



Sustainability Summary Report

▶ 2023





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Chairman's Report



When reporting on our sustainability progress for 2023, I note that the well-being of our people and the communities we proudly serve is at the core of our Corporate Purpose: Feeding People, Enriching Lives.

This purpose and our collective commitment to excellence is a guiding principle that fuels every aspect of our operations. As we deliver quality Australian beef products around the world, we understand that our success is woven into the fabric of a sustainable planet and thriving communities.

Our sustainability principles ensure that across our operations we always take a pragmatic approach towards brighter futures through sustainable growth. From reducing our environmental footprint to championing animal welfare, supporting the development of our people, and fostering inclusive communities, and promoting the societal value of eating beef - these priorities serve as a blueprint for responsible progress. Each step we take reflects not only our values but a genuine commitment to creating a sustainable future for generations to come.

At Teys, we remain a resilient global business. It is the passion and hard work of the Teys team that makes our commercial achievement and commitment to sustainable futures possible. Our people, our greatest resource, proactively manage the challenging trading conditions

that come with this sector from increased production costs, labour and supply shortages and the impacts of our exports costs due to global shipping constraints.

As we move through the cattle cycle and manage external impacts on the sector and on our business, we remain focused on the wellbeing of our people, the success of our business operations, whilst growing an economically resilient organisation through our long-term strategic partnerships and vertically integrated business model. By remaining focused on meeting our corporate, social, and environmental obligations, compliance with local, state, and federal laws and regulations, we continue to deliver on our promise of creating sustainable and brighter futures.

As I reflect on our sustainability journey in 2023, the road ahead is both challenging and promising. Teys is committed to navigating this path with our partners, people, customers, and the communities in which we live and work. Together, we will continue to shape a future where more sustainable practices ensure that our legacy is one of responsible growth and enduring prosperity.

A handwritten signature in blue ink, appearing to read 'Brad Teys'.

Brad Teys

Executive Chairman, Teys Australia

Our Company



Teys is a global meat processing and food production business, established by four generations of the Teys family since 1946, and now building on our heritage in joint venture with Cargill.

We are known for providing our customers quality beef products and offer a wide range of fresh beef, value-add product and co-product solutions. Our brand portfolio leverages market trends to meet consumer needs around the world.

Exporting to more than 60 countries, our revenues come from wholesale, retail, and foodservice channels.

We are proud partners to more than 7000 Australian beef producers and have more than 4600 people employed across our locations in four states.

This summary report is for the year ended 31 May 2023 (FY 22/23) and outlines our material environmental, social and economic sustainability impacts for the year.



Feedlots

Our feedlots are strategically located close to our processing facilities to provide grain fed cattle year round, at Condamine, Jindalee and Charlton. Together their current total capacity is **over 67,000 head**.



Processing

Our six processing facilities across three states of Australia, located in Biloela, Rockhampton, Beenleigh, Tamworth, Wagga Wagga, and Naracoorte have combined annual throughput of **over 1.5million head of cattle**.



Food Production

Our three manufacturing plants produce products available in both chilled fresh and frozen formats for some of the largest retail and food service brands in Australia. Across our operations (processing and manufacturing) we produce and distribute the equivalent of approximately **1.7 billion beef meals per annum**.



Co-Products

Our co-product facility in Murgon re-purposes what would otherwise have been left over, producing the inputs for leather products, animal feed and bio-fuels, and all within a closed loop - **capturing 100% of waste water and salt** used in hide processing for treatment, recovery and reuse.



Distribution

Our central distribution centre seamlessly handles **up to 48,000 cartons in, and a similar number out every day**, operating 22 hours a day.



Working with Industry



To advance a sustainable future, we value the importance of partnerships with business and industry associations.

We collaborate with core bodies like MLA and AMPC and Cattle Australia to actively participate in sustainability initiatives including:

- ▶ Climate impacts and environmental management
- ▶ Animal health and welfare
- ▶ Workplace health and safety
- ▶ Employment matters

More broadly, Teys participates in industry via a broad range of partnerships and memberships – ALFA, ABSF, AMPC, RMAC, MLA, Cattle Australia and ICMJ as well as university, school and local education groups.

Our involvement helps us to better understand, support and take appropriate action to create sustainable outcomes for our business, industry, people, and communities. This in turn ensures an active voice for the Australian beef industry for key matters determining long term sustainability.

