



**modern slavery statement
annual report 2022**

Australian Country Choice Group

AUSTRALIAN COUNTRY CHOICE GROUP

**The world's largest
family-owned and operated
paddock-to-plate beef business**

1,200+ staff

300,000 cattle capacity

42 properties totaling 1.75 million ha

350,000 head annual processing capacity



**We feed the world
with safe, sustainable
and wholesome
protein**

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OUR APPROACH AND PROGRESS

This statement is issued pursuant to s14 of the Modern Slavery Act 2018 (Cth) (the Act) and sets out the actions taken by Australian Country Choice Holdings Pty Ltd and the ACC Group to address modern slavery risks in our business and supply chains for the financial year ended 30 June 2022.

Our approach and progress to date

This is our third Statement since the Act came into effect. It describes our actions over the past year to strengthen our policies and performance in line with our legal responsibilities and community expectations. It outlines those areas where we have commenced efforts to improve our programs, detect the risk of modern slavery across our business and supply chain and where we are undertaking our best endeavours to ensure we have in place appropriate responses to that risk.

KEY AREAS OF ACTION IN 2021-22

Key activities for the reporting period:

- Introduction of new ERP platform facilitating a review of the supplier base and related processes
- Development and roll-out of policy handbook to all staff
- Review of labour hire – ACC receives regular reports from labour hire companies on the status of the labour hire employees. Meetings occur weekly, monthly and quarterly with various levels of management within the labour hire companies to review performance
- Development and implementation of safety management processes to support the global COVID pandemic, earning state and national recognition
- Review of all our employment visas – A migration agent is engaged to assist ACC with visa applications and to monitor upcoming expiration dates and new/subsequent visa applications
- Review of board-approved Modern Slavery Act policy statement for currency and fitness-for-purpose.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

The ACC Group is the world's largest family-owned and operated vertically integrated cattle and beef supply chain organisation. It comprises a whole-of-chain operation, including seedstock production, cattle breeding, backgrounding, farming and lot-feeding to beef primary processing and multi-specie further processing, retail packing and distribution.

Our group of companies is dedicated to best-practice supply of high-quality meat products to domestic and export markets.

ACC Group has previously specialised in producing short-fed, grain-finished cattle and beef. We have commenced diversification of our supply chain to include producing high-quality, long-fed cattle to further service the demands of customers in the premium beef market.

The ACC Group corporate headquarters are located at Cannon Hill, Brisbane. Additionally, we have a dedicated meat processing facility and 42 rural assets comprising 1.75 million hectares of pastoral, grazing and farming land that can accommodate up to 300,000 cattle. All our sites are located in Queensland.

Our workforce comprises more than 1,200 employees in Queensland, complemented with contractors and agents providing support services. Our direct employees are engaged either by contract or under award agreements. We currently have five collective industrial instruments and two trade unions with whom our employees are free to associate.

During the reporting period Enterprise Agreement discussions were undertaken with the workforce, resulting in agreement with staff within primary processing (June 2022) and the maintenance and feedlots (October and November 2022 respectively). Negotiations are currently underway with staff in further processing and on properties to make an agreement. These are to be voted on in January 2023.

ACC Group utilises a significant number of suppliers for a range of goods and services, from waste management to power supply, transportation, corporate attire and labour hire. Supplier services are used across the whole-of business operations to varying degrees, including corporate office services as well as land, animal and production management activities.

During the 2022 calendar year, we engaged with more than 1,500 suppliers; the majority of our total supplier spend occurring with our first-tier suppliers primarily located in Australia.

Like many employer sectors, agriculture and food manufacturing has had to cope with constrained labour availability as a result of the COVID pandemic.

ACC obtains confirmation from external labour hire entities as to their compliance with ACC’s Vendor Code of Conduct which embodies, among other things, obligations relating to eliminating modern slavery. These providers have been able to provide Pacific workers to ACC under the Pacific Labour Scheme (“PLS” – <https://www.dfat.gov.au/geo/pacific/engagement/pacific-labour-mobility>). ACC is proud to be able to offer opportunities to PLS workers to develop skills, earn income and send home remittances to support their families and communities, and support the broader economic development of their countries.

