

**Sustainability & ESG**  
**CORPORATE STATEMENT**  
**2023**

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# Introduction

This statement outlines Delta Agribusiness Group's approach (Delta) to Environmental, Social and Governance (ESG) management practices that drive sustainable and responsible progress across our business and the communities we operate within.

To provide some additional context to the Delta businesses, this statement also includes some overview information on some of the key ESG programs and initiatives that Delta has integrated into its businesses across Australia.

This statement applies to all operations in the Delta Agribusiness Group.



“

None of these accomplishments would have been possible without the hard work and dedication of our people... ”

- Gerard Hines

## ESG considerations and beliefs

At Delta, ESG practice is the integrated and continuous consideration of material ESG risks and opportunities that impact our business and the communities we operate in. ESG factors are dynamic and varied and we seek to harness a deeper understanding of them to influence sustainable positive change.

We believe that making a sustainable positive contribution to the management of ESG factors will enable us to achieve our vision of being recognized as the leader of value creation for farmers and rural communities in Australia.

The following guiding themes are fundamental to our ESG beliefs:

- Operating at the highest standards of ethics and integrity
- Promoting the safety and well-being of our people and customers.
- Contributing positively to the future sustainability of agriculture.
- Supporting the regional communities, we operate in to prosper and grow.

These four themes drive our approach to our ESG commitment and are based on the following principles and platforms.

**People and Culture:** Operating at the highest standards of ethics, compliance, and integrity, and promoting the career opportunities, safety, diversity and equality, and well-being of our people.

**Sustainability:** Promoting environmentally friendly and sustainable farming practices through heavy investment in research and replicated trial work, providing leading technical and agronomy advisory services to our clients, executing innovative business solutions resulting in improved production, and enhanced profitability outcomes for our customers.

**Social responsibility:** Contributing positively to and investing in and supporting the regional communities we operate in to promote resilient and sustainable social and economic outcomes.

**Adding value:** Our business strives to add value to all stakeholders through an integrated and dedicated approach across our suite of services and solutions.

# Materiality

Material ESG factors are defined as those that Delta consider having, or have the potential to have, a material impact on the businesses ability to create or erode economic, environmental and/or social value for all stakeholders.

In addition, we believe that certain ESG factors are fundamentally important to achieving sustainable positive change and profitable growth. At the date of this statement these include respecting international human rights standards, supporting and promoting gender diversity and equality, robust corporate governance framework, and respecting and protecting the protection of privacy and data.

We have established integrated functions into our core operating routines to address these specific factors, and we regularly monitor these and share knowledge and best practice across the business to support continuous progress.

## Delta's Material ESG factors

The following ESG factors have been identified as material to Delta's business and stakeholders through an assessment undertaken by the Delta Management Team which includes the Senior management team and the Board of Directors.

These factors are reviewed at least annually to ensure that they remain appropriate and material for Delta's business and stakeholders.

| Environment   | Social   | Governance                  |
|---|--|-----------------------------|
| Environmental Sustainability practices.                       | Employee attraction, compensation, training, and retention | Corporate governance        |
| Innovation and technology solutions                           | Diversity and equality.                                    | Risk management             |
| Waste management and recycling                                | Work health, and safety                                    | Regulatory compliance       |
| Water use efficiency  | Community support and investment                           | Transparent ethical conduct |
| Compliant use and Safe handling of pesticides and fertilizers |  |                             |



## Environment

Delta recognizes the critical importance of protecting the environment. Sustainability is critical to ensure success of our business and our customers and communities' prosperity. Our commitment and success to ensure environmental sustainability will underpin our vision of being recognized as the leaders of value creation for farmers and rural communities in Australia.

Delta operates retail stores and distribution warehouses across Australia, and ensures the safe storage, sale, and transport of all products, including any hazardous goods is always in line with the relevant state regulations and Industry regulated Agsafe guidelines.

We invest heavily each year conducting a broad range of Research and Development programs across multiple states, including replicated trials across a diverse range of business segments including, new chemical molecule trials, seed variety trials, pasture trials, and fertilizer and soil nutrition trials as examples. Our aim with these research projects is to endeavor to solve problems and gaps in farm production that other existing research projects are not covering. This large financial investment is important to our client's production outcomes, as well as collaborating with our key suppliers to trial new ideas and concepts to improve farm profitability and economic and environmental sustainability.

Delta is leading the way in Australia with its fully integrated Precision Ag services (PA). Precision Ag involves substantial Ag tech investment in digital platforms along with specialist PA agronomists to utilize satellite imagery, grid soil test results, and harvest yield data, to create specific zones within a field that reflect different soil type and fertility profiles.

This in turn allows prescription recommendations that then allow farm machinery to apply variable rate application of fertilizers and crop nutrition products to the different zones based on fertility and soil type. This can reduce overall use, but importantly ensure that each zone soil type receives the correct amount of nutrients to maximise production yields. Precision Ag is now evolving very quickly and greatly adding to overall farm production and economic and environmental sustainability.

