

# Sunny Queen Australia

# MODERN SLAVERY

# STATEMENT 2022



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## Introduction

Sunny Queen Pty Ltd (ABN 31 060 702 034) is a privately owned company, subject to the *Modern Slavery Act 2018 (Cth)* which involves producing an annual Modern Slavery statement reporting on seven criteria as outlined in the Act.

This is Sunny Queens third Modern Slavery Statement for the financial year ending 31<sup>st</sup> June 2022. Pursuant to the requirements of the Act this statement sets forth the steps Sunny Queen has taken to understand, prevent, and address Modern Slavery risks within our operations and supply chain.

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## Our Structure

Sunny Queen is an 100% Australian Farmer owned market leader in the supply and distribution of eggs and other egg products.

During the reporting period, Sunny Queens workforce consisted of 150 permanent workers (approximately 87.5% full time, 4% part time and 8.5% casual). Casual/Temporary workers range remains from 25 up to 85 during peak production periods.

The Sunny Queen board consists of one (1) chair and five (5) directors, together with a team General Managers whose function is to oversee and manage business units while continuously improving efficiencies towards overall business objectives.

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## Our Operations

Sunny Queen eggs and other eggs-based products are sold internationally and domestically in retail, wholesale, B-2-B and route trade.

Sunny Queen's Head Office is at Carole Park and it operates manufacturing facilities at Carole Park and the Darling Downs, Sunny Queen operates wholly owned and 3PL warehouses in Queensland, New South Wales, and Victoria and operates from 3PL facilities in South Australia and Western Australia.

Throughout the reporting period, Sunny Queen Australia's objectives and standards are achieved through a range of activities such as:

- Direct and indirect employment in manufacturing, field sales and corporate activity.
- Production of cooked products
- Development of new food products.
- Product distribution, procurement , marketing, sales, and exports.

## **Our Supply Chain**

Sunny Queen operations sourced input for approximately 520 products from 130 suppliers and service providers during the reporting period. This includes a variety of ingredients and products such as eggs, dairy, salt, oils, vegetables and spices, as well as packaging materials such as packaging, paper, plastics and adhesives. Longer term agreements are in place for key suppliers, with short term arrangements in place where necessary for more irregular purchases of services or goods.

This also includes indirect suppliers, including maintenance and operations, professional services, marketing, logistics, capital, IT and telecommunications, and utilities services.

All our fresh products are sourced locally and the majority of our ingredients are sourced from local distributors, sometimes including overseas products. The vast majority of our paper packaging materials are also sourced locally.

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## **Modern Slavery risks**

Sunny Queen is committed to maintaining a transparent approach to understanding, preventing, and addressing Modern Slavery risks within our business operations. We acknowledge the significance of this worldwide issue and recognise that identifying and highlighting these risks can be challenging in global supply chains.

In light of this, Sunny Queen teams are executing a Supply Chain Analytical SaaS tool, to assist with the management and mitigation of potential risks within our supply chain.

Optimising this tool will provide detailed live risk due diligence by supplier entity, industry, products (sub-products and raw materials), and country. Using thousands of credible risk signals and reports, the system provides salience and proximity of risk to our business.

Another important element in our social accountability compliance is participating in annual SEDEX and/or general supplier accountability audits. The purpose of these audits is to assess and offer guidance on the standards of labour, health and safety, environment, and business ethics within our operations.

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## **Risk identification, mitigation, and remediation**

Sunny Queen commits to an ongoing proactive approach in further understanding risks within our operations and Supply Chain. Implementing a Supply Chain analytical tool was completed, and demonstrations were underway towards the end of this reporting period. This tool aims to future proof Sunny Queens supply chain and help to measure, monitor and mitigate risks.

Slight delays were experienced with expected delivery of the project pushed back. In light of this, various departments within the business have changed or introduced new processes to streamline the data collection from new and existing suppliers.

Data driven reports will be available from January 2023. Additionally, detailed insights relevant to Sunny Queens social, environmental and business continuity risks will be reported in future Modern Slavery statements.

