

Climate Change and Sustainability Report

March 2022



About this report

ANZCO Foods' 2021 report, covering the calendar year, is aligned to the 2016 Core Global Reporting Initiative (GRI) Standard. As a large business in the New Zealand red meat sector, ANZCO's operations have a substantial impact on the economic, environmental, and social activities of the country. As such all GRI reporting topics (unless specified) are material – see pages 33 to 39 for the GRI content index. In this table you will find references to specific sections

and corresponding links. ANZCO Foods also recognises that many people and companies identify with the United Nations Sustainable Development Goals. We have listed the SDGs that are most relevant to ANZCO (page 31). This report has not been externally assured however we are committed to continuously improving our sustainability reporting and complying with the 2016 core GRI standard by 2023.





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CEO Statement



Welcome to our second Climate Change and Sustainability Report. This report reflects our sustainability journey as we take bigger steps towards achieving our goals and become more mature in this space. We still have a long way to go, but as I reflect on what we have achieved in the last year, I am immensely proud of the progress we are making and the changes we are implementing to make us a more resilient and sustainable business while also improving our environmental practices.

As a reflection of how important climate change and sustainability is to our business and the improvements we need to make, we have increased our focus and attention in this area. Highlights from our climate change and sustainability work in 2021 are covered in this report.

In 2021 we achieved our Toitū Carbon Reduce Certification enabling us to know our carbon footprint and providing us with better data so we can adopt science-based reduction goals and make informed decisions to improve environmental outcomes. Partnerships form a key part of our improvement programme. During the year we worked with Meridian Energy and the Government Investment in Decarbonisation Industry (GIDI) Fund to accelerate our decarbonisation journey. There is more detail on these exciting developments on page 19.

In 2021 we embarked on a project to consistently measure, monitor, and mitigate our use of resources across all our sites. This approach will be cemented in 2022 and goals established to help us manage these resources.

As with most other New Zealand based operations, COVID played a major role in our business and across our supply chain during the year. Our staff again rose to the associated challenges and our systems and processes allowed us to weather these impacts well.

We ran significant campaigns to encourage our people to get vaccinated to protect themselves, their families, and workmates.

During the year we also made some good progress with our Diversity and Inclusion strategy including a benchmark survey with engagement and diversity questions linked to our new values. It was particularly pleasing to receive an overall satisfaction of 94% (satisfied, very satisfied, and extremely satisfied).

We continued to support the communities in which we are based through donations to foodbanks through our Helping Make Ends Meat programme, as well as a range of other significant donations and sponsorships – many based around supporting mental health, particularly in rural communities.

In terms of the wider industry, during the last few years I have noticed an increased willingness to work together in non-competitive areas such as the environment. A good example of this has been the Processor Working Group set up to support He Waka Eke Noa. The group, chaired by ANZCO Foods, has shown the benefits of industry alignment and is seeking to work with farmers to achieve the best option for the primary sector to address emissions. 2022 will be an important year for He Waka Eke Noa. You can read more about this on page 22.

ANZCO Foods continues to be ambitious in our climate change and sustainability goals, and our plans for 2022 will see us make further progress in this important area of our business.

Peter Conley
Chief Executive

Head of Climate Change and Sustainability



As an organisation ANZCO Foods is very early on in its sustainability journey and is making good progress on implementing its climate change and sustainability strategy, and reducing its environmental impact.

A milestone development for 2021 was the introduction of a climate change and sustainability function to the company structure, giving this important area of the business a defined focus. As the first Head of Climate Change and Sustainability for ANZCO Foods, it is a privilege to lead progress in this area. In 2021 ANZCO also established a Sustainability Leaders' Group, featuring representatives from across the business to help focus and prioritise our attention. As climate change and sustainability impacts are universal, this group enables the entire organisation to be actively involved in and aware of ANZCO's climate change and sustainability activity.

A highlight for the year was ANZCO achieving the Toitū Carbon Reduce Certification for our New Zealand operation which allows us to know our carbon footprint and develop reduction plans in line with our commitment to the Climate Leaders Coalition. ANZCO is committed to the Paris Agreement and has set a target to keep warming below 2°C and to further pursue efforts to limit temperature increase to 1.5°C. By 2030, ANZCO Foods aims to reduce its Scope 1 and Scope 2 emissions by 25% from a 2020 base year across our New Zealand sites. This is a fantastic step for the business which establishes a strong foundation for change.

During 2022, a priority for ANZCO will be to extend iwi and rūnanga engagement which formally started in 2021. We acknowledge we have a lot of work to do in this space but take our responsibility as good corporate citizens and members of our communities very seriously. In 2022 ANZCO will also complete an environmental measuring project to ensure the data collected is complete and sufficient to manage and mitigate our impacts.

ANZCO Foods committed to complying with the 2016 core Global Reporting Initiative (GRI) by 2023 and this year's report has made good progress towards this goal. GRI is an independent, international organisation that helps businesses and other organisations take responsibility for their impacts, by providing them with the global common language to communicate those impacts. Internationally GRI is considered to be the gold standard of reporting and we want to hold ourselves accountable and deliver on the high standards required.

This report is structured in line with our strategic approach and integrates GRI requirements using the index found on page 33. Our Climate Change and Sustainability strategic pillars are:

- Reducing our impact on the environment
- Reducing our risks and enhancing our resilience
- Caring for our people and communities
- Improving our organisational structures and systems

Our 2020 report featured a number of goals in each of these strategic areas and I am pleased to report that we had good success in achieving most of them. Throughout this document we have reported on our progress on what we set out to achieve and also layout our goals for 2022. Our goals are becoming more challenging as we progress further into this space and make improvements to the way we operate.

If you have any feedback or questions on our report, I invite you to email sustainability@anzcofoods.com

Sophie Gualter
Head of Climate Change and Sustainability

About ANZCO Foods

ANZCO Foods is 100% owned by Japan's Itoham Yonekyu Holdings, a top 10 global meat company based in Japan. To the year ended 31 March 2021, Itoham Yonekyu Holdings had revenue of \$12b and an operating profit of \$334m. Itoham has been a partner of ANZCO Foods since 1984 and a shareholder since 1995. It took full ownership in December 2017. Itoham Yonekyu Holdings' ownership provides financial strength and strategic support to ANZCO's current business and future aspirations. ANZCO Foods is Itoham Yonekyu Holdings' largest international investment.

Brands and products

ANZCO markets New Zealand beef and lamb products to the world as well as producing sophisticated manufactured food and healthcare products.

Our brands:



B2B and B2C beef and lamb brand focusing predominantly on ingredient supply to global food manufacturers



Premium part-cooked burger patties and meatballs designed to make every day delicious for NZ and Australian consumers



Our premium grass-fed beef brand, hand selected for New Zealander's top restaurants



New Zealand's finest lamb, servicing top chefs in Europe and other export markets



Pasture raised, grain-finished beef renowned across Japan, China, and Europe for its tenderness and flavour



Grass-fed and grain-finished beef hand selected and aged for 21 days predominantly for the Japanese market

