

Modern Slavery Statement



For the reporting period
1 July 2021 to 30 June 2022

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Introduction

This statement is published in accordance with Section 13 of the Modern Slavery Act 2018 (Act) and is the third statement for Meat and Livestock Australia Group (MLA) which includes its subsidiaries, MLA Donor Company (MDC) and Integrity Systems Company (ISC). MLA and its subsidiaries are committed to strengthening our work in this area year on year.

MLA has a zero tolerance approach towards any conduct that may constitute modern slavery, and expects commitment to the principles set out in our [Code of Business Conduct and Ethics](#) by all organisations with which we do business with. We will not support or do business with any individual or organisation that is knowingly involved in modern slavery practices.

Our commitment

MLA recognises that it has a responsibility under the Modern Slavery Act 2018 (Cth) and is committed to preventing slavery and human trafficking in our business and supply chain. The purpose of this statement is to set out MLA's actions in understanding potential modern slavery risks related to its business and in developing steps that are aimed at ensuring it has robust frameworks and processes in place to minimise the risk of modern slavery in its own operations and supply chains.

1 Our business and structure

MLA is the declared industry marketing body and the industry research body under sections 60(1) and 60(2) of the Australian Meat and Livestock Industry Act 1997, and is a public company limited by guarantee. MLA's head office is located at Level 1, 40 Mount Street, North Sydney, NSW, Australia, and has offices in Brisbane, Armidale, and Perth. MLA also operates across several countries in South-East Asia, North America, Europe, the Middle East, and Northern Africa, with offices located in Australia, the United States of America, Japan, South Korea, Singapore, Indonesia, China, United Arab Emirates, Belgium, and the United Kingdom. MLA also has a presence through local agents in Malaysia, Thailand, Saudi Arabia, the Philippines, and Vietnam. Contact details for these international offices can be found on the MLA website at mla.com.au/about-mla/contact.

As at 30 June 2022, MLA had 293 employees (264 permanent and 29 fixed term contractors) both domestically and internationally. MLA's workforce profile reflects a balanced gender profile and age distribution across the organisation. More than 50% of employees are from a rural background. MLA employees are based strategically to leverage the best possible access to all stakeholders and to drive demand for red meat in our key markets.

Our purpose

MLA's purpose is to foster the long-term prosperity of the Australian red meat and livestock industry. To achieve this, MLA collaborates with stakeholders to invest in research, development and marketing initiatives that contribute to producer profitability, sustainability, and global competitiveness.

Our funding

MLA is primarily funded by transaction levies paid on livestock sales by producers and are used to support marketing, research, and development activities. MLA also receives funding from the Australian Government, unmatched grants, and cooperative funding contributions from other industry stakeholders. Integrity Systems Company also receives additional income via the sale of national vendor declaration books and the Livestock Production Assurance program accreditation fee.

Our subsidiaries

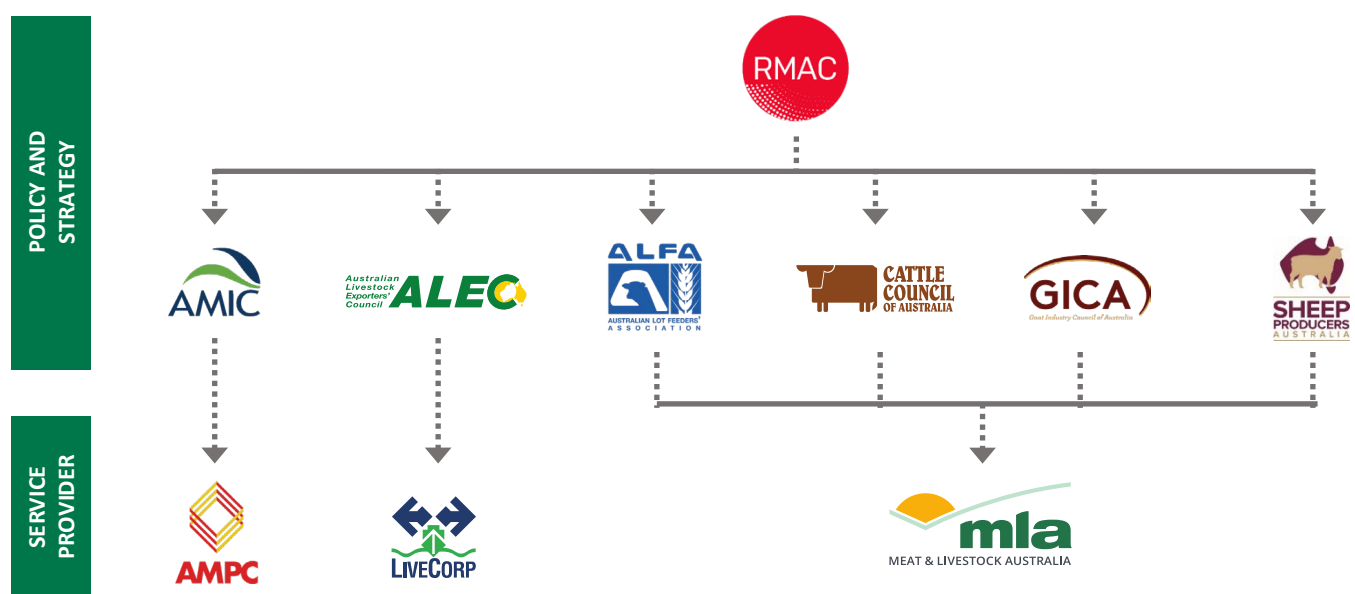
MLA owns two operating subsidiary companies, both located in MLA's head office in North Sydney:

