



中国云铜(澳大利亚)投资开发有限公司

CHINA YUNNAN COPPER (AUSTRALIA)
INVESTMENT AND DEVELOPMENT PTY. LTD

(ABN 32 110 345 750)

China Yunnan Copper (Australia) Investment and Development Pty Ltd

MODERN SLAVERY STATEMENT

Introduction

This Modern Slavery Statement (Statement) has been approved by the Board of Directors of the China Yunnan Copper (Australia) Investment and Development Pty Ltd ABN 32 110 345 750 ("CYC") on behalf of CYC for the financial year ended 31 December 2024. For this Statement, references to 'we', 'us', 'our' or 'the Company' refers to CYC. This statement also covers the period 1 January 2020 to 31 December 2024 where Modern Slavery reporting was applicable.

This Statement has been prepared in accordance with the Australian Modern Slavery Act 2018 (Act) and the Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities (the Guidance). It outlines the measures taken by CYC to reduce the risk of modern slavery occurring in its operations and supply chain.

Modern Slavery describes situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. This includes trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and child labour. CYC is committed to mitigating the risk of Modern Slavery.

About CYC and the structure, operations, and supply chains

CYC specialises in purchasing and selling copper products. The Company also serves as an agent facilitating transactions between copper exporters and its parent company, Yunnan Copper Co. Ltd (YCCL).

Structure & Operations

CYC was founded and registered in Australia in 2004. It operates as a subsidiary of YCCL, a leading Chinese state-owned enterprise and one of China's largest copper producers in China. YCCL is ultimately owned by the Aluminium Corporation of China (Chinalco), a major state-owned enterprise.

Upon its inception, CYC's primary focus was on mineral exploration within Australia, targeting copper and other base metals in regions such as Queensland and New South Wales. In 2019, CYC adjusted its main business focus from acting solely as an agent for copper exporters in Australia to its parent company, YCCL, to also acting as a principal in the purchase and sale of copper products.

Since 2020, CYC's main trading products and trading model has been the procurement of copper-related products from third-party suppliers and the subsequent sale of these products to related companies within the corporate group.

As of 31 December 2024, CYC maintains an office in Sydney, supported by a team of two employees dedicated to overseeing and managing its Australia business operations.



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Supply chain

During the reporting period, CYC maintained a global supply chain comprising of 11 suppliers across five countries. Total procurement expenditure amounted to AUD\$99 million in FY24, with the largest allocation directed toward the purchase of raw copper materials, include copper concentrates, and cathodes. being purchases of raw materials such as copper.

The following charts provide an overview of CYC's suppliers over the past five financial years (FY20-FY24) for number and amount for suppliers by country.

Chart 1: This chart highlights the geographical distribution of CYC's suppliers, emphasising our Company's broad international sourcing network, spanning countries such as United Kingdom, Australia, Singapore, Chile and Switzerland.

