



MODERN SLAVERY STATEMENT
Reporting year ended 31st March, 2021

1. INTRODUCTION

This Modern Slavery Statement is for North Queensland Export Terminal Holdings Pty Ltd ABN 17 154 644 685 (**NQXTHPL**) and NQXT Port Pty Ltd ABN 61 150 498 098 (**NQXTPPL**) (together NQXT Group) which are reporting entities under the *Modern Slavery Act 2018* (Cth) (the Act). This is the joint statement for the NQXT Group.

The NQXT Group is part of the global conglomerate, Adani Group and is committed to combating the risk of modern slavery in our supply chains and in any part of our business. As one of the goals of the Adani Group is to act with integrity, we strive to act fairly, ethically, and openly in everything that we do.

This Modern Slavery Statement is prepared in accordance with the Act and describes the Risks of Modern Slavery in NQXT Group's business, steps we have taken and planning of the next steps to be taken during the financial year, ended 31st March 2022 to identify, manage and mitigate the risks in our operations and supply chains and how we evaluate the effectiveness of our responses.

For the purposes of this statement, references to 'We', 'Us' and 'Our' collectively refers to NQXT Group and each of its reporting entities covered by the statement.

2. THE NQXT STRUCTURE, OPERATIONS AND SUPPLY CHAINS

2.1. STRUCTURE

NQXTHPL is an Australian Proprietary Company, that was established in 2011 and is headquartered in Brisbane, Queensland. NQXTHPL is the holding company of North Queensland Export Terminal Pty Ltd (**NQXTPL**).

NQXTPPL is an Australian Proprietary Company, that was established in 2011 and is headquartered in Brisbane, Queensland. NQXTPPL is the holding company of NQXT Holdings Trust (**NQXHT**) and NQXT Holdings Pty Ltd (**NQXTHPL**).

NQXTPL together with NQXHT owns the North Queensland Export Terminal (**NQXT** or **Terminal**) in north Queensland. Close to a decade since privatisation in 2011, NQXT Group continues to be the owner of a strategic asset to Queensland due to the proximity of the Terminal to the resource rich Bowen Basin and Galilee Basin, its remote location from urban development, and access to deep water.

NQXT Group is controlled by Abbot Point Port Holdings Pte Ltd, a Singapore registered company.

2.2. OPERATIONS

At the date of making this statement, NQXT Group has 8 employees based in our Brisbane office. Employees are employed under individual contracts.

NQXT Group has one major long-term Operations and Maintenance Contract (**O&M Contract**) in place with another Adani Group owned Company, "Abbot Point Operations Pty Ltd" (**APO**) under which NQXTPL contracts out the operation and maintenance function of the Terminal to APO. Pursuant to the terms of the O&M Contract, APO is responsible for all servicing and maintenance as



well as operating the Terminal daily. Accordingly, as owners of the Terminal, NQXT Group does not have oversight or visibility of the procurement and supply chain activities of the Terminal operator. However, NQXT has been assessing the most suitable and effective risk assessment framework and started embedding these frameworks into our governance processes in order to enable us to assist and satisfy ourselves that APO are trading ethically (see section 4 for further detail). In addition to this, APO prepares its own Modern Slavery Statement which gives the NQXT Group greater insight into its procurement practices and greater comfort with respect to knowing they too are complying with modern slavery reporting obligations.

In addition, the NQXT Group contributes to the sustainability of the local communities in which we operate. Our contributions to the community focus on education and the environment.

The interests outlined above form the key investments of NQXT's business.

2.3. SUPPLY CHAINS

We are an infrastructure company, with employees located in Brisbane. We facilitate the export of minerals essential to human progress and development and by doing so efficiently and effectively, we aim to deliver superior returns to our shareholder while safeguarding the environment and meeting our wider obligations to society. Our website (www.nqxt.com.au) provides more detailed information about our business, including our strategy, philosophy, and operations, as well as our approach to sustainability. NQXT manages a small number of approximately 50 suppliers primarily located within Australia. Our procurement team manage the majority of this spend, with the support of our finance, legal and human resources team.

NQXT Group continues to enhance its processes and implement new processes aimed at ensuring that we only work with appropriate suppliers who can meet the standards that we expect. Most of our direct suppliers by value are from Australia. When measured by value, most of our payments are made to suppliers in Australia.

