



2019 Sustainability Report

BRINGING PEOPLE TOGETHER



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A photograph of a man from behind, wearing a light-colored long-sleeved shirt, blue jeans, a brown belt, and a wide-brimmed hat. He is standing in a green field under a clear blue sky, looking towards the horizon.

2019 Sustainability Report

BRINGING PEOPLE TOGETHER

01 / Who We Are

We are an ever-evolving, global food brand with true family values at the core, influenced by four generations of the Tey family.

We are best known for providing our customers with a broad range of quality protein products, but that's not all we do. We work hard to create and deliver a complete range of value added, food manufacturing and co-product solutions to our customers around the world.

Every year, we produce and distribute the equivalent of approximately 1.7 billion meals, exporting to more than 60 countries.

This ability to feed people and enrich lives is how we've become the global food brand we are today.

Since 1946, our business has been built on our relationships with our people, partners, producers, customers and our local communities.

We are proud partners to more than 7000 Aussie beef producers, and have more than 4700 people across 15 sites and four states, all creating sustainable and brighter futures for our communities, and building on the Tey legacy for generations to come.

Our Purpose - *Feeding People, Enriching Lives*

Our Vision - *To be the leading provider of innovative animal protein supply chain solutions, linking Australian producers with global customers*



Tey family has more than
4,700 employees



Tey family has
15 modern facilities



Tey family exports to over
60 countries



- Feedlots
- Production
- Food Manufacturing
- Co-Products
- Distribution
- Tey family Group Support Services

02 / Message From The CEO

I am pleased to present the 2019 Teys Australia Sustainability Report, which contains a summary of the material economic, social and environmental performance of our operations against the Global Reporting Initiative (GRI) G4 reporting criteria.

While 2019 has seen the difficult trading environment persist, driven by dry conditions and the diminished female herd, the business anticipated and actively planned for these challenges and supply chain constraints. We are focused on growing and maintaining our long term strategic partnerships, and vertically integrated business model. This forward-thinking and action planning has positioned us well in the face of forthcoming headwinds.

We have also continued to invest heavily in sustainable business practices and, as a result, we are making good progress in our three major sustainability focus areas:

- > The **health, safety and wellbeing of our workforce**, measured by various global standard safety metrics and innovative safety programs such as LEAD.
- > **Reducing our environmental impact** as measured by water and energy use, and greenhouse gas emissions.
- > **Best practice animal welfare** as measured by internal and external audits against recognised global best practice standards.

Our approach to safety remains unchanged – it is the **highest priority** in our business. We continue to work towards zero workplace related injuries and can only achieve this by remaining sharply focused on the safety of our people.

Regardless of where our people work or what they do, we strive to create an environment where our employees, and their families, should feel confident that they will return home the way they arrive – SAFELY, because nothing we do is worth getting hurt for.

Given Teys' presence in Australian agricultural communities we know that we have a fundamental responsibility to manage our environmental footprint, and we do this through best practice environmental stewardship. We take this responsibility seriously and are committed to our environmental and sustainability obligations, and compliance with local, state and federal regulations. To that end, we employ ethical planning and management practices for the responsible use and protection of natural resources, while maintaining compliance with the legislative framework.

Our investments in energy efficiency and renewables (e.g. refrigeration performance, biogas facilities and combined heat and power plants) have yielded positive results and enabled the business to achieve our 2023 energy and carbon intensity targets ahead of schedule by delivering an 8.6% reduction in energy intensity (compared to a target of 6%), and reducing carbon intensity by 22% (compared to a target of 20%).

We are continuing to grow our employee engagement programs, including targeted learning and development, advancement and growth opportunities, health, and financial wellbeing programs. These initiatives help to ensure we are closely connected with our greatest resource – our people.

“Forward-thinking and action planning has positioned us well in the face of forthcoming headwinds.”

These achievements, and our collective commitment to sustainability, are only made possible through the passion and dedication of our hard-working employees. I would like to acknowledge the entire Teys Australia team for their effort and continued focus as we work towards building a stronger business for stronger communities.

Brad Teys

CHIEF EXECUTIVE OFFICER



03 / Our Leadership

The Senior Leadership Team (SLT), led by the Chief Executive Officer (CEO), is responsible for managing the overall performance of the business. Sustainability and Corporate Social Responsibility (CSR), including overall efforts in corporate citizenship, the annual review of progress against the organisation's sustainability goals, and the production and review of this report, fall within the portfolio of the Company Secretary. This role also oversees the legal and risk function within the business and is a member of the SLT, reporting directly to the CEO.

Under the leadership of the SLT, the business places a strong emphasis on ensuring that sustainability principles are embedded in all aspects of our business including;

- > Developing programs to support the long-term sustainability of Australian cattle producers;
- > Leveraging customer and consumer insights to understand how we can create better products and services, and;
- > Aligning ourselves with like-minded partners across the value chain.

Furthermore, our sustainability goals demonstrate that we are not afraid to set ambitious targets in reducing our resource reliance and carbon emissions.

This commitment to building a successful, sustainable business is shared by each and every one of our employees, from those on the production floor, through to our sales and shared services teams. Each of their contributions enables us to make steady progress towards our commitment to continual improvement in our sustainability metrics.

As a privately-owned business, the Teys family remains closely involved with day to day operations. This connection with our heritage and strong family values underpins the culture of the organisation and drives our purpose, objectives and ways of working. These values were formalised in 2017 with the launch of the Teys Australia Legacy Program, which sought to define our core values. Through an in-depth consultation process, the SLT endorsed the following five values:-

- > Humility;
- > Integrity;
- > Loyalty;
- > Resilience and;
- > Trust and co-operation.

Each value represents a corresponding set of behaviours and expectations for our people, and these 'Legacy' values and behaviours were rolled out via a training program for all staff throughout 2017-2018.



Board of Directors



Brad Teys
CEO & Chairman, Teys Australia



Geoff Teys
Executive Director Livestock, Teys Australia



Allan Teys
Non Executive Director, Teys Australia



Graham Cubbin
Non Executive Director, Teys Australia



John Keating
President Business Operations & Supply Chain, Cargill Meat Solutions



John Nash
Corporate Senior VP, Cargill Protein & Salt



Mark Chow
VP Corporate Strategy & Development, Cargill Asia Pacific



Randy Carlgren
FP&A Director, Cargill Protein Group

Senior Leadership Team



Brad Teys
CEO & Chairman



Geoff Teys
Executive Director Livestock



Andrew MacPherson
General Manager Commercial



Shaun Crapp
General Manager Human Resources



Steve Gant
Group General Manager Operations



Scott Prebble
Chief Financial Officer



Kirsty Jackson
Company Secretary



Charlie Hollingworth
General Manager Domestic Sales



Phil Hutchinson
General Manager Asset Management



Kate Morrison
General Manager Strategy and New Business Ventures



John Langbridge
General Manager Corporate and Industry Affairs

04 / Our Planet



At Tey Australia we have a strong environmental focus as we apply the precautionary principal across our 15 sites and along the value-chain. As outlined in our Environmental Policy, we are committed to protecting the environment both in which we operate and the surrounding areas, and to prevent pollution and protect the natural eco-systems from harm arising from Tey's operation, products or services. We aim to create sustainable value for our customers, external stakeholders, business partners and wider community through fulfilling our compliance obligations including legal requirements, and continuously improving our pollution and waste strategies.

We proudly take a proactive approach to environmental stewardship, striving to be 'better than best practice' across environmental performance including; energy, water and emissions management. In our efforts to be 'better than best practice' we conduct regular internal and external audits across our environmental stewardship, and drive practical change and continuous improvement through our Utility Reduction Program (URP). Externally we benchmark across the industry through performance ratings based on relative industry data, and participate in industry benchmarking with the Australian Meat Processing Corporation (AMPC), and Australian Beef Sustainability Framework.

These activities are supported by the Board of Directors and cascade through the business via the Key Performance Indicators (KPIs) of the CEO, General Manager Asset Management, Group Environmental Manager, Group Manager Resource Efficiency and Sustainability, and site functional managers and environmental leads.

At Tey we demonstrate our commitment to the Planet by:

- > Working with a wide range of stakeholders both internal and external to the business to create increasingly sustainable outcomes, in alignment with the Australian Beef Sustainability Framework;
- > Allocating resources to maintain and improve environmental performance;
- > Maintaining an Environmental Management System based on the requirements of ISO14001:2015;
- > Monitoring and evaluating environmental performance to ensure continuous improvement;
- > Conducting operations in compliance with all applicable legal requirements;
- > Setting environmental objectives and targets with regard to significant environmental aspects of operations;
- > Investigating, and where practicable, implementing processes which prevent or minimise pollution, process waste, and reduce energy and resource consumption in alignment with our Resource Efficiency Target;
- > Communicating with our employees, customers, contractors and the public, in regards to environmental aspects that may affect stakeholders; and,
- > Join with programs, organisations and strategic platforms that share our values in environmental protection and sustainability, to contribute and share practices that may help advance initiatives in environmental protection and sustainability.

Our Goals and Progress

The progress of our goals are regularly communicated to our internal and external key stakeholders.

This data indicates that we have proudly achieved our energy and carbon intensity targets three years ahead of schedule. This outcome is a result of our progress towards improving energy efficiency by implementing major projects such as biogas facilities and combined heat and power plants.

While these results are very pleasing, we acknowledge the work to come in achieving our water and renewables target.

In terms of water intensity, we are starting from a low level. Water intensity during our baseline year was 11.2% below industry average, however this is a key focus area, particularly in regions facing water scarcity issues.

GOALS & TARGETS		
Goal	Progress	Challenges
Target = 0 non-compliance and complaints		
6% reduction in energy intensity by 2023	8.6% reduction, 3 years ahead of target	> Difficulty benchmarking against industry for environmental compliance and odour performance
10% reduction in water intensity by 2023	No change	
20% reduction in GHG emissions by 2023	22% reduction achieved, 3 years ahead of target	
At least 30% of the Tey portfolio's energy comes from renewable energy by 2023	Currently at 13.6%, on-track	> Automating measurements, reporting and tracking is a challenging implementation process at a large scale

DID YOU KNOW:

Odour generation has been identified as a potential area of significant impact for Environmental Stewardship. We have installed advanced odour treatment technology at sensitive processing facilities to treat odour emissions from rendering processes that

occur on site. We have also installed Covered Anaerobic Lagoons at five meat processing facilities across the country to capture biogas produced by the anaerobic digestion process. This technology has significantly improved odour impacts at all sites.

04 / Our Planet



Energy & Emissions

We consume energy that is both self-generated and procured externally from renewable and non-renewable sources. During the reporting period, we used a total of 1,587,067 GJ of non-renewable energy, and 212,227 GJ of renewable energy.

