



**GrainCorp**

**Modern Slavery  
Statement 2021**





## Introduction

GrainCorp is a leading diversified Australian agribusiness with an integrated operating model connecting growers to domestic and international consumers in over 50 countries.

Our vision is to lead sustainable and innovative agriculture through another century of growth.

Respect for human rights is fundamental to our values, the long-term stability and growth of our business, and to the well-being of the communities in which we operate.

At GrainCorp, this means doing business in a way that acknowledges and respects the rights of our people, customers, suppliers and contractors to be free from practices of modern slavery including forced labour, human trafficking and child labour.

GrainCorp is committed to complying with the labour rights standards, legislation and statutory requirements in the countries in which we operate, and to acting ethically and with integrity in all business dealings. This extends beyond our own practices to those of our suppliers via our Supplier Code of Conduct.

This Modern Slavery Statement covers the period 1 October 2020 to 30 September 2021 (FY21 or reporting period) and is the second joint statement made in respect of GrainCorp Limited ACN 057 186 035 and the entities it owns or controls, that are reporting entities for the

purposes of the Australian *Modern Slavery Act 2018 (Cth)* (**Australian Act**). This Statement also serves as a Modern Slavery Transparency Statement in respect of the reporting obligations of GrainCorp's UK-based subsidiary, Saxon Agriculture Limited, under the UK *Modern Slavery Act 2015 (UK Act)*. A comparison of the mandatory reporting criteria under the Australian Act, the recommended reporting requirement under the UK Act, and how GrainCorp has addressed these requirements is at Appendix A.

### The companies covered by this Statement are:

#### Australia

- GrainCorp Limited ACN 057 186 035;
- GrainCorp Services Limited ACN 050 099 146;
- GrainCorp Operations Limited ACN 003 875 401;
- GrainCorp Commodity Management (Holdings) Pty Ltd ACN 000 013 123;
- GrainCorp Oilseeds Pty Ltd ACN 006 772 578;
- GrainCorp Commodity Management Pty Ltd ACN 107 971 095;
- GrainCorp Oils Holdings Pty Ltd ACN 160 256 057; and
- GrainCorp Foods Australia Pty Ltd ACN 160 258 677.

#### United Kingdom

- Saxon Agriculture Limited CRN 03599544.
- (referred to together as **GrainCorp** in this Statement).



# Our Structure

GrainCorp Limited is a public company, listed on the Australian Securities Exchange. We are a diversified Australian agribusiness, with integrated operations spanning four continents and a proud history of delivering for our customers for more than 100 years. GrainCorp employs ~2,380 people across Australia, New Zealand, United Kingdom, Canada, Ukraine, Singapore, India and China.

## Our Vision

Lead sustainable and innovative agriculture through another century of growth

## Our Purpose

Proudly connect with customers and rural communities to deliver value through innovation and expertise

## Our Values

**Lead the Way** through inclusivity, integrity and innovation

**Own the Result** and be accountable for our actions

**Deliver for our Customers** by listening and coming through for them

**Commit to Safety** by taking responsibility for our employees, contractors, visitors and communities

08

Countries

100+

Years delivering for clients

~2,380

Total employees



## Our Operations

GrainCorp partners with growers to maximise the value of their crops, connecting them to domestic and global marketplaces through our end-to-end supply chain and infrastructure assets. We develop innovative solutions to create high quality and sustainable products across the food, feed and industrial sectors.



Further details on GrainCorp's business, operating structure and joint ventures are outlined in our 2021 Annual Report, which is available via [graincorp.com.au](https://graincorp.com.au)

### Oilseeds

GrainCorp is a leading oilseed crusher and refiner in Australia, supporting the local oilseed industry by producing a range of canola oil and canola meal for local and international markets. The output from our oilseed crushing and refining operations provides the components for cooking oil, spreads and shortenings, prepared foods, animal meal, cosmetics, lubricants, fuels and other industrial applications. Canola oil is also used globally as a renewable fuel feedstock.

