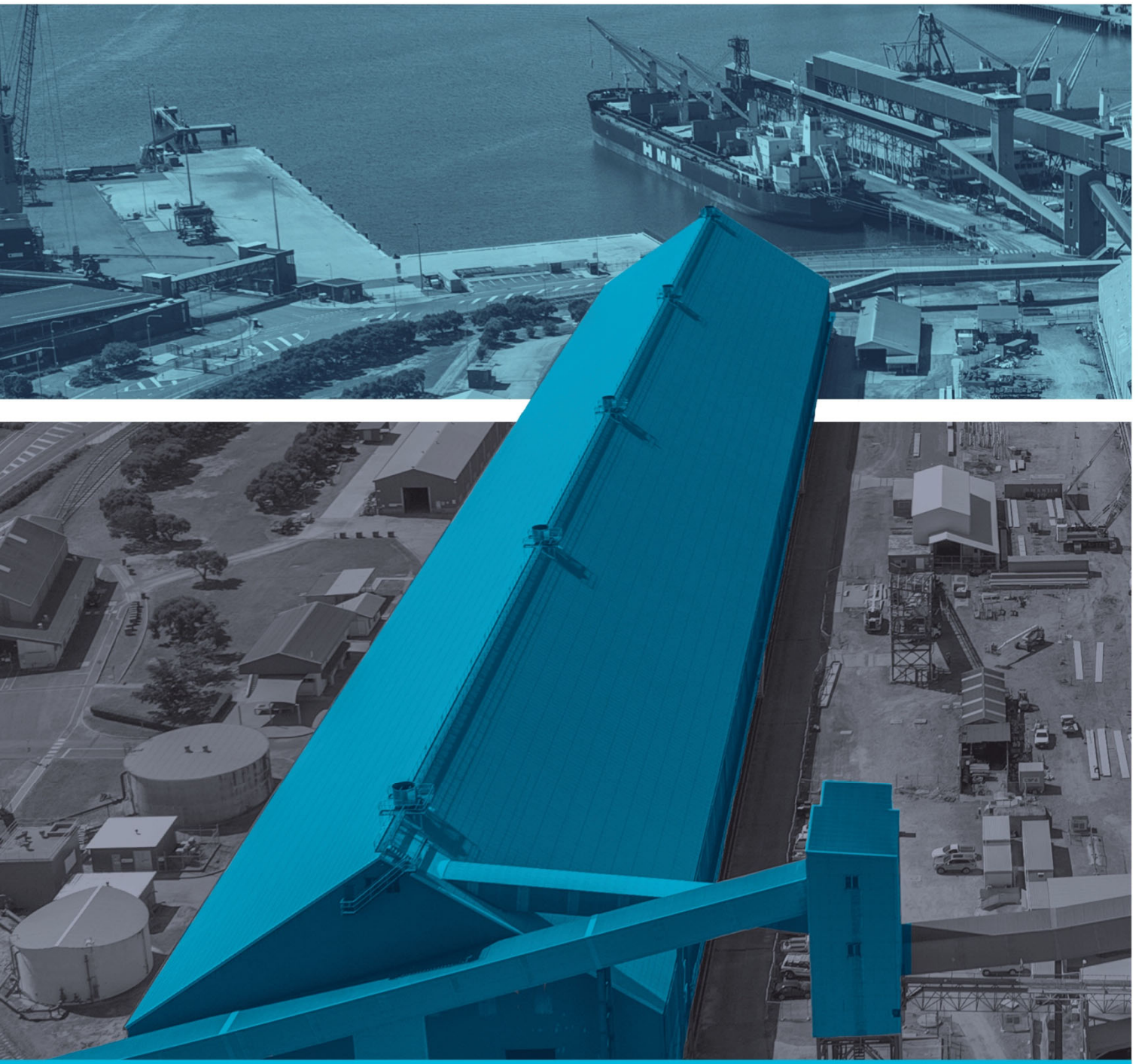




Modern Slavery Statement

2022–2023

Sugar Terminals Limited ABN 17 084 059 601



Introduction

Sugar Terminals Limited (STL) is committed to act lawfully, ethically and with integrity in all its business dealings and relationships. This includes implementing and enforcing effective systems and controls to ensure modern slavery is not taking place in STL's operations or in the supply chains that support it.

This Statement is compliant with the Commonwealth *Modern Slavery Act 2018* which came into effect on 1 January 2019.

Our structure and operations

STL provides sustainable and globally competitive storage and handling solutions for bulk sugar and other commodities through its assets at the ports of Cairns, Mourilyan, Lucinda, Townsville, Mackay and Bundaberg.

STL's six terminals handle in excess of 4 million tonnes of raw sugar and other bulk commodities each year (including molasses, wood pellets, gypsum and silica sands) and provide 2.5 million tonnes of storage capacity to the raw sugar industry.

STL is a single Company limited by shares, incorporated in 1998 and domiciled in Australia. STL is publicly listed on the National Stock Exchange of Australia (NSX: SUG). It has over 4,000 shareholders with ownership restricted to sugar industry participants (growers and millers).

