



SUSTAINABILITY REPORT 2022



WHO WE ARE

INGHAM'S IS THE LARGEST INTEGRATED POULTRY PRODUCER ACROSS AUSTRALIA AND NEW ZEALAND.

Contents

- 2 Our integrated operating model
- 4 Sustainability at Ingham's – a purpose-led business
- 5 FY22 sustainability performance at a glance
- 6 Awards, certifications and recognition
- 8 Informing our approach
- 9 Transforming to deliver on sustainability
- 10 Governing for sustainable outcomes
- 11 Sustainability in FY22
- 12 Our people and consumers
- 28 Our animals
- 30 Our planet
- 38 Taking a step forward on TCFD

Notes

This report relates to the activities of Inghams Enterprises Pty Ltd operating in Australia and New Zealand, covering the period of the Ingham's financial year 2022 (July 2021 to June 2022) unless otherwise stated.

Online Annual Report and Sustainability Report

This report can be viewed online at investors.ingham.com.au/Investor-Centre

OUR PROUD HISTORY

Ingham's was founded as a family business in 1918 by Walter Ingham in Liverpool, New South Wales, Australia. In 1953, Walter's sons, Bob and Jack Ingham, expanded the business across Australia. The Company started supplying products to major retail and quick service restaurants in the 1960s. We then expanded to produce turkey and stockfeed, followed by value-enhanced products. In 1990, we started operating in New Zealand.

The Company was acquired by TPG Capital in 2013 and listed on the Australian Securities Exchange in 2016. TPG Capital sold their last remaining shareholding on 26 August 2020. Over the past decade, we have invested more than \$1 billion in state-of-the-art facilities to meet future growth and firmly establish Ingham's as an industry leader in Australia and New Zealand poultry.



**THE
INGHAM'S
WAY**

Page 20

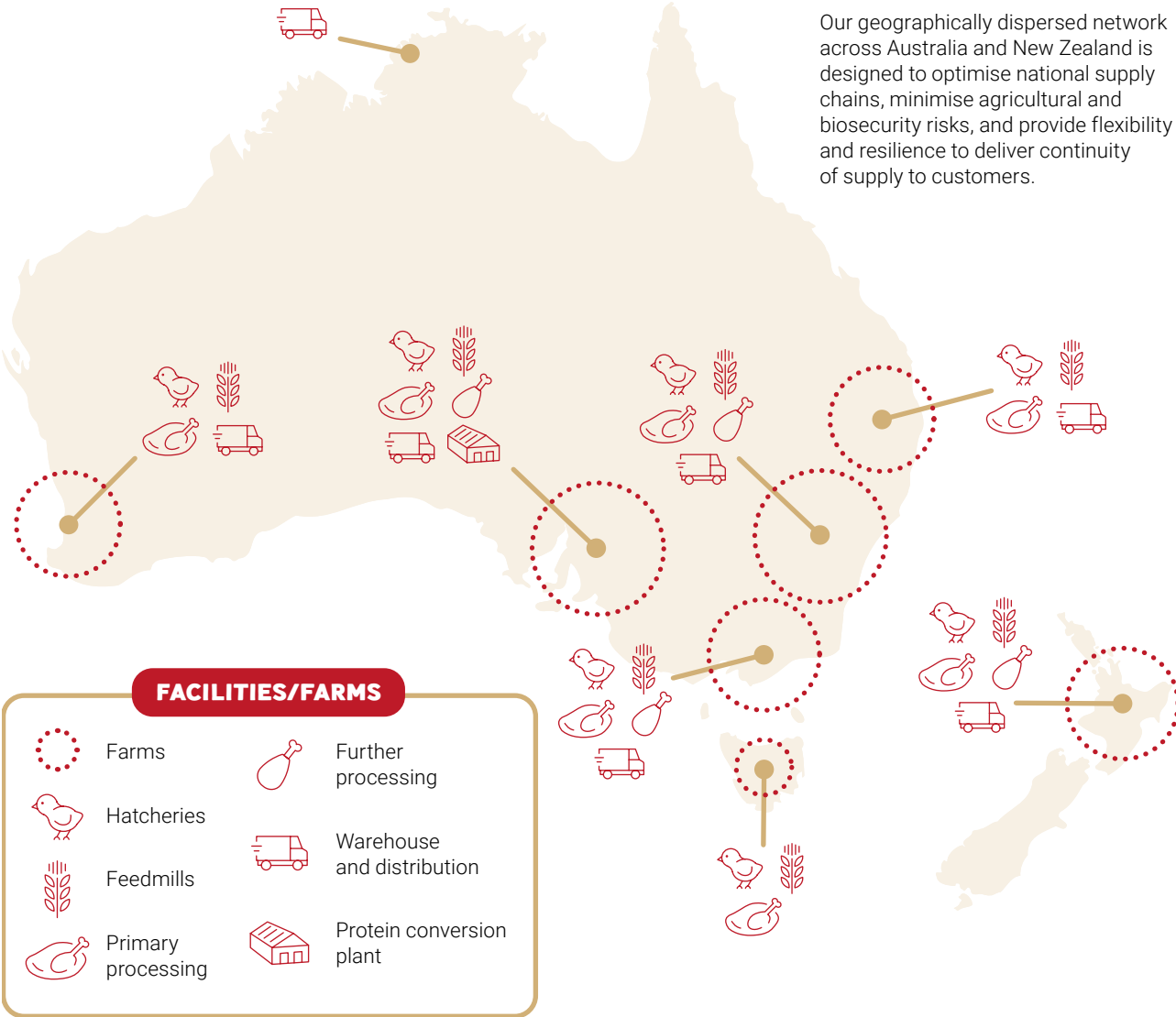
WE SUPPLY CHICKEN, TURKEY AND PLANT-BASED PROTEIN PRODUCTS INTO RETAIL, QUICK SERVICE RESTAURANTS, FOODSERVICE DISTRIBUTORS, WHOLESALE AND EXPORT CHANNELS. WE ARE ALSO ONE OF THE LARGEST PRODUCERS OF STOCKFEED IN AUSTRALIA.

WE HAVE APPROXIMATELY 8,000 PEOPLE WHO WORK TOGETHER TO SUPPORT EACH OTHER, OUR ANIMALS AND OUR CUSTOMERS.

WE ARE COMMITTED TO BEING ALWAYS GOOD, BUILDING ON OUR LONG-STANDING REPUTATION FOR FOOD QUALITY, CUSTOMER SERVICE, SUSTAINABLE OPERATIONS AND A COMMITMENT TO PROVIDE CONSUMERS WITH FRESH, CONVENIENT AND AFFORDABLE FOOD.

WHERE WE OPERATE

Our geographically dispersed network across Australia and New Zealand is designed to optimise national supply chains, minimise agricultural and biosecurity risks, and provide flexibility and resilience to deliver continuity of supply to customers.



FACILITIES/FARMS

- Farms
- Hatcheries
- Feedmills
- Primary processing
- Further processing
- Warehouse and distribution
- Protein conversion plant

OUR INTEGRATED OPERATING MODEL

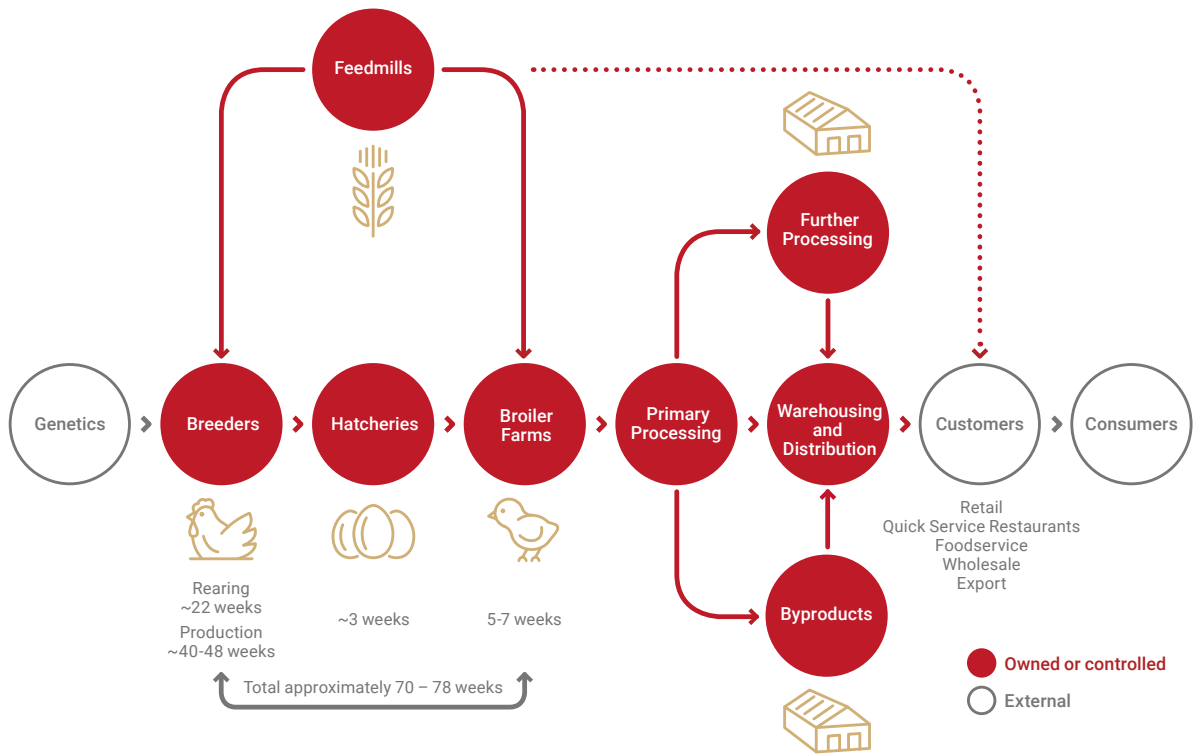
Our vertically integrated operations span the entire value chain from feedmills to farming, processing and distribution.

We optimise value from our operating model through integrated planning and operational excellence. Effective integrated planning ensures we consider the end-to-end supply chain to deliver the right products to the right place at the right time to service our customers.

Continuous improvement and optimisation of our network are required to deliver on our operational and sustainability objectives.

Recent examples include:

- constructing our latest hatchery at Muckenburra in Western Australia, which continues our high animal welfare offering with HatchCare technology that provides our chicks with an environment optimised for ideal light, air quality and living conditions;
- expanding our further processing facility at Auckland in New Zealand to increase production and installing equipment to supply fully cooked products to our customers; and
- opening a bigger distribution centre at Truganina in Victoria that will meet our objectives to deliver network cost savings by being closer to transport routes, and sustainability as a 4 Star Green Star design that includes solar panels that can cover up to 100% of energy consumption.



OUR AMBITION IS TO BE AUSTRALIA AND NEW ZEALAND'S **FIRST CHOICE FOR POULTRY**, PROVIDING FOOD THAT'S *Always Good* FOR OUR PEOPLE AND CONSUMERS, ANIMALS, AND THE PLANET.

Our role in the food system



SUSTAINABILITY AT INGHAM'S – A PURPOSE-LED BUSINESS



As a company that relies on our people, animals and planet for our long-term success, we are focused on embedding best practice sustainability into everything we do. As we moved forward towards our 2030 targets, our teams have continued to make positive progress across multiple initiatives and goals. We have also refined our approach and think we can make a positive difference to tackle the uncertainties of climate change by addressing:

- climate action and planetary health – focusing on sustainable agricultural practices in our business and across our supply chain to support a resilient global food system;

- protein in health – being both kind to our planet and people by ensuring we provide healthy and nutritious food in a sustainable way; and
- fairness for animals and people – ensuring our food production promotes human rights, equality, and social inclusion, as well as animal welfare.

As one of the largest integrated poultry producers across Australia and New Zealand, these are areas where we can play a key leadership role as advocates to support a more sustainable food system. We will share the strategy as it develops over the coming 12 months.

Our 2022 Sustainability Report aims to transparently share information about Ingham's sustainability performance, policies, and management approach. It highlights our positive contribution and commitment to embedding best practice sustainability into everything we do.

Our purpose is to deliver deliciously good food in the best way. This means we will do our best by our people, animals and planet to invest in the change required and collaborate with our stakeholders to make a positive difference. It's part of our commitment to be *Always Good*.

Andrew Reeves
Chief Executive Officer and Managing Director

FY22 sustainability performance at a glance

From FY21 to FY22, we made a positive difference to our people and consumers, animals and the planet.