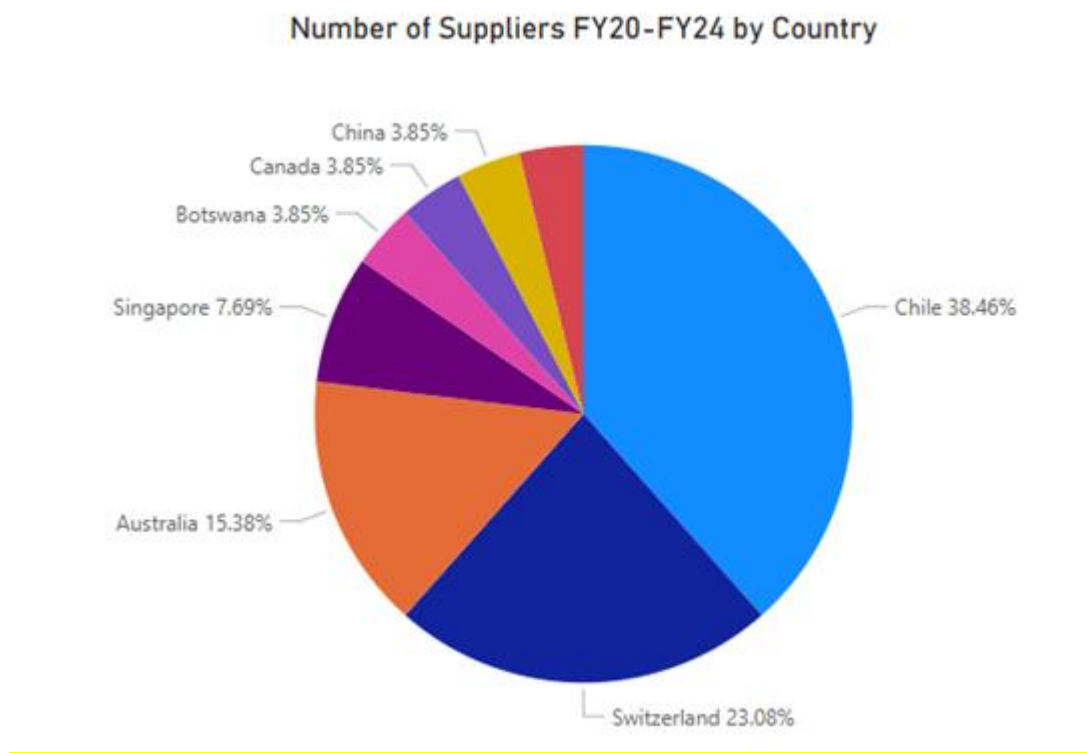


Chart 2: This chart illustrates our amount spent on suppliers across various regions.

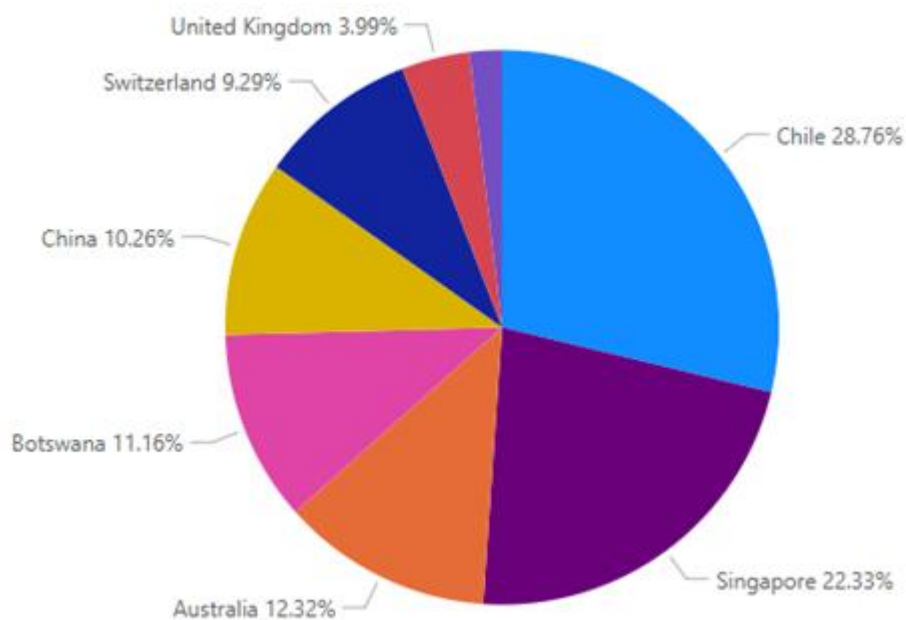


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Procurement Amount (USD) FY20-FY24 by Country





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Modern slavery risks

CYC supports the abolition of all forms of modern slavery. Modern slavery is a term used to describe serious human rights violations, including trafficking, and forced labour. We have considered this potential risk within the context of our business, particularly in relation to our sourcing activities, which involve purchasing and selling copper products, and acting as an agent between copper exporters in Australia and YCCL.

