

Modern Slavery Statement



WIGGINS ISLAND COAL EXPORT TERMINAL

Modern Slavery Statement

Published: 25 February 2021



DOCUMENT INFORMATION

DOCUMENT ACCOUNTABILITY

TERM	DEFINITION	POSITION
Owner/Approver	Accountable for approval and authorised discretion to implement or significantly change the system.	Board
Facilitator	Accountable for implementing the application of the system and facilitating appropriate conformance.	General Counsel & Company Secretary

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1. OVERVIEW

The WICET Group is committed to taking action to protect against its involvement in Modern Slavery and has prepared this statement in accordance with that objective and in line with its requirement to report under the Australian Modern Slavery Act.

2. IDENTIFICATION OF REPORTING ENTITY

The WICET Group comprises the following three Australian registered companies:

- WICET Holdings Pty Ltd (**Holdings**)
- Wiggins Island Coal Export Terminal Pty Ltd (**WICET**)
- WICET Services Pty Ltd (**Services**)

This statement has been prepared as a joint report for the three entities comprising the WICET Group.

The WICET Group's engagement and procurement activities are primarily conducted through WICET and Services. Holdings is a co-signatory to some agreements but is not a primary contracting party.

3. WICET GROUP STRUCTURE OPERATIONS AND SUPPLY CHAIN

3.1 STRUCTURE

WICET and Services are wholly owned subsidiaries of Holdings. The WICET Group is owned by the following entities who each hold an A Class Share in Holdings:

- Coronado Curragh Pty Ltd
- Washpool Coal Pty Ltd
- Rolleston Coal Holdings Pty Ltd
- Yancoal Resources Limited

3.2 OPERATIONS

The WICET Group owns and operates a Terminal in the Port of Gladstone. The Terminal facilitates the export of coal and consists of onshore rail unloading facilities connected to a stockyard by a 5.6km overland conveyor, a stockyard with a gantry stacker and reclaim conveyors, and an offshore unloading facility consisting of a jetty and wharf structure, a conveyor to transport coal and a shiploader.

3.3 SUPPLY CHAIN

The WICET Group provides the services of unloading trains, storing coal, and loading vessels. Ownership of the coal remains the property of the coal producer who engages with the WICET Group to transfer the coal from the train through its stockyards and then onto ships to be transported to the end purchaser of the coal. The trains that transport the coal to the Terminal and the ships that transport the coal to its purchaser are engaged by the coal producers and not by the WICET Group. The coal supply chain covers mining of Australian based mines through to delivery at the end consumers facilities.

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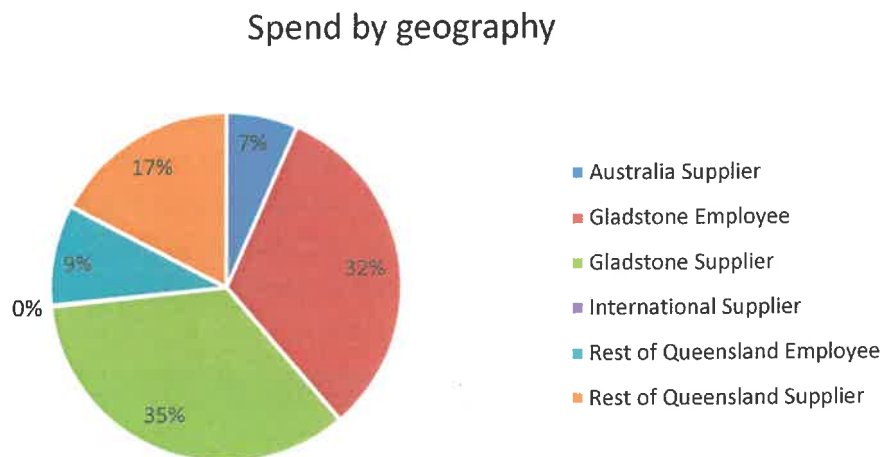


As a result, the supply chain for the WICET Group is limited to the procurement of goods and services, including employees to maintain and operate the Terminal.

A summary of the types of engagements for the WICET Group is listed below:

- **Direct employment of workers:** The WICET Group employs approximately 100 people under individual agreements and Enterprise Bargaining Arrangements. All employees are based in Queensland and governed by state and federal legislation.
- **Payments to suppliers for goods and services:** The Group has approximately 300 contracts in place for the procurement of goods and services. When measured by value 99% of purchases are made through Australian entities.

The graph below shows payments to suppliers broken down by location of the supplier or employee.



4. IDENTIFIED RISKS OF MODERN SLAVERY PRACTICES

The WICET Group has conducted a preliminary risk review of each of its engagement areas summarised in the below table. This preliminary risk review will be used by the WICET Group to determine what additional actions it needs to take to protect against its involvement in Modern Slavery.

Each area has been colour coded as follows:

