

The Elders logo, featuring the word "Elders" in a white, cursive script font, set against a red rectangular background.

Elders

SUSTAINABILITY REPORT

2023

For Australian Agriculture

Elders Limited ABN 34 004 336 636

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Message from the Managing Director and CEO



In 2024, we will move into our 185th year of dedicated service to the agriculture industry. We acknowledge our role as a steadfast partner in advancing the synergy of Australian farm productivity, profitability, and sustainability.

I am pleased to present the performance of our team in the past year through our 2023 Sustainability Report.

Safety

We have dedicated ourselves to continually evolving and improving our safety performance, focusing on four fundamental pillars:

- work health and safety risk management
- incident and injury management
- regulatory compliance
- training, education and communication

This year, we reported a decrease in lost time injuries (LTIs) to three, compared to six in FY22. We also made progress reducing our total recordable injury frequency rate from 12.6 in FY22 to 10.1 in FY23. It is unacceptable that any of our people are harmed at work, and we continue our pursuit of creating a 'zero harm' work environment.

One of the highlights of our safety initiatives was our annual 'Safety Week', where each day was dedicated to addressing key risks and products. This comprehensive approach covered critical areas like traffic management, livestock safety, safety in our real estate business and safety in our agronomy business.

Our commitment to wellbeing extended beyond safety measures. We organised resilience training sessions and held a national staff step challenge. This challenge saw an impressive participation of over 630 employees across the country, collectively taking over 171 million steps over a six-week period.

Communities

Our commitment to rural and regional communities runs deep. We take pride in actively supporting local organisations, employing local workers, maintaining physical presence in the communities we serve, and providing the goods and services our local customers and clients need at any given time.

In the past year, we channelled \$3.33 million into sponsorships and donations, including \$1.42 million to local communities and \$1.52 million to the agriculture industry and innovation. Our people gave \$38,000 through our matched employee Give It program, benefiting major charity partners like the Royal Flying Doctor Service, the Foundation for Rural and Regional Renewal and Beyond Blue. Additionally, our Staff Foundation disbursed over \$57,000 to support our staff members through challenging times.

To further extend our community outreach, we introduced our Community Giving Project, set to launch in March 2024, inviting applications for grants of up to \$20,000 from community organisations and not-for-profits. These grants will support initiatives spanning people, environmental consciousness, innovation, healthy lifestyles, diversity and safety – with a focus on sustainability and creating tangible impacts within the communities we proudly serve and operate in.

Additionally, we have forged a valuable partnership with the Regional Australia Institute (RAI) to support its vision to 'rebalance the nation'. We recognise the pivotal role that a thriving regional Australia plays in bolstering our national economy. I am honoured to collaborate closely with the RAI in our shared mission to build a more equitable future for our local communities, working toward a brighter tomorrow for our country.

Climate change

We remain committed to playing our part in reducing emissions and supporting our clients and customers in managing the physical and transition risks and opportunities presented by a changing climate.

This year, we maintained our target of 100% renewable electricity in our Australian sites, increasing our ability to generate more solar power onsite through the installation of 30 solar panel systems, and our investment in Australian-generated renewable energy through the procurement of Large-scale Generation Certificates (LGCs).

Our total Scope 1 and 2 emissions decreased this year by 5,221 tCO₂e from 2022, driven mostly by a decrease in cattle numbers through Killara Feedlot. While this decrease represents a positive development for our emissions profile, our continued strategic focus on growing our business and market share reinforces our need to continue to monitor, and where practicable, implement developments for more efficient vehicles, and products and practices that mitigate cattle emissions.

The recent declaration of El Niño by the Bureau of Meteorology is expected to bring both challenges and opportunities for Australian farmers. As a trusted product and service provider to the agriculture industry, we stand committed to equipping our clients with the necessary tools, expertise, and support to navigate the complexities of shifting climate patterns, ensuring their resilience and success in the face of climatic uncertainties.

Sustainable farming

To continue supporting our clients in developing their own sustainable farming practices, Elders launched Thomas Elder Sustainable Agriculture; the evolution of Elders' existing Thomas Elder Institute, whose key focus is to enable Elders to deliver greater impact in the areas of sustainable agriculture and innovation.

It is crucial to understand the intricate connection between farm productivity, profitability and sustainability. Enhanced farm productivity, driven by efficient practices and improved yields, directly translates to improved profitability, empowering our farming communities to achieve greater economic resilience and success. Furthermore, profitability and sustainability go hand in hand. By nurturing soil health, conserving resources, and minimising environmental impacts, we can create a synergistic cycle where increased productivity, profitability, and sustainability form the cornerstone of a prosperous agricultural ecosystem.

Examples of how our dedicated staff have supported our valued clients in enhancing the sustainability of their operations are included throughout this report; through supporting the resilience of livestock to heat exposure, supporting horticulture clients to improve yield and profitability while demonstrating stewardship of land, and partnering with clients to develop and implement carbon farming projects. We also continue to support innovation across the industry as a whole. We were a platinum sponsor of the Asia Pacific's premier agrifood technology event, evokeAG, this year, and committed to return as a platinum partner for the next three years.

This year, we launched our new Eight Point Plan, reaffirming sustainability as a strategic priority and a driver of growth for our organisation. We also launched our Sustainability Framework, which reinforces our ambition to lead sustainability and productivity to benefit our customers, communities, industry, people and shareholders.

The focus of our sustainability program going forward was developed through engagement with our key stakeholders – ranging from our investors, suppliers, financiers, customers and staff. I extend my sincere gratitude to each of you for providing invaluable feedback throughout this process, aiding us in pinpointing the sustainability issues which hold the most significance to you. Your insights have been instrumental to shaping our actionable strategies.

As we progress, we are elevating our focus on sustainability through heightened oversight. This involves our Board and Management Safety and Sustainability Committees, which will play a pivotal role in driving ongoing enhancements in sustainability practices throughout our organisation. Our ultimate aim is to not only bolster our own sustainability efforts, but also contribute significantly to the advancement of the Australian agriculture industry as a whole.

I encourage you to provide feedback to our Sustainability Team (sustainability@elders.com.au) on our performance, and I look forward to sharing with you our progress in future sustainability reports.

Mark Allison
Managing Director and CEO

SUSTAINABILITY PERFORMANCE



CLIMATE TARGETS TO REDUCE GREENHOUSE GAS EMISSIONS¹

TARGET

FY23

2025

100% renewable electricity
in all Australian sites by 2025

Target achieved through on-site solar
generation and procurement and retirement
of Large-scale Generation Certificates (LGCs)

30 new solar installations at our branches

2030

50% reduction in Scope 1 and 2 emissions
intensity (tCO₂e/\$m revenue) by 2030,
against a baseline year of 2021²

25% reduction in Scope 1 and 2 emissions
intensity against baseline year of 2021

17.93 tCO₂e/\$m revenue in 2023

Down from 18.80 tCO₂e in 2022
and 23.86 tCO₂e in 2021

2050

Net zero Scope 1 and 2 emissions by 2050

59,551 tCO₂e this year
(Scope 1 and 2)

Down from 64,772 tCO₂e in 2022

¹ Targets are based on Elders' financial year ending 30 September.

² Subject to commercially viable technology being available to address feedlot cattle emissions.





DIVERSITY AND INCLUSION

60%

Board positions held by women

For more information, please see the 'Governance' section of this report

20%

Women in senior management

Improvement programs in place



HEALTH AND SAFETY

3

Lost Time Injuries (down from 6 in FY22)
\$2m invested in safety capital expenditure

10.1

TRIFR
Down from 12.6 in FY22



COMMUNITY IMPACT AND INVESTMENT

\$3.33m

Donations and sponsorships

1,000+

Local community sports teams
and events sponsored



WASTE MANAGEMENT

46,000+

Agricultural chemical containers collected
for reuse or recycling

2.18t

Bags collected for recycling. Elders now
a member of Big Bag Recovery



Elders Sustainability Framework

Our ambition is to lead sustainability and productivity to benefit our customers, communities, industry, people and shareholders.

This is highlighted in our latest Eight Point Plan, which sets out Elders' key strategic priorities from 1 October 2023 through to 30 September 2026. Our Eight Point Plan was developed by our Board and Executive Committee through a series of workshops and strategy sessions in 2023.

| | | | | |
|------------------------------|--|---|---|--|
| <p>OUR PRINCIPLES</p> |  <p>We provide our customers and clients with the goods and services they need</p> |  <p>We support our people and industries and communities in which we operate</p> |  <p>We do our part to look after the environment and animals in our care</p> |  <p>We operate ethically and to the highest standard</p> |
| <p>OUR PRIORITIES</p> | <p>1 HEALTH AND SAFETY Prioritise the safety and wellbeing of our people</p> | <p>2 SUSTAINABLE FARMING Enable customers to achieve sustainability and productivity goals amid diverse and demanding conditions, leveraging innovation and technology</p> | <p>3 EMPLOYEE ATTRACTION AND RETENTION Invest in our people and cultivate diversity, inclusion and growth for collective empowerment and success</p> | <p>4 CLIMATE CHANGE Reduce our carbon footprint and support our customers in climate adaptation and resilience</p> |
| | <p>5 ANIMAL WELFARE Safeguard the wellbeing of animals in our care and collaborate with our industry to promote livestock welfare and responsible stewardship</p> | <p>6 CORPORATE GOVERNANCE Secure our standing as the most trusted agribusiness brand by upholding ethical operations</p> | <p>7 COMMUNITY IMPACT AND INVESTMENT Support rural and regional Australia to positively impact our communities</p> | <p>8 WASTE MANAGEMENT Collaborate with industry to minimise waste for positive environmental outcomes</p> |

About Elders

Elders is a publicly owned agribusiness focused on creating value for its stakeholders both in Australia and internationally.

Our operations¹

| | |
|-------------------------------------|--|
| Rural Products | <p>Elders is one of Australia's leading suppliers of rural farm inputs, including seeds, fertilisers, agricultural chemicals, animal health products and general rural merchandise.</p> <p>Our Retail Products division supplies these rural products to primary producers and corporate farm customers through 242 Elders owned retail stores. Additionally, we also provide professional production and cropping advice with 256 agronomists nationwide, including additional specialists operating through Elders Technical Services.</p> <p>Elders also operates a Wholesale Products business supplying independently owned member stores, utilising the AIRR branding. AIRR also provides retail services through corporate owned stores and the Ag, Horse and Pet brand to independently owned member stores.</p> <p>Our backward integration strategy is facilitated through various brands, such as Titan AG, Optifert, Apparent, EPG Seeds and Pastoral Ag.</p> |
| Agency Services | <p>Elders provides a range of marketing options for livestock, wool and grain. Elders' livestock network comprises livestock employees and agents operating across Australia conducting on-farm sales to third parties, regular physical and online public livestock auctions and direct sales into Elders-owned and third-party feedlots and livestock exporters.</p> <p>Elders is one of the largest wool agents for the sale of Australian greasy wool and operates a brokering service for wool growers. Our team of dedicated wool specialists assists clients with wool marketing, in-shed wool preparation, ram selection and sheep classing.</p> <p>In 2023, Elders commenced its wool handling operations, a \$25 million investment in the Australian wool industry with operations in Perth and Melbourne. Its operations are expected to reach full capacity in FY24, which will deliver greater efficiency and longer-term cost savings within the wool supply chain.</p> <p>Elders also has a 50% interest in AuctionsPlus, an online livestock auction platform, and a 30% interest in Clear Grain Exchange (CGX), which is an online grain trading platform.</p> |
| Real Estate Services | <p>Elders' Real Estate Services include company owned rural agencies primarily involved in the marketing of farms, stations and lifestyle estates.</p> <p>It also includes a network of residential real estate agencies providing sales and property management services in major population centres and regional areas through company owned and franchise offices. Other services include water broking and commercial real estate.</p> |
| Financial Services | <p>Elders distributes a wide range of banking, finance, insurance and warranty products and services through its Australian network. We work together with a number of partners to deliver some of these offerings; Rural Bank for banking, StockCo for livestock funding products and Elders Insurance (a QBE subsidiary) for general insurance.</p> <p>In addition, Elders provides Livestock Funding and a Livestock in Transit Delivery (LIT) Warranty Service, both which complement our Agency business, and Home Loans and Commercial Finance Brokerage model. Collectively, these relationships and business units enable us to offer a broad spectrum of products designed to help our customers grow their business and manage cash flow and risk.</p> |
| Feed and Processing Services | <p>In Australia, Elders operates Killara Feedlot, a diversified business incorporating grain-fed beef distribution, grass-fattening operations, cow manure processing and irrigated corn production in Quirindi in New South Wales.¹</p> |

¹ In FY22, Elders made the decision to close its Shanghai-based meat distribution business, Elders Fine Foods. Its operations have been progressively wound down throughout 2023.

Reporting on Sustainability

Our Sustainability Report has been developed to inform our stakeholders of our actions and performance on material topics from 1 October 2022 to 30 September 2023 (referred to herein as 'the reporting period'), except where otherwise indicated.

The content of this report was determined using the GRI reporting principles for defining report content; namely:

- Accuracy - report content is correct and detailed
- Balance - report content is presented in an unbiased way
- Clarity - report content is accessible and understandable
- Comparability - report content is reported on consistently over time
- Completeness - report content is based on information available and reported throughout the reporting period
- Sustainability Context - report content is prepared in the context of current and emerging domestic and international trends in the agriculture industry and the ASX100
- Timeliness - Elders publishes its Sustainability Report annually
- Verifiability - report content can be examined to establish its quality

Ernst and Young has provided limited assurance in relation to certain disclosures in our Sustainability Report. A copy of its assurance report is available on page 61.

¹ More information is available in our Annual Report, at <https://elders.com.au/for-investors/performance/periodic-reports/>.

Voluntary Alignment

GRI Standards

This report has been prepared with reference to the GRI Standards. Our GRI Content Index can be found on page 64 of this report.

TCFD Recommendations

We have chosen to align our climate-related disclosures with the TCFD Recommendations. Our TCFD Index can be found on page 63 of this report.

United Nations Sustainable Development Goals

Our approach to sustainability is informed by the following Sustainable Development Goals, which we believe we can contribute to most as part of our business:

| | |
|--|--|
|  <p>2 ZERO HUNGER</p> | <p>Target 2.4: By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.</p> <p>We support agricultural productivity and sustainable food production by helping farmers access productive resources and inputs, knowledge, financial services and markets and supporting and undertaking research, development and extension services. More information is available in the following sections of this report: Community Impact and Investment, Climate Change and Sustainable Farming.</p> |
|  <p>3 GOOD HEALTH AND WELL-BEING</p> | <p>Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.</p> <p>In Australia, access to essential health-care services, medicines and vaccines is publicly funded through the Australian Medicare scheme. In addition, at Elders, all our employees are provided with access to counselling services, discounted health insurance, free flu and Q-Fever vaccinations and paid personal leave. Within our local communities, we support several charities and non-for-profit organisations supporting access to health care for people in rural and regional communities, including the Royal Flying Doctor Service and Beyond Blue. More information is available in the following sections of this report: Community Impact and Investment and Health and Safety.</p> |
|  <p>5 GENDER EQUALITY</p> | <p>Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.</p> <p>Gender equality has been the focus of our diversity program for several years. We aim to promote gender equality within our organisation through our Board-approved diversity objectives, policies and training. More information is available in the Employee Attraction and Retention section of this report.</p> |
|  <p>7 AFFORDABLE AND CLEAN ENERGY</p> | <p>Target 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.</p> <p>Recognising the importance of a well-established, sustainable energy system, we set a target of 100% renewable electricity in our Australian sites by 2025. We achieved this target in 2022 and 2023 through the procurement of Large-scale Generation Certificates (LGCs) and onsite solar generation. More information is available in the Climate Change section of this report.</p> |
|  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> | <p>Target 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> <p>Our Ethical Contracting Framework requires us to assess suppliers for a variety of ethical risks (including those relating to modern slavery) before engaging them and our Responsible Sourcing Code sets out the minimum ethical expectations we have of the suppliers we deal with. Our actions addressing the risk of modern slavery in our operations and supply chains are published annually in our Modern Slavery Statement.¹ More information is available in the Governance section of this report.</p> |
|  | <p>Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.</p> <p>Safety is Elders' number one priority. Our approach to managing safety within our organisation is set out in the Health and Safety section of this report, and our expectation of our suppliers is set out in our Responsible Sourcing Code.¹</p> |
|  <p>9 INDUSTRY INNOVATION AND INFRASTRUCTURE</p> | <p>Target 9.5: Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.</p> <p>We invest and participate in industry research, development and extension through our Thomas Elder Sustainable Agriculture team and EPG Seeds. More information on our contribution and work is available throughout this report, and particularly in the Sustainable Farming section.</p> |
|  <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> | <p>Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p> <p>We support initiatives aimed at reducing negative environmental impacts, including reducing waste and reusing and recycling products within our own operations and the operations of our clients. More information on our actions is set out in the Waste Management section of this report.</p> |
|  <p>13 CLIMATE ACTION</p> | <p>Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>We are taking steps to analyse and develop our resilience to the impacts of climate change and natural disasters. Our actions to date are set out in the Climate Change section of this report.</p> <p>Target 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.</p> <p>We are also engaging with our workforce and industry on climate change adaptation and mitigation, including through our Carbon Farming Advisory Services initiative. More information is available in the Climate Change section of this report.</p> |

¹ Available online at <https://elders.com.au/sustainability/ethical-conduct>.

Determining our focus

During the reporting period, we reviewed Elders' sustainability topics to ensure that we continue to address and report on issues that are most important to our business and our stakeholders. We conducted a materiality assessment to assess Elders' sustainability topics and their ongoing materiality. We identified eight priority topics featured within our Sustainability Framework on page 6 of this report. In addition, the materiality assessment provided us with visibility of other topics that are emerging in importance to Elders and our stakeholders, including innovation and technology, soil health, severe weather, water availability, diversity and inclusion, energy and emissions, responsible sourcing and cybersecurity. These topics are also discussed throughout this report.

Our Materiality Assessment involved:

| 1. Extensive research | 2. Stakeholder engagement | 3. Impact Assessment and Prioritisation | 4. Validation and reporting |
|---|--|--|--|
| <ul style="list-style-type: none"> • Media analysis • Peer analysis and benchmarking • Staff workshops and surveys | Interviews with a range of stakeholders, followed by completion of surveys. Stakeholders included: <ul style="list-style-type: none"> • Representatives from the investment community • Elders' customers • Financiers • Government and NGO representatives • Research and development institutions • Industry bodies • Suppliers | <ul style="list-style-type: none"> • Consolidating data from steps one and two for qualitative and quantitative analysis • Scoring identified topics in order of importance to stakeholders and impacts on our business, our external stakeholders, the economy and the environment. | <ul style="list-style-type: none"> • Validating prioritised topics with our Sustainability team, Executive Committee and Board • Consolidation of topics where appropriate |

Stakeholder Engagement

Stakeholder engagement is vital to understanding the impact of our operations and is used to inform and support our Board and broader business in identifying, managing and reporting on material sustainability topics and their associated risks and opportunities.

Elders' approach to engaging with stakeholders is set out below. Not all methods are utilised annually.

| Stakeholder | Engagement approach |
|---|---|
| Investment community (including proxy advisors) | Elders' website, AGM, public reporting and announcements, briefings, conferences, regular meetings and discussions, surveys |
| Regulators | Reporting, meetings, site visits, through industry associations and responses to enquiries |
| Customers | Elders' website, surveys, meetings, industry events, information sessions and media communications |
| Communities | Elders' website, participation in community programs and events, industry events, media communications and surveys |
| Employees | Surveys, performance reviews, presentations, training, meetings, social events, email and intranet |
| NGOs | Meetings and through industry associations |
| Financiers | Regular meetings and discussions, surveys |
| Industry bodies | Industry conferences, meetings and presentations |
| Contractors and suppliers | Elders' website, meetings, supplier conferences and surveys |

We aim to engage with all members of our investment community, customer, communities and employee stakeholder groups to varying extents through one or more of the methods outlined above. In selecting which regulators, NGOs, financiers, contractors and suppliers to engage with, we consider their relationship with Elders, and their knowledge and experience of the markets important to our business.



Health and Safety



Safety continues to be a critical and non-negotiable objective of Elders as we continue to improve our work health and safety systems to achieve our goal of zero harm in our business.

During the reporting period, Elders continued to evolve and improve its safety performance, with a focus on four key pillars:

- work health and safety risk management
- incident and injury management
- regulatory compliance
- training, education and communication

We held our annual ‘Safety Week’, with each day of the week focusing on key risks and products, including traffic management, livestock safety, safety in our real estate business and safety in our agronomy business. We also focused on overall staff well-being, which included the delivery of resilience training sessions and a national step challenge which saw over 630 employees across the country compete and take over 171 million steps over the course of 6 weeks.

To support members of the wider agriculture industry, Elders continued to be a gold sponsor of Trialsafe; a forum for agribusinesses convened to support the sharing of safety-related improvement ideas and outcomes specific to the agriculture research sector through seminars and podcasts.