The following table outlines the electrical usage based on billing and metered data, and steam usage based on engineering estimates. Heating and cooling consumption is not directly reported, and no energy is on sold. All conversion factors are with reference to National Greenhouse Accounts Factors 2019.

Reported energy intensity considers all consumption, whether it is from an internal or

external generation source. When reporting on the energy intensity, sources such as electricity, natural gas, biogas, LNG, LPG, black coal, gasoline, diesel, petroleum-based oil and ethanol are included. For the reporting period the energy intensity ratio for our primary processing was 3.21GJ/tHSCW, a reduction of 131,290GJ from our baseline year.

Energy reduction is measured by tracking site-specific KPIs such as energy intensity, plus on a project by project basis, where International Performance Measurement and Verification Protocols (IPMVP) methods are used. In most instances, the IPMVP is used and checked by our in-house Certified Measurement and Verification Professional (CMVP) or an external provider to validate savings.

BUSINESS UNIT	ELECTRICITY (KWH)	STEAM (GJ)
Primary Processing	125,351,636	695,695
Hide Processing	1,923,587	26,075
Feedlot	2,009,943	47,928
Tey's Australia Food Solutions	5,328,436	10,061
Logistics	1,201,103	-
Office	264,873	-
Total	136,079,578	779,759

Utility Reduction Program Successfully Reduced by 0.3GJ/t HSCW and this is how:	
Electricity	Natural Gas
> We improved the control and optimisation of our refrigeration capability.	> Improving controls and optimisation of our thermal systems through asset upgrades and boiler replacements.
> Replaced all lighting with LED technology.	

Our baseline year, FY2017 was chosen during the development of Tey's Resource Efficiency Targets (RET), as it was most practical due to the alignment of Asset Management capital planning and the peak of emissions.

The following table outlines emissions during the reporting period compared to the baseline year, using a consolidated approach based on operational control and National Greenhouse and Energy Reporting (NGER) requirements.

We measure reduction in emissions as an intensity factor (t Co2e-/t HSCW). Primary processing business units are measured on Tonnes of Hot Standard Carcase Weight (tHSCW) as the organisation-specific metric. The reason for selecting this metric, instead of the number of animals processed, is to rationalise red meat yield coming from various plants and carcase weights, in various

geographical locations, species and conditions on the East Coast. This approach rationalises changes in production over different years. Based on tracking our five-year RET against baseline year (FY17) we have reduced emission intensity by 22%, achieving our 20% target three years ahead of schedule.

The reductions in both our asset portfolio and indirect emissions took place with the following initiatives:

- 1) Covered Anaerobic Lagoon (CAL) and Combined Heat & Power Plant (CHPP);
- 2) Portfolio refrigeration optimisation (29% complete);
- 3) Portfolio LED lighting roll out (70% complete);
- 4) Thermal system optimisation and asset upgrades (20% complete).

SOURCE	EMISSIONS	QUANTITY (FY19)	QUANTITY (FY17)
Tey's Australia Portfolio	CO2, CH4, N2O, HFCs, PFCs, SF6, NF3	111,341 tCO2-e	139,398 tCO2-e
Tey's Australia Portfolio	Biogenic CO2	57,434 tCO2-e	-
Indirect energy emissions	CO2, CH4, N2O, HFCs, PFCs, SF6, NF3	108,419 tCO2-e	94,598 tCO2-e
GHG emissions intensity (Tey's Australia portfolio + Indirect Energy Emissions/t HSCW)	CO2, CH4, N2O, HFCs, PFCs, SF6, NF3	0.500 tCO2-e	0.6451 tCO2-e

04 / Our Planet



Water & Effluents

Water is a key natural resource which is essential to our business. It is an integral component of our operations and the safety of our product, and is therefore a focus for our long-term sustainability strategy. We have set an ambitious target of a 10% reduction in water intensity by 2023 to continuously improve our water efficiency at each of our facilities. We have teams focusing on water reduction programs and projects to facilitate the achievement of this target.

We take the role of being a leader in conserving water resources in drought prone areas very seriously. Our Tamworth site, which is located in a drought prone region, is one of Australia’s most water efficient meat processing facilities.

We have invested in industry-leading renewable energy and wastewater treatment systems, and now have biogas systems fitted across five of our six processing plants. Secondary treatment of wastewater occurs through the process of Anaerobic digestion of wastewater. Anaerobic digestion removes up to 90% of organic material and produces energy rich biogas as a by-product of the treatment process. Biogas generated from these facilities can offset on-site thermal energy requirements by 30-40%. This significantly reduces our environmental impact by capturing emissions, offsetting fossil fuel use, and improving water quality for the receiving environment. Many of these systems have been recognised with environmental awards, such as our Naracoorte biogas cogeneration system which was recognised at the 2019 South Australian Premier’s Energy and Mining Awards.

Our primary wastewater treatment technology across the meat processing facilities is relatively consistent. The primary screening of wastewater occurs to remove suspended solids within the waste stream, the suspended solids can then be either rendered into saleable products or transported off-site for composting. After screening, wastewater is treated via a dissolved air floatation process to remove further solids and significant volumes of fats, oils and grease from the wastewater.

Our water discharge standards vary across our operations, however the minimum company requirements align with environmental licencing and trade waste agreements which contain periodic monitoring of discharged water quality. For facilities with absent local discharge; environmental assessments are submitted for approval for the land application of treated water.

Priority discharge contaminants are determined by either the state environmental regulator or local council. The relevant state environmental regulator will be responsible for the approval of any concentration and load-based limits for specific substances to be discharged to surface waters/salt water. Substances that are a primary focus for environmental release are nutrients, organic loading and oxygen concentration. All land application of wastewater, groundwater and soil is monitored to ensure ongoing irrigation occurs sustainably.

WATER CONSUMPTION	ALL AREAS	AREA WITH WATER STRESS
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Total Water Consumption	2373.76 mL	326mL
Change in water storage If water storage has been identified as having a significant water-related impact	No significant change	---

WATER DISCHARGE	ALL AREAS	AREA WITH WATER STRESS
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Water discharge by destination	Seawater	2373.76 mL	---
	Third-party water	2373.76 mL	---
Total water discharge	Seawater + Third-party water	2217.659mL	---
Water discharge by freshwater and other water	Freshwater	2373.76 mL	0mL
	Other Water	2373.76 mL	0mL

For water waste discharge by third parties, the quantity limits are approved by environmental regulators. In conjunction with industry practice, we have outlined internal wastewater treatment standards, which include minimum

testing requirements. Our Environmental Management Systems, which are based on ISO14001 standards, ensures we undertake periodic and systematic reviews of all aspects and impacts associated with our site operations.

04 / Our Planet

Environmental Compliance

We have implemented processes as defined within ISO 14001, where each facility's Environmental Aspects and Impacts are assessed against set risk criteria to determine their significance. This risk assessment process includes an internal risk management approach combined with compliance requirements, stakeholder interests and past performance. Significant aspects are then aligned to targets and projects to achieve aspect management improvements.

During the reporting period there was a total of \$15,000 paid in consequence of waste disposal. Tey's utilises an annual internal compliance audit process where actions may be required in order to validate compliance with environmental regulators.

Climate Change

Climate is the biggest individual driver of production variability in agriculture. It is important for the beef industry to adapt management practices to reflect our changing conditions and ensure long-term industry prosperity. Currently Australia's beef and sheep industry accounts for 10% of the country's total greenhouse gas (GHG) emissions.

As a means of addressing this, in 2017 the Australian red meat industry committed to achieving carbon neutrality by 2030 (CN30). We support this target from the red meat industry, and in 2018 were the first large red meat processor to make public commitments to reduce GHG emissions and the use of other natural resources. The commitments made are as follows:

- > Reducing carbon intensity by 20% over a five year period, based on FY17 levels;
- > A reduction in energy intensity measured in GJ/tHSCW by 6% for our primary processing portfolio by 2023;
- > Reducing energy and water intensity in our feedlots (GJ or kL/Head/Head day), value add (GJ or kL/kg finished product) and hide processing (GJ or kL/hide) businesses;
- > Ensuring that at least 30% of our energy needs come from renewables by 2023;
- > A reduction in water intensity measured in kL/tHSCW by 10% in our primary processing portfolio by 2023.

We also recognise the GHG emission accounting practices for agricultural production systems is an evolving area, with more accurate methodologies being developed to help improve accuracy. Our Group Manager Resource Efficiency and Sustainability represents us on the sustainability steering group for the Australian Beef Sustainability Framework (ABSF) to help facilitate the development of this area. We maintain memberships with various industry associations such as Meat and Livestock Australia (MLA) and AMPC to actively participate in climate change discussions. Being involved in these industry decisions helps us to better understand and take appropriate action to reduce climate impacts.



05 / Our People

Talent underpins the success of our business. As the red meat industry transforms, we continue to evolve our global talent management practices to keep pace with the capabilities and competencies required for the future. Our workforce of more than 4700 employees works in a sustainable, inclusive, and safe working environment. Our commitment to safety, training and talent development programs enables our people to grow both professionally and personally. Our white-collar (11.9%) and blue-collar (87.7%) workforce are dispersed over eastern Australia, with 2586 in Queensland, 1608 in New South Wales, 31 in Victoria, and 533 in South Australia.

Our talent portfolio is managed by our Human Resource (HR) teams, located within our facilities. Our HR teams are committed to maintaining our people programs, and to facilitate the wellbeing and work-life balance of all our employees. We consider the wellbeing of our wider community members and strive to give back to our local communities in which we operate. Our General Manager People and Culture, alongside our HR group support services team, oversees the talent strategy including attraction, retention, benefits and management policies, which support our ethical business practices.

Our policy frameworks are reviewed and updated in line with the latest employment legislation, with robust implementation plans delivered by our onsite HR teams.

We use a number of KPIs to monitor, report and evaluate our talent portfolio each week, including safety, turnover, absenteeism, recruitment, on-boarding, training and community engagement. We strive to use this data to implement continuous improvement initiatives, which aim to enhance the wellbeing of our employees.

We participate in the Workplace Gender Equality Agency (WGEA) report, as administrated by the Australian Government, to promote and improve industry standards in workplace gender equality. We remain compliant for our fifth consecutive year and continue to operate above industry standards in employment opportunities for women across the business.