Key Facts

\$1.4b

annual contribution to New Zealand via salary, wages and supplier payments

2,810
employees



7 processing sites

2 manufacturing sites

\$1.53b turnover

80
export countries

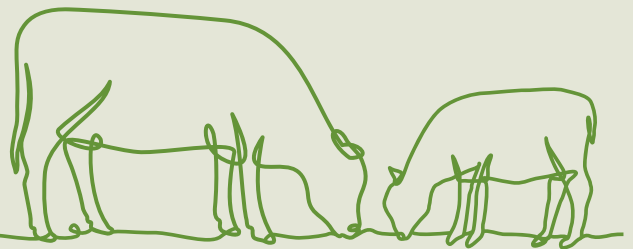


5 offshore marketing offices

\$700m assets

1

biological proteins and sterile serums business



3 joint venture companies

1 cattle feedlot

Our local footprint

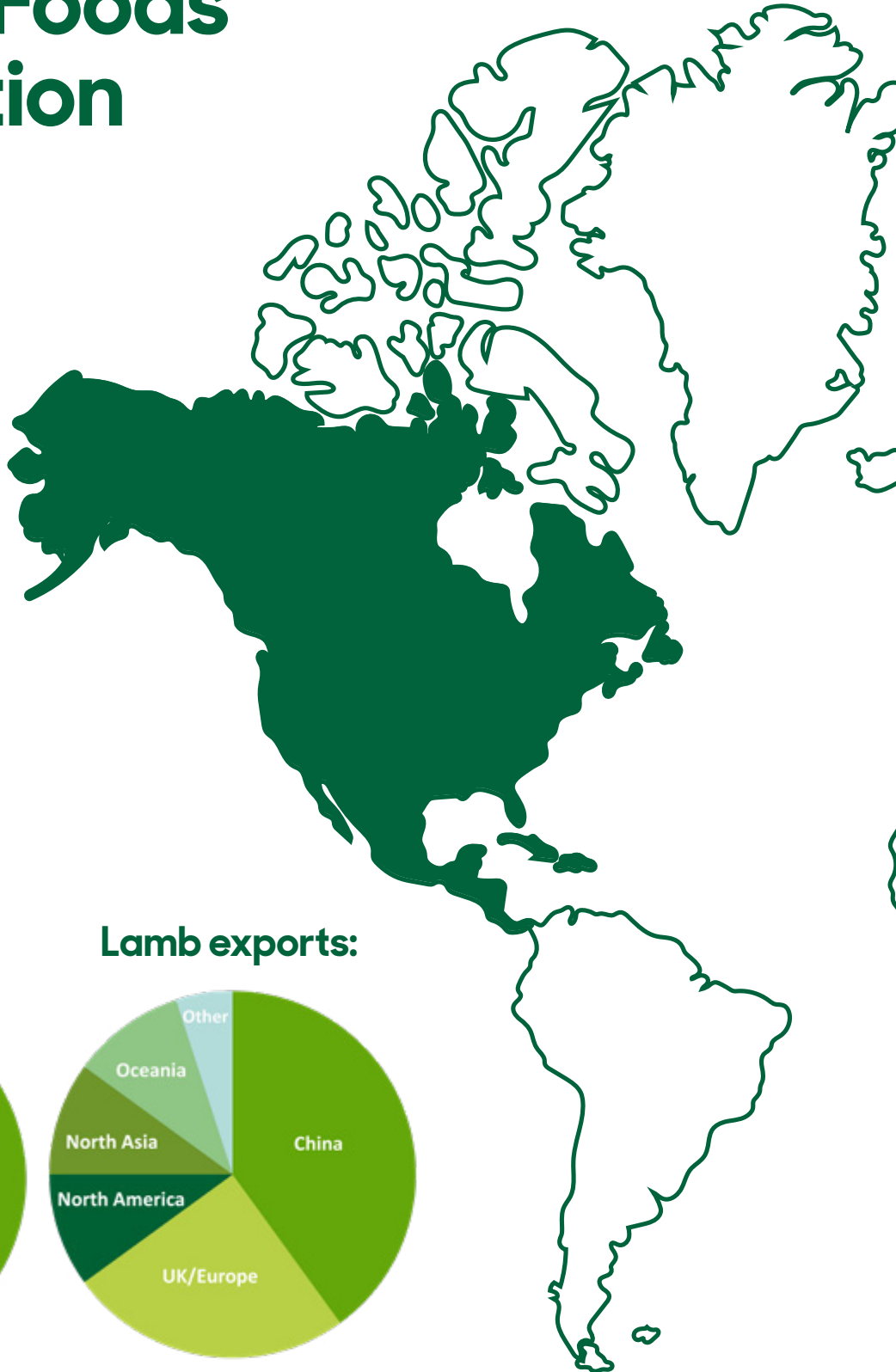
ANZCO Foods has 11 locations across New Zealand.



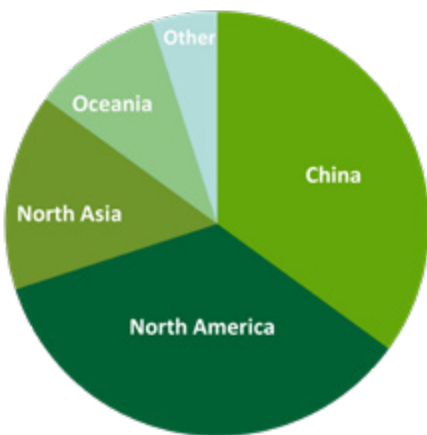


ANZCO Foods Distribution

ANZCO Foods exports beef and lamb to more than 80 countries



Beef exports:



Lamb exports:



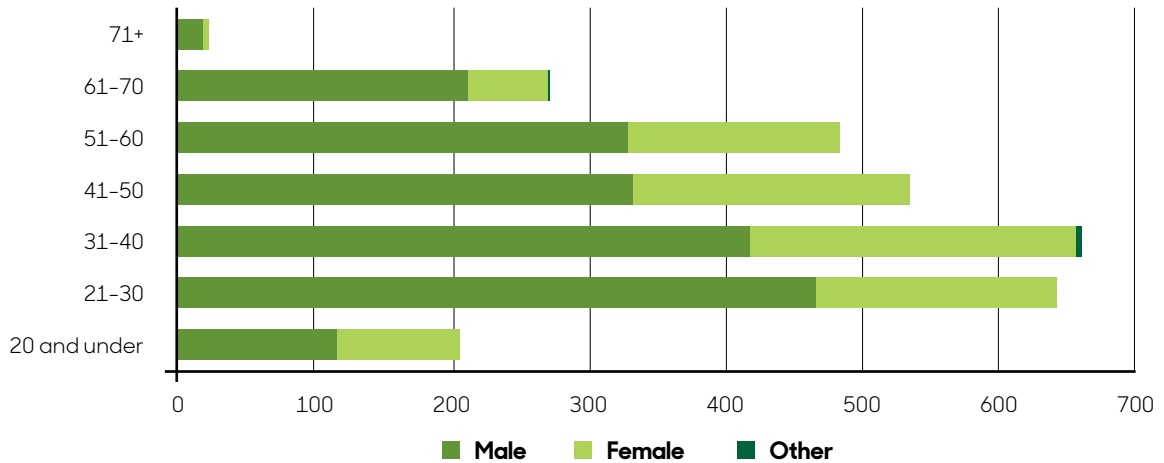
ANZCO % exports by volume in key regions



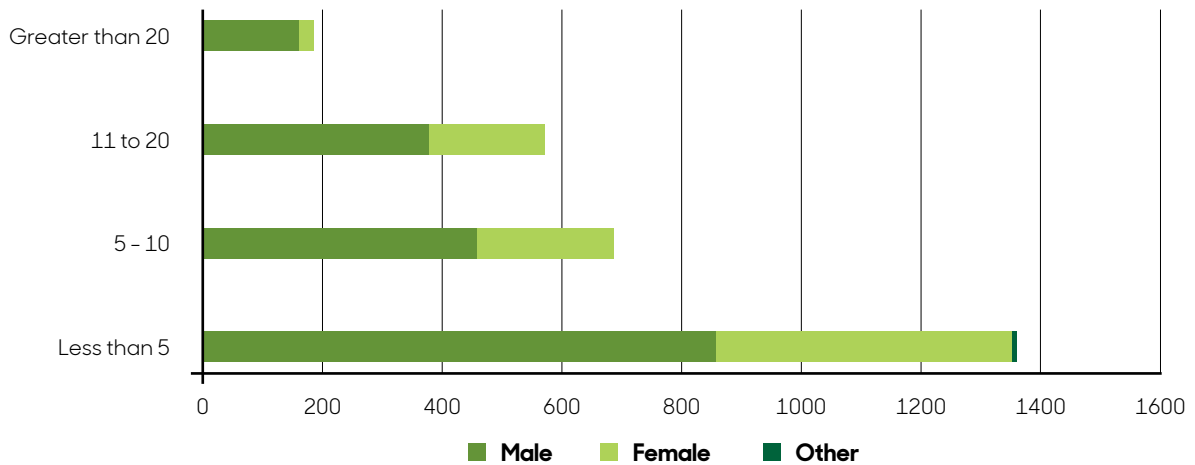
Understanding our people

Understanding and celebrating ANZCO's diverse workforce

Age of ANZCO Foods employees



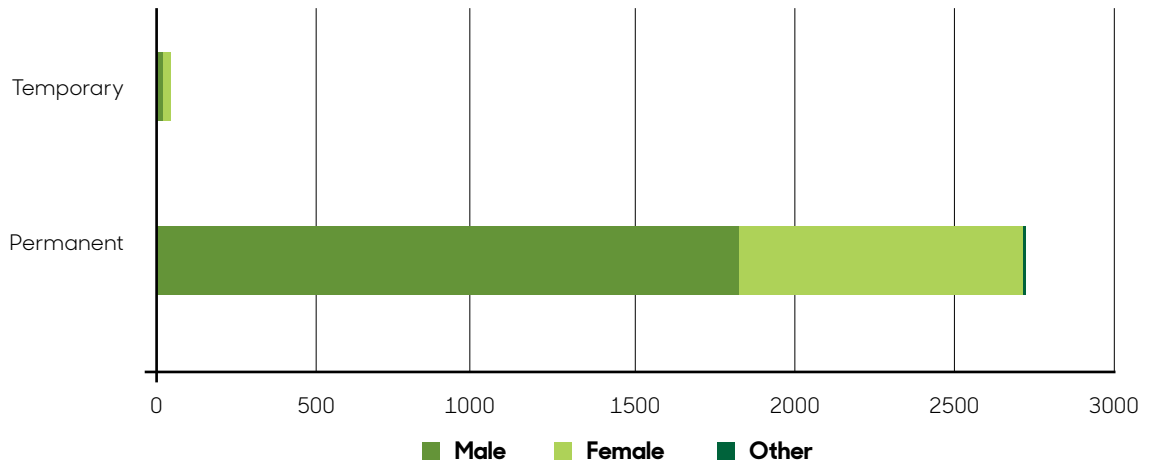
Length of service



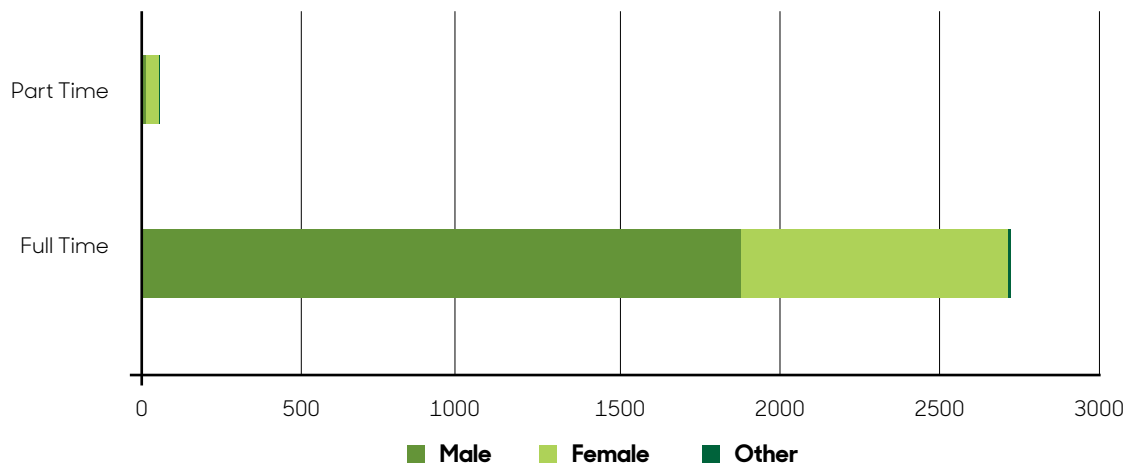
50% Internal Appointments

% of Internal Appointments (salaried employees): 50% up from 30% last year.

