

The background of the entire page is an aerial photograph of a large herd of cows grazing in a lush green field. A dense line of trees runs across the middle ground, and rolling hills are visible in the distance under a blue sky with light clouds. A large purple circle is overlaid on the right side of the image, containing the title text.

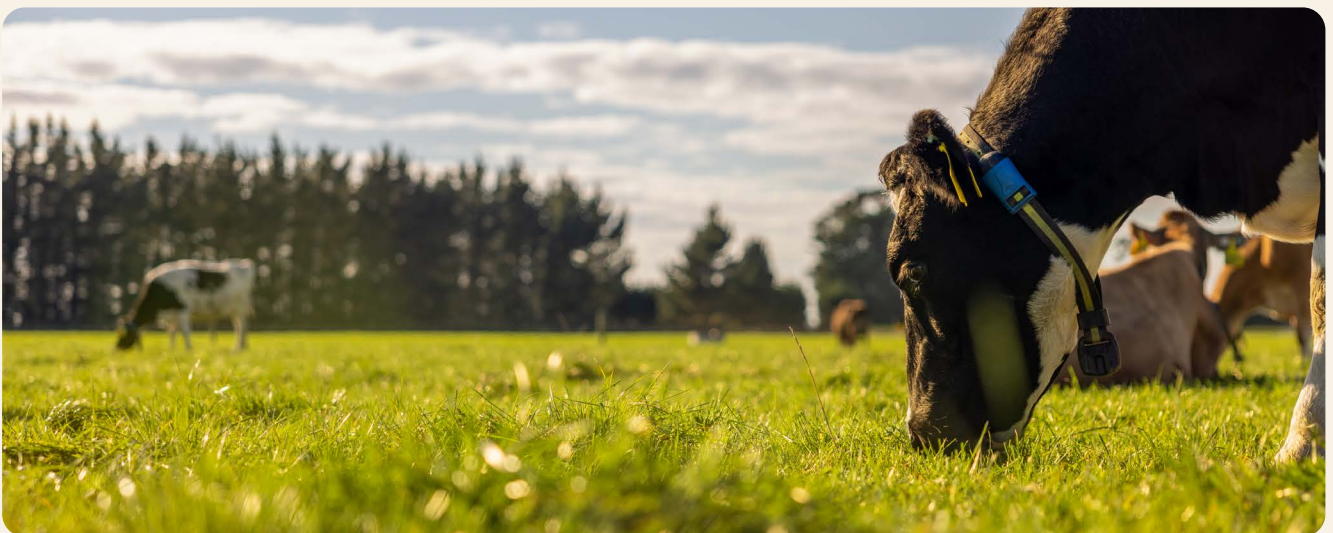
The a2 Milk Company

Modern Slavery Statement

2023

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01 Introduction

This Modern Slavery Statement has been published in accordance with the *Modern Slavery Act 2018 (Cth)* (**Act**). It outlines the actions taken by The a2 Milk Company Limited (ARBN 158 331 965) (the **Company** or **a2MC**) and the entities it owns and controls (collectively referred to as the **a2MC Group, we** or **our**) to identify, assess and address modern slavery in our operations and supply chains, over the financial year ending 30 June 2023 (**FY23** or **Reporting Period**).

The a2MC Group recognises that a company's values and principles have an impact well beyond its own operations. We strongly believe in the vital role business plays in upholding human rights and consider it our basic responsibility to treat individuals, communities and our environment with respect.

We are committed to high standards of responsible conduct, social responsibility and sustainability in all areas of our business, including our operations and supply chains. Our commitment comes not just from an acknowledgement that it is the right thing to do, but from a recognition that the manner in which we and our partners manage social, environmental and economic impacts is critical to our long-term success.

This Statement is a2MC's fourth Modern Slavery Statement under the Act. a2MC's Modern Slavery Statement is available on our website at: <https://thea2milkcompany.com/corporate-governance>.

Reporting entities

This Statement is made by a2MC as the parent company of the a2MC Group. It is a joint statement made on behalf of the following reporting entities which were part of the a2MC Group during FY23:¹

- a2MC;
- a2 Infant Nutrition Limited (ARBN 618 864 958) (**a2 Infant Nutrition**);
- The a2 Milk Company (Australia) Pty Ltd (ACN 125 331 213) (**a2MC Australia**);
- a2 Australian Investments Pty Ltd (ACN 126 014 275) (**a2 Investments**); and
- a2 Infant Nutrition Australia Pty Ltd (ACN 161 773 913) (**a2IN Australia**).

a2MC entities take a consolidated, whole-of-group approach to ethical sourcing. As such, this statement addresses the actions taken by all reporting entities within the a2MC Group. Unless otherwise indicated in this statement, the terms 'a2MC', 'a2MC Group', 'our business', 'we', 'us' and 'our' refer to The a2 Milk Company Limited and its controlled entities collectively (including all reporting entities).

¹ A full list of a2MC Group entities is published on page 126 of The a2 Milk Company Limited's 2023 Annual Report.

02 Our Commitment

Modern slavery² is unacceptable in our operations and supply chain and addressing risks of modern slavery is an important part of our organisation's approach to business and human rights.

We are committed to continuing to develop our approach and focus on addressing modern slavery risks within our operations and supply chain.



² As defined in section 4 of the Act.

03 About The a2 Milk Company

What we do

a2MC is a New Zealand incorporated dairy nutritional company that is listed on the NZX (ATM) and the ASX (A2M), fuelled by its purpose to pioneer the future of dairy for good. a2MC’s principal activity is the sale of branded products in targeted markets made with milk naturally containing A2-type beta-casein protein.

Our product portfolio comprises fresh milk, UHT (Ultra High Temperature) milk, ESL (Extended Shelf Life) milk, milk powder, infant nutrition, and other nutritional products. Long-standing strategic partners and supplier relationships are an important part of our business.

The a2 Milk Company Limited

ARBN 158 331 965

The ultimate parent company of the a2MC Group is The a2 Milk Company Limited.

