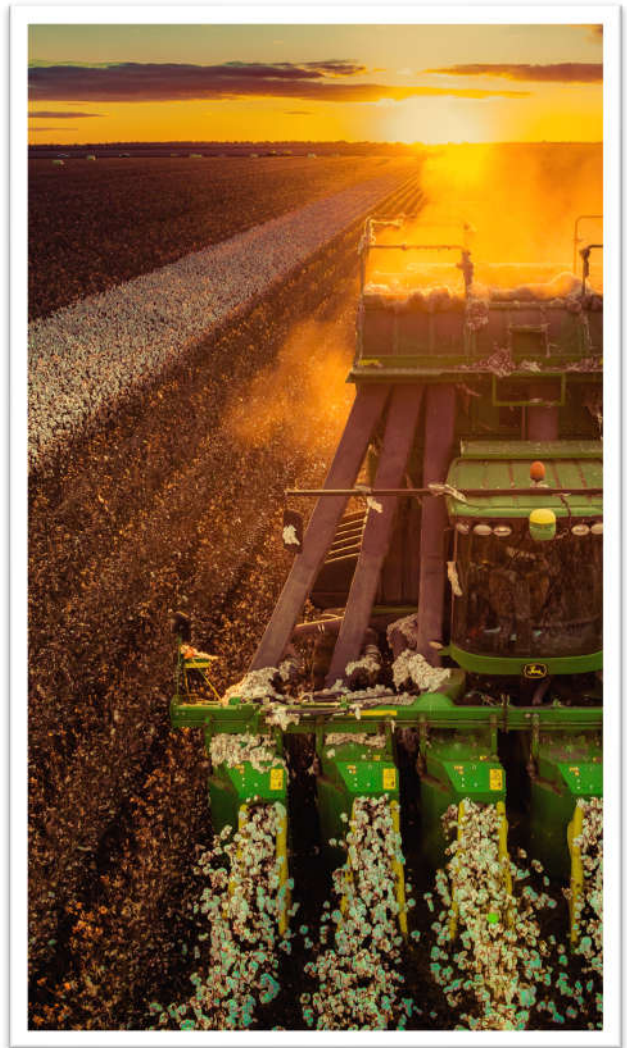


AFF

Australian
Food & Fibre

Modern Slavery
Statement 2023



Introduction

This inaugural statement, compiled under the *Modern Slavery Act 2018 (Cth)*, outlines the actions being taken by Australian Food & Fibre (“AFF”, as defined below) to assess and address modern slavery risks in its internal operations and external supply chains (the “Statement”). This Statement forms part of a commitment and program of further engagement and continuous improvement and will be updated at least annually.

AFF is committed to protecting its workforce and conducting business with honesty and integrity. We value our people and their rights and acting ethically is a priority across our operations. We strive to partner with suppliers who share our standards of addressing modern slavery practices.

This statement covers the activities of AFF for the period **1 July 2022 to 30 June 2023**.

Entity and Ownership

This statement is being submitted on behalf of the reporting entity AFF Holdco Pty Ltd (ACN 656 668 665) as trustee for AFF Holding Trust (the “Company”) and its wholly owned subsidiaries, which are listed below:

- AFF Properties No. 1 Pty Ltd (ACN 618 730 322) as trustee for AFF Operations Trust
- AFF Land Pty Ltd (ACN 618 730 304) as trustee for AFF Land Trust
- AFF Water Pty Ltd (ACN 618 730 331) as trustee for AFF Water Trust
- Bengerang No. 1 Pty Ltd (ACN 629 739 402)
- Bengerang Pty Ltd (ACN 127 984 123)
- Australian Food & Fibre Pty Ltd (ACN 008 436 011)
- Australian Food & Fibre Properties Pty Ltd (ACN 000 753 793)
- Auscott Marketing Pty Ltd (ACN 002 970 667)



Together “AFF”.

AFF is a leading Australian agribusiness domiciled in New South Wales (NSW), and is a vertically integrated grower, processor, and marketer of cotton, committed to producing the highest quality food and fibre.