- MLA Donor Company (MDC) works in partnership with investors in areas that bring value to the red meat supply chain through innovation and new technologies.

- Integrity Systems Company (ISC) administers the National Livestock Identification System database which records livestock movements. It is also responsible for the Livestock Production Assurance program, the National Vendor Declarations and Livestock Data Link.

2 Our operations and supply chain

MLA works in partnership with the red meat industry and government to deliver marketing, research and development products and services to the Australian cattle, sheep, and goat industries, both in domestic and international markets. The Australian Government sets high-level priority research and development objectives covering community, industry, and environmental concerns. MLA works closely with peak industry councils and service providers to address issues and opportunities for the industry. The structure of the overall red meat industry is set out below:



MLA's key operations are broadly categorised as follow:

Key operations	Supply chain
<p>Research, development, adoption, and extension activities</p> <ul style="list-style-type: none"> • MLA invests in both on-farm, off-farm and value chain information research, development, adoption, and extension programs to boost the productivity, sustainability, and profitability of the Australian red meat industry. • Our research, development, adoption, and extension activities aim to invest in current and emerging industry leaders, innovators, and scientists to enhance professional and business skills in the red meat industry. • In addition to these activities being funded through producer levies, MDC accelerates innovation across the value chain by attracting commercial investment from individual enterprises and others that share a mutual interest to co-invest in innovation that will benefit the industry. 	<ul style="list-style-type: none"> • We collaborate with peak industry councils (PICs), rural research and development corporations (RDCs), government bodies and state departments, universities, producer groups, pastoral groups, breeder societies, meat processors and retailers etc. to carry out these activities.

Key operations

Traceability, integrity systems and programs

- MLA, through its subsidiary ISC, delivers the red meat and livestock industry's traceability and quality assurance systems such as National Livestock Identification System (NLIS), National Vendor Declarations (NVDs), Livestock Production Assurance (LPA) program, and Livestock Data Link (LDL).
- These activities aim to protect the Australian red meat and livestock industry by helping to protect its disease-free status and provide product assurance to customers and consumers.

Marketing and industry insights programs (domestic and international)

- MLA is focussed on demand generation by:
 - Building awareness and preference for Australian red meat products through data insights, consumer marketing campaigns and partnering with exporters through co-marketing arrangements, both locally and globally.
 - Maintaining and improving access to global markets, through customised in-market consumer marketing and market access activities.

Communication activities

- Our Communications program is committed to foster industry prosperity by ensuring MLA's marketing, research and development products and services are known and accessible to levy payers and stakeholders (government, state farming organisations, the community and MLA members, as well as the industry corporate affairs).
- It also seeks to build confidence in the industry through strong stakeholder engagement, publication of magazines, print and social media presence, and industry events.