AWARDS, CERTIFICATIONS AND RECOGNITION



Aviagen ANZ Parent Stock Awards

Gold awarded to New Zealand, Silver awarded to Western Australia and Bronze awarded to Victoria for achieving the best rate in the total eggs per hen housed category. Gold awarded to New Zealand and Western Australia, and Silver awarded to Queensland for achieving the best rate of chicks per hen housed category.



Edinburgh Parks Further Processing Plant achieved Gold certification to the Alliance for Water Stewardship (AWS) Standard, becoming the fourth Ingham's site to be certified, along with Murarrie in Queensland (Platinum), Bolivar in South Australia (Core) and Te Aroha in New Zealand (Core).



All Ingham's free range meat chicken growing farms in Australia are accredited by Free Range Egg and Poultry Australia (FREPA). These farms are also certified by the RSPCA Approved Farming Scheme to their indoor requirements. Ingham's is working to achieve certification for RSPCA Approved outdoor requirements.



All Ingham's free range meat chicken growing farms in New Zealand are SPCA Certified.



Ingham's new Truganina Distribution Centre in Victoria has a 4 Star Green Star Design and As Built standard and is undergoing accreditation by the Green Building Council Australia.



100% of our sites across Australia and New Zealand achieved A or AA GFSI BRC Food Safety Standard certification.



New Zealand's Waitoa Free Range Chicken and Let's Eat

plant-based products are certified as net carbon zero by Toitū. Toitū net carbonzero certification is accredited by the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) and the world's first carbon certification program to be accredited under ISO 14065, which is recognised in over 60 countries globally. These products are the first in New Zealand to be certified as net carbon zero in their respective categories.



2021 New Zealand Food Awards

Let's Eat Plant-Based Golden Nuggets won the Below Zero category for innovation, sustainability and excellence. ✓

2022 New Zealand Pride in Print Awards

Ingham's Waitoa Free Range Butterflied Chicken packaging won Gold for 'Packaging Product Innovation' and 'Environmental Innovation'.

2022 Packaging Innovation and Design of the Year Award

Ingham's Waitoa Free Range Butterflied Chicken packaging won Gold in the 2022 Save Food category. ✓



INFORMING OUR APPROACH

We have updated our material topics to ensure we are managing sustainability issues that are relevant to our business and stakeholders.

To identify and prioritise the issues relevant to our organisation, we reviewed our 2017 materiality assessment, industry reports, investor reports, peers' sustainability reports

and performance, and employee feedback gathered through surveys and interviews. The data collected helped us to identify industry trends, changes in the sustainability landscape, stakeholders' expectations and emerging issues. The Board and senior leadership team have endorsed these priorities and their respective commitments.

Our material topics

	Sustainability issue	Definition
1	Climate action	Adapting and responding to climate change impacts, and considering renewables to reduce the emissions generated through our operations and supply chain.
2	Employee health, safety and wellbeing	Supporting and enhancing the health, safety and wellbeing of our employees across our operations and managing risks and crises effectively.
3	Product safety	Ensuring world-class quality food safety practices across food production to ensure compliance and certification with relevant standards.
4	Animal health and welfare	Monitoring and protecting the health and wellbeing of animals in our care through adopting animal welfare technological innovation.
5	Water stewardship	Implementing water efficiency measures in operations to reduce water use and to maximise water recycling.
6	Sustainable agriculture and biodiversity	Protecting and preserving land and biodiversity on land which Ingham's is located, conducting environmental impact assessments, minimising impact from operations and supporting planetary health.
7	Governance	The internal leadership promoting environment, social and governance oversight within Ingham's, including the development of policies, frameworks, communications, reporting and accountability for sustainability.
8	Waste and sustainable packaging	Minimising waste to landfill, eliminating food waste, maximising recycling and developing sustainable packaging.
9	Equality, diversity and inclusion	Ensuring employees of all social, cultural, sexual and disability status are welcomed and supported in the workplace.
10	Sustainable procurement	Assessing and monitoring environmental performance of suppliers and supporting suppliers to improve their social and environmental performance.
11	Employee engagement and development	Supporting the development of employees by providing a constructive culture, training and development opportunities and empowering them as sustainability leaders in their role.
12	Economic performance	Delivering positive economic outcomes and consistent and reliable returns to stakeholders.
13	Human rights and modern slavery	Identifying, monitoring and mitigating any human rights risks in our business and supply chain, to ensure compliance with relevant regulations and standards.
14	Consumer engagement and education	Educating and engaging our consumers to make sustainable and responsible choices and protecting consumers' data.
15	Community engagement	Engaging with the local communities we work in by donating to and sponsoring organisations supporting people, animals and the planet.
16	Consumer health and nutrition	Identifying opportunities to improve the health and sustainability profile of our products.

WE *recognise* THAT
**SUSTAINABILITY AND
 BUSINESS PERFORMANCE**
 ARE INTRINSICALLY LINKED.

**TRANSFORMING TO DELIVER
 ON SUSTAINABILITY**

As one of the largest integrated poultry producers across Australia and New Zealand with over a 100-year history, we are well positioned to make a positive difference by addressing sustainability challenges and opportunities.

We have a lot to be proud of already; achieving 100% accreditation by the Royal Society for the Prevention of Cruelty to Animals (RSPCA) Approved Farming Scheme in Australia, tracking to the 2025 National Packaging Targets and ensuring that waste in our chicken production is minimised.

We recognise that sustainability and business performance are intrinsically linked and that to continue being leaders in sustainable poultry, we must challenge ourselves to make change, invest in the work required and collaborate with our partners and customers to make a difference. Over the coming 12 months, more detail will be shared about Ingham's sustainability strategy and the journey to achieve our goals, which is underpinned by the below principles.



GOVERNING FOR SUSTAINABLE OUTCOMES

Our purpose and values are aligned with our objective to deliver consistent and reliable returns to our stakeholders. We believe this is only possible in a future where sustainability and climate change risks have been identified and mitigated.

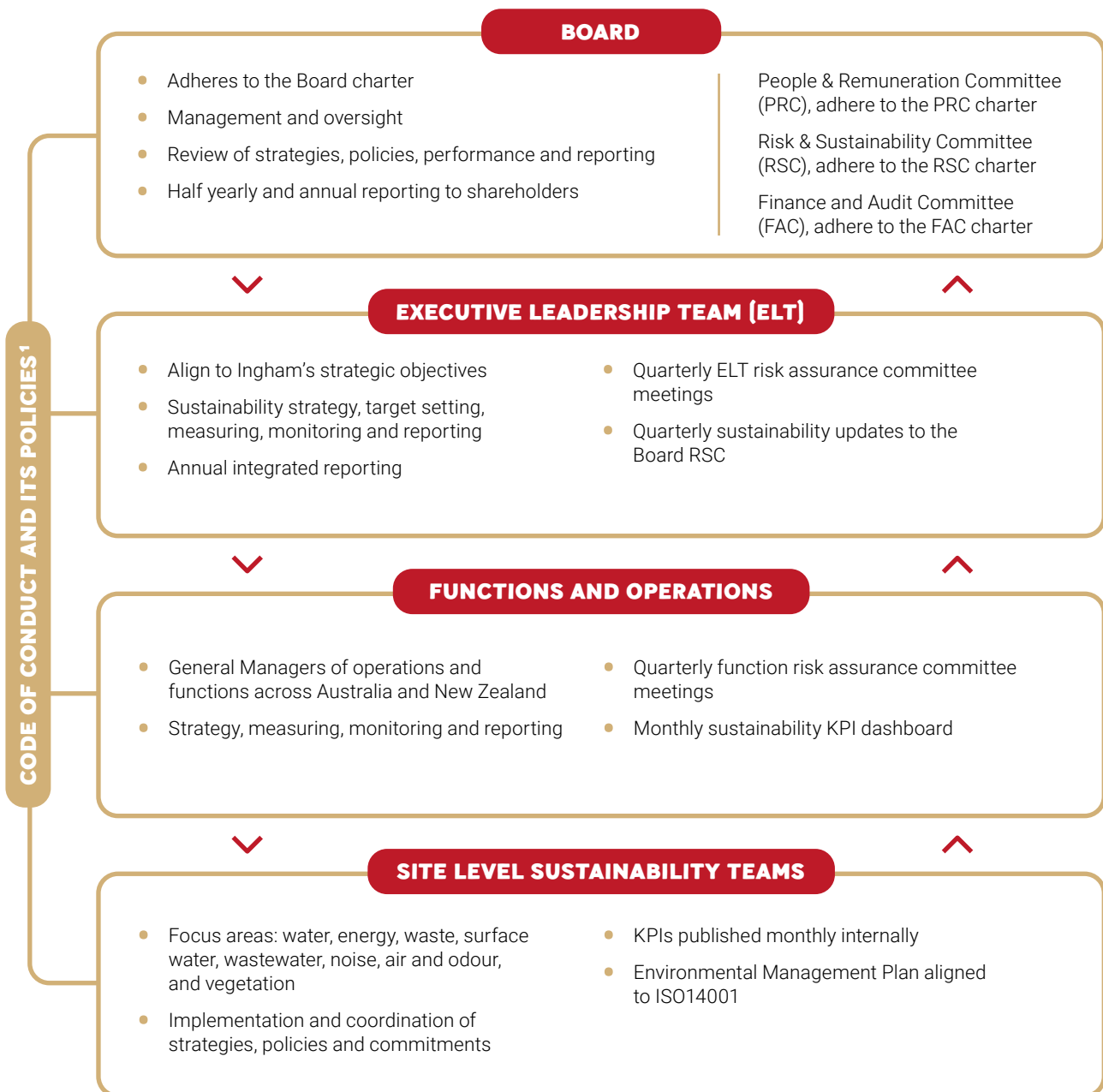
Sustainability is core to our strategy, and we are working to embed sustainable decision-making across our business. Oversight of sustainability and climate-related risks and opportunities is provided by Ingham's Board and its Risk and Sustainability Committee (RSC). The RSC is responsible for identifying and overseeing material and emerging risks at Ingham's, including economic, health, safety, quality, environmental, social, sustainability and governance risks.

The RSC meets quarterly to fulfil its role and responsibilities related to sustainability, including:

- overseeing sustainability and climate change risks, including both physical and transitional risks;
- reviewing and approving sustainability reporting; and
- approving Ingham's Sustainability Strategy and reviewing progress against 2030 targets and commitments.

More information on the role and activities of the RSC is available in the Corporate Governance Statement, Principle 7 within Ingham's Annual Report, and in the RSC Charter available on the Company's website.

Our sustainability governance framework outlines how we manage sustainability within our business to reduce risk and embed a culture of accountability led by the Board and empowered from within.



(1) Policies include: Whistleblower Policy, Anti-Bribery & Anti-Corruption Policy, Continuous Disclosure Policy, Environmental Policy, Risk & Sustainability Policy and Inclusion & Diversity Policy.

SUSTAINABILITY IN FY22

OUR FOCUS AREAS:



People and consumers

Our team of approximately 8,000 people are at the forefront of our purpose and are the most important asset in driving sustainability at Ingham's. We are committed to providing a safe and empowering workplace for our teams as well as ensuring compliance across the supply chain, continuing to provide sustainable and nutritious products to our consumers, and supporting the communities where we work.



Animals

We are committed to being leaders in animal welfare by protecting and improving the health, welfare, and comfort of our birds through monitoring, accountability and innovative solutions and technology.



Planet

Protecting and preserving the land on which we operate is core to delivering sustainable and quality products. We are committed to adapting and responding to the impacts of climate change and minimising any negative environmental impacts through sustainable procurement, water stewardship, innovative waste solutions and sustainable agriculture.



OUR PEOPLE AND CONSUMERS

Product safety

We are committed to providing safe, quality food for our consumers driven by continuous improvement and our people's passion for always providing the best from farm to table.

Our commitments

- Achieve quality excellence in everything we do, not only for our customers and consumers, but also for our employees, stakeholders, and our community.
- Continually develop and implement food safety and quality systems, standards, and procedures to produce safe, legal, and authentic products.
- Deliver quality nutritional products ensuring excellence in food safety:
 - achieve an average of 90% compliance across the business to the Product Pride Program;
 - reduce customer complaints (CPmkg), on average, by 5% year-on-year; and
 - achieve, on average, an 'A' rating across our business against the Global Food Safety Initiative BRC annual audits.

