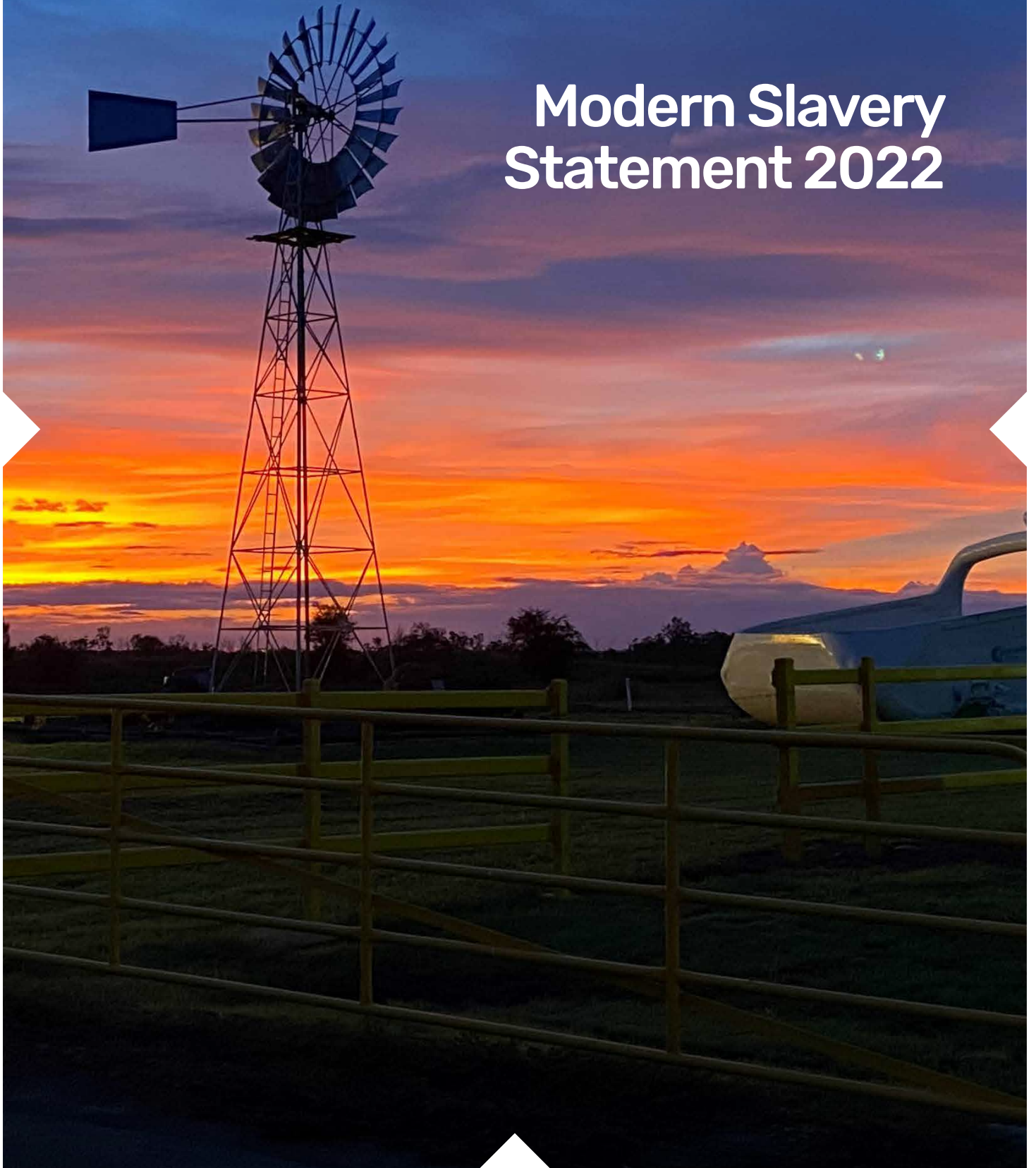




Modern Slavery Statement 2022





1.

Reporting Entity

This Modern Slavery Statement is made in accordance with section 14 of the *Modern Slavery Act 2018* (Cth) (the **Act**). It is a Joint Statement given by Stanmore Resources Limited ACN 131 920 968 and each of the following reporting entities and their owned and controlled entities (together, **Stanmore**) during the 2022 reporting period:

- Stanmore Resources Limited ACN 131 920 968
- Stanmore Bowen Coal Pty Ltd ACN 606 241 847
- Stanmore Wotonga Pty Ltd ACN 606 243 770
- Stanmore IP Coal Pty Ltd ACN 606 244 615
- Stanmore IP South Pty Ltd ACN 625 536 094
- Stanmore SMC Holdings Pty Ltd ACN 653 931 223
- Dampier Coal (Queensland) Proprietary Ltd ACN 008 428 180
- Stanmore SMC Pty Ltd ACN 009 713 875 (previously known as BHP Mitsui Coal Pty Ltd).

On 3 May 2022, Stanmore acquired 100% of Dampier Coal which owned 80% of the BHP Mitsui joint venture company from BHP. On 7 October 2022, Stanmore acquired the remaining 20% of the joint venture company from Mitsui. The Group acquired includes two reporting entities, Dampier Coal (Queensland) Proprietary Ltd and Stanmore SMC Pty Ltd (formerly BHP Mitsui Coal Pty Ltd).

The Stanmore SMC Group previously had a financial year end of 30 June, but this was changed (following the acquisition and before 30 June 2022) to the Stanmore calendar year cycle (ending 31 December).

The Stanmore SMC Group was previously included in the BHP joint statement.



Directors' Statement

The Boards of each of the Stanmore entities include at least one Director of Stanmore Resources Limited, and the entities are centrally governed and managed. The Stanmore entities have a common registered office at Level 32, 12 Creek Street, Brisbane, Queensland.

This Modern Slavery Statement was approved by the Board of Stanmore Resources Limited as the principal governing body of Stanmore Resources Limited on 29 June and is signed by Marcelo Matos, Executive Director and CEO on 29 June.

A handwritten signature in black ink, appearing to read 'Marcelo Matos'.

Marcelo Matos

Chief Executive Officer and Director
of Stanmore Resources Limited

29 June 2023

2.

Reporting Entities' Structure, Operations and Supply Chains

2.1. Our structure

Stanmore is an Australian metallurgical coal mining, development and exploration company headquartered in Brisbane, Queensland.

