

Modern Slavery Statement

In accordance with the Modern Slavery Act 2018 (Cth)

On behalf of:

Abbot Point Operations Pty Ltd

ACN: 605 852 060

ABN: 58 605 852 060

and

Abbot Point Bulkcoal Pty Ltd

ACN: 010 183 534

ABN: 23 010 183 534

Reporting period – 1 April 2022 – 31 March 2023

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1 Introduction

This Modern slavery Statement is made in accordance with section 14 of the Australian *Modern Slavery Act 2018 (Cth)*(MSA).

It describes steps taken by the APO Group during the year ended 31 March 2023, to mitigate the risk of modern slavery in the Group's operations and supply chains.

This is our third modern slavery statement made under the MSA.

This Modern Slavery Statement is a joint statement, made on behalf of Abbot Point Operations Pty Ltd ABN 58 605 852 060 (APO) and Abbot Point Bulkcoal Pty. Ltd. ABN 23 010 183 534 (APB) (together APO Group). A reporting entity under the MSA is based on operating in Australia with revenue exceeding \$100 million in the reporting period. For the purposes of this Statement, references to 'We', 'Us', and 'Our' collectively refers to APO Group and each of its reporting entities covered by the Statement.

The APO Group is committed to the highest levels of ethical business practices and is devoted to understanding and combating the risk of modern slavery in our supply chains and in any part of our business.

This statement was approved by the boards of each of the two reporting entities covered by this statement. The board of Abbot Point Bulkcoal Pty Ltd approved this statement on 15 August 2023 and Abbot Point Operations Pty Ltd approved this statement on 15 August 2023.

2 Modern Slavery Law

The Act identifies seven relevant mandatory criteria which APO Group's Statement must address, as follows:

- a) identify the reporting entity.
- b) describe the reporting entity's structure, operations, and supply chains.
- c) describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls (under draft guidance, 'operations' includes 'investments').
- d) describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess an address these risks, including due diligence and remediation processes.
- e) describe how the reporting entity assesses the effectiveness of these actions.
- f) describe the process of consultation with any entities that the reporting entity owns or controls.
- g) any other information the reporting entity considers relevant.

3 Mandatory Criteria One: Identify the reporting entity

This is the joint modern slavery statement for the APO Group which comprises of the following two Australian registered companies:

1. Abbot Point Operations Pty Ltd (APO)

ACN: 605 852 060 / ABN: 58 605 852 060

APO is an Australian Proprietary Company, registered in Queensland in 2015.

Registered Office: Adani Renewable Asset Holdings Pty Ltd, Level 9, 120 Edward Street Brisbane QLD 4000.

Principal Place of Business: Abbot Point Road, Bowen.

Ultimate holding Company is Adani Ports and Special Economic Zone Ltd.

100% shares of APO are being held by Adani Ports and Special Economic Zone Ltd.

And

2. Abbot Point Bulkcoal Pty Ltd (APB)

ACN: 010 183 534 / ABN 23 010 183 534

APB is an Australian Proprietary Company, registered in Queensland 1980.

Registered Office: Adani Renewable Asset Holdings Pty Ltd, Level 9, 120 Edward Street Brisbane QLD 4000.

Principal Place of Business: Abbot Point Road, Bowen.

Ultimate holding Company is Adani Ports and Special Economic Zone Ltd.

100% shares of APB are being held by Abbot Point Operations Pty Ltd.

APO and APB (together APO Group) are reporting entities under the Modern Slavery Act 2018 (Cth) (the Act). This is the joint statement for the APO Group.

4 Mandatory Criteria Two: Describe its structure, operations and supply chains

4.1 Structure

APO is an Australian Proprietary Company that was established in 2015 and is based in Brisbane, Queensland. Adani Ports and Special Economic Zone Ltd is the ultimate holding company of APO. APO is controlled by Adani Ports and Special Economic Zone Ltd. APO owns and controls APB.

APB is an Australian Proprietary Company that was established in 1980 and is based in Bowen, Queensland. Adani Ports and Special Economic Zone Limited is the ultimate holding company of APB. APB is 100% owned and controlled by APO.

APB operates as Abbot Point Operations:



4.2 Operations

North Queensland Export Terminal (NQXT) is a dedicated deep-water coal export terminal with a nameplate capacity of 50 million tonnes per annum.

