

# CORONADO GLOBAL RESOURCES INC. Modern Slavery Statement FY21

# Introduction from the CEO

Coronado Global Resources Inc. ("Coronado", or the "Company") is a leading international producer, marketer and exporter of high-quality metallurgical coal with a portfolio of operating mines and development projects in Queensland, Australia as well as Pennsylvania, Virginia and West Virginia in the United States. Our organisation's production of metallurgical coal as an essential element in the production of steel, plays an indispensable role in building communities and social infrastructure that is essential to realising future economic growth and addressing the social needs of the modern world.

Coronado recognises that modern slavery can occur in many different forms and includes human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and child labour. Coronado further recognises that it has an important role to play in respecting the protection of internationally proclaimed human rights and maintaining a high degree of corporate governance over its operations to ensure that it is minimising the risks of any form of modern slavery both in its own operations and the operations of its suppliers. To that end, Coronado is committed to appropriately assessing the modern slavery risks associated with its operations and addressing those risks accordingly.

We are committed to our core values of collaboration, accountability, respect and excellence and these values drive all of the decisions that we make in conducting our business. Our committment to all our stakeholders is clear: modern slavery is fundamentally unacceptable within our operations and supply chains and combatting it is an important element of our overall approach to business and human rights.

During FY21, we further strengthened our response to the modern slavery risks in both our operations and supply chains. Our performance against our FY21 commitments and those planned for FY22 are set out at the end of this document. We look forward to continuing to engage with our stakeholders in addressing these commitments over the coming year.

Our approach to modern slavery is maturing and we acknowledge there are opportunities for continuous improvement in our approach. We are committed to regularly reviewing and identifying areas where we can strengthen our controls and take the necessary steps to reduce risks.

Through focusing on initiatives and improvements in our response to modern slavery risks across Coronado, our aim is to minimise the modern slavery risks in our supply chains and operations and demonstrate our values in creating a better tomorrow.

**Garold Spindler** 

Managing Director and Chief Executive Officer

This Statement was approved by the Board of Directors of Coronado on 14 June 2022

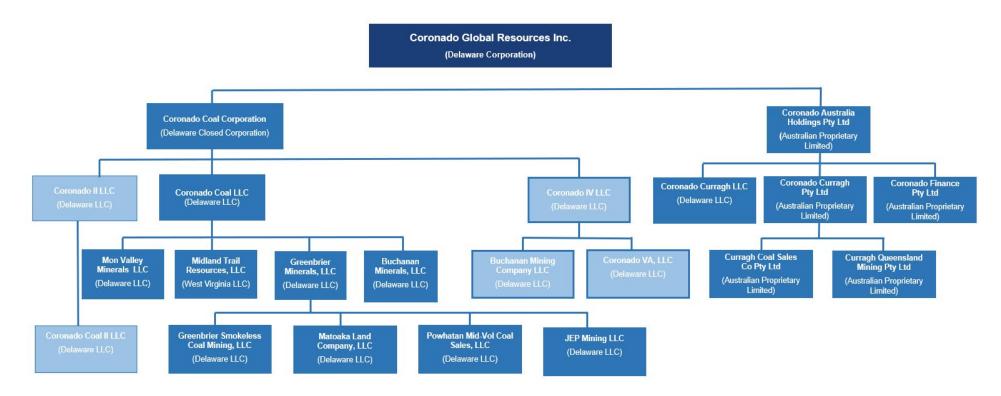
### About Us: Coronado Global Resources Inc.

This Modern Slavery Statement ("Statement") is made pursuant to section 14 of the *Modern Slavery Act 2018 (Cth)* (the "Act") by Coronado Global Resources Inc., a registered foreign company publicly listed on the Australian Securities Exchange (ASX: CRN), on behalf of two of its subsidiaries, Coronado Curragh Pty Ltd and Curragh Queensland Mining Pty Ltd (together with Coronado Global Resources Inc, the "Company" or "Coronado"), both reporting entities for the purposes of the Act. This Statement reports on the risks of modern slavery in Coronado's operations and supply chains and the actions taken by Coronado to address those risks for the reporting period ending 31 December 2021 (also known as "FY21").

# **Our Structure, Operations and Supply Chain**

### Structure

Coronado Global Resources Inc. group structure as at the date of this Statement is set out below:



### **Operations**

Coronado's operations are focused on producing high-quality metallurgical coal through market-leading expertise in some of the safest, cleanest and lowest cost mines in the industry. Metallurgical coal is an essential component in the production of steel.