The a2 Milk Company (Australia) Pty Ltd

ACN 125 331 213

a2MC Australia is responsible for the a2MC Group’s operations in relation to fresh milk in Australia.

a2 Australian Investments Pty Ltd

ACN 126 014 275

a2 Investments is the holding company of a2 Australia and a2IN Australia.

a2 Infant Nutrition Limited

ARBN 618 864 958

a2 Infant Nutrition is responsible for the a2MC Group’s infant formula and nutritional powders supply chain in New Zealand.

a2 Infant Nutrition Australia Pty Ltd

ACN 161 773 913

a2IN Australia is responsible for the a2MC Group’s operations in relation to infant formula and other powdered nutrition products in Australia.

The a2MC Group includes 18 subsidiary entities in total. These entities undertake a range of functions in support of the a2MC Group’s businesses, including procurement, manufacturing, supply and distribution, and sales and marketing.

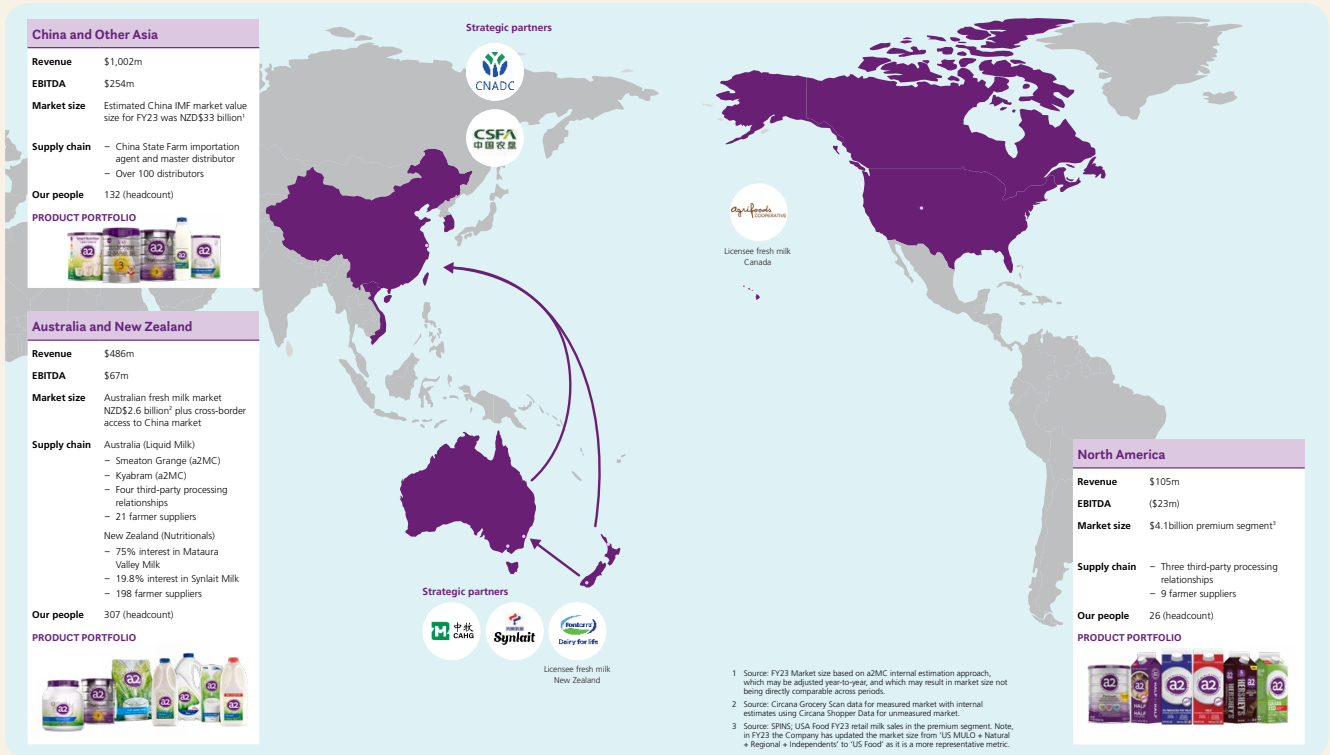
Subsidiary entities are incorporated in a range of markets that the a2MC Group operates in, including New Zealand, Australia, China, United States and Canada.

a2MC owns a controlling interest in Mataura Valley Milk Limited (**MVM**), a dairy processor in Southland, New Zealand. MVM manufactures powdered milk products for a range of customers.

03 About The a2 Milk Company

Where we operate

Incorporated in New Zealand, our global workforce consists of over 450 employees across Australia, New Zealand, China and the United States, reflecting our established sales markets and production and distribution channels.



Our operations (other than supply chain) consist almost solely of permanent (on a full-time or part-time basis) employment of our employees in Australia, New Zealand, China and the United States. A small proportion of our workforce is engaged on a contractual basis through an agency. These agency contractors are based in Australia, New Zealand or the United States. We comply with the relevant industrial relations and workplace laws of the jurisdictions in which we operate. Many of our Australian, New Zealand, United States and China employees are office based but we also have employees who work remotely, including on-farm environments, and in manufacturing facilities. A small number of our employees in Australia are laboratory-based in a fresh milk processing facility. Those employees based in the laboratory are covered by an enterprise bargaining agreement that we comply with.

483 team members	Permanent full time	311
	Permanent part time	24
	Casual	1
	Fixed term	141
	Contracted through an agency	6
	10.8% of our team members in Australia are covered by an enterprise bargaining agreement	
49% of our team members, including directors, and Executive Leadership Team, identify as male	51% of our team members, including directors, and Executive Leadership Team, identify as female	

03 About The a2 Milk Company

How we are governed

The Company is committed to maintaining the highest standards of corporate governance. The Company's corporate governance framework has been established to ensure that directors, officers, and employees fulfil their functions responsibly, whilst protecting and enhancing the interests of shareholders.

Role of the Board and delegation of authority

The Board is responsible for the overall governance and operations of the Company, guiding the Company's strategic direction, monitoring risk (including modern slavery risk), and overseeing the activities of management. All issues of substance affecting the Company are considered by the Board, with advice from external advisors as required.