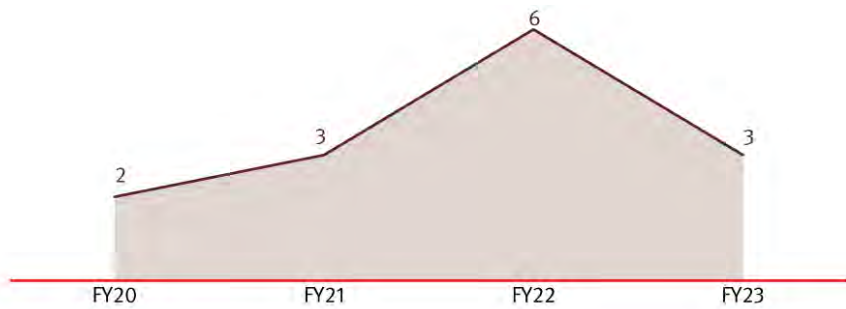
Safety performance

Our employees say:

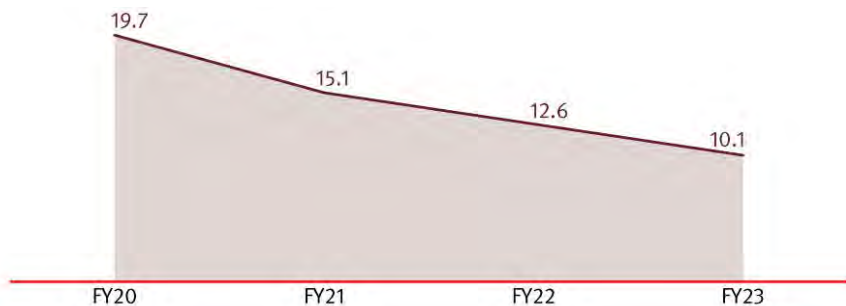
- My work area is safe: 93% (up from 92% last year)
- We practice what we preach – nothing is so important that it cannot be done safely: 91% (up from 90% last year)

Our key motivation is ensuring everyone goes home from work safely. Through our safety initiatives, we have seen a reduction of lost time and medical treatment injuries during the reporting period.

Lost Time Injuries



Total Recordable Injury Frequency Rate



Assessing performance on safety

The key indicators of our performance against our safety objectives at an organisation level include:

- total Recordable Injury Frequency Rates (TRIFR), Lost Time Injury Frequency Rates (LTIFR) and Lost Time Injuries (LTIs)
- improved safety culture measured through our annual Employee Effectiveness Survey
- dedicated safety visits to branches by our Executive

Achievement of targets relating to TRIFR are conditions of our Managing Director and Chief Executive Officer's Short-Term Incentive. More information is available in our Annual Report.¹ We developed additional indicators at both an Executive and local level to align safety-related behavioural expectations with the achievement of our Eight Point Plan. Additional indicators for Executives include: ensuring actions are complete within the safety management system and 100% completion of online safety training by staff within each Executive's business unit. 'Driving significant progress in achieving a "zero harm" workplace' is one of the conditions of our Executive level Short-Term Incentives.

Safety training

Each Elders employee is required to complete mandatory safety training annually, including general and role-specific courses. Each new employee is also required to complete mandatory safety training during induction.

Our Safety, Risk and Environment Business Partners are engaged to oversee compliance with safety training schedules and deliver face-to-face induction presentations and safety training to our employees as required. Elders provides online training, guidelines and Safe Work Instructions, and partners with AgSafe² and other third parties for practical training on driver safety, livestock and dangerous goods handling. We provide first aid training to all nominated First Aid Officers (required at every worksite). This year, Elders continued to deliver mental health first aid training to its Safety and Human Resource Business Partners and other staff, ensuring each State in which Elders operates has representatives equipped to respond to mental health incidents.

Managers are required to ensure that all employees have completed their required training and are competent to perform their role safely. Training requirements are determined based on the employee's background and experience, the requirements of their role and the level of risk that the employee may be exposed to. The completion of mandatory training is a relevant consideration when determining employee incentives.

Safety Governance

Our commitment to establishing and maintaining a safe and healthy work environment is set out in our Work Health and Safety Policy³ and implemented through our Work Health and Safety Management System (WHSMS), which responds to our evolving business requirements. The policies and procedures which underpin our WHSMS apply to all our employees and our contractors (Workers), in all our workplaces – whether they are worksites we control (like our branches, warehouses or offices), or sites our Workers work in which we do not control (like customer properties or saleyards).

Our WHSMS draws on the key principles of AS/NZS ISO 45001: 2018 and is monitored periodically and evaluated to ensure its suitability and effectiveness. Our sites are audited by our safety team and externally by AgSafe to ensure compliance with our WHSMS and that appropriate safety standards are maintained.

Our Management Safety and Sustainability Steering Committee, which includes our full Executive team, meets quarterly to consider matters relevant to Elders' safety strategy and to review and consider reports from other management regarding safety matters. Our Board Safety and Sustainability Committee (BSSC) also meets quarterly to monitor our WHSMS and safety performance, and our Board considers work health and safety at every meeting.



¹ Available at <https://elders.com.au/for-investors/performance/periodic-reports/>.

² Agsafe is a third party, industry-led, non-profit organisation that provides safety training and site assessments for Elders. Sites are accredited "Agsafe Industry Standards Premises" if they meet the Agsafe Industry Standards for Safe Transport, Handling and Storage of Packaged Agricultural and Veterinary Chemicals. More information is available at www.agsafe.com.au.

³ Available online at <https://elders.com.au/for-investors/governance/>.

Safety risk management

Work-related risks and hazards are primarily identified through:

- observations from Workers
- industry research
- incident or hazard reports
- branch safety audits conducted by our Safety, Risk and Environment Business Partners, AgSafe and regulators
- branch safety administrators.

We aim to control work-related risks and hazards (including high-consequence injury risks) in accordance with the following hierarchy of controls set out in our Safety Manual: Eliminate the hazard, Substitute, Isolate, Engineering controls, Administrative controls and Personal Protective Equipment. This year, we continued to maintain monthly hazard reporting KPIs for all branches to drive more regular risk assessment, reporting and control management.

All incidents and near-misses are required to be reported to management immediately and on our reporting platform within 24 hours. The incident escalation and investigation process outlined on page 46 of this report applies to the investigation and escalation of serious safety risks. Information regarding safety incidents (as well as the results of branch audits and work, health and safety related statistics) are reported to the Management Safety and Sustainability Steering Committee and Board to continuously monitor. Our staff, Branch Safety Administrators, Safety Action Teams (SAT) and Critical Risk Teams perform risk assessments on identified and reported risks and make recommendations to the business on any corrective actions and improvements required.

Workers are regularly engaged on the development, implementation and evaluation of our WHSMS and are provided several avenues to raise and discuss work health and safety matters. To support meaningful and effective consultation, Elders has 7 SATs, comprising a total of approximately 60 members representing our branches across Australia. Our SATs are responsible for identifying and attending to safety issues for the locations they represent, and operate as an additional conduit for safety-related information between Senior Management and our branches. Our SATs also educate staff as required and assist with ensuring our practices remain consistent with AgSafe's standards. During the reporting period, all 84 scheduled monthly SAT meetings were held.

Workers are encouraged to raise safety-related matters with their relevant SAT member. They are also engaged on local safety-related matters at branch meetings (where safety is required as the first agenda item), by their Branch Safety Administrator and their relevant Safety, Risk and Environment Business Partner. Our Safety, Risk and Environment Business Partners are members of SATs and report significant safety issues to the Management Safety and Sustainability Steering Committee for consideration.

Lost Time Injuries and serious incidents that are notifiable to a regulator are subject to a more formal investigation process, which involves the preparation of an incident report reviewed by the Head of Safety and our CEO. These reports are circulated to internal parties involved in the incident. Corrective actions and learnings are implemented to prevent future harm. The report is also provided to the Management Safety and Sustainability Steering Committee and the Board for discussion.

All Workers have the right to stand down or refuse to carry out work if they reasonably believe that to continue would put their safety or health at risk. Information on how grievances and unacceptable conduct relating to safety (as well as other matters) may be reported is available on page 48 of this report. Our Whistleblower Policy protects reporters who wish to remain anonymous from being identified and from any victimisation or liability for making a report.



Elders staff at the opening of the new Deloraine branch, Tasmania 2023

Material safety risks

Our risk register specifically addresses work-related hazards which pose a risk of high-consequence injury – namely handling livestock, manual handling and driving. These risks are managed in accordance with our Resilience and Risk Policy⁴ and Framework⁵ (described in more detail on page 46).

Our Critical Risk Teams, comprising employees across Australia, continued to review the current controls for our high-consequence injury risks, including psychosocial hazards, defined as hazards that may arise from or in relation to the design or management of work or the working environment or workplace interactions or behaviours, which may cause psychological harm. Our Critical Risk Teams implemented a number of initiatives throughout the reporting period, including:

- Providing mental health first aid training to staff across the Elders business
- Implementing revised driver, forklift and truck defensive driving training
- Commencing a new national livestock handling training program
- Implementing practical manual handling training
- Implementing load restraint training
- Conducting a review of current traffic management controls, particularly in respect of loading and unloading vehicles with a forklift or similar mobile plant device, to ensure staff and customer safety

An additional risk associated with our business is the storage, handling and transport of chemicals and dangerous goods. Several chemicals and fertilisers used in agricultural production pose environmental and safety risks if not handled correctly. Elders has a number of measures in place to manage these risks, including site reviews by our Safety, Risk and Environment Business Partners and AgSafe, annual site self-assessment processes, the maintenance and monitoring of store manifests, facility designs to ensure appropriate site bunding,⁶ sumps and product segregation, and the provision of guidance materials, spill kits and training to our Workers.

Storing, handling and transporting chemicals and dangerous goods can also pose health and safety risks to our customers and freight providers. We seek to prevent and mitigate those risks by:

- providing customers with Safety Data Sheets containing instructions on the safe use of dangerous goods
- offering customers tailored agronomic advice on the application of agricultural chemicals and hosting trials and demonstrations for customers and growers demonstrating product stewardship and safe use
- training our employees on safe product use and handling to support the provision of advice to customers
- training our employees on the safe transportation of goods, including their responsibilities to prevent or reduce potential harm or loss to others as required under the Chain of Responsibility Laws

High-consequence injury risks

| Risk | Driving | Livestock handling | Manual Handling |
|----------|--|--|--|
| Controls | <ul style="list-style-type: none"> • Regular vehicle servicing and safety checks • Driver safety training • Specific driver training • Vehicle specifications (safety rating approach) • Fatigue management • In-vehicle safety systems for emergency assistance (trialled in FY22 and FY23) | <ul style="list-style-type: none"> • Livestock handling inductions • Livestock handling procedures • Safe work method statements • Livestock handling booklet • Face-to-face training delivered by expert external providers • Assessment of saleyard facilities • Fitness for work | <ul style="list-style-type: none"> • Use of mechanical aids • Targeted manual handling training • Product labelling highlighting heavy products |

Q Fever

Q Fever is an infectious disease which can cause severe illness with inflammation of the liver and heart. People working with cattle, sheep and goats are at high risk of contracting Q Fever.

All employees who are exposed to livestock are required to be tested and provide proof of immunity against Q Fever. If no immunity is present, employees must be vaccinated before they are allowed to interact with livestock as part of their role. Elders funds the costs of the immunity checks and vaccinations for all employees.

⁴ Available online at <https://elders.com.au/for-investors/governance/>.

⁵ An internal document.

⁶ Surrounding an area with a retaining wall to contain any unintended escape of material.



Elders Staff at the Omeo Mountain Calf Sales 2023

Promoting good health

Elders' 'MyWellbeing' program comprises a variety of initiatives facilitated by Elders for staff which focus on the following key pillars of wellness:

- MIND**
 Mental health (taking care of our minds)
- BODY**
 Not just physical exercise, but movement, nutrition, sleep and restoration
- CONNECTION**
 Positive relationships, enhanced communication (internally at Elders and externally at home and in the community)
- FINANCIAL**
 Financial safety brings security and peace of mind. Experiencing mental health issues can lead to financial stress and vice versa

Elders' MyWellbeing Committee, comprised of staff from all over Australia, meets monthly. Initiatives delivered through the MyWellbeing program throughout the reporting period included:

- participation of Elders' People and Culture Business Partners, Safety, Risk and Environment Business Partners and MyWellbeing Committee members in mental health first aid training
- Elders' blood drive, which resulted in 136 whole blood donations being made
- virtual training session delivered to Area Managers and state leadership teams focused on managing mental health in the workplace, attended by approximately 65 people
- virtual finance and budget educational session delivered to our staff by an external provider

Additional, ongoing initiatives we offer as part of our MyWellbeing program include:

Free access to counselling
 We offer free, confidential counselling services to our employees, their immediate family members, and 'in need' clients in person and remotely, through our independently administered Employee Assistance Program (EAP).

Flu and Q Fever vaccinations
 Elders covers the cost of the above vaccinations for all employees.

Company funded clothing and PPE
 Every Elders' employee has an annual allowance to purchase uniform items, which include sun-safe and wet weather-resistant clothing.

Access to our Reward Gateway
 Discounts and rewards are available for shopping at various chemists, gyms, sporting goods stores and health product retailers through our Reward Gateway.





Sustainable Farming



Sustainable farming involves agricultural methods that aim to balance the current and future needs of the population by sustainably managing natural resources and promoting social and economic wellbeing.

With the global population expected to grow to 9.7 billion people by 2050⁷ and increasing pressure to minimise the environmental impacts of agriculture and improve the climate-related resilience of Australian food production, there is a growing need for farming practices to be efficient and sustainable. Elders plays a key role in supporting farmers' productivity and sustainability ambitions, including supporting them with utilising innovative technologies, adopting practices to mitigate the impact of the changing climate and implementing sustainable land management practices with a view to supporting natural capital.

The recent launch of the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) highlights the recognition of the important role nature plays in the global economy. Elders is aiming to develop a plan for alignment with the TNFD Recommendations in FY24.

Thomas Elder Sustainable Agriculture

During the reporting period, Elders' established Thomas Elder Sustainable Agriculture (TESA); the evolution of Elders' existing Thomas Elder Institute. The key focus of TESA is to enable Elders to deliver greater impact in the areas of sustainable agriculture and innovation.

It aims to support Elders' innovation efforts, collaborating with the Elders network and providing farmers with future-focused solutions that will allow them to achieve productive, profitable, and sustainable outcomes against the backdrop of a changing climate and increasing attention on sustainability. Currently, this includes a focus on:

- growing Elders' involvement in research, development and extension
- increasing Elders' activity in the Australian agricultural technology ecosystem
- developing and supporting farmers through agricultural sustainability services, such as carbon farming
- positioning Elders at the forefront of innovation in the Australian agriculture sector

⁷ United Nations Department of Economic and Social Affairs, Population Division (2022). *World Population Prospects 2022: Summary of Results*. UN DESA/POP/2022/TR/NO. 3.

Research, development and extension

We proudly support research and development, recognising that the long-term growth and sustainability of agriculture in Australia is reliant on innovation and the adoption of science-backed practices and technologies.

Elders partners with government and research institutions, multinational supply partners as well as private enterprises to run industry research and development projects on trial sites across Australia. This year, Elders supported 60 trials across 12 trial sites throughout Australia, supporting the development and adoption of innovation and best practice management in broadacre crop production and horticulture. Elders, through Thomas Elder Sustainable Agriculture, also manages a portfolio of 17 projects that are funded from a range of sources, including the Federal Government, South Australian Government and rural research and development corporations. The portfolio encompasses collaborative activities with primary producers; industry partners; researchers from universities; state government departments; and CSIRO.

One of the biggest challenges of innovation in the agriculture industry is the extension of findings from research and development activities to on-farm adoption. With Elders' geographical spread and customer reach, along with its reputation and standing in the industry and local community, we are in a unique position to reach farmers with new practices and technology aimed at improving their productivity and resilience. During the reporting period, Elders hosted a variety of webinars, workshops and training sessions and attended and presented at conferences on a range of technologies and practices, AgTech innovation, regenerative agriculture and genomics to a variety of growers in horticulture, cropping and livestock production.

Innovation at Work

Innovation at Work is focused on developing innovative approaches for increasing uptake of new technologies and management practices by the Australian horticultural industry. Co-funded by Elders and the Hort Innovation "Hort Frontiers" program, this pilot project is exploring how a commercial agribusiness can work with industry bodies, suppliers, and growers to achieve extension and adoption outcomes.

Some of the activities that will take place throughout the project include:

- action learning projects where agronomists support growers to develop their knowledge and skills by implementing practice change on-farm
- trials of AgTech solutions and biofertiliser products with a focus on delivering economic and environmental benefits
- extension events that showcase the latest innovations and R&D outcomes to growers
- identification of grower priorities to be considered for future investment

Agricultural Technology

Our ability to provide our customers with the goods and services they need is critical to our economic sustainability. In a constantly changing and challenging environment, this requires investment in and the delivery of innovative technology, and a continual assessment of the platforms we provide to ensure that they are delivering a fit for purpose solution for our customers.

Supporting the adoption of AgTech is key to helping our customers achieve their sustainable farming practices. AgTech is the collective term for physical and digital technologies - including physical sensors, digital software and remote imagery, along with new chemicals, compounds and formulations - that enable best agricultural practice to be achieved. These tools aim to inform management decisions on farm, to reduce cost, increase productivity and ensure product quality and consistency.

Elders has a dedicated AgTech Development Officer. Its AgTech Committee meets with key stakeholders across the Elders business monthly, providing an official forum for:

- identifying and establishing relationships with suppliers
- reviewing emerging technologies for use by our clients and/or staff
- educating and advising staff on AgTech solutions available to them

We will continue to support the development and commercialisation of emerging technologies within the agriculture industry through partnerships with AgTech providers; research and development through Thomas Elder Sustainable Agriculture; product development through Titan AG and Hunter River Company; and the delivery of agricultural advisory services through our network of agronomists and specialist advisors. A key focus for Elders, both during the reporting period and moving forward, is the modernisation of our IT and data platforms, to invest in best of breed solutions to drive efficiency and improve customer experience to better accommodate change. This will support us to implement new ways to support our clients and customers, to ensure their continued and long-term productivity and profitability.

evokeAg



Innovation and sustainability are important to both Elders' strategy and the agriculture industry more broadly. For this reason, Elders supports key industry events such as Agrifutures' evokeAG. evokeAG is Asia Pacific's premier agrifood technology event, aiming to bring together farmers, innovators, researchers, universities, corporates, government and investors to drive positive impact for farmers and the supply-chain.

Elders has been the official Platinum Partner of evokeAG since the inaugural 2019 event and, during the reporting period, committed to return as Platinum Partner for the next three years. This year, the theme of evokeAG 2023 was "Down to Earth". The event commenced with opening remarks from Elders' MD and CEO, Mark Allison, and saw over 1,600 attendees convene in Adelaide, South Australia. Over two days, participants collaborated on a number of topics, including the use of data on-farm, the carbon credit market, biosecurity, investment in agriculture and the use of innovation and technology in agriculture generally.

Supporting Sustainable Farming

There are a number of key considerations for Australian primary producers in the context of ensuring their farming practices are efficient and sustainable. These include:

- improving and maintaining soil health
- water use and availability
- the use of agricultural chemicals and other inputs
- preparing for, and responding to, severe weather events

Soil health

Healthy soil influences environmental health by facilitating the removal of carbon from the atmosphere, improving water holding capacity and plant growth, ensuring greater water quality through reduced run-off and erosion and overall promoting biodiversity. Healthy soil is also imperative to supporting resilient agricultural production through improved plant genetics, water retention, soil structure and nutrient utilisation. No-till farming is understood to optimise soil health, and the proportion of Australian grain growers using no-till farming is high⁸ however, further development, innovation and soil monitoring will be vital to sustain production and take action against climate change.

Elders' network of agronomists (including its Thomas Elder Consultants) support more than 7,000 clients across Australia to manage the productivity of their farms; provide advice to clients on crop rotation, pest and disease management and soil health; and facilitate over 15,000 soil tests throughout the reporting period. Of these soil tests, approximately 8,000 utilised services from Precision Agriculture, an organisation with which Elders has partnered to give our clients easier access to specialised services, such as the creation of soil management zones, customised soil testing and the identification of key soil constraints.

Agricultural chemicals

Maintaining safety and managing the environmental impacts associated with agricultural chemical use is critical to sustainable farming.

To mitigate the risk of negative crop, animal, environmental or safety impacts, Elders only sells and uses agricultural and veterinary chemical products which have met all relevant regulatory requirements. Further information on how Elders manages safe chemical use in its operations and supports safe chemical use by its customers is detailed on page 13 of this report.

Our agronomists are provided with regular training and knowledge through various mediums including online, in field training, industry training, supplier training and the maintenance of formal accreditations like Fertcare.⁹

Severe Weather

Severe weather events such as frost, drought, flood and fire can affect the productivity of our agribusiness customers and in turn, increase the variability of Elders' financial performance. As a result, we manage severe weather events as a material business risk in accordance with our resilience and risk framework.¹⁰ Given Australia's vast and diverse landscape, severe weather events rarely occur across multiple regions at the same time. By maintaining a geographical spread of operations across the country and a diverse product and service range, the negative impacts of severe weather events on our organisation are limited and mitigated.

The impacts of severe weather events on Elders' financial performance are further mitigated due to Elders being a supplier of the inputs, equipment and services our clients require to operate through, and recover from, severe weather events.

To assist our customers with managing their agribusiness through events like drought, excessive rain, flooding, fire and heatwave, Elders:

- supports clients in managing their productivity through our network of agronomists and livestock agents
- provides access to technology which supports the efficient distribution of water, nutrients and chemicals
- supplies crop protection products and herbicides to manage weeds and pest infestation
- supplies general merchandise and equipment required on farm, such as fence posts, personal protective equipment, shade cloths, irrigation equipment, tanks, troughs and fire pumps
- facilitates the sale and purchase of water through Elders Water Trading

Our approach to managing severe weather risks will be evaluated and further developed as we continue to investigate and develop our response to climate-related risks and opportunities.

Flooding in Western Australia's Kimberley Region

During the reporting period, the West Australian Kimberley region was impacted by severe flooding, resulting in significant damage to rural properties, roads and other infrastructure, as well as loss of stock.

In order to support the local communities and primary producers impacted by the flooding, Elders donated \$10,000 to the Kimberley Pilbara Cattlemen's Association. The funds, administered by Rural Aid, were used to provide financial and counselling support to the most affected pastoralists.

Elders' branches located in the region, including in Derby and Broome, also worked closely with impacted clients. Elders' MD and CEO, Mark Allison, visited the region to assess the impact of the floods and to meet with key clients.