Our operations encompass the full life cycle of mining, from exploration and mine design, to construction, production and eventually rehabilitation:

### **Exploration**

Exploration represents the commencement of the mining process. Exploration activities include surveys, drilling, permits, mine technical analysis and planning, legal and financial consultation. The exploration process reflects a company's first economic investment to a project and neighbouring community. Coronado maintains a metallurgical coal resource base in excess of 2 billion tonnes (JORC Code). Coronado's Mon Valley project in the U.S. is currently in this stage of the mine lifecycle.





### Mine design

Mine planning and analysis, site design, mining methods and infrastructure requirements are assessed. The outcome of these assessments will determine the infrastructure required at a specific mine site to allow commencement of operations, ultimately contributing to employment and the economy. All safety and environmental factors are considered and permitted before the next phase.

### Mine construction

Construction is a significant undertaking which, dependent on the project, can involve significant financial investment and provide employment and contributions to local and international communities for decades. Construction is a continuous process through the mine lifecycle. Coronado continues to evaluate the expansion of its Curragh mine in Queensland, Australia, to achieve incremental tonnage levels in the near future.





### **Production**

The production phase will provide metallurgical coal to customers used in the manufacturing of steel. In 2021, Coronado sold 17.8 million tonnes to customers with 95% of all revenues generated from metallurgical coal sales. The remaining 5% was from thermal coal sales used by power plants for electricity generation in Australia. Coronado has a reserve and resource base for metallurgical coal production in excess of 20 years in Australia and the U.S.

### Rehabilitation

Rehabilitation is a key component of the mine life cycle. Coronado recognises the value of successful rehabilitation to its local environment and the surrounding communities. In 2021, Coronado recognised Asset Retirement Obligations ("ARO") of US\$120.3 million for future mine life closures and rehabilitation efforts. Coronado progressively rehabilitates disturbed areas as mining progresses and is compliant with legislative requirements in both Australia and the U.S.



Our operations are situated in two of the largest and most productive metallurgical coal basins in the world, the Bowen Basin in Queensland, Australia, and the Central Appalachian region of the U.S. Our products service customers throughout the Asia-Pacific, India, the America's and Europe. As of 31 December 2021, we employed approximately 1,600 people directly and 1,800 contractors globally.

# An overview of our operations is as follows:

	CURRAGH	BUCHANAN	LOGAN	GREENBRIER®	MON VALLEY	RUSSELL COUNTY
Location	Bowen Basin in Central Queensland. Covers approximately 256 km².	Near town of Oakwood in Buchanan County, Virginia within the CAPP geological province. Covers approximately 357 km².	Boone, Logan and Wyoming Counties in southern West Virginia, within the CAPP geological province. Covers approximately 104 km².	Greenbrier and Nicholas Counties of West Virginia, within the CAPP geological province. Covers approximately 176 km².	(MVM) plans to develop a new underground Met coal mine with a small footprint of surface facilities in Pennsylvania, U.S. MVM is estimated to contain 134 Mt of recoverable marketable reserves.  Coronado has commenced community engagement processes with the Forward Township Planning	Coronado has long-term plans to develop an underground Met coal mine complex to mine the Russell County reserve, located in Virginia, U.S., in the late 2030's. The Russell County reserve is comprised of 29.5 Mt of recoverable marketable reserves. It is envisaged that this project once operating will create a significant number of new permanent jobs in the region.
Year opened	1983	1983	2005	2008		
Year acquired	2018	2016	2014	2013		
Reserves (ROM)	266 Mt	160 Mt	137 Mt	12 Mt		
Resources	937 Mt	290 Mt	264 Mt	55 Mt		
2021 saleable production	11.1 Mt	4.4 Mt	1.9 Mt	0 Mt		
Number of active mines <sup>7</sup>	Two mines, Curragh Main and Curragh North, utilising draglines, a rope shovel and hydraulic excavators.	One underground mine with longwall mining system.	Four underground mines (Lower War Eagle, Powellton, Eagle 1, Muddy Bridge) and one surface mine (Toney Fork).	One underground mine (Mountaineer I – idle from April 2020) and one surface mine (Midland Surface – idle from April 2020).		
Types of coal products	High-quality low-vol HCC, SCC, PCI coal and thermal coal.	Low-vol HCC and premium low-vol PCI coal.	High quality high-vol HCC (HVA and HVB ).	Premium quality mid-vol met coal, PCI and thermal coal (including activated carbon specialty markets).		
Key customers/ markets	Met coal exported to international steel mills throughout Asia, Europe and South America. Thermal coal primarily for use by Australian domestic power station (Stanwell).	North America customers and export destinations, including China, Europe and South America.	North America steel makers and export destinations, including Europe, South America, and Asia.	North America steel makers and export destinations, including Europe, Asia and South America.		
Expansion projects	Stanwell Reserve Area, MDL 162.					

