

## Modern Slavery and Human Tracking Statement

### Introduction

Beston opposes slavery in all its forms. Beston recognises that Slavery and Human trafficking can occur in many forms, as considered in the Act. This can include slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services.

Beston is fully committed to operating responsibly and establishing and adhering to the highest ethical standards across our Company and will not tolerate any forms of slavery or human trafficking in our business.

From the 1st January 2020, Beston Global Food Company Limited ('Beston') ('the Company') is subject to the *Modern Slavery Act 2018* (Cth) ('Act').

This purpose of this statement, which is the first of statement of this kind issued by Beston, is to meet the requirements of section 13 of the Act, and outlines the actions taken by Beston to address modern slavery and human trafficking risks in our business and supply chain for the financial year ended 2021.

### Who we are

Beston Global Food Company Limited is a dairy and meat products manufacturer, listed on the Australian Securities Exchange ('ASX').

Beston employs approximately 300 people across four principal locations: Adelaide, South Australia (head office), Murray Bridge and Jervois, South Australia (dairy operational facilities), and Shepparton, Victoria (meat operational facilities).

Beston procures milk from local dairy farmers (many of which are family run farms) that accounts for over 30% of milk produced in South Australia.

The following are the reporting entities covered by this joint Modern Slavery and Human Trafficking Statement:

- Beston Global Food Company Limited
- Beston Pure Dairies Pty Ltd
- Beston Pure Farms Pty Ltd
- Beston Pure Foods (Australia) Pty Ltd
- Beston Technologies Pty Ltd
- Provincial Food Group Pty Ltd
- Aquaessence Pty Ltd

Further details of the Company's annual turnover, operating structure, and operating activities are described in its 2020 Annual Report, at <https://bestonglobalfoods.com.au/investors/reports-results-presentations/>

## Potential Risks of Modern Slavery and Human Trafficking

Beston's supply chain is geographically diverse, ranging from small businesses through to global multinationals. The risks of modern slavery and human trafficking in Beston's supply chain can be classified into one of the three following categories:

1. Beston may cause modern slavery and human trafficking practices.
2. Beston may contribute to modern slavery and human trafficking practices; and
3. Beston may be directly linked to modern slavery and human trafficking practices.

Beston considers that its risk of causing modern slavery is extremely low. Beston believes in the fair treatment and remuneration of employees. It complies with all applicable employment legislation and industrial awards, and none of its employees are paid less than the minimum wage in their relevant jurisdiction. All employees are engaged by employment contracts or Enterprise Bargaining Agreements. Beston also invests in the safety, health, and wellbeing of its staff.

The risk that Beston may contribute to modern slavery and human trafficking practices is considered low. Beston's primary channel of supply and majority cost of input is milk supplied by farms within a limited range of our dairy processing plants in South Australia. Approximately 80% of all Beston's non-employee related expenditure relates to the purchase and transport of milk to our production facilities.

The price offered for our milk supply contracts is justified online in our standard [Milk Supply Agreement](#). Milk pricing is based on a consistent approach across all suppliers and pricing reflects a consideration of the sustainability of farming operations, quality of milk supplied and growth in volume, rather than seeking cost minimisation. Beston maintains a close relationship with all its dairy farm suppliers, with a focus on transparent commercial arrangements, as well as clear and honest communication including regular farm visits and ongoing relationship building. Beston seeks to deal only with reputable, established local farmers with low-risk profiles.

The dairy industry does not tend to utilise transient employment, as they have a constant labour need throughout the year. This is unlike traditional 'backpacker labour' agricultural sectors such as horticulture, with seasonal labour requirements that may present a higher risk of inappropriate employment practices.

Beston considers the risk that it might be directly linked to modern slavery and human trafficking practices to be low. Beston endeavours to identify modern slavery and human trafficking risks when dealing with key direct and indirect suppliers as part of the contractual negotiation process but acknowledges that further review of key suppliers can be undertaken. Other direct suppliers include those from whom the Company buys energy, packaging, capital items, and other dairy product manufacturing ingredients, as well as services such as legal, marketing, technology, corporate and consulting services. Indirect suppliers include those which supply our major suppliers and include those who supply farming inputs to our milk suppliers and raw material inputs to packaging suppliers.

Beston intends to undergo an assessment of its supply chain to identify whether any current service providers and suppliers may be assessed as presenting a higher risk of engaging in modern slavery and human trafficking practices than presently assessed. The reporting entity is also investigating the implementation of modern slavery training for all staff and suppliers

## **Actions to address modern slavery**

### Policies and Procedures

Beston has several policies and procedures in place intended to ensure that modern slavery and human trafficking is not taking place in our business or operations, as described in further detail below. These policies are internal policies, available to employees in physical book form and available on the Beston intranet:

- Corporate Culture
- Code of Conduct
- Grievance's policy
- Whistle-blower policy
- Recruitment policy

### Due diligence

Beston attempts to safeguard against modern slavery and human trafficking by assessing its suppliers including by discussing the importance of its modern slavery and human trafficking requirements with all new suppliers, as well as those suppliers renewing contractual arrangements.

Beston are considering adding a modern slavery clause into all our supply contracts and will review our modern slavery risk assessment measures and mitigation responses over time to seek to ensure we deal only with acceptable suppliers. We will look to identify and adopt best practices in assessing these risks.

## **Looking ahead**

Beston is committed to continuously improving its policies and procedures related to modern slavery and human trafficking issues to play our part in their prevention. Looking ahead we plan to progress the following in FY21 and beyond:

- Reassess Beston's supply chain for modern slavery and human trafficking risk.
- Identify and highlight country of origin for key supply inputs in future reporting
- Continue to update key policies and procedures to reflect Beston's commitment to upholding human rights.
- Continue to build the expertise of our people through training and communication, especially those that work directly with third parties or those that rely on contractors in their workforce, so they can be better equipped to identify and act on any indications of modern slavery, building transparency.
- Beston are considering adding a modern slavery clause into all our supply contracts and will review our modern slavery risk assessment measures and mitigation responses over time to ensure our best practice.

This statement was approved by the Board on 19 January 2022 and is also available on our website.



Darren Flew  
Interim Chief Executive Officer



Nick Wagner  
Interim Chief Financial Officer