

**CITIC Resources Australia Pty Ltd**

**Group**

**Joint Modern Slavery Statement**

**For the 2023 Financial Year**





# Joint Modern Slavery Statement

## 1. Reporting entities

This Statement covers CITIC Resources Australia Pty Ltd and its controlled entities (collectively termed as the Group). Specifically, the following companies within the Group are classified as reporting entities under the Modern Slavery Act 2018 (the Act):

1. CITIC Resources Australia Pty Ltd (ACN 107 652 817) (CRA)
2. CITIC Australia Coal Pty Ltd (ACN 050 137 972)
3. CITIC Australia Coppabella Pty Ltd (ACN 067 547 442)
4. CITIC Australia (Portland) Pty Ltd (ACN 006 483 941)
5. CRH Trading Pty Ltd (ACN 603 950 778)

Other than CRA, the entities listed above are wholly-owned subsidiaries of CRA.

This Statement is prepared by the Group in accordance with the Act. The Statement sets out the actions taken to assess the risk of modern slavery in its business operations and supply chain during the reporting period from 1 January 2023 to 31 December 2023.

## 2. Structure, operations and supply chains


### Structure

CRA is a large proprietary company as defined under section 45 of the Corporations Act 2001 (Cth). CRA is a wholly-owned subsidiary company of CITIC Resources Holdings Limited (CRH), an entity incorporated in Bermuda and is listed on the Hong Kong Stock Exchange.

Collectively, CRA and CRH are majority owned by CITIC Limited, an entity incorporated and listed in Hong Kong. CITIC Limited is majority owned by CITIC Group Corporation which is a China incorporated entity.

Within the Group, there are 9 entities as at 31 December 2023, all of which are wholly-owned by CRA. The subsidiaries within CRA comprise 8 Australia incorporated companies and 1 Chinese company.

The registered office of CRA and its reporting entities is located at Level 7, 99 King Street, CITIC House, Melbourne, Victoria 3000. CRA directly employs 15 people in Australia and 1 people in China as at 31 December 2023.



The operations of the Group are governed by a Management Committee which is responsible for the strategic direction of the Group, the performance of the Group's operations including approval of budgets, decisions on capital expenditure and asset divestment, and is the main decision-making body for key strategic and operational matters. The Management Committee reports to CRA's Board of Directors.

### Operations

The Group's operations comprise directly managed operations as well as investment in a number of joint ventures. During the reporting period, the core operations of the Group include:

- aluminium smelting and sale and marketing of aluminium produced;
- exploration, mining and sale of coal;
- imports of metal and manufactured products; and
- investment holding.

During the reporting period, the Group directly manages the following operations:

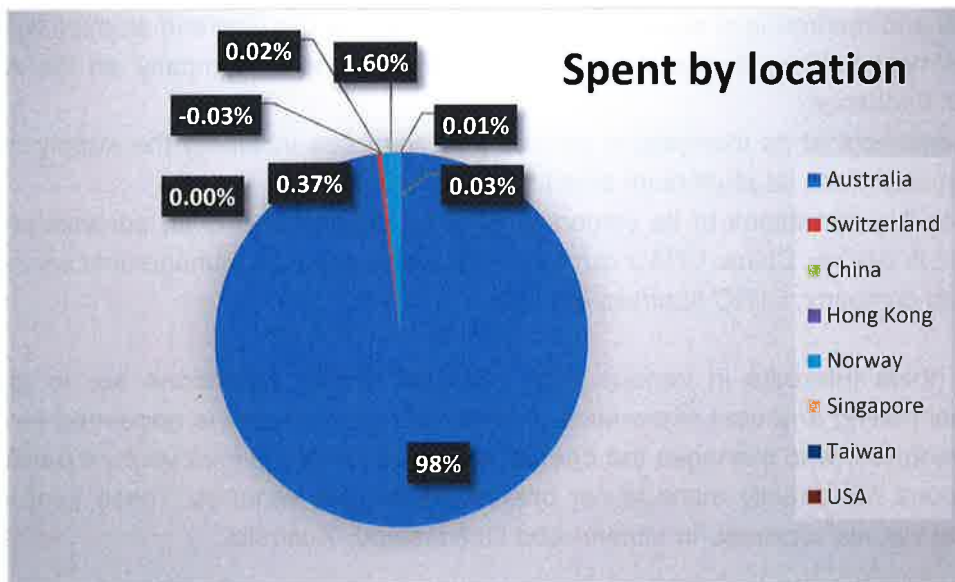
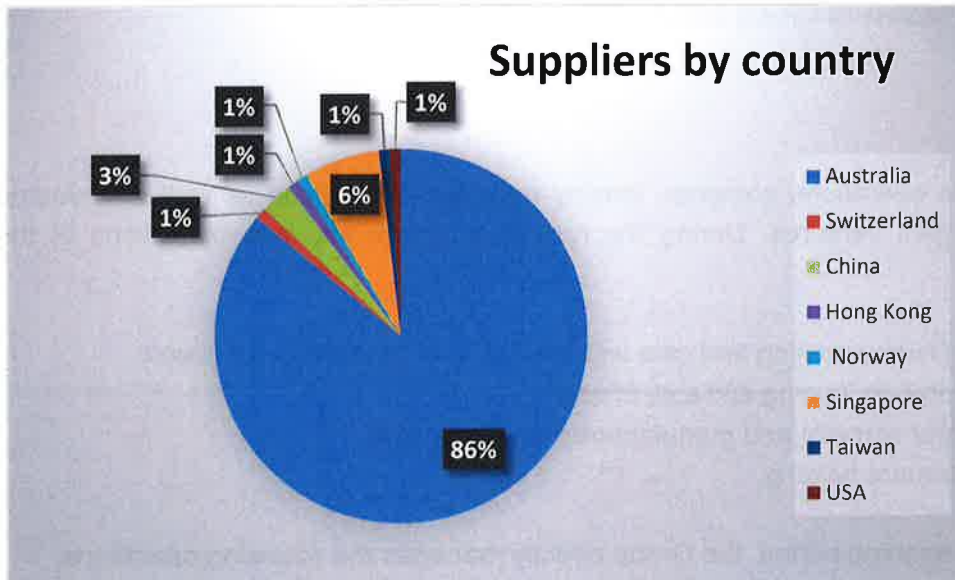
1. Sales and marketing of aluminum ingots produced by the Portland aluminium smelter
2. Investment holding in Alumina Limited, a listed Australian company on the Australian Stock Exchange
3. Management of its interests in various joint ventures including the supply of certain raw materials to its aluminium smelting joint venture
4. Day-to-day operations of its corporate office in Melbourne and an administrative office based in Beijing, China. CRA's corporate office also provides management services to its related company, CITIC Australia Pty Ltd.

The Group holds interests in various joint ventures whose operations are in aluminum smelting, coal mining and coal exploration. A joint venture manager is appointed for each of these joint ventures, who manages the operations on behalf of the joint venture partners. The Group does not directly manage nor operate these joint ventures. These joint ventures are located at various locations in Victoria and Queensland, Australia.



### Supply chains

During the reporting period, the Group has a global supply chain which is made up of 107 suppliers across 8 countries.



The total spends amounted to US\$217 million during the reporting period. The largest spend categories were cash contributions to support our joint venture operations and purchases of finished goods such as steel products for sale as well as purchases of raw materials. Our supply arrangements range from purchases on a spot basis to longer term supply arrangements, generally no longer than *five* years.



### **3. Risks of modern slavery practices in the operations and supply chains**

86% of the Group's suppliers are based in Australia, which is generally deemed to be of lower modern slavery risk. In addition, the Group does not procure material amounts of products identified as at-risk products produced with modern slavery imported by the G20 countries<sup>1</sup> within its operations.

The Group is dedicated to providing fair employment conditions for its staff and adheres to relevant Australian employment laws. Therefore, the Group's overall exposure to modern slavery risks is deemed to be minimal.

The Group evaluates modern slavery risks in its operations by enforcing a Code of Conduct given to all employees, detailing the high standards for fair and ethical behavior towards suppliers, customers, contractors, and colleagues.

The Group has put in place a whistle-blowing policy designed to encourage employees and business partners to come forward and report any observed or suspected misconduct by other employees or associates that may impact the Group.

When evaluating the risks of modern slavery in operations not directly controlled by the Group, the Group examines the ethical and fair business practices followed by the joint venture manager. This assessment includes reviewing the joint venture manager's policies and procedures, historical records of reported human rights incidents, and any modern slavery-related issues discussed during the joint ventures' management committee meetings throughout the year. This information helps the Group assess modern slavery risks within joint venture operations.