AFF has operated as a joint venture between the Robinson family and PSP Investments since July 2017, and prior to this AFF operated in the agricultural industry for over 40 years under various holdings. AFF is a privately owned business.

Operations

AFF is Australia’s largest irrigated row cropping company with eleven farms spanning across New South Wales (NSW). The regions in which AFF operate are the Border Rivers, Gwydir, Namoi and Macquarie Valleys, as well as the Barwon Darling and Murrumbidgee regions.

AFF head office is located in the regional town of Moree, with AFF committed to contributing to the regional communities that it operates in. Supporting its farming operations, AFF has seven cotton gins across the valleys in which it operates in NSW, with cotton storage facilities at Warren and Narrabri. The cotton classing facility is located in Sydney, with an office in the Sydney CBD supporting the marketing and shipping operations of the business. AFF predominately exports cotton lint and cottonseed.

The business also produces grain, oilseeds and pulses and grazes a herd of cattle. Produce from these operations is sold primarily into the domestic market to merchants and end users.

AFF has a permanent workforce of approximately 220 employees, with up to an additional 300-400 casual employees during peak season, with irrigation from September to March, and ginning from April through to October.

AFF also engages contractors on an as needs basis where specific services are required.

AFF primarily deal with Australian local suppliers with some consumables, machinery and other items imported from overseas suppliers. Where possible, AFF aim to support the regional suppliers in the valleys in which it operates.

Risks of Modern Slavery Practices

Managing our people risk

AFF is a large sized employer in the agricultural sector that has multiple working locations across regional NSW and in Sydney. AFF predominantly employs local workers but will use seasonal workers, often from overseas, to help support an increased workload at peak times during the season – namely cotton irrigation and cotton ginning.

AFF acknowledges employing international staff can mean they have limited understanding of English and may not be aware of their human and labour rights. AFF has no tolerance for exploitation and will only hire staff who have willingly consented to employment, are of legal working age and have the correct working rights to work in Australia.

The hiring of international staff is mostly conducted through direct engagement however in some cases casual workers will be employed through approved labour hire organisations. Regardless of the relationship, the company ensures that:

- a. All workers are remunerated in line with appropriate rates in accordance with Modern Awards.
- b. All staff and contractors are provided with our Code of Conduct which outlines the acceptable standards and behaviour expected of all our directors, employees, contractors and third-party employees.
- c. Health and safety of our employees, contractors and third-party labour hire is paramount. This is governed by our Work Health and Safety (WHS) Policy that is overseen by our WHS department. The policy is underpinned by WHS regulations, industry standards, and other policies and procedures within AFF. These policies and procedures apply to all people at our worksites, and non-compliance is dealt with through our Performance, Discipline and Termination Policy. Our WHS team consistently monitor the requirements of national and state based legislation to ensure suitability and effectiveness of the policies and procedures. AFF have a Work Health and Safety Management System (WSMS) which support our operations and the management of policies, practices and procedures.
- d. Recruitment is managed through our Human Resources (HR) team, who ensure all laws and regulations relating to fair work, wages, entitlements and payroll protocols are met. These also include validation of rights to work and reference checks.
- e. Employees are paid through our centralised payroll team and contractors are paid on invoice according to the terms of their agreements via our Finance team.
- f. All contractors undertaking on site work are required to complete an on-site induction, to have an understanding of AFF's WHS policies, and are required to complete a Contractor / Labour Hire Compliance questionnaire which includes certifications on compliance with employee related payments and rights. These requirements are covered by AFF's Contractor and Labour Hire Policy. In addition, AFF regularly monitors Fair Work matters for any concerns or issues from our suppliers.

- g. All permanent and casual staff and contractors have access to AFF’s Whistleblower Policy, which has direct instructions on how to report any breaches outside of the organisation.

Managing our Supply Chain Risk

AFF acknowledges and supports the Australian cotton industry’s work to try and mitigate exploitation and modern slavery conditions across the international supply chain.