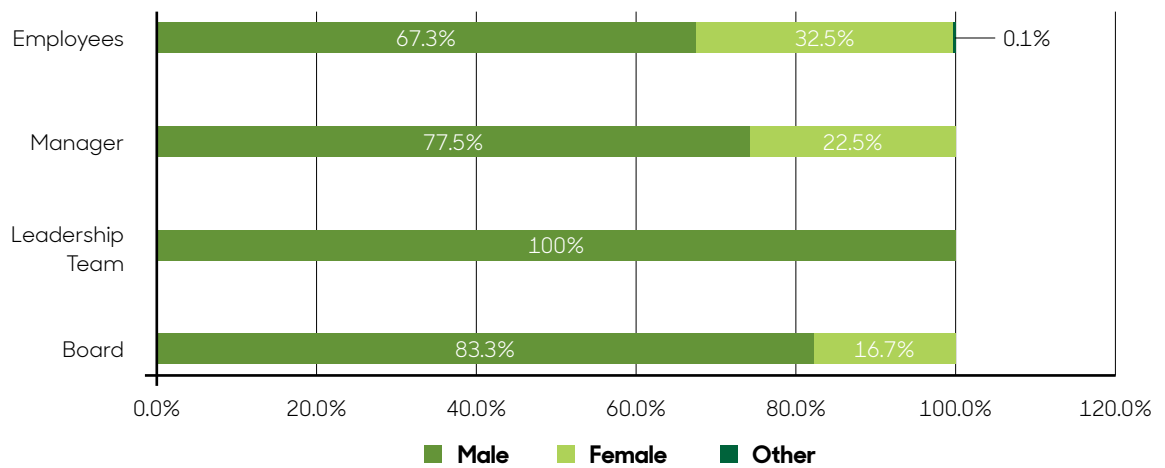
Employees by contract type



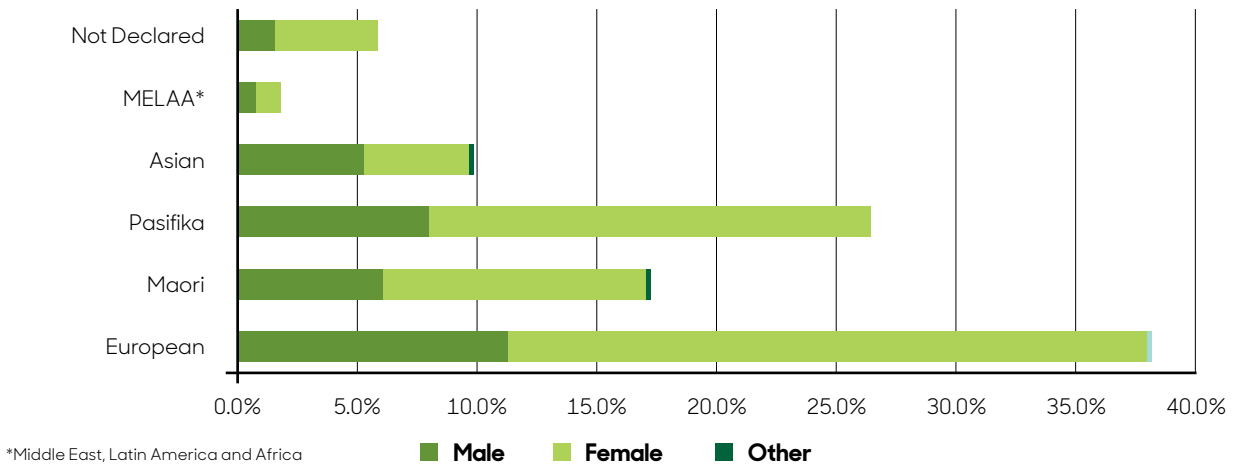
Part time vs Full time employment



Gender Diversity



Ethnicity groups at ANZCO Foods



Total global employees



7.1% Turnover (salaried employees)

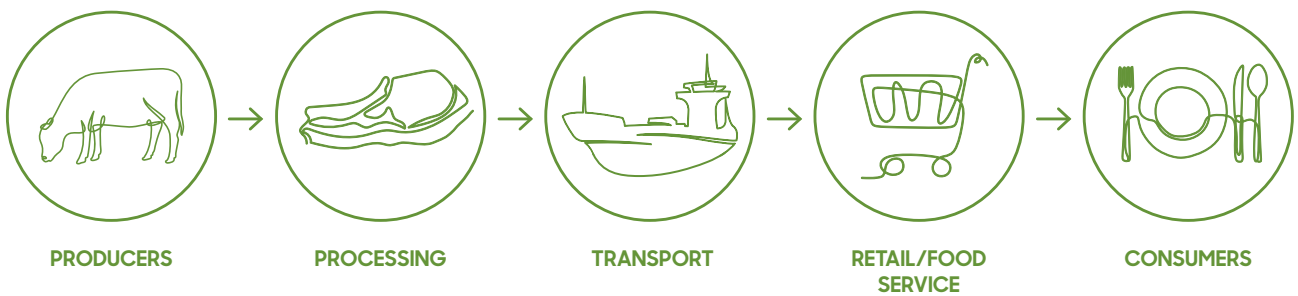
This is an increase from employee turnover of 4.8% in 2020 but is low compared to both the general market and our industry. The increase in employee turnover compared to 2020 is in keeping with what we are seeing in the labour market globally.

Fully integrated supply chain

ANZCO Foods has an intricate and complicated supply chain which procures livestock and other materials required by the business, and then distributes thousands of products to more than 80 countries around the world.

Upstream procurement is managed by our internal team of experts. Suppliers of large quantities of goods

are rigorously assessed during the tender process and all suppliers will be governed by the Supplier Code of Conduct and Terms and Conditions – as a minimum. Livestock supply is the exception to this, where it is managed by the dedicated livestock procurement team and governed by contracts where practical.



Our Values

Ka pēhea ā tātou mahi / How we act



Me tautoko tētehi i tētehi

ATAWHAITANGA

Ka mahi tahi tātou ki te mahi i ngā mea tika, ki te tiaki i ō tātou hoa, ki te whakahaumarua i a tātou anō.

Me whakaoti ngā mahi o ia rā

NOHO HAEPAPA

Ka tae tātou ki te mahi ia rā ki te mahi i te toi o ā tātou mahi.

Me aro ki ngā rā kei tua

KAITIAKITANGA

Ka āta whiriwhiri take tātou kia oti pai ngā whakataua mō ANZCO, me te titiro whakamua kia toitū tō tātou umanga, mō ngā rā kei mua.

Me takahi pārae hou

AUAHATANGA

Ka āta rapu tātou i ngā ara whakapiki i te pai o ā tātou mahi.

Kia pono ki ō kōrero ki te tangata

WHIRINAKITANGA

Ka tutuki i a tātou ā tātou kōrero ki te tangata, me te whakaoti i ā tātou herenga.

Back each other

ATAWHAITANGA

We work together, do what's right, look after ourselves and keep each other safe.

Make every day count

NOHO HAEPAPA

We all turn up every day to do our best work.

Play the long game

KAITIAKITANGA

We make the best decisions for ANZCO with an eye on the future so we can continue to be a sustainable business.

Be a pioneer

AUAHATANGA

We look at how we can do things better and make improvements.

Keep our promises

WHIRINAKITANGA

We do what we say we will and follow through on our commitments.

Stakeholder Engagement

Delivering taste, nutrition and wellbeing to the world

Our key stakeholders include our employees, our farmers, our customers and suppliers, the communities where we are based, and the wider industry. Our sustainability journey is guided strongly by their requirements.

Engaging with each audience enables us to identify any issues as well as what's important to each grouping. This approach will in turn help us prioritise our activities and resources.