Our Sustainability Principles and Approach

Our strategy for sustainability addresses how we manage our social, environmental and economic impacts through delivery of the following five core principles, along with the related material topics for 2023.

We refer to the GRI Universal Standards for guidelines on reporting practices, general disclosures about our organisation and our approach to sustainability reporting. Our approach is also guided by the United Nations (UN) Sustainable Development Goals (SDGs) and references the SDG goals against our work.

Our **Sustainability Strategy** and action planning focus on initiatives that will best place us to continue to address sustainability impacts (both positive and negative) and then manage via our Sustainability Initiatives Portfolio.

Our **Materiality Assessment** includes Stakeholder Engagement, reviewing the GRI Sector Standard, and risk assessments to identify material topics.

Material Topics identified focus on Teys activities that have significant economic, environmental, and people impacts, including impacts on their human rights. We report information about the most significant impacts (positive and negative) of activities and business relationships, both actual and potential.

Stakeholder Engagement helps us identify shared sustainability issues and opportunities where we can collaborate to achieve long-term progress for a substantial positive impact. It also strengthens our ability to prioritise and balance business needs and interests whilst managing impacts of our activities on the economy, environment, and people, including impacts on human rights.

The full report and data for Teys Sustainability for 2023 can be found on the Teys website.

Visit au.teysgroup.com/sustainability and read more about our sustainability approach, and follow the links to our reports, policies, and accreditations.

Best Practice Animal Welfare

Animal Health and Welfare

Thriving People & Communities

Workplace Health & Safety

Employment Practices, Social Accountability and Employee Relations

Training and Education

Collaborative Environmental Stewardship

Environmental Compliance

Energy and Emissions

Water, Effluent and Waste Management

Safe, Healthy & Affordable Foods

Customer Health and Safety

Economically Resilient Business

Responsible Business Conduct and Human Rights



Best Practice Animal Welfare

Our teams are always working hard to meet and exceed our best practice animal welfare standards.

OVERVIEW

At Teys, we always act with animal welfare front of mind for the humane treatment of cattle throughout the supply chain. We have animal experts across our operations, leading the way for our business from our senior registered veterinarian, who oversees our animal welfare program, to our teams of

consulting vets, who provide required expert care and treatment to animals across our facilities.

We require cattle suppliers to commit to national standards and best practice for the handling, loading and transport of cattle.



FOCUS



Responsible Livestock sourcing



Ethical animal handling



Positive influence on animal health outcomes

KEY STATISTICS



Completion of shedding infrastructure at Charlton Feedlot - industry first.



Of livestock sourced from LPA or NFAS accredited facilities.



Of transporters engaged by Teys under Livestock Transport Contracts are TruckSafe accredited.



Cattle sourced for our Grasslands brand are grassfed cattle from producers that comply with the Teys Grassland Pasturefed Standard which has an independently verified Animal Welfare component.



Teys was among the pioneers of feedlot shading in Australia, and our feedlots operate under the National Feedlot Accreditation Scheme (NFAS) with standards assured by our regular auditing, welfare monitoring, and accreditations through the Australian Lot Feeders' Association (ALFA).



Our processing facilities are accredited under the third-party verified Australian Livestock Processing Industry Animal Welfare Certification System (AAWCS) – an independently certified animal welfare system ensuring best practice animal welfare standards.



All Teys feedlots and processing facilities have video surveillance at all critical animal welfare points with strict procedures and standards continually monitored.

CASE STUDY

Charlton Shedding Project

In an industry first, Teys has installed feedlot shedding at its Charlton Feedlot that provides permanent roofing shade, protection and warmth to cattle in winter, (and cooling/ sun protection in summer). Early indications are that cattle under the shed have a higher feed intake than cattle outside.

The roofing and straw bedding also protects cattle from rain which helps to reduce mud on the cattle and improve animal comfort. The inspiration for permanent roofing cover was the focus on continuous improvement from the Teys team on the ground, who are always looking for ways to better manage the cattle in their care.



Collaborative Environmental Stewardship

Our commitment to environmental stewardship means not only making positive changes within our business, but also enabling change across our entire value chain.

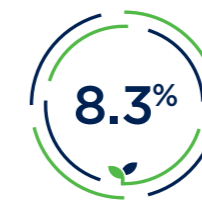


OVERVIEW

Our Teys Environmental Policy commits to protecting both the environment in which we operate and the natural ecosystems in surrounding areas from harm arising from our operations. We aim to create sustainable value for stakeholders and the wider community through fulfilling our compliance obligations, legal requirements, regular internal and external audits and focus on strategies to effect positive change.

