



# Modern Slavery Statement

## 2021- 2022

**At C-Res, we see respecting human rights as critical for our ability to contribute meaningfully to society and we have an expectation that all businesses with whom we work respect human rights throughout the value chain.**

**C-Res adopts the Australian Modern Slavery Act definition of modern slavery, including the eight types of serious exploitation (which include human trafficking), each of which has a clear definition in international or Australian law. We have a responsibility to work collaboratively with our suppliers, customers, workforce and external stakeholders to increase our understanding of modern slavery risks and the role we can play in seeking to address them.**

This is our second Statement in response to the Australian Modern Slavery Act. This Statement describes the activities we have undertaken throughout our financial year to strengthen our processes and better understand the risks of modern slavery and human trafficking in our operations and supply chains.

## About C-Res

C-Res is a wholly owned subsidiary of Greater Whitsunday Alliance (GW3) and was first established in 2012 to deliver the Local Buying Program in Queensland for BMA. Since then, the Local Buying Program's continuing success has seen it expand to all BHP Minerals Australia core assets.

The Local Buying Program is delivered through a strategic partnership between BHP, BHP Mitsubishi Alliance (BMA), BHP Mitsui Coal (BMC) and C-Res, a cost-neutral organisation. Jointly, BHP and C-Res have created and delivered the Local Buying Program which supports regional economic development of the communities in which BHP, BMA and BMC operate. This partnership spans all of BHP Minerals Australia core assets, including Queensland Coal (BMA and BMC) in Queensland, NSW Energy Coal in New South Wales, Western Australia Iron Ore and Western Australia Petroleum in Western Australia, Olympic Dam in South Australia and BHP Operational Services. For more information on the Local Buying program visit [www.localbuying.com.au](http://www.localbuying.com.au)

The Local Buying Programs in each state of Australia we operate, have independent Local Buying Foundations that work to build sustainable business communities for the future.

Building on local capabilities and opportunities for growth in current and emerging industries, the Local Buying Foundation will support projects and programs which facilitate workforce development, innovation and the productive capacity of business and industry to grow the potential of their regional economies.

These Foundations are run by representatives of the communities of interest to ensure investments have the greatest possible impact.

For more information about the Foundations including funding rounds, funding opportunities and governance visit the website – [www.localbuyingfoundation.com.au](http://www.localbuyingfoundation.com.au)

## Our Vision, Core Role and Values

The wellbeing of our people, the communities in which we live and work, and the environment must be considered in everything we do and our beliefs and values uphold that.

We look to integrate our values into our decision-making and actions by considering the needs of our many stakeholders and finding new and innovative solutions that create mutual benefit.

Our approach is defined by our *Vision, Core Role and Values*. These clearly articulate the foundation to develop and implement sustainable and manageable practices in everything we do.

We recognise that operating in a manner that respects human rights and with a commitment to strong governance and anti-corruption is not only important to the sustainability of our business but enables us to better understand and address modern slavery and human trafficking risks.



## VISION

Increasing spend and business growth in small, local and Indigenous businesses in regional communities.

## CORE ROLE

Integrate complex procurement systems into small, local and Indigenous businesses using people and technology.

## Our Values

We have a commitment to **respecting** all that we deal with; operating with the highest **integrity** whilst continuing to have **empathy** that builds **trust** in our product, people and brand.

To acknowledge, appreciate and value people, ourselves and our organisation.

**We treat people with courtesy, accept and value their opinions, beliefs and cultures even if they differ to our own.**

Being aware of, sensitive to and understanding the feelings of others.  
**We listen, care and try to understand the situation from the perspective of another person.**



The quality of being honest and having moral and ethical principles.

**We place our morals, ethics and honesty in front of our decisions and actions.**

Placing confidence in the truth, character or ability of someone or something.

