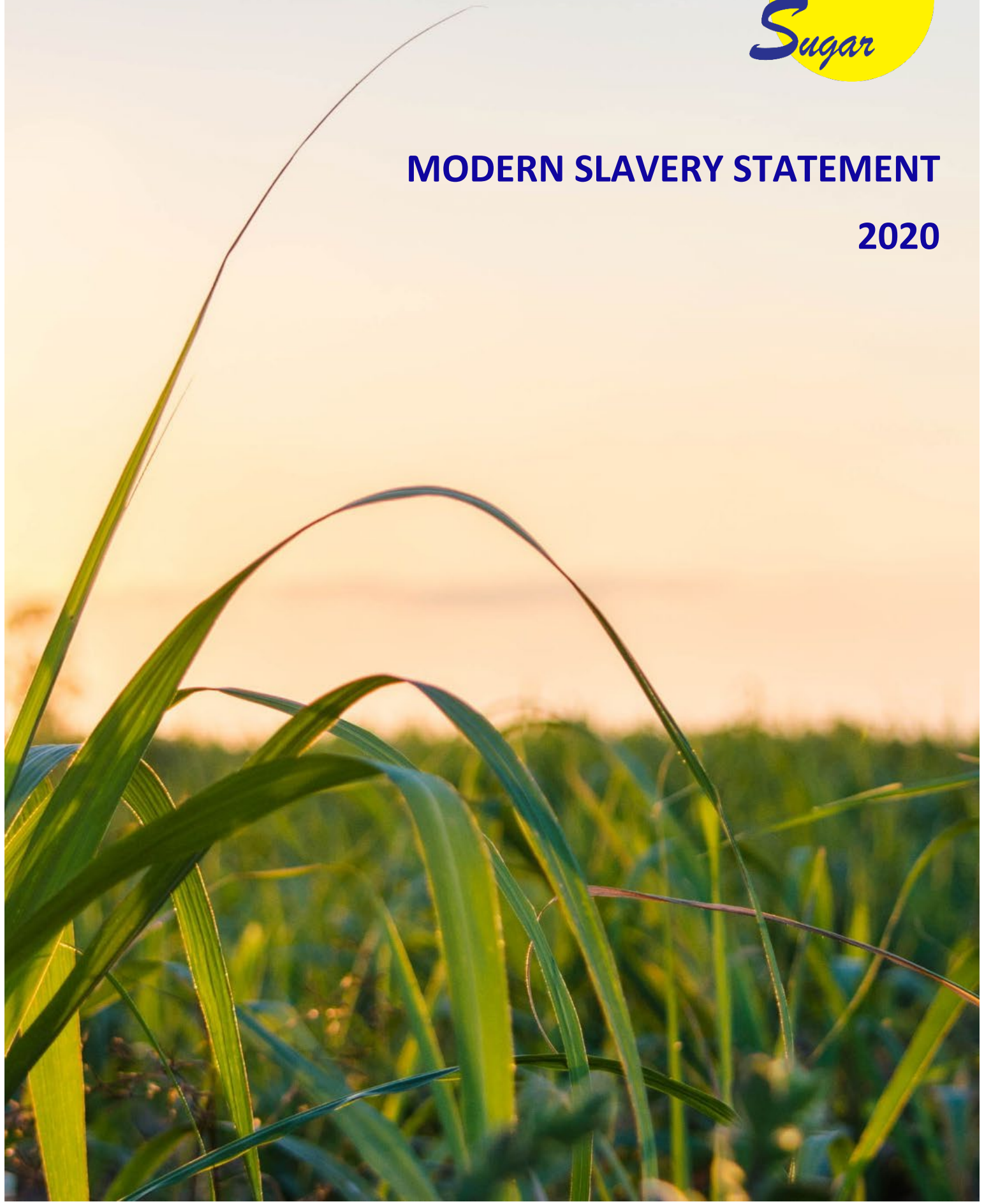




MODERN SLAVERY STATEMENT

2020



Modern Slavery Statement 2020

This Modern Slavery Statement has been prepared in accordance with the requirement of the *Modern Slavery Act 2018 (Cth)*.

This is the first Modern Slavery Statement made by Sunshine Sugar (trading as Manildra Harwood Sugars referred to throughout as Sunshine Sugar).

This Statement provides a single consolidated description of the actions taken to assess and address the risk of modern slavery in the operations and supply chains of Sunshine Sugar for the period of July 2019 to June 2020.

