



Modern Slavery Statement

Dalrymple Bay Coal Terminal Pty Ltd

This statement covers the activities of Dalrymple Bay Coal Terminal Pty Ltd (ACN 010 268 167) (DBCT P/L) for the period of 1 July 2020 to 30 June 2021.

This statement has been prepared in accordance with the requirements in the *Modern Slavery Act 2018* (Cth) (MS Act) and sets out the actions DBCT P/L has taken, and will take, to assess and address modern slavery risks in our operations and supply chains.

A Modern Slavery Working Group has been established within the organisation. The current purpose of the Modern Slavery Working Group is to ensure the establishment of a Modern Slavery Policy, education of our employees and supply chain to assist us to address the modern slavery risks associated with our operations and supply chain, and to measure our management of modern slavery risks against identified metrics.

About us

Our operations

Established in 1981, DBCT P/L is based at the Port of Hay Point, 38km south of Mackay in North Queensland.

DBCT P/L is jointly owned by a group of Queensland's key coal producers – we do not own or control any other entities. Under a commercial agreement with Dalrymple Bay Infrastructure Limited (DBI), DBCT P/L operates and maintains the Dalrymple Bay Coal Terminal (Terminal). The Terminal itself is owned by the Queensland Government and is leased to DBI.

DBCT P/L facilitates the export through the Terminal of predominantly high-grade metallurgical coal from the Bowen Basin to steel manufacturing markets all over the world. The Terminal operates 24 hours a day, 365 days a year. It is an extensive operation that has a maximum export capacity of 85Mtpa.

We engage approximately 380 employees and similar number of contractors. The actual number of contractors will vary depending on the activities being undertaken at the Terminal at any one time.

Our commitments

DBCT P/L is one of the largest employers in the Mackay region and has a proud history of assisting our people in developing the skills and trades that will help them succeed in well-paying jobs in the sector (whether that be with DBCT P/L or elsewhere) or other manufacturing or skilled roles.

Our commitment in that regard recognises our role in creating a sustainable and prosperous future for our local community. We also recognise the broader impact that our operations have beyond our local community.

We are strongly committed to sustainability and as part of our Sustainability Strategy – Handling with Care (which we have jointly published with DBI) we are focussed on fostering meaningful partnerships and conducting business according to the highest ethical and performance standards.

Ensuring sustainable procurement is one of the focus areas of our Sustainability Strategy – Handling with Care and our modern slavery strategy forms a key part of that commitment.

Our industrial arrangements

DCBT P/L's operations and maintenance employees are covered by the *Dalrymple Bay Coal Terminal Pty Ltd Bulk Handling Enterprise Agreement 2020*, and DBCT P/L engages with the AWU, AMWU and ETU, which are the unions that cover DBCT P/L's front-line employees.

DBCT P/L's direct workforce is also supplemented by labour hire provider, Global Product Search (**GPS**), whose employees are covered by the *Global Product Search Enterprise Agreement 2018*. GPS is the exclusive labour hire provider for DBCT P/L. We recognise the vulnerabilities in labour hire arrangements and work closely with GPS to ensure its workforce receive fair pay, conditions and treatment.

Our principal supply chain

DBCT P/L does not own, nor does it use or consume, the coal that is exported through the Terminal. The relevant coal producers retain ownership of the coal and each has direct contracts with the ships that transport the coal to relevant purchasers (or other intermediaries). DBCT P/L does not contract with the shipping companies, the purchasers or end consumers.

In addition, DBCT P/L has contractual relationships with Daltug Pty Ltd (**Daltug**), which operates the tugboats responsible for hauling coal ships to and from the Terminal. Daltug's employees are covered by the *Daltug Pty Ltd Enterprise Agreement*. That agreement also covers the AMOU, AIMPE and MUA, which are the unions that have coverage of employees (who are also shareholders in the business) in the marine hauling industry.

Our ancillary supply chain

Our operations are supported by a range of generally long-term supply and service relationships that we have in place with local manufacturers and distributors. The main types of goods and services that DBCT P/L procures are:

- (a) plant and equipment, and associated parts and tools;
- (b) fuel, energy and utilities;
- (c) general industrial and manufacturing plant and equipment;
- (d) work uniforms and personal protective equipment;
- (e) information technology and professional services.