Stakeholder	Why they're important	Ways we engage	Key issues discussed
Employees	ANZCO Foods' 3,000 employees are at the heart of our business. We have a range of channels and activities to engage with employees. Most of our employees work in processing and don't have easy access to electronic communications so we continue to identify ways we can engage and communicate with this important group.	<ul style="list-style-type: none"> · Regular updates on <ul style="list-style-type: none"> - TV screens in smoko rooms - Facebook group - Email - Intranet · Face-to-face/meetings · Performance reviews · Internal conferences · Day-to-day team interactions · Annual inductions · Suggestion boxes · Competitions · Fundraising and volunteering 	<ul style="list-style-type: none"> · ANZCO's response to COVID and keeping people safe while being an essential service · Health & safety and mental wellbeing · Keeping yourself safe · Performance, development and training · People news · Company news, innovations, and performance · Community contribution
Farmers	We work closely with our farmer suppliers to manage supply chain requirements in conjunction with our customer needs. We also support various programmes to ensure the animals and the environment are being cared for.	<ul style="list-style-type: none"> · Farmer meetings · Monthly email newsletters · Face-to-face with livestock representatives · Mailouts · Fieldays 	<ul style="list-style-type: none"> · Farm assurance programmes · Loyalty · Advantage by ANZCO · Animal welfare · Compliance and legislation · On-farm performance · Company performance
Customers and suppliers	ANZCO Foods exports its products to more than 80 countries around the world, supplying retailers and foodservice with New Zealand's premium beef and lamb. Our customers are our connection with the end consumer. We engage with them so we can share the proud New Zealand story behind the products, and to get their feedback on what's important to the end consumers and markets. We use a range of local, national, and international suppliers to maintain our sites, transport animals and our products, and ensure the overall smooth running of our business.	<ul style="list-style-type: none"> · Face-to-face · Brand material · Electronic communications · Industry events and exhibitions (not during COVID) · Collaboration on product innovation 	<ul style="list-style-type: none"> · Product provenance · Environment · Packaging · NZ story · Product quality · Efficiency · Issues

Stakeholder	Why they're important	Ways we engage	Key issues discussed
<p>Communities</p>	<p>ANZCO Foods' processing sites are located throughout New Zealand, often in rural communities, where we are one of the biggest employers. We recognise this comes with responsibilities and aim to make a positive contribution in these locations. Improving our sites is one way we do this along with various support, sponsorships, and seeking to be a good neighbour.</p>	<ul style="list-style-type: none"> · Community meetings · Media · Sponsorships/donations · Salary/wages and supplier payments · Meetings with iwi and local bodies 	<ul style="list-style-type: none"> · Community relationships · Environment · Company involvement and contribution · Recruitment
<p>Industry, partnerships, and memberships</p>	<p>ANZCO Foods has an important role in the wider industry. ANZCO is active in a number of industry groups that seek to support the industry to develop and improve, especially as regulations and expectations around climate change and sustainability evolve.</p> <ul style="list-style-type: none"> · Meat Industry Association · New Zealand Roundtable for Sustainable Beef · He Waka Eke Noa processor working group · Sustainable Business Council · Climate Leaders' Coalition · Biosecurity Group · NZFAI 	<ul style="list-style-type: none"> · Industry Councils · Leading steering groups · Working/experts groups · Meetings · Phone calls and emails · Industry events · Conferences 	<ul style="list-style-type: none"> · Changing practices · Legislation · Areas for improvement – including environmental performance · Areas of collaboration

Strategy on a page

Bringing nutrition and good health from New Zealand's finest beef and lamb

To be a thriving provider of the world's most socially and environmentally responsible red meat products



Provide environmentally sustainable beef and lamb products

- Reduce emissions
- Protect water bodies
- Improve soil health
- Minimise waste and convert to value where possible
- Increase habitat for native species



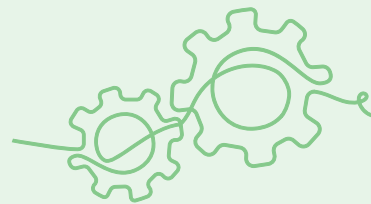
Prepare to thrive in a low-carbon economy subject to climate change and scarce natural capital inputs

- Assess, monitor, and address physical risks of climate change
- Assess, monitor, and address transition risks of climate change
- Reduce freshwater use, energy consumption, and packaging
- Grow brand value through CC&S leadership



Care for the health and wellbeing of our workers and our communities

- Protect and improve workers' health, safety, and wellbeing
- Embrace and enhance ANZCO's workplace diversity
- Strengthen wellbeing of our communities through our activities



Establish the right structures and systems to manage accelerating environmental and social change

- Strengthen CC&S governance
- Incorporate CC&S in core business strategies and financial plans
- Ensure CC&S risk processes established and mainstreamed
- Establish CC&S metrics, targets, and monitoring processes
- Verify CC&S risks, opportunities and performance ensuring these are transparently communicated





Reducing our environmental impact

Provide environmentally sustainable beef and lamb products

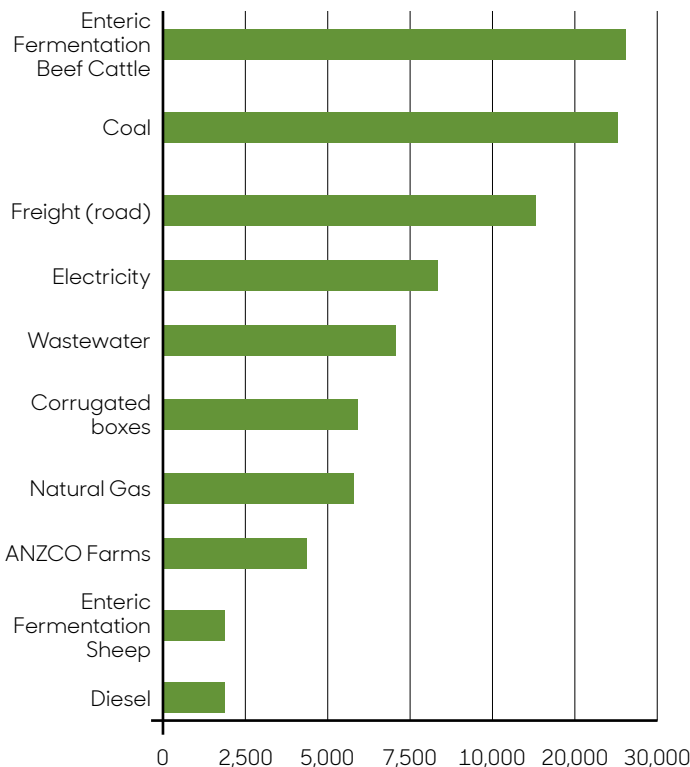
Focused on supporting and enhancing New Zealand’s reputation and environmental stewardship, and seeking to improve the impact we have on the environment

In 2021 we set ourselves the target of achieving our Toitū Carbon Reduce Certification across our New Zealand operations; implementing emissions reductions projects across our biggest operations in Canterbury; and continuing to work with conservation groups to protect rare and threatened species at our sites – all of which we achieved.

Toitū is an independent certification that aligns with the internationally recognised ISO 14064-1, and greenhouse gas protocol from the IPCC’s fifth assessment report (2014).

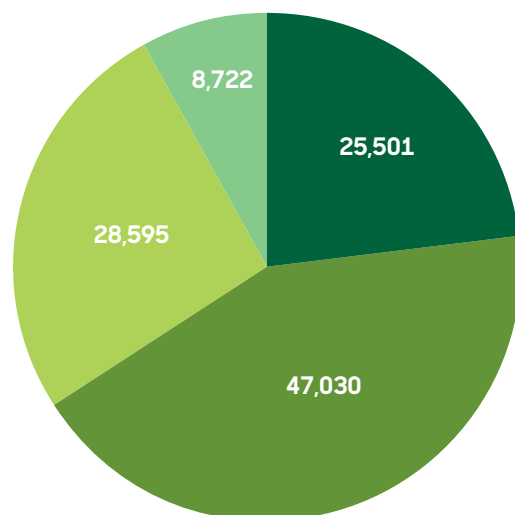
ANZCO’s certification has been a two-step process. In 2020 we measured the greenhouse gas emissions for our Canterbury sites across the 2019 calendar year, and established plans to manage and reduce these. In 2021 the process was applied to all our New Zealand-based operations (for the 2020 calendar year). Knowing our carbon footprint enables ANZCO to set science-based reduction goals and we have established projects to help us reduce our emissions. During 2021 we were able to refine and improve the data collection to enable better quality reporting. The data reported here represents the 2020 calendar year as this is the most recent certified data available for ANZCO Foods. 0.74TCO₂e produced per tonne of product processed.

Greenhouse Gas Emissions by Source – Top 10*



*Emission certification data from 2020

Total Greenhouse Gas Emissions*



- Scope 1 (excluding biogenic emissions)**
- Scope 1 (biogenic emissions)**
- Scope 2**
- Scope 3**

**See page 36 for more information



Operations

We recognise our operations can have a significant impact on the environment if they are not managed well particularly across waste, energy, water, and effluent dispersal.

Water and Effluents

Sanitised equipment is vital to produce high quality, safe, and healthy nutrition to the world. Water is critical to this process. Water consumption is managed at a site level, with some sites maintaining year on year reduction and/or efficiency targets. To date these targets have mainly been guided by the relevant consents.

Water and effluent impacts are managed by the required consents and corresponding requirements with the relevant regional council. Where we discharge to land, there is also significant consideration to crop type planted to manage the potential impacts of run-off and leaching. ANZCO is involved in relevant zone committees to ensure we can work with other stakeholders who hold interests in water resources.

As part of our wider Climate Change and Sustainability Strategy, we acknowledge we have a lot of work to do in this space and it is a significant priority that is supported by a workplan commencing in 2022.

Waste

ANZCO Foods actively manages all procured product to create as much upstream value as possible. For this reason a broad goal is to maximise as much product as profitable – waste is actively managed to be as low as possible. Where it is not possible to create value, waste is split into different waste streams and spot checked to ensure appropriate disposal practises are followed.