Sunny Queen participates in regular internal and external assessments and ethical audits to strengthen our approach to understanding potential detected risks while also discovering

opportunities for improvement. In addition to this, auditing of policies, processes and general business practices also highlights valuable steps that have been taken in the right direction.

It is recognised that no business, industry, or region is entirely exempt from Modern Slavery risks within their operations or supply chain. Therefore, Sunny Queen suppliers must pre-qualify with the Supplier Code of Conduct. The Supplier Code of Conduct outlines Sunny Queens commitment to maintaining high standards of ethical conduct and compliance with all applicable laws, regulations, and legislation. Additionally, it is expected that suppliers support the welfare of their team members and the community by providing fair and ethical workplaces and supply chains.

We are committed to clear, unambiguous policies and processes that support the abolishment of Modern Slavery. The entire Sunny Queen workforce has access to all policy documents in cloud-based systems, accompanied with training and awareness to ensure compliance and corporate responsibility. Reviewed annually, the policies related to Modern Slavery include:

- Supplier Code of Conduct
- Code of Conduct
- Workplace Grievances
- Whistleblower Policy
- Freedom of Association and the Right to Collective Bargaining
- Forced Labour and Child Labour
- Anti-Discrimination and Equal Opportunity
- Mental Health and Wellbeing
- Environmental Statement

Any concerns related to Modern Slavery can be anonymously made through Sunny Queens grievance process. Customers, suppliers, and other external persons can raise concerns through their Sunny Queen contact or the People and Culture team. Team members are encouraged to provide feedback or raise concerns at all times throughout the year.

Sunny Queen understands that any information received relevant to Modern Slavery or human trafficking risks must be accurately recorded with appropriate course of action taken in a timely manner to address concerns.

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## **How we assess the effectiveness of our actions**

Sunny Queen is committed to a culture of continuous improvement culture with our team members and suppliers. With an ongoing focus on eradicating risks of Modern Slavery, a Supply Chain Analysis tool has been implemented to streamline Supply Chain data, highlight any potential risks and stay informed about relevant worldwide media alerts.

Throughout the reporting period, zero incidents of Modern Slavery were identified in our operations or supply chain. To our understanding, no business has been conducted or partnerships formed with any organisation who has been involved or found to be involved with Modern Slavery.

A third-party independent firm conducted a SEDEX 2-Pillar SMETA audit during the reporting period. Any non-conformances raised have been verified and closed out.

Human Rights and social accountability audits continue to evolve and adjust to the changing economic environment and business operations. To contribute to these obligations, an

internal payroll compliance audit is scheduled in 2023, with an aim to streamline our data and processes to better understand and highlight possible risks within our practices.

Along with our commitment to remain transparent and vigilant when assessing Modern Slavery risks, Sunny Queen is dedicated to:

- Develop and maintain relationships that support open communication
- Continuous improvement of Supply Chain Analytical system
- Supplying and monitoring Supplier Code of Conduct with all new and existing supply chain partners
- Training and ongoing engagement with all team members in:
  - Modern Slavery Awareness
  - Discrimination and Equal Employment Opportunity
  - Code of Conduct
- Endorsing team member feedback, with the option to submit a grievance anonymously
- Ensuring any grievances raised are dealt with in a timely manner
- Monitoring regulatory agency websites and news articles to stay informed and up to date with changes to workplace legislation.

Throughout the reporting period, zero grievances related to Modern Slavery or human trafficking were detected. Sunny Queens People and Culture department are continuously seeking to improve processes, programs, policies and practices related to Modern Slavery. Any reported concerns are addressed and acted on immediately, with the appropriate course of action taken.

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### **Consultation Process**

Sunny Queen is committed to ongoing review and improvements to our practices in order to address and safeguard against Modern Slavery risks within our operations and supply chains.

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### **Statement Approval**

This statement has been reviewed and approved by the Chief Executive Officer and Managing Director, and Board of Directors for Sunny Queen.

This statement is signed by Julie Proctor, Chief Executive Officer and Managing Director for Sunny Queen Pty. Ltd.



**Julie Proctor**

Chief Executive Officer and Managing Director