Modern slavery risks

DBCT P/L fully embraces the MS Act, and as noted above, sustainable procurement forms part of our published Sustainability Strategy – Handling with Care.

We undertook assessments of modern slavery risks in our operations and supply chains over the reporting period to identify any connection to modern slavery practices. We based this assessment on a range of matters including where supply chain participants are based (both within Australia and outside of Australia) and contracting models. Following this assessment, areas for us to focus on include our uniform supply chains and use of labour hire.

Overall, our operations and supply chain have a low potential for modern slavery risks. Our risk profile is summarised in the table below.

Supplier/producer	Risk assessment
Labour hire	Low to Medium DBCT P/L has a long-standing relationship with GPS, its exclusive labour hire provider. We actively engage with GPS in relation to these matters.

Tugboat services	<p>Low</p> <p>Daltug's employees have the benefit of being represented by sophisticated industrial associations and are covered by an enterprise agreement approved by the Fair Work Commission. Additionally, all of Daltug's employees are also shareholders in the company.</p>
Uniforms and personal protective equipment	<p>Medium</p> <p>The uniforms and personal protective equipment that DCBT P/L supplies to its employees and labour hire workers is sourced from reputable Australian-based distributors.</p> <p>However, some of those products are manufactured overseas. For example, in the case of female work shirts, DBCT P/L's distributor sources products from NCC Apparel who manufacturer the shirts in Fiji.</p> <p>We have identified that in some cases, the manufacturers who we do not directly contract with may be based in geographical areas with vulnerable populations or be involved high risk business models. We need to monitor this closely.</p> <p>DBCT P/L has asked its main Australian distributor to provide evidence of how the overseas manufacturers manage the modern slavery risks in their supply chain. This is discussed further below.</p>
Suppliers of plant, equipment and tools	<p>Low</p> <p>We have not identified any particular products in our supply chain in which modern slavery is particularly prevalent. The majority of our capital plant and equipment (for example, conveyor belts) is manufactured in Australia by established companies with long-standing relationships with DBCT P/L.</p>
Professional services	<p>Low</p> <p>DBCT P/L engages professional services from a range of Australian based providers in relation to information technology, whistleblowing hotline, financial services, insurance and legal services. We do not typically engage any professional services outside of Australia.</p>

Actions to assess and address risk

Contractual obligations

Over the last two reporting periods, we have continued to introduce, where appropriate, to new DBCT P/L supply and services contracts, a modern slavery clause that requires our partners to ensure that they monitor the modern slavery risks in their business and provide us with rights to obtain related information. Our standard modern slavery contract terms also continue to be rolled out as DBCT P/L renews its older supply and service contracts, where appropriate.

Specifically, those contractual obligations provide DBCT P/L with the capacity to audit our supply chain partners to ensure that modern slavery practices are not present. If those partners fail to cooperate with such requests, then that will provide a basis for DBCT P/L to terminate their engagements (and the same applies in the event that evidence is discovered of modern slavery practices affecting those partners).

During the reporting period DBCT P/L has requested and received evidence from our clothing provider (Totally Workwear) that it is meeting the obligations under the contract specifically related to clothing sourced by them from non-routine sources (as mentioned below).

Buying local

We continue to be committed to doing what we can to support the Mackay community and take our social responsibility to the area where we work very seriously. As part of this, DBCT P/L is committed to doing what we can to source plant, equipment and tools locally.

Our tender policies continue to reflect DBCT P/L's strong preference for locally made products and our procurement team keeps this front of mind.

COVID impacts

As we reported in our last Statement, the ongoing impacts of COVID-19 highlighted the risks of overseas producers. As explained above, we remain committed to doing business as local as possible which assists us to manage this risk.

The other issue that we identified as a result of COVID-19 is that face to face meetings with our supply chain partners, and physically attending manufacturing or production locations, have been difficult. To manage this risk, we have continued to engage directly with suppliers, albeit online in some cases, and otherwise have established our Modern Slavery Working Group who will as an action in the next reporting period, monitor information regarding 'best practice' management of modern slavery risks during the current COVID-19 pandemic.

Our uniform supplier

DBCT P/L has ongoing and close relationships with our uniform suppliers, including Ojema Group Pty Ltd trading as Totally WorkWear to better understand the employment conditions and practices that apply in the overseas manufacturing facilities from which it sources finished products, as well as to understand which producers supply its raw materials, and their country of origin.