We recognise that the diversity of our operational locations, products, customers and the regulatory systems associated with our supply chain can potentially expose the Group to a myriad of risks. We apply a systematic, best-endendeavours approach to our risk disciplines, including in our procurement processes, practices and engagement with suppliers, which we know and understand is an essential element in progressing the global eradication of modern slavery and human trafficking.

Further information on our supply chain is available on our [corporate website](#).



POLICIES AND GOVERNANCE

ACC Group has a corporate governance framework in place. Underpinning this framework are the Group's suite of policies, several of which are relevant to modern slavery. These include the ACC Group Code of Conduct, the business principles that are referenced in the Code of Conduct and our Business Strategy, our Procurement Policy and Anti-bribery and Corruption Policy, Whistleblower Policy and our Ethical Sourcing and Modern Slavery Policy.

The board-approved Modern Slavery Act Policy Statement is published on the ACC Group website, which also contains more detail on our approach to [corporate governance](#).

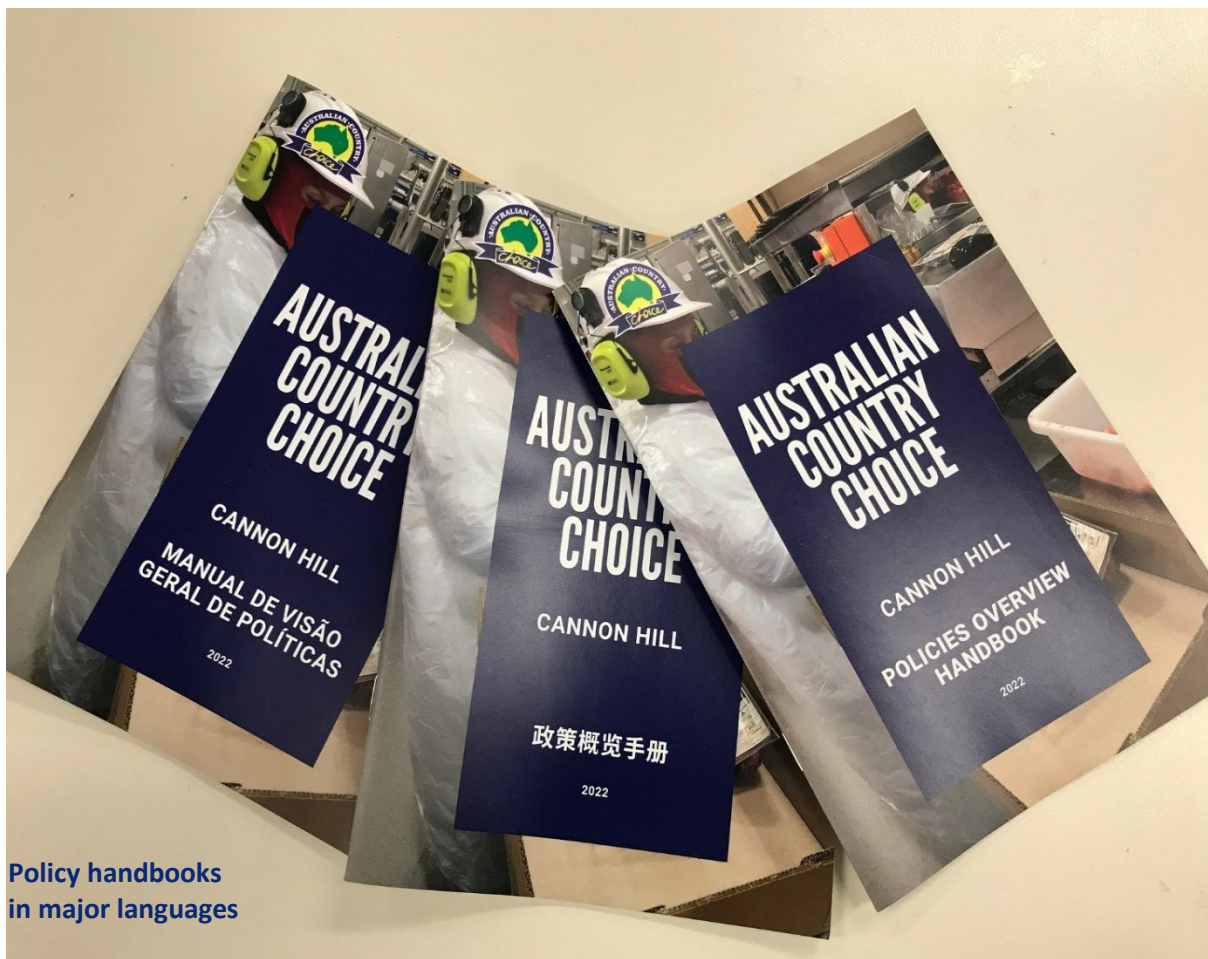
We continue to articulate our expectations to suppliers through our Minimum Standards expected of suppliers, which form part of the terms of contract arrangements with each supplier. In 2022, we maintained this oversight by embedding bilateral modern slavery compliance clauses into all our standard contracts. We continued to implement our Supplier Code of Conduct ("**Code**"), which all Suppliers are required to acknowledge. This Code embodies obligations to protect human rights, environmental and animal welfare compliance. It details expectations relating to ethical behaviour of our suppliers and obliges suppliers to ensure the Code is applicable throughout their supply chain.