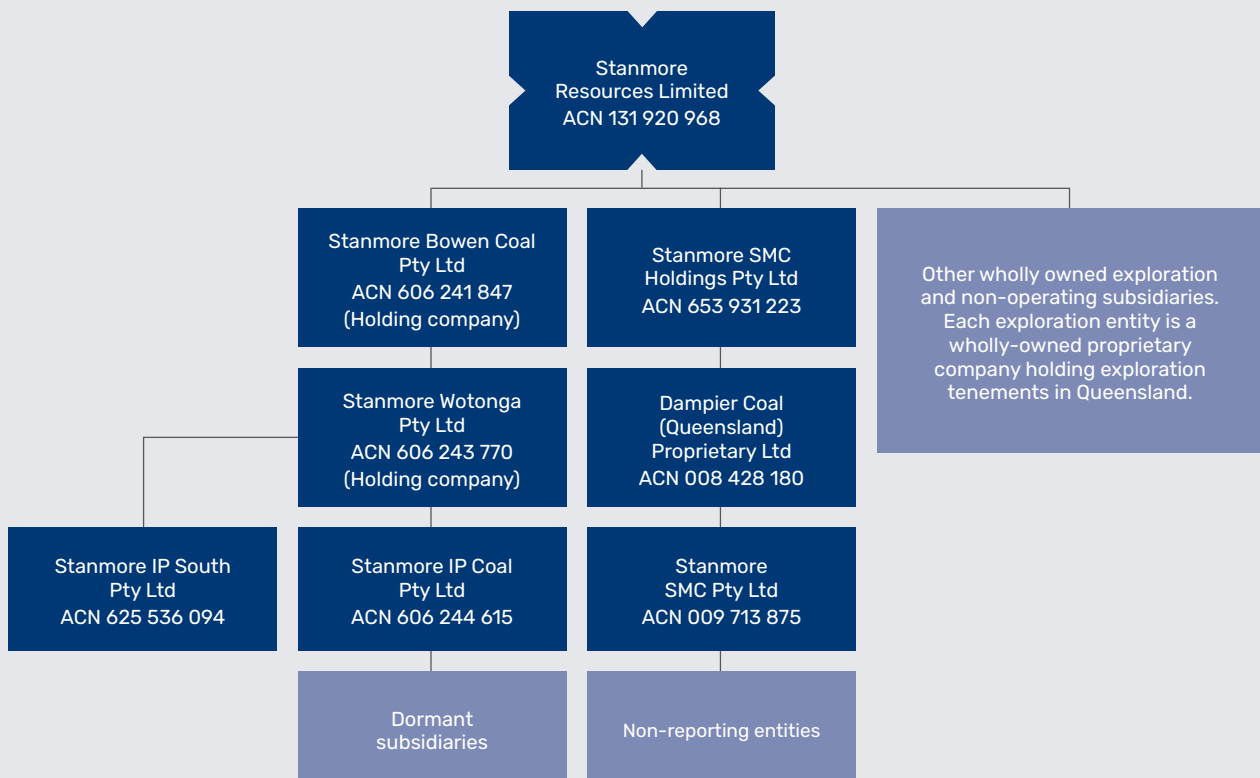
Stanmore's majority shareholder is Singapore listed entity Golden Energy and Resources Limited (**GEAR**) through its wholly owned subsidiary, Golden Investments (Australia) Pte Ltd (**Golden Investments**). The ultimate parent company of Stanmore is Indonesian based PT Sinarindo Gerbangmas.

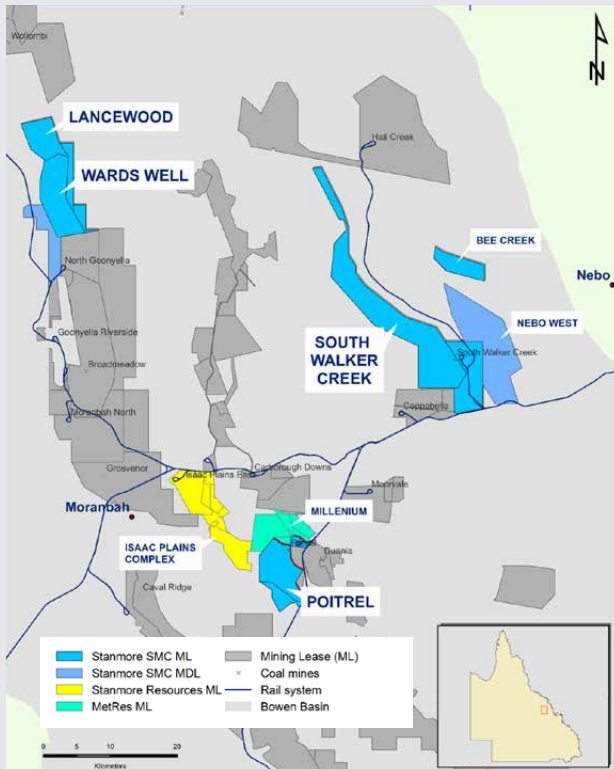
During the Reporting Period, SMR's primary operating subsidiaries, including incorporation details, are as shown in the figure below:

2.2. Our operations

Stanmore's exploration projects and operations are located in the Bowen and Surat Basins in Queensland and are owned through a number of wholly owned subsidiaries.

Stanmore's foundation asset during the reporting period was the Isaac Plains Complex in Moranbah, Queensland comprising the Isaac Plains Mine and processing facilities, the adjoining Isaac Plains East and Isaac Downs mining areas, and the Isaac Plains Underground development project.





The Isaac Plains East and Isaac Downs open-cut coal mines have a current product coal output of approximately 2.4Mtpa. Isaac Downs operates as an open cut mining operation utilising the existing Isaac Plains infrastructure with coal washing and train loading activities undertaken at the existing coal handling and preparation plant. During the period, the dragline commenced operations at Isaac Downs at which point full scale production commenced.

In addition to these operations and exploration projects, Stanmore has a portfolio of more than 2,000km² of greenfield tenements located in the Bowen and Surat Basins, including:

- The Range
- Belview
- Lilyvale
- Mackenzie
- Clifford
- New Cambria
- Tennyson

Combined, these greenfield tenements have a JORC resource totally 1,656Mt.

Acquisition of additional reporting entities

During the reporting period, Stanmore acquired two additional reporting entities, Dampier Coal (Queensland) Pty Ltd and Stanmore SMC Pty Ltd (formerly BHP Mitsui Coal Pty Ltd).

SMC is engaged in the operation and development of two high quality, long-life metallurgical coal assets in the Bowen Basin in Queensland comprised of:

- **South Walker Creek** – an open-cut coal mine producing high quality, low volatile PCI coal for export. Mine life in excess of 25 years and 2022 production of 4.0Mt from the commencement of Stanmore ownership
- **Poitrel** – an established and successful open-cut coal mine producing a mix of hard coking coal (**HCC**) (approximately 65%) and pulverized coal injection (**PCI**) (approximately 35%) coal primarily for export. Mine life in excess of 10 years and 2022 production of 2.8Mt from the commencement of Stanmore ownership.

The acquisition also included Red Mountain Infrastructure, and Wards Well and other exploration projects including Nebo West and Bee Creek.

Joint ventures

Stanmore is also a 50% shareholder in MetRes Pty Limited, an incorporated joint venture that owns and operates the Millennium and Mavis Downs Mine. The operator and manager for the joint venture is M Mining Pty Ltd. Entities within the Millennium and Mavis Downs Joint Venture will be required to submit their own modern slavery statements if they meet the \$100 million in annual consolidated revenue threshold specified by the Act.

2.

Reporting Entities' structure, operations and supply chains

Employee profile

Throughout the 2022 reporting period, our operations have continued to expand, bringing continued growth of our workforce. As of 31 December 2022, we had a total of 718 employees. This represents a net increase of 690 employees from 2021. Figures related to our employee numbers are outlined in Table 1.