STL's operations are monitored as one operating segment, with the storage and handling of raw sugar in Queensland representing over 95% of the Company's revenue.

STL's operations at its six terminals are managed through an operating agreement with Queensland Sugar Limited (QSL) as its key operations contractor. Through the operating agreement, STL requires QSL to provide all people, systems and processes to effectively perform operational and maintenance services at the terminals. STL does not directly operate, maintain or procure plant and equipment for the terminals.

Our supply chains

STL's supply chains predominately incorporate the suppliers of products and services for the operation and maintenance of its six terminals. This includes:

- providers of people, materials and machinery to construct, maintain and operate plant and equipment at the terminals (including spare parts and servicing)
- site services such as cleaning, security and grounds maintenance
- consulting services such as legal, accounting, engineering, communications and corporate advisory services
- personal protective equipment and clothing
- information technology equipment
- consumables, such as electricity, fuel, oil, tyres, and office supplies

Our Modern Slavery risks

To identify areas of high risk in our operations and supply chains, STL considered four modern slavery risk criteria as indicated below. Where these four risk factors co-exist, there is a higher likelihood of harm to people:

1. High risk industries and categories
2. High risk geographies
3. Intersection with vulnerable people
4. High risk business models

STL has not identified any specific instances of modern slavery in its operations or supply chains. However, our preliminary assessment has identified the following focus areas:

- indirect labour hire engaged to support our operations
- contractor employment activities associated with our infrastructure projects and facilities management
- certain indirect procurement categories known to have a higher prevalence of human rights and modern slavery risks in their industries such as textiles and operating equipment.
- Equipment/machinery manufacturers or suppliers with overseas manufacturing plants.



Our approach

STL is committed to ensuring that there is no modern slavery in our supply chains or in any part of our business.

STL's Modern Slavery Statement reflects our commitment to act ethically and with integrity and to implement effective systems and controls to ensure slavery is not taking place anywhere in our supply chains.

This statement is consistent with the STL's Code of Conduct, which is an overarching business code of conduct which requires compliance by STL employees and suppliers. The Code of Conduct is located on the STL website and requires that STL conducts business in a fair and ethical manner.

Together with the Modern Slavery Statement and Code of Conduct, STL has a number of other documents that complement its efforts to act ethically and with integrity, including:

- Whistleblower Policy – which is designed to ensure that whistleblowers can safely raise concerns about the evidence of any modern slavery practices that may occur in the STL supply chain.
- Risk Appetite Statement - which outlines clear boundaries for risks relating to modern slavery in STL's operations and supply chain.
- Fraud Control Procedure – which describes STL's lack of tolerance for dishonest activity designed to cause actual or potential financial loss to an entity, which covers certain modern slavery practices.

During the reporting period STL examined modern slavery risks with significant suppliers that STL has directly contracted with (first layer of suppliers). Consulting with and understanding the nature of modern slavery risk with this first layer of suppliers (which account for in excess of 95% of STL's external expenditure) allows STL to better understand the nature of its supply chains. STL will continue to work with those first layer suppliers to target the riskiest second layer suppliers.

STL will adopt the following key performance indicators (KPIs) to measure how effective STL is in ensuring that slavery is not taking place in our business or supply chains. In particular we will:

- monitor the number and nature of whistleblower reports in relation to modern slavery
- measure the number of STL modern slavery questionnaires issued to and received back from suppliers (both first and second layer) and monitoring the key risks raised in those questionnaires

Our commitment for the next 12 months

We intend to take the following further steps over the next 12 months to combat modern slavery in our operations and supply chain:

Area	Planned Actions in 2022-2023
Supply Chain	1. Issue a STL Modern Slavery Questionnaire to all new major suppliers and high risk second layer suppliers
	2. Implement a Procurement Policy that incorporates a framework that supports ethical behaviours in procurement. This will include a contractor evaluation checklist and standard contract clauses to cover Modern Slavery compliance
Collaboration	3. Continue to engage with industry groups and forums to share best practice for combatting Modern Slavery
Governance	4. Update all relevant policies to reflect Modern Slavery considerations and commitments
	5. Include Modern Slavery as a six-monthly agenda item at meetings of STL's Safety, Risk and Sustainability Committee

6. Conduct annual training of STL's Code of Conduct with STL employees and Directors



Consultation and approval

This Modern Slavery Statement was prepared by STL senior management who have a detailed knowledge of STL's operations and supply chains.

The Statement was updated and approved by the Board of Directors of Sugar Terminals Limited on 22 May 2023.

Directors and senior management recognise that our review and assessment of STL's actions to identify and address modern slavery risks in our operations and across our supply chain will be an ongoing and evolving process that we are committed to continue to build upon. To this end, we set ourselves annual goals to reach so we can look back and assess the effectiveness of our approach.

(Alan) Mark Gray
Chair

22 May 2023