⁸ Llewellyn, R.S., D'Emden, F.H., Kuehne, G. 2012. Extensive use of no-tillage in grain growing regions of Australia. *Field Crops Research* <http://dx.doi.org/10.1016/j.fcr.2012.03.013>

⁹ Fertcare is a training, accreditation and certification program that is managed by Fertiliser Australia and focused on promoting productivity whilst protecting the environment. Elders recognises the importance of having Fertcare trained and accredited staff to support the provision of detailed, current fertiliser advice based on soil and plant analysis, with a focus on the environment and food safety.

¹⁰ Outlined in further detail on page 46 of this report.

Water Use and Availability

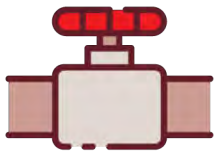
The Australian climate has always involved an element of volatility and hot, dry summers, but climate change is projected to increase the frequency and intensity of extreme heat and periods of drought. With water availability already an issue that many farmers are required to address, finding opportunities to improve water use efficiency and ensuring the sustainability of shared water sources is directly linked to the sustainability of the agriculture industry.

Elders recognises that the availability of water can have a significant impact on its operations and performance in the following ways:

- directly: Killara Feedlot requires water for its paddocks, animals and facilities. Our branches and warehouses also require access to water in much smaller quantities for cleaning and drinking
- indirectly: Water availability impacts the productivity of Elders’ grower customers, which in turn increases the variability of Elders’ sales of agricultural inputs

Elders’ network of agronomists, in the course of advising primary producers, regularly implement and utilise tools such as soil moisture probes, water tank sensors, weather stations and various software to assist primary producers with better managing irrigation scheduling and water use efficiency.

Water and Killara Feedlot



565.6 ML
Withdrawn from groundwater



282.7 ML
Consumed at the feedlot



282.9 ML
Consumed through irrigation



282.9 ML
Discharged to effluent utilisation areas (EUA's)

While Elders itself is not an intensive consumer of water across its operations, we recognise the importance of understanding our own water consumption and managing use and discharge, particularly at our Killara Feedlot. Killara obtains water for use at the feedlot and surrounding paddocks from rainfall, run-off and groundwater. It disperses water across its paddocks predominately through the use of several centre pivot irrigation systems.

Groundwater consumption

Consumption of groundwater by Killara is limited by its water licence (issued by Water NSW), which authorised a withdrawal of 808ML from July 2022 to June 2023. Killara is prohibited from drawing water in excess of its allocated amount.

Rainwater and run-off

Killara’s practices and infrastructure have been developed to capture rainwater and prevent it from escaping into the surrounding environment. Given the operations of the feedlot, rainwater falling onto the facilities can be contaminated by the waste produced by cattle, and an overflow of contaminated water into the surrounding environment could adversely impact other water resources and soil quality.

The entire feedlot is bunded and all run-off is diverted to effluent holding ponds. The ponds are regularly maintained, with effluent mixed with water before being redistributed to Killara’s nominated effluent utilisation areas (EUAs), providing fertiliser and moisture to support the growth of food fed to cattle on site. Strip cropping on the farmland surrounding the feedlot is an additional initiative to prevent effluent from reaching nearby water sources in the event of an overflow. Groundwater and soil quality are regularly tested at several monitoring points for nutrient contamination, and effluent quality is monitored at EUAs, discharge points and holding ponds. Elements such as phosphorus, calcium, nitrogen, potassium and sodium are all monitored to ensure nutrient levels are maintained in accordance with the requirements of the NSW EPA.

This year, Killara Feedlot experienced high rainfall and several flooding events. Management has worked closely with the EPA in line with licensing obligations to proactively work through this.

Sustainable practices key to profitability

Australia's producers know that long-term efficiency and profitability is reliant on how they optimise the performance of their land, which includes prioritising sustainability and conservation.

Elders shares in this commitment with Australian farmers, as evidenced in work underway across the country.

One such example lies in the eastern Gippsland region of Victoria, where Bairnsdale branch manager and horticultural agronomist Noel Jansz works with clients to optimise their cropping regimes.

Mr Jansz spends most days on farm, completing crop checks and farm scouts, conducting specialist testing, and developing tailored plans and programs.

“Some days, I will be performing soil tests to determine soil health and nutrient levels, and others I could be using drones to analyse data on crop yields and plant health,” said Mr Jansz.

“I also develop and implement full-scale crop management plans, including planting schedules, irrigation strategies using moisture probes, and pest management techniques.

“But the most important part of my role is helping farmers improve their yields, reduce environmental impact and ensure sustainable practices.”

Elders' network of agronomists and Thomas Elder consultants support thousands of clients across Australia in managing the productivity and sustainability of their farms, facilitating thousands of soil tests every year.

A growing segment of Mr Jansz' work day is helping his clients transition to farming practices with enhanced sustainability outcomes. In his region, escalating resistance to some forms of crop protection is increasing willingness for horticulture producers to try new, alternative practices.

His emphasis is on helping growers solve such issues, improving their yield and profitability, while also demonstrating stewardship of their land.

“The main focus is on improving soil health for my clients, through making incremental changes in machinery or products used. The goal is to benefit the whole farming system, from soil health to water conservation and biodiversity,” Mr Jansz said.

“Not only does this have a positive environmental impact, but it also improves

business success, driving higher yields and improved profitability.

“Practices can also drive better nutrient density in a crop, which could support future market access and product premiums.”

The Gippsland horticulture industry has been experiencing significant growth over the past few years, making it an even more exciting and rewarding industry to be part of.

“With favourable conditions, an increased focus on sustainability, and technological advancements, the Gippsland horticulture industry is well-positioned for growth and has the potential to become a significant player in the market,” Mr Jansz said.

“There is an increasing trend in the use of technologies such as precision agriculture, automation and accelerating genetic improvement in farming practices. As farmers begin to incorporate these advanced technologies, it is likely that the industry will become even more efficient and productive.”

Elders' Executive General Manager of Sustainability, Strategy & Innovation, Anna Bennett, says that Elders is at the forefront of understanding producer needs and wants around sustainable agriculture.

“If there is one learning to be extracted from the work that agronomists like Mr Jansz do, and the RD&E work that Elders is involved in, it's that there is incredible potential for the implementation of decision agriculture to generate major lifts in the gross value of agricultural production, estimated at \$20.3 billion.¹¹ Here lies a crucial role for Elders to improve access to technology, information, and markets to help them extract this value,” Ms Bennett said.

“We aim to do this through Thomas Elder Sustainable Agriculture (TESA), dedicating a purposefully built arm of our business to ensure that innovation has meaningful economic and environmental outcomes for producers.”



¹¹ Accelerating Precision To Decision Agriculture, Cotton Research and Development Corporation (CRDC).



Employee attraction and retention



The success of Elders is reliant on us attracting, retaining and developing the best people in agriculture and ensuring our people are engaged and enabled to create meaningful work outcomes.

Management of employee engagement and enablement is a condition of our Executive level Short-Term Incentives.¹ This year, we again conducted our annual Employee Effectiveness Survey, with 71% of staff participating.

We continued to develop our people and culture, focusing on:

- attracting and developing young people and women in our workforce
- investing in upskilling and developing our staff through internal training programs, including frontline manager and retail products training across our entire employee cohort
- addressing gender pay equity

Employee effectiveness survey results

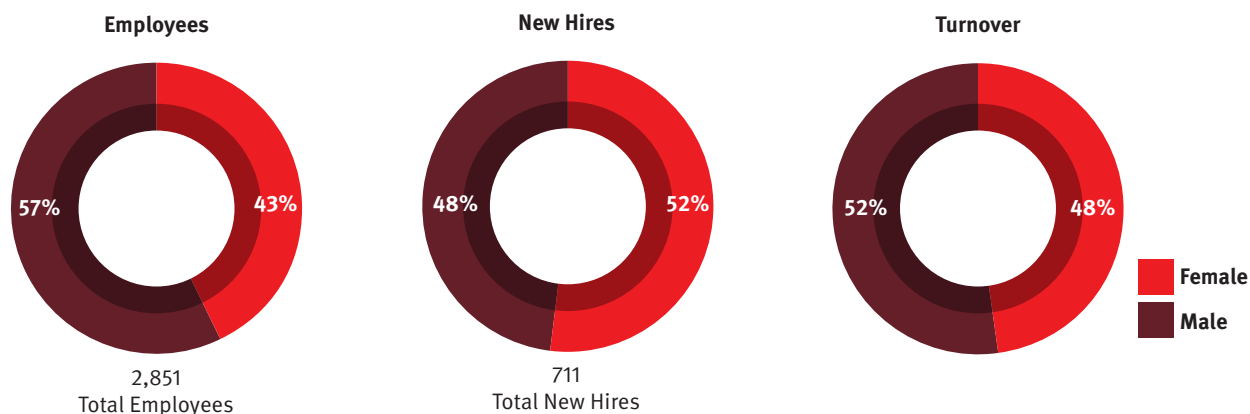
- Employee engagement: 77% (down from 79% in FY22)
- Employee enablement: 81% (down from 82% in FY22)
- Employee effectiveness: 66% (down from 69% in FY22)

Whilst the results of our Employee Effectiveness Survey were slightly lower than in FY22, they still placed Elders either *equal to or above* the high performing benchmark compared to other companies globally,² and we continue to explore ways to improve our employee engagement, enablement and effectiveness.

¹ For more information, see our Remuneration Report within our 2023 Annual Report, available at <https://elders.com.au/for-investors/performance/periodic-reports/>.

² Benchmarking and the administration of our Employee Effectiveness Survey is conducted independently by Korn Ferry.

Our workforce³



Our operations are mainly conducted through our employees. We also engage people on fee-for-service contracts to provide consulting, livestock and real estate agency services. This year, we engaged 180 livestock and real estate agent contractors.⁴

Our workforce profile is reported to our Board monthly, where any issues are discussed and changes to our management approach are agreed for implementation. Attracting and retaining quality people is managed as a business risk, using the procedure outlined on page 46 of this report. Our progress is measured through regular performance reviews, training, assessments and surveys.

The Fair Work Act 2009 (Cth) and applicable awards set out the entitlements of our Australia-based workers, including rights relating to remuneration, minimum wage, work hours and freedom to associate with an industrial association. Our Compliance Policy⁵ requires us (as well as all our directors, employees, agents, contractors and consultants) to comply with all applicable laws and regulations.

Employee development

We demonstrate our commitment to the development of our workforce through our investment in learning and development programs, remuneration and reward frameworks and succession and retention models. Career development is a standing item of every employee's annual personal development plan and performance review. This year we spent over \$1.2 million on professional development and continued to provide internal training programs virtually, in person and online. Training programs for employees are developed based on their experience and position within the organisation.

Some key employee development initiatives that occurred during the reporting period include:

- leadership programs – 65 attendees (36% female, 64% male, and including attendees across all States and business units)
- Early Careers Summit (a 2 day program, including induction and development) – 44 attendees in addition to managers and subject matter experts
- Welcome to Elders (employee induction) – 436 attendees

Early Careers Program

Elders' Early Careers Program, delivered during the reporting period, provides successful applicants the opportunity to build critical skills alongside experienced leaders and their peers through practical, role-related work. The program includes rotations across Elders' branches and areas, dedicated mentors, training and networking opportunities. The program encompasses Elders':

- Livestock Career Development Program – 18 month rotation
- Graduate Agronomy Program – 2 year rotation
- Rural Products Trainee Program – 12 months rotation
- Corporate Graduate Program – 2 year rotation

During the reporting period, 44 people joined the program, comprising:

- 15 agronomy graduates
- 2 corporate graduates (IT & Marketing)
- 18 livestock trainees
- 9 rural products trainees

As part of Elders' membership of the Regional Australia Institute (RAI), and in support of the RAI's Regionalisation Ambition 2032, we have also made a pledge to create long-term career pathways for regionally based people, including by extending our Early Careers Programs in 2024.

³ As at 30 September 2023. The figures in the charts below exclude our casual employees. More information on our casual employees can be found in the Performance Tables on page 58. The chart showing turnover excludes turnover at Elders' Shanghai-based meat distribution business, Elders Fine Foods. In FY22, Elders made the decision to close this business and, as a result, it has been wound down over the course of the reporting period.

⁴ Includes contractors authorised to act on behalf of Elders, but excludes conjunctural real estate agents.

⁵ An internal document.

Diversity and inclusion

We recognise that a diverse and inclusive workforce is critical to achieving our objective of attracting, retaining and leveraging talent, and we are committed to providing a workplace that promotes equal opportunity and an environment that is free from all forms of discrimination, including race, colour, national extraction, social origin, age, marital status, family or carer responsibilities, sex or chosen gender, sexual preference, religion and physical ability.

Our Diversity and Inclusion Policy⁶ sets out the key elements of a diverse organisation and the value derived from embedding diversity and inclusion throughout our business. Our workforce profile is reported to our Board monthly. In addition, the diversity of our workforce is reported on and reviewed on a quarterly basis by Elders' Executive team through quarterly business reviews.

Positive movement in the representation of women in management and employee engagement and enablement are conditions of our Executive level Short Term Incentives. More information is available in our Annual Report.⁷ We also continue to report annually to the Workplace Gender Equality Agency outlining our workplace profile in accordance with the Workplace Gender Equality Act 2012.

Gender diversity

Gender diversity is the core foundation of our diversity program and we continue to seek to close the gap of female representation in leadership positions.

During the reporting period, we engaged an independent third party to undertake an audit of our workforce planning and talent management to ensure we have a best practice approach to attract, identify, develop and retain talent, including females for senior leadership roles. An outcome of this review is the design of a new talent and succession process which will be ready to launch in FY24. We also progressed our work with an independent third party analysing gender pay equity to gain further insights and identify any remedial action.

We made several changes to policies to ensure an equitable approach for all employees and to better support primary carers and partners at the time of birth or adoption, including:

- increasing paid parental leave for primary carers from 8 weeks to 12 weeks
- removing the 12-month service requirement for all employees to be eligible for 2 weeks paid partner leave
- changing service recognition and service awards to now be inclusive of periods of unpaid leave, including unpaid parental leave
- changing calculations for retrenchment to be equal for all employees regardless of salary
- extending access to paid Domestic and Family Violence leave to include fixed term and casual employees

Our broader diversity program

Beyond the focus on gender, we are continuing to promote diversity in all its forms. As at 30 September 2023, within our workforce:

- 1% of employees have a disability or impairment
- 1% of employees identify as LGBTQI+
- 3% of employees speak a language other than English
- 28% of employees are primary carers
- 2% of employees identify as Aboriginal or Torres Strait Islander
- 4% of employees were born outside of Australia

90% of respondents to our annual survey agreed they feel able to be themselves at work, which is consistent with last year's result and importantly, was a key driver of overall employee engagement and enablement. We also demonstrated positive progress compared to FY22 for questions related to employees being treated with respect, being able to raise concerns and having them taken seriously, paying people fairly for the work they do regardless of gender and managers being held accountable for diversity goals.

During the reporting period, Elders became a member of the Diversity Council of Australia and sponsored the National Farmers Federation Diversity in Agriculture leadership program and, to further progress our diversity, equity and inclusion agenda, we have recently established a working group with representation from Executive General Management and State General Management roles with a view to developing a strategy and associated actions in FY24. This working group will also develop a strategy to uplift action on Indigenous engagement, focusing on community support and employee engagement.



Dalby Feeder & Weaner Sale 2023, Dalby QLD

Performance against our Board-approved measurable diversity objectives

| | Actual Sept-23 |
|--|-------------------|
| Maintain the representation of women in Non-Executive Director roles at 40% or above by 30 September 2025 | 75% ¹ |
| Maintain the representation of women in Senior Executive Positions ² at 40% or above by 30 September 2025 | 38% |
| Increase the representation of women in senior positions ³ to 25% by 30 September 2025 | 20% |
| Increase the overall diversity of Elders' workforce (including cultural background, sexual orientation, disability, impairment, caring responsibility) | 33% |
| Maintain the feeling of belonging by allowing Elders' people to be themselves at work | 90% |

¹ For more information, please see the 'Governance' section of this report.

² Senior Executive Positions are all positions on Elders' Executive Committee, including the Managing Director.

³ Senior positions are Korn Ferry (Hay) level 16 and above.

⁶ Available online at <https://elders.com.au/for-investors/governance/>.

⁷ <https://elders.com.au/for-investors/performance/periodic-reports/>.

Employee benefits and support

In addition to the benefits and support outlined on page 14 of this report, we offer the following to our employees:

Access to the employee share plan

Employees can salary sacrifice to acquire shares in Elders.

Service recognition

Employees are recognised for reaching service milestones and provided monetary rewards, gift cards and acknowledgements. Periods during which employees took leave without pay (including unpaid parental leave) are taken into account for the purposes of service recognition and awards.

One Elders Awards

This program recognises and rewards employees and teams whose performance and safety outcomes significantly contribute to business results, and demonstrate our values-based culture.

Employee referral program

Employees referring a candidate who successfully gains employment with Elders are entitled to an incentive payment.

Short-term incentives

Eligible employees can share in Elders' success when financial targets are met. Short-Term Incentives are awarded to high-performing employees.

Access to a range of corporate discounts

Employees can access discounts on clothing retailers; health, motor and home insurance; vehicle rentals and purchases; travel and IT.

Flexible working policy

Eligible employees can negotiate changes to their work hours, patterns and locations to support a healthy balance between personal and professional commitments.

Purchased leave

Employees can "purchase" additional periods of paid leave through a salary sacrifice arrangement over 12 months to reduce cost impacts.

Staff foundation

Employees can contribute \$2.50 per month to the Staff Foundation with Elders matching every dollar. The Foundation uses this money to gift financial assistance to employees during times of hardship. The Foundation has 1,732 employee members. During the reporting period, it collected \$48,550 from employees and paid \$57,200 to staff in need.

Paid parental leave

Primary carers (regardless of gender) who have worked for Elders for at least 12 continuous months and are permanent employees are entitled to twelve weeks of paid parental leave. Secondary carers (regardless of gender) are entitled to two weeks of paid parental leave, irrespective of duration of continuous service.

Paid personal and carers leave

All permanent employees are entitled to paid personal leave each year to cover absences for personal illness or injury, or to care for or support immediate family or household members.

Paid domestic and family violence leave

In accordance with the National Employment Standards, employees are entitled to ten days paid domestic and family violence leave in addition to other forms of leave offered by Elders. This is to support staff in (amongst other things) seeking safe accommodation, attending medical appointments and organising alternative care for children.

Paid employee transfer and relocation leave

Elders provides up to four days paid leave to support staff relocating for work by Elders.

Paid study leave

Employees can be granted paid leave (subject to management approval) to undertake study and further education.

Paid emergency service and volunteering leave

Employees who are members of a recognised emergency service organisation can be granted paid leave (subject to management approval) to assist in emergency situations. Elders employees are also entitled to two paid leave days each year to volunteer for community-based non-for-profit organisations.

Supporting our leavers

The average length of service for our employees is 6.5 years, and as at 30 September 2023, 248⁸ of our employees have served us for more than 20 years.

Our Redundancy, Redeployment and Retrenchment Policy⁹ sets out our commitment to responsible workforce restructuring, requiring management to engage with our human resources team to ensure all relevant legislative and industrial obligations are considered and appropriately managed and impacted employees are treated respectfully and fairly. Consistent with this Policy, Elders' employees whose positions have been made redundant may be redeployed where an alternative position exists (that is acceptable to both parties). Where employees are not successfully redeployed, they are entitled to a retrenchment payment based on their years of service.¹⁰ Elders also funds confidential external career support to employees who experience retrenchment, including confidential career coaching and assistance in securing another role.

Rural leadership programs

Each year, Elders sponsors employees to complete bespoke leadership programs provided by the Australian Rural Leadership Foundation (ARLF). This year, the 2 places provided on the Australian Agribusiness Leadership Program and 1 place on the TRAIL Emerging Leaders Program for emerging leaders were all awarded to females. In FY23, International Day of Rural Women was also celebrated with a live facilitated panel discussion with several outstanding women working in agribusiness roles across the business.

⁸ This figure includes employees of businesses acquired by Elders, and the original service date of these employees.

⁹ An internal document.

¹⁰ Fixed-term employees, casual employees or employees terminated because of serious misconduct are not eligible for a retrenchment payment.





Climate Change



Australia's changing climate presents systemic challenges to the agriculture sector, as well as to our clients and farming activities.

Hotter and drier conditions, prolonged droughts and more extreme weather events have profound effects on farmers, associated businesses, the communities in which we operate and Australia's economy more broadly.

Reducing emissions and benefiting the environment, while improving farm productivity and building resilience presents challenges as well as opportunities. As a valued partner of the agriculture sector, we have an important role to play in contributing to the sector's resilience and helping develop technologies to assist with emissions mitigation and climate change adaptation. We also acknowledge our own responsibility to address climate change and in particular, manage and reduce greenhouse gas emissions associated with our own operations.

This year, we continued to build on our climate change scenario analysis work completed in FY22, focusing on further understanding the impact of climate change on grain and livestock production, the consequent impact on Elders' business, and the role Elders has to play in supporting climate change adaptation and mitigation. We also continued action to progress performance against our climate targets, focusing on increasing the generation of on-site solar power.

Important information

It is important to note that where Elders' climate-related disclosures contain forward-looking statements and metrics, they should not be viewed as guarantees for future outcomes in climate change, financial or operational performance or share pricing. Our statements and metrics are influenced by various risks, uncertainties and other factors, many of which are outside of Elders' control.

Readers should be cautious and avoid placing excessive reliance on these statements due to the uncertainty in climate metrics and modelling, and the potential for divergent outcomes based on underlying risks and assumptions.

While Elders has developed this report based on its current knowledge and in good faith, it reserves its right to modify its views in the future.

