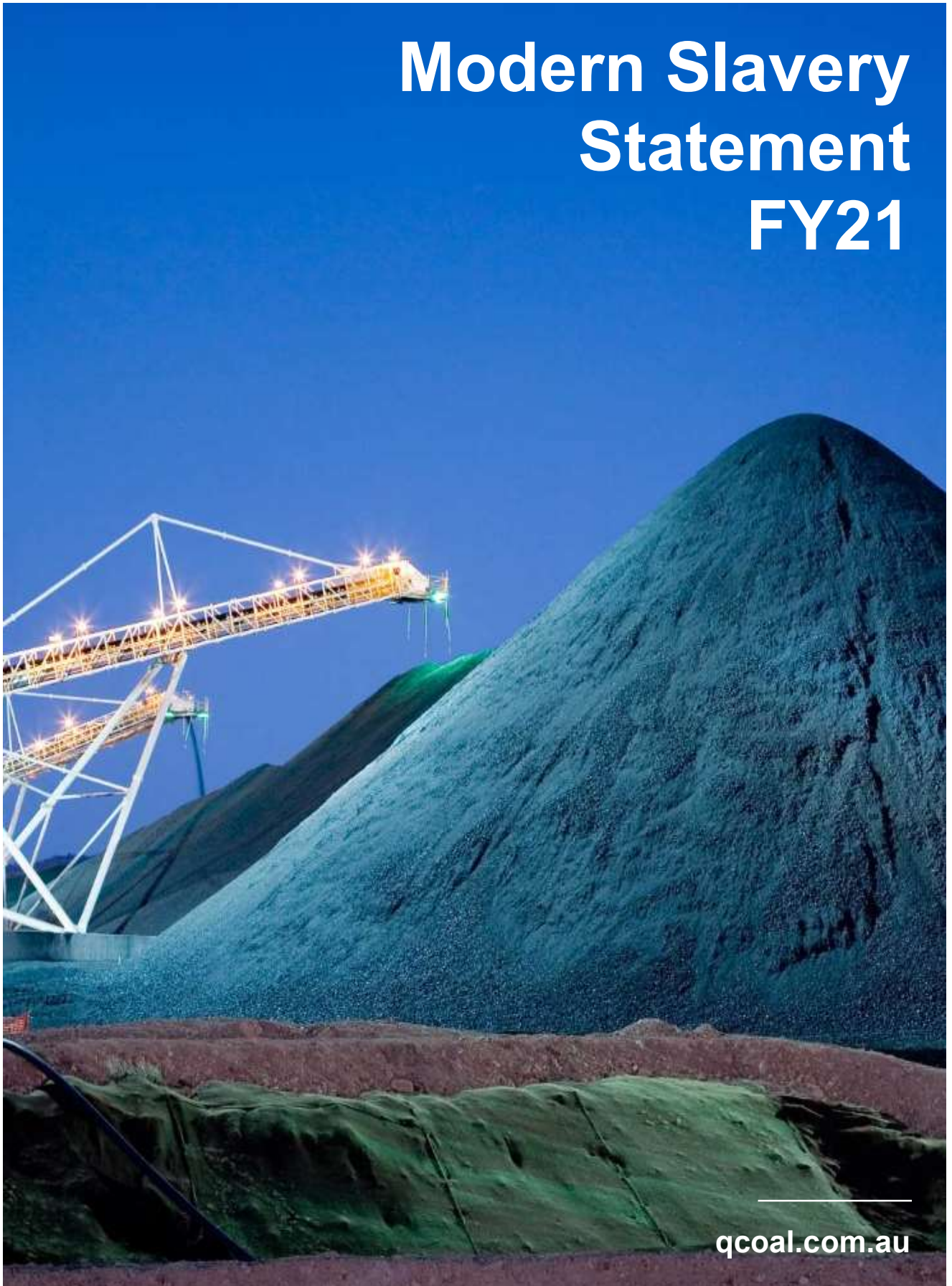


Modern Slavery Statement FY21



Contents

QCoal Group Modern Slavery Statement 2021	3
Introduction	3
QCoal structure, operations and supply chains	4
Actions taken by QCoal Group within reporting period	5
Assessing effectiveness	6
Consultation with subsidiaries	6
Approval of this statement	6

QCoal Group Modern Slavery Statement 2021

This Modern Slavery Statement (**Statement**) has been made pursuant to the Modern Slavery Act 2018 (Cth) and sets out the actions QCoal Pty Ltd and its subsidiary reporting entities (**QCoal Group**) have taken to address modern slavery risks in our operations and supply chains.

The subsidiaries that qualify as reporting entities for the period ending 30 June 2021 (i.e. minimum annual revenue of \$100 million) are Northern Hub (Drake) Pty Ltd and Jax Coal Pty Ltd.

This statement covers the period from 1 July 2020 to 30 June 2021 and is a joint statement for QCoal Pty Ltd and its qualifying reporting subsidiaries.

Introduction

The QCoal Group takes the issue of modern slavery seriously. It is committed to identifying, assessing and mitigating modern slavery risks in its operations and supply chains by complying with all modern slavery legislation and ensuring that our procurement practices and key contractors do not support modern slavery.

We believe in running our operations in an economically, socially and environmentally responsible way. Our values of safety and environment, integrity, innovation, trust and pragmatism govern the way we do business and provide the strong framework under which we operate.