TABLE 1. BREAKDOWN OF STANMORE EMPLOYEE FIGURES

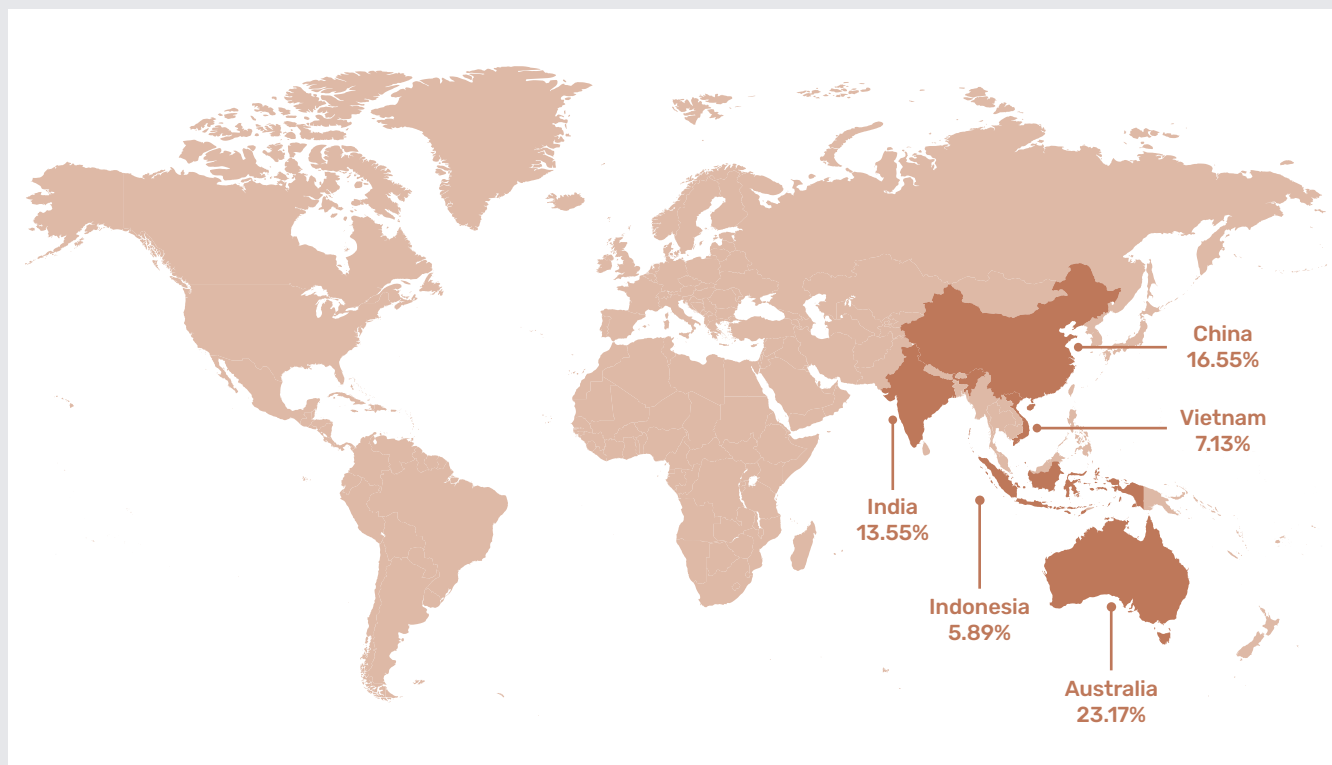
TOTAL EMPLOYEES			
Employee Type	Male	Female	Total
Full-time Employees	572	128	700
Part-time Employees	3	9	12
Temporary Employees	1	2	3
Non-Guaranteed Hours Employees	1	2	3
Total Number of Employees	577	141	718

2.3. Our Supply Chains

Our supply chains include procurement for the coal mining, development, and exploration operations (which accounts for the vast majority of our supply chain) and procurement for our general business operations.

In the reporting period, Stanmore's direct suppliers were predominantly located in Australia. We had over 651 active direct (1st tier) suppliers comprising over A\$1.2 billion in total procurement expenditure. Over 94% of expenditure was paid to suppliers registered in Australia. The majority of this expenditure (64%) was in relation to mining services, fuels, logistics, explosives, marketing and logistics services, and civil works.

FIGURE 1: CONTRIBUTION TO THEORETICAL SLAVERY FOOTPRINT ACROSS STANMORE'S SUPPLY CHAIN BY COUNTRY (TOP 5).



Mining, development and exploration operations supply chains

Stanmore procures goods and services from a broad range of industries. The external supply chain for our mining operations is summarised in Figure 2.

General business operations supply chain

The primary goods and services Stanmore procures for our general business operations include:

- **Safety and other attire:** This includes personal protective equipment, including safety glasses, gloves, work boots, hard hats, and high visibility vests used by our employees at our facilities.
- **Corporate/building services:** The services that we use to maintain our offices, including maintenance services, cleaning and security.
- **Site and office consumables:** Site and office consumables, including stationery and kitchen consumables.
- **Information and communications technology:** This includes the computer hardware and software, printers, audio/visual equipment, desk phones and mobile phones.
- **Flights and accommodation:** Flights and accommodation and associated costs used by employees to conduct the Stanmore business.
- **Professional services:** The professional services we procure externally include accounting, legal, insurance, and environmental consulting.



In the reporting period, Stanmore's direct suppliers were predominantly located in Australia.



FIGURE 2: OUR EXTERNAL SUPPLY CHAIN



Exploration

Specialised drilling contractors, geophysical contractors, assay laboratories, and consultants.



Mining

Open pit mining equipment, hire and maintenance contractors, open-pit drilling & blasting contractors, fuels, lubricants, and explosives suppliers.



Processing

Grinding media, reagents, and shutdown contractors.



Delivery/transport

Coal product transport for export by rail and ship (for export – vessels are contracted by the purchasing party for FOB delivery, not by Stanmore).

3.

Risks of modern slavery practices in the operations and supply chains of the reporting entities

3.1. Risk assessment methodology

Stanmore did not become aware of any actual or suspected instances of modern slavery in our supply chains or operations during the reporting period.

In our last Statement we identified the intended action of undertaking a more comprehensive supply chain risk mapping to better understand the full spectrum of potential modern slavery risk. In carrying out this action, Stanmore utilised proprietary technology and analytics tools of external consultants to assess 651 of our direct (tier 1) suppliers during the reporting period.

This process further built upon the insights gained from the desktop assessment described in our previous Statement, which focused on identifying risk indicators across the industry sector, goods and services procured, geography of suppliers and specific COVID-19 related risks.

The risk assessment analyses a complex interaction between numerous factors, including:

- Total supplier spend amount (i.e. the value of our direct supplier contracts)
- Industry category, including industries that, in turn, feed into particular categories further down the supply chain
- Geographical area of operation
- Depth of tiering within the supply chain(s).

3.2. Risk profile of our supply chain

A summary of the methodology of the proprietary risk assessment is set out in the Appendix to this Statement.

The proprietary risk assessment identified **Tiers 2** and **3** of key supply chains in the following industry categories as potentially significant areas of elevated risk exposure:

- Business Services in Australia
- Petroleum, oil, or lubricant retailers in Australia
- Chemical retailers in Australia.

The identification of potential risk in deeper tiers underscores the importance of longer-term supplier engagement with our direct procurement partners, with the aim of achieving improved transparency, due diligence and mitigative measures deeper into our key supply chains.