Elders Climate Action Roadmap

FY20

- Published our first Sustainability Report including our emissions profile and our climate-risk management processes, roles and responsibilities
- Initiated internal and independent review of climate-related risks and opportunities
- Set action plan for full alignment with the TCFD Recommendations

FY21

- Disclosed our climate-related risk assessment methodology and our climate-related risks and mitigation actions
- Identified climate-related opportunities
- Set climate change targets

FY22

- Qualitatively assessed future climate-related risks and impacts using appropriate climate scenarios
- Reported on performance against our targets
- Achieved 100% renewable electricity in all Australian sites*
- Developed our Scope 3 emissions profile

WE'RE HERE

FY23

- Undertook quantitative analysis of climate-related risks and impacts
- Maintained 100% renewable electricity in all Australian sites*
- Increased the number of sites with onsite solar generation capability

FY24

- Further explore transitional climate-related risks and opportunities through scenario analysis
- Begin quantifying our Scope 3 emissions, beginning with key categories

FY25 ONWARDS

- Maintain 100% renewable electricity in all Australian sites
- Develop and implement a strategy to reduce fleet fuel related emissions

FY25 ONWARDS

- Continue to support research, development and extension to the agriculture sector in the areas of emissions reduction and climate change resilience
- Quantify our Scope 3 emissions and aim to set appropriate targets
- Aim to reduce our emissions in line with our 2030 climate target

2050

AIMING FOR NET ZERO SCOPE 1 AND SCOPE 2 EMISSIONS

*Achieved through procurement and retirement of Large-scale Generation Certificates and onsite solar generation.

Climate change governance

Elders considers climate change to be a material business risk with potential impacts on our economic, environmental, and social sustainability. Our Climate Change Policy¹ sets out:

- our commitment to supporting the global effort to reduce greenhouse gas emissions in alignment with the recommendations of the Paris Agreement established by the UNFCCC (United Nations Framework Convention on Climate Change)
- the role of our Board and Executive in managing climate change strategy, risks and opportunities

Both the operational and strategic risks posed by climate change are captured under our current governance, risk management and resilience frameworks.²

We aim to align our disclosure of climate-related risks with the TCFD Recommendations and in the coming years, with the International Sustainability Standards Board's (ISSB) standards, as they are adopted in Australia. Our Board has been briefed on the requirements of the TCFD recommendations and is responsible for reviewing and approving the climate-related disclosures contained within this report.

Strategy and risk management

Climate change presents both risks and opportunities to Elders' businesses. We recognise that it will impact regions within Australia differently, requiring targeted strategies for adaptation. We manage the impact of climate change through:

- the implementation of emissions reduction targets that guide business activities
- our diverse product and service offerings across our national footprint, which supports risk mitigation and the ability to meet our clients' needs as they adapt and respond to climate-related impacts
- due diligence processes that facilitate the evaluation of potential business acquisitions against our key sustainability principles, relevant climate trends and impacts (i.e. industry and geography) and our emissions profile

Assessing risks and opportunities

In assessing the specific climate-related risks and opportunities for our business, we consider both short-term (0-3 years) and medium to long-term (3-30 years) physical and transition impacts. Climate-related risks are then assessed in accordance with our Resilience and Risk Framework, with added analysis on the shift in risk ratings projected over the long term.

Below is an overview of the key risks identified by Elders. The risks noted are not exhaustive and are in no particular order.

TCFD risk categories

Physical risks: A – Acute C – Chronic

Transitional risks: PL – Policy & Legal M – Markets R – Reputation L – Liability

TCFD opportunity categories

RE – Resource efficiency **E** – Energy source **PS** – Products/Services **M** – Markets **R** – Resilience

Climate-related risks and strategies

| Risks and impacts | Our strategy |
|--|--|
| Crop yields | |
| C Crop yields may be adversely impacted by a fall in total annual rainfall; prolonged drought; future rainfall occurring in fewer, heavier events; higher temperatures; increased fire risk and an increased prevalence of pests, diseases and weeds. These events could impact farm profitability and the demand for the goods and services which Elders supplies. | <p>PS Continue to offer supportive rural products, including water-efficient and heat-tolerant plant varieties and plants with shorter growing seasons.</p> <p>PS Continue to offer agronomic advisory services and supportive AgTech assisting farmers with effective cropping, pest, disease and weed management and farm adaptation.</p> <p>R Maintain effective inventory management practices to mitigate the impact of demand variability.</p> <p>PS Investigate opportunities to partner with additional suppliers providing climate-resilient plant varieties.</p> |
| Health and safety | |
| C Increased frequency and severity of extreme heat days may result in reduced productivity, increased changes of heat-related illness, exposure to heat-related injury and exposure to diseases which may become more prevalent, such as mosquito-borne diseases. | R Continue to implement and improve our WHSMS, provide appropriate, sun-safe uniforms and PPE and maintain appropriate and effective incident management plans. |
| Livestock production | |
| C Livestock production may be affected by variability in pasture quality driven by prolonged drought, higher temperatures and heat stress and flood-related mortality. This could impact the demand for animal health, feed products and agency services. Killara Feedlot may also be impacted due to increased mitigation requirements. | <p>M Retain our geographically diverse livestock agency base to serve clients across the country and mitigate the impacts of regional adverse conditions.</p> <p>PS Continue to offer supportive rural products, including pasture varieties that maximise water use efficiency, heat tolerance and shorter growing seasons, and feed supplements that mitigate the effects of heat stress, dehydration and physical stress in animals in extreme weather.</p> <p>PS Continue to offer livestock production advisory services, advising farmers on the selection of animals based on genetic resilience, and appropriate seedstock and commercial replacements.</p> |

¹ Available at <https://investors.elderslimited.com/investor-centre/?page=corporate-governance>.

² Full details on the role of our Board and Executive in managing risk, including climate-related risks, can be found on pages 44 to 48 and within our Annual Report, Corporate Governance Statement and Audit, Risk and Compliance Committee Charter.

| Risks and impacts | Our strategy |
|---|---|
| | <p>R Further scenario analysis and an increased understanding of the likely geographical shifts of livestock production may identify further opportunities and controls.</p> |
| Severe weather | |
| <p>A Tropical storms and cyclones may increase the risk of heavy, prolonged rainfall events and the potential for widespread flooding and destruction of infrastructure, physical assets, crops and livestock.</p> | <p>M Retain and grow our national footprint to serve customers and clients across the country in responding to the impacts of severe weather.</p> <p>R Maintain our incident management, emergency evacuation and business continuity plans.</p> <p>R Maintain effective inventory management practices to mitigate the impact of demand variability.</p> |
| Storm impacts | |
| <p>A Coastal events like cyclones, storms and associated storm surges may result in damage to port infrastructure, vessels or goods, which could impact Elders' supply chains.</p> | <p>M Maintain and diversify our supplier base to mitigate supply chain disruptions.</p> <p>R Continue working with suppliers to manage risks and implement effective inventory management practices, including holding stock in our Australia-based AIRR warehouses and working with local suppliers.</p> |
| Water availability | |
| <p>C Decreases in average rainfall and an increase in the frequency and duration of drought conditions limits the replenishment of dams, reservoirs and aquifers. This could impact both water supply for on-site usage (drinking and irrigation), trading, and could see changes to licence terms. Water scarcity could impact farm operations and reduce the demand for the goods and services which we supply.</p> | <p>RE Monitor and maintain Killara Feedlot's water licences, centre pivot irrigation system and relationships with third party feed suppliers.</p> <p>M Continue to explore opportunities to increase our offering of water capture and storage equipment, including through our business, Sunfam, which provides irrigation and pumping equipment from its base in Bundaberg, Queensland.</p> |
| Demand for key products | |
| <p>R Consumer preferences shifting to 'green' labelled products may result in a decreased demand for some of Elders' product lines.</p> | <p>PS Maintain and grow our diverse product offering.</p> <p>M Continue to investigate opportunities to expand our range to accommodate changes in demand.</p> |
| Climate change policy and carbon charges | |
| <p>PL International pressure or changes at a Federal government level have the potential to rapidly shift the types of obligations faced by Australian companies in the coming years. Changes may include the introduction of a carbon charge, which may impact Elders' operational costs and that of its customer base. International changes may also impact customers' ability to conduct business in foreign jurisdictions, which may impact the demand for the products and services which we supply.</p> | <p>R Align our climate-related disclosures with the recommendations of the Task Force on Climate-related Financial Disclosures, and other emerging reporting standards as required.</p> <p>RE Implement strategies to reduce Elders' greenhouse gas emissions in alignment with our emissions reduction targets.</p> <p>PS Continue to offer products and services which support sustainable farming practices which deliver climate change mitigation and adaptation.</p> |
| Achieving our climate-related targets | |
| <p>R Delayed or lack of innovation could affect Elders' ability to meet its 2030 and 2050 climate-related emissions targets, which may require an investment in carbon offsets.</p> | <p>RE Continue to monitor developments in technology through industry partnerships and aim to implement innovative technology as it becomes commercially viable.</p> |

Climate change scenario analysis

In FY22, we undertook a qualitative analysis of the physical impacts of climate change on the Australian agriculture industry and consequent implications for Elders' business. The purpose of this analysis was to develop our understanding of how climate change will impact the production of key agricultural commodities in Australia through acute and chronic changes to temperature and rainfall, and ways in which Elders may be able to support its clients in sustainably mitigating and adapting to those changes.

Our analysis focused on climate-related impacts to the meat, grains and dairy sectors. We worked with independent climate change consultants to understand productivity in these sectors up to 2030 and 2050, using emissions scenarios developed by the Intergovernmental Panel on Climate Change (IPCC); namely Representative Concentration Pathways (RCP):

- 2.6, which is a low concentration pathway resulting in global heating by the end of the century of less than 2°C
- 4.5, a mid-case scenario where global temperatures rise by nearly (or close to) 3°C by 2100
- 8.5, which models 'runaway' climate change resulting in greater than 4°C heating by the end of the century.

Climate models recommended by the CSIRO and developed by Dairy Australia under the Dairy Business for Future Climates project were used to support the qualitative analysis of impacts under the different scenarios.

We recognise that the resilience of Elders' earnings is aided by geographical, product and service diversity. Over the past few years, we have seen this diversity mitigate against the impacts of severe weather events such as drought, bushfire and flood. In 2023, we sought to better understand and quantify the potential implications of climate change on Elders' business. We established a multi-disciplinary working group to conduct a quantitative analysis of Elders' forecast financial performance under different climate change scenarios. The group comprised internal representatives from our Sustainability, Finance, Strategy and Technical Services teams, and external consultants with expertise in statistical model development and climate change risk and scenario analysis.

We performed a single linear regression analysis to assess the relationship between historical sales indicators, productivity and environmental factors (including farm productivity, hot days, rainfall, and El Niño/La Niña events) across 10 years. This was followed by stakeholder consultation to determine whether observed relationships were valid, or significantly influenced by other factors (like commodity pricing, supply chain disruption and changes to consumer buying habits such as those observed during the COVID-19 pandemic). The findings of this exercise demonstrated a few strong correlations with low statistical confidence, limiting our ability to draw meaningful conclusions using the variables considered. We will continue to test out different methods of analysis to identify a mechanism to reliably isolate the impact of climate change on performance.

Findings to date

Conditions in Australia have long challenged Australian farmers to maintain and increase productivity. Climate change has the potential to present further challenges, with projections under each scenario showing an increase in the frequency and intensity of events like drought and flood, and chronic changes in heat, humidity and rainfall. Without adaptation, these changes can negatively impact productivity. With adaptation, productivity may be sustained and even increase in certain regions.

While further analysis is required to quantify the impact, we believe that productivity in the Australian agriculture sector directly links to market conditions and demand for Elders' products and services. As a critical intermediary in the sector, we occupy a key role in facilitating agribusiness operations and supply chains. Our geographical and commercial diversity means our business is well positioned for resilience to a range of climate-related risks impacting the industry, and to capitalise on opportunities for growth and to drive climate adaptation solutions.

Key opportunities for Elders include:

- continuing to diversify Elders' product range and redistribute skills, resources and expertise as required in response to environmental changes.
- supporting clients in transitioning farming operations through agronomic and livestock production advisory services
- leveraging our networks and partnering with suppliers, industry and AgTech developers to commercialise innovative goods and services to drive sector adaptation and productivity. Opportunities related to adaptation were explored in more detail during the reporting period



Crops, Lismore NSW

Our findings - continued

Meat production

More than half of Australia's land is used for grazing purposes. Queensland produces the largest number of beef cattle, while Western Australia and the Northern Territory comprise the largest grazing areas. The primary driver of beef productivity is pasture quality, and there are many variables which directly impact pasture quality; rainfall being the primary driver.

Our analysis in FY22 showed that without producers implementing adaptive measures, livestock productivity is projected to decrease in each of the climate change scenarios considered in our analysis. Estimates indicate that by 2030, production may decrease by between 5 and 10%, followed by further declines through to 2050. This reduced productivity may impact the demand for the products and services supplied by Elders. Agency commissions linked to livestock prices will also fluctuate with supply and demand.

With adaptation, livestock production may be maintained or even improve in certain areas.³

Adaptation measure

Readiness: **A - Available now D - Further development required**

TCFD opportunity categories: **RE – Resource efficiency E – Energy source PS – Products/Services M – Markets R - Resilience**

| | |
|--|------------|
| <p>Practice change</p> <ul style="list-style-type: none"> Establishing new protocols for moving, handling and transporting livestock and improving access to clean and cool water and shading can help farmers manage the impacts of heat stress on animals. Shifting to confined feeding systems may enable the more efficient use of feed supplements and support better management of ground cover and pasture growth. Shifting to feedlot farming systems may also enable the more efficient use of feed and supplements, as well as enable the use of shading and cooling systems to mitigate the impacts of higher temperatures. | A PS, R |
| <p>Increase genetic resilience of cattle</p> <ul style="list-style-type: none"> Conventional breeding to select more resilient breeds over generations, cross breeding to confer benefits and screening genetics to select optimal breeding can potentially be implemented to build genetic resilience of cattle to heat stress and disease, increase productivity, longevity and stocking rates, and ease animal handling requirements. | A PS, R |
| <p>Genome editing</p> <ul style="list-style-type: none"> Genome editing involves making changes to DNA sequences (without necessarily introducing new DNA). Cattle with increased tolerance to environmental stresses have been bred using this technology. While the practice is technically feasible and, with further development, may lead to significant benefits, it is not widely accepted in Australia. | D PS, R |
| <p>Increase genetic resilience of pastures</p> <ul style="list-style-type: none"> Various techniques, including selecting and introducing more resilient species (e.g. tropical, native or perennial, diversifying the pasture), conventional breeding to select more resilient pastures and hybridisation of pasture varieties to accelerate genetic change can be used to mitigate productivity impacts driven by climate change. For example, improved perennial pastures can increase livestock production by up to 150% compared with annual pastures and are up to 300% more productive than native pastures. Co-benefits include potential reduction in methane emissions. Certain genetically resilient pasture species (e.g. drought, salinity and waterlogging-tolerant) have already been introduced. Breeding for drought tolerance using conventional breeding and hybrids is ongoing, and breeding has been introduced to address variable declines in pasture breeds exposed to extreme weather conditions. | A PS, R |
| <ul style="list-style-type: none"> Genome editing and genetic modification may also support the enhancement of pasture resilience, however, further research is required. No climate-specific GMOs are currently available. | D PS, R |
| <p>Reduce methane emissions in ruminants</p> <ul style="list-style-type: none"> Ruminants (particularly cattle) produce considerable amounts of methane during digestion, which contributes to GHG emissions but is also linked to dietary energy loss and reduced feed efficiency. Approaches to reduce emissions include dietary manipulation (e.g. feed supplements) and therapeutics (e.g. vaccinations or drug administration). Both are commercially available to a limited extent. Further research and development is required. | D PS, M, R |

As a provider of animal health products, farm equipment, feed, genomic testing and livestock production advisory services, Elders is well positioned to support livestock producers in adapting to physical climate change risks. We are also well positioned to support the development and commercialisation of new plant varieties to increase the resilience of pastures through our partnerships with third parties through Thomas Elder Sustainable Agriculture. We have a role to play in supporting the reduction of ruminant methane emissions through the provision of advice on livestock production and enabling access to supportive products as and when they become available. Implementing those measures is also a relevant consideration for Elders' Killara Feedlot.⁴

³ See for example Department of Primary Industries and Regional Development, 2021, "Climate change and broadacre livestock production in Western Australia", <https://www.agric.wa.gov.au/climate-change/climate-change-and-broadacre-livestock-production-western-australia>, accessed 28 September 2023.

⁴ More information is available on page 39 of this Report.

Grains

Grains are primarily grown in the south-west, south-east and eastern parts of Australia. Grain production is highly concentrated in the Western Australian wheatbelt and inland New South Wales. Our analysis in 2022 showed that without adaptation, climate impacts on grain production are projected to be most severe in the western and southern cropping regions; declining rainfall being the greatest driver for falling productivity. Decreases in yield may reduce farm profitability and as a consequence, the demand for Elders' products and services.

Adaptation may, however, enable grain producers to maintain and potentially improve productivity in some regions.

Adaptation measure

Readiness: A - Available now D - Further development required

TCFD opportunity categories: RE – Resource efficiency E – Energy source PS – Products/Services M – Markets R - Resilience

Increase genetic resilience of crops

A PS

- Conventional breeding and hybridisation (as described on page 32), is widely accepted and currently in use, with continual incremental improvements possible. This could increase the resilience of crops under changing climatic conditions, such as higher temperatures and lower rainfall. As population continues to grow, there is likely to be a stronger reliance on these solutions, particularly under an RCP8.5 scenario where global population peaks in the 21st century.
- Genetically modified crops (canola, cotton and safflower) are in use in many Australian states, however, these varieties were not designed for climate resilience. State-based regulations presently limit the use of genetic modification. If further developed, their careful implementation could yield significant benefits for farmers; for example, genetically modified wheat trials have shown yield benefits between 10-20%, and in a trial in Brazil, up to 43%.
- Hybridisation with crop wild relatives and genome editing are more novel areas of research. Genome edited varieties may play a role in maximising outputs on existing agricultural land and minimise the need for land use expansion.

D PS

Resource and yield optimisation through smart agriculture solutions and AgTech

A PS

- Technology like artificial intelligence, machine learning, farm management software solutions, precision soil sampling, irrigation scheduling and remote satellite monitoring can help farmers optimise their operations for input efficiency and resilience to changing climatic conditions. For example, under warmer and wetter climates, technology that supports optimisation of fertiliser application timings will reduce the amount of fertiliser washed out in between heavy rainfall events, resulting in an increase in available nitrogen for uptake by crops and a decrease in the amount of unused nitrogen accumulating in soils that are washed out. Different solutions are at different readiness levels. For example, monitoring solutions and autonomous farm technology are presently available, while laser imaging for disease monitoring is still under development.
-

As a supplier of key inputs and technical advisory services to grain producers across the country, Elders is well positioned to support farm adaptation. We will continue to monitor and support the extension of smart agriculture solutions and AgTech through our technical services offering and Thomas Elder Sustainable Agriculture.⁵

⁵ More information is available on pages 16 - 20 of this Report.

Other adaptation measures

There are a number of other general measures farmers can implement, with Elders' support, to mitigate the potential impacts of climate change. These include:

Adaptation measure

Readiness: **A - Available now D - Further development required**

TCFD opportunity categories: **RE – Resource efficiency E – Energy source PS – Products/Services M – Markets R - Resilience**

| | |
|--|-------------|
| Diversifying enterprises and land use to suit seasonal conditions <ul style="list-style-type: none"> This may include practices like mixed crop-livestock farming, farm forestry and carbon farming. Proactively diversifying agricultural operations considering alternate sources of income and reassessing land use on a regular basis can support farmers in improving the resilience of their land, produce and business strategy. Under RCP2.6, other key drivers for uptake are likely to be shifting demand towards low emissions/sustainable food sources, and regulation of emissions reduction and nature repair. Farmers may benefit from additional guidance and support for decision making, particularly if a large shift is required in areas where land may become unviable for current activities. For example, cropping farms on the fringes of the WA wheatbelt will be more heavily impacted, due to declines in winter rainfall, particularly under RCP8.5. | A PS |
| Shifting crop planting windows <ul style="list-style-type: none"> This measure aims to optimise the planting window of crops to account for changing climatic conditions. For example, as frost events are projected to become less frequent, a shift to earlier sowing for winter crops lowers the potential for heat and drought impacts. By aligning planting with optimal climate conditions, farmers can avoid stress to crops during critical growth phases. For example, projections show that productivity in the Australian wheatbelt could increase by 4.6% by 2050 compared to the 1990s under RCP8.5, if sowing time and cultivar adaptation strategies are adopted concurrently for top-yielding cultivars even with decreased rainfall and higher temperatures. Further trial work will expand the range of crops and regions for which this adaptation measure is beneficial. | A PS |
| Improving soils to reduce reliance on fertilisers <ul style="list-style-type: none"> Includes no-till practices and farm management to avoid soil damage and increase soil carbon sequestration. | A RE, R, PS |
| Circular economy practices to reduce waste inputs <ul style="list-style-type: none"> Includes the use of organic waste from farming, like biological and animal waste converted into fertilisers. | A RE |
| Trees and shelterbelts to increase shading and reduce land erosion <ul style="list-style-type: none"> Planting trees and shelterbelts throughout or between paddocks can reduce livestock exposure to heat stress, mitigate the risk of land erosion, conserve biodiversity, sequester carbon and rehabilitate or reduce the risk of dryland salinity. | A R |

The uptake of many of these practices by farmers is already supported by Elders through its technical services offering.

Carbon Farming Advisory Services

Elders offers technical advisory services for our clients who are aiming to reduce their carbon footprint and sequester carbon in their soil.

This service supports clients with climate change adaptation and mitigation by assisting them to participate in the Australian Government's ACCU Scheme (formerly known as the Emissions Reduction Fund). The Scheme allows for formal recognition of the change in carbon emitted or stored, and assigns "carbon credits" based on the tonnes of carbon reduced or sequestered. Once generated, these carbon credits can be used to inset existing business emissions, or be sold as offsets to generate additional farm income.