Our approach

To deliver on our purpose and achieve our ambition, our quality approach must go beyond formal regulations. It should be embedded in our culture. The health and welfare of our animals and how our food is processed, prepared, sold and served rely on every person in our food supply chain being committed to food safety and quality.

Our dedication to food safety and quality includes reducing risk through investment, strategic oversight and ongoing leadership to promote awareness among our people.

Our Product Pride Program provides the framework to deliver world-class food safety and quality as defined by the Global Food Safety Initiative (GFSI). The program addresses:

- 1 **Risk reduction strategies**
- 2 **Hazard Analysis Critical Control Point (HACCP)**
- 3 **Best practice support programs (good manufacturing practice (GMP))**
- 4 **Standards and procedures**
- 5 **Leadership, communication and learning**

OUR **PRODUCT PRIDE PROGRAM** PROVIDES THE FRAMEWORK TO DELIVER *world-class* SAFETY AND QUALITY.

Each pillar has clear leadership and assigned responsibility, deliverables, timelines and measurable objectives. These pillars have provided the work structure for the Product Pride Program 2019-2022. They will continue through 2023-2025 under the framework of the existing Ingham's Food Safety and Quality Management System.

100% OF OUR SITES ACROSS AUSTRALIA AND NEW ZEALAND ACHIEVED A OR AA GFSI BRC FOOD SAFETY STANDARD CERTIFICATION

Our performance

All Ingham's operations commit to continuous improvement and are evaluated and validated for effectiveness through objective measures. These measures include internal and external audits and the development and application of food safety and quality-specific business KPIs.

Complaints per million kg (CPmkg) performance



Our FY22 Product Pride Program achieved its target of greater than 90% compliance.

Our team's ongoing focus on quality and leveraging the program resulted in reducing 'complaints per million kg' (CPmkg) in FY22 by 18% against FY21. It also supported 100% of our sites achieving 'A' or 'AA' grade GFSI BRC Food Safety Standard certification for FY22. We continue to work towards achieving the highest levels of accreditation at all of our sites. Based on the program's success, we will refresh and continue the Product Pride Program in FY23 through to FY25.

We promoted food safety awareness through Workplace, our internal communications platform. This included celebrating World Food Safety Day on 7 June 2022 by sharing information on food safety guidelines.





Consumer health and nutrition

We continuously identify opportunities to improve the health and sustainability of our products.

Our commitments

- Develop products to achieve a minimum 10% reduction in fat and sodium contents by 2030.

Our approach

We are always working to improve the health and nutritional attributes of our products. One important way we have been doing this is by implementing the Health Star Rating¹ on our packaging. The scheme aims to help Australians make healthy choices and assigns a rating from ½ to 5 stars based on the overall nutritional profile of the packaged food item.

Our performance

Our new Bulk Bag range launched in retail stores in June 2022 features Health Star Rating labelling. All new packaging will be updated to include Health Star Rating labels in due course and as changes are made to reduce write-offs.

We have expanded our gluten-free range in New Zealand by introducing the Waitoa Karaage Chicken. This complements our existing gluten-free offerings: Waitoa Chicken Tenders, Burgers and Nuggets. We also removed the milk ingredient from the Let's Eat plant-based range in response to consumer feedback for a vegan option.



(1) <http://www.healthstarrating.gov.au/internet/healthstarrating/publishing.nsf/Content/About-health-stars>

Consumer education

We want consumers to know they are making sustainable and responsible choices when they choose Ingham's.

Our commitments

- Educate and engage our customers to help them make sustainable and responsible choices.

Our approach

We promote Ingham's development of sustainable and healthy products across our internal and external communication, and product channels.

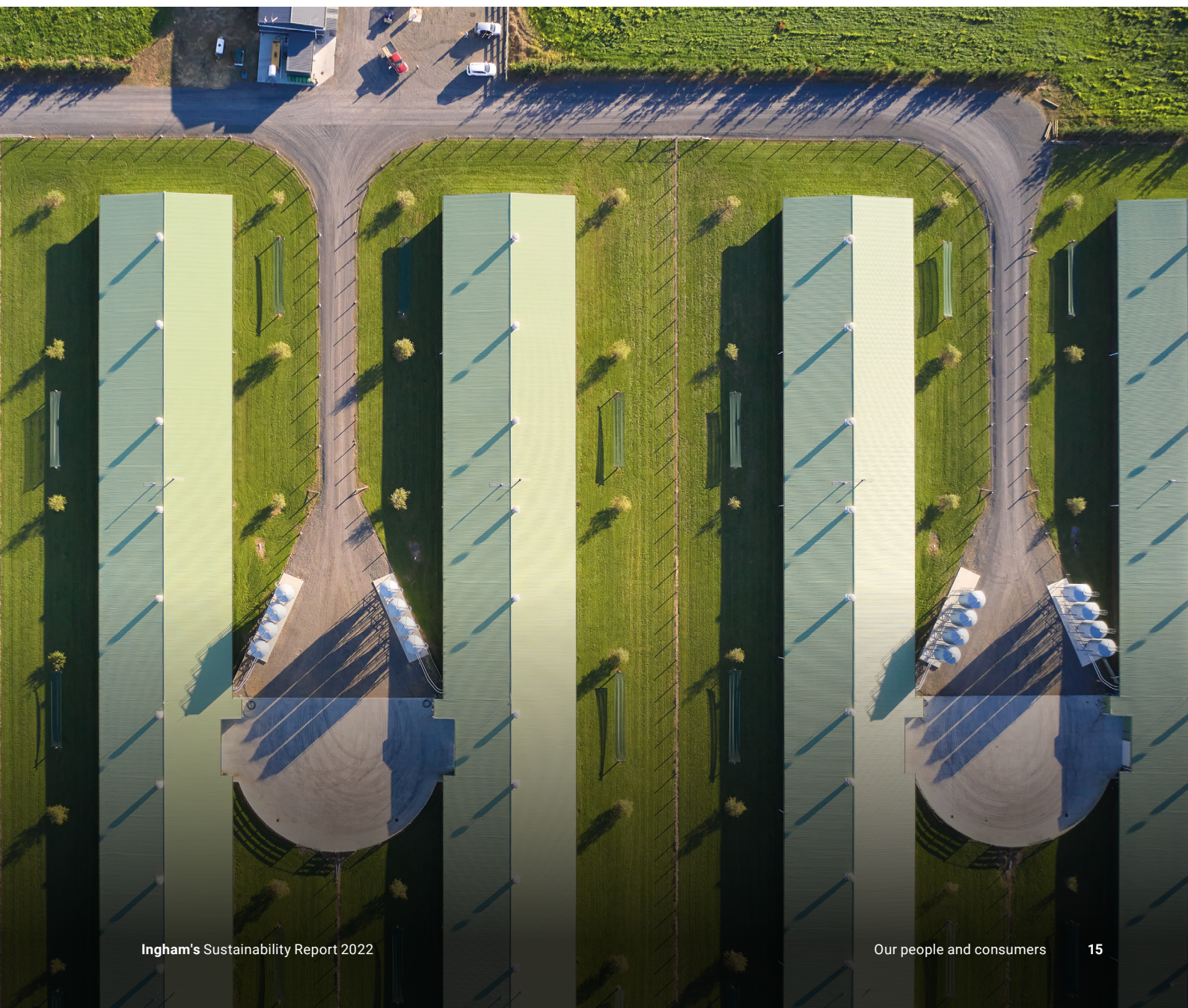
Our performance

This year, we launched the first net carbon zero certified chicken in New Zealand. To communicate this exciting milestone, our marketing campaign included TV, outdoor, radio and social media advertising. We backed this up with sales promotions to our retail customers with mailer activity, in-store signage and in-store consumer promotions. You can read more about our Waitoa net carbon zero certified chicken in the 'Climate action' section on page 31.



We updated our packaging to include Australasian Recycling Labels (ARL) to advise consumers how to recycle packaging. This new packaging includes QR codes, which link directly to the sustainability page of our website. We also include the REDCycle and Soft Plastic Recycling Scheme logos on relevant packaging to support soft plastic recycling in Australia and New Zealand. See more about this in the 'Sustainable packaging' section on page 37.

We are also developing a series of films to inform consumers about our commitment to being *Always Good* to our people, animals and planet. The films will explain how chicken provides a more sustainable source of protein than other land animals, debunk myths surrounding hormones and steroids, and provide information to demonstrate the scale of the business and the quality of our product. The advertisements are scheduled to air in 2023.



Community engagement

We engage with the local communities we work in by donating to and sponsoring organisations supporting people, animals and the planet.

Our commitments

- Develop partnerships with organisations that support our people, animals and planet.
- Develop programs and initiatives that allow us to connect and positively impact our local communities.

Our approach

We have a GivING program that seeks to engage with our people to support the communities we work in through sponsorships, donations, and corporate volunteering.

While volunteering was limited during the year due to COVID-19, we continued to donate money and food products to organisations that support people in our local communities.

Our performance

This year, we signed a national partnership with Foodbank Australia for the donation of food. In FY22, our food donations provided 1,016,700 equivalent meals to support people across the country, including remote communities.

Food insecurity is a significant problem, with one in six adults in Australia having gone hungry in the past year¹. Ingham's also donated \$10,000 to Foodbank in support of the New South Wales and Queensland flood relief efforts. In New Zealand, we donated 32.9 tonnes of product to frontline food rescue and distribution charities that operate in our local communities.

Other donations, sponsorship and financial support included:

- helped to supply clean water to the Tongan community through a donation to Oxfam Aotearoa to support relief efforts following the offshore volcanic eruption in January 2022;
- continued financial support to the Ingham Institute for Applied Medical Research as part of our three-year agreement. The Ingham Institute funds and leads world-class medical research to treat people living with common medical conditions and disease, including cancer, rehabilitation, and mental health;
- Diamond sponsorship of the Woolies Wheels and Walks, a fundraising partnership between Woolworths and Tour de Cure raising money to help find a cure for cancer. Our people also participated in the ride and walk to raise additional money for this important cause;
- sponsorship of the Mount Festival in Mount Maunganui and The Emirates Team New Zealand; and
- donated food products to Zoos South Australia.



1,016,700

EQUIVALENT MEALS PROVIDED BY OUR FOOD DONATIONS IN AUSTRALIA IN FY22



\$10,000

DONATED TO FOODBANK IN SUPPORT OF FLOOD RELIEF EFFORTS IN AUSTRALIA AND A FURTHER \$10,000 DONATED TO OXFAM AOTEAROA IN SUPPORT OF THE TONGAN RELIEF EFFORTS



32.9 TONNES

OF PRODUCT DONATED TO FRONTLINE FOOD RESCUE AND DISTRIBUTION CHARITIES IN NZ

(1) <https://www.foodbank.org.au/?state=au>

Employee health, safety and wellbeing

We are committed to a vision of zero harm for our people by supporting their health, safety and wellbeing and managing risks and crises.

Our commitments

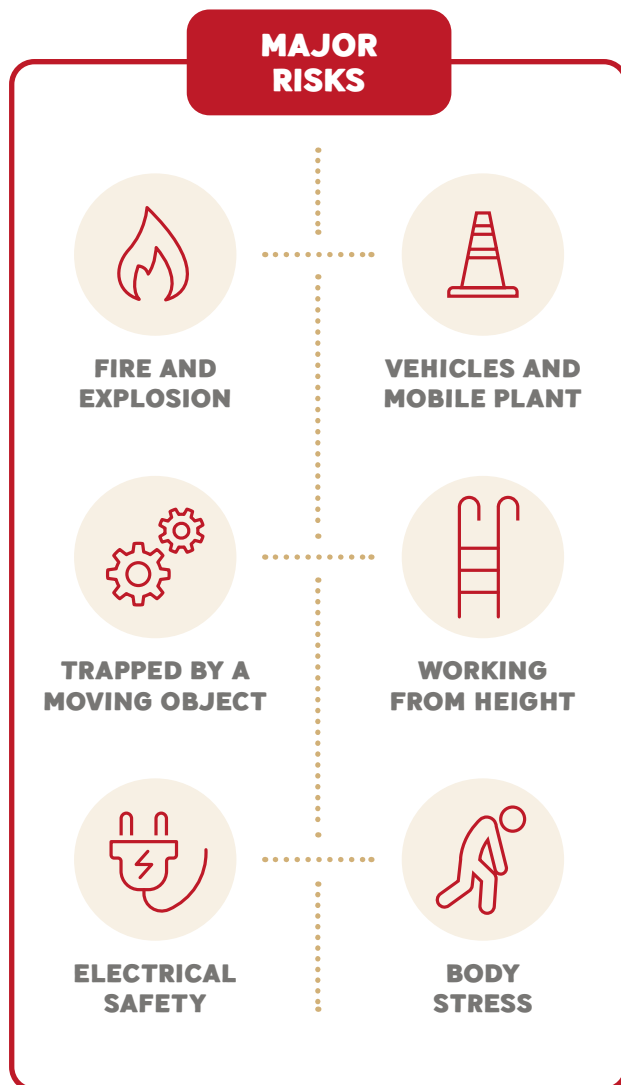
- Provide a safe and healthy work environment.
- Achieve at least 95% compliance with the Safety for Life program each year.
- Reduce serious, recordable incidents by 5% year-on-year.