ANZCO Foods operates rendering and fellmongery facilities which enables further processing of non-edible product into value for upstream customers. Where processing sites cannot access ANZCO rendering, this product is sold externally, where possible. We maintain relationships with our waste providers and manage invoices to ensure waste streams are treated correctly. There is currently no process in place to manage the data collated regarding waste – this forms part of the 2022 work plan.

Site	Water source	Consumed	Discharged in line with consents
Canterbury	Bore	Yards, slaughter, processing, and cleaning	Land
Kokiri	Bore, River	Yards, slaughter, processing, and cleaning	Water
Rakaia	Bore	Yards, slaughter, processing, and cleaning	Land
Manawatu	Town supply	Yards, slaughter, processing, and cleaning	Water
Marlborough	Bore	Yards, slaughter, processing, and cleaning	Trade waste
Eltham	River and town supply	Yards, slaughter, processing, and cleaning	Land and water
Rangitikei	Bore	Yards, slaughter, processing, and cleaning	Land and water
Waitara	Town supply	Manufacturing and cleaning	Trade waste
Green Island	Town supply	Manufacturing and cleaning	Trade waste
Five Star Beef	Bore	Livestock supply	Land

Energy

ANZCO Foods uses many different sources of energy across our sites – the source of energy is a product of the age of the site’s development and regional feasibility. Energy is sourced from electricity, and produced on site from coal, diesel, gas, and LPG. Energy production is managed at a site level, and enables personnel with the greatest boiler experience and understanding of the daily requirements to use resources in an efficient manner.

Biodiversity

During 2021 ANZCO started working with Arowhenua – the local rūnanga to our Five Star Beef and ANZCO Foods Canterbury sites – to establish a planting and biodiversity strategy. We will continue to manage biodiversity by working with our local iwi and community leaders. This will be a significant area of focus for 2022.

Decarbonising Canterbury

Two projects during the year saw ANZCO Foods Canterbury significantly reduced its carbon footprint.

In a partnership with Meridian Energy, the site took its first step away from fossil-fuel fired boilers and reinstated electric boilers, significantly reducing its coal consumption.

Meridian launched a programme to support businesses to reduce their emissions from fossil-fuel fired industrial boilers – the second largest source of energy-related greenhouse gas emissions.

Transitioning from coal to electricity requires significant capital investment, so Meridian’s decarbonisation programme helped make the transition stack up commercially as well as environmentally.

Coal boilers are the country’s second largest source of energy-related greenhouse gas emissions and overall, the site’s transition from coal to electricity will bring additional electricity usage of 14GWH and will remove 2,800MT of coal and 5,600MT of carbon a year.

ANZCO Foods Canterbury’s decarbonisation journey was further accelerated after receiving funding from the Government Investment in Decarbonisation Industry (GIDI) Fund.

The GIDI Fund is a partnership between Government and business to fast-track decarbonising industrial process heat, as well as contributing to the COVID recovery by stimulating the economy and supporting employment.

ANZCO received part-funding to install a high-temperature heat pump to replace coal-fired boiler-generated hot water at ANZCO Foods Canterbury. The funding provided around a third of the total cost

of the project, which allowed us to bring forward this investment by four years. In addition, it will mean ANZCO can evaluate and install this technology across its other New Zealand operational sites earlier than initially planned.

There are more initiatives planned on site that will further reduce its carbon footprint. These are scheduled for 2022 following further work and investment.



Where would we be without our gumboots?

White PVC gumboots are an important part of our PPE and food safety protocols. They are durable, easy to clean, and they stand up to the chemicals and hot water we apply to them to ensure we meet our stringent food safety and quality requirements.

Our processing teams stand in them all day so as soon as the cushioning goes, the gumboots need to be replaced – usually after six months to a year, and this means we need to dispose of thousands of pairs of used gumboots a year.

PVC meets our needs but it's a material that is pretty hard on the environment.

A new initiative at ANZCO's processing sites is seeing thousands of pairs of our old gumboots being repurposed into new black gumboots – where they previously would have gone to landfill.

ANZCO is working with Bata which provides bins for the old gumboots at each of our sites. These are then collected and turned into new black gumboots.

The key benefit is the significantly reduced environmental impact. In the six months ANZCO took part in the programme, we've saved around 9MT of CO² emissions.



ICT – Green box

ANZCO Foods is always looking for ways to minimise its impact on the environment including responsible and secure disposal of its ICT equipment. The company didn't want its e-waste to go to landfill so work with Greenbox which collects and wipes old equipment before repurposing it. This reduces waste and the associated carbon that would otherwise be released into the atmosphere. Greenbox has stringent ISO processes and accreditation, as well as a track-record of working with companies who have high security requirements, including the Australian Defence Department. The outcome is a win-win for ANZCO Foods which gets its equipment disposed of securely with a reduced environmental impact.

Planned for 2022

- Methane inhibition research
- Solar panel application
- Biodiversity development at Five Star Beef
- Natural Energy group biodigester
- Kokiri boiler replacement



Reducing our risks and enhancing our resilience



Prepare to thrive in a low-carbon economy subject to climate change and scarce natural capital inputs

Focused on understanding the risk of climate change on our business and across our supply chain, and continuing to adapt and embrace the required change

In 2021, our goals in this strategic area were to expand our impact assessment across all ANZCO's New Zealand sites; form a collaborative working group to support achieving the He Waka Eke Noa goals; full product traceability; sustainable packaging; and extending PVDC-free packaging.

Good progress was made in most areas, and we continue to work on our packaging and product traceability.

During the year we completed an impact assessment for our operations which created a baseline understanding for the business. This assessment provided significant insight from a different perspective. In 2022 this will be expanded and will contribute towards our Taskforce for Climate-related Financial Disclosure Report, timed for 2023.

He Waka Eke Noa

He Waka Eke Noa – a joint government/industry group – has been established to provide an alternative to the Emissions Trading Scheme (ETS) that will better meet agriculture's needs while still making people accountable for their emissions.

To assist with farmer engagement, New Zealand's meat processors established a working group to support He Waka Eke Noa.

As part of the He Waka Eke Noa agreement with Government, there are specific objectives that must be met to demonstrate industry engagement. To date the processor working group has been engaging with farmers to help them work out their greenhouse gas numbers and develop a farm plan to mitigate emissions. In 2022 the focus will also be on consulting on pricing mechanism alternatives.

From packaging to fence posts

Old Angel Bay packaging has been turned into fence posts. When ANZCO brought the manufacturing of its Angel Bay packaging back to New Zealand from offshore, it reduced its environmental footprint and improved the manufacturing process. A hard cutover date for the new refreshed packaging meant we needed to find a friendly way to dispose of the old bags.

Working with kiwi company Future Posts, one tonne of our old packaging has been turned into 68 fence posts.

Future Posts takes domestic and commercial waste and recycles it into premium fencing. So, when ANZCO was looking to fence off some land adjacent to our Five Star Beef operation, we chose to close the circle and use Future Posts.

Future Posts are designed by a fencer for use on-farm and have a range of performance and environmental benefits.

Future Posts can be used across a range of conventional and specialised operations including kiwifruit, vineyards, marine, agriculture, and equine.



Improving pen stability

During 2021 ANZCO started a \$6m project to complete pen stabilisation at Five Star Beef.

The project – which will be completed in early 2022 – involves resurfacing the operation's remaining 15 unsealed pens and stock races with around 150mm of a cement mix over a compacted gravel base.

The new surfaces enable the operation to maintain high animal health standards including hoof health. Having more stable surfaces across the pens also means it is a safer environment for staff working on site and allows the operation to mitigate any risk of run-off.

Local contractors are carrying out the work which involves a significant amount of machinery and number of people on site. This investment provides a big injection into the local economy.

Five Star Beef creates 30,000 tonnes of fertiliser a year. The improved pen surface increases the quality of the product with the resulting fertiliser becoming stone-free.



Biosecurity pledge

ANZCO signed up to New Zealand's biosecurity business pledge – a partnership that aims to help all New Zealand businesses take a proactive approach to their biosecurity practices. It provides a framework for managing the risk of unwanted pests and diseases (plant or animal) disrupting individual businesses or even whole sectors. This framework makes biosecurity a core part of operational activity and helps businesses meet their corporate and social responsibilities.

Planned for 2022

- Begin integrating Climate Change and Sustainability reporting standards for non-livestock suppliers focusing on carbon footprint reduction plans
- Work with livestock suppliers to progress into NZFAP+ standards
- Local iwi engagement/ collaboration



Caring for our people and communities



Care for the health and wellbeing of our workers and community

Focused on providing a positive workplace culture where our 3,000 employees are valued and where health, safety, and wellbeing are integrated into our operations; and we support the communities in which we are based

Our 2021 goals were to further develop our health and safety culture change programme; hold an inaugural forum for health and safety reps (with a view to this being annual); hold a group-wide health and safety training programme; and develop programmes to raise awareness and understanding of our diverse workforce.

Employee focus

ANZCO Foods has strong policies in place to comply with all employee legislation and it supports this with robust documentation that is updated at least annually, as well as training and development. Compliance with legislation in this space is a minimum standard for the business.

ANZCO Foods takes its obligations to its employees seriously and has reviewed all payrates to ensure they meet the living wage, as a minimum.

Health and Safety



Total Recordable Rate

Total Recordable Rate (TRR) is an industry standard KPI also called Total Recordable Injury Frequency Rate. The calculation uses Lost Time Injuries, Medical Treatment Injuries and Total Hours Worked for a 12 month rolling period – with a multiplier of 200,000. The calculation results in an estimation, based on the previous 12 months data of likely injuries per 200,000 hours worked.