Across our operations, we participate in industry and community programs including participation in benchmarking industry data with Australian Meat Processor Corporation (AMPC) and the Australian Beef Sustainability Framework (ABSF). Progress and learnings from data capture and monitoring is invaluable for future planning and action.

KEY STATISTICS



Increase in water intensity above baseline year - result impacted by reduced throughput in reporting period.



Reduction in carbon intensity compared to baseline year.



Above the baseline year in 2023, the energy intensity result was impacted by reduced throughput in the reporting period.



Of our energy needs from our renewable infrastructure behind the meter.



Cartons are removed from Teys operations per annum through packaging improvements, with more work underway.



Energy & emissions

Teys consumes energy that is both from self-generated renewables and procured non-renewable sources, with 18.9% of our total energy requirements coming from renewables against a target of 30%.

To support efficient energy consumption, Teys has improved the control and optimisation of our refrigeration capability. The roll out of refrigeration efficiency improvements, which coupled new assets with better controls was completed in FY23.

Installation of a 2MW Solar Farm at our Tamworth facility completed in FY23. Expectations are that it will reduce our non-renewable consumption at the site by 30%.



Water & Waste

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 through the process of anaerobic digestion of wastewater removes up to 90% of organic material and produces energy-rich biogas as a by-product. Biogas generated from these facilities can then 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.

We continue to focus on where waste is currently being recycled through circularity measures or where opportunities exist to increase recycling and reduce waste.

Teys also supports the Waste to Profits Program industry project, supported by MLA and Department of Agriculture and Water Resources (DAWR) to capture potential market opportunity for the livestock sector by converting waste into commercial products.



Packaging & Consumables

We source and use recycled cardboard cartons and make choices for new uses that reflect our understanding of waste impacts on the environment, human health and economic performance.

Our future focus and continuing environmental commitments include our ongoing work with suppliers to eliminate single use plastics where possible.

Packaging improvements remove 3 million cartons from Teys operations per annum, with more work underway.

CASE STUDY

Tamworth Solar Installation

Across our facilities, the Teys team continue to look for ways to ensure a sustainable future for our business operations.

As part of our focus on efficient energy use and reduced consumption through the delivery of pragmatic operational solutions, in July 2023, the Teys processing facility at Tamworth commissioned a 2MW solar installation. The installation has met expectations to date through reducing electricity consumption by approximately 30% for this Teys facility.

Since project commissioning, the solar installation has generated enough electricity to power 510 homes and has reduced CO2 emissions for our Tamworth site by 2100 tonnes.



Thriving People

We enable lifelong learning, foster safe places to work and celebrate our diverse workforce.



OVERVIEW

We recognise that our people are key to the continued success of Teys. Our diverse workforce and the unique contributions that each and every person makes all add up to a sustainable future. We value ideas, celebrate differences, diversity and innovation, and encourage our people to succeed.

By offering lifelong learning and development opportunities and internal promotion, we are empowering our people and future proofing our workforce.

The safety, health and well-being of our people is paramount, whether they are employees, contractors, or visitors to our facilities. We place workplace safety as our top priority with a safety leadership culture.

Critical to developing our people, we nurture active pathways to careers in our industry with Teys via, traineeships, apprenticeships, school-based learning, the Teys graduate program and in-house leadership development.

Managing and supporting the career development of our teams with dedicated on-site HR and training teams is important. Our nationally accredited training programs are endorsed by the National Meat Industry Training Advisory Council. Our trainers bring to life our people strategy, career planning, skill development and also facilitate the work-life balance of our employees.

KEY STATISTICS



Employees.



Nationalities.



In training and skills programs.



Workplace fatalities.



Teys provides a comprehensive Safety Management System (SMS) that is a proactive, quantifiable approach to WH&S, with a positive safety culture at its heart to ensure our people return home safely every day. This system is supported by Job Safety Analysis (JSA) and for high-risk tasks, a Standard Operating Procedure (SOP) is in place. Compliance and refresher training occurs regularly.



We ensure regulatory and legal compliance in all aspects of our people management practices ensuring safe, ethical, respectful, and responsible operations. Our policy frameworks address Modern Slavery Statements, WHS, WGEA reporting, and all employment laws and regulations.



Our mantra is to treat all employees with respect and go beyond regulatory requirements to support our people, including the Employee Assistance Program (EAP). Transitioning employees also have our training team facilitate pre-retirement planning.



