

**Modern Slavery Statement  
Year ended 31 December 2021**

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### Reporting entities covered by this statement

This Modern Slavery Statement, issued pursuant to the *Modern Slavery Act 2018 (Cth)* (the **Act**), for the financial year ended 31 December 2021, is in respect of the following entities, each of which is a reporting entity under the Act:

- Nippon Steel Australia Pty Limited (ACN 001 445 049) (**NSA**);
- Nippon Steel Raw Materials Australia Pty Limited (ACN 001 444 604) (**NSRMA**);
- NS Boggabri Pty Limited (ACN 113 447 313) (**NSB**); and
- NS Moranbah North Pty Limited (ACN 147 288 131) (**NSMN**) (collectively the **NSA Group**).

The above reporting entities are all incorporated in Australia. The registered office for all the reporting entities is Level 14, 115 Pitt Street, Sydney NSW Australia.

This is a joint statement by each of the reporting entities and is the second Modern Slavery Statement of the NSA Group under the Act.

This Modern Slavery Statement describes the risks of modern slavery in the NSA Group's business as well as the actions taken by the NSA Group to assess and address modern slavery risks in its operations and supply chains during the year ended 31 December 2021.

### Overview of structure, operations and supply chains

#### *Structure*

Nippon Steel Corporation (**Nippon Steel**) headquartered in Tokyo, Japan is Japan's largest and one of the world's leading integrated steel producers. Beyond its six steelworks in Japan, Nippon Steel manufactures a wide range of value-added steel products in more than fifteen countries, identifying its strengths in three strategic business fields: high-grade steel products for automobiles; resources and energy; and civil engineering, construction and railways. Nippon Steel also conducts research and development at three major centers, and six laboratories at steelworks, all in Japan.

Nippon Steel has four businesses segments: steelmaking and steel fabrication, engineering and construction, chemicals and materials, and system solutions. The steelmaking business generates close to 90% of revenue, and the other three business segments, which are derived from the steelmaking business, support and generate synergies with the steelmaking business, while providing excellent products and services to society. Nippon Steel employs over 106,500 people globally.

Nippon Steel's Corporate Philosophy is to "Pursue world-leading technologies and manufacturing capabilities and contribute to society by providing excellent products and services." This is achieved through the following guiding management principles:

1. We continue to emphasise the importance of integrity and reliability in our actions.
2. We provide products and services that benefit society and grow in partnership with our customers.

3. We pursue world-leading technologies and manufacturing capabilities.
4. We continually anticipate and address future changes, innovate from within, and pursue unending progress.
5. We develop and bring out the best in our people to make Nippon Steel rich with energy and enthusiasm.

Nippon Steel strives to lead by example in how it conducts its business activities which includes its commitment to combating the risk of modern slavery in its supply chains or in any part of its business.

NSA and NSRMA were originally established in Australia for the purpose of being minority participants in iron ore and coal projects to support Nippon Steel with procuring coal and iron ore for its steelmaking operations.

A summary of the activities of the NSA Group entities activities is set out below:

- **NSA** – The main holding company in Australia for Nippon Steel’s iron ore and coal interests in Australia. In addition to the interests held by its subsidiaries NSMN and NSB (as noted below), NSA also holds the following joint venture interests:
  - direct 12.5% interest in Bulga Coal Joint Venture
  - direct 9.528% interest in Warkworth Joint Venture
  - direct 10% interest in Foxleigh Joint Venture
  - indirect 10.5% interest in Robe River Iron Associates
  - indirect 23% interest in Minas De Revuboe Limitada
- **NSRMA** – Holds an indirect 3.5% interest in Robe River Iron Associates.
- **NSMN** – Wholly owned subsidiary of NSA which holds a 5% interest in the Moranbah North Joint Venture.
- **NSB** – Wholly owned subsidiary of NSA which holds a 10% interest in the Boggabri Coal Joint Venture.

### *Operations*

NSA is the only employing entity in the NSA Group and has 7 employees who are based in Sydney. These employees are responsible for managing the administration of the NSA Group and overseeing the group’s iron ore and coal interests.