This is Sunshine Sugar's first Modern Slavery Statement, which outlines the steps we have taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

We are committed to respecting human rights and striving positively to impact all people which we depend upon across of full value chain.

Respect for human rights is at the forefront of our ethical business conduct, and we continually strive to positively impact all people which we depend upon across the full value chain.



Company Information

Reporting Entity

Sunshine Sugar T/As Manildra Harwood Sugars (ABN 27 193 549 446) has prepared this statement for the reporting period of 1 July 2019 to 30 June 2020.



Ownership

The sugar industry has a long history in the NSW Northern Rivers, having operated in the Tweed, Richmond and Clarence Valley's for over 150 years.

Today, Sunshine Sugar is a 50:50 partnership between the grower-owned NSW Sugar Milling Co-operative P/L and the Australian family-owned business, Manildra Group.

The NSW Sugar Milling Co-operative was formed in 1978 when local cane growers purchased the state's three mills from CSR.

In 1988, a partnership between the NSW Sugar Milling Co-operative and Manildra was first formed to build and operate a refinery. Manildra also undertook to take on the marketing of both refined and DC (Direct Consumption) Raw sugar under the newly created brand name 'Sunshine Sugar.'

In 2015, the NSW Sugar Milling Co-operative and Manildra Group merged on a 50:50 ownership basis across the milling and refining operations.

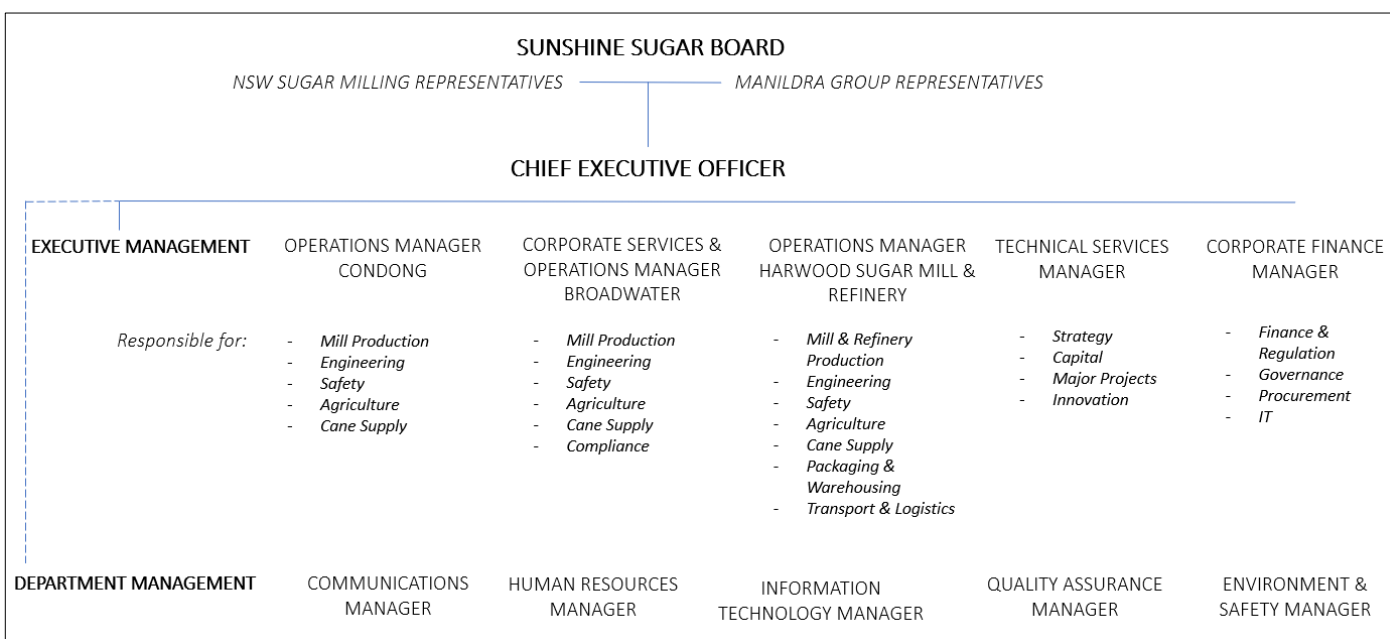


Sunshine Sugar - Structure

Sunshine Sugar is a 50:50 partnership between the grower-owned NSW Sugar Milling Co-operative P/L and the Australian family-owned business, Manildra Group. Sunshine Sugar is the retail name for the entity trading as Manildra Harwood Sugars (ABN 27 193 549 446).