Policies reviewed in 2022:

- Grievance Policy
- Personal Communications and IT Policy
- Surveillance Policy
- Children and Young People in the Workplace

The Group's executive team, reporting through the Chief Executive Officer, is accountable for the development and implementation of our broader human rights program, including modern slavery initiatives. Accountability for addressing modern slavery risk is cross-functional and our internal business units work together at a Group level and across our entities to embed our initiatives and supporting processes. In recognition of the complexity of this global issue, the ACC Group continues to grow and develop the capabilities of our people in relation to modern slavery risk management, including seeking external expertise and input for guidance on our approach.

ACC has developed a multi-faceted approach to training delivery, including online and face-to-face training, along with distributing policy handbooks to ensure comprehensive training for new employees regarding modern slavery risks, identification and reporting requirements.



Policy handbooks
in major languages

GOVERNANCE AND POLICY: KEY ACTIONS FOR FY2023

During the coming year, we are prioritising a number of governance and policy measures.

- Continue to update supplier contracts by implementing the Minimum Standards in contracts and modern slavery compliance clauses for Tier 1 supplier contracts, where necessary
- Update Tier 2 and 3 supplier contracts by implementing the Minimum Standards and modern slavery compliance clauses, where necessary

The following policies will be reviewed in FY2023:

- Remuneration and Benefits Policy
- Whistleblower Policy
- Anti Corruption and Bribery Policy
- Employee Referral Policy
- Diversity Policy

RISK ASSESSMENT AND MITIGATION

ACC Group has in place an enterprise risk management approach that is aligned to the Australian Standard for risk management, AS ISO 31000:2018.

The approach is strategic and covers the totality of ACC Group operations, including its supply chain, and captures activities including:

- Risk identification (what are our risks);
- Risk analysis (source, nature, type/category of our risks);
- Risk evaluation (how significant is the risk – what is the impact to us);
- Risk treatment (what are our policies, procedures and processes to mitigate).

The risk framework is developed using a collaborative engagement process to ensure the voice of the business is represented. Where appropriate we also take into account third-party inputs as part of the process to understand our risks, assess those impacts and design the tools and mechanisms to manage those risks.

For ACC Group, modern slavery risk is addressed through a number of areas and mitigated accordingly – for example, child labour is contemplated in our human resources (recruitment) risk category, and we have procedures in place for recruitment that address factors such as identity, background and reference checking and right-to-work screening.

The mitigation tools are documented, and each business area has in place training that is relevant for their risks, including process mapping, policy and procedures.

For specific areas of our business operations and supply chain, there are additional assurance metrics in place – as an example, our meat-processing facilities and production are required to conform to a range of standards and certifications which are subject to additional external assurance activities.



