



Modern Slavery Statement 2021



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Message from the CEO

We are deeply committed to respecting human rights across our value chain and this extends to our employees, suppliers and the workers across our global supply chain. We strive to continuously improve our governance and practices in the identification and management of modern slavery risks, and seek to collaborate with our customers and suppliers to achieve common standards for eradicating modern slavery. We are an active member of the Global Network Compact Australia and part of the Modern Slavery Community of Practice. These engagements support our alignment with industry best practice, and drive industry collaboration on modern slavery risks.

Over the past year, we have focused on strengthening our governance and internal capability on modern slavery issues. We have engaged with our employees, management teams and the Board, to educate, communicate and seek their feedback on our approach. Our Supplier Sustainability Program adopts a risk-based approach to engaging suppliers in our due diligence and monitoring activities. Building on our work of modern slavery risk assessment from last year, we piloted self-assessment questionnaires (SAQs) with priority suppliers. The process enabled us to gain greater visibility on their practices, and helped us understand how we can best support our suppliers to meet our expectations around labour and human rights.

It is impossible to advance our management of modern slavery risks without the support of our suppliers. We are implementing a supplier engagement program that is streamlined, programmatic and focused on driving impact. SunRice is in a unique position within our industry as a buyer of key ingredients and products for both our own high-quality brands and those of our customers. We engage with our customers regularly on their sustainability requirements, including responding to questionnaires and implementing third-party audits. Seeing a supplier sustainability program from both sides of the relationship has enabled us to understand the expectations of customers as well as the challenges faced by suppliers as they respond to competing requests.


In FY21, we have responded to a number of SAQ requests by our customers and applied lessons learnt from that process, in our own deployment of SunRice SAQs. We believe that open communication with our suppliers will ensure understanding of the issues and the intent of our engagement, leading to better outcomes. We are exploring mutual recognition programs for our suppliers so that audits following reputable auditing standards can be accepted as part of our due diligence process. Our program is developing and evolving, but these principles focused on genuine and open engagement with our suppliers, remain fundamental.

The COVID-19 pandemic not only poses health risks for millions of people, it also has increased modern slavery risks in certain supply chains, particularly for populations in precarious situations. The social and economic impact of the pandemic runs deep and severely impacts women and unskilled labour. It also presents challenges for organisations implementing modern slavery due diligence processes. Whether those challenges are internal, such as needing to engage virtually with our teams across the world, or external such as obtaining access for on-site engagements, we have sought to ensure our program and processes are flexible and adaptive to this ever-changing environment. At SunRice, our focus on building internal capability has created a culture of openness and honesty, to ensure that people feel comfortable to identify and escalate potential risks of modern slavery in our operations or supply chains.

Our ambition is to create equity and equality across our operations and supply chain. While we know there is still a lot to do to develop and embed our approach, I want to sincerely thank our team members, suppliers and customers for their support on our journey so far. We look forward to sharing our progress in the next Modern Slavery Statement.



Rob Gordon
SunRice Group CEO
September 2021



“We’re proud of the quality products that we provide and respecting human rights is a fundamental part of our offering at SunRice.”

Rob Gordon

Introduction

Modern slavery is a systemic issue across the world, and a severe violation of human rights. The term applies to all forms of human trafficking, forced labour, debt bondage, the worst forms of child labour,¹ and other slavery-like practices.

The term modern slavery describes exploitive situations where a person cannot refuse or leave work because of threats, violence, coercion, deception, and/or abuse of power. The SunRice Group² prohibits modern slavery and the exploitation of vulnerable groups, and this is clearly specified within our Labour Rights Standards Policy and Supplier Sustainability Code (Supplier Code). Our approach is to adopt a continuous improvement mind-set, to strengthen our internal procedures and to partner with our suppliers, customers and other stakeholders, on the eradication of modern slavery.

Modern Slavery Statement developed with broad consultation across the SunRice Group



Consultation process

It is important for companies to have strong internal alignment and engagement in order to effectively address issues such as modern slavery. Our program, and this Modern Slavery Statement, was developed with input across all areas of our business, including each of the SunRice business segments such as Riviana Foods, SunFoods and Trukai Industries. Those involved in this consultation process are responsible for managing each of the reporting entities covered by this statement and overseeing the operations and supply chain of relevant subsidiaries. The SunRice Corporate Management Team (CMT) comprised of the general managers of each business segment, Chief Financial Officer and the Company Secretary, was directly involved in the review and consultation process for this statement.

Consultation in developing the statement and our supplier sustainability program included engagement with a cross functional Supplier Sustainability Program (SSP) Working Group, which includes senior representatives from Legal, Risk, Operations and Sustainability. Prior to the launch of our pilot program under the SSP, active consultation was undertaken with supplier relationship owners to ensure that their feedback was integrated into the deployment process.

We also received input on our program from external human rights experts and practitioners, and sought advisory and best-practice sharing in multi-stakeholder platforms, such as the Global Compact Australia's Community of Practice.

Our broad consultation and engagement process ensures SunRice employees are aware of SunRice's commitments on modern slavery and how they can support program implementation.

FY21 Highlights

It is critical for SunRice to track the implementation of our program to ensure that we are identifying and addressing potential modern slavery risks within our supply chain and our operations.

This year our program activities focused on building the foundations of our modern slavery program and internal governance structure. This was to ensure that our processes are robust and able to respond effectively to risks as they arise. We want to build a culture where our employees are empowered to identify modern slavery risks, and stakeholders across our business and supply chains are comfortable raising grievances knowing that they will be addressed and remedied.

To achieve this, we prioritised employee training on modern slavery risks, partnered with our key suppliers to understand how we can better support them to meet our requirements, and expanded coverage of our Speak Up program, as we know these activities build a strong foundation for the future program.

Focus areas & FY21 actions

Governance

- Expansion of the mandate of the Board Safety, Health and Sustainability (SHS) Committee to include sustainability, including modern slavery risks for both own operations and supply chain
- Formalisation of the SSP Working Group
- Design of SSP requirements
- Establishment of a three-year road map for achieving long-term goals³

Remedy and Grievance

Review and expansion of our Speak Up program for the active inclusion of labour issues and modern slavery risks including the launch of a dedicated reporting website and QR codes to make reporting easier.

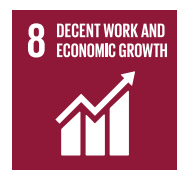
Program Monitoring

- Enrolment of new suppliers in the SSP, including their agreement to the Supplier Code
- Training and capacity building for our Board, management team, employees and suppliers on modern slavery risks and SunRice's expectations
- Launch of SAQs with priority suppliers to understand risk exposure and risk management
- Third-party audits of own specified operations to verify social and environmental compliance against key customer requirements

Risk Assessment

Gained deeper understanding of risks associated with key suppliers by focusing on 40 priority suppliers and working with supplier relationship owners on how best to engage these suppliers through SAQs.