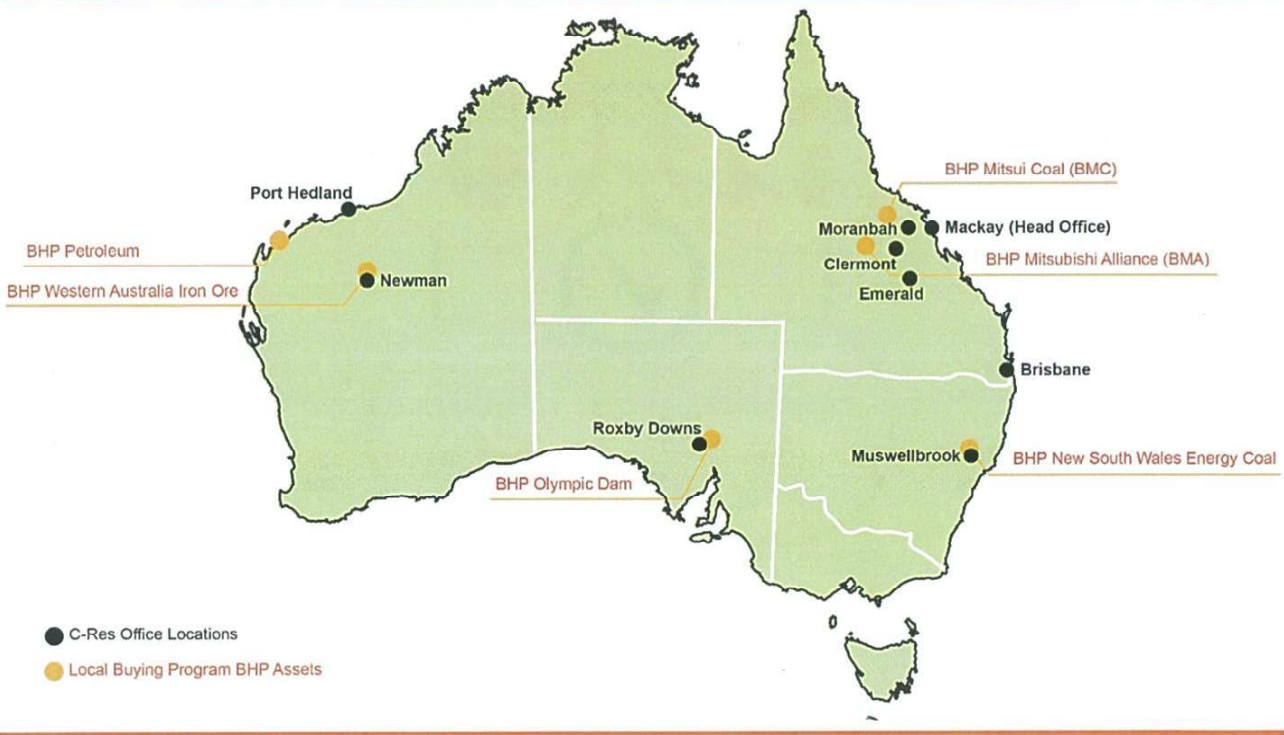
**We are honest, reliable and consistent in our actions, aiming to earn and develop trust.**

## Our organisational structure and business

We are an Australian company that operates nationally. We strategically act as an agent for BHP for their off-contract procurement aimed at small local businesses in communities where BHP operate.

Our principal operations and locations are below.

### Local Buying Program in Australia for BHP, BMA and BMC



## Structure and Reporting Entity

We are a wholly owned subsidiary of Greater Whitsunday Alliance (GW3).

We are also the Trustee of the Qld, NSW, SA and WA Local Buying Foundations, all of which are registered with the ACNC.

C-Res is the reporting entity covered by this Modern Slavery Statement.



## Our supply chain

Our direct operational supply chain is very minimal and every vendor is required to undertake a due diligence process to ensure there are no human rights-related risks.

All LBP suppliers (BHP direct supply chain) and LBF funding applicants also undertake a stringent due diligence process which is reviewed annually to minimize anti-corruption and human rights-related risks.

## Policies and governance

Every member of our workforce who works at or supports what we do is guided by our *Vision, Core Role and Values* as well the *C-Res Code of Conduct* and BHP's *Our Charter, Our Code of Conduct (Our Code)* and the *Our Requirements* standards.

All LBP suppliers working at BHP's operated assets are required to comply with BHP's health, safety, environmental and community (HSEC) standards. We are focused on how we can engage with and encourage LBP suppliers to maintain business practices and workplace standards that are comparable to our own.

In FY2021, we conducted activities to raise awareness about governance and compliance by:

- Increased focus on auditing of supplier registrations and removing from LBP on first instance of non-compliance
- Undertaking an internal governance and compliance audit by BHP Internal Auditors with all findings and recommendations in low risk category and swiftly rectified
- Implementing recommendations from financial auditor findings by independent auditors – only one medium risk recommendation which resulted in swift interim measures being implemented

## Requirements for suppliers

The *Local Buying Program Operating Guidelines* sets minimum mandatory requirements for suppliers of non-traded goods and services, including:

- registration prior to being set up as an eligible LBP supplier to BHP
- meeting minimum governance and compliance requirements for suppliers

BHP developed an Ethical Supply Chain and Transparency Guide in FY2020, which is available to all direct and indirect suppliers at [bhp.com](http://bhp.com) to support their commitment to continuous improvement and collaboration with suppliers. The Guide's intent is to collaborate with and enhance the capability of their suppliers in meeting their requirements under their Minimum requirements for suppliers. It complements the relationships BHP and C-Res have with suppliers and the ongoing work of BHP's Procurement team. C-Res was in the process of implementing this guide in all supplier registrations in FY2021.