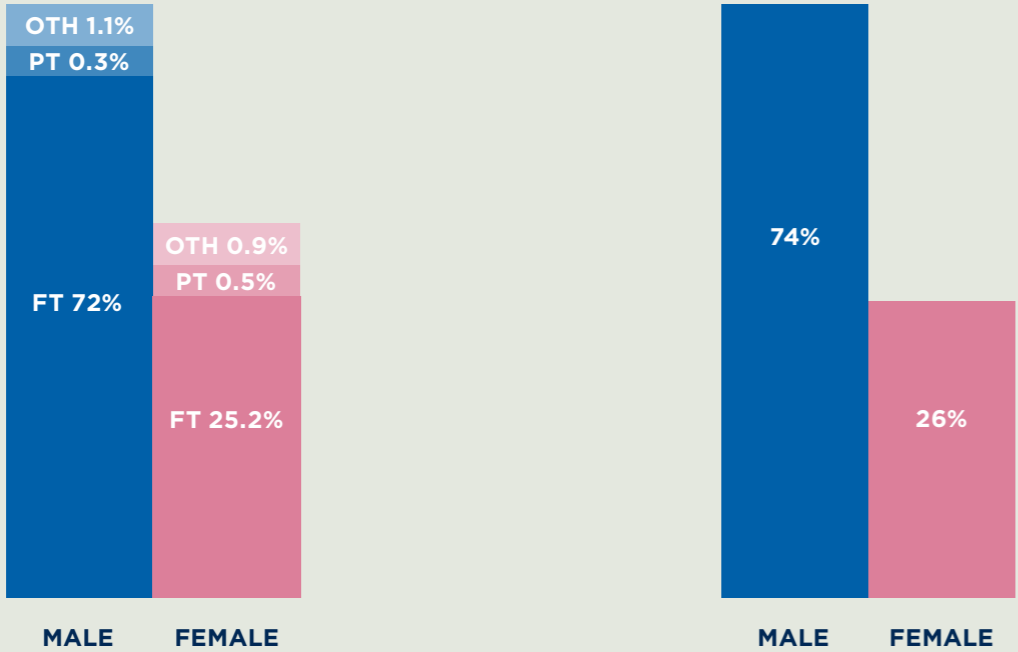
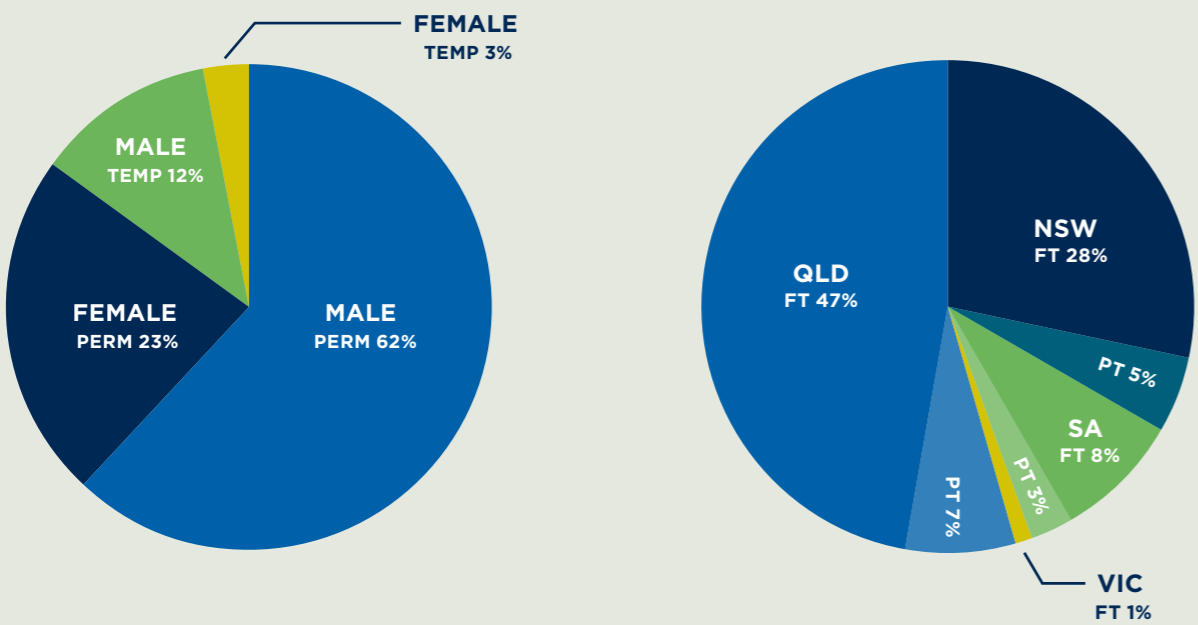
05 / Our People



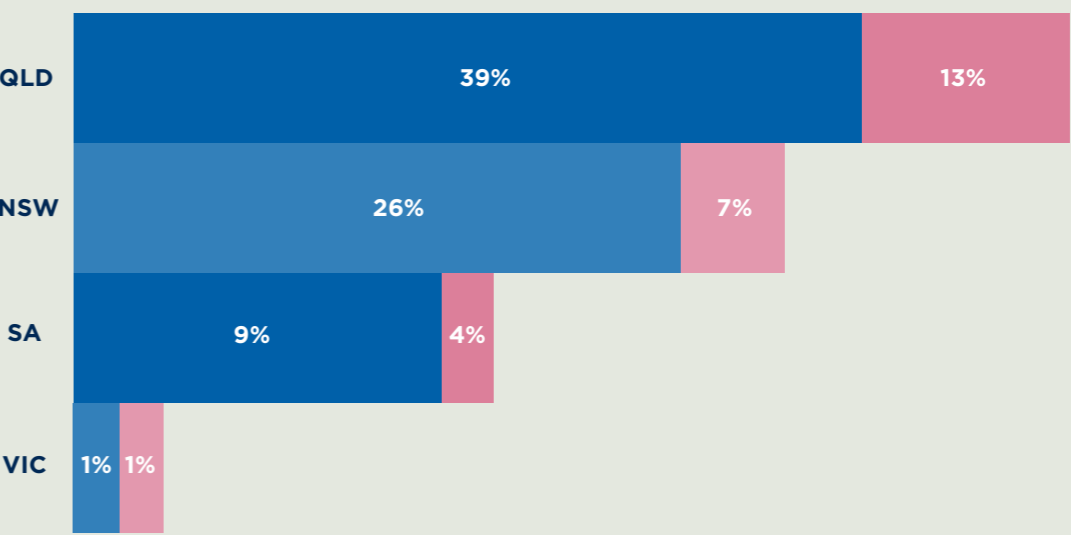
Our Employees

The following indicators illustrate our diverse workforce.

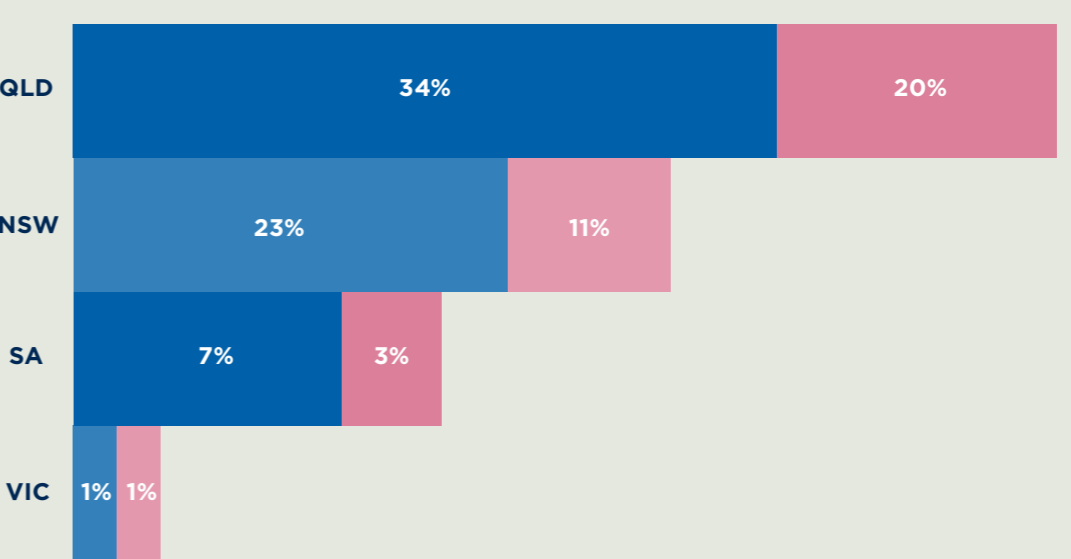
WORKFORCE GENDER DISTRIBUTION



TURNOVER RATE



NEW HIRES



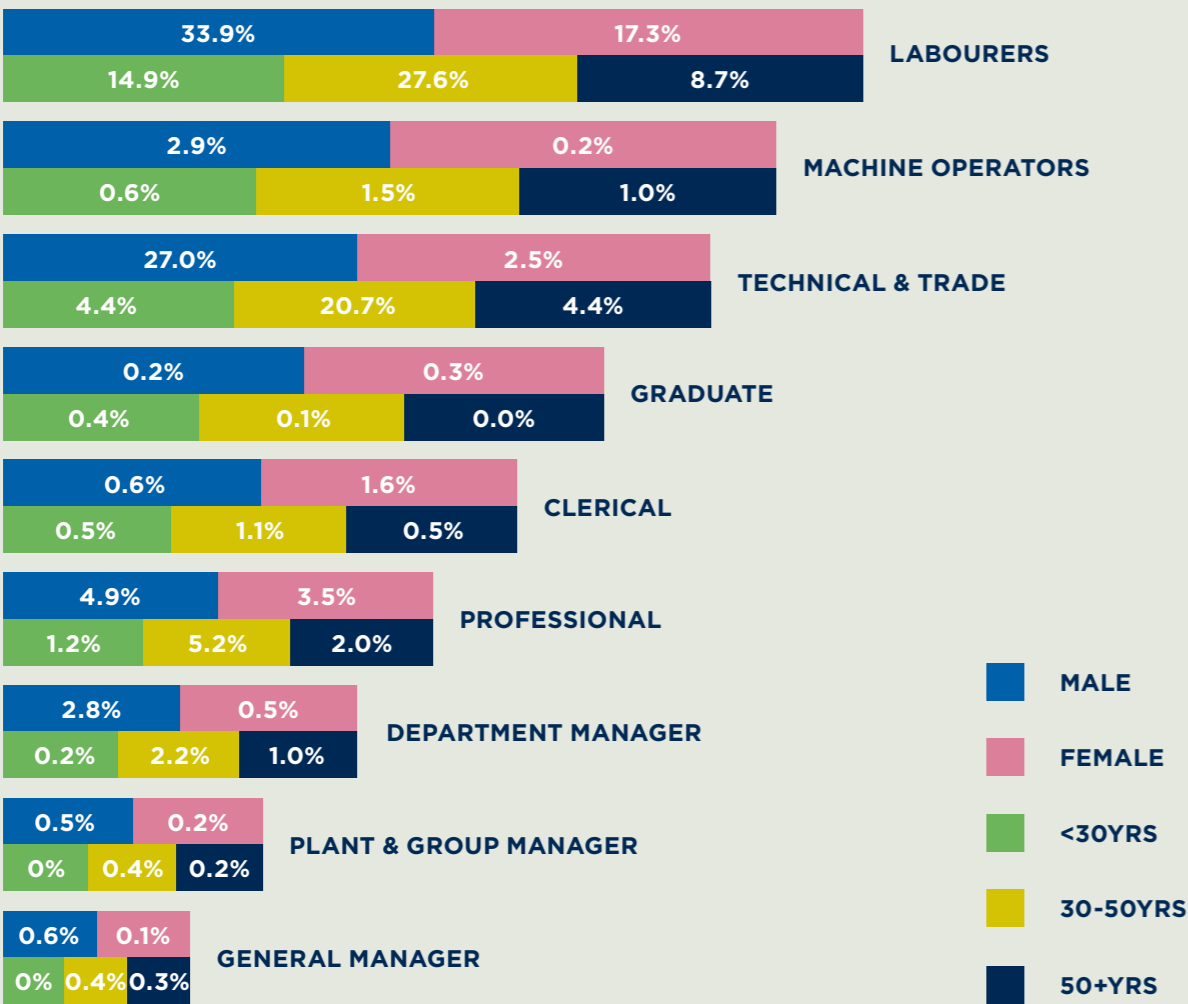
05 / Our People

Diversity & Equal Opportunity

We are committed to encouraging diversity in our business by providing a safe, inclusive and accessible environment where everyone can realise their full potential. Each employee contributes a unique set of experiences, skills and cultural backgrounds that enables us to better serve our diverse customers around the globe, and we celebrate this by embracing diversity and valuing differences amongst our people.