Totally WorkWear has been actively working with its suppliers to identify, assess and address modern slavery risk. Totally WorkWear has an Ethical Sourcing Policy which its suppliers must comply with. Further, most of its suppliers have their own ethical responsibility policy/guidelines/statement and some are accredited by Ethical Clothing Australia.

During the next reporting period, we will continue to monitor this risk.

Policies and procedures

During the reporting period, DBCT P/L had several policies and procedures that complement the MS Act's objectives, including its:

- Sustainability Strategy – Handling with Care (see further above) – this outlines DBCT P/L's approach to the environment, business performance, community partnerships, and people.
- Health, Safety, Environment and Quality Policy – this notes DBCT P/L's commitment to continual improvement and ensuring compliance with all applicable laws and standards. Included in this Policy is guidance for ensuring that DBCT P/L's employees, subcontractors, suppliers, and consultants are trained and competent, and are aware of their responsibilities and accountabilities in respect of those applicable laws and standards.
- Code of Conduct – this outlines conduct guidelines that all workers must observe, as well as our core values of integrity, courage, accountability, respect, excellence, and initiative.
- Grievance policies and Whistleblowers Regime – these provide mechanisms for workers to raise concerns. In particular our Whistleblowers Regime provides a confidential, external hotline to enable persons to raise issues.

Modern Slavery Working Group

During the reporting period we formed a Modern Slavery Working Group. The Group will meet twice a year and monitor the modern slavery risks in our operations and supply chain. This Group has

executive, procurement and human resources representation which will provide information to the Board and Chief Executive in relation to modern slavery where necessary.

Among other things, the Group is also responsible for assisting the business to ensure that it continues to manage the risks identified in this statement and for identifying any additional steps that might be taken to monitor the compliance of our supply chain partners.

Education

In addition to educating our supply chain partners during review meetings, we are also investing in training our workforce in relation to modern slavery and social licence.

Along with other sustainability matters, modern slavery has been added as a topic for our Annual Compliance Training that will occur each year to update relevant employees on a range of regulatory and legal matters. This training is scheduled to occur in the last quarter of the 2021 calendar year and each year thereafter.

Measuring our success

In our last statement we committed to the following actions, which we have achieved:

- Assess the effectiveness of our actions by reviewing our modern slavery processes. During the reporting period we have addressed this with participants in our supply chain and we have established our Modern Slavery Working Group to support further assessment going forward.
- Establish a Modern Slavery Working Group, which we have done.
- Introduce modern slavery as a discussion item with our supply chain partners when relevant. Again, as outlined above, when reasonable and appropriate, we have done so through our supplier meetings.

We have also monitored grievance and whistleblower matters (to the extent possible) and we are not aware of any complaints in relation to modern slavery matters during this reporting period.

The key performance indicators that will be measured against in future reporting periods are as follows:

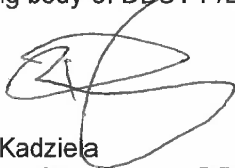
- The number of contracts with suppliers that contain modern slavery provisions – percentage of all new DBCT P/L and older contracts if renewed.
- The percentage of identified employees who have completed training on modern slavery – this will be reported on as the training is rolled out.
- Any grievances or other complaints regarding modern slavery.

As part of our commitment to continuous improvement, over the coming reporting periods, we will continue to review and develop these measures.

In the next reporting period, our goals are as follows:

- Our Modern Slavery Working Group will meet bi-annually to support the business to identify and manage modern slavery risks.
- We will continue to liaise with our supply chain partners and review contractual arrangements for modern slavery compliance.
- We will develop and implement a Modern Slavery Policy.
- We will train and educate our staff, when relevant, in relation to modern slavery risks.
- We will review metrics to assist us to assess the impact of our modern slavery risk management to enable us to measure our success.
- We will continue to raise modern slavery at performance meetings with our supply chain partners, when relevant.

This statement was approved by the Board of Directors of DBCT P/L, in its capacity as principal governing body of DBCT P/L, on 21st October 2021

A handwritten signature in black ink, consisting of several overlapping loops and a vertical stroke, positioned above the name and title.

Mr Dan Kadziela
Chairman of the Board – DBCT P/L