Elders has carbon farming specialists supporting our technical agronomy and livestock production service providers working with farmers and other clients to plan, register and implement their carbon farming projects to generate carbon credits. Elders is not itself involved in carbon credit trading and the offering is based on an up-front fee for service model, enabling clients to retain the full benefit of the carbon credits generated from their project.

Eligible carbon farming projects involve practice changes in land management strategies to sequester carbon, which are driven by practical and sustainable approaches to manage both agricultural productivity and carbon project development. Where livestock are part of a farming enterprise, practices to increase carbon sequestration can include maximising pasture utilisation whilst maintaining plant health and root biomass. Practice changes not only support climate change adaptation and mitigation, but in the short term can improve on farm productivity and efficiency.

Future Developments

Over the coming years Elders will further develop its climate change scenario analysis and approach to managing climate related risks and opportunities. This will include a focus on transitional risks for Elders and the Australian agriculture industry in a 1.5 degree-aligned climate change scenario. Elders will share the outcomes of that work in future Sustainability and Annual Reports.



Metrics and targets

Energy is essential to our business. Understanding how it is used and the associated greenhouse gas emissions produced is key to reducing Elders' impact on the environment and ensuring our ability to transition to a low carbon economy.

Greenhouse gas emissions and energy

We produce greenhouse gas emissions through our activities both directly and indirectly. The greatest source of our emissions is our cattle production activities at Killara Feedlot. Enteric fermentation by livestock and general manure, effluent and fertiliser management practices all produce greenhouse gas emissions, which represent around 65% of our carbon footprint. Conversely, minimum till farming practices (which many Australian operations, including Killara Feedlot, use to better manage available moisture in soil) are understood to increase soil carbon sequestration, reduce N₂O emissions (as a result of reduction in nutrient run-off) and reduce scope 3 emissions from the manufacture of fertiliser.

Our other main sources of greenhouse gas emissions are from the consumption of energy, in the form of:

- electricity, which is used to power our worksites
- fuel (primarily diesel) which is used to power our fleet vehicles, forklifts and other machinery

Our energy consumption is managed locally by our employees, while contracts with our energy retailers and fleet providers are managed centrally by our Indirect Procurement and Fleet teams. These teams monitor overall consumption and costs, and together with our Sustainability team, engage with independent third parties to assist with:

- determining our energy usage
- calculating our carbon footprint

This data is reviewed periodically to identify opportunities for energy and cost savings.

Our emissions profile

Scope 1 and 2 emissions

Our emissions profile reflects our emissions between 1 July 2022 and 30 June 2023, and was calculated using the following methodologies:

- For electricity use in our Australian sites: We have procured and retired a number of Large-scale Generation Certificates (LGCs) equivalent to our usage, less a number of LGCs which we have assumed have been surrendered by our electricity retailers on our behalf
- For fuel use: the methodology set out in the National Greenhouse and Energy Reporting (Measurement) Determination 2008 (as updated from time to time)
- For cattle production: the methodology set out in the Greenhouse Gas Accounting Framework for Feedlots produced by the University of Melbourne and based on the Australian National Greenhouse Gas Inventory methodology,⁶ with global warming potential factors updated to align with the IPCC 5th Assessment Report.⁷ This methodology is unable to account for sequestered carbon from minimum till farming practices at the feedlot, cattle in Killara's "grass fed" program, or specific manure and fertiliser management practices used by the feedlot.

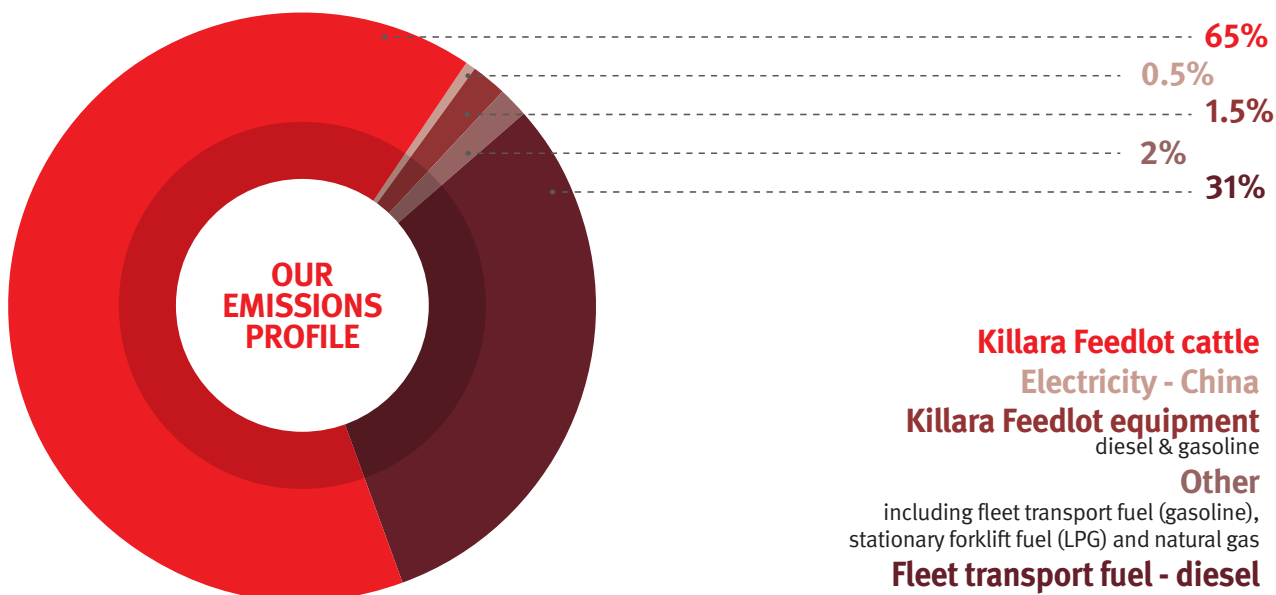
Further information on our energy, emissions and procurement of LGCs is contained in the performance tables on page 59.

Scope 3 emissions

Our Scope 3 emissions represent emissions along our value chain. They include emissions from business travel, which from 1 July 2022 to 30 June 2023, generated 618 tCO₂e. Other sources of Scope 3 emissions are set out on page 60. Over the coming years, starting in FY24, we aim to work with supply chain partners to further quantify our Scope 3 emissions and identify opportunities to reduce them.

⁶ Available at www.piccc.org.au/resources/Tools.

⁷ The Fifth Assessment Report of the United Nations Intergovernmental Panel on Climate Change.



Our emissions profile

| Scope 1 Emissions - Source | tCO ₂ e | Scope 2 Emissions - Source | tCO ₂ e |
|---|--------------------|--------------------------------|--------------------|
| Killara Feedlot cattle | 38,786 | Electricity - Australian sites | 0 |
| Fleet transport fuel - diesel | 18,616 | Electricity - China Sites | 330 ¹ |
| Killara Feedlot equipment fuel (diesel and gasoline) | 828 | | |
| Other (including fleet transport fuel (gasoline), stationary forklift fuel (LPG) and natural gas) | 991 | | |

Total Scope 1 and 2: 59,551 tCO₂e

¹ In FY22, Elders made the decision to close its Shanghai-based meat distribution business, Elders Fine Foods. Its operations have been progressively wound down throughout FY23. As a result, whilst the emissions data related to Elders Fine Foods has been included in this report, Elders does not intend to include this in future reports.

Reducing energy use and emissions

Our climate targets apply to the sites over which Elders has operational control⁸ and are based on our financial year ending 30 September. Further details, including our performance against our targets and our strategy for achieving them is set out below.

Our strategy and performance against our targets

100% renewable electricity in all Australian sites

- Target maintained through onsite solar generation and LGC procurement and retirement
 - LED lighting installed at 44% of our sites (down from 47% in 2022)¹
 - 30 new solar panel installations, comprising a total of 62 sites with solar panel systems and 1,802 kW of solar panel systems across our network
-

¹ This does not include sites outside Elders' operational control or sites unsuitable for installs due to location or condition

This year, we maintained our target of 100% renewable electricity in all Australian sites. This was largely achieved through the use of onsite generated solar power and the purchase and retirement of LGCs produced by Australia-based solar and wind farms.

Over the coming years, we will continue to explore ways to reduce the number of LGCs that we need to procure to achieve this target, including, for example, the generation of more solar power onsite.

Given Elders leases most of the sites in which it operates on short terms, we anticipate site upgrades may not be possible, practical or commercial for some of our locations. In these instances, we intend to continue procuring LGCs, or renewable electricity from our energy retailers.

50% reduction in Scope 1 and 2 emissions intensity (tCO₂e/\$m revenue) by 2030, against a baseline year of 2021 (subject to commercially viable technology being available to address feedlot cattle emissions)

- 17.93 tCO₂e/\$m revenue (against a baseline of 23.86 tCO₂e/\$m revenue in 2021)
-

Strategic priorities of our Eight Point Plan include balanced growth of products, services, geographies and channels. This will result in the year on year expansion of our businesses and potentially, the expansion of our "business as usual" carbon footprint. To enable us to account for anticipated growth in the short term, we set a target to reduce our scope 1 and 2 emissions intensity (tCO₂e/\$m revenue) by 2030, against a baseline year of 2021 (subject to commercially viable technology being available to address feedlot cattle emissions). Between 1 July 2022 and 30 June 2023, we emitted 17.93 tonnes of carbon dioxide equivalent emissions per million dollars of revenue (AUD), being a 25% reduction compared to our baseline year.

We emitted 59,551 tCO₂e (Scope 1 and 2) from 1 July 2022 to 30 June 2023, decreasing our overall emissions by 5,221 tCO₂e in 2022. This decrease was primarily driven by a reduction in cattle numbers at Killara Feedlot. We have also made progress against our 2030 intensity target, largely driven by results in FY23 revenue compared to our baseline year of FY21, reduced cattle-related emissions and the continued procurement and retirement of LGCs.

To maintain progress against our 2030 target while pursuing our business growth ambitions, we will need to address emissions from our fleet vehicles and feedlot cattle. Our success is, to an extent, dependent on innovation and technological development which is not within our control. In the event new technology and supportive infrastructure is not commercially viable or available by 2030, we will consider investing in carbon offsets.

⁸ This does not include Elders' franchised real estate offices and several saleyards at which Elders operates.

Reducing fleet fuel emissions

Our fleet comprises vehicles and trucks driven by staff across the country and forklifts used in our sites. Most of the vehicles in our fleet are four wheel drive utility vehicles, required to enable staff to safely drive on all terrains and transport products and equipment to clients as required. In 2023, our transport vehicle fleet used 6,850 kilolitres of diesel and 98 kilolitres of other fuel (mainly unleaded petrol). This was a relatively minor increase on last year.

Our diesel fuelled vehicle fleet produces approximately 31% of our total emissions and is likely to increase over time with projected business growth. Presently, the options for decarbonising our fleet are limited. Although hybrid and electric vehicles are available, they are not presently suitable substitutes for a number of our fleet vehicles given many of our staff travel long distances over varying terrains to attend to clients and livestock. While the range of electric vehicles is improving, the present lack of charging facilities across rural Australia remains prohibitive.

Hybrid and electric vehicles may, however, be a suitable substitute for some of our fleet vehicles operating in regional areas in the short term, particularly for staff working in our real estate business. We already have several hybrid vehicles in our fleet and intend to introduce more as infrastructure across Australia and electric vehicle technology improves. We also anticipate improvements in fuel efficiency in vehicles with internal combustion engines over the coming years. Our fleet vehicles are leased, mitigating the cost impact of upgrading technology.

In the meantime, we will:

- continue to encourage and educate our staff on efficient driving practices
- monitor fuel efficiency across our fleet
- develop a strategy for fleet procurement to support the increase and use of hybrid and electric vehicles

Reducing cattle emissions

Without carbon sequestration at Killara Feedlot, achievement of our 2030 target is dependent on the development and commercialisation of technology that reduces emissions produced by our feedlot cattle. In recent years, there have been promising developments in new feed supplements to reduce enteric emissions.⁹ Presently, however, maximising production efficiency is the most commercial emissions abatement method. Feeding practices at Killara Feedlot are already focused on maximising productivity without compromising nutrition and animal welfare.

We aim to partner with industry on the development and implementation of technology to tackle the carbon footprint of our cattle. This year, we continued working with supply chain partners to further investigate nature-based solutions that could be implemented on-farm to reduce emissions. Some of the practices explored, like planting shelter belts which can improve on-farm biodiversity and support carbon sequestration, while also mitigating the impacts of odour, dust and noise, are already practised at Killara Feedlot.

We continue to investigate ways to evaluate the entire carbon footprint of Killara Feedlot which can account for these practices. The methodology we have used to date relies on desktop evaluations which are unable to take into account carbon sequestration through cropping activities or tree planting, or greenhouse gas emissions cycled through the feedlot's specific manure and effluent management practices. They also do not enable Killara to account fully for emissions from grass fed cattle. We aim to improve our measurement of emissions from our feedlot in the coming years.

Net zero Scope 1 and 2 emissions by 2050

- 59,551 total Scope 1 and 2 emissions in 2023
-

Building on the actions required to achieve our interim targets, by 2050, we aim to achieve net zero Scope 1 and 2 greenhouse gas emissions from our operations. The achievement of this target is reliant on the emergence of supportive technology, particularly to address greenhouse gas emissions produced by enteric fermentation. Carbon offsets may also have a role to play. We will further develop our strategy and position on carbon offsets in the coming years and communicate this in future annual and sustainability reports. We will aim to reduce and eliminate our emissions where possible and commercially sensible in the first instance.

⁹ For example, the seaweed feed supplement "Asparagopsis", which when fed to cattle has been found to significantly reduce the production of methane emissions: CSIRO, 2021, "FutureFeed", www.csiro.au/en/research/animals/livestock/futurefeed, accessed 8 October 2023.





Animal Welfare

With many of our staff and contractors interacting with livestock¹ regularly in the course of their work, we recognise our responsibility to ensure we look after the animals in our care.

Ensuring the humane treatment of the animals with which our staff and contractors interact is one of our key sustainability principles. The way we treat animals can also impact our reputation and the relationships we have with our suppliers and customers.

Our commitment to the humane and considerate treatment of livestock is set out in our Safe Livestock Handling and Animal Welfare Policy and Procedure,² which were both updated during the reporting period to ensure they remain consistent with contemporary practice. The updated Policy and Procedure set out key requirements of Elders' staff, agents and contractors, including (but not limited to) the requirements to ensure that livestock:

- are not subjected to inhumane treatment
- have appropriate access to water and/or feed whilst in the care or control of Elders
- are not unnecessarily exposed to direct sunlight in hot weather when shade is available
- are not unnecessarily exposed to preventative diseases
- are not unnecessarily caused to be distressed or in pain

As part of updating our Safe Livestock Handling and Animal Welfare Policy and Procedure, additional online training

modules were rolled out to our staff this year. Our staff are also guided by our Livestock Handling Guide² and industry standards, and are required to comply with all local laws and regulations relating to handling animals. Elders also delivers an internal livestock production training program, which is targeted at upskilling our advisors on best practice in feed management, stocking rates, health, welfare and nutrition, and enabling them to pass on knowledge and support to our clients.

Interaction with animals

Elders mainly interacts with livestock in the following ways:

- at Killara Feedlot, where cattle are unloaded, grown, managed and transported to customers for processing
- through our livestock agency and advisory businesses, where our agents assist clients in buying and selling livestock privately and at saleyards, and our advisors assist clients in managing animal health and production

The standards set out in our Livestock Handling and Animal Welfare Policy and Procedure and our Livestock Handling Guide apply to all our interactions with livestock. Incidents involving a significant threat to the health, safety or welfare of livestock are required to be reported in accordance with our incident escalation process.³ Elders is not aware of any incidents of significant non-compliance with laws or regulations relating to animal welfare during the reporting period.

We recognise that animals which are suffering from weakness, disease, sickness or injury, and cannot be reasonably treated, must be put down promptly, safely and humanely – the primary consideration being to prevent the animal from suffering further

pain or distress. During the reporting period, Elders implemented its new Destruction of Livestock Policy and Destruction of Livestock Procedure.⁴ This Policy and Procedure collectively set out the responsibilities of Elders' staff, agents and contractors in the event that they observe livestock suffering, whether in stockyards or elsewhere, and the action that needs to be taken if it is necessary for livestock to be destroyed.

Safe transport of livestock

Following the divestment of our Live Export business in 2016, Elders is no longer involved in live export logistics and does not export cattle internationally live from its Killara Feedlot. We do, however, assist our clients to ensure the safe live transport of their own livestock.

Our Workers are required to ensure that animals are loaded and unloaded for transport with minimal stress at all times. As part of Elders' effort to minimise stress to livestock, our Workers are directed to:

- inspect livestock prior to transport to ensure their fitness to travel
- supervise the loading and unloading of livestock where possible
- monitor the condition of the livestock and respond as required to any distressed or unfit animals

¹ Elders generally only interacts with sheep and cattle as part of its agency, feed and processing businesses.

² An internal document.

³ See page 46 of this report for further information.

⁴ These are internal documents.

Animal welfare at Killara Feedlot

During the reporting period, Killara processed approximately 56,694 head of beef cattle comprising approximately 70% Angus/Angus cross, 6% Bos Taurus non-Angus and 24% Bos Indicus cross Bos Taurus. Cattle are housed on the feedlot in pens which are constructed with a gravel base and soft topsoil for animal comfort. All pens are cleaned regularly and (with the exception of short-stay holding pens) have shaded areas to assist with keeping pens dry during the winter and to mitigate the risk of heat-stress during the summer. Heat-stress management plans are developed annually in conjunction with veterinarians and animal health nutritionists to ensure appropriate actions are implemented to address forecast heat and weather events, and staff training is undertaken to ensure the successful implementation of the plan.

Cattle that are destined for the feedlot are screened before transportation to prevent the movement of unwell or pregnant animals. Staff also perform health checks on cattle on arrival. Only reputable and accredited carriers are engaged for transporting livestock.

Staff inspect all pens daily to detect animal health issues as early as possible. Veterinarians inspect cattle at the feedlot every month and additional animal health audits are conducted by qualified staff every six months. These audits review Killara's infrastructure and approach to animal treatment, handling and training. Killara also engages with external animal welfare trainers at least four times a year for training, including on low stress handling techniques. Additionally, an intensive training program (one week each month, for three consecutive months) is delivered to new staff as and when required and Killara staff also regularly participate in animal welfare training and workshops delivered by the Australian Lot Feeders' Association.

Any animals found to be sick or injured on the feedlot are treated with the objective of full recovery and a return to the animal's home pen as soon as possible. Where animals cannot be treated, they will be humanely put down, with the primary consideration being to prevent the animal from suffering further pain or distress.

Killara Feedlot Animal Welfare Protocol



Killara only provides veterinary medicines (including antibiotics and anti-inflammatory treatments) to cattle when required to maintain their health and welfare. Only medicines which have been approved for use by the APVMA are used. Hormone growth promoters are selectively used on instruction by Killara's customers, with a downward trend in use observed over the last five years. Anaesthetics can only be provided by an accredited veterinarian. All cattle processed through Killara Feedlot are tracked through the NLIS system to ensure integrity to the supply chain, and animals treated with veterinary medicines are isolated until the medicine withholding period has elapsed to ensure the safety of meat produced from the cattle.

Killara maintains the following accreditations which are conditional on it maintaining strict animal welfare standards:

- **The National Feedlot Accreditation Scheme**, which undertakes independent audits and quality assurance on animal welfare. Requirements of accreditation include having approved Risk Assessment Programs for livestock, Excessive Heat Load Action Plans and Quality Assurance Officers on site
- **Livestock Production Assurance**, which provides assurance of on-farm practices and maintains records of livestock history, location, disease and injuries sustained for each animal on a central database
- **Meat Standards Australia**, which requires feedlots to follow strict feeding and animal welfare practices to enable livestock to achieve a higher MSA grading after processing
- **The European Union Cattle Accreditation Scheme – High Quality Beef**, which requires full traceability and identification of animals

Killara also uses and contributes to third party data, to benchmark its animal welfare practices and performance against other Australian feedlots and identify trends and opportunities for improvement.

Protecting animal health through vaccines

Killara Feedlot is the first in Australia to introduce an autogenous vaccine for all cattle entering the feedlot through Killara's backgrounding program.

The vaccine, developed in conjunction with Apiam, is aimed to improve cattle immune response and is part of a committed long-term pre-vaccination programme at Killara that now sees over 91% of all cattle arrivals pre-vaccinated⁵ for Bovine Respiratory Disease (BRD) protection. The objective of this strategy, together with Killara's antimicrobial stewardship program (outlined below), is to reduce the use of reactive medication at the feedlot to treat sick cattle.

To support this strategy, Killara implemented a pre-vaccination incentive program during the reporting period. Under this program, Killara offers a monetary incentive to suppliers of cattle if they have been pre-vaccinated for BRD protection prior to arrival at the feedlot.

Antimicrobial stewardship

Antimicrobial resistance in livestock is an area of concern for producers, veterinarians and the broader community alike, as the welfare of livestock is dependent on the effective treatment of illness. As members of the National Feedlot Accreditation Scheme (NFAS), Killara Feedlot is required to demonstrate antimicrobial stewardship. Killara monitors antibiotic usage in aggregate and by active ingredient. More recently, it has taken steps to enhance its approach to antibiotic use by:

- establishing and monitoring key performance indicators in animal health management, such as first treatment success rate
- conducting rolling antibiotic resistance surveillance, in the form of lab analysis directed at pathogenic bacteria culture, isolation and antibiotic susceptibility testing, combined with full genome sequencing of identified resistant isolates

These activities, combined with frequent auditing, are aimed to continuously improve our approach to the use of antibiotics and reduce usage over time.



⁵ Cattle that have received at least one vaccination shot.



Governance



Our One Elders Values set the tone of Elders’ culture from the top, establishing the behaviours we expect from all our employees and our Board.

One Elders Values

Our One Elders Values are integral to the way we do business.