A summary of the minority non-operator joint venture interests held by the NSA Group as at 31 December 2021 is set out below:

<b>Joint Venture</b>	<b>Description</b>	<b>Held by</b>	<b>Majority participant</b>
Robe River Iron Associates	Iron ore mining operation in Western Australia	NSA (10.5%) NSRMA (3.5%)	Rio Tinto Plc (53%)
Bulga Coal Joint Venture	Coal mining operation in Hunter Valley, NSW	NSA (12.5%)	Glencore Plc (73%)
Warkworth Joint Venture	Coal mining operation in Hunter Valley, NSW	NSA (9.528%)	Yancoal Australia Ltd (84.5%)
Foxleigh Joint Venture	Coal mining operation in Bowen Basin, Queensland	NSA (10%)	QMetco Limited (70%)
Moranbah North Joint Venture	Coal mining operation in Bowen Basin, Queensland	NSMN (5%)	AngloAmerican Plc (88%)
Boggabri Coal Joint Venture	Coal mining operation in Gunnedah Basin, NSW	NSB (10%)	Idemitsu Kosan Co, Ltd. (80%)
Minas de Revuboe Limitada	Undeveloped mining project in Mozambique	NSA (23.3%)	Talbot Group (58.9%)

The above are all unincorporated joint ventures where the majority participant is also the appointed manager for the relevant project, except for Minas de Revuboe Limitada which is an incorporated joint venture.

### *Supply chains*

The NSA Group has a limited number of direct suppliers. This is because the NSA Group’s business activities are limited to holding non-operator joint venture interests as outlined above.

The NSA Group's direct supply chains relate to the sourcing of goods and services required to manage and oversee the NSA Group's iron ore and coal interests. The main types of goods and services procured by the NSA Group include:

- professional services (legal, accounting/taxation, engineering)
- banking services
- insurance
- office rental
- computer services and equipment
- travel services
- office supplies
- cleaning services
- security services

The NSA Group generally has stable longer-term arrangements with its suppliers and, where appropriate, enters into formal contracts with its suppliers. A majority of the NSA Group's direct suppliers are from Australia.

### **Risks of modern slavery practices**

As explained earlier, the NSA Group has a limited number of direct suppliers as a result of its business activities being limited to holding non-operator joint venture interests. In this context, the NSA Group has assessed its direct supply chains and considers the following to be potential risk areas:

- banking, insurance and professional services (legal, accounting/taxation, engineering)
- office rental
- computer services and equipment
- travel services
- cleaning services
- security services

The level of risk continues to be considered low in these potential risk areas given the NSA Group looks to engage with reputable suppliers that are either globally recognised organisations with Australian operations or local businesses, all of which operate under Australian laws and regulations in the provision of their services to the NSA Group.

Further, through the NSA Group's investments in the iron ore and coal projects noted above, the NSA Group has an indirect exposure for these non-operator joint venture interests in respect of modern slavery. However, as noted earlier, the NSA Group does not operate its joint ventures interests, the joint venture managers have the responsibility to operate the iron ore and coal projects in compliance with relevant laws and regulations. As such, the NSA Group is reliant on the majority participant for the management of the joint venture in respect of the identification and management of modern slavery risks.

### **Actions taken to address modern slavery risks**

#### *Actions at group level*

Based on the United Nations Guiding Principles on Business and Human Rights, Nippon Steel aspires to fulfill its social responsibility by implementing the following nine principles set out in the Nippon Steel Group Code of Conduct:

1. Act with a strong sense of ethical values and in compliance with laws and regulations.
2. Develop and provide socially beneficial, good-quality and safe products and services, thereby earning the satisfaction and trust of our customers.
3. Engage in fair and free competition and proper business practices and maintain a sound and proper relationship with political bodies and government agencies.

4. Actively engage with the public, disclosing corporate information in a fair and proactive manner, while carefully protecting and managing personal data and other types of information.
5. Create a healthy, safe and comfortable work environment, and respect the character and diversity of our employees.
6. Actively contribute, as a member of society, to global environmental preservation and to local communities and society.
7. Reject any relations with antisocial forces and organisations and take a firm stance against all improper demands.
8. Comply with laws and regulations of relevant countries and regions, and respect international norms, cultures and customs in conducting our business operations.
9. Abide by this Code of Conduct and set up an effective mechanism to implement it. If a violation of this Code occurs, act promptly to determine the cause and prevent similar violations in the future and make appropriate public disclosure.