Our sites continue to promote and support cross cultural events in our local communities, which encourage our diverse workforce to build connections with the communities in which we operate.

The following represents the range of experience and knowledge distributed across our management levels.



We are pleased and proud to report that during 2019 our workforce was made up of 59 different nationalities, with 44% being Australian employees.

Our Safety Management System (SMS) incorporates 'Non-English Speaking Background (NESB)' risk assessments to identify language needs at each of the sites, and implement controls and support measures to assist with day-to-day work life. This includes ensuring the translation of training documents and workplace policies, and that translators are readily available to support with discussions. Safety assessments, along with support measures, are also implemented for those in our workforce who have recognised disabilities.

We are committed to providing a safe, flexible and respectful working environment for all our workers. There is zero tolerance for discrimination, harassment, bullying or victimisation, and we are committed to creating a culture of inclusion, diversity, honesty and respect. Our corporate values of leadership, loyalty and humility are critical to the creation of respectful workplaces. We have implemented 'Respectful Workplace' policies and corresponding grievance mechanisms which are immediately escalated to a number of senior leaders within the business. Any suspected infringement of our Respectful Workplace standards are diligently investigated to ensure appropriate outcomes and plans are initiated.



05 / Our People

Talent Acquisition & Workforce Planning

At Tey's, it starts with our people. The growth of our people is as important as the growth of our business, and as we look forward, we continue to invest in the future leaders of our business.

In 2019 we directly hired 589 new employees across the business.

Our career paths are supported by traineeships, apprenticeships, school-based learning programs, a graduate program, and leadership development. Since 2011 we have had 56 Graduates join our business, working across a number of departments including; Processing, Environment, Asset Management, Quality Assurance/Quality Control, Safety and Livestock.

Our Graduate Program is a structured process which covers:

- > Personal development;
- > Real work employment;
- > 'On the job' training;
- > Network building, coaching and mentoring;
- > External courses;
- > AUS-MEAT and Meat Standards Australia (MSA) training;
- > Strategic projects;
- > Work assignments.

We partner with a specialised recruitment firm, Regional Workforce Management (RWM), to engage with prospective employees nationwide. In 2019, the RWM workforce of 949, contributed to 19.9% of the total workforce.

Although initially engaged by RWM, there are many career pathways and opportunities to transition into other parts of our business.

Employee Relations

We currently have eighteen Enterprise Bargaining Agreements (EBA) that cover our processing, maintenance and feedlot operations. We undertake a number of benchmarking assessments to determine remuneration and benefit packages, in line with relevant Awards, the National Employment Standards, and market data.

For unpredicted changes in operations, we strive to provide as much notice as possible. At the very minimum we provide seven day's notice to operational changes on-site, as outlined in the applicable EBA.

Employee Transitions

Treating our people with dignity and respect is our priority. When practical, we provide impacted employees advanced notice of staff reductions and significant operational changes in excess of regulatory requirements.

In the event of a transitioning employee, we have various processes which can be implemented to facilitate the off-boarding process, and for employees who have flagged their intention of retiring, the training department helps to facilitate a tailored pre-retirement plan. For other employees who are transitioning out of the business and are still looking to further their career, particularly those who are long serving, we can offer outplacement services to help support their transition.

We comply with the notice requirements of relevant employment laws and our EBAs. In instances where we cannot provide any advanced notice, employees receive pay in lieu of notice, consistent with our termination policies.



05 / Our People

Training & Education

Employee training and development is a high priority for us and we continue to promote employee career paths, choosing appropriate education, career pathways, and promoting from within.

We engage with a registered training organisation (RTO), to facilitate learning and development opportunities including any nationally accredited programs. This guarantees quality training outcomes for all employees.

Each of our sites have designated training managers who are responsible for enhancing employees' skills, performance, productivity and quality of work. This also includes ensuring each employee receives the appropriate training to be fully equipped to complete their job requirements and doing so safely.

Training and safety co-exist within the Tey's business. We endeavour to educate our workers on safety practices and working safely. Each of our sites complies with the National Quality Training Framework, and all of our workers participate in a WH&S Induction module during their on-boarding.

Each job and task has a corresponding work instruction and Job Safety Analysis (JSA) training document which captures all safety related aspects, including identified hazards and control measures. For workers who require further training for high risk jobs, such as machine operators or forklift drivers, there is Standard Operating Procedure (SOP) providing in-depth process and risk assessment training.

Compliance training is provided to all workers who require mandatory, regulated training to perform their roles. It is a requirement for all employees performing a high-risk role to maintain current qualifications or they are not permitted to work in that role until they are deemed competent. All employees are required to participate in JSA refresher training every two years unless changes are made prior.

The Group Training Manager oversees the training portfolio at our sites, whilst also ensuring clear alignment to the broader business strategy. Training documentation and processes are subject to regular audits and reviews by external parties such as On Plant Vets (OPVs), and internal audits from the Safety team.

We are committed to promoting training opportunities that include on the job accredited training, internal and external training, short courses, tertiary studies, conferences, and mentoring. We foster a learning environment that promotes knowledge transfer across functional areas of the business.

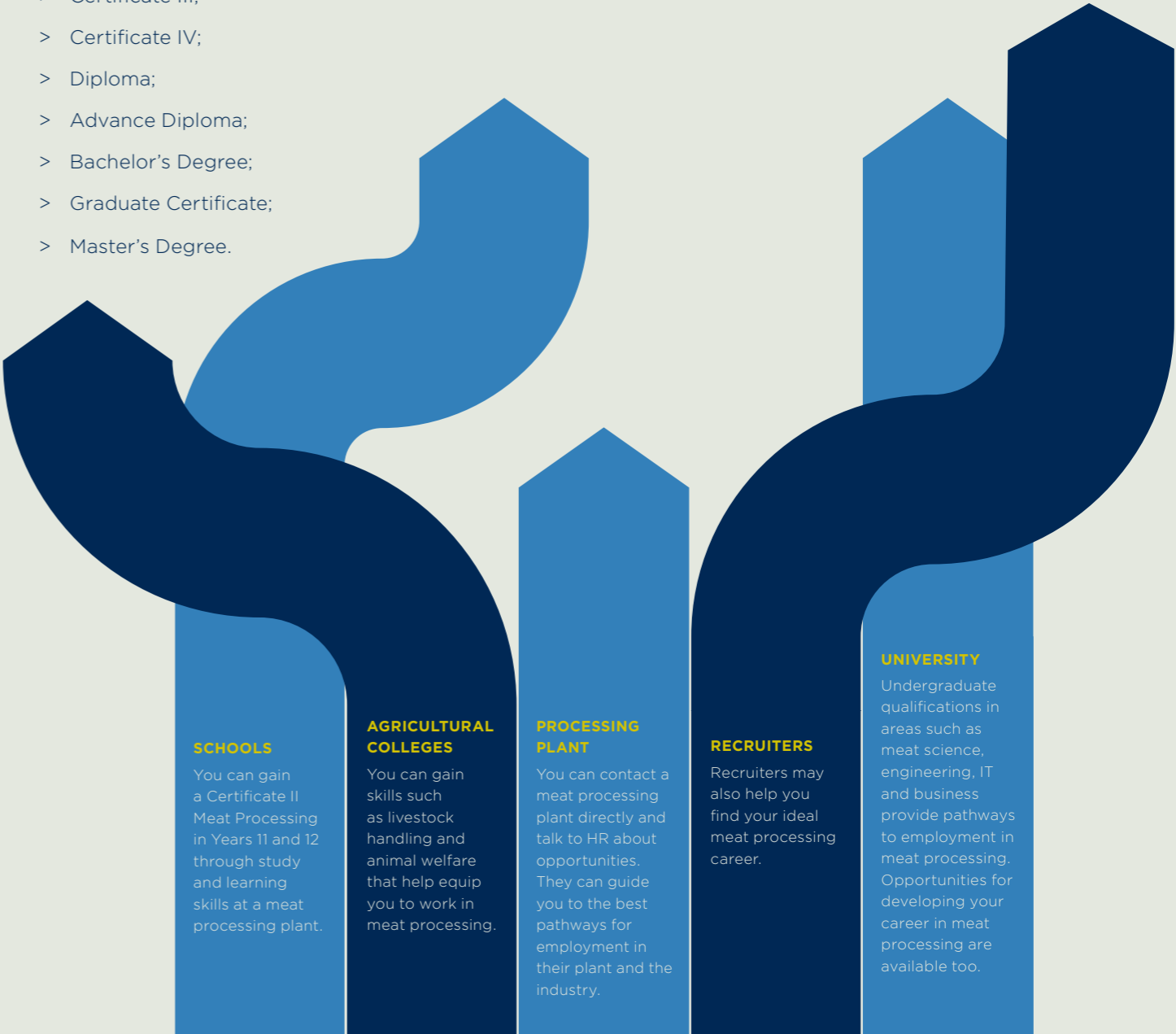
All of our training programs and standards comply with the Australia Qualifications Framework (AQF), and the Australian Meat Processing (AMP) training programs. These are nationally accredited training programs that are endorsed by the National Meat Industry Training Advisory Council Limited. Our commitment is to establish a positive training culture that leads to career development pathways.

Below are some of the training and programs that are on offer at Tey's Australia:

- > School Based Traineeships;
- > Certificate II;
- > Certificate III;
- > Certificate IV;
- > Diploma;
- > Advance Diploma;
- > Bachelor's Degree;
- > Graduate Certificate;
- > Master's Degree.