Operational Support

- MLA's business activities are supported operationally by an in-house corporate services team performing functions relating to:

○ Finance	○ Information Technology	○ Financial Planning and Analysis
○ Monitoring and Evaluation	○ Knowledge and IP Transfer	○ Legal and Contracts
○ Office Services	○ Projects and Process Improvement	○ Risk and Compliance
○ Human Resources		

Supply chain

- ISC collaborates with technology providers, producers, processors, professional services consultants (including industry trainers, auditors, and accreditation bodies) to ensure we maintain the industry's integrity and assurance programs.

- We engage a range of professional agencies to help implement these marketing strategies, including advertising, marketing, event management, branding, design, social media, public relations, market research agencies.

- We engage a range of consultants and professional agencies to undertake public relations, copywriting, events management, media, and social media management, as well as printing of industry materials.

More information on MLA's programs and deliverables can be found in our 2021 – 2022 annual report at [Meat & Livestock Australia | Annual Report | 2021-22 \(mla.com.au\)](https://meatandlivestock.com.au/annual-report-2021-22).

55% of the total costs were related to research and development activities, 25% related to marketing activities and 20% related to administration support costs. Approximately 88% of MLA's total spend during FY22 was with suppliers located in Australia. Our largest categories of spend were made to suppliers and partners operating in the following sectors, totalling 63% of all spend categories:

- Research and Development Corporations (approximately 20%)
- Universities (approximately 18%)
- Professional services and consultancy firms (approximately 14%)
- Meat Processors (approximately 6%)
- Government agencies (approximately 5%).

Of the 12% of overseas spend, a majority of the costs were related to marketing activities (72%) and administration support costs (27%). Reputable advertising and marketing agencies, professional services and consultancy firms, PR and media consultants, data insights and brand strategists were engaged in delivering marketing activities in our overseas regions.

Our top suppliers by value with total of 41% of FY22 total expenditure were:

- Australian Meat Processor Corporation (R&D investments)
- University of New England (R&D, adoption, and extension investments)
- Teys Australia Pty Ltd (R&D and marketing activities)
- Commonwealth Scientific and Industrial Research Organisation (CSIRO) (R&D, adoption, and extension investments)
- Department of Regional NSW (R&D, adoption, and extension investments)
- Universal McCann (media and advertising activities)
- University of Queensland (R&D, adoption, and extension investments)
- Murdoch University (R&D, adoption, and extension investments)
- Queensland University of Technology (R&D, adoption, and extension investments)
- EF, JP\13 (media and advertising activities).

3 Potential risks in our operations and supply chains

In FY 2022, MLA engaged approximately 1,550 suppliers from five regions (spanning Australia, Asia, North America, Middle East, the UK, and Europe) with 65% of suppliers rated as low for modern slavery risks and 35% of suppliers rated medium risk. MLA has identified a potential for higher risks of modern slavery practices in the following sectors that form part of its business relationships:

- Farming and feedlotting
- Meat processing
- Food services, catering, and hospitality
- Manufacturing / factories (food, machinery, clothing, uniforms, and promotional items)
- Commercial cleaning
- Information Technology
- Logistics (relocation).

A majority of MLA's business relationships with its supply chain is in the capacity of collaborating on research, development, adoption, extension, and marketing activities with universities, professional services, government entities, as well as businesses in the food, beverage, and agriculture (FBA) sectors. There are multiple modern slavery risk factors present in the FBA sector such as high demand for base-skilled labour in production, processing, packaging, transport, and services. Numerous instances of exploitation have been found in the labour sourcing industry and the FBA sector more broadly. MLA recognises that there is risk that MLA may be directly linked to modern slavery practices through operations of business partners in countries and sectors reported to have a higher prevalence of modern slavery.

In FY 2022, MLA continued to review its supply chain and refined risk assessments of service providers and suppliers engaged by MLA and its subsidiaries. The risk assessments considered factors that may possibly cause, contribute, or

be directly linked to modern slavery practices as outlined in the Department of Home Affairs' Commonwealth Modern Slavery Act (2018) Guidance for Reporting Entities.

4 Actions taken by MLA to assess and address modern slavery risks

MLA has implemented a modern slavery framework to assist in addressing the modern slavery risks associated with our operations and supply chains. This framework establishes our business processes in respect to modern slavery and human trafficking concerns.