3. Training and capability building for our Board, management team, employees and suppliers on modern slavery risks and SunRice's expectations



This joint statement covers Ricegrowers Limited ABN 55 007 481 156 and Riviana Foods Pty Ltd ABN 97 061 388 092, both of which are reporting entities under the *Modern Slavery Act 2018* (Cth) (the "Act"). The operations and supply chain of all other Ricegrowers Limited subsidiaries including SunFoods LLC, are covered by this statement, as these form part of the operations and supply chain of the SunRice Group.

This joint statement is made in accordance with the reporting requirements of the Australian *Modern Slavery Act 2018* (Cth) and also meets the disclosure requirements of the California Transparency in Supply Chain Act (2012). The reporting period follows our Fiscal Year 2021, from 1st May 2020 to 30th April 2021, and is our second Modern Slavery Statement.

This Joint Statement was approved by the Ricegrowers Limited Board on 24 September 2021 and is signed by Rob Gordon, SunRice Group CEO.

1. The full definition of the worst forms of child labour is defined in ILO Convention No. 182 Article 3: https://www.ilo.org/dyn/normlex/en/f?p=NORML_EXPUB:12100:0::NO::P12100_ILO_CODE:C182

2. Ricegrowers Limited (ABN 55 007 481 156), known commonly as SunRice, is listed on the Australian Securities Exchange (ASX:SSLV). References to SunRice in this document refer to Ricegrowers Limited, Riviana Foods Pty Ltd and subsidiaries of Ricegrowers Limited – refer to Annual Report page 24 for full details.

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35 major brands
sold in **50** global markets
~2000 employees

Our operations

With 35 major brands and market presence in approximately 50 countries across the world, we are one of the most iconic and recognised Australian-branded food companies. SunRice has a strong suite of complementary and subsidiary businesses both in Australia and internationally including in New Zealand, the United States, Papua New Guinea (PNG), Solomon Islands, the Middle East, and across Asia. Other than our main business in rice food products, our portfolio also includes gourmet Mediterranean foods; food service supply for military, mining and healthcare markets; stockfeed and companion animal nutrition products; and ingredients to manufacturers of household brands.

FY21 saw significant activity in mergers and acquisitions.⁴ We acquired the branded food importer KJ&Co and a dairy nutrition business based in Hamilton, New Zealand, adding 12 brands and more than 150 related products to our portfolio. Examples of the newly added brands include Toscano, Hart & Soul and Bare Bakers; as well as Top Cow and Top Calf in New Zealand. SunGold, an organic growth initiative, was also added. As part of the SunRice Group, suppliers associated with these newly acquired businesses are subject to the same expectations in respect to labour rights and modern slavery. As the integration of these businesses continues, this remains one of the key focus areas for our SSP program.

Globally, we employ approximately 2,000 people across our businesses and geographies, with the majority of them based in Australia and the Pacific (PNG and Solomon Islands). 72% of our employees are male and 28% female. 87% of our global workforce are employed on permanent full-time or part-time contracts, while 2% on temporary fixed-term contracts and 11% on casual arrangements. A detailed breakdown of our workforce can be found in our annual Sustainability Snapshot and on page 9.

4. See SunRice 2021 Annual Report for details

~4000
suppliers from
40+ different countries

Rice
sourced from **12** countries, including
a network of
~600
Australian rice growers



Our supply chain

We have strong roots in Australia's key Riverina rice growing region in New South Wales (NSW) and are proud to have developed a reliable and sustainable global supply chain to support the SunRice Group. In years when Australian Riverina rice production exceeds 600,000 paddy tonnes, SunRice delivers close to \$400 million per annum directly in the Riverina region of NSW and supports more than 600 growers, 500 employees and 400 local suppliers. Worldwide, we have approximately 4,000 suppliers from 40+ countries. Our key products and services procured include rice grown in Australia and abroad, quality food ingredients and products, packaging, manufacturing and logistics services.

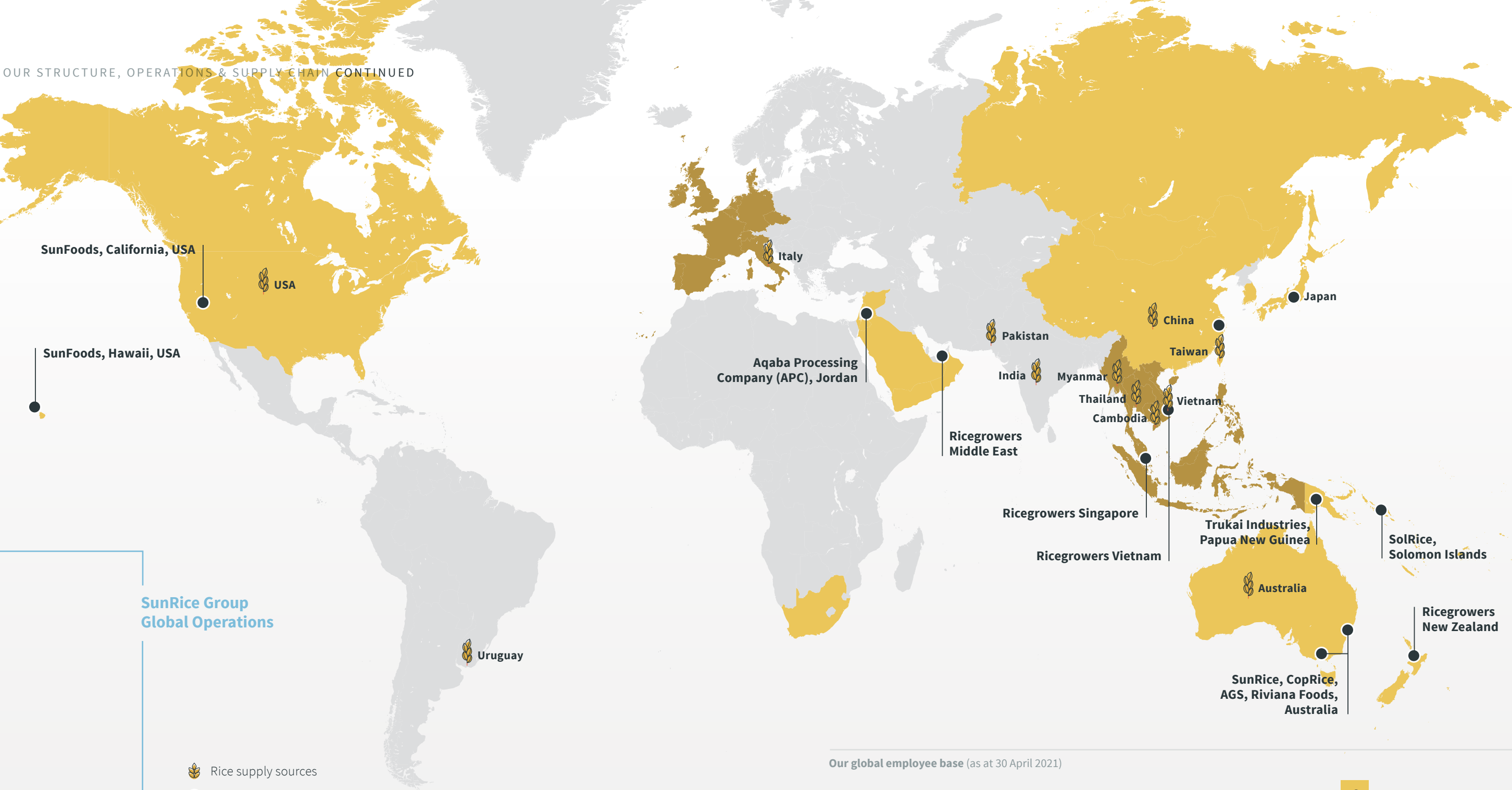
Rice is the single most significant product we source. We have cultivated strong relationships with our rice suppliers across the world, and have greater oversight of their practices and processes resulting from food safety and quality requirements. During FY21, we sourced rice from 12 countries. The exact number of growers who supply us with rice varies each year depending on weather and market conditions. Our network of Australian rice growers exceeds 600 but in years of lower than average Australian rain fall, such as the 2020 crop year which is reported this fiscal year, the number of Australian growers who grow rice, is reduced.