The role and responsibilities of the Board are set out in the Board Charter, available on the Company's website at www.thea2milkcompany.com/corporate-governance. These include matters relating to the Company's strategic direction, financial performance, executive management, audit and risk management, business planning, corporate governance and disclosure, performance evaluation, workplace health and safety, ethical conduct, and determining the Company's sustainability, risk management and strategy implementation, including to respond to the Company's environmental and social sustainability risks and opportunities.

The Board delegates certain functions to its Committees.

Audit and Risk Management Committee (ARMC)

The principal purpose of this committee is to assist the Board in fulfilling its corporate governance and oversight responsibilities in relation to the Group's risk management and internal control systems, accounting policies and practices, sustainability risk management and strategy implementation, internal and external audit functions, and corporate reporting, including sustainability reporting.

People and Remuneration Committee (PRC)

This committee assists the Board in overseeing the design and implementation of appropriate people and remuneration policies and practices for the Company, to ensure the Company can deliver on its business objectives, that remuneration is fair and current, and that the Company is compliant with relevant laws, regulations and applicable listing rules.

Chief Executive Officer (CEO)

The Board delegates all matters except those reserved for the Board or its committees to the Chief Executive Officer, who is responsible for the a2MC Group's day-to-day operations and leads the Executive Leadership Team.



03 About The a2 Milk Company

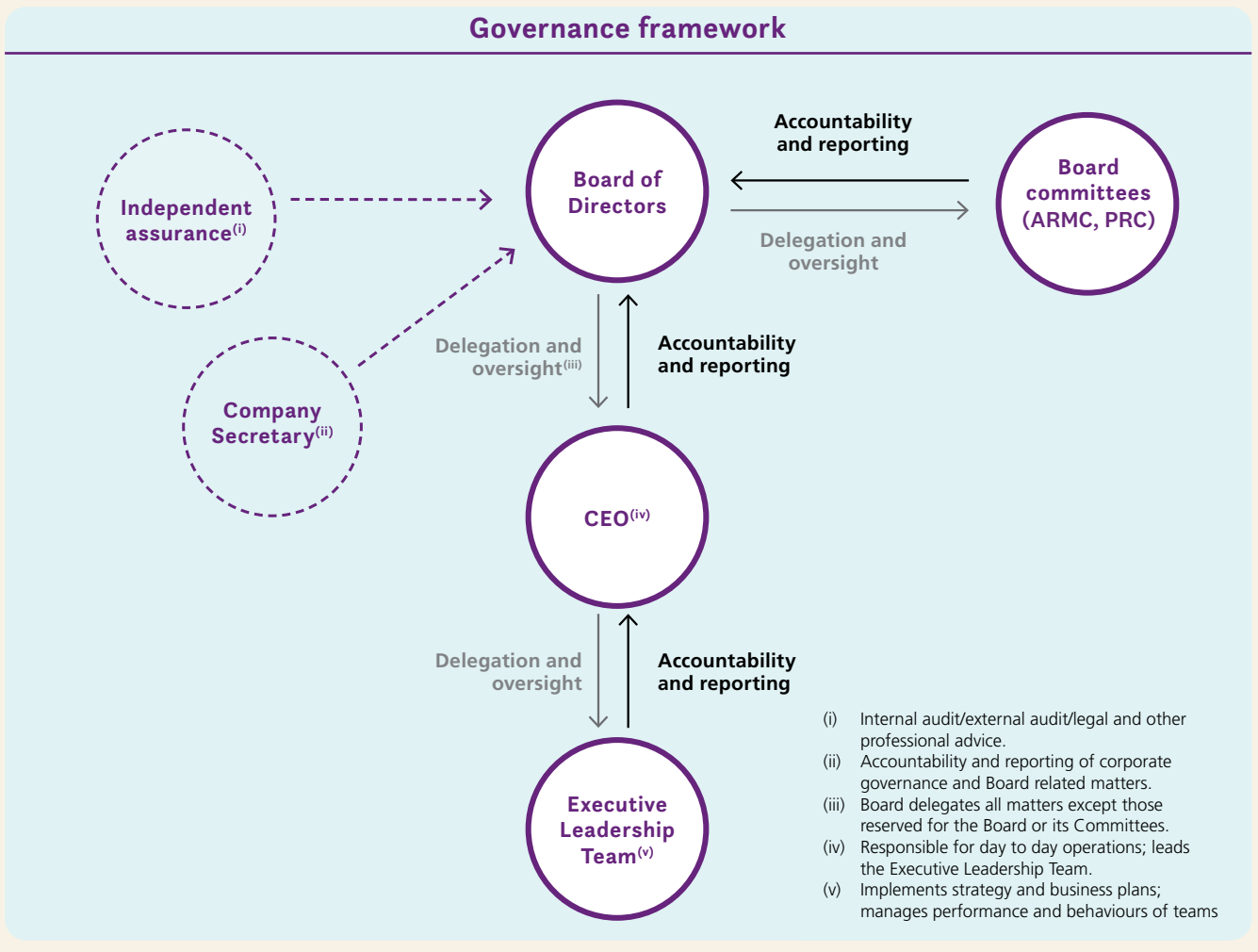
How we are governed

Executive Leadership Team (ELT) and modern slavery programme

The Executive Leadership Team is responsible for the implementation of strategy and business plans, and manages performance and behaviours of teams. Functional teams managed by ELT members manage direct relationships with suppliers and are responsible for ensuring suppliers comply with the requirements of a2MC’s policies, where applicable.

The Chief Executive Officer and the Chief Legal and Sustainability Officer & Company Secretary oversee the Company’s modern slavery programme, with support provided by other relevant members of the ELT, and relevant senior managers and employees across the a2MC Group as part of a cross-functional team (including supply chain, risk, sustainability, legal and people and culture). A procurement team was established during the Reporting Period and, as this team expands, it will play a greater role in supplier management, including monitoring compliance with a2MC Group’s policies and progressing any actions required as a result of the supplier due diligence programme described below in section 5.

The diagram below illustrates the Company’s broad corporate governance framework.



