BAOSTEEL RESOURCES AUSTRALIA PTY LTD

Modern Slavery Statement

1. Introduction

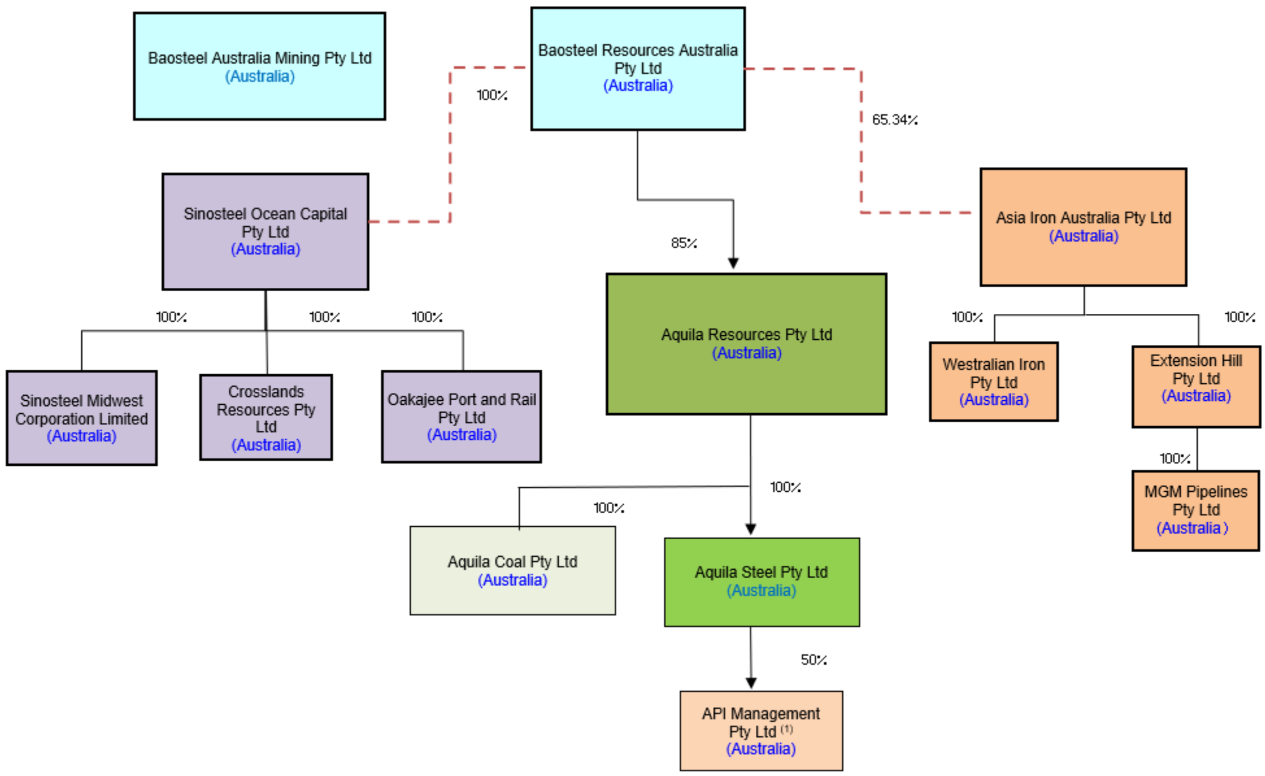
This statement outlines Baosteel Resources Australia Pty Ltd's (ACN 154 815 362) (**Baosteel**'s) approach to identify and address the risks of modern slavery in its operations and supply chains. This statement is made pursuant to the *Modern Slavery Act 2018* (Cth) for the financial year ending 31 December 2025.

2. Our Structure

2.1 *Baosteel Group*

Baosteel is a subsidiary of China Baowu Steel Group Corporation Limited (**Baosteel Group**), a leading global iron and steel enterprise based in Shanghai, China. Baosteel Group was established on 23 December 1978 and has operations in Shanghai, China, South Africa, Mauritius and Western Australia.