Our approach

We want our people to go home safe to their families every day. We have an established Work Health and Safety Management System (WHSMS) to help achieve this. We also have procedures covering our operations across Australia and New Zealand, which are subject to rigorous audits.

Our Safety for Life program provides the foundation for improving our safety performance. It is underpinned by goals supporting risk reduction, safety management systems, safe behaviours and injury management. This program also guides our sites when completing Safety Walks, Hazard Inspections, Toolbox Talks and our Procedural Compliance Inspection and Auditing program. We successfully completed our 2020/2022 Safety for Life program, with performance measured monthly and monitored by our Board, Risk and Sustainability Committee, Executive Leadership Team, senior leaders and safety committees.

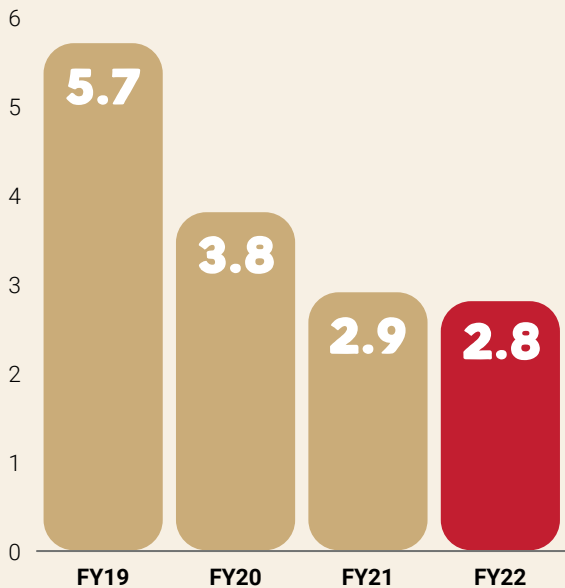
Our Golden Safety Rules focus on high-risk activities and critical controls that must be in place before undertaking and during work.



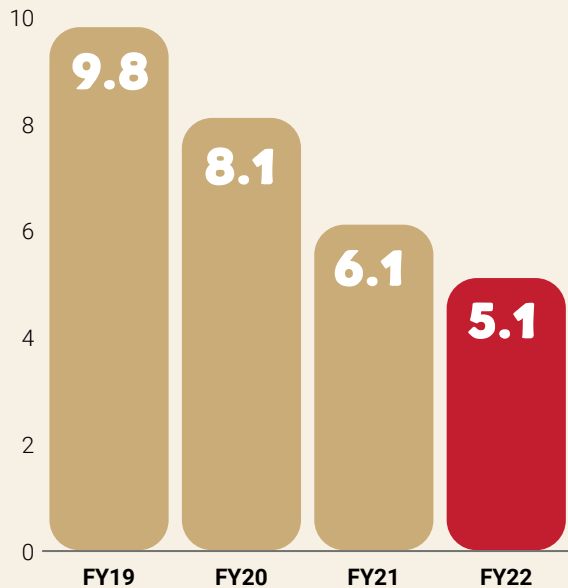
Our performance

Our Company-wide safety performance improved for the third consecutive year. It was underpinned by the ongoing Safety for Life program, reducing injuries in identified high-risk activities, including traffic management, plant and equipment isolation, and manual handling. Our Lost Time Injury Frequency Rate (LTIFR), per million hours worked, reduced by 3% to 2.8 and the Total Recordable Injury Frequency Rate (TRIFR), per million hours worked, reduced by 16% to 5.1 compared to the FY21 results.

Lost Time Injury Frequency Rate (LTIFR):



Total Recordable Injury Frequency Rate (TRIFR):



OUR *culture* IS GUIDED BY **THE INGHAM'S WAY**, THE FRAMEWORK FOR OUR PURPOSE, AMBITION, VALUES AND BEHAVIOURS.

COVID-19 response

During FY22, we worked hard to keep our people safe and ensure business continuity as an essential service provider through the ongoing COVID-19 pandemic.

To support the vaccination of our people, we provided three hours of paid leave per dose to remove barriers to people accessing COVID-19 vaccinations. On-site vaccination clinics were also available in some locations. In addition, we introduced COVID-19 vaccinations as a condition of employment, achieving a vaccination rate of more than 98% in Australia and more than 95% in New Zealand. This vaccination condition was removed in August 2022 in line with the approach of public health authorities, which included the removal of vaccination requirements across many industries.

Ingham's was an early adopter of special paid pandemic leave, which gave our people, including casual employees, time off work when they needed to get tested and self-isolate or care for someone affected by COVID-19. We introduced this special leave in April 2020 and increased the available leave in July 2020. We continued this special leave until January 2022 when it was removed in response to the success of our vaccination program and the changes to close contact rules.

Employee engagement and development

We strive to be a leading employer with a constructive culture that is fair, equitable, inclusive and rewarding for our people.

Our commitments

- Provide practical benefits and flexible arrangements.
- Develop highly engaged teams with year-on-year reductions in unwanted turnover.
- Deliver leadership development programs and development support at all levels.
- Continue to engage with our people via regular surveys and focus groups to seek feedback and identify areas for improvement.
- Support internal development with a target to fill three out of four leader roles internally.

Our approach

Our culture is guided by the Ingham's Way, the framework for our purpose, ambition, values and behaviours.

Refer to the Ingham's Way on page 20.

The Ingham's Way was refreshed during the year. It now embeds inclusion in support of our journey to a more constructive culture, reflects sustainability in our values and identifies behaviours that will help us make better decisions, attain better outcomes and achieve our strategy. The Executive Leadership Team launched it with the Senior Leadership Team (SLT) at our November Leadership Summit. Significant time was invested in planning how the 90 senior leaders would demonstrate and engage their teams on the Ingham's Way, focused on practical application of the behaviours.

Our leadership development materials have all been updated with the new Ingham's Way. The behaviours will also be reflected in our Success Profiles (performance and development plans and end-of-year reviews). Performance and behaviours together make up the overall rating of our performance reviews.

OUR PERFORMANCE



~c. **55**

PROMOTIONS INTO PEOPLE LEADER ROLES



90

LEADERS COMMENCED IN THRIVE LEADERSHIP CAPABILITY PROGRAM



412

PEOPLE ACROSS ANZ COMMENCED GROW DEVELOPMENT PROGRAM

7,000+

PEOPLE PAID WEEKLY



95%

MATERNITY LEAVE RETENTION RATE

THE INGHAM'S WAY

PURPOSE

**DELICIOUSLY GOOD FOOD
IN THE BEST WAY**



AMBITION

TO BE ANZ'S FIRST CHOICE FOR POULTRY

VALUES



CARE

We care for each other, animals, customers, consumers, communities, shareholders and the environment.



COURAGE

We have the courage to constructively speak up, try new things and learn from experiments.



CURIOSITY

We show curiosity by seeking ways to learn, innovate and improve every day.



COMMITMENT

We are committed to the future by thinking big whilst setting and delivering on ambitious goals.

BEHAVIOURS

**WE SEEK
FEEDBACK AND
ACTIVELY LISTEN**

**WE EVALUATE
OPTIONS AND DECIDE**

**WE CELEBRATE
SUCCESS**

**WE ENCOURAGE
CREATIVITY AND
SHARE IDEAS**

**WE DO WHAT
WE SAY**

**WE TRUST AND
SUPPORT EACH
OTHER**

WE KEEP IT SIMPLE

**WE DELIVER GREAT
EXPERIENCES FOR
CUSTOMERS AND
CONSUMERS**

**WE DO THE
RIGHT THING**

**WE COLLABORATE
TO ACHIEVE**

**WE LEARN
AND GROW
TOGETHER**

**WE LOOK OUT FOR
EACH OTHER**



OUR SUSTAINABILITY
REPORT HAS BEEN
UPDATED AND
EXPANDED TO REFLECT
OUR PROGRESS AND
FOCUS ON THOSE
AREAS WHERE WE
CAN MAKE A **POSITIVE
DIFFERENCE** FOR OUR
*people, animals
+ planet.*





Developing our people

We have several programs in place to develop capabilities that are core to our leaders' roles. These capabilities include areas such as operating safely and sustainably, understanding our customers and consumers by being data and insights-driven, and developing our people.

Thrive

This program has been created for our 90 SLT members as an 'immersive experience' to develop leadership capability. Thrive has five core objectives:

- provide leaders with insight into their leadership style and impact via a 360 review from their direct leader, peers and team;
- enhance leader capability and learning within the core leadership capabilities identified to improve our overall performance;
- reinforce Ingham's aspirational culture and 'purpose-driven leadership' practices expected of leaders;
- support our leaders to create meaningful individual development plans that enhance their leadership competence; and
- improve engagement through corporate networking and company awareness to achieve the Company goals and strategic direction.

To date, we have received positive feedback from leaders involved in this program, with 83% of respondents reporting better clarity on how to be a more inclusive leader following program completion.

Grow

Grow is focused on developing our 750 frontline leaders to constructively lead and contribute positively to our culture. The Grow modules include communications, coaching, developing teams, inclusion and leading change. The program also includes technical modules on people leadership, workplace relations, continuous improvement, safety and financial acumen. In FY22, 412 leaders started the program, with the delivery of other modules and new cohorts currently underway in Australia and New Zealand.

Homegrown

Homegrown is a personal development program in New Zealand for frontline employees. It aims to help our people set goals and empowers them to make decisions. The program has resulted in promotions for participants into roles such as quality assurance and team leadership and provided them with a clearer career path to thrive in the organisation.

PROMOTING POULTRY FARMING CAREERS

This year, our South Australia (SA) Farming team collaborated with a local high school to roll out a program to promote careers in poultry farming and educate students regarding poultry farming processes. Starting in January 2022, students at Murray Bridge High School were supplied with 50 day-old chicks and given the opportunity to rear them. This allowed the students to learn about animal husbandry and what it takes to rear chickens, as well as understanding what is involved in quality control, water management and calculating the costs. The SA Farming team supplied the bird drinking system to the school and helped with the management throughout the process. Following the students' successful rearing of their chicks, we are working with them to increase their program from 50 to 100 birds next year, with the potential to roll out the program to additional schools in 2023.

Attracting and retaining employees

The candidate market continues to be constrained. To compete in this market and attract people to Ingham's, we have invited our people to focus groups to listen to their views on why Ingham's is a great place to work.

Some of the actions we have already taken to support Ingham's as a great place to work includes:

- introducing thank you payments, paid pandemic and vaccination leave during the peak of the COVID-19 pandemic;
- updating our Flexible Work Policy to support work-life balance;
- refreshing our job advertisements to promote our culture, values and benefits; and
- trialling parent and student hour shifts in South Australia and Queensland, following a successful trial in New Zealand.

When we launched an employee referral program across Australia and New Zealand, 32% of our placements in the first two months were a direct result of our people recommending people they know to join Ingham's.

We are also working to educate and attract school leavers to join the industry. Read more in our case study: Promoting poultry farming careers. We hope to attract further candidates through new partnerships with agencies, including Jobs Victoria and AgCareerStart.

Workplace Relations

Ingham's strives to establish workplace relations that are fair, constructive and collaborative.

Collectively negotiated agreements cover 86% of our people in operations across Australia and New Zealand, with 93% coverage in Australia. We seek mutual gains through these negotiations to provide our people with competitive and fair pay and conditions of employment while supporting our business to meet operational needs.

We maintain productive relationships with our main unions, which enable us to work together effectively to find solutions. This was particularly important during the pandemic. We have also established consultative committees at our operational facilities to address employee issues, aid change consultation and seek feedback before implementing workplace changes.