03 About The a2 Milk Company

Supply chain and what we source

About our supply chain

The Company has built its foundations with a number of key strategic partnerships, including its suppliers. Our suppliers are fundamental to our modern slavery response.

a2MC Group’s supply chain is complex, with many layers of distribution for some products, particularly for our *a2 Platinum™* branded infant formula range. In addition, milk is a core raw ingredient for all of our products, meaning that our supply chain can be impacted by external events, such as natural disasters or biosecurity issues.

China is a key part of our supply chain. Our key distribution partners in the China market are large, established corporate entities, with which we have contracts that include express obligations to comply with the local labour laws and applicable anti-modern slavery laws in the jurisdictions in which we operate.

Infant nutrition

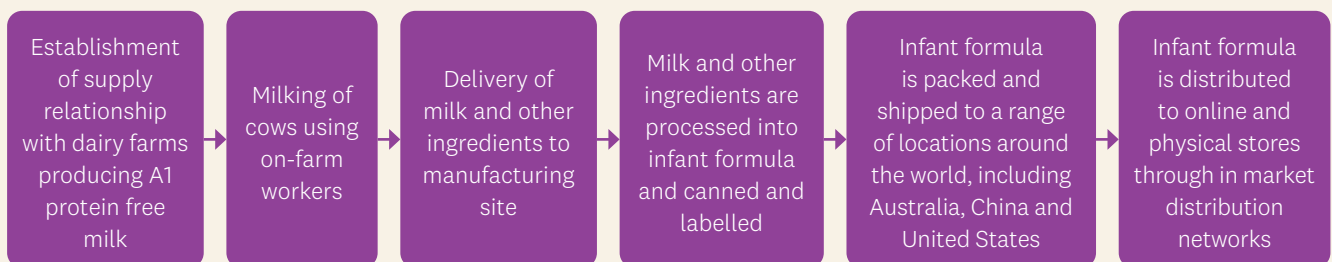
Our largest product category is infant nutrition. a2MC has two product ranges: the *a2 Platinum™* brand which is sold in New Zealand and Australia and via cross border e-commerce (CBEC) online protocols into China, and our China label brand, *a2 至初™*, which is sold in mother and baby stores and via domestic online platforms in China.

Throughout the Reporting Period, all of our infant nutrition products were sourced from Synlait Milk Limited (**Synlait**), a New Zealand dairy processor and manufacturer. Synlait is also listed on the NZX and the ASX and is a “Certified

The exclusive import agent and distribution partner in China for our China label products, China State Farm, is a state-owned enterprise. As a state-owned enterprise, it is subject to statutory audits by the National Audits Office, with a strong compliance record and reputation. China State Farm in turn contracts with a number of master distributors for the same China label products, with 120 active IMF distributors and approximately 110 UHT and milk powder distributors throughout the country. The Company renewed its agreement with CSFA for a term of five years from 1 October 2022 and also entered into a longer-term strategic co-operation agreement. CSFA’s China expertise is of significant value to a2MC in managing its operations effectively.

B Corporation” which reflects its commitment to high standards of social and environmental performance in New Zealand. All raw materials and other components that go into manufacturing our infant nutrition products are procured by Synlait. All raw A1 protein free milk that is used for the manufacture of our infant nutrition products is sourced locally from New Zealand farms.

An indicative diagram showing some of the key tiers in the supply chain for infant formula is below.



03 About The a2 Milk Company

Supply chain and what we source

Liquid milk

Our fresh liquid milk is sold under the *a2 Milk™* brand in Australia, China, the United States and Canada.

In New Zealand, our *a2 Milk™* fresh liquid milk is co-branded with Anchor™ and manufactured by Fonterra Co-operative Group (**Fonterra**) under licence from a2MC. Fonterra is a co-operative and is owned and supplied by more than 10,000 farmers in New Zealand.

In Australia, our *a2 Milk®* fresh liquid milk is manufactured at four locations in Australia, located in Victoria, Western Australia, Northern New South Wales and at Smeaton Grange in New South Wales. *a2 Milk®* manufactured in Victoria, Western Australia and Northern New South Wales is manufactured by third parties on a contract manufacture basis, while a2MC Australia operates the processing site located at Smeaton Grange. In the United States, all liquid *a2 Milk®* is manufactured on a contract manufacture basis. In Canada, liquid *a2 Milk™* is sold under an exclusive licensing agreement with Agrifoods International Cooperative Ltd.

Our UHT liquid milk is sold under the *a2 Milk™* brand in China, Vietnam, South Korea and Australia. It is manufactured by Purearth Foods Pty Ltd on a contract manufacture basis in Victoria.

Where *a2 Milk™* liquid milk is manufactured on a contract manufacture basis or under a licensing agreement, raw materials and other components used in the manufacture of the product are sourced by the manufacturer or licensee. The Company does not own any farms or have direct supply relationships with the farmers. For *a2 Milk™* liquid milk manufactured at Smeaton Grange, a2MC Australia manages the relationships with all relevant suppliers, including with the suppliers of the raw A1 protein free milk. While a2MC Australia now owns the site at which *a2 Milk™* liquid milk is manufactured in Kyabram, Victoria, it leases the site to the contract manufacturer and is not involved in the day-to-day operations of the facility.

Other nutritional products

The most significant proportion of our other nutritional segment is *a2 Milk™* whole milk and skim milk powder, which are available in Australia, New Zealand and China in a range of formats, with further potential for growth across new channels, particularly in offline China retail channels.

Other nutritional products also comprise:

- *a2 Smart Nutrition™*;
- *a2 Smart Nutrition™* UHT; and
- *a2 Nutrition for Mothers™*.

Currently, these products are manufactured by our strategic manufacturing partners who procure all raw materials and other components used in manufacturing the products, in some cases using whole and skim milk powder manufactured by MVM.

Sourcing from farms

Across our operational footprint the milk that is used in our products is sourced from over 200 farms located in Australia, New Zealand, Canada and the United States. Despite not having a direct supply relationship with the majority of our raw A1 protein free milk suppliers, a2MC nevertheless takes an active interest in the on-farm practices of those farmers who are supplying the core ingredient of our products. Our work with the farmers is set out in further detail in section 5 of this Statement.

MVM on the other hand has direct sourcing arrangements for all raw materials, including milk suppliers, and other components used in the manufacture of its powdered products. During the Reporting Period, a2MC fully internalised the sourcing of all *a2 Milk™* whole milk and skim milk powder products through MVM.