Career Pathways

These programs may form a career pathway from entry level to management and leadership roles, which are detailed here (guide only).



05 / Our People

Workplace Health & Safety

Keeping our employees and contractors safe is, and always has been, our most important commitment. We have developed metrics that allow us to look more deeply into complex safety risks and find ways to proactively guard against them. Regardless of where our people work or what they do, we strive to create an environment where our employees and families should feel confident that they will return home the way they arrived – SAFELY, because ‘Nothing We Do Is Worth Getting Hurt For’.

Since FY18 we have invested in an online WH&S platform, MYOSH, to assist in the management of safety data and metrics. This information, stored and generated within the online system, now provides more accurate and factual data. Along with the systems data and metrics functions, it also captures a variety of other beneficial data and information that in the past, would not have been captured. This now enables us to delve deeper into other aspects of safety data and statistics, allowing us to learn, grow and develop in this key area.

We believe that enforcing safety practices is everybody’s responsibility. Our CEO oversees the safety strategy which is managed by our GM Operations and Group WH&S Manager. All safety representatives are required by our Safety Management System (SMS) to complete Health and Safety Representative training to be part of the WH&S team. There is a minimum of one representative at each of our sites. Our larger primary processing sites have a safety team made up of the WH&S Manager and WH&S Officers to ensure the successful implementation of the SMS and risk management through MYOSH.

All of our work-related incidents are investigated by our WH&S representatives. The MYOSH system utilised during the investigation will prompt identified risks, hazards and corrective actions to be implemented and keeps record of what action has been assigned to which representative.

To ensure the consistency and quality of the implemented practices all safety representatives are required to participate in both independent external, and annual internal auditing processes. Our internal processes help identify any outstanding issues or concerns. If an issue is identified, an assessment is made as to whether it would also affect other sites. If this is the case the information would be shared more broadly to implement required controls. During the auditing process our WH&S training procedure and strategy is also evaluated to assess the effectiveness of the training methods, record keeping and training matrix.

Feedback is encouraged as it helps drive improvement in everything we do. Upon the revision of the SMS system every two years, each of the sites are consulted to provide their input for changes and improvements to the system. For our employees without computer access we have created platforms to communicate work-related hazards and hazardous situations. These measures include STOP and Safety First cards which can be filled in by the employees and passed onto our management team. All cards submitted are reviewed and are circled back to the employees with the outcome.

It is strongly encouraged to all workers, that all work-related hazards and hazardous situations of any level, must be reported as soon as reasonably practicable, with the most direct way being verbally.

Our Health and Safety committee helps encourage the ‘speak up for safety’ stance as they discuss concerns or issues on a monthly basis. This committee consists of a representative from each department and area (elected using a democratic process and must have complete WH&S training), the WH&S team, department leads and the site General Manager (committee chair). The committee’s key objectives are:

- > Encourage and maintain an active interest in WH&S;
- > Assist in cooperation between management and workers in developing and implementing measures to ensure work health and safety;
- > Advising workers about formulation, review and distribution of standards, rules and procedures regarding health and safety;
- > Provide updates and facilitate consultation with the site WH&S plan and critical element programs;
- > Review the circumstances surrounding work injuries, work caused illnesses and dangerous events referred to the committee for review;
- > Help in the resolution of issues around WH&S;
- > Provide feedback to workers on the outcome of health and safety issues discussed at the meetings.



FOR OUR EMPLOYEES:

- > Site health clinics with an on-site registered or enrolled nurse and first aid officers;
- > Employee Assistance Program (EAP) for all workers;
- > Internal gyms on site or local gym membership deals;
- > Quit Smoking programs;
- > Onsite physio programs available.

05 / Our People



Our 2019 Numbers

CATEGORY	RATE
Fatalities	0
High Potential Incidents	2.12 (per 1,000,000 hours worked)
Work-Related Injuries	47.61 (per 1,000,000 hours worked)
Lost Time Injury	110
MTI	90
RWI	115
First Aid Injury	844
Major Injury	443
Environment	3
Community Complaint	0
COR	1
Equipment	109
Near Miss	621
Production	17
Security	2
Vehicle	25
Other	104

The biggest WH&S challenge is the management of sprains and strains of the joint and adjacent muscles, resulting from the labour-intensive tasks that often require both fine and gross motor skills along with repetition. Implementation and review of semi or fully automatic technology/plant and machinery is currently being investigated with the opportunity for this to be introduced as an ongoing focus for the business. Early intervention strategies have been implemented across all plants to ensure that musculoskeletal type injuries are managed by on-site physiotherapists. Manual hazardous risk assessment of tasks is helping to identify how these tasks can be done ergonomically differently, to review resources currently used, and implement resources required to assist.

Moving Forward

Our focus is to learn from, and fundamentally prevent, future incidents from happening. That is why every High Potential Incident (HPI) undergoes a thorough investigation. Each investigation is shared with the collective WH&S group to discuss findings, lessons learned and implementation of any required controls. By sharing with our teams across the group it creates a forum of open communication to revisit similar incidents on-site and an analysis of other methods or implementation of safety controls.

Our key WH&S components continue to include:

- > Ensuring a fully functioning Safety Management System;
- > Utilisation of the MYOSH system for recording WHS related information and data (i.e. reporting, risk assessing, document control, training, internal auditing, inspections);
- > The reporting and investigation of all incidents/ illnesses. Especially those that are High Potential Incidents (HPIs) where a Full Cause Analysis (FCA) is completed;
- > Relevant WHS training of our supervisors and managers (both external and internal WHS training);
- > Risk Management procedures, Injury, Illness Prevention and Management procedures, Work Health & Safety Training procedures (specifically);
- > Utilisation of the DuPont STOP training and Systems.

06 / Our Capabilities

Our core business is: the processing of cattle at our six processing facilities; producing grain fed cattle at our three feedlots; the production of cooked small goods, centre of plate protein solutions and retail case ready products at our value-add facilities; and further processing of hides at our Murgon site.

Our products are supplied into the wholesale, retail and foodservice channels, both domestically and to more than 60 countries globally. Due to the diverse nature of our business, managing our supply chain is a complex process.

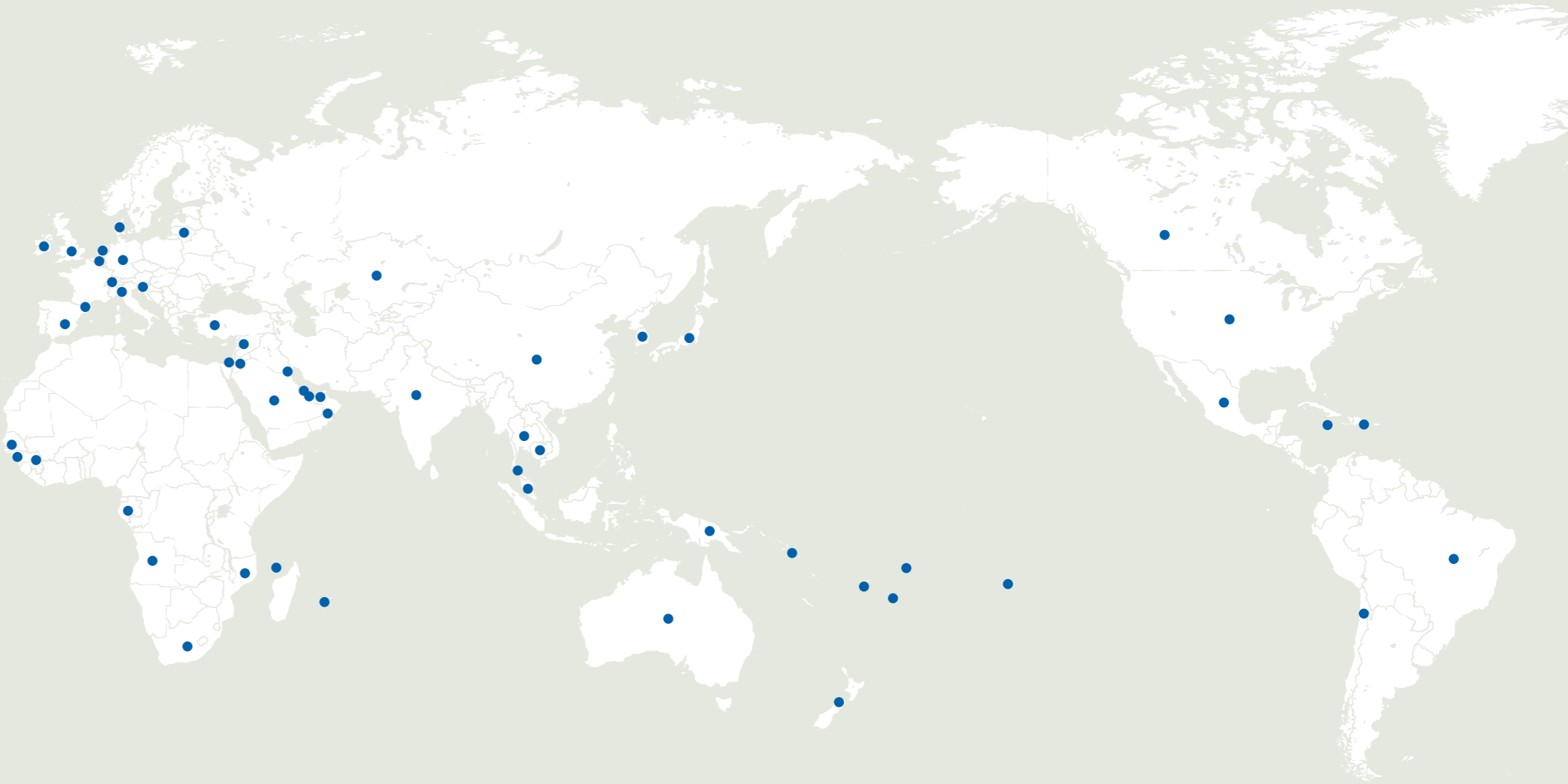
Our Livestock team sources more than 90% of cattle for beef processing and lot feeding directly from cattle producers, with the remainder being purchased through the sale yard system. By closely managing our cattle sourcing process, we can ensure cattle are eligible for our premium brands and markets, enabling us to provide assurance on claims relating to production methods, authenticity and transparency.

The supply of all other consumables is overseen by the Purchasing department, which is responsible for the evaluation, selection and contracting of suppliers, ongoing contract administration and performance management, in line with our business guidelines and corporate shared services functions.

As a socially and environmentally responsible business, we extend our commitments on sustainability, including environmental, social and economic practices, to other organisations in our supply chain.

On a daily basis, we procure products and services from a wide range of businesses both locally, nationally and internationally. There were not any significant changes to our supply chain in 2019.

