Policies

Olam Australia adheres to Olam's global processes and procedures including Olam's commitment to responsible supply chains. Olam has a suite of policies and procedures which act as modern slavery controls.

To advance our commitments, we have embedded human rights within our policies including our Fair Employment Policy and our Code of Conduct which are in line with the Conventions of the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights. We are also a signatory to the UN Global Compact.

In 2019, we published a revised version of our Code of Conduct, which is the cornerstone of Olam's commitment to integrity, setting out our commitment to "do what is right", founded on the values and everyday behaviours that build our distinctive culture and setting the standard that is embedded in every aspect of Olam's business. This includes our commitments to people, labour and human rights within our own workplaces and in the communities and supply chains where we operate.

Name of Policy

Date published/revised

Code of Conduct	March 2019
Olam Supplier Code	April 2018
Fair Employment Policy	September 2018
Living Landscapes Policy	April 2018

6.3 Commitment to Responsible Supply Chains

We are committed to developing supply chains that respect people and human rights, where no children or adults are subject to illegal, forced, abusive or dangerous labour practices.

We recognise the importance of working with other stakeholders – industry, government and non-governmental organisations (NGOs) – to address the complex issues and to support measures to protect and uphold the rights of people and communities.

Olam's Supplier Code sets out our expectations for sourcing raw materials, products and services in an ethical, socially responsible and environmentally sustainable manner. Any supplier found to be in breach of these standards may be subject to suspension. We support smallholder farmers to improve livelihoods and tackle challenges including labour practices and empowering women. We invest in measures to mitigate the risk of unacceptable labour practices, such as training farmers in good labour practices and increasing awareness of labour rights.





6.4 Cocoa

In 2019, our <u>Cocoa Compass</u> set out our ambition towards having a lasting, positive impact on the future of sustainable cocoa. It builds on history of supporting farmers and cocoa growing communities around the world and sets challenging goals for our direct source supply chain to tackle the key issuesfacing the cocoa sector by 2030, with milestones for action in 2020 and 2024. This includes improvinglivelihoods to help farmers achieve a living income; eliminate child labour; and increase access to education for children.

We have committed to child labour monitoring and remediation systems (CLMRS) across our global direct cocoa supply chain by the end of 2020 and to eradicate child labour entirely by 2030. We are partnering with organisations like the <u>Fair Labor Association (FLA)</u> and working closely with communities to identify children who are at high risk and respond much more quickly.

Eradicating child labour from the cocoa supply chain requires a concerted effort. We are working with multi stakeholder partnerships, including <u>World Cocoa Foundation</u> (WCF) and the <u>International Cocoa Initiative</u> to better focus resources and support the necessary actions to tackle labour issues and improve cocoa farmer livelihoods.

6.5 Ethical Business Programme

Olam has an established <u>Ethical Business Programme</u> ("**EBP**") which was introduced to strengthen Olam's ethical and compliance standards and practice globally. As part of the EBP, Olam has a counterparty due diligence process in place requiring all counterparties to be screened prior to commencing business with Olam. Screening is conducted through use of the <u>EthiXbase system</u>.

6.6 Contractual Controls

All suppliers are obliged to contractually agree to follow Olam Australia's policies and practices, ensure personnel supplied have the appropriate licences and other approvals necessary to carry out the particular services, are employed by the supplier or under contract and to correctly pay all entitlements to its personnel. Olam Australia has the ability to randomly audit suppliers' records to ensure compliance with these provisions, and the fair work laws and regulations generally.

Olam Australia is currently developing modern slavery specific clauses which will be incorporated into all contracts between Olam Australia and its suppliers to ensure suppliers are complying with modern slavery laws including taking steps to assess and address modern slavery risks in their businesses. As with existing clauses addressing compliance with fair work laws and regulations, Olam Australia will have the power to conduct audits of suppliers' operations and supply chain to ensure compliance with modern slavery laws.

6.7 Workforce Labour Controls

Olam Australia mitigates the risk of modern slavery practices occurring with its temporary workers through engaging only reputable labour hire providers who are subject to Olam Australia's contractual controls, discussed above, and Australia's labour laws requiring fair and reasonable entitlements, and working conditions. In addition, as a majority of plant and equipment used in Olam Australia's operations requires highly specialised and skilled staff to operate, unskilled low paid workers are used less frequently, reducing the risk of exploitation.



7 Measuring Effectiveness and Remediation Processes

7.1 Audits

Olam Australia addresses the effectiveness of its actions to counter human rights abuses through internal and external audits which occur regularly throughout each year. Olam Australia has contractual provisions in place with its suppliers providing Olam Australia the power to conduct random audits, which it exercises on a regular basis.

7.2 Grievance Procedure and Whistleblowing Program

Any potential misconduct giving rise to modern slavery concerns is appropriately dealt with through Olam Australia's formal <u>Grievance Procedure</u> and <u>Whistleblowing Program</u>.

We have an established Grievance Procedure in place to report and address breaches of relevant policies or codes. This Procedure applies to our own operations and third-party suppliers to enable concerns to be reported on a confidential basis regarding breaches of our policies or codes. We recognise the importance of feedback and inputs from all our stakeholders to drive improvements and best practices, as well as increasing transparency in our supply chains. All grievances are logged and investigated with status updates, and actions, reported.

Olam's Whistleblowing Program is designed to ensure adequate arrangements are in place to enable whistleblowers to alert Olam's management to possible infringements of regulations and policies within Olam. Measures to ensure the anonymity and/protection of the whistleblower are incorporated into the Olam Whistleblowing Policy. Olam has a whistleblowing telephone line which enables anonymous reporting of such matters including modern slavery concerns within Olam's supply chain. Olam's Internal Audit Team manage and operate the Whistleblowing Programme to ensure all reports/complaints are appropriately investigated, handled and remedied.

8 Consultation Process

The entities forming Olam Australia share the same Executive Committee and have common directors allowing for frequent consultation and reporting between Reporting Entities regarding modern slavery considerations. The Executive Committee will continue to review the effectiveness of the controls in place to manage modern slavery risks in its supply chain and make improvements, as required.

Consultation has also occurred with each individual Olam Australia business unit, through the risk assessment process and initial training conducted by Olam Australia's Legal Team regarding the key concepts and requirements under the Act. Future training will be focussed on educating the business regarding the measures in place to mitigate modern slavery risks, including the policy framework and specific processes.

9 Statement Approval

This Statement has been reviewed and approved by the Australian Executive Committee, the principal governing body of Olam Australia.

Robert Dall'Alba

Executive Director and Country Head Australia

Olam Australia

22 June 2021