04 Understanding our risks

The Company's approach to risk management is anchored to ISO31000 Risk Management Standard principles. This helps to ensure that robust foundations support our processes and procedures and, in doing so, supports the Board to fulfil its governance responsibilities by making a balanced assessment of the risk management process. Risks are identified, assessed, and monitored through regular workshops with senior management and the Audit and Risk Management Committee. Mitigating actions and controls are designed to limit the likelihood of key risks occurring, as well as the associated impact if these risks occur. This includes how our operations may cause, contribute to or be directly linked to modern slavery risk.

Sustainability and ethical sourcing are fundamental for the future success of our business. As a business that is heavily dependent on agricultural inputs, a2MC is exposed to short, medium and long-term environmental and social responsibility risks. The growth of conscious consumerism and increasing expectations around sustainability and ethical sourcing means that exposure to these risks could negatively affect the Company's reputation.

Our approach to human rights and the management of modern slavery risk is guided by the United Nations Guiding Principles on Business and Human Rights.



Risks in our operations

Within a2MC Group's direct operations, the risk of modern slavery and human rights risks is limited to the employment of employees.

Our operations consist mainly of permanent (on a full-time or part-time basis) employment of our employees in Australia, New Zealand, China and the United States, and as such, we have direct visibility over their employment terms and conditions, through contracts of employment and relevant laws and industrial instruments that exist in the countries of operation. We comply with the relevant industrial relations laws and workplace laws of each of these jurisdictions. As noted above at section 3, a small proportion of our workforce is engaged on a contractual basis through an agency (1.2%). These agency contractors are based in Australia, New Zealand or the United States.

We therefore consider the risk of modern slavery in our direct operations to be low. Strong corporate policies, training, accessible grievance mechanisms and ongoing monitoring are key controls we have in place to reduce the risk of modern slavery in our direct operations (see further details in section 5 below). Furthermore, employees in potentially higher risk jurisdictions are professional employees who are employed directly on employment terms and conditions that comply with the Company's global policies and are regulated by the relevant local laws.

However, we recognise there may be potential risks in our broader indirect operations, under which workers not employed by the a2MC Group play a part, including in sales and marketing.

a2MC does not engage in external financing activities or financial investment outside of the direct operations described in this Statement.

04 Understanding our risks

Potential risks in our supply chain

Risk area	Key risk factors	Comments
Agricultural workers	<ul style="list-style-type: none"> • Forced labour • Underpayment of wages • Reliance on temporary or migrant workers • Isolation of workers • Long hours, lack of access to breaks, low quality accommodation. 	As the a2MC Group companies source key inputs from the agricultural sector in New Zealand, Australia, the United States and Canada, we could contribute to modern slavery in this area, such as by reducing margins or ignoring credible reports of labour exploitation.
China based brand ambassadors in relation to infant nutrition products in the mother and baby store channel	<ul style="list-style-type: none"> • Forced labour • Underpayment of wages • Links to high-risk geographies • High levels of subcontracting 	We could contribute to modern slavery through contracts with third-party services providers and distributors who engage the brand ambassadors, where we indirectly pay for the services of the brand ambassadors.
Distribution and logistics, including international shipping	<ul style="list-style-type: none"> • Reliance on lower skilled labour • Forced labour • Underpayment of wages • Links to high-risk geographies • Deceptive recruitment practices 	Across our supply chain, the majority of our distribution and logistics arrangements are managed by our strategic partners or third-party suppliers.
Workers in our extended milk and powdered nutrition product supply chain	<ul style="list-style-type: none"> • Reliance on lower skilled labour • Use of third-party recruitment 	We engage a proportion of indirect workers who support our business with ongoing labour or the provision of services across the Company’s facilities. Those workers consist of labour hire workers who support activities at manufacturing facilities in Australia and New Zealand, as well as operations service workers such as cleaners and security services who regularly perform work for the Company. We recognise we could contribute to modern slavery in this area, such as by reducing margins or ignoring credible reports of labour exploitation.
Goods and services not for resale	<ul style="list-style-type: none"> • Reliance on lower skilled labour • Forced labour • Underpayment of wages • Links to high-risk geographies 	We could contribute to modern slavery in this area, such as through raw material sourcing, uniforms, cleaning and waste management services.

05

How we are managing these risks

Modern slavery response protocol

In FY23, we adopted a modern slavery response protocol (**Protocol**). The Protocol sets out the framework for our modern slavery risk management programme, focusing on the following 'Key Pillars' to identifying and responding to modern slavery risk:

- governance;
- risk mapping;
- supplier engagement; and
- grievance mechanisms and reporting.

The Protocol sets out an overview of each key pillar and, within each pillar, the Company's structures and processes to deliver an appropriate modern slavery risk management programme. Based on the Protocol, a2MC plans to prepare periodic plans setting out action items for each of the key pillars.

The Company's management team is responsible for overseeing the Protocol.

It is intended that the Protocol will be reviewed annually by the Audit and Risk Management Committee.

Risk Mapping

We are committed to understanding our risks in relation to modern slavery, and identify these risks as part of our Risk Management Programme, which is governed by the Risk Management Policy.

At least annually, the Company's management sets the Company's strategic areas of focus for risk identification, including in relation to modern slavery. We engage a disciplined process to risk identification, risk assessment and analysis, risk treatment and monitoring and reporting. We continue to progress our supply chain risk mapping initiatives in consultation with key business contacts. In FY23, the Company's management oversaw the mapping and analysis of risks in relation to our indirect sourcing from farms in the US and Canada (see below).



05

How we are managing these risks

Agricultural sector

We continue to engage with our internal farm teams to identify potential risks with our milk suppliers.

In Australia, we have implemented processes to mitigate the risk of labour exploitation on-farm, including:

- updating our due diligence questionnaire to include a section to specifically identify and address modern slavery risks. All new on-farm suppliers undergo a strict due diligence process to comply with social, animal welfare and sustainability standards; and
- updating our “farm handbook” which is provided to farmers during the on-boarding process, and which assists farmers (amongst other things) in understanding and identifying modern slavery risks.