We own and operate sugar mills at Harwood, Broadwater and Condong and a refinery co-located at Harwood. Our Corporate Office is located in the Ballina CBD.

Sunshine Sugar has a Chief Executive Officer and Executive Management Team as well as functional department heads. The Sunshine Sugar Board is made up of growers from across the three milling areas and Manildra Group Directors.



All of our workplaces are guided by a set of values that were developed by our People, endorsed and supported by our Executive Team and our Board. These values form the basis of all we do and we follow behaviours that reflect these values.

TEAMWORK	INTEGRITY	EXCELLENCE	ACCOUNTABILITY	SAFETY
<p>At Sunshine Sugar we display behaviours that reflect our values</p> <p>Working together as a team to achieve a common goal utilising each others strengths to the best of our ability</p> <p>WE DEMONSTRATE TEAMWORK BY...</p> <ul style="list-style-type: none"> Sharing our knowledge and showing respect for each other's ideas and points of view Supporting and encouraging each other and acknowledging a job well done Sharing the workload and helping each other out 	<p>At Sunshine Sugar we display behaviours that reflect our values</p> <p>Conducting ourselves in a responsible and professional manner at all times</p> <p>WE DEMONSTRATE INTEGRITY BY...</p> <ul style="list-style-type: none"> Being socially responsible and doing the right thing by the community in which we live Acknowledging individual differences while treating each other with respect Being transparent, consistent and fair 	<p>At Sunshine Sugar we display behaviours that reflect our values</p> <p>Achieving excellence through communication, teamwork and seeking to continuously improve</p> <p>WE DEMONSTRATE EXCELLENCE BY...</p> <ul style="list-style-type: none"> Improving our skills and abilities by taking opportunities to expand our knowledge and performance Always doing our best and taking pride in our work and achievements Being innovative, creative and resourceful 	<p>At Sunshine Sugar we display behaviours that reflect our values</p> <p>We are accountable to our values and behaviours</p> <p>WE DEMONSTRATE ACCOUNTABILITY BY...</p> <ul style="list-style-type: none"> Taking responsibility Measuring performance Being transparent 	<p>At Sunshine Sugar we display behaviours that reflect our values</p> <p>Our people are our greatest asset and their safety comes first</p> <p>WE DEMONSTRATE SAFETY BY...</p> <ul style="list-style-type: none"> Being responsible for our own and other's safety and welfare Following all policies, procedures and directions Having zero tolerance for bullying and harassment
TEAMWORK INTEGRITY EXCELLENCE ACCOUNTABILITY SAFETY	TEAMWORK INTEGRITY EXCELLENCE ACCOUNTABILITY SAFETY	TEAMWORK INTEGRITY EXCELLENCE ACCOUNTABILITY SAFETY	TEAMWORK INTEGRITY EXCELLENCE ACCOUNTABILITY SAFETY	TEAMWORK INTEGRITY EXCELLENCE ACCOUNTABILITY SAFETY

Sunshine Sugar directly employs 360 people across the Northern Rivers region of New South Wales in roles ranging from farming, manufacturing, packaging and warehousing, transport and logistics, management and administration.

Most of our employees at our manufacturing sites in Australia fall under Enterprise Agreements.

Additionally, all employees may choose to be a member of a union, under freedom of choice. Unions we have onsite include United Workers Union, Australian Workers Union, Australian Manufacturing Workers Union and Electrical Trades Union.

Employee rights are protected through a comprehensive set of policies and procedures that promotes ethically and legally compliant business behaviour. The following are the most relevant to preventing modern slavery in our operations:

- Code of Conduct and Ethics
- Grievance Policy
- Whistle-blowers Policy
- Bullying and Harassment Policy

Human rights are fundamental to our business and commitment to ethical business conduct. These policies and procedures mitigate the risk of modern slavery within our operations.



Code of Conduct and Ethics

The standards we hold for our employees are detailed in our Code of Conduct and Ethics Policy. This covers all individuals employed, appointed, or otherwise attached to Sunshine Sugar, whenever and wherever they represent Sunshine Sugar. Employees of a firm or a company contracted to perform work on behalf of Sunshine Sugar, are also subject to the Code.