Support and nurture of our multicultural workforce is assisted through the provision of translations for core training and day-to-day work life and access to translators for those from Non-English-Speaking Backgrounds (NESB).

CASE STUDY

Teys shine at Young Lot Feeder Awards

The 2023 Young Lot Feeder Awards, run by ALFA, are recognition and reward for the industry's young achievers who are demonstrating their passion, leadership, and vision for the future of lot feeding.

With congratulations to the overall winner, Tim Brennan, Teys was hugely honoured to have one of our own among the three grand finalists. Named as grand finalists alongside Tim this year were Teys' own Jacob Leak from our Jindalee Feedlot, and Maddison Fryer from Rangers Valley Feedlot.

It is a huge honour for all grand finalists, and the Award holds great value within the grain fed beef industry as a marker of future leaders in the sector.

We are proud of the contribution of our young people and encourage their career journeys and further development across our business.



Celebrating Community

We build and celebrate strong communities.

OVERVIEW

We respect the local communities where we work, live and raise our families. We strive to enrich our communities through our people and business investments and linking Australian producers to global customers.

Our local partners, people and communities play a big role in what makes Teys special, and we are always looking for ways to give back and support the people who are supporting us. 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 are proud to call these communities, home.

Teys continues to take a grassroots approach to community sponsorship and support acknowledging that each Teys site team is well placed to make tailored community connections.

In addition to the approved funding from our Donations & Sponsorship Committee, our people donate their time, expertise and often some great beef to great causes across the states in which we operate from Central Queensland to outback South Australia.

KEY STATISTICS



Community events and grassroots sponsorships.



Jobs flow on in regional areas.



Contributed to household incomes in regional areas.

FOCUS



Community engagement



Social impact investments



Employing people from the local communities where we operate.



Building partnerships with local businesses.



Supporting local organisations and causes with financial and in-kind support.



Creating and supporting opportunities for our employees to give back.



Supporting our producers, customers and industry, as well as future agribusiness and food leaders, to help them achieve their goals.

CASE STUDY

Grass roots support for local communities

Our people have a community passion and with their commitment, we are able to regularly support local sporting clubs, events, schools, community festivals, health initiatives, emergency services and crisis relief, just to name a few. We are proud to play a small part in helping charitable and community groups continue to make a real difference. Whether it is a local touch football team, club sports for kids, charitable BBQs cook out, regional ball, a fishing competition, the local rural fire service or outback camp drafts - if it is important to our local communities, it is important to us.

On top of this community connection, it is estimated that in 2022-23 Teys continued to contribute over \$700m annually to household incomes in regional areas and over \$1,900m annually in value-added contribution to the economy. (Source: AMPC Project 2016, 2020, projections), We are often the largest single employer in the regional towns in which we operate. We are honoured to play a role that contributes to the economic stability of local communities by supporting more than 14,000 jobs in rural and regional Australia.



Safe, Healthy & Affordable Food



We champion beef as part of a balanced diet and advocate for red meat as a safe, nutritious, and quality food source.

OVERVIEW

By holding ourselves to the highest safety standard for every step of the journey from paddock to plate, our customers and their customers can be confident that the food safety, nutritional value, quality, and traceability of our Teys product is to the highest standard.

Our team works hard to ensure production of consistent, quality product our customers trust, and a range of brands that meet the expectations of consumers and recognise current global food trends.

This commitment to providing safe and nutritious food for our customer is at the centre of our business and is an area in which we are never prepared to compromise.

KEY STATISTICS



Beef meals produced for families around the world.



Critical code or regulatory non-compliance for Food Safety.



Teys beef brands in-market recognised for quality and consistency.

FOCUS



Champion protein as part of balanced diet



Advocate for red meat (beef) quality and integrity



All Teys facilities are audited and certified by independent third parties using recognised global food safety criteria including international food safety process standards – Hazard Analysis and Critical Control Point (HACCP).



We maintain our Food Quality Management System to meet food safety standards, and continually identify ways in which we can improve our food safety practices.



We work with our partners along our supply chain to ensure risk is also mitigated outside our controlled environment.



Continual review and refinement of our Product Development process leverages supply chain security and value-add capabilities to deliver affordable, high quality food products.



Our teams are responsible for top quality products, and this drives our Quality Assurance (QA) and Quality Control (QC) teams at each of our processing sites. No critical code or regulatory non-compliance occurred during the reporting period of 2023.