While we have limited control over what happens to our produce once it leaves the port, we are constantly evolving and learning about what we can do as the cotton producer to abolish any modern slavery contraventions in the supply chain. AFF will continue to play its part as a compliant and socially responsible contributor to the industry.

Below are the identified areas that AFF have identified supply chain risk in relation to modern slavery:

Business Area	Risk	Mitigations
Farm Inputs, Other Inputs	Suppliers of farm and other inputs, and associated requirements that do not have modern slavery practices in place or do not meet International Labour Organisations Standards.	Establish a Supplier Code of Conduct which includes a statement of compliance to be received back from suppliers. Develop and deploy an Ethical Sourcing Policy.
Farm Technologies, Machinery, Other Equipment	Farm technologies, equipment, developed and manufactured in places that do not meet minimum standards.	Source in accordance with the Ethical Sourcing Policy.
Sourcing of cotton	Sourcing cotton from growers who don’t align with AFF’s modern slavery requirements.	Approximately 20% of AFF growers are myBMP certified, which ensures they use improved farming practices and careful management of our natural resources. AFF have regular interactions directly with each grower via Grower Services Representatives. As above, AFF will establish a Supplier Code of Conduct which includes a statement of compliance to be received back from growers.

Performance and Key Actions

AFF has strengthened the governance around preventing and addressing the risks of modern slavery through a number of key policies and actions being implemented:

- Development of Modern Slavery Policy
- Modern Slavery Statement of Compliance
- Board and Senior Executive engagement with the issue and impact of Modern Slavery Act 2018 (Cth) on the business
- Ongoing sub-Board committees including Safety & Sustainability, Audit & Risk and Nominations & Remunerations Committees. These Boards are made up of the Managing Director, Non-Executive Directors and other members of the Executive and Senior Management.

As part of its commitment towards continuous improvement, AFF will develop further policies and improve procedures, monitor requirements, perform ongoing risk assessments and ensure frameworks that address concerns, and any issues of Modern Slavery are in place.

Specifically, our action plan over the next 12 months will include the following key actions:

Action	Scheduled	Status
Development of action plan for 2024 including supplier categorisation and risk assessment of first-tier suppliers to understand where the risk lies in our supply chain.	Q1 CY2024	Yet to commence
Increasing internal communications with staff.	Q1 CY2024	In progress
Implementation of Modern Slavery Policy.	Q1 CY2024	In progress
Awareness training for key stakeholders through an online learning module in newly implemented HRIS.	Q1 CY2024	Yet to commence
Development of Supplier Code of Conduct and Statement of Compliance.	Q1 CY2024	In progress
The development, adoption and communication of an AFF Procurement Policy.	Q1 CY2024	Yet to commence
Development of an Ethical Sourcing Policy.	Q1 CY2024	In progress

Action	Scheduled	Status
Complete annual review of AFF HR policy suite.	Q4 CY2024	Yet to commence
Enhancing the businesses modern slavery statement for the FY24 year.	Q4 CY2024	Yet to commence

Measuring our effectiveness

AFF monitors the effectiveness of our actions to remove the risk of modern slavery from our operations and supply chain by:

- Ensuring the effective implementation of policies within the organisation;
- Investigating any reports received from employees, customers/suppliers, the public, or regulatory agencies that indicate the existence of modern slavery practices;
- Management and reporting of breaches identified by internal/external audit programs or Whistleblower sources;
- Engagement with stakeholders on modern slavery issues or concerns, including, suppliers, third-party auditors, providers of accreditations, financiers, and customers; and
- Quarterly review of ESG requirements including Modern Slavery practices through our quarterly Board Meetings and sub-Board Committee meetings.

Consultation and Approval

AFF is committed to a companywide approach to mitigating the risks of modern slavery. All entities are managed by the executive leadership team and Board to ensure adherence to group policies, procedures and operational standards.

This statement was approved by the AFF Board of Directors on 20 December 2023 for and on behalf of each of the Reporting Entities and signed by the Managing Director on behalf of the Board of Directors.



Joe Robinson
 Managing Director
 Australian Food & Fibre