WHERE OUR CUSTOMERS ARE:



06 / Our Capabilities



Our Representation & Members

- > Chartered Secretaries Australia
- > Australian Institute of Company Directors (AICD)
- > Australian Human Resources Institute (AHRI)
- > Industrial Relations Society of Queensland
- > Self-Insurance Associations – Queensland and South Australia
- > Chartered Accountants (CA) and Certified Practising Accountants (CPA) institutes
- > Chamber of Commerce & Industry Queensland (CCIQ)
- > Australian Lot Feeders Association (ALFA)
- > Australian Food & Grocery Council (AFGC 2020)
- > Australian Renderers Association
- > Australian Hide Skins and Leather Association
- > Strategic Industry Research Foundation (SIRF) Roundtables QLD and NSW
- > Australian Sustainable Business Group

Our Performance

Our financials are consolidated and reported with the business units outlined in Appendix 1. Financially, we report on our primary processing sites, feedlots, food solutions, distribution, Adams Food Group and other entities.

Our revenue in 2019 was \$2,693.4m, a 3.7% increase on 2018. Profit After Tax totaled \$109.4m compared to \$41.3m in 2018. Profit Before Tax was \$151.7m in 2019, compared to \$57.1m in 2018. Income Tax Expense in 2019 was \$42.3m, a 268% increase from 2018.

Our Promise

Tey's is committed to providing safe and nutritious food for our customers and consumers – it is at the centre of our business and is an area in which we are not prepared to compromise. Our customers' and consumers' health and their confidence in the brands we produce is of paramount importance, and every effort is made to ensure that the food we produce is of the highest standard of food safety and quality.

Our responsibility for producing safe and nutritious food spans our value chain to avoid food borne illnesses, product recalls, and risking our brand reputation. When processing cattle and converting carcasses into various cuts of beef, the focus is to prevent cross contamination with bacteria. The effectiveness of our processes are continually assessed to ensure we are implementing best practice.

Tey's uses international food safety process standards Hazard Analysis and Critical Control Point (HACCP), which identifies hazards and assesses risk of affected products and the precautionary measures needed to eradicate the risk. We continue to work with our partners along our value chain to ensure risk is mitigated outside of our controlled environment.

To ensure we meet our commitment in producing safe and authentic products we have established quality management systems which comply with the accreditation standards and certification requirements of:

- > Australian Government Department of Agriculture
- > State authorities and regulators
- > Codex HACCP
- > AUS-MEAT
- > BRC Global Food Safety Standard
- > FSANZ Food Standards Code
- > Meat Standards Australia
- > The Australian Renderers Association
- > Customer specific programs

We have dedicated Quality Assurance (QA) and Quality Control (QC) teams and managers at each of our processing sites. All teams are responsible for ensuring our 100% meat and offal products are of top quality. During the reporting period none of our teams have had critical non-compliance with regulation or voluntary codes. Any concerns or questions raised regarding our products are managed by both the Group QA Manager, and Group QC Manager.

Animal Health and Welfare

We have a strong commitment to animal welfare. We work hard to ensure every animal in our care is treated with respect, and we have a zero tolerance for animal mistreatment of any kind, across our entire supply chain. As part of our commitment, all of our processing establishments are certified under the Australian Livestock Processing Industry Animal Welfare Certification System (AAWCS) – an independently certified animal welfare system that ensures livestock under our control, from receipt to humane processing are managed in accordance with best practice animal welfare standards. We have commenced reporting significant animal health conditions back to producers along with relevant information to assist the producer in understanding the effect of those conditions may have on the welfare and productivity of their animals. We also understand how important it is to continue to review and improve our welfare practices.

07 / Business Compliance



We are firmly committed to conducting business with the highest integrity and in compliance with the letter and spirit of the law. We are operating in a world where rules that govern business conduct are more complex and demanding than ever.

The Teys Australia Corporate Governance Framework is a set of business principles and procedures that guide the decisions we make, and it's broad umbrella of policies and principles extend to all relationships between Teys and our stakeholders, customers, suppliers and employees.

We continue to improve our Corporate Governance Policy Framework with the ongoing review of policies and procedures, as well as introducing new policy controls when identified. As an example, our policies and procedures include the following:

- > Human Resources;
- > Workplace Health and Safety;
- > Food Safety;
- > Livestock and Animal Welfare;
- > Logistics and Chain of Responsibility;
- > Environmental management;
- > Business resilience planning;
- > Risk management;
- > Internal Audit;
- > Financial management and controls;
- > Treasury and foreign exchange management;

- > Procurement;
- > Tendering;
- > Asset and investment management;
- > Capital expenditure;
- > Contract management;
- > Whistle-blower;
- > Privacy and data breach response plan procedure;
- > Fraud;
- > IT and cyber security;
- > Sanctions;
- > Competition and Consumer Law; and
- > Political donations.

Our Business Principles Compliance outlines expectations of employee conduct relating to each other; our business partners, clients and competitors; our corporate resources and our communities. It is the focal point of our culture of ethics and compliance, and is approved by our Senior Leadership Team. All employees are required to read, understand, certify annually and adhere to our Business Principles Compliance.

Employees are encouraged to report any suspected material wrongdoing of which they might be aware. In 2019, 98% of employees completed the Standard Code of Business Conduct certification.

Anti-slavery & Human Trafficking Statement

We have adopted the Modern Slavery Act 2018 (Cth) and supporting United Nations (UN) Guiding Principles on Business and Human Rights and posted its Modern Slavery Statement on our website. This statement is updated annually and reference to the statement is included in Teys Australia's business terms and conditions.

Anti-corruption

Anti-Corruption is material to us because our business is built on trust and integrity with our suppliers and customers, and our reputation for fair and ethical business dealings. While this reputation has been built over 75 years of business by thousands of employees, it can be harmed by just one unethical act.

We are committed to building proactive policies, controls, audit systems and training programs to prevent anti-corruption violations. We are improving our monitoring processes to better identify and review our transactions and behaviours to ensure the integrity of our business transactions. In 2019 we received no fines, penalties or settlements in relation to corruption in 2019. (GRI 205-3)

All parts of our business are assessed for all risk, including corruption risk on a yearly basis. The risk assessment reviews the relative risk of a violation against the mitigation of the anti-corruption program and determines what could be done to further improve its effectiveness.

Anti-competitive Behaviour

Similar to our stance on Anti-Corruption, our view on Anti-Competitive transactions is a priority. Our business ethics and compliance maintain and supports a consistent culture of values that acts as the cornerstone of our business philosophy and ensures that our success is achieved in the right way.

In 2019, we were not subjected to fines or sanctions for non-compliance with the law or regulations in any country. No legal actions for anti-competitive or anti-trust behaviour were filed against the company in 2019. (GRI 206-1, 419-1)

08 / Stakeholder Engagement

As a diverse, global business we regularly engage with numerous stakeholder groups at a local, national and international level including cattle producers, suppliers, customers, consumers and our own employees and shareholders. We also routinely engage with Federal, State and Local government and community organisations to advance our vision. Such engagement is essential to building successful business strategies and to delivering the best products and services. The long-term relationships we cultivate

with our stakeholders are a vital part of our business and our sustainability approach. Each engagement presents an opportunity for us to learn about the issues of top concern and priority for the many individuals, communities and organisations we serve and interact with. Stakeholder engagement occurs at all levels of our organisation, from our employees to the Senior Leadership Team and Board of Directors. Information gained through these interactions is communicated through line management and as appropriate, to senior management.

For stakeholder engagements related to key business segments and functions, we leverage a customer relationship management system to ensure follow-up as appropriate.

In determining with whom to engage, we take into consideration a variety of factors including:

- > The possible alignment of our goals and values with those of the stakeholder group;
- > Our ability to improve because of this engagement;

- > The opportunity for mutual learning.
- Our engagement with stakeholders takes various forms, including webinars, group discussion, and collaboration.
- We identify our stakeholders as those individuals or groups which have an interest; financially or otherwise, in the activities of Tey's Australia. An extensive summary of our stakeholders is provided below.

STAKEHOLDER GROUP	INTERESTS	FREQ. OF ENGAGEMENT	ENGAGEMENT METHODS	CONCERNS RAISED	TEYS ACTIONS
Customers Small and large, domestic and international businesses.	Typically focused on product quality and supply reliability. Long term relationships are important to our collaborative customers.	High	<ul style="list-style-type: none">> Satisfaction surveys;> Study tours;> Market visits;> Educational workshops;> Product development;> Periodic communication (collaborative customers).	<ul style="list-style-type: none">> Quality consistency;> Price;> DIFOT;> Relationship building;> Supply security;> Community/public perception of Tey's.	<ul style="list-style-type: none">> Collaborative projects;> Customer auditing;> Internal auditing;> Sharing updates;> Sharing information for common understanding.
Employees Our diverse workforce comprises of more than 4700 employees and contractors located in four states of Australia.	Matters concerning workplace health and safety, career development and culture.	High	<ul style="list-style-type: none">> Tey's Australia Intranet;> Tey's Australia social media pages;> Meetings;> Satisfaction surveys;> Workplace Improvement and Innovation Committee.	<ul style="list-style-type: none">> Career development;> Safe working conditions;> Equal opportunity;> Pay, conditions and/or profit share;> Business sustainability.	<ul style="list-style-type: none">> Joint consultative committee meetings;> Noticeboards;> Email;> Direct engagement;> Committees.
Shareholders A diverse group with significant representation in Australia and the US.	The creation of long-term shareholder value through a combination of consistent financial return and high quality governance.	High	<ul style="list-style-type: none">> Board meetings;> Board reporting;> Site visits;> Communication via the CEO.	<ul style="list-style-type: none">> Legal compliance;> Ethical business performance;> Strategic governance and long term issues.	<ul style="list-style-type: none">> Board Audit Committee;> Risk management;> Internal audit;> Corporate governance;> Compliance.
Industry Association Includes political/lobbying associations as well as levy associations at the state and national level.	Look at services that improve the sustainability and efficiency of the sector. Representing the sector to government.	High	We engage with this group through ongoing representation with specific employees and engagement during specific projects with industry associations such as the Australian Food and Grocery Council and Australian Meat Processors Corporation.	<ul style="list-style-type: none">> Manufacturing operating conditions in Australia;> Regulatory framework;> Level playing field against other industry sectors.	<ul style="list-style-type: none">> Input into submissions;> Attendance at events;> Provision of industry and company information;> Collaborative working arrangement.