## Access to remedy

We have mechanisms in place to address the concerns of stakeholders who feel we have breached our vision, core role and values or wish to raise other business conduct issues. All grievances and complaints can be addressed through our 'Complaints and Grievance Policy' located on our website.



Complaints and grievances and reports received are required to be logged in our register. This allows us to improve our investigation, management and analysis of issues and impacts. In FY2021, no complaints received through these mechanisms related to modern slavery or human trafficking.

Concerns about C-Res and LBP suppliers can also be made anonymously and in multiple languages via Ethics Point, a reporting service that enables anyone to lodge a concern. This service is available 24/7 to BHP workforce, external stakeholders and the public globally through bhp.com and country-specific hotline numbers. Ethics Point is supported by an ethics and investigations framework and central investigations team (within the Ethics and Compliance function).

We acknowledge and investigate, as appropriate, all concerns raised or logged through these mechanisms. Where concerns are investigated and substantiated, we take remedial actions, advise the reporter (as appropriate) and document the outcomes.

*Our values* prohibits any form of retaliation against anyone who raises a concern or participates in an investigation. No incidents of modern slavery or human trafficking in breach of our C-Res or LBP policies have been received into Ethics Point during FY2021.

Both BHP and C-Res recognise human rights risks are present in organisations of all sizes. We also acknowledge some organisations, including smaller enterprises, may face challenges with the implementation of management processes and procedures that provide adequate access to remedy for workers and other stakeholders. BHP and C-Res are committed to working collaboratively with these suppliers to understand their constraints and seek to find ways to support the provision of complaint and grievance mechanisms. Information on accessing Ethics Point is available for suppliers in the Ethical Supply Chain and Transparency Guide.

### **Due diligence and risk management in our business**

We identify, assess and manage risks that either C-Res or BHP through the LBP are exposed to, including human rights risks. The C-Res Board and Leadership Team monitors and, at least annually, will review the effectiveness of the C-Res Strategic Risk Register and internal controls.

In order to understand and manage the risks that C-Res or BHP through the LBP is exposed to, we utilise a risk rating process in our Strategic Risk Register. This rating process helps us to identify current risks (which may be strategic or operational in nature), as well as emerging risks. We assess risks, apply appropriate controls and review performance to enable risks to be properly managed.

Our annual internal and external audits evaluates the design and effectiveness of our sustainability processes. Results are considered in the development of action plans to address improvements where required. Results are reported to the C-Res Board and Leadership Team, which is responsible for the day-to-day management of C-Res.

### **Due diligence and risk management in our supply chain**

In FY2021, we continued to build opportunities to engage and leverage relationships with BHP, our suppliers, and stakeholders to enhance recognition of human rights across their activities, alongside other issues such as mental health, business resilience, and increased employment and training. We recognise there are limitations to our ability to influence our indirect suppliers but that we have a responsibility to work constructively with our direct suppliers to build capacity both within their organisations and their own supply chains.

Controls include:

- Ethical Supply Chain and Transparency Guide – process of being implemented in FY2021

- Minimum requirements for suppliers for LBP approval
- Training and culture program – while all staff undertook a formal Cultural Awareness Program in FY2020, informal training was conducted in FY2021. It is anticipated that formal training will occur in FY2022 to enhance culture and human rights awareness in our organisation.

### **Assessing effectiveness**

We regularly review the effectiveness of our governance and compliances processes by:

- investigation and analysis of complaints and grievances and reports of issues received through our mechanisms (refer Policies and governance section)
- conducting our internal audit program
- conducting an annual review of all LBP suppliers
- continuous improvement initiatives
- engaging regularly and collaborating with BHP and other stakeholders

### **Consultation**

As previously outlined, C-Res is a cost-neutral company operating as a social enterprise as is a wholly owned subsidiary of GW3.

This Statement for C-Res has been reviewed and supported by the board of GW3 as the parent entity on **December 17, 2021**.

### **Looking forward**

As we look forward into FY2022, we will be focusing our efforts on ensuring compliance with governance and due diligence processes by our organisation, our direct supply chain and all LBP suppliers.



Kylie Porter  
**Chief Executive Officer**  
**GW3**  
**22 December, 2021**