<sup>8</sup> The Greenbrier mine remains idle and held for sale. The Company completed 110 acres of rehabilitation works at Greenbrier in FY21. The potential divestment of this non-core asset will be advanced in FY22.

### **Supply Chain Overview**

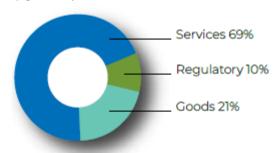
Coronado's supply chain is essential to support its operations in Australia and the U.S. and as such we have many well-established, strategic relationships with our key suppliers in both jurisdictions. Our supply chains are highly localised and supported by the skilled labour, products and services of the regions in which we operate.

### Australia

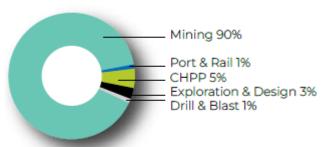
We engage with approximately 718 suppliers annually. Our supply chain encompasses a broad range of products and includes contractors, subcontractors, consultants as well as suppliers of goods and services. 95% of our spend is with Australian contracts with 28% sourced locally from the region around the Curragh mine. Coronado's geographic supply chain extends across Australia, India, Korea, Japan and the U.S. and is aligned with our Company's core values of collaboration, accountability, respect and excellence.

Our Australian operations make over A\$1.3 billion in supplier payments annually. As depicted by the graphics below, Coronado's Australian operations' supply chain is broken down by Mining (90%), Coal Handling and Preparation (5%), Exploration and Design (3%), Drill and Blast (1%), Port and Rail (1%). 86% of the supply chain consists of services that include a labour component.

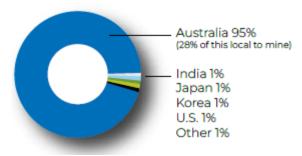
TYPES OF SUPPLIERS ENGAGED (by value)



# TOTAL NUMBERS OF SUPPLIERS ENGAGED (by number)



## GEOGRAPHIC LOCATION OF SUPPLIERS (by value)

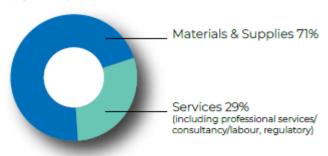


### **United States**

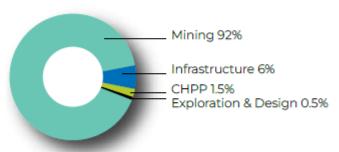
Coronado's U.S. operations' supply chain encompasses a broad range of products and includes contractors, subcontractors, consultants as well as suppliers of goods and services. We engage with approximately 536 suppliers annually. Our geographical supply chain footprint is largely contained to the U.S. (32% local) however it does extend to Canada and Australia with each region supporting us to be an international leading producer of high-quality Met coal.

We supported over US\$220 million in payments to our suppliers yearly. As depicted by the graphics below, Coronado's U.S. operations' supply chain is broken down by Mining (92%), Infrastructure (6%), Coal Handling and Preparation (1.5%) and Exploration and Design (0.5%). 9% of the supply chain consists of services that include the provision of labour.

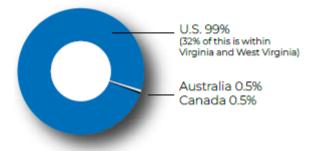
# TYPES OF SUPPLIERS ENGAGED (by value)



# TOTAL NUMBERS OF SUPPLIERS ENGAGED (by number)



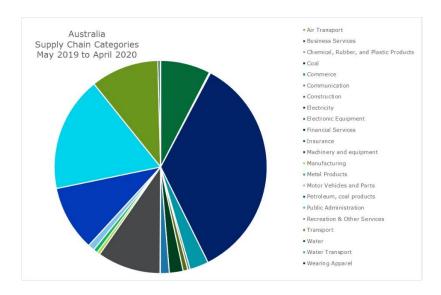
# GEOGRAPHIC LOCATION OF SUPPLIERS (by number)