Positive Safety Observations

Positive Safety Observations records all Near Miss and Safety Observations as a pure count of reports.



Lost Time Injury

Lost Time Injury (LTI) is an injury that results in lost time, as a result of the injury, after the day of the injury.

- All statistics have moved in a positive direction
- As a highlight – Safety Observations and Near Miss reports have increased during the last five years by 5,520% (in 2016 reports were 126 compared to 6,971 for 2021)

Health and Safety Cultural Change Programme

During 2021 a programme of communications was developed, covering both high-risk activities and high-frequency injury types. The key topics were:

- Forklift operations
- Traffic management
- Cuts and knife safety
- Slips, trips and falls
- Manual handling
- Emergency management and hazardous goods

Analysis of data was collated for each topic before and after each initiative. Example reductions are shown in the graph below.

The sites actively supported these focuses with their own initiatives. As part of our first Health and Safety focus month on cuts and knife safety, our Canterbury and Rakaia sites ran a competition to see who could maintain the sharpest knife. The Canterbury, Rakaia, and Rangitikei sites also ran an education programme focused on techniques, holstering the knife when not in use, grip strength, mastering the knife setter, and learning how to use a steel correctly to maintain a sharp edge on the knife.

Health and Safety Representative annual forum

A planned forum to bring a group of Health and Safety Representatives together was affected by the ongoing COVID situation within New Zealand. This forum will move to 2022. However, COVID requirements may result in the forum being held via Teams Meetings online.

Groupwide Health and Safety Training

Several training topics have been developed, with supporting material created. These include:

- Hazard and risk management

- Investigation and corrective actions
- Contractor management
- Event and risk management system training

The roll-out plan for 2021 was halted due to COVID site access restrictions. 2022 will see these topics covered across the Group.

Celebrating our people

ANZCO’s workforce comprises a wide cross-section of people. The company wants to embrace and enhance this diversity and developed a three-year programme for the business to progress this important area.

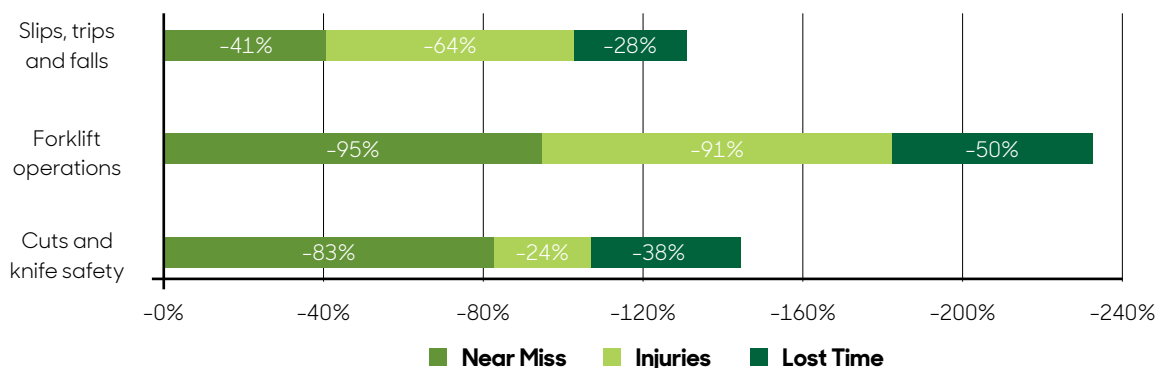
Global studies show that diversity creates more innovative and creative companies that make sounder decisions. Our objective in this area is about creating environments where everyone can thrive. A key activity in 2021 was carrying out a diversity and engagement survey, based on ANZCO Foods’ values. The survey highlighted some focus areas for the business and has provided a good benchmark for future years. The key feedback themes were listening, treating everyone with respect, and strengthening our recruitment processes. We will be working with sites to progress these in 2022.

In 2021 we piloted an online te reo course and cultural competency sessions and these will be offered more widely in the business during 2022.

Scholarships for waged employees

In 2021 ANZCO launched four scholarships of up to \$5,000 each, for up to three years’ tertiary study or an apprenticeship for immediate family of waged ANZCO New Zealand employees working at our processing or manufacturing sites. This area was where the company felt this initiative would make the most difference.

The company was delighted with the number and quality of the applications received.



Supervisors' strengths

Supervisors at all our processing sites completed their Gallup Clifton Strengths Assessment, with a view to understanding themselves and others better. The feedback from this initiative was very positive.

Community contribution

In 2021 through our Helping Make Ends Meat programme, we donated around 100,000 1kg packs of beef mince to the New Zealand Food Network to distribute to foodbanks around the country. During the 2021 lockdown we also donated mince to 0800 Hungry – a non-profit Christian Charitable Trust established to empower churches and social agencies to reach out to those in our community who need a helping hand, and the Salvation Army in Wellington/ Porirua to support its COVID welfare response.

Protein is a difficult item for foodbanks and welfare response organisations to source, and it's been made clear what a big difference ANZCO's programme makes to many people during tough times.

During the year Skellerup introduced a pink version of their famous Red Band gumboots to raise funds for breast cancer. The gumboots were a huge hit and sold out quickly around the country.

ANZCO was able to get in on the cause and secured 15 pairs of the gumboots. Every pair purchased saw a \$5 donation per pair to the Breast Cancer Foundation NZ. ANZCO then auctioned off the 15 pairs of gumboots to its farmer suppliers via email to raise further funds for this important cause.

The farmers made some very generous donations for the gumboots, and we raised \$3,501 for the Breast Cancer Foundation of New Zealand with the average winning bid for a pair of the Pink Bands being \$233.40.

ANZCO Foods sponsored the Maniototo Lions Club Winter Crop Competition. The project, including an auction and awards presentation night, raised \$29,000 for the Club, two thirds of which is earmarked for the rescue helicopter, and the balance for local study scholarships to Telford – Southern Institute of Technology or Lincoln University and local health projects.

As part of supporting our local communities, ANZCO's Angel Bay trailer is now officially a community fundraising asset designed to be a helping hand at fundraising events. For more information and to find the request form go to:

www.angelbay.co.nz/bbq-trailer

ANZCO continued to support the ambulance it donated to St John by financing the running costs for the ambulance in 2021.

Mental health continues to be an issue in the wider agricultural sector and during the year ANZCO made donations to support organisations working in this space including the Rural Support Trust, Farmstrong, and I Am Hope.

Youth in Canterbury have been through a lot since the earthquakes and there is a growing need for mental health support with one in four young people experiencing issues. Canterbury's existing youth mental health outpatients' facility at the old Princess Margaret Hospital in Cashmere is out-dated and doesn't meet the needs of youth or staff.

The Maia Foundation – a Christchurch charity set up to enhance the Canterbury health experience – is fundraising for a new outpatient's facility at Hillmorton and ANZCO's Earthquake Trust Fund Trustees have agreed to contribute the remaining funds to this important project. The majority of the funds raised were donated to the barbecue area at Christchurch's Margaret Mahy playground.



A focus on young people

ANZCO recognises the importance of young people in our industry and continued its Sponsor a School donation programme to rural schools and introduced initiatives to encourage young people to consider careers in agriculture.

Rural schools invested their annual ANZCO Foods donations on athletic mats, robotics, swimming pool covers, a bike shed, ICT costs, gardens, sunblock, and much more. In 2021 ANZCO donated more than \$106,000 to rural primary schools across the country through its Sponsor a School programme. The company works with local dairy farming families, who nominate a rural primary school to receive

a donation from ANZCO, that is linked to supply. Since the programme started in 2011, ANZCO has donated more than \$1.2m to rural schools, with funds spent on a huge variety of programmes and resources.

During the year ANZCO also invested its support in the Growing Future Farmers programme and Otiwhiti Station Land Based Training School to encourage young people to work in the industry; as well as supporting the West Otago Agrikids team in the national finals, the annual Butcher Apprentice of the Year contest, and donating dictionaries to Year Five students at Waitara Central School.

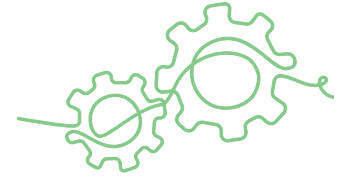


Planned for 2022

- Further develop iwi engagement/collaboration
- Continue to develop the community support programme including Helping Make Ends Meet, Sponsor a School, and St John
- Implement 2022 diversity and inclusion plans including running the engagement and diversity survey again and further rolling out te reo modules and cultural competency
- Improve our H&S statistics, continue our H&S cultural programme, and hold an annual forum for H&S representatives

Systems and structures

Establish the right structures and systems to manage accelerating environmental and social change



Focused on the role and value of structures, policies, and processes that provide organisations with resilience in uncertain times and benchmarks to test ourselves against

In 2021 our targets were to run sustainability governance training with the Board, Executive Leadership Team and the Sustainability Leaders Group; continue to develop our sustainability function; and work towards a Taskforce on a Climate-related Financial Disclosure report (TCFD); all of which was achieved.

During the year we formalised the sustainability function in our company structure and established the Sustainability Leaders' Group featuring representatives from across the business. The overall responsibility for Climate Change and Sustainability sits with the full ANZCO Foods' Board, and it is a regular agenda item.

Reporting on the progress in the area, as well as monitoring the use of resources at our sites, took a step forward with the creation of an interactive dashboard, which enables us to track and improve our use of resources.