The terminal was constructed as a dedicated deep-water coal export terminal by the Queensland Government and commissioned in 1984. The NQXT Terminal is owned by the Queensland Government's North Queensland Bulk Ports and leased by NQXT under a 99-year leasehold which was acquired in June 2011. NQXT has contracted Abbot Point Operations to manage the operations of the terminal.

The terminal is located in the Port of Abbot Point, approximately 25 km north of Bowen, in North Queensland on Australia's east coast. The Port of Abbot Point includes Australia's northernmost resource terminal and is one of only three major resource ports located within 200 km of the Bowen Basin, which is one of Australia's major resource provinces.

The NQXT Terminal is a dedicated coal export terminal comprising a dual rail in-loading facility, coal handling and stockpiling areas comprising three bunds capable of being serviced by six stacker reclaimers and a 2.8-kilometre trestle jetty and conveyors connecting to two off-shore berths and two ship-loaders.

APO has been contracted by NQXT to manage the operations at the Port of Abbot Point (Operations and Maintenance Contract). Pursuant to a sub-contract between APO and APB (Operations and Maintenance Subcontract, APB performs the operations and maintenance services at the Port of Abbot Point.

Whilst APO derives revenue through the sub-contract with APB, it does not perform any operational role nor engage any third-party contractors. This is exclusively provided by APB. Whilst this Statement is made as a joint Statement because of the combined revenue of both entities, all modern slavery risks and controls are contained within APB. The identification and management of modern slavery supply chain risk has, therefore, been focussed on the activities and supply chain of APB as APO does not perform any relevant activities nor have an independent supply chain from APB.

APO Group's operations include:

- Direct employment of workers. During this reporting period, APO did not have any employees, while APB employed 193 employees based at the Port of Abbot Point. Employees are employed under individual employment contracts or an enterprise agreement which has been approved through Fair Work Australia processes.
- Processing and delivery of product or services. The APO Group unloads coal from the dual rail in-loading facility and transports the coal to the three stockpiling bunds located at the Port of Abbot Point. The coal is then collected by any one of the six stacker reclaimers and transported along a 2.8-kilometre trestle jetty and conveyor to one of the two off-shore berths to one of the two ship-loaders and loaded onto awaiting coal vessels. The whole processing and delivery of product; the operations; which the APO Group is responsible for occurs at the Port of Abbot Point, Bowen, North Queensland, Australia.
- Construction. The APO Group is responsible for the ongoing maintenance of the NQXT Terminal. This includes ongoing improvement works and replacement of assets as they near end of life. These works are primarily performed by our contractors.
- Charitable activities. The APO Group donates to the local community through its Community Support Programs. The Program includes ongoing sponsorship in the local community, adhoc donations, club sponsorships, events and community memberships.

APO Group has both ongoing long-term arrangements as well as short term arrangements with its suppliers and contractors. Generally, the arrangements are stable longer-term relationships with established suppliers which APO Group have established relationships.

Our website (<https://www.abbotpointoperations.com.au>) provides more detailed information about our business, including our strategy, philosophy, and operations, as well as our approach to sustainability.

4.3 Supply Chains

As the owner of the Terminal, NQXT have entered long term contracts with users of the Terminal (User Agreements) which provides the users with a right to access and present coal for handling at the Terminal. NQXT works collaboratively with the users to build long term partnerships to achieve the user's expectations of responsiveness, flexibility, and reliability of port operations for handling of their coal.

APO Group continues to enhance its processes and implement new processes aimed at ensuring that we work with appropriate suppliers who can meet the standards that we expect.

The spend profile for the APO Group is broadly consistent with these categories:

- Internal labour and contractors – 61%
- Insurance – 18%
- Consumable items including mechanical, electrical, conveyor belt, pulleys, idlers – 11%
- Electricity – 6%

Again, this spend profile is for APB as APO does not incur relevant expenses on its own behalf.

We are committed to utilising local suppliers and procuring goods and services from local businesses as much as practically possible. Over 97% by spend of our direct suppliers and contractors are based in Australia, with two suppliers based in the USA and one supplier in the United Kingdom making up the remaining 3%. Whilst APO Group acknowledges that no country is immune to modern slavery risks, Australia is considered a lower risk country.

APO Group procurement policy is to promote local and regional sourcing. 41% of spend is within 100km radius of Bowen with an additional 19% in Queensland and 37% Australia-wide.

5 Mandatory Criterion Three: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls

Whilst APO Group strives to ensure there is minimum risk of modern slavery in its Operations and Supply Chain, APO Group acknowledges that there is a potential for the APO Group to cause, contribute to, or be directly linked to modern slavery.