A simplified corporate structure of the Baosteel Group is provided below:



2.2 *Baosteel in Australia*

Baosteel is an Australian proprietary company with approximately 10 personnel in Australia, including three employees, one contractor and six expatriate staff from Baosteel's parent company in China. Our principal place of business is Level 21, 77 St Georges Terrace, Perth WA 6000.

Aquila Resources Pty Ltd (ACN 092 002 769) (**Aquila Resources**) is an 85% owned Australian incorporated subsidiary of Baosteel. Aquila Resources has approximately 18 employees and five contractors based in Western Australia and has the same principal place of business as Baosteel.

Since early 2025, Sinosteel Midwest Corporation Ltd (**SMC**) and Asia Iron Australia Pty Ltd (**AIA**) and their respective related bodies corporate based in Western Australia have been managed by Baosteel. This followed on from the acquisition of the respective Chinese incorporated parent companies of SMC (in December 2022) and AIA (in late 2020) by the Baosteel Group.

SMC has seven employees based in Western Australia and one expatriate staff from China. AIA has one employee and engages two contractors.

3. Our Operations and Supply Chain

3.1 *Operations*

Baosteel is a joint venture partner in the Western Range Joint Venture, an iron ore project located in the Pilbara region of Western Australia, with production from the Western Range iron ore deposit located about 80 kilometers southwest of Tom Price. Baosteel holds a 46% ownership interest in the joint venture. Rio Tinto holds a 54% ownership interest through its entity, Ranges Mining Pty Ltd (ACN 100 334 263). The joint venture encompasses a range of activities, including the production and supply of iron ore.

Aquila Steel Pty Ltd (**Aquila Steel**) (wholly-owned by Aquila Resources) works with its joint venture partner, AMCI (IO) Pty Ltd, in the Australian Premium Iron Joint Venture (**APIJV**) in the Pilbara region of Western Australia. Aquila Steel holds a 50% interest in the APIJV. This joint venture is managed by API Management Pty Ltd (**APIM**). APIM manages various tenements in the Pilbara region of Western Australia for exploration and development purposes.

Aquila Steel indirectly holds a 22% interest in the Red Hill Iron Joint Venture (**RHIOJV**) in the West Pilbara region of Western Australia. That interest is held by APIM as agent for Aquila Steel, with a 21% interest held by APIM as agent for AMCI (IO) Pty Ltd. Onslow Iron Pty Ltd

(ACN 649 012 395) (**Onslow Iron**) (wholly-owned by Mineral Resources Ltd) holds the remaining 57% interest in the RHIOJV and is also the manager of the RHIOJV and the Onslow Iron Ore mine held under the RHIOJV. First ore on ship was achieved in May 2024.

SMC holds various tenements in the Mid-West region of Western Australia for iron ore exploration and development purposes. In September 2025, SMC signed an agreement granting Fenix Resources Ltd rights to mine and export iron ore from SMC's Weld Range tenements.

Extension Hill Pty Ltd (**EHPL**) (wholly-owned by AIA) holds various tenements in the Mid-West region of Western Australia for iron ore exploration and development purposes. In May 2023, EHPL signed an agreement granting Terra Mining Pty Ltd rights to mine and export iron ore from certain mining leases held by EHPL.

3.2 *Supply Chain*

As the operator of the Western Range Joint Venture, Rio Tinto provides the services of construction and production on the Paraburdoo Western Range mine. As Baosteel is not the operator of the project, Baosteel's supply chain of these operations is limited and consists of one (1) manager located offsite in Baosteel's office in the Perth CBD, to monitor the operation of the project and provide professional services, such as legal, financial, accounting or insurance.

APIM is the manager of the APIJV. APIM employs some personnel directly, seconds some personnel from Aquila Resources and engages a few personnel from Australian incorporated labour hire companies. APIM is responsible for the procurement of goods and services required for the APIJV operations.