By adhering to the code's nine principles, Nippon Steel conducts business ethically, while paying full heed to human rights issues arising with the increasing globalisation of the economy. Nippon Steel gives due attention to the rights of workers, and staunchly opposes the use of forced or child labor. These are prerequisites of Nippon Steel's corporate activities. Nippon Steel has also prohibited as unjust the discriminatory treatment of workers based on nationality, race, belief, creed, gender, age, sexual orientation, and disability. In addition, Nippon Steel gives careful consideration to the traditions and culture, business practice, and labor practice of each country or region in which Nippon Steel operates.

These principles are adhered to by all Nippon Steel group entities, which includes the NSA Group in Australia.

Nippon Steel considers it important to communicate with stakeholders within and outside the company to deal with human rights risks. In this regard, Nippon Steel publishes annually its' "Integrated Report" which is used to report to stakeholders in respect of its value creation process, current business situation, risks and opportunities, and strategy so that they can have a better understanding of its business. The report also covers social related elements such as human rights.

Further, Nippon Steel has a Compliance Consulting Room to receive notifications or inquiries concerning harassment and other abuse of human rights from the group's employees and family members, and from business partners. This is for Nippon Steel as well as its subsidiary entities, including NSA Group. Notification and consultation from other stakeholders are accepted in the form of responses to an inquiry menu on Nippon Steel's website. Each of these whistleblowing and consultation matters are given appropriate attention, including Nippon Steel providing guidance or training to the related parties, consistent with advice from lawyers and other professionals when needed.

Nippon Steel has also implemented "Employee Action Guidelines" which are the guiding principles for the employees of Nippon Steel entities to follow. These are:

1. *What we strive for:*  
*Creativity, Innovation and Growth*  
We constantly seek self-improvement, pursue ambitious goals with enthusiasm, and continuously challenge ourselves to do better.
2. *What we value most:*  
*Self-empowerment, Workplace and Essentiality*  
We observe rules, keep our promises and pierce to the heart of matters by actively investigating the facts.
3. *What we encourage:*  
*Dialogue, Collaboration and Sharing of Knowledge*  
We build mutual trust through dialogue and collaboration, and seek to pass on our spirit and skills to the next generation. We will be guided by these principles, and act fairly and equitably throughout the world.

A booklet setting out how to apply Nippon Steel's Corporate Philosophy and Employee Action Guidelines is provided to all employees of Nippon Steel group entities, who are then required to confirm annually their understanding and compliance.

### *Actions at an entity level*

NSA as the main operating entity in Australia, monitors and oversees risk management of the NSA Group entities, including the risks of modern slavery. In this regard, as noted earlier, given the size and nature of the operations in Australia, the NSA Group does not have a formal policy in place for directly procuring goods and services, however, the NSA Group considers that the processes in place continue to be appropriate given the activities and risks to the business. The NSA Group also leverages the policies and measures that are implemented globally by Nippon Steel.

The NSA Group seeks to manage its exposure to modern slavery risks by participating in iron ore and coal projects that are operated by well-known and reputable organisations who have strong governance and risk management processes when it comes to environmental, social and governance issues including human rights. Further details on these majority participants for the NSA Group's iron ore and coal interests and their approach to modern slavery is set out below.

#### *Robe River Iron Associates*

As majority participant and manager of Robe River Iron Associates, Rio Tinto manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including the NSA Group. In respect of modern slavery, the following is a link to Rio Tinto's most recent formal statement:

<https://www.riotinto.com/-/media/Content/Documents/Sustainability/Corporate-policies/RT-Slavery-human-trafficking-statement-2020.pdf?rev=5cb2fea89124432e8829961e0b78f9b0>

#### *Bulga Coal Joint Venture*

As majority participant and manager of Bulga Coal Joint Venture, Glencore manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including the NSA Group. In respect of modern slavery, the following is a link to Glencore's most recent formal statement:

<https://www.glencore.com/dam/jcr:031b5c7d-b69d-4b66-824a-a0d5aff4ec91/2020-Modern-Slavery-Statement.pdf>

#### *Warkworth Joint Venture*

As majority participant and manager of Warkworth Joint Venture, Yancoal manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including the NSA Group. In respect of modern slavery, the following is a link to Yancoal's most recent formal statement:

[https://www.yancoal.com.au/content/Document/2020%20Modern%20Slavery%20Statement\\_FINAL.pdf](https://www.yancoal.com.au/content/Document/2020%20Modern%20Slavery%20Statement_FINAL.pdf)

#### *Foxleigh Joint Venture*

As majority participant and manager of Foxleigh Joint Venture, QMetco manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including the NSA Group. In respect of modern slavery, the following is a link to QMetco's most recent formal statement:

<http://www.qmetco.com.au/site/file/109/view/210527QMetcoSlaveryReportstatementboard.pdf>

#### *Moranbah North Joint Venture*

As majority participant and manager of Moranbah North Joint Venture, AngloAmerican manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including the NSA Group. In respect of modern slavery, the following is a link to AngloAmerican's most recent formal statement:

<https://modernslaveryregister.gov.au/statements/file/09b455da-99f3-411b-a231-d1b6112f3e5b/>

### Boggabri Coal Joint Venture

As majority participant and manager of Boggabri Coal Joint Venture, Idemitsu manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including NSA Group. In respect of modern slavery, the following is a link to Idemitsu's most recent formal statement:

<https://modernslaveryregister.gov.au/statements/file/88fb7e46-1d34-4e01-927c-ef4a3332eb1d/>

### Minas de Revuboe Limitada

As majority participant and manager of Minas de Revuboe Limitada, Talbot Group manages risks to the joint venture through the supply chain on behalf of the joint venture participants, including NSA Group. Talbot Group does not have a publicly available statement as at the date of this report however the Revuboe project has published on its website various policies including those related to human rights:

<https://www.revuboe.com/sustainability/policies/>

## **Assessing the effectiveness of actions taken**

The NSA Group is reliant on Nippon Steel and the majority participants for its iron ore and coal projects to assess the effectiveness of actions undertaken to respond to modern slavery risks with respect to the NSA Group's supply chain and operations.

The NSA Group recognises that its actions to identify and address modern slavery risks is an ongoing and evolving process. To this end, the NSA Group has undertaken the following actions during the year ended 31 December 2021:

- Reviewing internal reporting prepared by the majority participants and participating in joint venture meetings to understand the actions they have taken on behalf of the joint venture participants to manage modern slavery risks.
- Reviewing information that is made publicly available by the majority participants in relation to modern slavery, including statements they have lodged with Australian Border Force during the period.
- Ensuring that the procurement process for goods and services directly obtained by the NSA Group is in accordance with NSA Group policies and consulting with Nippon Steel as required.
- Identifying by value the significant direct suppliers to the NSA Group and undertaking a review of these suppliers to understand what policies they have in place with respect to modern slavery.
- Local senior management for the NSA Group has undertaken a refresher on Modern Slavery awareness by completing all relevant online training made available by Australian Border Force.

No significant concerns were identified during the year ended 31 December 2021 as a result of these actions.

## **Process of consultation**

During the reporting period this statement covers, NSA actively engaged and consulted with the entities comprising the NSA Group (as set out on page 1 of this statement). This included the Board of Directors of NSRMA, NSB and NSMN approving this statement prior to it being finalised by NSA.

## **Other information**

The NSA Group continues to assess the potential impacts of COVID-19 on its operations and supply chain as it relates to modern slavery. Although we acknowledge the elevated risks imposed on vulnerable populations, the NSA Group's standard governance processes and policies have not been impacted in a way that would affect its ability to address and manage potential modern slavery risks.

The NSA Group is committed to managing the ongoing risks in its business including those related to modern slavery. Whilst no significant changes were required during the year ended 31 December 2021, the NSA Group will continue to evaluate and refine its approach and risk management policies, as required, to ensure that it is appropriately assessing and monitoring the modern slavery risks in its supply chains.



This modern slavery statement was approved by the Board of Directors of each of the four reporting entities covered by this statement on 02 June 2022.

This modern slavery statement is signed by Keigo Gohda as Managing Director of Nippon Steel Australia Pty Limited on 02 June 2022.

A handwritten signature in black ink, appearing to be "Keigo Gohda", written in a cursive style.

**Keigo Gohda**  
Managing Director - Nippon Steel Australia Pty Limited