



FY20 MODERN SLAVERY STATEMENT



ALL THE ANSWERS UNDERGROUND

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1 INTRODUCTION

RUC Cementation Mining Contractors Pty Ltd ABN: 99 051 252 549 (“RUC”) is an Australian mining services contractor registered at 1/138 Abernethy Road Belmont WA 6104, Australia and is a wholly owned subsidiary of the Murray and Roberts Group comprising:

- RUC Cementation Mining Contractors Pty Ltd
- RUC HK
- Incycle Shotcrete Pty Ltd,
- PT RUC Cementation Indonesia, and
- RUC CEM LLC Mongolia (30% of GCR Mongolia and 50% Turan Mining which forms part of the Kazakhstan JV)

This statement has been developed to align RUC’s operational and supply chain practices in accordance with the requirements of the Australian Modern Slavery Act 2018 (Cth) and RUC’s Business Code of Practice Policy.

This statement is applicable to RUC Cementation Mining Contractors Pty Ltd and its entities (referred to collectively as RUC) and will outline RUC’s commitment to identify, respond, and mitigate modern slavery risks in its business operations and supply chain function.

This statement is for the year ended 30 June 2020. References in this statement to ‘year’ or ‘period’ refer to the financial year ended 30 June 2020, unless otherwise stated by RUC.

2 OVERVIEW

Modern Slavery is present in both developing and developed global economies with an estimated 40.3 million global victims of slavery including some 24.9 million in construction, manufacturing, mining, domestic work, utilities and other industries.

RUC as a business and member of the resources industry recognises the right of all people involved in RUC’s supply chain, business operations and wider community to be free of slavery, entrapment, human trafficking, servitude, and other practices that modern slavery encompasses.

This statement will serve as a precursor to what will be the RUC modern slavery framework outlining the processes and tools that are currently in place and continue to be developed via its supply chain function to identify, detect and respond to incidents of modern slavery and human rights abuses.

Through this process led by RUC’s parent company Murray and Roberts, RUC has identified the need to further strengthen its supply chain thus, RUC will continue to develop its method of engagement, pre-qualification, tender / quotation processes, operational and project execution.

3 STRUCTURE, OPERATIONS AND SUPPLY CHAIN

RUC is an Australian mining services contractor delivering shaft sinking, raise drilling, mechanised mining, boxhole boring, ground support, and construction works including a key services center out of Kalgoorlie Western Australia.

3.1 STRUCTURE AND OPERATIONS

RUC's structure and operations comprise:

- RUC Cementation Mining Contractors Pty Ltd
- RUC HK
- Incycle Shotcrete Pty Ltd,
- PT RUC Cementation Indonesia, and
- RUC CEM LLC Mongolia (which covers 30% of GCR Mongolia and 50% of Turan Mining which is RUC's Kazakhstan JV).

As at February 2021 RUC employs 1,500 people – 380 in Australia, 3 in Hong Kong, and 1,117 in Indonesia. RUC also employs several people in Mongolia/ Kazakhstan however, this labour engaged through RUC JV partner (30% and 50% share respectively) therefore these numbers are not reported as those directly and 100% engaged by RUC.

RUC's supply chain currently engages with 603 suppliers and 29 subcontractors across all facets of its business operations.

4 RISKS OF MODERN SLAVERY

RUC Australian operations engage directly via permanent staff, fixed term contract, and enterprise bargaining agreements. This form of engagement in Australia presents a low risk of modern slavery practice. RUC is conscious however that supplier and subcontractor engagement in high risk geographical locations presents a higher risk and therefore continues to develop its supply chain process to mitigate this factor.

RUC operations in Mongolia labour is engaged on fixed term contracts with GCR Mongolia. National labour is sourced by RUC JV partner GIP. All employment contracts comply 100% with local legislation.

RUC operations in Indonesia labour both expatriate and national are engaged on fixed term contracts. All contracts comply with local legislation and RUC exceed the minimum wage rates by a multiple of at least two.

5 ACTIONS TO ADDRESS RISKS OF MODERN SLAVERY

RUC's Business Code of Practice Policy provides for (among other items) fraud, corruption, anti-competitive behavior, unfair business, society and the environment, labour and human rights specifically RUC's commitment to the Modern Slavery Act (Cth). RUC is currently driving supply chain improvement via:

1. Review and update existing RUC policies and procedures to address modern slavery.
2. Develop RUC modern slavery framework including pre-qualification and preferred supplier due diligence via direct engagement with preferred suppliers and subcontractors.
3. Review and assess current RUC supplier list, their area of operations, method of engagement with local or international work force (at risk demographics, refugees or the like).
4. Undertake supply chain charting and identification of potential high-risk suppliers by supplier origin (**Reference to the Global Slavery Index**), screening and qualification.
5. Roll-out RUC wide Request for Quotation and Invitation to Tender inclusive RUC's modern slavery policy and framework.
6. Roll-out RUC wide supplier agreements and subcontracts inclusive of modern slavery clause wording and definition.

7. Develop RUC supply chain continuous improvement roadmap.
8. (reference to the **Global Slavery Index**) Operational activities that may cause or contribute to modern slavery practices due to their use of labour providers and subcontractors in high risk locations and industries.

6 ASSESSING EFFECTIVENESS OF ACTIONS

RUC's current review is to action, improve and streamline its supply chain function inclusive of procurement process and subcontract terms and conditions requiring subcontractors and suppliers to comply with the relevant legislative obligations including those relevant to eliminating modern slavery.

7 CONSULTATION PROCESS

RUC will continue to develop its internal supply chain process and method of engagement. In parallel RUC will continue to review and consult with its partners, entities and clients on the operational side of the business.

This statement was approved by the board of RUC Cementation Mining Pty Ltd on 30 March 2021.

A handwritten signature in black ink, appearing to read 'Barry Upton'.

Barry Upton
Managing Director

18 May 2021