The Code of Conduct and Ethics Policy covers pillars including ethical culture, equal opportunity, discrimination and harassment, corruption and bribery, conflicts of interest and personal and professional behaviour. We have always made it clear that employees need to meet the principals set out in our Code of Conduct and Ethics.

Consistent with these principals we:

- Works to establish safe and healthy workplace environments
- Values diversity and considers it integral to our operations
- Complies with all applicable workplace laws including equal employment opportunities, wages and benefits
- Respects freedom and human rights through appropriate non-discriminatory practices

We have zero tolerance for child slave labour, and this is detailed in our Recruitment Policy.

Sunshine Sugar - Operations

Sunshine Sugar is in the business of growing, producing and selling the highest quality, certified sustainable, Australian sugar and sugar bi products. We own and operate sugar mills at Harwood, Broadwater and Condong and a sugar refinery co-located at Harwood.

Sunshine Sugar is the only 100% Australian grown, made and owned producer of certified sustainable raw and refined sugar.

We produce Direct Consumption Raw sugar, Low GI raw sugar, White sugar - bottlers and manufacturers grade, Caster Sugar, Icing sugar, Brown sugar and Liquid sugars; as well as Molasses, Syrups and Treacles.

Sunshine Sugar is the retail name used for the NSW sugar industry and the name of our retail label products that are sold through independent grocery stores either directly or via distributors.

Sunshine Sugar also manufactures private label sugar for some of Australia's major retailers.

We sell refined and raw industrial sugars and syrups to over 300 different customers across all types of food and beverage manufacturing, in quantities ranging from 1kg bags to bulk tankers and trucks.



Our business strategy has four core objectives, all of which are underpinned by a commitment to quality, environment, social and government standards.