FIGURE 3: RISK PROFILE OF OUR SUPPLY CHAIN

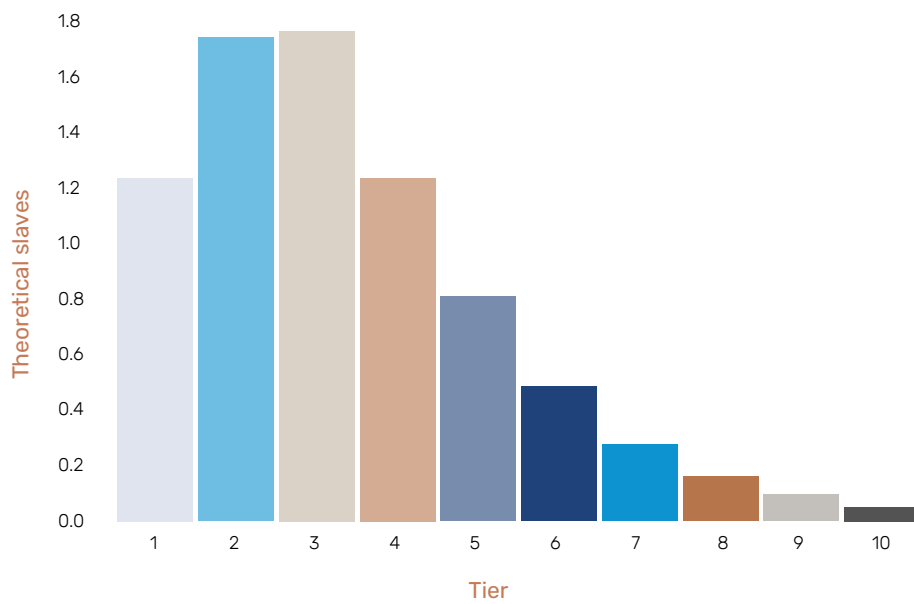
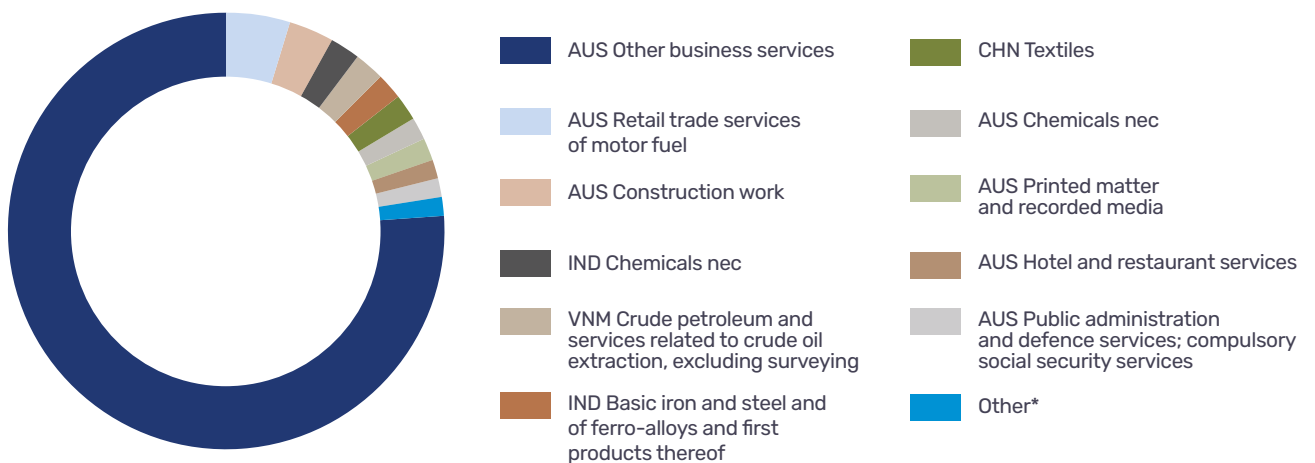


FIGURE 4: RISK BY INDUSTRY BASED ON AN ESTIMATE OF THE TOTAL NUMBER OF THEORETICAL SLAVES IN THE SUPPLY CHAINS OF EACH INDUSTRY DEPENDENT ON BOTH THE INHERENT RISK IN THE INDUSTRY AND ITS INPUTS AND STANMORE'S SPEND IN THE RESPECTIVE INDUSTRY.



3.

Risks of modern slavery practices in the operations and supply chains of the reporting entity



Business Services in Australia

Stanmore's risk assessment has identified that our suppliers operating in the 'Business services in Australia' category with potential deeper-tier exposure to elevated modern slavery risk. This category includes a broad range of approximately 300 suppliers including professional and consulting services, engineering services, surveying and technical onsite services, environmental consulting, recruitment services and accounts for a large proportion of our supplier spend.

This industry category has a potentially elevated risk exposure due to factors that are well beyond any concern relating to the direct services that Stanmore receives. Rather, the types of equipment used by suppliers in this sector, from laptop computers and electronic devices for technical mining equipment, feature high-risk supply chain characteristics. These include complex supply chains with low levels of transparency, a concentration of component manufacturing in high-risk areas such as Malaysia and China, and reliance on high-risk raw materials, such as conflict minerals, which are commonly extracted using child and forced labourers. This is further confirmation that significant aspects of our potential modern slavery risk exposure is situated beyond Tier 1 (i.e. the operations of our direct suppliers).



This industry category has a potentially elevated risk exposure due to factors that are well beyond any concern relating to the direct services that Stanmore receives.



The second major factor is relative spend. While our direct suppliers in this industry category are not operating in traditionally recognised high-risk sectors, a higher overall spend will result in a heightened risk profile for these suppliers. This is an important consideration in our due diligence approach because greater commercial presence within an industry category, can increase leverage and the ability to achieve impactful change.

Petrol, Diesel, Oil, and Lubricant Retailers and Chemical Retailers in Australia

The second industry category identified by the assessment as having a higher risk of modern slavery risk exposure is petroleum, diesel, oil, or lubricant retailers in Australia. The suppliers we have in this category supply the fuel required to operate our heavy machinery equipment and vehicles across our various sites and operations. Our chemical suppliers provide similar types of products such as explosives required to facilitate our day-to-day operations.



The significant operational reliance across both product category results in a correspondingly significant relative expenditure level that contributes to a relative increase in the potential level of associated modern slavery risk.

While our suppliers of both these categories are all Australian-based, the overall risk remains potentially elevated in each category due to risk occurring beyond tier one of the supply chain. For instance, the category of petrol, diesel, oil and lubricant retailers in Australia has been flagged as potentially higher risk due to the industry-wide use of offshore extractive and refinery sites, which are often located in high-risk regions, such as the Middle East. These industries are also often reliant or rely on foreign migrant workers who can be hired quickly, often in insecure positions, such as under temporary or seasonal contracts to work onsite in remote locations. This hinders transparency of working conditions and potential forced or bonded labour exploitation and restricts the ability of workers to escape work sites. In response to this risk identification, we have selected major petroleum suppliers as part of our supplier self-assessment questionnaire process, described further below.

Similarly, in the category of chemical retailers in Australia, the risks are not occurring with our direct suppliers. Rather, the potential exposure to modern slavery risks is most elevated at tier two and beyond, because of a range of compounding factors such as complex supply chains, reliance on higher risk raw inputs that are harvested or mined and then refined in countries with a higher prevalence of modern slavery.

Risk profile of our managed operations

As we described in our last statement, Stanmore is aware that the global extractive and energy sector is regarded by industry bodies, as an industry with a higher degree of exposure to various forms of modern slavery, including human trafficking, child labour, forced or unpaid work and bonded labour.

In assessing the risk profile of our operation for the 2022 reporting period, we consider the fact that Stanmore only has operations and mine sites located within Australia to significantly reduce the likelihood of modern slavery within our direct operations. In global terms, Australia is low risk for modern slavery, characterised by robust legislative and regulatory frameworks to prevent, detect attempts at, and criminally punish all forms of modern slavery.

Our contracted labour force is primarily comprised of highly skilled and professional workers (including tertiary educated engineers, or mining technicians and trades) and operators and maintainers who are trained and hold relevant competencies.



Nonetheless, we recognised that being Australia-based does not eliminate all risks associated with our industry. Our operational risk assessment has identified potential labour force characteristics, that are inherent to the mining sector generally, and may pose potential risks, including:

- the industry-wide use of higher risk business modules, such as using contractors and outsourced labour (including third party labour hire agencies to source workers during peak demand);
- sector use of migrant and lower-skilled workers;
- the short term or temporary nature of work types, requiring non-permanent employment contracts, including temporary and fixed-term contracts; and
- the isolated location of project sites.