In line with our 2024 Growth Strategy, we seek to diversify our sourcing origins.⁵ During the implementation period, we have seen key changes such as; the establishment of Ricegrowers Singapore trading business, our venture into Vietnam with the acquisition of our mill in 2018, the increase of production capacity of SunFood with a strategic rice sourcing agreement from a California-based rice co-operative, and the establishment of significant supply arrangements with countries such as China and India. This deliberate move to build up our international sourcing capacity has enabled us to meet the growing global demand for rice in excess of 1 million paddy tonnes, including in periods of lower Australian rice production.⁶

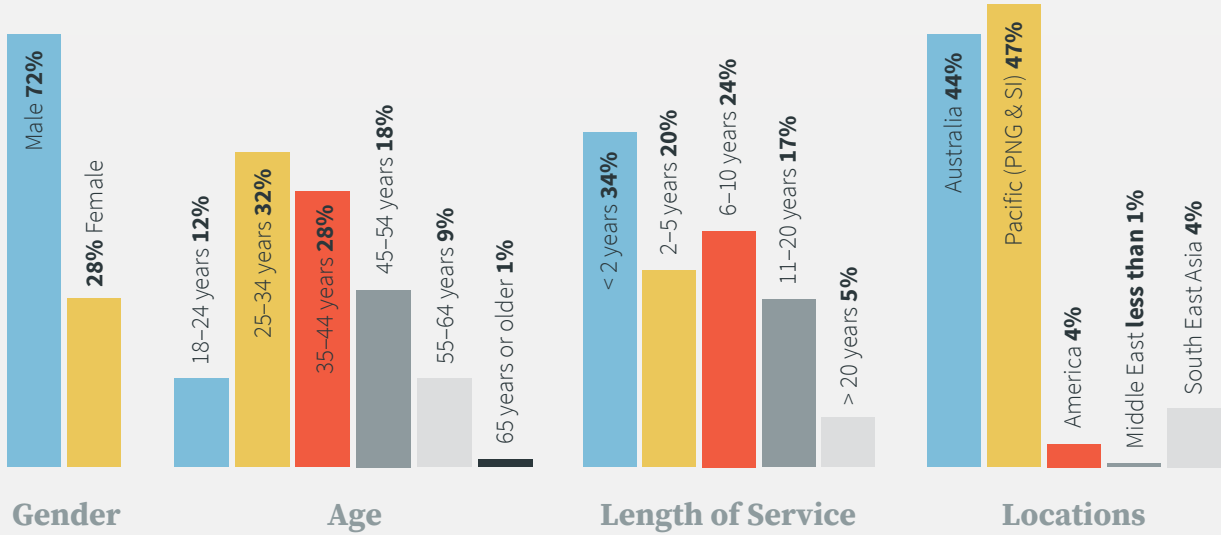
While we are now returning Australian rice to key markets following increased production, we will continue to build out our international rice supply capability. The variety of high-quality origins of rice across our international supply network now provides an opportunity to not only maintain positions in premium markets for Australian rice, but to meet demand in the future for bulk and branded products targeted at different price points for different markets. We will continue to maintain our capability in multi-origin, multi-price international rice sourcing as this improved capability makes our business model stronger.

5. For additional details on climate resilience, see Annual Report page 32.

6. For more details on the challenges and status of Australian rice production, please refer to our Annual Report 2021.



Our global employee base (as at 30 April 2021)



For three year data on key employee metrics please see SunRice's GRI Index at: www.sunrice.com.au/sustainability-reporting.

Identifying our modern slavery risks

Our approach to identifying modern slavery risks is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs), where we seek to understand how our activities may cause, contribute, or be directly linked to adverse human rights impacts. Based on this, we are committed to ceasing, preventing, and remedying these impacts.

Our identification of modern slavery risks spans both our own operations and our supply chain, and the methodology and results are reviewed regularly to ensure that we are capturing trends and realities as they change on-the-ground. We are still in the early stages of mapping our supply chain and we continue to work towards enhancing our visibility.

During FY21, we focused our effort on deepening our understanding of our priority suppliers and rolled out SAQs with this supplier group. Going forward, we will seek to continually improve our risk assessment approach and over time, extend our risk assessment and due diligence beyond our Tier 1 suppliers of the company. For more details of the non-standard elements of SunRice's structure, please see [SunRice's investor website](#).