As part of our commitment to local procurement, where needed, we provide prospective suppliers with technical support to help them meet our procurement standards. We source a relatively narrow variety of goods and services. Not including the O&M Contract with APO, the majority of suppliers are professional services (financial and legal mainly from leading accounting and legal firms within Australia, where geographical risk is assessed as low in regard to modern slavery). Based on our current processes, we believe our exposure to Modern Slavery Risk is likely to be low. Other risk-based frameworks are being considered as additional tools to ensure suppliers are acting in line with NQXT Group's expectations (please refer section 4 for further detail).

3. MODERN SLAVERY RISKS IN OPERATIONS AND SUPPLY CHAINS

The nature of the NQXT Group's business relates to the ownership of major infrastructure. As outlined above, our direct supply chain is narrow and is limited to goods and services procured for the administration of port ownership and its operations.

In relation to NQXT Group's operations, we have a limited footprint which relates to our exposure to our coal producing customers (the Users of the Port). The Terminal is operated by another entity under an O&M Contract. The O&M Contractor exercises control or oversight over the identification



and management of Modern Slavery Risk associated with the Terminal operations.

However, we seek to manage our exposure to Modern Slavery Risks by selecting partners and counterparties, with strong governance and human rights practices and ensuring they have adequate risk mitigation processes. Current processes include initial due diligence, the requirement for completion of the Key Supplier Modern Slavery Questionnaire and research on our corporate partners to assess their publicly stated stance on addressing the risk of Modern Slavery (Our current processes and actions are further discussed in section 4).

4. THE NQXT GROUP'S ACTIONS

4.1. What are the NQXT Group's actions?

Supply Chain Due Diligence

During the reporting period, NQXT Group finalized and completed a further round of supply chain due diligence when we commenced rollout of the newly developed Key Supplier Modern Slavery Questionnaire which was sent to, completed and returned by all suppliers with an annual spend more than A\$250,000, including APO as operator of the Terminal and the entity responsible, under the O&M Contract for almost all procurement needs necessary to run the Terminal safely and efficiently.

The purpose of this Key Supplier Modern Slavery Questionnaire is to ensure all our major business partners and supply chain stakeholders are aware of their own responsibilities and those of the NQXT Group with respect to managing the risk of modern slavery in the supply chain and to elicit information that NQXT Group uses to assess modern slavery risks in its supply chain. This questionnaire now forms part of the supplier on boarding process for the NQXT Group.

Modern Slavery Awareness Training

NQXT is in advanced discussions with a leading Australian advisory firm regarding development of a tailored short course training module aimed at modern slavery risk and supply chains and will be incorporated into compulsory annual staff training and development within the NQXT Group. This training module, once complete and "live" will be formally incorporated into the NQXT Group's Risk and Awareness policies and procedures by the end of the modern slavery reporting period ending 31 March 2022.

Policies and Guidelines

NQXT Group takes guidance from the Adani Group policies and code of conduct, (the **Guidelines**). Adani Group policies require the entities and its people, to conduct business in a manner that respects human rights, employees and contractors treat each other with dignity, respect, and consideration at all times, and does not involve modern slavery practices. All procurements for the business are required to demonstrate that the spending of the Company funds is justified, transparently procured, and achieve the best value for money. Goods and services procured must be fit for purpose and be sourced in a socially, environmentally, and ethically responsible manner.

The Guidelines also prohibit discrimination, based on any protected attribute under the law. The Guidelines are for Employees and Contractors who are required to understand and adhere to the Guidelines, throughout their employment or engagement.

The objective of the Guidelines is to ensure that the procurement of all goods and services is conducted in an honest, competitive, full, fair, reasonable, transparent, and ethical manner.

Remediation - Grievances / Complaints

NQXT Group has a Whistleblowing Policy in place with the reporting route available for both internal and external reports to raise concerns about compliance obligations, corporate governance, bullying and harassment, including any complaint or concern regarding our Modern Slavery Obligations.

The Board and senior management encourage everyone who works with the NQXT Group to speak up and report any conduct they believe to be inappropriate. We are committed to ensuring that individuals who disclose can do so safely, securely and with confidence that they will be protected and supported.