These characteristics may mean that, in certain circumstances, Stanmore has reduced visibility over the recruitment conditions used to source our indirect labour force. We included nine of our labour hire providers in our proprietary risk assessment as part of our approach to reviewing our risk profile.

We also address these risks associated with our sector, by employing our direct employees through Australian entities using written contracts that are regulated by and subject to Australian labour laws.

Another way that Stanmore addresses the potential and unavoidable risks associated with the geographically isolated nature of our mine sites, has been to develop reimbursement guidelines for the remote housing for our staff.

These guidelines provide our staff with security and flexibility by allowing them to be based in proximity to our project sites with their families. We help our staff to meet the expenses associated with settling into our local communities. The guidelines set out the eligibility criteria and conditions on which Stanmore will provide financial compensation for relocation and expenses associated for staff to respond to requirements to be present on site.

We recognize that secondments can provide valuable opportunities for knowledge exchange and skills development while fostering diversity and inclusion in our workforce. When facilitating secondment arrangements for foreign workers to join our team in Australia, we ensure that all seconded individuals are treated fairly and receive adequate Visa and relocation support. Secondees are not bonded to Stanmore and are free to leave at any time.

Solar and Renewable Energy Operations at Isaac Plains

During the reporting period, Stanmore Green Pty Ltd (a 100% owned subsidiary of Stanmore), engaged SOURCE Global Australia Pty Ltd (**Source**) for a 'solar to water' project to produce drinking water solely from renewable resources.

The project will supply drinking water using "hydropanel" technology. Hydropanels operate entirely off the grid and require minimal piped water infrastructure. It is technology that is uniquely suited to providing onsite, sustainable solutions for Stanmore's operations near Moranbah, which have been reliant on trucking town water for drinking to site as well as bottled water brought in by employees.

While there are clear operational and environmental sustainability benefits through utilising such technological advances, Stanmore recognises that solar panel manufacturing (a key component of Source hydropanels) is a global industry category that has come under particular scrutiny for elevated modern slavery risks.

The procured hydropanels for this Stanmore initiative are from Source, which is part of a **B-Corp certified** corporate group.

Hydropanels were manufactured in Malaysia at Flextronics under a contract with Source using parts designed and made in the USA then shipped direct to Moranbah. Flextronics was recently recognized by Ethisphere as one of 2023 World's Most Ethical Companies. For future phases of hydropanel projects in relation to Stanmore sites, we understand that key equipment will be manufactured at Source's own facility in Penang.

We further understand that Source is no longer using manufacturing processes through Flextronics and is transitioning to its own factory in Penang, Malaysia. Employees at its Penang facility are employees of Source's Malaysian entity, which has oversight from its People Department reporting up through to its Chief Legal Officer and EVP People.

If, as currently expected, the use of hydropanels continues to expand further into Stanmore's operations at multiple sites, the ongoing monitoring, assessment and mitigation of modern slavery risks relating to all associated solar products will remain a priority area for our Modern Slavery Working Group.



4.

Actions taken by the reporting entities to assess and address modern slavery risks

4.1. Joint venture / entity acquisition integration

As noted on the previous page, Stanmore's major acquisition during the reporting period involved existing reporting entities with established histories of prior reporting and action under the Act via a consolidated BHP report.

In terms of integrating SMC into the overall Stanmore modern slavery response framework, their vendors were included in the risk assessment undertaken by our external consultants.

The acquired entities are also represented on the Stanmore Modern Slavery Working Group and have key team members who have participated in modern slavery-related procurement training.

4.2. Supplier Engagement and Due Diligence

Stanmore has built upon initial efforts in prior reporting periods, to expand the scope of our efforts to engage with our direct supplies, including in the following areas:

- Continued implementation of modern slavery clauses in new supplier contracts
- Issuing, analysing and further engaging with suppliers through a process of self-assessment questionnaires
- Direct and targeted engagement with key supplier to investigate and exclude a potential connection with reported instances of forced labour in the industry category and country in which that supplier has primary operations.

Supplier Self-Assessment Questionnaires

During the reporting period, Stanmore issued supplier self-assessment questionnaires to gain further insights into potential risks associated with select key suppliers, and to inform our future due diligence priorities. As with the risk assessment, Stanmore engaged our external consultants to facilitate the supplier self-assessment questionnaire process, including assessment of responses received. Stanmore has maintained anonymity of our selected suppliers, to ensure that we preserve commercial confidence, to promote candid supplier responses and allow greater future engagement with these companies.

We issued questionnaires to 17 suppliers, targeting the following types of vendors:

- A new mining services contractor, that was appointed in 2021. We identified this supplier in our last modern slavery statement as an area for future monitoring and due diligence.
- Key vendors with major commercial contracts, so that we can effectively utilise leverage where required.
- Supplier operating across several industries with inherently elevated potential risks, including labour hire and mining service providers, logistic providers, mining equipment, chemicals and consumables, fuel and petrol suppliers, and worker accommodation.

The supplier self-assessment questionnaire covered the following areas:

- The scope of governance measures and policy frameworks, including use of standard contract provisions that expressly address obligations relating to modern slavery risk.
- The nature and extent of modern slavery risk identification and supply chain screening processes.
- Organisational awareness levels relating to modern slavery.
- The operation of supplier due diligence processes, including whether the company engages with suppliers in high-risk categories and/or locations.
- The nature and extent of operational grievance mechanisms and remediation frameworks.
- Whether the company engages in wider industry collaboration to address modern slavery issues.
- Mechanisms in place for detecting indicators of child labour, forced and bonded labour and trafficking.
- Screening for adjacent 'red flags' that may indicate potential modern slavery risk such as those relating to employment conditions and operation in high-risk sectors.

Substantive responses were received from a relatively small proportion of all engaged suppliers. Stanmore views this response as indicating that further engagement and collaboration with our suppliers is required on an ongoing basis in future reporting periods.

Of the responses received, there were a number of evident insights and emergent trends, including:

- All responders were higher performing in the area of internal modern slavery training. Modern slavery specific training was virtually universal to both employees and/or company boards and executive leadership teams.
- Two thirds of respondent suppliers described implementing substantive due diligence measures, such as engaging with suppliers and undertaking audits. Another supplier indicated a commitment to undertaking substantive due diligence in coming months.
- All respondent suppliers report having undertaken a risk assessment of at least 75% of their direct suppliers and report to have varying degrees of visibility beyond Tier 1 of their own supply chains.
- There is a direct correlation between suppliers who did not have operational remediation frameworks, and those suppliers that reported not yet having implemented grievance mechanisms.
- The area of greatest disparity between respondent suppliers related to approaches to measuring the effectiveness of their modern slavery response. While all the respondents are reporting entities under the Act, responses indicated varying levels of systems in place to review the operation of their modern slavery framework.
- In terms of the screening against key red flag indicators for elevated modern slavery risk:
 - No respondent suppliers reported on the use of (internationally recruited) foreign migrant workers in low skilled positions.
 - No respondent suppliers required their workers to lodge security deposits, pay recruitment fees or withheld worker wages, and most suppliers had confirmed that none of their own direct suppliers engaged in these practices, or were seeking confirmation in the next 12 months.
 - Respondent suppliers that report providing accommodation for onsite workers all undertake routine checks to ensure the suitability of accommodation facilities.

Due Diligence – Rubber Glove Procurement

During the reporting period, Stanmore undertook due diligence to better understand potential elevated modern slavery risks in relation to various specific supply chains. One such area of well-documented concern relates to global rubber glove manufacturing.

Senior members of our procurement department instigated this due diligence action in response to credible media reports in relation to the alleged use of forced labour at identified rubber glove manufacturing facilities in Malaysia.