Ensure sustainability of our growers and our business



Support continuous improvement culture



Ensure appropriate risk management systems in place

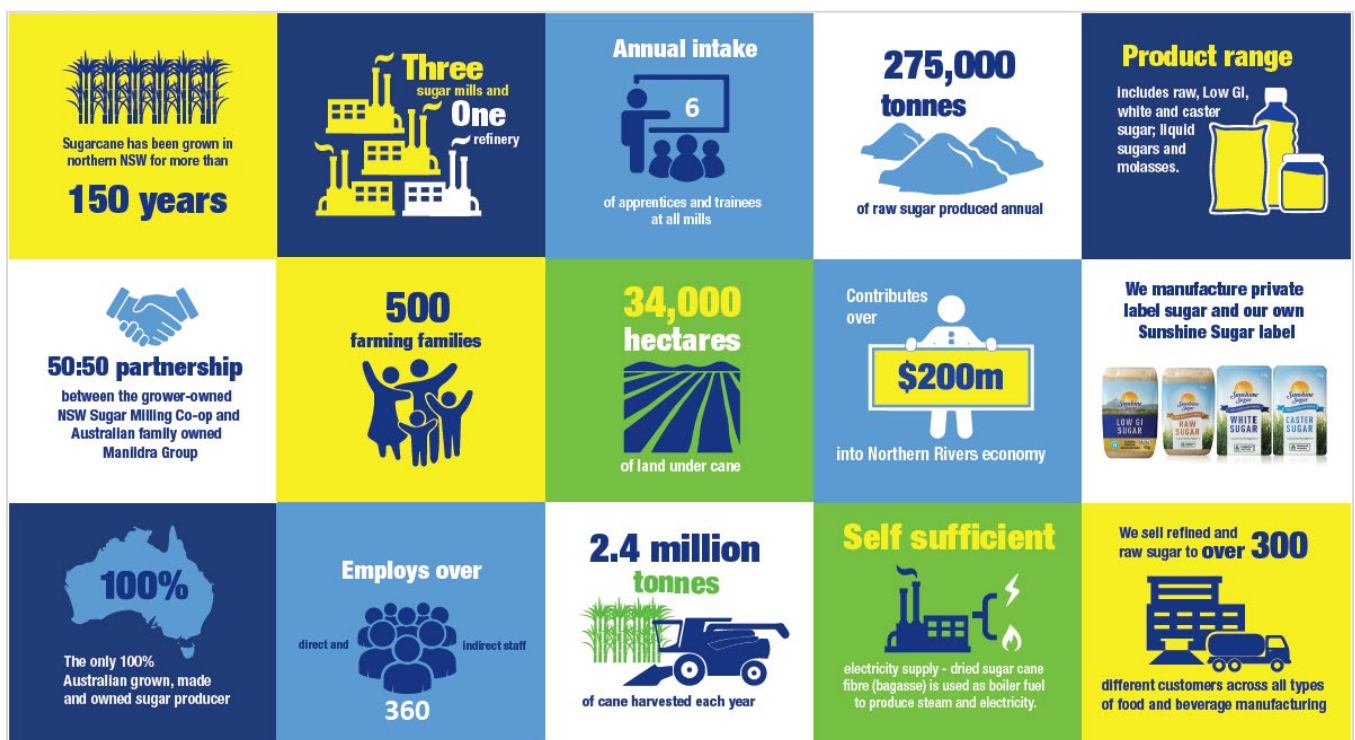


Diversify the business to deal with market changes

The milling operations source raw material directly from the local sugarcane growers, who are shareholders in Sunshine Sugar under the NSW Sugar Milling Co-operative organisation. Some 34,000 hectares of productive farm land supplies up to 2,000,000 tonnes of sugarcane to the three NSW mills each year.

Sugar cane and its useable by-products allow us to generate our own steam and provide electricity to the sugar milling and refining operations at each site.

Commercial Renewable Energy Power Plants co-located at both our Condong and Broadwater sites are fuelled by bagasse which is the fibre remaining after crushing the sugar cane and extracting its juice. In addition to providing our own steam and electricity, the sites also export capacity to the grid and can provide power to approximately 60,000 homes in the Tweed-Richmond area.



We have an established farming Code of Practice specific to the NSW Sugar Industry along with a well-structured, fully funded and professional agricultural extension that delivers high quality advice and services to all cane growers in NSW.

Sunshine Sugar is 'Certified Sustainable' under the international Bonsucro Standard since 2012. Our refinery was the first in the world to be awarded Bonsucro certification and our certification encompasses our growing, milling and refining operations.

We have been involved in the scheme since 2012, because we strongly believe in its ethos of actively working to ensure responsible sugar cane production that creates lasting value for the communities, economies and eco-systems in our cane growing regions.

Furthermore, we have adopted their auditing and measurement systems as an integral part of our continuous improvement program.

Sunshine Sugar and Bonsucro



Bonsucro is an international not for-profit, multi-stakeholder governance group established in 2008 to promote sustainable sugar cane.

Its stated aim is to reduce 'the environmental and social impacts of sugarcane production while recognising the need for economic viability'.

Bonsucro supports a community of over 250 members in over 50 countries, from all elements of the sugarcane supply chain, including, farmers, millers, traders, buyers and support organisations. Bonsucro is a member of ISEAL and complies with all of ISEAL's Codes of Good Practice, which provide a globally recognised framework used by leading sustainability standards.

The Bonsucro Production Standard uses seven principles to achieve sustainability in the production of sugarcane and its derived products – which caters to sustainability: environmental, social and economic One of the key principals is respecting human rights and labour standards.

Additionally, Sunshine Sugar, like other members of Bonsucro are committed to complying with their Code of Conduct – which is in line with the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. In addition, it draws on the OECD-FAO Guidance for Responsible Agricultural Supply Chains. These are important globally agreed frameworks important to Bonsucro and our members working along the sugarcane supply chain.

Bonsucro Production Standard

The Bonsucro Production Standard helps farmers and mills to measure their productivity and key environmental and social impacts.

1. Principle 1: Obey the Law

1.1 To comply with applicable laws.

1.1.1 National laws complied with

1.2 To demonstrate clear title to land and water in accordance with national practice and law.

1.2.1 The right to use land and water can be demonstrated

1.2.2 Land that is legitimately contested by other users

1.2.3 Water that is legitimately contested by other users



2. Principle 2: Respect Human Rights and Labour Standards

2.1 To comply with ILO labour conventions governing child labour, forced labour, discrimination and freedom of association and the right to collective bargaining.