The One Elders Values

| | |
|--|---|
| | Integrity Doing the right thing |
| | Accountability Owning the outcome |
| | Teamwork Using the power of the pink shirt team |
| | Innovation Embracing new ideas |
| | Customers Partnering and adding value |

These values, together with our Eight Point Plan, our corporate governance and Resilience and Risk Management Framework, underpin our key sustainability principle of operating ethically and to the highest standard. We recognise high-achieving employees and teams whose performance demonstrate our values through monthly awards and our annual One Elders Awards, held each year in December.

Our governance practices are aligned with the 4th edition of the ASX Corporate Governance Principles and Recommendations. As at 30 September 2023, our Board comprised our Chair, Ian Wilton, Non-Executive Directors Robyn Clubb, Raelene Murphy and Diana Eilert, together with our Managing Director and CEO, Mark Allison. We are proud to have continued to meet our Board approved diversity objective, with women representing 60% of our Board and 75% of our Non-Executive directors as at 30 September 2023. Ms Eilert ceased to be a director on 30 September 2023 and, as a result, at the time of publication of this report, women represent 50% of our Board and 67% of our Non-Executive Directors.

Director skills, experience and knowledge

The sustainability-related attributes we specifically look for in our Board include:

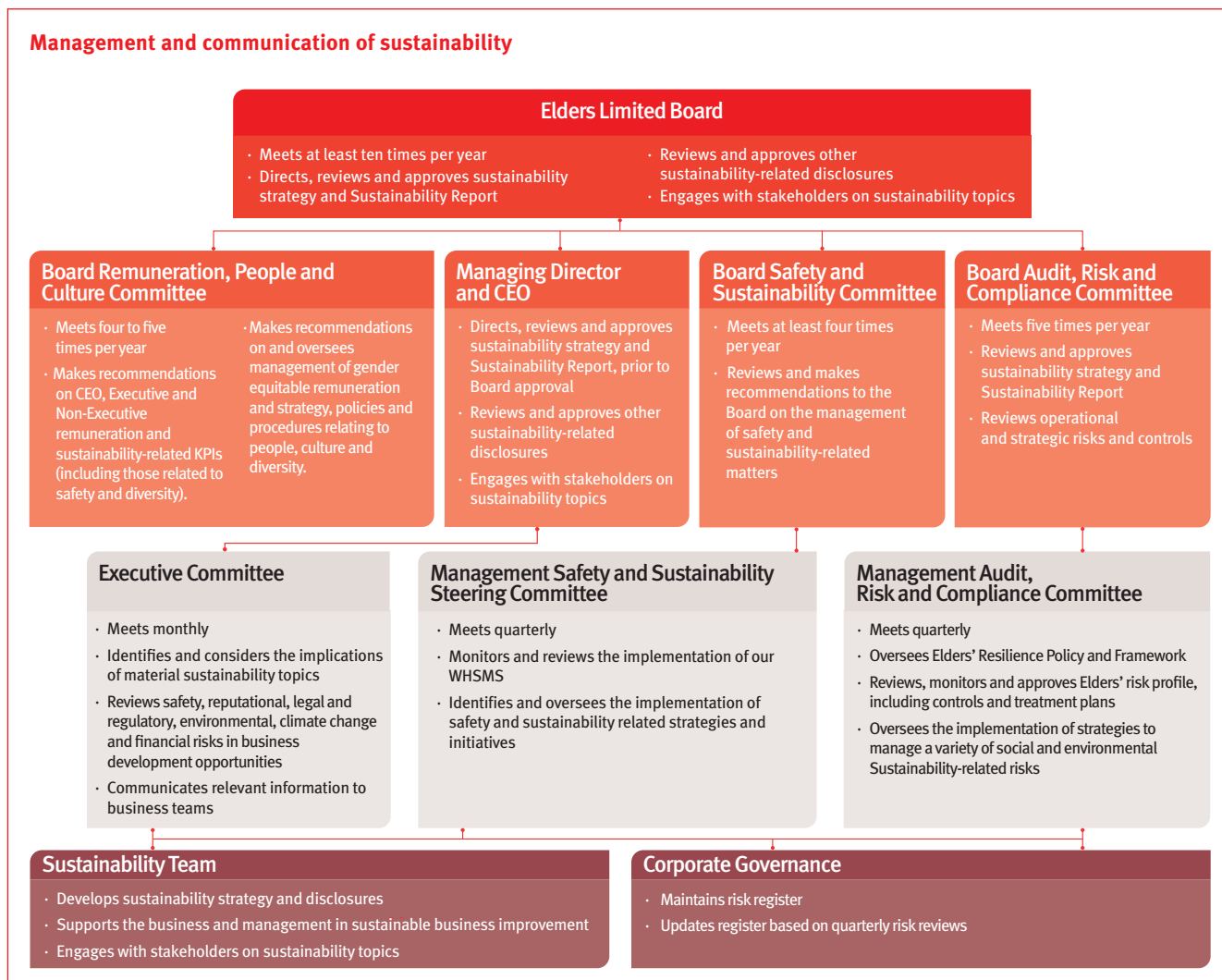
- **Sustainability:** governance, climate change and emissions oversight, environmental impact oversight, human rights and modern slavery oversight and community and social responsibility oversight
- **Customers and Consumers:** personal customer/buyer experience, customer advocacy, customer/consumer segments and current customer/consumer needs and frustrations
- **Talent and Remuneration:** setting a balanced remuneration framework, external remuneration engagement, short- and long-term incentives, succession planning
- **Safety:** safety culture oversight, safety reporting oversight, root cause analysis and linkage of safety to KPIs
- **Risk Management:** risk management systems, risk reporting to the board, crisis management, regulatory risks management and HR and people risks.
- **Government Relations:** political, policy and regulatory process, communicating policy positions, government relations strategy and key government relationships
- **Communications and Corporate Affairs:** reputation management, internal communication, crisis management and social licence

Full details are available in our director skills matrix, contained in our Corporate Governance Statement.¹

¹ Available online at <https://elders.com.au/for-investors/performance/periodic-reports/>.

Sustainability communication and management

Our Board oversees all matters relating to Elders' economic, environmental and social sustainability. Our formal framework for the management and communication of sustainability in the reporting period is represented in the figure below. In addition, our Sustainability Team is engaged by our Board, Executive Committee and wider business on an 'as needs' basis to provide support and advice on engaging with stakeholders on sustainability topics and managing different sustainability-related risks, projects and initiatives.



The Management Safety and Sustainability Steering Committee is an expansion of Elders' previous Safety Steering Committee, and began meeting in 2023. It comprises of members of Elders' Executive team, meets four times per year and provides a forum for communicating and managing sustainability related matters. A summary of the minutes of meetings held by the Management Safety and Sustainability Steering Committee are provided to the Board Safety and Sustainability Committee, which also meets four times per year and reviews and makes recommendations to the Board on safety-, sustainability- and environment-related matters.

Material sustainability-related topics are discussed at other internal Committee meetings periodically. Action items on material topics are identified and agreed in Committee meetings and responsibility is delegated to relevant senior managers and employees. Members of Elders' Executive are ultimately responsible for the management of material sustainability topics as they relate to their business unit. Each Executive reports directly to Elders' Managing Director and CEO and is supported by Elders' Sustainability Team.

Directors are primarily informed and engaged through meetings with the Managing Director and CEO, the Company Secretary and their membership of the Audit, Risk and Compliance Committee, Safety and Sustainability Committee and Remuneration, People and Culture Committee. They are briefed regularly on Elders' operations and on the industry, technical and legislative issues which may impact our business, including those relating to economic, environmental and social topics. They provide insights and direction to the business as required.

Policies relating to our material sustainability topics are developed, reviewed and updated by Senior Management and are approved by Executive management. Significant policies (including our internal Delegation of Authority Policy) are also approved by the Board. The Board Safety and Sustainability Committee reviews this Sustainability Report to ensure all material topics have been addressed, and recommends approval of the Report to the Board. Further information about how Elders is governed, including the structure and operation of our Board and governing committees, is available in our Corporate Governance Statement.² Some of our most important governance policies, including our Work Health and Safety Policy and Diversity and Inclusion Policy, are available online.³

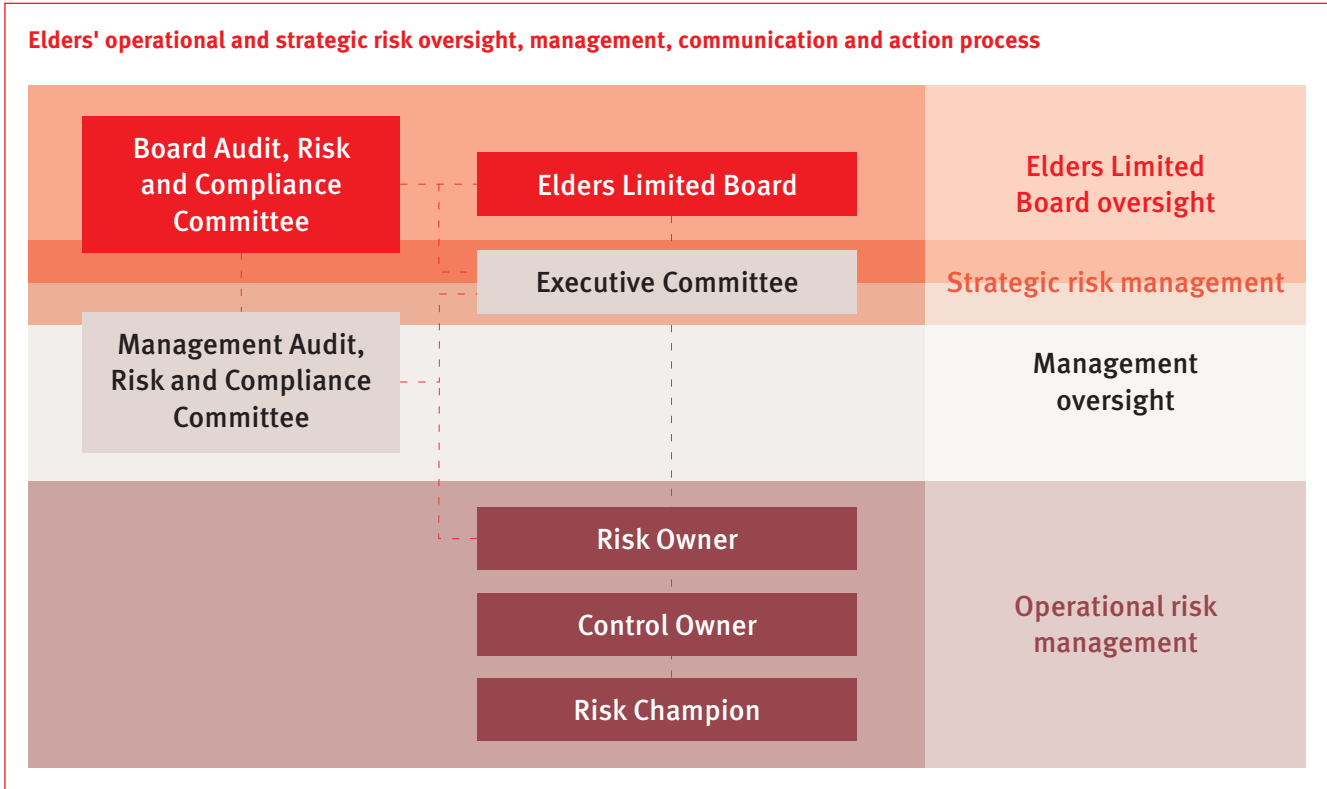
² Available online at <https://elders.com.au/for-investors/performance/periodic-reports>.

³ Available online at <https://elders.com.au/for-investors/governance>.

Risk management

We recognise that all elements of our business involve a degree of risk and believe that a robust risk management system, integrated into our work culture, is key to ensuring those risks are managed appropriately. Our internal Resilience and Risk Framework details the metrics and assessment criteria used to evaluate risk. Our risk appetite is set by the Board and reviewed annually along with the Resilience and Risk Framework. We take a conservative view to risk accepting minimal levels of uncertainty and exposure across the following key areas: safety, reputation, legal, regulatory and compliance, environmental, financial and business disruption.

The figure below illustrates the broad oversight of strategic and operational risks and the effective lines of communication between the Board, Executive and Senior Management, and key operational personnel.



The Executive Committee is management’s paramount decision-making forum with responsibility for the development, review, implementation, and assessment of all critical business decisions. It considers risk in making all decisions. Our Executive also monitors and reviews the operational and strategic risk registers regularly in the Management Audit, Risk and Compliance Committee for completeness, continued relevance and effectiveness of risk treatment actions, taking into consideration current business conditions.

Operational climate-related risks (such as extreme weather events and heat-related illnesses) and other sustainability-related risks (such as animal welfare, health and safety and attracting and retaining staff) are managed by the identified Risk Owner. Risk Owners are responsible for completing risk assessments, determining the risk treatment strategy including the identification and implementation of controls, and the setting and monitoring of key milestones, risk indicators and review dates.

Fundamentally, our risk management and resilience processes seek to ensure we are prepared and capable of ensuring business continuity. Significant potential disruptions we aim to assess include the loss of key employees or a counterparty, a breakdown in supply-chains, a large-scale bio-security threat, an extreme weather event such as a bushfire, long-term drought, major flood or severe storm, a cyber-attack or loss of access to operational locations.

INCIDENT AND RISK ESCALATION

Where a Serious Incident is identified or occurs, employees are required to follow our incident escalation process, required to be displayed at all our branches. This involves the following steps:

- a verbal report to a manager within one hour
- a verbal report to a Safety, Risk and Environment Business Partner
- reporting the incident online
- managers escalate the report through to our Managing Director and CEO within one hour

Major and severe risks must also be reported to the responsible General Manager, our Company Secretary and the Board in accordance with our Resilience and Risk Framework.

For a summary of our material environmental and social sustainability-related risks, please see Elders Annual Report.⁴ Further information about how Elders manages business risks is also available in our Corporate Governance Statement.⁴

⁴ Available online at <https://elders.com.au/for-investors/performance/periodic-reports>.

Ethical dealing

Our Board is committed to promoting conduct that is honest, fair, legal and ethical and respects the rights of Elders' stakeholders.

Our people are held accountable by our One Elders Values and our Code of Conduct, which are reviewed periodically to ensure they remain relevant.

Our culture of ethical conduct is further enforced through our key ethical dealing policies, including our Anti-Fraud and Anti-Bribery and Corruption Policies.⁵ Annual training on anti-bribery and corruption is provided to our employees, including managers. Elders strictly prohibits (amongst other things) the provision of any sort of improper benefit or facilitation payment to influence a decision in Elders' favour, or accepting any sort of benefit from another person that could be construed as an improper inducement to influence a business outcome. Elders also prohibits staff from accepting a gift from a supplier worth \$250 or more.

Elders does not consider that agriculture policy should be driven by, or dependent on, financial contributions by entities such as Elders. As a result, Elders' Delegations of Authority prohibit donations to political parties.

Responsible sourcing and modern slavery

In accordance with the Modern Slavery Act 2018 (Cth), each year Elders publishes a Modern Slavery Statement,⁶ outlining the risks of modern slavery in its operations and supply chains and the actions Elders is taking, or has taken, to address those risks. The minimum expectations we have of the suppliers we deal with are set out in our Responsible Sourcing Code.⁷ Our Ethical Contracting Framework⁸ also requires all employees (including management) who propose to engage a supplier to assess and rate that supplier having regard to key risks to our business (including safety, human rights and environmental risks) and undertake extended due diligence on high risk suppliers.

In late 2022, we commissioned global reported risk and incident screening for key ethical risks across all direct suppliers to Elders Rural Services, Titan AG, AIRR and B&W Rural of products sold to our customers during FY22.

In addition, we continued to engage independent auditors to undertake site audits on key suppliers of our own brand products operating in China and India. Suppliers were selected for auditing at random, for the purpose of enabling us to better understand the risks present with our suppliers and identify opportunities to drive improvements. Five site audits were completed in the reporting period. No incidents of modern slavery were identified, however, several sites indicated instances of employees working long hours without adequate breaks, minor safety hazards and inadequate policy documentation and employee records.

Improving practices throughout our supply chain

Elders takes a collaborative approach to engaging with suppliers to improve their business practices. In the course of an independent audit of a supplier of our own brand products, several issues were identified relating to long working hours, a lack of policies associated with labour practices and a lack of training being delivered to employees on matters such as non-discrimination. Upon providing the audit results to this supplier, the supplier reported back to us on their prompt action to remediate many of the audit findings. They included:

- Increased staffing to resolve issues with staff working long hours
- Preparation of a code of conduct for the supplier's own suppliers
- Delivery of training internally on topics such as diversity, anti-discrimination and forced labour
- Updates to their organisational code of conduct to include policies relating to collective bargaining, freedom of association and forced labour

A collaborative approach such as this enables Elders to support the improvement of business practices throughout our supply chain, whilst maintaining a strong relationship with our suppliers.

⁵ Available online at <https://elders.com.au/for-investors/governance>.

⁶ Available online at <https://elders.com.au/for-investors/performance/periodic-reports/>.

⁷ Available online at <https://elders.com.au/sustainability/ethical-conduct/>.

⁸ An internal document.

Reporting grievances

Elders is committed to providing a workplace with fair, equitable and safe work practices. If an employee believes they have been adversely impacted by a decision, action or behaviour by another party in the workplace, they may choose to resolve the matter through an informal or formal grievance resolution process. Elders' Grievance Resolution Policy⁹ articulates the process employees can follow to raise workplace grievances and the principles that apply through the grievance resolution process, which include grievances being dealt with as expeditiously possible and all parties involved in the investigation maintaining confidentiality.

We encourage all our stakeholders (including our employees, customers and suppliers) to report any actual or suspected unacceptable conduct, including fraud or illegal activity. Our Board has adopted a Whistleblower Policy¹⁰ to encourage and facilitate disclosure. The policy requires Elders to take certain steps to protect the anonymity of reporters. Our external and independent whistleblower telephone hotline, maintained to facilitate the reporting of unacceptable conduct, is advertised on posters in our work locations. All reports are dealt with in accordance with the terms of the Policy, and corrective actions are put in place where necessary. During the reporting period, we received 2 reports from whistleblowers through our hotlines. All reports received are investigated, and acted upon, in accordance with our Whistleblower Policy.

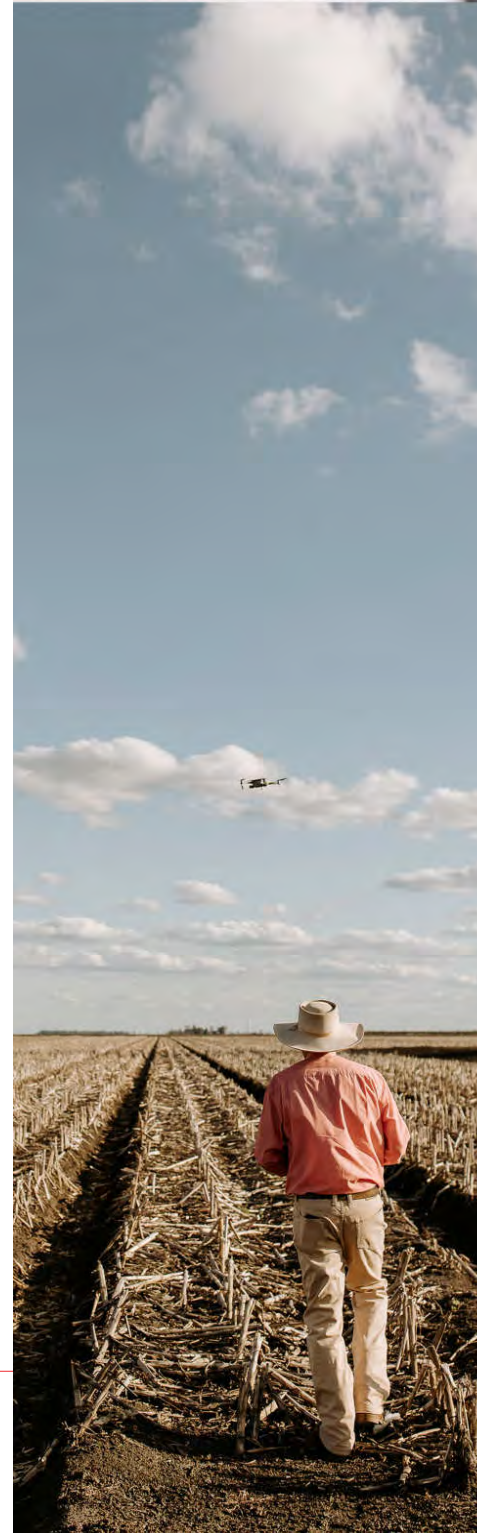
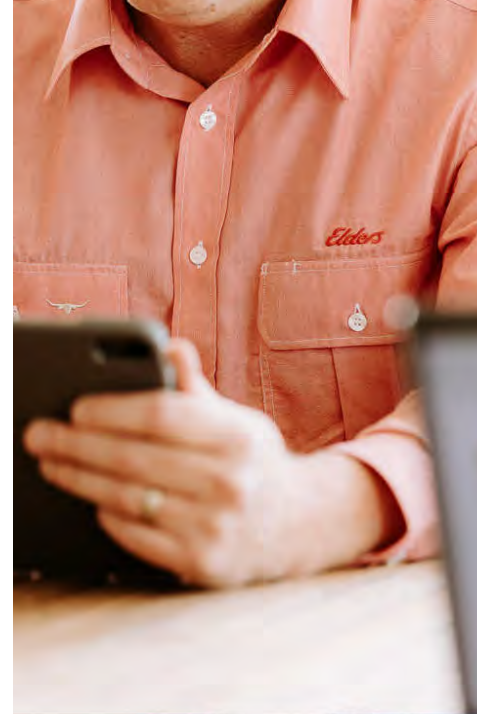
Cybersecurity

We take cybersecurity very seriously to ensure all information (including personal information) is kept secure and to maintain business continuity. Our security policies are developed in line with industry standards, prioritising the confidentiality and integrity of data. Cybersecurity risks are regularly reported to the Board Audit, Risk and Compliance Committee and are reviewed as part of Elders' internal audit program.

