SUPPLY CHAIN: A PRODUCER’S PERSPECTIVE

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TODAY’S PRESENTATION

• What is happening in Australia?

• An overview of QSL

• The Australian supply chain

• What is important in a sugar supply chain?
What is happening in Australia?
An overview of QSL
QSL at a glance

• Manage over 90% of all Australian raw sugar exports
  – Three year rolling supply contracts give supply certainty.

• Full supply chain control
  – Lease and operate 6 bulk sugar terminals

• Provide a platform for Australian growers and millers to participate in forward pricing up to 5 years in advance

• Owned by Australia’s growers and millers

• Governed by independent Board of Directors
Our priority is to maximise returns for our stakeholders through being customer driven and ensuring consistency and quality of supply

- QSL has four key functions:

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<thead>
<tr>
<th>MARKETING</th>
<th>LOGISTICS</th>
<th>FINANCING</th>
<th>PRICING</th>
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<td>• Maximise returns</td>
<td>• Efficient, safe and customer driven supply chain services</td>
<td>• Low-cost financing</td>
<td>• Access to long term pricing</td>
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<td>• Look after customers</td>
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<td>• Delivering value from QSL’s pricing products</td>
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Logistics is a key QSL strength

- End-to-end supply chain control
- QSL leases, operates and maintains 6 bulk sugar terminals
  - Cairns, Mourilyan, Lucinda, Townsville, Mackay and Bundaberg
  - Priority berthing at each port
- Our supply chain is customer driven – our focus is on time in full delivery
The Australian supply chain
How Australia’s raw sugar supply chain works

Growers
- Around 4,000 cane farmers

Mills
- Supplied by local growers

QSL
- Port terminals
- Shipping

Customers
- Receive sugar in full and on time
QSL’s role in the supply chain

• Production and storage planning and optimisation.
• Sugar is received at one of 6 bulk sugar terminals that QSL managers, operates and maintains
• QSL controls operations and sugar for quality and consistency to customer specifications
• After receiving and storage, QSL loads vessels across our terminal network
  – Work with clients to deliver sugar to spec for different refining needs
What is important in a sugar supply chain?
How do we measure supply chain effectiveness?

- **Customer satisfaction**
  - In full, on time delivery

- **Safety**
  - Improvements driven by staff on the ground

- **Efficient shipping and logistics systems**
  - Reliability and cost of operations
  - Focus on control of weight and quality
Managing the supply chain

• Aligning people and systems
• Automation
• Production, storage and shipping planning and optimisation
  – Produce sugar to specifications customers require
  – Minimise storage times
  – Coordinate shipping schedule
Optimising the Supply Chain

- Directly control port terminals
- Priority berthing agreements at all ports
- Life cycle planning for all assets
Thank you