At ANZCO, we are developing processes and structures to enable Climate Change and Sustainability (CC&S) to fully integrate into the core business structure and are regularly reviewing the priorities on the CC&S agenda. However, we remain early in our journey and while we have made good progress to date, there has not been sufficient time to enable an effective evaluation of our climate change, environmental, and sustainability management approach; this is planned for late 2022.

When defining CC&S issues impacting our business, we consider the expectations of and impacts on our major stakeholders – customers, employees, communities in which we operate, suppliers, farmers, iwi and our shareholder. We acknowledge that we remain in an early stage of our journey and in time the reporting scope will increase to reflect CC&S growth.

Unless otherwise stated, the data, information, and scope detailed in this report reflects all companies 100% owned and operated by ANZCO Foods in New Zealand. The data is primarily consolidated to reflect the group, unless otherwise stated. Impacts that make sustainability topics relevant to

us, may occur in other sections of the supply chain or wider community. If any reporting includes stakeholders outside of ANZCO's operations, this will be stated.

Governance Structure - 2021

ANZCO Foods' Directors

- Kazuhiko (Sam) Misonou – Chair
- Maurice Eng*
- Natsuki Yoshii
- Takamasa Wakaki
- Andy Macfarlane
- Mike Petersen

*At the end of 2021 Rachel Taulelei replaced Maurice Eng as an independent director on the board, following Maurice's retirement.

The ANZCO Board operates the Remuneration and Audit & Risk Committees, along with the following governance groups:

- Health and Safety
- Diversity
- Sustainability Leaders Group
- Data
- Investment

Planned for 2022

- Formally evaluate CC&S management approach
- Complete dashboard establishment – including carbon, energy, waste, water, and effluent metrics
- Update the maturity assessment
- Update the company group risk agenda



Appendix

United Nations Sustainable Development Goals alignment

ANZCO acknowledges that the United Nations Sustainable Development Goals were developed for implementation at a country level, however we also recognise that people connect with these so, where relevant, we have reported on how our climate change and sustainability activities are in keeping with the wider spirit of what the Sustainable Development Goals aim to achieve.

	UN SDG	SDG Target
3 	Good health and wellbeing Ensure healthy lives and promote wellbeing for all at all ages.	3.4 Reduce premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and wellbeing.
8 	Decent work and economic growth Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all.	8.5 Achieve full and productive employment, and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.
12 	Responsible consumption and production Ensure sustainable consumption and production patterns.	12.2 Sustainable management and efficient use of natural resources 12.3 Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses. 12.5 By 2030 substantially reduce waste generation through prevention, reduction, recycling, and reuse. 12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
15 	Life on land Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.	15.1 Ensure the conservation, restoration, and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains, and drylands. 15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity, and protect and prevent the extinction of threatened species.
17 	Partnerships for the goals Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development.	17.17 Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships.

How we contribute**Page**

· ANZCO's nutrition rich, safe, and high-quality products are exported to 80 countries around the world.	7, 8
· We support and encourage wellbeing with our employees and our suppliers.	25-28
· ANZCO is a significant employer in the rural regions of the country. We strive to build meaning into staff roles and provide development opportunities.	4, 25-28
· We have a comprehensive health and safety management system that covers all our workers and contractors.	25,26
· ANZCO has a had a focus on doing more with parts of the carcass that would have traditionally gone to rendering or to waste and has developed new food products including stocks, broths, and healthcare products. This has created more value from what was already available.	18
· We have had a focus on reducing waste and improving our use of resources including water.	18
· Sustainability is considered in our wider strategic approach and capex process. We are working towards producing a core 2016 GRI report and TDFC report by 2023.	2, 15
· ANZCO actively supports the uptake and extension of the industry assurance standards NZFAP and NZFAP+ with the latter also covering bio-security and environmental sustainability.	13, 14, 23
· ANZCO is working with conservation groups to protect rare and threatened plants at its Five Star Beef site.	19
· We promote and use good animal welfare practices on farm and improve soil health by sustainable farming practices.	13, 14, 22, 23
· ANZCO has strong relationships across the supply chain, the wider industry, and beyond. Our relationships and partnerships enable genuine collaboration in the spirit of SDG 17. In many instances the key focus of these relationships is centered on improving and promoting good sustainability practices.	12, 13, 14

Appendix

Global Reporting Initiative (GRI) Content index

GRI Standard	Disclosure	Reference	Page Number	
Organisational Profile	102-1	Name of the organisation	ANZCO Foods Limited	
Organisational Profile	102-2	Activities, brands, products, and services	About ANZCO Foods, brands, and products	3, 4
Organisational Profile	102-3	Location of headquarters	5 Robin Mann Place, Christchurch, New Zealand	
Organisational Profile	102-4	Location of operations	Map of locations	5
Organisational Profile	102-5	Ownership and legal form	100% owned by Itoham Yonekyu, Limited liability company	
Organisational Profile	102-6	Markets served	ANZCO Foods distribution	7, 8
Organisational Profile	102-7	Scale of the organisation	About ANZCO Foods	3, 4
Organisational Profile	102-8	Information on employees and other workers	Understanding our people	9-11
Organisational Profile	102-9	Supply Chain	Supply Chain	12
Organisational Profile	102-10	Significant changes to the organisation and its supply chain	There have been no significant supply changes during 2021; it is important to note there have been significant disruptions to the supply chain during this period as a result of implications from the COVID pandemic.	
Organisational Profile	102-11	Precautionary Principle approach	Strategy on page	15
Organisational Profile	102-12	External initiatives	Case studies throughout	
Organisational Profile	102-13	Membership of associations	Stakeholder engagement	13, 14
Strategy	102-14	Statement from senior decision maker	CEO Statement	1
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	Values	12
Governance	102-18	Governance Structure	Systems and structures	29
Stakeholder engagement	102-40	List of stakeholder group	Stakeholder engagement	13, 14
Stakeholder engagement	102-41	Collective bargaining agreements	69% of ANZCO's 2,810 employees are covered by a collective bargaining agreement	
Stakeholder engagement	102-42	Identifying and selecting stakeholders	ANZCO does not select stakeholders, they are people, businesses or organisations that impact or are potentially impacted by our business	
Stakeholder engagement	102-43	Approach to stakeholder engagement	Stakeholder engagement	13, 14
Stakeholder engagement	102-44	Key topics and concerns raised	Stakeholder engagement	13, 14
Reporting Practice	102-45	Entities included in the consolidated financial statements	ANZCO Foods Waitara Ltd, ANZCO Foods Green Island Ltd, ANZCO Livestock Ltd, ANZCO Prepared Foods Ltd, CMP Canterbury Ltd, CMP Kokiri Ltd, CMP Marlborough Ltd, CMP Rakaia Ltd, CMP Rangitikei Ltd, Five Star Beef Ltd, New Zealand Meat Marketing Ltd, Riverlands Ltd, Riverlands Eltham Ltd, Riverlands Manawatu Ltd, ANZCO Foods Australia Pty Ltd, Bovogen Biologicals Pty Ltd, ANZCO Foods Japan Inc, ANZCO Foods UK Ltd, ANZCO Foods North America Inc, ANZCO Foods Europe BVBA.	
Reporting Practice	102-46	Defining report content and topic boundaries	About this report	i
Reporting Practice	102-47	List of material topics	Strategy on a page	15
Reporting Practice	102-48	Restatements of information	About this report	i

GRI Standard	Disclosure	Reference	Page Number
Reporting Practice	102-49	Changes in reporting period	N/A
Reporting Practice	102-50	Reporting Period	1 January - 31 December 2021
Reporting Practice	102-51	Date of most recent report	March 2021
Reporting Practice	102-52	Reporting cycle	Annually
Reporting Practice	102-53	Contact point for questions regarding the report	sustainability@anzcofoods.com
Reporting Practice	102-54	Claims of reporting in accordance with the GRI Standards	About this report i
Reporting Practice	102-55	GRI content index	GRI content index 33-39
Reporting Practice	102-56	External assurance	This report has not been externally assured, however we are committed to continuously improving our sustainability reporting
Economic	201	Economic Performance	
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures i, 29
Management Approach	103-2	The management approach and its components	About ANZCO Foods. Economic performance is managed on department level through annual budgets which are approved by Executive Leadership and the Board of Directors; and on a daily basis an experienced finance team manages economic performance by preparing accounts using the method generally accepted New Zealand accounting practise. ANZCO Foods' annual accounts are available on the New Zealand Companies Office website.
Management Approach	103-3	Evaluation of the management approach	Economic performance outcomes are reviewed weekly, monthly and annually – the management of activity is subsequently assessed if there are significant variations between actual and budgeted performance. The annual accounts are independently audited and subsequently signed and issued by the Board of Directors at the annual general meeting each year.
Economic	202	Market Presence	
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, the boundary of ANZCO's market presence goes beyond the operating business to include all stakeholders.
Management Approach	103-2	The management approach and its components	About ANZCO Foods, People and community, Understanding our people. The predominantly rural geographic locations of ANZCO's business results in a predominantly local workforce. 3, 9, 25
Management Approach	103-3	Evaluation of the management approach	Systems and structures 29
Economic	203	Indirect Economic Impacts	
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures, Stakeholder assessment i, 13, 29
Management Approach	103-2	The management approach and its components	People and community, About ANZCO Foods 3, 25
Management Approach	103-3	Evaluation of the management approach	Systems and structures 29
Economic	204	Procurement Practices	
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures, Stakeholder engagement i, 13, 29
Management Approach	103-2	The management approach and its components	Supply chain, About ANZCO Foods, Supplier Code of Conduct 3, 12
Management Approach	103-3	Evaluation of the management approach	Systems and structures 29