08 / Stakeholder Engagement

STAKEHOLDER GROUP	INTERESTS	FREQ. OF ENGAGEMENT	ENGAGEMENT METHODS	CONCERNS RAISED	TEYS ACTIONS
Professional Membership Working within multi stakeholder and multi industry groups to share best practice on sustainability topics.	Key issues that impact food and beverage production in Australia.	Medium	<ul style="list-style-type: none"> > Participation in working groups; > General meetings; > Input to joint working streams; > Participate in subject matter work streams. 	<ul style="list-style-type: none"> > Relevance to stakeholder changing interests. 	<ul style="list-style-type: none"> > Attend events; > Support with membership dues; > Provide information/input.
Cattle Producers A diverse group spread across QLD, NSW, SA, NT and VIC.	Cattle genetics, Animal Welfare, feedback on livestock performance, equitable returns for livestock, industry sustainability.	High	<ul style="list-style-type: none"> > Teys MLA field days; > Sale yards; > Direct engagement via Teys cattle Buyers; > Supply chain capability workshops; > Producer portal. 	<ul style="list-style-type: none"> > Grading system meat colour; > Price; > Bruising and issues associated with livestock transport; > Transparency of pricing. 	Concerns are raised through livestock managers and then Geoff Teys (as required) if there is any doubt that it could be our fault we amend contracts to their favour in addition to implementing an independent complaints panel.
Suppliers Includes businesses local to our operations and large multinational and international suppliers.	Provision of goods and services and engagement through commercial contracting arrangements.	High	<ul style="list-style-type: none"> > Local business support and consultation; > Competitive procurement; > Tendering for individual work items; > Contracting; > As a partner in charitable exercises/fundraising. 	<ul style="list-style-type: none"> > Long term partnerships; > Securing business; > Understanding Teys' business needs. 	<ul style="list-style-type: none"> > Develop and implementation of equitable and transparent procurement procedures; > Contract management; > Continuous improvement through supplier feedback and internal audit.
Government & Regulators Includes governments and regulators at a local, state, national and international level.	<ul style="list-style-type: none"> > Teys operating in compliance with the law; > Teys contributing to various government jurisdictions (taxation, industrial relations, environmental performance etc). 	Medium	<ul style="list-style-type: none"> > Direct meetings; > Through department contact; > Via state and federal MP's; > Routine and ongoing communication for technical and day to day issues. 	<ul style="list-style-type: none"> > Regulatory compliance; > Economic growth and operating conditions. 	<ul style="list-style-type: none"> > On an as required basis; > Through periodic mandatory reporting; > Via voluntary updates, meetings and information events.
Local Communities A diverse group who are identified as those surrounding our locations of operation.	<ul style="list-style-type: none"> > Living free from impacts associated with Teys' operations; > Community support by the business. 	Medium	<ul style="list-style-type: none"> > Letterbox drops; > Community engagement evening and events; > Community support initiatives. 	Impacts to the local environment and the economic impact of our presence in the community.	<ul style="list-style-type: none"> > Direct engagement; > Via mail outs; > During site visits as/when held.

08 / Stakeholder Engagement

STAKEHOLDER GROUP	INTERESTS	FREQ. OF ENGAGEMENT	ENGAGEMENT METHODS	CONCERNS RAISED	TEYS ACTIONS
Non-Government Organisations (NGOs) Includes environmental, animal welfare and social organisations at a local, state and national level.	Specific to their interest area.	Medium	<ul style="list-style-type: none"> > Via industry bodies or government; > Respond to issues as they arise in the media; > Supporting/recognising the industry's contribution to society. 	<ul style="list-style-type: none"> > Industry performance against NGO views; > Issues with food production systems as they relate to various subject matters. 	<ul style="list-style-type: none"> > Via industry bodies or government; > Respond to issues as they arise in the media; > Supporting/recognising the industry's contribution to society.
Union Labour unions are represented at many of our operations and represent a significant portion of our workforce. While all employees have the right to membership, it is unknown to Tey's who participates in such memberships as it is not monitored. While unions have members at each of our sites, membership is estimated as low.	Employment related matters concerning their members at Tey's Australia sites.	Low	We engage in direct communication with unions as required. Prospective employees are made aware of employment arrangements prior to joining Tey's Australia. <ul style="list-style-type: none"> > Tey's focuses its attention on engaging directly with our employees through open dialogue and two way communication, and building strong relationships and trust; > Tey's takes a respectful and lawful approach when it communicates with all third parties. 	<ul style="list-style-type: none"> > Enterprise Bargaining Agreement disputes; > Employment related concerns. 	Normally when required by law and/or via a third party representative. Our goal is to always resolve the issues or concerns of our workforce at the lowest possible level. To do this we support numerous committees: Safety, Workplace Improvement and Innovation, Cultural Committees (WIIC) and Annual Engagement surveys. These practices allow us to understand the pulse of the business, respond quickly to concerns and reduce conflict.
Media Includes representatives from print, online and broadcast media.	Newsworthy stories. > Publicising local stories and events	Medium	<ul style="list-style-type: none"> > Media releases; > Media conferences; > Briefings. 	<ul style="list-style-type: none"> > NGO stories; > Controversial or topical issues. 	Issues: > On a case by case basis; > Via direct media engagement/media releases.
Registered Training Organisations (RTOs) An RTO is an organisation accredited by the Australia Skills Quality Authority (ASQA) which is the national regulator for Australia's vocational education and training sector.	The RTO in each state assists with delivering and assessing the Certificate II and III of Meat Processing.	Medium	<ul style="list-style-type: none"> > Employee training. 	<ul style="list-style-type: none"> > Ability to access people during on the job reviews; > Government legislation. 	<ul style="list-style-type: none"> > Frequent meetings.
Employment Agencies (JSA's) We regularly seek assistance from employment agencies to employ people in our business.	Indigenous Groups, local recruitment.	Low (as required)	Direct engagement, email or telephone.	Sourcing and selection of new recruits.	Partnering with JSA's to improve their understanding and Labour needs of our business.

09 / Community Involvement

We believe in supporting and giving back to the communities in which we operate. The agricultural industry is the number one employer in Tamworth, Naracoorte and Biloela and is the second largest employer in Rockhampton and Wagga Wagga. We strive to support these communities by sourcing local employees and create awareness for future employees through local school traineeships.

Our community involvement does not stop with employment opportunities - community participation is embedded into the cultural fibre of our business. This includes participating in local events, making donations and volunteering our time. Below are some of the good news stories from across the sites:

> Annual Charity Golf Day

Teys Wagga Wagga held their sixth annual charity golf day in October 2018. The Tey's team, along with other sponsors, raised \$65,000.00 for the Willans Hill School, a NSW public school that caters for students with moderate to severe intellectual, physical and sensory disabilities. The event attracted over 130 guests, with the funds raised going towards installing specially designed and selected playground equipment and inclusive sporting facilities to enhance learning and physical development in their outside playing area. In the primary playground, they will install a playground area with wheelchair access that also includes sensory items such as interactive panels, slides, maraca beads and rope squeeze panels. In the senior school playground they will install a half basketball court and a soccer court to encourage students to participate in and enjoy team sports. Such activities will encourage participation in community sporting

programs such as 'Football 4 All', a soccer program that runs through the winter months for children and young people with disabilities.

> Footy Colours Day

In September 2018, Charlton introduced their very first "Footy Colours Day" to raise funds in support of kids with cancer. This was a great opportunity for the site to enjoy wearing their favourite team colours while raising much needed funds. All funds raised on the day went to the Fight Cancer Foundation which supports children and young people living with cancer so they can continue with their education during treatment and recovery.

> Taste the Limestone Coast Festival

This annual event is held in the South Australian town of Naracoorte on the second weekend of February. The festivities start with a golf day on Friday, a Food and Wine Festival on Saturday and country races on the Sunday. The weekend attracts a large crowd to the small country town and the funds raised from the event are always donated to a charity. This year's chosen charity was to support the drought relief. Tey's Naracoorte were very proud to contribute all the funds raised from our 36° South brand which was a total of \$2500. Tey's Naracoorte have committed to supporting the event for the years to come.

> Christmas BBQ Lunch

On Christmas Day Tey's Rockhampton participated in the annual Christmas BBQ lunch for the homeless and local community. Tey's Rockhampton have participated in this event consecutively for eight years. The lunch is organised by a local church and Council, and Tey's Rockhampton donated the meat for volunteer employees to help cook. Approximately 300 people attended the lunch, and ten of our employees volunteered to help make it happen.

Throughout FY2019, we contributed more than \$100,000 in monetary donations to community initiatives and charities. As part of our community investment, we have developed a monitoring plan to focus on capturing the time our people spend in the local community.



10 / About The Report

This is the fifth consecutive annual sustainability report of Tey Australia Pty Ltd. The report outlines the core initiatives, challenges, and performance during the reporting period (1st June 2018 – 31st May 2019). This report has been prepared in accordance with the GRI Standards: Core option; benchmarking global and multisector practices for reporting economic, social and environmental information.

There are no significant changes to the information published in previous reports. If there are any questions regarding the report, please contact Samantha Read on sread@teysaust.com.au. Specific external assurance for this report was not undertaken, however independent third-party audits occur annually on all financial, operational, safety and food quality departments.

Defining Report Content (102-46)

Stakeholder Inclusiveness: The report's content reflects topics raised by key stakeholders throughout the reporting year, and the materiality assessment conducted with internal and external stakeholder input.

Sustainability Context: We have presented sustainability information through an agricultural context on a local, national and international scale.

Materiality: A comprehensive materiality assessment was undertaken across our stakeholder group which helped to identify the top 18 topics.