### International

Our integrated supply chain enables GrainCorp to originate grain, pulses and oilseeds from key growing regions around the world, connecting to over 350 customers in more than 50 countries. We source commodities from all parts of Australia as well as from producers in the United Kingdom, Ukraine and Canada, through our joint venture GrainsConnect Canada, connecting to customers via our marketers in Australia, New Zealand, Canada, UK, Europe and Asia.



### East Coast Australia

As the largest grain storage and handling network on the east coast of Australia (ECA), GrainCorp operates more than 160 regional receival sites and seven bulk port terminals, connected by road and long-distance rail infrastructure. The strength of our network is supported by teams with decades of supply chain expertise and a market leading digital platform, CropConnect, that services over 10,000 growers and buyers. Through our port network, we also handle a range of other bulk materials including cement, woodchips and fertiliser, enabling us to maximise our port asset utilisation.

### Foods

Our Foods business produces an extensive range of products for iconic brands and works with some of the biggest players in the commercial food market to bring innovative new products to consumers' tables. We use our expertise in food science and innovation to develop tailored solutions for our customers, including specially blended inputs for the infant formula, bakery and large-scale food manufacturing industries.

### Feeds, Fats & Oils

GrainCorp works closely with Australian and New Zealand farmers, providing nutritious, innovative and customised feed solutions to meet animal nutritional needs and improve herd productivity. Through investments such as FutureFeed, we are also seeking to reduce livestock emissions, ensuring we meet the expectation of consumers in animal health and sustainability. We operate across all stages of the fats and oils lifecycle, offering world-class quality control, traceability, carbon intensity assessment and global reach from Australia. As Australia's leading supplier of tallow and upcycler of Used Cooking Oil (UCO), we are well placed to benefit from the strong growth in global demand for renewable fuel feedstocks.



## Our Supply Chains

GrainCorp's supply chains include the storage, transportation and processing of grains and oilseeds. They also facilitate the import and export of a range of commodities which are ingredients or other inputs in our value-added manufacturing operations or those of our customers.

GrainCorp procures a broad range of goods and services from several thousand suppliers across its operating regions of Australia and New Zealand, Canada, the UK and Ukraine.

### The main goods and services we source are:

- Commodities including grains, oilseeds (canola), oils (palm, coconut, sunflower, soybean) and UCO;
- Variable labour to supplement the needs of the permanent workforce where we do not have an ongoing or fixed need for the labour, supplied through third-party employment agencies;
- Logistics (third-party logistics warehouses, road, rail and ocean freight);
- Packaging and ingredients;
- Grain handling and food manufacturing equipment;
- Plant and equipment maintenance services including consumables, chemicals and processing aids;
- Bunker consumables (tarpaulins, fumigants);
- Personal protective equipment, including clothing and footwear; and
- Office-based support and equipment including IT hardware and systems, stationery, and cleaning services.



## Identifying our Modern Slavery Risk

GrainCorp continues to consider modern slavery risks and the potential for the company (or its controlled entities) to cause, contribute or be directly or indirectly linked to modern slavery through our operations and supply chains on an ongoing basis.

Risk is inherent in GrainCorp's daily operations and the ability to achieve our goals depends heavily on how effectively risk is managed. GrainCorp's risk management objective is to ensure all material risks are identified and measures are implemented to mitigate or otherwise manage those risks.

In the context of GrainCorp's objective to protect human rights in our operations and supply chain, and act ethically and with integrity in all business dealings, our approach to identifying modern slavery risk is integrated into our systematic approach to risk management.



Further details on GrainCorp's risk management framework are outlined in our 2021 Corporate Governance Statement, which is available via [graincorp.com.au](https://graincorp.com.au)

In FY21, there were no material changes to GrainCorp's operations and our exposure to modern slavery risk remains unchanged from the prior year, with a low risk of directly causing or contributing to modern slavery practices through our operations. The following potential risks have been identified in our supply chains:

### **Vulnerable populations**

Use of unskilled or temporary seasonal labour. For example, peak harvest periods and general agricultural harvest activities may involve higher risk of modern slavery practices in GrainCorp's supply chains.