Our team members engaged with our direct supplier of industrial safety and worker protective equipment to determine whether we had any linkages to the specific entities identified in the media report.

Our direct supplier promptly confirmed that no products were sourced from the site of alleged forced labour exploitation in Malaysia.

Through this specific due diligence inquiry, our supplier has also re-iterated its commitment to effectively mitigating human rights and modern slavery risks.

In response to growing concerns around the use of labour rights including forced/bonded labour within Malaysia, our supplier has confirmed it is continuing to take steps to improve traceability, visibility and overall capacity to proactively identify human rights risks in the region. It has become a member of the Responsible Labour Initiative as part of its long-term commitment to initiatives to mitigate forced labour within the higher-risk regions in which it operates and has key supply chain connections.

In addition to its broader partnership with the Responsible Labour Initiative (RLI), our direct supplier has confirmed its engagement with the Responsible Glove Initiative, which is a multi-stakeholder initiative in Malaysia to tackle bonded labour in the Personal Protective Equipment (PPE) industry.

Actions taken by the reporting entities to assess and address modern slavery risks

4.3. Governance

Modern Slavery Working Group

Our Modern Slavery Working Group, established in 2020, remains crucial for ensuring proper oversight of our modern slavery response framework. The Group met approximately every three weeks throughout the reporting period, and had primary responsibility for a range of key functions, including:

- Implementing and rolling out our Modern Slavery Policy (described below)
- Engaging with external consultants who specialise in assisting entities to develop and deploy a response to modern slavery risk.
- Developing our Modern Slavery Response procedure (described on following page)
- Ongoing review of pre-existing people and procurement-related policies to ensure maximum compatibility and integration with modern slavery-related policies
- Establishing and maintaining our intranet page as a dedicated internal resource for key features of our approach and response to modern slavery issues.
- Seeking to continuously improve our approach for rolling out internal training on modern slavery issues.

Modern Slavery Policy

In our last Statement, Stanmore described the development of a formal Modern Slavery Policy to embed our organisational commitment to addressing modern slavery into our governance framework. Specifically, our Policy sets out our expectations for our organisation and our suppliers in relation to the key issues, guided by fundamental aspects of leading international instruments.¹

The Policy was approved by the board and it has been rolled out across Stanmore.

The Policy facilitates the raising of concerns about any possible breaches and we are committed to creating broad awareness about its provisions and operation. As part of our process of implementation, advisory communications were issued to all staff employed by our owned and controlled entities.

We have also published the Policy on our website, to promote transparency and accountability of our modern slavery response.

The full version of our policy is available for review here <https://stanmore.net.au/sustainability/sustainability-reports/>

Modern Slavery Compliance and Action Plan

During our second reporting period, Stanmore developed a Modern Slavery Compliance and Action Plan to assist with setting the direction of the specific steps that we are taking to address modern slavery.

When developing this Plan, Stanmore has sought to create systems and processes to facilitate the proper risk assessment processes associated with the acquisition of the two additional reporting entities, as described in Part One.

Our Compliance and Action Plan has been created to closely follow the 'Modern Slavery Metrics' we described at Part 5 of our last Statement. Key internal departments have been assigned responsibility to completing each of the stated objectives.

Specific topics covered by the Plan include identified areas of operational risk such as:

- the use of labour hire and recruitment agencies or other industry-common arm's length employment arrangements such as sub-contracting; and
- the use of onsite services like commercial cleaners or security guards that may have a higher relative proportion of vulnerable workforce members such as recent migrant workers.

Supplier Contracts

In our last Statement, Stanmore described the development of modern slavery focused contract clauses. During the 2022 reporting period, we continued to include our modern slavery provisions in new supplier contracts. These provisions are now integrated as standard procedure for standard and negotiated contracts, to maximise coverage across a broad range of procurement activities.

Stanmore has also developed an additional modern slavery provision for our standard contracts and terms, placing an obligation on our suppliers and service providers to also inform us of any media reports or publications alleging instances of modern slavery in the operations or supply chains of the company, or a related body corporate.

¹ These instruments include the *UN Guiding Principles on Business and Human Rights*, the *UN Bill of Human Rights*, the *UN Bill of Human Rights* and the *International Labour Organization Declaration on Fundamental Principles and Rights at Work*.

Additionally, we have also included a new complementary standard clause to require our contractors to inform their employees about the availability of whistleblower policies for reporting illegal activities, including occurrences of modern slavery.

As part of our integration of modern slavery processes following the acquisition of SMC, we have also provided all pre-existing SMC suppliers with a copy of our modern slavery policy and whistleblower policy.

Modern Slavery Response Procedure

Another key responsibility of the Working Group has been initiating development of the Modern Slavery Response Procedure, which formalises the approach that will be taken in the event it is ever necessary to remediate adverse impacts relating to modern slavery issues.

The Working Group has considered and applied recommendations set out in the Modern Slavery Response & Remedy Framework developed by WalkFree and the Human Rights Resource and Energy Collaborative, which, in turn, is based on the UN Guiding Principles on Business and Human Rights.²

We anticipate operationalising the formalised remediation procedure during the next reporting period³. Stanmore intends to provide a more fulsome description of the endorsed Modern Slavery Response Procedure in our next statement. However, below is a brief summary of the key features of our Procedure:

- Guidance for determining the parameters of when Stanmore will implement our remediation procedure, including establishing metrics when investigating allegations of modern slavery raised;
- Key steps in relation to the formulation of a remedial response, based upon our proximity to the instance reported;
- A framework for how Stanmore will correct the specific harm identified and what steps we will take to prevent the occurrence of future harms, including development of corrective action plans;
- Our process for escalating engagements with suppliers and relevant third parties in contexts where they may be unresponsive or unwilling to engage in our remediation process.
- Guidance material for appropriate third parties to report allegations of modern slavery offences to, and support services to engage on behalf of potential victims.

Further Policy Updates

Our Compliance and Human Resources Departments reviewed existing Human Rights policies to ensure full compatibility and consistency with Stanmore's Modern Slavery Policy.

Part of this process has involved preparing a new People Policy, which we consider to be relevant in the context of modern slavery as a further safeguard against operational risks. We expect to finalise and implement the Policy in the next reporting period.

The People Policy will further enshrine the following protections for those engaged in Stanmore's direct operations:

- Merit-based recruitment and selection principles to hire the best people. Prospective and current employees are free to choose their employment, including leaving the company upon giving reasonable notice.
- Respecting and encouraging balance between employees' working and personal lives. No employees will be compelled to work overtime in excess of hours permitted by law.
- All employment is to be on market competitive terms and conditions to attract, reward and retain staff on remuneration that is above any applicable national minimum wage.

A periodic update of our Recruitment Policy is also underway and is expected to be finalised and implemented in the next reporting period. From a modern slavery perspective, a notable aspect of the update is the inclusion of specific coverage of minimum expected standards for third-party workforce providers.

The Policy update includes express recognition that our workforce includes workers in semi-skilled roles, on immigration visas tied to employment status, and people for whom English is not their primary language. These employees may need additional support and information regarding potential human rights and modern slavery risks, and we recognise Stanmore's role in assisting with this.