Our dedicated Whistleblowing Hotline is one of those formal channels. This service is available to any individual who is, or has been a director, employee, secondee, contractor, consultant, supplier, the service provider (or their employee or subcontractor), associates of an NQXT Group companies and relatives, spouses, dependents of these individuals.

The Whistleblowing Policy is regularly reviewed and updated to ensure an effective and transparent grievance process and compliance with relevant laws.

Supply chain management and supplier on-boarding processes

In the last reporting period, ended 31st March 2020, NQXT commenced a review of its Standard Purchase Contract and Standard Service Contract (General Terms and Conditions) with a view to updating templates to include Modern Slavery Compliance Obligations for our direct suppliers and sub-suppliers. NQXT acquires most of its goods and services under the Standard Purchase Contract. This review, whilst something that will always be evolving, has progressed and the standard suite of NQXT Group contracts now include robust modern slavery compliance clauses which obligate the counterparty to take reasonable actions and measures to identify, assess and address the risk of modern slavery practices in the operation's supply chains used in connection with Goods or Services the subject of the contract. In the event the Supplier or Contractor becomes aware of any such practices that party must take all reasonable action to address or remove these practices, including where relevant by addressing any practices of other entities in its supply chains.

Further, NQXT Group has progressed its thinking around advice in developing a strategy that will embed provisions into its O&M Contract aimed at the identification and mitigation of modern slavery risks. NQXT is working with our largest service provider, APO, to embed processes into their procurement practices and APO completed the NQXT Group Key Supplier Modern Slavery Questionnaire. Both parties are reaching alignment as to the relevant amendments to instil Modern Slavery compliance into the O&M Contract which will be affected over the course of the next reporting period together with other ordinary course of business variations/amendments to the O&M Contract. This will give structure to modern slavery actions and obligations and provide NQXT Group better insight into how APO are mitigating the risk of Modern Slavery in its supply chains whilst also providing support to APO in pursuit of that objective. Also, APO has prepared its own Modern Slavery Statement for the financial year ended 31 March 2021.

5. EFFECTIVENESS

NQXT Group continues to develop processes to assess the effectiveness of actions taken by the Terminal Operator to respond to modern slavery risks with respect to its supply chains and operations. This includes ensuring that the Terminal operator carries out adequate due diligence on its partners in the Terminal's supply chain

The NQXT Group continues to improve the way it distributes information and training to the key staff involved in procurement and engagement of contractors, consultants and suppliers to the business to ensure they are aware of the measures that are currently in place and those that are to be implemented.

NQXT has also began conducting a half yearly review by the General Manager of Legal and others a on the following areas:

- Number of contractors, consultants and suppliers engaged by the NQXT Group;
- Assess the need of NQXT Group's suppliers to comply with Modern Slavery reporting requirements and informally audit to see if they are compliant.
- Regularly review action items registered internally with respect to Modern Slavery and the NQXT Group's obligations to ensure that Modern Slavery processes are being followed by the NQXT Group.

Finally, NQXT Group has progressed formalisation and documentation of the following internal actions to ensure the effectiveness of its own actions:

- Discussions with entities within the group of NQXT companies on their reporting of identified risks of modern slavery within NQXT Group's operations supply chain and how this is managed.
- Review our corporate partners' modern slavery statements.
- Review the minutes of the Modern Slavery working group held by Queensland Resources Council to identify risks.
- Conduct an annual review of the supply risk assessment and assessment of controls within NQXT.

6. CONSULTATIONS

NQXT Group consulted with the Directors in preparing this modern slavery statement and circulated a draft of this statement for review and comment, prior to it being put to the Boards of NQXTHPL and NQXTPPL for final review and approval.

7. LOOKING AHEAD

NQXT Group is continuing to develop and embed the new improved framework to assess and monitor the Modern Slavery Risks in our operations and supply chain.

NQXT recognises that the risks of modern slavery are complex and evolving. We will continue to work to identify and address these risks in our business and engage with a range of stakeholders, to assess the effectiveness of our actions and enhance our approach.



This Statement was approved by the Boards of NQXTHPL and NQXTPPL on 29 September 2021, on behalf of itself and the other reporting entities covered by the statement.

On behalf of NQXT Group



**Jeyakumar Janakaraj
Director**

29 September 2021