### **Product and service categories**

Cost pressures or delivery timeframes may have an unintended consequence of influencing suppliers to compromise on their labour conditions. Areas such as international logistics may be subject to such pressures.

### **Geographies**

Operating or maintaining relationships with suppliers in countries deemed high risk as per Country Vulnerability Rating<sup>1</sup>.

1. The Global Slavery Index 2018 published by Walk Free Foundation. [www.globalslaveryindex.org](https://www.globalslaveryindex.org)

## Policy and Governance

Our Modern Slavery Policy, Code of Conduct and Supplier Code of Conduct together outline our commitments and expectations of suppliers when conducting business with GrainCorp and align with our values to ensure that we observe the highest standards of fair dealing, honesty and integrity in our business activities.

### Modern Slavery Policy

GrainCorp's Modern Slavery Policy outlines our commitment to complying with the labour rights standards, legislation and statutory requirements in the countries in which we operate, and to acting ethically and with integrity in all business dealings.

The Modern Slavery Policy also sets out the following reporting mechanisms for grievances available to our people, contractors and commercial partners:

#### Human Rights Mailbox

GrainCorp has established a mechanism whereby human rights grievances or concerns are able to be raised. Our people, contractors and commercial partners can access this mechanism by contacting GrainCorp at [humanrights@graincorp.com.au](mailto:humanrights@graincorp.com.au) or by phone **+61 2 9325 9108**. These contact details are contained in GrainCorp's Modern Slavery Policy which is publicly available on the Corporate Governance section of our website: [graincorp.com.au](http://graincorp.com.au)

The mailbox is monitored daily by GrainCorp's Compliance Unit and investigations are undertaken as required.

#### Whistleblower

GrainCorp has a dedicated Whistleblower hotline (FairCall). Individuals can confidentially disclose information about illegal or improper conduct occurring within GrainCorp, including concerns about modern slavery practices. GrainCorp's Whistleblower Policy and contact details are available on the Corporate Governance section of our website: [graincorp.com.au](http://graincorp.com.au)

### GrainCorp Code of Conduct

GrainCorp's Code of Conduct is founded on a set of defined values which guide how all GrainCorp employees should behave toward each other, our customers, other relevant stakeholders, the community and our environment. The Code of Conduct naturally requires compliance with all laws, and also goes beyond that, requiring our employees to hold themselves to the highest standard of personal and professional ethical behaviour. The Code of Conduct is approved by the Board of GrainCorp.

Every employee in GrainCorp is required to complete Code of Conduct training at the commencement of their employment. The training is delivered via an online e-module, or in a face-to-face setting. The training program is administered by GrainCorp's Learning & Development team and is part of a broader group of induction training modules.

GrainCorp's Code of Conduct is available on GrainCorp's website: [graincorp.com.au](http://graincorp.com.au)

### Supplier Code of Conduct

The GrainCorp Supplier Code of Conduct outlines the standards and principles that we expect our suppliers (and a supplier's direct suppliers) to adhere to when conducting business with GrainCorp. When suppliers do business with GrainCorp, and this code is part of our dealings, we expect them to:

- Comply with all relevant and applicable laws and regulations in the countries within which they operate;
- Endeavour to meet international and industry guidelines, standards and best practice; and
- Implement systems, processes and controls to:
  - Protect the environment.
  - Respect human rights.
  - Prohibit modern slavery labour practice.
  - Prohibit child labour.
  - Ensure reasonable working hours and wages.
  - Provide a safe working environment.
  - Act lawfully and with integrity.
  - Adequately manage grievances.