#### **4. Actions taken to assess and address these risks including due diligence and remediation process**

Throughout the year 2023, we evaluated the risk of modern slavery within our direct operations and supply chain by implementing the following measures:

1. Enhance the Group's comprehension of modern slavery risks and their potential impact on our operations and supply chains by elevating employees' awareness of these risks in daily activities through the implementation of the Group's relevant policies and codes of conduct, as well as through discussions in team meetings.
2. Lead by example from senior management by recognizing that modern slavery may impact our businesses and emphasize a zero-tolerance approach for modern slavery practices and behavior within the organization.
3. Gain a comprehensive understanding of the modern slavery risk areas within our operations and across different departments such as finance, legal, and human resources.
4. Conduct a high-level assessment of our direct suppliers who deliver goods and services to the Group. This will identify any potential sector or industry risks, product or service risks, geographical risks, and entity risks, thereby helping to shape our supplier risk profile. The insights gained will assist management in evaluating our suppliers for modern slavery risks and guide our engagement strategy with them.
5. Reviewed our supplier base noting that the Group does not transact with suppliers from the top 10 countries with the highest prevalence of modern slavery<sup>1</sup>.
6. Enacted the Group's modern slavery policy, which outlines the Group's goals and processes for addressing, identifying, and mitigating the risks of modern slavery within our operations and supply chain.
7. Regularly meet with relevant employees to emphasize ongoing awareness of modern slavery risks and to reinforce the Group's objectives and procedures for managing these risks.

In assessing modern slavery risks within the joint ventures, management have enquired and discussed with the managers of the joint ventures on their policy, practices and statements on modern slavery risks within those operations. There were no incidents reported by the joint venture managers relating to violation of human rights or modern slavery practices during the reporting period.

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<sup>1</sup> Based on the Global Slavery Index 2023 produced by the Walk Free Foundation.



## **5. How the reporting entity assess the effectiveness of these actions**

The Group is committed to continual improvements in our approach to identifying, addressing and mitigating modern slavery risks within our operations and supply chains. This is best achieved through creating a culture of ethical and fair business practices by ensuring that corporate governance is practiced through clear and well communicated policies and procedures and leading by example from senior management of the Group.

We will periodically review our Modern Slavery policy to ensure it complies with the Act and remains suitable for changes in the Group's operations or supply chains.

We will keep interacting with our suppliers and asking for details to understand how they are managing their modern slavery risks within their operations and supply chains by using our risk assessment form. This will help the Group evaluate any necessary actions if potential modern slavery risks are discovered.

We will review this Statement and evaluate our efforts to address modern slavery risks, along with the effectiveness of our policies and procedures, on an annual basis. Management will conduct thorough investigations into any potential or actual instances of modern slavery practices, followed by appropriate remediation actions. Key findings and outcomes will be reported to the Group's Management Committee.

## **6. Process of consultation with any entities that the reporting entity owns or controls**

We will share this Statement and our Modern Slavery policy with all employees and senior management in the Group. CRA will provide relevant training to help employees understand their duties under this policy and identify modern slavery risks within the Group and its supply chain.

## **7. Other relevant information**

The Group's Modern Slavery policy and associated policies and procedures can be provided upon request. Please send your request to:

Company Secretary  
CITIC Resources Australia Pty Ltd  
Level 7, 99 King Street  
CITIC House  
Melbourne  
VIC 3000 Australia



### **8. Approval by CRA's Board of Directors**

This Statement has been approved at a board meeting by the Board of Directors of the reporting entities on 31 August 2024.

This Statement has been approved by Lei BIAN, Director of the Board of Directors of CITIC Resources Australia Pty Ltd.

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Lei BIAN

Director  
CITIC Resources Australia Pty Ltd

31 August 2024



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**CITIC Resources Australia Pty Ltd (ACN 107 652 817) (the "Company")**

**Record of resolution of the sole director of the Company pursuant to section 248B of the Corporations Act 2001 (Cth)**

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**Resolution:** The director is in favour of the following resolutions and resolves to pass the following:

- (a) That the modern slavery statement annexed to this resolution be approved as the modern slavery statement for the Company for the purposes of the Modern Slavery Act 2018 (Cth).
- (b) The Director directs the Company to take any action which may be necessary or desirable to give effect to this resolution.

**Signed by**



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Signature of Lei Bian - Managing Director

Dated: 31 August 2024