We acknowledge that the risk of modern slavery may be heightened in some of our groups supply chains as a result of the geographical sourcing of materials used in products supplied to us. In particular, materials like natural rubber sourced from South East Asia has been identified as a product which carries high risk of modern slavery practices such as the use of slave labour and non-award payment of wages. We also acknowledge that; we lack visibility in certain overseas markets, and this carries additional risks of modern slavery especially in our secondary levels of chain of suppliers and sourced materials used in APO Group's maintenance at the Port of Abbot Point.

Areas where we have assessed modern slavery risks as being low are in our operations where our direct employees are employed under individual employment contracts or an enterprise agreement which has been approved through Fair Work Australia processes. Similarly, where our contractors which are based in Australia employee staff under individual employment contracts or an enterprise agreement, we consider modern slavery risks to be low. The industry which we operate in has a strong focus on health and safety of all personnel regardless of whether these personnel are engaged directly or through our contractors.

While APO Group has not directly caused any Modern Slavery risks, it may contribute to modern slavery risks through the procurement of goods and materials through its Supply Chain. We have focused our investigation on this area in this statement.

6 Mandatory Criterion Four: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation process

Over this reporting period, we have made significant progress in implementing process and actions to assist in addressing our modern slavery risks associated with our operations and supply chains. This includes:

- Commenced discussions on modern slavery risks with our high and medium risk suppliers and contractors;
- Continue to screen our new suppliers for modern slavery risks;
- Continue to review and improve on our supplier engagement processes;
- Updated our Whistleblower standard to include a process to report and investigate on any concerns of modern slavery;
- Updated our Procurement Procedure to include Modern Slavery compliance requirements;
- Publicly communicated our Modern Slavery Statement 2022 on our website; and
- Made our board and senior management aware of our Modern Slavery obligations;

In our last Modern Slavery Statement, the APO Group committed to:

- Improving APO Group processes to engage, manage and monitor high and medium risk suppliers;
- Developing a risk management framework to address modern slavery risks;
- Enhancing internal capacity to identify and manage operational modern slavery risks; and
- Continue over the next reporting period to engage with its suppliers to further understand the risks of modern slavery practices within APO Group's supply chain and where necessary take action to reduce those risks.

Whilst APO Group has addressed two of the four points above, further work is being performed to develop a risk management framework and ongoing organisation training to enhance internal capacity to identify and manage operational modern slavery risks. APO group conducted initial modern slavery training in 2022 reporting period.

7 Mandatory Criterion Five: Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks

We will use key performance indicators (KPIs) to measure how effective our actions to identify and address modern slavery practices in any part of our operations and supply chains have been. Over our last reporting period, we assessed the effectiveness of our actions across four key performance areas:

- Governance & due diligence;
 - Implementation of a modern slavery framework;
 - Half yearly engagement with board members to track KPI performance
- Procurement & supply chain;
 - Percentage of contracts which include modern slavery clauses;
 - Percentage of new suppliers completing the modern slavery questionnaire;
- HR practices, training & education;
 - Completion rates of modern slavery training
- Grievances and reporting
 - Number of modern slavery cases identified and remediated

Over subsequent reporting periods, we will continue to review and enhance these KPIs and develop further metrics to assess the effectiveness of our actions, in line with continuous improvement.

8 Mandatory Criterion Six: Describe the process of consultation with any entities the reporting entity owns or controls

In order to prepare this joint statement, we engaged with each of the reporting entities covered by this statement and consulted the entities we own or control.

9 Mandatory Criterion Seven: Any other relevant information

No further information included in this section.

10 Joint Reporting Entities Principle Governing Body Approval

This statement was approved by the boards of each of the two reporting entities covered by this statement. The board of Abbot Point Bulkcoal Pty Ltd approved this statement on 15 August 2023 and Abbot Point Operations Pty Ltd approved this statement on 15 August 2023.

11 Reporting Entities Signature of a Responsible Member

This statement is signed by Allan Brown in his role as the General Manager, Port Operations at Abbot Point Bulkcoal Pty Ltd on 17 August 2023.

Allan Brown
Allan Brown (Aug 17, 2023 11:10 GMT+10)

Allan Brown

General Manager, Port Operations

17 August 2023

This statement is signed by Allan Brown in his role as the General Manager, Port Operations at Abbot Point Operations Pty Ltd on 17 August 2023.

Allan Brown

Allan Brown (Aug 17, 2023 11:10 GMT+10)

Allan Brown

General Manager, Port Operations

17 August 2023