

# Modern Slavery Statement



## Jellinbah Group Pty Ltd – June 2021

### Introduction

This statement covers the activities of Jellinbah Group Pty Ltd (ABN 54 010 754 793) (**Jellinbah**) and its owned and controlled entities during the financial year ended 30 June 2021.

This is Jellinbah's annual statement under the *Modern Slavery Act 2018* (Cth) and sets out the actions it has taken to assess and address modern slavery risks in its operations and supply chains.

### 2020/21 Modern Slavery Breaches

During the reporting period, Jellinbah did not become aware of any breaches by it, or by its supply chain, of either the provisions or spirit of the Modern Slavery Act. No potential breaches were brought to the attention of the Company by its employees, service providers or suppliers.

### About us

At Jellinbah, we recognise that respecting the human rights of those affected by our business activities is essential and reflects the "Jellinbah Way" in terms of what matters to us and how we behave.

Jellinbah is a company incorporated in Australia and our registered office is located at Level 7, 12 Creek Street, Brisbane City Queensland 4000.

Jellinbah has a number of subsidiary entities in its corporate group: Lake Vermont Resources Pty Ltd (ABN 28 114 286 841), QCMM (Lake Vermont Holdings) Pty Ltd (ABN 22 114 286 878), Lake Vermont Marketing Pty Ltd (ABN 30 114 286 850), QCMM Finance Pty Ltd (ABN 79 059 230 992), Tremell Pty. Ltd. (ABN 86 010 949 774), Jellinbah Mining Pty Ltd (ABN 63 052 251 000), Jellinbah Resources Pty Ltd (ABN 60 010 825 215), Bowen Basin Coal Pty. Ltd. (ABN 22 065 321 440) and JG Land Company Pty Ltd (ABN 20 114 286 869).

Established in 1988, Jellinbah is a privately owned independent Queensland based coal company, with operations in Central Queensland's Bowen Basin. The group has two operating mines, Jellinbah East Mine and Lake Vermont Mine, with a combined production capacity of 14 million tonnes per year. The mines produce metallurgical coals, which is all exported to be used in the steel making process. The head office for the business is in Brisbane.

As at June 2021, Jellinbah engages a combined workforce of around 1,276, of which 260 are direct employees and 1,016 are employed through site contractors. This can be broken down between our mining operations at Jellinbah Mine and Lake Vermont (operated by Thiess Pty Ltd) as follows:

Mine	Permanent Employees	Contractors
Jellinbah	257	142
Lake Vermont	3	871

## ***Our supply chain***

Jellinbah works with many suppliers that source mining equipment and goods from a number of countries. Its suppliers are all located in Australia. However, they import mining equipment and consumables from overseas, including Japan, the USA, China, and Europe. Jellinbah does not directly source goods from overseas.

Jellinbah's business model is to contract directly with Australian based entities and source from the Australian market if possible. As a result, the majority of its service providers are covered by Australian industrial relations legislation, which, overall, reduces the risk of employee underpayments.

The main types of goods and services that Jellinbah procures include mobile mining equipment and associated parts, fuel and explosives, general industrial, logistics and freight, energy and utilities, general supplies, professional services and information technology. The supply chain also includes the services provided by contractors and consultants, and their respective supply chains.

Jellinbah generally seeks to engage suppliers on long term, stable contracts, but depending on business needs, it also has short term purchasing arrangements.

## **Modern slavery risks**

Jellinbah recognises that modern slavery may impact its business activities and it endeavours to take responsibility for reducing the risk that it might inadvertently contribute to modern slavery through its operations and supply chains.

### ***Risk assessment***

The Company's exposure to Modern Slavery Risks is assessed each six months in conjunction with its half-yearly review of all corporate level risks.

The Company has developed a risk assessment methodology, which considers a number of indicators of modern slavery risks, including sector and industry, the type of products and services, geographical location and specific entity risk.