Supplier risk assessment

We have partnered with a global business risk and sustainability solution provider, ELEVATE, to conduct supplier risk assessments on an ongoing basis. As part of our risk assessment methodology, we categorise our suppliers into four segments based on two dimensions:

1. Risk: the inherent risk of the supplier, including modern slavery related risks.

We assess the inherent risks of our suppliers based on their sourcing country and the types of products and services provided, through ELEVATE's proprietary supply chain insight platform, EiQ. The country risk dimension references public domain indicators, such as Child Labour Percentages by UNICEF, Global Slavery Index by Walk Free Foundation and TIP Report Index (on human trafficking) by US Department of State. It also leverages insights from aggregated ELEVATE global audit data, which reflects on-the-ground working conditions and non-compliances with regard to forced labour indicators, wages, working hours, and other metrics. The risk assessment process captures both the socio-economic conditions and regulatory context of the country, as well as the workforce characteristics and business process associated with the products/services sourced.

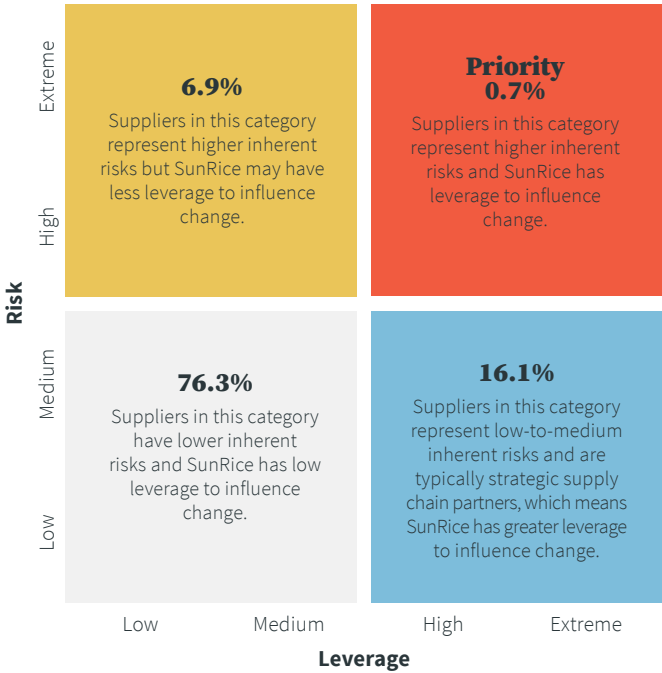
2. Leverage: the degree of potential influence SunRice has with our suppliers.

Business leverage insights identify the suppliers where we have greater opportunities to influence change, and support them to identify and manage risk exposure. Key factors considered include the nature and length of our business relationship, and changes in spend and business volume over time.

This risk assessment and segmentation exercise enables us to prioritise our efforts where we can make the greatest impact. We recognise that our supplier base and the overall risk landscape are dynamic, and ever-evolving. We will continue to review and update our risk assessment process to capture these changes, and ensure that it reflects the current operating environment.

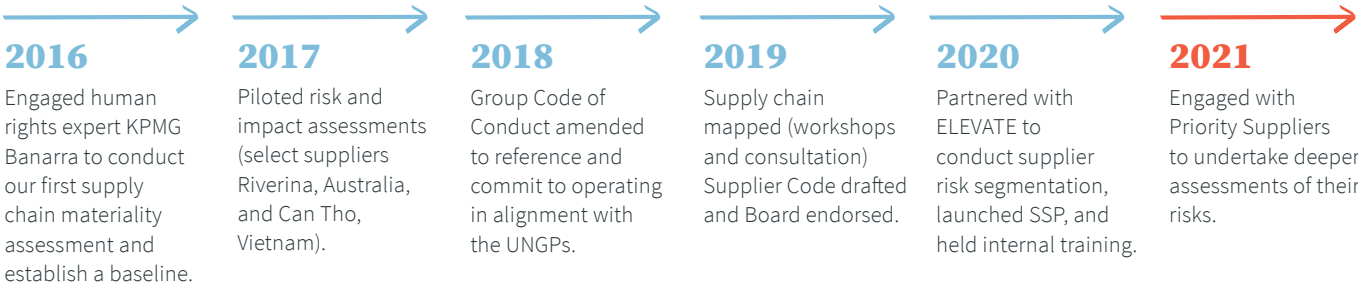


Segmentation outcome for our suppliers



Note: Percentage refers to number of suppliers per segment.

Overview of internal review and processes informing our approach



Assessment of modern slavery risks

Our data-driven approach, powered by the ELEVATE EiQ system, has enabled us to identify the worker groups more vulnerable to human rights abuses in global supply chains. They include children, women, migrant workers, contract and seasonal workers (including agricultural workers), marginalised groups such as people with disabilities, ethnic minorities, or other groups who are vulnerable to discriminatory laws and treatment. Our assessment of modern slavery risks using this approach, includes all SunRice Group operations and supply chains, including those of our subsidiaries such as Riviana Foods and SunFoods.

Key Potential Modern Slavery Risks

In assessing the supply chain of our entire business through the ELEVATE EiQ system, our risk assessment process and due diligence has focused on highlighted industries, products and services which are of higher risk of modern slavery and forced labour. The following sections detail particular areas of higher risk exposure and focus commodities. The risk areas identified below are not exhaustive, but formed the key focus areas for this reporting period. We will continue to report on our efforts to understand and mitigate these risks.

Our operations

Processing, manufacturing and packaging

Our storage, processing, manufacturing and packaging facilities are located in Australia, Jordan, PNG, the Solomon Islands, the United States, and Vietnam. In these countries where crops are grown, harvested, delivered, and manufacturing is conducted, there may be modern slavery risks relating to the employment of casual and temporary workers. We consider our Australian operations to be at low risk of modern slavery. Australia has a strong labour rights regulatory framework and related enforcement, which is supported by internal SunRice policies⁷ and practices.

In other countries in which we have operations, including PNG, the Solomon Islands and Vietnam, there are higher inherent risks of modern slavery. All our operations and subsidiaries are required to operate in alignment with our Code of Conduct, Labour Rights Standard Policy, and other policies which set out clear expectations around the protection of labour rights. We are continuing to map these risks as they relate to our own operations, and will regularly review our due diligence approach and suppliers' responses.



Our supply chain

Agricultural production

Agricultural products are generally associated with higher modern slavery risks. This is mainly due to the nature of the work involved, which is often labour intensive and highly seasonal leading to the use of temporary and casual labour. According to the International Labour Organization (ILO), agriculture is ranked to have the fourth highest number of confirmed forced labour cases out of all industries⁸.

There are also risks of child labour in the agriculture sector in many countries. The ILO finds that worldwide 60% of all child labourers in the age group 5–17 years work in agriculture, including farming, fishing, aquaculture, forestry and livestock⁹. When children are engaged in hazardous work, for example in working with dangerous tools or chemicals (e.g. pesticides) and working under extreme conditions, it is considered the worst forms of child labour and categorised as modern slavery.