Onslow Iron is the manager and operator of the RHIOJV. Any personnel engaged in the RHIOJV operations are engaged by Onslow Iron Pty Ltd in its capacity as manager and not directly by the RHIOJV. Onslow Iron is responsible for the procurement of goods and services required for the RHIOJV operations.

4. Modern Slavery Risks in Operations and Supply Chain

As stated in Baosteel's previous modern slavery statement, Baosteel considers their direct operations to be at a low risk of modern slavery due to the nature of its investment activities in Australia. While Baosteel is not directly engaged in office maintenance activities, we are aware that some industries such as the cleaning sector may have higher risks of modern slavery practices and we are committed to monitoring these risks in our business and consider collaboration with relevant stakeholders.

While Baosteel's direct operational involvement is limited, Baosteel has identified that as a joint venture partner, and a shareholder of Aquila Resources, that it may be at risk of indirectly contributing to modern slavery practices in Australia through these relationships. These practices include the engagement of suppliers of products and services used in the mining operations such as trucks, building products and services, mining equipment, transport, catering and temporary accommodation facilities. There is a potential risk of subcontracting to other companies with the lowest prices and the underpayment of workers.

Baosteel has identified that it may be at risk of contributing to modern slavery by the secondment of employees from its parent company in China to undertake work in Australia and has taken that into consideration in developing and its actions and strategies to address and minimise these risks (see section 5 below).

5. Actions Taken to Assess and Address the Modern Slavery Risks

In respect of Baosteel's participation in its joint ventures, as a non-operator and non-manager, Baosteel is not in a position to directly control the supply chains for those investments and somewhat relies on the operator or manager of the site to follow its due diligence processes and risk management to identify countries with a high risk of modern slavery, high risk goods and services. This may include implementing specific internal processes such as "*Know Your Supplier"* and providing personnel with the skills and knowledge on how to identify "*red flags*" of modern slavery risks. However, Baosteel engages in informal oversight of the actions and processes its joint venture partners have in place to address modern slavery risks and carries out its own due diligence to ensure that its joint venture partners are meeting their obligations in relation to management of these risks.

For example, Baosteel has undertaken a review of the latest modern slavery statement of our joint venture operator, Rio Tinto, to assess the actions taken to assess and address modern slavery risks in operations. This review revealed that our joint venture partner has robust processes in place to assess and mitigate against modern slavery practices, which aligns with Baosteel's standards and expectations. These include for example, policies and procedures (such as their Human Rights Policy or Supplier Code of Conduct); a risk management framework and risk assessments; audits and due diligence processes; confidential reporting mechanisms; and effectiveness assessments in relation to the mitigation of modern slavery practices.

Baosteel has also undertaken a review of the latest modern slavery statement of the parent company of the RHIOJV manager and operator, Mineral Resources Limited, to assess the actions taken to assess and address modern slavery risks in their operations. These include policies and procedures (such as their Human Rights Policy, supplier code of conduct and supplier screening processes); a risk management framework and risk assessments, audits and due diligence processes; whistleblower policies and procedures; and effectiveness assessments in relation to the mitigation of modern slavery practices.

Whilst APIM is not required by law to issue a modern slavery statement, APIM has a whistleblower policy in place for employees to report any misconduct which includes modern slavery issues. The APIM recruitment processes include sourcing employees from the Australian labour force wherever possible and ensuring employee remuneration is in line with Australian salary benchmarks. APIM has a detailed contract procurement process in place which includes requiring contractors to engage Australian citizens and permanent residents unless a legitimate reason exists as to why Australian labour cannot be sourced for the work. Contractors of APIM are therefore required to comply with all applicable Australian labour laws including requirements to meet minimum thresholds and providing a safe work environment.