During the reporting period, Elders has reported no security breaches involving customer data, no outages to internal systems from security incidents and no events that significantly impacted business operations. Elders remains committed to executing its cybersecurity strategy and advancing its multi-year enhancement roadmap. Over the past 12 months Elders has increased its internal cybersecurity resourcing and has successfully executed multiple cyber roadmap initiatives. These initiatives have focused on the following cyber capabilities, and are aligned with the National Institute of Standards and Technology (NIST) Cyber Security Framework:

| Capability | NIST Domain Mapping |
|------------------------------------|---------------------|
| Vulnerability Management | Identify |
| Cyber Governance | Identify |
| Mobile Device Management | Protect |
| Data Loss Prevention | Detect and Protect |
| Asset Management | Identify |
| Encryption Services | Protect |
| Supply Chain Risk Management | Identify |
| Endpoint Device Protection | Detect and Protect |
| Cloud Security Controls | Protect |
| Cyber Security Awareness | Protect |
| Cyber Incident Response Simulation | Respond and Recover |

Elders continues to update and enhance its cybersecurity program in response to new and emerging threats. Elders maintains assurance activities against its cyber capabilities and ongoing enhancement strategy through Elders' Internal Audit functions. To date, Elders has completed audit activities against all five of the NIST cyber domains; "Identify", "Detect", "Protect", "Respond" and "Recover". Future audit activities will commence early in 2024 that will provide further assurance across our data protection activities.



⁹ An internal document.

¹⁰ Available online at <https://elders.com.au/for-investors/governance>.



Community Impact and Investment



In 2024, we will move into our 185th year of assisting Australian farmers. We recognise that our long term sustainability is dependent on us maintaining strong relationships with the communities in which we operate, and connected to their economic prosperity and resilience.

Our rural communities continue to face a number of challenges presented by changing agribusiness models, increasing automation and corporatisation of farms, the environmental impacts of drought, flood, and more broadly, climate change.

As a key member of the agriculture industry and our rural communities, we recognise that we have a role to play in providing support. We primarily do this through:

- investments in local events and organisations, and by participating in local community programs
- supporting local businesses and employing local workers
- maintaining a physical presence in the communities we serve, through good times and bad
- adapting and providing the goods and services our local customers and clients need at any given time

Our investments and participation in local community events, organisations and programs are run independently by

our branches and are tailored to local community needs as informed by the people that live and work in them.

Our Board has approved delegations of authority (set out in our internal Delegation of Authority Policy) for making budgeted and unbudgeted sponsorships and donations. Budgets for community investments are reviewed and established in line with our annual budgeting process.

Major sponsorships and donations are evaluated and agreed to by our Marketing and Communications teams to drive support to organisations and programs that have a connection and synergy which resonates with our business and employees, and have a positive impact on the communities we operate in.

Supporting local people and business

Industry and education

A large portion of our community investment is directed to supporting local industry groups and field days, facilitating the sharing of information on region-specific best practice farming and overall, helping our communities to build productivity and resilience.

Elders hosts educational workshops and webinars for growers across the country through our Technical Services and Thomas Elder Sustainable Agriculture businesses. We also support industry conferences, trial site field days and local grower demonstrations.

Economic development

Given the wide geographic spread of our operations, Elders employs many local people in rural communities, with around 80% of our staff working in rural or regional areas. We also support other local businesses within our communities, with our branches maintaining unique relationships with local suppliers. Through our AIRR business, we support smaller, independent rural product retailers with marketing, networking and accessing products and services at a competitive price.

The Elders Give It umbrella collectively encompasses Elders’ staff foundation, workplace giving, sponsorship and partnerships, and community giving project, into one portfolio.

Give it TO MAKE A DIFFERENCE




This year, Elders continued to support the Royal Flying Doctor Service through sponsorship, workplace giving and fundraising. The Elders branded RFDS Pilatus PC-12 aircraft (VH-FXW), 'Whiskey', also continued to support patients living, working and traveling in rural and remote Australia.

\$3.33M IN SPONSORSHIPS AND DONATIONS

This year we gave \$3.33m in sponsorships and donations, comprising \$3.08m in cash, \$126,000 in costs and \$121,000 in in-kind products and support. The majority of our spend was directed to:

- **\$1.42m to local communities** - supporting the Regional Australia Institute in its mission to support the development, investment, and prosperity of rural and regional communities and directly supporting a variety of local community organisations and events.
- **\$1.52m to industry and innovation** - sponsoring initiatives and organisations supporting the agriculture industry at a local and national level.

COMMUNITY

A new addition to our Give It portfolio and delivered by Elders for Elders’ communities, the Give It Community Giving Project is our way to give back to our communities. Structured across six distinct pillars with a focus on sustainability, innovation, wellbeing, diversity, and safety, we will offer grants of up to \$20,000. Applications will open in March 2024.

Give it COMMUNITY GIVING PROJECT

Give it CORPORATE PARTNERSHIPS

\$57,000 PAID TO STAFF IN NEED

The Staff Foundation is our internal giving program by Elders, for Elders’ staff. Staff contribute to the Foundation, with Elders matching the contributions dollar for dollar. The Foundation can be accessed by staff who are experiencing times of hardship and unforeseen circumstances. Since its inception in 2001, the Foundation has gifted more than \$700,000 to Elders staff.

Give it STAFF FOUNDATION

\$38,000 IN STAFF CONTRIBUTIONS

Our internal workplace giving program matches dollar for dollar (up to \$1,000 per employee p.a.), raising funds for key organisations that help our communities in which we work and live. Our workplace giving partners are the Royal Flying Doctor Service, Beyond Blue, Foundation for Rural and Regional Renewal (FRRR) and Blaze Aid.

Give it STAFF GIVING



Waste Management



Effective waste management is essential to ensuring the health, safety, productivity and marketability of Australian agribusiness. As a provider of key inputs to Australian farmers, we recognise our responsibility to properly manage our waste and support effective waste management in our supply chains.

Inappropriate management of waste by our operations and in our supply chains can contribute to pollution, the depletion of natural resources and the generation of greenhouse gas emissions, all of which could negatively impact the environments that Elders and its clients and customers operate in.

Given the geographic spread of our operations, with many of our locations operating in rural and remote areas, waste is generally managed locally, at site level. Our operations vary from location to location, with some sites operating retail stores, real estate agency services, livestock agency services, warehousing or a combination of activities. Accordingly, the quantum and type of waste produced by our operations varies from site to site. Waste is mainly produced in our operations and supply chains from:

- the packaging of the goods we receive and supply in our stores
- livestock, including organic waste produced by cattle at our Killara Feedlot
- paper printing
- staff (general waste such as food scraps and packaging)

Sites manage waste according to the types of waste they produce, and waste management service providers available in their area. While this enables Elders to effectively manage waste throughout its operations, it presents challenges to obtaining comprehensive data to enable us and our stakeholders to monitor and track our group-wide performance.

During the reporting period, we formalised our commitment to effective waste management by implementing and publishing our Packaging Waste Policy.¹ This policy sets out the principles underpinning Elders' approach to managing waste produced from the packaging of our own brand products.

We also developed and implemented our Waste Management Strategy. This strategy sets out our 2025 waste management ambitions, namely, to:

- review and optimise on-site waste reuse, recycling and management
- enhance systems to support performance monitoring
- engage with suppliers to improve packaging sustainability

Key actions that we will take in order to meet these ambitions include:

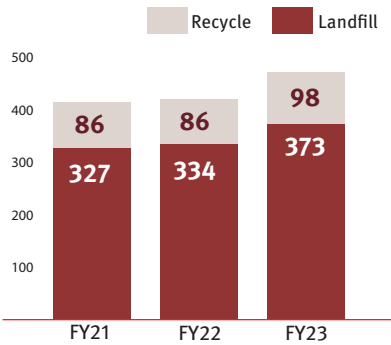
- implementing the Australian Packaging Covenant Organisation's Sustainable Packaging Guidelines
- providing meaningful support to industry and community initiatives related to the recycling of packaging
- working with our stakeholders to identify and action opportunities to increase the use of recycled or used materials in our packaging, and promoting the recycling or reuse of packaging

¹ Available at <https://elders.com.au/sustainability/environmental-sustainability/>.

Reducing waste

This year, available information on waste collected by third party contractors shows that the amount of waste collected for recycling during the reporting period has increased by 12 metric tonnes and the amount of waste collected for landfill has increased by 37 metric tonnes compared to last year.²

Waste removed by contactors (metric tonnes)



The initiatives which we currently have in place to manage waste are as follows.

Packaging

This year, Elders maintained its membership of the Australian Packaging Covenant Organisation (APCO) and submitted its first APCO Annual Report and Action Plan. We remain committed to implementing the Sustainable Packaging Guidelines (SPGs) and doing what we can to reduce packaging waste associated with our products. To support this, through our internal APCO Committee, we continued to collate information of our own-brand product packaging and reviewed this information against the SPGs. Most of the agricultural chemicals produced under our own brands (Titan AG, Apparent, Independents Own, Pastoral AG and Benchmark) are produced in recyclable containers and where commercial and possible, in reconditioned and recycled intermediate bulk containers (IBCs).

Over 2,600 IBCs reconditioned and redistributed through Titan AG

During the reporting period, we became a member of Big Bag Recovery, an Australian Government accredited product stewardship scheme that facilitates the recycling of large bags. Through the Big Bag Recovery program, the large plastic bags that some of our own brand products are sold in, such as fertilisers and seeds, will be provided to, or collected by, Big Bag Recovery for recycling. Elders also continued to facilitate the collection of large bags for recycling through Big Bag Recovery at several branches acting as collection points for the program.

2.18 tonnes of plastic bags collected by branches for recycling through Big Bag Recovery

Elders' branches also sell recyclable and reusable IBCs and chemical drums for packaging and transporting agricultural chemicals manufactured by other suppliers. Many of our branches collect empty IBCs and 100 - 110 litre chemical drums from customers for cleaning and re-distribution.

Over 44,400 IBCs and chemical drums collected by branches for reuse or recycling

Other eligible chemical drums can also be provided directly to drumMUSTER for recycling. DrumMUSTER provides Australian agricultural and veterinary chemical users with a recycling pathway for labeled, triple rinsed, empty agricultural and veterinary chemical containers.³ As a member of drumMUSTER, Elders pays voluntary levies to ensure that chemical containers for its own brand products are eligible for recycling. Several sites in the Elders group also facilitate the collection of used chemical drums.

Supporting drumMUSTER

- 2,500 drums collected for drumMUSTER by Elders sites⁴
- \$436,000 paid to drumMUSTER by Elders

Through many of our sites, foam boxes used to transport cold items like vaccines are reused or donated to customers and community groups for reuse.

The majority of the pallets used throughout the Elders network for transporting the goods we sell to our customers are reused. Many of our sites give away single-use wooden pallets to local community members for re-purposing.

² Based on data obtained from Elders' third party waste contractor. Metrics below represent waste collected from approximately 35% of Elders' property portfolio. Waste is weighed on collection. Elders' third party waste contractor has provided assurance that all waste collected is managed in accordance with all relevant laws and regulations.

³ More information is available at <https://www.drummuster.org.au/>.

⁴ Drums collected for drumMUSTER in FY23.

Recycling at Killara Feedlot

A portion of the organic waste generated by Killara Feedlot is used to fertilise surrounding paddocks which produce the feed provided to feedlot cattle. Killara maintains records of all manure harvested from pens and applied to nominated utilisation areas within the paddocks, which are selected based on advice from agronomists who conduct regular soil testing before any nutrients are applied.

Organic waste is composted on-site and excess manure is processed and prepared for retail distribution. During the reporting period, Killara brought this process entirely in-house and sold approximately 25,100 tonnes of manure for use as organic fertiliser, generating an additional income stream for the business.

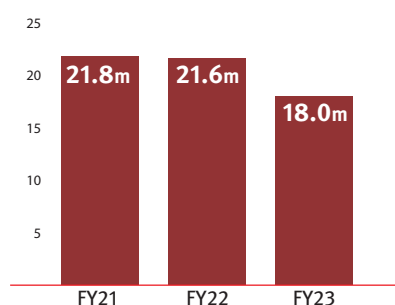
Chemical and hazardous waste

As a member of drumMUSTER, Elders also supports the ChemClear program⁵ - a service which helps farmers and other users of agricultural and veterinary chemicals in managing chemical storage and safely disposing of chemical waste by collecting full and partly-full containers of unwanted chemicals across Australia. Elders promotes ChemClear and drumMUSTER to many of its clients in store and on farm, and utilises ChemClear to coordinate the safe disposal of chemicals stored at its sites when required.

Paper and other business waste

This year, Elders continued to implement system improvements to reduce paper waste within its branches, with an aim to eliminate unnecessary printing throughout our operations. We continue to use DocuSign, through which over 28,100 documents were processed this year. Double page printing is automated and staff are required to verify printing before pages are released to prevent accidental and unwanted printing.

Number of pages printed



Our head office in Adelaide, South Australia, hosts the largest number of our staff in one location. Individual desk bins have been removed to direct waste to central repositories for separation into general, paper, cardboard and organic waste to enable appropriate waste management and recycling. Similar initiatives exist in our branches. Several branches also participate in bottle and can collection drives to raise funds for local community groups and charities.

⁵ More information is available at <https://www.chemclear.org.au/>.





Environmental Management



Recognising the support that nature provides for our operations and the operations of our agribusiness clients, we are committed to looking after our land and managing our environmental impacts.

Regulation and risk management

Elders has sites and responsibilities throughout Australia where environmental legislation and regulations vary between states, territories, local authorities and various regulators. Compliance with relevant legislation is managed on the ground by our branches and overseen and guided by our Safety, Risk and Environment Business Partners, Legal team and Compliance team. Environmental risks and hazards are managed in accordance with our Resilience and Risk Framework (outlined in greater detail on page 46 and in our Corporate Governance Statement¹), with key risks and incidents communicated between key operational personnel, Senior Management, the Executive Committee and the Board.

Our performance in relation to environmental management and the various applicable environmental regulations across our various businesses over the reporting period is as follows.

Retail and wholesale operations

Elders' retail and wholesale operations are subject to state environmental regulations relating to the storage, handling, transport and sale of dangerous goods, which include some of the agricultural chemicals, fertilisers and poisons we supply. Although these regulations are based on nationally recognised standards, the regulatory environment for the transporting, handling, storage, sale and use of such dangerous goods, chemicals and scheduled poisons is complex and subject to regulations imposed by each state and territory. Elders' Safety, Risk and Environment Business Partners monitor compliance. In addition, many of Elders' branches and personnel participate in an accreditation, training and audit program operated by AgSafe. These assurance activities are being progressively rolled out to our wholesale operations.

Elders is not aware of any breaches of environmental regulations affecting Elders' retail or wholesale operations that were reported during the reporting period.

Saleyards

Saleyards are subject to various state, territory and local government environmental requirements, particularly relating to effluent management, dust and noise. These obligations vary from place to place and generally only apply to saleyards above a prescribed size. Elders expects its saleyard operations, irrespective of their size, to abide by the applicable laws and regulations.

In March 2023, Elders reported an effluent overflow event which occurred at a saleyard jointly managed with another party in Boyunup, Western Australia to the Department of Water and Environmental Regulation (DWER) and the Boyunup local shire. The overflow event occurred following excessive rainfall. Elders coordinated a clean-up and notified the local shire and DWER, which confirmed with Elders that no further action was required, and this incident did not constitute a breach of environmental regulations.

Elders is not aware of any breaches of environmental regulations affecting Elders' saleyards being reported during the reporting period.

¹ Available online at <https://elders.com.au/for-investors/performance/periodic-reports/>.



Killara Feedlot, NSW 2023

Killara Feedlot

Elders operates its beef cattle feedlot, Killara Feedlot in Quirindi, New South Wales. Killara is subject to both state and local government environmental legislation, and its operation is conditional on it maintaining its environment protection and water licences.

In accordance with its environment protection licence (EP Licence), Killara is required to undertake a significant number of environmental management activities to ensure that it is managing its waste, dust and odour emissions to minimise pollution of the surrounding community and to avoid groundwater and soil contamination. Failure to manage these emissions can affect the amenity of the local community and contaminate private and public property. To further ensure that its activities are not negatively impacting the local community, Killara proactively engages with all neighbours and the local council through both feedlot tours and regular contact.

During the reporting period, Killara published its first Odour, Dust and Noise Management Plan.² This Plan sets out the strategies and practices in place to enable the Feedlot to better manage odour, dust and noise, including:

- maintaining a total of 1,500 metres of tree breaks between the feedlot and house receptors as a barrier for dust, noise and odour
- laying bitumen road in high traffic areas of the feedlot and adding gravel to existing dirt roadways to reduce dust
- inducting cattle in enclosed sheds, as this is when they are most unsettled and vocal

Emissions are monitored internally by Killara, and externally by the New South Wales Environment Protection Authority (NSW EPA) and the National Pollutant Inventory (NPI). Killara submits NPI reports to the NPI detailing emissions of NPI substances (including ammonia, carbon monoxide and oxides of nitrogen) and activities Killara has participated in to reduce these emissions.

Killara also submits annual reports to the NSW EPA describing (amongst other things) management systems in place to manage soil health and nutrient levels, odour and dust, waste, protection of local waterways and details of any pollution complaints received in the reporting year. These reports are prepared by an external consultant. No confirmed breaches of environmental regulations or pollution complaints affecting Killara were reported during the reporting period.

Killara's performance on the management of its water consumption and discharge is detailed on page 20 of this report, while its performance on waste management is detailed on page 53.

² Available online at <https://elders.com.au/our-services/agriculture-services/killara-feedlot/>.



Performance Tables

Questions relating to this Sustainability Report can be directed to our Sustainability team at sustainability@elders.com.au.

People (as at 30 September 2023)

| Workforce | | FY22 | | FY23 | |
|---|-------------------|-------------|--------------|-----------|--------------------|
| | | Australia | China | Australia | China ¹ |
| Full time employees | female | 868 | 22 | 956 | 3 |
| | male ² | 1492 | 16 | 1564 | - |
| Part time employees | female | 237 | - | 279 | - |
| | male | 52 | - | 49 | - |
| Casual employees | female | 221 | 1 | 216 | - |
| | male | 305 | 3 | 313 | - |
| Permanent employees | female | 1055 | 10 | 1182 | 2 |
| | male | 1505 | 10 | 1573 | - |
| Fixed Term Contract employees | female | 50 | 11 | 53 | 1 |
| | male | 39 | 3 | 40 | - |
| Employees covered by enterprise agreements | | | | | |
| Total (excludes employees based in China) | | 83% | | | |
| Gender diversity | Female | Male | Total | | |
| Non-Executive Directors ³ | 3 | 1 | 4 | | |
| Senior Executive | 3 | 5 | 8 | | |
| Senior positions | 92 | 367 | 459 | | |

¹ In FY22, Elders made the decision to close its Shanghai-based meat distribution business, Elders Fine Foods. Its operations have been progressively wound down throughout 2023.

² Elders also employs one manager based in Indonesia.

³ For more information, please see the 'Governance' section of this report.

People continued (as at 30 September 2023)

| | Under 30 | | 30-50 | | Over 50 | | Total |
|--|----------|------|--------|------|---------|------|-------|
| | Female | Male | Female | Male | Female | Male | |
| Workforce - Gender and age ranges | | | | | | | |
| Australia | 346 | 260 | 579 | 713 | 310 | 640 | 2848 |
| China | - | - | 2 | - | 1 | - | 3 |
| Total number | 346 | 260 | 581 | 713 | 311 | 640 | 2851 |
| New hire – Gender and age ranges | | | | | | | |
| Australia | 148 | 87 | 166 | 155 | 59 | 96 | 711 |
| China | - | - | - | - | - | - | - |
| Total number | 148 | 87 | 166 | 155 | 59 | 96 | 711 |
| Turnover – Gender and age ranges | | | | | | | |
| Australia | 77 | 40 | 100 | 119 | 50 | 85 | 471 |
| China | - | - | 19 | 11 | - | 4 | 34 |
| Total number | 77 | 40 | 119 | 130 | 50 | 89 | 505 |

Health and safety

| | FY21 | FY22 | FY23 |
|--------------------------------|-----------|----------------|----------------|
| LTI (employees) | 3 | 6 ¹ | 3 ² |
| LTIFR (employees) | 0.7 | 1.1 | 0.5 |
| LTI (contractors) | 0 | 0 | 0 |
| Fatalities (employees) | 0 | 0 | 0 |
| Fatalities (contractors) | 0 | 0 | 0 |
| TRI (employees) | 84 | 66 | 58 |
| TRIFR (employees) | 15.1 | 12.6 | 10.1 |
| Total hours worked (employees) | 4,311,064 | 5,238,091 | 5,733,401 |

¹ Male: 5, Female: 1.

² Male: 3, Female: 0.

Energy and emissions (1 July to 30 June)

| | 2021 | 2022 | 2023 |
|---|---------|--------------|--------------|
| Australia - Scope 1 | | | |
| Fuel consumption (Gj) | 255,873 | 278,969 | 291,784 |
| Emissions from fuel consumption (tCO ₂ e) | 17,957 | 19,561 | 20,435 |
| Emissions from Killara Feedlot cattle (tCO ₂ e) | 37,462 | 44,826 | 38,786 |
| Australia - Scope 2 | | | |
| Electricity consumption from the grid (Gj) | 24,201 | 29,104 | 30,798 |
| Electricity consumption from the grid (MWh) | 6,722 | 8,084 | 8,555 |
| Mandatory LGCs ¹ | - | 1,503 | 1,594 |
| Voluntary LGCs | - | 6,581 | 6,961 |
| Total renewable electricity (MWh) | - | 8,084 (100%) | 8,555 (100%) |
| Emissions from purchased electricity (tCO ₂ e) ² | 4,982 | 5,801 | 5,380 |
| Total energy (Australia) | | | |
| Total energy consumption (Gj) | 280,074 | 308,073 | 322,582 |
| Elders Fine Foods (China) - Scope 2³ | | | |
| Electricity consumption from the grid (Gj) | 2,466 | 2,580 | 2,130 |
| Scope 2 GHG emissions from electricity consumption (tCO ₂ e) | 427 | 385 | 330 |

¹ Elders has assumed that each of its electricity retailers is surrendering LGCs on Elders' behalf as required by the Renewable Energy (Electricity) Act 2000 and is not submitting shortfall amounts or relying on the 'carry forward' liability method to dispense with its obligations.