Equality, diversity and inclusion

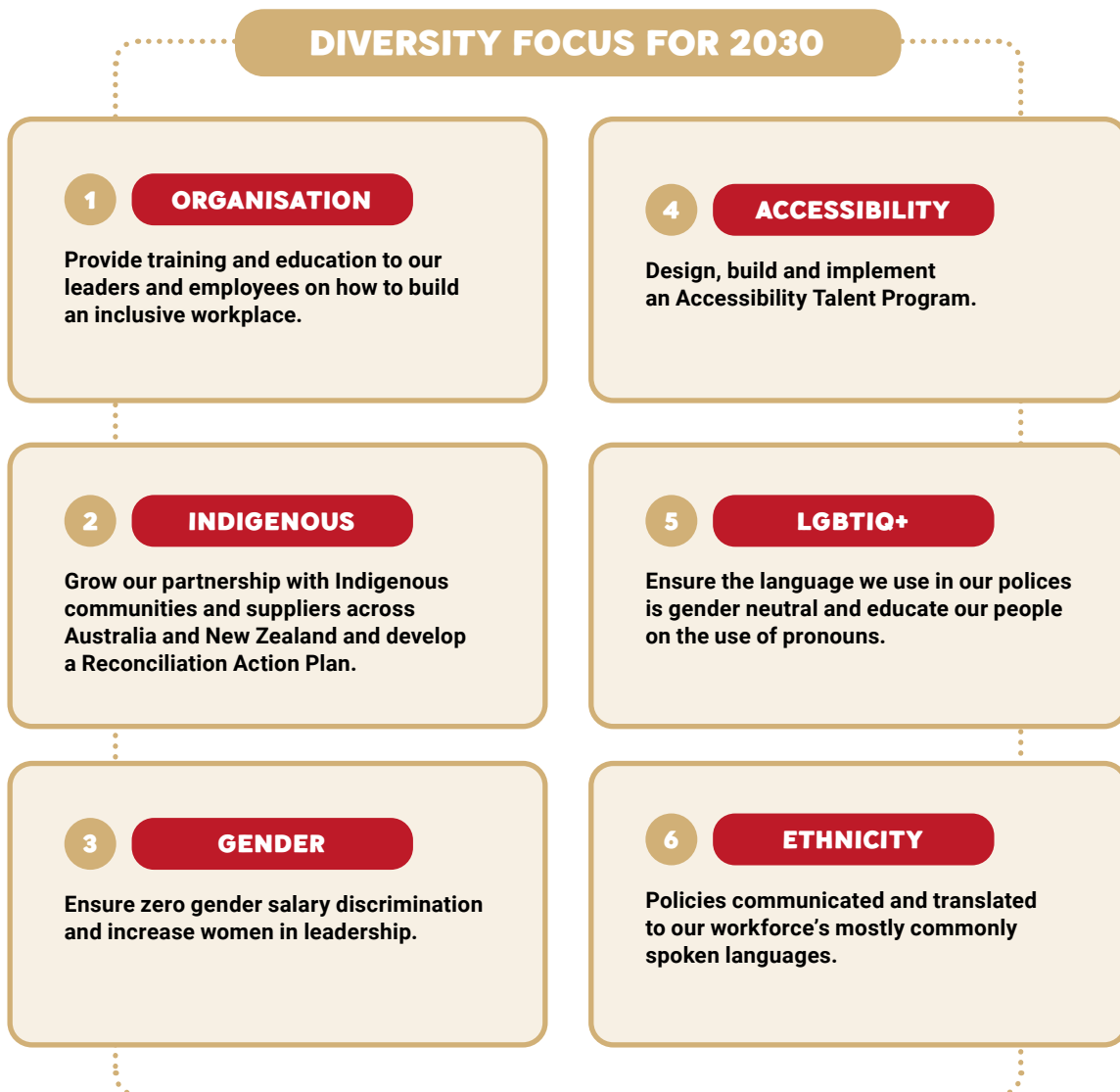
We aim to provide a safe, inclusive and supportive workplace where our people are inspired to make a difference, their voices are heard, and decision-making and conversations are grounded in our values of care, courage, curiosity and commitment.

Our commitments

- Promote an inclusive and diverse environment through an Inclusion and Diversity Framework.
- Target that a minimum of 40% of leaders are women by 2030.

Our approach

This year, we developed and launched our Inclusion and Diversity Framework for 2030 to focus on:





Our performance

Our priority during FY22 and FY23 is building the foundations to accelerate and develop a more inclusive and diverse workplace. Inclusion has been identified as a high-priority foundation for developing our leadership capabilities and culture. Inclusion training is incorporated in our Thrive and Grow leadership development programs to ensure we are demonstrating and building an inclusive culture from the top.

Some of the other actions we have taken this year to implement our Inclusion and Diversity Framework include:

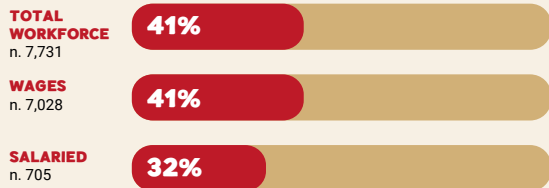
- Translating important communications into the six most common languages spoken in our workforce.
- Identifying roles and career paths for employees with accessibility needs. We have hired three people with accessibility needs in FY22 and trialed an accessibility partner.
- Making disability and mental health training available to all leaders.
- Celebrating key cultural events including Manaaki month and Matariki in NZ, and National Reconciliation and National Aborigines and Islanders Day Observance Committee (NAIDOC) Weeks in Australia.
- Employing 20 people at our Te Aroha primary processing plant through our alignment with the Te Heke Mai coaching and employment program.

We are committed to improving gender equality. During FY22, 55% of all manager promotions were women. Women comprise 44% of our Board, 10% of our Executive Leadership Team and 28% of our Senior Leadership Team. We are working towards achieving a minimum of 40% of women in senior leadership by 2025.

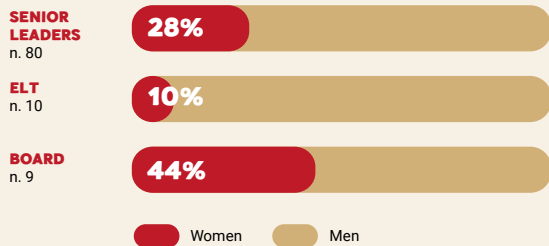
GENDER DIVERSITY

AT A GLANCE

OVERVIEW



SENIOR LEADERS + BOARD



While acknowledging that a better outcome is desired and required, it is still pleasing to report that Ingham's has reduced its Gender Pay Gap to 11.98%, a reduction of 0.5% from the prior year. Our remuneration benchmarking process ensures zero gender pay discrimination, helping us to close the gap year-on-year.

We understand that many factors contribute to the gender pay gap in society, so we will work to support parents with flexible policies and parental leave and continue to focus on the development of women. We have a target for >60% of shortlists for our senior leader vacancies to include a minimum of one woman candidate.

Human rights and modern slavery

We identify, monitor and mitigate human rights risks in our business and supply chain. This is to prevent harm to people and ensure compliance with relevant regulations and standards.

Our commitments

- Identify, mitigate and report on human rights and modern slavery risks by conducting due diligence on high-risk suppliers.

Our approach

We are committed to preventing all forms of slavery, exploitation and human trafficking in our direct and indirect supply chains. To achieve this, we assess the risks of modern slavery, safeguard our workforce and monitor our supply chains against any actual or potential criminal and inhumane treatment of people in their employment.

We assess the risk of modern slavery in our operations to be low, as we do not have any operations outside of Australia and New Zealand and most of our people are directly employed by Ingham's.

However, we remain vigilant to the possibility and focus on maintaining high standards of corporate governance.

We source our goods and services from approximately 3,800 direct suppliers, across various industries from feed, packaging, ingredients, consumables and uniforms to cleaning, distribution and freight services. The Ingham's Ethical Sourcing and Sustainable Procurement Code of Conduct sets out our social, environmental and ethical expectations for suppliers and was released to all of our Tier 1 suppliers. While more than 95% of our direct suppliers are based in Australia and New Zealand, our suppliers may source goods from overseas. An example is uniforms, which are procured locally with washing services managed within Australia, but with garments manufactured overseas.

To manage risk in the supply chain, we are a SEDEX (Supplier Ethical Data Exchange) member and share information on our performance with customers. Our standard supply contract includes a clause that relates to modern slavery expectations. We assess risks in our supply chain based on a heat map that considers geographical and sector risks. You can read more about the steps we have taken in our Modern Slavery Statement, available on our website.

WE MAINTAIN *high standards*
OF CORPORATE GOVERNANCE TO
**REMAIN VIGILANT AND TO
MITIGATE HUMAN RIGHTS RISKS**
IN OUR BUSINESS AND SUPPLY CHAIN.



Our performance

Social accountability audits

We introduced proactive compliance audits in FY22 for our high-risk industry suppliers to increase third-party labour supplier practices oversight. This includes cleaning services, labour hire, security and road transport industries.

Ingham's engages an external employment firm to conduct these audits, to identify risks of non-compliance with workplace relations obligations.

We have completed audits across several suppliers this financial year. No modern slavery incidents have been identified in these audits. Where compliance with other workplace relations risks has been identified, we have worked with those suppliers to rectify and improve their processes.

Three audits were conducted for suppliers in labour hire, road transport and cleaning services. The results are as follows:

	 LABOUR HIRE	 ROAD TRANSPORT	 CLEANING SERVICES
SUPPLIER INDUSTRY			
Risks of serious non-compliance identified in audit ¹	YES	YES	NO
Risks of potential non-compliance identified in audit ²	NO	YES	NO
Status of risks identified	RESOLVED	RESOLVED	N/A

Resolving non-compliances

- Labour hire: The non-compliance identified related to incorrect award application by the labour hire supplier. This was resolved by the supplier completing a full audit and rectifying underpayments. This was completed in June 2022 by the supplier.
- Road transport: The non-compliance identified related to incorrect award application by the road transport provider. This was resolved by the supplier completing a full back-payment of the correct award rates. This was completed in September 2021 by the supplier.

Policies and training

We continued to promote our Whistleblower and Bullying, Harassment and Discrimination Prevention Policies by:

- refreshing and developing new videos to raise awareness of the policies and process for dealing with issues. This includes releasing translations in our workforce's commonly spoken languages, being Arabic, Bengali, Chinese, Hindi, Khmer, Thai and Vietnamese;
- updating toolbox training guides to equip our leaders to raise awareness of the policies, processes and our people's rights;
- supporting leaders with a guide to enable them to competently respond to whistleblower complaints, ensure anonymity during the process, and identify whether a complaint is misconduct or a workplace grievance; and
- training leaders to lead constructively, respond competently and investigate complaints regarding bullying, harassment and/or discrimination.

The updated policies and training materials were published on our internal communications channel, Workplace, which is accessible to every employee. This resulted in greater awareness of these processes amongst our people and an increase in reports in both areas compared to the prior financial year. These reported matters did not amount to misconduct as defined in the Corporations Act.

We had an increase in reporting of 5% from FY21 to FY22 across all matters reported internally, including bullying, harassment, inappropriate behaviour, sexual harassment, discrimination, or other misconduct. We also maintained our average time to close these matters year-on-year.

(1) Matters identified in audit as non-compliant.

(2) Matters that are not breach of any legal or regulatory obligation but represent potential non-compliance.

OUR ANIMALS

Animal health and welfare

We recognise that animals are sentient beings capable of feeling emotions. This strengthens our commitment to monitor, protect and enhance the health and wellbeing of every bird in our care.

Our commitments

- Protecting animal welfare through accountable leadership and innovation.
- Use antibiotics responsibly including only where clinically indicated and where not using them would compromise the welfare of the birds.
- Ensure animals are not subject to any genetic modification or cloning.
- Avoid the close confinement of our chickens and turkeys by providing adequate space to enable the expression of natural behaviours.
- Provide an enriched environment to allow birds to express their natural behaviours.
- Ensure the transport of all live animals is kept to a minimum and, wherever possible, does not exceed eight hours.
- Avoid routine physical alterations unless required to support animal welfare.
- Ensure all animals within our supply chains are subject to pre-slaughter stunning.
- Transparently report independent animal welfare audits in our farming and processing operations.

Our approach

We are recognised as a leader in animal welfare through our innovative and transparent animal welfare practices and accountable leadership.

Our Animal Welfare Council is led by our General Manager of Veterinary Health and Welfare, and two members of the Executive Leadership Team. The Council is attended by our subject matter experts across Australia and New Zealand farming and processing operations. The Council convenes quarterly and provides regular oversight of animal welfare performance, research and technology, animal welfare projects, strategy and customer insight across Australia and New Zealand.