We proactively identify opportunities to support the local communities in which we operate and work with existing community groups to make a positive difference. We therefore oppose all forms of modern slavery including forced labour, child labour, debt bondage or deceptive recruiting for labour or services.

QCoal structure, operations and supply chains

The QCoal Group is a privately owned, independent Queensland coal producer with its head office located in Brisbane. The QCoal Group has been active in coal exploration, project development and coal production in Queensland for over 30 years. In FY21, the QCoal Group exported 3.7 MT of coking and thermal coal from its operations.

Operations

The QCoal Group operations are located near Collinsville in the Bowen Basin and comprise the Sonoma, Drake and Jax Mines (**QCoal Northern Hub**) and the Cook Colliery (**Cook**). Both operations are contract mining operations.

The QCoal Group had 79 direct employees as at 30 June 2021. All of the QCoal Group workforce and operations are located in Queensland, Australia with the majority located in Brisbane. The QCoal Group indirectly employs approximately 620 further employees through its key contractors.

Supply Chains

The QCoal Group's procurement consists predominantly of the following **major expenditure**:

- Mining services including mining contractor services;
- Mining equipment, maintenance and consumables;
- Port and rail access;
- Water and electricity supply; and
- Finance, insurance and other professional services.

Risks of modern slavery in operations and supply chains

The operations of the QCoal Group are carried out entirely within Queensland, Australia. All QCoal Group employees are engaged on terms and conditions which comply with Australian law. Employees are free to join and be represented by unions.

All major expenditure is procured in Australia from a small number of large contractors and suppliers who are Australian entities with sophisticated procurement policies and procedures. Some suppliers do form part of a multinational group that have large supply chains in multiple foreign countries. We acknowledge that there may be modern slavery risks within these supply chains however we expect that reporting under the *Modern Slavery Act 2018* (Cth) to result in greater transparency of the actions taken by these key contractors and suppliers.

The QCoal Group does endeavour where possible to support local businesses and contractors within the local communities within which it operates. Some of our suppliers are therefore local businesses be they large organisations or small family run businesses. In general, these suppliers are locally based and operate wholly under Australian law.

Actions taken by QCoal Group within reporting period

The following actions have been taken during the 2020-2021 reporting period.

Modern Slavery Policy

A review of the QCoal Modern Slavery Policy was undertaken during the year which outlines the Group's:

- Commitment to addressing modern slavery;
- Expectations of key contractors, suppliers, stakeholders and employees in relation to reducing and eliminating modern slavery; and
- Procedures for reporting instances of modern slavery.

This policy is made available to external stakeholders on the QCoal Group website.

Internal stakeholders

Internal Stakeholders comprising key executives and relevant representatives from legal, finance and procurement were consulted and briefed on modern slavery initiatives undertaken during the year, including the results of our supplier self-assessment questionnaire.

Self-assessment questionnaire

QCoal conducted its first supplier self-assessment questionnaire which was provided to a targeted group of key suppliers. The aim of the questionnaire was to:

- Support the identification of modern slavery risks;
- Foster collaborative solutions to modern slavery risk management;
- Drive industry best practice to support compliance with the Act; and
- Identify areas for further due diligence.

Outcome – No instances of modern slavery were identified through the process outlined above that were relevant to this Modern Slavery statement for the reporting period.

Template review and external stakeholder consultation

A template review was conducted for internal procurement templates to require written assurances and other undertakings from suppliers in relation to modern slavery and labour practices. External stakeholder consultation has commenced to understand steps being taken by our suppliers to comply with the *Modern Slavery Act 2018* (Cth).

Training

Modern Slavery awareness training is being developed to further educate key internal stakeholders on the nature of modern slavery and requirements under the *Modern Slavery Act 2018* (Cth), the QCoal Group modern slavery risk profile and steps taken to minimise modern slavery risks.

Training helps us address the risk of modern slavery and ensures internal capacity to act appropriately where required.

Whistleblowing and reporting

Further promotion and awareness amongst staff and internal stakeholders of existing policies such as the QCoal Group's Whistleblower Policy which outlines how to raise concerns in helping to detect, prevent and report immediately instances of misconduct or concerns about modern slavery.

Assessing effectiveness

QCoal Group is committed to the ongoing improvement of our modern slavery risk management approaches including measuring the effectiveness of risk mitigation initiatives.

Effectiveness will be measured based on the following:

Objective	Measurement
Ongoing supply chain analysis	Improved transparency of top-tier and high-risk suppliers through increased collaboration and identification of risks through self-assessment questionnaires.
Staff training	Participation rate of relevant employees committed to ongoing training
Risk mitigation	Collate data and report on timeliness of risk mitigation actions where breaches are identified

Consultation with subsidiaries

All QCoal Group subsidiaries operate under common policies and processes.

The subsidiaries within the group have at least one common director. Accordingly, there is common oversight of all QCoal Group activities.

Approval of this statement

This statement has been approved by the board of QCoal Pty Ltd which is the principal governing body for the reporting entities named in this statement for the purposes of the *Modern Slavery Act 2018* (Cth).

Christopher Ian Wallin

Director

QCoal Group

This statement was approved by the board of QCoal Pty Ltd on 23 September 2021