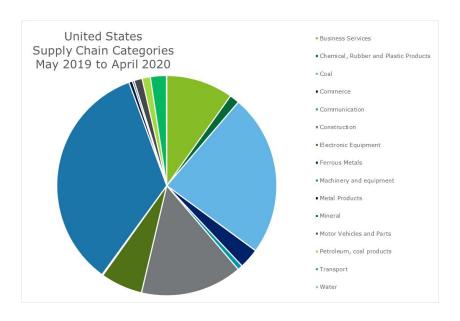
# Supply Chain Category Analysis

In 2020 we identified discrete supply chain categories over a 12 month period and reported on those in our first published FY20 Statement. This work has provided the foundation for how we continue to assess and respond to our moderrn slavery risks. An overview of the categories identified in Australia and the U.S. is presented again below:

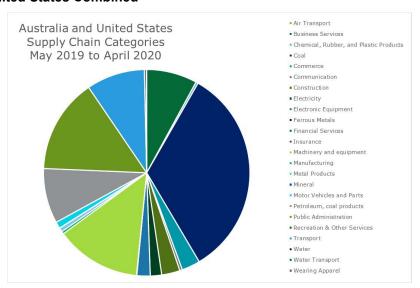
### **Australia**



### **United States**



### **Australia and United States Combined**



Our extensive work in 2020 confirmed that our suppliers are largely located within the country of operation, with the exception of specialist overseas suppliers (e.g. software services).

### The risks of modern slavery to Coronado

The risks of modern slavery are specific and unique to each organisation's operations or supply chain. We are committed to ensuring our operations and supply chains are safe and uncompromised.

Our ongoing review of our operations and supply chain, leveraging insights from our people, processes and policies, supply chain data and external modern slavery risk sources of information, helps us to better understand Coronado's exposure to modern slavery risks.

## **Our Operations**

Coronado's operations are supported with policies, processes and established grievance mechanisms to effectively manage risk and comply with all laws and regulatory requirements of the region in which we operate. Our people are trained in these policies, processes and established grievance mechanisms and we create an environment where employees feel safe, comfortable and supported to speak up, both formally and through informal mechanisms.

Our mining operations require highly skilled and remunerated employees and contractors. As such, our operations are considered to have lower risks of modern slavery. However, we are alert to areas where modern slavery risks may be higher, such as ancillary services like cleaning and catering within our operations, typically provided by contractors.

# **Our Supply Chain**

The operational and business activities required for Coronado to produce high-quality metallurgical coal requires us to engage with specific industries, some of which, through our supply chain assessment undertaken, have been identified as having potentially higher modern slavery risks than others.

In reviewing our suppliers we recognised the following categories in Australia as being as being potentially at risk, due to higher risks for use of forced labour:

- · Electronic Equipment;
- Machinery and Equipment;
- · Chemical Rubber and Plastic Products; and
- Commerce (e.g. cleaning and maintenance services).

Based on our review in 2020, Australia and the U.S. are our primary sourcing countries to assess potential 'country risk'. Country risk is based on the Walk Free Foundation 2018 Global Slavery Index ("GSI"). Using the GSI, Australia and the U.S. present low country risk. While our supply chain profile is highly localised

within our operational region, we understand that in the identification of risk, we must look beyond our tier 1 suppliers.

Our supply chain assessment in 2020 identified how potential modern slavery risk could present itself in our supply chain profile and continued to guide our repsonse to modern slavery risks during FY21, including working with our tier 1 suppliers.

### Our 2021 actions to reduce modern slavery risks

Our action to engage with external experts in developing our understanding of potential modern slavery risk in our operations and supply chain is driven by our values and the effort to strive for a better tomorrow.

In our FY20 Statement, following our engagement with external experts to develop our understanding of potential modern slavery risk in our operations and supply chain, we committed to undertake certain actions and set out a roadmap for 2021-2022. We established Key Performance Indicators ("KPIs") and undertook to measure our performance against them.

In doing that, we consulted international frameworks and guidelines to identify opportunities to strengthen our approach in reducing modern slavery risks. Our approach and actions are aligned with best practices defined in the United Nations Guiding Principles on Business and Human Rights, and the OECD Guidelines on Multinational Enterprises.