We have embedded risk management controls in our supplier selection processes to minimise these risks. By identifying where inherent modern slavery risks may exist in our business activities, we can address key sources of those risk. We will continue to regularly reassess our risk exposure and, where appropriate, expand or deepen our focus across the business in future years.

CYC conducts supplier assessments when required by the Modern Slavery Act 2018 (Cth) and the Commonwealth Modern Slavery Act 2018 – Guidance for Reporting Entities.

Assessing modern slavery risks

Key categories of potential modern slavery risks	Risk Description	Risk Assessment
Sector and industry risks	Modern slavery risks because of the sector or industries characteristics, products and processes.	We primarily engage in procurement from established international suppliers subject to industry standards and compliance frameworks, reducing exposure to exploitative labour practices.
Product and services risks	Modern slavery risks because of the way products and services are produced, provided or used.	Our products purchased—such as copper concentrates, ores, and cathodes—are sourced from regulated suppliers in countries with strong industry oversight. Our procurement process includes due diligence and supplier assessments.
Geographic risks	Modern slavery risks due to a country having poor governance, weak rule of law, conflict, migration flow and socio-economic factors like poverty.	We source from suppliers operating under internationally recognised legal and regulatory frameworks.
Entity risks	Modern slavery risks due to an entities poor governance structure, leading to poor treatment of workers.	CYC maintains a clear governance structure with defined procurement policies and ethical guidelines. The Company has a transparent supply chain oversight process and internal governance framework.

Considering these categories of potential modern slavery risks along with the operations and supply chains for our business, we have identified the following relevant risks:

- Forced labour from within engaged outsource labour supply – when a person does not consider themselves free to stop working or to leave their place of work because of coercion, threat, or deception.
- Activities that depend on manual labour including transportation, security, and waste management.
- Factors relating to the vulnerability of the workforce, such as poverty levels; ethnic, religious gender minorities; and migrant workers.



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The risk of modern slavery across CYC's operations is considered low.

Regarding direct employees in Australia, CYC is employing two individuals, both who are in Australia. Australia is recognised as a relatively low-risk jurisdiction for modern slavery due to its strong legal framework, robust governance, and effective enforcement of labour laws.

Those in the supply chain in relation to products and services are subject to due diligence and ongoing annual supplier assessments.

We remain vigilant and committed to reassessing our risk exposure and enhancing our risk management strategies as necessary.

Actions taken to address modern slavery risk

Governance

Our parent company, YCCL provides oversight and governance responsibility for ensuring that CYC has an effective risk management system in place. YCCL also supports CYC in managing key risk areas including understanding the legislative reporting requirements. YCCL's Legal and Compliance Department oversees modern slavery risk within our operations and supply chains. The Legal and Compliance Department is responsible for monitoring and assessing potential risks, ensuring that appropriate measures are in place to mitigate these risks. They regularly report their findings and recommendations to YCCL's Leadership Team, providing detailed insight into the effectiveness of our risk management strategies and highlighting areas for improvement. This reporting process ensures that our leadership remains informed and engaged in our effort to combat modern slavery, reinforcing our commitment to ethical business practices and human rights.

Policies

We support and implement the policies from our parent company, YCCL. YCCL has several policies within its internal governance framework that outline expectations for employees and suppliers to behave ethically and honestly, comply with all applicable laws, rules, and regulations, and refrain from engaging in any form of illegal discrimination harassment, bullying, or actions that jeopardise the health and safety of any workplace participant.

The YCCL intranet, accessible to CYC staff, provides information on these policies including:

Document	Purpose
Supplier Code of Conduct	Establishes the supply chain management requirements that suppliers must satisfy, including fair labour practices, safe working conditions, and a prohibition on modern slavery. It includes expected clauses on compliance with modern slavery laws in the contract terms. The code provides guidance on the standard of personal behaviours expected of suppliers for tendering process.
Due Diligence Policy and Commitment for Mineral Supply Chain	Develops a systematic approach for recognising, evaluating, and mitigating risks related to modern slavery within the operations and supply chain. This policy seeks to tackle the threats posed by conflict, extensive human rights abuses including modern slavery and child labour, money laundering, and terrorism within the supply chain. Additionally, it aims to minimise environmental damage and promote transparency by ensuring that minerals are sourced ethically.