All farmers supplying raw A1 protein free milk for our products are paid a premium for that milk, providing farmers with support to meet their various costs including the appropriate remuneration of their farm workers. Further, the Company requires under its MVM milk supply contracts in New Zealand, that farmers warrant that they are not aware of any modern slavery in their supply chain or operations.

Some of our strategic partners and suppliers currently have standards and undertake auditing of employment conditions on our supplier farms as part of their best practice requirements for responsible sourcing and environmental management on-farm. These are intended to manage industry-wide risks of labour exploitation. For example, in the United States, the farms from which we source must certify that they do not use illegal labour, as required by labour laws in that jurisdiction.

In FY23 we obtained further commitments from our US farmers by having them sign a ‘Pledge against modern slavery’ (**Pledge**) provided by us, which aligns with the standards in the Responsible Sourcing Policy.

The Pledge is a commitment from those farmers to aim to reduce modern slavery risks by, among other things:

- Not using any type of slavery, servitude, forced labour;
- Treating all of their workers with dignity and respect;
- Respecting and ensuring freedom of their workers movement;
- Not requiring their workers to surrender identity papers, passports or work permits;
- Paying their workers in accordance with the law; and
- Working together with us to use best efforts to reduce and respond to modern slavery risks.

In Canada, we do not directly source milk from farms, nor indirectly through third-party processors. Instead, our revenue is derived via an exclusive licensing arrangement for sales of *a2 Milk™* with Agrifoods International Cooperative Ltd which has been in place since 2021. Identification of potential modern slavery risks in our Canadian supply chain was undertaken in FY22 and was considered as part of our risk analysis in section 4 above. In FY23, the Canadian farmers also signed our Pledge.

During the Reporting Period, we also continued to work closely with the Australia and New Zealand farms services team to consider any further measures we can take to mitigate the risk of modern slavery on all on-farm activities in which we are engaged.

In FY24, we intend to provide anti-modern slavery training materials in a format that farmers across the USA, Canadian, Australian and New Zealand operations can access in order to continue to build the awareness of modern slavery risks in the agricultural sector.

05

How we are managing these risks

Sales sector – China based brand ambassadors

The previous model of engaging brand ambassadors involved contracting with third-party service providers who then engaged the brand ambassadors. We indirectly paid for the services of the brand ambassadors or had arrangements to share costs. Given this arrangement, we recognised that our contribution towards the cost of engaging brand ambassadors through third-party service providers may have had a direct impact on the amount earned by the brand ambassadors. We also recognised that some of our other requirements (such as familiarity with social media) may have had a direct impact on the age of the brand ambassadors hired, and the nature of their direct contractual arrangements with distributors and third-party service providers.

The brand ambassadors working at mother and baby stores providing instore sales support in relation to a2MC products are typically aged between 30 to 40 years, with significant experience in the industry, and are more likely to be engaged on a permanent basis. As such they are less likely to be subject to labour exploitation.

During the Reporting Period, we engaged in extensive discussions with third-party service providers and distributors (that in turn engage brand ambassadors working at mother and baby stores in China) with a view to improving the brand ambassador engagement model, to provide brand ambassadors with better benefits and pay, and to reduce risk of exploitation. In September 2023, we agreed with relevant distributors to end the third-party service provider model for engaging full-time brand ambassadors and moved to a model where distributors directly employ brand ambassadors such that full-time brand ambassadors will become formal employees of these distributors.

This means that these full-time brand ambassadors are entitled to broad social insurance and full-time employment benefits under Chinese law, which in turn reduces the risk of modern slavery. The part-time brand ambassadors are still being engaged through third party service providers and other channels, and we are continuing to identify and assess the risk of modern slavery for part-time brand ambassadors. The third-party service providers and distributors are subject to Chinese law, including minimum wage and social insurance requirements, which must be complied with.

The amount we pay for brand ambassador engagement services is higher than the average market rate, enabling the distributors and third-party service providers to take their cost margin while still leaving an appropriate amount to be passed on to brand ambassadors. The higher than market fee that a2MC pays reflects our business requirements for brand ambassadors to be suitably experienced and able to provide the highest level of service to customers at our mother and baby stores, including our preference to engage brand ambassadors on a permanent basis (full-time or part-time) to build customer relationships and maintain continuity of service.

The standard operating hours of mother and baby stores limit the amount of physical overtime hours that can be worked by brand ambassadors, reducing the potential for exploitation resulting from overtime work.

We continue to assess the potential risks associated with the distribution channels and mother and baby stores channels in China.

05

How we are managing these risks

Distribution and extended supply chain

Key Business Contracts

During the Reporting Period, we created a new contract management system which not only enhanced our insight into the landscape of our contractual engagements and supply chain relationships, but also integrated modern slavery risk management considerations into our contract management procedures by embedding a check on the inclusion of anti-modern slavery compliance clauses for key business contracts.

We also built on the work done in previous reporting periods, including reviewing our contracts with distributors (who in turn engage brand ambassadors working at mother and baby stores in China, as noted above), and continued to update our supplier and distributor contracts to include an anti-modern slavery compliance clause, so that these entities understand our expectations in relation to identification and management of modern slavery risk. We also reviewed and, where necessary, updated template agreements used by the Company to include an anti-modern slavery compliance clause.

Through our anti-modern slavery compliance clauses, we reserve the right to terminate contractual engagements where a breach or alleged breach of modern slavery laws is found to exist within the supply chains or operations of contracting suppliers or their related bodies corporate. The effectiveness of these clauses in mitigating modern slavery risks will be bolstered by the anti-modern slavery remediation plan we began developing in FY23, which is expected to be finalised in FY24. Once adopted, the plan will outline the ways in which a2MC Group members may come across breaches, or suspected breaches, of modern slavery laws in our supply chain relationships, and the expectations and processes available to them for reporting these findings. Depending on the circumstances, ending a contractual relationship may be appropriate if the related supplier refuses to address the modern slavery concern identified or if there is no prospect of real change occurring to address the modern slavery concern identified, among other factors that will be considered.