We aim to drive a positive animal welfare culture throughout our operations through clear governance. Our agricultural team report to the Chief Agribusiness Officer, who is responsible for leading Ingham's operations with a focus on continually improving the nutrition and welfare of our animals. We have animal welfare specialists embedded in our operations. This includes our Company veterinarians who oversee animal welfare across farming and processing operations and externally trained Poultry Welfare Officers at every primary processing site.

Our Animal Welfare policy, objectives and measures are based on the traditional 'five freedoms'. They are also based on a model that goes beyond minimising suffering to actively promoting positive experiences and quality of life.

THE FIVE FREEDOMS

1 FREEDOM FROM HUNGER AND THIRST

2 FREEDOM FROM DISCOMFORT

3 FREEDOM FROM PAIN, INJURY AND DISEASE

4 FREEDOM TO EXPRESS NORMAL BEHAVIOUR

5 FREEDOM FROM FEAR AND DISTRESS



Ingham's complies with local and national animal welfare regulations across its farming operations. In addition to the minimum regulatory requirements and supplementary Ingham's minimum standards, we hold external accreditation with the following animal welfare standards:

- all Ingham's meat chicken growing farms in Australia are certified by the RSPCA Approved Farming Scheme to their indoor requirements;
- all Ingham's free range meat chicken growing farms in New Zealand are SPCA Certified; and
- all Ingham's free range meat chicken growing farms in Australia are accredited by FREPA (Free Range Egg and Poultry Australia). These farms are also certified by the RSPCA Approved Farming Scheme to their indoor requirements. We are working to achieve certification against RSPCA Approved outdoor requirements.

Our performance

We regularly report our key welfare indicators to internal and external stakeholders. This includes our Animal Welfare Council, which reviews opportunities for continuous improvement.

We published our inaugural Animal Welfare Report for the financial year 2021 and continue to build on these outlined commitments to animal welfare. We have completed an external assessment of our policies and procedures that benchmarked us against global companies. This provided learnings and opportunities to further develop global best practices for animal welfare.

After investing in improving animal welfare at our Pakenham Hatchery in Victoria by implementing HatchCare incubation technology in 2021, this year, we also implemented it at our new hatchery in Western Australia. HatchCare gives chicks light, food and water from the moment they hatch. Read more in our case study: Ongoing investment in animal welfare.

We have also commissioned and participated in animal health and welfare research this year. This includes projects to optimise effective enrichment across free range and commercial production and investigate the effect of ionophore removal on bird health and welfare, human health and the environment.

ONGOING INVESTMENT IN ANIMAL WELFARE

We are committed to the continuous improvement of the health and wellbeing of the animals in our care. To support the wellbeing of chicks when they first hatch, we have implemented HatchCare incubation technology at our new hatcheries at Pakenham and Muckenburra. HatchCare provides optimal temperatures, increased lighting, constant access to feed and water, and a quieter and more comfortable environment for chicks as soon as they hatch. These conditions lead to healthier and stronger chicks. HatchCare chicks from our Pakenham Hatchery are, on average, around four grams heavier when removed from the hatcheries, than comparable chicks hatched from a traditional HatchTech hatchery. This is partly because the HatchCare hatchers provide early access to feed and water and allow chicks more time to grow. The HatchCare system also improves animal welfare outcomes by reducing chick handling stress as they are not removed from the hatcher baskets after hatching for counting and transport.



OUR PLANET

Climate action

Climate change is one of the most significant challenges facing the planet. We are committed to reducing greenhouse gas (GHG) emissions generated by our operations and supply chain and respond to the impacts of climate change.

Our commitments

- Adopt Science Based Targets (SBT) for GHG emissions¹:
 - reduce Scope 1 and Scope 2 absolute GHG emissions by 43%² by 2030 against FY19 baseline;
 - develop a 2030 Scope 3 GHG emissions SBT against FY19 baseline; and
 - source 75% green electricity by 2030.

Our approach

To ensure our response is in line with the latest climate science to meet the goals of the Paris Agreement, Ingham's has committed to Science Based Targets (SBT) for GHG emissions. Our Scope 1 and Scope 2 SBTs will be based on the 1.5-degree pathway. We are developing our targets, which will be submitted to the SBT initiative for validation by June 2023.

To reduce GHG emissions across our business, we work collaboratively with each site having a bespoke Environmental Management Plan to improve our environmental performance. We also have the support of our services teams for opportunities that can be leveraged company-wide. Some initiatives we have implemented to reduce our GHG emissions include installing LED lights across our facilities and monitoring site energy efficiency. At Te Aroha in New Zealand, we use bore water heat recovery in our processing facility to reduce natural gas usage.

As we move forward, Ingham's has a range of projects to substantially reduce our GHG footprint and work towards reaching our targets. These projects are evaluated across a broad range of metrics designed to achieve our reduction targets by 2030. Information on these projects will be shared at the relevant time.

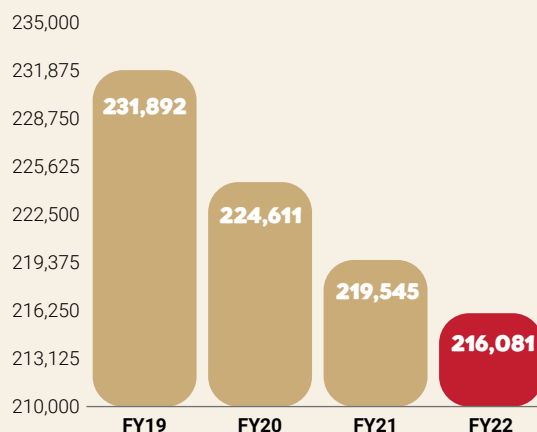
(1) <https://ingham.com.au/ingham-tackles-climate-change-with-science-based-targets/>

(2) Under development for disclosure in FY24.

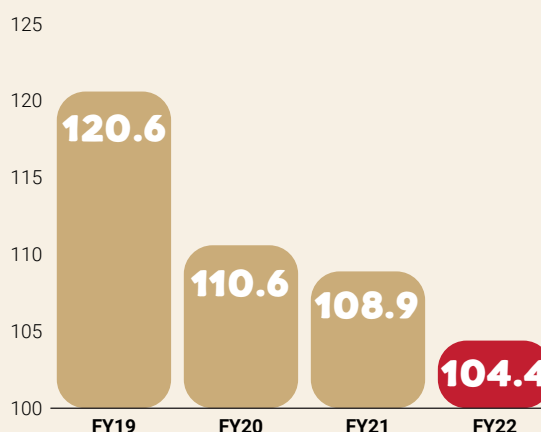
Our performance

We are pleased to report the continual downward trend of our greenhouse gas emissions. This year, we have reduced our absolute Scope 1 and Scope 2 emissions by 1.6% against FY21 and 6.8% against FY19. We also measure our GHG emissions intensity per tonne of product. In FY22, GHG emissions intensity reduced by 4.2% against FY21 and 13.5% against FY19.

SCOPE 1 AND 2 ABSOLUTE GHG EMISSIONS (T)



SCOPE 1 AND 2 GHG EMISSIONS INTENSITY (KGCO₂e/T)



Note: In the 2021 Sustainability Report, our GHG emissions data included Scope 3 emissions associated with landfill waste generation. To align to the Science Based Targets reporting, only Scope 1 and 2 emissions are presented in the above graphs.



COMMITTED TO SOURCE

75%

GREEN ELECTRICITY BY 2030

NET CARBON ZERO CERTIFIED CHICKEN

This year, we were proud to launch the first Toitū net carbonzero certified chicken product in New Zealand. Our Waitoa Free Range Chicken achieved the independent Toitū net carbonzero certification, which is internationally recognised. The certification required a stringent process. It involved measuring the full lifecycle carbon footprint, including every step of the supply chain – from raw materials and production to distribution, packaging and disposal¹. The certification focuses on reducing GHG emissions through projects. For the remaining unavoidable emissions, we purchase verified carbon credits.

We partnered with Toitū Envirocare approved local projects in Marlborough and abroad to offset unavoidable emissions and achieve net carbon zero product certification. These projects include:

- **Spray Point, Marlborough** – supporting the creation of forests in the Permanent Forest Sink Initiative (PFSI), a government program. The program prevents large scale harvesting of the forest and includes a 99-year contract for carbon sequestration;
- **Community reforestation in East Africa** – Reducing clearance of trees for farming and the consequence of erosion. This forestry project combines carbon sequestration with sustainable development, helping to improve community livelihoods through education and training to create additional sources of income beyond smallholder farming;
- **Improved water infrastructure in Sub-Saharan Africa** – This project improves health and livelihoods by providing clean drinking water to small rural communities through repairing and drilling new boreholes. This also reduces the need to boil water, taking pressure off local forests used for firewood and reduces GHG emissions;
- **Clean cooking methods in Bangladesh** – Less than 20% of the 35 million Bangladeshi households have access to clean cooking. Cooking traditionally involves an open firepit, releasing smoke and pollutants. This project provides families with a 'friendly stove' which has a combustion chamber that is more efficient, reduces fuel use and the chimney takes the harmful pollutants out of the house; and
- **Clean cooking methods in Ghana** – An efficient cookstove, Gyapa, cooks food more quickly, requires 50% less fuel and is less smoky. This not only cuts carbon emissions but reduces exposure to toxic fumes. These stoves are also made locally, creating jobs in the community.

TOITŪ



PAS 2050
PRODUCT



(1) <https://www.waitoafreerange.co.nz/these-chickens-are-carbon-zero/>

Sustainable agriculture and biodiversity

We seek to protect and preserve land and biodiversity, conduct environmental impact assessments, minimise impact from our operations and support planetary health.

Our commitments

- Continue to employ sustainable agriculture and procurement practices:
 - Research alternate protein meals with lower GHG emission potential.

Our approach

Ingham's is a member of the local chapter of the Sustainable Agriculture Initiative (SAI), participating in their working groups. The SAI platform brings together organisations from across the food and beverage value chain to solve problems and improve the productivity and sustainability of agriculture. We support their vision of a sustainable, thriving and resilient agricultural sector that protects human rights, animal welfare and our planet's resources.

Our performance

Ingham's is focused on ensuring our feed ingredients are sustainable. Grain makes up 70% of our raw feed materials by volume and is mostly sourced from Australia. We also use soy from Argentina. We are also looking to reduce soy usage by substituting it where we can with locally-produced protein meals and pulses. We will continue to support collaborative action across the industry to improve sustainability outcomes for all.

The Ingham's NZ Farming team received the Aviagen Award this year. From a sustainability perspective, this improves the efficiency of broiler production by using less feed and water and reducing costs. Read more in our case study: Awards to our Ingham's farming teams.

AWARDS TO OUR INGHAM'S FARMING TEAMS

This year, our Australian and New Zealand farming teams were recognised by the global genetics provider, Aviagen, through their inaugural Aviagen ANZ Parent Stock Awards. The Awards recognise improvement in the performance, health and welfare of parent stock chickens.

The New Zealand team received Gold in the NZ/Pacific region for achieving the best rate in the total eggs per hen housed category, while the Western Australia and Victoria teams won Silver and Bronze, respectively, in the Australia region.

The New Zealand team also received Gold in the NZ/Pacific region for the best rate of chicks per hen housed category, and the Western Australia team won Gold in the same category in the Australia region, and the Queensland team won Silver. From a sustainability perspective, this improves the efficiency of broiler production by using less feed and water, as well as reducing costs.



Sustainable procurement

We work with our suppliers to assess, monitor and support them to improve their social and environmental performance.

Our commitments

- 100% of our suppliers meet our Ethical Sourcing and Sustainable Procurement Code of Conduct by 2030.

Our approach

Our Modern Slavery Statement and Ethical Sourcing and Sustainable Procurement Code of Conduct cover our sustainable procurement practices and the standards we expect in our operations and supply chain.

The Code of Conduct has been communicated to our Tier 1 suppliers. It includes expectations regarding protecting human rights, animal welfare and the environment in alignment with ethical practices, legal requirements and other policies, and international good practice.

We are committed to working openly and constructively with suppliers by supporting, guiding or giving them time to meet our Code of Conduct principles. Suppliers who cannot meet these principles may no longer qualify as an Ingham's supplier.