² Location based, Australia only. Calculated using the methodology set out in the National Greenhouse and Energy Reporting (Measurement) Determination 2008.

³ In FY22, Elders made the decision to close its Shanghai-based meat distribution business, Elders Fine Foods. Its operations have been progressively wound down throughout 2023. As a result, whilst the emissions data related to Elders Fine Foods has been included in this report, Elders does not intend to include this in future reports.

Scope 3 emissions profile

| Scope 3 emissions category | Main emissions source |
|---|---|
| 1. Purchased goods and services | Energy used in the manufacture of the products we sell and the packaging and advertising material sold and used in our sites |
| 2. Capital goods (assets) | Energy used in the manufacture of our sites, fittings, and fixtures |
| 3. Fuel and energy-related activities | Upstream emissions of purchased fuels and electricity that Elders uses, including the extraction, production, and transportation of fuels, and transmission and distribution losses |
| 4. Upstream transportation and distribution | Transportation and distribution of products purchased or sold by Elders, and transportation and distribution between facilities |
| 5. Waste generated in operations | Disposal and treatment of waste generated by Elders |
| 6. Business travel | Transportation of employees for business-related activities (in vehicles not owned or operated by Elders) |
| 7. Employee commuting | Transportation of employees between their homes and their worksites (in vehicles not owned or operated by the reporting company) |
| 8. Upstream leased assets | Not applicable - emissions are either accounted for in our Scope 1 and 2 emissions, or in category 15. |
| 9. Downstream transportation and distribution | Transportation and distribution of products sold by Elders to customers |
| 10. Processing of sold products | Processing of intermediate products sold; for example, cattle sold by Killara Feedlot |
| 11. Use of sold products | End-use of goods sold by Elders, in particular fertiliser |
| 12. End-of-life treatment of sold products | Waste disposal and treatment of products sold by Elders |
| 13. Downstream leased assets | Operation of assets owned/leased by Elders and leased to other entities (not already included in Scope 1 & 2); namely, residences which Elders leases to staff working remotely. |
| 14. Franchises | Fuel and electricity used by Elders' franchises |
| 15. Investments | Fuel and electricity used by Elders' investees, such as AuctionsPlus, Cleargrain and Elders Insurance. |

Economic performance

| | |
|----------------------------|---------|
| Total revenue (\$ million) | 3,321.4 |
| Net Debt (\$ million) | (463.3) |
| Total Equity (\$ million) | 866.8 |

Other

| | |
|--|--|
| Industry memberships, accreditations and standards | <p>General corporate memberships: Australian Packaging Covenant Organisation; Agribusiness Australia; Australian HR Institute; Australian Cyber Security Centre; Diversity Council of Australia, Big Bag Recovery</p> <p>Rural Services: Australian Seed Federation, drumMUSTER, Fertilizer Australia, AgSafe, CropLife, Potatoes Australia, Australian Crop Breeders, AuSPICA; Crop Consultants Australia, Ag Institute Australia (Chartered Practising Agriculturalist), Accredited Agricultural Adviser (AAA) Great Barrier Reef catchments, Fertcare accreditation (maintained by Elders agronomists), Livestock Data Link advisory, Cattle Council Australia: Integrity Systems and Food Safety</p> <p>Feed and Processing: Angus Australia, Aus-Meat, Dairy Beef Alliance, Australian Lot Feeders' Association, National Feedlot Accreditation Scheme, Livestock Production Assurance, European Union Cattle Accreditation Scheme – High Quality Beef, Meat Standards Australia, Australian Beef Sustainability Framework Council</p> <p>Real Estate: State and Territory based Real Estate Institute memberships, Australian Livestock & Property Agents Association</p> <p>Home loans: Mortgage and Finance Association of Australia, Australian Financial Complaints Authority (External Dispute Resolution Scheme), Choice/LMG (our aggregator), FINA Financial</p> |
|--|--|

Independent Limited Assurance Report to the Management and Directors of Elders Limited ('Elders')

Our Conclusion:

Ernst & Young ('EY', 'we') were engaged by Elders to undertake a limited assurance engagement as defined by International Auditing Standards, hereafter referred to as a 'review', over the Subject Matter defined below for the year ended 30 September 2023 and 30 June 2023. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe the Subject Matter has not been prepared, in all material respects, in accordance with the Criteria defined below.

What our review covered

We reviewed the following Subject Matter:

Elders' reported performance of selected sustainability disclosures as included in Elders Limited Sustainability Report, as shown in the table below:

| Performance data | Report page |
|---|---------------|
| For the year ended 30 June 2023: | |
| Greenhouse gas (GHG) emissions and emissions intensities (scope 1 and 2) | 4, 37, 38, 59 |
| For the year ended 30 September 2023: | |
| Diversity (% representation of females by level) | 58 |
| Safety (total recordable injury frequency rate (TRIFR) and lost time injury frequency rate (LTIFR), including lost time injuries, total recordable injuries and total hours worked) | 5, 10, 59 |
| Contribution to local communities (community investment) | 5, 50 |

Criteria applied by Elders

In preparing the selected sustainability disclosures, Elders Limited applied the following Criteria:

- ▶ In preparing disclosures in relation to Greenhouse gas emissions:
 - ▶ The National Greenhouse and Energy Reporting (Measurement) Determination, as compiled 1 July 2022, and subordinate legislation
- ▶ For all subject matter:
 - ▶ Definitions as per the Global Reporting Initiative's (GRI) Sustainability Reporting Standards
 - ▶ Other criteria and methodologies as disclosed in Elders' 2023 Sustainability Report

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the Subject Matter based on our review.

We have complied with the independence and relevant ethical requirements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Elders' responsibility

Elders' management is responsible for selecting the Criteria, and for presenting the selected sustainability disclosures in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

Our approach to conducting the review

We conducted this review in accordance with the International Auditing and Assurance Standards Board's (IAASB) ISAE 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information and the terms of reference for this engagement as agreed with Elders Limited on 13 July 2023. That standard requires that we plan and perform our engagement to express a conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter is not prepared, in all material respects, in accordance with the Criteria, and to issue a report.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected sustainability disclosures and related information and applying analytical and other review procedures.

The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error. The procedures we performed included, but were not limited to:

- ▶ Conducted interviews with personnel to understand the business and reporting process
- ▶ Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- ▶ Assessed that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- ▶ Undertook analytical review procedures to support the reasonableness of the data
- ▶ Identified and tested assumptions supporting calculations
- ▶ Tested, on a sample basis, underlying source information to assess the accuracy of the data
- ▶ Assessed the presentation of Subject Matter information in the Report

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our review conclusion.

Inherent limitations

Procedures performed in a review engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a review engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.



Building a better
working world

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to assessing aggregation or calculation of data within IT systems.

The GHG quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation and measurement uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Other matters

We have not performed assurance procedures in respect of any information relating to prior reporting periods, including those presented in the Subject Matter. Our report does not extend to any disclosures or assertions made by Elders relating to future performance plans and/or strategies disclosed in Elders' 2023 Sustainability Report and supporting disclosures online.

Use of our Assurance Report

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Elders, or for any purpose other than that for which it was prepared.

Ernst & Young

Ernst & Young
Adelaide, Australia
8 November 2023

A handwritten signature in black ink, appearing to read 'Fiona Hancock'.

Fiona Hancock
Partner

TCFD Index

| Governance | Notes | Page number |
|---|--|--------------------|
| Describe the organisation's governance around climate-related risks and opportunities | a) Describe the board's oversight of climate-related risks and opportunities. | 29, 45 |
| | b) Describe management's role in assessing and managing climate-related risks and opportunities. | 29-30, 45 |
| Strategy | | |
| Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is available | a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. | 29-34 |
| | b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. | 29-34 |
| | c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | 29-34 |
| Risk Management | | |
| Disclose how the organisation identifies, assesses and manages climate-related risks | a) Describe the organisation's processes for identifying and assessing climate-related risks. | 29-34, 46 |
| | b) Describe the organisation's processes for managing climate-related risks. | 29-34, 46 |
| | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. | 29-34, 46 |
| Metrics and Targets | | |
| Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material | a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. | 36-39 |
| | b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks. | 36-39 |
| | c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. | 36-39 |

GRI Content Index

Elders Limited has reported the information cited in this GRI content index for the period 1 October 2022 to 30 September 2023 with reference to the GRI Standards.

| GRI Standard | GRI Standard | Notes | Page number / URL |
|----------------------------|---|---|--|
| General Disclosures | | | |
| 2-1 | Organisational details | Elders Limited. Level 10, 80 Grenfell Street, Adelaide, South Australia. Elders Limited is a public, ASX listed corporation. | |
| 2-2 | Entities included in the organisation's sustainability reporting | | See Elders' Annual Report, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-3 | Reporting period, frequency and contact point | Elders publishes its Sustainability Report annually. The reporting period is Elders' financial year, being 1 October 2022 to 30 September 2023. Questions relating to this Sustainability Report can be directed to our Sustainability team at sustainability@elders.com.au . | |
| 2-4 | Restatements of information | The data relating to the number of pages printed by Elders has been re-stated in this report, due to the data included in the FY21 and FY22 Sustainability Reports being incomplete. See page 53. | |
| 2-5 | External assurance | | 61 |
| 2-6 | Activities, value chain and other business relationships | | 6-9 |
| 2-7 | Employees | | 58 |
| 2-9 | Governance structure and composition | | See Elders' Corporate Governance Statement, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-10 | Nomination and selection of the highest governance body | | See Elders' Corporate Governance Statement, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-11 | Chair of the highest governance body | | See Elders' Corporate Governance Statement, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | | 45 |
| 2-13 | Delegation of responsibility for managing impacts | | 45 |
| 2-14 | Role of the highest governance body in sustainability reporting | | 45 |
| 2-15 | Conflicts of interest | | See Elders' Corporate Governance Statement, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-17 | Collective knowledge of the highest governance body | | 44-48 |

| GRI Standard | GRI Standard | Notes | Page number / URL |
|--------------|--|-------|--|
| 2-18 | Evaluation of the performance of the highest governance body | | See Elders' Corporate Governance Statement, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-19 | Remuneration policies | | See Elders' Annual Report, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-20 | Process to determine remuneration | | See Elders' Annual Report, available at https://elders.com.au/for-investors/performance/periodic-reports/ |
| 2-22 | Statement on sustainable development strategy | | 2 |
| 2-23 | Policy commitments | | 44-45, 47 |
| 2-24 | Embedding policy commitments | | 44-45, 47 |
| 2-25 | Processes to remediate negative impacts | | 44-48 |
| 2-26 | Mechanisms for seeking advice and raising concerns | | 44-48 |
| 2-27 | Compliance with laws and regulations | | 41, 55-56 |
| 2-28 | Membership associations | | 60 |
| 2-29 | Approach to stakeholder engagement | | 6-9 |
| 2-30 | Collective bargaining agreements | | 58 |

Material Topics

GRI 3: Material Topics 2021

| | | | |
|-----|--------------------------------------|--|---|
| 3-1 | Process to determine material topics | | 9 |
| 3-2 | List of material topics | Elders' material topics have been updated since the publication of its previous Sustainability Report. Elders' material topics were formerly: Community Impact and Investment, Health and Safety, Employee Attraction and Retention, Climate Change, Water Availability, Animal Welfare, Severe Weather, Energy, Waste Management, Corporate Governance and Innovation and Technology. | 6 |

Health and Safety

GRI 3: Material Topics 2021

| | | | |
|-----|------------------------------|--|-------|
| 3-3 | Management of material topic | | 10-14 |
|-----|------------------------------|--|-------|

GRI 403: Occupational Health and Safety 2018

| | | | |
|-------|---|--|---------------|
| 403-1 | Occupational health and safety system | | 12 |
| 403-2 | Hazard identification, risk assessment, and incident investigation | | 10-14, 46 |
| 403-3 | Occupational health services | | 11-13 |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | | 11-13 |
| 403-5 | Worker training on occupational health and safety | | 11-13 |
| 403-6 | Promotion of worker health | | 14 |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | | 11-13, 19 |
| 403-8 | Workers covered by an occupational health and safety management system | Elders maintains a single WHSMS, which has been internally audited with the assistance of external consultants. It covers all of Elders' employees and all contractors. No workers have been excluded from this disclosure. This information has been compiled using data maintained within our internal human resources systems, and by our People, Culture and Safety, Real Estate and Agency teams. | |
| 403-9 | Work-related injuries | Information in relation to this disclosure has been compiled having regard to Elders' internal incident and hazard reports, maintained by our People, Culture and Safety team. For the purposes of this disclosure, Elders has assumed all incidents and risks have been reported in accordance with our policies and procedures (detailed on pages 12 and 46 of this report). Injury frequency rates for contractors are not available. Elders' reporting software captures comprehensive information on | 10-14, 59, 69 |

| GRI Standard | GRI Standard | Notes | Page number / URL |
|--------------|--------------|---|-------------------|
| | | third party incidents and injuries to support effective response, but does not track contractor work hours to enable frequency rate calculation. Data relating to “high-consequence” injuries is also not separately available, but is captured within data relating to fatalities and total recordable injuries. | |

Sustainable Farming

GRI 3: Material Topics 2021

| | | | |
|-----|------------------------------|--|-------|
| 3-3 | Management of material topic | | 16-21 |
|-----|------------------------------|--|-------|

GRI 303: Water and Effluents 2018

| | | | |
|-------|---|---|----|
| 303-1 | Interactions with water as a shared resource | | 20 |
| 303-2 | Management of water related discharge impacts | | 20 |
| 303-3 | Water withdrawal | Information available for Killara Feedlot only. Water withdrawal is determined having regard to water meters available at Killara Feedlot. Acidity and nutrient levels of water withdrawn from bores are consistent with freshwater. | 20 |
| 303-4 | Water discharge | Information available for Killara Feedlot only. Water discharged to EUAs and paddocks at Killara Feedlot originates from bore water. Amounts discharged have been estimated based on paddock requirements for water and nutrients. | 20 |
| 303-5 | Water consumption | Information available for Killara Feedlot only. Water consumption is monitored through water meter readings. | 20 |

Employee Attraction and Retention

GRI 3: Material Topics 2021

| | | | |
|-----|------------------------------|--|-------|
| 3-3 | Management of material topic | | 22-25 |
|-----|------------------------------|--|-------|

GRI 401: Employment 2016

| | | | |
|-------|--|---|--------|
| 401-1 | New employee hires and employee turnover | | 23, 58 |
| 401-3 | Parental leave | As at 30 September 2023, 2,281 employees were entitled to parental leave, comprising of 1,346 males and 935 females. 63 females took parental leave during the reporting period, which includes employees that commenced parental leave prior to the start of FY23 but were still on parental leave during FY23. 29 females returned from parental leave during FY23. The gap between those on parental leave in FY23 and those that returned is attributable to individuals still being on parental leave and 3 individuals that resigned whilst on parental leave. Of the 29 females that returned from parental leave, 3 left Elders shortly after returning. During the reporting period, 18 individuals took paid dad and partner leave, comprising 17 males and 1 female. | |

Climate Change

GRI 3: Material Topics 2021

| | | | |
|-----|------------------------------|--|-------|
| 3-3 | Management of material topic | | 27-40 |
|-----|------------------------------|--|-------|

GRI 201: Economic Performance 2016

| | | | |
|-------|--|--|-------|
| 201-2 | Financial Implications and other risks and opportunities due to climate change | | 27-40 |
|-------|--|--|-------|

GRI 302: Energy 2016

| | | | |
|-------|--|--|-------|
| 302-1 | Energy consumption within the organisation | Fuel types included in calculation: Diesel, electricity, ethanol, LPG, natural gas and petrol. No reported heating, cooling or steam consumed and no reported heating, cooling, steam or electricity sold. Not reported: Energy consumption from solar power generated onsite due to unavailability of data. | 36-39 |
|-------|--|--|-------|

GRI 305: Emissions 2016

| | | | |
|-------|---|---|-------|
| 305-1 | Direct (Scope 1) GHG emissions | Gases included in the calculation: CO ₂ , N ₂ O and CH ₄ . Elders has accounted for emissions using an “operational control” consolidation approach. | 36-39 |
| 305-2 | Energy indirect (Scope 2) GHG emissions | | |
| 305-3 | Other indirect (Scope 3) GHG emissions | Data available for scope 3 GHG emissions associated with travel. | 36-39 |
| 305-4 | GHG emissions intensity | | 36-39 |

Animal Welfare

GRI 3: Material Topics 2021

| GRI Standard | GRI Standard | Notes | Page number / URL |
|---|---|--|------------------------|
| 3-3 | Management of material topic | | 41-43 |
| GRI 13.11: Animal Health and Welfare | | | |
| 13.11 | Third party certifications | | 42 |
| GRI G4 Food Processing Sector Disclosure | | | |
| G4-FP9 | Percentage and total of animals raised and/or processed, by species and breed type | | 42 |
| G4-FP10 | Policies and procedures by species and breed type, related to physical alterations and the use of anaesthetic | | 42 |
| G4-FP11 | Percentage and total of animals raised and/or processed, by species and breed type, per housing type | | 42 |
| G4-FP12 | Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments by species and breed type | | 42 |
| G4-FP13 | Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial animals | Referred to as “incidents of significant non-compliance with laws or regulations relating to animal welfare” within this report. For the purposes of this disclosure, Elders has assumed all incidents have been reported in accordance with our policies and procedures (detailed on page 46 of this report). | 41-43 |
| Corporate Governance | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topic | | 44-48 |
| Community Impact and Investment | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topic | | 49-50 |
| GRI 413: Local Communities 2016 | | | |
| 413-2 | Operations with significant actual and potential negative impacts on local communities | | 55-56 |
| Waste Management | | | |
| GRI 3: Material Topics 2021 | | | |
| 3-3 | Management of material topic | | 51-54 |
| GRI 306: Waste 2020 | | | |
| 306-1 | Waste generation and significant waste-related impacts | | 51-54 |
| 306-2 | Management of significant waste-related impacts | | 51-54 |
| 306-3 | Waste generated | | 51-54 |
| 306-4 | Waste diverted from disposal | | 306-4a & 306-4c: 51-54 |
| 306-5 | Waste directed to disposal | | 306-5a & 306-5c: 51-54 |

Definitions and Topic Impacts

This report covers the assets and operations of Elders Limited and companies over which Elders Limited or its subsidiaries have control¹. Activities or entities over which Elders (or a subsidiary) does not have a control, including some saleyard operations, are excluded from the scope of this report unless specifically stated otherwise.

Topic impacts

An outline of where the impacts for each material topic occur and Elders' involvement with this impact appears below:

| Material topic | Impact within the Elders group | Impact outside the Elders group |
|-----------------------------------|--------------------------------|--|
| Health & Safety | Yes | Yes – contractors, customers, joint venture participants and regulators |
| Sustainable Farming | Yes | Yes – customers, communities, suppliers, joint venture participants, contractors and environment |
| Employee attraction and retention | Yes | Yes – customers |
| Climate change | Yes | Yes – customers, communities, landlords, regulators, joint venture participants, contractors and environment |
| Animal welfare | Yes | Yes – customers, contractors and regulators |
| Corporate governance | Yes | Yes – contractors, suppliers, joint venture participants, regulators and investors |
| Waste management | Yes | Yes – customers and environment |
| Community impact and investment | Yes | Yes – communities |

¹ As defined by section 50AA of the Corporations Act 2001.

Definitions

Capitalised terms in this report have the following meaning, unless the context of this Report indicates otherwise.

AgTech: digital technology for use in agriculture and horticulture which aims to improve yield, efficiency and profitability.

APVMA: the Australian Pesticides and Veterinary Medicines Authority.

Chain of Responsibility Laws: the Road Traffic (Vehicles) Act 2012 (WA), the “Heavy Vehicle National Law” set out in the schedule to the Heavy Vehicle National Law Act 2012 (Qld), and laws that are substantively modelled on the “Heavy Vehicle National Law”.

Executive: our Executive Management described in our Annual Report.

LTI or lost time injury: something that results in a fatality, permanent disability or time lost from work.

LTIFR or lost time injury frequency rate: the number of LTIs relative to 1,000,000 hours worked.

MLA: Meat and Livestock Australia.

NLIS: National Livestock Identification System.

PIRSA: The Government of South Australia Department of Primary Industries and Regions.

Senior Management: managers which report directly, or through one person, to the CEO.

Serious Risk or Incident: any event that has the potential to significantly impact our employees, clients, business or brand, which includes:

- A fatality or serious injury
- A significant threat to health/safety/ welfare or livestock
- Chemical spills, natural disasters, biosecurity threats
- Significant business disruptions or delays likely to cause serious financial impact
- Incidents likely to result in significant media attention
- Suspected criminal activity or fraud
- Incidents that must be reported to authorities (EPA, WorkCover, WorkSafe etc)
- Other serious incidents, for example terrorism, significant property damage or fire

TCFD Recommendations: the recommendations of the Taskforce on Climate-related Financial Disclosures.

TRI or total recordable injuries: the total number of work-related fatalities, LTIs and other injuries requiring medical treatment beyond first aid.

TRIFR or total recordable injury frequency rate: the number of TRIs relative to 1,000,000 hours worked.

Worker: employee or contractor.