²See further at: <https://cdn.walkfree.org/content/uploads/2022/07/12132831/Walk-Free-Response-and-Remedy-Framework-1.pdf>

³Subject to final approval by the Board

Actions taken by the reporting entities to assess and address modern slavery risks

4.4. Training and Internal Awareness Raising

In our last statement, we indicated an intention to expand our training across the organisation, with a focus on educating our leadership team and procurement teams. We worked with external consultants to develop and deliver training seminars targeted at these distinct internal groups. The training modules addressed several key areas:

Board and Executive Leadership Team

The training developed for the Stanmore Board and executive leadership team was focused on providing awareness of modern slavery, our obligations and risks in our operations and supply chains, to equip key leaders to oversee and drive our organisational response to modern slavery. The session covered the following focus areas:

- Overview of modern slavery, including key findings from 2021 Global Estimates of Modern Slavery;
- An explanation of Stanmore's obligations under the Act, addressing the roles for leaders and duties of Directors in overseeing our modern slavery journey;
- Information about the key risks in Stanmore's operations and supply chains, including identifying high risk products in our supply chain;
- Current trends in assessing and addressing modern slavery, with an industry-specific focus;
- Advice on how Stanmore can build and improve on our current response framework, including developing and improving approaches to supplier due diligence and remediation.

Procurement Team

Stanmore views our procurement team as playing an important role in 'gatekeeping' our exposure to potential modern slavery supply chain risks, and so we see the need for these team members to be properly equipped to identify these risks in new and existing suppliers and understand how to properly respond. To achieve this, our tailored training focused on the following key areas:

- An understanding of what constitutes modern slavery.
- An explanation of risks in the mining sector and Stanmore's unique supply chain risk profile, focusing on the results from the proprietary risk assessment.
- Interactive case studies to help our staff identify potential red flags and risk factors with new and existing suppliers.
- Detailed explanation of indicators for high-risk suppliers, and advice about how Stanmore's own purchasing practices may contribute to risks of modern slavery.
- Discussion of how to respond and engage with high-risk suppliers, including tips for preparatory supplier due diligence, how to screen suppliers and best practice for reviewing supplier policies.
- Indicators to detect identifying vulnerable workers at Stanmore sites or supplier audits and proper processes for if staff encounter an instance of modern slavery. These indicators were used to inform our modern slavery poster for our on-site staff, described on the following page.



Training Modules and Internal Awareness Raising

In addition to our specialised training provided to our Board and Executive teams and our procurement team, Stanmore has published online modern slavery training modules on our dedicated modern slavery intranet page. These modules are available to all staff to review, as part of our broader efforts to increase company-wide awareness about modern slavery issues, including the obligations of reporting entities under the Act.

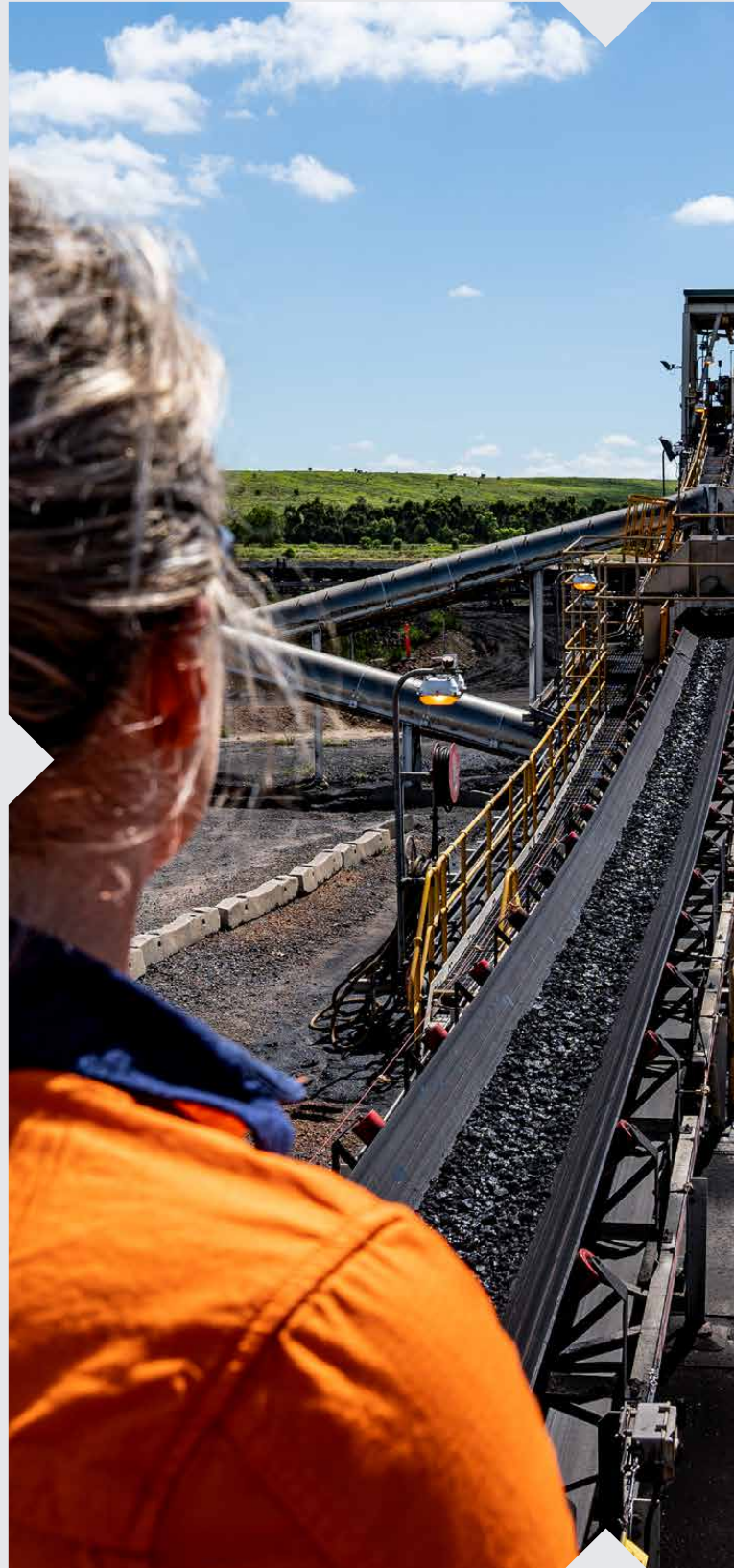
The education modules have been developed by our external consultant and cover the following topics:

- Introduction to modern slavery
- How organisations like Stanmore can identify the risks of modern slavery in their operations and supply chains
- How to respond to detected modern slavery concerns
- Tips for engaging with our suppliers to collaboratively assess and address modern slavery risk
- Tracking the progress of our modern slavery response.

We have also developed information posters across all our sites, which are written in easy-to-understand language, aimed at providing our 'on the staff' ground (including our contracted staff) with basic information about modern slavery including:

- Current global estimates of people trapped in modern slavery
- Overview of our higher risk areas of procurement
- QR Codes to interactive websites to help contextualise the footprint of modern slavery in everyday supply chains
- Information about indicators of modern slavery and vulnerable workers for staff onsite to look out for
- Setting out Stanmore's expectation that all of our staff take responsibility for spotting the signs of modern slavery
- Information about how staff can report any potential concerns identified, including the details of our anonymous third-party whistle-blower hotline.

The roll out of our internal modern slavery awareness posters is planned for completion during the next reporting period.



5.

Measuring the effectiveness of our modern slavery response

We acknowledge the broader expectation of reporting entities to not merely repeat the same descriptions in relation to mandatory reporting requirements in each year's statement, but rather to pursue a modern slavery response that reflects a commitment to continuous improvement.

For Stanmore, we have assessed our effectiveness by reviewing the key highlights of our reporting period, along with areas that we can continue to improve on. A summary of this is outlined below.