Policies and processes

MLA has established a suite of policies to support our modern slavery responses. Our policies clearly articulate the standards we expect from our people, our suppliers, and our business partners, including in relation to preventing and addressing modern slavery risk to ensure MLA has fair and ethical practices in place and is compliant with workplace laws. Our policy framework includes:

- **Code of Business Conduct and Ethics:** A set of guiding principles and minimum standards of ethical behaviour expected of staff when conducting business activities, including zero-tolerance towards any conduct that may constitute modern slavery.
- **Whistleblower Policy:** Our Whistleblower Policy supports our commitment to maintain an open working environment, in which staff may raise or report concerns of business and personal ethics being breached while performing duties and responsibilities. In addition to internal reporting channels through our Whistleblower Protection Officer, senior management or the Board, MLA has also made available an independent and confidential whistleblower service for its staff, contractors, and other stakeholders to enable reporting of any issues and grievances that may adversely affect MLA, its people, or its reputation.
- **Diversity and inclusion policy:** A policy in place to outline our commitment to value and respect the unique contributions of people with diverse backgrounds.
- **Anti-Bribery and Corruption Policy:** This policy articulates our commitment to complying with laws and regulation addressing fraud, bribery, and corruption in each country we conduct business.
- **Procurement Policy:** A policy is in place that prohibits modern slavery practices and reiterates the Code of Business Conduct and Ethics.
- **Grievance and Dispute Resolution Procedure:** A procedure is in place to handle grievances and resolve disputes at work. Employees may informally or formally raise grievances related to work or the work environment where they think any act, omission, situation, or decision is unfair, discriminatory, or unjustified. The resolution steps are also outlined in the procedure to provide transparency to the process.

Recruitment

MLA's staff is largely employed in professional roles, delivering research and development, and marketing programs for the industry. 74% of our staff are subject to an Enterprise Agreement, including administrative and support staff. Our Recruitment Policy underpins our commitment to a fair and transparent process, with recruitment strategies developed with the Human Resources team. Candidates are sourced either via external advertising on notable job boards, social channels, and forums, or through reputable recruitment agencies, which are vetted for modern slavery risks.

MLA has in place a Remuneration, People and Culture Committee that has oversight of strategic human resources policies to ensure they are appropriate and consistent with MLA's objectives and values. Furthermore, MLA has in place a Consultative Committee and a Work, Health and Safety Committee that meet on a quarterly basis, with representation across all levels of the organisation. All staff are invited to put forward their thoughts, opinions and ideas on matters relating to terms and conditions of employment, the workplace, MLA's operations, safety, and wellbeing initiatives.

Due diligence

MLA operates a zero-tolerance approach to modern slavery and are committed to acting ethically in all our business dealings and relationships. MLA has adopted a risk-based approach in our modern slavery due diligence, by applying risk factors such as sector, industry, types of products and services and geographic locations.

In FY22, MLA has continued to utilise its implemented systems and controls to record modern slavery risk assessments that were consistent with MLA modern slavery risk management methodology. All MLA staff with procurement and project management duties were required to assess suppliers and business partners prior to engagement. New suppliers, as well as renewing suppliers were subjected to the due diligence processes (for modern slavery risks) prior to onboarding.

Where suppliers were flagged as being of higher risk for modern slavery practices, due diligence questionnaires were issued and assessed by our Risk and Compliance team. As part of the assessment process, MLA referred to information from reliable sources such as the Department of Home Affairs, the UN Guiding Principles on Business and Human Rights, the Global Business Initiative on Human Rights, the Business and Human Rights Resource Centre and the Global Slavery Index. In FY 2022, further reviews were conducted by the Risk and Compliance team on suppliers flagged as medium or high for modern slavery risks, with 114 questionnaires issued to suppliers where information was not readily available.

Modern slavery risk management activities are reported to the Audit, Finance and Risk Committee and the MLA Group Boards on an annual basis.

Service provider contracts

MLA has included contractual terms in our standard agreements relating to the requirement for service providers to adhere to Ethics Laws, including the Modern Slavery Act 2018 (Cth). These agreements are made available on [MLA agreements | Meat & Livestock Australia](#).