Green – for LOW RISK

Orange – for MEDIUM RISK or where INSUFFICIENT INFORMATION IS AVAILABLE TO DETERMINE RISK LEVEL

Red – for HIGH RISK

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Supply Chain Type	Risk Areas	Risk Assessment
Insurance	<ul style="list-style-type: none"> • Employment practices of insurers • Association of insurers with other high risk industries 	<p>The risk is considered to be low as the majority of insurers are located in Australia and United Kingdom where it is expected they will also be subject to Modern Slavery legislation and reporting requirements.</p>
Coal Shipping Services	<ul style="list-style-type: none"> • Employment practices of coal mining companies • Employment practices of ships transporting coal 	<p>The risk is low in relation to the practices of the coal companies located in Australia as it is likely their workforce are engaged under individual agreements which are equal to or better than the National Employment Standard (NES) or under EBAs approved by the Fair Work Commission as satisfying the “Better off Overall” test. Separately it is expected that the coal mining companies are subject to Modern Slavery legislation and reporting requirements.</p> <p>As the WICET Group does not engage the ships transporting the coal it has no right to access records regarding the employment practices of these ships. However, this area will to the extent possible be kept under notice to determine if risks exist and if so how to address them.</p>
Insurance broking services	<ul style="list-style-type: none"> • Employment practices • Association of entity with other high risk industries 	<p>The risk is low as the entity the WICET Group engages is based in Australia where it is expected they will be subject to Modern Slavery legislation and reporting requirements.</p>
Engagement of Employees	<ul style="list-style-type: none"> • Employment standards and practices 	<p>The risk is low. All WICET Group employees are engaged on individual contracts which are equal to or better than the NES or under an EBA approved by the Fair Work Commission as passing the “Better off Overall” test.</p>
Engagement of Contractors and Consultants	<ul style="list-style-type: none"> • Employment standards and practices of contractor and consultant entities • Association of contractors and consultants with other high risk industries/suppliers 	<p>The majority of the WICET Group’s contractors and consultants are Australian based. As part of its contracting process the WICET Group requires entities to provide details of their EBA employment agreements and Labour Hire Licensing requirements. On that basis the risk in this area is low.</p> <p>The WICET Group expects that most of its contractors and consultants would not be subject to the Modern Slavery reporting requirements as they would likely fail to</p>

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		meet the revenue threshold making it difficult if not impossible for the WICET Group to obtain additional information to determine if any risk exists. However, this area will to the extent possible be kept under notice to determine if risks exist and if so how to address them.
Procurement of Goods and Services	<ul style="list-style-type: none"> • Employment standards and practices of entities in the supply chain for the goods/services • Manufacture of goods overseas in high risk countries 	<p>The risk is considered low in some areas and possibly undefined in others. The WICET Group’s strategy is to source its goods and services from local suppliers (Gladstone and/or Queensland). Currently approximately 59% of its spend is local to Gladstone and 88% is within Queensland including the Gladstone spend.</p> <p>The WICET Group understands that most of its goods and services providers are not subject to the Modern Slavery reporting requirements as they would fail revenue thresholds thus making it ng it difficult if not impossible for the WICET Group to obtain additional information to determine if any risk exists. However, this area will to the extent possible be kept under notice to determine if risks exist and if so how to address them.</p>

5. ACTIONS TAKEN BY THE WICET GROUP

In the current reporting period, the actions taken by the WICET Group have been to:

1. Assess the risks that it faces in relation to Modern Slavery;
2. Identify what is already being done to address the risks;
3. Identify what it will do in future reporting periods to continue to address any identified risks and minimize the risk of the WICET Group against involvement in Modern Slavery.

These points are expanded on below.

Assess the Risks

The initial risk assessment undertaken by the WICET Group has been detailed in section 4 of this report.

Identify What is Already Being Done

The WICET Group is already taking the following actions to minimise the risk of its involvement in Modern Slavery:

- Local sourcing strategy – the WICET Group focusses on sourcing as many goods and services as possible from businesses local to Gladstone and Queensland.
- Engagement of its own workforce through individual agreements that are equal to or better than the NES and an EBA approved by the Fair Work Commission that satisfies the “Better off Overall” test.

- Review of employment practices (EBA agreements).

Identify What it Will Do In Future

In addition to what it is already doing, the WICET Group intends to adopt the following additional measures in the next reporting period:

- Continue with its local sourcing strategy;
- Where possible identify which of its suppliers are captured under the Act and determine if they have prepared a Modern Slavery Statement.
- Introduce a Modern Slavery component into its tender matrix as an assessment criteria for tender evaluations.
- Introduce a Modern Slavery component into its transaction approval document so that those who are approving the engagement of suppliers of goods and services know that this has been appropriately considered.
- Introduce a “Modern Slavery” compliance clause into its suite of contracts including the following:
 - Where an entity that it engages with is required to submit a Modern Slavery report, that it is complying with this obligation;
 - The entity will provide the WICET Group with any information that it might reasonably require to determine whether that entity is complying with its own Modern Slavery obligations and to assist the WICET Group in complying with its own obligations;
 - Allowing the WICET Group to terminate the engagement if the entity is not complying with its own Modern Slavery obligations and/or it presents an unacceptable risk to the WICET Group in relation to Modern Slavery.

6. WICET GROUP ASSESSMENT OF EFFECTIVENESS OF ACTIONS

The WICET Group will implement the following to assess the effectiveness of its actions to protect against the risk of involvement in Modern Slavery:

- 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.
- Introducing Modern Slavery as an item for discussion at contractor/consultant/supplier performance meetings.
- Quarterly review by the General Counsel, People and CoSec and the Commercial Lead on the following areas:
 - Number of contractors, consultants and suppliers engaged by the WICET Group;
 - To the extent that information is available, determine whether engaged entities are required to and are complying with Modern Slavery reporting requirements;
 - Whether the tender process and transaction approval process is being followed internally to ensure that Modern Slavery processes are being followed by the WICET Group.

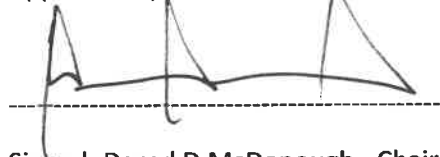
7. CONSULTATION PROCESS

Each of the entities in the WICET Group has a common Board of Directors. This report was taken to the Board meeting for review in December 2020 and was subsequently approved by the Board for submission.

8. OTHER RELEVANT INFORMATION

The WICET Group does not have any other relevant information to include in its statement for this reporting period.

Approved by the Board of the WICET Group



Signed: Darryl D McDonough - Chairman

Date: 25 February 2021