5.1. Key Highlights

Overall, Stanmore has shifted our focus from breadth to depth and increased internal review processes during the 2022 reporting period. This has included the following:

- Moving from general organisation wide online training, to tailored sessions for key departments and our Board and Executive Committee, delivered by external specialists.
- Organisation-wide shift in approach to risk assessment based on engagement of external consultants and use of more nuanced risk rating system and methodology, as discussed in Part 3 of this Statement.
- Completion of the first annual review of our Modern Slavery Compliance and Action Plan, with continued focus on developing modern slavery related policies.
- Mobilising the working group, through conducting feedback sessions evaluating the effectiveness of training sessions and in-depth review of risk assessment results to drive future engagement with suppliers.
- Increasing organisational visibility over our approach to modern slavery through our intranet.

5.2. Areas for Improvement

Stanmore acknowledges that a key part of measuring our effectiveness involves identifying areas requiring different approaches in future reporting periods, to actually implement effective action. Set out below are areas we have identified as requiring further development:

- Working more closely with the suppliers that have been identified as higher risk through the proprietary risk assessment, including providing training materials, incorporating modern slavery contract clauses, and requiring the completion of supplier self-assessment questionnaires.
- Following the development of our modern slavery response plan, we will look to increase our monitoring of remedial actions taken.
- Further awareness raising initiatives for most vulnerable workforce aspects is in progress.
- Moving towards greater human rights focused due diligence, through conducting audits of our operations and reviewing any remedial steps our suppliers may have taken.

5.3. Measuring Effectiveness Metrics

As we have taken stock of our progress over the reporting period, the Stanmore working group has also reviewed the metrics described in our 2021 Statement, to determine whether they remain fit for purpose, or whether updated or adjusted metrics are required.

The table on the following page outlines the results of our review, including commentary against any changes in metrics used by Stanmore to assess the effectiveness of its modern slavery response. Stanmore will continue to use these updated metrics in 2023 to guide our progress.

TABLE 2: EFFECTIVENESS METRICS

COMPONENT	METRIC	COMMENT
1. FRAMEWORK	<ul style="list-style-type: none"> Annual review of Modern Slavery Compliance and Action Plan. 	Metric remains unchanged
	<ul style="list-style-type: none"> Development, implementation and periodic review of Modern Slavery Policy and complementary policies to take into account modern slavery risks. 	Metric remains unchanged
	<ul style="list-style-type: none"> Annual review of the role of the Modern Slavery Working Group and extent of cross-functional participation. 	Metric remains unchanged
2. TRAINING	<ul style="list-style-type: none"> The training completion rate for Board, Exco and key personnel involved in engaging contractors. 	<p>This new metric has been introduced since our 2021 reporting period, based on our decision to focus our resources on providing in-depth training to high risk areas within the business.</p> <p>We have also discontinued the use of training metrics related to tracking enrolment numbers for general online training. Instead, we have shifted our approach in favour of more effective in-person sessions for teams with direct engagement with our modern slavery response.</p>
	<ul style="list-style-type: none"> Making modern slavery training resources available to suppliers. 	We are re-evaluating this metric, to fully consider the results our 2022 proprietary risk assessment, to enable more targeted engagement, such as provision of training response, for our higher risk suppliers.
	<ul style="list-style-type: none"> Annual review of relevance and currency of training material. 	Metric remains unchanged
3. SUPPLIER ENGAGEMENT	<ul style="list-style-type: none"> Compliance with Stanmore’s anti-slavery standards. 	Metric remains unchanged
	<ul style="list-style-type: none"> Standard supplier contracts containing modern slavery and whistleblowing clauses. 	Metric remains unchanged
4. RISK ASSESSMENT AND REMEDIATION	<ul style="list-style-type: none"> Annual risk assessment of operations for modern slavery risk. 	Metric remains unchanged
	<ul style="list-style-type: none"> Supplier screening for modern slavery risk. 	Metric remains unchanged
	<ul style="list-style-type: none"> Number and proportion of suppliers identified as having a high, medium and low risk of modern slavery. 	We are re-evaluating this metric, given our shift towards a more granular risk assessment methodology.
	<ul style="list-style-type: none"> Issuing of supplier due diligence questionnaires. 	Metric remains unchanged
	<ul style="list-style-type: none"> The response rate of suppliers to the due diligence questionnaire. 	Metric remains unchanged
5. MONITORING	<ul style="list-style-type: none"> Types of remediation actions taken. 	Metric remains unchanged
	<ul style="list-style-type: none"> Availability and accessibility to Stanmore’s Whistleblower mechanisms. 	Metric remains unchanged
	<ul style="list-style-type: none"> The number of reports of conduct posing a modern slavery risk 	Metric remains unchanged
	<ul style="list-style-type: none"> Audit program of operations and steps taken by suppliers in response to remedial actions. 	Metric remains unchanged

6.

Consultation with owned and controlled entities and other relevant information



Stanmore has continued to engage with all owned and controlled entities within the Group in the preparation of this Statement, and in relation to our modern slavery response as whole.

Consultation included involvement from representatives across the full breadth of our organisation.

Our due diligence framework, including the implementation of initiatives undertaken by our Modern Slavery Working Group covers all entities within the Group, unless otherwise specified in this Statement. Policies addressing issues relating to modern slavery risk are applicable across the Stanmore Group.

The modern slavery risk analysis includes direct procurement data from the newly acquired entities discussed in Part One of this Statement.

Appendix

Initial Risk Assessment Methodology Summary

1. As described in Part Three of this Statement, we partnered with external consultants to carry out a comprehensive risk assessment in relation to certain suppliers. This baseline exercise provides the basis for our subsequent focus for ongoing due diligence and remediation activities across not only the present reporting period but for upcoming years.
2. Incorporating company spend data throughout global markets, proprietary technology is used to trace the economic inputs required to produce products and services sourced from Tier 1 suppliers to Tier 2 suppliers, Tier 2 suppliers to Tier 3 suppliers, and so on, all the way to Tier 10 suppliers of the supply chain of Stanmore's top suppliers by spend.
3. This supply chain mapping was performed using a balanced, global Multi-Regional Input-Output (MRIO) table which links supply chain data from 190 countries, and in relation to 15,909 industry sectors. This MRIO table is assembled using the following sources:
 - a. The United Nations' (UN) System of National Accounts;
 - b. UN COMTRADE databases;
 - c. Eurostat databases;
 - d. The Institute of Developing Economies, Japan External Trade Organisation (IDE/JETRO); and
 - e. Numerous National Agencies including the Australian Bureau of Statistics.
4. The MRIO is then examined against the following international standards:
 - a. The UN Guiding Principles on Business and Human Rights;
 - b. The Global Slavery Index;
 - c. International Labour Organisation (ILO) Global Estimates of Modern Slavery; and
 - d. The United States' Reports on International Child Labour and Forced Labour.
5. Proprietary technology synthesises risk data to create a modern slavery risk profile (based on industry category and country of operation) to Tier 10 for each direct supplier.
6. This analysis was performed for the purposes of risk identification under the Act. It does not purport to confirm the actual existence (or non-existence) of slavery in Stanmore's supply chains and operations. Analysis was undertaken at the industry and country level. It does not account for variances at the entity, region or product level.
7. The multi-faceted approach to modern slavery risk assessment that we have undertaken has included examination and analysis of the following:
 - a. The individual suppliers and industries with the most elevated risk of modern slavery;
 - b. Supply chain plots to provide a visual representation of the supply chains for Stanmore's top 3 first tier industries;
 - c. Plotting the relative slavery risk in the supply chain by tier, up to Tier 10;
 - d. Geographical depiction of the cumulative risk of modern slavery across the supply chain around the world; and
 - e. An overview of the classification of the first tier of our supply chain by country and industry, including relative modern slavery risk.
 - f. Supply chain and operational features with potentially elevated risk exposure are identified.