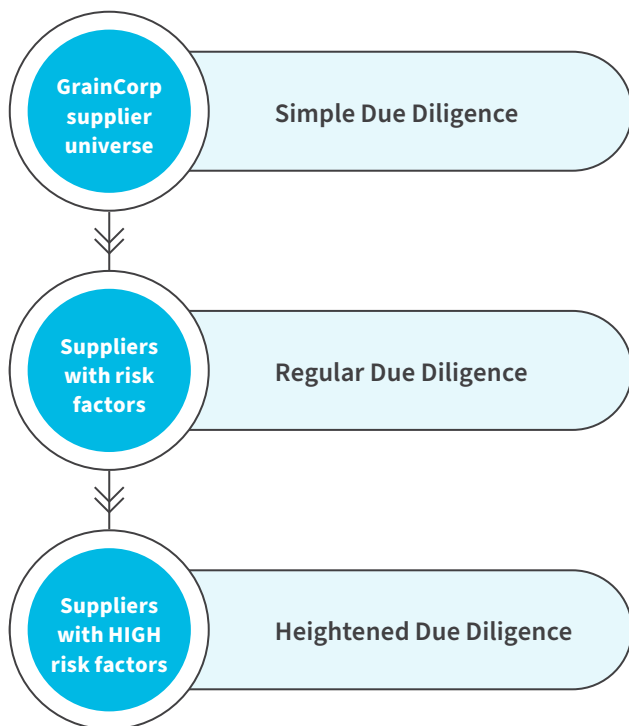
The Supplier Code of Conduct includes the right to investigate and audit a supplier's conduct and compliance in certain circumstances. In the event that we identify, or are made aware of, an incidence of modern slavery practices or human rights violations, we will engage the supplier's senior management to develop a remediation plan or, in serious cases, may suspend dealings.



# Due Diligence and Risk Management

## Supplier Due Diligence

For the onboarding of new suppliers, GrainCorp has a risk-based approach to modern slavery risk that is aligned with our Anti-Bribery & Corruption (ABC) procedures. Certain 'Defined Risk Criteria', including, but not limited to, source location and category of spend (for example, freight services, packaging and ingredients), form the basis for determining the requirement for due diligence, under three categories – Simple Due Diligence, Regular Due Diligence and Heightened Due Diligence.



## Risk Identification, Mitigation and Remediation

During the reporting period, GrainCorp made significant progress in implementing policies and updating due diligence procedures to assist in addressing the modern slavery risks associated with our operations and supply chains. In FY21, prior to broad roll-out across all high risk suppliers, GrainCorp focused attention on suppliers which are exposed to more than one risk factor outlined in the **Identifying our Modern Slavery Risk** Section above.

## Palm Oil

GrainCorp purchases palm oil for use in GrainCorp products and in the products we produce on behalf of our customers. The palm oil industry uses unskilled migrant labour in regions that are high-risk areas for human rights violations.

GrainCorp has been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2013 and all three of our food processing sites hold RSPO certification. GrainCorp only sources palm oil from RSPO certified suppliers. In addition, our palm oil suppliers are subject to heightened due diligence and regular monitoring, including through SEDEX Member Ethical Trade Audits (SMETA).

### Roundtable on Sustainable Palm Oil

The RSPO is a not-for-profit organisation that develops and implements global standards for sustainable palm oil to help minimise the negative impact of palm oil cultivation. The RSPO has established principles and criteria to achieve desired outcomes, including Principles targeting upholding human rights, and provision of safe and decent work. To achieve RSPO certification, compliance with all RSPO Principles is required. More information regarding RSPO certification can be found at the RSPO website: [rspo.org](https://rspo.org)



During the reporting period, we ceased a relationship with one supplier of palm oil products due to concerns regarding forced labour. GrainCorp will not enter negotiations for new purchase contracts with that supplier until our concerns regarding forced labour in production have been resolved. No other material non-compliance events with palm oil suppliers were identified in FY21.