As an agricultural and food company, we are cognisant of our high risk areas in our supply chain of food ingredients and products. Our assessment includes the range of products from each of our business segments including our Rice businesses, Riviana Foods and CopRice and we are committed to actively managing these risks through our due diligence program and monitoring and verification activities.

Rice

Rice is considered a high-risk commodity globally, due its association with confirmed cases of child and forced labour in multiple countries of production. Our rice is sourced from 12 countries worldwide, including Australia.

Traditionally, SunRice sources a significant amount of rice from Australia's Riverina rice-growing area, which is not considered a high-risk. Apart from a strong regulatory environment, most of our Australian rice is also grown on broad acre properties, where there is a high degree of mechanisation in the planting and harvesting processes and thus limited demand for manual labour. Despite indications of lower risks, we continue to exercise prudence in our risk management for our Australian rice. We have included our Australian rice growers as part of our SSP and actively consult them regarding our modern slavery approach. Due to the strategic importance of Australian rice to our history and brand identity, we plan to gain a deeper understanding of the labour practices of the Australian rice growers through future review and verification, despite the lower inherent risk present in Australia.

Outside of Australia, we have identified rice suppliers located in countries with high risks of modern slavery through our risk assessment process. We classify these as priority suppliers who we will further engage to understand and manage their risks. Over the past year, we have engaged with some of these priority suppliers through a SAQ process to gain insights on their risk exposure and risk management processes.

Meat and Seafood

Our CopRice business sources a range of meat and seafood products for the production of animal feed. There are elevated modern slavery risks associated with meat and seafood ingredients and products, with substantiated cases of forced and child labour in the global supply chains. For example, in the seafood industry, fishers face deceptive recruitment practices and the incurrence of debts through the recruitment process, physical abuse and violence, physical confinements on- and off- shore, and withholding of wages.¹⁰ Similar labour abuses might also be found in the relatively low-tech, labour-intensive meat industry.

We identified some suppliers of meat and seafood products as priority suppliers for engagement, and expanded our due diligence in the form of SAQs. In the future, we will extend our due diligence efforts to better understand potential risks and deeper tiers of the supply chain of these commodities.



Our operations & our supply chain

Temporary labour and casual labour

Our risk assessment process highlights high risks of modern slavery and forced labour related to the employment of casual and seasonal workers, migrant workers, and those in service-related roles (e.g. who provide janitorial, logistics or security services). These risks apply to both our supply chain, and to certain areas of our own operations.

Casual and temporary workers tend to have fewer employment protections as compared with those in full-time positions, including working time protections, sick pay and protection against unfair dismissal. This can result from their types of contracts, and the higher risk of exploitation by a labour agency, particularly if they are migrant workers. These factors disadvantage workers and increase their vulnerability toward modern slavery practices.

Logistics and transportation providers

Our products and those of our customers are sold across the world. Higher risks of modern slavery have been identified with service sectors such as logistics and transport, associated with shipping and port workers, and drivers. We began engaging with our priority shipping providers on modern slavery risks in FY21, and will continue to develop our due diligence approach for this sector.

Cleaning, security and maintenance workers

Amongst our office-based corporate activities, cleaning, security and maintenance services were assessed to have higher risks of modern slavery during our initial risk assessment, as a result of the nature of the workforce. During the reporting year, these service providers were included within the scope of our SSP.

7. For more details on our policy, please refer to the Policies, governance and training section of this statement.

8. International Labour Organisation – Global Estimates of Modern Slavery: Forced Labour and Forced Marriage (2017). From KnowTheChain 2018 Food and Beverage Benchmarking Report.

9. International Labour Organisation, Child labour in agriculture, <http://ilo.org/ipec/areas/Agriculture/lang--en/index.htm>.

10. Global Slavery Index – Fishing, <https://www.globalslaveryindex.org/2018/findings/importing-risk/fishing/>

Policies, governance and training

Developing and reinforcing our modern slavery governance structure has been a key focus of our program activities for FY21.


We have taken a collaborative approach to identifying and governing our modern slavery related risks. This has involved engagement with our employees, management teams and the Board, to further refine our approach.

Our policies communicate the foundations of our respect for human rights principles, and are designed to ensure our operations and our suppliers protect these rights. Our policies also support our commitment to upholding the Ethical Trading Initiative (ETI) Base Code, which is a set of labour standards based on ILO conventions. It is widely used by ETI members and others to drive improvements in working conditions across the world. The key principles of ETI Base Code are illustrated below and covered in our SunRice Group Code of Conduct training for all new employees.


Key principles of ETI Base Code

ETI Base Code










www.ethicaltrade.org



SunRice is proud to be an ETI Base Code Employer



Ethical Trading Initiative
Respect for workers worldwide

 <p>Employment is freely chosen</p>	 <p>Freedom of association and the right to collective bargaining are respected</p>	 <p>Working conditions are safe and hygienic</p>
 <p>Child labour shall not be used</p>	 <p>Living wages are paid</p>	 <p>Working hours are not excessive</p>
 <p>No discrimination is practised</p>	 <p>Regular employment is provided</p>	 <p>No harsh or inhumane treatment is allowed</p>

Policies

Policies are communicated to employees through the company intranet, email, training modules and other forms of multi-media (such as videos) on SunRice's commitments. Our key policies are also available publicly on our investor relations website, and include:



Sustainability Charter

Defines our commitment to upholding fundamental human rights, and elimination of all forms of forced labour and modern slavery across our operations and supply chain.



SunRice Group Code of Conduct

Defines our standards, values, and expectations for how we operate as a business, including our commitment to the UN Guiding Principles on Business and Human Rights.



Speak Up Policy

Governs our whistle-blower and grievance mechanism and processes, and clearly defines our investigation and escalation processes. The policy prohibits any retaliation against those that report issues of misconduct within our operations and across our supply chain.



Anti-Bribery and Corruption Policy

Demonstrates SunRice's position in relation to zero tolerance for any form of bribery or corruption.



