



MODERN SLAVERY STATEMENT 2021

SUNNY QUEEN AUSTRALIA

Introduction

As Sunny Queen business continues to expand into the Australia and International market, we acknowledge the importance of upholding ethical standards in all areas of our Supply Chain.

Sunny Queen is committed to maintaining a transparent approach to understanding, preventing, and addressing Modern Slavery risks within our business operations. This includes being accountable and integral, aligning Sunny Queens Vision, Purpose and Values:

Our Purpose

To provide egg-centric nourishment from Farm to Table, with a smile

Our Vision

An agile, innovative, feel-good food company producing nutritious food in an ethical, sustainable way

Our Values

Teamwork, Respect, Integrity, Courage and Excellence.



This is Sunny Queens second Modern Slavery Statement, pursuant to the requirement of the *Modern Slavery Act 2018 (Cth)* for the year ending 31st December 2021.

Our Structure

Sunny Queen Australia Pty Ltd (ABN 31 060 702 034), trading as Sunny Queen Australia, is a privately owned company that is 100% Australian Farmer owned, and a leader in the provision of eggs and other egg products. Sunny Queen's workforce consists of approximately 145 permanent employees. Casual/Temporary employees range remains from 25 up to 85 during peak production periods.

Our Operations

The Sunny Queen Head Office and manufacturing facility is based in Queensland, in the Southwestern Brisbane Region. In addition to this facility, Sunny Queen operates a combination of wholly owned and 3PL warehouses, one in Queensland, New South Wales and Victoria. Sunny Queen eggs and other eggs-based products are sold internationally and domestically in retail, wholesale, B-2-B and route trade.

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, purchasing, marketing, sales, and exports.
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Our Supply Chain

During the reporting period, Sunny Queen's operations sourced inputs for our products directly from approximately 145 suppliers. These included ingredients and products such as eggs, dairy, salt, oils, vegetables and spices, as well as packaging materials such as packaging, paper, plastics and adhesives. We procured other goods and services from approximately 500 other, indirect suppliers, including maintenance and operations, professional services, marketing, logistics, capital, IT and telecommunications, and utilities services.

Sunny Queen generally has longer-term arrangements with key ingredient suppliers, as well as short-term arrangements as necessary for more irregular purchases of services and goods.

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.

Modern Slavery risks

Sunny Queen acknowledges that Modern Day Slavery is a significant issue worldwide, and as such, identifying and highlight potential risks can be difficult in global supply chains. We are working closely with all suppliers to mitigate these risks.

Following Sunny Queens 2020 Modern Slavery statement, implementation of a new Supply Chain Analytical SaaS tool commenced. The purpose is to provide detailed live risk due diligence by supplier entity, industry, products (sub-products and raw materials), and country. This process will also cover the corrective action process and provide reporting capabilities on progress made. In the upcoming reporting period, full implementation of this tool is expected with a dedicated team of key people understanding, monitoring, and identifying opportunities to further develop and improve the system.

As a part of our social accountability compliance, Sunny Queen participates in annual SEDEX audits, ensuring compliance with all required standards.

Risk identification, mitigation, and remediation

To further understand risks involved within our operations and Supply Chain, Sunny Queen commits to an ongoing proactive approach through adopting a Supply Chain data analysis tool. Throughout the reporting period, implementation of this tool involved construction of future proof processes in many parts of our operations, to ensure an ongoing high standard of reporting and analysis. With final implementation of this project

approaching, detailed insights relevant to Sunny Queens social, environmental and business continuity risks can be further understood.

Using internal and external assessment and independent ethical audits, our alert and proactive approach to mitigating modern slavery risks within our supply chain is strengthened. A prequalification of suppliers and subcontractors who are aligned with Sunny Queens Supplier Code of Conduct is compulsory, ensuring alignment with our Values and system that give insight to our commitment to a Business and Supply Chain which prohibits child labour and is respectful of human rights. However, Sunny Queen recognises that no business, industry, or region is exempt from modern slavery risks within their supply chains. Sunny Queen understands that any information relevant to modern slavery or human trafficking risks received must be accurately recorded with appropriate course of action taken to address any concerns.

Sunny Queen is committed to clear, unambiguous policies that aim to support the abolishment of Modern slavery. It is understood by workers that any concerns can be anonymously reported via our grievance procedure. All policies are available to all workers in cloud-based systems and are communicated to ensure expectations are understood.

Our Modern Slavery related policies include:

- Supplier Code of Conduct
- Code of Conduct
- Workplace Grievances
- Forced Labour and Child Labour Policy
- Anti-Discrimination and Equal Opportunity Policy

How we assess the effectiveness of our actions

No incident of modern slavery were identified in our operations or supply chain during the reporting period. Sunny Queen has not, to our understanding, conducted any business or partnerships with any organisation who has been involved or found to be involved with modern slavery or human trafficking. We aspire to work closely with suppliers to ensure ethical standards are met in all areas of our Supply Chain.

With a focus on eradicating risks of modern slavery in global supply chains, Sunny Queen is currently in progress of implementing a Supply Chain Analysis tool with an aim to streamline all Supply Chain data to better understand and highlight the risks within our Supply Chain.

During the reporting period, third-party independent firms conducted various audits, including Sedex 4-Pillar SMETA audit which is comprised of Human Rights standards such as labour, safety, environment, and ethics. Our annual audits continue to evolve and adapt to meet the economic environment and business operations and we are committed to remaining transparent and vigilant.

We will continue to ensure an ongoing commitment to:

- Optimising and upholding Supply Chain Analytical system
- Providing and monitoring Supplier Code of Conduct with all new and existing supply chain partners
- Training and ongoing engagement with staff

- Providing and monitoring a grievance process
- Staying up to date with legislative requirements and changes

During the FY2021 reporting period Sunny Queens People and Culture department conducted an annual review process of programs, policies and practices related to Modern Slavery and human trafficking. At the date of this statement, there is no non-conformances identified. The P&C department maintain ongoing review with any reported concerns addressed and actions as required.

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.

Statement Approval

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

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



Julie Proctor

Chief Executive Officer