

MODERN SLAVERY STATEMENT

1. INTRODUCTION

- This Modern Slavery Statement has been prepared by and on behalf of COFCO International Australia Pty Ltd (ACN: 001 069 423) (“**CIL Australia**” / the “**Company**”) in accordance with the Commonwealth Modern Slavery Act 2018 and covers the reporting period of 1 January 2021 – 31 December 2021.
- CIL Australia is committed to ensuring that there is no forced labour, modern slavery or human trafficking in its supply chain or in any part of its business. The Company’s core values ensure its commitment to acting ethically and with integrity in all of its business relationships and to implementing and enforcing effective systems and controls to safeguard against modern slavery and human trafficking taking place anywhere in its supply chains.

2. BUSINESS

Structure

- CIL Australia is a private limited company and part of COFCO International, the overseas agriculture business platform of COFCO Corporation, China’s largest food and agricultural company.
- CIL Australia does not own or control any entities. It employs around 12 permanent employees, all based in its office in Melbourne, Victoria. The Company’s registered office is located in New South Wales.

Operations

- CIL Australia sources, accumulates, trades and exports a variety of Australian grains, primarily wheat, barley and sorghum. Its customer base consists primarily of feed mills, flour millers, maltings and trading houses.

Supply Chains

- Grains are sourced and procured from local growers and traders.
- Contractors and sub-contractors are instructed to provide a broad range of services ancillary to the Company’s trading business:
 - o Bulk handling – receiving, storage and out turning of grain;
 - o Port terminal services;
 - o Stevedoring;
 - o Surveys and quality testing;
 - o Fumigation;

- Packing;
 - Road and Rail transport;
 - Ocean freight; and
 - Shipping agency.
- Service providers and merchants provide various services and products in connection with the Company's corporate functions and operations:
- Accounting, legal and corporate secretarial services;
 - Recruitment;
 - Internet / Telecommunication services;
 - Banking services;
 - Cleaning services;
 - IT and electronic hardware / software; and
 - Office / Kitchen consumables.

3. RISKS OF MODERN SLAVERY PRACTICES WITHIN OPERATIONS AND SUPPLY CHAINS

- CIL Australia does not directly cause or facilitate forced labour, human trafficking or any other modern slavery practices. Nevertheless, it recognises that there are areas within its operations and supply chains that may be susceptible to such practices taking place.
- The Company has identified the following areas within its supply chains as posing the greatest risk of contributing to modern slavery practices, chiefly through the utilisation of compulsory or forced labour:
- Origination - local grain producing farms;
 - Transport - road, rail and ocean freight providers; and
 - Manufacturers and suppliers of IT hardware.

4. HUMAN AND LABOUR RIGHTS

- CIL Australia complies with national and international labour laws and respects internationally recognised human rights as expressed in the International Bill of Human Rights. The Company acknowledges and respects the principles and rights set out in the International Labour Organization ("ILO") Declaration on Fundamental Principles and Rights at work.
- The Company does not accept or tolerate any form of child, forced or involuntary labour. Its rejection of forced and child labour is consistent with the ILO's Core Labour Standards and the United Nations Global Compact principles.

5. POLICIES

- CIL Australia's commitment to the prevention of any form of child, forced, or involuntary labour is formalised in its Code of Conduct, and echoed further in its Human Rights and Labour Policy.

- The Company's Supplier Code of Conduct extends the Company's own standards and principles to all of its suppliers, requiring each to align fully with its values and ethics. The Supplier Code of Conduct obliges suppliers to:
 - o Protect the human rights of its employees as set out in the ILO's eight Core Conventions, and treat them with dignity and respect;
 - o Grant employees the right to freely associate, organise and bargain collectively in accordance with applicable laws and regulations;
 - o Only employ workers who meet the applicable minimum legal age requirement and not tolerate any form of child labour;
 - o Not tolerate slavery, servitude and forced or compulsory labour and human trafficking;
 - o Not tolerate any form of discrimination or harassment;
 - o Provide employees with pay, including minimum salary and overtime payment, work hours and conditions in compliance with applicable laws and regulations; and
 - o Uphold sound supply chain management to ensure that sub-suppliers understand and comply with the above requirements.

- CIL Australia's road freight policy ensures that any road freight is booked with companies that adhere to the Heavy Vehicle National Law. Audits are carried out on individual carriers to ensure compliance.

- Procedures and systems are in place to encourage the reporting of concerns and ensure the protection of whistle-blowers. The Company's Integrity Hotline is open to anyone internally or externally as a fully confidential channel that can be used to report any concerns relating to human and labour rights within the Company's operations and supply chain.

6. FURTHER RISK MITIGATION MEASURES

- CIL Australia performs due diligence assessments when necessary and defines corrective actions based upon its findings.

- Where possible the Company builds long standing relationships with local suppliers and customers and makes clear its expectations of ethical business behaviour.

- Wherever possible CIL Australia seeks to instruct suppliers with industry quality accreditation.

- Where the Company uses national or international supply chains, its point of contact is preferably with an Australian company or branch which it expects to have suitable anti-slavery and human trafficking policies and processes in place.

7. REMEDIATION

- CIL Australia recognises that where it is in some way responsible for the occurrence of modern slavery practices that it must assist with the remediation of any harm caused. The Company acknowledges that this responsibility extends to situations where it is not directly responsible for

such harm, but where it may still be able to use its leverage and commercial influence to effect change and mitigate the risk of recurrence.

- CIL Australia has not identified any instances during the reporting period where it has caused or contributed to modern slavery practices. Furthermore no occurrences have been alleged via the Company's Integrity Hotline or otherwise. Nevertheless the Company remains committed in its approach to identifying and mitigating the risk of modern slavery practices arising in connection with its operations or within its supply chain.

8. PROGRESS AND NEXT STEPS

- During the reporting period all CIL Australia staff successfully completed an external modern slavery training course, further developing their understanding of modern slavery issues, relevant legislation and potential risks arising within CIL Australia's operations and supply chains, as well as ways to mitigate such risks.
- CIL Australia representatives proposed to the Australian Grain Exporters Council ("AGEC") that the issue of modern slavery and compliance with applicable legislation should be addressed within the Grain Trade Australia ("GTA") standard form contracts that underpin much of Australia's domestic grain business. The proposal was subsequently taken forward by the AGEC, helping to pave the way for GTA itself to propose the inclusion of dedicated modern slavery provisions within its standard form contracts. GTA is currently seeking input from its members on an acceptable wording and the Company is fully participating in the process.
- The effectiveness of the policies, processes, and procedures currently in place to identify and mitigate modern slavery risks at CIL Australia is under ongoing review. The Company acknowledges that it must continue to take steps to assess and improve its anti-modern slavery framework.

**This Modern Slavery Statement has been approved by
CIL Australia's Board of Directors on 15 June 2022**

Sarah PAN

**Sarah Pan – Director / Country Head
15 June 2022**