Supplier Sustainability Code

Outlines our standards and business practice expectations for suppliers to align themselves with, and includes provisions on preventing forced labour practices and exploitation within our supply chain. The Code includes minimum requirements on the following:

- Prohibition of forced labour, including but not limited to bonded (including debt bondage), indentured, prison or involuntary labour. Suppliers must take steps to ensure that their operations are free of slavery, slavery-like practices and human trafficking.
- Freely chosen employment, with workers able to enter in and terminate their employment freely without fear of retaliation, threat of physical or mental coercion, or face unlawful notice periods.
- Prohibition of worker identity documents or personal valuables
- Prohibition of debt bondage of any form
- Freedom of movement must be preserved



Group Labour Rights Standards Policy

Outlines our adherence and commitment to the ILO Core Conventions, including the Forced Labour Convention, 1930 (No. 29) and the Abolition of Forced Labour Convention, 1957 (No. 105). Specific focus is placed on freedom of association, forced labour and human trafficking, child labour, working hours, wages and benefits, servitude, diversity and inclusion, including minimum requirements on the following:

- SunRice prohibits the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery and human trafficking.
- Servitude involves when a person does not consider themselves free to stop working, or leave work, because of threats, coercion or deception, and the person is deprived of personal freedoms outside of work. Coercion includes force, duress, detention, psychological oppression, abuse of power or taking advantage of a person's vulnerability.
- SunRice prohibits the hiring of individuals that are under the legal working age in countries we operate in.

Governance

Our governance and approach to managing sustainability performance and modern slavery related risks has been strengthened during FY21.

The SunRice Board has ultimate responsibility for SunRice's sustainability performance, including our supplier sustainability strategy and issues relating to the risks of modern slavery in our operations and supply chain. This year, the remit of the Board's SHS Committee was expanded to include oversight of SunRice Sustainability including both our own operations and supply chain governance. Updates on key sustainability metrics, modern slavery risks, and progress of the SSP are shared with the Committee on a quarterly basis.

Implementation is shared across the organisation, with the CMT driving strategic direction, and business leaders integrating the policies and processes into day-to-day operations.

In FY20, a cross-functional SSP Working Group was set up to oversee identification and decision-making for modern slavery risks. Active consultation with stakeholders across the business through representatives in the SSP Working Group has supported us in defining our approach to modern slavery risks and the SSP overall.

In FY21, the SSP Working Group structure was formalised with clear Terms of Reference. The SSP Working Group meets every four to six weeks to review the status of program activities and implementation, and provide decision-making on critical issues as they arise. An annual review of the performance and effectiveness of the SSP Working Group will be conducted referencing the SunRice Sustainability Charter, commitments disclosed in this statement, and industry best practice.

The SSP Working Group comprises of senior representatives from the following business functions:

- Finance
- Group Procurement & IT
- Legal and Compliance
- Operations
- People & Culture
- Risk
- Sustainability

Governance of Modern Slavery Risks at SunRice



Training

Training is a fundamental part of our compliance framework and our strategy to identify and address modern slavery specific risks. Equipping our own employees and our suppliers with a strong understanding of what SunRice expectations are and their roles and responsibilities ensures that our commitment to upholding human rights is embedded across our business. Our focus this year has been on building our internal capability and knowledge on human rights.

- **Respectful Workplace Behaviour**
The internal refresher eLearning module developed last year was progressively rolled out to more employees across the SunRice business. The course includes information on the following policies: SunRice Group Code of Conduct, equal employment opportunity, and identifying and preventing bullying, harassment and discrimination. The course was provided to 1,014 employees in the last financial year (FY21).
- **Recognising Forced Labour**
Access to an eLearning training on recognising indicators of modern slavery and the requirements of the Australian *Modern Slavery Act 2018* (Cth), was expanded across the SunRice business. This included the executive and senior leadership teams, those in sourcing-related roles, and for our priority suppliers. This training was also completed by the SunRice Board. 527 employees completed this course in FY21.

- **Supplier Sustainability Code**
We have rolled out an eLearning module on the requirements of our Supplier Sustainability Code to internal teams, including SunRice supplier relationship owners, and our suppliers. Covering the indicators of forced labour and the key elements of the SunRice Supplier Sustainability Code, this training module is also publicly available on our website for prospective suppliers and other stakeholders to understand SunRice's requirements and expectations.
- **Targeted engagement**
Aside from our broader training program and eLearning modules, we have undertaken targeted engagement and capability building sessions with specific internal teams that manage higher risk categories and countries. In FY21, this was undertaken for People and Culture, Operations, shipping and logistics, and key personnel in PNG, and will be progressively rolled out for other departments as relevant. These sessions have supported the design of modern slavery specific due diligence approaches for our own operations and suppliers in these countries and categories, and built internal team capability on risk identification and management.

Case Study

Logistics and transport were identified as areas of modern slavery risk exposure through our risk assessment process, which is a common observation for this industry due to the labour-intensive and informal nature of the work involved. Engagement was conducted with our internal teams to build on their understanding on industry approaches to sustainable supply chain management, outsourcing and contractor due diligence, seafarer welfare and responsible recruitment. With growing challenges in logistics and transport as a result of COVID-19, this additional context allowed our key relationship managers to have a good level of understanding of the additional potential labour rights issues which might arise in this sector. This capability building will support ongoing engagement with our key partners on these issues.



Due diligence, action and remediation

Our operations

SunRice occupies a unique position within our industry as both a buyer of many products and services and a supplier to many leading brands. As a supplier we are required to demonstrate robust compliance with customer expectations. We engage with our customers regularly on their sustainability requirements and our practices in line with the SunRice Labour Rights Standards Policy. This includes verifying our compliance through independent third-party assessments. Where any non-compliances are found, these are quickly reviewed to correct the issue and address any root causes to prevent recurrence. We take advantage of mutual recognition arrangements with our customers, making results of our assessments available to our customer base where possible. SunRice encourages the industry to continue to develop and embrace this approach.

Our modern slavery risk assessment identified that processing (milling), manufacture, and packaging are a risk area relating to base skill and casual workers, and third party labour and service providers. Our aim is to ensure that all workers across our operations are aware of their rights, and how to raise grievances as needed. Aligned with this, all employee training and capability building starts with the foundation of SunRice's commitments to protecting human rights. Building understanding and awareness of social and labour standards, and how this relates to employee roles and responsibilities is critical.

Case Study

In FY21, third-party audits of our operations were conducted across Leeton Mill and Specialty Rice Food Group (SRFG), Deniliquin, and CopRice to verify our social and environmental compliance against customer requirements. Our People & Culture team partnered with site leadership teams early on in the process to ensure that employees have a baseline understanding of the purpose of the audits. Our employees demonstrated an open and honest commitment to understanding the issues at hand, and working together to improve our processes.

Training sessions were held with key operations departments and with sales teams to align expectations and ensure consistent application of SunRice Group policies. On an ongoing basis, workers across our operations are regularly trained on their rights as per the ETI Base Code, and SunRice's Labour Standards Policy and Code of Conduct through tool box talks, training sessions, and posters.