Supplier Due Diligence

In FY23, we commenced work to develop an anti-modern slavery questionnaire (**Questionnaire**) designed for distribution to suppliers and strategic partners in our supply chains and operations to assist us in undertaking appropriate due diligence with respect to modern slavery risks. The Questionnaire requires suppliers and strategic partners to provide us with input as to their understanding, management and mitigation of risks of modern slavery breaches or suspected breaches in their own operations and supply chain. The Questionnaire asks suppliers to address, and provide detail if applicable, the following considerations in relation to modern slavery risks in their own supply chain and operations:

- Sector/industry and key business operations;
- Country or countries of operation;
- Presence of vulnerable workers;
- Anti-modern slavery statements and/or policies;
- Grievance mechanisms relevant to modern slavery concerns;
- Anti-modern slavery employee training;
- Modern slavery risk identification and assessment processes;
- Compliance with labour and employment standards;
- Intermediary recruiters and recruitment fees;
- Formal employment contracts, working hours and pay standards;
- Accommodation arrangements and related occupational, health and safety assessments;
- Out-sourced and sub-contracted labour;
- Supplier codes of conduct and/or contractual provisions;
- Due diligence for new and existing suppliers;
- Suppliers of goods and services located in high-risk jurisdictions;
- Understanding of modern slavery practices and standards for supply chain members.

05 How we are managing these risks

Distribution and extended supply chain

- Allegations of modern slavery;
- Modern slavery investigations or regulatory inquiries;
- Legal proceedings or convictions for modern slavery offences; and
- Litigation, investigations or complaints against any supply chain members.

During the Reporting Period, we analysed all our suppliers and strategic partners and formulated a methodology to classify each supplier and strategic partner based on geographic risk, industry risk, and the degree of involvement which a2MC has had with that supplier/strategic partner. Our programme for rolling out the Questionnaire is based on the results of this analysis, with our higher risk suppliers receiving the Questionnaire first before gradual rollout to suppliers with lower risk factors, until our entire supply chain has engaged with the Questionnaire. Rollout of the Questionnaire to the highest risk suppliers commenced in calendar year 2023, with the rollout to continue during FY24.

The Commonwealth Guidance for Reporting Entities (**Guidance**) provides certain indicators that can be used to help identify modern slavery risks in a company's supply chain – including the type of industry in which the supplier operates (**Industry Risk**) and the country of operation (**Geographic Risk**).

Accordingly, to identify our highest risk suppliers, we attributed each of our suppliers with an industry type and a location based on the country of their main operations. We then allocated a risk rating to each supplier to indicate Industry Risk and Geographical Risk, respectively, based on the following:

- for Industry Risk we allocated the risk rating based on the Guidance, which identifies certain industries as higher risk than others, as well as based on other government resources; and
- for Geographical Risk we allocated the risk rating based on resources such as Freedom House and the Global Slavery Index, both of which are used by the Australian Government in their Modern Slavery Publications.

After attributing a risk rating to each supplier based on the above criteria, we then further identified those suppliers whom we had closer, ongoing relationships with (as opposed to one-off engagements). Taking into account the overall Industry Risk, Geographic Risk, and our level of engagement with the supplier, we arrived at the final list of our highest risk suppliers for the first round of rollout of the Questionnaire.

Responses from suppliers are tracked and insights from each Questionnaire are provided as both individual response summaries and aggregated data summaries. Trends can also be tracked, further enhancing the reporting and analysis that a2MC will be able to undertake in relation to its suppliers. Following receipt and analysis of responses to the Questionnaire, we intend to work with suppliers in FY24 to further identify and/or seek to mitigate modern slavery risks in their operations.



05 How we are managing these risks

Policies and standards

Our approach to human rights is enshrined in the Company’s policies and standards, which set clear behavioural expectations through implementation of explicit standards of behaviour for our employees and suppliers. As outlined below, we maintain several policies to assist us to manage the risks of modern slavery in our operations and supply chain. Work was undertaken in FY23, to review these policies having regard to our commitment to human rights.

A copy of our policies is available on the Company website at: <https://thea2milkcompany.com/corporate-governance>.

Policy Title	Relevance to modern slavery	How we implement this policy
Code of Ethics	<p>The Code of Ethics (Code) sets out the expectations that the a2MC Group has of our employees and suppliers regarding lawful and ethical conduct, including human rights, employment practices, and compliance with applicable laws, regulations and rules.</p> <p>The Code acknowledges a2MC Group’s support of internationally recognised human rights and principles, including as set out in the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the United Nations Global Compact.</p>	<p>We publish this policy on our internal and external websites. All team members are required to read the Code of Ethics on commencement of employment and complete the Code of Ethics compliance training module as part of completing the employee onboarding experience.</p>
Responsible Sourcing Policy	<p>The Responsible Sourcing Policy sets out our expectations of our suppliers with respect to ethical business practices, including compliance with applicable legislation in the regions where they operate and taking steps to meet international standards to address modern slavery. The policy sets out minimum standards of responsible business operations, including with respect to labour and employment rights and conditions, human rights and modern slavery.</p>	<p>We publish this policy on our internal and external websites.</p> <p>Suppliers are expected to notify a2MC (or the relevant member of the a2MC Group with which they have the relationship) where they become aware of incidents involving them or a member of the supplier’s group or supply chain that are inconsistent with the standards set out under the Responsible Sourcing Policy. Where suppliers do not feel comfortable with notifying a2MC directly, they can do so anonymously through an external third-party whistleblower channel.</p>