CASE STUDY

Brands that resonate

Our brands are known, loved, and trusted by our retail, foodservice, and manufacturing customers all around the world. With a dedicated focus on quality, and meeting customer needs, it is an absolute honour to see our brands recognised on the world stage. Our flagship beef brands have consistently won medals at the Prestigious Sydney Royal Fine Food Show and the World Steak Challenge.

From our livestock buyers to our load-out operators – congratulations for the role you play in bringing our great Aussie beef to the world. Read more about our brands at au.teysgroup.com/solutions/our-brands

36 South



Riverine



Teys Certified Angus



Grasslands



Economically Resilient Business



To grow and prosper over the long term, and create a brighter future, we strive to make informed business decisions that support our sustainability goals.

OVERVIEW

Teys is committed to ensuring that the practices of its businesses are fair, responsible, and sensitive to the needs of a diverse range of stakeholders. We recognise that as a large enterprise and purchaser of goods and services, our responsibility extends to the management of our supply chain, and we will engage with suppliers to share and encourage best practice.

Teys works on collaborative engagement with suppliers who demonstrate a commitment to take account of their ethics, labour rights, health and safety, security and the environmental responsibilities and align with an overall philosophy, approach, and policies complementary to our own. Teys also engages in public policy issues that are important to our business, our stakeholders, and our industry.

FOCUS



Disciplined management



Sustainable value chain



Robust governance and decision making



Teys actively engages across industry and jurisdictions to comply with customer audits, quality and food safety standards accreditations, animal welfare accreditations, WHS, Human Rights, environmental management and workplace and labour hire protocols and legislation - with many more forming a part of our extensive framework and guiding business principles.



Our Governance, Risk, and Compliance Framework outlines the overall corporate governance principles for the Teys business. Each of our core operational areas maintains strong operating processes and controls to support and enable Teys to reliably achieve its objectives, address uncertainties and act with integrity.



Our extensive policies and procedures provide a practical reference to guide us in 'what we do' and 'how we do it' - delivering transparency and accountability to our business performance and progress. As an example, our Supplier Approval process supports our approach to responsible sourcing.



We work with our teams to manage risk and use audit, assessments, due diligence, remediations and stakeholder engagement to continually monitor our corporate commitments.

CASE STUDY

Social Audits to support Ethical Trade

SEDEX is a membership organisation that provides companies an online platform to manage and improve working conditions in the global supply chain. SEDEX Members Ethical Trade Audit (SMETA) is the most widely used social audit in the world.

Teys facilities are audited in accordance with SEDEX 4 pillar framework that covers People, Safety, Environment, and Business Ethics and supports us assessing our performance across this framework.

During 2023, the SMETA was performed across Teys facilities, with positive results from the audit for our operations and commitment to driving continuous improvement.



Notes to accompany this document

This summary, and the full report, is the ninth consecutive annual sustainability report of Teys Australia Pty Ltd (Tey's), outlining the core initiatives, challenges, and performance during the reporting period 1 June 2022–31 May 2023.

This document is published annually in PDF for download and on <https://au.teysgroup.com/> and seeks to reflect the transformation process that Teys is currently experiencing. In addition to reporting concisely and objectively, we seek to balance the positive aspects with the points for improvement of the economic, social, and environmental aspects addressed and human rights impacts.

Tey's has considered the Global Reporting Initiative (GRI) framework in this report to help ensure that disclosures provide relevant and comparable information on its sustainability performance to stakeholders.

There have been no significant changes to the organisation and its supply chain, and there are no significant changes to the information published in previous reports.

This report has not been externally assured; however, independent third-party audits occur annually on all financial, operational, safety and food quality departments.

When developing this document, we welcomed the opinion of our Leadership Team and department leads. These stakeholders were selected according to three criteria: extensive knowledge of our business, extensive industry knowledge, and relationship with the organisation. In a consultation process, we discussed the aspects that they consider most important for Teys sustainability – which formed the basis for our material topic focus.

Photographs and diagrams: Photographs used in this document which do not have descriptions are for illustration only and should not be interpreted to mean that any person shown in them are owned by Teys. Diagrams used in this document are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this document.

Website: Teys maintains a website at <https://au.teysgroup.com/>.

Any references to documents included on Teys' website are for convenience only, and information contained in or otherwise accessible through this or a related website is not a part of this document.

teysgroup.com