Our supply chain

Supplier Sustainability Program (SSP)

Our supply chain due diligence and monitoring activities are under the mandate of the SSP, which launched in May 2020. The program uses a risk-based approach for engaging suppliers in our due diligence and monitoring activities. Our position as a supplier ourselves to many leading global brands has supported in determining our approach to supply chain engagement on issues of modern slavery and forced labour. We are committed to ensuring that our processes and program activities are streamlined to reduce audit and questionnaire fatigue on the part of suppliers, to focus resources on impact and remediation activities.

SSP activities and governance are informed by consultation and stakeholder engagement with our suppliers, internal business partners, customers, and independent human rights experts. Training sessions were conducted for the Operations and People & Culture teams, the CMT, and the Board on the SSP and modern slavery risks within our supply chains.

We are implementing the SSP in a staged and iterative manner as our approach to addressing supply chain risks matures and our governance structure is formalised.

Sustainable Rice Platform (SRP)

Continuing on from last year, we supported the global SRP,¹¹ a collaborative platform between industry, civil society, government and rice industry experts. The SRP Standard sets out an overarching framework for best practice and resource efficiency in the rice industry, covering labour rights-related criteria related such as requirements on child labour, hazardous work, education, forced labour, discrimination, freedom of association and wages. We have piloted the SRP framework among our Australian rice growers in relation to their labour rights practice. We are further exploring partnerships with suppliers to apply the SRP Standards in their operations.



Monitoring and remediation

Following our risk assessment, a segment of priority suppliers were identified based on inherent risk exposure and our business leverage impacts. These suppliers cut across multiple divisions and products/services including: prepared and preserved foods, rice, commodities such as tomatoes and seafood, packaging materials, and mail and cargo transport services. Geographical presence spans Australia, Southeast Asia, the Pacific Islands, and Europe.

We piloted risk-based SAQs with this group of suppliers in order to better understand how they are managing inherent risk exposure. Internal supplier relationship holders and commercial leads were engaged throughout the SAQ process, in dedicated sessions to explain the purpose and intended outcomes of the engagement, to liaise with suppliers as required, and then to review the results. This has allowed us to deepen our visibility of the practices of our priority suppliers. The process has also enabled us to evaluate how SunRice can better support our suppliers to meet increasing labour and human rights expectations and be compliant with our policies.

Governance processes to respond to modern slavery risks

As we conduct further due diligence and engagement with our suppliers on modern slavery risk exposure, it is critical that our internal governance processes and systems are able to respond effectively to identified risks.

The pilot SAQ process has also fed back into our governance structure and program design, supporting us in determining key due diligence and monitoring requirements for suppliers based on both risk exposure and management. Internal consultation has been conducted with legal, finance, People and Culture, risk, and quality assurance stakeholders to ensure alignment across divisions on sustainable procurement practices and requirements for suppliers, and commitment to continuous improvement.

This year we have evaluated where in our existing process sustainability criteria can be integrated. This includes criteria within contractual agreements, and the completion of ethical conduct questionnaires during onboarding. Sustainable sourcing criteria have been included into the New Product Development (NPD) process to ensure that our requirements on labour standards and modern slavery are integrated at the outset when identifying suppliers to meet the needs of a new sourcing workstream.

11. For more information on SRP, please visit <http://www.sustainablerice.org/>.

Access to Remedy: Grievance Mechanisms

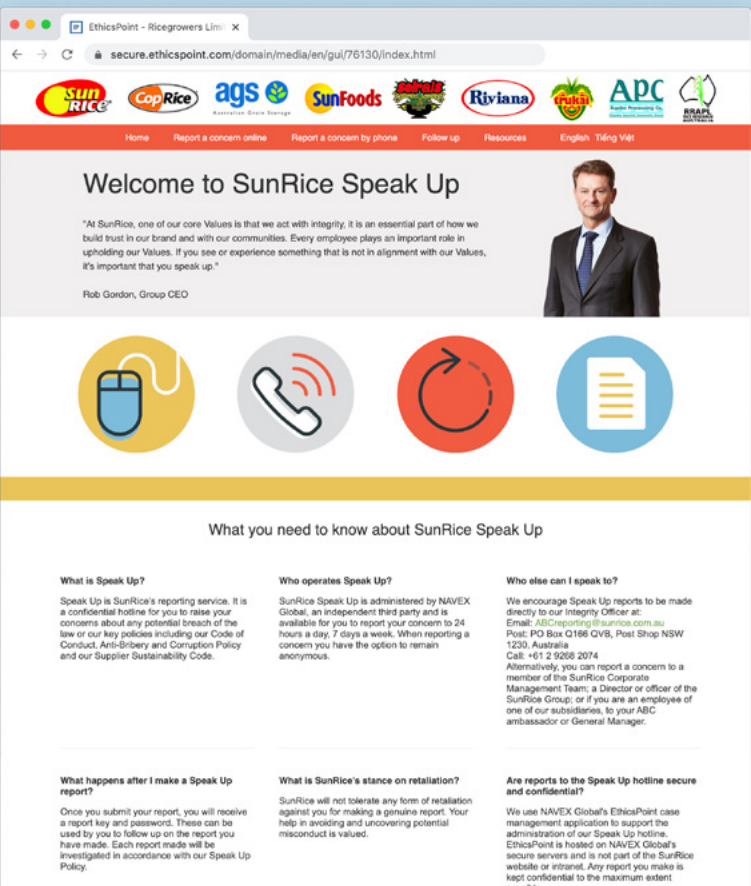
SunRice is committed to providing our stakeholders with access to remedy through effective grievance mechanisms. The SunRice Speak Up Program allows employees, suppliers, communities and other stakeholders to confidentially and anonymously report issues without fear of retaliation. The reporting mechanism is available 24 hours a day and has global reach. Our Group Speak Up Policy specifies the investigation and escalation procedures for grievances that are raised, and how the results of this will be communicated with affected stakeholders.

To ensure that our grievance mechanism is known and accessible by workers in our supply chain, we have developed posters and information for our suppliers to use and display in their facilities. The materials inform workers of their option to report violations against our SunRice Group Code of Conduct through the Speak Up platform. These posters are available publicly on our website. In addition, we require our suppliers to provide their own grievance mechanisms for workers to access. We are continuing to review and adapt our operational procedures to respond to indicators of forced labour, and are committed to reviewing the effectiveness of our grievance mechanisms in line with the UN Guiding Principles.