CEO Anthony Lee accepts the National Safety Award of Excellence for best safety leadership in Melbourne, November 2022

Employee Wellbeing

Our commitment to the wellbeing of employees was recognised by state and national safety awards in the reporting period.

Third-party, confidential support is offered through an Employee Assistance Program and mental health training is in the process of delivery.

During the reporting year an onsite Wellbeing Centre has been established. The centre provides an opportunity for our staff to take some 'time out' in a quiet room for reflection.

RISK MANAGEMENT: KEY PRIORITIES 2023

Our 2023 priority is to review and enhance the risk management approach by:

- Optimise the functionality of a new Oracle CRM system to track employee information and manage business risk
- Introduce mental health awareness training
- Continue to assess modern slavery risk across business operations and supply chain (by business unit) and across risk category (by strategic impact)
- Continue with the education rollout to ensure the risk process and mitigation strategies is appropriate, targeted and delivered to all personnel (including refresh training and change-program content)
- Enhance processes with immigration agents and labour hire providers to ensure compliance with the Modern Slavery Act.



DUE DILIGENCE AND SUPPLY CHAIN ASSURANCE

Due Diligence

ACC Group engages with suppliers for a wide range of services and has in place a long-standing practice of undertaking due diligence on prospective and existing suppliers to ensure we are doing business with like-minded organisations.

Key suppliers remain subject to a screening process prior to us entering into business arrangements and, once those services are being provided, we continue to monitor performance, delivery of contract and quality of that delivery through in-person engagement.

Supply Chain Assurance

Part of our approach to managing supplier relationships is the ongoing management of the contracts we have in place. We have a dedicated 'owner' for each supplier who is the lead relationship manager and has accountability for day-to-day management of that relationship, identifying any issues, resolving and remediating operational issues and raising any concerns that might occur about the supplier, their practices and/or the services being provided.

Additionally, we have standard terms for suppliers that require ongoing reporting as to their performance to the terms of the contract and authorise site inspections and access to their external audit firm and relevant regulatory authorities to discuss any issues, concerns about matters of relevance that might impact our relationship, including modern slavery risk (resulting from the obligations arising under the Supplier Code of Conduct).



Grievance and Remediation

We have established procedures and mechanisms where employees and third parties, including suppliers, can raise concerns about unethical or illegal conduct, including in relation to modern slavery.

Employees can report through their direct line manager, to our Human Resources unit or to our Group General Counsel. Our people and third parties can maintain anonymity and report issues through our Whistleblower procedures, via phone or email.

MEASURING EFFECTIVENESS

Globally, we acknowledge there is an increasing level of effort being made to understand and value human rights, however there is no current mechanism or international standard available to measure the impact of modern slavery. This poses a challenge for us in having a credible means of determining the effectiveness of the measures we take to manage our modern slavery risk.

We rely on guidance provided from the Australian Government Department of Home Affairs, which utilises resources available from each of the United Nations (UN Guiding Principles on Business and Human Rights) and the Organisation for Economic Cooperation and Development (OECD Guidelines for Multinational Enterprises) as the foundation for our approach to managing modern slavery risk.

The risk of modern slavery to the ACC Group operations and supply chain is considered within a broader risk management approach, that framework is based on the current Australian and international standard, AS ISO 31000:2018 – Risk Management Guidelines.

Within our supply chain processes, we have certain mechanisms that provide us with a capability to assist in tracking the effectiveness of our program. As an example, if one of our suppliers were the subject of an ethical audit and action plans to mitigate issues were in place, we could work with that supplier to ensure they have taken the required steps to address those issues as part of the standard terms of contracting with that supplier.