2.1.1 Minimum age of workers

2.1.2 Absence of forced or compulsory labour

2.1.3 Absence of discrimination



2.1.4 Respect the right of all workers to form and join trade unions and/ or to bargain collectively

2.2 To provide a safe and healthy working environment in work place operations

2.2.1 Lost time accident frequency

2.2.2 Main health and safety risks are assessed and measures for mitigation of risk are implemented

2.2.3 Appropriate personal protective equipment supplied to and used by all workers

2.2.4 Percentage of staff trained for health and safety at start and at least every 5 years

2.2.5 All workers present on the field and/ or mill have access to drinking water in sufficient quantity

2.2.6 All workers present on the field and/or mill have access to first aid and provision for emergency response

2.2.7 Working hours lost as percentage of total hours worked

2.3 To provide employees (including migrant, seasonal and other contract labour) with at least the applicable minimum wage

2.3.1 Ratio of lowest entry level wage including benefits to minimum wage and benefits required by law

2.3.2 Maximum number of hours worked (normal and overtime)

2.3.3 Overtime is paid at a premium rate or equally compensated

2.3.4 Payment for cane deliveries are made according to agreed contract

2.4 To provide clear, equitable and comprehensive contracts.

2.4.1 Existence of a contract or equivalent document

3. Principle 3: Manage input, production and processing efficiencies to enhance sustainability

3.1 To monitor production and process efficiency; to measure the impacts of production and processing so that improvements are made over time

3.1.1 Total raw materials used per kg product

3.1.2 Yield of production

3.1.3 Mill overall time efficiency

3.1.4 Factory Performance Index

3.1.5 Industrial Efficiency

3.2 To monitor global warming emissions with a view to minimising climate change impacts

3.2.1 Net GHG emissions per tonne of cane

3.2.2 Net GHG emissions per tonne of sugar

3.2.3 Net GHG emissions per MJ of ethanol



4. Principle 4: Actively manage biodiversity and ecosystem services



4.1 To assess impacts of sugarcane enterprises on biodiversity and ecosystems services

- 4.1.1 Dissolved oxygen in receiving stream
- 4.1.2 Percentage of areas defined internationally or nationally as legally protected or classified as of High Conservation Value planted to sugarcane after the cut-off date of 1 January 2008
- 4.1.3 The key environmental issues are covered by an appropriate and implemented environmental impact and management plan (EIMP)
- 4.1.4 Ratio of fertiliser N and P applied (expressed in eq. phosphate) to fertilizer N and P recommended by soil or leaf analysis (expressed in eq. phosphate)
- 4.1.5 Agrochemicals applied per hectare per year
- 4.1.6 Banned agro-chemicals applied per hectare per year

5. Principle 5: Continuously improve key areas of the business



5.1 To train employees and other workers in all areas of their work and develop their general skills

- 5.1.1 Percentage of payroll dedicated for or time spent by direct employees in vocational training sessions

5.2 To continuously improve the status of soil and water resources

- 5.2.1 Net water consumed per unit mass of product
- 5.2.2 For irrigated cane, efficient use of water
- 5.2.3 % Ground cover of tops or leaves after harvest
- 5.2.4 Soil surface mechanically tilled per year (% of area under cane)
- 5.2.5 Percentage fields with samples showing analyses within acceptable limits for pH

5.3 To continuously improve the quality of sugarcane and products from the sugar mill

- 5.3.1 Theoretical recoverable sugar content of cane
- 5.3.2 Fermentable total sugars content of cane, expressed as invert (TSAI)

5.4 To promote energy efficiency

- 5.4.1 Total Net Primary Energy Usage per kg product
- 5.4.2 Energy used in cane transport per tonne cane transported
- 5.4.3 Primary energy use per tonne of sugarcane

5.5 To reduce emissions and effluents. To promote recycling of waste streams where practical

- 5.5.1 Atmospheric acidification burden per unit mass product
- 5.5.2 Nonhazardous solid residues of production per tonne cane
- 5.5.3 Percentage of categories of nonproduction waste that are recycled

5.6 To foster effective and focused research, development and extension expertise

- 5.6.1 Research and extension costs as a % of sales

5.7 For greenfield expansion or new sugarcane projects, to ensure transparent, consultative and participatory processes that address cumulative and induced effects via an environmental and social impact assessment (ESIA)

5.7.1 Percentage of greenfield expansion or new sugarcane project covered by ESIA

5.8 To ensure active engagement and transparent, consultative and participatory processes with all relevant stakeholders

5.8.1 Existence of usage of a recognised and accessible grievance and dispute resolution mechanism for all stakeholders

5.8.2 Percentage of projects involving multi stakeholders where agreement has been reached by consensus driven process based on Free, Prior and Informed Consent

5.9 To promote economic sustainability

5.9.1 Value added per tonne cane.

6. Principle 6: Additional mandatory requirement for biofuels under the EU Renewable Energy Directive (2009/28/EC), revised Fuel Quality Directive (2009/30/EC) and Directive 2015/1513.