35 Appendices

GRI Standard	Disclosure		Reference	Page Number
Economic	205	Anti-Corruption		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Anti-bribery and Corruption Policy, Protected disclosure (whistleblower) policy, Conflict of interest policy, Supplier Code of Conduct. This is also managed through New Zealand's legal framework.	
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR managers and adapt policies based on the feedback.	
Economic	206	Anti-competitive Behaviour		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Ongoing engagement with the business and regular consultation with solicitors to develop understanding of the current status of the law.	
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.	
Economic	207	Tax		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Taxation Governance Policy	
Management Approach	103-3	Evaluation of the management approach	Audit Committee approval of Taxation Governance Policy	
	207-1	Approach to tax	ANZCO Foods Taxation Policy provides the framework for all taxation risk assessment and management. The Audit Committee reviews and approves the policy on a regular cycle, last completed 2 June 2021. ANZCO's policy is to pay the correct amount of tax at the correct time. ANZCO will not implement aggressive tax planning arrangements and has a cautious approach of managing tax risk to minimise the risk of uncertainty or dispute.	
	207-2	Tax governance, control and risk management	The Board of ANZCO Foods delegates tax management and compliance responsibility to the Chief Financial Officer (CFO), assisted by the Group Tax Advisor. The CFO implements a tax management plan including a register of tax risks and programme of review, reported through to the Audit Committee.	
	207-3	Stakeholder engagement and management of concerns related to tax	ANZCO Foods maintains a good professional relationship with the New Zealand Inland Revenue and achieves a "low" risk rating in the latest Inland Revenue risk review. ANZCO Foods also contributes to the development of New Zealand tax policy where appropriate and has a transparent and constructive relationship with all tax authorities, with positive engagement in open dialogue, encouraging clear and full communications.	
Environmental	301	Materials		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Supply chain, Reducing our risks and enhancing our resilience.	12, 22
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Environmental	302	Energy		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Reducing our environmental impact	19
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Environmental	303	Water and Effluents		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Reducing our environmental impact	18

GRI Standard	Disclosure		Reference	Page Number
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
	303-1	Interactions with water as a shared resource	Reducing our environmental impact	18
	303-2	Management of water discharge related impacts	Reducing our environmental impact	18
Environmental	304	Biodiversity		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Reducing our environmental impact	19
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Environmental	305	Emissions		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Reducing our environmental impact	17
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
	305-1	Direct (Scope 1) GHG emissions	Reducing our environmental impact Definition: GHG emissions from sources that are owned or controlled by the company.	17
	305-2	Energy indirect (Scope 2) GHG emissions	Reducing our environmental impact Definition: GHG emissions from the generation of purchased electricity, heat and steam consumed by the company.	17
	305-3	Other indirect (Scope 3) GHG emissions	Reducing our environmental impact Definition: GHG emissions that occur as a consequence of the activities of the company but occur from sources not owned or controlled by the company.	17
	305-4	GHG emissions intensity	Reducing our environmental impact	17
	305-5	Reduction of GHG emissions	2020 is ANZCO Foods' base emissions reporting year, Systems and structures	29
Environmental	306	Waste		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Reducing our environmental impact	18
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
	306-1	Waste generation and significant waste related impacts	Paunch grass, plastic, cardboard. Plastic and cardboard waste are generated within and downstream of the supply chain.	
	306-2	Management of significant waste-related impacts	Reducing our environmental impact	18
Environmental	307	Environmental Compliance		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Compliance activity is managed by dedicated teams at individual business units. A centralised consents compendium was established to improve the management, visibility and oversight of regulated activity.	
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Environmental	308	Supplier Environmental Assessment		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Supply chain, Reducing our risks and enhancing our resilience, Supplier Code of Conduct	12, 22
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Social	401	Employment		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29

GRI Standard	Disclosure	Reference	Page Number
Management Approach	103-2	The management approach and its components	ANZCO Foods maintains the following policies and practices to ensure employment is sufficiently managed: ERA, Right people right roles, Fair hiring , Regional employment, Fair pay, Culture, Codes of Conduct, <u>Supplier Code of Conduct</u> , Compliance with employment standards and legislation.
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR managers and adapt policies based on the feedback.
Social	402	Labour/Management Relations	
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures i, 29
Management Approach	103-2	The management approach and its components	There are a wide range of channels for direct and indirect communication – these include regular manager–employee conversations, emails, digital screen (visual) communication, the ANZCO Foods company intranet, a private Facebook group for employees, and noticeboards at sites, as well as a union structure that enables the facilitation of a supportive and positive working environment. There are paid delegates at sites who facilitate this.
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.
Social	403	Occupational Health and Safety	
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures i, 29
Management Approach	103-2	The management approach and its components	There is a central health and safety team as well as on site representatives and action groups which ultimately report to the Board and must comply with national legislation.
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.
	403-1	Occupational health and safety management systems	SafetyNet; a web based portal which manages all hazards, incidents, safety observations and permits to work, operates across all of ANZCO's operational sites and head office.
	403-2	Hazard identification, risk assessment, and incident investigation	Hazard identification process feeds into the SafetyNet system where hazards are managed. Each hazard has a pre and post control risk assessment. ANZCO use three levels of H&S investigation, each following the ICAM approach.
	403-3	Occupational health services	ANZCO utilises a number of occupational health services, these are focused on operational activities, in-house physio services, and counselling and advisory services.
	403-4	Worker participation, consultation, and communication on occupational health and safety	Participation practises framework document (SMS 1.4.1), Every site has a health and safety action group; these individual groups meet monthly with documented minutes.
	403-5	Worker training on occupational health and safety	All staff enter the company and have a full health and safety induction. All operational tasks are supported by a standard operating procedure, each having a health and safety component. They are then signed off by a trainer or supervisor as competent to safely perform operational tasks. Reinductions are generally recompleted on annual basis, SOP retraining is completed on a risk based approach.
	403-6	Promotion of worker health	Promotion and communication of worker health is achieved by sites supported by group functions primarily using email and TV screen communications, as well as the ANZCO Foods intranet and private Facebook Group for employees. Flu vaccines are available annually to all staff and COVID vaccination was encouraged and incentivised. Among other benefits, insurance is available to all salaried staff.
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	<u>Supplier Code of Conduct</u> , permit programme for all contractors administered via SafetyNet.

GRI Standard	Disclosure	Reference	Page Number
Social	404	Training and Education	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	9, 25
Management Approach	103-3	Evaluation of the management approach	Policies and Procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.
Social	405	Diversity and Equal Opportunity	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	People and Community, CEO Statement, Human Rights Act, EEO Policy, Bullying and Harassment policy, Flexible Working Guidelines, Parental Leave Policy
Management Approach	103-3	Evaluation of the management approach	Systems and structures
Social	406	Non-discrimination	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	People and Community, EEO Policy, Bullying and Harassment Policy, <u>Supplier Code of Conduct</u> , Human Rights Act, training and awareness structures
Management Approach	103-3	Evaluation of the management approach	Systems and structures
Social	407	Freedom of Association and Collective Bargaining	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	Understanding our people. Employment Contracts, Individual Employment Agreements, and Collective agreements
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.
Social	408	Child Labour	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	Child Labour Act, Child Labour Policy, and <u>Supplier Code of Conduct</u>
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.
Social	409	Forced or Compulsory Labour	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	All workers' collective agreements do not discriminate or force people to be paid at different rates. There are no bonded labour practices. <u>Supplier Code of Conduct</u> .
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.
Social	411	Rights of Indigenous Peoples	
Management Approach	103-1	Explanation of the material topic and its boundary	i, 29
Management Approach	103-2	The management approach and its components	Human Rights Act and policy.
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.

*410 is not relevant to ANZCO Foods' business or operations

39 Appendices

GRI Standard	Disclosure		Reference	Page Number
Social	412	Human Rights Assessment		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Supply chain	i, 12
Management Approach	103-2	The management approach and its components	Human Rights Act and policy, Supplier Code of Conduct , ANZCO Code of Conduct	
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.	
Social	413	Local Communities		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	People and Community	25
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Social	414	Supplier Social Assessment		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Supplier Code of Conduct	
Management Approach	103-3	Evaluation of the management approach	Systems and structures	29
Social	415	Public Policy		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Not Applicable	
Management Approach	103-3	Evaluation of the management approach	Not Applicable	
Social	416	Customer Health and Safety		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Supplier Code of Conduct	
Management Approach	103-3	Evaluation of the management approach	Systems and structures	
Social	417	Marketing and Labelling		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	New Zealand Fenmark Licence number 100077, Halal certified by the New Zealand Islamic Development Trust, Food safety inspection service for generically approved labels	
Management Approach	103-3	Evaluation of the management approach	Certifications are reassessed in line with the individual licence requirements	
Social	418	Customer Privacy		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Privacy Policy	
Management Approach	103-3	Evaluation of the management approach	Reviewed and audited annually as part of internal audit	
Social	419	Socioeconomic Compliance		
Management Approach	103-1	Explanation of the material topic and its boundary	About this report, Systems and structures	i, 29
Management Approach	103-2	The management approach and its components	Fair Pay Policy	
Management Approach	103-3	Evaluation of the management approach	Policies and procedures are reviewed and evaluated on a regular schedule. We capture issues and effectiveness through HR Managers and adapt policies based on the feedback.	

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