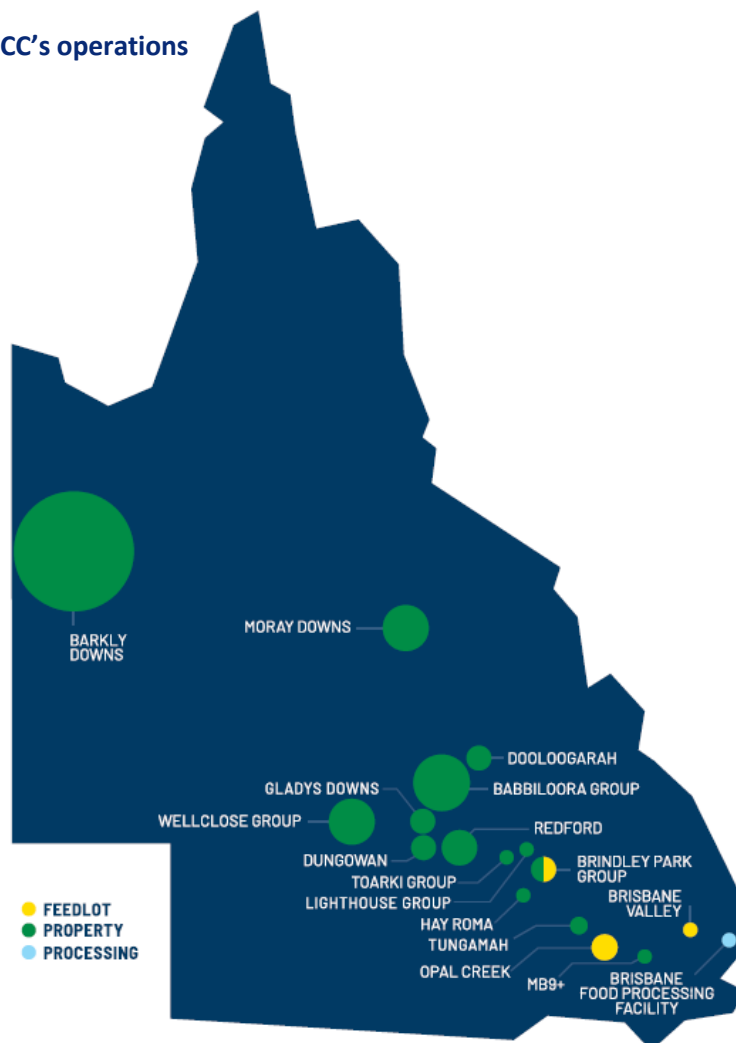
We also have a range of internal policy, procedure and processes that we utilise every day in our own business operations, which are subject to assurance and monitoring activities, both internally and from our external specialists. Part of the internal mechanisms in place is the periodic review and assessment of those policies, procedures and processes to ensure they are current, relevant and delivering the expected outcomes.

MEASURING EFFECTIVENESS: KEY PRIORITIES 2023

ACC Group has identified that further effort is needed to enhance our approach to measuring effectiveness, and in 2023 we will:

- Continue to review our risk framework and policies to ensure a cohesive and integrated approach is in place and is reflective of modern slavery risk relative to our other business risks, measures and testing programs
- Assess all new and re-contracted suppliers to ensure appropriate and adequate measures are in place to monitor modern slavery risk
- Develop a map of our operations and supply chain to provide improved insight into where we and our suppliers operate
- Utilise the new ERP platform to capture and measure the human capital detail employed within the organisation to provide management with insight and information to ensure compliance and create awareness for best-practice human capital management.

Locations of ACC's operations



STAKEHOLDER ENGAGEMENT AND COLLABORATION

At ACC, we know that stakeholder engagement and collaboration are key to successfully delivering our strategic priorities, and that they capture a wide scope of interests ranging from our own people to external groups, including our suppliers, the communities in which we operate and relevant government agencies. Collectively these stakeholders can give effect to change in how we manage modern slavery risk.

We will undertake best endeavours to work collaboratively with government and business in eradicating modern slavery. We recognise this needs a coordinated approach in addressing our operations and those of our supply chains.