Some of the requirements of our suppliers include:

- adhering to all local, national and international applicable laws including but not limited to those laws related to work hours, wages, labour relations, immigration and foreign labour, health, safety, animal welfare and the environment;
- not using child labour or exploiting children in any way;
- treating all workers with respect and dignity with no discrimination;
- providing workers with a safe and clean working environment;
- having or be working towards an environmental management plan; and
- ensuring the principles of the 'five freedoms' of animal welfare are met.

Our performance

Our performance measures are provided in sections covering human rights and modern slavery, waste and sustainable packaging.



Water stewardship

As a large user of water, which is essential for poultry processing, we use it responsibly and sustainably by implementing efficiency measures in our operations to reduce use and maximise recycling.

Our commitments

- Reduce water intensity needed to process our products by 20% by 2030 against an FY19 baseline.

WE HAVE
committed TO
PROACTIVELY
MANAGING
OUR WATER
CATCHMENT,
USAGE AND
TREATMENT OF
WASTEWATER.

Our approach

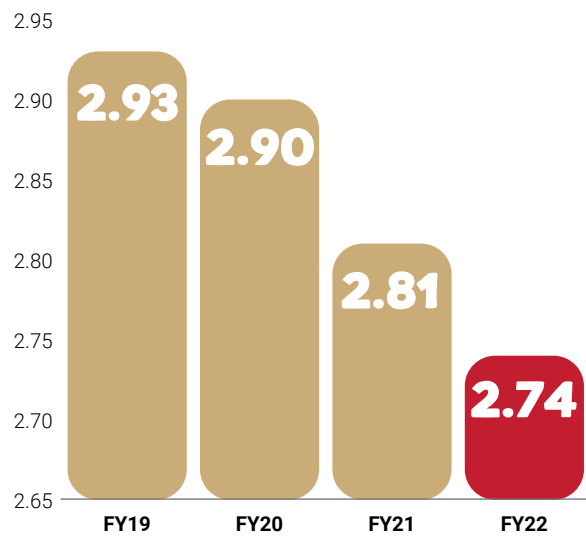
As a member of the Alliance for Water Stewardship (AWS) Global Standard, we have committed to proactively managing our water catchment, usage and treatment of wastewater. We support the goals of the AWS, which include improved water governance, sustainable water balance, good water quality, and access to water, sanitation, and hygiene for all.

Our performance

Our Edinburgh Parks site in South Australia this year achieved Gold AWS certification. Four Ingham's sites across Australia and New Zealand are now certified to the AWS standard.

Our water usage is becoming more efficient with our water intensity per tonne of product reducing by 2.2% against FY21 and 6.2% against FY19.

WATER (KL PER TONNE)



WATER REDUCTION AT TAHMOOR TURKEY PRIMARY PROCESSING

This year, our Tahmoor site undertook a project to improve water management. The first stage involved conducting a water leak audit across the site by our Maintenance and Operations teams, who identified and addressed these issues. We introduced dry cleaning at the end of shift in production areas, which is now mandatory before cleaning with a hose. Good cleaning practices were established, ensuring our cleaning operations were performed consistently. We made machinery improvements, such as replacing the picker and plucker sprayers with a fit-for-purpose spray jet nozzle, leading to water savings. We also removed an excess wash process where it was found to have no significant impact on quality, eliminating significant water wastage. Finally, we installed pipework to recycle the final wash water. This saves approximately 70,000 litres per production day. The recycled water is used in the truck wash area.

As a result of these initiatives, water usage on site reduced significantly. Water intensity reduced by 22% against the prior year, and total water usage was down 16%. We have reduced the total trade waste volume discharged to the municipal treatment facility by 40%, which resulted in an annual cost saving of \$140,000.



THOMASTOWN TEAM'S WASTE REDUCTION

The team at Thomastown have focused on reducing waste over the last year. They installed a waste compactor for plastic liners that can be recycled. Waste segregation has been implemented to ensure maximum diversion from landfill. Organic waste is now separated at source and collected in a separate stream, and wooden pallets are recycled. Dedicated bins are provided throughout the site for cardboard to avoid contamination. The project also involved shifting employee mindsets to ensure the effective segregation of waste. Using the 5S continuous improvement methodology – sort, set in order, shine, standardise and sustain – bins have been labelled with photographs to clearly identify the types of waste to be separated at source. We engaged our people through Toolbox Talks delivered to all teams on site and gathered ideas from the shopfloor on how we can reduce the waste volumes going to landfill. The site has reduced its waste volume and associated greenhouse gas emissions by 17% (54TCO_{2e}) from the previous year. Everyone at the Thomastown site understands why we are doing this, and their active participation has made it possible to achieve these results.



Waste

We work to minimise waste in landfill, eliminate food waste and maximise recycling. Reducing waste to landfill is also important to reduce our greenhouse gas footprint.

Our commitments

- Reduce waste sent to landfill intensity by 20% by 2030 against an FY20 baseline.

Our approach

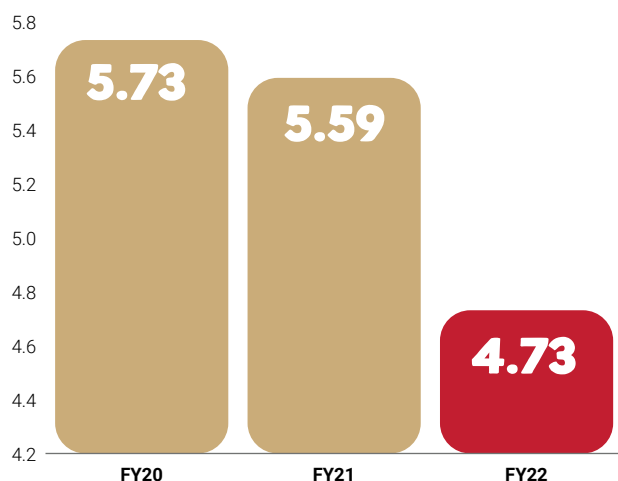
We measure waste generated at site, and monitor performance monthly through Ingham's Planet Reporting App. We are working on a waste strategy with our procurement team to review contracts and work collaboratively with service providers to reduce waste and maximise recycling.

To reduce food waste, we have signed a national partnership with Foodbank Australia to donate food. You can read more about this in the 'Community engagement' section on page 16.

Our performance

This year, our Landfill Waste intensity (kg/T) reduced by 15.3% against FY21 and 17.4% against FY20.

LANDFILL WASTE GENERATION (KG PER TONNE)



INCREASING RECYCLED CONTENT IN OUR WAITOA BAGS

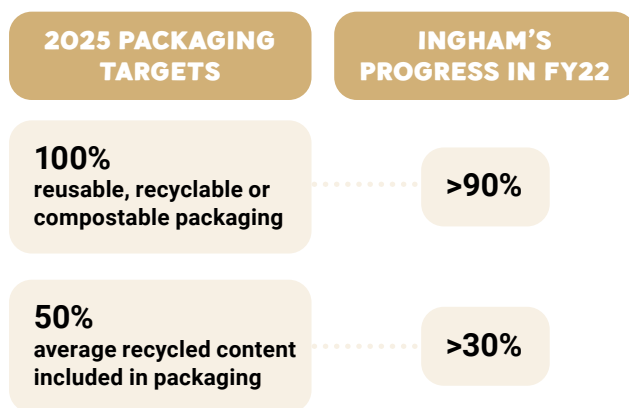


This year, we increased the recycled content in our Waitoa Free Range Butterflied Chicken bags to 80%. We are the first New Zealand meat company to use this new recycled co-extruded film. These packaging improvements avoid using 10 tonnes of virgin plastic per year on Waitoa's two product lines. We also plan to introduce this material across other product lines in the future. We estimate this will save an additional 10-15 tonnes of virgin plastic per annum. The packaging won Gold in the 2022 New Zealand Pride in Print Awards for 'Packaging Product Innovation' and 'Environmental Innovation'. It was also announced as Gold award winner in Australian Institute of Packaging¹ 2022 Save Food Packaging Design of the Year Award. Our next steps are to use this film on our inner bags for our Waitoa Let's Eat, and Ingham's boxed further processing range.

Sustainable packaging

Packaging is important to food safety and security and we are committed to reducing its environmental impact by improving the recyclability and increasing recycled content in our packaging.

Our commitments



Our approach

We are committed to improving the sustainability of our packaging and have set 2025 targets that align with the ambition of the Australian Packaging Covenant, of which we are a Signatory. We are reviewing opportunities to transition the remaining <10% of our packaging portfolio to recyclable formats.

Our performance

We continue to support the development of soft plastic recycling. Our Australian business has joined the REDCycle program, which funds soft plastic recycling in Australia. Our New Zealand business has been part of the NZ Soft Plastic Recycling Programme since 2021. Our memberships ensure the soft plastic recycling industry in Australia and New Zealand is funded and continues to operate. This allows consumers to collect and return their used soft plastics to be recycled into other useful materials, such as outdoor furniture, floor mats, and car park wheel stops while keeping these resources from becoming unwanted waste in our environment or landfill.



(1) <http://aipack.com.au/winners-announced-for-2022-australasian-packaging-innovation-design-pida-awards/>

TAKING A STEP FORWARD ON TCFD

We are one of the largest integrated protein producers across Australia and New Zealand, providing chicken, turkey, and plant-based protein products to major retail, quick service restaurants, foodservice distributors, and wholesalers. We are also one of the largest producers of stockfeed in Australia. To do this, we rely on healthy ecosystems and are acutely aware of the need to understand and mitigate climate risk to continue nourishing communities with fresh, high-quality, affordable and convenient food.

As an Australian Securities Exchange (ASX) listed company, we have already taken great strides to understand, manage and mitigate our exposure to physical and transition climate risks. We are now building a systematic approach to routine risk disclosure reporting in alignment with the Taskforce for Climate-Related Financial Disclosures (TCFD) recommendations.

In the 2021 Sustainability Report, we disclosed our climate-related risks and opportunities in alignment with the TCFD for the first time. We also made a commitment to deliver on phase two of Ingham's TCFD roadmap. Phase two was to describe our material climate-related risks and opportunities and to evaluate these using a scenario analysis. This year, we followed through with that commitment, undertaking a series of workshops to identify the key physical risks, transition risks and opportunities facing us now and into the future. See our updated approach to working towards TCFD aligned disclosure below, followed by a description of our material climate-related risks and opportunities.



Delivery against the TCFD recommendations

TCFD recommendations

Our updated approach

GOVERNANCE

The Board's oversight of climate-related risks and opportunities

Oversight of sustainability and climate-related risks and opportunities is provided by Ingham's Board and its Risk and Sustainability Committee (RSC). The Board RSC is responsible for identifying and managing material and emerging risks at Ingham's, including economic, health, safety, quality, environmental, social, sustainability and governance risks. The Board RSC meets quarterly to fulfil its role and responsibilities.

Refer to 'Governing for sustainable outcomes' section on page 10 of this report for additional details.

Management's role in assessing and managing climate-related risks and opportunities

Assessing and managing climate-related risks and opportunities is performed by the Executive Leadership Team (ELT) Risk Assurance & Compliance (RAC) Committee on a quarterly basis. Specific Risk Assurance & Compliance meetings at the functional level are conducted by Operations, Agribusiness and New Zealand on a quarterly basis.

The tools used to manage and monitor progress against climate risk actions include:

- Scope 1 and 2 GHG emissions monitoring through a web-based portal, Envizi;
- Monthly reporting of Scope 1 and 2 GHG emissions, landfill waste as well as energy and water usage;
- Sustainability Action Plan – includes progress on site-specific targets and areas such as GHG, water, energy and waste;
- Business Continuity Plans; and
- Environmental incident reporting – used by site teams and systems to respond to emergency issues, including climate-related impacts/events.

Key areas of underperformance and risk are escalated to the Board RSC under its remit to measure, manage and mitigate climate-related risks. Refer to 'Governing for sustainable outcomes' section on page 10 of this report for additional details.

STRATEGY

Impacts of climate-related risks (opportunities and threats) on organisation's businesses, strategy and financial planning

A series of workshops were held with managers representing all operating units. They identified enterprise-level material climate risks and opportunities, which will be explored and integrated into the enterprise risk management framework, the strategic planning cycle and forward year CAPEX budgets (see 'Risks and Opportunities' below).

Resilience of organisation's strategy, taking into account different climate scenarios, including 2-degree scenario or lower

The aforementioned workshops were also used to explore the organisation's resilience to an extreme climate stress test scenario set in 2035. The stress test used extreme physical climate parameters to explore the Company's vulnerability to amplifying climate extremes such as drought, heatwaves and sea level rise. It also used a carbon price of \$150 per tonne for Scope 1 and 2 emissions to highlight transition risks and potential financial consequences. The exercise highlighted areas of vulnerability which are now priority opportunities for Ingham's to explore and action (see 'Risks and Opportunities' below).