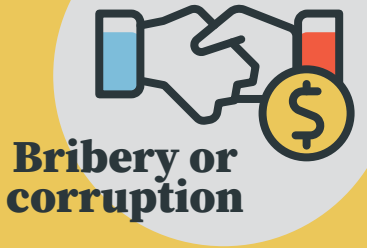


Case Study

This year, SunRice has focused on reviewing the global accessibility and coverage of our Speak Up policy and program. We actively engaged with our key customers, such as Woolworths, on the guidance that they have for supplier grievance mechanisms, to ensure that our processes are aligned with their expectations and industry best practice. In order to enhance our reporting mechanism and capture supplier grievances, our third-party service provider was changed for greater inclusion of labour rights and modern slavery specific grievances. We looked closely at the accessibility and user experience of our grievance channels in different geographical locations. We took into consideration the local context, including telecommunication infrastructure, availability of toll-free numbers, worker ownership of smartphones or personal laptops and cultural norms and language preferences. We diversified our reporting channels by launching a dedicated Speak Up website, QR codes for smart phone use, and increased available language options. Many workers often feel more comfortable disclosing to a trusted internal representative. Examining and ensuring our existing internal reporting channels are as robust as possible has been a key focus over the past year. We have assigned Speak Up ambassadors in our high risk global facilities, and empower them to receive and escalate grievances reported. We have published new posters and informational materials to provide clear instructions for workers on how to access our new reporting lines.



Speak Up!



Bribery or corruption



Forced to work



Underpaid



Underage workers



Bullying or abuse



Unsafe work environment

**Encounter any of the above?
If so, speak up.**

To report a concern to SunRice directly:

Email ABCReporting@sunrice.com.au
Post PO Box Q166 QVB, Post Shop,
NSW 1230, Australia
Call +61 2 9268 2074



Make a *Difference*

To report a concern to our independent Speak Up hotline:

Online sunrice.ethicspoint.com
Australia 1800 953 947
US 833 581 0346
Singapore 800 852 3976
PNG 000 861 271
Vietnam Dial the direct access number for your location: 1 201 0288 or 1 228 0288. Then, dial 833-581-0346 and follow the prompt.



Scan QR code to make a report:

Speak Up is a service managed by an independent third party. It provides an avenue for SunRice employees and suppliers and their workers to report issues confidentially and anonymously.



Assessing the effectiveness of our actions and future plans

Monitoring and measuring the effectiveness of our key program activities on human rights and modern slavery is critical to driving impact. We will continue to evaluate our internal strategy, and the implementation of the SSP on an ongoing basis. The SSP Working Group and Board SHS Committee are responsible for reviewing the effectiveness of our program. We have reviewed and strengthened our internal processes and made progress against the short and long-term goals defined in the last financial year.

This year, we have formalised a three-year road map outlining key steps and processes to achieve our longer term goals.



Key focus areas for the future and indicators to assess programme effectiveness

Focus area	Planned Actions	Indicator
Governance	<ul style="list-style-type: none">Maintain Board reviews of activitiesConduct regular program reviews by the SSP Working Group to evaluate program results, and ensure continual improvementScale modern slavery training and eLearning for employees	<ul style="list-style-type: none">Annual training for directorsQuarterly meetings by Board SHS committeeRegular meetings of the SSP Working GroupNumber of employees completing modern slavery training and eLearning
Risk Assessment	<ul style="list-style-type: none">Review and refresh both our internal and supplier risk assessment processes to reflect changes in operating context and evolving risksEnhance supply chain visibility by progressively extending supplier mapping and risk assessment beyond Tier one suppliers	<ul style="list-style-type: none">Number of suppliers that are risk assessed by country and product/service
Program Monitoring	<ul style="list-style-type: none">Embed modern slavery and labour rights risks further in our internal audit programConduct third party audits and assessments of social risks in our own operationsEngage suppliers through the SSP	<ul style="list-style-type: none">Number of own sites auditedNumber of site visits conducted for suppliers (both onsite and remote)
Remedy and Grievance	<ul style="list-style-type: none">Review Speak Up Policy and Program reports, investigations and responses to identify and address issues.Evaluate existing grievance mechanisms against the UNGP criteria for effectiveness.	<ul style="list-style-type: none">Number of issues raisedChannels used to raise grievances



Our short-term goals:

- Conduct a review of labour practices with rice growers in Australia
- Establish a mutual recognition program for suppliers to recognise their compliance and responsible sourcing programs, reduce audit fatigue, and focus on driving performance improvements
- Continue to strengthen our grievance mechanism process aligned with the UNGP’s effectiveness criteria
- Continue to implement and develop supplier training and resources on labour rights and modern slavery risks
- Continue to develop employee awareness and understanding of modern slavery risks through targeted trainings and capability building
- Continue to engage in multi-stakeholder platforms such as the UN Global Compact Community of Practice in Australia, and the Sustainable Rice Platform and with human rights experts to drive continuous improvement and contribute to wider industry engagement on issues of modern slavery

Our long-term goals:

- Ensure robust governance systems for our SunRice operations on human rights and modern slavery
- Minimise the risk of labour rights abuses in our operations and supply chain
- Build internal capability to identify and remediate issues as they arise
- Foster open and trusted supplier relationships to identify and remediate labour rights issues across our supply chain

Regulatory Disclosure Matrix

This statement was prepared to meet our regulatory disclosure requirements, and complements our existing sustainability disclosure found on the SunRice website and annual sustainability reports.

The table below references where the mandatory criteria are disclosed for the Australian *Modern Slavery Act 2018* (Cth), and where more information can be located across our other disclosure.

Australian Modern Slavery Act 2018 (Cth)

	Mandatory criteria	Disclosure reference
1	Criterion 1: Identify the reporting entity	<ul style="list-style-type: none">• Introduction, page 4
2	Criterion 2: Describe the reporting entity's structure, operations and supply chains	<ul style="list-style-type: none">• Our structure, operations & supply chain, page 6–11
3	Criterion 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	<ul style="list-style-type: none">• Identifying our modern slavery risks, page 12–15• Due diligence, action and remediation, page 20–23
4	Criterion 4: Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	<ul style="list-style-type: none">• Policies, governance and training, page 16–19• Due diligence, action and remediation, page 20–23
5	Criterion 5: Describe how the reporting entity assesses the effectiveness of these actions	<ul style="list-style-type: none">• Due diligence, action and remediation, page 20–23• Assessing the effectiveness of our actions and future plans, page 24–25
6	Criterion 6: Describe the process of consultation with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity giving the statement)	<ul style="list-style-type: none">• Introduction, page 4• Policies, governance and training, page 16–19• Due diligence, action and remediation, page 20–23



Modern Slavery Statement 2021

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