CEO Anthony Lee (left) with the Hon Murray Watt, Minister for Agriculture, Fisheries and Forestry, at the Queensland Rural Press Club, November 2022

KEY PRIORITIES 2023

During the 2023 year, we will continue:

- Engaging our people across all business units to ensure potential modern slavery risk is identified, assessed and that appropriate methods for managing the risk are in place
- Engaging our supply chain to facilitate the updating and implementation of our Supplier Code of Conduct and accompanying Minimum Standards
- Exploring with our broader industry sector opportunities to enhance and improve the approach to managing and understanding modern slavery risk in our industry and how that is being articulated to government to inform policy setting

TRAINING AND CAPABILITY BUILDING

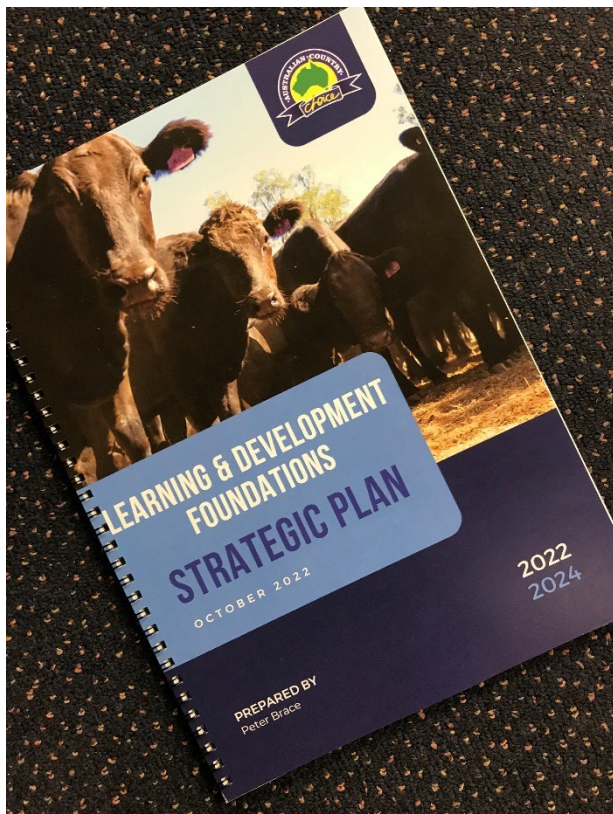
ACC Group is committed to ensuring our people are provided with access to and training in all of the core policies, principles, brand values and conduct expectations that underpin our business.

Training and awareness are a key control in addressing the risks posed by modern slavery. We recognise the need to ensure that we build the capabilities of all employees, executive and directors to understand why this is important and how we are approaching managing the risk.

ACC Group has continued to build on its learning and development capability regarding modern slavery risks posed to our business operations and supply chains. This has included embedding this training in leadership development programs in conjunction with a multi-faceted approach to staff knowledge development through various learning mediums.

ACC Group continues to further-develop this specific training for our employees by investing in technology that allows us to provide training in various formats that are culturally specific to our diverse workforce.

The Group will endorse a new learning and development strategy encompassing the entire business.



A new learning and development strategy has been developed



LOOKING FORWARD

We acknowledge that managing the risk of modern slavery requires ongoing management, collaboration and commitment, both from within our business and through ongoing multi-stakeholder dialogue through industry and business forums, local and national government as well as the broader community of which we are all a part.

In line with our strategic priorities, focus areas for the 2022-23 financial year will be:

PRIORITIES

ACTIVITIES

- | | |
|---|---|
| Update supplier contracts to include modern slavery clauses | <ul style="list-style-type: none">▪ Continue to enhance the due diligence for supplier selection |
| Stakeholder dialogue | <ul style="list-style-type: none">▪ Further develop the governance committee for oversight and escalation of modern slavery issues▪ Continue mapping our supply chain, both inward and outward, for insight into where our suppliers operate, and the nature of the service/product supplied▪ Continue engagement with stakeholder groups to include all business units and the communities in which we operate |
| Assurance programs | <ul style="list-style-type: none">▪ Consolidate and further explore mechanisms to measure the effectiveness of actions we undertake to address modern slavery risks▪ Extend policy review programs to ensure consistency with managing modern slavery risks |

We are proud of our progress to date but recognise there is more to do. We remain committed to the ongoing delivery of our initiatives and partnering with our stakeholders to eradicate modern slavery.

This Annual Statement was approved by the principal governing body of Australian Country Choice Group on 25 January 2023.

Signed



Trevor Lee
Director