The company's management and farm advisors/ agronomists across the country are highly trained professionals that practice and promote sustainable farming practices. This includes:

- Utilizing minimum till and no till cropping systems, utilizing precision Ag platforms, and leading technologies to reduce overuse of fertilizers and farm inputs and to ensure products are applied where they are required.
- Extensive and regular soil testing to monitor nutrient levels to ensure soils are responsibly managed to promote higher production and economic outcomes.
- Promotion of perennial pastures and livestock management systems to improve economic production outcomes, and to increase pasture dry matter production to prevent soil degradation from climate change and drought cycles.

- Investing in Ag tech solutions to continually improve water management, and greatly improved water use efficiency and production uplifts across relevant cropping and pasture sectors.

- Ensuring that our employees engaged in Livestock handling and marketing always operate to the highest standards regarding animal welfare standards.
- Ensuring all relevant employees are adequately trained and hold appropriate licenses and certifications regarding the storage, handling, and sale of agricultural farm inputs.
- Investigating the fit and opportunities for our company to participate in carbon farming, carbon baseline measurement, carbon measurement solutions, and additional economic value to our customers through agriculture's commitment to reducing emissions.

- Being committed to waste recycling and reduced carbon footprint where possible.

- Our warehouses are designed to be fully compliant with regulatory requirements and industry Agsafe guidelines to ensure safe storage, handling and transport of pesticides, fertilizers and dangerous goods, and are designed to remove any opportunities for uncontained spills and contamination into the environment and community.
- Ensuring any effluent waste from saleyard operations complies with the appropriate regulations.
- Proactively managing our energy and fuel consumption and reductions where possible and practical.
- Recycling. We assist growers to facilitate the return of recyclable drums and packaging, as well as promote environmentally friendly packaging wherever possible.



# Social

## Employee attraction, remuneration and retention.

We recognize that our most important assets are our people. The experience, skills and views of our people facilitate the delivery of a wide variety of value adding services to our clients across Australia. They possess deep local relationships and knowledge and are the foundations of our overall success and sustainability.

Our focus is on attracting, engaging, developing, and retaining the best talent available across regional Australia. We are committed to providing opportunities for career development supported by an extensive commitment to a suite of training and skills development programs and courses.

The company is highly committed to extensive and structured graduate programs, including our graduate agronomy program, our graduate agribusiness program, and our Livestock trainee program. The company promotes these programs extensively via attendance at university careers days, participating in careers panel discussions, and through social media and tradition advertising means. Our positive yearly intakes combined with the training and mentoring programs provided, are a key breeding ground to enable us to address the labor and skills shortages across regional Australia, and to ensure we meet our growth and sustainability targets and to enable us to support our customers.

Additionally, the company runs many training courses for different levels of employees including branch managers and senior managers, for example the Management Development Program, Senior Leaders Program, various sales training programs, public speaking, conflict management, advanced computer skills, and our flagship "Grow" program, that is for aspiring future leaders.



Other key initiatives that contribute to attracting and retaining talent include:

- To provide a safe workplace supported by qualified people to drive knowledge, structure, compliance, and accountability.
- To provide adequate Human Resource Management support to all employees and accessible policies and procedures including code of conduct.
- To provide Empowerment and autonomy, a working culture where people can use their initiative and make a difference.
- Highly competitive remuneration and employment packages.
- Flexible working policy where suitable.
- To reward our employees for high performance and value creation.
- Paid parental leave program.
- Paid personal and careers leave program.
- Paid study leave where applicable.
- Staff referral programs and incentives.
- Generous staff discount program.
- To promote health and wellbeing and always having professional external dedicated resources available to employees who require support including with mental health needs.
- A culture of "Pride in the jersey" and to celebrate the wins and positive employee outcomes across the business.
- To allow our employees to invest in the business and to participate in the overall value creation across the business. This inclusive model greatly enhances our ability to attract and retain the best people, and provides an opportunity for our people to create their own assets and benefit greatly from the collective efforts of the whole company.
- To ensure all employees have a pathway to progression in line with their growth and development to ensure we retain our best people and support career aspirations.



# Diversity and Equality

We recognize that a diverse and inclusive workforce is critical to achieving our overall objectives, and to be successful in attracting and retaining talent and skill sets. Our key commitments around diversity and equality also include.

- To be committed to and to provide an inclusive workplace culture where diversity and equality is practiced, valued, and celebrated.
- To ensure that we continue to strive for gender balance and equal career opportunities and remuneration at all levels of the business.
- To deliver a workplace that is free from bullying and any form of harassment.
- To ensure we operate a workplace free of all forms of discrimination.