RISK MANAGEMENT

Processes for identifying and assessing climate-related risks

Our Board and Board RSC have ultimate responsibility for the organisation's climate-related risk management identification and strategy and liaise on relevant matters with the Finance and Audit Committee (FAC) and People and Remuneration Committee (PRC).

In line with our phased TCFD roadmap, we completed a series of workshops with a third-party sustainability consultant to identify the impacts of climate-related risks and to assess our resilience under an extreme climate stress test scenario for physical and transition risks. We also maintain a Life Cycle Assessment for our business which is used to inform our GHG emission reduction strategy.

Refer to 'Risks and Opportunities' below for further details.

We will update any additional actions related to physical and transition climate-related risks in line with our phased TCFD roadmap outlined in the 2021 Sustainability Report, available on our website.

Processes for managing climate-related risks

Our sustainability materiality assessment informs on the key environmental parameters impacting our business. Our sustainability framework outlines commitments aimed at achieving our sustainability goals and managing climate-related risk.

Climate-related risks and mitigation measures are included in our Enterprise Risk Report. Enterprise level and site-specific Business Continuity Plans (BCP) have been developed for our organisation to respond to climate-related events. The BCP were activated at specific Ingham's sites as a result of the recent extreme rainfall and flooding events impacting Australia.

For selected material climate-related risks, a 'deep dive' into risks and mitigation measures is completed and presented to the Board RSC. This has been completed for potential water scarcity issues across Australia and New Zealand.

How processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

Climate-related risks are incorporated into the enterprise risk management framework as core risks to the business. Climate risks are managed in an integrated manner across the enterprise.

The Ingham's Board set the risk appetite for the organisation, oversee the risk management framework, and satisfy itself that the framework is sound. The Board and the Board RSC assess the influence of climate change on our operations and the effectiveness of climate risk mitigation measures.

The Executive Leadership Team (ELT) Risk Assurance & Compliance (RAC) Committee and Risk Assurance & Compliance meetings at the functional level are in place to assess and manage climate-related risks. Key areas of underperformance and risk are escalated to the Board RSC.

Refer to 'Governing for sustainable outcomes' section on page 10 of this report for additional details.

METRICS AND TARGETS

Metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

Our sustainability materiality assessment informs on the key environmental parameters impacting our business. Our sustainability framework outlines commitments aimed at achieving our sustainability goals and managing climate-related risk. The key metrics measured and reported are water usage (kL), energy usage (kWh and GJ), greenhouse gas emissions (tCO₂-e) and waste (tonnes). Normalisation to metrics per tonne of production is used as an industry standard and for uniform comparison across metrics.

Our operational vulnerability to physical climate-related changes are measured using the following metrics:

- animal welfare incident reporting; and
- drought-related supply chain risk (feed supply) and financial impact considerations.

The metrics tracked by Ingham's are aligned with the sustainability related risks detailed in our Enterprise Risk Report. Refer to the 'Planet' section of this report for additional information.

Scope 1, 2 and 3 greenhouse gas (GHG) emissions and related risks

Ingham's committed to Science Based Targets (SBT) covering our Company-wide Scope 1, Scope 2 and Scope 3 GHG emissions in September 2021. We are currently in the development and validation phase of the SBT setting process.

We are developing commitments to reduce our GHG emissions and are considering renewable energy sources as well as alternate protein meals with lower GHG emission potential for use in our poultry feed.

Targets used by the organisation to manage climate-related risks and opportunities and performance against targets

Additional to our SBT goals, Ingham's have committed to Company-wide water and landfill waste targets. Our commitments include the following reduction targets by 2030:

- reduce Scope 1 & Scope 2 absolute GHG emissions by 43%¹ against a FY19 baseline;
- develop Scope 3 GHG emissions SBT against FY19 baseline;
- reduce operational water usage intensity (kL/T) by 20% against an FY19 baseline; and
- reduce landfill waste intensity (kg/T) by 20% against a FY20 baseline.

Our performance against these targets:

- reduced FY22 absolute Scope 1 and Scope 2 GHG emissions (tCO₂-e) by 6.8% against FY19;
- reduced water use intensity from 2.93 kL/T in FY19 to 2.74 kL/T in FY22 (6.2% reduction); and
- reduced landfill waste intensity from 5.73 kg/T in FY20 to 4.73% kg/T in FY22 (17.4% reduction).

Planet KPIs for GHG, energy, water and landfill waste are published monthly, and performance is assessed against a baseline. We have developed and maintain a Life Cycle Assessment for our business, which is used to inform our GHG emission reduction strategy.

(1) Under development for disclosure in FY24.

Risks and opportunities

Physical risks were identified through the lens of extreme climate events that have already occurred, and that are projected to occur under a challenging, yet plausible, future climate scenario.

The key physical risks identified were:

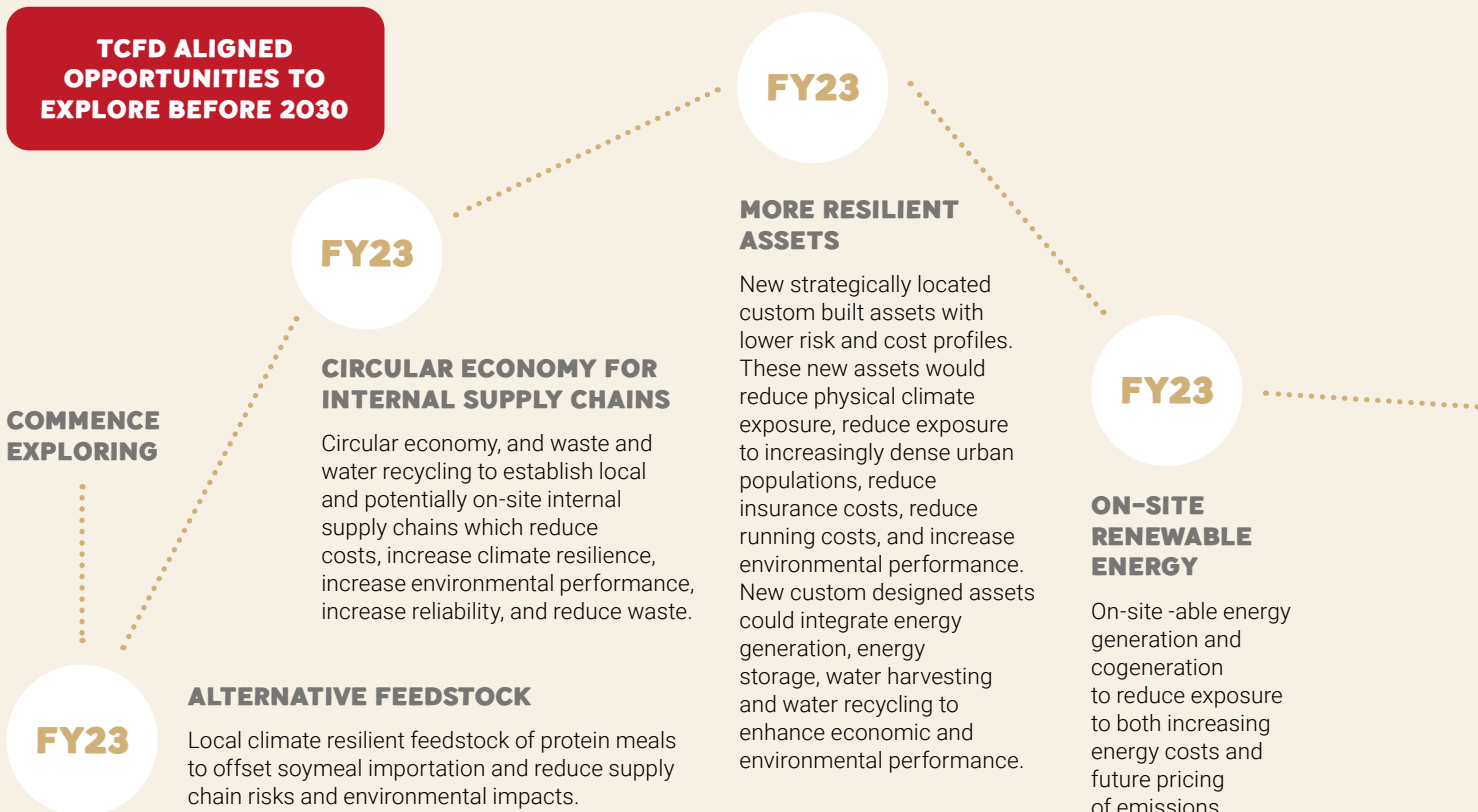
- international extreme climate events (particularly drought in South America where feedstock is sourced), drought and rainfall decline in Australia and New Zealand;
- the direct and indirect impacts of fire, extreme heat inducing heat stress of our people and animals; and
- the projected increase in the frequency and intensity of storms, floods, hail and power outages.

The key transition risks identified were:

- significant likelihood of disruptions to supply chains and increasing costs of procurement. This is particularly relevant for feedstock where growing regions will likely face greater physical climate impacts which could be compounded by other factors such as international conflicts, inflation, transport logistics, and fertiliser shortages;
- increasing environmental regulation and the potential implementation of further environmental controls such as carbon pricing; and
- changing customer preferences and increasing demand for plant-based proteins. Customers are becoming more environmentally conscious and turning away from emissions intensive industries.

While these risks present a challenge to us, they also provide an opportunity for us to further transform to a more resilient and environmentally conscious organisation. We've identified several opportunities to be pursued before 2030, including the year when these opportunities will begin to be explored, and several longer-term opportunities to be considered for implementation after 2030.

WHILE RISKS CHALLENGE US, THEY ALSO PROVIDE AN *opportunity* TO FURTHER TRANSFORM TO A **MORE RESILIENT AND ENVIRONMENTALLY CONSCIOUS ORGANISATION.**



NEXT STEPS

Where we're heading

This upcoming financial year will require us to challenge ourselves to make necessary changes, invest in the work required and continue to collaborate with our partners and customers. With the ambition to lead on sustainable protein and help consumers make good choices, we will be introducing initiatives that help us demonstrate our leadership approach, including:

1

FLAGSHIP INITIATIVES:

As part of our 2030 sustainability roadmap, we will be exploring flagship initiatives that enable us to make a positive difference on global issues.

2

TRANSFORMATION PLAN:

On our journey to making sustainability a part of how we at Ingham's think, talk, act and measure success, we will be implementing clear guidance on sustainability, tailored to our different teams. Our aim is to make sustainability understandable and actionable through clear actions that help our teams achieve our sustainability commitments.

3

TCFD ROADMAP:

We will progress our reporting against the Task Force on Climate-Related Financial Disclosures (TCFD) in line with our phased TCFD roadmap outlined in the 2021 Sustainability Report.

GET INVOLVED

Stay up to date on our progress by visiting our website's sustainability page at: inghams.com.au/our-purpose/sustainability

Contact us directly via our website at: inghams.com.au/contact-us

FY26

ALTERNATIVE ANIMAL TRANSPORT

Alternative animal transport technologies, including climate-controlled carriers, to mitigate heat stress impacts to livestock, improve animal welfare, and reduce physical climate risk profiles.

ON-GOING

NEW MARKETS

Diversification and new markets to build resilience and enhance the brand with an increasing array of plant-based and hybrid protein products which are low carbon, low impact and low cost economic and environmental performance.

FY25

INGHAM'S ESG PRESERVED CAPITAL FUND

We will explore an Ingham's ESG preserved capital fund to accelerate the implementation of transition initiatives and reduce future risk profiles.

FY27

DECARBONISATION AND ELECTRIFICATION

Decarbonisation and electrification to internally utilise electricity generated on-site and reduce future energy and emissions costs.

TCFD ALIGNED OPPORTUNITIES TO EXPLORE AFTER 2030

BIOTECHNOLOGY

Innovation focussed on biotechnology and cell cultured meat (research and development).

LOCAL SUPPLY CHAINS

Decarbonised and climate resilient local supply chains.

CHANGE IN CONSUMER PREFERENCES

Change in consumer preferences and a willingness to pay more for low CO₂ and low environmental impact produce.

DECENTRALISED ENERGY GENERATION

Shift toward decentralised energy generation and low to no emission energy sources.



ingham.com.au