05 How we are managing these risks

Policies and standards

Policy Title	Relevance to modern slavery	How we implement this policy
Whistleblower Policy	<p>The Whistleblower Policy sets out protections and support available to those who raise concerns about any suspected misconduct or an improper state of affairs relating to the a2MC Group anywhere in the world, including within our supply chain (which includes our strategic partners, suppliers, distributors, and brand ambassadors in China).</p> <p>A whistleblower may be a current or former director, officer, employee, contractor or supplier, any other person who has or has had business dealings with us and relatives or dependents of any of those persons or dependents of that person’s spouse.</p> <p>We have internal and independent external channels through which a whistleblower can report information, and they can do so anonymously.</p>	<p>We publish this policy on our internal and external websites.</p> <p>The Company is committed to investigating suspected breaches of our policies or misconduct and where breaches or misconduct are identified, our general approach will be to work with our suppliers towards ensuring full compliance with our relevant standards. We may seek to terminate our contractual arrangements or seek alternative supply sources if our suppliers are unable or unwilling to work towards full compliance with the standards, or where the non-compliance is of such a nature that we decide ceasing our association with the supplier is the most appropriate course of action.</p> <p>All team members are required to read the Whistleblower Policy on commencement of employment and complete the Whistleblower Policy compliance training module as part of completing the employee onboarding experience.</p>
Equal Employment Opportunity, Unlawful Discrimination, Harassment, Bullying and Victimisation Policy and Grievance Handling Policy	<p>The Equal Employment Opportunity, Unlawful Discrimination, Harassment, Bullying and Victimisation Policy and the Grievance Handling Policy make clear our expectation that our workplace is free from unlawful discrimination, harassment, bullying and victimisation.</p>	<p>We publish these policies on our internal website.</p> <p>All team members are required to read the policies as part of their onboarding.</p>

05

How we are managing these risks

Policies and standards

Policy Title	Relevance to modern slavery	How we implement this policy
Global Anti-Bribery & Anti-Corruption Policy	<p>The Company does not tolerate any form of bribery or corruption and is committed to ensuring that business is conducted according to ethical, professional and legal standards in a fair, honest and open manner.</p> <p>This Policy identifies the principles and certain specific rules regarding bribery, corruption and facilitation payments in all the jurisdictions in which the Company operates.</p>	We publish this policy on our internal and external websites.
Risk Management Policy	The Company is committed to meeting high standards in the ways we manage our business. Our risk management approach is centred on a series of processes, structures and guidelines which assist the Company to identify, assess, monitor and manage its business risk, including modern slavery risks.	We publish this policy on our internal and external websites.
Remuneration Policy and Remuneration Practice Guide	<p>The policy and guide set out the principles of our global remuneration framework, with a key principle being to ensure transparent, fair and equitable pay outcomes and processes.</p> <p>The policy states all remuneration arrangements are to be designed to comply with relevant regulatory standards or regulations.</p>	We publish this policy and guide on our internal website.

Training

All employees are required to complete training relating to the policies described above when they commence employment with us. We have established a company-wide modern slavery training programme for our employees, rollout of which commenced in calendar year 2023 and will be completed in FY24. This training will be mandatory for all employees and aims to assist employees to understand and identify modern slavery risks.

We are committed to continuously updating and refining existing training programmes in light of new and emerging risks. In FY23, we transitioned to a new company-wide human capital management platform (**HCM**) to better manage our employees on a centralised database.

As part of this project, we also migrated to a new learning management platform (**LMS**) which is integrated into the HCM to allow better tracking of employee progress and completion of training, improving a2MC’s ability to report on completion of modern slavery training.

As noted above in section 5, we intend to provide anti-modern slavery training materials to farmers to further educate them about modern slavery risks.

06

How we assess the effectiveness of our actions

We are committed to continuously improving our assessment and management of human rights and modern slavery risk.

We assess the effectiveness of our actions by maintaining strong governance processes, periodically reviewing internal policies and procedures, tracking our actions and outcomes, and continuously engaging with suppliers.

As outlined in section 3 above, with the assistance of the ARMC, the Board is responsible for monitoring the Company's modern slavery risks and opportunities. The Chief Executive Officer and the Chief Legal and Sustainability Officer & Company Secretary oversee the Company's modern slavery programme.

As noted in section 5 above, the Protocol adopted in FY23 sets out the Company's Key Pillars to identify and respond to modern slavery risk. These Key Pillars will inform the actions set out in our periodic actions plans, to help drive continuous improvement in our practices over time. The Protocol forms part of the modern slavery programme and will be overseen by the management team and reviewed on an annual basis by the ARMC. Once the remediation plan is finalised, it is expected

to improve the Company's assessment of the effectiveness of its actions, particularly with respect to responses to breaches or suspected breaches and related reporting.

As noted in section 5, the Questionnaire will also allow us to track responses from suppliers and trends and provide aggregated data summaries. We intend to engage with this data on a regular basis, and hope that this will enhance our ethical supply chain oversight and engagement with suppliers.

We have established a register to assess our actions which includes findings such as the number of modern slavery training and awareness-raising programmes delivered, the number of complaints received and resolved by a grievance mechanism, and the number of contracts that include modern slavery clauses.

Furthermore, all material incidences reported under the Whistleblower Policy, including in relation the Company's supply chain, are reported to the Audit and Risk Management Committee.



07 Consultation

The preparation of this Statement by a2MC involved actively engaging with each of the reporting entities and each of the companies that we owned or controlled during the Reporting Period. To facilitate this process, we regularly engaged with relevant members of our Executive Leadership Team and other relevant employees.

The consultation process was cross-regional and cross-functional. For example, we had relevant members of our People and Culture, Farm Services, Investor Relations, Sustainability, Risk and Legal teams across the regions provide input and information as part of the risk assessment process. These members are collectively responsible for business across all of the a2MC Group entities.

Our Board of Directors retains oversight over our human rights and modern slavery risks.



08 Looking forward

We are committed to continuing to improve modern slavery risk management in our supply chain and operations. A range of actions are noted above that are part of our FY24 action plan. However, more broadly, now that we have reached the milestone of implementing the Protocol, we plan to develop new targets within that framework in FY24 and beyond.

Approval

This Statement has been prepared by a2MC in consultation with the wider a2MC Group entities as at 30 June 2023, including a2 Infant Nutrition, a2MC Australia, a2 Investments and a2IN Australia. This Statement was approved by a2MC’s Board of Directors on 19 December 2023, including on behalf of a2 Infant Nutrition, a2MC Australia, a2 Investments and a2IN Australia.

This Statement for the financial year ended 30 June 2023 is made in accordance with s 14 of the *Modern Slavery Act 2018 (Cth)*.



David Bortolussi
Managing Director and CEO
of The a2 Milk Company Limited

19 December 2023



thea2milkcompany.com