6.1 To monitor greenhouse gas emissions with the view of minimising impacts on climate change.

6.1.1 Global warming burden per unit of energy.

6.1.2 Percentage of land with high biodiversity value, high carbon stock or peatlands planted to sugarcane after the cut-off date of 1 January 2008.

7. Principle 7: Organisation of Farmers



7.1 Farmers in the Unit of Certification

7.1.1 Identify group and manager and responsibilities

7.1.2 Completed Farm Diary from Farms in Unit of Certification

7.2 Training and Extension Provision

7.2.1 Provide training to farms within the unit of certification

7.2.2 Extension services are in place

7.3 Internal Inspection

7.3.1 Conduct internal inspections to verify compliance

7.3.2 Track volumes of cane production and sales

7.3.3 Track volumes of cane production and sales



Bonsucro Chain of Custody Standard

The Chain of Custody (COC) Standard concerns the supply of a product including all stages from the feedstock production up to consumption. It's proof that we are sourcing and trading responsibly and provides assurance that claims of compliance can be tracked along the supply chain.

The CoC enables monitoring of sustainable certified volumes; enables traceable information to be transferred to the next supply chain step; and allows our customers to make on-product sustainability claims.

A growing number of our customers are demanding certification to sustainable practices of the products they source, with our Bonsucro credentials being held in high regard.



Sunshine Sugar – Supply Chain

For the purpose of this Statement, ‘supply chain’ means the products and services (including third-party labour) that contribute to Sunshine Sugars’ products and services. This includes products and services sourced domestically or overseas and extends beyond direct suppliers.

Sunshine Sugar values its reputation for conducting business honestly and with integrity. We therefore expect our suppliers to maintain a commitment to strong ethical standards.

Our commitment to uphold the principles of human rights across our operations and supply chains relate to:

- Cane supply
- Asset Management supply chain
- Operational & Corporate supply chain

Sunshine Sugar is dedicated to delivering responsible and ethical business practices in our supply chain and work with our stakeholders to ensure that we conduct business responsibly and sustainably.

Our policies, procedures and practices are subjected to auditing by independent Bonscuro officials on an annual basis. This audit process covers our growers, mills and refinery.

Cane Supply

The sugarcane supplied to our three owned and operated mills come directly from local farms. These farms are owned and operated by members of the NSW Sugar Milling Co-operative, which owns 50% of the Sunshine Sugar business.

This gives us a single source supply model from paddock to raw and refined sugar product via a traceable, sustainable and integrated supply chain

Growing - Cane billets come directly from local growers

Crushing - Raw sugar is milled at our own sugar mills

Refining - Refined sugar is manufactured at our own refinery



Asset Management supply chain

Key suppliers that support the asset management business include mechanical and electrical, fire, security, plumbing and building services.

Operational & Corporate supply chain

Key operating and corporate suppliers include providers of office space, information technology and support, office materials, and outsourced labour and professional services.

Risk Assessment and Remediation Measures

Modern Slavery Risk Assessment and Response

Sunshine Sugar has considered the risk of modern slavery in our operations and supply chains. Our approach for FY20 was to conduct a holistic review, in conjunction with Manildra Group, of the inherent risk of modern slavery in our supply chains.

We understand that there is a low risk of modern slavery practices in our supply chain. This is due to our Bonsucro certification that acknowledges internationally recognised human rights principals and through the Bonsucro certification process, Sunshine Sugar has been on the front foot with regards to managing and mitigating risks of modern slavery in our operations and supply chain.

Our policies, procedure and practices are subjected to external ethical auditing via Bonsucro. This audit process provides a way to assess responsible supply chain activities which includes business ethics, labour standards, health and safety and the environment.

Sunshine Sugar is supported by resources appointed within the Manildra Group to enhance the overall human rights strategy and the Director of Human Rights has accountability for advancing this strategy across our supply chain.

The standards we hold for our Suppliers are laid out in our Supplier Code of Conduct. The code provides a foundation for Sunshine Sugar and its suppliers to build and maintain relationships based on fairness, trust, respect for the rights of individuals, compliance with the law, and sustainable business practices.

By acceptance of the Code of Conduct, our Suppliers commit that all existing and future agreements and business relationships with Sunshine Sugar will be subject to the provisions that are designed to deliver high quality products but we do so in a way that reflects the Company's commitment to conduct our business activities in full compliance with applicable laws and to be guided by integrity and honesty.