# Work Health and Safety

Providing a safe workplace and promoting health and wellbeing for our employees and customers is critical, and a non-negotiable key performance indicator across our businesses. Safety across rural Australia has come a long way over the past years, however we strive every day to improve all aspect of workplace safety to ensure all our employees and people who enter our sites always remain safe.

Our key components of Safety include:

- Strong leadership and setting an example
- Adequate capital expenditure and resourcing
- Clear safety policies and processes in place and accessible to all staff on the companies HRM system.
- Safety officers in all branches
- Staff onboarding and induction at commencement of employment
- Regular staff meetings and action plans
- Risk assessment and safety audit reports
- Incident and hazard reporting
- Agsafe compliant premises and warehouses
- Staff trained and licensed to operate machinery
- Safe driving courses.
- First aid courses, and first aid kits in company vehicles.
- Livestock handling induction and livestock handling training.
- GPS and speed tracking data collection and alerts on all heavy vehicles.
- Communication and consultation
- Education and training.
- Company funded protective equipment.

The company operates an online HRM system, where all policies and procedures are available to all staff, and promotes good health and wellbeing, including exercise and work balance, as well as free access to counselling.

As we continue through recovery from the Covid pandemic, the company provides as necessary adequate equipment, strong communication and policies in line with any changes to public health orders. Our Human Resources team provides excellent support across all aspects of work health and safety, to ensure individual needs are met and individual support is at hand as required.





# Community Support and Investment

Delta invests heavily in all the communities and markets it participates in. We support regional and remote regions, and allocate a generous budget to a broad range of community including:

- Delta supports a large and diverse Sponsorship and donations program to sporting clubs, schools, charity fund raisers, and not for profit organizations in all the communities that we operate in.

- Delta are the Foundation and major sponsor of Active Farmers, a health and well-being initiative to provide equipment and personal trainers to regional and remote communities that are isolated or don't have access to modern fitness facilities. Active Farmers now operates nationally and currently supports around 80 communities, with 1800 participants and more than 300 classes every week. Active Farmers brings rural people together for fitness, social interaction and to improve mental health and well-being with the aim of reducing regional suicide rates. See [www.activefarmers.com.au](http://www.activefarmers.com.au).

- We provide critical financial support to women's refuge centers, rural scholarship organizations (i.e. Nuffield Scholarship)

- We have set up Positive Play, a registered multi-sport program designed for School children in regional NSW, to enhance and develop their skills across many sports.

Delta also partners with the company's suppliers to support many farming and industry groups, community organizations, crop competitions, Charity golf days, and town agricultural shows.

At Delta we know the value of community. Our businesses are often the largest product and service provider in town, and we take our responsibilities very seriously to ensure many small-town communities not only retain essential services but prosper through vital support and investment.

# Governance

At Delta, our core values within our Purpose, values and vision set the platform for our approach to Corporate Governance.

- Integrity**
- Commitment**
- Common sense**
- Innovation**
- Getting better**

These values combined with our growth strategy, and our corporate governance and risk management framework, are paramount in our goal to be recognized as the leader of value creation in rural communities across Australia.

The 6 board Delta board Directors are made up of a diverse range of Industry, Financial, strategy, and governance and compliance skillsets and experience. The Company Chair is a highly recognized and decorated industry leader, with extensive public and private markets senior leadership experience, and support for charitable and humanitarian causes. Two Directors are independent with long-term experience in private equity, financial, strategy and accounting experience. The remaining three Directors include the CEO (35 years industry experience, Executive Director (35 years industry experience), CFO and Company Secretary who has over 10 years of senior leadership experience, and a General Manager (30 years industry experience)

Additionally, the company has a suite of Senior Executives that manage Financial Accounting and back-office functions, Regional and State business units, Human Resources, Safety and Compliance, Information Technology, Marketing and Communications, Livestock Division, Grain Marketing, Fuel Distribution, and Credit functions

Our governance charter promotes lawful and ethical business dealings, which we believe has a direct link to financial outperformance and improved stakeholder returns.

Key criteria the Board and Executive management assesses includes:

- |  |                           |
|--|---------------------------|
| Governance                                       | Supply chain management   |
| Board experience and skillset                    | Modern Slavery compliance |
| People, culture, and codes of business conduct   | Gender reporting          |
| Risk management, audit, and compliance framework | Regulatory affairs        |

Our strong commitment to Governance provides the foundation for effective corporate management, social responsibility, and sustainability.