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Document	Purpose
Mineral Supply Chain Due Diligence Management Manual	Outlines the processes and procedures that a company should follow to ensure responsible sourcing of minerals. This includes identifying and mitigating risks related to human rights abuses, environmental impact, occupational health and safety, and corruption within the supply chain. The raw material procurement department conducts admission surveys and annual evaluations of suppliers.
Supplier Management Policy	Develops and implements a supplier governance framework to evaluate suppliers against specific risk categories before awarding contracts. The pre-qualification process is conducted for all strategic sourcing engagements. It maintains ongoing monitoring and collaboration with new and existing suppliers to mitigate modern slavery risks through the Supplier Tier Management Framework.

Our goal is to ensure that our employees and suppliers are aware of, respect for, and uphold human rights issues. Based on YCCL's Supply Chain Due Diligence Management, which includes standards relating to modern slavery and human rights, we outline our expectations with prospective and current suppliers. These supply chain engagement concepts and practices must be adopted by suppliers, who must also communicate them to their subcontractors.

Along with contractual agreements and continuing monitoring, our due diligence process with suppliers also includes a formal evaluation process before we engage with the potential suppliers.

Training

To ensure a thorough understanding of modern slavery risk in our supply chains and business operations, CYC staff receive general training on policies and procedures that include preventing and addressing modern slavery.

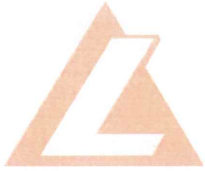
Remediation where modern slavery is identified

At CYC, our staff manage the remediation process. We require our suppliers to have modern slavery governance capabilities, educate their workforce, promptly notify us of any potential or suspected instances, and cooperate in good faith with CYC in investigating the circumstances. When CYC identifies any unethical business activity or non-compliance with human rights and the Modern Slavery Act, CYC will discuss any concerns with the supplier. In the event that any responses from the supplier are considered not satisfactory, CYC may choose to cease business with that supplier and seek a new supplier with modern slavery governance capabilities.

Assess the effectiveness of the actions

CYC is committed to continual improvements in our approach to identifying, addressing and mitigating modern slavery risks within our operations and supply chains. We follow the policies and frameworks established by our parent company, YCCL, to ensure robust governance. To assess the effectiveness of our actions, CYC undertakes the following measures:

- **Supplier Engagement** – Engaging with our suppliers to understand how they manage modern slavery risks within their operations and supply chains by issuing an annual supplier survey.
- **Responsible Management System** – Establishing a responsible management system for enterprises in compliance with management requirements.



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What's next

We have created a list of priorities for the following three years that intended to further solidify CYC's stance on modern slavery and human rights. The following are our top priorities:

- **Uplift Our Efforts Against Modern Slavery** – While we already recognise the significance of modern slavery and its potential negative effects, we aim to deepen our understanding and response. This includes ongoing comprehensive risk assessments, engaging with stakeholders to identify emerging risks, and implementing monitoring processes to detect and address modern slavery more effectively.
- **Enhance Awareness and Training** – Given the small size of CYC, with only two staff members, we will focus on ongoing training programs. This includes training sessions to ensure both employees are thoroughly equipped to identify and respond to modern slavery risks.
- **Key Performance Indicators (KPIs) for Modern Slavery Reporting** – To ensure accountability and track progress against our modern slavery priorities, we will look to implement KPIs that may include monitoring of:
 - Completion of conducting annual modern slavery risk assessments covering suppliers.
 - Suppliers that agree to CYC's Supplier Code of Conduct
 - Participation in modern slavery training for all employees annually

Process of consultation with parent company

The Statement has been shared, reviewed and approved by our parent company YCCL to ensure alignment of practices and standards.

Name: Sen Chen

Position: Director

Date: 21st May 2025