## Due Diligence and Risk Management

### Ocean Freight

International shipping providers are susceptible to labour rights violations due to a number of factors. These factors include ocean freight workers potentially sourced from vulnerable populations (e.g. from countries with poor track records on human rights), the involvement of multiple parties, increasing the risk of inconsistent labour standards and lack of oversight to ensure compliance with human rights obligations, and cost pressures or delivery timeframes potentially influencing suppliers to compromise on their labour conditions.

### International

As a critical component in our integrated supply chain, GrainCorp uses third-party industry due diligence sources to vet counterparties, ship owners, ship managers and the shipping vessels themselves to mitigate operational, financial and ethical conduct risks. These checks enable GrainCorp to identify red flags indicating potential non-conformance with labour standards prior to engaging

ships for the transport of our produce and products. In addition, GrainCorp seeks to engage only with vessels crewed by labour protected by industry accepted bargaining agreements.

### Feeds, Fats and Oils

GrainCorp enters contracts of affreightment for the carriage of animal fats and vegetable oils. At the time of contracting, GrainCorp undertakes due diligence as to the suitability of the vessel operator. All vessels chartered by the Feeds, Fats and Oils business operate in and out of Australia and New Zealand ports and are subject to Australian Maritime Safety Authority and Maritime New Zealand compliance monitoring procedures. These procedures include monitoring adherence to the Maritime Labour Convention which sets out seafarers' rights at work, including employment terms, health and safety, living and working conditions, access to medical care and social security.

No material non-compliance events with ocean freight suppliers were identified in FY21.



## Assessing the Effectiveness of Our Actions

During the reporting period, GrainCorp continued to implement the key steps outlined in the initial four-year plan to establish a modern slavery risk framework (Figure 1) presented in our first Modern Slavery Statement. At this early stage, the effectiveness of our actions is measured based on the completion of this framework, which we are on track to complete in FY22.



### 2021 Achievements

- > Modern slavery e-Learning module allocated to over 400 permanent employees across all our operating locations with a 97% completion rate
- > Enhanced due diligence for onboarding new suppliers developed
- > 34% of suppliers to our food processing business have signed up to our Supplier Code of Conduct and another 26% have provided codes of their own which are aligned to the GrainCorp Code in all material respects
- > SMETA completed for two out of three of our foods processing facilities. No indicators of modern slavery risk were identified
- > SMETA completed for two out of seven palm oil suppliers. For one supplier, two non-conformances with labour standards indicative of potential modern slavery risk were identified. A follow-up SMETA confirmed that the non-conformances were remediated



### 2022 Priority Actions

- > In conjunction with GrainCorp's responsible sourcing activities outlined in our 2021 Sustainability Report:
  - continue our comprehensive assessment of all inputs to identify those deemed high-risk and develop appropriate sourcing policies and protocols
  - update Supplier Code of Conduct to comprehensively address Environmental, Social and Governance (ESG) expectations, including protection of human rights in operations and supply chain
- > Complete the implementation of GrainCorp's four-year plan to establish a modern slavery risk framework

In addition, GrainCorp has developed key performance indicators (**KPIs**) to measure how effective our actions have been to identify and address modern slavery practices in our operations and supply chains. Specifically, over future reporting periods we will monitor the operation and effectiveness of the implemented modern slavery risk framework through KPIs such as:

- Modern slavery training completion rates
- Percentage of GrainCorp's key operational sites covered by a SMETA completed within the last three years
- Percentage of high-risk suppliers signed up for our Supplier Code of Conduct (or have an equivalent Code of Conduct of their own) and covered by SMETAs completed within the last three years
- Number of non-conformances identified in SMETAs not resolved within agreed timeframes
- Number of modern slavery complaints reported through our grievance reporting mechanisms.

We will continue to review and enhance our KPIs and develop further metrics to assess the effectiveness of our actions, in line with continuous improvement.