Knowledge and awareness

As part of the FY22 annual training program, MLA continued to provide targeted training via mandatory e-learning modules and trainer-led sessions offered monthly to MLA staff (including its subsidiaries), both in Australia and in our overseas offices. These sessions were aimed at raising staff awareness and educating staff on their obligations in identifying, mitigating, and reporting modern slavery risks within the supply chain. Staff were also trained in performing and recording modern slavery risk assessments prior to engaging suppliers. In addition, internal guidelines and resources were developed to supplement the training provided and made available on a dedicated modern slavery resource page on MLA's intranet.

Staff is also frequently reminded to report to the Risk and Compliance team should they become aware of modern slavery practices in our supplier's operations, for further escalation to senior management. MLA is required to be a part of the remediation process with the supplier, if deemed to be the cause of modern slavery.

In compliance with the Modern Slavery Act 2018, MLA has submitted an annual modern slavery statement to the Australian Border Force since FY20, which is available on the Australian Government's Online Register for Modern Slavery Statements and on MLA's website - [Modern Slavery Statement | Meat & Livestock Australia \(mla.com.au\)](#).

Covid-19

As the world starts to ease into the recovery of the global Covid-19 pandemic, we continue to work with our supply chain to apply our modern slavery risk management methodology across our business and operations. During the reporting period, MLA did not experience difficulties in applying our modern slavery risk management methodology due to COVID-19 impacts.

5 Assessment of the effectiveness of MLA’s due diligence process

We are committed to maintaining effective systems to identify, assess, address, and proactively manage modern slavery risks in accordance with relevant legislation, international human rights standards, regulatory obligations, shareholder expectations and good corporate governance principles, as outlined in our risk management framework.

During the reporting period, MLA did not identify any instance of modern slavery practices caused by our own operations, or through our supply chains. We did not receive complaints or concerns raised through our reporting channels, including the whistle-blower hotline. However, we recognise that there are opportunities to improve the framework through stronger systems and controls.

Future and continuous improvements

In FY23, the MLA Grievance and Dispute Resolution Procedure will be updated to refer modern slavery considerations into the existing grievance processes e.g. modern slavery-related complaints as a reportable incident. In addition, associated process documents will be developed, such as a specific Modern Slavery Remediation Manual, to provide a practical guide for assessing, managing, and remediating incidents as necessary should we have caused or contributed to modern slavery in our business or in our supply chains.

MLA continues to work on the roadmap developed from an independent review of MLA’s Modern Slavery Maturity level (conducted in FY21) and its readiness to comply and respond to the Act. The outcomes of the report and progress of the roadmap were presented to the Audit, Finance and Risk Committee.

We have identified the following key areas of focus for FY23 and beyond.

Key area	Roadmap
Policy and Governance	<ul style="list-style-type: none"> Continue to embed modern slavery clauses in our agreements. We are committed to continually improving and refining MLA policies to ensure they remain fit for purpose. e.g. Updating the MLA Grievance and Dispute Resolution Procedure to include the Modern Slavery components. Continue to review and strengthen MLA Modern Slavery risk management systems and controls.
Risk Assessment and Due Diligence	<ul style="list-style-type: none"> Reviewing risk assessments and due diligence records in the system to ensure validity, completeness, and currency.
Grievance Mechanisms and Remediation	<ul style="list-style-type: none"> Inclusion of modern slavery considerations into the existing Grievance and Dispute Resolution Procedure. Develop a Modern Slavery Remediation Manual to guide the resolution of a modern slavery incident. Establishing a core group to remediate modern slavery incidents.
Training and Awareness	<ul style="list-style-type: none"> Develop and implement refresher training to all existing employees in both Australia and overseas to reiterate each employee’s role in identifying, assessing, and reporting modern slavery risk in our supply chain. Provide training on the Remediation Manual, when developed, to relevant staff.

6 Consultation with MLA subsidiaries

MLA has addressed the requirements under the Modern Slavery Act 2018 (Cth) and the due diligence process it has implemented for the Group as part of its Audit, Finance and Risk Committee meetings. This statement was approved by the boards of each of the three reporting entities covered by this statement.

This statement was endorsed and approved by the MLA Board on 23 November 2022.

This statement was endorsed and approved by the MDC Board on 24 November 2022.

This statement was endorsed and approved by the ISC Board on 22 November 2022.

Signature: 

Alan Beckett

MLA Board Director – Chair

Date: November 29, 2022