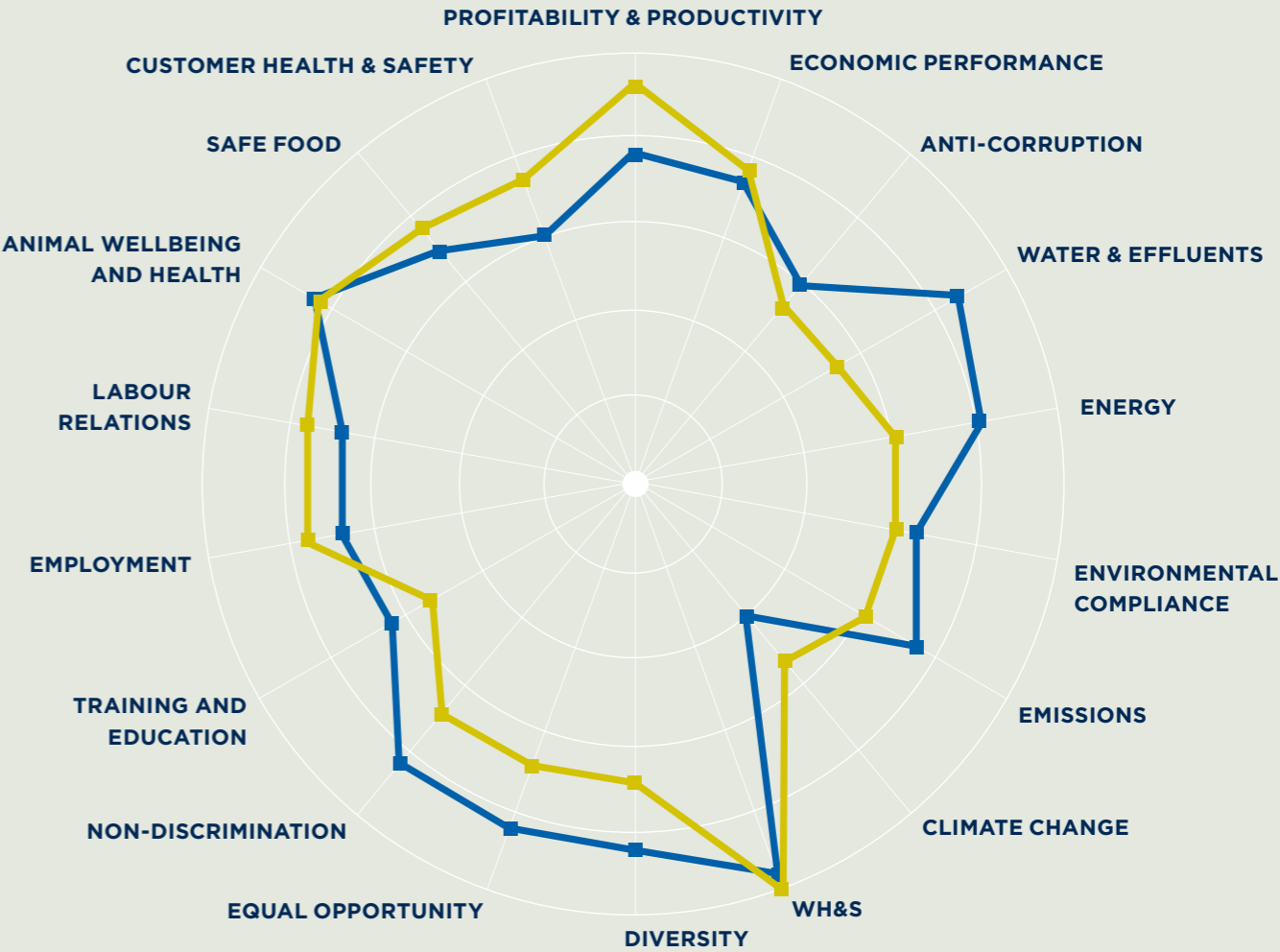
Completeness: All information relates to Tey Australia's operations and supply chain and the material topics identified in the materiality assessment.

Materiality (102-47)

Tey Australia's top 18 material topics have been identified through a Materiality Assessment Survey (MAS) completed online. The MAS was divided into the following four categories: (1) Performance, (2) Planet, (3) People, and (4) Product. The shortlisted topics were comprised from the GRI topics, the Australian Beef Sustainability Framework and UN development goals.

The MAS was completed by 138 stakeholders, out of a possible 258 stakeholders, representing 53.5% completion rate. Respondents represented the following stakeholder categories and departments: SLT, customers, suppliers, partners, and employees from the following departments: Operations, HR, Asset Management, QA and QC, Purchasing, Finance, Livestock, IT, Sales and Marketing, Strategy, Logistics, Legal and Administration.

This report provides an overview on the progress and approach to all material topics. While the MAS results did not include community involvement, we have elected to also report on this topic as it is one of moral importance to the Tey family.



11 / Appendix

Teys Australia Business Units

- Teys Australia Distribution Pty Ltd
- Teys Australia Beenleigh Pty Ltd
- Teys Australia Biloela Pty Ltd
- Teys Bros. (Japan) Pty Ltd
- Teys Australia Naracoorte Pty Ltd
- Teys Australia Condamine Pty Ltd
- Teys Australia Management Pty Ltd
- Teys Australia Central Queensland Pty Ltd
- Teys Australia Food Solutions Pty Ltd
- Teys Australia Holdings Pty Ltd
- Teys Australia Meat Group Pty Ltd
- Consolidated Meat Holdings Unit Trust
- Consolidated Meat Processors Unit Trust
- Teys Australia Property Pty Ltd
- Teys Financial Services Pty Ltd
- Teys Australia Murgon Pty Ltd
- Teys Australia Southern Property Pty Ltd
- Teys Australia Southern Pty Ltd
- Teys Australia Trading Pty Ltd
- Consolidated Provincial Meat Group Pty Ltd
- Adams Food Group Pty Ltd



12 / GRI Content Index

GRI STANDARD	DISCLOSURE	INTERNAL/EXTERNAL (I/E) BOUNDARY	MORE INFO.
GRI 101: FOUNDATION 2016			
Organisational Profile			
GRI 102: General Disclosures 2016	102-1: Name of the organisation	N/A	Who We Are
	102-2: Activities, brands, products, and services	N/A	Who We Are
	102-3: Location of headquarters	N/A	Who We Are
	102-4: Location of operations	N/A	Who We Are
	102-5: Ownership and legal form	N/A	Who We Are Note: Tey's Australia is a 50/50 Joint Venture with Cargill Australia Limited
	102-6: Markets served	N/A	Our Capabilities
	102-7: Scale of the organisation	N/A	Our Capabilities
	102-8: Information on employees and other workers	N/A	Talent Acquisition and Workforce Planning
			Our Employees
	102-9: Supply chain	N/A	Our Capabilities
	102-10: Significant changes to the organisation and its supply chain	N/A	Our Capabilities
	102-11: Precautionary Principle or approach	N/A	Our Capabilities
	102-12: External initiatives	N/A	Our Performance
	102-13: Membership of associations	N/A	Our Performance
Strategy			
	102-14: Statement from senior decision-maker	N/A	Our Leadership

Ethics and Integrity			
	102-16: Values, principles, standards and norms of behaviour	N/A	Our Leadership
Governance			
	102-18: Governance structure	N/A	Our Leadership
Stakeholder Engagement			
	102-40: List of stakeholder groups	N/A	Our Stakeholders
	102-41: Collective bargaining agreements	N/A	Employee Relations
	102-42: Identifying and selecting stakeholders	N/A	Our Stakeholders
	102-43: Approach to stakeholder engagement	N/A	Our Stakeholders
	102-44: Key topics and concerns raised	N/A	Our Stakeholders
Reporting Practice			
	102-45: Entities included in the consolidated financial statements	N/A	Appendix 1
	102-46: Defining report content and topic boundaries	N/A	Throughout the Report
	102-47: List of material topics	N/A	Materiality
	102-48: Restatements of information	N/A	About the report
	102-49: Changes in reporting	N/A	About the report
	102-50: Reporting period	N/A	About the report
	102-51: Date of most recent report	N/A	About the report
	102-52: Reporting cycle	N/A	About the report

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GRI STANDARD	DISCLOSURE	INTERNAL/EXTERNAL (I/E) BOUNDARY	MORE INFO.
	102-53: Contact point for questions regarding the report	N/A	About the report
	102-54: Claims of reporting in accordance with the GRI Standards	N/A	About the report
	102-55: GRI content index	N/A	GRI Index
	102-56: External assurance	N/A	About the report
SPECIFIC DISCLOSURES: MATERIAL TOPICS			
GRI 200: ECONOMIC			
Economic Performance			
GRI 102: General Disclosures 2016	103-1, 103-2, 103-3: Management Approach	N/A	Throughout the Report
GRI 201: Economic Performance 2016	201-1: Direct economic value generated and distributed	I	Our Performance
Anti-Corruption			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Business Compliance
GRI 205: Anti-Corruption 2016	205-1: Operations assessed for risk related to corruption	E	Business Compliance
	205-3: Confirmed incidents of corruption and actions taken	E	Business Compliance
Anti-Competitive Behaviour			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Business Compliance
	206-1: Legal action for anti-competitive behaviour, anti-trust, and monopoly practice	E	Business Compliance

GRI 300: ENVIRONMENT			
Energy			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our Planet
GRI 302: Energy 2016	302-1: Energy consumption within the organisation	E	Energy & Emissions
	302-3: Energy intensity	E	Energy & Emissions
	302-4: Energy reduction	E	Energy & Emissions
Water and Effluents			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our Planet
GRI 303: Water and Effluents 2018	303-1: Integrations with water as a shared resource	E	Water & Effluents
	302-2: Management of water discharge-related impacts	E	Water & Effluents
	302-4: Water discharge	E	Water & Effluents
	302-5: Water consumption	E	Water & Effluents
Emissions			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our Planet
GRI 305: Emissions	305-1: Direct (Scope 1) GHG emissions	E	Energy & Emissions
	305-2: Energy indirect (Scope 2) GHG emissions	E	Energy & Emissions
	305-4: GHG emissions intensity	E	Energy & Emissions
	305-5: Reduction of GHG emissions	E	Energy & Emissions

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GRI STANDARD	DISCLOSURE	INTERNAL/EXTERNAL (I/E) BOUNDARY	MORE INFO.
Environmental Compliance			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our Planet
GRI 307: Environmental Compliance	307-1: Non-compliance with environmental laws and regulations	E	Environmental Compliance
GRI 400: SOCIAL			
Employment			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our People
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	I	Talent Acquisition and Workforce Planning
Labour/Management Relations			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our People
GRI 402: Labour/Management Relations 2016	402-1: Minimum notice period regarding operational changes	I	Employee Relation
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our People
GRI 403: Occupational Health and Safety 2016	403-1: Occupational health and safety management system	I	Workplace Health and Safety
	403-2: Hazard identification, risk assessment, and incident investigation	I	Workplace Health and Safety

403-3: Occupational health services	I	Workplace Health and Safety
403-4: Worker participation, consultation, and communication on occupational health and safety	I	Workplace Health and Safety
403-5: Worker training on occupational health and safety	I	Training and Education
403-6: Promotion of worker health	I	Diversity and Equal Opportunity
403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	I	Workplace Health and Safety
403-8: Workers covered by an occupational health and safety management system	I	Workplace Health and Safety
403-9: Work-related injuries	I	Workplace Health and Safety

Training and Education			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Training and Education
GRI 404: Training and Education 2016	404-2: Programs for upgrading employee skills and transitions assistance programs	I	Employee Transitions Training and Education
Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Diversity and Equal Opportunity
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	I	Diversity and Equal Opportunity

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Non-Discrimination			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Diversity and Equal Opportunity
GRI 406: Non-discrimination 2016	406-1: Incidents of discrimination and corrective actions taken	I	Diversity and Equal Opportunity
Customer Health and Safety			
GRI 103: Management Approach 2016	103-1, 103-2, 103-3: Management Approach	N/A	Our Capabilities
GRI 416: Customer Health and Safety 2016	416-1: Assessment of the health and safety impacts of product and service categories	E	Our Capabilities

13 / References

ABS Census of Population and Housing 2011, Employment by Industry, Banana Shire, <http://cqroc.org.au/our-regions/banana/>

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Australian Bureau of Statistics 2019, Businesses by industry, Naracoorte-Lucindale Council Area, <https://economy.id.com.au/rda-limestone-coast/number-of-businesses-by-industry?WebID=130>

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