Subsequent to the actions outlined in the previous modern slavery statement, additional actions have been implemented in 2025. For example, APIM has put in place a modern slavery policy to demonstrate its commitment to implementing and enforcing effective systems and controls to minimise the risk of modern slavery practices in its business, supply chain and labour recruitment. Going forward, APIM's template supply agreements will include a clause which imposes similar obligations on its third party suppliers.

No significant issues were identified that would require additional action or further information from the operator. Baosteel remains committed to ongoing engagement and collaboration with its joint venture partners to continuously evaluate and enhance modern slavery risk assessment and mitigation strategies in the future.

In respect of Baosteel's workers who are engaged from China, these workers are employees of Baosteel's parent company in Shanghai, China. The workers are sponsored by the parent company to work in Australia and the visa process is managed by Baosteel's parent company. Baosteel's Human Resources Department ensures that the workers have the correct visa to work in Australia, including undertaking a visa condition check (VEVO). It is a precondition of their engagement that the workers have the legal right to work in Australia. Human Resources also ensures that Australian employment legislation and regulations are strictly adhered to, as well as Baosteel's policies and procedures in relation to overtime work compensation and leave.

Aquila Resources' personnel are mainly employed by contract in accordance with Australian employment legislation and a few of Aquila Resources' personnel are seconded from Baosteel (and in return, personnel from Aquila Resources are also seconded to Baosteel). Aquila Resources' personnel are required to comply with Aquila Resources' code of conduct (which includes provision of personnel access to an external employee assistance program) and supplier management policy.

The personnel of SMC and EHPL are mainly employed respectively by those entities in accordance with Australian labour law and their respective (or Baosteel's) labour recruitment policies and procedures.

6. Assessing the Effectiveness of these Actions

As noted above, as a non-operator joint venture interest holder, Baosteel is not able to exert direct control over the actions and processes taken by Baosteel's joint venture operators to respond to modern slavery risks in their operations and supply chains. Having said that, Baosteel ensures that it has some oversight over the systems and processes implemented by its joint venture operators and carries out its own due diligence processes to assess whether its joint venture operators are complying with their obligations to address modern slavery risks in their supply chains and operations. As noted in section 5, this has included reviewing the modern slavery statements submitted by Baosteel's joint venture operators and assessing the effectiveness of the actions set out in those statements. In addition, Baosteel participates in regular operational and governance meetings with its joint venture operators and partners. In the case of the APIJV and the RHIOJV, going forward, modern slavery risks are to be added as an agenda item so that compliance with proposed actions to address these risks are discussed and confirmed at those meetings.

Actions are also being implemented to assess the effectiveness of more recent initiatives. For example, as APIM has introduced the inclusion of a modern slavery clause into its supply agreements, it is proposed that as a future action, suppliers will also be required to sign a declaration or a self-assessment questionnaire annually, confirming the actions they have taken to manage modern slavery risks before their contract is able to be renewed.

Baosteel appreciates that although it is a minority, non-operator joint venture partner and shareholder it is still required to take an active role to identify and reduce the risks of modern slavery in its joint venture operations. As such, Baosteel will continue to work collaboratively with its joint venture partners and stakeholders over the next 12 months on actions which can be taken to enhance modern slavery risk management in its joint venture operations and related supply chains.

In respect of the expatriate employees, Baosteel ensures visa and employment checks are undertaken by its Human Resources personnel on each individual employee prior to commencing work in Australia. These checks have worked well, and no issues have been identified to date.

7. Consultation Process

In preparing this modern slavery statement, Baosteel consulted with its controlled or managed entities through one of its directors, who is a director of Aquila Resources, SMC and Baosteel, as well as through a common executive management team. It was through these channels that Aquila Resources, SMC and EHPL were made aware that Baosteel was reviewing and updating its previous modern slavery statement and was provided with an opportunity to participate in the process.

This statement has been approved by the board of directors of Baosteel Resources Australia Pty Ltd (ACN 154 815 362).

Signed and approved on 3 July 2026 by:

Yong Zhang

Director