Our existing suppliers also undergo periodic assessment of potential risks and are required to demonstrate their compliance to human rights and fair employment practices in accordance with existing international standards. Any red flags are reviewed in partnership with the relevant business units and actions taken as required.

In addition, after consultation with stakeholders we have amended our Terms and Conditions for our suppliers, specifying that suppliers must be unconditionally committed to protecting human rights, treating people with dignity and respect in the workplace and where we do business.

Our policies, procedure and practices are subjected to external Bonsucro ethical auditing which includes assessment of our supply chain's social and business practices.

Furthermore, we have undertaken a corporate social responsibility risk assessment of our supplier base and reviewed our procurement and supplier frameworks during this period.

Remediation and Grievance

While the risk of modern slavery within Sunshine Sugar's operations is low, remediation of harm (if required) would be addressed through relevant People and Governance policies, including formal investigations in accordance with the Whistleblowing Policy.

Sunshine Sugar will continue to follow best practice recommendations in regard to remediation processes and grievance mechanisms.

The Bonsucro sustainability framework provides the foundation for effective supply chain and operational risk management by setting ongoing objectives which align with the principles of sustainable procurement and operations.

No instances of modern slavery have been identified in connection with our suppliers to date. Where modern slavery practices are identified, Sunshine Sugar will engage directly with NGOs, regulators and government to establish the appropriate remedial action, considering the nature and severity of the practices.

Effectiveness of Risk Assessment and Remediation

Sunshine Sugar is committed in its journey to respect human rights and eliminate modern slavery. We understand that strong policies and procedures are key to identifying and managing human rights, including modern slavery within our supply chain and understand that it is one of continuous improvement. As we expand our program, we continue to integrate these expectations into our standard business processes.

We have not identified any instances of modern slavery during this reporting period, based on the initial assessment undertaken using the Supplier Code of Conduct. In the event that problems are identified through our grievance process or discussions with suppliers, we will work with the supplier in the future to develop corrective actions within an agreed timeframe as part of remediation. Suppliers will be required to provide evidence of their corrective actions. If these are not remedied in an acceptable manner, Sunshine Sugar may terminate its contracts with the supplier.

Furthermore, we are seeing a growing number of businesses and consumers seeking ethically grown and made products. We are seen by a growing number of customers as a supplier of choice because of our Bonsucro Certification and adoption of measurable standards in the environmental and social impacts of sugarcane production and primary processing while recognizing the need for economic viability.

Our policies set the expectations and requirements of our people and suppliers to act lawfully, ethically and in a socially responsible manner. These include published and internal policies.

Assessing Effectiveness and Looking Ahead

Sunshine Sugar is committed to respecting human rights and eliminating modern slavery. We understand that strong policies and procedures are key to identifying and managing human rights, including modern slavery within our supply chain and understand that it is one of continuous improvement. As we expand our program, we continue to integrate these expectations into our standard business processes.

Sunshine Sugar will:

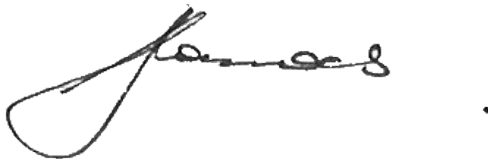
- Further engage with our suppliers to increase awareness of modern slavery practices and identify any modern slavery risks in the supply chain
- Establish a working group, led by Manildra Group's Director of Human Rights – which will continue to provide support and monitor accountability on the actions taken
- Develop a procurement code of conduct to deliver sustainable procurement outcomes to support positive social, environmental, economic outcomes including addressing modern slavery and human rights when procuring goods and services
- Increasing employee awareness of our enhanced human rights strategy
- Continue to review and formalise ethical sourcing policies and practices to existing supplier assurance processes, including the introduction of a supplier code of conduct
- Continue to communicate modern slavery risks and mitigation activities across our supply channels



Consultation and Approval

Sunshine Sugar has consulted with key stakeholders to compile this Statement. Our Executive Leadership team and Directors have been involved in the endorsement of this Statement for approval.

The Board of Directors approved this Statement on 24th February 2021, on behalf of Sunshine Sugar pursuant to the *Modern Slavery Act 2018 (Cth)*.



Signed on this 28th day of May 2021 by

Mr Chris Connors

Chief Executive Officer, Sunshine Sugar

SUNSHINE SUGAR

T/As MANILDRA HARWOOD SUGARS

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