The last assessment indicated that Jellinbah's operations and supply chain have a low potential for modern slavery risks. Key aspects of the risk profile are summarised in the table below.

### ***Risk profile***

<b>Risk</b>	<b>Description of risk</b>
Sector /Industry level risk	The mining industry in Australia is generally considered a low risk because its industrial environment is highly regulated and monitored by independent parties. There is, however, a presence of labour-hire employment arrangements, which have potential to conceal risks and might reduce employment certainty. All wage-based workers at both mine sites are engaged under enterprise agreements, approved by the Fair Work Commission, and, as a result, there is low risk in terms of the employment arrangements.
Product / Service risk	Some services procured (for example, minor maintenance; office cleaning; freight delivery; international cargo ship charter) pose an elevated risk, due to the prevalence of unskilled workers. Some products procured (for example, explosives, safety supplies and electrical supplies) pose an elevated risk, due to cost pressures and delivery timeframes, which may force suppliers to impose excessive working hours and low wages. We are also conscious that some of our products may be developed in countries where there is a risk of labour exploitation (see below).
Geographic risk	Every country has modern slavery risks. Some products used may originate from countries where there is a higher risk of labour exploitation. We are continuing to improve the traceability of goods and services in our supply chain, with a focus on countries with an elevated risk, due to the increased slavery risks there.

Specific Entity risk	We are not aware of any suppliers in our supply chain with modern slavery practices. However, we are continuing to engage with our suppliers to maintain confidence in their supply chain and to ensure that they understand Jellinbah's policies and expectations.
COVID 19 risks	COVID-19 may continue to expose areas of the supply chain to elevated modern slavery risks, due to some workers being more desperate to secure / retain work.

## 2021 Actions to assess and address risk

During the reporting period, Jellinbah introduced a number of measures to assess and address modern slavery in its operations and supply chains. In summary, these include:

1. The establishment of a Modern Slavery Compliance Working Group;
2. The development of Modern Slavery Policy;
3. Engagement with the most significant suppliers to the Group, in regard to Modern Slavery expectations;
4. The establishment of a Modern Slavery awareness package, for annual staff training;
5. The inclusion of Modern Slavery as an item for half yearly review, as part of the wider corporate risk management process; and
6. The inclusion of Modern Slavery provisions in new supply chain contracts.

Each of these actions stemmed from the Company's annual Action Plan and will also be carried forward into the next annual Action Plan, to constantly review and improve the effectiveness of the actions.

## 2022 Focus

The main focus for the 2021/22 reporting period will be to consolidate and strengthen the actions implemented in 2020/21, to ensure their effectiveness over the long term. It is the intention to continually review these processes to identify and implement improvements, recognising that such actions will never truly be 'finished', but will need constant evolution to respond to changing environments.

## Supporting Policies and procedures

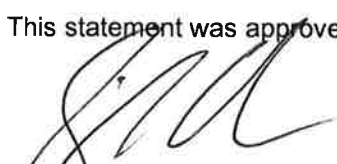
Jellinbah has in place a number of policies and procedures to serve as a strong governance foundation, upon which to base a framework for addressing Modern Slavery risks including:

- The Jellinbah Way – Our Code of Conduct: This makes it clear that Jellinbah is committed to do business in a way that earns respect for our business within our communities and that we are appreciative and supportive of the communities in which our business operates. This includes doing everything we can to avoid modern slavery risk in our supply chain.
- Grievance procedures: The business has in place mechanisms for employees and contractors to raise concerns, without fear that their future employment prospects will be adversely affected.
- Jellinbah's contracting and procurement standards include ethical business practices, to ensure that decisions are not just based on supply costs.

## Consultation

This statement has been prepared by the Modern Slavery Compliance Working Group, in consultation with appropriate executives and the Chief Executive Officer of Jellinbah.

This statement was approved by the Board of Jellinbah Group on 15 December 2021.



Craig McCabe  
Chief Executive Officer