The status of our performance against our FY21 commitments is set out in the table below:

Actions	Our KPIs (How we will measure our impact)	How we will assess effectiveness	Status
Establish Modern Slavery Working Group As modern slavery risks have the potential (albeit small) to exist across our operations and supply chain, Coronado places an importance on addressing these risks and will be establishing a separate and specialised working group. This working group will be supported by senior executives to engage with relevant divisions to develop initiatives to address potential risks of modern slavery and be charged with assessing effectiveness of initiatives	<ul> <li>Set up of modern slavery working group and attendance at meetings</li> <li>Develop a detailed project plan to implement the modern slavery roadmap and review progress toward it</li> </ul>	Effective implementation and oversight of Coronado's modern slavery roadmap and increase Coronado's capability to address modern slavery risk	<ul> <li>Modern Slavery Working Group established comprised of representatives from Supply, Internal Audit, HR, Legal and Sustainability divisions which met regularly during FY21 during which the status and effectiveness of modern slavery initiatives assessed</li> <li>Tracker implemented to monitor delivery of 2021 commitments</li> <li>Plan developed for reporting against FY21 commitments and reviewing the roadmap for FY22</li> </ul>
Integrate Modern Slavery into Policies and Processes  Our internal policies communicate expectations and govern how we operate. Our action to include modern slavery risks in our Code of Conduct is a step to ensure all employees and contractors are aware of the potential risks. Our Code of Conduct module is regularly refreshed, ensuring the continued facilitation of awareness.	<ul> <li>Update existing policies and procedures to incorporate modern slavery</li> <li>Rollout updated policies and procedures</li> </ul>	Stakeholders     understanding of     modern slavery and     Coronado's approach to     addressing modern     slavery risk	<ul> <li>As part of annual review of Group policies and procedures by the Board of Directors, update to Code of Business Conduct and Ethics to require support for the steps the Company has taken to address the risks of modern slavery in our business, operations or supply chains</li> <li>Reviewed and incorporated obligations on suppliers in relation to addressing modern slavery risk in standard Company supply contract templates; as well as customer coal sales contracts that includes a right to audit in relation to supplier/customer compliance with applicable modern slavery laws</li> <li>Sharing updated documentation across the Group for consolidation if potential risks identified</li> </ul>
Include Modern Slavery Risks in Human Resource Onboarding Material As part of our review of our policies and processes, we will determine how best to train relevant employees to ensure they can identify how potential modern slavery risks could exist in our operations and supply chain.	determine whether to incorporate enhanced awareness of modern slavery risks	Stakeholders understanding of modern slavery and Coronado's approach to addressing modern slavery risk	Update to Code of Business Conduct and Ethics new employee onboarding/induction and all employee mandatory annual online training module to incorporate enhanced awareness of modern slavery risk

# Engagement on Modern Slavery and Grievance • Mechanisms

We will engage with our employees, contractors and suppliers ensuring there is adequate levels of awareness and understanding of the currently available grievance mechanisms, such as our Speak Up whistleblower reporting services and other avenues to speak Up open to everyone in our business ecosystem (employees, contractors, suppliers and the general public). We will develop the capability of our people who may potentially receive modern slavery complaints, to respond to those complaints.

- Ensure awareness that existing grievance mechanisms such as those set out in our Whistleblowing Policy can respond to concerns regarding modern slavery risk
- If required, rollout updated awareness of grievance mechanisms
- Stakeholders understanding that grievance mechanism are applicable to modern slavery risk
- Whistleblowing Policy approved and implemented in 2021 - reference to human rights abuses are included as an example of items to raise as a concern and a 'disclosable matter'; all Group policies reviewed annually by the Board of Directors
- Posters located all mining sites and corporate head office
- Mandatory annual Code of Business Conduct and Ethics online training module provides ongoing awareness of such grievance mechanisms

### Modern Slavery Risks in Supplier Self-Assessment Questionnaire

We will tailor our supplier due diligence processes and incorporate modern slavery specific questions and criteria into our supplier self-assessment questionnaire to identify modern slavery risks or areas of non-compliance with our Code of Conduct and supplier expectations.

- Update supplier self-assessment questionnaire to incorporate modern slavery
- Rollout updated supplier selfassessment questionnaire

- Assess modern slavery risk of new suppliers and incorporate into determination of preferred supplier status
- Increasing use of third party database to assist in due diligence review of preferred suppliers for modern slavery risk
  - Review of pre-qualification processes commenced with a sharing of approaches across the Group US and AUS for streamlining and consistency of approach

# Our proposed 2022 actions to reduce modern slavery risks

We have reviewed our proposed 2022 roadmap as foreshadowed in our FY20 Statement. All of our planned actions for FY22, including how we will assess effectiveness are set out below:

Actions	Our KPIs (How we will measure our impact)	How we will assess effectiveness
Investigate Third Party Services in Prequalification of Suppliers Our working group will investigate third-party services available to support the due diligence process and prequalifying of our suppliers, with specific attention to determining if enhanced modern slavery risk assessments of suppliers, supply chains and operations are required.	<ul> <li>Identify third party prequalification services available</li> <li>Assess third party prequalification services</li> </ul>	<ul> <li>Understand capability and applicability of third party prequalification services to Coronado</li> <li>Reviewing the number of third parties targeted for further modern slavery due diligence</li> </ul>
Investigate Higher Risk Suppliers Beyond Tier-One Investigate means to understand our supply chain better through exploring beyond tier one suppliers.	<ul> <li>Identify higher risk suppliers to investigate</li> <li>Develop assessment tool and assess supply chain below tier one level for higher risk suppliers identified</li> </ul>	<ul> <li>Assess risk below tier 1 for higher risk suppliers</li> <li>Reviewing the number of third parties that have been subject to this enhanced modern slavery due diligence</li> </ul>
Develop human rights and ethical sourcing policies  Our internal policies communicate expectations and govern how we operate. On an annual basis all Group policies are reviewed by our Board of Directors in order to (i) confirm if any changes to regulatory requirements need to be incorporated into the policy; and (ii) any other edits/amendments/updates that they consider may be necessary. Following reviews undertaken in FY21, action to enhance response to human rights risks and incorporate into ethical sourcing policy will support reduction of modern slavery risks	<ul> <li>Create relevant Human Rights policies and related procedures or tools to incorporate human rights risks into ethical sourcing policy</li> <li>Rollout updated policies and procedures</li> </ul>	Stakeholders understanding of human rights and Coronado's approach to addressing human rights risks and greater alignment with the UN Guiding Principles on Business and Human Rights and Modern Slavery Act
Quarterly questionnaire by Global Supply regarding internal or external supply chain risk to include a specific query re modern slavery risk  Coronado endeavours to limit the impact of supply chain disruptions both internally and externally. To support identifying the risks within our supply chain we have developed a quarterly survey for our contracting partners to facilitate the identification of both internal (ie within a supplier's control) and external (either upstream or downstream in the supply chain) supply chain risks, which includes a question regarding modern slavery risk		<ul> <li>Enhanced understanding of emerging risk below tier 1 for higher risk suppliers</li> <li>Reviewing the number of third parties that have been subject to this enhanced modern slavery due diligence</li> </ul>

### **Assess effectiveness**

Coronado recognises the importance in assessing the effectiveness of initiatives to address modern slavery risks in our operations and supply chain. Our 2020 review of our operations and supply chain contributed to the baseline assessment and our Modern Slavery Working Group assesses the effectiveness of initiatives.

Our progress on achieving activities within our roadmap during FY21 has been reviewed at regular intervals and reported to Coronado's Executive and Board of Directors through the Health, Safety, Environment and Community ("HSEC") Committee. These reviews have acted as forums to promote the continuous assessment and improvement of Coronado's efforts. Our Modern Slavery Working Group and HSEC Committee will assist to ensure our actions and roadmap accurately accounts for identified risks, along with developing appropriate actions to respond to risks.

In assessing our effectiveness in combating modern slavery, we will continue to establish KPIs and measure our performance against them year on year as we seek to enhance the steps we take in these areas.

Our aim is to continually monitor and, where necessary, improve any policies, procedures and systems that we have already implemented. We will periodically review the effectiveness of the steps we are taking to ensure the risks of modern slavery in our business, operations or our supply chains are addressed.

### Consultation with subsidiaries and entities

As the principal governing body, Coronado Global Resources Inc. developed this joint statement for the relevant Australian reporting entities in consultation with each entity covered by the Statement, in accordance with section 14(2)(c) of the Act as outlined in section Structure, Operations and Supply Chain. Both entities covered by the Statement have a common director with the principal governing body.

Prior to being tabled at the Coronado Board for review and approval, this Statement was reviewed by the Company Secretary of each entity listed in this Statement, as well as the Chief Legal Officer, General Counsel, Chief Financial Officer and the Chief Executive Officer of Coronado.

As noted above, Coronado formed a Modern Slavery Working Group with the responsibility to address potential risks of modern slavery and be charged with assessing effectiveness of initiatives for all Coronado operations in Australia and the United States. This group consulted widely with Operations, People and Culture, Commercial, Assurance & Risk, General Counsel and Procurement and Contracts in the development of this Statement. The Statement developed by the Modern Slavery Working Group is a group-wide response to the risks of modern slavery in the operations and supply chains of Coronado.