# Future Actions

GrainCorp is committed to further developing its modern slavery risk program as we continue to monitor and assess our modern slavery risks and mitigation options. In 2022, we will complete our initial four-year plan (shown in Figure 1) to establish a modern slavery risk framework.

For the coming year, our focus will be to embed GrainCorp’s due diligence and onboarding process, expand our supplier assessments and review our high risk (based on product/service and country of operation) suppliers’ compliance with labour standards, continue to engage with suppliers in our palm oil supply chain, and implement measures and processes to assess and improve the effectiveness of our actions with respect to mitigating the risk of modern slavery practices in our supply chains.

In addition, GrainCorp will be establishing a plan for 2023 and beyond, aligned with our sustainability roadmap outlined in GrainCorp’s 2021 Sustainability Report, to continuously improve our activities to address modern slavery risks in our supply chain and ensure a more comprehensive approach to human rights matters.



GrainCorp’s 2021 Sustainability Report is available on GrainCorp’s website: [graincorp.com.au](https://www.graincorp.com.au)

**Figure 1:** Four-Year Plan to establish Modern Slavery Risk Framework





## Consultation with Controlled Entities

GrainCorp's Modern Slavery Statement has been prepared with input from an organisation-wide working group tasked with understanding our obligations, shaping our policies and procedures and developing training.

GrainCorp's Risk and Assurance team has provided updates to the Board of Directors of GrainCorp and relevant sub-committees.

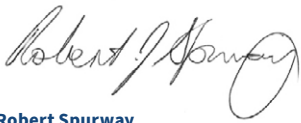
GrainCorp's UK-based subsidiary, Saxon Agriculture Limited, has also been consulted and information has been incorporated into this Modern Slavery Statement to meet its obligations under the UK Act.





# Statement Approval

This Statement has been reviewed and approved by the Board of GrainCorp in its own capacity and on behalf of the entities that it owns or controls that are reporting entities for the purposes of the Act.



**Robert Spurway**  
Managing Director & CEO  
GrainCorp Limited  
10 December 2021



# Appendix

## Australian and UK Modern Slavery Statement Comparison

The sections of the Statement that specifically address what we have done to meet the core mandatory criteria required by the Australian *Modern Slavery Act 2018 (Cth)* are outlined below. The table also shows the Statement's alignment with recommended reporting criteria for UK *Modern Slavery Act 2015* statements.

| Australian Modern Slavery Act mandatory reporting criteria  | UK Modern Slavery Act recommended reporting criteria   | Modern Slavery Statement Section                     |
|---|--|--|
| Identify each reporting entity covered by the joint statement   | The organisation's structure, its business and its supply chains   | Introduction   |
| Describe the structure, operations and supply chains of each reporting entity covered by the joint statement  |  | Our Structure<br>Our Operations<br>Our Supply Chains |
| Describe the risks of modern slavery practices in the operations and supply chains of each reporting entity covered by the joint statement and any entities that each of those reporting entities owns or controls                              | Parts of the organisation's business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk                      | Identifying our Modern Slavery Risk                  |
| Describe the actions taken by each reporting entity covered by the joint statement and any entities that each of those reporting entities owns or controls to assess and address these risks, including due diligence and remediation processes | Policies in relation to slavery and human trafficking  | Policies and Governance                              |
|   | Due diligence processes in relation to slavery and human trafficking in the organisation's business and supply chains  | Due Diligence and Risk Management                    |
|   | Training and capacity building about slavery and human trafficking available to the organisation's staff   | Assessing the Effectiveness of Our Actions           |
| Describe how each reporting entity covered by the joint statement assesses the effectiveness of actions being taken to assess and address modern slavery risks  | Organisation's effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate | Assessing the Effectiveness of Our Actions           |
| Describe the process of consultation with each reporting entity covered by the joint statement and with any entities that each of those reporting entity owns or controls   |  | Consultation with Controlled Entities                |
| Any other relevant information  |  |  |



# Modern Slavery Statement

2021