## Delta Agribusiness Board of Directors



**Gerard Hines**  
Managing Director



**Chris Duff**  
Executive Director



**Steve Cameron**  
Executive Director



**Doug Rathbone**  
Independent Chairman



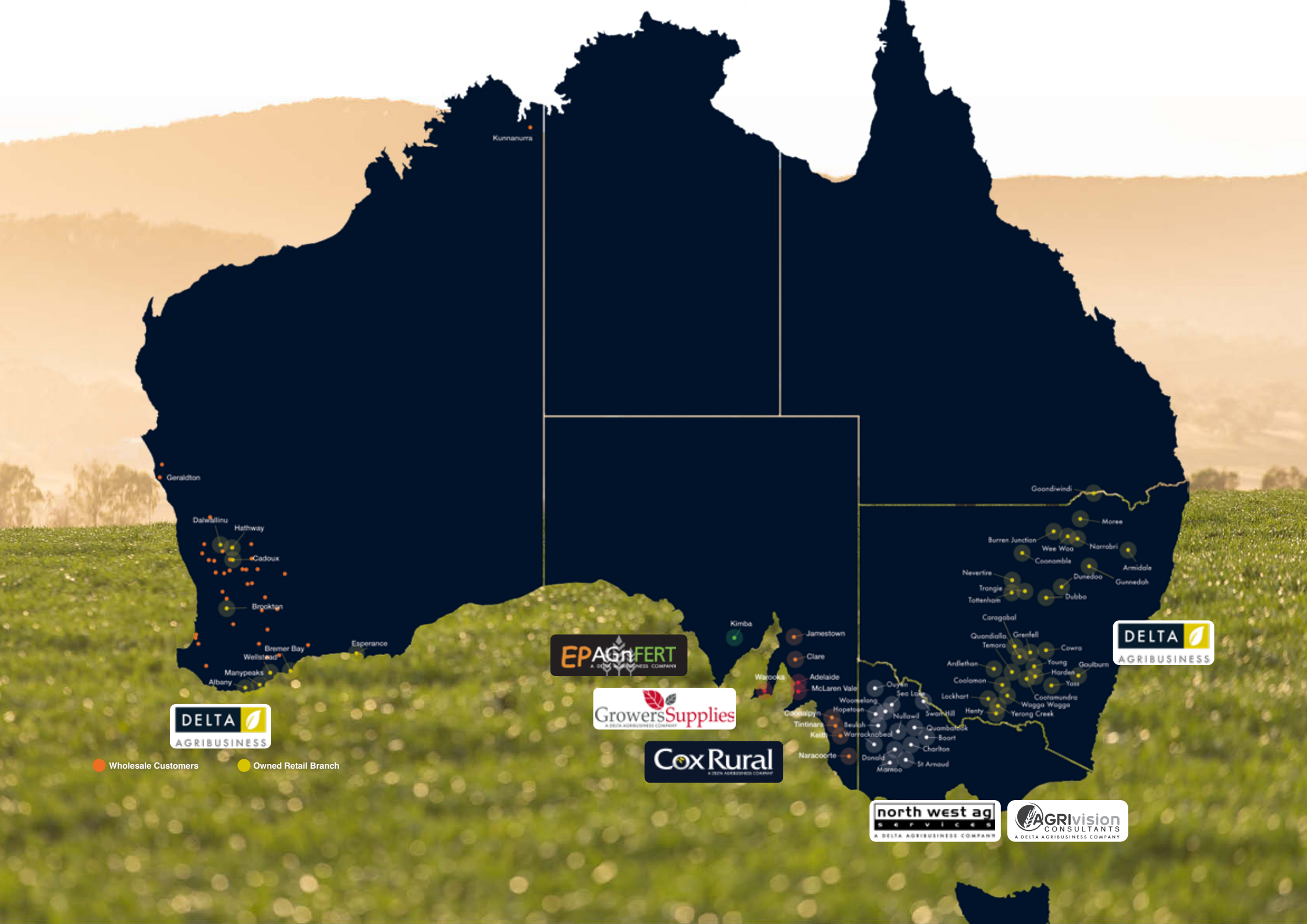
**Gareth Banks**  
Non-Executive Director



**George Penklis**  
Non-Executive Director



**Matt Freeman**  
Company Secretary



Kununurra

Geraldton

Dalwallinu

Hathway

Cadoux

Brookton

Bremer Bay

Wellstead

Manypeaks

Albany

Esperance

Kimba

Warooka

Coonabypyn

Tintinnara

Keith

Naracoorte

Beulah

Warlock

Donald

Marree

St Arnaud

Sea Lake

Woomelang

Hopetoun

McLaren Vale

Adelaide

Clare

Jamestown

Kimba

Goondiwindi

Moree

Burren Junction

Wee Wee

Narrabri

Coonambula

Armidale

Gunnedah

Dunedoo

Dubbo

Trangie

Neverfire

Tottenham

Caragabal

Quandialla

Temora

Grenfell

Cowra

Young

Hardes

Goulburn

Yass

Wagga Wagga

Yerong Creek

Ardlath

Coalamon

Costamundra

Swan Hill

Henty

Lackhart

Quambatook

Boort

Charlton

St Arnaud



● Wholesale Customers    ● Owned Retail Branch

